ORDINANCE NO. 2

SERIES NO. 2020

An Ordinance of the Crested Butte Town Council Approving the Lease of 817 Gothic Avenue to Jackson Morgan.

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 Town Council and Jackson Morgan wish to enter into 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 6th DAY OF January, 2020

ADOPTED BY THE TOWN COUNCIL UPON SECOND READING IN PUBLIC HEARING THIS 21st DAY OF January, 2020

TOWN OF CRESTED BUTTE, COLORADO

By: _____
James A Schmidt, Mayor

ATTEST: _____
Lynelle Stanford, Town Clerk

(SEAL)

TOWN OF CRESTED BUTTE CORPORATE SEAL JULY 2, 1880 GUNNISON COUNTY, CO

LEASEHOLD AGREEMENT

THIS AGREEMENT, made and entered into this 27th day of January, 2020, by and between the TOWN OF CRESTED BUTTE, a Colorado Home Rule Municipal Corporation (hereafter referred to as the "Town") and Jackson Morgan, 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 ~~February,~~ March 2020, for a period of one year, ending on the 31st day of January, 2021 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:

   817 Gothic Ave, Crested Butte, Colorado (a two bedroom residential dwelling that is a Town owned property)

3. **RENT/OCCUPANTS:** The Lessee agrees to pay to Town as rent for the premises listed above the sum of $1,015 per month, due and payable no later than the 5th day of each month during the term of this lease;
   a. Upon automatic renewal every year the rental rate shall increase by $20 per month.

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

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 allowed to have pets such as a dog or cat subject to approval by the Town Manager.

7. **CLEANING:** Lessee agrees to keep and maintain the premises used exclusively by Lessee in a neat, orderly, clean and sanitary condition at all times, and to provide such cleaning and other services as may be necessary to do so. All refuse or trash resulting from Lessee's use of the premises shall be stored in the animal resistant container provided by the Town on the premises for eventual removal during the weekly trash pick-up. Trash, refuse, and other such discarded materials may not be allowed to accumulate in or on the property. All cleaning supplies and equipment must be provided by Lessee. Premises are subject to periodic inspection for the purposes of insuring cleanliness, and proper repair and maintenance of the premises by the Town upon 24 hour notice to the Lessee.

8. **PARKING:** Vehicles owned or operated by the Lessee must be parked in available spaces designed for such purposes or the Town right of way in accordance with the Town's parking regulations. Vehicles may not be parked on landscaped areas, abandoned on the premises, or otherwise left in disrepair on or adjacent to the premises.

9. **LIENS:** Lessee agrees to keep the premises free and clear of liens of any kind caused by the action or inaction of Lessee.

10. **SECURITY AND DAMAGE DEPOSIT:** Lessee shall pay the Town the sum of $400.00 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 $400.00 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: Jackson Morgan
P.O. Box 4315
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: _____
Jackson Morgan