



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

Tuesday, January 17, 2017

Council Chambers, Crested Butte Town Hall

The times are approximate. The meeting may move faster or slower than expected.

6:00 WORK SESSION

Center for the Arts

7:00 REGULAR COUNCIL MEETING CALLED TO ORDER BY MAYOR OR MAYOR PRO-TEM

7:02 APPROVAL OF AGENDA

7:04 CONSENT AGENDA

- 1) January 3, 2017 Regular Town Council Meeting Minutes.
- 2) Resolution No. 2, Series 2017 - Resolutions of the Crested Butte Town Council Adopting a Policy of the Town Council Regarding the Leasing of Non-Residential Municipal Properties.
- 3) Resolution No. 3, Series 2017 - Resolutions of the Crested Butte Town Council Authorizing the Town of Crested Butte to Apply for a State of Colorado, Department of Local Affairs (DOLA) Energy Impact Program Grant for the Funding for the Construction of the Town's Wastewater Treatment Plant Improvements.
- 4) Resolution No. 4, Series 2017 - Resolutions of the Crested Butte Town Council Appointing Creative District Commissioners.
- 5) Fat Bike World Championships Special Event Application and Special Event Liquor Permit for Saturday, January 28, 2017 at Town Ranch, Parking Lot, and the Gravel Pit Area from 6AM to 7PM.
- 6) Authorization for Mayor to Sign Audit Engagement Letter with Chadwick, Steinkirchner, Davis & Co., P.C.

The listing under Consent Agenda is a group of items to be acted on with a single motion. The Consent Agenda is designed to expedite Council business. The Mayor will ask if any citizen or council member wishes to have any specific item discussed. You may request that an item be removed from Consent Agenda at that time, prior to the Council's vote. Items removed from the Consent Agenda will be considered under New Business.

7:07 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.

7:12 STAFF UPDATES

7:25 PUBLIC HEARING

- 1) Ordinance No. 12, Series 2016 - An Ordinance of the Crested Butte Town Council Amending Chapter 6 of the Crested Butte Municipal Code to Include New Regulations in Article 6 Thereof for the Licensing of Vacation Rentals and Defining Vacation Rentals in Chapter 16.

8:35 NEW BUSINESS

- 1) Discussion and Possible Approval of the 31st Annual Alley Loop Nordic Marathon Special Event Application and Special Event Liquor Permit for Saturday, February 4, 2017 Located at Elk Avenue and 2nd Street and Pub Ski Proposed for Friday, February 3, 2017 with a Proposed Closure of Elk Avenue from 1st Street to 3rd Street as well as Closures for the Race Route through Saturday, February 4 at 4PM.

8:50 2) Update from Chris Larsen, Transit Manager of Mountain Express.

9:00 3) Ordinance No. 1, Series 2017 - An Ordinance of the Crested Butte Town Council Authorizing the Lease of Various Town Residential Properties (Units 1, 2 and

3, Town Ranch Apartments; 808 9th Street; 812 Teocalli Avenue; 814 Teocalli Avenue; and 19 9th Street, Crested Butte, Colorado) to Various Town Employees.

9:10 LEGAL MATTERS

9:15 COUNCIL REPORTS AND COMMITTEE UPDATES

9:25 OTHER BUSINESS TO COME BEFORE THE COUNCIL

9:35 DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE

- Monday, February 6, 2017 - 6:00PM Work Session - 7:00PM Regular Council
- Tuesday, February 21, 2017 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, March 6, 2017 - 6:00PM Work Session - 7:00PM Regular Council

9:40 EXECUTIVE SESSION

1) For the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators, under C.R.S. Section 24-6-402(4)(e) regarding the (i) Center for the Arts; and (ii) transactions with Freeport-McMoRan, Inc.

2) For a conference with the Town Attorney for the purpose of receiving legal advice on specific legal questions under C.R.S. Section 24-6-402(4)(b).

10:40 ADJOURNMENT

RESOLUTION NO. 15**SERIES 2015****RESOLUTIONS OF THE CRESTED BUTTE
TOWN COUNCIL ACKNOWLEDGING THE
TOWN COUNCIL'S PLEDGE TO THE
CENTER FOR THE ARTS IN CONNECTION
WITH THE CENTER'S EXPANSION OF ITS
FACILITIES ON TOWN PROPERTY**

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;

WHEREAS, Section 4.7 of the Crested Butte Town Charter provides that the Council may act, other than legislatively, by resolutions;

WHEREAS, the Crested Butte community desires expanded arts facilities located in Crested Butte, which such facilities would be sufficient to accommodate, among other things, performance theaters, outdoor concerts space, multipurpose community space, visual arts workshops and display space, office and administrative space and support space;

WHEREAS, by Resolution No. 6, Series 2006; Resolution No. 15, Series 2009; and Resolution No. 15, Series 2015 (collectively, the "**Support Resolutions**"), the Town Council expressed its support for such expansion, provided that financial viability, scale and architecture within the unique context of Crested Butte, impacts of traffic and parking, availability of facilities to pedestrian and transit access and the conservation of existing community facilities and amenities are addressed to the satisfaction of the Town in connection with such expansion;

WHEREAS, the Center for the Arts (the "**Center**") has requested that the Town Council pledge funds and in-kind services totaling \$1,000,000.00 in support of the Center's efforts to expand its arts facilities in Town Park by replacing the existing Center facilities with new, modern facilities; and

WHEREAS, the Town Council desires to pledge funds and in-kind services totaling \$1,000,000.00 in support of the Center's efforts to expand and replace its existing arts facilities in Town Park, such funds and in-kind services being important in the effort to expand its arts facilities and such expansion being in the best interest of the health, safety and welfare of the Town, its residents and visitors.

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

1. **Findings.**

- 1.1 The arts serve an important public purpose.

1.2 The arts play an important role in creating a healthy, vibrant community, rich in diversity of creative artistic experiences.

1.3 Expanding and replacing the Center's existing facilities in Town Park will greatly enhance the growth of these creative artistic experiences.

1.4 The Town pledging funds and in-kind services to the Center will assist the Center in its efforts to expand and replace its existing arts facilities in Town Park.

1.5 Expanding and replacing the Center's existing arts facilities are in the best interest of promoting the arts and thus support the health, safety and welfare of the Town, its residents and visitors.

1.6 The Center is an economic driver and expanding the Center's capacity will create economic benefit for the Town.

2. **Pledge; No Multi-Year Fiscal Obligation.**

2.1 The Town hereby agrees to pledge \$1,000,000.00 in good and available funds and in-kind services, as allocated by the Town Council in its sole and absolute discretion, subject to the terms hereof (the "**Pledge**"). The maximum cash contribution shall be \$500,000.00 and shall come from the Sales Tax Fund – Interest Reserve. The Town shall provide the Pledge funds and services only upon the Town Council's satisfaction that the Center's expansion and replacement of the existing Center arts facilities is prepared to break ground, with funding sufficient to complete the project as approved by the Town and only following the Center entering into construction and facilities lease agreements with the Town Council and a review of the facility operation pro forma data.

2.2 Notwithstanding anything in these Resolutions to the contrary, (i) nothing contained in these Resolutions shall constitute a pledge of the full faith and credit of the general tax revenues, funds or moneys of the Town except the amount appropriated for the purpose of making payments hereunder during the current fiscal year, (ii) the Town is not obligated hereby to make any payments in any fiscal year beyond the fiscal year for which funds are appropriated for the payment thereof or to make payments from any funds of the Town other than funds appropriated for the payment of current expenditures, (iii) all payment obligations of the Town under these Resolutions, including, without limitation, the Town's obligation to pay the Pledge funds, are from year-to-year only and do not constitute a multiple fiscal-year direct or indirect financial obligation of the Town, (iv) the agreement hereunder to pay the Pledge funds is subject to annual renewal and such agreement to pay shall be terminated upon the occurrence of an event of non-appropriation and, in such event, (x) all payments from the Town under these Resolutions shall terminate, and (y) the Center expressly waives hereby all remedies and claims against the Town in connection therewith.

3. **Construction and Lease Arrangements.** The Center shall enter into such construction and facilities lease agreements with the Town Council before commencing with construction, such arrangements contemplating, without limitation, sureties, insurance, 99-year lease term, minimum operating reserves and audit.

4. **Town Ownership.** The improvements the Center is causing to be constructed shall become appurtenances to Town-lands and become Town-owned structures at or before completion as agreed to by the parties.

5. **License Agreement.** Prior to the Center conducting any activities on Town property in connection with the expanding and replacing the Center's existing arts facilities (i.e., boring, testing, etc.), the Center shall enter into a license agreement with the Town permitting such activities. Such license agreement shall be approved by the Town Council pursuant to Section 31-15-713, C.R.S.

6. **Public Purpose; No Partnership.** The transactions contemplated in these Resolutions shall be structured by the parties to serve a public purpose. No partnership shall be deemed to exist between the Town and the Center.

7. **Support Resolutions.** The Support Resolutions shall remain in full force and effect and shall be complied with as if the terms thereof were stated verbatim herein.

INTRODUCED, READ AND ADOPTED BEFORE THE TOWN COUNCIL OF THE TOWN OF CRESTED BUTTE, COLORADO THIS 01st DAY OF July 2015.

TOWN OF CRESTED BUTTE, COLORADO

By: *Aaron J. Huckstep*
Aaron J. Huckstep, Mayor

ATTEST:
Lynelle Stanford
Lynelle Stanford, Town Clerk



Town of Crested Butte

1/17/2017 Work session



The New Crested Butte Center For the Arts



The New Crested Butte Center for the Arts

- Introduction

- We here to:

- offer an update on our progress on the new building
 - Share the project challenges and concerns
 - Look for collaborative solutions

- We are not here to:

- Ask for the Town to Fund our Campaign
 - Ask for what we do not have committed
 - Ask for changes to our community commitment

The New Crested Butte Center for the Arts

- Commitment
 - Fiscal responsibility – accountability
 - Good business
 - Begin construction as soon as possible
 - Good faith
 - Complete construction as soon as possible
 - Good practice

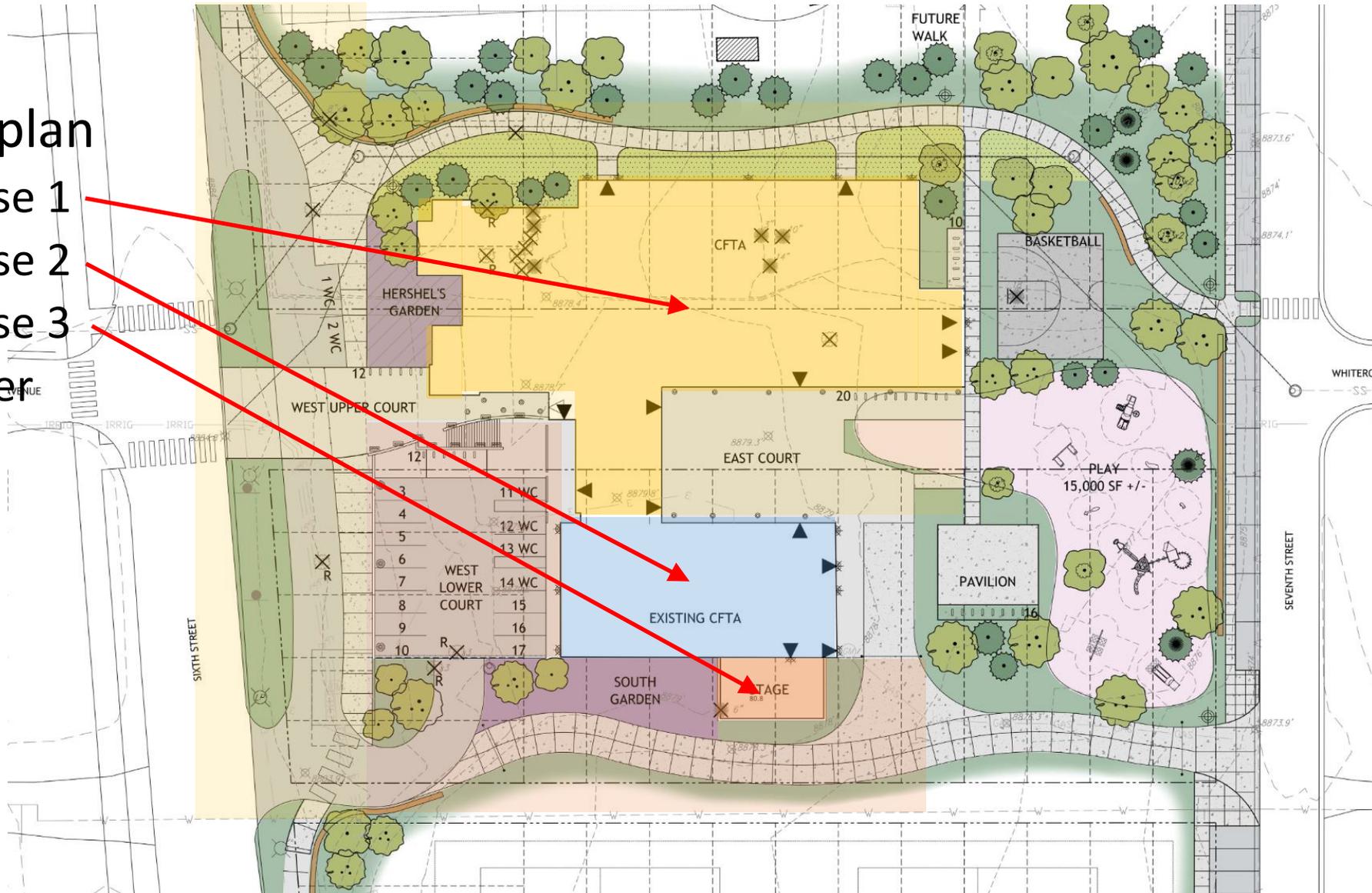


The New Crested Butte Center for the Arts

- Commitment
 - Fiscal responsibility – accountability
 - Reuse of the existing Theatre
 - Reduction in size
 - Flexibility of use
 - Begin construction as soon as possible
 - Ground breaking in Spring of 2017
 - Complete (phase 1) construction as soon as possible
 - Steel July / August 2017
 - Topping out October 2017
 - Ribbon Cutting 2018

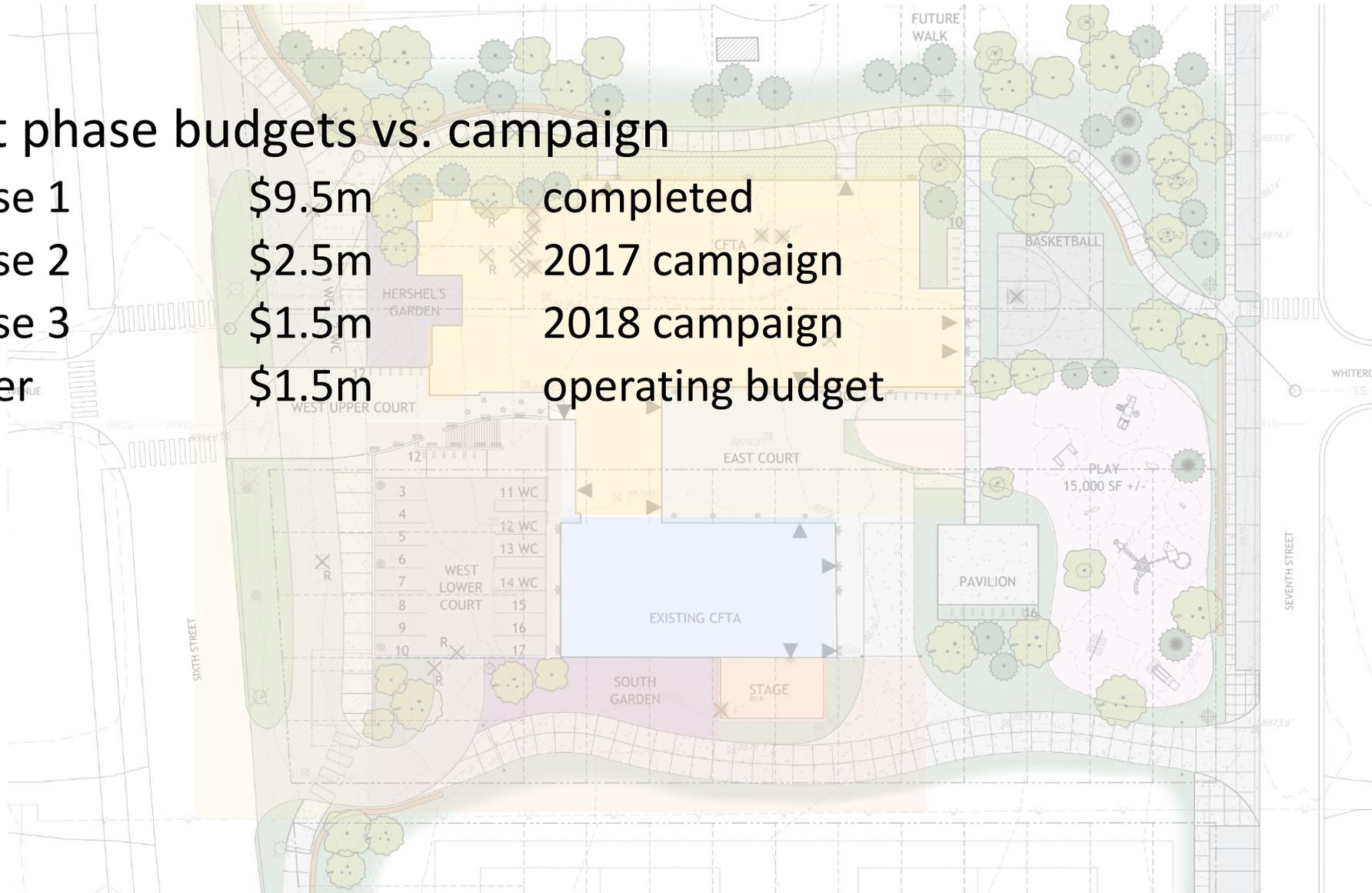
The New Crested Butte Center for the Arts

- Phase plan
 - Phase 1
 - Phase 2
 - Phase 3
 - Other

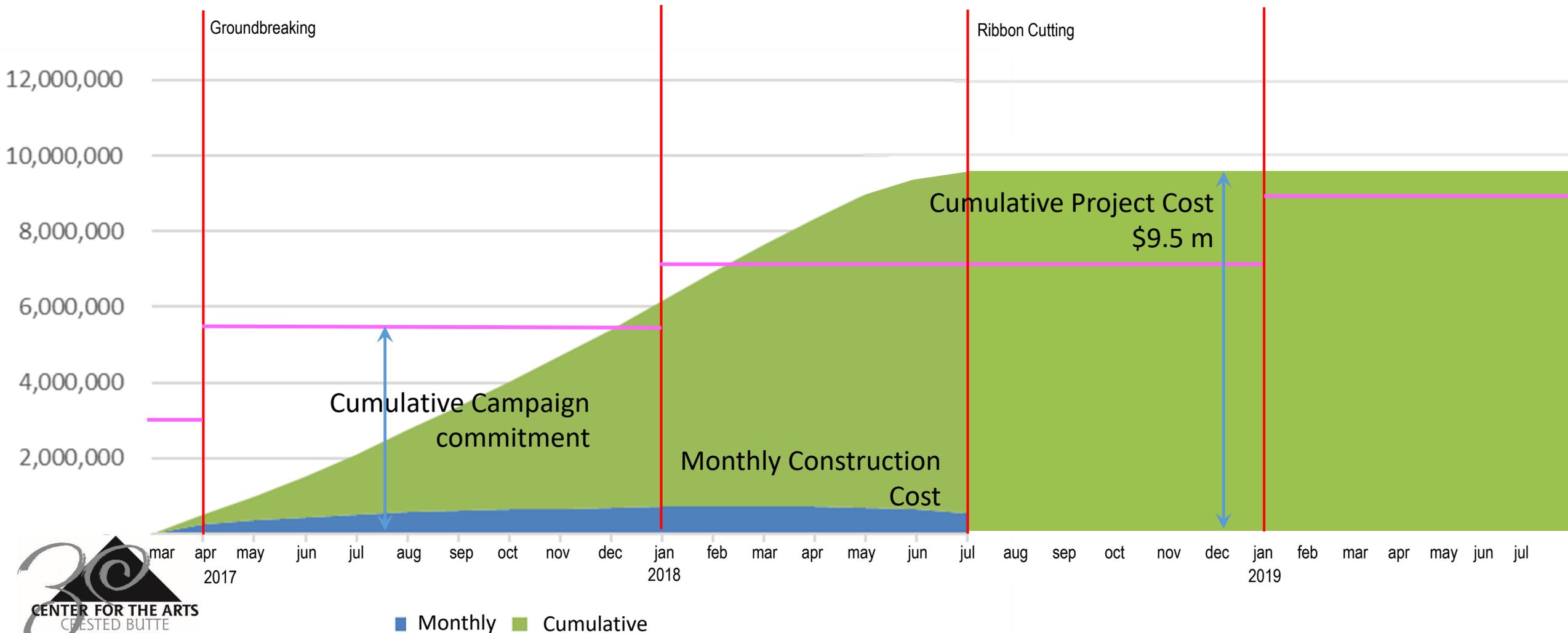


The New Crested Butte Center for the Arts

- Project phase budgets vs. campaign
 - Phase 1 \$9.5m completed
 - Phase 2 \$2.5m 2017 campaign
 - Phase 3 \$1.5m 2018 campaign
 - Other \$1.5m operating budget

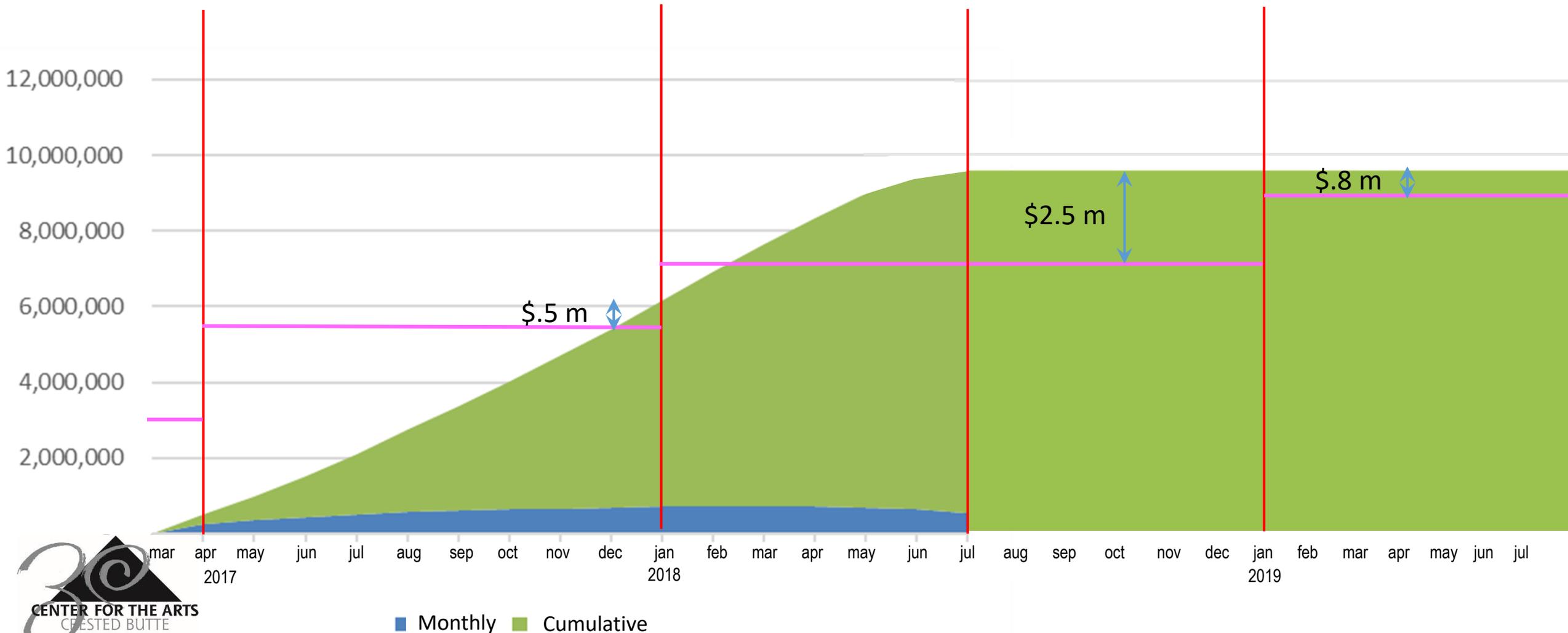


Monthly & Cumulative Cash Flow



■ Monthly ■ Cumulative

Monthly & Cumulative Cash Flow



■ Monthly ■ Cumulative

Cash Flow Mitigation

- **Mitigation Strategies**

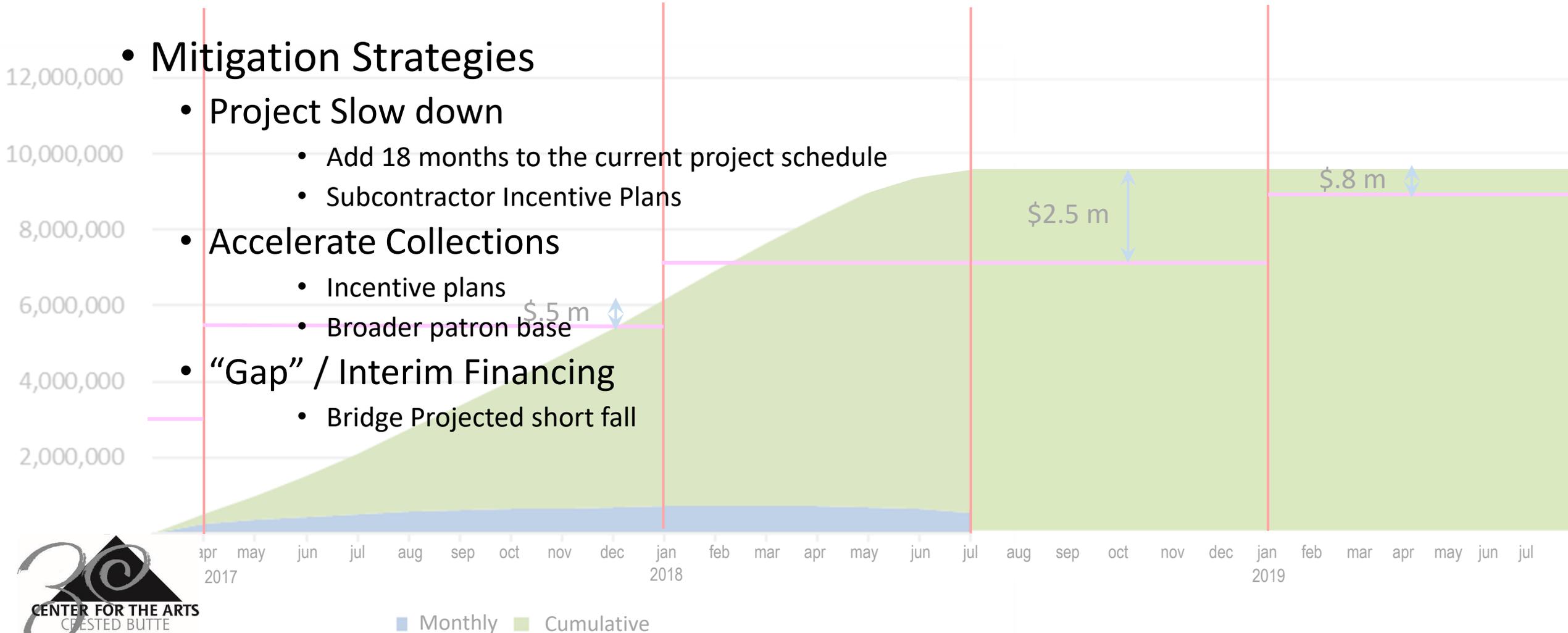
- **Project Slow down**
 - Add 18 months to the current project schedule
 - Subcontractor Incentive Plans

- **Accelerate Collections**

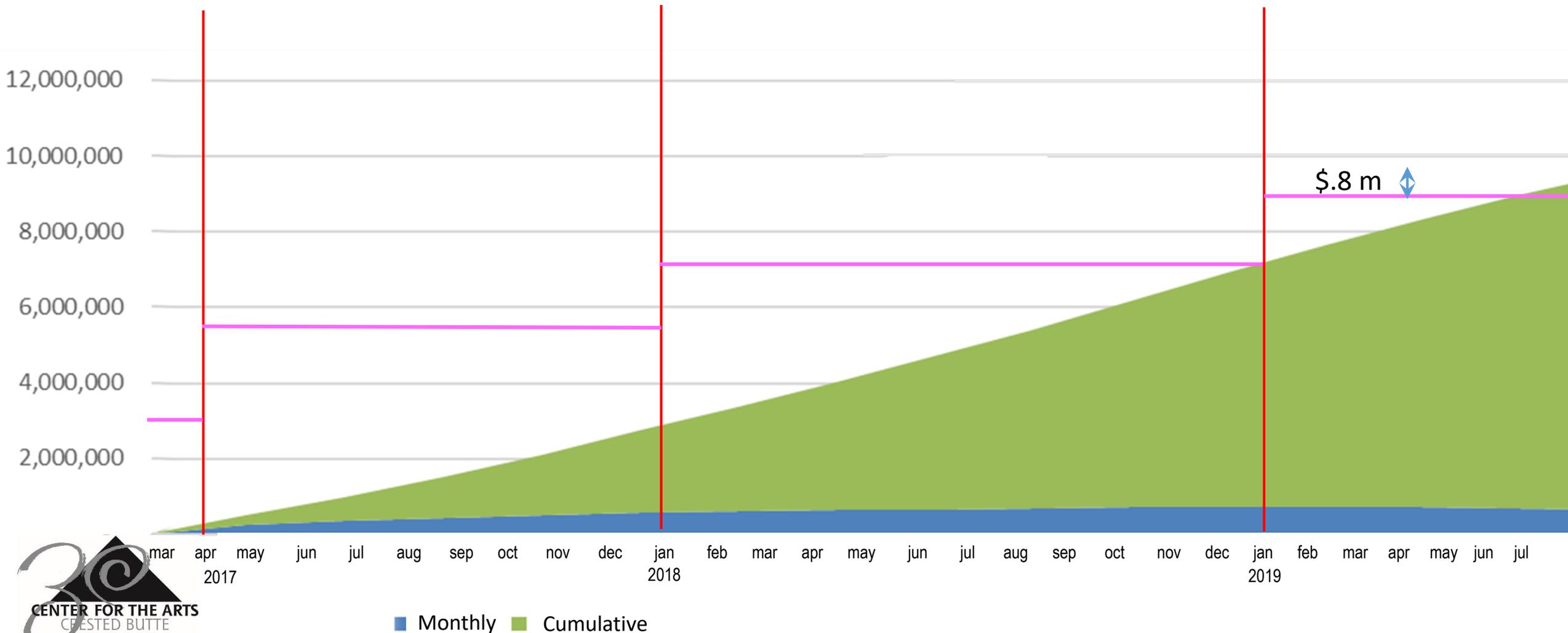
- Incentive plans
- Broader patron base

- **“Gap” / Interim Financing**

- Bridge Projected short fall



Project Slowdown – 36 month of construction



■ Monthly ■ Cumulative

Funding Options to Facilitate Timeline

- Direct funding arrangement with the Town
 - Most efficient and affordable option
- Tax-exempt financing
 - Cost benefit of tax exemption
 - Considerations: timing and costs of documentation
- Conventional financing
 - Higher taxable interest rate
 - Considerations: bank requirements

For the Council's Consideration

- The Crested Butte Center for the Arts asks that the Council considers various funding options in order to facilitate the timely completion of the proposed work in the Town Park.
- To that end, the Center commits to the following:
 - Review with the Town staff to discuss and recommend the best approach
 - Review and approval of the project / campaign status prior to the advancement of any subsequent project phase
 - The assurance that the Town property, leased by the Center, will remain Town Property
 - The assurance that the Center will retain its non profit status and community focused mission
- To return to the Council, at the Feb 6th meeting, to present the findings / recommendations of the Town Staff and Center working group.

MINUTES
Town of Crested Butte
Regular Town Council Meeting
Tuesday, January 3, 2017
Council Chambers, Crested Butte Town Hall

Mayor Michel called the meeting to order at 7:10PM.

Council Members Present: Jim Schmidt, Chris Ladoulis, Roland Mason, Laura Mitchell, and Paul Merck

Staff Present: Town Manager Dara MacDonald and Town Attorney John Belkin

Chief Marshal Mike Reily, Town Planner Michael Yerman, Parks and Recreation Director Janna Hansen, Public Works Director Rodney Due, Building and Zoning Director Bob Gillie, and Town Clerk Lynelle Stanford (all for part of the meeting)

APPROVAL OF THE AGENDA

Michel stated that Belkin requested an Executive Session for a conference with the Town Attorney for the purpose of receiving legal advice on specific legal questions under C.R.S. Section 24-6-402(4)(b) be added to the end of the meeting.

Ladoulis moved and Merck seconded a motion to approve the agenda. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

CONSENT AGENDA

1) December 19, 2016 Regular Town Council Meeting Minutes.

2) Resolution No. 1, Series 2017 - 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.

Merck moved and Schmidt seconded a motion to approve the Consent Agenda. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

PUBLIC COMMENT

Cathy Steinberger

- Questioned why Town didn’t restrict parking on one side of Elk Avenue to reduce the congestion. Due normally discussed with the Marshals and Mountain Express, and they would close one side if it became such that busses couldn’t get through.

STAFF UPDATES

Rodney Due

- Crews would be plowing every night this week, and they would be pulling banks next Monday.

Lynelle Stanford

- Mentioned the upcoming special event, 12th Night Celebration, on Friday, January 6 at the Chamber parking lot.
- The next meeting would also be on a Tuesday.

Janna Hansen

- They had their first meeting, collectively with the steering committee, for expansion of hockey and Nordic uses at Big Mine. The hope was to come to the Council in a future work session.
- Town received a letter from Law of the Rockies regarding the Heights Open Space on behalf of the homeowners. The attorney advised no access to the slope at all. Immediate ramifications were closures at Big Mine Park. Ice arena activities could continue, and she explained areas that were affected by avalanche danger.

Mike Reily

- Worked with CBMR and their event staff to get a feel for upcoming events.
- The Marshals Office was experiencing an increased workload and a lot of towing. He urged all to park properly.

PUBLIC HEARING

1) Ordinance No. 12, Series 2016 - An Ordinance of the Crested Butte Town Council Amending Chapter 6 of the Crested Butte Municipal Code to Include New Regulations in Article 6 Thereof for the Licensing of Vacation Rentals and Making Such Other Recommended Changes to the Code in Connection Therewith.

Michel confirmed proper public notice was given, and he read the title of the ordinance. Michel explained that tonight was a public hearing. Gillie stated this ordinance was the same ordinance Council considered at first reading with the change to limit to 120 nights from 180 nights. Schmidt questioned zoning and unlimited short-term rentals (STRs). Gillie explained that as the Code was written, current zoning allowed unlimited STRs in certain zones. Out of 255 STR licenses, 199 occurred in an area that unlimited rentals were allowed under current zoning. Gillie talked about conforming uses and how they became non-conforming. MacDonald further explained non-conforming uses and transferability of licenses, including the trigger not to continue with unlimited would be stopping that use. Michel reminded that people could do unlimited 30-day block rentals. Schmidt thought that 30 days was a State definition. MacDonald clarified that the ordinance followed the committee's recommendations on zone districts. She explained the limit was applicable per residential unit.

Michel opened the public hearing to public comment.

Schmidt acknowledged that Council received a lot of letters on both sides of the issue.

Eric Davis - 311 1st Street

- He lived in the B4 Zone, which wasn't acknowledged on the map that was handed out at the meeting. It needed to be corrected.
- MacDonald pointed out that B4 was included on the list that would allow STRs.
- Gillie clarified Davis's assertion in that B4 used to be B3.

Nicole Blaser

- She started renting out her home in 2009. Her home was not in the green zone, referring to the map that was handed out.
- Could potentially lose her home. Renting was how she afforded it.
- It was unclear how limiting the number of nights opened up homes for long-term rentals.
- Michel explained the zones and zoning. If her home were not located in the green zone, she would fall under the limitation.

Dan Escalante - 28 Whiterock #6

- There were different impacts from different types of housing situations.
- The limit needed to be lower than they thought to have an effect.
- He suggested there were no caps, but at a certain number of nights the house became a commercial entity.
- Incentivize.
- He gave Michel credit for his idea of unlimited rentals in April and November.

Steve Ryan - 75 Escalante

- Announced there was a State law since 1981 that prohibited municipalities from controlling rents on properties.
- Rental income was a function of rental rates and time. Council would be controlling time with a limitation, and they were then in the rent control business.
- He reported on information he learned from Telluride.
- He implored the Council to slow down and implement health and safety standards and to revisit once they had data.

Cathy Steinberger - 615 Elk

- She confirmed there was no limit proposed on the number of licenses.
- She asked how they would manage it.

Mark Alling - 818 Sopris

- He echoed Escalante, that at a certain number, a home went from being a residence to a commercial entity.

- 120 days still opened the door for 120 different residents, which didn't seem to be a residential use.

Harvey Castro - 712 ½ Maroon

- When a property changed hands, they had neighbors that became friends and then family. When homes were rented, that didn't happen.
- If they allowed a license to be transferred they were creating a deed enhancement.
- Do not allow transfer of business to the next owner.
- Gave examples of property managers' lack of accountability to include trashcans left out and parking.
- He suggested payment in lieu of parking.
- To answer issues brought up by Castro, Michel referenced Section 6-6-170 (Parking Required), and Schmidt referenced Section 6-6-90 (No Transfer) from the ordinance.

Molly Murfee - 124 ½ Maroon

- Felt like there was a difference between a local renting out occasionally and someone buying a property as an investment.
- Most STRs were owned by people from out of town.
- Had to make decisions based on stewardship of the land.
- Re-upping licenses made sense. Michel confirmed a business license had to be renewed annually.

Roman Kolodziej - 102 Horseshoe

- Didn't want his town full of strangers.
- He had trouble with hiring people, and the primary reason was housing.
- His question was on the methodology of the ordinance. Michel explained they couldn't create a tax above and beyond what covered administration without going to the voters.
- Look into tiering the cost of entry.

Hilary Henry - 708 Belleview

- Wanted to maintain the fabric of the community and keep places for people to live.
- A 120-day limit wasn't enough, but it could limit the community's economic viability.
- There were better options than the limit on days.
- To maintain sense of community they had to make sure that people lived in Town.

Margot Levy - 118 7th Street, Unit G

- She assumed the Council read her letter to the editor.
- She wanted to understand the price tag of a STR. She asked what the dollar amount was for the BOLT, fees, and pillow tax. Gillie thought the pillow tax and sales tax came to around 16.5%. Ladoulis added that the fee would be based on

the cost to administer the program. Michel, amidst discussion, explained the pillow tax was relevant to how many people the residence slept.

John Hess - 325 Sopris

- He estimated there were 2,500 units north of Round Mountain that were either second homes or STRs.
- He liked the idea of taxing units as commercial spaces.
- They should only allow STRs in places that were primary residences.
- He suggested they ask voters in November to tax the units and use the funds for affordable housing.

Sue Navy - 324 Gothic

- Asked what percentage of houses in Town to which the limit would apply.
- A 90-day limit was three times the limit of Telluride, and people would buy homes to live in rather than renting them out.
- She listed regulations she thought had positive effects.
- They could choose to not let the community slip away.
- She asked Council to stand up for the community.

Dale Kramer - 609 4th Street

- Tourists should not stay in homes.
- Future licenses should be restricted to a low number of licenses or nights.
- Maybe they would see increased demand to build a hotel or lodge.

Alex Fenlon - 307 8th Street

- If they were not limiting the number of licenses, there was not a need for a new employee.
- He couldn't believe they were rolling back restrictions, especially in the T Zone. He asked them to consider that exemption.
- He echoed Escalante and Kramer and asked why they didn't zone STRs as commercial businesses.
- Best part of the discussion had been talking about the need for affordable, long-term housing.
- Defend your citizens.
- Those who lived in the product wanted tighter restrictions.

Molly Eldridge - 122 Riverbend Drive

- She was active in the local realtors' association. She was able to work with the national association to review the proposed ordinance.
- The biggest things they were running up against were private property rights.
- She thought it was interesting about the required local contact person, and she saw safety issues for that person.
- They noticed the part of notifying neighbors in a certain area, which could harm relations.

- The ordinance didn't address if licenses were not granted, and the Town Manager had a lot of say and leeway.
- She thought the question remained of what they were trying to solve.
- Michel read Section 6-6-150 (Local Contact) from the ordinance.

Jim Starr - 323 Gothic

- He seconded what Fenlon said, and the map provided at the meeting changed the whole picture.
- They shouldn't be looking at 120 days; he suggested 50 days.
- People were required to maintain two parking spaces off-street, which wouldn't accommodate ten people. Tighten up parking.
- The properties should be classified as commercial.
- The transfer issue remained.
- They were seeing the progression of losing the community.
- He read values from the agenda.
- More and more people who lived here were leaving in July.
- The quality of life was being impacted in this community.

Mindy Sturm

- She implored the Council to be careful with legislation that would be hard to govern and had a lot of confusion.
- If they didn't know what they wanted to accomplish, it was a good reason not to enact legislation.
- Knew people who would have to sell if they couldn't rent out their properties.

Roman Kolodziej

- Questioned the mechanism built into the ordinance to identify problem properties and deny renewals. Michel told him ordinance addressed neighborhood notification.

Nicole Blaser

- She wanted to reiterate that they consider differently locals that survived by renting.

Michel closed the public hearing, and it was opened to Council discussion.

Schmidt asked about transfers and whether the number of days went with the property. MacDonald clarified between a license and use. MacDonald explained that if the use was not utilized for six months or more they would then be subject to the limitation. Michel identified that it was the Code that was determining, not the current ordinance. MacDonald said the existing zoning allowed unlimited STRs, and Town simply couldn't put a stop to it. Belkin explained that Town's zoning was different, and the playing fields looked different.

Michel asked about rent control. Belkin said it was virtually impossible to provide a clear black and white answer. Michel brought up the notion they were stepping on personal property rights. Belkin named a law firm in Connecticut that determined that the way the ordinance was structured, it avoided stepping on property rights. Michel answered the question of why they couldn't impose a tax and that Town would have to go to the voters directly. Ladoulis asked about grandfathered use, and MacDonald explained.

Schmidt was disappointed in the greed. He said they weren't trying to control rent; they were trying to control use. He would vote for a 120-day limit. Mitchell was comfortable with 120 days in the other zones. Michel asked if anyone had an issue with anything else in the ordinance, other than the number of nights. Ladoulis heard the valid concern that the M and T Zones satisfied an element not addressed in R1. He could be inclined to be more restrictive in the M and T Zones. Mason wondered what going down to 90 days would accomplish. He liked Michel's idea of unlimited rentals during off-season times. He wanted to make sure people couldn't come in and buy blocks to rent out. 120 days was a good avenue for them to start, and everything else in the ordinance needed to be in place. Ladoulis could be comfortable with the 90-day limitation. Michel supported the limit of 90 days, and he was fine with the rest of the ordinance. Merck recognized that if a person couldn't pass the grade, they would be eliminated. He thought they were moving towards higher restraints, and they could pass the ordinance. Michel reiterated he wanted to stick with the 90-day limitation.

Michel asked if they wanted to move forward, or if they wanted to continue the public hearing. Belkin advised that they could revise the ordinance. However, he had not reviewed the comments from the real estate people on the rent control law. He also reminded them that the zoning was different from other communities. Merck thought they should take time to discuss further. Ladoulis acknowledged the issue was around the number of days. Belkin confirmed they could make changes to the Code in the future. MacDonald recognized the struggle was that there was not a well-established legal framework, and there was not a lot of case law. Belkin pointed out they were grappling with big issues.

Michel reviewed the three options for the Council to move forward. MacDonald reminded the public hearing had been closed, and they were not required to take more public comment. For example, they could continue for additional legal analysis. Schmidt referred to 16-14-90 (Limitation on Vacation Rentals), numbers 2 and 4. He would not allow in the T Zone, but he was okay with the M Zone. Ladoulis agreed, but his concern was they should open up to public comment. Mason agreed with Ladoulis.

Schmidt moved and Mitchell seconded a motion to continue the hearing to January 17 and that they limit the public discussion to number of days and whether or not T Zone, Blocks 55 and 37, be excluded or not from potential vacation rentals. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

2) Ordinance No. 20, Series 2016 - An Ordinance of the Crested Butte Town Council Authorizing the Purchase of 721 Butte Ave, Unit 1, Town of Crested Butte for a Purchase Price Not to Exceed \$105,000.00.

Schmidt recused himself, and he left the room.

Yerman informed the Council that nothing had changed. Michel confirmed proper public notice was given. Yerman was aware that there were liens on the property, and \$105,000.00 was the maximum sales price.

Michel opened the public hearing. There were no comments from the public. Public comment was closed, and the meeting was opened to Council discussion. There was no Council discussion.

Mason moved and Mitchell seconded a motion to approve Ordinance No. 20, Series 2016. A roll call vote was taken with all voting, “Yes,” except for Schmidt who had recused himself and did not vote. **Motion passed unanimously.**

NEW BUSINESS

1) Discussion of Waste Water Treatment Plant Scope and Funding Presented by Rodney Due, Public Works Director.

Due explained background on the DOLA grant. Town received \$400K of \$1M that was requested, so he bifurcated the project. They planned to move forward with the project, but Town would be using reserves. Mason asked if Town was on the hook for \$400K. Due explained the funding, sources, and the project. Mason asked about the reserves. Due thought they could handle the \$400K. MacDonald said that Rozman was comfortable, and Due said the State was, too. Due explained for Schmidt who the contractors were that he expected to bid.

2) Discussion on Policy for Leasing of Town Owned Properties Presented by Dara MacDonald, Town Manager.

MacDonald included a draft policy in the packet. Schmidt offered to recuse himself, and it was agreed it was not needed. MacDonald reviewed the questions that were in her staff report. Michel heard from renters that it seemed fair. There were no additional comments. No one on the Council voiced disagreement to the policy when polled.

LEGAL MATTERS

None

COUNCIL REPORTS UPDATES AND COMMITTEE UPDATES

Jim Schmidt

- The Housing Committee selected a search firm.

OTHER BUSINESS TO COME BEFORE THE COUNCIL

Merck brought up a safety issue he saw at Anthracite Place concerning a large piece of ice that fell and almost hit someone entering the building. Yerman stated that it was up to the Gunnison Valley Housing Authority. MacDonald agreed to inquire about what they intended to do with the expectation they would mitigate.

Schmidt asked about the retreat and the facilitator. MacDonald said they had spoken to Marv Weidener, who was specifically not a group psychologist. He would be submitting a proposal.

Ladoulis asked about Big Air on Elk. Stanford had not heard anything regarding an application.

DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE

- Tuesday, January 17, 2017 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, February 6, 2017 - 6:00PM Work Session - 7:00PM Regular Council
- Tuesday, February 21, 2017 - 6:00PM Work Session - 7:00PM Regular Council

Yerman stated they were awarded a GOCO Grant for the Crested Butte to Carbondale trail, and there was an upcoming work session.

Michel reminded the Council they needed to decide on Vinotok. Ladoulis wanted the next work session to be specific around fire construction. MacDonald recognized the question lingered regarding the goal of what they were trying to achieve. Ladoulis suggested that Town take over construction of the bonfire. Michel said that more structure was needed in the work session. Ladoulis thought the work session could address how Town should manage the fire. Belkin countered that Town shouldn't be in the business of constructing fires. Mason said that they needed to schedule another work session, and then Vinotok should be on the regular agenda the same meeting.

Ladoulis added that KBUT had their 30-year anniversary party.

EXECUTIVE SESSION

Michel read the reason for the Executive Session: for a conference with the Town Attorney for the purpose of receiving legal advice on specific legal questions under C.R.S. Section 24-6-402(4)(b).

Schmidt moved and Ladoulis seconded a motion to go into Executive Session for the reason stated by the Mayor. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

The Council went into Executive Session at 10:07PM. Council returned to open meeting at 10:51PM. Mayor Michel made the required announcement before returning to open meeting.

ADJOURNMENT

Mayor Michel adjourned the meeting at 10:51PM.

Glenn Michel, Mayor

Lynelle Stanford, Town Clerk (SEAL)



Staff Report

January 17, 2017

To: Mayor and Town Council
From: Dara MacDonald, Town Manager
Subject: Resolution 2017-02, Policy regarding the leasing of non-residential municipal properties

Summary: The objective is to have Council adopt a policy that staff can rely on to negotiate leases with tenants of municipally owned, non-residential properties.

Previous Council Action: Council discussed the leasing of municipal property at a work session on December 5th. You considered a draft of this policy during the regular meeting on January 3, 2017. At that time the Council indicated they were comfortable with the policy as drafted and directed staff to bring it back for adoption.

Background: The Town has 26 unique tenants in 14 locations. Of these 26, there are 16 organizations or individuals who currently occupy Town-owned buildings or properties whose leases are expired. Expiration dates of these leases ranges from 2001 to 2013. Lease rates vary as do expectations for responsibility for payment of utilities and repairs and maintenance. Lease rates vary from \$0 to \$7,200 per year. All tenants are current on payment under the terms of the now expired leases. The Council has directed staff to pursue negotiating new leases for current occupants whose leases have expired.

Lease agreements serve to clarify roles and responsibilities and insurance requirements at a minimum. The advantages of a written lease are generally considered to be certainty and clarity for both parties. The lease sets the amount of rent and deposit as well as length of tenancy. A lease spells out the obligations of the tenant and landlord including expectations for insurance and maintenance. The proposed resolution establishes a policy around the leasing of public property to provide staff with direction in negotiating leases now and in the future.

Financial Implications: The Town pays the utilities for most of the properties that are rented out. Several tenants do reimburse the Town for some or all of the utility expenses. The Town pays an estimated \$17,250 annually for utility expenses for rental properties for which the Town is not reimbursed. In addition, the Town maintains property insurance coverage for each property and incurs expenses for snow removal, landscaping and routine maintenance at many of the locations.

Capital costs vary significantly from year to year. In 2016 the Town invested \$90,200 in these properties for things like painting, staining, siding replacement, boilers, carpet and heating controls. In 2017, the budget includes \$74,000 in capital projects at rental properties. For the 17 expired leases, the Town collects \$25,519 in rental income annually. For the 9 current leases, the Town collects an additional \$10,107 annually.

In speaking with local property managers, town staff have found comps for commercial office space in the range of \$2.25 sq. ft. to \$11.00 sq. ft. per year. We found comps for retail space on Elk Ave to range from \$12.00 sq. ft. to \$27.00 sq. ft.

The Town's current and expired leases for commercial office space range from \$0.003 sq. ft. to \$0.123 sq. ft. per year. Leases for non-office commercial space ranges is \$0.001 sq. ft. per year and the town lease for retail space is \$0.006 sq. ft.

Recommendation: Staff recommends adopting a policy to guide negotiations for leases in the future.

Proposed Motion: Motion to approve Resolution No. 2, Series 2017 as part of the Consent Agenda.

RESOLUTION NO. 2**SERIES 2017****RESOLUTIONS OF THE CRESTED BUTTE TOWN COUNCIL ADOPTING A POLICY OF THE TOWN COUNCIL REGARDING LEASING NON-RESIDENTIAL MUNICIPAL PROPERTIES**

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;

WHEREAS, Section 4.7 of the Crested Butte Town Charter provides that the Council may act, other than legislatively, by resolution;

WHEREAS, the Town staff has worked with Town Council on the creation of a policy for leasing non-residential municipal properties (the "**Policy**");

WHEREAS, at the Town Council meeting on January 3, 2016, the Town Manager presented the Policy to the Town Council;

WHEREAS, during such presentation, the Town Manager recommended that the Town Council adopt the Policy;

WHEREAS, the Town Council has reviewed the Policy and approves the leasing policies set forth in the Policy for leasing non-residential municipal properties; and

WHEREAS, based on the presentation by the Town Manager, the Town Council finds that the Policy and its proposed leasing policies for leasing non-residential municipal properties is in the best interest of the health, safety and welfare of the Town, its residents and visitors.

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

The Town Council approves and adopts the Policy attached hereto as **Exhibit "A,"** the leasing policies contained therein for leasing non-residential municipal properties being in the best interest of the health, safety and welfare of the Town, its residents and visitors.

INTRODUCED, READ AND ADOPTED BEFORE THE TOWN COUNCIL OF THE TOWN OF CRESTED BUTTE, COLORADO THIS __ DAY OF _____ 2017.

TOWN OF CRESTED BUTTE, COLORADO

By: _____
Glenn Michel, Mayor

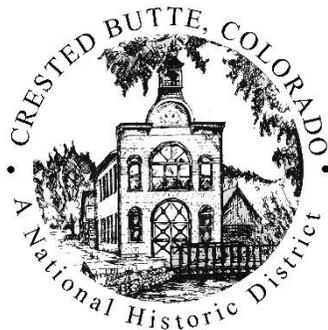
ATTEST:

Lynelle Stanford, Town Clerk

(SEAL)

EXHIBIT "A"
(Leasing Policy for Non-Residential Municipal Properties)

[attach Policy here]



LEASING OF NON-RESIDENTIAL MUNICIPAL PROPERTY POLICY

Introduction or Purpose:

The Leasing of Non-Residential Municipal Property Policy (the “Policy”) of the Town Council of the Town of Crested Butte (the “Town”) is established to provide guidance to staff in negotiating leases with tenants who wish to occupy non-residential municipally owned property.

Municipally owned property is held in trust by the Town for the residents and voters that make up the citizenry of Crested Butte. The Town has an obligation to manage those properties not utilized for municipal purposes for the benefit of the citizens. This may be reflected through the preservation of important historic structures, through support of community not for profits, and through responsible financial management of the assets.

The Town incurs expenses annually to maintain and operate a variety of non-residential properties throughout the community. The broad objective of the Town’s lease rate structure is to adequately cover the costs of routine operations and maintenance and some portion of anticipated capital improvements on municipally owned non-residential rental properties.

The Town also recognizes the importance of not for profit organizations and government organizations with a mission to serve the community. It is the intention of the Town to make its unused non-residential properties available first to community not for profit entities. These organizations provide valuable services and enrichment to the community and are powered by volunteers and donors from the community. Accordingly, the Town desires to facilitate funding assistance to not for profits serving the Crested Butte community by providing rental space for these types of organizations at below market rental rates.

Scope:

The Policy applies to the leasing of municipally owned, non-residential property. The Policy provides guidance to staff in negotiating and proposing lease agreements. Lease agreements are subject to review and approval by the Town Council.

Policy:

The Town should execute and maintain current leases with all occupants of municipally owned property. The advantages of a written lease are to provide certainty and clarity for both parties. The lease sets the amount of rent and deposit as well as length of tenancy. A lease spells out the obligations of the tenant and landlord including expectations for insurance and maintenance.

Recognizing the value that not for profit entities bring to the community, the Town Council would like to make its unused non-residential spaces available first to those types of organizations. The

Council welcomes the opportunity to continue some of the long-standing owner/tenant relationships that exist between the Town and community not for profits that exist as of the adoption of this Policy.

Lease terms shall generally be offered to not for profits for five years with an automatic five year renewal. If, after adequate advertising, no not for profit entity expresses an interest in a location, such location may be leased to an individual or for profit entity. The term of leases to individuals or for profit entities should be for no more than three years after which time the location should again be advertised to see if there are any not for profits who would like to lease the space.

Lease rates for not for profit entities should be established at rates that, at a minimum, cover the expenses incurred by the Town to operate and perform annual maintenance for each location. The difference between the lease rate and market rate should be reflected in the lease agreement such that the tenant, Town and community are cognizant of the subsidy being provided by the Town. Lease rates for individuals or for profit entities should be set at an average of comparable market rates.

Tenants of municipally owned property shall not be permitted to sublet the properties. This will be explicitly stated in each lease.

Because, at the time of adoption of the Policy, so many tenants do not have current leases and are paying little or no rent, a ‘ramp up’ period should be provided for the first three years for current not for profit tenants. No rate increase should be expected for 2017, with modest increases in 2018 and 2019 until lease rates reach \$2 to \$6 per sq. ft. per year, depending on the location and whether or not utilities are paid by the Town.

Town staff shall periodically (not less than every 5 years) review comparable property lease rates in the community.

Attachments:

- Lease Agreement Checklist

Approvals:

Date	Name	Resolution #
	Town Council	

Revision History:

Version	Date Revised	Reason for Change

**Crested Butte municipal properties
Lease Rates Sliding Scale
Updated December 2016**

Square Footage		Tenant Fit	
		A	B
up to	199	\$ 1.20	\$ 2.20
200 to	499	\$ 1.00	\$ 2.00
500 to	999	\$ 0.80	\$ 1.80
1000 to	1999	\$ 0.60	\$ 1.60
2000 to	2499	\$ 0.40	\$ 1.40
>	2500	\$ 0.20	\$ 1.20

Range of Monthly Lease Payments Based on Tenant Fit and Space Needs

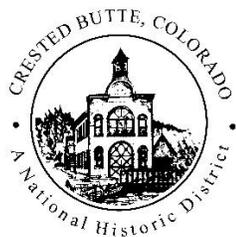
A Tenant		B Tenant	
Low	High	Low	High
\$ -	\$ 239	\$ -	\$ 438
200	499	400	998
400	799	900	1,798
600	1,199	1,600	3,198
800	1,000	2,800	3,499
500		3,000	

Tenant Fit Definitions	
A	Not for Profit or Government entity
B	Individuals or for profits

Range of Lease Payments Based on Tenant Fit and Space Needs - Annual

A Tenant		B Tenant	
Low	High	Low	High
\$ -	\$ 2,866	\$ -	\$ 5,254
2,400	5,988	4,800	11,976
4,800	9,590	10,800	21,578
7,200	14,393	19,200	38,381
6,000	-	36,000	-

For Profit organizations will be responsible for property taxes to comply with requirements related to possessory interests in a public, non-taxable property.



Staff Report

January 17, 2016

To: Mayor and Town Council
Thru: Dara MacDonald, Town Manager
From: Rodney E. Due, Director of Public Works
Subject: Energy and Mineral Impact Assistance Program Application
Date: January 11, 2017

SUMMARY: The Town Public Works Department will be applying for funding assistance from the Colorado Department of Local Affairs (“DOLA”) energy impact assistance fund (EIAF) grant for additional funding assistance for the Construction of the wastewater treatment plant upgrades scheduled for construction in the spring of 2017. The Town will be asking DOLA for \$200,000 to help with the construction of the upgrades in 2017. The total estimated cost of the construction is \$3,300,000.

Background: The Town received \$90,000 in funding assistance from DOLA for the design of the wastewater treatment plant upgrades in 2016. The Town requested \$1,000,000 in funding assistance through a Tier II EIAF grant in August of 2016 for the construction of the upgrades in 2017. The Town only received \$400,000 in funding assistance of the \$1,000,000 it requested from DOLA. Town staff is now looking into bifurcating the project into 2 phases, and applying for another DOLA grant in the February grant cycle to help offset the total cost of the 3.3 million dollar project.

Phase one will include the construction of a new biological treatment process, and replacing the existing UV disinfection system. The estimated cost of phase 1 is \$2,900,000. To cover the cost of phase 1 the Town intends on increasing the ask from the State Revolving Fund (SRF) from 2.3 million to the maximum ask of 2.5 million. The Town will use the \$400,000 from the EIAF Tier II grant to cover the difference. Phase 2 will include replacing the mechanical bar screen and grit collection system. The estimated cost of Phase 2 is \$400,000. The Town will apply for another EIAF Tier I grant in the amount of \$200,000 with a 50% match of \$200,000 from the Enterprise Fund reserves to cover the cost of phase 2 during the February grant cycle.

The project is designed to maintain permit compliance, and to meet future effluent limits. The upgrades of the treatment plant are based on the design be provided by FEI Engineers, Inc. The proposed upgrades to maintain permit compliance include; replacing the mechanical bar screen and grit collection system (that are at the end of their useable life), construction of a new biological treatment process (currently no redundancy, and unable to take off line for maintenance or cleaning), and replace the existing UV disinfection system (no longer serviced by the

manufacturer, and has no redundancy as required by CDPHE Policy WPC-DR-1). The new treatment process will also help the system achieve future compliance with Regulation 85 nutrient requirements.

Recommended Action:

Staff recommends a motion “to approve Resolution No. 3, Series 2017, Resolutions of the Crested Butte Town Council authorizing the Town of Crested Butte to apply for a State of Colorado, Department of Local Affairs (DOLA) Energy Impact Program grant for the Funding for the construction of the Town’s Wastewater Treatment Plant Improvements” as part of the Consent Agenda.

Proposed Motion: Motion to approve Resolution No. 3, Series 2017 as part of the Consent Agenda.

RESOLUTION NO. 3**SERIES 2017****RESOLUTIONS OF THE CRESTED BUTTE TOWN COUNCIL AUTHORIZING THE TOWN OF CRESTED BUTTE TO APPLY FOR A STATE OF COLORADO, DEPARTMENT OF LOCAL AFFAIRS (DOLA) ENERGY AND MINERAL IMPACT PROGRAM GRANT FOR THE FUNDING FOR THE PHASE II CONSTRUCTION UPGRADES OF THE TOWN'S WASTEWATER TREATMENT PLANT IMPROVEMENTS**

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;

WHEREAS, Colorado Revised Statutes §29-1-201 et seq. and other applicable law authorize local governments to cooperate and contract with other units of government to make the most efficient and effective use of their powers and responsibilities;

WHEREAS, the State of Colorado, Department of Local Affairs (DOLA) has available grant funds to be provided under DOLA's Energy and Mineral Impact program for the purpose of the construction of Phase II upgrades to the Town's wastewater treatment plant;

WHEREAS, DOLA is responsible for the disbursement of such funds to successful applicants therefor;

WHEREAS, the Town staff desires to apply with DOLA for such grant funds for the purpose of constructing Phase II upgrades to the Town's wastewater treatment plant, and for such reason, recommends that the Town apply for such grant funds;

WHEREAS, the Town Council desires to apply with DOLA for the reasons listed by the Town staff, and hereby instructs the Town staff to so apply in order to enable the Town to construct upgrades to the Town's wastewater treatment plant; and

WHEREAS, the Town Council hereby finds that it is in the best interest of the health, safety and general welfare of the citizens and visitors of Crested Butte for the Town to apply for grant funds from DOLA under DOLA's Energy and Mineral Impact program for the purpose of receiving funds from DOLA for the construction of Phase II upgrades to the Town's wastewater treatment plant.

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

1. **Findings.** The Town Council hereby finds that is in the best interest of the Town to apply for DOLA grant funds from DOLA’s Energy and Mineral Impact program for purposes of causing funds for the construction of Phase II upgrades to the Town’s wastewater treatment plant to be provided under DOLA’s Energy and Mineral Impact program.

2. **Authorization of Town Manager.** Based on the foregoing findings, the Town Manager is hereby authorized to apply for the grant funding from DOLA’s Energy and Mineral Impact program for the reasons stated above. Should any formal contract be required for the receipt of such funds, such contract shall be delivered to the Town Council for approval upon recommendation therefor by the Town Manager.

INTRODUCED, READ AND ADOPTED BEFORE THE TOWN COUNCIL THIS ____ DAY OF _____, 2017.

TOWN OF CRESTED BUTTE, COLORADO

By: _____
Glenn Michel, Mayor

ATTEST

Lynelle Stanford, Town Clerk

(SEAL)



Staff Report

January 17, 2017

To: Mayor and Town Council

Thru: Dara MacDonald, Town Manager

From: Michael Yerman, Director of Planning

Subject: **Appointment of Creative District Commissioners**

Background:

The Town Council passed Ordinance 14, Series 2015 establishing the Creative District Commission. The Creative District Commission shall be comprised of 9 members. (1) Member of Town Council shall serve as Council liaison. Council member Paul Merck was appointed to this position. There are three members that represent the Creative Sector of the Crested Butte and four members that represent the community at large shall be appointed to 3 year terms. This year there are currently two openings on the Commission. Resolution 4, Series 2017 appoints the following two commissioners to the terms identified below:

Emily Rothman	3 year Term Expiring on January 1, 2020
Sooner McKay	1 Year Term Expiring on January 1, 2018

Recommendation: A motion to approve Resolution 4, Series 2017 for the Creative District Commission appointments and terms as part of the Consent Agenda.

RESOLUTION NO. 4**SERIES 2017****RESOLUTIONS OF THE CRESTED BUTTE TOWN
COUNCIL APPOINTING CREATIVE DISTRICT
COMMISSIONERS**

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;

WHEREAS, the Town was designated a Certified Colorado Creative District in 2016;

WHEREAS, the Town Council, by Ordinance 14, Series 2015, created the Crested Butte Creative District Commission (the "**CBCDC**") and in doing so also set terms for Commissioner appointments;

WHEREAS, the CBCDC has interviewed new Commissioner applicants and has made a recommendation on the appointment of two new Commissioners; and

WHEREAS, the Town Council desires to appoint two new Commissioners for the terms defined below, such appointments being the best interest of the health, safety and welfare of the residents and visitors of Crested Butte.

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

Findings; Appointment. The Town Council hereby appoints the following members of the public as Commissioners of the CBCDC for the following terms, such appointments being the best interest of the health, safety and welfare of the residents and visitors of Crested Butte:

Emily Rothman: 3 year term expiring on January 1, 2020

Sooner McKay: 1 year term expiring on January 1, 2018

INTRODUCED, READ AND ADOPTED BEFORE THE TOWN COUNCIL THIS ____ DAY OF _____, 2017.

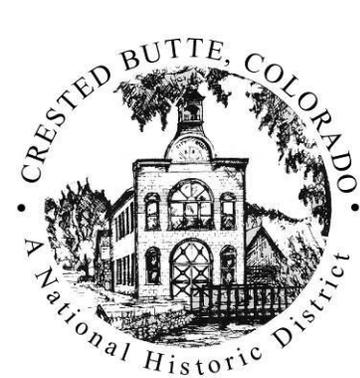
TOWN OF CRESTED BUTTE, COLORADO

By: _____
Glenn Michel, Mayor

ATTEST

Lynelle Stanford, Town Clerk

(SEAL)



Staff Report

January 17, 2017

To: Mayor and Town Council
Thru: Dara MacDonald, Town Manager
From: Lynelle Stanford, Town Clerk
Subject: **Fat Bike World Championships Special Event Application and Special Event Liquor Permit**
Date: December 28, 2016

Summary:

The Fat Bike World Championships are proposed to take place from Thursday, January 26 through Sunday, January 29, 2017 at various venues. The special event application and special event liquor permit are relevant only to Saturday, January 28, 2017. The event organizer, Eliza Cress, on behalf of the Crested Butte/Mt. Crested Butte Chamber of Commerce, submitted a special event application for the use of the Town Ranch and gravel pit areas. The Nordic Center permitted the use of the East Side Nordic trails for the event. The Town's properties that would be affected are Town Ranch, the parking lot, and the gravel pit area. Set up would begin at 6AM, the race would start on the Nordic trails at 11AM, and break down would be completed by 7PM.

It has been confirmed that the proposed liquor permitted area is 500 feet from the school's property boundary. Security would be present to secure the event boundaries, control entrances and exits and to check IDs.

Recommendation:

Approve the Fat Bike World Championships special event application and special event liquor permit.

Recommended Motion:

Motion to approve the Fat Bike World Championships special event application and special event liquor permit as part of the Consent Agenda.

**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: Fat Bike World Championships

Date(s) of Event: January 26-29, 2017

Name of Organization Holding the Event ("Permittee"): Crested Butte/Mt. Crested Butte Chamber of Commerce

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

Name of Event Organizer: ELIZA CRESS

Phone: 970 349 6438

Cell Phone: 413 455 7972

E-Mail: director@cbchamber.com

Fax Number: _____

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

Phone: _____ Cell Phone: _____ E-Mail: _____

Mailing Address of Organization Holding the Event: PO Box 1288, CB, CO, 81224

Email Address of Organization: director@cbchamber.com Phone Number: 970 349 6438

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

See attached Event Schedule

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): January 28, 2017
11 am - 4 pm
Total Time (including set-up, scheduled event, break-down & clean-up): 6 am - 7 pm
Expected Numbers: Participants: 300 Spectators: 300

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

If No, Why Not: _____

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

If Yes, Describe: There will be an announcer & music (not live).

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? Some, will work with Waste Management

What recyclable products will be generated at the event? " "

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 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:

We will have both trash & recycling at the event.
We plan to work with waste management.

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):

We will hire security to secure the event boundary. Security will also check IDs upon entry & beer purchase.

Describe Plan for Parking: Participants will park at the Crested Butte Community School.

Describe Plan for Portable Toilets and/or Restrooms: We will work with Gunnison Construction to provide bathroom facilities.

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): We will need assistance with snow removal behind CBCS to Town Ranch similar to last year.

Will Your Event Require Any Road Closures Yes / No

If Yes, Explain in Detail Streets Closures and Times of Closures:

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

If Yes, Explain Impact:

Will Your Event Affect Any Handicap Parking Spaces Yes / 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:

The community will be notified using the various platforms for communication the chamber currently uses.

Does Your Event Include a Parade Yes / 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

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) Yes / No

If yes, please write two sentences below describing the event in the exact wording it will appear on the calendar:

Join us for the second annual Fat Bike World Championships. Don't miss out on the best event of the winter season! Races, demos, parties and fat bike fun!

Contact Name & Phone Number for the Calendar: Chamber of Commerce (970) 349 6438

Event Fee for the Calendar: see website Website for More Info: cbfatbikeworlds.com

Additional Applicant Comments: Thank you for your continued support of the Chamber of Commerce and our desire to draw visitors from outside the valley to participate in the best fat bike festival of the year!

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

ELIZA CRESS

Print Name Clearly /


Signature of Applicant (Permittee)

11/7/16

Date

Application is Approved: _____ Date: _____





SECOND ANNUAL FAT BIKE WORLD CHAMPIONSHIPS JANUARY 25-29, 2017-CRESTED BUTTE, COLORADO

EVENT SCHEDULE

Wednesday, January 25th:

Kick-Off party

Location- Brick Oven Pizzeria (Elk Ave & 3rd St.)

Thursday, January 26th:

North Village

Location- Gothic Rd. 2 miles beyond Crested Butte Mountain Resort on the left

11:00am

Race Start

12:00-3:00pm

Grilled Food & Beer (on location, Parking Lot)

4:00pm

Awards

6:00pm

Montanya's Rum Distillery After Party

212 Elk Ave, Crested Butte, CO

1st drink FREE

Friday, January 27th:

Demo Day

Location- Gothic Rd. 2 miles beyond Crested Butte Mountain Resort on the left

10:00-3:30pm

Free Demo fat bikes available

5:00pm

Avalanche Bar & Grill After Party/Dinner

15 Emmons Rd, Crested Butte, CO

FREE beer

8:00pm

Crested Butte Center for the Arts Concert

606 6th Street, Crested Butte

The Wailers

Saturday, January 28th:

East Side/Town Ranch

Location- Town Ranch, Recreation Trails, Park at Crested Butte Community School
and follow sign to check-in and event venue

(818 Red Lady Ave. Southeast corner of Crested Butte)

11:00am

Race Start

1:00pm

Food and Beer available (FREE for competitors)

3:00pm

Race Ends

6:00pm

Awards and Concert at Bonez Tequila Bar & Grill

130 Elk Ave. Crested Butte

Sunday, January 29st:

Crested Butte Mountain Resort

Location- Park at North Village, on fat bikes follow signs to Goldlink Chairlift

10:00am

Fat bike riders allowed to load lift

3:00pm

Last chairlift for all fat bikers

All day

Umbrella Bar offers FREE beer to event participants

OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE OF FACT OF GOOD STANDING

I, Wayne W. Williams, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

Crested Butte / Mt. Crested Butte Chamber of Commerce

is a

Nonprofit Corporation

formed or registered on 12/29/1980 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 19871420932 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 01/06/2017 that have been posted, and by documents delivered to this office electronically through 01/09/2017 @ 09:41:16 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 01/09/2017 @ 09:41:16 in accordance with applicable law. This certificate is assigned Confirmation Number 10008927 .



Wayne W. Williams

Secretary of State of the State of Colorado

*****End of Certificate*****

Notice: A certificate issued electronically from the Colorado Secretary of State's Web site is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's Web site. <http://www.sos.state.co.us/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our Web site, <http://www.sos.state.co.us/> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."

APPLICATION FOR A SPECIAL EVENTS PERMIT

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 | |

LIAB	TYPE OF SPECIAL EVENT APPLICANT IS APPLYING FOR:
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

DO NOT WRITE IN THIS SPACE
 LIQUOR PERMIT NUMBER

1. NAME OF APPLICANT ORGANIZATION OR POLITICAL CANDIDATE <i>Crested Butte / Mt. Crested Butte chamber of commerce</i>		State Sales Tax Number (Required) <i>523 864</i>	
2. MAILING ADDRESS OF ORGANIZATION OR POLITICAL CANDIDATE (include street, city/town and ZIP) <i>PO Box 1288, 601 Elk Ave Crested Butte, CO, 81224</i>		3. ADDRESS OF PLACE TO HAVE SPECIAL EVENT (include street, city/town and ZIP) <i>Town Ranch / East side 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>[Signature]</i>	<i>02/3/77</i>	<i>10 Shavano ^{Crested Butte} CO 81224</i>	<i>970 209 2219</i>
5. EVENT MANAGER <i>ELIZA CROSS</i>	<i>4/10/91</i>	<i>602 4th Street, ^{Crested Butte,} Colorado, 81224</i>	<i>413 455 7972</i>
6. HAS APPLICANT ORGANIZATION OR POLITICAL CANDIDATE BEEN ISSUED A SPECIAL EVENT PERMIT THIS CALENDAR YEAR? <input type="checkbox"/> NO <input checked="" type="checkbox"/> YES HOW MANY DAYS? <i>1</i>		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	Hours	From	To	Date	Hours	From	To	Date	Hours	From	To	Date	Hours	From	To
<i>1/28/17</i>															
	<i>11</i>	<i>a.m.</i>			<i>5</i>	<i>p.m.</i>									

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 *[Signature]* TITLE *President* DATE *11/15/16*

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)	<input type="checkbox"/> CITY <input type="checkbox"/> COUNTY	TELEPHONE NUMBER OF CITY/COUNTY CLERK
SIGNATURE	TITLE	DATE

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

LIABILITY INFORMATION

License Account Number	Liability Date	State	TOTAL
		<i>-750 (999)</i>	<i>\$</i>

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 :

Signature: [Signature] Date: 1/02/16
Name (Printed): MICHAEL REEVE

Conditions/Restrictions/Comments:
SECURITY AS LAST YEAR? -> OK!

Public Works:

Signature: [Signature] Date: 12/7/2016
Name (Printed): Rodney E Dye

Conditions/Restrictions/Comments:
OK Can we schedule a meeting the week of the 16th of Jan to go over expectations.

Parks and Recreation:

Signature: [Signature] Date: 12/16/16
Name (Printed): Janna Hansen

Conditions/Restrictions/Comments:
All good

Town Clerk:

Signature: [Signature] Date: 1-4-2017
Printed Name (Printed): Lynelle Stanford

Conditions/Restrictions/Comments:
[Signature]

Town Manager:

Signature: [Signature] Date: 1/4/2017
Printed Name (Printed):

Conditions/Restrictions/Comments:

FAT BIKE WORLD CHAMPIONSHIPS (JAN 26-29, 2017) 54

Crested Butte Fire Protection District:

W Scott Winner 12/29/16
Signature Date

Printed Name (Printed)

Conditions/Restrictions/Comments:

Good Luck w/ your
Event !!

Mt. Express Bus Service:

[Signature] 12/16/16
Signature Date

Printed Name (Printed)

Conditions/Restrictions/Comments:

No impact on mt

Official Use Only:

Application Received 12-5-2016 Date Distributed _____

Council Date (if applicable) _____

Approval Date _____ Method of Approval: Administratively By Town Council

Approval Contingencies _____

Application fee \$ 25 Check # 3405 Date Paid 12/1/16

Permit Fee \$ 200 Check # 3405 Date Paid 12/1/16

Local Liquor License Fee \$ 25 Check # 3405 Date Paid 12/1/16

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

Additional Fee _____ Check # _____ Date Paid _____

Clean Up Deposit \$ 200 Check # 3405 Date Paid 12/1/16 Date Returned: _____



Staff Report

January 5, 2017

To: Mayor and Town Council
Thru: Dara MacDonald, Town Manager
From: Lois Rozman, Finance Director
Subject: **Audit Engagement Letter**

Summary: The attached letter is the engagement letter from Chadwick, Steinkirchner, Davis & Co. P.C. for the 2016 independent audit of the Town's finances. This letter describes the auditor's objectives and responsibilities for the performance of the 2016 audit. The fees proposed of \$14,250 are similar to the fees for the 2015 audit and are within budget. The audit is planned for mid-March. The engagement letter needs to be signed by the Mayor as well as the Town Manager to formally engage the auditors to conduct the 2016 audit.

Recommendation: Staff recommends Council authorizing the Mayor and Town Manager to sign the engagement letter by approval under the consent agenda.



December 13, 2016

Honorable Mayor and Members of the Town Council
Town of Crested Butte, Colorado
Crested Butte, Colorado

We are pleased to confirm our understanding of the services we are to provide the Town of Crested Butte (the Town) for the year ended December 31, 2016. We will audit the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of the Town as of and for the year ended December 31, 2016. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the Town's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the Town's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis.

We have also been engaged to report on supplementary information other than RSI that accompanies the Town's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:

- 1) Combining schedules general fund and sub-fund
- 2) Budgetary comparison schedules
- 3) Local Highway Finance Report

Audit Objective

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the Town's financial statements. Our report will be addressed to management and the Town Council of the Town of Crested Butte, Colorado. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or may withdraw from this engagement.

Town of Crested Butte, Colorado
December 13, 2016
Page Two



Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Town's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Other Services

We will also assist in preparing the financial statements of the Town in conformity with U.S. generally accepted accounting principles based on information provided by you. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.



Town of Crested Butte, Colorado
December 13, 2016
Page Three

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You agree to assume all management responsibilities for financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Chadwick, Steinkirchner, Davis & Co., P.C. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the State of Colorado or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Chadwick, Steinkirchner, Davis & Co., P.C. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the State of Colorado or its designee. The



Town of Crested Butte, Colorado
December 13, 2016
Page Four

State of Colorado or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

We expect to begin our audit on approximately March 20, 2017 and to issue our reports no later than June 30, 2017. Lisa M. Hemann is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses will not exceed \$14,250. If it comes to our attention during the course of the audit that the Town will require a single audit, there will be an additional fee of \$3,500. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

We appreciate the opportunity to be of service to the Town of Crested Butte and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Chadwick, Steinkirchner, Davis & Co., P.C.

Lisa Hemann, CPA

RESPONSE:

This letter correctly sets forth the understanding of the Town of Crested Butte, Colorado.

Management signature: _____

Title: _____

Date: _____

Governance signature: _____

Title: _____

Date: _____

ORDINANCE NO. 12**SERIES 2016****AN ORDINANCE OF THE CRESTED BUTTE TOWN COUNCIL AMENDING CHAPTER 6 OF THE CRESTED BUTTE MUNICIPAL CODE TO INCLUDE NEW REGULATIONS IN ARTICLE 6 THEREOF FOR THE LICENSING OF VACATION RENTALS AND DEFINING VACATION RENTALS IN CHAPTER 16**

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

WHEREAS, on September 26, 2016, the Chairperson of the Crested Butte Short-Term Rental Committee (the “**Committee**”) presented to the Town Council during a Special Meeting a Town Staff Report regarding the Committee’s findings and recommendations respecting the impacts of vacation rentals and the regulation of the same in Crested Butte;

WHEREAS, during such Special Meeting, after presenting the Committee’s findings as detailed in the Town Staff Report, the Committee and Town Staff made 14 recommendations regarding the Town’s regulation of vacation rentals;

WHEREAS, the Committee’s recommendations addressed neighborhood impacts, community impacts and processes regarding the regulation of vacation rentals;

WHEREAS, the Committee’s recommendations also addressed the adoption and implementation a vacation rental licensing program directed toward ensuring the health, safety and welfare of the residents and visitors of Crested Butte through the licensing of vacation rentals;

WHEREAS, the Committee’s recommendations contemplated that a collateral benefit of implementing a vacation rental licensing program would be the collection of vacation rental use data to determine the impact of vacation rentals on neighborhoods;

WHEREAS, the Town Council, after hearing the presentation by the Committee, and receiving informal public comment from the community at the September 26 Special Meeting, held public meetings on October 17, November 14, December 5, 2016, December 29 and January 2, 2017 to discuss the vacation rental licensing program, at which such meetings the Town Council heard and received public comment and discussed the same;

WHEREAS, following receipt of public comment, and the Town Council’s discussion of the same, the Town Council finds by this ordinance that adopting a vacation rental licensing program, including placing a limitation on the number of nights vacation rentals are allowed in certain zone districts, will ensure the health, safety and welfare of the residents and visitors of

Crested Butte through the permitting of vacation rentals as contemplated in this ordinance is in the best interest of Crested Butte's neighborhoods; and

WHEREAS, for the foregoing reasons, the Town Council hereby finds that the amendments to the Town of Crested Butte Municipal Code ("Code") set forth herein below are in the best interest of Crested Butte, its residents and visitors alike.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF CRESTED BUTTE, COLORADO, THAT,

Section 1. **Adding a New Article 6 to Chapter 6 of the Code.** A new Article 6 is added to Chapter 6 of the Code and shall read as follows:

"Vacation Rental Licenses

Sec. 6-6-10. Purpose.

The purpose of this Article shall be to require the licensing of vacation rentals. Such licensing shall provide the Town with necessary information relating to the operation of vacation rentals in order to protect the health, safety and welfare of the residents and visitors of Crested Butte.

Sec. 6-6-20. Effective Date.

This Article shall be effective commencing on January 1, 2018, and shall govern all applications submitted to the licensing official for the licensing of vacation rentals. Prior to such date, the owner of an existing vacation rental must make application for a vacation rental license as described herein. Any property operated as a vacation rental after such date without a vacation rental license shall be in violation of this Article.

Sec. 6-6-30. Definitions.

Licensing official means the Town building official or such other officers as designated by the Town Manager.

Sec. 6-6-40. Vacation Rentals Allowed.

(a) Vacation rentals are allowed only as prescribed in Section 16-14-90. For vacation rentals of individual sleeping units, the owner of the property, or its duly authorized representative must be present on the subject premises during use as a vacation rental.

(b) The use of any property as a vacation rental shall not frustrate any limitation on the use of the property pursuant to a deed restriction, covenant or other Town restriction or requirement regarding occupancy.

Sec. 6-6-50. License Required; Compliance.

(a) It shall be unlawful and a violation of this Article for any person to use any property as a vacation rental without first having obtained a vacation rental license from the licensing official. All vacation rentals shall strictly comply with the requirements of the Code.

(b) The owner of any property found to be operating a vacation rental without a license after January 1, 2018 shall be ordered to cease such activity on the property. Any property that is being operated in violation of these regulations shall be ineligible for a vacation rental license for a period of two years from the discovery of the violation.

Sec. 6-6-60. Application.

(a) Application, whether initial or for any renewal, for a vacation rental license shall be made on a form provided by the Town. At the least, the application shall include the vested title property owner's name and address, address of the vacation rental, maximum occupancy of lease or rental guests, owner representative and contact information, parking plan for guests, acknowledgement of payment of all taxes and the required application fee..

(b) The vested title property owner shall be the licensee for the vacation rental. Application fees shall be set by annual resolutions of the Town Council.

(c) Vacation rental licenses shall have a term of two years. Subject to the requirements of this Article, a license may be renewed annually, extending the term for one additional year from the expiration of the current license.

Sec. 6-6-70. Issuance; Renewal.

(a) Except for a violation of Section 6-6-50, Applicant may appeal the licensing official's decision to issue, issue with conditions, renew, renew with conditions, suspend, revoke or deny a vacation rental license. Such appeal shall be filed with the Town Clerk in writing within 15 days of the licensing official's decision being appealed and shall be heard by the Town Manager within 30 days of receipt of applicant's appeal. The appeal shall be noticed at the Town's posting places. The Town Manager shall render a decision on the issues appealed within 15 days of the hearing of the appeal. The decision of the licensing official (if not appealed), or of the Town Manager (if appealed), shall be the final decision of the Town for purposes of judicial review.

(b) The licensing official shall deny any application, whether initial or for any renewal, where the application and supporting documentation do not establish the vacation rental's conformity with the requirements of Code. The licensing official may also deny any application that contains false, misleading or incomplete information, or for good cause shown.

(c) At least 14 days prior to issuing or renewing a vacation rental license, the Town shall, in a format provided by the Town, notify all owners of real property within 100 feet of the property that is the subject of the vacation rental license of their opportunity to make comment on the neighborhood impacts of the use of the property as a vacation rental.

Sec. 6-6-80. Suspension; Revocation.

A vacation rental license may be suspended or revoked by the licensing official for failure to comply with this Article. The applicant of such vacation rental license may appeal the licensing official's decision to suspend or revoke the vacation rental license. Such appeal shall follow the process outline in Section 6-6-70 hereof. The suspension or revocation of the vacation rental license shall not be deemed a prerequisite to the institution of enforcement proceedings, the imposition of fines and the Town's pursuit of any remedies as described elsewhere in the Code. The proper and timely filing of an appeal with the Town Manager shall temporarily stay the suspension or revocation of the vacation rental license pending the outcome of the appeal before the Town Manager unless the licensing official verifies in writing to the Town Manager that a stay will pose an immediate threat to the safety of persons or property or defeat the purpose of the suspension or revocation in the first instance, in which event a stay shall not enter.

Sec. 6-6-90. No Transfer.

A vacation rental license attaches only to the property for which it is issued and is non-transferrable upon sale or other transfer of ownership of the property. Upon such transfer of ownership, the new owner of the property shall apply for a vacation rental license if it wishes to continue the use of the property as a vacation rental.

Sec. 6-6-100. Lodging and Sales Tax.

The owner of a vacation rental shall cause lodging tax and sales tax to be collected and remitted to the Town as required under the Code.

Sec. 6-6-110. Business Occupation License.

The owner of a vacation rental property must possess a current Town business license. The business license must be renewed annually where the owner desires to use the property as a vacation rental. A vacation rental license may be denied or revoked if the owner of the vacation rental property does not have a current business license.

Sec. 6-6-120. Bi-Annual Inspection.

All vacation rental properties are subject to inspection every other year, or for cause. Vacation rental licenses may be limited, suspended, revoked or not renewed by the licensing official if all conditions and requirements of the vacation rental license and the Code are not satisfied.

Sec. 6-6-130. Administration.

(a) The licensing official shall prescribe forms and make reasonable rules and requirements in accordance with the Code for, without limitation, application requirements, the

inspection of all vacation rental properties, the verification of the capacity and safety of such vacation rental properties and administration and enforcement of the requirements of this Article and the Code.

(b) Applicants must pay their license fee at the time of application, whether initial or for any renewal.

Sec. 6-6-140. Licensee Duties.

It shall be the duty of the fee title owner of the vacation rental to ensure the following:

- (1) Obtain a renewal of the vacation rental license annually, if the property remains a vacation rental.
- (2) Cause the vacation rental to comply with the Code continuously and without interruption.
- (3) Promptly notify the licensing official upon any change of local contact.

Sec. 6-6-150. Local Contact.

All vacation rental licenses shall include a local responsible contact person capable of physically responding to issues that may arise at the vacation rental property within one hour of the initial attempt to contact the vacation rental property owner. The local contact must have physical access to the vacation rental property and shall be authorized to make decisions regarding the vacation rental property on behalf of the owner.

Sec. 6-6-160. License Number Display.

Every vacation rental license shall be issued a unique number. The vacation rental license number shall be displayed in all advertisements for the vacation rental property. Advertisements for the vacation rental property shall include any act, regardless of medium, of drawing the public's attention to the vacation rental property in order to promote the availability of the vacation rental property.

Sec. 6-6-170. Parking Required.

All vacation rental properties must keep and maintain all off street parking approved in conjunction with any Town land use approval for the vacation rental property and made available for year-round use by vacation rental tenants.

Sec. 6-6-180. Maximum Occupancy.

The maximum occupancy of any vacation rental property is 10 people. Occupancy may be adjusted following physical inspection of the vacation rental property. The basis for the occupancy determination shall be an allowance of two occupants per legitimate bedroom plus

two additional occupants. Any increase above 10 people in a vacation rental property shall include an on-site parking space for each four additional occupants (or part thereof) in addition to any parking required by this Article. Such parking requirements shall be in addition to any other parking requirements that must be satisfied under the Code.

Sec. 6-6-190. Renter Requirements.

Each vacation rental property shall prominently display on site and available to all renters the rules and regulations of the Town that apply to the occupancy of the vacation rental property. Such information shall include information pertinent to the neighborhood where the vacation rental property is located including, but not limited to, parking restrictions, restrictions on noise and amplified sound, trash disposal, storage and collection schedule, relevant water restrictions and any other information as required by the licensing official.

Sec. 6-6-200. Violation.

(a) Violations of this Article shall be enforced pursuant to Chapter 1, Article 4 of the Code.

(b) A violation of Section 16-14-90 of the Code shall also be punishable by denial of a license for a vacation rental for the property that has offended such limitation for a period of two years from Town's discovery of the unlawful lease or rental.

(c) All amounts due and owing the Town in connection with any violation of this Article shall constitute a first priority lien on the vacation rental property and may be collected by any means including by way of those matters addressed in Section 4-8-10 of the Code."

Section 2. Amending Section 16-1-20. The following new defined terms are added to the Section and shall read as follows:

"*Vacation rental* means: (i) the rental or lease of a property for a period of less than 29 consecutive nights; or (ii) the rental or lease of a sleeping unit within a property, for a period of less than 29 consecutive nights, where the owner or agent is present during the occupancy. Vacation rental use is not a residential use."

Section 3. Replacing Section 16-14-90. Section 16-14-90 is hereby deleted in its entirety and replaced with the following new Section that shall read as follows:

"Sec. 16-14-90. Limitation on Vacation Rentals.

(a) *Intent.* The use of property as a vacation rental has impacts on neighborhoods not unlike that of bed and breakfasts, hotel or lodges and motels. The impacts of vacation rentals on neighboring uses can be significant when the vacation rental property is occupied by multiple tenants in consecutive tenancies throughout the year. For this reason, limitations on vacation rentals, particularly as they affect other uses of property, are necessary for the protection of the health, safety and welfare Crested Butte.

(b) *Limitations.* There shall be imposed limitations on vacation rentals as follows:

(1) Vacation rentals are not allowed in bed and breakfasts, condo hotels, hotel or lodges, motels or short-term residential accommodations uses as defined in the Code.

(2) Vacation rentals are permitted in the “R1,” “R1A,” “R1B,” “R1C,” “R1D,” “R1E,” “R2,” “R2C,” “R3C,” “R4,” “B3,” “B4,” “M” and “T” (Block 55 and 37 only) Districts.

(3) Vacation rentals are not permitted in the “R2A,” “T” (except Block 55 and 37), “B1” (except as described in subsection (5) of this Section), “B2,” “C,” “AO” and “P” Districts.

(4) The use of a property as a vacation rental in any zone is limited to no more than 120 nights per year in total, whether or not the nights of vacation rental use are consecutive, and whether or not the nights of vacation rental use are for the entire property.

(5) A property that has a valid business license held by the fee title owner of the property for the purpose of use as a vacation rental as of March 1, 2017 is subject to paragraph (4) above.

(6) No more than two sleeping units may be rented at any time when rented as a portion of a vacation rental with the owner or duly authorized representative present.”

Section 5. **Severability.** If any section, sentence, clause, phrase, word or other provision of this ordinance is for any reason held to be unconstitutional or otherwise invalid, such holding shall not affect the validity of the remaining sections, sentences, clauses, phrases, words or other provisions of this ordinance, or the validity of this ordinance as an entirety, it being the legislative intent that this ordinance shall stand notwithstanding the invalidity of any section, sentence, clause, phrase, word or other provision.

Section 6. **Savings Clause.** Except as amended hereby, the Crested Butte Municipal Code shall remain valid and in full force and effect. Any provision of the Code that is in conflict with this ordinance is hereby repealed as of the effective date hereof.

INTRODUCED, READ AND SET FOR PUBLIC HEARING THIS ___ DAY OF _____, 2017.

ADOPTED BY THE TOWN COUNCIL UPON SECOND READING IN PUBLIC HEARING THIS _____ DAY OF _____, 2017.

TOWN OF CRESTED BUTTE, COLORADO

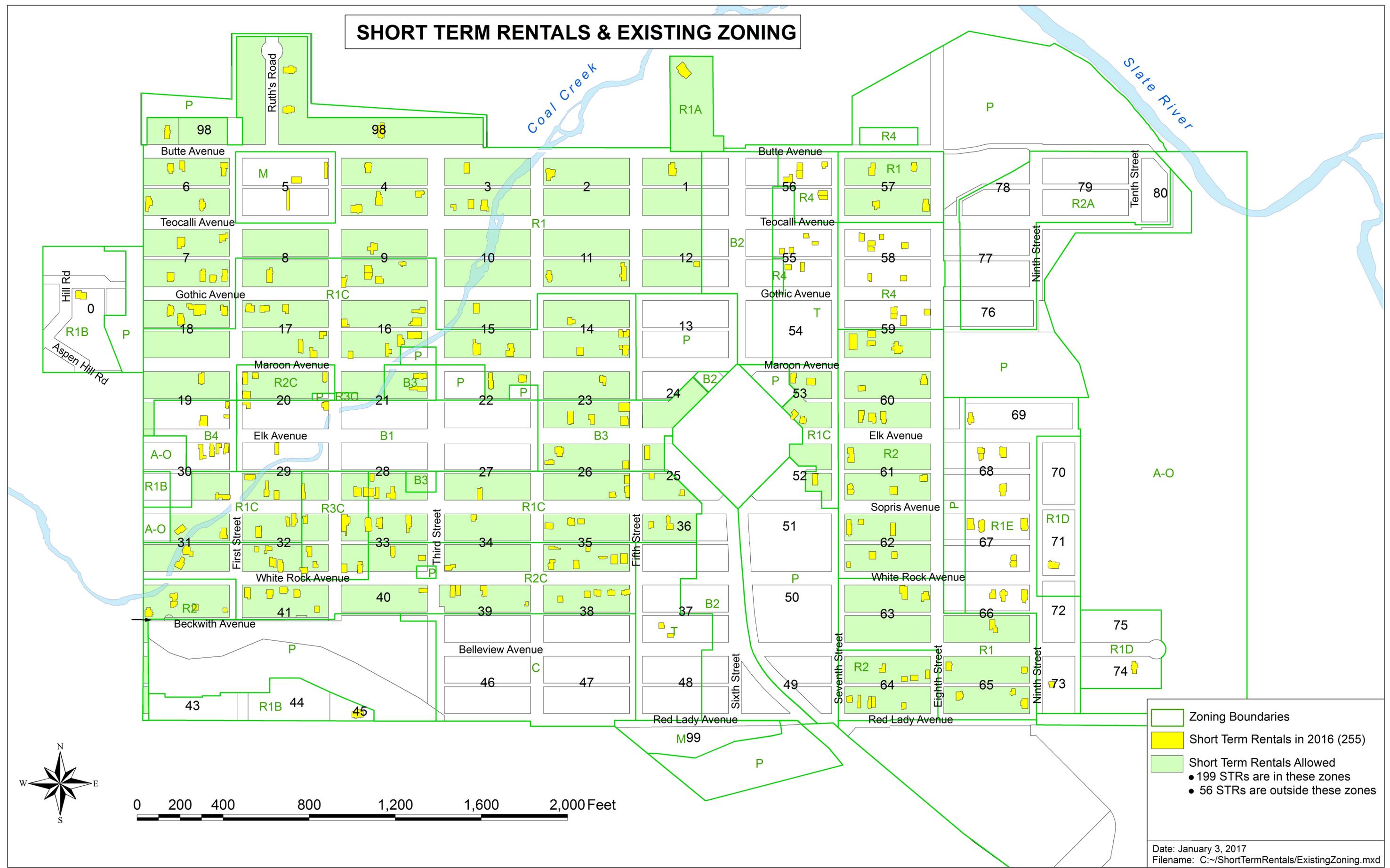
By: _____
Glenn Michel, Mayor

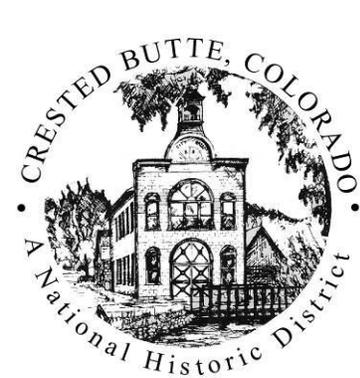
ATTEST:

Lynelle Stanford, Town Clerk

[SEAL]

SHORT TERM RENTALS & EXISTING ZONING





Staff Report

January 17, 2017

To: Mayor and Town Council

Thru: Dara MacDonald, Town Manager

From: Lynelle Stanford, Town Clerk

Subject: 31st Annual Alley Loop Nordic Marathon Special Event Application and Special Event Liquor Permit

Date: December 28, 2016

Summary:

Andrew Arell submitted the 31st Annual Alley Loop Nordic Marathon special event application and special event liquor permit on behalf of the Crested Butte Nordic Council. A pub ski has been proposed on Elk Avenue between 1st and 3rd Streets, in which participants Nordic ski to travel between establishments. The pub ski is scheduled for Friday, February 3, 2017 from 5PM to 7PM.

The Alley Loop Nordic marathon would take place on Saturday, February 4, 2017, from 9AM to 3PM. The route has changed from past years, in that Elk Avenue would only be affected from 1st Street to 3rd Street. A diagram depicting the route in its entirety is included in the packet. The special event liquor permit would be applicable for Saturday, February 4 for a beer garden located at 2nd Street and Elk Avenue, near the finish line. Volunteers would enforce the liquor boundary.

There is a conflict between the organizer of the event and a resident in the alley between 2nd and 3rd Streets and between Gothic and Teocalli Avenues. The main issue cited by the resident is that the race prohibits direct access to his home. The Nordic Center determined the alley was significant to the race route. Correspondence related to the matter is included in the packets.

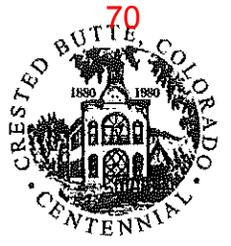
Recommendation:

To approve the 31st Annual Alley Loop Nordic Marathon special event application and special event liquor permit.

Recommended Motion:

Motion to approve the 31st Annual Alley Loop Nordic Marathon special event application and special event liquor permit.

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: 31st Annual, Alley Loop Nordic Marathon

Date(s) of Event: 2/3 - 2/4/2017

Name of Organization Holding the Event ("Permittee"): Crested Butte Nordic Council
 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: 720.404.2311 Cell Phone: 11

E-Mail: events@cbnordic.org Fax Number: _____

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

Phone: _____ Cell Phone: _____ E-Mail: _____

Mailing Address of Organization Holding the Event: 90 Box 1269 CB

Email Address of Organization: events@cbnordic.org cbnordic.org Phone Number: 970.349.1707 X4

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

Friday 2/3/17 > Pub Ski - Elk Avenue between 3rd/1st streets
Saturday 2/4/17 > Nordic Marathon

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

FRIDAY - 5pm to 7:30pm
SATURDAY - 9am to 3pm

Event Time (start time of scheduled event to end time of scheduled event):

Total Time (including set-up, scheduled event, break-down & clean-up): FRIDAY - 4pm to 7:30

Expected Numbers: Participants: 300 Spectators: 200 SATURDAY - 5am to 4:pm

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.

X 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

If No, Why Not:

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

If Yes, Describe: PA System with Music & Live Announcing

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? 6 cans

What recyclable products will be generated at the event? plastic beer cups

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 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 returned to Nordic Center by CBN staff to be disposed / recycled at normal street collection.

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):

Event volunteers will be tasked with enforcing the liquor boundary

Describe Plan for Parking:

participants will be directed to the 4-way lot, as well as surrounding the Nordic Center

Describe Plan for Portable Toilets and/or Restrooms:

~~There~~ will be contracting portable toilets to be placed out 2nd Street Finish Expo.

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, snow moving, street closures,

Will Your Event Require Any Road Closures Yes No

If Yes, Explain in Detail Streets Closures and Times of Closures:

Elk Avenue closed 3rd to 1st Street > Friday afternoon to Saturday afternoon

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

If Yes, Explain Impact:

Elk Avenue route - 3rd to ~~1st~~ 1st Saturday until 4pm

Will Your Event Affect Any Handicap Parking Spaces Yes 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:

Distribute 3 rounds of notices on resident cars. Distribute letter notification to businesses 2 weeks in advance.

Does Your Event Include a Parade Yes 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

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.

Sales will be run through existing CBNC 3 retail sales licence

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)? Yes / No

If yes, please write two sentences below describing the event in the exact wording it will appear on the calendar:

see website 7 cbnordic.org/alleyloop

Contact Name & Phone Number for the Calendar: Race Director - 970.349.1707 X4

Event Fee for the Calendar: Various Website for More Info: cbnordic.org

See Fee Schedule

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/Indemnitor 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] / 12/8/16
Print Name Clearly / Signature of Applicant (Permittee) / Date

Application is Approved: _____ Date: _____

OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE OF FACT OF GOOD STANDING

I, Wayne W. Williams, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

CRESTED BUTTE NORDIC COUNCIL

is a

Nonprofit Corporation

formed or registered on 07/13/1987 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 19871733872 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 12/08/2016 that have been posted, and by documents delivered to this office electronically through 12/09/2016 @ 14:45:21 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 12/09/2016 @ 14:45:21 in accordance with applicable law. This certificate is assigned Confirmation Number 9967135 .



Secretary of State of the State of Colorado

*****End of Certificate*****

Notice: A certificate issued electronically from the Colorado Secretary of State's Web site is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's Web site, <http://www.sos.state.co.us/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our Web site, <http://www.sos.state.co.us/> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."

CERTIFICATE OF FACT OF GOOD STANDING

OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
10-30-16

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER: Frazier Insurance Agency Inc AGENT: Box 1250, Midlothian VA 23113 Processing Office: Lawson Insurance LLC 1643 24th Street West #110, Billings MT 59102	CONTACT NAME: Jack Lawson PHONE (A/C, No., Ext): (800) 823-5297 FAX (A/C, No.): (406) 652-3395 E-MAIL ADDRESS: Jack@LawsonIns.net
INSURED: Sports & Recreation Providers Association. (Purchasing Group) & It's Participating Members - Member - National Ski School Program Inc-NORDIC & It's Participating Members - 1302 24th Street West #169, Billings MT 59102 MEMBER - Crested Butte Nordic Council	INSURER(S) AFFORDING COVERAGE: United States Fire Insurance Company INSURER A: United States Fire Insurance Company INSURER B: United States Fire Insurance Company INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES CERTIFICATE NUMBER: REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> INCLUDES ATHLETIC PARTICIPANTS	X	SRPCAPM-101-0716 Cert# USP225192.	11/01/16	11/01/17	EACH OCCURRENCE \$ 1,000,000. DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000. MED EXP (Any one person) \$ 5,000. PERSONAL & ADV INJURY \$ 1,000,000. GENERAL AGGREGATE \$ 5,000,000. PRODUCTS - COMP/OP AGG \$ 5,000,000. GENL AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS					COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB EXCESS LIAB OCCUR CLAIMS-MADE					EACH OCCURRENCE \$ AGGREGATE \$
B	Excess Accident Medical Protection Deductible \$100. 52 week Benefit; Period from date of incident. Claim Reporting deadline - 90 days from date of incident		US503451	11/01/16	11/01/17	Maximum Medical Benefit per claim - \$ 25,000. AD&D Benefit per claim - \$ 2,500.

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 104, Additional Remarks Schedule, if more space is required)
 Commercial General Liability (CGL) deductible - \$ 0.00 each Bodily Injury or Property Damage Claim.
 'Participant Legal Liability Coverage' for participants in SKI RACES/ INSTRUCTION/ COMPETITIONS REQUIRES that each participant (or Parent/Guardian) sign a release/waiver form PRIOR to Competing, Practicing or Instruction.
CERTIFICATE HOLDER IS AN ADDITIONAL INSURED but only as respects the operations of the Named Insured NSSP Participating Member - Crested Butte Nordic Council.

CERTIFICATE HOLDER Town of Crested Butte Box 39 Crested Butte CO 81224	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>John W. Frazier</i>
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**2017
Alley Loop Nordic Marathon Schedule.**

Friday, February 3rd

3 – 4:30 p.m. – Pub Ski bib pickup & registration at [Queen of All Saints, Parish Hall](#)

3-7 p.m. Nordic Marathon Registration & Bib Pick Up at [Queen of All Saints, Parish Hall](#)

5-7 p.m. – Pub Ski

7 p.m. Pub Ski Awards, Talk of the Town

Saturday, February 4th

8-10 a.m. – Nordic Marathon day of race bib pickup at [Queen of All Saints, Parish Hall](#)

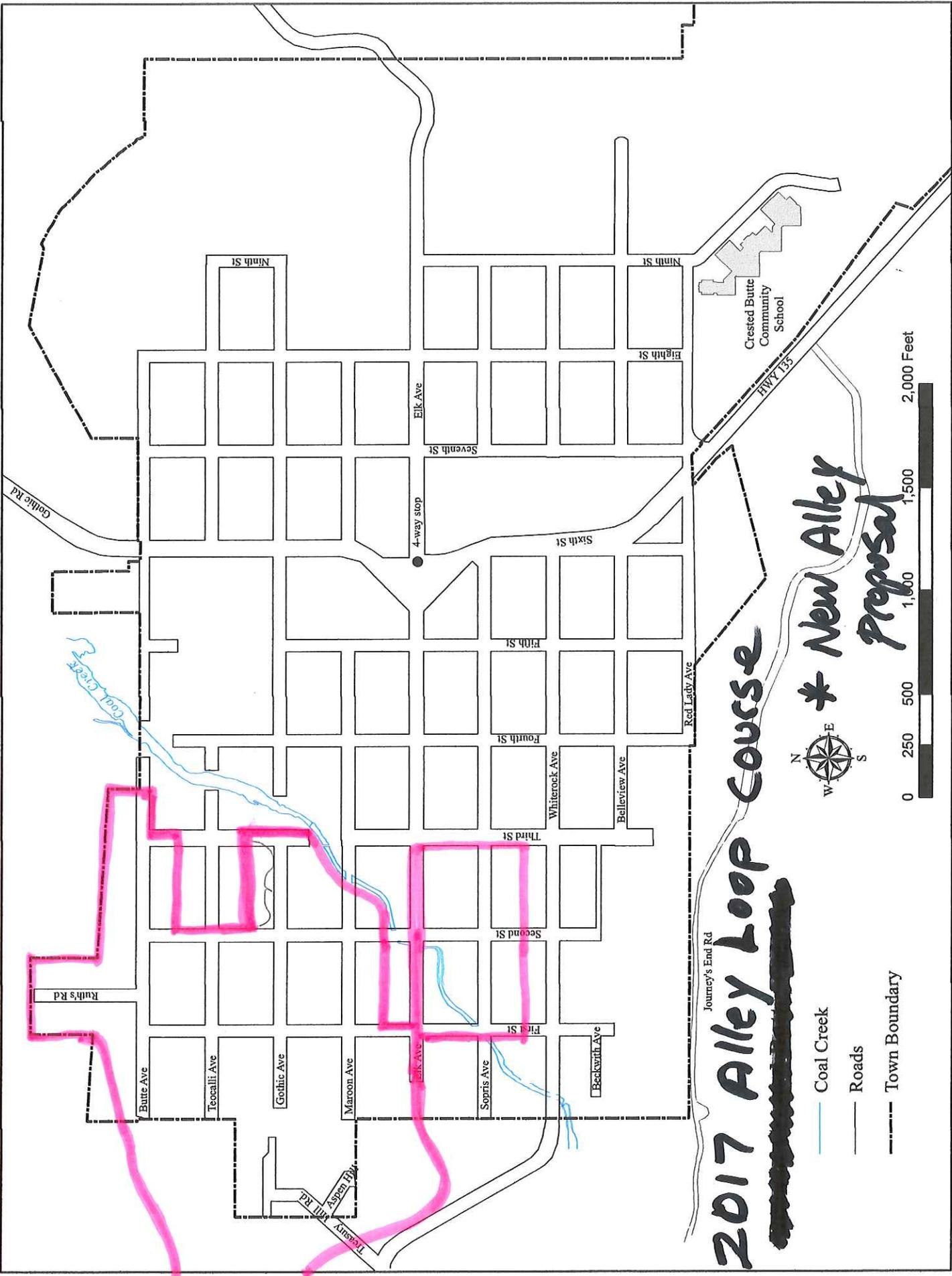
Heat Start Times: Start times have been altered in 2017

		3rd Lap Cut-Off
42k CLASSIC	9:00 AM	12:05 PM
21k CLASSIC	9:05 AM	
42k SKATE	9:20 AM	12:20 PM
21k SKATE	9:25 AM	
10k	9:35 AM	
5k	9:40 AM	
3k	1:00 PM	
1k	1:01 PM	

12 p.m – 42k Flower Ceremony – Finish Line Expo

1:45 p.m – 1k & 3k Podium Ceremony – Finish line Expo

4 p.m. – Awards Banquet & Raffle – [Bonez \(130 Elk Avenue\)](#)



2017 Alley Loop Course

*** New Alley Proposal**



- Coal Creek
- Roads
- - - Town Boundary

Alley Loop - Special Event Liquor Permit Area

■ = Barricaded Fencing

2nd. St.



Expo with Beer Garden

Public Access Gate with Event Security

Nordic Ski Race Finish Line

Elk Ave

Start Line with Inflatable Arch

APPLICATION FOR A SPECIAL EVENTS PERMIT

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 | |

LIAB	TYPE OF SPECIAL EVENT APPLICANT IS APPLYING FOR:
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

DO NOT WRITE IN THIS SPACE

LIQUOR PERMIT NUMBER

1. NAME OF APPLICANT ORGANIZATION OR POLITICAL CANDIDATE <i>Crested Butte Nordic Council</i>	State Sales Tax Number (Required) <i>98-11986</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 Street / Elk Avenue Crested Butte, CO, 81224</i>
---	---

NAME	DATE OF BIRTH	HOME ADDRESS (Street, City, State, ZIP)	PHONE NUMBER
4. PRES./SEC'Y OF ORG. or POLITICAL CANDIDATE <i>Keith Bauer</i>	<i>11/4/53</i>	<i>108 2nd ST. Crested Butte, CO, 81224</i>	<i>970.596.0176</i>

5. EVENT MANAGER <i>Andrew Arell</i>	9/30/78	131 1/2 Maroon Ave. Crested Butte CO, 81224
---	---------	---

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	Date
Hours From To	Hours From To	Hours From To	Hours From To	Hours From To
<i>2/4/17</i> From <i>10 A</i> .m. To <i>4 P</i> .m.				

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>Keith Bauer</i>	TITLE <i>Executive Director Crested Butte Nordic Council</i>	DATE <i>12/12/16</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)	<input type="checkbox"/> CITY <input type="checkbox"/> COUNTY	TELEPHONE NUMBER OF CITY/COUNTY CLERK
SIGNATURE	TITLE	DATE

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

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

31ST ANNUAL ALLEY LOOP NORDIC MARATHON (FEB 4, 2017) 81

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 :

Signature: [Signature] Date: 1/11/16
Name (Printed): MICHAEL ZEIGY

Conditions/Restrictions/Comments:

Public Works:

Signature: [Signature] Date: 1/10/2016
Name (Printed): Robby E Due

Conditions/Restrictions/Comments:
OK, hopefully the snow will give us a break!

Parks and Recreation:

Signature: [Signature] Date: 1/11/17
Name (Printed): Janna Hansen

Conditions/Restrictions/Comments:
Route OK - will blow sidewalks accordingly

Town Clerk:

Signature: [Signature] Date: 1-9-2017
Printed Name (Printed): Lynell Stanford

Conditions/Restrictions/Comments:

Town Manager:

Signature: [Signature] Date: 1/11/17
Printed Name (Printed)

Conditions/Restrictions/Comments:

Crested Butte Fire Protection District:

W Scott Wimmer / 1/10/17
Signature Date

Printed Name (Printed)

Conditions/Restrictions/Comments:

Good Luck with
your event //

Mt. Express Bus Service:

[Signature] / 1/11/17
Signature Date

Printed Name (Printed)

Conditions/Restrictions/Comments:

Town Shuttle buses will
reroute using the Teccalli,
4 way and 6th + Bellevue
stops. Will not provide service
to old Town Hall until Sunday
Saturday when Elk Avenue
is open

Official Use Only:

Application Received 12/9/2016 Date Distributed 12/28/16

Council Date (if applicable) JANUARY 17, 2017

Approval Date _____ Method of Approval: Administratively By Town Council

Approval Contingencies _____

Application fee \$ 25 Check # 15307 Date Paid 12/9/16

Permit Fee \$ 200 Check # 15307 Date Paid 12/9/16

Local Liquor License Fee \$ 25 Check # 15307 Date Paid 12/9/16

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

Additional Fee _____ Check # _____ Date Paid _____

Clean Up Deposit \$ 200 Check # 15307 Date Paid 12/9/16 Date Returned: _____

Dear Dara and Town Staff,

I am writing this letter in regard to Casey Falter's comments concerning this year's proposed Alley Loop Course, as I want to clarify a couple things.

Over the years the Nordic Council has made adjustments to the in town portion of the Alley Loop Course with the intent of reducing impacts to streets and alleys and the associated work load with Public Works while still creating a fun "in town" course. The elimination of the Whiterock/Sopris alley last year between 3rd and 4th street was an example of this. This change allowed town residents to have complete access to 3rd street all during race day, which we believe was a very positive plus for traffic and locals.

To make up for the loss of alley skiing, we had proposed adding two alleys north of town between 2nd and 3rd street; the Gothic/Teocalli and Teocalli/Butte Alleys after skiers crossed Totem Pole Park. When it comes down to it, there are very few, if any options open to add alleys to the course. We discussed adding these alleys with Public Works and that was their recommendation. So we moved forward.

As Casey mentioned, when the flyers went out last winter, he called me with concerns. I invited him over to my house so I could hear his concerns, and he was clearly upset that there was no advanced notice before the flyers went out. I apologized for not letting the residents know sooner, and said we'd be happy to work with him to address his concerns. That did not interest him whatsoever and he became loud enough that I had to ask him to leave. What I thought and hoped would be a constructive conversation turned into a very weird scene. After that episode, we made the decision to simply pull the alley out of the course.

We held the race with skiers just skiing down Third Street after Totem Pole Park to Butte and the alley north of town. And then after last year's race we sent out surveys to our participants to solicit racer feedback. One of the clear messages was folks wanted more alley skiing. So this year I approached the alley residents sooner. But before we approached Casey, I wanted to make sure *all* the other residents were ok with using the alley. I've been out of town for medical reasons the last couple months, but last weekend I connected with one of the last residents who said they were happy to have the race come through. Another resident even mentioned they would like to have an alley party during the race.

If there were other alleys that we could use that would be suitable for the race, we would use them. But as I mentioned above, we have done our homework over the years to come up with a course that provides a great racer experience and creates minimal impact, for not only town residents, but also less work for town staff.

Because of the negative experience last year, my neighbor Paul offered to approach Casey, but I guess he has not had the time yet to do that. I am home for good this Thursday and will circle back with him.

After all this drama, I'm not quite sure what the actual issue is for this couple. Clearly, the snow depth on the alley loop course is thought out so emergency services can access all and any part of town. Any snow brought in the alley will be removed by public works within 12 hours or *less*.

The whole thing is quite puzzling. Gosh, I'd like to think we are good neighbors. We live on the alley right on Second Street and pretty much after every storm I clear the berm left by the plows for not only for us, but also for the greater good of the rest of the alley residents.

I feel it's quite sad and unfortunate that one couple is not willing to give up the use of the alley for a 12 hour period to carry on a decades old tradition that speaks to the soul of the last great ski town in Colorado.

I'm happy to meet with you to discuss this further and come to some path forward.

Best,
Keith

Lynelle Stanford

From: Casey Falter <caseyfalter@yahoo.com>
Sent: Friday, December 16, 2016 9:51 AM
To: Lynelle Stanford
Subject: Residents Comment to Town Council re:Alley Loop concerns

Dear Town Council,

We are residents of the alley between Teocalli Ave and Gothic Ave, and 2nd and 3rd Streets (also known as "Bauer and Merck Alley"). This letter is intended to officially submit our concern about the possibility of the Nordic Center applying for approval to close off access to our dwellings via our alley so that they may include the alley in the Alley Loop race route. It is our wish that the Nordic Center would not include our alley in the proposed race route, and instead, consider using another alley that wouldn't be impacted as much.

Last year, twelve days before the race, the Nordic Center posted flyers on all of our doors stating that the race would be routed through our alley. This flyer looked like an approved race course announcement, except this was still days before the race application even went before council for approval. We brought up our concerns with the Nordic Center directors directly, and were met with less than neighborly empathy. Ultimately, the alley was removed from the race route, and we appreciated that effort by the Nordic Center. Because of the way it went last year, we would like to get our comments on record with town before the race approval process begins.

So far this year, the Nordic Center has not made any attempt to run the idea by affected residents of the alley. We live on one of the most dense residential alleys in town. All but one of the dwellings in the alley are lived in full-time by owners and long-term renters; all of which are solely accessible by the alley, and no other route. Because there are so many residents so close to each other, every move we make affects each other's space to some degree. In winter, all of us chip in and hire snow removal service because the alley is our only access to our dwellings. Additionally, we are very concerned about closing access to our homes for any amount of time because if we need emergency services (ambulance, fire, etc.), there will be no immediate access to our homes in such an event.

Hopefully, the Town Council and the Nordic Center can hear our concerns and agree that our alley just isn't the right location for a big event such as the Alley Loop.

Thanks for listening,

Casey Falter, Erin Whaley and newborn
217 1/2 Gothic Ave

****Update:** since the first draft of this letter, we have been told by one of our neighbors that the Nordic Center approached them with the idea of using our alley in this year's race route weeks ago. We were NOT approached at that time, and still have yet to hear from the Nordic Center on this matter.



12-29-16

Dear Casey and Erin,

Last year's Alley Loop was our best ever with over 700 participants. It brought in over \$567,000 to the businesses in town and brought smiling faces to many folks. That's said, we strive to continually improve our operations and events, so after the race last year we sent out a survey to our participants to see what we could do better. One very clear response was folks wanted to see more skiing in the alleys.

Over the years we have experimented with different courses in town. We did eliminate some 'problematic' alleys south of Elk Ave (business deliveries, major parking issues, etc) last year. This was a positive change as it also made for much better vehicle access throughout town for locals and guests on race day. It also made for quicker cleanup by public works after the race is over. In exchange for removing those alleys, we needed to add a couple alleys north of town to keep the same alley 'distance.'

While we didn't think this would be an issue, we realize we did not give you enough notice, so we decided to *not* incorporate those alleys in last year's Alley Loop, but we'd like to this year. We put a lot of thought into the Alley Loop and the course, and have considered *all* alley options. We also work closely with the Town's public works crew to help minimize their work load while still trying to put on a premier and unique event. The two alleys we'd like to add, (the Gothic-Teocalli alley between 2nd and 3rd, and the Teocalli-Butte alley between 2nd and 3rd are by far the best options.

I have read your email to Town Council and your concerns. Last year you stated that other alley residents were opposed to the use of the alley, so I approached them this summer and fall to get their feedback. I decided not to approach you guys until I knew if there was support from the other alley residents and landowners. It appears that everyone is fine with the use of the alley, so now I'm reaching out to you.

I have also discussed this issue with town staff, our groomers, Nordic staff, and board members. We have decided that, for the many reasons stated above, we want to go ahead and use the alley in this year's race. We are happy to answer any safety concerns you may have and will do our best to resolve any potential issues. The snow depth on the alley loop course is thought out so emergency services can access all and any part of town; even the Fire Department signs off on the race course. Any snow brought in the alley will be removed by public works by 2pm on race day.

I'd like to think we are good neighbors. Pretty much after every storm I clear the berm left by the plows for not only for us, but also for the greater good of the rest of the alley residents. I hope you will embrace the use of the alley for such a brief period to carry on a decades old tradition that speaks to the soul of the last great ski town in Colorado. We're happy to meet with you to discuss this further and come to some path forward.

Thanks,

Keith

Lynelle Stanford

From: Casey Falter <caseyfalter@yahoo.com>
Sent: Saturday, December 31, 2016 11:54 AM
To: Lynelle Stanford
Subject: Fwd: Alley Loop Course
Attachments: alley loop letter to Casey and Erin 12-16.docx

Hi Lynelle,

I am forwarding you the latest correspondence I just had with Keith Bauer. Please pass this along to Town Council and any staff who need to see it. I feel it is important to give the whole picture to everyone who decides what goes down in residential alleys. Unfortunately, Keith is not telling the whole story with the letter he sent me, and my response to him is included below.

Also, am I correct to assume that it may be a conflict of interest for Councilman Merck to have a role in the permit process for the race since he lives on the alley and has been trying to persuade residents?

I am sorry this saga continues, but I stand firm on the importance of fairness and consideration to town property owners affected by hard and fast proposals like this.

To all at Town, Thanks for listening,
 Casey Falter
 217 1/2 Gothic

(Response to Keith):

Keith,

Concerning the attached letter, there are some inaccuracies in your statements where I beg to differ with you - you did not approach every resident/owner in the alley in advance this year. A couple weeks ago when I sent my letter to town council, I shared it with our neighbor next door to the west of us (this resident/owner shall remain nameless since she does not want to be put in the spotlight). She considered co-signing our letter, but was rudely visited at her doorstep, unannounced, by both you and Councilman Merck on the same day in attempts to - she felt - "forcefully persuade" her into supporting the race down our alley. She had never been approached by you or the Nordic Center prior to this day. She was so troubled by these visits that she said she wanted nothing to do with the input process to town. She also stated that Ms. Prater, who owns the red house to our north and east on the alley, does not favor the alley for the race. I seriously doubt that you ever approached her either.

Next, you claim that you clear the berm of snow left by the town plows at the alley entrance. Firstly, this statement has no pertinence to the issue at hand. Secondly, this snow removal is actually done by Roland Mason and his crew with his bobcat blower. We pay him to do this work. And, there is another alley entrance to the east that is cleared by him when needed - we use it all the time.

Lastly, why can't you just consider using an alley that does not have so many residents affected by a closure? I'll suggest the alley due west of ours (between 1st and 2nd, between Teo and Gothic), the alley due south of ours (between 2nd and 3rd, between Gothic and Maroon), and the alley due north of ours (between Butte and Teo, between 2nd and 3rd). These alleys are in the same area of town. These alleys are not plowed through or used in the winter, to near the extent as ours is, by residents as an access to their homes.

We feel that our alley is NOT an appropriate choice for inclusion in a closed-off race route, EVER.

Thank you,
Casey Falter
217 1/2 Gothic

From: Keith Bauer <director@cbnordic.org>
Date: December 30, 2016 at 11:58:42 AM MST
To: Casey Falter <caseyfalter@yahoo.com>
Subject: Alley Loop Course

Hi Casey,

Please find the attached letter regarding this year's Alley Loop. We are happy to talk at any time.

Have a great new year and congrats on the little one!

Keith

Lynelle Stanford

From: Keith Bauer <director@cbnordic.org>
Sent: Tuesday, January 03, 2017 5:53 AM
To: Casey Falter
Subject: Re: Alley Loop Course

Hi Casey,
 Thanks for your response.

Yes, I did actually approach *every* resident in the alley. Some, who were not home at the time, I dropped off letters for, and then circled back with. Others I talked to and/or handed them letters. The neighbor you are referring to is gone a lot as you know, so when I did see her car in the alley I did knock on her door to see if she had gotten the letter. She hadn't, as I think her house may be short termed at times, so I brought her another one. Since I was gone most of the fall for medical reasons, I asked our neighbor Paul if he could follow up with her. He did, and she told him she was fine with it.

I did also talk with Ms Prater, and she was completely fine with the race coming through the alley. As you may know Stephanie puts on a lot of events herself, so she was very sympathetic to our cause. Add to that list, Joe and Jane, Paul and Lisa, ourselves, Dwight and Debbie, Scott and Lisa, and Mike and Laura.

And yes, we too pay for Roland to clear the alley, but there are several times after a storm when the town "cleans up" the streets and pushes yet *another* berm in front of the alley that we clear after Roland has gone through. These is what I referred to in my last email. Since we all live in a small town, we try to do the neighborly thing.

We have considered all the alleys you refer to and will in fact be using the Teo/Butte alley between 2nd and 3rd too. The alley south of us just won't work because of the 120 degree turn off of Totem Pole Bridge. That would end up being a major bottleneck for the racers as well as impossible to maintain. Believe me, if there was another alley that would work better, we'd be all over it.

I might note that the Whiterock/Sopris alley between 1st and Second has probably as many "alley residents" as our and has been used I think since the inception of the race, some 30 years, without incident.

Again, I understand you would prefer the race doesn't go down the alley, we understand that. But we will be happy to mitigate any concerns you have if you just let us know what they are.

Thanks much for your time, I know this is difficult for you.
 Keith

On Sat, Dec 31, 2016 at 10:04 AM, Casey Falter <caseyfalter@yahoo.com> wrote:
 Keith,

Concerning the attached letter, there are some inaccuracies in your statements where I beg to differ with you - you did not approach every resident/owner in the alley in advance this year. A couple weeks ago when I sent my letter to town council, I shared it with our neighbor next door to the west of us (this resident/owner shall remain nameless since she does not want to be put in the spotlight). She considered co-signing our letter, but was rudely visited at her doorstep, unannounced, by both you and Councilman Merck on the same day in attempts to - she felt - "forcefully persuade" her into supporting the race down our alley. She had never been approached by you or the Nordic Center prior to this day. She was so troubled by these visits that she said she

wanted nothing to do with the input process to town. She also stated that Ms. Prater, who owns the red house to our north and east on the alley, does not favor the alley for the race. I seriously doubt that you ever approached her either.

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Lastly, why can't you just consider using an alley that does not have so many residents affected by a closure? I'll suggest the alley due west of ours (between 1st and 2nd, between Teo and Gothic), the alley due south of ours (between 2nd and 3rd, between Gothic and Maroon), and the alley due north of ours (between Butte and Teo, between 2nd and 3rd). These alleys are in the same area of town. These alleys are not plowed through or used in the winter, to near the extent as ours is, by residents as an access to their homes.

We feel that our alley is NOT an appropriate choice for inclusion in a closed-off race route, EVER.

Thank you,
Casey Falter
217 1/2 Gothic

> On Dec 30, 2016, at 11:58 AM, Keith Bauer <director@cbnordic.org> wrote:

>
> Hi Casey,
>
> Please find the attached letter regarding this year's Alley Loop. We are happy to talk at any time.
>
> Have a great new year and congrats on the little one!
>
> Keith
> <alley loop letter to Casey and Erin 12-16.docx>

Annual Report
Mountain Express
2016

The Intergovernmental Agreement (IGA) between the towns of Crested Butte and Mt Crested Butte establishes Mountain Express (MX) as a separate transportation entity and generally describes its operation. The IGA calls for an annual written report to the two towns and specifies areas to be covered.

Ridership

Through November 2016 MX buses carried 584,700 passengers, an increase of 3% from 2015.

Route Configuration

MX will once again provide service to Crested Butte South. Starting on November 23, 2016 and running until April 9, 2017, MX will provide six round trips per day from Crested Butte South to the Mt Crested Butte transit center. There will be three trips in the morning and three trips in the afternoon. MX will work with the Gunnison Valley RTA buses and together provide 17 round trips of service to Crested Butte South. The Crested Butte South POA has helped fund this service.

MX will operate one winter schedule this year. The town buses run every 15 minutes until midnight, condo buses run every 30 minutes until 11:00 pm and the Condo Express service will run from 11:00 pm until midnight.

MX extended the summer service this summer and it ran through October 3rd with great success. Summer ridership increased 6% over last summer. Typically the summer service would end on Labor Weekend. The “Express Bus” operated from late June until early August and saw a 58% increase in ridership.

MX continued to provide summer service to the Gothic town site from early June through mid-August. Ridership was similar to last year’s numbers (4,050 passengers). MX is involved in the Gothic Valley project to help with the traffic congestion by possibly extending the route to the Judd Falls parking area, perhaps starting as soon the 2017 summer.

Operations

Employees are a major strength of MX. Employee turnover continues to be low, however MX was short-handed during the busy times last year. MX hired seven new drivers for the upcoming ski season.

MX works with Gunnison County and the Gunnison Valley RTA to provide the senior van servicing the north end of Gunnison valley. MX is now reimbursed expenses from the Gunnison Valley RTA.

Special service is provided in addition to scheduled runs as needed and requested by the two towns and activity planners. MX provided 56 hours of extra late night service carrying 2,175 passengers from 12/31/15 through 11/30/16.

Fleet status

As more fully described in the capital plan, the bus fleet is old but it is improving. With the addition of three new buses in 2015 (two big, one small) the average age of the fleet improved to 13 years for the big buses and 10 years for the small buses. FTA funding was secured to purchase those three vehicles.

MX secured FTA funding to purchase a new cut-away van and one new small bus in 2016.

MX will receive three new big buses in 2017. FTA funding was secured to purchase those three vehicles.

Financial status

Salaries were increased 5% in 2016 and driver wages increased \$.75/hour. Both salaries and driver wages will increase 5% for 2017. Health care costs continue to increase every year even after increases in deductibles and considering other providers. Vehicle repair and fuel costs are difficult to budget and control. Projections for 2016 show net income after capital expenditures of \$183,000. The board has set up \$680,000 in operating reserves to provide for emergencies and cash flow delays and capital reserves of \$450,000. Additionally, projections show about \$150,000 in fund balance at December 31, 2016, which may be used for bus purchases if additional capital grants are received.

Service agreements

The IGA between the two towns is current through May 31, 2017.

Recommendations

The focus of the board is to meet growing service needs and upgrade the bus fleet.

Board Approved December 15, 2016

Capital Plan
Mountain Express
2016

Background

Bus fleet is presently 13 large and seven small buses. Large buses (39 passengers) are generally used on the town routes and small buses (24 passengers) on the condo routes. The large buses average 13 years and 183,700 miles. The small buses average ten years and 99,400 miles. Of the 20 buses, 14 have engines with over 10,000 hours. Because of the age of the buses, repairs are a major cost (about \$90,000 per year). During peak ski season days, six town buses and three condo buses are used. The other 11 buses are used for overflow runs, back-up and rotation. Since 2013, three large buses and three small buses were purchased. Those buses were purchased with 80% funding grants received FTA and 20% local funding from MX.

The remaining vehicles are a senior van purchased in 2001 with 95,800 miles and three pickup trucks used by managers and supervisors were purchased in 2005, 2006, and 2011 with 162,700, 61,300, and 25,350 miles.

The bus barn was completed in 2009 and a bus lift was added in 2012.

Considerations

- Determining a replacement policy for buses is difficult because of the way the buses are used, with much idling, and our excellent repair capabilities. With two full-time mechanics and a complete shop, we can keep buses running indefinitely, although they begin to look shabby and become costly to keep repairing.
- There is very little salvage value in used buses.
- We won't need ten back-up buses. However, since there is little salvage value, old buses are retained and used lightly until a major repair is needed or for parts.
- The newest small buses are used on the Town routes during off-season.
- With all of the back-up buses, ridership increases will have a minimal impact on capital needs.

- It takes up to six months to receive a new bus The ideal time to receive new buses is in the fall to allow time to get them broken in before the ski season.
- Total bus miles in the 12 months ended November 28, 2016 was 177,800 with 15,600 service hours.
- Big buses cost \$170,000 and small buses \$140,000.
- Buses have been purchased using FTA grants and a 20% local match. The deficits being debated in Washington could result in future reductions to FTA funding and therefore reductions in future grants available.
- Cameras and digital destination signs were installed in the bus purchased in 2014 and will be included in future bus purchases.

Plan

FTA funding has been secured to purchase one small bus in 2016 for delivery by the fall of 2016 and be put into service for the 2016-2017 ski season. FTA funding has also been secured to purchase a new cut-away van in 2016. The van will be used to back up the senior van and for route expansions being considered.

FTA funding has been secured to purchase three new big buses in 2017.

On a continuing basis we should be purchasing at least one bus each year, which has been done in the last few years. Exactly what to purchase and when will depend on grants received and cash available.

MX will purchase a new shop truck in 2017 that will enable the mechanics to perform roadside repairs.

MX is also looking into expanding the current facility. A five bay shop to be used for bus washing and indoor storage is currently being considered by the board.

Another project MX is looking into is providing employee housing. MX has had discussions with the Town of Crested Butte to perhaps build a duplex on one of the towns affordable housing lots.

Board Approved December 15, 2016

Mountain Express 2017 Budget Approved December 15, 2016

	2017 Budget
INCOME	
Operating Grant	\$228,200
Interest income	2,100
Advertising	12,000
Service revenue	16,000
Other	1,000
Admissions tax-Mt CB	197,500
Mt CB sales tax	437,700
CB sales tax	<u>775,800</u>
TOTAL REVENUE	1,670,300
EXPENSES	
LABOR & BENEFITS	
Permanent salaries	243,800
Seasonal hourly	467,200
Overtime	5,000
Late night shift	700
Sick leave	5,000
FICA	59,900
Health insurance	201,500
Retirement	40,700
Medical exams	3,500
Drug/alcohol screens	3,200
Uniforms	5,000
Bonus	26,000
Other Benefits	<u>2,100</u>
Total	1,063,600
RENT & UTILITIES	
Rent	4,200
Utilities	19,500
Telephone	5,700
Trash	1,200
Building repairs	3,000
Snow removal	<u>2,000</u>
Total	35,600
ADMINISTRATIVE	
Administrative service	40,700
Audit	4,200
Legal services	700
Consultants	11,000
Travel	3,000
Office expense	8,000
Membership	7,000
Education/Seminars	<u>1,200</u>
Total	75,800

Mountain Express 2017 Budget Approved December 15, 2016

2017
Draft
Budget

INSURANCE

Vehicle Insurance	27,000
Workers comp	37,800
Unemployment	<u>2,000</u>
Total	66,800

VEHICLE EXPENSE

Repair & maintenance	92,000
Shop supplies	15,000
Fuel	100,000
Oil & fluids	17,000
Tires	25,000
Operations	7,000
Tools	700
Signs	1,000
Other	<u>300</u>
Total	258,000

TOTAL OPERATING EXP 1,499,800

NET INCOME BEFORE CA 170,500

Big bus	178,000
Federal grant	-142,400
Big bus	178,000
Federal grant	-142,400
Big bus	172,000
	-137,600
Bus painting	2,500
Total	<u>108,100</u>

NET INCOME AFTER CAP \$62,400



Staff Report

January 17, 2017

To: Mayor and Town Council
From: Dara MacDonald, Town Manager
Subject: Ordinance 2017-01, Town Employee Lease Agreements

Summary: The Town has seven rental units that are currently occupied by municipal employees. This ordinance allows for the approval of the seven leases.

Background: The Town has been proactive for many years in constructing and maintaining rental units to ensure that there is some opportunity for affordable housing in Town for municipal employees. As part of the 2017 budget the Council approved increases of \$25 per bedroom for these rental units. The attached leases incorporate this increase for each unit as well as annual increases for future years.

C.R.S. 31-15-713(1)(c) states that the governing body of a municipality has the power to lease any real estate owned by the municipality when deemed to be in the best interest of the municipality. It further requires that leases for more than one year be approved by ordinance.

Affordable housing remains a top priority for the Town of Crested Butte and providing housing for employees is one of the many strategies utilized by the Town to address housing needs and ensure that the services expected from the Town can be met. As housing costs continue to escalate in the Crested Butte community it has become increasingly difficult for employees to afford to make their homes within the community. Having employees living within Town has many benefits for the community including ensuring responsiveness, encouraging longer tenure, and fostering a greater commitment to the community.

The same format, developed by the Town Attorney, has been utilized for each lease with subtle adjustments to reflect the situation for each unit or property. Annual rental rate escalations have been built into each lease so that these will not have to be brought back before the Council for additional approvals unless there is a change in the tenant in the future. The leases will automatically renew each year unless terminated by either party. Employees must vacate these rental units within 60 days of the end of their employment with the Town.

Financial Implications: The Town does incur some expense each year with utilities and maintenance of these properties. The rental income derived from these properties is reinvested in the affordable housing fund.

Proposed Motion: “I move to set Ordinance 2017-01 for a public hearing on February 6, 2017”

ORDINANCE NO. 1

SERIES NO. 2017

AN ORDINANCE OF THE CRESTED BUTTE TOWN COUNCIL AUTHORIZING THE LEASE OF VARIOUS TOWN RESIDENTIAL PROPERTIES (UNITS 1, 2 AND 3, TOWN RANCH APARTMENTS, 808 9TH STREET; 812 TEOCALLI AVENUE; 814 TEOCALLI AVENUE; 19 9TH STREET; AND 17 9TH STREET, CRESTED BUTTE, COLORADO TO VARIOUS TOWN EMPLOYEES

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;

WHEREAS, pursuant to Section 31-15-713 (c), C.R.S., the Town Council may lease any real estate, together with any facilities thereon, owned by the Town when deemed by the Town Council to be in the best interest of the Town;

WHEREAS, pursuant to Section 713 (c), when the term of such lease is more than one year, the Town Council must approve such lease by ordinance of the Town Council; and

WHEREAS, the Town Council finds hereby that approving leases of various Town properties for use by certain Town employees is in the best interest of the Town.

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

1. **Findings.** The Town Council hereby finds that granting leases of various Town properties for use by certain Town employees is in the best interest of the Town.
2. **Authorization of Town Manager or Mayor.** Based on the foregoing, the Town Council hereby authorizes the Town Manager or Mayor to execute leases in substantially the same form as attached hereto as **Exhibit “A”** for the following properties to the employees described in such leases.

- A-1. Unit 1, Town Ranch Apartments;
- A-2. Unit 2, Town Ranch Apartments;
- A-3. Unit 3, Town Ranch Apartments;
- A-4. 812 Teocalli Avenue;
- A-5. 814 Teocalli Avenue;
- A-6. 19 9th Street; and
- A-7. 17 9th Street.

INTRODUCED, READ AND ADOPTED BEFORE THE TOWN COUNCIL
THIS ___ DAY OF _____, 2017.

TOWN OF CRESTED BUTTE, COLORADO

By: _____
Glenn Michel, Mayor

ATTEST

Lynelle Stanford, Town Clerk

(SEAL)

EXHIBIT "A"

Employee Lease Agreements

[attach form leases agreements here]

LEASEHOLD AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 20____, by and between the TOWN OF CRESTED BUTTE, a Colorado Home Rule Municipal Corporation (hereafter referred to as the “Town”) and Douglas Collin, an employee of the Town of Crested Butte (hereafter referred to as the “Lessee”) is upon the following terms and conditions:

WITNESSETH:

IN CONSIDERATION of the keeping and performance of the mutual promises, covenants, and conditions contained herein, the parties agree as follows:

1. **TERM and RENEWAL:** This agreement shall commence as of the 1st day of March, 2017, for a period of one year, ending on the 28th day of February, 2018 at midnight. Thereafter, this agreement shall automatically renew annually from year to year. During the term of this Lease, Lessee must remain in the employment of the Town. Should Lessee’s employment with the Town end for any reason during the term of this Lease, Lessee, and any additional room-mate(s) or temporary visitor(s) must vacate the premises within 60 days from the end date of employment. Any extension of the vacation date must be mutually agreed upon in writing by both parties. Should the Lessee desire to move out prior to the expiration of the Lease, Lessee will give the Town no less than a 30 day notice of intention to move out.

2. **LEASE OF PREMISES TO LESSEE:** The Town hereby leases to Lessee, and the Lessee hereby takes and rents from the Town, the following described premises, together with the improvements thereon, situated in the County of Gunnison and State of Colorado, to wit:

808 Ninth Street, Town Ranch, Unit 1, Crested Butte, Colorado (a one bedroom residential dwelling that is a portion of a Town owned triplex)

3. **RENT/OCCUPANTS:** The Lessee agrees to pay to Town as rent for the premises listed above the sum of \$500.00 per month, due and payable no later than the 5th day of each month during the term of this lease;
 - a. Upon automatic renewal every year the rental rate shall increase by \$10 per month.

4. **UTILITIES:** Unless otherwise specified, the Lessee shall pay for gas and electricity. The Town will pay for water, sewer and weekly refuse collection. Lessee shall also pay all charges for telephone, internet, television and other such services.

5. **CHARACTER OF OCCUPANCY:** The premises shall be occupied by the Lessee as a residential dwelling. Any commercial activity not in connection with Lessee's employment with the Town is prohibited unless agreed upon in writing by both parties. Further, Lessee shall:
- a. Properly maintain the premises, fixtures, and furnishings located therein, to include the changing of light bulbs, cleaning, mowing and weeding, snow removal upon and around entrances and parking areas, yard cleanliness and maintenance, and other such minor work.
 - b. At its sole cost and labor make all necessary day to day repairs needed to preserve the quality of the interior walls, floor, ceiling, and doors of the premises, and maintain the fixtures and furnishings in good working order and condition. Any and all such repairs or replacements shall be of a like kind and quality, and shall be done in a good and thorough workmanlike manner.
 - c. Make no alterations, repairs, or improvements to the premises without prior written permission of the Town. Lessee shall secure the premises with a lock, and insure that the Town has a key to said lock. Lessee shall return the premises to the Town clean and in good order and condition including any carpets, wood flooring, paint, furnishings and appliances, and plumbing facilities at the termination of this Lease, ordinary wear and tear excepted.
 - d. Not use the premises in any fashion that would increase the risk of fire, explosion, or any physical damage or destruction to the premises, or create hazardous conditions for other tenants or neighbors. Not use the premise in any fashion contrary to the laws of the Town, the State of Colorado, or the United States government. Except by prior arrangement and written permission from the Town, limitations on the use of the premises includes a prohibition on smoking tobacco products, and the unlawful storage, consumption, or transfer of alcoholic beverages and/or controlled substances.
 - e. Lessee shall not use the premises to further any discriminatory or derogatory practices based on race, sex religious belief, sexual orientation or national origin.
 - f. Lessee understands and agrees that the leased premise is a part of a triplex building, the adjacent portion of which is a similar rental unit occupied by an employee of the Town. Lessee agrees that the tenant(s) in the other portion of the building are entitled to the quiet enjoyment of their residence, and the Lessee agrees to refrain from behaviors or practices that may un-necessarily disturb or damage the adjacent Lease-holder.
6. **ANIMALS:** Lessee is allowed to have pets such as a dog or cat subject to approval by the Town Manager.
7. **CLEANING:** Lessee agrees to keep and maintain the premises used exclusively by Lessee in a neat, orderly, clean and sanitary condition at all times, and to

- provide such cleaning and other services as may be necessary to do so. All refuse or trash resulting from Lessee's use of the premises shall be stored in the animal resistant container provided by the Town on the premises for eventual removal during the weekly trash pick-up. Trash, refuse, and other such discarded materials may not be allowed to accumulate in or on the property. All cleaning supplies and equipment must be provided by Lessee. Premises are subject to periodic inspection for the purposes of insuring cleanliness, and proper repair and maintenance of the premises by the Town upon 24 hour notice to the Lessee.
8. **PARKING:** Vehicles owned or operated by the Lessee must be parked in available spaces designed for such purposes or the Town right of way in accordance with the Town's parking regulations. Vehicles may not be parked on landscaped areas, abandoned on the premises, or otherwise left in disrepair on or adjacent to the premises.
 9. **LIENS:** Lessee agrees to keep the premises free and clear of liens of any kind caused by the action or inaction of Lessee.
 10. **SECURITY AND DAMAGE DEPOSIT:** Lessee shall pay the Town the sum of \$250.00 to be used as security for the faithful performance of the terms and obligations of this Lease. This deposit shall be held by the Town for the term of this Lease. The Town may apply any or all of the security deposit to the repair of damages caused to the premises by Lessee or Lessee's use thereof, and/or to pay for cleaning of the premises upon the Lessee's vacation of the premises. In the event the town deems that it is reasonable and necessary to have the premises cleaned or repaired during or after the term of this Lease, it shall be done at Lessee's expense. Any amount paid out of the deposit shall be reimbursed to the Town within ten (10) days by the Lessee to again cause a full deposit of \$250.00 to be available at all times. This deposit shall not be deemed to be of the total amount for which the Lessee shall be responsible in the event of damages. Lessee shall not be entitled to credit any amount of the deposit toward payment of any other obligation owed to the Town.
 11. **TAXES:** The Town shall pay any and all real and personal property taxes and special assessments which may be levied upon the premises, except those personal property taxes levied specifically upon the personal property of the Lessee.
 12. **INSURANCE AND INDEMNIFICATION:** Lessee agrees to indemnify and hold the Town harmless against any and all claims or judgments for loss, liability, damage, or injury to persons or property of any kind, including reasonable attorney's fees arising out of or in connection with Lessee's use of the premises, and those caused by the negligent and intentional acts of the Lessee and/or visitors in furtherance of the Lessee's occupation. The Town shall maintain in effect fire and extended coverage on the building in which the premises is located during the term of this Agreement. The Town shall also maintain in effect public

liability insurance on the building in at least the minimum amount of its exposure under the Statutes of the State of Colorado.

Lessee may obtain, at its own expense, any contents insurance and public liability insurance it may wish to purchase, provided however, that if Lessee places equipment, communications devices, or other such material with a cash value in excess of \$10,000, contents insurance is required of the Lessee, at his own expense, as a condition of occupying the premises upon execution of this Lease.

13. **ASSIGNMENT:** Lessee shall not assign this Lease, nor sublet or rent the premises described herein to other users in any fashion, or encumber this lease or the premises in whole or in part, without the prior written consent of the Town.
14. **INSPECTION OF PREMISES:** Lessee shall allow the Town or its authorized representatives to enter upon the premises upon 24 hours notice, without intruding into Lessee's personal effects, to inspect the premises or to make repairs thereon.
15. **DEFAULT OF THE AGREEMENT:** Neither party shall have the right to terminate this Lease upon default in any covenant or condition unless such default remains uncured for five (5) days following the provision of written notice of the default to the defaulting party. If this Lease is so terminated, it is agreed that the Town may retake possession of the premises upon an additional five (5) days written notice to Lessee, without terminating the Lease. If the Town retakes possession of the premises in such fashion, Lessee shall remain liable for rental payments, and the cost of cleaning and repair, less any amount received from a new tenant during the remainder of the term of this Lease.
16. **SURRENDER OF PREMISES:** If Lessee wishes to renew this Lease, it shall notify the Town no less than 30 days prior to the expiration date. Lessee shall quit and surrender the premises in the condition upon which it was received, except for normal wear and tear, upon the expiration of this Lease, or any extension hereof. Except by prior negotiation and agreement with the Town, it shall be Lessee's responsibility to remove all personal property, personal fixtures, or approved improvements located on the premises at the time of expiration, or upon termination of this Lease. In the event of removal of said personal property, fixtures, or improvements located on the premises, Lessee shall restore the premises to its original condition.
17. **TERMINATION FOR CONVENIENCE:** Either the Town or Lessee may terminate this agreement and the tenancy hereunder at any time for any reason or no reason at all on 60 days' written notice to the other party.
18. **TOWN'S REPAIR AND MAINTENANCE OBLIGATION:** Except by prior negotiation and agreement expressed and added herein, the Town shall keep the remainder of the building in which the premises is located in good repair. The Town shall make such structural repairs as may be necessary, and repair all

plumbing, electrical, heating, ventilating, and other facilities as may be existing, unless caused by the negligent or intentional acts of the Lessee, and visitors, in which case Lessee shall pay or reimburse the Town for such repairs.

19. **NOTICES:** All notices required hereby shall be in writing and shall be hand delivered or sent by certified mail, return receipt requested, to the following addresses:

TOWN: Town Manager
Town of Crested Butte
P.O. Box 39
507 Maroon Ave
Crested Butte, CO 81224

LESSEE: Douglas Collin
PO Box 2246
808 Ninth Street, Town Ranch, Unit 1
Crested Butte, CO 81224

Notices shall be deemed properly given when sent, mailed, or hand delivered to the above addresses. Either party may change its address by giving written notice of the change to the other party.

20. **APPLICABLE LAW:** This Lease is entered into in the Town of Crested Butte, Gunnison County, State of Colorado; and it is agreed that the proper jurisdiction and venue of any action pertaining to the interpretation or enforcement of this Lease be in the County of Gunnison, State of Colorado.
21. **ATTORNEY FEES:** It is agreed that if any action is brought in a court of law by either party to this Lease as to its enforcement, interpretation or construction of this Lease or any document provided for herein, the prevailing party in such action shall be entitled to reasonable attorney fees, as well as all costs incurred in the prosecution or defense of such action.
22. **WAIVER:** The failure of the Town to insist in any one or more instances upon strict compliance of any of the obligations, covenants, and agreements contained herein, or the failure of the Town in any one or more instances to exercise any option, privilege, or right contained herein shall in no way be construed as constituting a waiver of such default or option by the Town.
23. **CAPTIONS:** The captions are inserted only as a matter of convenience and reference. They in no way define, limit, or describe the scope of the Lease nor the intent of any provision herein.
24. **SEVERABILITY:** If any provision, covenant, clause, or agreement contained in the Lease or the application thereof shall be found to be invalid, such invalidity

shall not affect the validity of the remaining provisions, covenants, clauses, or agreements, or the validity of the Lease as a whole.

25. **BENEFIT:** This Lease shall bind and benefit alike the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have executed this Lease in duplicate as of the date first set forth above.

TOWN OF CRESTED BUTTE, COLORADO

By: _____
Dara T MacDonald, Town Manager

ATTEST:

By: _____
Lynelle Stanford, Town Clerk

LESSEE:

By: _____
Douglas Collin

LEASEHOLD AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 20____, by and between the TOWN OF CRESTED BUTTE, a Colorado Home Rule Municipal Corporation (hereafter referred to as the “Town”) and Kenneth Wilson, an employee of the Town of Crested Butte (hereafter referred to as the “Lessee”) is upon the following terms and conditions:

WITNESSETH:

IN CONSIDERATION of the keeping and performance of the mutual promises, covenants, and conditions contained herein, the parties agree as follows:

1. **TERM and RENEWAL:** This agreement shall commence as of the 1st day of March, 2017, for a period of one year, ending on the 28th day of February, 2018 at midnight. Thereafter, this agreement shall automatically renew annually from year to year. During the term of this Lease, Lessee must remain in the employment of the Town. Should Lessee’s employment with the Town end for any reason during the term of this Lease, Lessee, and any additional room-mate(s) or temporary visitor(s) must vacate the premises within 60 days from the end date of employment. Any extension of the vacation date must be mutually agreed upon in writing by both parties. Should the Lessee desire to move out prior to the expiration of the Lease, Lessee will give the Town no less than a 30 day notice of intention to move out.

2. **LEASE OF PREMISES TO LESSEE:** The Town hereby leases to Lessee, and the Lessee hereby takes and rents from the Town, the following described premises, together with the improvements thereon, situated in the County of Gunnison and State of Colorado, to wit:

808 Ninth Street, Town Ranch, Unit 2, Crested Butte, Colorado (a two bedroom residential dwelling that is a portion of a Town owned triplex)

3. **RENT/OCCUPANTS:** The Lessee agrees to pay to Town as rent for the premises listed above the sum of \$670.00 per month, due and payable no later than the 5th day of each month during the term of this lease;
 - a. Upon automatic renewal every year the rental rate shall increase by \$15 per month.

4. **UTILITIES:** Unless otherwise specified, the Lessee shall pay for gas and electricity. The Town will pay for water, sewer and weekly refuse collection. Lessee shall also pay all charges for telephone, internet, television and other such services.

5. **CHARACTER OF OCCUPANCY:** The premises shall be occupied by the Lessee as a residential dwelling. Any commercial activity not in connection with Lessee's employment with the Town is prohibited unless agreed upon in writing by both parties. Further, Lessee shall:
- a. Properly maintain the premises, fixtures, and furnishings located therein, to include the changing of light bulbs, cleaning, mowing and weeding, snow removal upon and around entrances and parking areas, yard cleanliness and maintenance, and other such minor work.
 - b. At its sole cost and labor make all necessary day to day repairs needed to preserve the quality of the interior walls, floor, ceiling, and doors of the premises, and maintain the fixtures and furnishings in good working order and condition. Any and all such repairs or replacements shall be of a like kind and quality, and shall be done in a good and thorough workmanlike manner.
 - c. Make no alterations, repairs, or improvements to the premises without prior written permission of the Town. Lessee shall secure the premises with a lock, and insure that the Town has a key to said lock. Lessee shall return the premises to the Town clean and in good order and condition including any carpets, wood flooring, paint, furnishings and appliances, and plumbing facilities at the termination of this Lease, ordinary wear and tear excepted.
 - d. Not use the premises in any fashion that would increase the risk of fire, explosion, or any physical damage or destruction to the premises, or create hazardous conditions for other tenants or neighbors. Not use the premise in any fashion contrary to the laws of the Town, the State of Colorado, or the United States government. Except by prior arrangement and written permission from the Town, limitations on the use of the premises includes a prohibition on smoking tobacco products, and the unlawful storage, consumption, or transfer of alcoholic beverages and/or controlled substances.
 - e. Lessee shall not use the premises to further any discriminatory or derogatory practices based on race, sex religious belief, sexual orientation or national origin.
 - f. Lessee understands and agrees that the leased premise is a part of a triplex building, the adjacent portion of which is a similar rental unit occupied by an employee of the Town. Lessee agrees that the tenant(s) in the other portion of the building are entitled to the quiet enjoyment of their residence, and the Lessee agrees to refrain from behaviors or practices that may un-necessarily disturb or damage the adjacent Lease-holder.
6. **ANIMALS:** Lessee is allowed to have pets such as a dog or cat subject to approval by the Town Manager.
7. **CLEANING:** Lessee agrees to keep and maintain the premises used exclusively by Lessee in a neat, orderly, clean and sanitary condition at all times, and to

- provide such cleaning and other services as may be necessary to do so. All refuse or trash resulting from Lessee's use of the premises shall be stored in the animal resistant container provided by the Town on the premises for eventual removal during the weekly trash pick-up. Trash, refuse, and other such discarded materials may not be allowed to accumulate in or on the property. All cleaning supplies and equipment must be provided by Lessee. Premises are subject to periodic inspection for the purposes of insuring cleanliness, and proper repair and maintenance of the premises by the Town upon 24 hour notice to the Lessee.
8. **PARKING:** Vehicles owned or operated by the Lessee must be parked in available spaces designed for such purposes or the Town right of way in accordance with the Town's parking regulations. Vehicles may not be parked on landscaped areas, abandoned on the premises, or otherwise left in disrepair on or adjacent to the premises.
 9. **LIENS:** Lessee agrees to keep the premises free and clear of liens of any kind caused by the action or inaction of Lessee.
 10. **SECURITY AND DAMAGE DEPOSIT:** Lessee has paid the Town the sum of \$250.00 to be used as security for the faithful performance of the terms and obligations of this Lease. This deposit shall be held by the Town for the term of this Lease. The Town may apply any or all of the security deposit to the repair of damages caused to the premises by Lessee or Lessee's use thereof, and/or to pay for cleaning of the premises upon the Lessee's vacation of the premises. In the event the town deems that it is reasonable and necessary to have the premises cleaned or repaired during or after the term of this Lease, it shall be done at Lessee's expense. Any amount paid out of the deposit shall be reimbursed to the Town within ten (10) days by the Lessee to again cause a full deposit of \$250.00 to be available at all times. This deposit shall not be deemed to be of the total amount for which the Lessee shall be responsible in the event of damages. Lessee shall not be entitled to credit any amount of the deposit toward payment of any other obligation owed to the Town.
 11. **TAXES:** The Town shall pay any and all real and personal property taxes and special assessments which may be levied upon the premises, except those personal property taxes levied specifically upon the personal property of the Lessee.
 12. **INSURANCE AND INDEMNIFICATION:** Lessee agrees to indemnify and hold the Town harmless against any and all claims or judgments for loss, liability, damage, or injury to persons or property of any kind, including reasonable attorney's fees arising out of or in connection with Lessee's use of the premises, and those caused by the negligent and intentional acts of the Lessee and/or visitors in furtherance of the Lessee's occupation. The Town shall maintain in effect fire and extended coverage on the building in which the premises is located during the term of this Agreement. The Town shall also maintain in effect public

liability insurance on the building in at least the minimum amount of its exposure under the Statutes of the State of Colorado.

Lessee may obtain, at its own expense, any contents insurance and public liability insurance it may wish to purchase, provided however, that if Lessee places equipment, communications devices, or other such material with a cash value in excess of \$10,000, contents insurance is required of the Lessee, at his own expense, as a condition of occupying the premises upon execution of this Lease.

13. **ASSIGNMENT:** Lessee shall not assign this Lease, nor sublet or rent the premises described herein to other users in any fashion, or encumber this lease or the premises in whole or in part, without the prior written consent of the Town.
14. **INSPECTION OF PREMISES:** Lessee shall allow the Town or its authorized representatives to enter upon the premises upon 24 hours notice, without intruding into Lessee's personal effects, to inspect the premises or to make repairs thereon.
15. **DEFAULT OF THE AGREEMENT:** Neither party shall have the right to terminate this Lease upon default in any covenant or condition unless such default remains uncured for five (5) days following the provision of written notice of the default to the defaulting party. If this Lease is so terminated, it is agreed that the Town may retake possession of the premises upon an additional five (5) days written notice to Lessee, without terminating the Lease. If the Town retakes possession of the premises in such fashion, Lessee shall remain liable for rental payments, and the cost of cleaning and repair, less any amount received from a new tenant during the remainder of the term of this Lease.
16. **SURRENDER OF PREMISES:** If Lessee wishes to renew this Lease, it shall notify the Town no less than 30 days prior to the expiration date. Lessee shall quit and surrender the premises in the condition upon which it was received, except for normal wear and tear, upon the expiration of this Lease, or any extension hereof. Except by prior negotiation and agreement with the Town, it shall be Lessee's responsibility to remove all personal property, personal fixtures, or approved improvements located on the premises at the time of expiration, or upon termination of this Lease. In the event of removal of said personal property, fixtures, or improvements located on the premises, Lessee shall restore the premises to its original condition.
17. **TERMINATION FOR CONVENIENCE:** Either the Town or Lessee may terminate this agreement and the tenancy hereunder at any time for any reason or no reason at all on 60 days' written notice to the other party.
18. **TOWN'S REPAIR AND MAINTENANCE OBLIGATION:** Except by prior negotiation and agreement expressed and added herein, the Town shall keep the remainder of the building in which the premises is located in good repair. The Town shall make such structural repairs as may be necessary, and repair all

plumbing, electrical, heating, ventilating, and other facilities as may be existing, unless caused by the negligent or intentional acts of the Lessee, and visitors, in which case Lessee shall pay or reimburse the Town for such repairs.

19. **NOTICES:** All notices required hereby shall be in writing and shall be hand delivered or sent by certified mail, return receipt requested, to the following addresses:

TOWN: Town Manager
 Town of Crested Butte
 P.O. Box 39
 507 Maroon Ave
 Crested Butte, CO 81224

LESSEE: Kenneth Wilson
 PO Box 3013
 808 Ninth Street, Town Ranch, Unit 2
 Crested Butte, CO 81224

Notices shall be deemed properly given when sent, mailed, or hand delivered to the above addresses. Either party may change its address by giving written notice of the change to the other party.

20. **APPLICABLE LAW:** This Lease is entered into in the Town of Crested Butte, Gunnison County, State of Colorado; and it is agreed that the proper jurisdiction and venue of any action pertaining to the interpretation or enforcement of this Lease be in the County of Gunnison, State of Colorado.
21. **ATTORNEY FEES:** It is agreed that if any action is brought in a court of law by either party to this Lease as to its enforcement, interpretation or construction of this Lease or any document provided for herein, the prevailing party in such action shall be entitled to reasonable attorney fees, as well as all costs incurred in the prosecution or defense of such action.
22. **WAIVER:** The failure of the Town to insist in any one or more instances upon strict compliance of any of the obligations, covenants, and agreements contained herein, or the failure of the Town in any one or more instances to exercise any option, privilege, or right contained herein shall in no way be construed as constituting a waiver of such default or option by the Town.
23. **CAPTIONS:** The captions are inserted only as a matter of convenience and reference. They in no way define, limit, or describe the scope of the Lease nor the intent of any provision herein.
24. **SEVERABILITY:** If any provision, covenant, clause, or agreement contained in the Lease or the application thereof shall be found to be invalid, such invalidity

shall not affect the validity of the remaining provisions, covenants, clauses, or agreements, or the validity of the Lease as a whole.

25. **BENEFIT:** This Lease shall bind and benefit alike the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have executed this Lease in duplicate as of the date first set forth above.

TOWN OF CRESTED BUTTE, COLORADO

By: _____
Dara T MacDonald, Town Manager

ATTEST:

By: _____
Lynelle Stanford, Town Clerk

LESSEE:

By: _____
Kenneth Wilson

LEASEHOLD AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 20____, by and between the TOWN OF CRESTED BUTTE, a Colorado Home Rule Municipal Corporation (hereafter referred to as the “Town”) and Ian Baird, an employee of the Town of Crested Butte (hereafter referred to as the “Lessee”) is upon the following terms and conditions:

WITNESSETH:

IN CONSIDERATION of the keeping and performance of the mutual promises, covenants, and conditions contained herein, the parties agree as follows:

1. **TERM and RENEWAL:** This agreement shall commence as of the 1st day of March, 2017, for a period of one year, ending on the 28th day of February, 2018 at midnight. Thereafter, this agreement shall automatically renew annually from year to year. During the term of this Lease, Lessee must remain in the employment of the Town. Should Lessee’s employment with the Town end for any reason during the term of this Lease, Lessee, and any additional room-mate(s) or temporary visitor(s) must vacate the premises within 60 days from the end date of employment. Any extension of the vacation date must be mutually agreed upon in writing by both parties. Should the Lessee desire to move out prior to the expiration of the Lease, Lessee will give the Town no less than a 30 day notice of intention to move out.

2. **LEASE OF PREMISES TO LESSEE:** The Town hereby leases to Lessee, and the Lessee hereby takes and rents from the Town, the following described premises, together with the improvements thereon, situated in the County of Gunnison and State of Colorado, to wit:

808 Ninth Street, Town Ranch, Unit 3, Crested Butte, Colorado (a one bedroom residential dwelling that is a portion of a Town owned triplex)

3. **RENT/OCCUPANTS:** The Lessee agrees to pay to Town as rent for the premises listed above the sum of \$550.00 per month, due and payable no later than the 5th day of each month during the term of this lease;
 - a. Upon automatic renewal every year the rental rate shall increase by \$10 per month.

4. **UTILITIES:** Unless otherwise specified, the Lessee shall pay for gas and electricity. The Town will pay for water, sewer and weekly refuse collection. Lessee shall also pay all charges for telephone, internet, television and other such services.

5. **CHARACTER OF OCCUPANCY:** The premises shall be occupied by the Lessee as a residential dwelling. Any commercial activity not in connection with Lessee's employment with the Town is prohibited unless agreed upon in writing by both parties. Further, Lessee shall:
- a. Properly maintain the premises, fixtures, and furnishings located therein, to include the changing of light bulbs, cleaning, mowing and weeding, snow removal upon and around entrances and parking areas, yard cleanliness and maintenance, and other such minor work.
 - b. At its sole cost and labor make all necessary day to day repairs needed to preserve the quality of the interior walls, floor, ceiling, and doors of the premises, and maintain the fixtures and furnishings in good working order and condition. Any and all such repairs or replacements shall be of a like kind and quality, and shall be done in a good and thorough workmanlike manner.
 - c. Make no alterations, repairs, or improvements to the premises without prior written permission of the Town. Lessee shall secure the premises with a lock, and insure that the Town has a key to said lock. Lessee shall return the premises to the Town clean and in good order and condition including any carpets, wood flooring, paint, furnishings and appliances, and plumbing facilities at the termination of this Lease, ordinary wear and tear excepted.
 - d. Not use the premises in any fashion that would increase the risk of fire, explosion, or any physical damage or destruction to the premises, or create hazardous conditions for other tenants or neighbors. Not use the premise in any fashion contrary to the laws of the Town, the State of Colorado, or the United States government. Except by prior arrangement and written permission from the Town, limitations on the use of the premises includes a prohibition on smoking tobacco products, and the unlawful storage, consumption, or transfer of alcoholic beverages and/or controlled substances.
 - e. Lessee shall not use the premises to further any discriminatory or derogatory practices based on race, sex religious belief, sexual orientation or national origin.
 - f. Lessee understands and agrees that the leased premise is a part of a triplex building, the adjacent portion of which is a similar rental unit occupied by an employee of the Town. Lessee agrees that the tenant(s) in the other portion of the building are entitled to the quiet enjoyment of their residence, and the Lessee agrees to refrain from behaviors or practices that may un-necessarily disturb or damage the adjacent Lease-holder.
6. **ANIMALS:** Lessee is allowed to have pets such as a dog or cat subject to approval by the Town Manager.
7. **CLEANING:** Lessee agrees to keep and maintain the premises used exclusively by Lessee in a neat, orderly, clean and sanitary condition at all times, and to

- provide such cleaning and other services as may be necessary to do so. All refuse or trash resulting from Lessee's use of the premises shall be stored in the animal resistant container provided by the Town on the premises for eventual removal during the weekly trash pick-up. Trash, refuse, and other such discarded materials may not be allowed to accumulate in or on the property. All cleaning supplies and equipment must be provided by Lessee. Premises are subject to periodic inspection for the purposes of insuring cleanliness, and proper repair and maintenance of the premises by the Town upon 24 hour notice to the Lessee.
8. **PARKING:** Vehicles owned or operated by the Lessee must be parked in available spaces designed for such purposes or the Town right of way in accordance with the Town's parking regulations. Vehicles may not be parked on landscaped areas, abandoned on the premises, or otherwise left in disrepair on or adjacent to the premises.
 9. **LIENS:** Lessee agrees to keep the premises free and clear of liens of any kind caused by the action or inaction of Lessee.
 10. **SECURITY AND DAMAGE DEPOSIT:** Lessee shall pay the Town the sum of \$250.00 to be used as security for the faithful performance of the terms and obligations of this Lease. This deposit shall be held by the Town for the term of this Lease. The Town may apply any or all of the security deposit to the repair of damages caused to the premises by Lessee or Lessee's use thereof, and/or to pay for cleaning of the premises upon the Lessee's vacation of the premises. In the event the town deems that it is reasonable and necessary to have the premises cleaned or repaired during or after the term of this Lease, it shall be done at Lessee's expense. Any amount paid out of the deposit shall be reimbursed to the Town within ten (10) days by the Lessee to again cause a full deposit of \$250.00 to be available at all times. This deposit shall not be deemed to be of the total amount for which the Lessee shall be responsible in the event of damages. Lessee shall not be entitled to credit any amount of the deposit toward payment of any other obligation owed to the Town.
 11. **TAXES:** The Town shall pay any and all real and personal property taxes and special assessments which may be levied upon the premises, except those personal property taxes levied specifically upon the personal property of the Lessee.
 12. **INSURANCE AND INDEMNIFICATION:** Lessee agrees to indemnify and hold the Town harmless against any and all claims or judgments for loss, liability, damage, or injury to persons or property of any kind, including reasonable attorney's fees arising out of or in connection with Lessee's use of the premises, and those caused by the negligent and intentional acts of the Lessee and/or visitors in furtherance of the Lessee's occupation. The Town shall maintain in effect fire and extended coverage on the building in which the premises is located during the term of this Agreement. The Town shall also maintain in effect public

liability insurance on the building in at least the minimum amount of its exposure under the Statutes of the State of Colorado.

Lessee may obtain, at its own expense, any contents insurance and public liability insurance it may wish to purchase, provided however, that if Lessee places equipment, communications devices, or other such material with a cash value in excess of \$10,000, contents insurance is required of the Lessee, at his own expense, as a condition of occupying the premises upon execution of this Lease.

13. **ASSIGNMENT:** Lessee shall not assign this Lease, nor sublet or rent the premises described herein to other users in any fashion, or encumber this lease or the premises in whole or in part, without the prior written consent of the Town.
14. **INSPECTION OF PREMISES:** Lessee shall allow the Town or its authorized representatives to enter upon the premises upon 24 hours notice, without intruding into Lessee's personal effects, to inspect the premises or to make repairs thereon.
15. **DEFAULT OF THE AGREEMENT:** Neither party shall have the right to terminate this Lease upon default in any covenant or condition unless such default remains uncured for five (5) days following the provision of written notice of the default to the defaulting party. If this Lease is so terminated, it is agreed that the Town may retake possession of the premises upon an additional five (5) days written notice to Lessee, without terminating the Lease. If the Town retakes possession of the premises in such fashion, Lessee shall remain liable for rental payments, and the cost of cleaning and repair, less any amount received from a new tenant during the remainder of the term of this Lease.
16. **SURRENDER OF PREMISES:** If Lessee wishes to renew this Lease, it shall notify the Town no less than 30 days prior to the expiration date. Lessee shall quit and surrender the premises in the condition upon which it was received, except for normal wear and tear, upon the expiration of this Lease, or any extension hereof. Except by prior negotiation and agreement with the Town, it shall be Lessee's responsibility to remove all personal property, personal fixtures, or approved improvements located on the premises at the time of expiration, or upon termination of this Lease. In the event of removal of said personal property, fixtures, or improvements located on the premises, Lessee shall restore the premises to its original condition.
17. **TERMINATION FOR CONVENIENCE:** Either the Town or Lessee may terminate this agreement and the tenancy hereunder at any time for any reason or no reason at all on 60 days' written notice to the other party.
18. **TOWN'S REPAIR AND MAINTENANCE OBLIGATION:** Except by prior negotiation and agreement expressed and added herein, the Town shall keep the remainder of the building in which the premises is located in good repair. The Town shall make such structural repairs as may be necessary, and repair all

plumbing, electrical, heating, ventilating, and other facilities as may be existing, unless caused by the negligent or intentional acts of the Lessee, and visitors, in which case Lessee shall pay or reimburse the Town for such repairs.

19. **NOTICES:** All notices required hereby shall be in writing and shall be hand delivered or sent by certified mail, return receipt requested, to the following addresses:

TOWN: Town Manager
Town of Crested Butte
P.O. Box 39
507 Maroon Ave
Crested Butte, CO 81224

LESSEE: Ian Baird
PO Box 4232
808 Ninth Street, Town Ranch, Unit 3
Crested Butte, CO 81224

Notices shall be deemed properly given when sent, mailed, or hand delivered to the above addresses. Either party may change its address by giving written notice of the change to the other party.

20. **APPLICABLE LAW:** This Lease is entered into in the Town of Crested Butte, Gunnison County, State of Colorado; and it is agreed that the proper jurisdiction and venue of any action pertaining to the interpretation or enforcement of this Lease be in the County of Gunnison, State of Colorado.
21. **ATTORNEY FEES:** It is agreed that if any action is brought in a court of law by either party to this Lease as to its enforcement, interpretation or construction of this Lease or any document provided for herein, the prevailing party in such action shall be entitled to reasonable attorney fees, as well as all costs incurred in the prosecution or defense of such action.
22. **WAIVER:** The failure of the Town to insist in any one or more instances upon strict compliance of any of the obligations, covenants, and agreements contained herein, or the failure of the Town in any one or more instances to exercise any option, privilege, or right contained herein shall in no way be construed as constituting a waiver of such default or option by the Town.
23. **CAPTIONS:** The captions are inserted only as a matter of convenience and reference. They in no way define, limit, or describe the scope of the Lease nor the intent of any provision herein.
24. **SEVERABILITY:** If any provision, covenant, clause, or agreement contained in the Lease or the application thereof shall be found to be invalid, such invalidity

shall not affect the validity of the remaining provisions, covenants, clauses, or agreements, or the validity of the Lease as a whole.

25. **BENEFIT:** This Lease shall bind and benefit alike the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have executed this Lease in duplicate as of the date first set forth above.

TOWN OF CRESTED BUTTE, COLORADO

By: _____
Dara T MacDonald, Town Manager

ATTEST:

By: _____
Lynelle Stanford, Town Clerk

LESSEE:

By: _____
Ian Baird

LEASEHOLD AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 20____, by and between the TOWN OF CRESTED BUTTE, a Colorado Home Rule Municipal Corporation (hereafter referred to as the “Town”) and Matthew Cahir, an employee of the Town of Crested Butte (hereafter referred to as the “Lessee”) is upon the following terms and conditions:

WITNESSETH:

IN CONSIDERATION of the keeping and performance of the mutual promises, covenants, and conditions contained herein, the parties agree as follows:

1. **TERM and RENEWAL:** This agreement shall commence as of the 1st day of March, 2017, for a period of one year, ending on the 28th day of February, 2018 at midnight. Thereafter, this agreement shall automatically renew annually from year to year. During the term of this Lease, Lessee must remain in the employment of the Town. Should Lessee’s employment with the Town end for any reason during the term of this Lease, Lessee, and any additional room-mate(s) or temporary visitor(s) must vacate the premises within 60 days from the end date of employment. Any extension of the vacation date must be mutually agreed upon in writing by both parties. Should the Lessee desire to move out prior to the expiration of the Lease, Lessee will give the Town no less than a 30 day notice of intention to move out.

2. **LEASE OF PREMISES TO LESSEE:** The Town hereby leases to Lessee, and the Lessee hereby takes and rents from the Town, the following described premises, together with the improvements thereon, situated in the County of Gunnison and State of Colorado, to wit:

812 Teocalli Avenue, Crested Butte, Colorado (a three bedroom residential dwelling that is the front portion of a Town owned duplex)

3. **RENT/OCCUPANTS:** The Lessee agrees to pay to Town as rent for the premises listed above the sum of \$975.00 per month, due and payable no later than the 5th day of each month during the term of this lease;
 - a. Upon automatic renewal every year the rental rate shall increase by \$20 per month.

4. **UTILITIES:** Unless otherwise specified, the Lessee shall pay for gas and electricity. The Town will pay for water, sewer and weekly refuse collection. Lessee shall also pay all charges for telephone, internet, television and other such services.

5. **CHARACTER OF OCCUPANCY:** The premises shall be occupied by the Lessee as a residential dwelling. Any commercial activity not in connection with Lessee's employment with the Town is prohibited unless agreed upon in writing by both parties. Further, Lessee shall:
- a. Properly maintain the premises, fixtures, and furnishings located therein, to include the changing of light bulbs, cleaning, mowing and weeding, snow removal upon and around entrances and parking areas, yard cleanliness and maintenance, and other such minor work.
 - b. At its sole cost and labor make all necessary day to day repairs needed to preserve the quality of the interior walls, floor, ceiling, and doors of the premises, and maintain the fixtures and furnishings in good working order and condition. Any and all such repairs or replacements shall be of a like kind and quality, and shall be done in a good and thorough workmanlike manner.
 - c. Make no alterations, repairs, or improvements to the premises without prior written permission of the Town. Lessee shall secure the premises with a lock, and insure that the Town has a key to said lock. Lessee shall return the premises to the Town clean and in good order and condition including any carpets, wood flooring, paint, furnishings and appliances, and plumbing facilities at the termination of this Lease, ordinary wear and tear excepted.
 - d. Not use the premises in any fashion that would increase the risk of fire, explosion, or any physical damage or destruction to the premises, or create hazardous conditions for other tenants or neighbors. Not use the premise in any fashion contrary to the laws of the Town, the State of Colorado, or the United States government. Except by prior arrangement and written permission from the Town, limitations on the use of the premises includes a prohibition on smoking tobacco products, and the unlawful storage, consumption, or transfer of alcoholic beverages and/or controlled substances.
 - e. Lessee shall not use the premises to further any discriminatory or derogatory practices based on race, sex religious belief, sexual orientation or national origin.
 - f. Lessee understands and agrees that the leased premise is a part of a duplex building, the adjacent portion of which is a similar rental unit occupied by an employee of the Town. Lessee agrees that the tenant(s) in the other portion of the building are entitled to the quiet enjoyment of their residence, and the Lessee agrees to refrain from behaviors or practices that may un-necessarily disturb or damage the adjacent Lease-holder.
6. **ANIMALS:** Lessee is not allowed to have pets such as a dog or cat. Other types of pets may be allowed upon mutual agreement between Lessee and the Town.
7. **CLEANING:** Lessee agrees to keep and maintain the premises used exclusively by Lessee in a neat, orderly, clean and sanitary condition at all times, and to

- provide such cleaning and other services as may be necessary to do so. All refuse or trash resulting from Lessee's use of the premises shall be stored in the animal resistant container provided by the Town on the premises for eventual removal during the weekly trash pick-up. Trash, refuse, and other such discarded materials may not be allowed to accumulate in or on the property. All cleaning supplies and equipment must be provided by Lessee. Premises are subject to periodic inspection for the purposes of insuring cleanliness, and proper repair and maintenance of the premises by the Town upon 24 hour notice to the Lessee.
8. **PARKING:** Vehicles owned or operated by the Lessee must be parked in available spaces designed for such purposes or the Town right of way in accordance with the Town's parking regulations. Vehicles may not be parked on landscaped areas, abandoned on the premises, or otherwise left in disrepair on or adjacent to the premises.
 9. **LIENS:** Lessee agrees to keep the premises free and clear of liens of any kind caused by the action or inaction of Lessee.
 10. **SECURITY AND DAMAGE DEPOSIT:** Lessee has paid the Town the sum of \$250.00 to be used as security for the faithful performance of the terms and obligations of this Lease. This deposit shall be held by the Town for the term of this Lease. The Town may apply any or all of the security deposit to the repair of damages caused to the premises by Lessee or Lessee's use thereof, and/or to pay for cleaning of the premises upon the Lessee's vacation of the premises. In the event the town deems that it is reasonable and necessary to have the premises cleaned or repaired during or after the term of this Lease, it shall be done at Lessee's expense. Any amount paid out of the deposit shall be reimbursed to the Town within ten (10) days by the Lessee to again cause a full deposit of \$250.00 to be available at all times. This deposit shall not be deemed to be of the total amount for which the Lessee shall be responsible in the event of damages. Lessee shall not be entitled to credit any amount of the deposit toward payment of any other obligation owed to the Town.
 11. **TAXES:** The Town shall pay any and all real and personal property taxes and special assessments which may be levied upon the premises, except those personal property taxes levied specifically upon the personal property of the Lessee.
 12. **INSURANCE AND INDEMNIFICATION:** Lessee agrees to indemnify and hold the Town harmless against any and all claims or judgments for loss, liability, damage, or injury to persons or property of any kind, including reasonable attorney's fees arising out of or in connection with Lessee's use of the premises, and those caused by the negligent and intentional acts of the Lessee and/or visitors in furtherance of the Lessee's occupation. The Town shall maintain in effect fire and extended coverage on the building in which the premises is located during the term of this Agreement. The Town shall also maintain in effect public

liability insurance on the building in at least the minimum amount of its exposure under the Statutes of the State of Colorado.

Lessee may obtain, at its own expense, any contents insurance and public liability insurance it may wish to purchase, provided however, that if Lessee places equipment, communications devices, or other such material with a cash value in excess of \$10,000, contents insurance is required of the Lessee, at his own expense, as a condition of occupying the premises upon execution of this Lease.

13. **ASSIGNMENT:** Lessee shall not assign this Lease, nor sublet or rent the premises described herein to other users in any fashion, or encumber this lease or the premises in whole or in part, without the prior written consent of the Town.
14. **INSPECTION OF PREMISES:** Lessee shall allow the Town or its authorized representatives to enter upon the premises upon 24 hours notice, without intruding into Lessee's personal effects, to inspect the premises or to make repairs thereon.
15. **DEFAULT OF THE AGREEMENT:** Neither party shall have the right to terminate this Lease upon default in any covenant or condition unless such default remains uncured for five (5) days following the provision of written notice of the default to the defaulting party. If this Lease is so terminated, it is agreed that the Town may retake possession of the premises upon an additional five (5) days written notice to Lessee, without terminating the Lease. If the Town retakes possession of the premises in such fashion, Lessee shall remain liable for rental payments, and the cost of cleaning and repair, less any amount received from a new tenant during the remainder of the term of this Lease.
16. **SURRENDER OF PREMISES:** If Lessee wishes to renew this Lease, it shall notify the Town no less than 30 days prior to the expiration date. Lessee shall quit and surrender the premises in the condition upon which it was received, except for normal wear and tear, upon the expiration of this Lease, or any extension hereof. Except by prior negotiation and agreement with the Town, it shall be Lessee's responsibility to remove all personal property, personal fixtures, or approved improvements located on the premises at the time of expiration, or upon termination of this Lease. In the event of removal of said personal property, fixtures, or improvements located on the premises, Lessee shall restore the premises to its original condition.
17. **TERMINATION FOR CONVENIENCE:** Either the Town or Lessee may terminate this agreement and the tenancy hereunder at any time for any reason or no reason at all on 60 days' written notice to the other party.
18. **TOWN'S REPAIR AND MAINTENANCE OBLIGATION:** Except by prior negotiation and agreement expressed and added herein, the Town shall keep the remainder of the building in which the premises is located in good repair. The Town shall make such structural repairs as may be necessary, and repair all

plumbing, electrical, heating, ventilating, and other facilities as may be existing, unless caused by the negligent or intentional acts of the Lessee, and visitors, in which case Lessee shall pay or reimburse the Town for such repairs.

19. **NOTICES:** All notices required hereby shall be in writing and shall be hand delivered or sent by certified mail, return receipt requested, to the following addresses:

TOWN: Town Manager
Town of Crested Butte
P.O. Box 39
507 Maroon Ave
Crested Butte, CO 81224

LESSEE: Matt Cahir
PO Box 982
812 Teocalli Ave
Crested Butte, CO 81224

Notices shall be deemed properly given when sent, mailed, or hand delivered to the above addresses. Either party may change its address by giving written notice of the change to the other party.

20. **APPLICABLE LAW:** This Lease is entered into in the Town of Crested Butte, Gunnison County, State of Colorado; and it is agreed that the proper jurisdiction and venue of any action pertaining to the interpretation or enforcement of this Lease be in the County of Gunnison, State of Colorado.
21. **ATTORNEY FEES:** It is agreed that if any action is brought in a court of law by either party to this Lease as to its enforcement, interpretation or construction of this Lease or any document provided for herein, the prevailing party in such action shall be entitled to reasonable attorney fees, as well as all costs incurred in the prosecution or defense of such action.
22. **WAIVER:** The failure of the Town to insist in any one or more instances upon strict compliance of any of the obligations, covenants, and agreements contained herein, or the failure of the Town in any one or more instances to exercise any option, privilege, or right contained herein shall in no way be construed as constituting a waiver of such default or option by the Town.
23. **CAPTIONS:** The captions are inserted only as a matter of convenience and reference. They in no way define, limit, or describe the scope of the Lease nor the intent of any provision herein.
24. **SEVERABILITY:** If any provision, covenant, clause, or agreement contained in the Lease or the application thereof shall be found to be invalid, such invalidity

shall not affect the validity of the remaining provisions, covenants, clauses, or agreements, or the validity of the Lease as a whole.

25. **BENEFIT:** This Lease shall bind and benefit alike the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have executed this Lease in duplicate as of the date first set forth above.

TOWN OF CRESTED BUTTE, COLORADO

By: _____
Dara T MacDonald, Town Manager

ATTEST:

By: _____
Lynelle Stanford, Town Clerk

LESSEE:

By: _____
Matthew Cahir

LEASEHOLD AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 20____, by and between the TOWN OF CRESTED BUTTE, a Colorado Home Rule Municipal Corporation (hereafter referred to as the “Town”) and Michael Yerman, an employee of the Town of Crested Butte (hereafter referred to as the “Lessee”) is upon the following terms and conditions:

WITNESSETH:

IN CONSIDERATION of the keeping and performance of the mutual promises, covenants, and conditions contained herein, the parties agree as follows:

1. **TERM and RENEWAL:** This agreement shall commence as of the 1st day of March, 2017, for a period of one year, ending on the 28th day of February, 2018 at midnight. Thereafter, this agreement shall automatically renew annually from year to year. During the term of this Lease, Lessee must remain in the employment of the Town. Should Lessee’s employment with the Town end for any reason during the term of this Lease, Lessee, and any additional room-mate(s) or temporary visitor(s) must vacate the premises within 60 days from the end date of employment. Any extension of the vacation date must be mutually agreed upon in writing by both parties. Should the Lessee desire to move out prior to the expiration of the Lease, Lessee will give the Town no less than a 30 day notice of intention to move out.

2. **LEASE OF PREMISES TO LESSEE:** The Town hereby leases to Lessee, and the Lessee hereby takes and rents from the Town, the following described premises, together with the improvements thereon, situated in the County of Gunnison and State of Colorado, to wit:

814 Teocalli Avenue, Crested Butte, Colorado (a one bedroom residential dwelling that is the back portion of a Town owned duplex)

3. **RENT/OCCUPANTS:** The Lessee agrees to pay to Town as rent for the premises listed above the sum of \$475.00 per month, due and payable no later than the 5th day of each month during the term of this lease;
 - a. Upon automatic renewal every year the rental rate shall increase by \$10 per month.

4. **UTILITIES:** Unless otherwise specified, the Lessee shall pay for gas and electricity. The Town will pay for water, sewer and weekly refuse collection. Lessee shall also pay all charges for telephone, internet, television and other such services.

5. **CHARACTER OF OCCUPANCY:** The premises shall be occupied by the Lessee as a residential dwelling. Any commercial activity not in connection with Lessee's employment with the Town is prohibited unless agreed upon in writing by both parties. Further, Lessee shall:
- a. Properly maintain the premises, fixtures, and furnishings located therein, to include the changing of light bulbs, cleaning, mowing and weeding, snow removal upon and around entrances and parking areas, yard cleanliness and maintenance, and other such minor work.
 - b. At its sole cost and labor make all necessary day to day repairs needed to preserve the quality of the interior walls, floor, ceiling, and doors of the premises, and maintain the fixtures and furnishings in good working order and condition. Any and all such repairs or replacements shall be of a like kind and quality, and shall be done in a good and thorough workmanlike manner.
 - c. Make no alterations, repairs, or improvements to the premises without prior written permission of the Town. Lessee shall secure the premises with a lock, and insure that the Town has a key to said lock. Lessee shall return the premises to the Town clean and in good order and condition including any carpets, wood flooring, paint, furnishings and appliances, and plumbing facilities at the termination of this Lease, ordinary wear and tear excepted.
 - d. Not use the premises in any fashion that would increase the risk of fire, explosion, or any physical damage or destruction to the premises, or create hazardous conditions for other tenants or neighbors. Not use the premise in any fashion contrary to the laws of the Town, the State of Colorado, or the United States government. Except by prior arrangement and written permission from the Town, limitations on the use of the premises includes a prohibition on smoking tobacco products, and the unlawful storage, consumption, or transfer of alcoholic beverages and/or controlled substances.
 - e. Lessee shall not use the premises to further any discriminatory or derogatory practices based on race, sex religious belief, sexual orientation or national origin.
 - f. Lessee understands and agrees that the leased premise is a part of a duplex building, the adjacent portion of which is a similar rental unit occupied by an employee of the Town. Lessee agrees that the tenant(s) in the other portion of the building are entitled to the quiet enjoyment of their residence, and the Lessee agrees to refrain from behaviors or practices that may un-necessarily disturb or damage the adjacent Lease-holder.
6. **ANIMALS:** Lessee is not allowed to have pets such as a dog or cat. Other types of pets may be allowed upon mutual agreement between Lessee and the Town.
7. **CLEANING:** Lessee agrees to keep and maintain the premises used exclusively by Lessee in a neat, orderly, clean and sanitary condition at all times, and to

- provide such cleaning and other services as may be necessary to do so. All refuse or trash resulting from Lessee's use of the premises shall be stored in the animal resistant container provided by the Town on the premises for eventual removal during the weekly trash pick-up. Trash, refuse, and other such discarded materials may not be allowed to accumulate in or on the property. All cleaning supplies and equipment must be provided by Lessee. Premises are subject to periodic inspection for the purposes of insuring cleanliness, and proper repair and maintenance of the premises by the Town upon 24 hour notice to the Lessee.
8. **PARKING:** Vehicles owned or operated by the Lessee must be parked in available spaces designed for such purposes or the Town right of way in accordance with the Town's parking regulations. Vehicles may not be parked on landscaped areas, abandoned on the premises, or otherwise left in disrepair on or adjacent to the premises.
 9. **LIENS:** Lessee agrees to keep the premises free and clear of liens of any kind caused by the action or inaction of Lessee.
 10. **SECURITY AND DAMAGE DEPOSIT:** Lessee has paid the Town the sum of \$250.00 to be used as security for the faithful performance of the terms and obligations of this Lease. This deposit shall be held by the Town for the term of this Lease. The Town may apply any or all of the security deposit to the repair of damages caused to the premises by Lessee or Lessee's use thereof, and/or to pay for cleaning of the premises upon the Lessee's vacation of the premises. In the event the town deems that it is reasonable and necessary to have the premises cleaned or repaired during or after the term of this Lease, it shall be done at Lessee's expense. Any amount paid out of the deposit shall be reimbursed to the Town within ten (10) days by the Lessee to again cause a full deposit of \$250.00 to be available at all times. This deposit shall not be deemed to be of the total amount for which the Lessee shall be responsible in the event of damages. Lessee shall not be entitled to credit any amount of the deposit toward payment of any other obligation owed to the Town.
 11. **TAXES:** The Town shall pay any and all real and personal property taxes and special assessments which may be levied upon the premises, except those personal property taxes levied specifically upon the personal property of the Lessee.
 12. **INSURANCE AND INDEMNIFICATION:** Lessee agrees to indemnify and hold the Town harmless against any and all claims or judgments for loss, liability, damage, or injury to persons or property of any kind, including reasonable attorney's fees arising out of or in connection with Lessee's use of the premises, and those caused by the negligent and intentional acts of the Lessee and/or visitors in furtherance of the Lessee's occupation. The Town shall maintain in effect fire and extended coverage on the building in which the premises is located during the term of this Agreement. The Town shall also maintain in effect public

liability insurance on the building in at least the minimum amount of its exposure under the Statutes of the State of Colorado.

Lessee may obtain, at its own expense, any contents insurance and public liability insurance it may wish to purchase, provided however, that if Lessee places equipment, communications devices, or other such material with a cash value in excess of \$10,000, contents insurance is required of the Lessee, at his own expense, as a condition of occupying the premises upon execution of this Lease.

13. **ASSIGNMENT:** Lessee shall not assign this Lease, nor sublet or rent the premises described herein to other users in any fashion, or encumber this lease or the premises in whole or in part, without the prior written consent of the Town.
14. **INSPECTION OF PREMISES:** Lessee shall allow the Town or its authorized representatives to enter upon the premises upon 24 hours notice, without intruding into Lessee's personal effects, to inspect the premises or to make repairs thereon.
15. **DEFAULT OF THE AGREEMENT:** Neither party shall have the right to terminate this Lease upon default in any covenant or condition unless such default remains uncured for five (5) days following the provision of written notice of the default to the defaulting party. If this Lease is so terminated, it is agreed that the Town may retake possession of the premises upon an additional five (5) days written notice to Lessee, without terminating the Lease. If the Town retakes possession of the premises in such fashion, Lessee shall remain liable for rental payments, and the cost of cleaning and repair, less any amount received from a new tenant during the remainder of the term of this Lease.
16. **SURRENDER OF PREMISES:** If Lessee wishes to renew this Lease, it shall notify the Town no less than 30 days prior to the expiration date. Lessee shall quit and surrender the premises in the condition upon which it was received, except for normal wear and tear, upon the expiration of this Lease, or any extension hereof. Except by prior negotiation and agreement with the Town, it shall be Lessee's responsibility to remove all personal property, personal fixtures, or approved improvements located on the premises at the time of expiration, or upon termination of this Lease. In the event of removal of said personal property, fixtures, or improvements located on the premises, Lessee shall restore the premises to its original condition.
17. **TERMINATION FOR CONVENIENCE:** Either the Town or Lessee may terminate this agreement and the tenancy hereunder at any time for any reason or no reason at all on 60 days' written notice to the other party.
18. **TOWN'S REPAIR AND MAINTENANCE OBLIGATION:** Except by prior negotiation and agreement expressed and added herein, the Town shall keep the remainder of the building in which the premises is located in good repair. The Town shall make such structural repairs as may be necessary, and repair all

plumbing, electrical, heating, ventilating, and other facilities as may be existing, unless caused by the negligent or intentional acts of the Lessee, and visitors, in which case Lessee shall pay or reimburse the Town for such repairs.

19. **NOTICES:** All notices required hereby shall be in writing and shall be hand delivered or sent by certified mail, return receipt requested, to the following addresses:

TOWN: Town Manager
Town of Crested Butte
P.O. Box 39
507 Maroon Ave
Crested Butte, CO 81224

LESSEE: Michael Yerman
PO Box 4241
814 Teocalli Ave
Crested Butte, CO 81224

Notices shall be deemed properly given when sent, mailed, or hand delivered to the above addresses. Either party may change its address by giving written notice of the change to the other party.

20. **APPLICABLE LAW:** This Lease is entered into in the Town of Crested Butte, Gunnison County, State of Colorado; and it is agreed that the proper jurisdiction and venue of any action pertaining to the interpretation or enforcement of this Lease be in the County of Gunnison, State of Colorado.
21. **ATTORNEY FEES:** It is agreed that if any action is brought in a court of law by either party to this Lease as to its enforcement, interpretation or construction of this Lease or any document provided for herein, the prevailing party in such action shall be entitled to reasonable attorney fees, as well as all costs incurred in the prosecution or defense of such action.
22. **WAIVER:** The failure of the Town to insist in any one or more instances upon strict compliance of any of the obligations, covenants, and agreements contained herein, or the failure of the Town in any one or more instances to exercise any option, privilege, or right contained herein shall in no way be construed as constituting a waiver of such default or option by the Town.
23. **CAPTIONS:** The captions are inserted only as a matter of convenience and reference. They in no way define, limit, or describe the scope of the Lease nor the intent of any provision herein.
24. **SEVERABILITY:** If any provision, covenant, clause, or agreement contained in the Lease or the application thereof shall be found to be invalid, such invalidity

shall not affect the validity of the remaining provisions, covenants, clauses, or agreements, or the validity of the Lease as a whole.

25. **BENEFIT:** This Lease shall bind and benefit alike the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have executed this Lease in duplicate as of the date first set forth above.

TOWN OF CRESTED BUTTE, COLORADO

By: _____
Dara T MacDonald, Town Manager

ATTEST:

By: _____
Lynelle Stanford, Town Clerk

LESSEE:

By: _____
Michael Yerman

LEASEHOLD AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 20____, by and between the TOWN OF CRESTED BUTTE, a Colorado Home Rule Municipal Corporation (hereafter referred to as the “Town”) and Betty Warren, an employee of the Town of Crested Butte (hereafter referred to as the “Lessee”) is upon the following terms and conditions:

WITNESSETH:

IN CONSIDERATION of the keeping and performance of the mutual promises, covenants, and conditions contained herein, the parties agree as follows:

1. **TERM and RENEWAL:** This agreement shall commence as of the 1st day of March, 2017, for a period of one year, ending on the 28th day of February, 2018 at midnight. Thereafter, this agreement shall automatically renew annually from year to year. During the term of this Lease, Lessee must remain in the employment of the Town. Should Lessee’s employment with the Town end for any reason during the term of this Lease, Lessee, and any additional room-mate(s) or temporary visitor(s) must vacate the premises within 60 days from the end date of employment. Any extension of the vacation date must be mutually agreed upon in writing by both parties. Should the Lessee desire to move out prior to the expiration of the Lease, Lessee will give the Town no less than a 30 day notice of intention to move out.

2. **LEASE OF PREMISES TO LESSEE:** The Town hereby leases to Lessee, and the Lessee hereby takes and rents from the Town, the following described premises, together with the improvements thereon, situated in the County of Gunnison and State of Colorado, to wit:

19 9th Street, garage apartment, Crested Butte, Colorado (a one bedroom residential dwelling that is a portion of a Town owned residential property)

3. **RENT/OCCUPANTS:** The Lessee agrees to pay to Town as rent for the premises listed above the sum of \$475.00 per month, due and payable no later than the 5th day of each month during the term of this lease;
 - a. Upon automatic renewal every year the rental rate shall increase by \$10 per month.

4. **UTILITIES:** Unless otherwise specified, the Lessee shall pay for gas and electricity. The Town will pay for water, sewer and weekly refuse collection. Lessee shall also pay all charges for telephone, internet, television and other such services.

5. **CHARACTER OF OCCUPANCY:** The premises shall be occupied by the Lessee as a residential dwelling. Any commercial activity not in connection with Lessee's employment with the Town is prohibited unless agreed upon in writing by both parties. Further, Lessee shall:
- a. Properly maintain the premises, fixtures, and furnishings located therein, to include the changing of light bulbs, cleaning, mowing and weeding, snow removal upon and around entrances and parking areas, yard cleanliness and maintenance, and other such minor work.
 - b. At its sole cost and labor make all necessary day to day repairs needed to preserve the quality of the interior walls, floor, ceiling, and doors of the premises, and maintain the fixtures and furnishings in good working order and condition. Any and all such repairs or replacements shall be of a like kind and quality, and shall be done in a good and thorough workmanlike manner.
 - c. Make no alterations, repairs, or improvements to the premises without prior written permission of the Town. Lessee shall secure the premises with a lock, and insure that the Town has a key to said lock. Lessee shall return the premises to the Town clean and in good order and condition including any carpets, wood flooring, paint, furnishings and appliances, and plumbing facilities at the termination of this Lease, ordinary wear and tear excepted.
 - d. Not use the premises in any fashion that would increase the risk of fire, explosion, or any physical damage or destruction to the premises, or create hazardous conditions for other tenants or neighbors. Not use the premise in any fashion contrary to the laws of the Town, the State of Colorado, or the United States government. Except by prior arrangement and written permission from the Town, limitations on the use of the premises includes a prohibition on smoking tobacco products, and the unlawful storage, consumption, or transfer of alcoholic beverages and/or controlled substances.
 - e. Lessee shall not use the premises to further any discriminatory or derogatory practices based on race, sex religious belief, sexual orientation or national origin.
 - f. Lessee understands and agrees that the leased premise is a part of a garage/apartment building, the adjacent portion of which is a similar rental unit occupied by an employee of the Town. Lessee agrees that the tenant(s) in the other portion of the building are entitled to the quiet enjoyment of their residence, and the Lessee agrees to refrain from behaviors or practices that may un-necessarily disturb or damage the adjacent Lease-holder.
6. **ANIMALS:** Lessee is not allowed to have pets such as a dog or cat. Other types of pets may be allowed upon mutual agreement between Lessee and the Town.

7. **CLEANING:** Lessee agrees to keep and maintain the premises used exclusively by Lessee in a neat, orderly, clean and sanitary condition at all times, and to provide such cleaning and other services as may be necessary to do so. All refuse or trash resulting from Lessee's use of the premises shall be stored in the animal resistant container provided by the Town on the premises for eventual removal during the weekly trash pick-up. Trash, refuse, and other such discarded materials may not be allowed to accumulate in or on the property. All cleaning supplies and equipment must be provided by Lessee. Premises are subject to periodic inspection for the purposes of insuring cleanliness, and proper repair and maintenance of the premises by the Town upon 24 hour notice to the Lessee.
8. **PARKING:** Vehicles owned or operated by the Lessee must be parked in available spaces designed for such purposes or the Town right of way in accordance with the Town's parking regulations. Vehicles may not be parked on landscaped areas, abandoned on the premises, or otherwise left in disrepair on or adjacent to the premises.
9. **LIENS:** Lessee agrees to keep the premises free and clear of liens of any kind caused by the action or inaction of Lessee.
10. **SECURITY AND DAMAGE DEPOSIT:** Lessee shall pay the Town the sum of \$250.00 to be used as security for the faithful performance of the terms and obligations of this Lease. This deposit shall be held by the Town for the term of this Lease. The Town may apply any or all of the security deposit to the repair of damages caused to the premises by Lessee or Lessee's use thereof, and/or to pay for cleaning of the premises upon the Lessee's vacation of the premises. In the event the town deems that it is reasonable and necessary to have the premises cleaned or repaired during or after the term of this Lease, it shall be done at Lessee's expense. Any amount paid out of the deposit shall be reimbursed to the Town within ten (10) days by the Lessee to again cause a full deposit of \$250.00 to be available at all times. This deposit shall not be deemed to be of the total amount for which the Lessee shall be responsible in the event of damages. Lessee shall not be entitled to credit any amount of the deposit toward payment of any other obligation owed to the Town.
11. **TAXES:** The Town shall pay any and all real and personal property taxes and special assessments which may be levied upon the premises, except those personal property taxes levied specifically upon the personal property of the Lessee.
12. **INSURANCE AND INDEMNIFICATION:** Lessee agrees to indemnify and hold the Town harmless against any and all claims or judgments for loss, liability, damage, or injury to persons or property of any kind, including reasonable attorney's fees arising out of or in connection with Lessee's use of the premises, and those caused by the negligent and intentional acts of the Lessee and/or visitors in furtherance of the Lessee's occupation. The Town shall maintain in

effect fire and extended coverage on the building in which the premises is located during the term of this Agreement. The Town shall also maintain in effect public liability insurance on the building in at least the minimum amount of its exposure under the Statutes of the State of Colorado.

Lessee may obtain, at its own expense, any contents insurance and public liability insurance it may wish to purchase, provided however, that if Lessee places equipment, communications devices, or other such material with a cash value in excess of \$10,000, contents insurance is required of the Lessee, at his own expense, as a condition of occupying the premises upon execution of this Lease.

13. **ASSIGNMENT:** Lessee shall not assign this Lease, nor sublet or rent the premises described herein to other users in any fashion, or encumber this lease or the premises in whole or in part, without the prior written consent of the Town.
14. **INSPECTION OF PREMISES:** Lessee shall allow the Town or its authorized representatives to enter upon the premises upon 24 hours notice, without intruding into Lessee's personal effects, to inspect the premises or to make repairs thereon.
15. **DEFAULT OF THE AGREEMENT:** Neither party shall have the right to terminate this Lease upon default in any covenant or condition unless such default remains uncured for five (5) days following the provision of written notice of the default to the defaulting party. If this Lease is so terminated, it is agreed that the Town may retake possession of the premises upon an additional five (5) days written notice to Lessee, without terminating the Lease. If the Town retakes possession of the premises in such fashion, Lessee shall remain liable for rental payments, and the cost of cleaning and repair, less any amount received from a new tenant during the remainder of the term of this Lease.
16. **SURRENDER OF PREMISES:** If Lessee wishes to renew this Lease, it shall notify the Town no less than 30 days prior to the expiration date. Lessee shall quit and surrender the premises in the condition upon which it was received, except for normal wear and tear, upon the expiration of this Lease, or any extension hereof. Except by prior negotiation and agreement with the Town, it shall be Lessee's responsibility to remove all personal property, personal fixtures, or approved improvements located on the premises at the time of expiration, or upon termination of this Lease. In the event of removal of said personal property, fixtures, or improvements located on the premises, Lessee shall restore the premises to its original condition.
17. **TERMINATION FOR CONVENIENCE:** Either the Town or Lessee may terminate this agreement and the tenancy hereunder at any time for any reason or no reason at all on 60 days' written notice to the other party.
18. **TOWN'S REPAIR AND MAINTENANCE OBLIGATION:** Except by prior negotiation and agreement expressed and added herein, the Town shall keep the

remainder of the building in which the premises is located in good repair. The Town shall make such structural repairs as may be necessary, and repair all plumbing, electrical, heating, ventilating, and other facilities as may be existing, unless caused by the negligent or intentional acts of the Lessee, and visitors, in which case Lessee shall pay or reimburse the Town for such repairs.

19. **NOTICES:** All notices required hereby shall be in writing and shall be hand delivered or sent by certified mail, return receipt requested, to the following addresses:

TOWN: Town Manager
Town of Crested Butte
P.O. Box 39
507 Maroon Ave
Crested Butte, CO 81224

LESSEE: Betty Warren
PO Box 153
19 Ninth Street, accessory apartment
Crested Butte, CO 81224

Notices shall be deemed properly given when sent, mailed, or hand delivered to the above addresses. Either party may change its address by giving written notice of the change to the other party.

20. **APPLICABLE LAW:** This Lease is entered into in the Town of Crested Butte, Gunnison County, State of Colorado; and it is agreed that the proper jurisdiction and venue of any action pertaining to the interpretation or enforcement of this Lease be in the County of Gunnison, State of Colorado.
21. **ATTORNEY FEES:** It is agreed that if any action is brought in a court of law by either party to this Lease as to its enforcement, interpretation or construction of this Lease or any document provided for herein, the prevailing party in such action shall be entitled to reasonable attorney fees, as well as all costs incurred in the prosecution or defense of such action.
22. **WAIVER:** The failure of the Town to insist in any one or more instances upon strict compliance of any of the obligations, covenants, and agreements contained herein, or the failure of the Town in any one or more instances to exercise any option, privilege, or right contained herein shall in no way be construed as constituting a waiver of such default or option by the Town.
23. **CAPTIONS:** The captions are inserted only as a matter of convenience and reference. They in no way define, limit, or describe the scope of the Lease nor the intent of any provision herein.

24. **SEVERABILITY:** If any provision, covenant, clause, or agreement contained in the Lease or the application thereof shall be found to be invalid, such invalidity shall not affect the validity of the remaining provisions, covenants, clauses, or agreements, or the validity of the Lease as a whole.

25. **BENEFIT:** This Lease shall bind and benefit alike the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have executed this Lease in duplicate as of the date first set forth above.

TOWN OF CRESTED BUTTE, COLORADO

By: _____
Dara T MacDonald, Town Manager

ATTEST:

By: _____
Lynelle Stanford, Town Clerk

LESSEE:

By: _____
Betty Warren

LEASEHOLD AGREEMENT

THIS AGREEMENT, made and entered into this _____ day of _____, 20____, by and between the TOWN OF CRESTED BUTTE, a Colorado Home Rule Municipal Corporation (hereafter referred to as the “Town”) and Dara MacDonald, an employee of the Town of Crested Butte (hereafter referred to as the “Lessee”) is upon the following terms and conditions:

WITNESSETH:

IN CONSIDERATION of the keeping and performance of the mutual promises, covenants, and conditions contained herein, the parties agree as follows:

1. **TERM and RENEWAL:** This agreement shall commence as of the 1st day of March, 2017, for a period of one year, ending on the 28th day of February, 2018 at midnight. Thereafter, this agreement shall automatically renew annually from year to year. During the term of this Lease, Lessee must remain in the employment of the Town. Should Lessee’s employment with the Town end for any reason during the term of this Lease, Lessee, and any additional room-mate(s) or temporary visitor(s) must vacate the premises within 60 days from the end date of employment. Any extension of the vacation date must be mutually agreed upon in writing by both parties. Should the Lessee desire to move out prior to the expiration of the Lease, Lessee will give the Town no less than a 30 day notice of intention to move out.

2. **LEASE OF PREMISES TO LESSEE:** The Town hereby leases to Lessee, and the Lessee hereby takes and rents from the Town, the following described premises, together with the improvements thereon, situated in the County of Gunnison and State of Colorado, to wit:

17 Ninth Street, Crested Butte, Colorado (a three bedroom residential dwelling that is a portion of a Town owned residential property). The premises includes the garage on the property, but not the living space above the garage.

3. **RENT/OCCUPANTS:** Rental for the entire term shall be in exchange for Lessee’s services for the Town in the position as Town Manager.

4. **UTILITIES:** Unless otherwise specified, the Lessee shall pay for gas and electricity. The Town will pay for water, sewer and weekly refuse collection. Lessee shall also pay all charges for telephone, internet, television and other such services.

5. **CHARACTER OF OCCUPANCY:** The premises shall be occupied by the Lessee as a residential dwelling. Any commercial activity not in connection with

Lessee's employment with the Town is prohibited unless agreed upon in writing by both parties. Further, Lessee shall:

- a. Properly maintain the premises, fixtures, and furnishings located therein, to include the changing of light bulbs, cleaning, mowing and weeding, snow removal upon and around entrances and parking areas, yard cleanliness and maintenance, and other such minor work.
 - b. At its sole cost and labor make all necessary day to day repairs needed to preserve the quality of the interior walls, floor, ceiling, and doors of the premises, and maintain the fixtures and furnishings in good working order and condition. Any and all such repairs or replacements shall be of a like kind and quality, and shall be done in a good and thorough workmanlike manner.
 - c. Make no alterations, repairs, or improvements to the premises without prior written permission of the Town. Lessee shall secure the premises with a lock, and insure that the Town has a key to said lock. Lessee shall return the premises to the Town clean and in good order and condition including any carpets, wood flooring, paint, furnishings and appliances, and plumbing facilities at the termination of this Lease, ordinary wear and tear excepted.
 - d. Not use the premises in any fashion that would increase the risk of fire, explosion, or any physical damage or destruction to the premises, or create hazardous conditions for other tenants or neighbors. Not use the premise in any fashion contrary to the laws of the Town, the State of Colorado, or the United States government. Except by prior arrangement and written permission from the Town, limitations on the use of the premises includes a prohibition on smoking tobacco products, and the unlawful storage, consumption, or transfer of alcoholic beverages and/or controlled substances.
 - e. Lessee shall not use the premises to further any discriminatory or derogatory practices based on race, sex religious belief, sexual orientation or national origin.
 - f. Lessee understands and agrees that the leased premise is a part of a residential property, the adjacent portion of which is an apartment rental unit occupied by an employee of the Town. Lessee agrees that the tenant(s) in the other portion of the building are entitled to the quiet enjoyment of their residence, and the Lessee agrees to refrain from behaviors or practices that may un-necessarily disturb or damage the adjacent Lease-holder.
6. **ANIMALS:** Lessee is allowed to have pets such as a dog or cat subject to approval by the Mayor prior to obtaining the pet.
7. **CLEANING:** Lessee agrees to keep and maintain the premises used exclusively by Lessee in a neat, orderly, clean and sanitary condition at all times, and to provide such cleaning and other services as may be necessary to do so. All refuse

- or trash resulting from Lessee's use of the premises shall be stored in the animal resistant container provided by the Town on the premises for eventual removal during the weekly trash pick-up. Trash, refuse, and other such discarded materials may not be allowed to accumulate in or on the property. All cleaning supplies and equipment must be provided by Lessee. Premises are subject to periodic inspection for the purposes of insuring cleanliness, and proper repair and maintenance of the premises by the Town upon 24 hour notice to the Lessee.
8. **PARKING:** Vehicles owned or operated by the Lessee must be parked in available spaces designed for such purposes or the Town right of way in accordance with the Town's parking regulations. Vehicles may not be parked on landscaped areas, abandoned on the premises, or otherwise left in disrepair on or adjacent to the premises.
 9. **LIENS:** Lessee agrees to keep the premises free and clear of liens of any kind caused by the action or inaction of Lessee.
 10. **SECURITY AND DAMAGE DEPOSIT:** Lessee shall pay the Town the sum of \$250.00 to be used as security for the faithful performance of the terms and obligations of this Lease. This deposit shall be held by the Town for the term of this Lease. The Town may apply any or all of the security deposit to the repair of damages caused to the premises by Lessee or Lessee's use thereof, and/or to pay for cleaning of the premises upon the Lessee's vacation of the premises. In the event the town deems that it is reasonable and necessary to have the premises cleaned or repaired during or after the term of this Lease, it shall be done at Lessee's expense. Any amount paid out of the deposit shall be reimbursed to the Town within ten (10) days by the Lessee to again cause a full deposit of \$250.00 to be available at all times. This deposit shall not be deemed to be of the total amount for which the Lessee shall be responsible in the event of damages. Lessee shall not be entitled to credit any amount of the deposit toward payment of any other obligation owed to the Town.
 11. **TAXES:** The Town shall pay any and all real and personal property taxes and special assessments which may be levied upon the premises, except those personal property taxes levied specifically upon the personal property of the Lessee.
 12. **INSURANCE AND INDEMNIFICATION:** Lessee agrees to indemnify and hold the Town harmless against any and all claims or judgments for loss, liability, damage, or injury to persons or property of any kind, including reasonable attorney's fees arising out of or in connection with Lessee's use of the premises, and those caused by the negligent and intentional acts of the Lessee and/or visitors in furtherance of the Lessee's occupation. The Town shall maintain in effect fire and extended coverage on the building in which the premises is located during the term of this Agreement. The Town shall also maintain in effect public

liability insurance on the building in at least the minimum amount of its exposure under the Statutes of the State of Colorado.

Lessee may obtain, at its own expense, any contents insurance and public liability insurance it may wish to purchase, provided however, that if Lessee places equipment, communications devices, or other such material with a cash value in excess of \$10,000, contents insurance is required of the Lessee, at his own expense, as a condition of occupying the premises upon execution of this Lease.

13. **ASSIGNMENT:** Lessee shall not assign this Lease, nor sublet or rent the premises described herein to other users in any fashion, or encumber this lease or the premises in whole or in part, without the prior written consent of the Town.
14. **INSPECTION OF PREMISES:** Lessee shall allow the Town or its authorized representatives to enter upon the premises upon 24 hours notice, without intruding into Lessee's personal effects, to inspect the premises or to make repairs thereon.
15. **DEFAULT OF THE AGREEMENT:** Neither party shall have the right to terminate this Lease upon default in any covenant or condition unless such default remains uncured for five (5) days following the provision of written notice of the default to the defaulting party. If this Lease is so terminated, it is agreed that the Town may retake possession of the premises upon an additional five (5) days written notice to Lessee, without terminating the Lease. If the Town retakes possession of the premises in such fashion, Lessee shall remain liable for rental payments, and the cost of cleaning and repair, less any amount received from a new tenant during the remainder of the term of this Lease.
16. **SURRENDER OF PREMISES:** If Lessee wishes to renew this Lease, it shall notify the Town no less than 30 days prior to the expiration date. Lessee shall quit and surrender the premises in the condition upon which it was received, except for normal wear and tear, upon the expiration of this Lease, or any extension hereof. Except by prior negotiation and agreement with the Town, it shall be Lessee's responsibility to remove all personal property, personal fixtures, or approved improvements located on the premises at the time of expiration, or upon termination of this Lease. In the event of removal of said personal property, fixtures, or improvements located on the premises, Lessee shall restore the premises to its original condition.
17. **TERMINATION FOR CONVENIENCE:** Either the Town or Lessee may terminate this agreement and the tenancy hereunder at any time for any reason or no reason at all on 60 days' written notice to the other party.
18. **TOWN'S REPAIR AND MAINTENANCE OBLIGATION:** Except by prior negotiation and agreement expressed and added herein, the Town shall keep the remainder of the building in which the premises is located in good repair. The Town shall make such structural repairs as may be necessary, and repair all

plumbing, electrical, heating, ventilating, and other facilities as may be existing, unless caused by the negligent or intentional acts of the Lessee, and visitors, in which case Lessee shall pay or reimburse the Town for such repairs.

19. **NOTICES:** All notices required hereby shall be in writing and shall be hand delivered or sent by certified mail, return receipt requested, to the following addresses:

TOWN: Town Manager
Town of Crested Butte
P.O. Box 39
507 Maroon Ave
Crested Butte, CO 81224

LESSEE: Dara MacDonald
PO Box 4197
17 Ninth Street
Crested Butte, CO 81224

Notices shall be deemed properly given when sent, mailed, or hand delivered to the above addresses. Either party may change its address by giving written notice of the change to the other party.

20. **APPLICABLE LAW:** This Lease is entered into in the Town of Crested Butte, Gunnison County, State of Colorado; and it is agreed that the proper jurisdiction and venue of any action pertaining to the interpretation or enforcement of this Lease be in the County of Gunnison, State of Colorado.
21. **ATTORNEY FEES:** It is agreed that if any action is brought in a court of law by either party to this Lease as to its enforcement, interpretation or construction of this Lease or any document provided for herein, the prevailing party in such action shall be entitled to reasonable attorney fees, as well as all costs incurred in the prosecution or defense of such action.
22. **WAIVER:** The failure of the Town to insist in any one or more instances upon strict compliance of any of the obligations, covenants, and agreements contained herein, or the failure of the Town in any one or more instances to exercise any option, privilege, or right contained herein shall in no way be construed as constituting a waiver of such default or option by the Town.
23. **CAPTIONS:** The captions are inserted only as a matter of convenience and reference. They in no way define, limit, or describe the scope of the Lease nor the intent of any provision herein.
24. **SEVERABILITY:** If any provision, covenant, clause, or agreement contained in the Lease or the application thereof shall be found to be invalid, such invalidity

shall not affect the validity of the remaining provisions, covenants, clauses, or agreements, or the validity of the Lease as a whole.

25. **BENEFIT:** This Lease shall bind and benefit alike the successors and assigns of the parties hereto.

IN WITNESS WHEREOF, the parties have executed this Lease in duplicate as of the date first set forth above.

TOWN OF CRESTED BUTTE, COLORADO

By: _____
Glenn Michel, Mayor

ATTEST:

By: _____
Lynelle Stanford, Town Clerk

LESSEE:

By: _____
Dara MacDonald

From: [Paul Merck](#)
To: [Dana Pierson](#)
Cc: [Lynelle Stanford](#)
Subject: Re: Vinotok
Date: Tuesday, January 03, 2017 9:13:48 AM

Dana,

I read your story.

The council has concerns voiced by the public, the marshals office, fire and ems and others about fire placement and safety. The vinotok community is to help resolve this issue.

Stay involved.

Paul Merck
 970-209-0079
 Town Council
 Crested Butte, CO

On Jan 2, 2017, at 11:04 PM, Dana Pierson <danadyerpiercion@gmail.com> wrote:

Dear Councilperson Merck,

Like many, it took but one day for me to feel the magic of the valley, the joy of life, and the powerful spirit of community, creativity and know that I wanted to make it my home. After a day trip to CB to ski back in the early eighties, I knew I had stumbled upon my new home. In 1984, I moved to Crested Butte, and this mountain paradise welcomed me with open arms. I spent many glorious years in my mountain home, watching it struggle under the demands of growth. Like many, I worked on the mountain during the day. Like many, I explored my creative experiences through volunteering at WFHB and acting/directing/designing with CBMT. I danced at the Red Lady Ball. I marched in the snowy Fourth of July parades. And yes, I danced around the Grump's bonfire.

From the moment I heard about the Vinotok festival, I was enthralled at this marriage of ancient ritual and modern life, of the importance of tradition, of the eternal power of stories as a way to celebrate our past, understand our present, and remain hopeful for our future.

When I heard that the very existence of Vinotok itself was threatened, I had to lend my voice to the conversation. After an absence of far too many years from the festival, my 2015 return was a great gift to my wounded spirit. I donned my tribal belly dance gear and joined my Vinotok family and tribe once again. I celebrated the quintessential CB event alongside the children of my old Vinotok friends, and I was humbled by history their participation represented. This is a part of our community in more ways than can be counted. The deep and profound legacy of this festival in the very DNA of what CB was, is, and must always be: a place when the magic of the shared, communal experience lives. As a mummer, I danced, I laughed, and I sang of oats and corn. But what was most precious was how our visitors experienced this festival, no matter if this was their first or thirty-first. In the eyes of visitors, I saw something quite powerful: a re-connection to the human experience on a pure and very natural level.

In embracing and adapting modern traditions that can only strengthen our ties to one another, in coming to a small mountain town for a parade and the ecstatic purifying experience of the bonfire, by participating in the trial of the Grump, the legend of the Green Man, the glory of the Harvest Mother, the joy of the Harvest Maidens, and more, Vinotok offers something much more meaningful than just a party. In the eyes of our visitors, I saw not just joy, but hope—and if there is one thing this country needs right now, it's hope. It's a promise that we can make it through the long winter if we just work together.

As a festival that embraces many traditions and archetypes, Vinotok is needed in the world, now more than ever. The bonfire presents legitimate and logistical challenges for the town; I respect that. I respect the spirit of compromise that is afoot, but honestly, the loss of the bonfire would be catastrophic to the Vinotok experience. Our visitors expect the Grump; how can we deny them the chance to experience that?

Honestly, I can't imagine Crested Butte without Vinotok any more than I can imagine Vinotok without the

bonfire. It's a crucial part of the creative, the experience, and the narrative, and it is certainly one of the more popular and crowd-pleasing aspects of the festival as well. Yes, it presents challenges, but our Vinotok tribe has skilled experts to manage those challenges. The city did an amazing job with security and crowd control, the firefighters worked diligently to keep everyone safe, and the cast was thrilled to create the experience for our visitors. We are ambassadors to the valley, to the city, and to the wonder that is Crested Butte.

Vinotok is a uniquely Crested Butte community experience, one that was made by the people for the people. It honors those who came before us, those who live with us now, and it should strive to inspire those who have not yet known the wonder of this homegrown festival. Vinotok *is* Crested Butte, and it must be protected from mutilation in this fashion.

Vinotok is an intrinsic and undeniable part of the traditions and character of this beautiful mountain community, and I write today to beg the council to honor that tradition and to grant the bonfire permit.

Without the bonfire, something beautiful and intangible will be lost.

Without the bonfire, Vinotok will be fatally and cruelly diminished.

Without the bonfire, the festival will lose its crowning event.

Without the bonfire, the festival will lose visitors.

Without the bonfire, the city will lose more than precious off-season tourist revenue to hotels, restaurants, servers, tour operators, and more: it will lose something ineffable that makes Crested Butte so perfectly Crested Butte.

That is far too high a price to pay.

Certainly, the town is changing in ways no one can control. In the face of such changes, I urge the council to protect and honor and defend one of those things that brings a sense of home, of family, of community, of safety, of purpose, of stability, of continuity, of celebration, of tradition, and yes, of hope. It honors the great primal impulse to rage at the night, to gain an upper hand on those forces that would diminish us. Vinotok is precious to me and to countless others. Even when I couldn't come home for the festival, its traditions were interpreted wherever I lived. I have burned my own grumps on the moors of Nantucket, over the waterfalls in Iceland, on the beaches of the Caribbean, on the lakeshores in Cleveland, and in my backyard in Bloomington, Indiana. I have shared my own stories with friends from all over the world, and they have also embraced the healing ritual of the Grump. I know I am not the only one whose life has been forever improved by the Vinotok experience, and I would hope that you will do all you can to not deny that to others in the future.

I look forward to this time every year, as it reconnects me to my lost valley in many ways. The loss of the bonfire, I fear, will be the beginning of the end of something quite precious and unique and beautiful.

I urge everyone to step up and step back from the controversy and really look beyond the specifics. Talk to one another; you're neighbors and partners in making life in that beautiful valley even more beautiful. Silence and stubborn antagonism is not the way the good people of Crested Butte communicate.

To yourself and other community leaders, I encourage you to also see beyond your past perceptions, prejudices, and concerns and commit to find a way to preserve the beauty and power of the full Vinotok experience.

To the Vinotok Council, I ask you to also see beyond your past perceptions, prejudices, and concerns and commit to find a way to preserve the beauty and power of the full Vinotok experience.

Be the one who makes the first step toward an equitable and productive conversation about something that is near and dear to the hearts of many.

Again, in these dark times, we all need some light to get us through the long winter ahead of us. I call upon the leaders of the Crested Butte government and its cultural community to be that light right now.

As the world tears itself apart for profit, now is the time for the leaders of Crested Butte to step up and defend this unique and beautiful cultural heritage. Honor your valley by honoring its traditions, its history, and its heritage as earnestly and thoughtfully as you seek to protect its future.

Let the flames dance.

Yours,

Dana Dyer Pierson
Bloomington, Indiana
[812.345.1666](tel:812.345.1666)
DanaDyerPierson@gmail.com

From: [Jackson Petito](#)
To: [Lynelle Stanford](#)
Subject: Fwd: Vinotok
Date: Saturday, January 07, 2017 7:29:46 PM

Some good points to forward

Sent from my iPad

Begin forwarded message:

From: Sean Hanagan <sphanagan@gmail.com>
Date: January 7, 2017 at 8:20:34 PM EST
To: "jacksonp@crestedbutte-co.gov" <jacksonp@crestedbutte-co.gov>
Subject: Vinotok

Evening Jackson,

I'm taking a bit of time out of my evening to let you and the council know my thoughts on Vinotok and the increasing opposition to the event. I'm a land use planner in the Vail Valley and have watched our unique ski town culture slowly be sanitized by both the resort company as well as second home owners who don't appreciate the historic culture of Colorado ski towns. My family have always had a crush on CB and have made a tradition of attending the Vinotok festival for its unique appreciation for the onset of winter as well as the emphasis on the local community. Our family attends the community dinner as well as the mumming and trial. It is truly a unique cathartic experience for a family of winter worshipers seeking the experience that only a town like Crested Butte can STILL provides. We happily spend money on lodging, food, booze and local markets as part of our annual pilgrimage and look forward to many years of continuing the tradition. I work in the world of land use and public opinion and I struggle every day to hold true to ski town traditions in the face of squeaky wheels and influential residents. Please do your best to keep a 30 some year tradition alive for all of us to experience and prevent your eclectic ski town from becoming like ours. Have a great weekend and enjoy the storm cycle!

Sean Hanagan

Town Council Members,

We are writing to oppose the passage Ordinance # 12 next week. We would like to submit two comments regarding this ordinance and hope you will take our point of view into consideration at the Council meeting on January 17th. We appreciate the time and care that you are taking deal with this issue and agree with the Town Attorney that social issues are difficult because you need to carefully consider all residents that will be impacted by major changes in zoning.

Our first comment is that it makes no sense to us to pass an ordinance which will increase the number of short term rentals in town when the stated goal is to limit them. If this ordinance passes, several R zones (not just the M and T zones) will be opened up for short term rentals. Why is discussion being limited to only the M and T zones? If the Council is serious about restricting short term rentals, the zoning tools are already in place as several neighborhoods currently do not allow short term rentals. If the current zoning is enforced as is (allowing those who already have licenses to keep them) then there would be reasonable limits on short term rentals in Crested Butte. Why has this option been discarded?

Second is a personal comment. There seems to be a feeling that people are getting rich off of short term rentals. That is certainly not our experience. We purchased a house in 2013. We took out two very large loans to make this purchase. We long term rent the house in the winter and short term it in the spring, summer, and fall. During the winters, we rent to families or individuals who work locally (and three of them have now purchased homes here and are permanent local residents). During the other seasons, we short term rent the house in order to attempt to cover our costs. We have not come close yet. We rent our house about 80-90 days each season and would like to rent it much more. We hope to rent it 120-150 days in the coming years. We have not had any complaints and are very careful who we rent to. Limiting the number of days we can rent our house might force us to sell it. If we need to sell, we are pretty sure it will sit empty most of the time. We don't think this is in anyone's interest.

In addition, we have rented our home for 4-6 weeks during the summers for five years and camped down at the Tall Texan in Gunnison. It 's challenging to raise a family here and we've been creative to make it work.

Please do not pass Ordinance #12 as written. At the very least, please raise the number of rental days back to the original 180 days as it was first written. Please contact either of us if you would like to discuss our thoughts further.

Thank you very much for your consideration.

Sincerely,

Scott Truex and Lisa D'Arrigo
219 & 221 Gothic Avenue.

From: [Dave Gardiner](#)
To: [Glenn Michel](#); [R Mason](#); [J Schmidt](#); [Chris Ladoulis](#); [Paul Merck](#); [Jackson Petito](#); [Laura Mitchell](#); [Lynelle Stanford](#)
Cc: [Lolly Gardiner](#)
Subject: Short Term Rental Ordinance - Ordinance #12
Date: Thursday, January 12, 2017 3:45:03 PM

Dear Council Members,

I am writing to express my support for Ordinance 12, regulating short term rentals, as currently written and publicly reviewed in the last Town Council meeting. Specifically, my written support is regarding section 2, subsections a2 and a4 which specify that vacation rentals will be allowed in Block 55, district T. My wife and I recently purchased a condo in the Meadows complex, which I now know is on block 55. We applied for and received a short term rental license shortly after closing on the property in December and renewed it again for 2017 on January 2nd. We haven't yet done any short term renting of our condo, but we are planning to do some limited amount. For us, this is not an investment property, we purchased the condo to be our retirement home. We plan to retire to there and live in CB sometime within the next few years. Until we are able to quit working and move to CB full time, the ability to do some short term renting of our CB home really does help make the equation work for us. We are not wealthy investors, and are actually barely pulling off this long time dream of ours.

We have been following the town's short term rental discussion closely over the past year and we very much appreciate what a complex and highly nuanced task it is to approach this regulation. We understand and can sympathize with the multiple sides of the issue and sincerely appreciate the careful approach the Council has been taking. We think you are arriving at a very logical set of regulations. The topic of the proper nightly limit to impose seems to have been the primary focus of the recent discussions but we are less concerned with that and can abide with what the council decides. For the record the current number of 120 nights seems like a good balance to us. We are of course concerned with anything that might take away our ability to short term rent at all though. We understand that the ordinance will be up again for public comment and that blocks 55 and 37 specifically were still being discussed. Unfortunately, we will not be able to be in Crested Butte for the public discussion, our jobs still keep us in Boulder most weeks, so I am hoping this letter will be considered along with the rest of the public comment.

To be honest, I didn't fully understand the specifics of this zoning element and that our position could potentially still be tenuous until I was re-reading the Council's Jan 3rd "E-Packet" today. The previous owners did some short term renting of our unit and both of our agents indicated it was possible to continue to do so, noting of course that the overall regulation was being actively discussed by the Town Council. On the surface it would not seem logical and may even be unfair to treat The Meadows complex differently in this regard than the rest of the condominium and townhouse complexes in Crested Butte and I suspect that is why Ordinance 12 is written the way it currently is and why blocks 55 and 37 are being

included. We obviously strongly hope that continues to be the case.

Buying our condo home in Crested Butte was not an investment decision for us and we have no intent to operate it like a hotel. Retiring in Crested Butte has been a long standing dream that we are very excited to have finally taken a big step toward. Removing the ability to do some limited short term renting of our condo, when we are not there ourselves, probably makes this no longer possible for us.

Thank you all very much for your consideration of our opinion and for all of your diligence on this difficult topic.

Sincerely,

Dave and Lolly Gardiner

622 Teocalli Ave, Unit 4C

Crested Butte, CO 81224



Post Office Box 369
Gunnison, Colorado 81230
970-641-0895
Fax: 970-641-3198



January 3, 2017

Town of Crested Butte
Mayor and Town Council
Crested Butte Town Hall
507 Maroon Ave
Crested Butte, CO 81224

Honorable Mayor and Councilmembers:

This letter is submitted by the Gunnison Country Association of Realtors® (“GCAR”) in opposition to proposed Ordinance No. 12, Series 2016 (the “Vacation Rental Ordinance” or “VRO”), which would amend Chapter 6 (Business Licenses and Regulations) of the Crested Butte Municipal Code (the “Municipal Code”) by adding a new Article 6, titled “Vacation Rental Licenses.” The proposed Vacation Rental Ordinance would also delete existing Section 16-14-90 (Limitation on Leasing) of the Municipal Code and replace it with a new Section 16-14-90, titled “Limitation on Vacation Rentals.”¹

The following comments on the Vacation Rental Ordinance were prepared by GCAR with assistance from the National Association of REALTORS® through its national land use consultant, Robinson & Cole LLP.

GCAR is deeply concerned that the proposed Vacation Rental Ordinance would infringe upon the fundamental right of private property owners to rent their property and would have a negative impact on the Town’s tourist-based economy. In addition, GCAR has concerns with and objects to numerous provisions of the Vacation Rental Ordinance. These concerns with the Vacation Rental Ordinance are summarized below.

The Vacation Rental Ordinance would impair a fundamental right of private property ownership by making the “right to rent” a mere privilege, subject to licensing approval.

Among the core rights that a property owner has is the right to lease or rent the property on a temporary basis to another party.² This right has long been upheld by the courts. For example, the Supreme Court of Connecticut has emphasized that the “right to rent” is one of the “sticks” in the bundle property rights. The Court stated:

[It] is undisputable that the *right of property owners to rent their real estate* is one of the bundle of rights that, taken together, constitute the essence of ownership of property....

¹ Section 16-14-19 is located in Chapter 16 (Zoning) of the Code, which is hereinafter referred to as the Zoning Code.

² See J.E. Penner, *The “Bundle of Rights” Picture of Property*, 43 UCLA L. REV. 711 (1996) (noting that conventional “bundle of rights” formulation and various views of the “bundle of rights”).

Owners of a single-family residence can do one of three economically productive things with the residence: (1) live in it; (2) rent it; or (3) sell it.³

Courts in other states underscore this property right. The Supreme Court of California, for example, has been very clear about this core right to rent one's property, stating:

The power to alienate property or a property right is not limited to the right to sell or assign it. It means generally the power "to transfer or convey [it] to another." The conveyance need not be the whole fee. The right of alienation applies when fee holders seek to convey lesser estates. "[T]he power or right of alienation" "incident to the ownership of an estate in fee-simple" "include[s] the power or right to dispose of property held in fee ... by lease, mortgage, or other mode of conveyance"⁴

This fundamental right to rent is echoed by a leading treatise, *Thompson on Real Property*, which observes that "the right to lease property is an incident of ownership."⁵

The following provisions of the Vacation Rental Ordinance would infringe upon the core right to rent private property:

- **Proposed Sections 6-6-50 and 6-6-110 (Rental and Business Licenses Required):** These provisions would infringe upon the right to rent by prohibiting residential rentals for periods of less than 29 consecutive nights without (1) a rental license issued by the licensing official and (2) a business occupation license.

In general, a "license" is defined as "permission or privilege to do what otherwise would be unlawful."⁶ This limitation in the concept of licensing—namely, that it is a "privilege" to do something that otherwise would be unlawful, was recognized by the Colorado Supreme Court in *Denver v. Thrailkill*, where the Court observed that "[a] license is nothing more nor less than the grant of a privilege to enter upon a business activity which, because of the ordinance, would be unlawful except for the issuance of the permit."⁷

Under Chapter 6 of the Municipal Code, the types of activities that require a license from the Town include the sale of alcoholic beverages, vending machines, special events, and marijuana establishments.⁸ The proposed licensing requirement of the Vacation Rental

³ *Gangemi v. Zoning Bd. of Appeals of the Town of Fairfield*, 763 A.2d 1011, 1015-16 (Conn. 2001) (citing J. DUKEMINIER & J. KRIER, PROPERTY at 86 (3d ed. 1993)) (stating ("[property] consists of a number of disparate rights, a 'bundle' of them: the right to possess, the right to use, the right to exclude, the right to transfer") (emphasis added).

⁴ *Apartment Association of Los Angeles County, Inc. v. City of Los Angeles*, 24 Cal. 4th 830, 841 (2001) (citations omitted) (emphasis added).

⁵ THOMPSON ON REAL PROPERTY § 14.02(a) (2016, Matthew Bender & Company, Inc.) (citing *Norwest Bank Arizona v. Superior Court In and For County of Maricopa*, 963 P.2d 319, 323 (Ariz. 1998) (right to rent under a lease of real property is an incorporeal hereditament that is an incident to an estate in land); *Magnolia Petroleum Co. v. Carter*, 2 So. 2d 680 (La. App, 1941); *Assessors of West Springfield v. Eastern States Exposition*, 93 N.E.2d 462 (Mass. 1950); *Attorney General v. Pere Marquette Ry. Co.*, 248 N.W. 860 (Mich. 1933)).

⁶ MCQUILLIN MUN CORP § 26:2 (Municipal Licenses and Permits – Definitions; nature of municipal license) (3d ed).

⁷ *Denver v. Thrailkill*, 125 Colo. 488, 495 (1952).

⁸ See generally Municipal Code Ch. 6, Art. 6.

Ordinance would, in effect, treat the property right to rent one's residence to vacationers the same as the operation of a liquor store or retail marijuana business, namely, as an *unlawful business* that requires the *privilege* of a license to exist. While a vacation rental may be considered a "business" that could be subjected to a business or occupational tax, the right to rent remains a core right of property ownership—not a privilege.⁹

- **Proposed Sections 6-6-30(iii) and 6-6-200(b) (180 Rental Nights Per Year Limitation):** These provisions would infringe upon the right to rent by limiting vacation rentals to a maximum of 180 nights per calendar year. Any violation of this restriction would be punishable by a fine of up to \$1,000, imprisonment up to one year, and the denial of a rental license for the offending property for a period of two years from the Town's discovery of the violation.¹⁰ The right to rent one's property is not prescribed by an arbitrary number of days per year.
- **Proposed Section 16-14-90(a)(4) (Limitation on Vacation Rentals):** This provision would prohibit vacation rentals in the R2A, T (excepts Block 55 and 37), B1, B2, C, AO, and P zoning districts. By banning vacation rentals, Section 16-14-90(a)(4) arguably constitutes an outright deprivation of the right to rent as applied to residential property owners in these zoning districts. Moreover, because it would prohibit vacation rentals, Section 16-14-90(a)(4) effectively confiscates the right of affected property owners to rent private property and would be vulnerable to challenge on the ground that it constitutes a taking of private property without just compensation in violation of the Fifth Amendment of the United States Constitution and Article II, Section 15 of the Colorado Constitution.

In sum, the Vacation Rental Ordinance represents a direct affront to the ordinary concept of property rights, whereby ownership includes the *right* to convey to others the right to use and occupy a property for an agreed upon term.

GCAR Position: GCAR opposes the Vacation Rental Ordinance on the ground that its licensing requirement for vacation rentals would impair a fundamental right of private property ownership—the right to rent. It is imperative that the Town Attorney provide to the Town Council, and that the Town Council make available for public review, a formal opinion as to the legal validity of these provisions of the Vacation Rental Ordinance, before the Town takes further steps towards adopting this flawed ordinance.

⁹ See, e.g., *Englewood v. Wright*, 147 Colo. 537, 544 (1961) (stating that "the renting of commercial or residential property is a 'business,' and is subject to the power of Englewood to impose a business or occupational tax thereon").

¹⁰ See VRO § 6-6-200; see also Municipal Code § 1-4-20(a) (General penalty for violation) (stating: "Any person who violates or fails to comply with any provision of this Code for which a different penalty is not specifically provided shall, upon conviction thereof, be punished by a fine not exceeding one thousand dollars (\$1,000.00) or by imprisonment not exceeding one (1) year, or by both such fine and imprisonment, except as hereinafter provided in Section 1-4-30 below.").

If the Town is truly concerned about addressing any perceived “neighborhood impacts” of vacation rentals, then it should first attempt to address those problems through enhanced code enforcement efforts rather than adopting the Vacation Rental Ordinance.

According to the “whereas” clauses that precede the operative text of the Vacation Rental Ordinance, in September 2016 the Crested Butte Short-Term Rental Committee recommended that the Town Council address “neighborhood impacts, community impacts and process regarding the regulation of vacation rentals of residential units or parts thereof.” Section 6-6-10 states that the purpose of the Vacation Rental Ordinance is to “protect the health, safety and welfare of the residents and visitors of Crested Butte.”

If addressing neighborhood and community impacts truly is the Town’s objective, then the proposed Vacation Rental Ordinance is misdirected and unnecessary. The Municipal Code already contain numerous provisions that address the types of conduct and conditions that the Vacation Rental Ordinance ostensibly seeks to address. Specifically:

- Chapter 7, Article 1 – Administration and Abatement of Nuisances; Article 2 – Nuisances
- Chapter 8, Article 2 – Parking Regulations
- Chapter 10, Article 3 – Streets and Public Places
- Section 10-4-20 – Damaging or Destroying Public Property
- Section 10-4-30 – Damaging or Destroying Private Property
- Section 10-4-50 – Trespassing
- Section 10-5-10 – Disorderly Conduct
- Chapter 10, Article 9 – Regulation of Noise
- Chapter 18, Article 1 – Building Code; Article 2 – Residential Code

GCAR Position: If the Town is truly concerned about addressing neighborhood and community impacts and protecting the health, safety and welfare of the residents and visitors of Crested Butte, then it should devote its efforts to more effective code enforcement under its existing regulations, rather than adopt the Vacation Rental Ordinance. The Town Council should direct code enforcement staff to evaluate the Town’s current policies and practices for enforcing applicable building and maintenance codes, the nuisance code, and off-street parking requirements and to step up its efforts to enforce these codes.

Section 6-6-40(b) of the Vacation Rental Ordinance can be interpreted as improperly authorizing the Town to interpret and enforce private covenants.

Proposed Section 6-6-40(b) states: “The use of any residential unit or portion thereof as a vacation rental shall not frustrate any limitation on use of the proposed vacation rental premises under a deed restriction, covenant or other Town restriction or requirement.” It is not clear what it means to “frustrate” a restriction or covenant. Of greater concern is the fact that this provision can be read as authorizing the Town to interpret and enforce private deed restrictions and covenants to which the Town is not a party.

While Section 6-6-40(b) might be intended to address accessory dwelling units that are deed-restricted to keep them in the long-term rental pool, the way Section 6-6-40(b) is worded would allow the Town to require vacation rental permit applicants to submit copies of deeds, private covenants, and other information pertaining to the property and then to deny a vacation rental permit application that otherwise satisfies the requirements of the Vacation Rental Ordinance on the ground that the property is subject to a deed restriction that limits or prohibits its use as a vacation rental. In effect, this provision would place the Town in the position of interpreting and enforcing private deed restrictions.

But any such deed restrictions or private covenants should be enforced by the parties that have enforcement rights under the deed or other instrument that established the restriction—not by the Town through the requirements of the Vacation Rental Ordinance and the threat of penalties for violation of the Vacation Rental Ordinance. Just as a municipality cannot deny a building permit application on the ground that a proposed use would violate a private covenant, a vacation rental permit cannot be denied on the ground that it would violate a private deed restriction or covenant.¹¹

GCAR Position: Because Section 6-6-40(b) would authorize the Town to deny a vacation rental permit application that otherwise satisfies the requirements of the Vacation Rental Ordinance on the ground that the property is subject to a deed restriction that limits or prohibits its use as a vacation rental, it should be deleted as an improper grant of authority.

Requiring a local contact person to physically respond within one hour to an issue occurring at a vacation rental: (1) inappropriately imposes a public policing function on private citizens; (2) is unrealistic; (3) would unreasonably place that person at risk of physical harm; and (4) could result in higher insurance premiums for property owners.

Section 6-6-150 of the Vacation Rental Ordinance states:

All vacation rental licenses shall include a local responsible contact person capable of physically responding to issues that may arise at the vacation rental within one hour of

¹¹ See LAND USE PLANNING & ZONING § 37.09 (Effect of Private Controls on Public Land Use Review) (stating: “The fact that a parcel of private property is restricted by some type of restrictive covenant or deed restriction or easement generally has no relevance to the question of whether the zoning restrictions on the property are valid. Generally, that fact has little relevance as to whether an owner is entitled to a variance, special exception, or building permit either.... A building permit cannot be denied to a landowner who is otherwise entitled to it even if the proposed use would violate private deed restrictions”).

the initial attempt to contact the vacation rental owner. The local contact person must have physical access to the vacation rental and shall be authorized to make decisions regarding the vacation rental on behalf of the owner.¹²

While this provision expressly requires only that a local contact person be “*capable* of physically responding,” it clearly indicates an intent to require that the local contact person actually physically respond to any “issues” within one hour of notification by the Town.

The one-hour response requirement inappropriately imposes a public policing function on private citizens. Traditionally, the duty, costs and liabilities associated with policing and enforcing local, state and federal laws and regulations have fallen upon government. By making a local contact person respond in person to complaints about “issues” allegedly arising from a vacation rental property, Section 6-6-150 of the Vacation Rental Ordinance shifts some of these duties, costs and liabilities to taxpaying private property owners. Unlike local law and code enforcement agencies, civilians are not trained or equipped to respond on short notice to complaints. Moreover, it is unreasonable for the Town to place this burden on local contact persons when the entire community benefits from the policing of unruly behavior and enforcement of the law. By requiring local contact persons to respond in-person to the location of a vacation rental home, Section 6-6-150 arguably “deputizes” local contact persons to carry out the Town’s code enforcement duties.

The proposed one-hour response time is unrealistic. Does the Town really expect that the owner or designated contact person will remain within a one-hour driving distance at all times when a vacation rental is occupied?

Section 6-6-150 would place local contact persons at risk of physical harm or potential liability. To the extent that it would require the local contact person to confront badly behaving tenants and their guests in order to remedy or abate a disturbance, Section 6-6-150 would place the local contact person at risk of physical harm or potential liability. If the Town receives a complaint about an out-of-control party, noisy altercation, or similar disturbance occurring at the location of a vacation rental, does it really intend to forward that complaint to the local contact person rather than dispatch police officers or code enforcement personnel to the property? Have Town officials seriously considered the potential consequences of compelling a local contact person to personally confront a tenant about such a complaint?

It is not clear whether the Town sought or received the advice of the Marshal’s office or code enforcement officials regarding the in-person response requirement of Section 6-6-150. However, it seems doubtful that law enforcement officials would stand behind any ordinance that places vacation rental owners or local contact persons in harm’s way by requiring them to respond in person to a complaint regarding the condition, operation, or conduct of tenants of a vacation rental home.

The regulatory requirement that the local contact person “respond to the location of the vacation rental home within one hour” may also expose the Town to claims of liability if the risk of

¹² VRO § 6-6-150.

physical harm is realized and an owner or contact is injured while on the premises at the Town's behest.

The one-hour response requirement could result in higher insurance premiums for property owners. The in-person response requirement could also have a financial impact on local contact persons if the requirement causes insurance companies to increase premiums or refuse to renew a policy due to the in-person response requirement.

GCAR Position: By requiring local contact persons to respond in-person to the location of a vacation rental home, Section 6-6-150 arguably “deputizes” local contact persons to carry out the Town’s law enforcement and code enforcement duties. Local law enforcement and code enforcement personnel should be the ones responding to complaints and enforcing the requirements of the Vacation Rental Ordinance—not vacation rental owners and designated local contacts. In addition, Section 6-6-150 of the Vacation Rental Ordinance would unreasonably place local contact persons at risk of physical harm or potential liability by requiring that they “physically respond to issues that may arise at the vacation rental within one hour.” Moreover, it is unrealistic to expect that the local contact person or owner would be able to respond on-site within a one-hour timeframe. For these reasons, Section 6-6-150 should be revised to eliminate the in-person response requirement.

The Vacation Rental Ordinance would unfairly impose more restrictive occupancy standards on vacation rentals than on homes that are not used as vacation rentals.

Section 6-6-180 (“Maximum Occupancy”) of the Vacation Rental Ordinance would impose the following occupancy limits as a standard condition on all vacation rental properties:

- **Default Occupancy Limit:** Vacation rentals generally would be limited to a maximum occupancy of 10 people.¹³
- **Adjustable Occupancy Limit:** The Vacation Rental Ordinance would allow the default occupancy limit of ten persons to be exceeded following “physical inspection” of the property. The adjusted occupancy limit would be based on the formula “two occupants per legitimate bedroom plus two additional occupants.” However, any increase above 10 occupants would trigger a requirement for additional off-street parking. In particular, the vacation rental would have to provide one on-site space for each four potential occupants in addition to the off-street parking already required for the property.¹⁴

These occupancy limits (and the supplemental parking requirement) apparently would not apply to homes that are owner-occupied or are rented on a long-term basis (i.e., 29 or more consecutive nights). There is no rational basis for imposing more restrictive occupancy standards on a home that is occupied by short-term renters than on homes that are owner-occupied or are rented on a long-term basis. Moreover, to the extent that the Town is concerned about noise, overcrowding, parking or other potential impacts of a gathering of people, those concerns are adequately

¹³ See VRO § 6-6-180.

¹⁴ See VRO § 6-6-180.

addressed by existing provisions of the Municipal Code, including Chapter 8, Article 2 (Parking Regulations); Section 10-5-10 (Disorderly Conduct); Chapter 10, Article 9 (Regulation of Noise); and Chapter 18, Article 1 (Building Code) and Article 2 (Residential Code).

The impact of a gathering of people at a home does not differ based on whether a home is occupied by a property owner or a long-term tenant, or by vacation renters.

GCAR Position: There is no valid reason for applying different occupancy and off-street parking standards to vacation rentals than to homes that are occupied by owners or long-term renters. It is simply arbitrary. To the extent that the Town is concerned about noise, overcrowding, or other potential impacts of a gathering of people, those concerns are adequately addressed by existing provisions of the Municipal Code, including Chapter 8, Article 2 (Parking Regulations); Section 10-5-10 (Disorderly Conduct); Chapter 10, Article 9 (Regulation of Noise); and Chapter 18, Article 1 (Building Code) and Article 2 (Residential Code).

The Vacation Rental Ordinance lacks procedures and standards for the denial, suspension, or revocation of a vacation rental license.

Sections 6-6-70 and 6-6-80 of the Vacation Rental Ordinance would allow vacation rental applicants to appeal a decision denying, suspending, or revoking a vacation rental license (or license renewal) by filing a written appeal with the Town Clerk within 15 days after the decision. The appeal would be heard by the Town Manager within 30 days after receipt of the appeal and would constitute the “final decision of the Town for purposes of judicial review.” Section 6-6-80 provides that a vacation rental license “may be suspended or revoked by the licensing official for failure to comply with this Article.”

These provisions do not contain or incorporate by reference a set of procedures and standards that the Town Manager must follow in reviewing a decision to deny, suspend, or revoke a vacation rental license.

In general, grants of discretionary authority to an administrative official that lack standards potentially violate the constitutional principle known as the *nondelegation doctrine*, which prohibits a local legislative body from delegating its legislative or policy-making power to administrative boards or officials.¹⁵ A local legislative body can, however, delegate to an administrative body the authority to exercise discretion in carrying out public policy, provided that the delegation is accompanied by standards and specific procedural guidelines.¹⁶ The delegation of standardless authority can also result in unfair and arbitrary decision-making, which may expose the Town to claims based on the constitutional rights to due process and equal protection.¹⁷

GCAR Position: The Vacation Rental Ordinance should be revised to contain a set of procedures and standards that the Town Manager must follow in reviewing a decision to deny,

¹⁵ See BRIAN W. BLAESSER, DISCRETIONARY LAND USE CONTROLS: AVOIDING INVITATIONS TO ABUSE OF DISCRETION § 1:19 (Thomson-Reuters 2016) (hereinafter “DISCRETIONARY LAND USE CONTROLS”).

¹⁶ See *id.*

¹⁷ See *id.* §§ 1:44, 1:55.

suspend, or revoke a vacation rental license. If these provisions are not added then the Town Attorney, in the formal opinion GCAR has already requested, should explain why the proposed Vacation Rental Ordinance is legally valid without these due process protections.

The proposed neighbor notification requirement of Section 6-6-70(c) creates a due process problem and is likely to have unintended negative consequences on neighborhood relations.

Section 6-6-70(c) of the Vacation Rental Ordinance states:

At least 14 days prior to issuing or renewing a vacation rental license, the Town shall, in a format provided by the Town, notify all owners of real property within 100 feet of the residential unit or portion thereof that is the subject of the vacation rental license of their opportunity to make comment on the application, whether initial or renewal, for the Town's consideration of such issuance.

Section 6-6-70(c) lacks a set of procedures and standards to be applied by the Town in reviewing a decision to deny, suspend, or revoke a vacation rental license. It is not clear how complaints received by the Town would factor into the decision making process. On what basis would the Town decide how much weight should be given to a particular comment or complaint? Could a vacation rental license application be denied based on a single, unproven complaints?

As noted above, the lack of standards in Section 6-6-70(c) raises concerns under the constitutional *nondelegation doctrine*, which prohibits a local legislative body from delegating its legislative or policy-making power to administrative boards or officials,¹⁸ and can also result in unfair and arbitrary decision-making, which may expose the Town to claims based on the constitutional rights to due process and equal protection.¹⁹

In addition, it is not clear whether the Town has considered the potential negative impact of this proposed neighbor notification requirement, namely the potential for neighborhood conflict. To the extent that it encourages neighbors to raise general concerns about potential adverse impacts that allegedly are associated with vacation rental homes (e.g., loud parties or overcrowding), or to complain after the fact about a prior bad act or condition at a vacation home with the intent of preventing the issuance or renewal of a vacation rental license, the neighbor notification requirement has the potential to create conflict between neighboring property owners. It is easy to envision the potential for a dispute between a vacation home owner and a neighbor where the neighbor believes that his complaints are being ignored. Conversely, conflict may also occur if a vacation home owner believes a neighbor is making complaints for personal or business competitive reasons or with the intent of causing the Town to deny the vacation rental license application.

GCAR Position: Section 6-6-70(c) should be revised to contain a set of procedures and standards to be applied by the Town in reviewing a decision to deny, suspend, or revoke a vacation rental license. If these provisions are not added then the Town Attorney, in the formal opinion GCAR has already requested, should explain why the proposed Vacation Rental

¹⁸ See DISCRETIONARY LAND USE CONTROLS § 1:19.

¹⁹ See *id.* §§ 1:44, 1:55.

Ordinance is legally valid without these due process protections. Additionally, given the potential negative consequences of the proposed neighbor notification requirement, the Town should consider deleting Section 6-6-70(c) from the Vacation Rental Ordinance.

The non-transferability of vacation rental license will have a negative impact on the second home market in Crested Butte.

Section 6-6-90 states, in relevant part: “A vacation rental license attaches only to the residential unit or portion thereof for which it is issued and is non-transferrable upon sale or other transfer of ownership.” By prohibiting a vacation rental licenses from transferring with title to the purchaser of a home, Section 6-6-90 will have a negative impact on the market for second home and rental properties in Crested Butte. Prospective purchasers who want to buy a vacation home and rent it out from time to time may be unwilling to purchase a home in Crested Butte without a guarantee that it can be used as a rental.

Making vacation rental licenses non-transferable could also have a detrimental effect on home prices in the Town. Market demand might decrease because buyers, particularly purchasers of second homes, will be uncertain about whether they will be allowed to rent a home in the Town to vacationers to offset their purchase and operation and maintenance costs. The result could be that houses in the Town will decrease in value because they will appeal only to the limited market of buyers who have no interest in ever making the property available to vacation renters. The lack of certainty as to whether a home could be used a vacation rental might also make it more difficult for buyers to secure financing for a second home in Crested Butte, because the potential purchaser will not be able to give the lender assurances that there will be a contingent stream of income to offset the carrying costs of the property, if necessary.

GCAR Position: In light of the potential negative impacts that the non-transferability of vacation rental license could have on the second home market in Crested Butte, CGAR urges the Town Council to delete Section 6-6-90 from the Vacation Rental Ordinance.

The requirement that vacation rentals be inspected biannually is unnecessarily burdensome on both vacation rental owners and the Town.

Section 6-6-120 of the Vacation Rental Ordinance requires all vacation rentals to be “subject to inspection every other year.” The policy rationale for requiring that all vacation rentals be inspected every other year is not clear. Under Section 6-6-200, the Town would have the authority to penalize violators of the Vacation Rental Ordinance through the imposition of significant fines (up to \$1,000 per day for a continuing violation) or imprisonment for a term of up to one year.²⁰ In light of these potential penalties, the requirement that vacation rental properties be inspected on a bi-annual basis is overly burdensome.

The bi-annual inspection requirement would also be burdensome for the Town itself. According to the report “Short Term Rentals – Vacation Home Rentals Crested Butte, Colorado, May

²⁰ See VRO § 6-6-120; see also Municipal Code § 1-4-20(a).

2016,” there are a approximately 170 vacation rentals in Crested Butte.²¹ The report also notes that an additional 182 second homes in the Town currently are not used as vacation rentals. Even if none of the second homes that potentially could be added to the Town’s vacation rental inventory are licensed as vacation rentals, a bi-annual inspection program would require that a significant amount of staff time and resources be devoted to vacation rental inspections. It is unclear whether the Town has sufficient staff to handle these responsibilities or whether the Town has planned and budgeted for these additional costs.

It is possible that the financial burden to the Town of the bi-annual inspection requirement would be offset, to some degree, by the license application and renewal fees paid by vacation rental owners under the Vacation Rental Ordinance. It is not clear, however, whether those fees would be sufficient to cover all of the Town’s costs of administering the vacation rental inspection program. If not, then funds may need to be diverted from other departments or programs, or the Town may decide to increase licensing or inspection fees, further burdening owners of affected vacation rental properties.

GCAR Position: For the reasons discussed above, Section 6-6-120 should be deleted or revised so that vacation rentals do not have to be inspected every other year. If the Town is not willing to eliminate the inspection requirement in its entirety, then it should amend Section 6-6-120 to require vacation rental inspections be required less frequently than every other year. An example of this approach is the short-term rental ordinance adopted by Tillamook County, Oregon, which requires that all short-term rentals be inspected in connection with the *initial* permit application, but thereafter requires an inspection only if (1) there has been a fire, flood or other event that caused substantial damage to the structure; (2) the permit was revoked; (3) there has been an addition or substantial modification to the structure; or (4) the permit has lapsed for more than 180 days.²²

In this letter GCAR has explained how the Vacation Rental Ordinance would infringe upon the right of private property owners to rent their home and would have a negative impact on the Town’s tourist-based economy. Our letter also summarizes several of our numerous concerns with the Vacation Rental Ordinance. The these reasons, and for the reasons expressed by GCAR and its members at the January 3, 2017 public hearing and other meetings on the proposed Vacation Rental Ordinance, GCAR urges the Town Council not to adopt proposed Ordinance No. 12, Series 2016.

Gunnison Country Association of Realtors®



Sherye Pennartz
CEO

Copy to: John Belkin, Town Attorney

²¹ See “Short Term Rentals – Vacation Home Rentals Crested Butte, Colorado, May 2016” at 2 (available online at http://www.crestedbutte-co.gov/vertical/sites/%7B6058FFBB-CB06-4864-B42F-B476F794BE07%7D/uploads/E_Packet_9-26-2016.pdf).

²² See Tillamook County, OR Short Term Rental Ordinance § 7(d), (e) (available online at <http://www.co.tillamook.or.us/gov/comdev/documents/STVR/Amendment%201-Ordinance%2069%20Filed.pdf>).



New
Residential



Residential
Remodel



Accessory Dwelling

BOZAR Year End Review

Each year the design and building community works diligently with the BOZAR in sustaining Crested Butte's exceptional architectural character. At the conclusion of the 2016 building season, the completed projects are compiled in a slide show for review with the BOZAR. We appreciate the Council's involvement and invite all of you to attend this year's review and selection of the Project of the Year. We look forward to seeing you in the Council Chambers on Thursday, January 26, 2017 at 6:00 pm.



Accessory
Building



New
Commercial

February 6, 2017

Work Session

Carbondale to Crested Butte Trail

February 21, 2017

Work Session

Affordable Housing Projects

March 6, 2017

Work Session

Big Mine Expansion

Consent Agenda

Approval of DOLA Grant

March 20, 2017

Work Session

Creative District Public Art

Future Work Session Items:

- Camping @ Town Ranch (allow? Not allow? Allow camping in other places?)
- BLM and OBJ Campground/Seasonal Housing Shortage (this could be combined with others – especially the Affordable Housing item at the bottom of this list)
- Perimeter Trail – Update, timelines, costs, what does this look like when finished
- 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.
- 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.
- Affordable Housing/Density/Workforce – Blk 79/80
- Double Basements
- Condo Combines
- Drones
- Special Events
- Speeding
- Vinotok