

ORDINANCE NO. 8

SERIES 2007

AN ORDINANCE AUTHORIZING THE SHORT-TERM BORROWING OF FUNDS, NOT TO EXCEED \$150,000.00, AND THE EXPENDITURE OF FUNDS, NOT TO EXCEED \$300,000.00, TO CONSTRUCT A SINGLE-FAMILY RESIDENCE ON BEHALF OF THE TOWN OF CRESTED BUTTE IN PARADISE PARK SUBDIVISION.

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 the laws of the State of Colorado; and

WHEREAS, Section 4.9 of the Town's Home Rule Charter states that Town Council actions creating an indebtedness or authorizing the borrowing of money shall be by ordinance; and

WHEREAS, the Town is in need of borrowing, on a short-term basis, the sum of One Hundred Fifty Thousand and no/100 Dollars (\$150,000.00) in order to complete construction of an affordable housing single-family residence on Tract 5, Block 78, Paradise Park Subdivision; and

WHEREAS, the Town anticipates receipt of revenues as a result of lease-purchase financing of the affordable housing single-family residence in order to repay said loan during fiscal year 2007.

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

Section 1. The Town Council hereby authorizes the borrowing of funds, not to exceed One Hundred Fifty Thousand and no/100 Dollars (\$150,000.00) at an interest rate not to exceed 4.65 per cent, and authorizes the expenditure of funds, not to exceed Three Hundred Thousand and no/100 Dollars (\$300,000.00) for the purpose of constructing an affordable housing single-family residence on Tract 5, Block 78, Paradise Park Subdivision.

Section 2. The Town Council hereby authorizes the pledge of real property owned by the Town as collateral in connection with the Town's obligation to repay said borrowed funds.

Section 3. The Town Council hereby finds that the borrowing and expenditure of said funds and the pledge of property owned by the Town as collateral in connection with the project described herein are in the best interests of the health, safety, and welfare

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of the residents and visitors of the Town, and in connection therewith, the Town Council hereby authorizes the Town Manager or her designee to execute on behalf of the Town any and all documents necessary for the borrowing, expenditure, and repayment of said funds, including but not limited to promissory notes, deeds of trust, loan agreements, closing documents, and any and all other documents necessary to consummate the transactions contemplated as part of said loan.

INTRODUCED, READ, AND SET FOR PUBLIC HEARING THIS 2nd DAY OF APRIL, 2007.

ADOPTED BY THE TOWN COUNCIL UPON SECOND READING AND PUBLIC HEARING THIS 7 DAY OF May, 2007.

TOWN OF CRESTED BUTTE, COLORADO

**By
Alan Bernholtz, Mayor**

ATTEST:

Eileen Hughes, Town Clerk SEAL