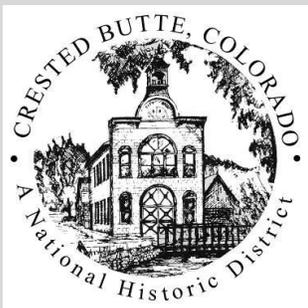


AGENDA
Town of Crested Butte
Regular Town Council Meeting
Monday, March 19, 2018
Council Chambers, Crested Butte Town Hall



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

Town Council Values

- *Support Crested Butte's quality of life*
- *Promote resource efficiency and environmental stewardship*
- *Encourage a sustainable and healthy business climate*
- *Maintain an authentic and unique community*
- *Remain fiscally responsible*
- *Continue thoughtful management of our historic character*
- *Seek collaborative solutions to regional and local issues*

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

6:00 WORK SESSION

1) Matt McCombs, District Ranger of the Gunnison Ranger District.

6:25 2) Discussion of Potential Locations for the Skatepark and Sled Hill.

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

7:02 APPROVAL OF AGENDA

7:04 CONSENT AGENDA

1) March 5, 2018 Regular Town Council Meeting Minutes.

2) Resolution No. 4, Series 2018 - A Resolution of the Crested Butte Town Council Authorizing the Grant of a Revocable License to Kokoapplejak LLC to Encroach into the Fifth Street Public Right of Way with an Awning Adjacent to Lot 1, Block 47, Town of Crested Butte.

3) Award of Professional Services Agreement to JVA Engineering for Design and Improvements at the Water Treatment Plant.

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.

7:06 PROCLAMATION IN HONOR OF PAUL REDDEN

7:10 PUBLIC COMMENT

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

7:15 STAFF UPDATES

7:20 PUBLIC HEARING

1) Ordinance No. 3, Series 2018 - An Ordinance of the Crested Butte Town Council Authorizing the Transfer of Lot 10 Block 77 and Lots 6, 14, and 16 Block 79 to GVRHA for Duplex Build.

7:25 2) Ordinance No. 4, Series 2018 - An Ordinance of the Crested Butte Town Council Authorizing the Lease of a Town Residential Property, 814 Teocalli, Crested Butte, Colorado to a Town Employee.

7:30 3) Ordinance No. 6, Series 2018 - An Ordinance of the Crested Butte Town Council Amending Chapter 16, Article 16 of the Crested Butte Municipal Code to Include Requirements for Long-Term Rental Units and the Use of Public Property for Private Residential Parking in the "B3" Business and "T" Tourist Zone Districts.

7:40 4) Transfer of a Retail Marijuana Dispensary Permit from Boom Town LLC DBA Urba-Crested Butte to Durango Organics LLP DBA DO Crested Butte.

7:45 NEW BUSINESS

1) Discussion on Planning for Emergency Services Facilities and Application for DOLA Grant Funding.

- 8:05** 2) Ordinance No. 5, Series 2018 - An Ordinance of the Crested Butte Town Council Approving the Lease of the Property at 409 Second Street to the Gunnison County Sheriff's Department.
- 8:20** 3) Discussion Regarding the Community Grant Policy.
- 8:35** 4) Letter to Gunnison County Planning Commission Regarding the Corner at Brush Creek Application.
- 8:55** 5) Ordinance No. 7, Series 2018 - An Ordinance of the Crested Butte Town Council Approving the Lease of a Portion of the Property at 306 Maroon Avenue to the Crested Butte School of Dance.

9:00 LEGAL MATTERS

9:05 COUNCIL REPORTS AND COMMITTEE UPDATES

9:20 OTHER BUSINESS TO COME BEFORE THE COUNCIL

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

- Monday, April 2, 2018 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, April 16, 2018 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, May 7, 2018 - 6:00PM Work Session - 7:00PM Regular Council

9:40 ADJOURNMENT



Staff Report

March 19, 2018

To: Mayor Schmidt and Town Council
Thru: Dara MacDonald, Town Manager
From: Janna Hansen, Parks and Recreation Director
Subject: Discussion of Potential Locations for the Skatepark and Sled Hill

Background:

On September 8, 2015 Town Council approved Resolution No. 23 adopting the Big Mine Park Master Plan (“Master Plan”). The Master Plan addressed the juxtaposition of the Skatepark and Sled Hill; in particular the dangerous situation it causes with the lack of a sledding runout, and the lack of space for the much-needed Skatepark renovation project. The question of the possible relocation of the Skatepark or Sled Hill from Big Mine Park was brought before Council on six different occasions, and pros and cons of potential locations were discussed. It was determined that an acceptable alternative location did not exist for the Sled Hill. On July 20, 2015 Council voted to keep the Sled Hill at Big Mine Park and relocate the Skatepark to Town Park, which in turn would require the relocation of the Volleyball Courts and Horseshoe Pits to the 8th St. Greenway. Council decided that it was better to relocate the Skatepark, Volleyball Court and Horseshoe Pits, and retain the Sled Hill than to keep the Skatepark at Big Mine and lose a valuable park amenity. At the time this decision was made the annexation had not yet been proposed. The approval of the pre-annexation agreement in 2016 created the opportunity for the relocation of the Sled Hill from Big Mine Park thereby allowing for the possibility of renovating the Skate Park in its current location. \$200,000 is budgeted in 2019 for the Sled Hill relocation, and \$350,000 is budgeted in 2021 for the Skatepark Renovation in the Town’s current 5 year capital plan.

Discussion:

The location of the Skatepark impacts the location of the Basketball Court in Town Park and a decision on the permanent locations of the Skatepark and Sled Hill needs to be made in order to proceed with Construction Documents for the Town Park Playground Renovation Project. The opportunity to relocate the Sled Hill to the annexation will allow for all existing amenities to remain in Town Park and will provide significant cost savings by renovating the existing Skatepark in place. The proposed Sled Hill location will allow for an additional 40,000 square feet of sledding area and 4.5 feet of vertical loss. The proposed annexation location will also allow for a safer sledding experience than current conditions at Big Mine. The Big Mine location of the Skatepark will allow for an additional 7,800 square feet of program space than what was proposed at Town Park. Publicly accessible restrooms for the Sled Hill will be an important discussion during the annexation planning process.

Recommendation:

Staff recommends relocating the Sled Hill to the annexation and keeping the Skatepark in Big Mine Park.

MINUTES
Town of Crested Butte
Regular Town Council Meeting
Monday, March 5, 2018
Council Chambers, Crested Butte Town Hall

Mayor Schmidt called the meeting to order at 7:07PM.

Council Members Present: Will Dujardin, Chris Haver, Jackson Petito, Laura Mitchell, and Paul Merck

Staff Present: Town Manager Dara MacDonald, Town Clerk Lynelle Stanford, Town Planner Bob Nevins, and Parks and Recreation Director Janna Hansen

Community Development Director Michael Yerman and Chief Marshal Mike Reily (for part of the meeting)

APPROVAL OF AGENDA

Petito moved and Merck seconded a motion to approve the agenda as presented. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

CONSENT AGENDA

- 1) **February 20, 2018 Regular Town Council Meeting Minutes.**
- 2) **Amendment to Woods Walk Easement Reception #533987 for Realignment of the Woods Walk Trail.**
- 3) **Appointment of Mel Yemma to BOZAR.**

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

PUBLIC COMMENT

None

STAFF UPDATES

- MacDonald informed the Council that Green was listening to the meeting on speakerphone.
- MacDonald referred to an email she sent on the ADU case. The plaintiffs started the process with the Court of Appeals. Counsel, from CIRSA, for the Town on the case would update at an upcoming meeting.

- MacDonald mentioned that Town had been successful in the grant application to DOLA for the water treatment plant.
- Schmidt questioned the changes to the Brush Creek application. Further discussion on the topic was moved to Other Business.
- Schmidt referenced the staff updates provided in the packet regarding the school's track and the Town providing in-kind assistance in removing it. MacDonald described work offered by the Town.
- Stanford asked the Council to confirm there would be enough for a quorum at the April 16th meeting.
- Schmidt recognized that sales tax had decreased in January.

NEW BUSINESS

1) Ordinance No. 4, Series 2018 - An Ordinance of the Crested Butte Town Council Authorizing the Lease of a Town Residential Property, 814 Teocalli, Crested Butte, Colorado to a Town Employee.

Schmidt asked if anyone from the public wanted to comment, and no one did. There was no discussion amongst the Council.

Mitchell moved and Merck seconded a motion to set Ordinance 2018-04 to public hearing on March 19, 2018. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

2) Ordinance No. 5, Series 2018 - An Ordinance of the Crested Butte Town Council Approving the Lease of the Property at 409 Second Street to the Gunnison County Sheriff's Department.

The Sheriff was unable to attend the meeting. MacDonald believed he would be available on March 19th. Cowherd had relayed to Schmidt that he did not think it was a good place for the Sheriff's Office because of potential parking problems at the location. Merck agreed it was a tough spot. Schmidt acknowledged he heard negative things in general regarding the lease. He agreed parking would be tight. Dujardin stated a five-year lease seemed excessive. Schmidt was not inclined to lease the property.

Haver moved and Petit seconded a motion to continue the first reading of Ordinance No. 5, Series 2018 to the next meeting. A roll call vote was taken with all voting, "Yes." **Motion passed unanimously.**

3) Ordinance No. 6, Series 2018 - An Ordinance of the Crested Butte Town Council Amending Chapter 16, Article 16 of the Crested Butte Municipal Code to Include Requirements for Long-Term Rental Units and the Use of Public Property for Private Residential Parking in the "B3" Business and "T" Tourist Zone Districts.

Town Planner Bob Nevins explained the inception of the idea that would allow there to be residential units included with a commercial expansion when there were no additional

on-site parking spaces available for the residential units. The additional parking required by the expansion of commercial space could be satisfied with payment-in-lieu while the residential parking spaces needed to be provided on-site and payment-in-lieu was not an option. He explained the proposal would provide perpendicular parking off Belleview, some of which would be dedicated parking for the residents. The Code change would not affect Elk Avenue nor 6th Street. Schmidt wondered what other places could be affected. He recognized there would be snow plowing and immediate snow removal. Nevins reviewed requirements the applicants would need to fulfill. Yerman confirmed the Town would continue plowing as usual. There was a discussion on the number of parking spaces related to affordable housing units. The Council identified that Town was trying to find solutions for affordable housing. There was no one from the public who wanted to comment.

Merck moved and Mitchell seconded a motion to set Ordinance No. 6, Series 2018 to public hearing at the March 19th meeting. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

4) Discussion Regarding a Letter to the Gunnison County Planning Commission on the Scarp Ridge LLC Irwin Helipad.

Schmidt reviewed history on the agenda item and pointed out the letter from MacDonald that had been included in the packet. Sue Navy stated that it was a good letter, and she thanked the Council. Other than a grammatical change, there were no there other changes.

Merck moved and Mitchell seconded a motion to approve the letter and send it to the Planning Commission. A roll call vote was taken with all voting, “Yes.” **Motion passed unanimously.**

5) Discussion and Follow-up on the Retreat Related to Council Priorities.

MacDonald drew the Council’s attention to the recap she provided regarding the retreat. She viewed it to be an ongoing discussion on priorities as well as moving forward on implementing them. There were various questions from Council members on the progress of goals that had been listed; however, there were no in-depth discussions.

LEGAL MATTERS

MacDonald read an email from Green that stated in part that they met on Mt. Emmons to discuss regulatory options for clean-up and long term financial security options. Green thought that they should set up a time in the future to discuss next steps for withdrawing mining claims.

Schmidt confirmed Town had received notice of claim on a case that took place in CB South. MacDonald affirmed CIRSA would be covering.

COUNCIL REPORTS AND COMMITTEE UPDATES

Paul Merck

- He would attend a STOR meeting on Thursday.
- There would be an EPA Standard Mine update on April 11th.

Laura Mitchell

- CDOT would like to see complete plans on the Mountain Express shop.

Jackson Petito

- Attended Housing Foundation meeting. There was a presentation from RMBL's Ian Billick on the development of workforce housing. They were informed of opportunities for housing on the north side of Gunnison.

Chris Haver

- The Chamber hosted Crafted at Elevation. They had a great turn out, and it went well.
- Attended Community Builders Taskforce meeting. The ICElab presented. They wanted to attract companies. The health side had been doing a lot with suicide prevention. There was a draft of the State of the Valley coming out. They discussed holding leadership training courses, particularly on how to have hard discussions.

Jim Schmidt

- There was a mayors/managers meeting in Mt. Crested Butte. He asked if the Council would be interested in a presentation on the Teocalli Expansion from CBMR. The proposal answered criticisms heard from Snodgrass. The Council affirmed they wanted the presentation. Schmidt stated the most interesting presentation was from the hospital. MacDonald elaborated that the hospital was part of the pilot program to reduce the use of opiates, using different methods of pain management.
- There was a meeting on Brush Creek last Friday. The Town had not yet seen the revised application.
- They would be meeting with the Gunnison City Council in Almont this Wednesday. Mitchell requested that Schmidt ask Gunnison what they thought about the Met Rec District.
- MacDonald suggested that the committee could bring amended comments on Brush Creek forward to the meeting on March 19th. MacDonald had proposed a meeting to the four entities in the MOA.

OTHER BUSINESS TO COME BEFORE THE COUNCIL

Dujardin would be attending the QQ retreat, and he asked if anyone else wanted to attend. Schmidt confirmed he would be going.

Schmidt brought up the Met Rec District working with the group associated with the Forest Service. The National Forest Foundation Fund would be a cooperative with the Gunnison Met Rec District. They were having a meeting on Friday, March 16th.

MacDonald informed the Council that Town would be advertising for the Creative District/Open Space Coordinator position.

DISCUSSION OF SCHEDULING FUTURE WORK SESSION TOPICS AND COUNCIL MEETING SCHEDULE

- Monday, March 19, 2018 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, April 2, 2018 - 6:00PM Work Session - 7:00PM Regular Council
- Monday, April 16, 2018 - 6:00PM Work Session - 7:00PM Regular Council

MacDonald updated the Council on the topics for the next work session. Dujardin would be absent from the March 19th meeting and Mitchell on May 7th.

ADJOURNMENT

Mayor Schmidt adjourned the meeting at 8:21PM.

James A. Schmidt, Mayor

Lynelle Stanford, Town Clerk (SEAL)



Staff Report
March 19, 2018

To: Town Council

Thru: Dara MacDonald, Town Manager, and Michael Yerman, Community Development Director

From: Jessie Earley

Subject: Revocable License, 430 Belleview Avenue, Block 47, Lots 1-4, Kokoapplejak, LLC

SUMMARY:

On March 31, 2015, BOZAR approved the plans for the new building to be located at 430 Belleview Avenue. Included in the plans is an awning which extends 5'2" by 73'9" into the Fifth Street right of way adjacent to Lot 1, Block 47.

It is not uncommon for the Town to grant licenses for this type of feature. Attached you will find the license agreement. Exhibits identifying the area are included.

RECOMMENDED MOTION:

A Councilmember make a motion followed by a second to approve Resolution 4, Series 2018 for a license agreement with Kokoapplejak, LLC to allow the awning in the Fifth Street right of way adjacent to Lot 1, Block 47 as part of the consent agenda.

RESOLUTION NO. 4

SERIES 2018

A RESOLUTION OF THE CRESTED BUTTE TOWN COUNCIL AUTHORIZING THE GRANT OF A REVOCABLE LICENSE TO KOKOAPPLEJAK LLC TO ENCROACH INTO THE FIFTH STREET PUBLIC RIGHT OF WAY WITH AN AWNING ADJACENT TO LOT 1, BLOCK 47, TOWN OF CRESTED BUTTE

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 staff has recommended to the Town Council that it grant a revocable license to Kokoapplejak LLC to encroach into the Fifth Street public right of way with an awning adjacent to Lot 1, Block 47, Town of Crested Butte; and

WHEREAS, the Town Council hereby finds that granting a revocable license to Kokoapplejak LLC to encroach into the Fifth Street public right of way with an awning adjacent to Lot 1, Block 47, Town of Crested Butte, 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 a revocable license to Kokoapplejak LLC to encroach into the Fifth Street public right of way with an awning adjacent to Lot 1, Block 47, Town of Crested Butte, is in the best interest of the Town.

2. **Authorization of Mayor.** Based on the foregoing, the Town Council hereby authorizes the Mayor to execute the “Revocable License Agreement” in substantially the same form as attached hereto as **Exhibit “A.”**

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

TOWN OF CRESTED BUTTE

By: _____
James A. Schmidt, Mayor

ATTEST

Lynelle Stanford, Town Clerk

(SEAL)

EXHIBIT "A"

Revocable License Agreement

[attach approved form here]

**RECORDING REQUESTED BY:
WHEN RECORDED RETURN TO:**

Town of Crested Butte
Attn: Town Clerk
502 Maroon Avenue
Crested Butte, CO 81224

REVOCABLE LICENSE AGREEMENT

THIS REVOCABLE LICENSE AGREEMENT (this “**Agreement**”) is made and entered into this ___ day of _____, 2016, by and between the TOWN OF CRESTED BUTTE, COLORADO (“**Licensor**”), a Colorado home rule municipality with an address of 507 Maroon Avenue, P.O. Box 39, Crested Butte, CO 81224 and KOKOAPPLEJAK, LLC (“**Licensee**”), P.O. Box 901, Crested Butte, CO 81224.

RECITALS:

Block 47,
Lots 1-4,
Town of Crested Butte,
County of Gunnison,
State of Colorado,

commonly known as 430 Belleview Avenue, Crested Butte, Colorado 81224 (the “**Premises**”).

B. The Premises is bound by that certain public right of way known as Maroon Avenue (the “**Public Property**”).

C. Licensee has requested the right to construct and install, and keep and maintain certain improvements in the Public Property.

D. The Town is willing to allow Licensee to keep and maintain such improvements in the Public Property, subject to certain conditions and requirements.

NOW, THEREFORE, for and in consideration of the covenants, terms, conditions and requirements set forth herein, the sufficiency of which are hereby acknowledged by the parties, the parties agree as follows:

AGREEMENT:

1. **Grant of License.** Licensor hereby grants to Licensee and its successors in interest a revocable license (the “**License**”) to keep and maintain the improvements, which are an awning in the Fifth Street right-of-way adjacent to Lot 1, Block 47, as described in **Exhibit “A”** (the “**Improvements**”) attached hereto on the Public Property in the location set forth on **Exhibit “B”** attached hereto.

2. **Permit for Construction and Maintenance.** Licensee shall obtain permits from the Town pursuant to Chapter 11, Article 2 of the Crested Butte Municipal Code relative to all construction, installation and maintenance activities relative to the Improvements.

3. **Term of License; Revocation.**

3.1. The License shall exist and continue until the happening of either the following events, which such event shall automatically terminate and extinguish the License:

(a) the Improvements are demolished, removed or damaged by fire or other casualty such that such Improvements cannot be reasonably repaired in their present location; or

(b) the Town Council finds at a regular, public meeting that (i) the Improvements must be removed in order to make the Public Property available for public use or for such other reason as determined by the Town Council in its sole discretion, or (ii) Licensee is in default of this Agreement.

3.2. The License is made subordinate to the right of Licensor to use the Public Property for any public purpose, including, without limitation, public pedestrian uses, surface and subsurface improvements and public utilities. In addition to Licensor's revocation rights set forth in Section 3.1, Licensee agrees that if Licensor subsequently determines to, without limitation, install, modify or change the grade of any street or sidewalk, or to modify, repair or install any underground utility, or to effect any other work in connection with any other public or utility improvement, or to use or occupy the area of the encroachment by the Improvements, then the License hereby authorized must be modified and the Improvements removed completely or otherwise relocated to a location acceptable to Licensor, and the Public Property shall be restored to its pre-existing and/or unobstructed condition to the satisfaction of Licensor at Licensee's sole cost and expense. Licensor's decision as to the necessity of such public use, occupancy or improvements shall be final and binding upon Licensee.

4. **Assumption of Risk.** Licensee assumes the risk of damage to the Improvements and agrees to repair any damage to the Public Property, Licensor property and any third party's property arising from or relating to Licensee's use of the Public Property. Additionally, Licensee assumes all risk of damage to property or injury to persons, including death, in connection, whether directly or indirectly, with the License and the Improvements. In the event of any such damage or injury, Licensee agrees to pay all costs related thereto, including, without limitation, reasonable attorneys' fees.

5. **Indemnification.** By execution of this License, Licensee, for itself and its successors, hereby agrees to indemnify, defend and hold harmless Licensor, its elected officials, employees, contractors, agents, insurers, insurance pools and attorneys against any and all claims, suits, damages, costs, losses and expenses, including reasonable

attorneys' fees, in connection with any personal injury, including death, or property damage, arising out of or connected in any way with, whether directly or indirectly, the License, Licensee's use of the Public Property and the Improvements.

6. **Insurance.**

6.1. At its sole cost and expense, Licensee shall obtain and keep in force during from the date first written above until the Improvements are removed or relocated from the Public Property "all-risk" property coverage naming Licensee and Licensor as their interests may appear.

6.2 At its sole expense, Licensee shall obtain and keep in force from the date first written above until the Improvements are removed or relocated from the Public Property commercial general liability insurance with a combined single limit of not less than \$2,000,000.00 for injury to or death of any one person, for injury to or death of any number of persons in one occurrence, and for damage to property, insuring Licensee and Licensor, including, without limitation, coverage for contractual liability, broad form property damage and non-owned automobile liability, with respect to the Public Property. The insurance shall be noncontributing with any insurance that may be carried by Licensor and shall contain a provision that Licensor, although named as an insured, shall nevertheless be entitled to recover under the policy for any loss, injury, cost or damage to Licensor, or the property of the same.

6.3. All insurance required herein and all renewals thereof shall be issued by companies authorized to transact business in the State of Colorado and rated at least A+ Class X by Best's Insurance Reports (property liability) or otherwise approved by Licensor in writing. All insurance policies shall be subject to approval by Licensor as to form and substance, shall expressly provide that the policies shall not be canceled without 30 days' prior written notice to Licensor and shall provide that no act or omission of Licensor that would otherwise result in forfeiture or reduction of the insurance shall affect or limit the obligation of the insurance company to pay the amount of any loss sustained. Licensee may satisfy its obligation under this Section by appropriate endorsements of its blanket insurance policies.

6.4. All policies of liability insurance that Licensee is obligated to maintain according to this Agreement (other than any policy of workmen's compensation insurance) shall name Licensor as an additional insured. Originals or copies of original policies (together with copies of the endorsements naming Licensor as an additional insured) and evidence of the payment of all premiums of such policies shall be made available to Licensor on the date first written above. All public liability, property damage liability and casualty policies maintained by Licensor shall be written as primary policies, not contributing with and not in excess of coverage that Licensor may carry.

6.5. The parties waive all rights to recover against each other, or against the elected and appointed officials, employees, contractors, agents, advisors, attorneys, insurers, insurance pools, shareholders, directors, members, managers, officers,

suppliers, agents or servants of each other, for any loss or damage arising from any cause covered by any insurance required to be carried by each of them pursuant to this Section or any other insurance actually carried by each of them. Licensee shall cause its insurer to issue an appropriate waiver of subrogation rights endorsements to all policies of insurance carried in connection with Licensee's operations and Licensor's operations and property.

7. **Licensee Obligations Upon Revocation; Remedies.** Upon notice to Licensee of the Town Council's decision to revoke this License, the Improvements must be promptly removed. In the event that the Improvements are not so removed by Licensee, Licensor may remove the Improvements and restore the location to its original condition at Licensee's sole cost and expense. In such case Licensor shall have no responsibility for damage to the Improvements or Licensee's other property, whether personal or real property, located on Public Property and the Premises. Licensee shall immediately reimburse Licensor such costs and expenses incurred by Licensor in such removal. Licensor shall have the right to make an assessment against the Premises and collect the costs of removal and restoration in the same manner as general taxes are collected under State and local laws. Such rights shall be in addition to any rights available at law or in equity. All remedies may be applied concurrently and not to the exclusion of any other remedy. In the event of any legal action or advice necessary to execute such removal, Licensee shall pay Licensor all reasonable costs and expenses in connection therewith, including, without limitation, reasonable attorneys' fees.

8. **Responsibility for Maintenance; Damage to Improvements.** Licensee assumes and accepts sole responsibility for the maintenance and upkeep of the Improvements, which shall be performed only upon receipt of permits from Licensor as required by applicable law. Further, Licensor shall not be liable for any damage to the Improvements caused by Licensor's operations, including, without limitation, snow removal, street or alley maintenance, street or alley repairs and improvements and utility installation, maintenance and repairs.

9. **No Assignment.** This Agreement and the License granted hereunder shall not be assignable or transferrable by Licensee without Licensor's prior written consent. Failure to obtain Licensor's consent to such assignment or transfer as required shall make such assignment or transfer void *ab initio*.

10. **Subject to Laws.** This License is subject to all State and municipal laws as they now exist or may hereafter be amended.

11. **Licensee Representations.** Licensee represents and warrants that: (a) it is duly qualified to do business and is in good standing in the State of Colorado; (b) it has full power and authority to execute, deliver and perform its obligations under this Agreement; (c) the individual executing this Agreement has the full power and authority to do so; and (d) the Agreement does not violate any other obligation of Licensee.

12. **Notices.** All notices required pursuant to this Agreement shall be deemed served upon depositing a certified letter, return receipt requested, in the United States mail, addressed to the party being served with such notice at the addresses set forth above, unless a request to mail to a different address is provided in writing to the other party.

13. **Prevailing Party.** In the event of any dispute between the parties in connection with this License, the non-prevailing party shall pay the prevailing party all costs and expenses, including, without limitation, reasonable attorneys' fees, costs and expenses, incurred in such dispute.

14. **Entire Agreement; Amendment.** This Agreement represents the entire agreement of the parties respecting the subject matters addressed herein. This Agreement may be amended only in writing by properly executed agreement.

15. **Successors and Assigns.** The rights and obligations of the parties shall inure to the benefit and burden to the parties' successors and permitted assigns.

16. **No Waiver.** No waiver by either party of any breach of, or of compliance with, any condition or provision of this Agreement by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time.

17. **Photo-static Copies.** For purposes of enforcement of the terms hereof, photo-static reproductions shall be deemed to be originals.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK;
SIGNATURE PAGE(S) TO FOLLOW]

IN WITNESS WHEREOF, the parties have entered into this Agreement by their duly authorized representatives effective as of the date first written above.

LICENSOR:

TOWN OF CRESTED BUTTE,
a Colorado home rule municipality

By: _____
James A. Schmidt, Mayor

Attest:

By: _____ [SEAL]
Lynelle Sanford, Town Clerk

LICENSEE:
Kokoapplejak, LLC, a Colorado limited liability company

_____,

By: _____
Name: _____
Title: _____

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing Revocable License Agreement was acknowledged before me this ____ day of _____, 20__ by _____, Mayor of the Town of Crested Butte, a Colorado home rule municipality, on behalf of said entity.

WITNESS my hand and official seal.
My commission expires: _____

Notary Public Signature

STATE OF _____)
) SS.
COUNTY OF _____)

The foregoing Revocable License Agreement was acknowledged before me this ____ day of _____, 20__ by _____, managing member of Kokoapplejak, LLC on behalf of said entity.

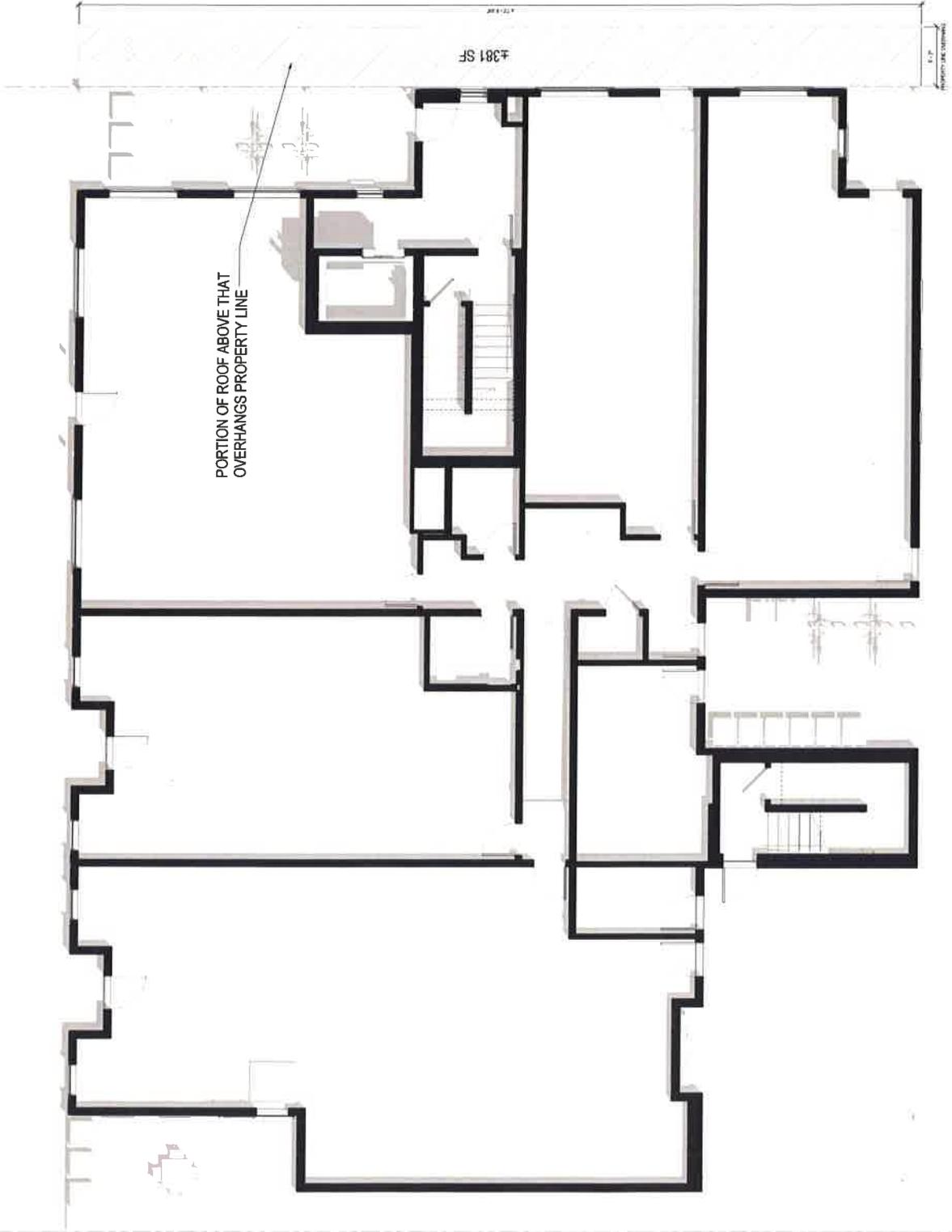
WITNESS my hand and official seal.
My commission expires: _____

Notary Public Signature

EXHIBIT "A"

A 5'2" by 73'9" section of the Fifth Street right-of-way adjacent to Lot 1, Block 47.

EXHIBIT "B"



PORTION OF ROOF ABOVE THAT
OVERHANGS PROPERTY LINE

4381 SF

E.P.
PROPERTY LINE OVERHANG



Staff Report

March 19, 2018

To: Mayor and Town Council

Thru: Dara MacDonald, Town Manager

From: Rodney E Due, Director of Public Works

Subject: Award of Professional Services Agreement to JVA Engineering for Design and Improvements at the Water Treatment Plant.

Date: March 12, 2018

Summary: : In the January 26th and February 2nd editions of the Crested Butte News, the Public Works Department published a Request for Qualifications for (RFQ) for engineering services for the design of the Water Treatment Plant Upgrades 2018. The RFQ was also posted on the Town of Crested Butte web site. Proposals were received by the Public Works Department until 04:00 p.m. on Friday, March 2nd. There were three (3) Proposals received. The proposals were reviewed by the Public Works Department, and Town Manager. The estimate for engineering services for this project was \$173,000. Town recommends awarding the contract to JVA Engineers in an amount not to exceed \$149,000.00 with a contingency of \$6,000.00. The Town received proposals from;

- | | |
|-----------------------------|----------------------------------|
| 1. JVA Consulting Engineers | \$149,000.00 |
| 2. J-U-B Engineers, Inc. | \$164,290.00 |
| 3. FEI Engineers | \$99,000.00 (RFQ was incomplete) |

BACKGROUND: The engineering services are for the design of the water treatment plant upgrades projected in 2018, with construction in 2019. The project is designed to optimize the existing microfiltration skids, providing treatment capacity to meet current and projected water demands, Optimize the pre-treatment system to meet water quality goals and maintain water quality standards, and replacing the raw water and reverse filtration tanks that have reached the end of their useable life.

The Town has applied for a Department of Local Affairs (DOLA) grant which is intended to be used to fund 50% the design engineering for the Project. Award and/or closing of this engineering grant is not expected to be received until the end of March/early April. In order to maintain the Town's project schedule and achieve critical funding milestones, the council is being asked to award the contract to JVA Engineers contingent upon successful execution of the pending \$86,500 Tier I DOLA Grant. The Consultant will not be given a Notice of Award or Notice to Proceed, until after the contract has been executed.

Recommendation: To approve the award of a contract for engineering services for the design and engineering of the Water Treatment Plant Upgrades to JVA Engineers at a cost of \$149,000 not to exceed \$155,000. Authorizing the Town manager to enter into an engineering services agreement between the Town of Crested Butte and JVA Engineers, contingent upon an executed contract with DOLA, as part of the Consent Agenda.

Proposed Motion: I Move to approve the award of a contract for engineering services for the design and engineering of the Water Treatment Plant Upgrades to JVA Engineers at a cost of \$149,000 not to exceed \$155,000. Authorizing the Town manager to enter into an engineering services agreement between the Town of Crested Butte and JVA Engineers, contingent upon an executed contract with DOLA.



A Proclamation of the Mayor of
Crested Butte, Colorado
Paul Redden Day
March 24, 2018

WHEREAS, Paul Redden was born and raised in Gunnison County, Colorado up the Taylor River; and,

WHEREAS, Paul has lived his entire life in Gunnison County including more than 55 years in Crested Butte; and,

WHEREAS, Paul served honorably in the United States Army as an engineer and learned to skillfully run heavy equipment; and,

WHEREAS, Paul started his own heavy equipment company in Gunnison County after returning from the Army; and,

WHEREAS, Paul was an avid skier and fisherman: and,

WHEREAS, Paul carved in all the roads, cat tracks, and tower pads at the Crested Butte Ski Area when it first opened; and,

WHEREAS, Paul built roads for the power lines over Monarch Pass, built roads in Mt. Crested Butte, Meridian Lake, and other subdivisions in the Crested Butte area; and,

WHEREAS, Paul widened the road down the Devil's Punchbowl; and,

WHEREAS, Paul is the oldest citizen of Crested Butte; and,

WHEREAS, more than any other person, Paul has truly left his mark on the landscape of the Crested Butte area,

I, Jim Schmidt, Mayor of the Town of Crested Butte, declare that March 24th this year shall be Paul Redden Day on behalf of all the citizens of Crested Butte, Colorado.

TOWN OF CRESTED BUTTE, COLORADO

By: _____
James A. Schmidt, Mayor



Memorandum

To: Town Council
From: Dara MacDonald, Town Manager
Subject: Manager's Report
Date: March 19, 2018

Town Manager

- 1) We have arranged for Stephen Saunders, author of "Climate Change in the Headwaters: Water and Snow Impacts" to present his findings to the community on Thursday, April 5th at 6:30 p.m. at the Center for the Arts. The NWCCOG is paying the expense for having Mr. Saunders present, but the Town will cover his per diem and hotel in Gunnison out of the Council's discretionary fund.
- 2) Heights open space lawsuit – Our CIRSA assigned attorney, Patrick Singer, will be in town on March 26th to meet with staff and continue discussions with Jacob With who is representing the Height property owners. We are hopeful a reasonable settlement can be reached.
- 3) Discussion is beginning about formalizing a county-wide working group or committee around efforts to address climate change. Staff has engaged Council member Dujardin to participate in the current informal discussions.

Public Works

- 1) The Town was awarded a grant for \$86,500 by DOLA to assist with funding the design of improvements at the water treatment plant. The grant contract will be on an upcoming agenda for approval.
- 2) Several Requests for Qualifications and Proposals are currently open. We expect to have awards for Council consideration at your meeting on April 2nd for the following:
 - o Retaining wall at public works
 - o Roof structural reinforcement and installation of snow fencing at Town Hall
 - o Paving of the 4-way
- 3) The bid package for modifications at the solids handling building will go out this week.

Marshals

- 1) March for Our Lives, 10:00 a.m. March 24th
 - o The march is meant to correspond to the march in Washington DC regarding gun control. We will continue to work with the event organizers to ensure a safe event.
 - o The march will begin at the 4-way, proceed up Elk, turn around and proceed back down Elk, turning at 5th for a gathering in Crank's Plaza

Parks & Rec

- 1) We have begun contacting non-profits in the valley who work on home efficiency improvements to invite them to be present with information at the Town Picnic on June 8th.

Community Development

- 1) Town Clean-up will be May 19th
- 2) The school district voted at their meeting on March 12 to proceed with the purchase of 2 of the units (1 duplex) the Town will be constructing this coming summer.
- 3) BOZAR continues to have full agendas as development activity picks up in advance for the building season.

Town Clerk

- 1) Sidewalk seating application packets are out and should be on the Council agenda April 2nd.
- 2) There will be a records disposal bonfire at the gravel pit on March 22nd starting at 1:30.
- 3) There will be a picture of the Council taken before the beginning of the regular meeting on Monday, April 2nd.

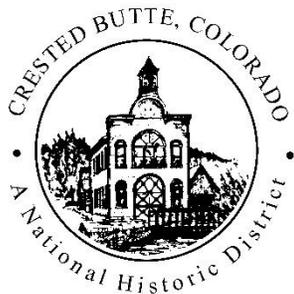
Finance

- 1) Have drafted a purchasing policy that we will bring to the Council for discussion on April 2nd.
- 2) AUDIT, AUDIT, AUDIT - Auditors are in town the week of March 19th
- 3) Many thanks to Lois Rozman who has been in to help out in anticipation of the audit! We always enjoy seeing her around Town Hall.

Intergovernmental

It seems that the meetings between the Council and the councils for the City of Gunnison and Mt. Crested Butte were a success. If the Council desires we can work on setting up regularly recurring meetings quarterly.

* As always, please let me know if you have any questions or concerns. You may also directly contact department directors with questions as well.



To: Mayor Schmidt and Town Council

From: Michael Yerman, Community Development Director

Thru: Dara MacDonald, Town Manager

Subject: **GVRHA Transfer of Lots and Duplex Homeownership Build**

Date: March 19, 2018

Background:

The Town and GVRHA have been working the construction of four duplexes for 2018-2019 located in Paradise Park. This build will provide the Town with two additional rental units, the School District with 2 rental units, and offer four units to the community members for home ownership opportunities. Since first reading the Town and GVRHA have been hard at work to secure construction financing. After reviewing term sheets from two local banks, the cost of securing financing will cost an additional \$45,000-\$60,000. Most of the costs are upfront loan origination fees that are not refundable.

On March 12, 2018, the School Board authorized the purchase of an entire duplex. This action now only leaves four units that need construction financing for a total of \$1 million. This also creates an additional financing cost burden on each of these remaining units that could amount to up to \$12,500 of additional cost. The Town has been diligent on trying to keep the unit cost below \$260,000. Construction financing would now push that cost above that \$260,000 mark.

Town staff is recommending the Council use Capital Reserves to pay for the \$1 million in construction costs for the final 4 units, thus eliminating the financing costs to the final purchase price for new owners. This also means the Town will not need to transfer the 4 lots to the GVRHA to be used as collateral for the construction loan. Therefore, town staff is recommending no action be taken on Ordinance 3, Series 2018.

The GVRHA will still act as the broker for the buyers and collect a 2% fee on the units for this service. The GVRHA will also administer the lottery and qualification process for lottery participants.

However, since the Town will now be responsible for paying construction draws as the project proceeds, the Town will need to enter into a contract with High Mountain Concepts to oversee the construction of the units. This contract will need to be executed prior to May 1, 2018 when the project is slated to break ground.

Direction needed at this time:

Town staff is seeking Council direction on moving forward with using \$1 million from Capital Reserves to pay for the construction of the remaining four duplexes. These duplexes will be sold in 2019 and the revenue from the duplex sales will be put back into Capital Reserves.



Staff Report

March 19, 2018

To: Mayor and Town Council
From: Dara MacDonald, Town Manager
Subject: Ordinance 2018-04, Town Employee Lease Agreements

Summary: The Town has eight rental units that are currently occupied by municipal employees. This ordinance allows for the approval of one of the 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. The attached leases incorporate the rental rate increase for each unit established with the 2017 budget 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.

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 approve Ordinance 2018-04 approving a town employee lease agreement."

ORDINANCE NO. 4**SERIES 2018****AN ORDINANCE OF THE CRESTED BUTTE TOWN COUNCIL AUTHORIZING THE LEASE OF A TOWN RESIDENTIAL PROPERTY, 814 TEOCALLI, CRESTED BUTTE, COLORADO TO A TOWN EMPLOYEE**

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 a lease of Town property for use by a certain Town employee is in the best interest of the Town.
2. **Authorization of Town Manager**. Based on the foregoing, the Town Council hereby authorizes the Town Manager to execute a lease in substantially the same form as attached hereto as **Exhibit "A"** for the following property to the employee described in such lease.

A-1. 814 Teocalli;

Ordinance 2018-04
Employee leases

INTRODUCED, READ AND SET FOR PUBLIC HEARING THIS ___ DAY
OF _____, 2018.

ADOPTED BY THE TOWN COUNCIL UPON SECOND READING IN
PUBLIC HEARING THIS ___ DAY OF _____, 2018.

TOWN OF CRESTED BUTTE, COLORADO

By: _____
James A. Schmidt, 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 Joey Carpenter, 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 June, 2018, for a period of one year, ending on the 31st day of May, 2019 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 \$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 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: Joey Carpenter
PO Box 4385
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: _____
Joey Carpenter



Staff Report March 19, 2018

To: Mayor Schmidt and Town Council

Thru: Dara MacDonald, Town Manager

Thru: Michael Yerman, Community Development Director

From: Bob Nevins, Town Planner

Subject: **Public Hearing-Proposed Code Amendment Regarding Special Off-Street Parking Requirements in the “B3” Business District and “T” Tourist District**

Date: March 16, 2018

Purpose: To conduct a public hearing and consider a proposed zoning code amendment and upon such consideration, Town Council by majority vote may: approve, modify, table or deny the proposed Zoning Code Amendment to Section 16-16-30 (f) Special off-street parking requirements in the “B3” Business District and “T” Tourist District. *See* Attachment 1-Town Zoning Map.

Previous Council Action: This proposed amendment was presented to Town Council for consideration and discussion at a regular meeting on March 5, 2015. After an overview by staff, Town Council asked questions and made comments. There were questions with regards to how is the parking credit calculated (*see* Attachment 2-Parking Example); where else might these regulations be applied to new or existing development; how will the parking be managed; and concerns were voiced about winter parking and the need to move vehicles, snow removal and snow/storage and possible impacts to the bus routes.

A motion to approve first reading of the ordinance and to set a public hearing date of March 19, 2018 was made by Councilperson Merck and seconded by Councilperson Mitchell. The motion passed 6-0 on a roll call vote. Councilperson Cowherd absent.

Background:

A basis for this Code amendment was identified during the review of the proposed expansion of Clark’s Market with the addition of a new second floor containing four (4) long-term rental apartments. The increased square footage of the market along with the new residential units generated the need for additional parking spaces that could not be accommodated within the existing on-site parking area. In the Crested Butte Municipal Code (Code), Chapter 16, Zoning, Section 16-16-50 Payment in lieu of providing off-street parking, it is stated, “...Notwithstanding any other provision of this Article to the contrary, no payment-in-lieu of providing off-street parking shall be allowed for residential uses in any district...” This means that the additional parking required by the expansion of

commercial space can be satisfied by payment-in-lieu while the residential parking spaces need to be provided on-site because payment-in-lieu is not an available option.

In addition, Code Section 16-16-30 (f) Special off-street parking requirements, currently allows parking spaces that are partially contained within the public right-of-way to be used for public parking, but not for the exclusive use of a private entity. By amending this section of the Code, the parking requirements for affordable and/or long-term rental units could be satisfied by utilizing parking spaces partially contained within the public right-of-way for the exclusive use of the residents/lessees through the issuance of a parking easement by the Town.

Summary:

On December 19, 2017, BOZAR directed staff to prepare an amendment to Code Section 16-16-30 (f) Special off-street parking requirements in the “B3” Business District and “T” Tourist District to address long-term rental apartments by adding the following criteria:

- That the building(s) including all residential units shall be located on the same lot under the same ownership and further subdivision and/or condominiumization of the residential units shall not be permitted;
- That a restrictive covenant shall be recorded to ensure that the residential units are restricted to use as affordable and/or long-term rentals; and
- That a parking management plan shall be prepared to address the following issues: paving, striping of parking spaces, signage for exclusive use of the residents, parking/use restrictions, winter parking plan, snow storage/removal, monitoring/enforcement, maintenance and repair.

BOZAR Recommendation:

On January 30, 2018, at a regular meeting, the Board of Zoning and Architectural Review (BOZAR) reviewed and discussed the proposed amendment to Section 16-16-30 (f) of the Code. Board members were generally supportive of the proposal citing that it provides an incentive or needed flexibility for the development of long-term rental units; better organizes and improves parking within the right-of-way; and minimizes potential impacts within the “B3” and “T” Districts. Some members thought other options may be available to satisfy the residential parking requirements without having to modify the Code and/or that required parking for residential uses, including long-term rental units, should be provided entirely on-site. BOZAR voted 5-1 to recommend approval of this amendment to Town Council with these additional provisions: 1) signage for resident-only parking should be provided; and 2) procedures for winter snow plowing/snow storage should be formulated to alleviate the need for residents having to move their vehicles when winter parking regulations are in effect. There were no written or oral public comments presented at the meeting.

Application:

In accordance with Code Section 16-23-30 Application (a) Any application for an amendment of this Chapter shall contain the following information; the Code requirements are shown below in *italics*, followed by Town staff’s response:

- (1) *“A legal description of any land to be rezoned, together with a diagram drawn to scale showing the boundaries of the area requested to be rezoned.”*

Response: This application is requesting a text amendment to Code Section 16-16-30 (f); and a Town Zoning Map that shows the boundaries of the “B3” Business District and “T” Tourist District is attached. There is no request for this area to be rezoned.

(2) *“A statement of the present zoning and the requested new zoning.”*

Response: This proposed text amendment applies to special off-street parking requirements in the existing “B3” Business District and “T” Tourist District. This application is not requesting any new zoning.

(3) *“A statement of justification for such action, including facts concerning any change of conditions, an error in the original zoning or the unusual or peculiar suitability of a lot to a certain use.”*

Response: Currently, the Code requires residential parking in all zone districts to be provided on-site and no option for payment-in-lieu. This amendment does not change the payment-in-lieu policy or alter the parking requirements for affordable and/or long-term rental units in the “B3” and “T” Districts; rather it allows parking spaces partially contained within the public right-of-way to be used in satisfying the additional on-site residential parking requirements through the issuance of a parking easement by the Town. A purpose of this amendment is to encourage development of long-term rental units that, otherwise, might not be possible under the current Code. According to the [Gunnison Valley Housing Needs Assessment](#), a Valley-wide collaboration, prepared by Rees Consulting, Inc., WSW Consulting and Williford, LLC, it is estimated that 171 rental units are needed in the North Valley. This Code amendment is directed at addressing the community’s need for long-term rental housing by allowing partial use of the public right-of-way for parking by residents/lessees without adversely impacting the neighborhoods and municipal/emergency operations.

(4) *“A description of the land and uses thereof within two hundred (200) feet of the boundary lines of the proposed area of change in all directions; and*

Response: The “B3” District is located along both sides of Elk Avenue east of Fourth Street to the north side of Sixth Street (south half of Blocks 23, 24 and north half of Blocks 25, 26); it includes a mix of single-family residences, retail shops, restaurants, offices and services. Adjacent zone districts include: “B1” is to the west on Elk Avenue and it is a business/commercial area with primarily retail shops and restaurants/bars; “R1C” is north and south of the alleys along Elk Avenue and it is the Core Residential District with mostly single-family residences and accessory structures, a church and day care center; “P” is to the north between Fifth and Sixth Streets and it is Public that includes Town Hall, Library, Marshals’ Office/KBUT, ballfields and to the east, the Chamber of Commerce and 4-Way buildings, this area also includes one property, the liquor store, zoned “B2”; and “B2/PUD” lies to the south between Fifth and Sixth Streets and it is a business district with retail shops, restaurant, offices/services and banks.

The “T” Tourist District is located in two general areas of town. The “T” area to the north is located east of Sixth Street between Teocalli Avenue on the north, Seventh Avenue to the east, and Maroon Avenue on the south (a south portion of Block 56 and east 280 feet of Blocks 55, 56). It includes The Hostel, Cristiana Guesthaus, Oh-Be-Joyful church, multi-family buildings and vacant lots. Adjoining zone districts include: “B2/PUD” is to the west, “R4” and “R1” zones are to the north, “R4” and “R2” districts are to the east and “R1C” and “P” are to the south. This area has a variety of land uses and building types: a gas station/convenience store/condos, restaurant, offices and undeveloped lots.

The “T” area to the south is west of Sixth Street between Red Lady Avenue on the south, Fifth Street to the west and on the north by the alley north of Whiterock Avenue (southwest portion of Block 36, western portion of Block 37 and westerly part of Block 48). While zoned “Tourist,” the area includes a wide variety of locally-serving uses: grocery store, movie theater, liquor store, post office annex, offices, Anthracite Place-affordable rental apartments and multi-family buildings. Other adjoining zone districts include: “B2/PUD” to the east that includes a bank, gas station, hardware store, Old Town Inn and vacant lots; “M” Mobile Home District, single-family residential, lies south of Red Lady Avenue; “C/PUD” Commercial and “R2C” Core Residential are west of Fifth Street and include limited commercial and light industrial uses; and “R1C” Core Residential, north of the alley in Block 36, contains single-family residential and accessory buildings.

(5) *“A statement as to the effect that the new zoning or changes would have on adjacent areas or uses.”*

Response: These additional requirements are limited to long-term rental uses in the “B3” and “T” Districts and do not impact Elk Avenue or Sixth Streets. This amendment specifically applies to long-term rental apartments and allows parking easement areas to be used in meeting the off-street parking requirements while ensuring that the surrounding neighborhood character and on-street parking supplies are preserved and that Town maintenance, transportation, or emergency operations are not adversely affected.

(b) *“Any application to create or amend the zoning of a parcel of land containing more than fifty thousand (50,000) square feet of land shall be subject to the requirements set forth in Chapter 17 of this Code and reviewed for approval as a subdivision under said regulations.”*

Response: Not applicable. This application is a text amendment that applies to the “B3” and “T” Districts; it is not specific to a particular parcel of land greater than 50,000 square feet.

Proposed Amendment:

Code Section 16-16-30 (f) Special off-street parking requirements is outlined below with the proposed text additions. Staff requests that Town Council review the proposed amendment, consider the BOZAR recommendation and determine whether parking easement areas can be used to satisfy the off-street parking requirements for affordable and/or long-term rental housing units; and ensure that these additional requirements preserve the surrounding neighborhood character and will not adversely affect Town maintenance, transportation and/or emergency operations.

Ordinance No. 3, Series of 2017 amended Section 16-16-30(f) to include the “T” Tourist District; this proposed amendment includes the following additions shown in *italics*:

(f) In the "B3" Business District and “T” Tourist District, off-street parking requirements may be satisfied in part by allowing a person to give the Town a revocable easement to land which is adjacent to a public right-of-way which is not Elk Avenue and which is used for public parking, if the easement property can be used to change the configuration of the public parking such that there is a net gain of public parking spaces and the following conditions are met:

1. The person gives the Town a revocable easement to property adjacent to the public right-of-way, with the only cause for revocation being agreement of the parties;

2. The off-street parking credit given to the person conveying the easement is based upon the square footage of the property upon which the easement exists, with the number of spaces for which credit shall be given being equal to the square footage of the easement property divided by one hundred sixty-two (162);
3. The snow storage required pursuant to Subsection (c) above shall be provided;
4. *A person may satisfy their residential off-street parking requirements under the following terms and conditions:*
 - a. The building(s) including all residential units shall be located on the same lot under the same ownership and further subdivision and/or condominiumization of the residential units is not permitted.*
 - b. A restrictive covenant shall be recorded to ensure that the residential units are restricted to use as affordable and/or long-term rentals.*
 - c. A parking management plan shall be prepared to address, at a minimum, the following issues: paving, striping of parking spaces, signage for resident parking only, parking/use restrictions, snow plowing/snow storage procedures that alleviate the need for residents to move their vehicles, monitoring/enforcement, maintenance and repair.*
5. The easement agreement, and the terms for satisfying the required off-street parking under this Subsection in each particular case, shall be recorded as set forth in Section 16-9-70 of this Chapter.
6. The Board and Town Council have reviewed and approved the request for satisfying off-street parking requirements under this Article.

The proposed Ordinance is attached with the Town Zoning Map.

Town Council Action:

Town Council by majority vote may: approve, modify or deny the proposed Land Use Code Amendment to Section 16-16-30 (f) Special off-street parking requirements in the “B-3” Business District and “I” Tourist District.

Recommended Motion:

A Council member make a motion followed by a second to approve Ordinance No.6, Series of 2018, an amendment to Code Section 16-16-30 (f) Special off-street parking requirements.

Attachments:

- 1-Town Zoning Map
 - 2-Parking Example
- Ordinance No. 6, Series of 2018

ORDINANCE NO. 6

SERIES 2018

AN ORDINANCE OF THE CRESTED BUTTE TOWN COUNCIL AMENDING CHAPTER 16, ARTICLE 16 OF THE CRESTED BUTTE MUNICIPAL CODE TO INCLUDE REQUIREMENTS FOR LONG-TERM RENTAL UNITS AND THE USE OF PUBLIC PROPERTY FOR PRIVATE RESIDENTIAL PARKING IN THE “B3” BUSINESS AND “T” TOURIST ZONE DISTRICTS

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, pursuant to Article XX of the Colorado Constitution, as implemented through the Town of Crested Butte Charter, Title 31, Article 23, and Title 20, Article 29, C.R.S., the Local Government Land Use Control Enabling Act of 1974, the Town has the authority to enact and enforce land use regulations;

WHEREAS, on January 30, 2018, the Crested Butte Board of Zoning and Architectural Review (the “Board”) reviewed proposed amendment to the Crested Butte Municipal Code (the “Code”) in regards to expanding the provisions of Section 16-16-30(f) Special off-street parking requirements for long-term rental units in the “B3” Business and “T” Tourist Zone Districts;

WHEREAS, the Board found that given the identified need to provide additional rental housing in Crested Butte, it is appropriate to consider new regulations that better utilize the limited space within Crested Butte; that encourage the development of long-term rental units provided certain conditions are met; that allow private property to be combined with public property to satisfy residential parking requirements in certain zone districts; and that preserve neighborhood character and ensure municipal/emergency operations are not adversely impacted; and

WHEREAS, Town Council has discussed and considered the Board’s recommendations, taken public comment and hereby finds that providing additional requirements for long-term rental units and allowing private and public property to be utilized in satisfying the residential parking requirements is in the best interest of the health, safety and welfare of Crested Butte, its residents and employees alike.

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

Section 1. Amending Section 16-16-30(f). Section 16-16-30(f) of the Code is hereby revised and amended by the following formatted text that shall read as follows:

Sec. 16-16-30 Special off-street parking requirements.

“(f) In the "B3" Business District and “I” Tourist District, off-street parking requirements may be satisfied in part by allowing a person to give the Town a revocable easement to land which is adjacent to a public right-of-way which is not Elk Avenue and which is used for public parking, if the easement property can be used to change the configuration of the public parking such that there is a net gain of public parking spaces and the following conditions are met:

(1) The person gives the Town a revocable easement to property adjacent to the public right-of-way, with the only cause for revocation being agreement of the parties;

(2) The off-street parking credit given to the person conveying the easement is based upon the square footage of the property upon which the easement exists, with the number of spaces for which credit shall be given being equal to the square footage of the easement property divided by one hundred sixty-two (162);

(3) The snow storage required pursuant to Subsection (c) above shall be provided;

(4) A person may satisfy their residential off-street parking requirements under the following terms and conditions:

a. The building(s) including all residential units shall be located on the same lot under the same ownership and further subdivision and/or condominiumization of the residential units is not permitted.

b. A restrictive covenant shall be recorded to ensure that the residential units are restricted to use as affordable and/or long-term rentals.

c. A parking management plan shall be prepared to address, at a minimum, the following issues: paving, striping of parking spaces, signage for resident parking only, parking/use restrictions, snow plowing/snow storage procedures that alleviate the need for residents to move their vehicles, monitoring/enforcement, maintenance and repair.

(5) The easement agreement, and the terms for satisfying the required off-street parking under this Subsection in each particular case, shall be recorded as set forth in Section 16-9-70 of this Chapter.

(6) The Board and Town Council have reviewed and approved the request for satisfying off-street parking requirements under this Article.”

Section 2. 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 3. 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 5th DAY OF MARCH, 2018.

ADOPTED BY THE TOWN COUNCIL UPON SECOND READING IN PUBLIC HEARING THIS 19TH DAY OF MARCH, 2018.

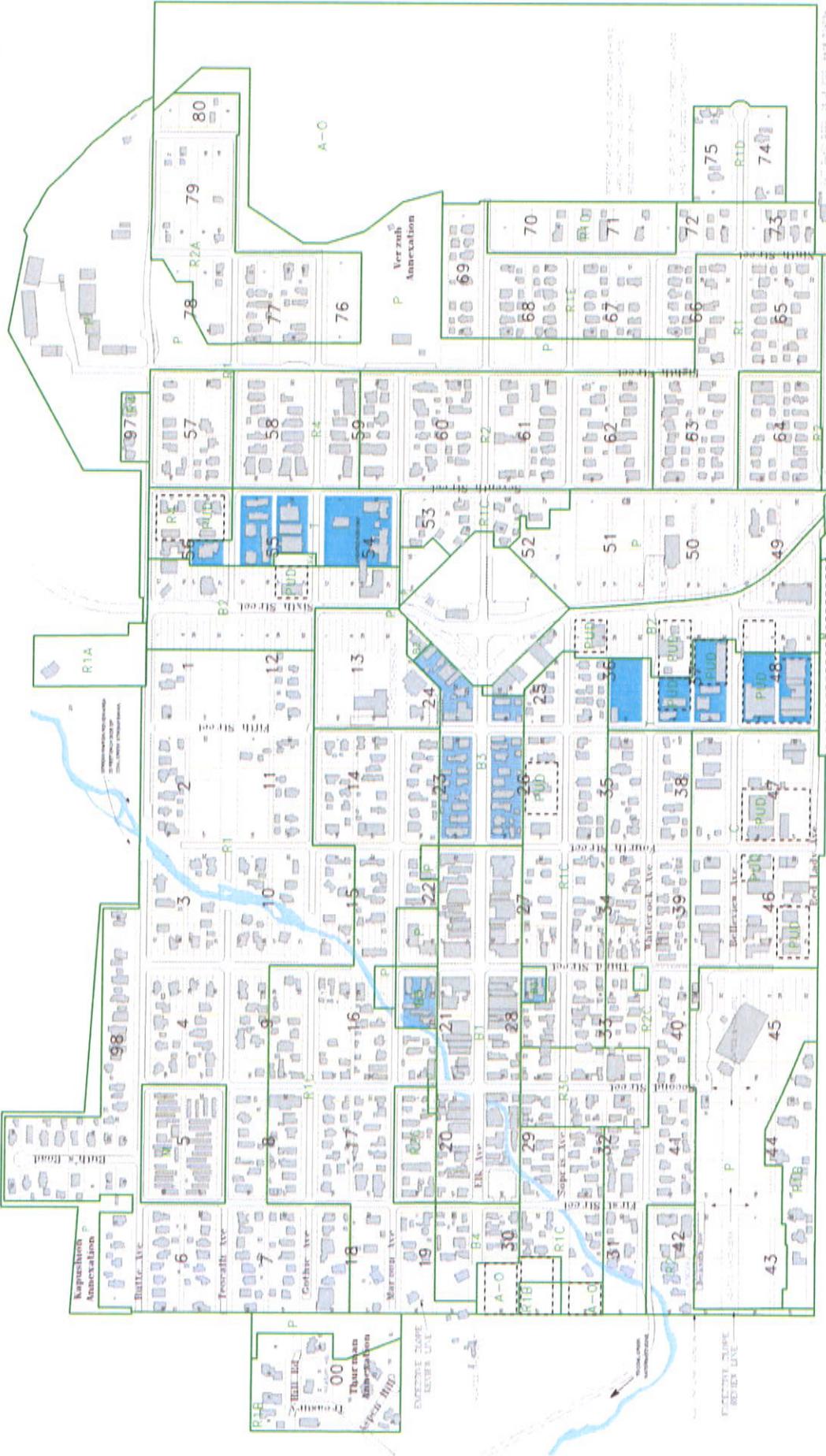
TOWN OF CRESTED BUTTE

James A. Schmidt, Mayor

ATTEST:

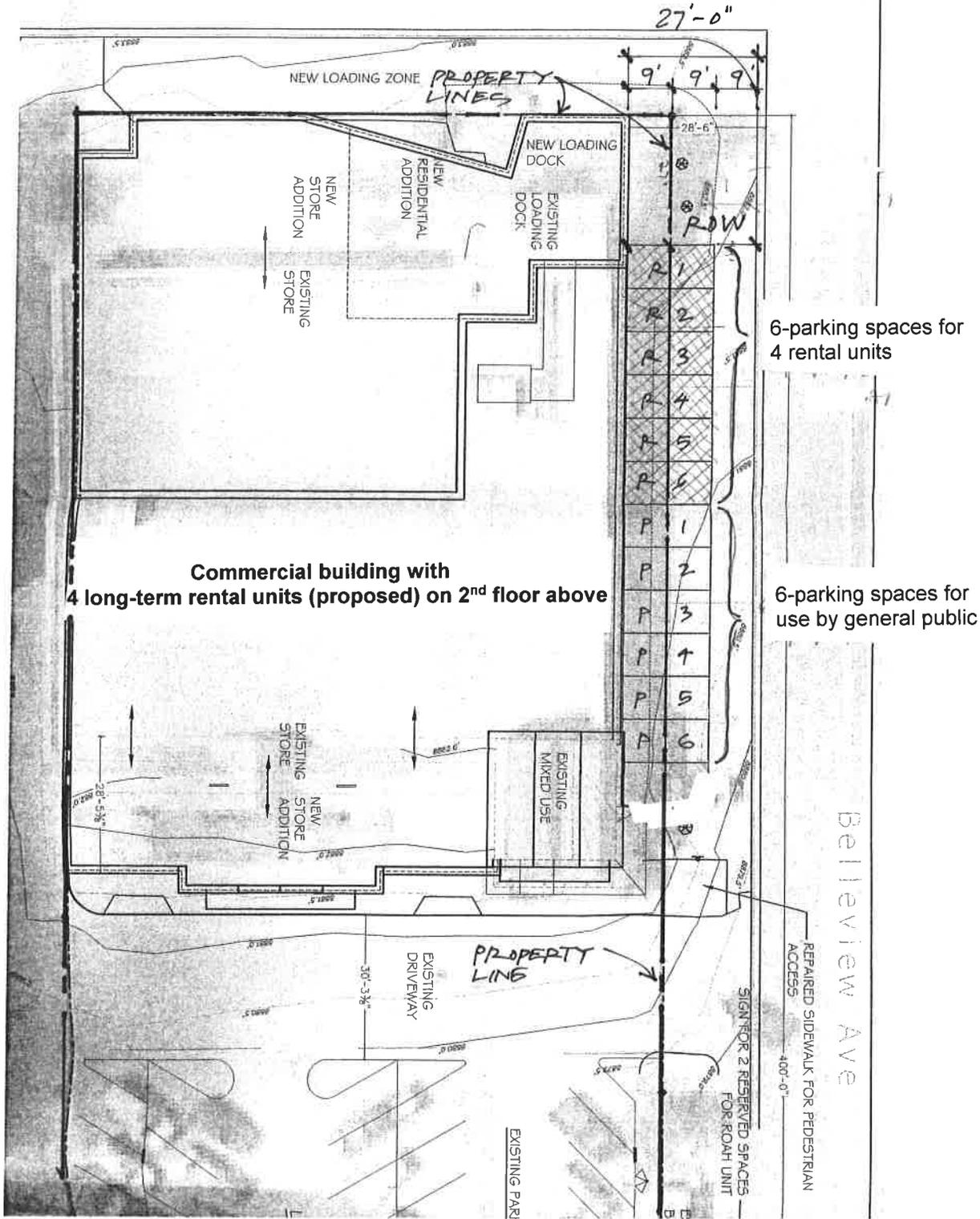
Lynelle Stanford, Town Clerk

[SEAL]



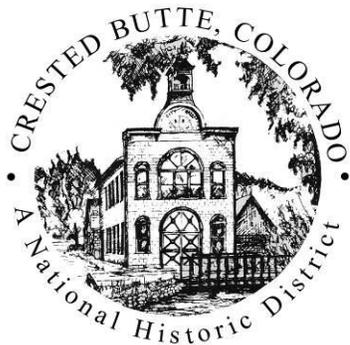
B3 & T ZONING DISTRICTS
Town of Crested Butte, Colorado

- T Tourist District
- B3 Business/Historic Residential District
- Planned Unit Development PUD
- Zoning Boundaries
- Paved Roads
- Coal Creek
- Lot Lines



Parking Example: "T" Tourist District

- A property owner proposes to develop four (4) long-term rental units that per Code requires 1.5 spaces/unit or six (6) off-street parking spaces.
- There is 9 feet from the building to the ROW; 6 spaces are required and each space is 9 feet wide: 9 feet of lot area x 9 feet/space x 6 spaces = 486 square feet of parking on-site.
- $486 \text{ square feet} \div 162 \text{ square feet/space } (9 \times 18) = 3 \text{ spaces on-site parking credit.}$
- Therefore, to construct four (4) long-term rental units, the owner needs and additional 486 square feet of lot area to provide a total of twelve (12) off-street parking spaces partially contained within the property and the public right-of-way.
- Six (6) of the parking spaces can be used for the exclusive use of the rental units and the other six (6) parking spaces are to be available for use by the general public.



Staff Report

March 19, 2018

To: Mayor and Town Council
Thru: Dara MacDonald, Town Manager
From: Lynelle Stanford, Town Clerk
Subject: Transfer of the Retail Marijuana Dispensary Permit from Boom Town LLC to Durango Organics LLP
Date: February 23, 2018

Summary:

Durango Organics LLP DBA DO Crested Butte applied for a transfer of a Retail Marijuana Dispensary Permit at 310 Belleview Ave, Unit 2. Staff submits the following findings regarding the application:

1. Notice of public hearing on the application was posted on the premise at least 10 days prior to the public hearing, and notice was published in the *Crested Butte News* on March 9, 2018.
2. A complete application has been submitted and all application fees have been paid.
3. It appears from evidence submitted that the applicant is entitled to possession of the premises for which the application for retail marijuana has been applied.
4. It is confirmed that the sale of marijuana on the premises is not a violation of zoning, building, and health laws or regulations.
5. Boom Town LLC DBA Urba - Crested Butte was approved at the March 31st, 2015 BOZAR meeting to obtain a conditional use that generated restrictive covenants.
6. DO Crested Butte will only be selling to individuals 21 and over (Retail Dispensary).
7. The Crested Butte Marshal's Office conducted local background investigations concerning the records of Jonathan Radding and Aaron Miles in February of 2018. The background investigations produced no results which would cause concern about the characters of the applicants at the public hearing. Fingerprints were also taken in June 2017 and submitted to the CBI/FBI for a complete background check.

Recommendation:

Staff recommends approval of the application to transfer the retail marijuana dispensary permit to Durango Organics LLP DBA DO Crested Butte.

Recommended Motion:

Motion to approve the application for a transfer of a retail marijuana dispensary permit to Durango Organics LLP DBA DO Crested Butte.



**TOWN OF CRESTED BUTTE
APPLICATION FOR TRANSFER OF A MEDICAL AND/OR
RETAIL MARIJUANA DISPENSARY PERMIT**

1. Applicant is applying as a:

- Individual
 Corporation
 Partnership (includes Limited Liability and Husband and Wife Partnerships)
 Limited Liability Company

For a:

- Medical Dispensary
 Retail Dispensary
 Medical and Retail Dispensary

2. **Present Trade Name of Establishment:** Urba
3. **Present Name of Entity Holding the Permit:** Boom Town, LLC
4. **Applicant Name** (If an LLC, name of LLC; if partnership, at least 2 partner's names; if corporation, name of corporation):
Durango Organics, LLP
5. **Trade Name of Establishment (DBA):** DO Crested Butte
6. **Applicant Mailing Address:** 72 Suttle St. Durango CO 81303
7. **Applicant Phone Number:** 970-799-3732
8. **Applicant Email Address:** jonny@durangoorganics.com
9. **Premise Address** (specify exact location of premise): 310 Bellevue Ave. #2

Office for all officers, directors, general partners, and managing members, in addition to any stockholders, partners or members with an ownership interest in the business.

(f) Individual History Report for all for all officers, directors, general partners, and managing members, in addition to any stockholders, partners or members with a an ownership interest in the business.

(g) Corporate Applicant Information: A Certificate of Incorporation or a Certificate of Good Standing if incorporated more than 2 years ago.

(h) Partnership Applicant Information: A Partnership Agreement (general or limited). Not needed if husband and wife partnership.

(i) Limited Liability Company Applicant Information: A copy of Articles of Organization (date stamped by the Colorado Secretary of State's Office), copy of Operating Agreement (if applicable).

(j) Tax Distraint Information: Does the applicant or any other person listed on this application and including its partners, officers, directors, stockholders, members (LLC) or managing members (LLC) and any other person with a financial interest in the applicant currently have an outstanding tax distraint issued to them by the Colorado Department of Revenue? YES NO

➤ If yes, provide an explanation and include copies of any payment agreements.

(l) A comprehensive business plan for the marijuana dispensary, which shall contain:

- A security plan that reflects the proposed marijuana dispensary's compliance with Section 6-5-320 of the Code.
- A description of the security provisions and systems.
- A complete lighting plan that is in compliance with the applicable requirements for lighting in the Town Code.
- A complete signage plan that is in compliance with the applicable requirements for signage in the Town Code, including, without limitation, Section 6-5-260.
- A plan for disposal of unwanted marijuana, by-products and paraphernalia as required in Section 6-5-330 of the Town Code.
- Hours of operation.
- Number of employees.
- Description of products to be sold.

any liability for injuries, damages or liabilities of any kind that result from any arrest or prosecution of dispensary owners, operators, employees, clients or customers for a violation of State or federal laws, rules or regulations.

In executing this application the applicant agrees to indemnify, defend and hold harmless the Town, its officers, elected officials, employees, attorneys, agents, insurers and self-insurance pool against all liability, claims and demands, 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, which arise out of or are in any manner connected with the operation of the marijuana dispensary that is the subject of this application. The applicant further agrees to investigate, handle, respond to and to provide defense for and defend against, any such liability, claims or demands at its expense, and to bear all other costs and expenses related thereto, including court costs and attorneys' fees.

This application and the requirements associated herewith do not, and are intended to, protect the applicant, operators, employees, customers, property owners and clients of a permitted marijuana dispensary from prosecution pursuant to any laws that may prohibit the growing, cultivation, sale, use, distribution or possession of controlled substances. In addition, as of the date of this application the growing, cultivation, sale, possession, distribution and use of marijuana remain violations of federal and State law (except for conduct covered by Amendment 20), and this application affords no protection against prosecution under such federal and State laws. Applicant, operators, employees, customers, property owners and clients of a permitted marijuana dispensary assume any and all risk and any and all liability arising or resulting from the operation of the dispensary under any State or federal law. Further, to the greatest extent permitted by law, any actions taken under the provisions of this application by any public officer or officers, elected or appointed officials, employees, attorneys and agents of the Town shall not become a personal liability of such person or of the Town.

applicant initials: Am

- F. This application may not be assigned or otherwise transferred in whole or in part. Any attempted assignment or transfer shall void the application *ab initio* and the application fee shall be forfeited.

applicant initials: Am

- G. The individual executing this application represents and warrants that he/she has obtained any and all approvals, authorizations and otherwise necessary to complete and submit this application and obligate itself to the conditions and requirements contained herein.

applicant initials: Am

✓(m) The Town Manager may also require the applicant to submit additional supporting documentation that he/she determines to be reasonably necessary in evaluating this application.

By initialing each item below, applicant agrees to the following:

A. Applicant shall have an ongoing obligation to keep this application and all associated submittals and supporting documents included herewith up to date and current during the term of the permit for the marijuana dispensary and any renewal thereof.

applicant initials: Am

B. If this application is approved and a permit is issued for the transfer of a marijuana dispensary permit, the applicant must provide the Town Manager with proof of the following prior to the commencement of business:

- ✓ A Town of Crested Butte Business License.
- ✓ A Town of Crested Butte Sales Tax License.
- ✓ A State of Colorado Sales Tax License.
- ✓ A lease in the name of the applicant demonstrating possession of business premises if the property is not owned by applicant.

applicant initials: Am

C. Submission of this application shall not eliminate the need for applicant to apply for any other required Town permits related to the operation of the approved marijuana dispensary, including, without limitation, conditional use permits, development approvals and building permits.

applicant initials: Am

D. Applicant hereby swears, acknowledges, consents and agrees to the following:

The owner of the premises where the marijuana dispensary will be located, applicant and the employees of the marijuana dispensary may be subject to prosecution under State, federal and local controlled substance laws.

The owner of the premises where the marijuana dispensary will be located, applicant and the employees of the marijuana dispensary acknowledge and agree that the Town accepts no legal liability in connection with the approval and subsequent operation of the marijuana dispensary.

Applicant hereby acknowledges consents and agrees that the Town will conduct a background investigation of applicant.

applicant initials: Am

E. In executing this application, applicant hereby acknowledges, consents and agrees to the following:

In executing this application applicant waives and releases the Town, its officers, elected officials, employees, attorneys, agents, insurers and self-insurance pools from

Oath of Applicant

I declare under penalty of perjury in the second degree that this application and all attachments are true and correct and complete to the best of my knowledge.

Authorized Signature _____



Title: _____

owner/partner

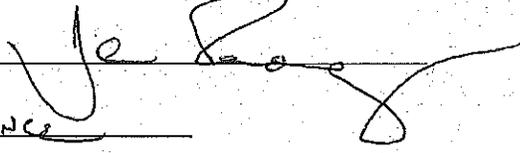
Date: _____

6/10/17

Oath of Applicant

I declare under penalty of perjury in the second degree that this application and all attachments are true and correct, and complete to the best of my knowledge.

Authorized Signature



Title: Partner / owner

Date: 8/20/2017

June 19, 2017

Durango Organics, LLP - dba DO Crested Butte

We fully intend to operate our business in compliance with all state and local codes and regulations. We will not cultivate or allow usage of marijuana on the premises. We will utilize carbon filters to mitigate any odors from impacting areas outside or the licensed premises.

Security provisions will meet or exceed State MED requirements. All surveillance equipment will be installed and where required and operated to meet State of Colorado MED regulations.

The business will be located in the same location as the current retail marijuana store has been operated. We do not intend to add lighting or signage beyond what has already been affiliated with this business. Or logo and name will be on the sign instead of the current business, but will not include the word marijuana or images of marijuana leaves or plants.

Marijuana products will not be visible from outside of the establishment, nor displayed through windows. Deliveries will be handled as discreetly as possible, and will be in full compliance with State MED rules.

All unusable, unsellable, or unwanted marijuana or marijuana products will be destroyed according to State MED regulations. At this time that means, rendering the product unusable on camera and disposing of in approved waste receptacle. A locked dumpster to be hauled by licensed waste management company is our current practice.

We intend to be open seven days a week from 9am – 7pm in the summer and may close earlier in the winter. We anticipate needing 4-6 employees on site to run the store. We will sell retail marijuana in various forms, including concentrates, edibles, tinctures, lotions, etc. We will also sell our merchandise, such as t-shirts, cups, drink koozies, and occasionally a minimal amount of local art.

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,

Durango Organics LLP

is a

Limited Liability Partnership

formed or registered on 01/18/2010 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 20101035073 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 09/08/2017 that have been posted, and by documents delivered to this office electronically through 09/11/2017 @ 09:42:09 .

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 09/11/2017 @ 09:42:09 in accordance with applicable law. This certificate is assigned Confirmation Number 10438357 .



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."

OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE OF FACT OF TRADE NAME

I, Wayne W. Williams , as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office, a Statement of Trade Name for:

DO Crested Butte

(Entity ID # 20171422982)

was filed in this office on 06/01/2017 with an effective date of 06/01/2017 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 09/08/2017 that have been posted, and by documents delivered to this office electronically through 09/11/2017 @ 09:42:33 .

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 09/11/2017 @ 09:42:33 in accordance with applicable law. This certificate is assigned Confirmation Number 10438361 .



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."



Staff Report

March 19, 2018

To: Mayor and Town Council
From: Dara MacDonald, Town Manager
Subject: Emergency Services Facilities planning

Summary: Staff is requesting the Council authorize up to \$7,500 for scoping and planning for future facility needs for emergency services including the Marshals, Crested Butte Fire Protection District (“CBFPD”) and Search & Rescue. The Town’s funds would be matched by \$7,500 from the CBFPD and \$15,000 from DOLA through a planning grant.

Previous Council Action: The 2017 budget included funding for scoping and design of emergency services facilities, however, due to the focus on the CBFPD, planning was postponed until the outcome of the election was known. At their recent board meeting on March 13th the CBFPD allocated up to \$7,500 for this effort.

Background: Both the CBFPD and Marshals have identified significant shortcomings in their current facilities. The Town’s public works yard is rapidly running out of space and relocating Search and Rescue out of that area would alleviate some of that pressure. The Slate River annexation will include a parcel that may be able to accommodate an emergency services facility.

The CBFPD has been operating out of Station 1 at 306 Maroon since it was constructed in 1974. The range of services they provide has changed significantly since that time as has their staffing structure. The Marshals have been in their location at 508 Maroon since 1997. That location was originally constructed as a middle school. Since occupying their current locations the needs and service expectations for both CBFPD and the Marshals have changed significantly and their current spaces do not adequately accommodate current needs.

Staff is requesting that the Council direct us to pursue a DOLA planning grant of up to \$15,000 to begin the initial planning process for assessing what the minimum space and facility needs are for both CCFPD and the Marshals. The total funding of up to \$30,000 will allow for us to seek out and hire a consultant with expertise in planning for and designing facilities for emergency service providers. They will be able to help evaluate the current facilities for the option of remodel and reuse as well as explore opportunities for use of the available parcel coming into the Town as part of the Slate River annexation. We would also like to understand where there may be opportunities for co-location of some of the services or sharing of some mutually needed facilities. While there have been discussions at the staff level about possible outcomes and uses of buildings and spaces, we would approach this process without pre-determined outcomes.

Financial Implications: Due to the pending CBFPD election last fall and the timing of the Town's budget adoption, funding was not included in the 2018 budget for this project. Sufficient funds are available in general reserves to cover this expense.

Recommendation: Staff recommends that the Council authorize the Town Manager to apply for a DOLA planning grant and the expenditure of up to \$7,500 in general fund dollars for the purpose of matching funding with the CBFPD and DOLA to examine facility needs for CBFPD, Marshals and Search and Rescue.

Proposed Motion: A Council member should make a motion "... that the Council authorize the Town Manager to apply for a DOLA planning grant and authorize the expenditure of up to \$7,500 in general fund dollars for the purpose of matching funding with the CBFPD and DOLA to examine facility needs for CBFPD, Marshals and Search and Rescue".



Staff Report

March 19, 2018

To: Mayor and Town Council

From: Dara MacDonald, Town Manager

Subject: Ordinance 2018-05, An ordinance of the Crested Butte Town Council approving the lease of the property at 409 2nd Street to Gunnison County Sheriff's Department

Summary: The Gunnison County Sheriff's Department has approached the Town about leasing space. This request is a result of the Sheriff's decision to assume direct provision of services in the north end of the County. This service has been provided by the Mt Crested Butte police department in recent decades.

Previous Council Action: In January of 2017, with Resolution 2017-02, the Council approved a policy regarding the leasing of non-residential municipal property.

Background: Based upon the policy adopted by the Council, staff generated a sliding lease rate based first upon the size of the space rented with the goal of getting all of the tenants to \$2 - \$6 per square foot, per year for non-profits.

Discussion: The Old Rock Jail is approximately 360 sq. ft. and the proposed lease rate is \$200 per month or \$6.60 per sq. ft. per year. The property does not have any onsite parking which may be a concern, but the Sheriff is aware of the situation. The tenant would pay for all utilities with the exception of water/sewer which the Town pays for all of our properties.

Town Council has expressed some concerns and questions about the transition from Mt Crested Butte police contracting to provide Sheriff's services to the Sheriff taking over these responsibilities directly. Sheriff Besecker has been invited to the meeting to answer any questions that the Council may have regarding the lease and how it fits with the transition.

Sheriff Besecker was unable to attend the Council meeting on March 5th and the Council continued this item until March 19th when the Sheriff said he would be able to attend.

Legal Implications: It is in the best interest of both the Town and its tenants to have a clear lease acknowledging the terms under which the tenant is permitted to use the property ensuring adequate insurance is in place and laying out the maintenance responsibilities.

Recommendation: Staff recommends the Town enter into a lease with the Gunnison County Sheriff.

Proposed Motion: Motion and a second to set Ordinance No. 05, Series 2018 to public hearing at the April 2nd Council meeting.

ORDINANCE NO. 5**SERIES 2018****AN ORDINANCE OF THE CRESTED BUTTE TOWN
COUNCIL APPROVING THE LEASE OF THE
PROPERTY AT 409 SECOND STREET TO THE
GUNNISON COUNTY SHERIFF'S DEPARTMENT**

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

WHEREAS, 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; and

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 building at 409 Second Street known as the Old Rock Jail was vacated by the previous tenant in 2017 and the Town has made improvements to the building during the past several months; and

WHEREAS, the Town Council and Gunnison County Sheriff's Department wish to enter into a long-term Business Lease attached hereto as Exhibit A; and

WHEREAS the Town Council finds hereby that approving leases of various Town properties for use by certain entities 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 foregoing recitals are hereby fully incorporated herein.
2. **Authorization of Town Manager or Mayor.** Based on the foregoing, the Town Council hereby authorizes the Town Manager or Mayor to execute a lease in substantially the same form as attached hereto as **Exhibit "A"**.

INTRODUCED, READ AND SET FOR PUBLIC HEARING THIS ___ DAY
OF _____, 2018.

ADOPTED BY THE TOWN COUNCIL UPON SECOND READING IN
PUBLIC HEARING THIS ___ DAY OF _____, 2018.

TOWN OF CRESTED BUTTE, COLORADO

By: _____
James A. Schmidt, Mayor

ATTEST

Lynelle Stanford, Town Clerk

(SEAL)

EXHIBIT “A”

Employee Lease Agreements

[attach form leases agreements here]

BUSINESS LEASE

THIS BUSINESS LEASE (this "**Lease**") is entered into this ___ day of _____, 20___, with an effective date of _____, 20___ (the "**Effective Date**") by and between the TOWN OF CRESTED BUTTE, COLORADO ("**Landlord**"), a Colorado home rule municipality and the _____, a _____ ("**Tenant**").

AGREEMENT:

1. **Premises.** Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, upon and subject to the terms and conditions as set forth herein, the real property and improvements thereon, as more particularly described as follows:

409 2nd Street
Town of Crested Butte,
County of Gunnison,
State of Colorado,

and commonly known as the Old Rock Jail property (the "**Premises**").

Tenant has inspected the Premises and accepts the same in its "as is" condition.

2. **Use; Parking; Maintenance; Signage.**

(a) Tenant may use and occupy the Premises solely for activities directly related to the provision of law enforcement purposes. Any other uses shall be following Landlord's prior written consent.

(b) All public facilities on the Premises shall be utilized as directed by Landlord and not restricted by Tenant. There is not parking provided on the Premises.

(c) During the Term (as defined below), Tenant shall provide routine maintenance and care respecting the Premises, including, without limitation, regular cleaning and general cosmetic care (collectively, "**Projects**"). All such maintenance and care shall be performed at Tenant's sole cost and expense.

(d) Without limiting Tenant's obligation respecting such maintenance and care of the Premises, Landlord shall maintain the structure, plumbing, mechanical systems and other parts or systems that are appurtenant to the building.

(e) Tenant shall pay the gas and electric utilities, trash and recycling, and communications services used by Tenant on the Premises during the Term, regardless of whether the services are billed directly to Tenant or through Landlord. Such amounts, where payable to Landlord, shall be payable as additional rent to be paid by Tenant within fifteen (15) days after delivery of an invoice from the Town for such charges and expense.

- (f) Landlord shall pay the expenses for water and sewer.
- (g) All signage shall be installed only upon prior approval of Landlord.

3. **Term.**

(a) Provided that Tenant is not in default under any term or condition of this Lease, Tenant shall have and hold the Premises for a five (5) year period (the "**Term**") that shall commence on the Effective Date hereof and expire five (5) years following the commencement of the Term. The Term shall automatically be extended for an additional five (5) years, unless the Lease is terminated in writing by either party at least 90 days prior to the expiration of the initial Term.

(b) At the expiration or earlier termination of this Lease, Tenant shall surrender the Premises in broom clean, good order and condition, in the same condition and repair as Tenant initially took occupancy of the Property on the Effective Date, ordinary wear and tear excepted. Tenant shall fully repair any damage occasioned by the removal of any trade fixtures, equipment, furniture, alterations, additions and improvements. All trade fixtures, equipment, furniture, alterations, additions and improvements not so removed shall conclusively be deemed to have been abandoned by Tenant and may be appropriated, sold, stored, destroyed or otherwise disposed of by Landlord without notice to Tenant or to any other person and without obligation to account therefor. Tenant shall pay Landlord all expenses incurred in connection with Landlord's disposition of such property, including the cost of repairing any damage to any improvements or the Premises caused by such removal. Tenant's obligation to observe and perform the foregoing requirements shall survive the expiration or earlier termination this Lease.

4. **Rent; Additional Rent.**

(a) Tenant shall pay Landlord \$200.00 on the Effective Date of this Lease and each month thereafter during the Term and any extension thereof by the first of each calendar month (the "**Rent**"). Any Rent that is paid late shall accrue interest at a rate of 1.5% of such unpaid Rent per month. Rent shall be prorated for any partial month.

(b) Rent shall increase annually by 1% of the previous year's Rent.

(c) Rent, any additional rent and any other amounts due Landlord under this Lease shall be paid at Landlord's address specified herein for notices, without prior demand and without any abatement, deduction or setoff.

5. **Landlord's Access.** Landlord, its agents, employees and contractors may, at their sole risk, enter the Premises at any time in response to an emergency, and at other reasonable time upon reasonable prior notice to Tenant, without limitation, (a) inspect the Premises, (b) determine whether Tenant is complying with its obligations under this Lease, (c) supply any other service that Landlord is required to provide, (d) post notices of non-responsibility or

similar notices, or (e) make repairs which this Lease requires Landlord or Tenant to make. All work of Landlord shall be performed as promptly as reasonably possible and so as to cause as little interference to Tenant as reasonably possible, at all times taking into account the nature and extent of such work. Landlord shall at all times have a key with which to unlock all of the doors to the Premises (excluding Tenant's vaults, safes and similar areas designed in writing by Tenant in advance).

6. **No Alterations.** Without limiting Tenant's obligations to maintain, repair, restore and replace the Premises and any portion thereof, Tenant shall not make any alterations, additions, repairs, restorations or improvements to the Premises without Landlord's prior written consent.

7. **Compliance with Laws.**

(a) Tenant shall not use or occupy, or permit any portion of the Premises to be used or occupied in violation of any law, ordinance, order, rule, regulation, certificate of occupancy or other governmental requirement.

(b) Tenant and the Premises shall remain in compliance with all applicable laws, ordinances and regulations (including consent decrees and administrative orders) relating to public health and safety and protection of the environment, including those statutes, laws, regulations and ordinances, all as amended and modified from time to time..

8. **No Unsightliness.** Tenant covenants and agrees that no unsightliness shall be permitted on the Premises. Without limiting the generality of the foregoing, no vehicles, machinery, equipment, tools, refuse, scrap, debris, garbage, trash, bulk materials, used vehicle parts or waste shall be kept, stored or allowed to accumulate on the Premises at any time. The Tenant shall have the right to tow vehicles from the Premises and place signage on the Premises to enforce the above provisions.

9. **Insurance.**

(a) At its sole expense, Tenant shall obtain and keep in force during the Term commercial general liability insurance with a combined single limit of not less than One Million Dollars (\$1,000,000.00) for injury to or death of any one person, for injury to or death of any number of persons in one occurrence, and for damage to property, insuring against any and all liability of Landlord and Tenant, including coverage for contractual liability, broad form property damage, and non-owned automobile liability, with respect to the Premises or arising out of the maintenance, use or occupancy of the Premises. The insurance shall be noncontributing with any insurance that may be carried by Landlord and shall contain a provision that Landlord, although named as an insured, shall nevertheless be entitled to recover under the policy for any loss, injury, or damage to Landlord, its agents, and employees, or the property of such persons.

(b) Upon receipt of written notification from the Town, at Tenant's sole expense, Tenant shall obtain and keep in force, during the Term, "all-risk" coverage naming Landlord and Tenant as their interests may appear and other parties that Landlord or Tenant may

designate as additional insureds in the customary form for buildings and improvements of similar character, on all buildings and improvements now or hereinafter located on the Premises. Such coverage shall include, without limitation, the historic replacement value of the Premises building structure. The amount of the insurance shall be designated by Landlord no more frequently than once every twelve (12) months, shall be set forth on an “agreed amount endorsement” to the policy of insurance and shall not be less than the value of the buildings and improvements.

(c) All insurance required in this Section and all renewals of it shall be issued by companies authorized to transact business in the State of Colorado, and rated at least A+ Class X by Best’s Insurance Reports (property liability) or approved by Landlord. All insurance policies shall be subject to approval by Landlord and any lender as to form and substance, said approval not to be unreasonably withheld or delayed; shall expressly provide that the policies shall not be canceled or altered without thirty (30) days’ prior written notice to Landlord and any lender, and to Landlord in the case of general liability insurance; and shall, to the extent obtainable without additional premium expense, provide that no act or omission of Tenant which would otherwise result in forfeiture or reduction of the insurance shall affect or limit the obligation of the insurance company to pay the amount of any loss sustained. Tenant may satisfy its obligation under this Section by appropriate endorsements of its blanket insurance policies.

(d) All policies of liability insurance that Tenant is obligated to maintain according to this Lease (other than any policy of workmen’s compensation insurance) shall name Landlord and such other persons or firms as Landlord specifies from time to time as additional insureds provided such other persons have an insurable interest and does not result in any additional premium expenses. Original or copies of original policies (together with copies of the endorsements naming Landlord, and any others specified by Landlord, as additional insureds) and evidence of the payment of all premiums of such policies shall be made available to Landlord prior to Tenant’s occupancy of the Premises and from time to time at least thirty (30) days’ prior to the expiration of the term of each policy. All public liability, property damage liability, and casualty policies maintained by Tenant shall be written as primary policies, not contributing with and not in excess of coverage that Landlord may carry. No insurance required to be maintained by Tenant by this Section shall be subject to any deductible in excess of \$20,000.00 without Landlord’s prior written consent.

(e) Landlord and Tenant waive all rights to recover against each other, or against the officers, elected officials, directors, shareholders, members, partners, joint venturers, employees, agents, customers, invitees, or business visitors of each of theirs, for any loss or damage arising from any cause covered by any insurance required to be carried by each of them pursuant to this Section or any other insurance actually carried by each of them. Tenant shall cause its insurer to issue an appropriate waiver of subrogation rights endorsements to all policies of insurance carried in connection with the Premises and any personal property located on the same. Tenant shall cause all other occupants of the Premises claiming by, under, or through Tenant to execute and deliver to Landlord a waiver of claims similar to the waiver in this Section and to obtain such waiver of subrogation rights endorsements.

10. **Indemnification; Tenant Waiver and Release.**

(a) Tenant shall indemnify Landlord, its elected officials, officers, employees, agents, contractor, attorneys, insurers and insurance pools (collectively, the “**Landlord Parties**”); as applicable, each an “**Indemnitee**”) against, and hold each Indemnitee harmless from, any and all demands, claims, causes of action, fines, penalties, damages (including consequential damages), losses, liabilities, judgments, and expenses (including attorneys’ fees and court costs) incurred in connection with or arising from: (i) the use or occupancy of the Premises by Tenant or any person or entity claiming under Tenant, the employees, agents, contractors, guests, invitees or visitors of Tenant or any person or entity (each, a “**Tenant Related Person**”); (ii) any activity, work, or thing done or permitted or suffered by a Tenant Related Person in or about the Premises; (iii) any acts, omissions, or negligence of any Tenant Related Person; (iv) any breach, violation, or nonperformance by any Tenant Related Person of any term, covenant, or provision of this Lease or any law, ordinance or governmental requirement of any kind; or (v) except for loss of use of all or any portion of the Premises or Tenant’s property located within the Premises that is proximately caused by or results proximately from the gross negligence of Landlord, any injury or damage to the person, property or business of a Tenant Related Person entering upon the Premises under the express or implied invitation of Tenant. If any action or proceeding is brought against an Indemnitee by reason of any claim solely arising out of subparagraphs (i) through (v) above, upon notice from Landlord, Tenant shall defend the claim at Tenant’s expense with counsel reasonably satisfactory to Landlord.

(b) Tenant waives and releases all claims against Indemnitees with respect to any loss, injury, death, or damage (including consequential damages) to persons, property, or Tenant’s business occasioned by, without limitation, theft; act of God; public enemy; injunction; riot; strike; insurrection; war; court order; requisition; order of governmental body or authority; fire; explosion; falling objects; steam, water, rain or snow; leak or flow of water (including water from the elevator system), rain or snow from the Premises or into the Premises or from the roof, street, subsurface, or from any other place, or by dampness, or from the breakage, leakage, obstruction, or other defects of the pipes, sprinklers, wires, appliances, plumbing, air conditioning, or lighting fixtures of the building; or from construction, repair, or alteration of the Premises or from any acts or omissions of any visitor of the Premises; or from any cause beyond Landlord’s control.

11. **Default Provisions.**

(a) If Tenant fails to perform any of its obligations under this Lease, then Landlord, after ten (10) days’ written notice to Tenant (or, in case of any emergency, upon notice or without notice as may be reasonable under the circumstances) and without waiving any of its rights under this Lease, may (but shall not be required to) pay the amount or perform the obligation. All amounts so paid by Landlord and all costs and expenses incurred by Landlord in connection with the performance of any obligations (together with interest at the prime rate from the date of Landlord’s payment of the amount or incurring of each cost or expense until the date of full repayment by Tenant) shall be payable by Tenant to Landlord on demand and as additional rent. In the proof of any damages that Landlord may claim against Tenant arising out of Tenant’s failure to maintain insurance that is required by terms of this Lease, Landlord shall not be limited to the amount of the unpaid insurance premium but shall also be entitled to

recover as damages for the breach the amount of any uninsured loss (to the extent of any deficiency in the insurance required by the provisions of this Lease), damages, costs and expenses of suit, including attorneys' fees, arising out of damage to, or destruction of, the Premises occurring during any period for which Tenant has failed to provide the insurance.

(b) The following occurrences are "**Events of Default**": (i) Tenant defaults in the due and punctual payment of rent or any other amount due under this Lease, and the default continues for five (5) days after notice from Landlord; (ii) Tenant defaults in the performance of any other obligation under this Lease that is not cured after ten (10) days' written notice to Tenant (or, in case of any emergency, upon notice or without notice as may be reasonable under the circumstances); or (iii) Tenant vacates or abandons the Premises.

(c) If any one or more Events of Default occurs, then Landlord may, at its election, give Tenant written notice of its intention to terminate this Lease on the date of the notice or on any later date specified in the notice, and, on the date specified in the notice, Tenant's right to possession of the Premises shall cease and this Lease shall be terminated. In addition, landlord shall have all other rights available at law and in equity, including, without limitation, recovery of actual damages, costs and expenses, including reasonable attorneys' fees. All remedies may be cumulatively and concurrently applied and enforced.

12. **Assignment.** Tenant may not assign this Lease, or sublet the Premises, in whole or in part, without Landlord's prior written consent.

13. **Notices.** All notices, demands, and requests required to be given by either party to the other shall be in writing, and with a copy given to counsel for each such party as provided below. All notices, demands, and requests shall be delivered personally or sent by electronic mail (e-mail), nationally recognized overnight courier, certified or registered mail, return receipt requested, postage prepaid, or via facsimile, addressed to the parties at the addresses set forth below or at such other addresses as the parties may designate in writing delivered pursuant to the provisions hereof. Any notice when given as provided herein shall be deemed to have been delivered on the day of delivery if delivered personally, on the first business day following the confirmation of sending of an e-mail when sent by electronic mail, on the first business day following deposit with the courier service when delivered by overnight courier, three business (3) days subsequent to the date that said notice was deposited with the United States Postal Service, or on the first business day following the date of confirmation of receipt when delivered by facsimile.

To Landlord: Town of Crested Butte
 P.O. Box 39
 507 Maroon Avenue
 Crested Butte, CO 81224
 Facsimile: (970) 349-6626
 Attn: Town Manager

With a copy to: Town of Crested Butte
 P.O. Box 39

507 Maroon Avenue
 Crested Butte, CO 81224
 Facsimile: (970) 349-6626
 Attn: Town Attorney

To Tenant:

With a copy to:

14. **No Waiver.** No waiver of any condition or agreement in this Lease by either Landlord or Tenant shall imply or constitute a further waiver by such party of the same or any other condition or agreement.

15. **Attorneys' Fees.** In case a dispute between the parties shall arise in connection with this Lease, the prevailing party shall be entitled to recover and shall be awarded (in addition to other relief granted) all reasonable attorneys' fees and costs in connection with such dispute from the non-prevailing party.

16. **Severability.** If any sentence, paragraph or article of this Lease is held to be illegal or invalid, this shall not affect in any manner those other portions of the Lease not illegal or invalid and this Lease shall continue in full force and effect as to those remaining provisions.

17. **Successors and Assigns.** The conditions and provisions hereof shall inure to the benefit of, and shall be binding upon, Landlord, Tenant and their respective personal representatives, successors and permitted assigns.

18. **Immigration Compliance.** Tenant certifies that it has complied, and during the term of this Lease will continue to comply, with the Immigration Reform and Control Act of 1986. The signature of Tenant on this Lease: (1) certifies that Tenant is not a natural person unlawfully present in the United States; and (2) also certifies the statements below if this is a public contract for services as defined in Colo. Rev. Stat. § 8-17.5-101, et seq., and Tenant utilizes subcontractors or employees in Tenant's business. Tenant shall not:

(a) knowingly employ or contract with an illegal alien to perform work under this Lease; or

(b) enter into a contract with a subcontractor that fails to certify to Tenant that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Lease.

Tenant has confirmed the employment eligibility of all employees and subcontractors who are

newly hired for employment to perform work under this Lease through participation in either the e-verify program or the department program (as defined in Colo. Rev. Stat. § 8-17.5-101, et seq.). Tenant may not use either the e-verify program or the department program procedures to undertake pre-employment screening of job applicants while this Lease is being performed. If Tenant obtains actual knowledge that a subcontractor performing work under this Lease knowingly employs or contracts with an illegal alien, Tenant shall:

(i) notify the subcontractor and the Landlord within three (3) days that Tenant has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and

(ii) terminate the subcontract with the subcontractor if within three (3) days of receiving the notice required pursuant to sub-subparagraph (a) of this subparagraph the subcontractor does not stop employing or contracting with the illegal alien; except that Tenant shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

Tenant shall comply with any reasonable request by the Department of Labor and Employment made in the course of an investigation that the Department is undertaking pursuant to state law. Tenant acknowledges that in the event Tenant violates any of the provisions of the foregoing the Town may terminate this Lease for breach of contract. No notice need be given of said termination. If this Lease is so terminated, Tenant shall be liable for actual and consequential damages to the Landlord.

19. **Obligation to Report.** Tenant shall report any material damage to the Premises or disturbances therein or thereon to Landlord as soon as it becomes aware of any such damages or disturbances.

20. **Miscellaneous Provisions.**

(a) Each party represents and warrants that it has obtained any and all approvals necessary to enter into and perform the obligations contained in this Lease, if any.

(b) This Lease shall be construed and enforced in accordance with the laws of the State of Colorado.

(c) This Lease is entered into at Crested Butte, Colorado, and it is agreed that the proper jurisdiction and venue of any action pertaining to the interpretation or enforcement of this Lease will be in the District Court of Gunnison County, Colorado.

(d) This Lease may be executed in multiple counterparts each of which shall constitute an original, and both of which when taken together shall constitute one and the same document. The parties hereby agree to accept facsimile or electronic copies of signatures as original signatures

(e) An recordation of this Lease or any record thereof, or the recordation of any encumbrance against the Premises and/or the Improvements by any person, including, without limitation, any mortgagee of Tenant, except Landlord and any mortgagee of Landlord, shall be void *ab initio* and a default under this Lease.

(f) This Lease constitutes the entire and exclusive agreement between the parties relating to the specific matters covered herein. Any other agreements between the parties, whether written or oral are hereby merged herein and of no further force and effect.

(g) Unless otherwise provided in the Lease, the Lease may be amended, modified, or terminated only by a written instrument executed by Landlord and Tenant.

[Remainder of Page Intentionally Left Blank;
Signature Page(s) to Follow]

IN WITNESS WHEREOF, Landlord and Tenant have executed Lease by their duly authorized officials effective as of the Effective Date first written above.

LANDLORD:

TOWN OF CRESTED BUTTE, COLORADO

By: _____
Dara MacDonald, Town Manager

ATTEST:

_____ [Seal]
Lynelle Stanford, Town Clerk

TENANT:

_____, a

By: _____
Name: _____
Title: _____

EXHIBIT "A"**(Premises)**

[attach drawing depiction of Premises here]

EXHIBIT "B"

(Parking Plan)

[attach drawing of Parking Plan here]



Staff Report

March 19, 2018

To: Mayor and Town Council
Thru: Dara MacDonald, Town Manager
From: Rob Zillioux, Finance Director
Subject: Community Grant Guidelines and Process

Summary: The Community Grants Program awards a total of \$100,000 +/- each year, funded through the Town's annual operating budget. Individual awards are typically limited to no more than \$5,000. Two Community Grant cycles occur annually with an application deadline of May 18th for a Council decision in early June, and an application deadline of September 30th for a Council decision in early November and disbursement in January of the following year.

Historically, the criteria for approving requests, and determining funding amount, has been somewhat subjective.

Please note that in accordance with C.R.S. 31-15-901, the City Council is authorized to appropriate funds to aid and foster charity organizations; however, no money can be provided to any organization wholly or in part under sectarian or denominational control.

Updated Guidelines: At the request of Mayor Schmidt, we have prepared more objective and formal guidelines and decision criteria.

Proposed Guidelines and Process: For review and approval, enclosed are related documents:

1. Revised overview and guidelines
2. Grant request / proposal form
3. Evaluation criteria
4. Evaluation matrix
5. Funding request (for approved proposals)

Town of Crested Butte Community Grant Guidelines

Program Goals

The Town supports the community by providing financial and/or staff resources to non-governmental organizations for special projects and programs that supplement municipal government operations and enhance quality of life for the community.

Guiding Principals

- We believe that creative and sustainable solutions come from people who work collaboratively to address common community needs and aspirations
- We give high priority to investments that create positive, substantive impact and long-term benefit to the Community
- We recognize and respect the need for advancing equity, diversity, creativity, and inclusion within our program
- Consideration is also given to the Town Council's stated values:
 - Support Crested Butte's quality of life
 - Promote resource efficiency and environmental stewardship
 - Encourage a sustainable and healthy business climate
 - Maintain an authentic and unique community
 - Remain fiscally responsible
 - Continue thoughtful management of our historic character
 - Seek collaborative solutions to regional and local issues

Program Details

The Community Grants Program awards a total of \$100,000 +/- each year, funded through the Town's annual operating budget. Individual awards are typically limited to no more than \$5,000. The application form must be used to help decision makers to objectively assess each request.

Two Community Grant cycles occur annually with an application deadline of May 18th for a Council decision in early June, and an application deadline of September 30th for a Council decision in early November and disbursement in January of the following year. Disbursement of funds (for approved requests) is typically within 2 weeks after substantiated requests, as outlined in fund request form.

Please note that in accordance with C.R.S. 31-15-901, the City Council is authorized to appropriate funds to aid and foster charity organizations; however, no money can be provided to any organization wholly or in part under sectarian or denominational control.

Funding Priorities & Objectives

Health and Welfare 10%-40% of grants	<ul style="list-style-type: none"> • Improve community-based physical and mental health and wellness • Improve quality of life for at-risk populations • Address basic human needs • Provide for animal welfare
Environment 10%-40%	<ul style="list-style-type: none"> • Protect and preserve clean water and air • Protect and preserve our natural landscape, which is foundational to our special community and economy

Education & Heritage 10%-40%	<ul style="list-style-type: none"> • Provide for adult education, skill development, and workforce training • Provide for expanded academic support, mentoring, and recreational opportunities for youth • Protect and preserve our rich history and heritage for generations to come
Arts & Entertainment 10%-40%	<ul style="list-style-type: none"> • Deepen community-based arts education programs for adults and youth • Strengthen and support arts and cultural nonprofits • Cultivate and support diverse culture and art form
Sports & Recreation 10%-40%	<ul style="list-style-type: none"> • Support and foster healthy lifestyle and activities for adults, youth, and people with disabilities

Applicant Qualifications

- An organization holding a current tax-exempt status under Section 501(c) of the IRS Code
- Applicants should be organizations of the Crested Butte community (Upper Valley preference)
- Applicant must provide significant, measurable, and sustainable benefit to the greater Crested Butte community
- Applicant must be fiscally responsible with clear budgets, no past-due debts, etc.
- Organizations may not be religious nor political in nature

Strong Community Grant Proposals Should Demonstrate:

- Funding requests must align with one or more of the priorities listed above
- Funding requests support Town Council values
- Community support is evident through local contributions / volunteer engagement
- Organization has a track record of effective outcomes
- Use of funds is clearly articulated within overall project budget
- Good planning is evident in the project timetable, goals, staffing, and sustainability
- Plans for evaluating impact are clear, appropriate, measurable, and achievable

Note: Proposals will be evaluated and scored against the above considerations. Those with higher scores will be given funding priority.

Town of Crested Butte

Community Grant Request

The Town supports the community by providing financial and/or staff resources to non-governmental organizations for special projects and programs that supplement municipal government operations and enhance quality of life for the community.

Funding Cycle - Two Community Grant cycles occur annually with an application deadline of May 18th for a Council decision in early June, and an application deadline of September 30th for a Council decision in early November and disbursement in January of the following year. Disbursement of funds (for approved requests) is typically within 2 weeks after substantiated requests, as outlined in fund request form.

Recipients of funding awards are asked to submit a Community Grant Reimbursement Request along with any required supporting documentation. Budget decisions and, in general, the allocation of approved funds for specific projects are made by Town Council at their discretion in an open meeting.

CONTACT INFORMATION	
Name of Organization	
Contact Name	
Address	
Email	
Phone	
Legal Status If 501(c)(3) provide a copy of IRS determination letter (first time requestors only)	
Mission Statement or Purpose of Organization	

FUNDING REQUEST	
Project Name	
Amount Requested	
Total Amount Needed	
Source of Other Funding (list revenue sources, other partner organizations, etc.)	
Date(s) Commitment of Funds and Actual Funds are Needed	
Provide a summary of this project and how it will benefit the Crested Butte community? (100 words or less)	

Town of Crested Butte

Community Grant Request

Complete the next section or submit a separate document addressing the City's Community Grant Evaluation Criteria.	
Evaluation Criteria	Provide Explanations Below
<p>1. Funding Priorities and Objective – Describe how you are aligned with priorities? Those being: Health and Welfare, Environment, Education and Heritage, Arts and Entertainment, Sports.</p>	
<p>2. Applicant Qualifications – As an applicant, provide evidence of qualifications, as outlined in the Community Grant guidelines?</p>	
<p>3. Future Dependence on the Town – Is this a one-time project or an on-going activity or program? Will you require ongoing Town financial support?</p>	
<p>4. Town Council values – How are you aligned with Town Council Values?</p>	
Submitted By	
Date	
<p>Please list any supporting documents being submitted along with this application.</p>	

Town of Crested Butte

Community Grant Evaluation Criteria

EVALUATION CRITERIA:

Each community funding request will be assigned a score of 0, 3 or 5 according to the following definitions. Requestors should provide sufficient explanations to aid evaluators in ranking requests using these criteria.

1. **Funding Priorities and Objective** – How strongly does a request align with one or more of the outlined priorities? Those being: Health and Welfare, Environment, Education and Heritage, Arts and Entertainment, Sports.
 - 0 pt – Not closely aligned
 - 3 pts – Project is aligned and provides benefit to many citizens
 - 5 pts – Project is tightly aligned and provides benefit to a large portion of the community

2. **Applicant Qualifications** – How clearly are qualifications met?
 - 0 pts – One or more qualifications are not met, e.g. the organization is not a 501(c) non-profit
 - 3 pts – Qualifications are met
 - 5 pts – Qualifications are strongly met, e.g. clear and measurable benefits to the Community

3. **Future Dependence on the Town** – Is this a one-time project or an on-going activity or program?
 - 0 pts – This is a program for which funds need to be raised annually
 - 3 pts – This is a new or continuing program but other sources of funding are secure and the Town will not likely be asked for annual support
 - 5 pts – This is a one-time project (or event)

4. **Town Council values** – Is the request aligned with Town Council Values?
 - 0 pt – No clear alignment
 - 3 pts – Alignment with one or more values
 - 5 pts – Clear alignment with several values

5. **Strength of the Application itself** – How well organized and articulated is the proposal?
 - 0 pt – No clear budget, poor planning, no community involvement, etc
 - 3 pts – Generally organized and clear
 - 5 pts – Very clear, organized, with Community involvement and measurable outcome.

Community Grant Evaluation Matrix

Reviewer Name: _____

Request Information						Evaluator's Ratings & Recommendation								
	Requesting Organization	Project Name	Amount of Request	Total Project Cost	Town's Portion	1. Funding Priorities & Objectives	2. Applicant Qualifications	3. Future Dependency on Town	4. Town Council Values	5. Strength of Application	Total Points	Fund? (Yes / No)	Priority Ranking	Amount of Award Recommended
1	Rob's Bike Team	Keg Party	\$ 5,000	\$ 10,000	24%	3	3	3	3	0	12			\$ 2,400
2	Dara's Rafting for Needy Dogs	SUP for Retrievers	2,500	2,500	64%	3	3	0	5	5	16			\$ 1,600
3											0			
4											0			
5											0			
6											0			
7											0			
8											0			
9											0			
10											0			
11											0			
12											0			
13											0			
14											0			
15											0			
16											0			
17											0			
18											0			
19											0			
20											0			
			Totals	\$ 7,500	\$ 12,500	60%								\$ 4,000

0
3
5

Town of Crested Butte
Community Grant Payment Request

Organizations that were awarded funding through the Town's Community Grant program submit this form to request payment for which funds were awarded. Copies of paid invoices, budgets, etc if applicable, should be submitted along with this form.

Submit this form to: Town of Crested Butte
Attention: Finance Director
507 Maroon Ave
PO Box 39
Crested Butte, CO 81224

Or by email to: rzillioux@crestedbutte-co.gov

PAYMENT INFORMATION

Name of Organization	
Contact Name	
Address	
Email	
Phone	
Amount Awarded	
Amount Requested	

PROJECT REPORT

Project Name	
Completion Date	
Total Project Cost	
Please provide information about any changes in the project scope as compared to the request initially submitted. It is strongly recommended that any changes be pre-approved.	

Please allow two weeks for payment processing after submission of all required documentation.



Memorandum

To: Town Council
From: Dara MacDonald, Town Manager
Subject: Brush Creek Sketch Plan review
Date: March 19, 2018

As the Council is aware, the developers for the Corner at Brush Creek project submitted an email narrative of some proposed changes to the sketch plan application prior to the most recent public hearing on March 2nd. Additional materials were presented during the public hearing. Neither the email nor the materials presented at the public hearing are complete in updating the impacts of the changes proposed.

County staff told us on March 9th that the applicant is working on revising the application materials to reflect the proposed changes but did not have a date by which these materials would be available. As of this writing no additional information has been posted on the County website or provided to the Town directly. Thus we have been unable to update the Town's comments on the proposal in any meaningful way. The next meeting on this project is scheduled for April 6th at 1:00 p.m. in Gunnison.

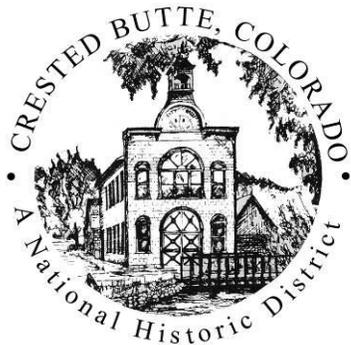
The staff and Council subcommittee on this issue did meet and discuss how we would like to approach providing comments once the detailed information becomes available.

- 1) Update the details of the revised application in the LUR analysis that was submitted to the County on February 13, 2018. Based on what we do know of the revisions, the group does not anticipate that the Town's findings will change much from those previously submitted. The core concerns around density, compatibility, aggregate building size, parking and transit do not appear to be sufficiently addressed in what we know of the most recent changes proposed.
- 2) Include the additional concerns include the updated comment letter:
 - a. It appears that the applicant is now proposing to subdivide the property into at least three parcels – Rental housing, for sale housing and a vacant parcel that had previously been identified for parking.
 - b. At the meeting on March 2nd County staff responded to some comments that were made at the previous meeting on February 16th however, no response was made or

has been provided to the many comments submitted by the Town as part of the public hearing process.

- 3) Prepare additional verbal comments to be made at the next meeting on April 6th potentially including the following points:
 - a. The County's LUR is not suited to review and permit dense, multi-family projects rather it is formulated to regulate low density development that contains primary, single-family dwellings with accessory units on 35 acre parcels. The LUR does allow density to be increased to 1 unit per acre with central sewer facilities.
 - b. We don't want to get bogged down in proposed changes to the fine details of this project.
 - c. The fundamental issue remains the same – the project is too massive, too dense and too much for this location.
 - d. The Town has demonstrated through 30 years of experience that it is not necessary to abandon the community values of compatibility and character in order construct affordable housing.

At this time, we suggest that the Council empower the subcommittee to draft an updated letter for submittal once we have received the updated application materials, consistent with points #1 and #2 above. Further, that the Council direct Council members Cowherd and Haver to provide updated verbal comments at the hearing on April 6th consistent with the previous comments made and possibly incorporating points from #3 above.



Staff Report

March 19, 2018

To: Mayor and Town Council

From: Dara MacDonald, Town Manager

Subject: Ordinance 2018-07, An ordinance of the Crested Butte Town Council approving the lease of a portion of the property at 306 Maroon Ave. to the Crested Butte School of Dance

Summary: the Crested Butte School of Dance has been a long-term tenant of the Town. Their most recent lease expired in 2001. The Council directed staff to review all of the expired leases of town property and to bring forward new leases for those entities. Staff recommends entering into a new lease with the School of Dance.

Previous Council Action: In January of 2017, with Resolution 2017-02, the Council approved a policy regarding the leasing of non-residential municipal property.

Background: With the creation of a facility manager position a couple of years ago, the Town has begun to get a handle on the maintenance status of the many buildings the Town own and has begun investing in building improvements and deferred maintenance.

As of January, 2017 the Town had 18 tenants with expired or non-existent leases. All of the tenants are current with payments based upon the terms of the expired leases. Staff began reaching out to all of our non-residential tenants with expired leases in February and March to make them aware that the Town would like to enter into new leases. In some cases this also included new proposed lease rates. Since then Dale Hoots has met with each of the Town's tenants to understand their needs, discuss management of the facility and further negotiate the lease rate. He has also become aware of some immediate maintenance needs which have been addressed and begun making longer term plans for maintenance of each building.

Based upon the policy adopted by the Council, staff generated a sliding lease rate based first upon the size of the space rented with the goal of getting all of the tenants to \$2 - \$6 per square foot, per year for non-profits. There is no increase proposed for any tenants in the first year of a new lease.

Discussion: The space that the School of Dance leases is approximately 2,493 sq. ft. This is one of the larger spaces that the Town rents. They have been paying \$500 per year and the utilities for the Pump Room. As drafted the lease would continue to require the School of Dance to pay the utilities. The lease rate proposed is as follows:

2018 \$500 \$0.20 sq. ft.

2019	\$1,496	\$0.60 sq. ft.
2020	\$3,740	\$1.50 sq. ft.

In researching the policy last winter and in speaking with local property managers, town staff 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.

For comparison on possible annual lease rates for this space:

\$5.00	\$12,465
\$7.50	\$18,697
\$10.00	\$24,930

Section 3(e) of the lease includes an acknowledgement that the lease rate is substantially below market rates in support of the community benefit provided by the School of Dance as a local non-profit.

The rental term is for 3 years rather than the more typical 5 years with a 5 year renewal. Staff recommends limiting the term for this lease for several reasons.

- The new Center for the Arts should be online by the end of the three year term and all parties will have a better idea of how that space is being utilized for dance and what the needs are for additional locations in Crested Butte.
- The fire district is just beginning the process of looking at a possible location for a new fire station, which may mean abandoning their current location. If the fire district moves in that direction in the next few years the building at 306 Maroon would be repurposed in some manner. Thoughtful consideration of repurposing has not yet begun and may, or may not maintain the Pump Room.
- The Crested Butte School of Dance currently utilizes the Pump Room for after school and early evening programming as well as the Fitness Room and Community Room in the basement of Town Hall. This limits the available location options for other non-profits with after-school active programs and popular programs offered by the Town's Recreation department.

It is staff's hope that once the new Center of the Arts is fully operational, that the School of Dance will be willing to relinquish the lease on the Pump Room so that the space will become regularly available for other users during the after-school and early evening hours.

Legal Implications: It is in the best interest of both the Town and its tenants to have a clear lease acknowledging the terms under which the tenant is permitted to use the property ensuring adequate insurance is in place and laying out the maintenance responsibilities.

Recommendation: Staff recommends the Town enter into a lease with the Crested Butte School of Dance.

Proposed Motion: Motion and a second to set Ordinance No. 07, Series 2018 to public hearing at the April 2nd Council meeting.

ORDINANCE NO. 07**SERIES 2018****AN ORDINANCE OF THE CRESTED BUTTE TOWN COUNCIL APPROVING THE LEASE OF A PORTION OF THE PROPERTY AT 306 MAROON AVENUE TO CRESTED BUTTE SCHOOL OF DANCE**

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

WHEREAS, 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; and

WHEREAS, pursuant to Section 31-15-713 (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, pursuant to an Agreement with the Crested Butte Fire Protection District dated April 15, 1982, has the right to occupy and use the space in the Fire Station Building on the third floor as referred to in said Agreement, known as the Pump Room; and

WHEREAS, on December 4, 2000, the Town entered into one year lease with Crested Butte School of Dance for property owned by the Town and located within the building at 306 Maroon Ave known as the Pump Room; and

WHEREAS, the term of the lease expired on December 31, 2001; and

WHEREAS, the Town Council and Crested Butte School of Dance wish to enter into a long-term Business Lease attached hereto as Exhibit A; and

WHEREAS the Town Council finds hereby that approving leases of various Town properties for use by certain entities 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 foregoing recitals are hereby fully incorporated herein.

2. **Authorization of Town Manager.** Based on the foregoing, the Town Council hereby authorizes the Town Manager to execute a lease in substantially the same form as attached hereto as **Exhibit "A"**.

INTRODUCED, READ AND SET FOR PUBLIC HEARING THIS ___ DAY OF _____, 2018.

ADOPTED BY THE TOWN COUNCIL UPON SECOND READING IN PUBLIC HEARING THIS _____ DAY OF ____, 2018.

TOWN OF CRESTED BUTTE, COLORADO

By: _____
James A. Schmidt, Mayor

ATTEST

Lynelle Stanford, Town Clerk

(SEAL)

EXHIBIT "A"

Business Lease Agreement

[attach form lease agreement here]

BUSINESS LEASE

THIS BUSINESS LEASE (this "**Lease**") is entered into this ___ day of _____, 20___, with an effective date of May 1, 2018 (the "**Effective Date**") by and between the TOWN OF CRESTED BUTTE, COLORADO ("**Landlord**"), a Colorado home rule municipality and the CRESTED BUTTE SCHOOL OF DANCE, a Colorado nonprofit corporation ("**Tenant**").

AGREEMENT:

Premises. Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, upon and subject to the terms and conditions as set forth herein, the real property and improvements thereon known as the "Pump Room" and located at the third floor of the Crested Butte Fire Protection District building located at 306 Maroon Avenue, Crested Butte (the "**Premises**").

The Town, pursuant to an Agreement with the Crested Butte Fire Protection District dated April 15, 1982, has the right to occupy and use the Pump Room.

Tenant has inspected the Premises and accepts the same in its "as is" condition.

1. **Use; Parking; Maintenance; Utilities; Signage.**

(a) Tenant may use and occupy the Premises solely for dance lessons and related purposes in keeping with the mission of the Tenant. When the Tenant is not utilizing the premises for dance lessons or related purposes the Pump Room shall be made available for use by the public at large upon such reasonable terms and conditions as the Tenant may establish.

(b) All public facilities on the Premises shall be utilized as directed by Landlord and not restricted by Tenant; notwithstanding the foregoing, there is no parking located on the Premises that is restricted for the Tenant.

(c) During the Term (as defined below), Tenant shall provide routine maintenance and care respecting the Premises, including, without limitation, regular cleaning and general cosmetic care (collectively, "**Projects**"). All such maintenance and care shall be performed at Tenant's sole cost and expense.

(d) Tenant shall maintain and keep in good condition and repair the interior of the improvements situate on the Premises. Landlord shall make reasonable structural repairs to the Premises in a reasonable amount of time following notice from Tenant of the need for such repairs.

(e) During the Term, Tenant shall assume all utility payment obligations of the Town as set forth in the April 15, 1982 Agreement.

(f) All exterior signage and signage in the shared entry with the Fire Protection District shall be installed only upon prior approval of Landlord.

2. **Term.**

(a) Provided that Tenant is not in default under any term or condition of this Lease, Tenant shall have and hold the Premises for a three (3) year period (the "**Term**") that shall commence on the Effective Date hereof and expire three (3) years following the commencement of the Term.

(b) At the expiration or earlier termination of this Lease, Tenant shall surrender the Premises in broom clean, good order and condition, in the same condition and repair as Tenant initially took occupancy of the Property on the Effective Date, ordinary wear and tear excepted. Tenant shall fully repair any damage occasioned by the removal of any trade fixtures, equipment, furniture, alterations, additions and improvements. All trade fixtures, equipment, furniture, alterations, additions and improvements not so removed shall conclusively be deemed to have been abandoned by Tenant and may be appropriated, sold, stored, destroyed or otherwise disposed of by Landlord without notice to Tenant or to any other person and without obligation to account therefor. Tenant shall pay Landlord all expenses incurred in connection with Landlord's disposition of such property, including the cost of repairing any damage to any improvements or the Premises caused by such removal. Tenant's obligation to observe and perform the foregoing requirements shall survive the expiration or earlier termination this Lease.

3. **Rent; Additional Rent; Security Deposit.**

(a) Tenant shall pay Landlord \$41.67 on the Effective Date of this Lease and each month thereafter during the first year of the Term (the "**Rent**"). If the Tenant chooses they make pay the full amount for the coming year on the Effective Date and subsequent anniversaries. Rent shall increase annually as follows:

1 st anniversary (2019):	\$1,496.00 annually / \$125.00 per month
2 nd anniversary (2020):	\$3,740.00 annually / \$311.66 per month

(b) Any Rent that is paid late shall accrue interest at a rate of 1.5% of such unpaid Rent per month. Rent shall be prorated for any partial month.

(c) Rent, any additional rent and any other amounts due Landlord under this Lease shall be paid at Landlord's address specified herein for notices, without prior demand and without any abatement, deduction or setoff.

(d) To secure the faithful performance by Tenant of all of Tenant's covenants, conditions, and agreements in this Lease to be observed and performed, Tenant shall deposit with Landlord a security deposit (the "**Security Deposit**") within one (1) year of execution of the Lease. Tenant's security deposit shall be of \$500.00. The Security Deposit may also be used in the event of termination of the Lease by re-entry, eviction, or otherwise. The parties agree that the Security Deposit or any portion thereof, may be applied to any Event of Default (as defined below) that may exist, and/or payment of subsequent damages and costs incurred by Landlord, without

prejudice to any other remedy or remedies that Landlord may have on account thereof. If Tenant shall perform all of its respective covenants and agreements in the Lease, the Security Deposit, or the portion thereof not previously applied pursuant to the provisions of the Lease, together with a statement, shall be returned to Tenant without interest, no later than sixty (60) days after the expiration of the Term, or any renewal or extension thereof (or such earlier time if required by applicable law), provided Tenant has vacated the Premises and surrendered possession thereof to Landlord.

(e) Tenant acknowledges that the lease rate proposed is substantially below market value for leasing of office space in Crested Butte at the time of the Effective Date. This lease will get Tenant to an annual lease rate of \$2.00 per sq. ft. by 2021. Below market lease rates are being offered in support of the community benefit provided by Tenant as a local non-profit. The following is provided for comparison on possible annual lease rates for this space:

\$5.00 per sq. ft.	\$12,465
\$7.50 per sq. ft.	\$18,697
\$10.00 per sq. ft.	\$24,930

4. **Landlord's Access.** Landlord, its agents, employees and contractors may, at their sole risk, enter the Premises at any time in response to an emergency, and at other reasonable time upon reasonable prior notice to Tenant, without limitation, (a) inspect the Premises, (b) determine whether Tenant is complying with its obligations under this Lease, (c) supply any other service that Landlord is required to provide, (d) post notices of non-responsibility or similar notices, or (e) make repairs which this Lease requires Landlord or Tenant to make. All work of Landlord shall be performed as promptly as reasonably possible and so as to cause as little interference to Tenant as reasonably possible, at all times taking into account the nature and extent of such work. Landlord shall at all times have a key with which to unlock all of the doors to the Premises (excluding Tenant's vaults, safes and similar areas designed in writing by Tenant in advance).

5. **No Alterations.** Without limiting Tenant's obligations to maintain, repair, restore and replace the Premises and any portion thereof, Tenant shall not make any alterations, additions, repairs, restorations or improvements to the Premises without at least seven (7) days of notice to Landlord and Landlord's written consent. All improvements made by Tenant which are so attached to the Premises that they cannot be removed without material injury to the Premises shall become the property of Landlord upon installation.

6. **Compliance with Laws.**

(a) Tenant shall not use or occupy, or permit any portion of the Premises to be used or occupied in violation of any law, ordinance, order, rule, regulation, certificate of occupancy or other governmental requirement.

(b) Tenant and the Premises shall remain in compliance with all applicable laws, ordinances and regulations (including consent decrees and administrative orders) relating to public health and safety and protection of the environment, including those statutes, laws, regulations and ordinances, all as amended and modified from time to time..

7. **No Unsightliness.** Tenant covenants and agrees that no unsightliness shall be permitted on the Premises. Without limiting the generality of the foregoing, no vehicles, machinery, equipment, tools, refuse, scrap, debris, garbage, trash, bulk materials, used vehicle parts or waste shall be kept, stored or allowed to accumulate on the Premises at any time. The Tenant shall have the right to tow vehicles from the Premises and place signage on the Premises to enforce the above provisions.

8. **Insurance.**

(a) At its sole expense, Tenant shall obtain and keep in force during the Term commercial general liability insurance with a combined single limit of not less than One Million Dollars (\$1,000,000.00) for injury to or death of any one person, for injury to or death of any number of persons in one occurrence, and for damage to property, insuring against any and all liability of Landlord and Tenant, including coverage for contractual liability, broad form property damage, and non-owned automobile liability, with respect to the Premises or arising out of the maintenance, use or occupancy of the Premises. The insurance shall be noncontributing with any insurance that may be carried by Landlord and shall contain a provision that Landlord, although named as an insured, shall nevertheless be entitled to recover under the policy for any loss, injury, or damage to Landlord, its agents, and employees, or the property of such persons.

(b) Upon receipt of written notification from the Town, at Tenant's sole expense, Tenant shall obtain and keep in force, during the Term, "all-risk" coverage naming Landlord and Tenant as their interests may appear and other parties that Landlord or Tenant may designate as additional insureds in the customary form for buildings and improvements of similar character, on all buildings and improvements now or hereinafter located on the Premises. Such coverage shall include, without limitation, the historic replacement value of the Premises building structure. The amount of the insurance shall be designated by Landlord no more frequently than once every twelve (12) months, shall be set forth on an "agreed amount endorsement" to the policy of insurance and shall not be less than the value of the buildings and improvements.

(c) All insurance required in this Section and all renewals of it shall be issued by companies authorized to transact business in the State of Colorado, and rated at least A+ Class X by Best's Insurance Reports (property liability) or approved by Landlord. All insurance policies shall be subject to approval by Landlord and any lender as to form and substance, said approval not to be unreasonably withheld or delayed; shall expressly provide that the policies shall not be canceled or altered without thirty (30) days' prior written notice to Landlord and any lender, and to Landlord in the case of general liability insurance; and shall, to the extent obtainable without additional premium expense, provide that no act or omission of Tenant which would otherwise result in forfeiture or reduction of the insurance shall affect or limit the obligation of the insurance company to pay the amount of any loss sustained. Tenant may satisfy its obligation under this Section by appropriate endorsements of its blanket insurance policies.

(d) All policies of liability insurance that Tenant is obligated to maintain according to this Lease (other than any policy of workmen's compensation insurance) shall name

Landlord and such other persons or firms as Landlord specifies from time to time as additional insureds provided such other persons have an insurable interest and does not result in any additional premium expenses. Original or copies of original policies (together with copies of the endorsements naming Landlord, and any others specified by Landlord, as additional insureds) and evidence of the payment of all premiums of such policies shall be made available to Landlord prior to Tenant's occupancy of the Premises and from time to time at least thirty (30) days' prior to the expiration of the term of each policy. All public liability, property damage liability, and casualty policies maintained by Tenant shall be written as primary policies, not contributing with and not in excess of coverage that Landlord may carry. No insurance required to be maintained by Tenant by this Section shall be subject to any deductible in excess of \$20,000.00 without Landlord's prior written consent.

(e) Landlord and Tenant waive all rights to recover against each other, or against the officers, elected officials, directors, shareholders, members, partners, joint venturers, employees, agents, customers, invitees, or business visitors of each of theirs, for any loss or damage arising from any cause covered by any insurance required to be carried by each of them pursuant to this Section or any other insurance actually carried by each of them. Tenant shall cause its insurer to issue an appropriate waiver of subrogation rights endorsements to all policies of insurance carried in connection with the Premises and any personal property located on the same. Tenant shall cause all other occupants of the Premises claiming by, under, or through Tenant to execute and deliver to Landlord a waiver of claims similar to the waiver in this Section and to obtain such waiver of subrogation rights endorsements.

9. **Indemnification; Tenant Waiver and Release.**

(a) Tenant shall indemnify Landlord, its elected officials, officers, employees, agents, contractor, attorneys, insurers and insurance pools (collectively, the "**Landlord Parties**"; as applicable, each an "**Indemnitee**") against, and hold each Indemnitee harmless from, any and all demands, claims, causes of action, fines, penalties, damages (including consequential damages), losses, liabilities, judgments, and expenses (including attorneys' fees and court costs) incurred in connection with or arising from: (i) the use or occupancy of the Premises by Tenant or any person or entity claiming under Tenant, the employees, agents, contractors, guests, invitees or visitors of Tenant or any person or entity (each, a "**Tenant Related Person**"); (ii) any activity, work, or thing done or permitted or suffered by a Tenant Related Person in or about the Premises; (iii) any acts, omissions, or negligence of any Tenant Related Person; (iv) any breach, violation, or nonperformance by any Tenant Related Person of any term, covenant, or provision of this Lease or any law, ordinance or governmental requirement of any kind; or (v) except for loss of use of all or any portion of the Premises or Tenant's property located within the Premises that is proximately caused by or results proximately from the gross negligence of Landlord, any injury or damage to the person, property or business of a Tenant Related Person entering upon the Premises under the express or implied invitation of Tenant. If any action or proceeding is brought against an Indemnitee by reason of any claim solely arising out of subparagraphs (i) through (v) above, upon notice from Landlord, Tenant shall defend the claim at Tenant's expense with counsel reasonably satisfactory to Landlord.

(b) Tenant waives and releases all claims against Indemnitees with respect to any loss, injury, death, or damage (including consequential damages) to persons, property, or Tenant's business occasioned by, without limitation, theft; act of God; public enemy; injunction; riot; strike; insurrection; war; court order; requisition; order of governmental body or authority; fire; explosion; falling objects; steam, water, rain or snow; leak or flow of water (including water from the elevator system), rain or snow from the Premises or into the Premises or from the roof, street, subsurface, or from any other place, or by dampness, or from the breakage, leakage, obstruction, or other defects of the pipes, sprinklers, wires, appliances, plumbing, air conditioning, or lighting fixtures of the building; or from construction, repair, or alteration of the Premises or from any acts or omissions of any visitor of the Premises; or from any cause beyond Landlord's control.

10. **Default Provisions.**

(a) If Tenant fails to perform any of its obligations under this Lease, then Landlord, after ten (10) days' written notice to Tenant (or, in case of any emergency, upon notice or without notice as may be reasonable under the circumstances) and without waiving any of its rights under this Lease, may (but shall not be required to) pay the amount or perform the obligation. All amounts so paid by Landlord and all costs and expenses incurred by Landlord in connection with the performance of any obligations (together with interest at the prime rate from the date of Landlord's payment of the amount or incurring of each cost or expense until the date of full repayment by Tenant) shall be payable by Tenant to Landlord on demand and as additional rent. In the proof of any damages that Landlord may claim against Tenant arising out of Tenant's failure to maintain insurance that is required by terms of this Lease, Landlord shall not be limited to the amount of the unpaid insurance premium but shall also be entitled to recover as damages for the breach the amount of any uninsured loss (to the extent of any deficiency in the insurance required by the provisions of this Lease), damages, costs and expenses of suit, including attorneys' fees, arising out of damage to, or destruction of, the Premises occurring during any period for which Tenant has failed to provide the insurance.

(b) The following occurrences are "**Events of Default**": (i) Tenant defaults in the due and punctual payment of rent or any other amount due under this Lease, and the default continues for five (5) days after notice from Landlord; (ii) Tenant defaults in the performance of any other obligation under this Lease that is not cured after ten (10) days' written notice to Tenant (or, in case of any emergency, upon notice or without notice as may be reasonable under the circumstances); or (iii) Tenant vacates or abandons the Premises.

(c) If any one or more Events of Default occurs, then Landlord may, at its election, give Tenant written notice of its intention to terminate this Lease on the date of the notice or on any later date specified in the notice, and, on the date specified in the notice, Tenant's right to possession of the Premises shall cease and this Lease shall be terminated. In addition, landlord shall have all other rights available at law and in equity, including, without limitation, recovery of actual damages, costs and expenses, including reasonable attorneys' fees. All remedies may be cumulatively and concurrently applied and enforced.

12. **Assignment**. Tenant may not assign this Lease, or sublet the Premises, in whole or in part, without Landlord's prior written consent.

13. **Notices**. All notices, demands, and requests required to be given by either party to the other shall be in writing, and with a copy given to counsel for each such party as provided below. All notices, demands, and requests shall be delivered personally or sent by electronic mail (e-mail), nationally recognized overnight courier, certified or registered mail, return receipt requested, postage prepaid, or via facsimile, addressed to the parties at the addresses set forth below or at such other addresses as the parties may designate in writing delivered pursuant to the provisions hereof. Any notice when given as provided herein shall be deemed to have been delivered on the day of delivery if delivered personally, on the first business day following the confirmation of sending of an e-mail when sent by electronic mail, on the first business day following deposit with the courier service when delivered by overnight courier, three business (3) days subsequent to the date that said notice was deposited with the United States Postal Service, or on the first business day following the date of confirmation of receipt when delivered by facsimile.

To Landlord: Town of Crested Butte
 P.O. Box 39
 507 Maroon Avenue
 Crested Butte, CO 81224
 Facsimile: (970) 349-6626
 Attn: Town Manager

To Tenant: Crested Butte School of Dance
 P.O. Box 506
 Crested Butte, CO 81224
 Attn: Executive Director

14. **No Waiver**. No waiver of any condition or agreement in this Lease by either Landlord or Tenant shall imply or constitute a further waiver by such party of the same or any other condition or agreement.

15. **Attorneys' Fees**. In case a dispute between the parties shall arise in connection with this Lease, the prevailing party shall be entitled to recover and shall be awarded (in addition to other relief granted) all reasonable attorneys' fees and costs in connection with such dispute from the non-prevailing party.

16. **Severability**. If any sentence, paragraph or article of this Lease is held to be illegal or invalid, this shall not affect in any manner those other portions of the Lease not illegal or invalid and this Lease shall continue in full force and effect as to those remaining provisions.

17. **Successors and Assigns**. The conditions and provisions hereof shall inure to the benefit of, and shall be binding upon, Landlord, Tenant and their respective personal representatives, successors and permitted assigns.

18. **Immigration Compliance.** Tenant certifies that it has complied, and during the term of this Lease will continue to comply, with the Immigration Reform and Control Act of 1986. The signature of Tenant on this Lease: (1) certifies that Tenant is not a natural person unlawfully present in the United States; and (2) also certifies the statements below if this is a public contract for services as defined in Colo. Rev. Stat. § 8-17.5-101, et seq., and Tenant utilizes subcontractors or employees in Tenant's business. Tenant shall not:

(a) knowingly employ or contract with an illegal alien to perform work under this Lease; or

(b) enter into a contract with a subcontractor that fails to certify to Tenant that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Lease.

Tenant has confirmed the employment eligibility of all employees and subcontractors who are newly hired for employment to perform work under this Lease through participation in either the e-verify program or the department program (as defined in Colo. Rev. Stat. § 8-17.5-101, et seq.). Tenant may not use either the e-verify program or the department program procedures to undertake pre-employment screening of job applicants while this Lease is being performed. If Tenant obtains actual knowledge that a subcontractor performing work under this Lease knowingly employs or contracts with an illegal alien, Tenant shall:

(i) notify the subcontractor and the Landlord within three (3) days that Tenant has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and

(ii) terminate the subcontract with the subcontractor if within three (3) days of receiving the notice required pursuant to sub-subparagraph (a) of this subparagraph the subcontractor does not stop employing or contracting with the illegal alien; except that Tenant shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

Tenant shall comply with any reasonable request by the Department of Labor and Employment made in the course of an investigation that the Department is undertaking pursuant to state law. Tenant acknowledges that in the event Tenant violates any of the provisions of the foregoing the Town may terminate this Lease for breach of contract. No notice need be given of said termination. If this Lease is so terminated, Tenant shall be liable for actual and consequential damages to the Landlord.

19. **Obligation to Report.** Tenant shall report any material damage to the Premises or disturbances therein or thereon to Landlord as soon as it becomes aware of any such damages or disturbances.

20. **Miscellaneous Provisions.**

- (a) Each party represents and warrants that it has obtained any and all approvals necessary to enter into and perform the obligations contained in this Lease, if any.
- (b) This Lease shall be construed and enforced in accordance with the laws of the State of Colorado.
- (c) This Lease is entered into at Crested Butte, Colorado, and it is agreed that the proper jurisdiction and venue of any action pertaining to the interpretation or enforcement of this Lease will be in the District Court of Gunnison County, Colorado.
- (d) This Lease may be executed in multiple counterparts each of which shall constitute an original, and both of which when taken together shall constitute one and the same document. The parties hereby agree to accept facsimile or electronic copies of signatures as original signatures
- (e) An recordation of this Lease or any record thereof, or the recordation of any encumbrance against the Premises and/or the Improvements by any person, including, without limitation, any mortgagee of Tenant, except Landlord and any mortgagee of Landlord, shall be void *ab initio* and a default under this Lease.
- (f) This Lease constitutes the entire and exclusive agreement between the parties relating to the specific matters covered herein. Any other agreements between the parties, whether written or oral are hereby merged herein and of no further force and effect.
- (g) Unless otherwise provided in the Lease, the Lease may be amended, modified, or terminated only by a written instrument executed by Landlord and Tenant.

[Remainder of Page Intentionally Left Blank;
Signature Page(s) to Follow]

IN WITNESS WHEREOF, Landlord and Tenant have executed Lease by their duly authorized officials effective as of the Effective Date first written above.

LANDLORD:

TOWN OF CRESTED BUTTE, COLORADO

By: _____
Dara MacDonald, Town Manager

ATTEST:

_____ [Seal]
Lynelle Stanford, Town Clerk

TENANT:

Crested Butte School of Dance,
a Colorado nonprofit corporation

By: _____
Name: _____
Title: _____

Winter 2017-18 Dance Schedule!
NOV – FEB Grades 6-Adult / NOV-MAY Pre-K – Grade 5

PUMP ROOM: Dance Studio, 3rd and Maroon Aves, upstairs in the fire station.

PUMP ROOM				
MONDAY	TUESDAY	WED	THURSDAY	FRIDAY
8:45-10:00 Adult Ballet (18+) Beg/Int * non-performance Jesse	8:45-10:00 Adult (18+) Jazz *optional MTB piece Adge	9:30-10:15 Ages 3-4 Pre-Ballet Bobbie	9:30-10:15 Ages 3-4 Creative Ballet Sasha	10:10-11:00 Pre-K 4-5yrs Ballet/Tap Jesse
10:10-11:00 Pre-K 4-5yrs Ballet/Tap Jesse				2:00-2:45 Grade K Girls Hip-Hop "Red" Sasha
				2:50-3:35 Grade K Boys Hip-Hop "Red" Sasha
3:50-4:40 Grades 6,7 Boys Hip-Hop Adge *1 day/wk only, perform May show	3:50-4:50 Grades 6+ Int Ballet Technique *1 day/wk only *Perform May SOD Only Jesse ----- 4:50-5:20 Pre-pointe Conditioning (Beg/Int) *1 day/wk only * non-performance Jesse	3:50-4:50 Grade 7 Contemporary Jazz Sophia/Adge	3:50-4:50 Grade 7 Contemporary Jazz Sophia/Adge	3:50-5:20 Grade 10 Lyrical Adge
4:45-6:00 Grade 8 Jazz Funk Adge	5:30-6:30 Grades 10+ Theater Tap Jesse *1 day/wk only *Perform Feb SOD Show	5:00-6:15 Grade 8 Jazz Funk Adge	5:00-6:00 Grade 6 Girls Hip-Hop Hailey	5:30-6:45 Grades 11-Adult Adv Jazz Fusion Adge
6:00-7:15 Grades 8,9 Contemporary Ballet Tarah	6:35-7:35 Grades 9+ Adv Ballet Jesse *1 day/wk only *Perform May SOD Only *Teacher approval	6:15-7:45 Grade 10 Lyrical Adge	6:00-7:15 Grades 9+ Belly Dance Hailey *1 day/wk only, *Perform Feb SOD show	
7:20-8:50 Grades 11-Adult Adv Contemporary Corinne	7:40-8:40 Pointe *1 day/wk only *Teacher approval Jesse	7:45-9:00 Grades 11-Adult Adv Jazz Fusion Adge	7:20-8:50 Grades 11-Adult Adv Contemporary Corinne	Saturday Sr Company Ballet & Rehearsal Refer to company sched

UCC: Union Congregational Church, 4th and Maroon. Enter back door into Parlour.

UCC				
MON	TUE	WED	THURS	FRI
3:50-4:35 Gradee K Boys Hip-Hop "Blue" Sasha	3:50-4:35 Grade 1 Girls Hip-Hop Sophia	3:50-4:35 Grades 3,4 Boys Hip-Hop Sasha		3:50-5:05 Grade 3 Ballet-Jazz "Red" Sophia/Sasha
4:40-5:25 Grade 1 Boys Hip-Hop Sasha	4:40-5:25 Grade 2 Girls Hip-Hop Sophia	4:40-5:25 Grade 5 Girls Hip-Hop Sasha		
	5:30-6:15 Grade 2 Boys Hip-Hop Sophia			

Sunset Hall: Tomichi Ave in CB South, building at kids park. Please enter through the back door by the hockey rink.

SUNSET HALL				
MON	TUE	WED	THURS	FRI
			4:10-5:10 Grade K Ballet-Tap "Red" Jesse	4:10-5:25 Grade 9 Lyrical Steph
			5:15-6:15 Grade 5 Ballet Jesse	5:30-6:45 Grades 8,9 Cont Ballet Tarah

TOWN HALL: 5th and Maroon Aves, Downstairs movement rooms
 Community Room: left of Jerry's Gym, Fitness Room: right of Jerry's Gym

Community Room				
MON	TUE	WED	THURS	FRI
3:50-4:35 Grade 3 Girls Hip-Hop "Blue" *Reg with Tap Blue Sophia	3:50-4:35 Grade 4 Girls Hip-Hop Hailey	3:50-4:35 Grade K Girls Hip-Hop "Blue" Hailey	3:50-5:05 Grade 3 Ballet-Jazz "Blue" Sasha	3:50-4:35 Grade 5 Boys Hip-Hop Hailey
4:40-5:25 Grades 3 Tap "Blue" Amber *Reg with HH Blue	4:40-5:25 Grades 4,5 Tap "Blue" Amber	4:40-5:25 Grade 3 Girls Hip-Hop "Red" Hailey	5:10-6:25 Grade 4 Ballet-Jazz Sasha	4:40-5:30 Grades 6,7 Tap Hailey
5:30-6:30 Grade 6 Girls Hip-Hop Hailey	5:30-6:30 Grade 5 Jazz Amber			5:30-6:30 Adult (18+) Belly Dance Hailey *1 day/wk only, * optional MTB piece
6:35-7:25 Grades 6,7 Tap Hailey	6:35-7:20 Grades 4,5 Tap "Red" Amber	6:30-7:45 Grade 9 Lyrical Steph		
Fitness Rm				
3:50-4:50 Grade 1 Ballet/Tap Bobbie	3:50-4:50 Grade K Ballet/Tap "Blue" Bobbie		3:50-4:50 Grade 2 Ballet/Tap Bobbie	

Center for the Arts Stage:
Please enter through the SOUTH side door next to the Alpenglow Stage

CFA				
MON	TUE	WED	THURS	FRI
				8:30-9:15 Aerial Conditioning 9:15-10:00 Open Aerial Rotating *ALL LEVEL No experience necessary!
	3:50-4:40 Boys Team Training Adge *1 day/wk only, *Team members only			
	4:40-5:30 Grades 8+ Boys Hip-Hop Adge *1 day/wk only, perform May show			SAT 1:45-3:00 pm <i>11 week session</i> <i>11/11-2/3</i> Grades 6+ Aerial & Contemp Dance Skills Sasha *class will continue in Spring & perform in the May Show
	5:45-7:00 <i>4 week session</i> <i>11/27-12/22</i> Adult Intro to Sling Skills Sasha *no experience necessary			
	7:15-8:30 <i>4 week session</i> <i>11/27-12/22</i> Adult Intermed (Level 2) Aerial Dance Skills (Lyra & Silks) Sasha *Prerequisite: Intro to Aerial Class - Session Completion			

Spring Dance Schedule!
 FEB-MAY Grades 6-Adult / NOV-MAY Pre-K – Grade 5

PUMP ROOM: Dance Studio, 3rd and Maroon Aves, upstairs in the fire station.

PUMP ROOM				
MONDAY	TUESDAY	WED	THURSDAY	FRIDAY
7:10-8:10 am Company Ballet Jesse			8:30-9:20 Adult Tap Adge <small>* optional performance</small>	
8:45-10:00 Adult Ballet (18+) Beg/Int Jesse <small>* non-performance</small>	8:45-10:00 Adult (18+) Jazz Beg/Int Adge <small>* optional performance</small>	9:30-10:15 Ages 3-4 Pre-Ballet Bobbie	9:30-10:15 Ages 3-4 Creative Ballet Sasha	10:10-11:00 Pre-K 4-5yrs Ballet/Tap Jesse
10:10-11:00 Pre-K 4-5yrs Ballet/Tap Jesse				12:00-1:15 Adult (18+) Contemporary Dance Corinne <small>*non-performance</small>
				2:00-2:45 Grade K Mix Hip-Hop "Red" Sasha
3:50-4:50 Grade 7 Girls Hip-Hop Hailey	3:50-4:50 Grades 6-8 Beg/Int Ballet Jesse	3:50-5:05 Grade 8 Lyrical Adge	3:50-4:50 Grade 2 Ballet/Tap Bobbie	3:50-4:40 Grades 4,5 Boys Hip-Hop Hailey
4:55-5:55 Grade 8 Tap Hailey	5:00-5:30 Pre-pointe conditioning <small>*1 day/wk only, no performance</small> Jesse ----- 5:30-6:30 Grades 6+ Int Ballet Technique <small>*1 day/wk only *Perform May SOD Only</small> Jesse	5:10-6:10 Grades 11-Adult Adv Hip-Hop Adge <small>*1 day/wk only</small>	5:00-5:50 Grades 6,7 Boys Hip-Hop Adge <small>*1 day/wk only, perform May show</small>	4:45-5:45 Grade 7 Girls Hip-Hop Hailey
6:00-7:15 Grade 8 Lyrical Adge	6:40-8:10 Grades 9+ Adv Ballet Jesse <small>*1 day/wk only *Teacher approval/Closed</small>	6:15-7:15 Grades 9-Adult Rhythm Tap Int/Adv <small>*1 day/wk only</small> Adge	5:50-6:50 Grades 8+ Boys Hip-Hop Adge	5:45-7:00 Sr Company Practice
7:20-8:50 Grades 11-Adult Adv Lyrical Adge	8:10-8:40 Pointe Jesse <small>*1 day/wk only *Teacher approval</small>	7:15-8:30 Grades 9,10 (+) Jazz Funk Steph	7:00-8:30 Grades 11-Adult Adv Lyrical Adge	

UCC: Union Congregational Church, 4th and Maroon. Enter back door into Parlour.

UCC				
MON	TUE	WED	THURS	FRI
3:50-4:35 Grade K Boys Hip-Hop "Blue" Sasha	3:50-4:35 Grade 1 Girls Hip-Hop Sophia	3:50-4:35 Grades 3,4 Boys Hip-Hop Sasha		3:50-5:05 Grade 3 Ballet-Jazz "Red" Sasha
4:40-5:25 Grade 1 Boys Hip-Hop Sasha	4:40-5:25 Grade 2 Girls Hip-Hop Sophia	4:40-5:25 Grade 4,5 Girls Hip-Hop Sasha		
	5:30-6:15 Grade 2 Boys Hip-Hop Sophia			

TOWN HALL: 5th and Maroon Aves, Downstairs movement rooms
Community Room: left of Jerry's Gym, Fitness Room: right of Jerry's Gym

Community Room				
MON	TUE	WED	THURS	FRI
3:50-4:35 Grade 3 Girls Hip-Hop "Blue" <small>*Reg with Tap Blue</small> Sophia	3:50-4:35 Grade 4 Girls Hip-Hop Hailey		3:50-5:05 Grade 3 Ballet-Jazz "Blue" Sasha	3:50-5:05 Grade 9,10 (+) Jazz Funk Steph
4:40-5:25 Grades 3 Tap "Blue" Amber <small>*Reg with HH Blue</small>	4:40-5:25 Grades 4,5 Tap Amber	4:40-5:25 Grade 2,3 Girls Hip-Hop "Red" Hailey	5:10-6:25 Grade 4 Ballet-Jazz Sasha	
5:30-6:30 Grades 6 Contemporary Jazz Moriah	5:30-6:30 Grade 5 Jazz Amber	5:30-6:30 Grade 8 Tap Hailey		
	6:35-7:20 Grades 4,5 Tap "Red" Amber			
Fitness Rm				
3:50-4:50 Grade 1 Ballet/Tap Bobbie	3:50-4:50 Grade K Ballet/Tap "Blue" Bobbie	3:50-4:50 Grade 6 Contemporary Jazz Moriah		

Sunset Hall: Tomichi Ave in CB South, building at kids park. Please enter through the back door by the hockey rink.

SUNSET HALL				
MON	TUE	WED	THURS	FRI
			4:10-5:10 Grade K Ballet/Tap "Red" Jesse	
			5:15-6:15 Grade 5 Ballet Jesse	
7:15-8:30 Grade 9, 10+ Jazz Funk Steph			6:20-7:20 Grades 6-8 Beg/Int Ballet Jesse	

Center for the Arts Stage:
Please enter through the SOUTH side door next to the Alpenglöw Stage

CFA				
MON	TUE	WED	THURS	FRI
	7:10-8:10 am Boys Team Training Adge			
	3:45-5:00 Grades 6+ Aerial & Contemp Dance Skills Sasha <small>*continuing class & perform in the May Show</small>			8:30-9:15 Aerial Conditioning 9:15-10:00 Open Aerial Rotating <small>*ALL LEVEL No experience necessary!</small>
	5:15 on... Adult Aerial Classes TBA			

From: [Dara MacDonald](#)
To: [Lynelle Stanford](#)
Subject: Fwd: Pump Rm lease follow up
Date: Thursday, March 15, 2018 10:25:54 AM
Attachments: [Winter 2017-18 Dance Schedule-4.pdf](#)
[ATT00001.htm](#)
[Spring 2018 Dance Schedule.pdf](#)
[ATT00002.htm](#)

Lynelle,

Can you please include this email and attachments in the packet with the other SOD lease material? Thanks.

Dara MacDonald
Town Manager
Town of Crested Butte

Begin forwarded message:

From: Adge Marz Lindsey <info@dancecrestedbutte.org>
Date: March 15, 2018 at 10:14:54 AM MDT
To: Dara MacDonald <dmacdonald@crestedbutte-co.gov>
Cc: Annie Tunkey <admin@dancecrestedbutte.org>, Donnie Cook <donniecook.cb@gmail.com>
Subject: Pump Rm lease follow up

Thank you for sending along all the documents that will be presented to the Town Council. We would like to request amending one section of the lease document and several sections of the Staff Report. These requests are outlined below and are related to one another.

(1) Length of Lease

In the lease document and the staff report we would like the term of the lease to be 5 years. We have several reasons to support this request:

1. It has been made abundantly clear to us by Town management and CFA that the CFA expansion project and the pump room lease are two completely different tasks and should be dealt with separately. It has been stated that these two different dance locations are associated with two different leaseholders and should not be connected in a binding way.
2. We have NO GUARANTEE for any CFA space, lease etc. This hypothetical and cannot be taken into account here. The goal is to secure our current locations as we do not have guaranteed future space.

- a. In Phase 1 of the CFA expansion we have 1 studio space. This is an aerial studio ONLY which only moves the current SOD classes off of the stage. This does not give us more studio space, rather just moves us from one location to another.
- b. Phase 2 of the CFA does not currently have a timeline for completion. As per the current CFA Phase 2 plans, approved by BOZAR, the completion of Phase 2 gives the SOD 2 studio spaces which will take the place of the Community Room & Fitness Room. Neither are as large as the pump room or meet the needs of the community classes currently held there.
- c. We currently only have a loose verbal agreement with the CFA, we have not formalized an MOU or lease agreement with them for either Phase of the CFA expansion.

(2) No CFA contingency

We would like to see the following section in the staff report removed, as it uses hypothetical language in reference to CFA. The last paragraph, in particular, paints a negative image of the SOD to the Town Council and does not accurately represent our organization:

The rental term is for 3 years rather than the more typical 5 years with a 5 year renewal. Staff recommends limiting the term for this lease for several reasons.

The new Center for the Arts should be online by the end of the three year term and all parties will have a better idea of how that space is being utilized for dance and what the needs are for additional locations in Crested Butte. The fire district is just beginning the process of looking at a possible location for a new fire station, which may mean abandoning their current location. If the fire district moves in that direction in the next few years the building at 306 Maroon would be repurposed in some manner. Thoughtful consideration of repurposing has not yet begun and may, or may not maintain the Pump Room. The Crested Butte School of Dance currently utilizes the Pump Room for after school and early evening programming as well as the Fitness Room and Community Room in the basement of Town Hall. This limits the available location options for other non-profits with after-school active programs and popular programs offered by the Town's Recreation department.

It is staff's hope that once the new Center of the Arts is fully operational, that the School of Dance will be willing to relinquish the lease on the

Pump Room so that the space will become regularly available for other users during the after-school and early evening hours.

(3) Sharing our schedule documents

Additionally, we would like to include a copy of both our Winter and Spring Dance schedules as an addendum to the lease agreement (please see and include attachment) so that the Town Council can see how much dance we are providing to the community and our dire need for the spaces we currently occupy. Please include a printed copy of them in the town council packet for this.

(4) Presentation to Council

We would like to be present when this goes to council. Do we get a moment on the docket for the meeting? We just feel it is crucial to be able to answer questions. Please let me know how this Monday meeting might allow for this.

Let me know you got this and the attachments came through!

--

Adge Marz Lindsey



Executive Director

info@dancecrestedbutte.org

[484-885-9951](tel:484-885-9951)

"All that is important is this one moment in movement. Make the movement vital & worth living. Do not let it slip away unnoticed & unused..."

~ Martha Graham ~



Our Mission: "To protect and promote human-powered recreation in the backcountry of the Gunnison Valley"

March 15, 2018

Town of Crested Butte
Town Council and Mayor Jim Schmidt

Dear Mayor and Town Council:

Silent Tracks received a grant for \$2500 from The Town of Crested Butte to help fund the Data Collection Initiative (DCI) that the Masters of Environmental Management at Western State Colorado University is conducting.

You requested that a report (Use of Funds) and raw data, be submitted to you no later than April 10th or by 12/31/18. This letter is to inform you that our report will be submitted in May.

Since the student conducting this survey, as part of his master's thesis, will not have his final report until the end of the semester, we are asking for an extension from the April 10th date. We are told by Dr. Melanie Armstrong that Doug Shaw will present to the community on May 3rd but should have his report completed by April 26th.

In speaking with Lynelle Standford, who in turn, spoke with Dara McDonald, we were told that this extension is reasonable and Silent Tracks should confirm in writing.

For your review, below is the summary of the scope of work being done:

Doug Shaw will *monitor and record visitation, use, and conditions at the six (6) primary trailheads in the Upper Gunnison Valley (UGV). This will be accomplished by use of infrared and motion triggered cameras that will be located at the tightest pinch point of each trailhead. All data will be compiled in Excel spreadsheets, graphs, and charts. This will allow for quick and easy visualization of recreation and usage statistics regarding the UGV. Results will be available for review by the community sponsor*

(Silent Tracks) and other stakeholders in order to help inform the creation of a new winter travel management plan. To establish reliable statistics, the project will be designed in a manner that will allow future MEM students to accurately and methodically supersede (his) work.

Thank you, once again, for this grant and also for the extension of submitting the results of the DCI.

Sincerely,

Maureen Hall
President

April 2, 2018**Work Session**

Presentation from CBMR on the Teocalli Expansion

Consent Agenda

- Sidewalk Seating
- Public Works Retaining Wall
- DOLA Grant Agreement for WTP Engineering
- Miller Subdivision
- Bridges of the Butte 24-Hour Townie Tour Special Event Application for June 23-24, 2018 and Special Event Liquor Permit for June 24, 2018.
- Resolution No. , Series 2018 - A Resolution of the Crested Butte Town Council Approving the Award of a Construction Agreement for the Town Park Playground Renovation Project to Black Dragon Development, LLC. in an Amount Not to Exceed \$XXX,000.00
- Amended Trail Easement Agreement Between the Town of Crested Butte and Lot 5 Trappers Crossing South, County of Gunnison, State of Colorado, Containing 35.25 Acres More or Less.
- Amended Trail Easement Agreement Between the Town of Crested Butte and Lot 4 Trappers Crossing South, County of Gunnison, State of Colorado, Containing 35.39 Acres More or Less.
- Four-Way Agreement
- Town Hall Roof Agreement

New Business

- Tree Ordinance
- High Mountain Concepts Agreement
- Retreat Follow-up

April 16, 2018

- Proclamation for a citizen
- 1st Reading to update current version of Model Traffic Code

May 7, 2018**Work Session**

Hold for Council to convene as Planning Commission to review Slate River sketch plan/subdivision/zoning

New Business

- Heights Open Space Plat Modification
- Heights Open Space Conservation Covenant

Future Items

- Update to current version of Model Traffic Code
- Update Section 8-2-50 - winter parking signs

- Charter Franchise Agreement
- Ordinance Adopting Standard Sales Tax Definitions