



101 Midland Avenue, Basalt, CO 81621

Meeting Date: January 12, 2016
Location: Town Council Chambers

Time: 6:00 p.m.

TOWN COUNCIL MEETING AGENDA

6:00 1. Call to Order (Mayor Whitsitt)

6:01 2. Roll Call (Pam Schilling)

6:02 3. Consent Agenda (Mayor Whitsitt)

3A. Minutes: December 8, 2015

Recommended motion:

Mayor, I move that the Town Council approve the Consent Agenda as published.

6:04 4. Council Comments, Reports, Disclosures

6:10 5. Citizen Comments: for Items Not on the Agenda and Items Added to the Agenda After the Deadline

6:30 6. SECOND READING OF ORDINANCES:

Mayor to open all 3 ordinances (6A, 6B, 6C) at one time.

6A. Public Hearing and Second Reading of Ordinance No. 26, Series of 2015:

An Ordinance of the Town Council of Basalt, Colorado, Amending Chapter 4, Revenue and Finance, of the Basalt Municipal Code Concerning the Town's Sales Tax, By Providing for a Sales Tax Credit Against Certain Public Improvement Fees Paid at Willits Town Center, Basalt, Colorado (Judi Tippetts and Bruce Kimmel)

Recommended motion:

Mayor, I move that the Town Council Approve Ordinance No. 26, Series of 2015.

6B. Public Hearing and Second Reading of Ordinance No. 27, Series of 2015:

An Ordinance of the Town Council of Basalt, Colorado, Approving a Public Financing

Agreement with Willits Town Center, LLC, Regarding the Financing of Public Improvements at Willits Town Center (Judi Tippetts and Bruce Kimmel)

Recommended motion:

Mayor, I move that the Town Council Approve Ordinance No. 27, Series of 2015.

6C. Public Hearing and Second Reading of Ordinance No. 28, Series of 2015: An Ordinance of the Town Council of Basalt, Colorado, Approving Amendments to the Approval Documents for the Willits Town Center PUD and Authorizing Transfer of Property Interests From the Town to the Willits Town Center (WTC) Developer (Susan Philp)

Recommended motion:

Mayor, I move that the Town Council Approve Ordinance No. 28, Series of 2015.

8:00 7. FIRST READINGS OF ORDINANCES:

Mayor to open first 2 ordinances (7A and 7B) at one time.

7A. First Reading of Ordinance No. 01, Series 2016: An Ordinance Authorizing the Execution and Delivery of a Contract to Buy and Sell Real Estate Between the Roaring Fork Conservancy and the Town of Basalt, Colorado, and Providing Other Matters Properly Relating Thereto (Susan Philp)

Recommended motion:

Mayor, I move that the Town Council Approve Ordinance No. 01, Series of 2016, on first reading and set the public hearing and second reading for January 26, 2016.

7B. First Reading of Ordinance No. 02, Series 2016: An Ordinance of the Town Council of Basalt, Colorado, Approving a Lease Agreement for Construction and Occupancy of a River Center at 22826 Two Rivers Road on Property to be Owned by the Town (Susan Philp)

Recommended motion:

Mayor, I move that the Town Council Approve Ordinance No. 02, Series of 2016, on first reading and set the public hearing and second reading for January 26, 2016.

7C. First Reading of Ordinance No. 03, Series of 2016: An Ordinance of the Town of Basalt, Colorado, Amending Chapter 4, Revenue and Finance, of the Basalt Municipal Code to Add a New Article VIII Establishing a One Percent for the Arts Program (Susan Philp)

Recommended motion:

Mayor, I move that the Town Council Approve Ordinance No. 03, Series of 2016, on first reading and set the public hearing and second reading for January 26, 2016.

8. INFORMATION AND CORRESPONDENCE:
NO ACTION REQUIRED BY THE TOWN COUNCIL

- 8A. Accounts Payable for 12/22/15 and 01/12/16
- 8B. Advance Agendas
- 8C. Correspondence to the Town
- 8D. Town Clerk Administrative Liquor Actions
- 8E. RFTA Budget Presentation

9. ADJOURNMENT



101 Midland Avenue, Basalt, CO 81621

Meeting Date: December 8, 2015
Location: Town Council Chambers

Time: 6:00 p.m.

**PLEASE NOTE THE CHANGE IN TIMES
 AND REORDERING OF FIRST AND SECOND READINGS.**

TOWN COUNCIL MEETING MINUTES

5:00 PM Element Hotel Ribbon Cutting

- A. Students of the Month – Responsibility**
- B. Basalt Middle School – Lego Robotics Team**
- C. Mountain West Football Championship, Coach Tom Moore**
- D. Ryder Hutchinson - Punt, Pass, Kick**
- E. Town Manager Annual Report**

December's Student Citizens are:

From Basalt Elementary: Kimberly Hernandez and Jackson Beard

From Basalt Middle School: Samira Huezco and Connor Hoffman

From Basalt High School: Rogerio Ramos and Megan Sherry

There is to be a more formal acknowledgement of the Lego Robotics team members in early 2016.

Item E – Town Manager Annual Report was moved to the end of the meeting.

F. Aspen Skiing Company Update – Mike Kaplan

Mike Kaplan was unable to attend the meeting. Auden Schendler and David Perry were present with several other members of the Aspen Skiing Company to present an update to Council. They offered a PowerPoint presentation update and topics covered included:

- The Skiing Company's involvement in environmental issues – what they've done and what they want to do;
- Their work to partner with the Aspen Airport and their concerns with the Aspen Pitkin County Airport Master Plan;
- Plans for improvements on Aspen Mountain and Snowmass to create a more year 'round attraction;
- The Mountain Collective ski pass and occupancy forecast;
- Their investment in the update of the website and web videos; and
- Frustration at finding housing for Skiing Company employees.

Katie Baum and Betsy Burton – Blueprint and Model for Events

Doug MacDonald introduced this item and Betsy Burton. Katie Baum was unable to attend. Betsy Burton offered an overview of the property she and her partner purchased that has turned into a successful organic farm and wedding venue hosting events throughout the growing season.

1. Call to Order (Mayor Whitsitt)

The meeting was called to order at 7:30 by Mayor Jacque Whitsitt.

2. Roll Call

Council members present were Bernie Grauer, Rick Stevens, Rob Leavitt, Gary Tennenbaum and Herschel Ross. Council member Mark Kittle was absent.

3. Consent Agenda

3A. Minutes of (3Ai) 11/10/15 and (3Aii) 11/24/1

M/S COUNCILORS ROSS AND LEAVITT THAT THE TOWN COUNCIL APPROVE THE CONSENT AGENDA ITEMS AS PRESENTED. THE MOTION CARRIED 6-0.

4. Council Comments, Reports, Disclosures:

Mayor Whitsitt said there had been a great tree lighting and menorah lighting last weekend.

Rick Stevens attended the whitewater park meeting held at the Basalt Regional Library that was intended to solicit public input on the streamside improvements alongside the proposed whitewater wave park on the Roaring Fork River in Basalt. The question of funding the improvements and potential partners was raised. Rick said comments from the public should be in written form, and it was important for people to show up at these meetings. Rick also asked that these meetings be noticed so that if more than 2 council members wanted to attend, they could do so.

Rob Levitt said when he spoke two weeks ago about great things happening in Basalt, he failed to mention CCY (Cottle, Carr, Yaw Architects) who had been recognized as one of the best places to work by Outside Magazine. Rob also asked about the phone books piling up at the post office and wondered if there was some way to get them recycled.

Herschel Ross encouraged everyone to go on to the Town website and see the list of accomplishments this year (under the Town Manager's report). Herschel also noted that the Discretionary Fund Committee had met to distribute funds to some very deserving non-profits. Requests were for about 3 times the amount of money the Town had to distribute; all of the groups were deserving. Herschel said he would like to see a note from the recipients as to how the money was actually used. He said they always had a good meeting at Rotary when they presented groups with their checks.

5. Citizen Comments for Items Not on the Agenda and Items Added to the Agenda

There were no citizen comments this evening.

8. First Reading Ordinances

The Titles of Ordinance No 26, 2015, Ordinance No 27, 205 and Ordinance No 28, 29015, were read in to the record by Planning Director Susan Philp. These 3 items were discussed together.

8A. First Reading of Ordinance No. 26, Series of 2015: An Ordinance of the Town Council of Basalt, Colorado, Amending Chapter 4, Revenue and Finance, of the Basalt Municipal Code Concerning the Town's Sales Tax, By Providing for a Sales Tax Credit Against Certain Public Improvement Fees Paid at Willits Town Center, Basalt, Colorado

8B. First Reading of Ordinance No. 27, Series of 2015: An Ordinance of the Town Council of Basalt, Colorado, Approving a Public Financing Agreement with Willits Town Center, LLC, Regarding the Financing of Public Improvements at Willits Town Center

8C. Public Hearing and First Reading of Ordinance No. 28, Series of 2015: An Ordinance of the Town Council of Basalt, Colorado, Approving Amendments to the Approval Documents for the Willits Town Center PUD and Authorizing Transfer of Property Interests From the Town to the Willits Town Center (WTC) Developer

Tim Belinski of IND Ventures, Evan Welsh of Mariner, and David Warner served as applicant representatives. Michael Wiley, hotel owner was present. Bruce Kimmel of Ehlers, was present as the Town's financial consultant.

Mayor Whitsitt opened the public hearing at 8:43 PM.

Citizens speaking at the public hearing were: Andrew Zausmer, Diana Elliott, Jae Gregory, Craig Scott, Carol Hawk, Rebecca Steinbach, Mark Cole, Heather Riley, Royal Laybourn, Joel Mischke, Brian Buell, and John Barker.

Council comments and discussion followed.

M/S COUNCILORS ROSS AND GRAUER THAT THE TOWN COUNCIL APPROVE ORDINANCE NO. 26, SERIES OF 2015, AND SET THE PUBLIC HEARING AND SECOND READING FOR JANUARY 12, 2016.

Council discussion followed.

THE MOTION CARRIED 4-2 WITH COUNCILMEMBER TENNENBAUM AND MAYOR WHITSITT OPPOSED.

M/S COUNCILORS GRAUER AND ROSS THAT THE TOWN COUNCIL APPROVE ORDINANCE NO. 27, SERIES OF 2015, AND SET THE PUBLIC HEARING AND SECOND READING FOR JANUARY 12, 2016. THE MOTION CARRIED 4-2 WITH COUNCILMAN TENNENBAUM AND MAYOR WHITSITT OPPOSED.

Council then discussed Ordinance No., 28, Series of 2015 and whether they wanted an affordable housing space, or a core and shell building.

M/S COUNCILORS ROSS AND LEAVITT THAT THE TOWN COUNCIL APPROVE ORDINANCE NO. 28, SERIES OF 2015, AND CONTINUE AND SET THE PUBLIC HEARING

AND SECOND READING FOR JANUARY 12, 2016. THE MOTION CARRIED 4-2 WITH COUNCILMAN TENNENBAUM AND MAYOR WHITSITT OPPOSED.

7. Resolutions

7A. Resolution No. 56, Series of 2015: A Resolution Summarizing Expenditures and Revenues for Each Fund and Adopting a Budget for the Town of Basalt, Colorado, for the Calendar Year Beginning on the first day of January, 2016, and Ending on the Last Day of December, 2016

M/S COUNCILORS ROSS AND GRAUER THAT THE TOWN COUNCIL APPROVE RESOLUTION NO. 56, SERIES OF 2015. THE MOTION CARRIED 6-0.

7B. Resolution No. 57, Series of 2015: A Resolution of the Town Council of Basalt, Colorado, Adopting Changes to the Town of Basalt's Personnel Code and Employee Handbook

M/S COUNCILORS LEAVITT AND ROSS THAT THE TOWN COUNCIL APPROVE RESOLUTION NO. 57, SERIES OF 2015. THE MOTION CARRIED 6-0.

8. Second Reading Ordinances

6A. Public Hearing and Second Reading of Ordinance No. 21, Series 2015: An Ordinance of the Town Council of Basalt, Colorado, Amending Chapter 18, Building Regulations, of the Municipal Code of the Town of Basalt Regarding Sustainable Building Regulations and Amending the Town's Fee Schedule

Mayor Whitsitt opened the public hearing at 10:20 PM. There were no comments and the public hearing was closed.

M/S COUNCILORS ROSS AND GRAUER THAT THE TOWN COUNCIL APPROVE ORDINANCE NO. 21, SERIES OF 2015, ON SECOND READING. THE MOTION CARRIED 6-0.

6B. Public Hearing and Second Reading of Ordinance No. 22, Series 2015: An Ordinance Appropriating Additional Sums of Money to defray Expenses in Excess of Amounts Budgeted for the 2015 Budget for the Town of Basalt, Colorado

Mayor Whitsitt opened the public hearing at 10:22 PM. There were no comments and the public hearing was closed.

M/S COUNCILORS LEAVITT AND STEVENS THAT MAYOR, I MOVE THAT THE TOWN COUNCIL APPROVE ORDINANCE NO. 22, SERIES OF 2015, ON SECOND READING. THE MOTION CARRIED 6-0.

6C. Public Hearing and Second Reading of Ordinance No. 23, Series 2015: An Ordinance Levying General Property Taxes for the Year 2015, To Help Defray the Costs of Government for the Town of Basalt, Colorado, for the 2016 Budget Year

Mayor Whitsitt opened the public hearing at 10:23 PM. There were no comments and the public hearing was closed.

M/S COUNCILORS ROSS AND STEVENS THAT THE TOWN COUNCIL APPROVE ORDINANCE NO. 23, SERIES OF 2015, ON SECOND READING. THE MOTION CARRIED 6-0.

6D. Public Hearing and Second Reading of Ordinance No. 24, Series 2015: An Ordinance Appropriating Sums of Money to the Various Funds and Spending Agencies, in the Amounts and for the Purposes Set Forth Below, for the Town of Basalt, Colorado, for the 2016 Budget Year

Mayor Whitsitt opened the public hearing at 10:25 PM. There were no comments and the public hearing was closed.

M/S COUNCILORS GRAUER AND ROSS THAT THE TOWN COUNCIL APPROVE ORDINANCE NO. 24, SERIES OF 2015, ON SECOND READING. THE MOTION CARRIED 6-0.

E. Town Manager Annual Report

Town Manager Mike Scanlon presented his year-end video review to Council. The list of Town Accomplishments for 2015 was posted to the Manager's Report on the Town Website.

M/S COUNCILORS LEAVITT AND GRAUER TO ENTER EXECUTIVE SESSION FOR THE PURPOSE OF MAYOR, I MOVE THAT THE TOWN COUNCIL ENTER EXECUTIVE SESSION FOR THE PURPOSE OF DISCUSSING PERSONNEL MATTERS IN ACCORDANCE WITH C.R.S. 24-6-402(4)(F). THE MOTION CARRIED 6-0.

Council entered Executive Session at 10:31 PM. Council adjourned the Executive Session shortly thereafter.

Council set a special meeting for an Executive Session for Town Manager review for January 5 at 5:30 PM.

M/S WAS MADE TO ADJOURN THE MEETING AT APPROXIMATELY 10:40 PM.

The minutes of the December 8, 2015 meeting were read and approved this, 12th of January, 2016.

BASALT TOWN COUNCIL:

ATTEST:

By: _____
Jacque Whitsitt, Mayor

Pamela Schilling, Town Clerk

**TOWN OF BASALT
Action Items**

Date: January 12, 2016
From: Bruce Kimmel, Ehlers Public Finance
 Judi Tippetts, Assistant Town Manager/
 Town Finance Director
 Susan Philp, Planning Director

SUBJECT:

6A. Ordinance No. 26 Amends Chapter 4 Revenue and Finance of the Municipal Code to allow a Credit PIF in Willits Town Center

6B. Ordinance No. 27 Approves the Public Financing Agreement with Willits Town Center – Both Credit PIF and Add-on PIF

6C. Ordinance No. 28 Amends the Willits Town Center PUD Approval Documents

RECOMMENDATION: After presentations, public hearing, and Council discussions, Staff recommends that the Council approve each of the Ordinances on 2nd Reading

DETAIL:

Background from December 8th Meeting

On May 12, July 14, and August 11 of 2015, the Council considered requests from Mariner Real Estate Management who are the owners of Willits Town Center under the entity Willits Town Center, LLC. related to the following two parallel tracks.

1. Proposals for Town Financial Participation/Assistance: Use of Public Improvement Fee (PIFs) including a Credit PIF and an Add-On PIF.
2. PUD/Affordable housing Track: increasing the commercial and residential square footage permitted in the PUD; affordable housing; signage amendments.

The Town Council gave support to Staff and Ehlers, the Town's Financial Advisor, for proceeding and approved a pre-development agreement with Mariner at the Council's August 11 meeting.

The memorandum from Bruce Kimmel, Ehlers Public Finance, dated December 4, 2015, explains why the Town would consider the Developer's request to share future retail tax revenues that come from sales in the Willits Town Center PUD. The memorandum also describes how the Credit PIF and Add-on PIF will work. For example, in the Credit PIF, the taxes are not shared with the Willits Developer until the 2015 baseline "bucket" is filled. The 2015 baseline is the amount of sales tax the Town will collect in 2015. Kimmel also prepared a handout for the meeting which summarizes key aspects of the PIF Program.

Planning Staff also included in the packet and on the wall at the meeting the outline of the significant land use changes being requested and the list of key items included in the land use approvals contained in Ordinance No. 28 and Exhibit A.

The Council approved the three ordinances at 1st reading on December 8th.

Update for the January 12, 2016 Council Public Hearing

The Ordinances have been revised and prepared for adoption by the Council at the January 12th meeting. Some of the changes were introduced at the 1st reading. Many of the changes were a result of the Council's discussion and public testimony and input, and others reflected the resolution of outstanding items. Ehlers and Town Staff have also included some additional materials to help the Council and public understand what is being proposed.

In addition to Ehlers presentation and that of Staff and the Developer, Felsburg, Holt & Ullevig (FHU) the Applicant's traffic engineer, will also present information on traffic and how this is being addressed in the land use approvals. (See also **Update to Traffic** (on 3rd page of this summary and references to Condition No. 14 in Ordinance 28 and Exhibit C below)

Changes are highlighted below:

Ordinance No. 26 – Ordinance Amends Chapter 4, Revenue and Finance, of the Municipal Code to allow a Credit PIF in Willits Town Center.

There are no amendments to this ordinance.

Ordinance No. 27 Approves the Public Financing Agreement with Willits Town Center – Both Credit PIF and Add-on PIF.

There are no amendments to the ordinance.

- Changes to the Exhibits

- Exhibit A – The Public Financing Agreement - Minor changes were made to fill in blanks and ensure consistency between definitions and provisions in the Agreement. The Add-on PIF cap was increased to \$10.5 million as noted at the 1st reading to account for additional infrastructure improvements being required by the Town as part of the land use approvals.
- Exhibit B – Procedure for Documenting, Certifying and Paying Eligible Costs and Project Costs has been added.

6C. Ordinance No. 28 Amends the Willits Town Center PUD Approval Documents

There are no amendments to the ordinance

- Changes to Exhibit A

- **Condition 4** The Agreement which requires the parking garage under Block 2 to be open to the public for 10 years is included in the packet materials and reflects Developer's agreed upon obligation to absorb certain levels of costs before the Town has to make a decision to meet the shortfall or allow the Developer to close the garage to the public. The language regarding the existing reverter on the bargain and sale deed the Town conveyed to the Developer was also refined as requested by the Developer.
- **Condition 7** Reflects the Council's motion to approve Option 2 for that condition – which is to require the Developer to build 1,200 square feet core and shell space but to delays its delivery to 2017. (The Council's goal was to provide space for a veteran's facility.)
- **Condition No. 10.** Adds language to give the Developer the option of building the traffic tables instead of being invoiced by the Town when the Town installs them.
- **Condition No. 12** Allows the Developer to require the Town to process the CDOT access permit and construct the fiber optic but the Developer is still required to pay for it.
- **Condition No. 14** Is a new condition which requires the Developer to implement a

Transportation Demand Management (TDM) Program as included in a new **Exhibit C**, to provide additional assurances to the Town Council, Developer and Community that key intersections and roadways maintain an acceptable level of service as Willits and surrounding areas build out.

- **Condition No. 18** – Is a new condition regarding construction management to address concerns raised by the public at the 1st reading regarding the dirt piles along Lewis Lane.

- Exhibit C

- Is a new exhibit entitled Transportation Demand Management (TDM) Program for Willits Town Center, Prepared by Felsbug, Holt & Ullevig which is referenced in the new Condition No. 14 and includes the required TDM program.

Update on Traffic

After the December 8, 2015, Council meeting, Staff and the Developer met with the engineers (SGM representing the Town and FHU and Sopris Engineering representing the Developer) to discuss concerns raised by the community during the hearing on traffic and comments made by CDOT and the Town's Traffic engineer regarding the roundabout. It was recognized that CDOT and the Town provided review of the traffic study prepared by the FHU, and that FHU updated the report to reflect comments that SGM and the Town made regarding development totals, land use assumptions, and signal timing plans.

It was further felt that the December 8th ordinance placed reasonable requirements to mitigate the traffic at buildout of the Willits project with the additional square footage, but that it was also prudent to add a requirement that the Developer has to establish an enhanced baseline of traffic volumes within and surrounding the site to more broadly understand and quantify potential congestion issues that could be addressed through transportation demand management (TDM) strategies to reduce traffic if necessary and to prevent unnecessary road infrastructure to be built. However, other improvements were identified by FHU that could be implemented if unanticipated traffic congestion occurs and TDM measures are not enough.

Recommendations by Other Boards: The P&Z voted to recommend approval of the Land Use Application (Ordinance No. 28) subject to Staff conditions with the understanding that Staff and the Applicant would work on the conditions with possible amendments before the application was considered by the Council.

Related Town Statute and or Town Actions: Willits Town Center PUD Control Document and related ordinances and approval documents. Resolution No. 44, Series of 2015 approving a Pre-development Agreement with Willits Town Center

Attachments for the Council's January 12th meeting:

Explanatory Information for Ordinances No. 26 and 27 Granting Authorization for PIFs

1. Memorandum from Bruce Kimmel, Senior Financial Advisor, Ehlers Public Finance dated December 4, 2015
2. Ehler's handout from December 8th meeting which summarizes key aspects of the PIF Program
3. Memorandum from Bruce Kimmel, Senior Financial Advisor, Ehlers Public Finance dated December 8, 2015 including questions and answers on the proposed PIF program

Ordinances Addressing Proposals for Town Financial Participation/Assistance

4. Ordinance No. 26, Series of 2016 – Chapter 4 Code Amendment to allow Willits Credit PIF
5. Ordinance No. 27, Series of 2015 – Approves PIF agreement – Credit PIF and Add-on PIF
6. Proposed changes to Ordinance No. 27

Summary Information for Ordinance No. 28 Granting Land Use Approvals

7. Summary of Significant Developer Requests and Key Items in Ord. No. 28 and Exhibit A (from December 8th packet material with updates for the January 12th meeting)

Ordinance Granting Land Use Approvals

8. Ordinance No. 28, Series of 2015 – Amendments Willits PUD and other land use approvals

Additional Information for Ordinance No. 28 Granting Land Use Approvals

9. Parking Agreement Concerning the Willits Town Center Parking Garage on Block 2
10. Comments Related to the Town's Review of the Tree Farm Application

Referral Correspondence included in December 8th packet related to traffic

11. Memorandum from Dan Roussin, CDOT dated December 1, 2015
12. Letter from Lee Barger, SGM, dated December 4, 2015 re. FHU updated traffic report, representing the Town

Other

13. January 4, 2016 email from Scot Hunn, Senior Planner/Current Planning Manager of Eagle County, confirming that the Eagle County had received and reviewed the proposed PUD Amendment for Willits Town Center and to serve as a confirmation that in Eagle County staff's opinion, the Town's actions adhered to the procedures outlined in Sections 3 and 5 of the IGA.
14. January 2, 2016 Associated Press article appearing New York Times and US News and Word Report identifying teacher housing needs and the successful RE-1 bond.
15. Citizen Correspondence received after the December 8th meeting.

WTC Application

16. WTC Application for Amendments to Willits Town Center PUD and other Approval Documents is provided as a separate file on the Council's Agenda Center for the December 8th meeting.

Note: the December 8th packet materials Agenda Items 8A 8B, and 8C included all of the referral letters (such as letters from Fire District and Mid-valley Metropolitan District), other letters (such as the letter from the Basalt Child Care Coalition supporting the day care contribution), and other background information and documentation (such as the sign calculations). Those materials may be accessed from the Town's website, www.basalt.net.



Memo

To: Town of Basalt, Colorado
From: Bruce Kimmel, Senior Financial Advisor
Date: December 4, 2015
Subject: Proposed Public Financing Agreement with Willits Town Center

In advance of the December 8 Town Council meeting, I have prepared an overview of the proposed Public Financing Agreement between the Town and Willits Town Center (WTC), establishing two Public Improvement Fees (PIFs) to assist WTC in achieving the commercial uses planned for the Market Street area (Blocks 6, 7, 8, 10 and 11) of WTC.

Background Information

As was discussed at the May 12, July 14 and August 11 Council meetings, the WTC developers identified a \$12.1 million gap between (a) the costs they have incurred and will yet incur to develop the Market Street blocks and (b) the costs that they can expect to recoup via market-competitive commercial tenant rents in this area. Without a means of closing the gap, WTC asserted that its prospective return on investment would be too low to justify the investment necessary to complete, lease up, and maintain the area.

At the Town's direction, Ehlers undertook a detailed analysis of the WTC development budgets and operating proformas, in essence recreating the development model to confirm the accuracy of historical costs, and to evaluate the reasonableness of WTC's estimated future costs and operating / leasing assumptions.

Our analysis concluded that a gap of approximately \$10 million exists for the Market Street area, and that without the reconciliation of WTC's development costs to its probable return on investment, WTC and the Town were unlikely to see the timely completion, leasing, and success of this WTC component.

WTC asked the Town to help it close its development cost gap via the creation of a Credit PIF mechanism (sharing incremental new taxes generated by WTC retail growth, up to a defined dollar amount or deadline) and an Add-On PIF mechanism (adding a supplemental "fee" on new retailers, again up to a defined dollar amount or deadline).

By law, WTC only needs the Town's support for the Credit PIF and could negotiate the Add-On PIF directly with its tenants, but asked the Town to consider a coordinated application of the two PIF mechanisms in order to close more of the identified gap.

PIF revenues, although collected by the Town and distributed to WTC in future years, have a present value benefit in today's dollars for the WTC developers. If the Council approves PIF assistance, WTC will be able to factor the present value benefit of future PIF revenues into its development feasibility analysis and retailer marketing strategy.

In other words, WTC can compare public financing agreement offering the opportunity to receive PIF with a present value of X to its estimated present value gap of Y, and determine if X and Y are close enough to move forward with the Market Street program.

Proposed PIF Agreement

WTC proposed a 1.50% Credit PIF applicable to all taxable WTC sales above the \$43 million that WTC expected its retail uses to generate in 2015. (Note: The Town now expects its sales "baseline" to be closer to \$45 million.) With this approach, once the Town's estimated \$1.35 million baseline sales tax "bucket" (i.e. 2% general tax rate plus 1% POST tax rate on \$45 million = \$1.35 million) is filled, the Town will share sales taxes generated from WTC sales above the \$45 million baseline 50-50 with WTC until a maximum PV amount or collection term is reached.

Note: If approved, the 1.50% Credit PIF will come from the Town's 2% general tax rate and not its 1% dedicated POST tax rate. To illustrate, let us assume next year, WTC generates \$1 million in taxable sales above the \$45 million baseline. The allocation of sales taxes / Credit PIF resulting from those incremental sales will be: \$10,000 POST taxes, \$5,000 general taxes, and \$15,000 Credit PIF.

In addition to the Credit PIF, WTC proposed a 0.5% – 1.0% Add-On PIF applicable to new Market Street block tenants and re-leases of existing spaces (to be negotiated between WTC and tenants), thereby raising the effective "local sales tax rate" for those uses until a maximum PV amount or collection term is reached. WTC proposed a 20 year maximum term for both the Credit PIF and Add-On PIF.

Based on our analysis of forecast retail uses and sales activity, we agreed with WTC's proposed combination of Credit PIF / Add-On PIF strategy to help close the Market Street development gap as efficiently as possible. We also determined, however, that while Credit PIF had the capacity to generate more annual and total revenue than the more limited Add-On PIF, Credit PIF is far more valuable to the Town and Basalt should therefore limit its Credit PIF participation to the minimum needed to make the deal work.

With this objective in mind, and drawing from our sales tax / PIF scenarios, Ehlers recommended to the Town the following framework:

- 1.50% Credit PIF with maximum present value of \$5 million and maximum collection term of 15 years (2016-2030), whichever occurs first. If the cumulative credit PIF reaches the \$5 million PV before 15 years, the Credit PIF expires. If the 15 year term ends without reaching the \$5 million mark, the Town has no further Credit PIF obligation to WTC.
- The Credit PIF agreement will not capture any sales or lodging taxes generated from Element Hotel room nights. Other taxable sales (e.g. lobby coffee shop, bike rentals) would be part of the annual Credit PIF calculation.
- Up to 1% Add-On PIF with maximum present value of \$10 million and maximum collection term of 20 years, whichever occurs first – minus the Credit PIF value collected during the above-mentioned Credit PIF term. If the Credit PIF captures \$5 million, the Add-On PIF maximum is \$5 million. However, if the Credit PIF captures only \$4 million before the end of 15 years, WTC could try to generate \$6 million with its Add-On PIF program before the end of 20 years.

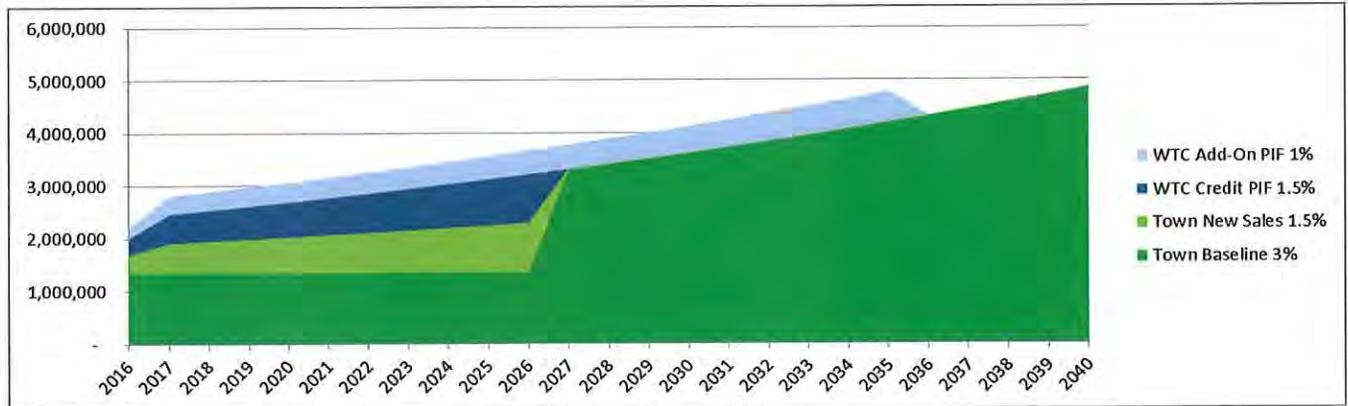
Note: As of today, the Town and WTC continue to negotiate several important PUD Amendment conditions that will impose future costs and liabilities on WTC, relating to traffic improvements, parking, day care, and other public priorities. The cost of these prospective WTC commitments was not known until recently and so was not factored into Ehlers' "but-for" analysis of the project.

We understand that a potential solution may be to increase the overall PIF cap allowed in the Public Financing Agreement to \$10.5 million present value, while keeping the Credit PIF "sub-cap" at \$5 million present value. We believe this approach would be a reasonable way to achieve the Town's PUD objectives and move the project forward.

A major element of "pay-as-you-go" financing is that it requires the developer to execute and sustain its plan in order to receive the anticipated assistance. The developer bears the risk of higher-than-expected construction and operating costs, increased market competition, and other changes from the 2015 landscape. In contrast, the Town's "risk" in this deal is limited to the prospect of sharing new sales taxes, if and when they occur.

On the other hand, if WTC outperforms its (and our) expectations, it stands to make more profit from higher rents and property prices, but it is also likely to retire the PIF contract faster than expected, which would be to the Town's long-term benefit.

The chart below depicts the sales taxes and PIF that the Town and WTC will receive with the above terms, and assuming a modest 3% average inflation rate for existing WTC sales. In this scenario, the \$5 million Credit PIF maximum is met in 10.5 years, releasing all sales taxes to the Town midway through 2026, while the Add-On PIF requires the full 20 years in order to reach the \$10 million overall PIF cap. We did not calculate Add-On PIF on any future re-released space, however, and so adding this factor would increase WTC’s chances of reaching the overall PIF cap in less than 20 years.



In this scenario, the Town receives 78% of the total sales taxes and PIF collected during the 20-year period ending 2035, whereas WTC receives 22%. Town sales and lodging taxes generated from Element Hotel room nights are not reflected in either the graph or percentages above. Including these taxes, even after accounting for the lodging tax “rebate” that the Town negotiated with WTC in March 2014, would increase the Town’s overall share above 78%.

Please contact me at (651) 697-8572 or bkimmel@ehlers-inc.com with questions about this memo. I look forward to discussing the proposed PIF agreement with the Council next Tuesday, and thank you for the opportunity to be of assistance to the Town.

2 Ehler's handout from Dec 8 meeting

Town of Basalt – Proposed PIF Agreement with Willits Town Center

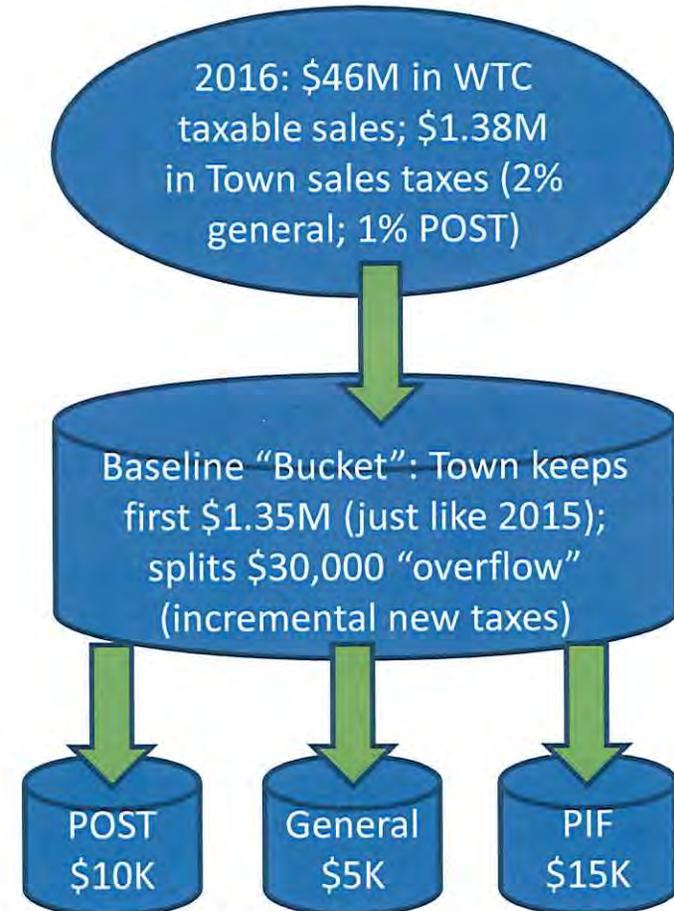
WTC Rationale: \$12.1M gap between Market Street costs and ability to recoup via future tenant rents; WTC return on investment with gap doesn't justify investment to complete, lease and maintain area.

Ehlers Analysis – Sept. 2015: \$10M gap exists, Town can decide whether to help WTC move forward with coordinated Credit PIF and Add-On PIF tools.

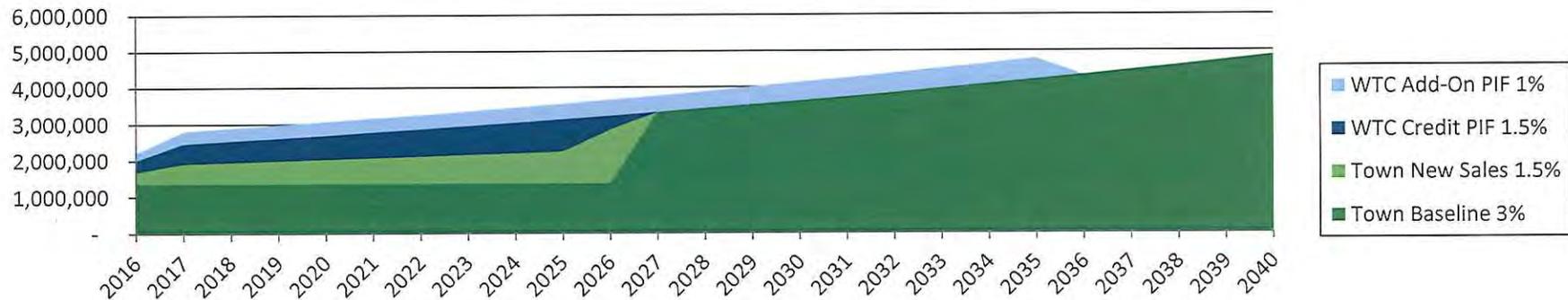
Town PIF Terms – Sept./Dec. 2015 (PUD Conditions):

- *Credit PIF:* Town shares 1.50% of 2% tax rate on sales above \$45M baseline "bucket" each year, for earlier of 15 years or \$5M present value. PIF does not include any POST taxes or Element hotel sales and lodging taxes.
- *Add-On PIF:* Town collects/distributes 0.5-1% supplemental rate on new Market Street tenants, re-leases of other spaces (tbd) for earlier of 20 years or \$10.5M PV – minus Credit PIF value.

Credit PIF Example

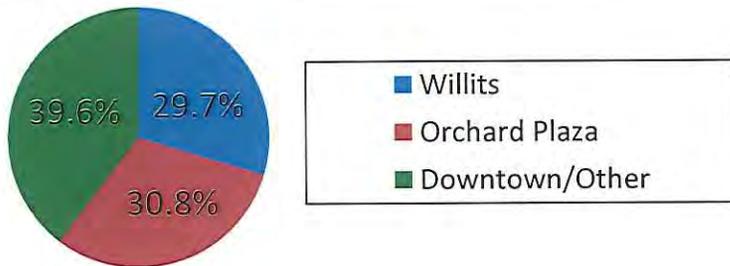


Scenario 2016-2035: Town Sales Taxes from WTC = \$29.5M (78.6%); WTC PIF = \$21.4M (21.4%)

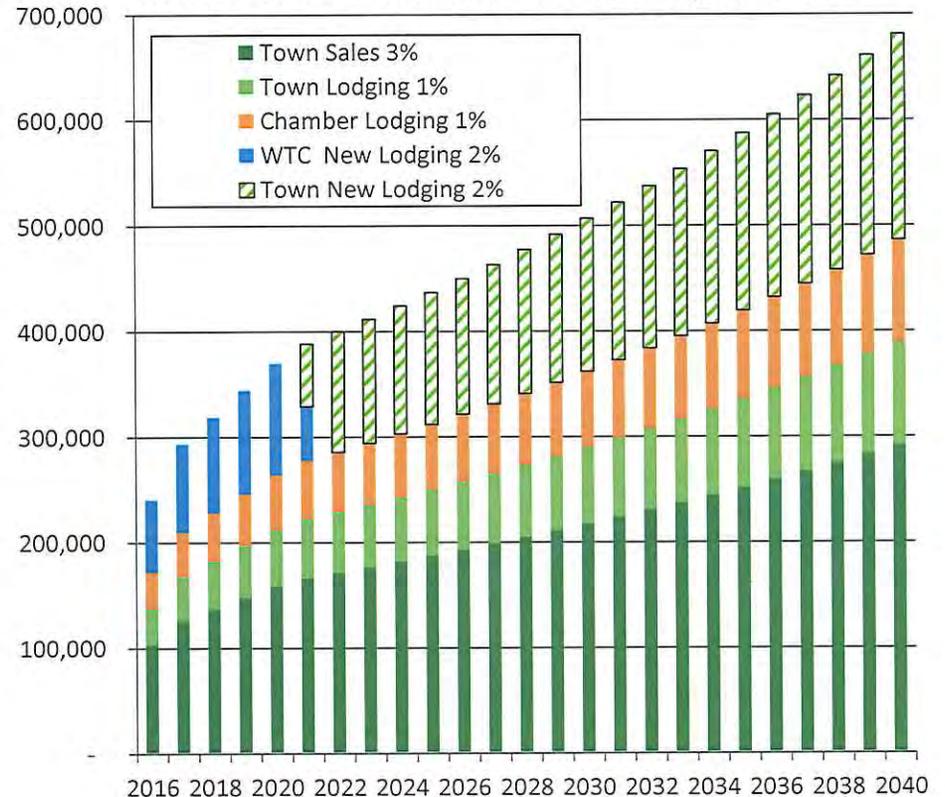


Town and WTC Sales Taxes: 2013-2015

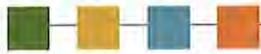
	<u>2013</u>	<u>2014</u>	<u>2015 Est.</u>
2% General Sales Tax	2,724,830	2,815,024	3,047,583
1% POST Sales Tax	1,362,415	1,407,512	1,523,792
Total Town Sales Tax	4,087,245	4,222,536	4,571,375
<i>Annual Growth</i>		3.3%	8.3%
Willits 2% General	697,461	825,249	903,772
Willits 1% POST	348,730	412,625	451,886
Total Willits Sales Tax	1,046,191	1,237,874	1,355,658
<i>Annual Growth</i>		18.3%	9.5%
Willits as % of Town	25.6%	29.3%	29.7%



Element Hotel – Estimated Sales & Lodging Taxes*



* Room night taxes only; taxes on food/services not included



Memo

To: Town of Basalt, Colorado
From: Bruce Kimmel, Senior Financial Advisor
Date: January 8, 2016
Subject: Questions and Answers on Proposed Willits PIF

In advance of the Town of Basalt's January 12 consideration of the proposed Public Financing Agreement between the Town and Willits Town Center (WTC), I thought it might be helpful to pose and answer several questions that represent many of the comments that I have heard and read about the proposed Credit Public Improvement Fee (Credit PIF) tool, and why the Town is considering this form of assistance for WTC.

As a foreword, I want to stress that Ehlers' recommendation of the proposed tax sharing agreement for Council consideration is the outcome of a lengthy process that began with Town Council direction on May 12, July 14 and August 11. Specifically, it is only after (a) detailed analysis of WTC development plans, budgets, lease rates, operating proformas, and sales tax projections, (b) numerous conversations with Judi Tippetts, Susan Philp and Tom Smith about the Town's financial, planning, and legal interests in these matters, and (c) "Town Team" negotiations opposite Mariner that we believe the three proposed ordinances constitute a program worthy of Town Council consideration.

Ehlers' fiduciary duty as the Town's municipal advisor is to provide advice that we believe is in the Town's best interest. We believe the PIF agreement, as negotiated by Town Staff and Ehlers, will advance the Town's development and fiscal objectives, and that the proposed PIF has lower risks and higher prospective returns for the Town than the alternatives. Nevertheless, this is ultimately a Town policy decision, and we respect that the Council may decide on a course other than the proposed agreement. With that, here are ten sets of Credit PIF questions and answers for your review:

Q: Why should the Town share future taxes with Mariner? This is an unnecessary subsidy and the Town should not forego taxes that it needs for other purposes.

A: The Credit PIF plan is rooted in Ehlers' "but for" analysis of the commercial uses planned for the Market Street area (Blocks 6, 7, 8, 10 and 11) of WTC. Our analysis last fall concluded that a gap of approximately \$10 million exists for the Market Street area, and that unless WTC's development costs could be reconciled to its probable return on investment, WTC and the Town were unlikely to see the timely completion, leasing, and success of this WTC component.

If one agrees there is a gap in the feasibility of the Market Street area, then the Town is not foregoing taxes with the Credit PIF because those incremental new taxes to be shared would not exist (or would occur much more slowly) without Town assistance.

Q: Why does Ehlers think there is a gap on the Market Street portion of Willits?

The Market Street gap, as we have analyzed it on the Town's behalf, is the result of two major factors: First, the higher cost of development at Willits, due to market conditions and the building quality / public improvement standards that Mariner and the Town both want. If Willits had been / could be built out to a lower requirement, and if Mariner could attract tenants that found that lower standard acceptable, it's possible that it could reach its return target without public assistance.

And second, the lease rates that Mariner's targeted national retailers are willing to pay at Willits are not high enough for Mariner to recoup its costs - accounting for its 10% target rate of return. Post-recession, most retailers have become much more cautious in opening new stores anywhere. Then they see the Roaring Fork Valley's tourism-influenced economy and market area population that is much lower than their store benchmarks and they become even more cautious, demanding lease rates and terms that reflect the risk they perceive they are taking in entering this market.

Q: Mariner is a wealthy company. Won't it finish Willits even if there is a gap?

It's our experience that every development firm approaches investment decisions on a case-by-case basis, even in partially-completed projects. Mariner and its investors have virtually unlimited options regarding where, when and how to deploy their capital, whether in their current portfolio of properties or elsewhere, and so they are going to pursue the opportunities with the highest risk-adjusted rate of return.

Mariner's balance sheet indicates its capacity to complete a project once it decides to move forward - in contrast to other "developers" that you sometimes see in the Valley, who don't have their own financial resources and are really acting as deal-makers who can't deliver when the going gets rough. But Mariner's overall resources shouldn't be seen as proof that it (or any other developer) will complete, lease, and maintain the Market Street area if the specific project numbers (development and leasing costs vs. what can be recouped via tenant lease rates) don't reach a target rate of return.

We see cases across the country in which developers and retailers suspend projects or even close profitable stores, because the rate of return in continuing isn't as high as with alternate investments. Mariner likely would realize some degree of positive return if it completed and leased Market Street without PIF assistance, but it would be significantly lower than Mariner's 10% target (which, incidentally, we think is reasonable and actually on the low end of the typical commercial project range). This is why we believe Mariner would stop or reduce significantly its planned investment in Market Street without PIF.

Q: What if Ehlers is wrong and Mariner finishes Market Street without PIF?

We agree that it is impossible to predict precisely what Mariner will do in the short and long terms if the Town does not approve the PIF agreement. For example, WTC may secure several tenants for which it makes fiscal sense to finish and open retail space in the existing buildings on Blocks 6 and 10. But, in looking at the entirety of the Market Street area, including the blocks yet to be built, we believe there is a gap that will hinder the timely completion, leasing, and retail sales success of this component.

Also, it is important to note that but-for analysis doesn't evaluate whether anything could be built on the site without assistance. It focuses solely on the proposed development, including the underlying Town zoning and requirements, and whether that specific use is likely to occur as planned, within the foreseeable future, without assistance.

Finally, we believe that future commercial development will occur, if not at Willits, then at the Tree Farm or elsewhere in the Midvalley – and that Market Street's future without PIF is cloudier because of this likely competition. As such, we concur with Town Staff's position that it makes sense for the Town to have Mariner finish what it has started at Willits, using the existing and planned public infrastructure there, rather than opening the door wider for significant new retail to be developed somewhere else.

Q: Valley communities expect developers to pay their own way. Isn't this a dangerous precedent that will force Basalt to share sales taxes with everyone?

A: It is inaccurate to claim that all other Valley projects have been required to pay their own way. Every zoning variance, development / utility fee waiver, adjustment of a housing mitigation requirement, and other concession provided to a project has a financial value to the developer and is therefore public assistance.

As for setting a precedent, there are three hurdles that future PIF requests will need to clear in Basalt. First, the Town intends to continue to require robust due diligence and but-for analysis, vetting developer capacity and proposal numbers and saying no when the ability and/or need for assistance aren't there. Second, each use of PIF or other tools is at the Council's discretion and the Council will decide whether a future project is a high enough Town priority to merit public involvement, even with a demonstrated gap. And third, the Willits Credit PIF can only be used for public improvements, as defined in the PIF agreement. Many, if not most, future projects in Basalt will not be able to show the degree of public improvement costs that have been and will be incurred by WTC.

Q: Should the Town approve a 1% Credit PIF rate instead of the proposed 1.5%?

A: This answer gets a little wonky but here goes: With a 1% Credit PIF, the Town would share 33% of future incremental sales taxes (i.e. taxes collected above the estimated 2015 baseline of \$1.35 million, generated from taxable WTC sales of \$45 million), vs. sharing 50% with a 1.5% Credit PIF. This sharing would continue until the total Credit PIF reaches the proposed present value (PV) cap of \$5 million or 15-year time limit,

whichever occurs first. Our analysis indicates a 1% Credit PIF would actually take 15.5 years to reach the \$5 million PV cap, vs. 10.5 years for the 1.5% Credit PIF.

More importantly, because the 1% PIF takes 5 years longer, it also needs \$1.29 million more in total Town tax sharing to reach the \$5 million PV cap. Therefore, even though the Town would receive a larger share of incremental new taxes in years 1 through 10, it would receive a much smaller share of those taxes in years 11 through 15, and the Town's net "loss" with the 1% approach is \$1.29 million.

One could advocate for a 1% Credit PIF if he/she thought the Town needed more of the incremental new taxes over the first 10 years, even if it costs the Town in its total share. However, all things being equal, including the \$5 million PV cap, we suggest keeping the Credit PIF investment term shorter with the 1.5% sharing approach.

Q: Why shouldn't the Town let Willits build out Market Street on its "natural" timeframe, with no tax sharing, even if it takes much longer to occur?

A: We analyzed this scenario, as well, considering Market Street buildout and leasing schedules of 10 and 20 years with no Credit PIF, vs. the 2-3 years contemplated by WTC with Credit PIF. It may seem counterintuitive, but our analysis shows that the Town receives substantially more sales tax benefit from faster development with tax sharing, than from slower development without sharing. We estimate a 15% higher Town present value benefit with the 1.5% Credit PIF, when compared to a 20-year buildout with no tax sharing. And even if WTC were to complete Market Street in 10 years with no Credit PIF, the Town benefit is still 1% higher with the proposed PIF.

I should note that Ehlers believes a 10-year "no PIF" completion timeframe is unlikely, especially given the high potential for competition from the Tree Farm and/or other future commercial projects. The larger point is the Town stands to benefit more from helping WTC to achieve a timely completion and leasing of the Market Street area.

Q: Can't the Town just allow WTC to impose an Add-On PIF, with no Credit PIF?

Our analysis shows that a 1% Add-On PIF on all new Market Street area tenants will generate \$4.7 million PV over 20 years. Adding the 1% to re-leases of existing WTC spaces will increase this total but not come close to filling the \$10+ million gap.

Q: Isn't the Town taking financial risk in providing the PIF assistance?

A: As a strictly "pay-as-you-go" contract, the PIF agreement requires WTC to execute and sustain its Market Street plan in order to receive the anticipated assistance. WTC bears all risk of higher-than-expected construction and operating costs, increased market competition, and other changes from current expectations. The Town's "risk", in contrast, is limited to the prospect of sharing new sales taxes, if and when they occur.

If Market Street does not generate the full amount of incremental sales taxes expected, the Town is held harmless: it will collect 100% of its baseline taxes and share a smaller amount of incremental new taxes, up to the 15-year deadline. Conversely, if Market Street outperforms, WTC stands to profit from higher rents and property prices, but the Town will also benefit from retiring the Credit PIF faster than 10.5 years.

Q: How can the Town afford this sales tax giveaway when it has so many needs?

A: Returning to the but-for analysis, if one agrees there is a gap that will prevent WTC from completing and leasing Market Street, then sharing incremental new taxes is not a “giveaway” – that is, the Town would not have the taxes to share absent the Credit PIF.

In the big picture, we estimate the Town will receive 85% of the total 3% sales tax revenue generated by WTC during the 20-year period ending 2035, with WTC receiving 15%. Including the proposed 1% Add-On PIF, the Town collects 78% of all sales tax and PIF and WTC receives 22%. (Note: Town sales and lodging taxes generated from Element Hotel room nights are not part of the PIF plan or the above percentages. See the Element tax projection on my December 8 handout for more on these revenues.)

The Town indeed has many future needs, ranging from the Basalt Avenue Underpass and other capital infrastructure to the Pan & Fork redevelopment area, and beyond. It will be crucial for Town leaders to examine all major revenue and expenditure decisions in the context of the Town’s multi-year financial forecast, to gauge the Town’s long-term fiscal capacity for those decisions. In our professional opinion, the proposed PIF agreement will contribute to, and not detract from, the Town’s future fiscal capacity.

Please contact me at (651) 697-8572 or bkimmel@ehlers-inc.com with questions about this memo. I look forward to discussing the PIF proposal with the Council and citizens next Tuesday, and thank you for the opportunity to be of assistance to the Town.

Town of Basalt, Colorado
Ordinance No. 26
Series of 2015

**AN ORDINANCE OF THE TOWN COUNCIL OF BASALT, COLORADO AMENDING
CHAPTER 4, REVENUE AND FINANCE, OF THE BASALT MUNICIPAL CODE
CONCERNING THE TOWN'S SALES TAX,
BY PROVIDING FOR A SALES TAX CREDIT AGAINST CERTAIN
PUBLIC IMPROVEMENT FEES PAID AT WILLITS TOWN CENTER, BASALT,
COLORADO**

WHEREAS, the Town of Basalt, Colorado (the "Town") by separate ordinance is considering approval of a Development and Reimbursement Agreement (the "Public Finance Agreement") with Willits Town Center LLC, a Delaware limited liability company, concerning the development and construction of certain public improvements in association with the development of a mixed-use retail, commercial project and residential project known as Willits Town Center in Basalt, Colorado (the "Property"); and

WHEREAS, all capitalized terms used herein and not otherwise defined herein shall have the meanings set forth in the Public Finance Agreement; and

WHEREAS, the Town Council of the Town has agreed to consider adoption of an ordinance granting a Sales Tax Credit in the amount of one and fifty one-hundredths percent (1.50%) against the collection of the increase, if any, in Sales Tax payable on Taxable Transactions occurring within the Property in any year commencing with the year 2016 over Sales Tax collected on Taxable Transactions occurring within the Property in the Base Year, to the extent that a public improvement fee in the amount of one and fifty one-hundredths percent (1.50%) (the "Credit PIF") has been collected on the increase, if any, in Sales Tax payable on Taxable Transactions occurring within the Property after the effective date of the provisions of this ordinance over the Sales Tax collected on Taxable Transactions occurring within the Property in the Base Year, subject to the terms and limitations set forth in the Public Finance Agreement; and

WHEREAS, providing for such Sales Tax Credit against the Credit PIF collected and paid on Taxable Transactions occurring within the Property will substantially aid in the finance and development of necessary public improvements that will benefit the residents of the Town and patrons of the Property, and will protect and promote the public health, safety and general welfare of the residents of the Town.

WHEREAS, the Town Council finds and declares that this Ordinance is promulgated and adopted for the public health, safety and welfare and this Ordinance bears a rational relation to the legislative object sought to be obtained.

NOW, THEREFORE, IT IS ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF BASALT, COLORADO AS FOLLOWS:

Section 1. Amendment. Chapter 4, Revenue and Finance, of the Basalt Municipal Code, concerning the Town's sales tax, is hereby amended by the addition of a new Section 4-69 to read as follows:

Sec. 4-69 Tax Credit Against Payment of Public Improvement Fees in Willits Town Center, Basalt Colorado.

Notwithstanding any other provisions of this Chapter to the contrary, and in order to implement the provisions of a Public Finance Agreement to be entered into by the Town of Basalt and Willits Town Center LLC (the "Public Finance Agreement"), there is hereby granted to each person or entity obligated to pay, collect or remit the sales tax on the sale or provision of goods or services which are subject to the Town's sales taxes described in this Chapter occurring within the property known as Willits Town Center, Basalt, Colorado and more particularly to be described in the Public Finance Agreement (the "Property"), a tax credit against the collection of the sales taxes as hereinafter set forth. All capitalized terms used in this section and not otherwise defined herein shall have the meanings given to them in the Public Finance Agreement, as amended from time to time. Such tax credit shall be granted in the form of a reduction in the applicable sales tax rate in an amount equal to one and fifty one-hundredths percent (1.50%), and shall attach to a particular transaction only to the extent that the Credit PIF revenues are collected and received by the Town of Basalt for such transaction. The tax credit shall be automatic and shall take effect immediately upon the occurrence of a Taxable Transaction to which a Credit PIF applies, but shall be subject to the applicable retailer's remittance to the State of Colorado and ultimate receipt by the Town of Basalt of the Credit PIF revenues in accordance with the Public Finance Agreement (as reflected on the retailer's periodic sales tax report).

The sales tax credit granted pursuant this Section and as described in the Public Finance Agreement shall remain in effect for the period set forth in a Public Finance Agreement adopted pursuant to this section and shall thereafter automatically terminate.

Nothing set forth in this Section is intended or shall be construed to constitute or to require a reduction in the use or amount of sales tax revenues collected to fund capital improvement projects to be approved by the Town Council for parks, open space acquisition, and trail projects pursuant to Section 4-65(a) of the Basalt Municipal Code.

Section 2. Invalidity. In the event the sales tax credit established herein or the Credit PIF is determined by a final court decision to be unconstitutional, void or ineffective for any cause, any Public Finance Agreement adopted pursuant to this Ordinance is null and void.

Section 3. Change in Tax Rate. Nothing contained in this Ordinance shall prohibit the Town, after complying with all requirements of law, from increasing or decreasing the Town's sales tax rate.

Section 4. Effect of Credit, Applicability of TABOR. The Town Council hereby determines that the creation or termination of this tax credit does not constitute a tax increase, the imposition of a new tax, or a tax policy change directly causing a net tax revenue gain to the Town, and that nothing herein creates a multiple fiscal year financial obligation or other indebtedness of the Town, nor does the tax credit established by this Ordinance and the termination of such credit meet any of the other criteria requiring approval by the electors pursuant to Article X, Section 20 of the Colorado Constitution, also known as the Taxpayer's Bill of Rights (TABOR).

Section 5. Repealer. Any bylaws, orders, resolutions, ordinances, or parts thereof, inconsistent with this Ordinance are hereby repealed to the extent only of such inconsistency. This repealer shall not be constructed to revise any bylaw, order, resolution or ordinance or part thereof, heretofore repealed.

Section 6. Effective Date. The amendment to Chapter 4 of the Basalt Municipal Code shall become effective 14 days from publication of the Ordinance as per the requirements of the Basalt Home Rule Charter. However, the provisions of the any tax credit adopted pursuant to the amended code will not take effect until the later of: (i) the effective date of this ordinance; and (ii) the Effective Date of the Agreement adopted pursuant to this ordinance.

Section 7. Severability. If any part, section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this Ordinance and the Town Council hereby declares it would have passed this Ordinance and each part, section, subsection, sentence, clause or phrase thereof regardless of the fact that any one or more parts, sections, subsections, sentences, clauses or phrases be declared invalid.

READ ON FIRST READING, ORDERED PUBLISHED AND SET FOR PUBLIC HEARING TO BE HELD ON January 12, 2016, by a vote of 4 to 2 on December 8, 2015.

READ ON SECOND READING AND ADOPTED, by a vote of ___ to ___ on January 12, 2015.

TOWN OF BASALT, COLORADO

By: _____
Jacque R. Whitsitt, Mayor

ATTEST:

Pamela Schilling, Town Clerk

First Publication: Thursday, _____, 2015
Second Publication: Thursday, _____, 2015
Effective Date: Thursday, _____, 2016

5 Approves PIF Agreement - Credit PIF + Ad-on PIF

6B

TOWN OF BASALT, COLORADO

Ordinance No. 27

Series of 2015

AN ORDINANCE OF THE TOWN COUNCIL OF BASALT, COLORADO APPROVING
A PUBLIC FINANCING AGREEMENT WITH WILLITS TOWN CENTER, LLC,
REGARDING THE FINANCING OF PUBLIC IMPROVEMENTS AT WILLITS TOWN
CENTER

RECITALS

1. The Town Council has determined that it is in the best interests of the Town and its citizens to provide financial assistance to the future development of portions of Willits Town Center in order to facilitate the construction of public improvements, using certain available revenues of the Developer, to provide a catalyst for redevelopment in Willits Town Center to increase sales tax revenues and job opportunities, and to provide other economic and social benefits to the Town and surrounding community; and

2. By Ordinance No. 28 Series of 2015, the Town Council is reviewing a Willits Town Center PUD Amendment, which is the Project associated with this Ordinance; and

3. The Recitals of the Public Financing Agreement are incorporated herein.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN OF THE TOWN OF BASALT, COLORADO, as follows:

Section 1. Finding of Best Interests and Public Purpose. The Town Council hereby finds and determines, pursuant to the Constitution, the laws of the State, the Charter and the Code of the Town, and in accordance with the foregoing recitals, that adopting this Ordinance, providing the specified assistance for the Willits Town Center, and entering into the Agreement attached hereto as Exhibit A and performing all obligations set forth therein, are necessary, convenient, and in furtherance of the Town's purposes and are in the best interests of the inhabitants of the Town, increasing sales tax revenues and job opportunities, and providing other economic and social benefits to the Town and surrounding community, and the Town Council hereby authorizes and approves the same.

Section 2. Approval of Updated Agreement. The Public Financing Agreement, in substantially the form attached hereto as **Exhibit A**, is in all respects approved, authorized and confirmed.

Section 3. Authorization to Execute. The Mayor of the Town is hereby authorized and directed to execute and deliver the Public Financing Agreement, for and on behalf of the Town, in substantially the form and with substantially the same content as attached, provided that the approval hereby given to the Agreement includes an approval of such additional details therein, deletions therefrom, or additions thereto as the Town Manager, in consultation with the Town Attorney, determines to be necessary and appropriate for its completion, or desirable to protect the interest of the Town. The execution of the Agreement by the Mayor shall be conclusive evidence of the approval by the Town Council of the same in accordance with the terms of this Ordinance and the Agreement.

Section 4. Direction to Act. The Town Clerk is hereby authorized and directed to attest all signatures and acts of any official of the Town in connection with the matters authorized by this Ordinance and to place the seal of the Town on any document authorized and approved by this Ordinance. The Mayor, the Mayor Pro-Tem of the Town, the Town Manager, the Town Clerk and other appropriate official or employees of the Town are hereby authorized and directed to execute and deliver for and on behalf of the Town and any and all additional certificates, documents, instruments and other papers, and to perform all other acts that they deem necessary or appropriate in order to implement and carry out the transactions and other matters authorized by this Ordinance. The execution of any instrument by the aforementioned officers or members of the Town Council shall be conclusive evidence of the approval by the Town of such instrument in accordance with the terms of this Ordinance and the Agreement.

Section 5. Severability. If any section, subsection, paragraph, clause or provision of this Ordinance or the Agreement hereby authorized and approved shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, subsection, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance or the Agreement, the intent being that the same are severable.

Section 6. Recordation. This Ordinance, after being fully executed, shall be recorded in the office of the Clerk and Recorder of Eagle County, Colorado.

READ OF FIRST READING, ORDERED PUBLISHED AND SET FOR PUBLIC HEARING TO BE HELD ON January 12, 2016, by a vote of 4 to 2, on December 8, 2015.

READ ON SECOND READING AND ADOPTED, by a vote of ___ to ___ on January 12, 2016.

TOWN OF BASALT, COLORADO

By: _____
Jacque R Whitsitt, Mayor

ATTEST:

By: _____
Pamela K. Schilling, Town Clerk

First Publication: _____
Final Publication: _____
Effective date: _____

Exhibit A to Ordinance No. 27, 2015

PUBLIC FINANCING AGREEMENT

This PUBLIC FINANCING AGREEMENT (the "**Agreement**") dated as of _____, 2016, is made by and among WILLITS TOWN CENTER LLC, a Delaware limited liability company ("**Developer**"), and the TOWN OF BASALT, a Colorado municipal corporation (the "**Town**"). Developer and Town are sometimes collectively called the "**Parties**," and individually, a "**Party**."

RECITALS

All capitalized terms used, but not defined, in these Recitals, have the meanings ascribed to them in this Agreement. The Recitals are incorporated into this Agreement as though fully set forth in the body of this Agreement.

1. Developer is the owner and developer of the real property described in *Exhibit A* (the "**Property**") and desires to complete development and construction of the Property by constructing commercial office and retail development, together with related amenities and uses on the Property.

2. Developer has engaged in the Town process for entitlement of the Project as defined herein and the Town is considering a PUD Amendment by Ordinance No. 28, Series of 2015, addressing land use and development of the Property and Project (as hereinafter defined).

3. The Town has agreed to assist Developer for the recovery of costs of certain Eligible Improvements (hereinafter defined) incurred by Developer in connection with Developer's development and construction of the Project.

NOW THEREFORE, in consideration of the mutual covenants and promises of the Parties contained in this Agreement, and other valuable consideration, the receipt and adequacy of which are acknowledged, the Parties hereby agree to the terms and conditions in this Agreement.

AGREEMENT

1. DEFINITIONS AND QUALIFICATIONS. In this Agreement, unless a different meaning clearly appears from the context, capitalized terms mean:

"**Add-On PIF**" means the public improvement fee in the amount of not less than one-half percent (.50%) and not more than one percent (1.0%) of the amount of Taxable Transactions occurring within portions of the Project encumbered by the Add-On PIF Covenant, as set forth in such Add-On PIF Covenant, which Add-On PIF will be (i) collected by tenants whose leases are subject to the Add-On PIF and remitted by such tenants to the Town, (ii) in

addition to the Credit PIF, and (iii) accounted for and disbursed by Town to Developer in accordance with this Agreement.

"Add-On PIF Covenant" means a covenant in all future leases by the Developer within Blocks 1-12 of the Project or portions thereof owned or controlled by Developer and renewals of existing leases on such Blocks or portions thereof owned or controlled by Developer and imposing and implementing the Add-On PIF on such Blocks (or portions thereof) within the Project.

"Agreement" means this Public Financing Agreement, as it may be amended or supplemented in writing, from time to time. References to sections or exhibits are to this Agreement unless otherwise qualified. All Exhibits are incorporated to this Agreement.

"Base Year" means the 2015 calendar year.

"BMC" means the Basalt Municipal Code, as the same may be amended or supplemented from time to time.

"Complete Construction" or "Completion of Construction" means, for any Eligible Improvement, construction acceptance in accordance with the Town Requirements, applicable laws, ordinances, and regulations of the Town and any other governmental entity or public utility with jurisdiction, subject to any applicable conditions of maintenance and warranty.

"Credit PIF" means the public improvement fee in the amount of the Sales Tax Credit with regard to all Taxable Transactions occurring in Blocks 1-12 of the Project or portions thereof (excluding hotel room nights for any hotels located on Block 12 of the Property or portions thereof but including sales of goods or services by any tenants now or hereafter located in such hotels that would otherwise qualify as Taxable Transactions), which Credit PIF will be (i) collected by tenants in the Project and any hotels located on Block 12 of the Property in accordance with the BMC and Sales Tax Credit Ordinance in lieu of the corresponding Sales Tax otherwise required to be collected by such tenants with regard to such Taxable Transactions; and (ii) remitted by such tenants to the State of Colorado for processing and then remitted by the State of Colorado to the Town and accounted for and disbursed by the Town to Developer in accordance with the terms of this Agreement.

"Default" or "Event of Default" means any of the events described in Section 12; provided, however, that such events will not give rise to any remedy until effect has been given to all grace periods, cure periods and periods of enforced delay provided for in this Agreement.

"Developer" means Willits Town Center LLC, a Delaware limited liability company, and any successors and assigns approved in accordance with this Agreement.

"Effective Date" means the first date after the occurrence of all of the following: (a) Ordinance No. 27, 2015 approving this Agreement and Ordinance No. 26, 2015 approving the Sales Tax Credit Ordinance are both effective under law; and (b) the execution of this Agreement by the Town.

"Eligible Costs" means, collectively, all reasonable and customary expenditures for design and construction of Eligible Improvements, including necessary and reasonable soft costs, and all reasonable and necessary costs related to the engineering and design work for the Eligible Improvements, provided, however, that, during the term of this Agreement, the cumulative present value amount paid under the Credit PIF to Developer under this Agreement as of any date shall not exceed the cumulative direct costs incurred by or on behalf of Developer for the design, construction and implementation of the Project as of such date.

"Eligible Improvements" means, as applicable to the Credit PIF, those public improvements for the Project that remain to be completed by the Developer as required by Exhibit PP of the Willits PUD Control Document or a Subdivision Improvement Agreement for a future plat filing within the Project, including public roads, publicly available parking, water and wastewater improvements, utilities, drainage improvements, transportation facilities, parks, open space, trails, landscaping, irrigation systems and related future land dedications to the Town for same. Eligible Improvements also include 50% of the cost of public improvements in the WTC PUD included in Exhibit PP or a prior Subdivision Improvement Agreement and previously constructed by Developer (exclusive of any public improvements that are currently the subject of any other cost sharing or reimbursement agreement with the Town), and other public improvements required by Ordinance 28, Series 2015 to be constructed adjacent to the Project, including public roads, publicly available parking, water and wastewater improvements, utilities, drainage improvements, transportation facilities, parks, open space, trails, landscaping, and irrigation systems.

"Exhibits" The following Exhibits are a part of this Agreement:

- Exhibit A:** Legal Description of the Property
- Exhibit B:** Procedure for Documenting, Certifying and Paying Eligible Costs
- Exhibit C:** Sales Tax Credit Ordinance
- Exhibit D:** PUD Amendment Ordinance

"Force Majeure Event" means any one or more of the following events or circumstances that, alone or in combination, directly or indirectly adversely affects the Project: fire, earthquake, storm or other casualty; strikes, lockouts, or other labor interruptions; war, rebellion, riots, acts of terrorism, or other civil unrest; acts of God or of any government (except that, as to any obligation of the Town, any acts of the Town itself shall not be considered Force Majeure Events); disruption to local, national or international transport services; shortages of materials, epidemics, or changes in general economic or other conditions affecting the Project, or any other event beyond the Parties' reasonable control.

"Legal Requirements" means all laws, statutes, ordinances, orders, rules, regulations, permits, licenses, authorizations, directions and requirements of all government and governmental authorities applicable to the Project.

"Party" or "Parties" means one or all of the parties to this Agreement.

"Permit Fees" means any Town fee applicable to the Project, including any fee imposed as a condition to the issuance of a Town permit for Eligible Improvements, but excluding any tax.

"PIF Covenants" means, collectively, Add-On PIF Covenant and the obligation of tenants in the Project and portions of any hotels located on Block 12 of the Property to collect Sales Tax (including Credit PIF) in accordance with the BMC.

"PIF Revenue" means, collectively, the revenue derived from the imposition of the Add-On PIF and the Credit PIF in accordance with the PIF Covenants and this Agreement.

"Property" means the real property described in Exhibit A. Such Property is either owned by Developer or Developer otherwise has the right or will have the right to develop the Property.

"Project" means the development of the Property in accordance with the PUD Amendment.

"PUD Amendment" means Ordinance No. 28, Series 2015.

"Sales Tax" means the municipal sales tax of the Town on sales of goods and services that are subject to municipal sales taxes at such rate and on such terms as conditions as prescribed in the BMC.

"Sales Tax Credit" means a credit, if any, against the Town's Sales Tax collected in any year subsequent to the Base Year, determined as follows: take the positive difference, if any, in the amount of Taxable Transactions occurring in any year subsequent to the Base Year over the amount of Taxable Transactions occurring in the Base Year, and multiply such result by 1.50%. Such Sales Tax Credit, if any, shall be implemented pursuant to the Sales Tax Credit Ordinance.

"Sales Tax Credit Ordinance" means Ordinance No. 26 Series 2015 approving the Sales Tax Credit.

"Taxable Transactions" means the sale or provision of goods or services within the Project that are subject to the Town's Sales Tax, as amended from time to time, and also includes the sale or provision of goods or services by any existing or future tenant leasing space in any hotel located on Block 12 of the Property that is not affiliated with the owner or operator of such hotel. Taxable Transactions does not, include, however, the sale of hotel night rooms or incidental goods or services associated with the operation of any hotel now or hereafter located on Block 12 of the Property.

"Town" means the Town of Basalt, Colorado, a home rule municipal corporation.

“**Town Costs**” means the Town’s reasonable and necessary third-party out of pocket fees, costs and expenses incurred in drafting, reviewing, negotiating, implementing, and administering this Agreement, the Add-On PIF, the Credit PIF, the Sales Tax Ordinance, and all other related documents, certificates or agreements, including, without limitation, legal fees and consultant fees.

“**Town Requirements**” means, collectively, (i) the BMC, (ii) Town regulations, and (iii) obligations imposed through the WTC PUD, as modified by the PUD Amendment and/or the applicable development agreement to allow for the uses, densities and site plans required for the Project.

“ **Willits Town Center Costs**” means all costs of acquiring, owning, holding, developing, financing, leasing, managing, operating, repairing, maintaining, constructing or reconstructing the Property in accordance with the WTC PUD and/or PUD Amendment and any improvements thereon that are not, in each case, otherwise deemed to be Eligible Costs.

“**WTC PUD**” means Willits Town Center PUD (Planned Unit Development), as amended from time to time prior to the PUD Amendment.

2. PROJECT, LAND USE APPROVALS.

2.1 Project Attributes. *Exhibit D* contains a summary description of the conceptual land plan, architectural and landscaping themes and design aesthetic for the Project. Developer has incorporated these planning and design concepts into the Project applications for Town Approvals as provided in Section 2.2.

2.2 Entitlement. The Town has previously granted all development and other entitlement approvals necessary for the existing development and construction of the Project, including, without limitation, the WTC PUD, replatting and site plan approval, and issuance of building permits for all existing vertical and infrastructure construction currently located at the Project. Developer has submitted an application to the Town for the PUD Amendment to increase development density at the Project and modify other aspects of the WTC PUD. The Town agrees to work cooperatively with the Developer in reviewing and processing such request for the PUD Amendment.

3. DEVELOPER.

3.1 Construction of Eligible Improvements. Developer agrees to use commercially reasonable efforts to construct the Project and, in accordance with the provisions of this Agreement, is responsible for (i) financing and constructing the Project, (ii) compliance in all material respects with the Town Requirements, and (iii) payment of Permit Fees related to development of the Property.

3.2 Compliance with Design and Construction Regulations; Payment of Fees and Costs. The design and construction of all Eligible Improvements will comply in all material

respects with all applicable codes and regulations of entities having jurisdiction, including the Town Requirements.

3.3 Imposition of Add-On PIF. On and after the Effective Date, the Developer shall impose the Add-On PIF pursuant to the Add-On PIF Covenant on all retail sales occurring within portions of the Property that are subject to the Add-On PIF Covenant and Town's Sales Tax. Subject to the following provisions of this Section 3.3, the Add-On PIF shall be imposed only for so long as Willits Town Center Costs for which the Developer is entitled to reimbursement by the Town hereunder remain unpaid. So long as such Willits Town Center Costs remain unreimbursed by the Town, Developer agrees to use commercially reasonable efforts to cause all tenants in the Project subject to the Add-On PIF Covenant to remit such Add-On PIF directly to the Town. The Developer agrees that it shall be responsible for enforcing the placard requirements and for the implementation of the Add-On PIF with all retailers leasing space within portions of the Project encumbered by the Add-On PIF Covenant. The Add-On PIF shall terminate upon the earlier to occur of the following: (i) twenty (20) years following the first collection and remittance to the Town of Add-On PIF by tenants in the Project subject to the Add-On PIF Covenant; or (ii) reimbursement by the Town to Developer of an amount equal to the sum of \$10,500,000.00 in present value at a discount rate of six percent (6.0%) from the Effective Date (net of any administrative or processing fees charged by Town with regard to Sales Tax), minus the actual present value of Credit PIF remitted by the Town to Developer (the "Add-On PIF Cap") (the earlier to occur of clauses (i) and (ii) of this Section 3.3 being the "Add-On PIF Termination Date").

3.4 Credit PIF. The Credit PIF shall commence on January 1, 2016 (the "Credit PIF Commencement Date"), and shall terminate upon the earlier to occur of the following: (i) December 31, 2030 (i.e., the expiration of fifteen (15) years following the Credit PIF Commencement Date); or (ii) payment and reimbursement by the Town to Developer of Eligible Costs for Eligible Improvements whose maximum present value, calculated on the basis of and utilizing a six percent (6.0%) present value discount rate from the Effective Date (net of any administrative or processing fees charged by the State of Colorado with regard to Sales Tax), equals an amount not to exceed \$5,000,000.00 (the "Credit PIF Cap") (the earlier to occur of clauses (i) and (ii) of this Section 3.4 being the "Credit PIF Termination date").

3.5 Access to Property. Developer will permit representatives of the Town access to the Property and the Project at reasonable times during regular business hours and with prior notice as necessary for the purpose of carrying out or determining compliance with the Agreement or Town Requirements, including, without limitation, inspection of any work being conducted. No compensation will be payable for such access. The Town agrees to restore the Property and any component of the Project to its condition prior to any tests or inspections made by the Town and further agrees that it shall be responsible for any damage that results from the Town accessing the Property pursuant to its rights under this Agreement, to the extent permitted by law, subject to annual appropriation of funds by the Town, in its sole discretion.

3.6 Calculation of Sales Tax. For purposes of calculating Sales Tax, sales occurring in the year of 2015 and in all subsequent years during which this Agreement remains

in effect shall be calculated on an as-collected, cash basis unless such circumstances arise whereby an apparent administrative issue can reasonably be shown to have delayed receipt or collection of such Sales Tax beyond the normal collection period, particularly around the end of each calendar year during the term hereof.

4. THE TOWN.

4.1 Cooperation. The Town agrees to cooperate with Developer in reviewing, scheduling hearings for, and approving the PUD Amendment. Approval of the PUD Amendment and amendment to the plat will not be unreasonably withheld.

4.2 Sales Tax Credit Ordinance. In order to implement the Sales Tax Credit, and as a condition precedent to the effectiveness of this Agreement, the Town shall adopt an ordinance granting the Sales Tax Credit against the collection of Sales Tax on Taxable Transactions, in an amount equal to one and one-half percent (1.50%) in substantially the form set forth as Exhibit C attached hereto (the "Sales Tax Credit Ordinance"). Upon adoption of the Sales Tax Credit Ordinance and provided this Agreement is in effect, the Town will authorize, grant and implement the Sales Tax Credit pursuant to the Sales Tax Credit Ordinance in order for the Credit PIF to be collected for the Town's payment and reimbursement to Developer of Eligible Costs incurred by Developer in connection with Developer's construction of Eligible Improvements, and Town hereby agrees to utilize such Credit PIF for such purposes, in each case in accordance with the Sales Tax Credit Ordinance and this Agreement and subject to the Credit PIF Cap. In adopting the Sales Tax Credit Ordinance, the Town is agreeing that it will grant a credit against the Town's Sales Tax collected on Taxable Transactions within the Project only to the extent that the Credit PIF is collected from each retailer within the Project. Except as hereinafter provided, the Sales Tax Credit shall terminate upon the Credit PIF Termination Date.

4.3 Credit PIF Collection and Disbursement. Developer and Town acknowledge and agree that Sales Tax on Taxable Transactions will be collected by tenants in the Project and remitted to the Colorado Department of Revenue as required by such agency's rules and regulations, and that such Sales Tax revenue, less an administrative fee charged by the State of Colorado for processing such Sales Tax remittances, will then be remitted by the State of Colorado to the Town in accordance with such rules and regulations. The Town expects to receive such Sales Tax disbursements from the State no later than the 15th day of each month. No later than the 15th day following the end of each calendar quarter during the term of this Agreement, Town will conduct an examination and accounting of such Sales Tax proceeds received from the State of Colorado for the preceding calendar quarter to determine whether the Project has produced Taxable Transactions, net of any administrative or processing fee charged by the State of Colorado, sufficient to trigger a Sales Tax Credit and thus the Credit PIF. At such time each year during the term hereof as Town has begun collecting Credit PIF, Town will thereafter (and in no event later than 30 days following the 3rd, 6th, 9th, and 12th sales tax disbursements of each calendar year, or by April 15th, July 15th, October 15th and the following January 15th) commence remitting to Developer an amount equal to the Credit PIF then and thereafter payable with regard to such Taxable Transactions in such year. Such Credit PIF payments will thereafter continue during such year until the examination and accounting related to the first quarter of the following year, at which time such Credit PIF payments shall cease until such time as the Town has again

collected Credit PIF revenues on Taxable Transactions in such subsequent year. Such Sales Tax collection and Credit PIF payment process shall continue each year during the term hereof, subject to the Credit PIF Cap and Credit PIF Termination Date. Town agrees not to charge any fee or exact any retainage from the Credit PIF.

4.4 Add-On PIF. Town shall make the Add-On PIF collected by the Town from tenants in the Project subject to the Add-On PIF Covenant available to the Developer for reimbursement of Willits Town Center Costs subject, in each case, to the terms and provisions of this Agreement, the Add-On PIF Covenant and the Add-On PIF Cap. The Town expects to receive Add-On PIF remittances directly from the relevant tenants in the Project no later than the 20th day of each month. The Add-On PIF shall be paid quarterly, in arrears, by the Town to Developer no later than the earlier of 30 days following the 3rd, 6th, 9th, and 12th month Add-On PIF collections of each calendar year, or by April 15th, July 15th, October 15th and the following January 15th. Town shall be entitled to withhold 2% of the Add-On PIF collection for each quarter, to cover the costs of administering the Add-On PIF program. The net disbursement to Developer (98%) will be used in the calculation of the present value of the cumulative Add-On PIF. Such 2% retainage shall be accounted for in the financial reporting required pursuant to Section 6 hereof. The Add-On PIF shall terminate on the Add-On PIF Termination Date.

4.5 Post Credit PIF Period. Notwithstanding any language in any agreement to the contrary, if upon payment in full of all Eligible Costs (subject in all cases to the Credit PIF Cap and Add-On PIF Cap), the Town determines that termination of the Sales Tax Credit may be precluded by or require a refund of the Sales Tax under Article X, Section 20 of the Colorado Constitution, the Town may submit a written request to Developer to continue to impose the Credit PIF. Upon receipt of such request, the Credit PIF shall remain in full force and effect and the full amount derived from imposition of the Credit PIF shall be paid to the Town as a substitute for the Sales Tax revenue it is unable to collect.

4.6 Compliance with Law. Nothing set forth in this Agreement is intended or shall be construed to constitute or to require (a) an unlawful delegation of authority by the Town; (b) an unlawful restraint on the legislative discretion of future Town Councils; or (c) the undertaking of any multiple fiscal year obligation by the Town except as permitted by applicable law. Nothing in this Agreement is intended to nor shall be construed to create any multiple-fiscal year direct or indirect debt or financial obligation on the part of the Town within the meaning of the Constitution or laws of the State of Colorado, and any such financial obligation of the Town created by this Agreement is expressly subject to annual appropriation by the Town.

4.6 Town Costs. The Town shall be reimbursed for all Town Costs on a timely basis by the Developer. The Town certifies that through December 1, 2015 such Town Costs total no more than \$xx,000.00. Further, Town estimates Town Costs through February 1, 2016 shall be no more than \$xx,000.00. Town agrees to use commercially reasonable efforts to minimize Town Costs in excess of any costs not covered or paid for by the 2% fee being charged by Town for administering the Add-On PIF, it being understood that any engineering fees or costs charged by the Town Engineer as part of the cost certification process outlined on

Exhibit B hereto shall constitute a legitimate Town Cost. The foregoing notwithstanding, in no event shall any fees charged by a third party consultant or vendor hired by Town to administer the Credit PIF and/or Add-On PIF on behalf of Town be deemed a “Town Cost” reimbursable by Developer.

5. REIMBURSEMENT OF ELIGIBLE COSTS AND WILLITS TOWN CENTER COSTS.

Upon compliance with the requisition process set forth in Exhibit B, Developer will be paid or reimbursed for Eligible Costs by the Town in accordance with the terms of this Agreement. Any such payment or reimbursement of Eligible Costs pursuant to this Agreement shall be made from the Credit PIF collected by the Town, subject in all cases to the Credit PIF Cap. All Eligible Costs shall be certified by the Developer in accordance with procedures set forth in Exhibit B or as otherwise approved in writing by the Parties. Upon compliance with the requisition process set forth in Exhibit B, Developer will be paid or reimbursed for Willits Town Center Costs by the Town in accordance with the terms of this Agreement. Any such payment or reimbursement of Willits Town Center Costs pursuant to this Agreement shall be made from the Add-On PIF collected by the Town, subject in all cases to the Add-On PIF Cap. All Willits Town Center Costs shall be certified by the Developer in accordance with procedures set forth in Exhibit B or as otherwise approved in writing by the Parties.

6. BOOKS AND ACCOUNTS; FINANCIAL STATEMENTS. The Town shall keep proper and current itemized records, books, and accounts in which complete and accurate entries will be made of the receipt and use of all amounts of revenue received from any and all sources and such other calculations required by this Agreement and any applicable law or regulation. All books, records and reports (except those allowed or required by applicable law to be kept confidential) in the possession of the Town will at all reasonable times be open to inspection by Developer and its accountants or other agents as Developer may from time to time designate. Town shall provide to Developer on a quarterly basis an analysis of whether Sales Tax from Taxable Transactions for the year in question has exceeded the Sales Tax from Taxable Transactions collected during the Base Year and if so, a calculation of the Credit PIF payable by the Town to Developer on Taxable Transactions occurring during such prior quarter. With each such calculation Town shall provide to Developer, on a block by block or other area basis that will not reveal sales information by tenant the gross amount of Sales Tax revenue received by the Town on a month-by-month basis for the quarter in question (less the State’s administration or processing fee) and attributable to the Block or other area in question. Town will also prepare a quarterly accounting of the total Add-On PIF (again without regard to specific tenant or sales revenue) collected by the Town on a month-by-month basis and provide such accounting to Developer concurrently with each quarterly remittance of Add-On PIF from Town to Developer. Developer shall have the right to conduct an annual audit, at Developer’s sole cost and expense, of any non-privileged, publicly available Sales Tax information used by Town in calculating the Credit PIF and Add-On PIF paid by Town to Developer pursuant to this Agreement. Any such audit shall be conducted by Developer no later than one hundred twenty (120) days following the end of each calendar year during the term of this Agreement for the prior calendar year.

7. INDEMNIFICATION. For each Eligible Improvement, from commencement of construction through Completion of Construction, Developer agrees to indemnify, defend and

hold harmless the Town, its officers, agents and employees, from and against all liability, claims, demands, and expenses, including fines imposed by any applicable state or federal regulatory agency, court costs and attorneys' fees, on account of any injury, loss or damage, which arise out of or are in any manner connected with any of the work to be performed by Developer, any subcontractor of Developer, or any officer, employee, agent, successor or assign of Developer under this Agreement, if such injury, loss damage is caused in whole or in part by, the negligent act or omission, error, professional error, mistake, accident, or other fault of Developer, any subcontractor of Developer, or any officer, employee, agent, successor or assign of Developer, but excluding any injuries, losses or damages which are due to the negligence, breach of contract or willful misconduct of the Town. Developer's obligation to indemnify the Town pursuant to this Agreement terminates upon Completion of Construction of each Eligible Improvement.

8. REPRESENTATIONS AND WARRANTIES.

7.1 Representations and Warranties by Developer. Developer represents and warrants as follows:

(a) Developer is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware and in good standing and authorized to do business in the State of Colorado and has the power and the authority to enter into and perform in a timely manner its obligations under this Agreement.

(b) The execution and delivery of this Agreement have been duly and validly authorized by all necessary action of the Developer.

(c) This Agreement constitutes a valid and binding obligation of the Developer, enforceable according to its terms, except to the extent limited by bankruptcy, insolvency and other laws of general application affecting creditors' rights and by equitable principles, whether considered at law or in equity.

(d) The execution and delivery of this Agreement will not (i) conflict with or contravene any law, order, rule or regulation applicable to Developer or to Developer's governing documents, (ii) result in the breach of any of the terms or provisions or constitute a default under any agreement or other instrument to which Developer is a party or by which it may be bound or affected, or (iii) permit any party to terminate any such agreement or instrument or to accelerate the maturity of any indebtedness or other obligation of Developer.

(e) Developer knows of no litigation, proceeding, initiative, referendum, or investigation or threat or any of the same contesting the powers of Developer or any of its principals or officials with respect to this Agreement that has not been disclosed in writing to the other Parties.

7.2 Representations and Warranties by the Town. The Town represents and warrants as follows:

(a) The Town is a body corporate and politic and a home rule municipality of the State of Colorado, and has the power to enter into and has taken all actions to date required to authorize this Agreement and to carry out its obligations under this Agreement.

(b) The Town knows of no litigation, proceeding, initiative, referendum, investigation or threat of any of the same contesting the powers of the Town or its officials with respect to this Agreement that has not been disclosed in writing to the Parties.

(c) The execution and delivery of this Agreement and the documents required hereunder and the consummation of the transactions contemplated by this Agreement will not: (i) conflict with or contravene any law, order, rule or regulation applicable to the Town or to its governing documents, (ii) result in the breach of any of the terms or provisions or constitute a default under any agreement or other instrument to which the Town is a party or by which it may be bound or affected, or (iii) permit any party to terminate any such agreement or instruments or to accelerate the maturity of any indebtedness or other obligation of the Town.

(d) This Agreement constitutes a valid and binding obligation of the Town, enforceable according to its terms, except to the extent limited by bankruptcy, insolvency and other laws of general application affecting creditors' rights and by equitable principles, whether considered at law or in equity.

9. TERM. The term of this Agreement ("Term") is the period commencing on the Effective Date and terminating on the date of full performance of the covenants of this Agreement unless earlier terminated pursuant to Section 14.

10. CONFLICTS OF INTEREST. None of the following will have any personal interest, direct or indirect, in this Agreement: a member of the governing body of the Town or an employee of the Town who exercises responsibility concerning the Town Requirements, or an individual or firm retained by the Town who has performed consulting services to the Town or this Agreement. None of the above persons or entities will participate in any decision relating to the Agreement that affects his or her personal interests or the interests of any corporation, partnership or association in which he or she is directly or indirectly interested.

11. NOTICES. Any notice required or permitted by this Agreement will be in writing and will be deemed to have been sufficiently given for all purposes if delivered in person, by prepaid overnight express mail or overnight courier service, by certified mail or registered mail, postage prepaid return receipt requested, addressed to the Party to whom such notice is to be given at the address set forth on the signature page below or at such other or additional addresses as may be furnished in writing to the other Parties. Additionally, the Parties agree to provide concurrent notice via electronic mail.

12. EVENTS OF DEFAULT. The following event shall constitute an Event of Default under this Agreement: any Party fails in the performance of any material covenant in this Agreement, (except for those events allowing the termination of this Agreement as set forth herein) and such failure continues for thirty (30) days after written notice specifying such default and requiring the same to be remedied is given by a non-defaulting Party to the defaulting Party.

If such default is not of a type which can be cured within such thirty (30) day period and the defaulting Party gives written notice to the non-defaulting Party or Parties within such thirty (30) day period that it is actively and diligently pursuing such cure, the defaulting Party shall have an additional reasonable period of time (in no event to exceed thirty (30) days for a total of sixty (60) days) to cure such default. In no event shall Developer's pledge or assignment of this Agreement or Developer's rights hereunder to any lender as collateral security for any financial accommodation extended to Developer by such lender constitute an Event of Default hereunder, and Town agrees to make all payments of Add-On PIF and/or Credit PIF, as applicable, to such lender if and when directed to do so by Developer.

13. REMEDIES. Upon the occurrence and continuation of an Event of Default, the non-defaulting Party's remedies will be limited to the right to enforce the defaulting Party's obligations by an action for injunction, specific performance, or other appropriate equitable remedy or for mandamus, or by an action to collect and enforce payment of sums owing hereunder, and no other remedy (unless otherwise expressly authorized by this Agreement) will be available, and no Party will be entitled to or claim damages for an Event of Default by the defaulting Party, including, without limitation, lost profits, economic damages, or actual, direct, incidental, consequential, punitive or exemplary damages. In the event of any litigation or other proceeding to enforce any of the terms, covenants or conditions of this Agreement, the prevailing party in such litigation or other proceeding will receive, as part of its judgment or award, its reasonable attorneys' fees and costs.

14. TERMINATION FOR CONVENIENCE. This Agreement may be terminated by the Developer at any time prior to the occurrence of either or both of the Credit PIF Terminate Date and/or the Add-On PIF Termination Date. To terminate this Agreement, the Developer shall provide written notice of such termination to the Town. Such termination will be effective thirty (30) days after the date of such notice unless prior to such time, the Parties are able to negotiate in good faith to reach an agreement to avoid such termination. Upon such termination, this Agreement will be null and void and of no effect, and no action, claim or demand may be based on any term or provision of this Agreement. In addition the Parties agree to execute a mutual release or other instruments reasonably required to effectuate and give notice of such termination.

If this Agreement is terminated pursuant to the provisions of this Section 14, any PIF Revenues on deposit with the Town shall be remitted to the Developer, subject to the Credit PIF Cap and Add-On PIF Cap.

15. NONLIABILITY OF OFFICIALS, AGENTS, MEMBERS, AND EMPLOYEES. Except for willful or wanton actions, no trustee, board member, commissioner, official, employee, consultant, manager, member, shareholder, attorney or agent of any Party, nor any lender to any Party or to the Project, will be personally liable under the Agreement or in the event of any default or for any amount that may become due to any Party.

16. ASSIGNMENT. This Agreement will not be assigned in whole or in part by any Party without the prior written consent of the other Parties; provided, however, that the following assignments and transfers will not require any such consent: (a) subject to written notice to the

Town from Developer containing the name and address of the successor owner or purchaser of the Project or any portion thereof, Developer may assign all or a portion of this Agreement to any such or successor owner or purchaser of all or any portion of the Project; (b) subject to written notice to the Town from Developer containing the name and address of the lender or other party, Developer may pledge, collaterally assign or otherwise encumber all or any part of its rights under this Agreement, including its right to receive any payment or reimbursement, to any lender or other party that provides acquisition, construction, working capital, tenant improvement or other financing to Developer in connection with development of the Property and/or construction of the Eligible Improvements. The Town further recognizes that Developer may form, together with its investors, a separate, special purpose entity to develop, own and/or operate all or a portion of the Property or of the Eligible Improvements to be constructed thereon and that one or more assignments of this Agreement may be required in connection with such activities and such transfer(s) will not require any consent by the Parties.

17. COOPERATION REGARDING DEFENSE. In the event of any litigation or other legal challenge involving this Agreement or any other material part or provision of this Agreement or the ability of any Party to enter into this Agreement, the Parties will cooperate and jointly defend against such action or challenge, to the extent permitted by law.

18. SECTION CAPTIONS. The captions of the sections are set forth only for the convenience and reference of the Parties and are not intended in any way to define, limit, or describe the scope or intent of this Agreement.

19. ADDITIONAL DOCUMENTS OR ACTION. The Parties agree to execute any additional documents or take any additional action, including but not limited to estoppel documents requested or required by lenders, that is necessary to carry out this Agreement or is reasonably requested by any Party to confirm or clarify the intent of the provisions of this Agreement and to effectuate the agreements and the intent. If all or any portion of this Agreement, or other agreements approved in connection with this Agreement are asserted or determined to be invalid, illegal or are otherwise precluded, the Parties, within the scope of their powers and duties, will cooperate in the joint defense of such documents and, if such defense is unsuccessful, the Parties will use reasonable, diligent good faith efforts to amend, reform or replace such precluded items to assure, to the extent legally permissible, that each Party substantially receives the benefits that it would have received under this Agreement.

20. AMENDMENT. This Agreement may be amended only by an instrument in writing signed by the Parties.

21. WAIVER OF BREACH. A waiver by any Party to this Agreement of the breach of any term or provision of this Agreement must be in writing and will not operate or be construed as a waiver of any subsequent breach by any Party.

22. GOVERNING LAW. The laws of the State of Colorado govern this Agreement. The District Court of Pitkin County will be the exclusive venue for any litigation.

23. BINDING EFFECT, ENTIRE AGREEMENT. This Agreement will inure to the benefit of and be binding upon the Parties and their respective legal representatives, successors, heirs, and assigns, provided that nothing in this paragraph permits the assignment of this Agreement except as set forth in Section 16. This Agreement represents the entire Agreement among the Parties and supercedes any prior written or oral agreements or understandings with regard to the Property or Project not specifically set forth in this Agreement.

24. EXECUTION IN COUNTERPARTS. This Agreement may be executed in several counterparts, each of which will be deemed an original and all of which will constitute but one and the same instrument.

26. NO THIRD-PARTY BENEFICIARIES. This Agreement is intended to describe the rights and responsibilities only as to the Parties to this Agreement. This Agreement is not intended and shall not be deemed to confer any rights on any person or entity not named as a Party to this Agreement.

27. NO PRESUMPTION. The Parties and their attorneys have had a full opportunity to review and participate in the drafting of the final form of this Agreement. Accordingly, this Agreement will be construed without regard to any presumption or other rule of construction against the Party causing the Agreement to be drafted.

28. SEVERABILITY. If any provision of this Agreement as applied to any Party or to any circumstance is adjudged by a court to be void or unenforceable, the same will in no way affect any other provision of this Agreement, the application of any such provision in any other circumstances or the validity, or enforceability of the Agreement as a whole.

29. MINOR CHANGES. This Agreement has been approved in substantially the form submitted to the governing bodies of the Parties. The officers executing this Agreement are authorized to make and may have made, minor changes to this Agreement and attached exhibits as they have considered necessary. So long as such changes were consistent with the intent and understanding of the Parties at the time of approval by the governing bodies, the execution of the Agreement will constitute the approval of such changes by the respective Parties.

30. DAYS. If the day for any performance or event provided for herein is a Saturday, a Sunday, a day on which national banks are not open for the regular transactions of business, or a legal holiday pursuant to Section 24-11-101(1), C.R.S., such day will be extended until the next day on which such banks and state offices are open for the transaction of business.

31. RECORDING. This Agreement will be recorded in the real property records of Eagle County, Colorado.

32. GOOD FAITH OF PARTIES. In the performance of this Agreement or in considering any requested approval, consent, acceptance, or extension of time, the Parties agree that each will act in good faith and will not act unreasonably, arbitrarily, capriciously, or unreasonably withhold, condition, or delay any approval, acceptance, or extension of time required or requested pursuant to this Agreement.

33. PARTIES NOT PARTNERS. Notwithstanding any language in this Agreement or any other agreement, representation, or warranty to the contrary, the Parties will not be deemed to be partners or joint venturers, and no Party is responsible for any debt or liability of any other Party.

34. NO WAIVER OF IMMUNITY. Nothing contained in this Agreement constitutes a waiver of sovereign immunity or governmental immunity by any Party under applicable state law.

35. SUBORDINATION. Developer shall cause any mortgagee or deed of trust beneficiary to subordinate its interest in the Property to this Agreement.

IN WITNESS WHEREOF, this Agreement is executed by the Parties as of _____, 2016.

ATTEST:

TOWN OF BASALT

Pamela K. Schilling, Town Clerk

Jacque R. Whitsitt, Mayor

(SEAL)

Approved as to form:

Notice Address:
Town of Basalt
Basalt Town Hall
101 Midland Avenue
Basalt, Colorado 81621
Thomas Smith, Town Attorney
Email: tsmith@aps-pc.com

Fax: 970-925-4720

WILLITS TOWN CENTER LLC,
a Delaware limited liability company

By: Mariner Real Estate Management, LLC, its Manager

By: _____
Name: _____
Title: _____

Notice Address:

Willits Town Center LLC
4601 College Boulevard, Suite 350
Leawood, KS 66211
Attention: President
Telephone: (816) 561-3796
Email: ryan.anderson@mariner-re.com terry.anderson@mariner-re.com

With a copy to:

Polsinelli PC
1515 Wynkoop, Suite 600
Denver, Colorado 80202
Direct: 303.583.8240
Fax: 303.942.3940
Attention: Paul V. Franke, Esq.
[Email: pvfranke@polsinelli.com](mailto:pvfranke@polsinelli.com)

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

Block 1, lot 3:

2nd Amended Lot 3, Block 1, according to the Second Amended Final Plat and Zone District Map of: Lot 3, Block 1, Amended Tract 1, Amended Blocks 2, 6, and 8, Block 12, Transit/Government Tract, Amended Public Parking Tract, Amended Reed Street and a Portion of Grange Street, Willits Town Center PUD, recorded November 9, 2011 at [Reception No. 201120959](#), County of Eagle, State of Colorado.

Block 2:

Lots A, B, C, D, E and F, WILLITS TOWN CENTER, FILING NO.2, according to the Final Plat thereof recorded November 9, 2011 at [Reception No. 201120960](#), County of Eagle, State of Colorado.

Block 3:

Block 3, WILLITS TOWN CENTER PLANNED UNIT DEVELOPMENT, according to the Plat thereof recorded July 25, 2001 as [Reception No. 763043](#), County of Eagle, State of Colorado.

Block 4:

Block 4, WILLITS TOWN CENTER PLANNED UNIT DEVELOPMENT, according to the Plat thereof recorded July 25, 2001 as [Reception No. 763043](#), County of Eagle, State of Colorado.

Block 5:

Condominium Units C-100, C-104, C-106, C-110A, C-110B, C-111, C-112, C-116, C-118, C-120, C-122, C-124, C-126 and C-128, TRIANGLE PARK LOFTS, according to the Condominium Map recorded October 10, 2006 as [Reception No. 200627627](#) and amended by First Amendment thereto recorded November 16, 2012, at [Reception No. 201223141](#), and by Second Amendment thereto recorded October 1, 2013 at [Reception No. 201319794](#); and according to the Condominium Declaration recorded October 10, 2006 as [Reception No. 200627628](#), as amended by First Amendment thereto recorded October 11, 2006 as [Reception No. 200627864](#), by Second Amendment thereto recorded November 16, 2012, at [Reception No. 201223140](#), and by Third Amendment thereto recorded October 1, 2013 at [Reception No. 201319795](#), County of Eagle, State of Colorado.

Block 6:

Condominium Units 001, 101, 201, and 301, CONDOMINIUM MAP OF MARKET STREET CROSSINGS, according to the Condominium Map thereof recorded June 25, 2014 at [Reception No. 201410385](#), and as defined and described in the Condominium Declaration for Market Street Crossings recorded June 25, 2014 at [Reception No. 201410386](#), County of Eagle, State of Colorado.

C1-1

Block 7:

Block 7, WILLITS TOWN CENTER PLANNED UNIT DEVELOPMENT, according to the Plat thereof recorded July 25, 2001 as [Reception No. 763043](#), County of Eagle, State of Colorado.

Block 8:

2nd Amended Block 8/Transit/Government Tract, according to the Second Amended Final Plat and Zone District Map of: Lot 3, Block 1, Amended Tract 1, Amended Blocks 2, 6, and 8, Block 12, Transit/Government Tract, Amended Public Parking Tract, Amended Reed Street and a Portion of Grange Street, Willits Town Center PUD, recorded November 9, 2011 at [Reception No. 201120959](#), County of Eagle, State of Colorado.

Block 9:

Block 9, WILLITS TOWN CENTER PLANNED UNIT DEVELOPMENT, according to the Plat thereof recorded July 25, 2001 as [Reception No. 763043](#), County of Eagle, State of Colorado.

Block 10:

Lot B, Block 10, Willits Town Center, Filing No. 10 according to the Amended Final Plat thereof recorded May 28, 2008 as [Reception No. 200811079](#), County of Eagle, State of Colorado, AND

Units P-13, P-27, P-28, P-29, P-30, P-32, P-52, P-55 and P-56, MARKET STREET LOFTS CONDOMINIUMS, according to the Condominium Map of Market Street Lofts Condominiums recorded May 28, 2008 as [Reception No. 200811080](#) and as described and defined by the Condominium Declaration for Market Street Lofts Condominiums recorded May 28, 2008 as [Reception No. 200811082](#), and First Amendment thereto recorded April 16, 2012 at [Reception No. 201207462](#), all in the Office of the Clerk and Recorder of Eagle County, Colorado.

Block 11:

Block 11, WILLITS TOWN CENTER PLANNED UNIT DEVELOPMENT, according to the Plat thereof recorded July 25, 2001 as [Reception No. 763043](#), County of Eagle, State of Colorado.

Block 12:

Lot 1, 2nd Amended Block 12, WILLITS TOWN CENTER FILING NO. 12, according to the Plat thereof recorded October 14, 2014 at [Reception No. 201417565](#), County of Eagle, State of Colorado.

ADDED

EXHIBIT B to the PIF Agreement

PROCEDURE FOR DOCUMENTING, CERTIFYING AND PAYING ELIGIBLE COSTS
AND PROJECT COSTS

1. Applicability. All capitalized terms that are not specifically defined in this Exhibit B will have the same meaning as defined in the Agreement.

2. Engineer. The Town will select a licensed engineer experienced in the design and construction of public improvements in Eagle County, Colorado (the "**Town Engineer**"). The Town Engineer shall be responsible for reviewing, approving, and providing the certificate required by Paragraph 3(b).

3. Procedure for Documentation, Certification and Payment of Eligible Costs and Project Costs. The Developer will be responsible for documenting all Eligible Costs and Project Costs. Eligible Costs for Eligible Improvements constructed by Developer and accepted by Town on or prior to the date hereof ("Existing Eligible Improvements") and for Eligible Improvements to be constructed in the future ("Future Eligible Improvements") shall be subject to the following requirements, as applicable.

(a)Eligible Costs. Pursuant to Paragraph 1 of the Agreement, Eligible Costs means, collectively, all reasonable and customary expenditures for design and construction of Eligible Improvements, including necessary and reasonable soft costs, and all reasonable and necessary costs related to the engineering and design work for the Eligible Improvements, provided, however, that, during the term of the Agreement, the cumulative present value amount paid under the Credit PIF to Developer under the Agreement as of any date shall not exceed the cumulative direct costs incurred by or on behalf of Developer for the design, construction and implementation of the Project as of such date.

(b)Existing Eligible Improvements. As of the date hereof, the Developer believes that there is \$_____ of Eligible Costs that have previously been incurred by Developer for construction of Existing Eligible Improvements, of which fifty percent (50%) or potentially \$_____ (the "Existing Eligible Improvements Cost Cap"), is eligible to be paid and reimbursed by Town to Developer in accordance with the Credit PIF consistent with the terms and provisions of the Agreement and this Exhibit B provided that the Town certifies the costs in accordance with the procedures established herein (Certified Existing Costs).

(1) In order to obtain credit for Eligible Existing Expenses, the Developer must submit the initial certification request of eligible improvements and associated costs to the Town no later than June 1, 2016 along with the supporting documentation to the Town and must receive a Certificate of Approval for Eligible Expenses from the Town no later than December 1, 2016.

(2) The Town shall have 60 days after receipt of the Request for Certification to conduct such inspections of the applicable improvements as it deems necessary and review of documents provided by the Developer and either:

(i) provide written notice to Owner that the Request is acceptable;

or

(ii) provide written notice to Developer that the request does not comply with the requirements of this agreement (“Deficiency Notice”). The Town shall not unreasonably withhold acceptance of any certification provided that sufficient documentation has been submitted that verifies that the costs were expended for existing eligible improvements.

(3) If the Developer does not receive a Deficiency Notice within the Approval Period, the Completed Portion shall be deemed Certified by the Town.

(4) If the Developer receives a Deficiency Notice within the Approval Period, Owner’s representative shall meet with the Town Engineer to discuss and reach agreement on Eligible Costs.

(5) Upon receipt of a Certificate of Approval for Eligible Expenses or paragraph (3) above applies, the Eligible Costs for such Existing Eligible Improvements (in each case subject to the Existing Eligible Improvements Cost Cap) shall be included in an aggregate running total by the Town of Certified Eligible Expenses and reimbursed by Town to Developer upon receipt of an invoice from Developer identifying that it is for a cost included in the Town list of Certified Expenses and available Credit PIF revenues. Such Eligible Costs shall be paid and reimbursed by Town to Developer quarterly in accordance with the Agreement and this Exhibit B from available Credit PIF revenues collected by the Town.

(c) Future Eligible Improvements. Eligible Improvements which satisfy the definition of Eligible Improvements which remain to be constructed on the date of the Agreement are eligible to be paid and reimbursed by Town to Developer as part of the Credit PIF in accordance with the terms and provisions of the Agreement and this Exhibit B provided that the Town certifies the costs in accordance with the procedures established herein (Certified Costs). For Future Eligible Improvements, Eligible Costs associated therewith may be certified when a pay application has been submitted by a contractor that complies with the procedure set forth in this Exhibit B or upon Completion of Construction of a Future Eligible Improvement. All submissions for Eligible Costs related to Future Eligible Improvements shall include a certification signed by both the authorized representative of the Developer and Town Engineer, as applicable. Each such certificate shall state that the information contained therein is true and accurate to the best of each individual's information and belief and, to the best knowledge of such individual, qualifies as Eligible Costs. Submissions for Eligible Costs for Future Eligible Improvements will include copies of backup documentation supporting the listed cost items, including bills, statements, pay request forms from first-tier contractors and suppliers, conditional lien waivers, and copies

of each check issued by the Developer for each item listed on the statement. Unless required by a Developer construction contract then being performed and approved by the Town Finance Director, statements for payment of Eligible Costs for Future Eligible Improvements shall not include advance payments of any kind for unperformed work or materials not delivered and stored on the Property to be used for Eligible Costs. Submissions in accordance with this subsection related to Future Eligible Improvements may be made by the Developer to the Town for review on a no more frequently than quarterly basis. Such review is for the purpose of verifying that the work represented in each payment request and supporting documentation complies with the requirements of this ***Exhibit B*** and the Agreement and is necessary for the Town to confirm that the work was completed in accordance with the Plan and Specifications approved by the Town.

(1) In order to obtain Certification by the Town Engineer and payment for Eligible Existing Expenses, the Developer must submit the initial certification request of eligible improvements and associated costs to the Town Engineer.

(2) The Town Engineer shall have 30 days after receipt of the Request for Certification to conduct such inspections of the applicable improvements as it deems necessary and to review documents provided by the Developer and either:

(i) provide written notice to Owner that the Request is acceptable;

or

(ii) provide written notice to Developer that the request does not comply with the requirements of this agreement (“Deficiency Notice”). The Town shall not unreasonably withhold acceptance of any certification provided that sufficient documentation has been submitted that verifies that the costs were expended for existing eligible improvements.

(3) If the Developer does not receive a Deficiency Notice within the Approval Period, the Completed Portion shall be deemed Certified by the Town.

(4) If the Developer receives a Deficiency Notice within the Approval Period, Owner’s representative shall meet with the Town Engineer to discuss and reach agreement on any requirements necessary to certify the costs as Eligible Costs.

(5) Upon receipt of a Certificate of Approval for Eligible Expenses or subparagraph (3) above applies, the Eligible Costs for such Eligible Improvements shall be included an aggregate running total by the Town of Certified Eligible Expenses and reimbursed by Town to Developer upon receipt of an invoice from Developer identifying that it is for a cost included in the Town list of Certified Expenses. Such Eligible Costs shall be paid and reimbursed by Town to Developer quarterly in accordance with the Agreement and this ***Exhibit B*** from available Credit PIF revenues collected by the Town.

Upon the Town Engineer’s approval and inclusion in the aggregate running total of Certified Eligible Expenses, the Developer may invoice the Town and the Town will remit

payment within 45 days from available Credit PIF revenues as provided in this *Exhibit B* and the Agreement.

(d)Project Costs. Project Costs may be certified by Developer at any time but shall be paid quarterly in accordance with the terms of the Agreement and this *Exhibit B*. Certifications for Project Costs need only be signed and notarized by the Developer. Each certificate shall state that the information contained therein is true and accurate to the best of each individual's information and belief and, to the best knowledge of such individual, qualifies as Project Costs. Submissions for Project Costs shall include copies of paid receipts or other evidence reasonably acceptable to Town that the expenditures have been incurred. Unless required by a Developer construction contract then being performed, statements for payment of Project Costs shall not include advance payments of any kind for unperformed work or materials not delivered and stored on the Property. Upon the earlier of approval of such documentation or expiration of ten (10) business days following the Town's receipt of Developer's certification, the Town shall compile and maintain an aggregate running total of Project Costs to be reimbursed from Add-On PIF revenues. Thereafter, the Town will make payments of Project Costs to the Developer from then available Add-On PIF revenues as provided in this *Exhibit B* and the Agreement.

4. Town May Develop Additional Procedures. Notwithstanding the foregoing provisions, the Town Finance Director and Town Engineer may place additional requirements for submittal of expenses and invoices as reasonably necessary to implement the Agreement and this *Exhibit B*.

5. No Town Liability for PIF Revenue Shortfalls. Notwithstanding the foregoing provisions, the Parties acknowledge and agree that PIF Revenues collected by the Town for payment of Eligible Costs and/or Project Costs, as applicable, may be insufficient to make the payments or reimbursements. In the event there are insufficient PIF Revenues to reimburse Developer, this shall not constitute an event of default under the Agreement and any such payments or reimbursements shall be made only from available PIF Revenues and any unpaid amount, or portion thereof, shall be made when PIF Revenues are thereafter received by the Town.

EXHIBIT C to the PIF Agreement

**Town of Basalt, Colorado
Ordinance No. 26
Series of 2015**

**AN ORDINANCE OF THE TOWN COUNCIL OF BASALT, COLORADO AMENDING
CHAPTER 4, REVENUE AND FINANCE, OF THE BASALT MUNICIPAL CODE
CONCERNING THE TOWN'S SALES TAX,
BY PROVIDING FOR A SALES TAX CREDIT AGAINST CERTAIN
PUBLIC IMPROVEMENT FEES PAID AT WILLITS TOWN CENTER, BASALT,
COLORADO**

[Ordinance No. 26, 2015 as approved by the Town Council will be inserted here].

D-1

EXHIBIT D to the PIF Agreement

**Town of Basalt, Colorado
Ordinance No. 28
Series of 2015**

ORDINANCE OF THE TOWN COUNCIL OF BASALT, COLORADO APPROVING AMENDMENTS TO THE APPROVAL DOCUMENTS FOR THE WILLITS TOWN CENTER PUD AND AUTHORIZING TRANSFER OF PROPERTY INTERESTS FROM THE TOWN TO THE WILLITS TOWN CENTER (WTC) DEVELOPER

[Ordinance No. 28, 2015 as approved by the Town Council will be inserted here].

6 Proposed Changes to Ordinance No. 27

Proposed Amendment written for Commissioner Grauer to reduce Credit PIF Cap

Change the definition for Credit PIF within Exhibit A of Ordinance No. 27, Series of 2015 Ordinance No. 26, 2015 would not require amendment

Language to be deleted appears in ~~struck through~~ text. Language to be added is underlined.

3.4 Credit PIF. The Credit PIF shall commence on January 1, 2016 (the “Credit PIF Commencement Date”), and shall terminate upon the earlier to occur of the following: (i) December 31, 2030 (i.e., the expiration of fifteen (15) years following the Credit PIF Commencement Date); or (ii) payment and reimbursement by the Town to Developer of Eligible Costs for Eligible Improvements whose maximum present value, calculated on the basis of and utilizing a six percent (6.0%) present value discount rate from the Effective Date (net of any administrative or processing fees charged by the State of Colorado with regard to Sales Tax), equals an amount not to exceed ~~\$5,000,000.00~~ \$2,000,000.00 (the “Credit PIF Cap”) (the earlier to occur of clauses (i) and (ii) of this Section 3.4 being the “Credit PIF Termination date”).

7 SUMMARY Info on Land Use Approvals

Ordinance No. 28 – Approves Amendments to Willits Town Center PUD and Other Approval Documents

Significant land use Changes. The more significant land use changes requested by Willits Town Center, LLC. include the following:

1. Increase the Maximum Allowable Floor Area in the PUD by 91,000 square feet;
2. Increase the Maximum Allowable Residential Floor Area in the PUD by 31,500 square feet;
3. Amend the existing timing requirements for the Developer to offer fully deed-restricted units to the Town and the Fire District;
4. Amend the PUD monument sign requirements;
5. Amend the community benefit requirements of the PUD to remove the requirement to build and dedicate 1,200 square feet on Block 8 to the Town in exchange for the Town to receive credit towards the purchase of affordable housing units;
6. Remove the reverter condition on a portion of the Block 2 Parking Lot;
7. Amend the requirements related to the Block 2 parking garage;
8. Remove the requirements for alleys on the remaining blocks;
9. Request Confirmation of compliance with the Parkland Dedication Requirements

Key Items in Ord 28 and Exhibit A
Willits Town Center PUD Amendment

1. Approves request for 91,000 additional square feet (SF) of floor area (increase of commercial by 59,500 SF and increase of residential by 31,500 SF)
2. Dec 8th Ord gave Council 2 options for addressing 1,200 SF core and shell building on Block 8 which was to be constructed by Sept. 2015 (part of agreement when Town donated Government/Transit parcel to WTC for Whole Foods)
 - a. Exchange requirement for one 3-bedroom AH unit plus 2 underground parking spaces
 - or
 - b. Require WTC to Build 1,200 core and shell blg on Block 8 but extends deadline to July 1, 2017.

Jan 12th Update – Council selected the 2nd Option in order to provide the opportunity for a Veteran’s Facility on Block 8

3. Mitigates Traffic by:
 - a. Neighborhood impacts - Requires 2 pedestrian tables on East Valley Rd in single family area (replacing current traffic calming devices)
 - b. Internal and Neighborhood Impacts – We-cycle contribution of \$60 K for capital and \$10 for operating for 3 yrs.
 - c. SH 82 Impacts – Interconnect traffic signals at El Jebel Rd with Willits Ln with fiber-optic communication as part of CDOT recommendation
 - d. Parking Agreement – Authorizes agreement to allow public parking in parking garage under Block 2 (Whole Foods Blg). This is tied to request for Town to eliminate “reverter” on Block 2 parking area.

Jan 12th Update – Ordinance has been amended to include a requirement for a Transportation Demand Management (TDM) Program. See Exhibit C and Condition No. 14.

4. Affordable Housing – Additional conditions regarding affordable housing mitigation due to additional square footage
5. Day care contribution – Requires payment impact fee for Day Care

6. Signage Amendments – Reduces Developer’s Application Request for a 270 SF foot per face sign to 180 SF.
7. Performance Requirement – requires building permit and start of commercial construction on at least 1 of the larger unbuilt blocks within 3 years or lose additional square feet being granted.
8. **Other**
Jan 12 Update – Construction Management. In response to citizen concerns, Ordinance has been amended to add requirements to the next construction management plans after the Block 7 filing to address the dirt piles off Pioneer St.

Willits Town Center



**Town of Basalt, Colorado
Ordinance No. 28
Series of 2015**

ORDINANCE OF THE TOWN COUNCIL OF BASALT, COLORADO APPROVING AMENDMENTS TO THE APPROVAL DOCUMENTS FOR THE WILLITS TOWN CENTER PUD AND AUTHORIZING TRANSFER OF PROPERTY INTERESTS FROM THE TOWN TO THE WILLITS TOWN CENTER (WTC) DEVELOPER

RECITALS

A. Willits Town Center LLC, as the current Developer of the Willits Town Center PUD filed an application and subsequently submitted additional materials (collectively the "Application") with the Town of Basalt, Colorado ("Town"), for approval of amendments to the Approval Documents for the Willits Town Center PUD. The area included within the application consists of the area defined as Blocks 1-12 and all Tracts as shown on the Plat of Willits Town Center Planned Unit Development, recorded July 25, 2001 as Reception No. 763043, as the same has subsequently been amended and restated, and replatted into Filings and Condominiums.

B. Amendments to the existing approvals for Willits Town Center are being requested by the Developer. The more significant land use changes requested by the Developer include the following: 1) Increase the Maximum Allowable Floor Area in the PUD by 91,000 square feet; 2) Increase the Maximum Allowable Residential Floor Area in the PUD by 31,500 square feet; 3) Amend the existing timing requirements for the Developer to offer fully deed-restricted units to the Town and the Fire District; 5) Amend the PUD monument sign requirements; 6) Amend the community benefit requirements of the PUD to remove the requirement to build and dedicate 1,200 square feet on Block 8 to the Town in exchange for the Town to receive credit towards the purchase of affordable housing units; 7) Remove the reverter condition on a portion of the Block 2 Parking Lot; 8) Amend the requirements related to the Block 2 parking garage; 9) Remove the requirements for alleys on the remaining blocks; and 10) Request Confirmation of compliance with the Parkland Dedication Requirements.

C. The Technical Review Committee ("TRC") considered the application at TRC Meetings. The TRC recommended that the Planning and Zoning Commission recommend to the Town Council that it approve the amendments contained in the Application subject to certain conditions and modifications. The TRC made a finding pursuant to Section 1.11 of the PUD Control Document that the Application must proceed as a "two-step" amendment.

Please return to:
TOWN OF BASALT
101 Midland Avenue
Basalt, CO 81621

D. At a public meeting on November 3, 2015 and a duly-noticed public hearing on November 17, 2015, the Planning and Zoning Commission considered the application and voted to recommend to the Town Council that it approve the amendments contained in the Application subject to certain conditions and modifications.

E. At a public hearing on December 8, 2015, the Council considered this Ordinance on first reading, and continued and set the public hearing and second reading for this Ordinance for January 12, 2016, for a meeting beginning no earlier than 6:00 pm at the Basalt Town Hall, 101 Midland Avenue, Basalt, Colorado.

F. At a public hearing and second reading scheduled for January 12, 2016, the Town Council heard evidence and testimony as offered by the Town Staff, the Developer and members of the public.

G. The Town Council finds and determines it is in the best interests of the Town to approve this Ordinance. The Town Council finds and determines that the approvals contained in this Ordinance are consistent with the Town Code and the Amended and Restated PUD Control Document for WTC. Further, the Town Council finds and determines this Ordinance is reasonably necessary to promote the legitimate public purposes of the public health, safety and welfare.

NOW, THEREFORE, BE IT ORDAINED by the Town Council of Basalt, Colorado, that, based on the Application, reports, evidence, testimony, exhibits and comments from the public, Applicant and Town staff, it hereby makes the following findings of fact and grants the following approvals for the Willits Town Center Planned Unit Development.

A. FINDINGS OF FACT. The Town Council conclusively makes and adopts the findings and conclusions set forth above and below.

1. The Application is appropriate for review as a two-step review.
2. The amendments as approved by this ordinance are in general conformity with the intent and purposes of the Development Plan for WTC, as amended.
3. The amendments as included in this ordinance reasonably conform to the intent and purposes of the Basalt Master Plan.

4. Any variations from Town Code or amendments to the Development Plan approved by this Ordinance are designed to accomplish the purposes of planned unit developments as described in the Town Code.

5. The amendments to the Development Plan as approved by this Ordinance will compliment and be integrated into the existing development in the area and particularly within WTC.

6. The amendments to the Development Plan as approved by this Ordinance will not have an adverse environmental impact, excessively increase traffic hazards or congestion, overload utilities or otherwise be detrimental to the general welfare of the community and to the WTC and will not affect in a substantially adverse manner either the enjoyment of land abutting on or across the street from the WTC or the public interest.

7. In accordance with § 24-67-106(3) (b), C.R.S., the modifications, removal or releases as approved by this Ordinance are consistent with the efficient development and preservation of the entire planned unit development, do not affect in a substantially adverse manner either the enjoyment of land abutting upon or across the street from the planned unit developer or the public interest and are not granted solely to confer a special benefit on any person.

8. The approvals granted herein by the Town are in accordance with CRS 38-12-301, regarding rental housing. The Developer is voluntarily agreeing to the provisions included in the amendments to the WTC approval documents as included in this ordinance.

9. Based on information provided by the Mid-Valley Metropolitan District, upon compliance with the conditions contained herein, there is adequate water supply to accommodate the development pursuant to C.C.R. 29-2--301.

10. It is in the best interests of the citizens of the Town of Basalt that the Application be approved as described in this Ordinance.

B. APPROVAL AND CONDITIONS OF APPROVAL. The Town Council hereby approves the amendments to the Approval Documents as described in the Application and in order to effectuate the amendment request described in Recital B above subject to the following conditions.

1. The approvals granted hereby are specifically conditioned on and subject to compliance with the conditions included in the attached **Exhibit A** and **Exhibit B**

incorporated herein by this reference. Interpretations of the provisions of this ordinance shall be governed by the parameters of Section 1.11 of the Amended and Restated Willits Town Center PUD Control Document (WTC PUD).

2. The Mayor of the Town of Basalt and the Town Clerk are hereby authorized to affirm the approval of the Town Council by signing and delivery for recording an amended PUD control document for Willits Town Center consistent with the purposes and intent of this Ordinance (including as set forth in the Recitals and Exhibits, and consistent with Ordinances of the Town related to WTC approved by the Town Council subsequent to the date of the existing WTC PUD) subject to the prior review and approval by the Town Attorney.

3. The Mayor of the Town of Basalt and the Town Clerk are hereby authorized to implement the approval of the Town Council by signing and delivering for recording a revised plat ("Fourth Amended Plat") and a Bargain and Sale Deed releasing the right of reverter on the Block 2 parking area, as determined necessary by the Town Attorney to reflect the approvals and conditions approved by this Ordinance after review by the TRC and the Town Attorney.

4. Prior to or simultaneous with the recording of the amended PUD control document, the Developer and the Town shall execute and deliver for recording amendments or supplements to the WTC Approval Documents to satisfy compliance with the conditions of approval included in this Ordinance. After approval by the Town Attorney, the Mayor and Town Clerk are hereby authorized to execute and deliver any additional amendments to the WTC Approval Documents reasonably necessary to accomplish the purposes and intents of this Ordinance.

5. The Fourth Amended Plat approved hereby includes removing the Government/Transit Tract designation from Block 8 as shown on the Second Amended Final Plan and Zone District Map. By authorizing execution of the Fourth Amended Plat and by the adoption of this Ordinance, the Town is specifically authorizing the conveyance of property interests to the Applicant in such manner as determined by the Town Attorney. Pursuant to Section 1.3(G), Town Charter, the Town Council by Ordinance may authorize the transfer of Town-owned property interests. The conveyances shall occur prior to or concurrent with the Filing for Block 8. *(Note: this condition may change depending on the Council's action on the conditions included in Exhibit A on the 1,200 square feet core and shell space and action on the reverter).*

6. The PUD Control Document included approval of "Plans and Specifications" as defined at Section 1.10(n) thereof. To accommodate the amendments approved hereby.

The Applicant shall submit amended Plans and Specifications consistent with the conditions included herein for review and approval by the TRC and the Mid-Valley Metropolitan District before filing the amended PUD control document.

7. This Ordinance, after fully executed, shall be recorded in the office of the Clerk and Recorder of Eagle County, Colorado.

8. In the event that the Applicant and Town Attorney are not able to reach agreement on one or more of the documents approved herein, it shall be brought to the Town Council at a regular or special meeting to review the final terms and conditions thereof.

9. The approvals and conditions contained herein shall be binding on and inure to the benefit of the heirs, successors and assigns of the Applicant and the owners of the Property.

10. If any part, section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this Ordinance and the Town Council hereby declares it would have passed this Ordinance and each part, section, subsection, sentence, clause or phrase thereof regardless of the fact that any one or more parts, sections, subsections, sentences, clauses or phrases be declared invalid.

READ ON FIRST READING, ORDERED PUBLISHED AND SET FOR PUBLIC HEARING TO BE HELD ON DECEMBER 8, 2015, by a vote of 4 to 2 on December 8, 2015.

READ ON SECOND READING AND ADOPTED, by a vote of ___ to ___ on January 12, 2016.

TOWN OF BASALT, COLORADO

By: _____
Jacque R. Whitsitt, Mayor

ATTEST:

Town of Basalt, Colorado
Ordinance No. 28, Series of 2015
Page 6

Pamela Schilling, Town Clerk

First Publication: Thursday, _____, 2015
Second Publication: Thursday, _____, 2015
Effective Date: Thursday, _____, 2016

Exhibit A

Representations:

1. The Developer shall comply with all representations set forth in the Application.
2. The Developer shall comply with all material representations made in hearings before the Planning and Zoning Commission (P&Z) and Town Council.

Development Program and Increase in Square Footage:

3. The request for additional residential and commercial square footage is approved subject to the following:
 - A. Block 4 and 9 will each have a minimum square footage of 10,000 S.F. of commercial. No free-market residential square footage is permitted to receive a building permit on Block 4 and 9 unless the minimum square feet of commercial has received a building permit before or concurrent with the free-market residential construction.
 - B. Resident Occupied (RO) housing is not approved for any affordable housing mitigation required by this approval or on Block 7. The PUD document shall also be amended to eliminate the provision whereby RO housing is not counted toward the maximum floor area restrictions.
 - C. No more than 100 additional free-market residential units may be constructed in the Willits Town Center Development. No new residential unit may be larger than 1,800 square feet in total floor area (not counting any garage space).
 - D. A site plan shall be submitted for any development on Block 3 for review and approval by the P&Z at a public hearing. The Developer may appeal the P&Z's decision to the Town Council.

4. Requirement for Public Parking Garage to be open to the public - Clarification of Ordinance No. 14, Series of 2014 Reverter for Original Government/Transit Tract:

- A. The Town and the Developer shall execute the "Agreement Regarding Town of Basalt, Colorado, Ordinance No. 11, Series of 2014 and Ordinance No. 28, Series of 2015" substantially in the form as presented at the Council's January 12th meeting. The Town Attorney may approve minor changes that satisfy the intent of this ordinance.
- B. Background: By a Bargain and Sale Deed, dated November 8, 2011, recorded on November 9, 2011, in the real estate records of Eagle County, Colorado, as Instrument No. 201120954 (the "2011 Reverter Deed"), the Town conveyed to Willits Town Center, LLC, a Delaware limited liability

Agreement
is in
packet
materials

Developer
Requested
Clarifications

company (this entity is also the Developer, as that term is used in this Ordinance), the real property (hereinafter referred to as the "Reverter Tract") legally described as follows:

The Transit/Government Tract, Willits Town Center, according to the First Amended Final Plat and Zone District Map of Tract 1, Blocks 2, 6, and 8, Transit Tract, Government Tract, Public Parking Tract and a portion of Reed Street, Willits Town Center Planned Unit Development, recorded November 2, 2005, as Reception No. 935326 of the Eagle County, Colorado, records.

Section 1 of the Reverter Deed sets forth certain conditions (the "Reverter Conditions"), which, if not satisfied, provide the Town the possibility of requiring the owner of the Reverter Tract to convey the Reverter Tract to the Town (the "Possibility of Reverter"). The Possibility of Reverter is also described in Town of Basalt Ordinance No. 11, Series of 2010.

The Town forever waives, disclaims, quitclaims, and relinquishes all right, title, and interest arising with respect to the Possibility of Reverter. Upon request from the owner of the Reverter Tract, the Town agrees it will execute such additional instruments as may be required from time to time to evidence the waiver and relinquishment of the Possibility of Reverter.

Signage:

5. The proposed amendment to change the primary monument sign size allowance along Highway 82 to 270 square feet per face is not approved. Instead, the primary monument sign shall be permitted to be 180 square feet per face and up to 11.5 feet tall. The amendment to include a maximum of four (4) tenant names, one of which may be the hotel, per sign face on the primary monument sign is approved. Any lighting for the monument sign shall be downcast and satisfy the Town lighting code requirements. The Town has the option of switching the Town message board and the Performing Arts Center Message Board signs.

Affordable Housing Requirements:

6. The Developer's affordable housing plan is included in **Exhibit B** of this Ordinance and is approved with the following amendments and clarifications.
 - A. The additional 59,583 square feet of commercial development result in a requirement in 19,153 square feet of additional affordable housing ("Additional Affordable Housing") as shown on **Exhibit B**. The Town's Community Housing Livability and Occupancy requirements in the Town's Community Housing Guidelines will apply to all affordable housing being constructed in Willits Town Center. The Additional Affordable Housing units are required to be provided at the Category 2 prices as required by the Town Code for mixed-use development except for:

- i. The 7,600 square feet of the Additional Affordable Housing“ (\pm 8 units) as shown on **Exhibit B** to be built on Block 7 may use the prior higher sale prices to be consistent with the other 6 affordable housing units being constructed to satisfy prior AH commitments);
 - ii. The parking provisions outlined below in subparagraph B.
- B. The financial allowance for the Developer to add some cost to the sale or rental price of affordable housing units per the provisions of Conditions 5 and 10 of Exhibit C of Ordinance No. 11, Series of 2010 for the construction of structured or underground parking remains in effect with the following amendments:
 - i. Block 7 parking provisions remain unchanged.
 - ii. For sale units, the maximum allowance for an entirely underground parking space may increase to \$20,000 per space. For rental units, the maximum additional monthly rent for an entirely underground parking space may increase to \$130. After January 1, 2017, such prices and rents may increase 3% per year compounding annually.
 - iii. If structured or underground parking is not provided for the affordable housing unit, then the parking requirement for free-market units shall apply.
- C. If the Town or Fire District determines not to purchase the 4 units in South Block 7 required under existing approvals to be offered by the Developer, units will continue to be offered to the Town and District in the next blocks with residential housing units per the current approvals.
- D. The units to be made available for purchase by the School District, the Town, and the Fire District will count toward the prior PUD Affordable Housing requirements and the requirements calculated under this PUD amendment application and included in **Exhibit B** of this ordinance. The Town Attorney shall be authorized to modify the Town’s standard deed restriction to meet the needs of these entities should they purchase the affordable housing units.
- E. The certificates of occupancy for the affordable housing units attributable to the increase in square footage permitted by this PUD amendment shall be provided no later than the first of:
 - i. Prior to or concurrent with the certificates of occupancy for the commercial or residential development that would trigger the affordable housing mitigation requirement.
 - ii. Before the filing of the 12th plat (as required under current approvals).
- F. All affordable housing units required under this approval shall be deed restricted as sales units. Notwithstanding the foregoing, if an individual building with free-market units, where all of the units are for rent, also includes affordable housing units, then the deed restricted units within such building may be converted to rental units. In addition the Special Housing Evaluation Committee may also grant approval for the housing units to be rental based on the current needs of the Town.
- G. The Developer must execute appropriate deed restrictions applicable to all affordable housing units.

Council's
Dec 8
motion →

- 7. The Town Council hereby extends the deadline included in Condition 7C, of Exhibit E of Ordinance No. 11, Series of 2010 to July 1, 2017, for the Developer to design, engineer and construct a 1,200 core and shell space on Block 8.

Because the legal description for "Block 8" has changed over time, the Town wishes to clarify that the "Block 8" referenced under this Section is legally described as follows:

Developer
clarifications

2nd Amended Block 8/Transit/Government Tract, according to the Second Amended Final Plat and Zone District Map of: Lot 3, Block 1, Amended Tract 1, Amended Blocks 2, 6, and 8, Block 12, Transit/Government Tract, Amended Public Parking Tract, Amended Reed Street and a Portion of Grange Street, Willits Town Center PUD, according to the Plat thereof recorded November 9, 2011 at Reception No. [201120959](#), County of Eagle, State of Colorado.

Design Guidelines:

- 8. This approval authorizes the TRC to grant waivers to the design guidelines for maximum building size on Blocks 4, 9 and 11 provided the TRC finds that the following is satisfied:
 - A. The development on each of Blocks 3, 4, 9 and 11 is provided with sufficient fenestration, use of different colors, materials and detail that it appears that the PUD maximum building size specified in Section 3.2 of the PUD Control document is met. Regardless, no one commercial first floor use on these blocks shall exceed 27,000 square feet unless permitted by one-step review or the use is a hotel per the current PUD requirements.
 - B. Residential development facing Pioneer Street or Lewis Lane does not have to follow the PUD design requirement that residential on the first floor be designed to allow for conversion to commercial uses. However before permit on any of these blocks, the design guidelines shall be amended as provided by Condition No. 14 of Ordinance No. 11, Series of 2014.
 - C. The new buildings on Block 4, 9 and 11 shall be built so that the portion of the block devoted to commercial use on the first floor shall face commercial development across the street on Robinson Street and Reed Street as determined by the TRC.
 - D. The Design Guidelines shall be amended to address appropriate landscaping and/or screening for on-grade parking lots that provides for safety while creating an attractive street and pedestrian experience along the sidewalks and streets in Willits Town Center.
- 9. The alleys shown on the plat for Blocks 4, 9 and 11 are hereby vacated provided that the Developer:

- A. Provides at least 2 additional pocket parks, where the total new pocket park square footage required is 5,000 square feet. Such pocket parks shall be adjacent to a private or public street and shall include play features suitable for small children. The additional pocket parks shall be privately maintained and may be restricted to residents of Willits Town Center, unless publicly dedicated. Each pocket park shall be a minimum of 1,000 square feet.
- B. Each of Blocks 3, 4, 9, and 11 shall be provided with a loading area of a size to be approved by TRC.

10. The Developer shall fund a portion of the replacement of the current traffic calming devices located on East Valley Road by paying for two of three red concrete pedestrian tables to be installed in place of the current East Valley Road traffic-calming devices. The Developer shall reimburse the Town upon delivery of an invoice from the Town. Alternatively, at any time before the Town gives a notice to proceed for the Town's construction of the pedestrian tables, the Developer may provide notice to the Town that the Developer chooses to construct the two tables, at which time the Developer shall submit construction plans for the Town's review and approval and complete construction of the tables within 9 months of the Developer's notice. For clarity, the Town desires pedestrian tables such as the ones built on East Valley Road near the El Jebel BRT station.

△
For Developer
to choose
to build

Parking and Traffic:

- 11. The Developer shall provide off-street parking at a rate of 2.0 spaces for each two-bedroom free market unit instead of the 1.5 parking spaces required under the current PUD.
- 12. As recommended by the Colorado Department of Transportation, in the letter to Susan Philp, dated December 1, 2015, the Developer shall obtain a new Highway 82 access permit on behalf of the Town and install fiber optic cable in order to coordinate the traffic signals on State Highway 82. The Developer shall only be responsible for coordinating the El Jebel Road and Willits Lane signal (leaving the coordination with Willis Lane and Original Road to be done by others). The Developer is required to obtain the access permit before filing the plats for three more Blocks after Block 7 is filed, and to secure the improvement and complete construction no later than issuance of the first certificate of occupancy on the Third block filing. The Town agrees to seek other funding and will work with the Developer to expedite the improvement. Upon the written request of the Developer, to be made no later than the recording of the plat for the second block after Block 7 is filed, the Town will prepare the access permit application, and the Town will be responsible for the construction of such improvements. In that event, the Developer shall be required to reimburse the Town for all of its expenses and may be required by the Town to provide financial security for this obligation.

△
For Developer
to
ASK TOWN
TO
prepare
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ACCESS
permit
→
construct.
Developer pays

13. The Developer shall make a one-time capital contribution of \$60,000 toward We-cycle locations in and near Willits Town Center, which shall be due 30 days after being invoiced by Town of Basalt, and amend the Master Association Covenants to provide a contribution of \$10,000 per year for three years, beginning the first year a We-cycle station is installed at Willits Town Center.

New
TDM
Program

14. The Developer shall comply with the Transportation Demand Management Program (TDM) for Willits Town Center as outlined in the document prepared by Felsburg Holt & Ullevig dated January 8, 2016 and included as **Exhibit C**. A TDM status report and any recommendations shall be submitted by the Developer to the Town Planner for review and approval before each plat filing after Block 7 and before certificate of occupancy for any building on the final plat which is filed to ensure compliance.

Parks and Daycare:

15. The Town Staff made a determination that the parkland dedication and improvement requirements in Willits Town Center and Sopris Meadows are sufficient to satisfy the park requirements for the development provided the Developer adheres to the private open space requirements and pocket park requirements outlined in these conditions. For clarification, the Town's private open space requirement of 150 square foot per first floor unit and 50 square feet per upper floor unit shall be provided for each dwelling unit constructed within Willits Town Center.

16. At building permit, each new free-market dwelling unit shall pay a daycare impact fee of the following for land acquisition and construction of a daycare facility in or near Willits Town Center:

<i>Dwelling Unit of 749 SF and less</i>	<i>\$ 0</i>
<i>Dwelling Unit of 750-999 SF</i>	<i>\$2,220</i>
<i>Dwelling Unit of 1,000 SF or larger</i>	<i>\$4,424</i>

Snow Storage:

17. The current snow storage plan is out of date. As the Developer did not submit one with the application, a snow storage plan shall be submitted no later than the first building permit submittal after the issuance of a building permit on Block 7 North. The snow storage plan shall require review and approval by the Public Works Director.

Construction Management

- New
Construction Management
18. A construction management plan must be submitted by the Developer with each building permit per the current PUD approvals. The next construction management plan submitted to the Town after the Block 7 filing must include at a minimum the following:
- A. Additional requirements to ensure that the contractor does not track dirt on Town Streets and the Willits Trail.
 - B. Reduction of the visual impacts of the dirt piles located off of Pioneer Street. This requires that the Developer will either:
 - i. Construct a 6-foot cedar fence, plant vegetation and provide temporary irrigation on the portions of the piles which are not actively being used for construction; or
 - ii. Move the dirt into one of the "holes" on Block 4 or Block 9, plant vegetation and provide temporary irrigation.
 - ii. In no event shall the dirt piles exceed 10 feet in height as measured from the Willits Lane Trail
 - C. No additional material may be added to the piles from areas outside of Willits Town Center, unless the Developer receives permission from the Town.
 - D. In order to reduce construction traffic and reduce costs, the Town will allow the Developer to maintain the existing dirt piles on the site provided that the material is being used for the construction of Willits Town Center and not for other developments and that the Developer adequately addresses the visual and construction impacts.

Final Approval Documents and Other Legal:

19. The documents required by this approval shall be approved by the Town Attorney, executed by the Developer, and recorded into the public records before the earlier of a construction permit being issued for Blocks 3, 4, 9 or 11 or within 180 days of the effective date of this ordinance. All documents that have not been brought into compliance with current approvals are included in this requirement.
20. Before any construction permit is issued, the Developer shall have an indemnification agreement and maintain it while any construction work is occurring for Developer work on Town property until the project is built out and the responsibilities for "Developer" under the PUD are extinguished.
21. The Town's approval for the 91,000 square feet of additional floor area shall expire if the approval documents required herein are not executed by the filing deadlines or a building permit is not issued for commercial floor area on one of Blocks 3, 4, 9, or 11 within three (3) years from the effective date of this ordinance.
22. The Developer shall comply with all other conditions of the prior approvals except as modified herein.

23. The Developer shall amend the approval notebook(s) required by the original approvals or provide digital notebooks to bring them into compliance with this approval and prior approvals, within 180 days from the effective date of this approval. The Developer shall prepare a digital version of the notebook for use by all the parties. The above requirement is permitted to be waived or delayed by the Town Planner.

Minor Amendments:

24. The TRC may review and approve minor amendments to the approval documents necessary to effectuate the intent of the final development approvals, or to make improvements to the design of the project.

Exhibit B Affordable Housing

Willits Town Center						upd: Oct 30, 2015
SF Built, SF Projected, Floor Area						
		A	B	C	A+B	
Built To Date	SF - Built and Projected	Commercial SF	Residential SF	Deed Restricted / RO	Floor Area	notes
Block 1	31,496	31,496	-	-	31,496	- various owners
Block 2	47,314	47,314	-	-	47,314	
Block 5	66,254	24,221	42,033	-	66,254	- no portion owned by WTC
Block 6	53,428	53,428	-	-	53,428	- various owners
Block 10	65,931	27,517	33,384	5,030	60,901	- various owners
Block 12	60,407	60,407	-	-	60,407	- various owners; Incl 1,227 SF retail
Total Built To Date	324,830	244,383	75,417	5,030	319,800	
Total Floor Area Allowed			138,000		500,000	
Future Floor Area Available			62,583		180,200	
Future Development						
Block 8	9,200	9,200	-	-	9,200	
Block 7	102,600	38,000	-	64,600	38,000	- assumes 68 affordable units (50 + 18)
Block 11	58,000	30,000	28,000	-	58,000	
Block 9	53,850	15,000	33,000	5,850	48,000	- assumes 5 affordable units
Block 4	53,850	15,000	33,000	5,850	48,000	- assumes 5 affordable units
Block 3	70,000	70,000	-	-	70,000	
Total Future SF[†]	347,500	177,200	94,000	76,300	271,200	
Total Projected SF	672,330	421,583	169,417	81,330	591,000	
Difference †		(59,583)	(31,417)		(91,000)	
† Deed Restricted and RO are not counted for "Floor Area" under the PUD.						
				Mitigation SF (use higher)		
Commercial Difference	59,583	15%	19,153			
Residential Difference	31,417	25%	10,472			
Sec. 16-415 Mitigation methods - Mixed use can satisfy up to 50% of mitigation requirements through use of credits For mixed use projects, only the higher of residential inclusionary or commercial linkage is required						
	Current Requirement					
Block 7 For Rent Units	50					
Add'l For Sale Units	6					
RO Unit For Sale/rounding	0.5					
Fire District Units	2					
Town of Basalt Units	2					
	60.5					
Additional Affordable Housing	19,153					
Block 7	7,600	+/- 8 units				
Block 4	5,850	+/- 5 units				
Block 9	5,850	+/- 5 units				
(over)/ under	(147)	-this SF [†] to be applied to the 0.5 unit required above				

This Exhibit shows the amount of floor area that is necessary to satisfy the affordable housing mitigation for the increased floor area requested by the Developer. The Developer has some flexibility of where to locate the additional affordable housing units as long as the timing provisions in the PUD and this amendment are satisfied. The Developer may provide for the fraction of the affordable housing needed by a paying a fee in lieu at the time of building permit for the final affordable housing units required are being paid.

ADDED

Exhibit C

Transportation Demand Management (TDM) Program for Willits Town Center Prepared by Felsburg, Holt & Ullevig January 8, 2016

Approval of the Willits Town Center PUD Amendment should establish an enhanced baseline of traffic volumes within and surrounding the site to more broadly understand and quantify potential congestion issues that could be addressed through the implementation of potential mitigation measures, including transportation demand management (TDM) strategies and targeted roadway improvements, as described below.

- 1. Establishment of Enhanced Baseline Traffic Volumes:** Implement a traffic monitoring program August 2nd through August 4th, 2016 to more broadly understand use of the roadway network within and surrounding the site and quantify potential congestion issues.

A continuous count station (#000236) located on SH 82 west of Snowmass Creek Road (approximately 7 miles to the west of Willits Lane) indicates that the early August seasonal period represents the 30th highest daily volume of the year, which is the volume typically used in the design of roadways.

Average weekday daily traffic volumes should be recorded for 72 hours on three consecutive weekdays (Tuesday through Thursday) on four roadway segments within and surrounding the development, including:

- Willits Lane south of SH 82
- East Valley Road southeast of Willits Lane
- East Valley Road south of Lewis Lane
- Harris Street east of Willits Lane
- Lewis Lane east of Willits Lane (in 2021)

Peak hour intersection turning movements should also be recorded during the AM (7:00 to 9:00 AM) and PM (4:00 to 6:00 PM) time periods on one day at the SH 82/Willits Lane intersection.

A video camera should be used to record vehicle queues on the northbound Willits Lane approach to SH 82 during three weekday PM peak hour periods to determine whether vehicle queues extend back to the roundabout for a duration of more than 4 minutes within any peak hour time period.

The next round of monitoring should not occur until the site is built-out in the year 2021 and construction traffic is minimal.

- 2. Implementation of a Transportation Demand Management Program:** Build upon the Town Center's TDM potential by implementing a TDM Program.

Transportation Demand Management or TDM (also called Mobility Management) refers to various strategies that change travel behavior (how, when and where people travel) in order to increase transport system efficiency and achieve specific planning objectives. TDM is increasingly used to address a variety of problems. (www.vtpi.org/tdm/tdm12.htm)

Of note, the developed portion of the Town Center and the buildout plan exhibit a number of TDM characteristics that help to reduce single-occupant vehicle travel, including proximity to transit, the presence of wide paths for non-motorized travel throughout the development, and mixed land uses that lend themselves to trips within the development.

The TDM Program would be developed using the following steps, described in the *Colorado Department of Transportation (CDOT) TDM Toolkit (October 2002)*

Step 1: Define the problem. Define the problem or problems to be addressed by TDM measures. At this time, it is understood that a potential problem exists in the form of PM peak hour congestion along Willits Lane between State Highway 82 and the East Valley Drive/Willits Lane roundabout. Field observations will be conducted to quantify the extent of this problem.

Step 2: Meet with Stakeholders. Given information compiled in Step 1, convene a group of transportation partners to discuss the problem and potential solutions. This group could include tenants, residents, governmental transportation authorities, employers, commuters and visitors.

Step 3: Identify strategies. As previously stated, the portion of the Town Center already developed and the buildout plan exhibit a number of characteristics that help to reduce single-occupant vehicle travel. Strategies would be identified to build upon these characteristics and create a plan ready for implementation. A review of common TDM strategies has been performed to identify strategies that could be included, tabulated as follows:

Strategy	Description
Transit improvements	Bus Rapid Transit (BRT) is currently in place, so high quality transit service exists. Incremental improvements could include upgrades to bus stops.
Non-motorized improvements/encouragement	Possible measures include trail connectivity, bicycle parking and bicycle amenities, such as on-site showers, bike-sharing, cycling maps, pedestrian amenities within a walking radius of the site, etc.
Bicycle/Transit integration	Ensure ease of bringing bicycles onto transit vehicles, provide bicycle storage at transit stops, enhance bicycle access to transit stops
Parking management	Shared parking, charging for parking, cash-out parking
Car Share Program	Accommodate car sharing programs within the development to provide a convenient substitute for private vehicle ownership.
Transit Oriented Development (TOD)	Site currently exhibits TOD characteristics. Mixed uses within Willits help to accomplish TOD, in combination with high quality transit.
Commute Trip Reduction (CTR)	Employer-based measures such as ridesharing, flextime work schedules, telework, commuter financial incentives may be considered as part of CTR.
TDM marketing	Targeted marketing campaigns to assist travelers in making decisions to use alternate modes, including maps, brochures, advertising, surveys, and educational evaluation
Performance evaluation	Identify metrics that can be easily measured on a regular basis to evaluate TDM effectiveness. Can include shopper surveys, counts of transit ridership, counts of carpools vs. single-occupant vehicles
Transportation Management Association (TMA)	Participate in a TMA, which would likely be initiated as part of a larger regional effort. The TMA would be a non-profit organization, likely a public/private partnership of area businesses supported by local government.

Step 4: Identify an implementation plan. The implementation plan would establish how the TDM Program is to be financed and administered and how its performance is monitored over time.

3. Installation of Targeted Roadway Improvements: Recognize that potential targeted roadway improvements are available to address potential congestion issues.

The following four roadway improvement projects or traffic signal system upgrades could be considered in the event that the monitoring program identifies a potential congestion issue.

Project 1: Reconfiguration of the Willits Lane/East Valley Road roundabout.

- The northeast approach leg of the roundabout could be modified to increase the available northbound dual left turn lane storage distance on Willits Lane between SH 82 and the roundabout by approximately 100 feet. This increased storage distance would reduce the likelihood of queues extending back to the roundabout.

Project 2: Expansion of a traffic signal interconnect system on SH 82.

- Condition 12 in Exhibit A requires a communication link be built between the Willits Lane and El Jebel Road signals to allow for implementation of a coordinated traffic signal timing plan). Consideration could be given to expanding the extents of the system along

SH 82, if necessary (fiber optic preferred by CDOT), through regional stakeholder cooperation. The project would require coordination with the Colorado Department of Transportation (CDOT) and filing of an updated access permit for the SH 82/Willits Lane intersection.

Project 3: Installation of back of queue vehicle detection on the northbound Willits Lane approach to SH 82.

- This project would install a vehicle detector on the northbound approach of Willits Lane to SH 82 that would alert the traffic signal controller to serve the northbound Willits Lane approach if the back of the queue is at risk of extending to the roundabout. This project would require coordination with the CDOT and filing of an updated access permit for the SH 82/Willits Lane intersection.

Project 4: Connection of Lewis Lane to Willits Lane.

- This project would connect Lewis Lane to Willits Lane, thereby providing another access point for Willits Town Center.

9 Parking Agreement Concerning the Willits Town Center
Parking Garage on Block 2

**PARKING AGREEMENT REGARDING TOWN OF BASALT, COLORADO,
ORDINANCE NO. 11, SERIES OF 2014 AND ORDINANCE NO. 28, SERIES OF 2015
CONCERNING THE WILLITS TOWN CENTER PARKING GARAGE ON BLOCK 2**

This AGREEMENT REGARDING TOWN OF BASALT, COLORADO, ORDINANCE NO. 11, SERIES OF 2014 AND ORDINANCE NO. 28, SERIES OF 2015 ("Agreement") is made effective as of _____, 2016, between the TOWN OF BASALT, COLORADO, a home rule municipal corporation ("Town"), and WILLITS TOWN CENTER, LLC, a Delaware limited liability company ("Owner").

Recitals

A. Owner is the owner of Lots A, B, C, D, and E, according to the Final Plat of Willits Town Center, Filing No. 2, recorded November 9, 2011, as Instrument No. 201120960 (collectively, "Block 2"), in the real estate records of Eagle County, Colorado.

B. An underground parking garage exists on Block 2 (the "Garage").

C. On March 25, 2014, the Town adopted Ordinance No. 11, Series of 2014 (as amended, restated, extended, or otherwise modified from time to time, the "Ordinance 11"), which Ordinance is recorded in the real estate records of Eagle County, Colorado, as Instrument No. 201411333. The Town Council is also considering an Ordinance to effectuate requests by the Owner to increase the floor area and make other changes to the Willits Town Center PUD (the Ordinance 28)

D. Pursuant to Section 15 of Exhibit "A" of Ordinance 11, "Block 2 Owner and the Town agree[d] to work in good faith to reach, execute, and implement an agreement to allow public parking in the [Garage], with the probable inclusion of one or more other parties to the agreement." The parties agreed that "the target date for opening the [G]arage for public parking" was "on or before October 1, 2014".

E. Pursuant to Section 21 of Exhibit "A" of Ordinance 11, the Owner is required to open the garage to the public in order to be eligible for reimbursement from the lodging tax for certain capital expenses for the limited services hotel.

F. The Owner's obligations with respect to the opening and operation of the Garage, as set forth in the Ordinance, are referred to in this Agreement as the "Garage Operation Obligations."

G. The Garage opened for public parking on December 1, 2015.

Please return to:
TOWN OF BASALT
101 Midland Avenue
Basalt, CO 81621

H. Owner has requested the Town enter into this Agreement to set forth each party's respective agreements and covenants with respect to the Garage and the Ordinance.

I. The Town and the Owner intend to cooperate in good faith in order to seek additional funding from third parties as may be reasonably necessary to reduce any operating losses sustained by Owner during the term of the Agreement.

Agreement

1. Recitals Incorporated. The Recitals set forth above are true and correct, constitute a material part of this Agreement, and are incorporated in this Agreement by reference.

2. Parking Agreement.

(a) Town agrees that Owner will have satisfied all Garage Operation Obligations if all of the terms of this agreement are satisfied.

(b) A minimum of 50 parking spaces shall be made available for use by the public for public parking until January 26, 2026 (which is the date 10 years from the approval of Ordinance No. 28, Series of 2015). Owner may enter into a use agreement with third parties for the non-public spaces in the garage.

(c) Owner may enter into license or operation agreement with third parties as it deems necessary or advisable for the operation of all or a portion of the Garage.

(d) The Owner may charge reasonable parking rates for the 50 public parking spaces to be made available under this agreement. The Owner agrees that any such charge will be fair and based on what is reasonably necessary to recoup the costs of operating the garage.

3. Relief to Owner.

(a) If, during the term of this Agreement, the Owner sustains operating losses for the 50 public parking spaces which exceed \$50,000.00 per year for two consecutive calendar years, or a cumulative total of losses in excess of \$380,000 (the "loss thresholds"), it may seek relief from the requirements of this Agreement as provided herein.

(b) In order to be entitled to relief, the Owner must request relief from the Town within ninety (90) days of notice to Owner that either of such loss thresholds has been exceeded.

(c) In order to be entitled to relief, the Owner must provide documentation to the Town Manager which is adequate for the Town to determine that a loss threshold has been exceeded, including complete information regarding operating expenses and operating revenues.

(d) Once the Town Manager is satisfied that the documentation in support of the request is complete, the matter shall be scheduled for consideration by the Town Council.

(e) Upon consideration by the Town Council, it shall be entitled to grant relief to the Owner if it determines that a loss threshold has been exceeded and that the Owner has incurred the operating losses despite the management of the public parking spaces consistent with reasonable business practices. Upon making such determination, the Town Council shall either:

(i) compensate the Owner in the amount that Owner's losses exceed the applicable threshold; or

(ii) agree to terminate this Agreement.

(f) If the Town Council determines that a loss threshold has not been exceeded, or that a loss threshold has been exceeded but that the Owner's operating losses are inconsistent with reasonable business practices, the Town shall deny the Owner's request for relief.

(g) The Town Council's determination required by this paragraph shall be made with ninety (90) days of the Owner's written request unless extended by agreement of the parties.

4. Multiple Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original; but such counterparts shall together constitute but one and the same instrument. This Agreement may be executed

(i) on any original,

(ii) on a copy of an original, or

(iii) by facsimile or email transmission.

5. Successors and Assigns. The Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns forever, and the burdens and benefits hereof shall constitute covenants running with the title to Block 2.

[END]

OWNER:

Willits Town Center, LLC,
a Delaware limited liability company

By: Mariner Real Estate Management, LLC,
a Delaware limited liability company, its manager

By: _____
Name: _____
Title: _____

STATE OF KANSAS)
) SS.
COUNTY OF JOHNSON)

I, _____, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY THAT Ryan Anderson, the Co-President of Mariner Real Estate Management, LLC, the Manager of Willits Town Center, LLC, a Delaware limited liability company, personally known to me to be the same person whose name is subscribed to the foregoing instrument as the _____ of Mariner Real Estate Management, LLC, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act, and as the free and voluntary act of said limited liability company for the uses and purposes therein set forth.

Given under my hand and notarial seal this ____ day of _____, 2016.

My Commission Expires:

Notary Public

10 RE. Tree Farm Comments

Comments Related to the Town's Review of the Tree Farm Application.

Here are some of the key items that Staff continually raised in the application to Eagle County.

Effect on the Schools – The WTC proposal (existing approvals and proposed) includes the 14 AH units proposed to be purchased by the School District at the discounted affordable housing prices for Teacher Housing. Staff didn't feel the Tree Farm Application adequately addressed the School Board's needs.

Effect on Day Care –Town Staff recommended a Day Care Impact Fee on the Willits PUD Amendment (which is not required by the Town Code). Staff didn't see a workable solution in the Lane Tree Farm application.

Effect on Town Tax Base – Town Staff felt the Tree Farm proposal opened the opportunity to cannibalize the Downtown, Orchard Plaza and Willits Commercial centers.

Effect on ability to provide services – such as police – The service issue that the Town raised in the Tree Farm application was that Basalt would be required to provide services such as police to the area and therefore costing the Town significantly. However at the same time, the proposal was going to hurt the Town's Tax base. Our major issue with the Tree Farm PIF was the fact that they legally couldn't use it to pay for Basalt police services. The Willits PIF is proposed to pay for infrastructure.

Transportation – This was a major concern raised by the public in the Tree Farm referral. The Town actually did not raise traffic in our referral letter on the Tree Farm approved by Council. We brought up repayment for the Highway 82 underpass and parking in the Willits Parking Garage.

The Town Council's December 9, 2014, letter to Eagle County regarding the Tree Farm application and the list of draft conditions to address some of the Town's issues which Mike Scanlon distributed at the August 6, 2015 Roaring Fork Valley Regional Planning Commission meeting are located on the Planning Department's page on the Town's website under additional information.



COLORADO

Department of Transportation

Region 3 Traffic Section
222 South 6th Street Room 100
Grand Junction, Colorado 81501
(970) 683-6284 Fax: (970) 683-6290

December 1, 2015

<<<Email>>>

Susan Philp AICP
Basalt Planning Director
101 Midland Ave.
Basalt, CO 81621

RE: SH 82 and Willits/ Willits Town Center Project

Dear Susan Philp:

The purpose of this letter is to provide comments on the traffic impact study "Willits Town Center Traffic Impact Analysis" dated October 2015 by Lyle E. DeVries, PE PTOE, Felsburg Holt & Ullevig and comments on the Willits Town Center Development.

Review Comments:

1. Willits Avenue and SH 82 has an access permit #313012. The permitted volume is 2040 DHV (design hourly volume). Based upon this traffic study, no permit is required because the development doesn't trigger a Change in Use in Section 2.6 of the State Highway Access Code.
2. CDOT would recommend interconnecting the signals at El Jebel Road with Willits signal and Original Road. This would improve highway operations between the signals. We greatly prefer fiber-optic communication between signals. The interconnection between signals can be accomplished by an access permit.
3. The consultants recommends protected-permissive left turn phasing (PPLT). CDOT Region 3 will not allow PPLT at this location because of the current geometry of the intersection.
4. There is a strong possibility that the queue spill back from the signal could affect the operations of the roundabout. The traffic engineer recognizes that the queue from Willits signal may spill back into the roundabout and effectively stopping the roundabout until the queue from the signal has been cleared. I believe this will happen more often than the traffic engineer predicts.
5. Due to the high northbound left turning movement at Willits Lane, drivers may use El Jebel Road intersection. As you are aware, this intersection already has operational challenges that were outlined in the Eagle County "El Jebel intersection" dated 2014.



The Willits Town Center Project does have a significant impact to the highway system. The signal at Willits will handle the extra volume at level of service of "D". However, the close proximity of the roundabout and the signal does have a negative impact to the operations of roundabout at peak times especially in the future. If the Town wishes to improve operations of the signals by interconnecting the signals, an access permit would be required for this improvement. Because of the high capacity at the Willits signal, drivers may use alternate routes like Original Road and El Jebel intersection to get on the highway. I would recommend the Town work with the Eagle County to make operational improvements at the signal at El Jebel intersection because this could have a "balancing effect" to the Willits intersection. This could help the overall transportation system in Town of Basalt.

If you have any questions, please contact me.

Respectfully,



Region 3 Permit Unit Manager

Cc: Zane Znamenacek, PE, R3 Traffic Program Engineer
Eva Wilson, PE, Eagle County Engineer





December 4, 2015

Ms. Susan Philp
Basalt Planning Director
101 Midland Avenue
Basalt, CO 81621
Emailed to: susan.philp@basalt.net

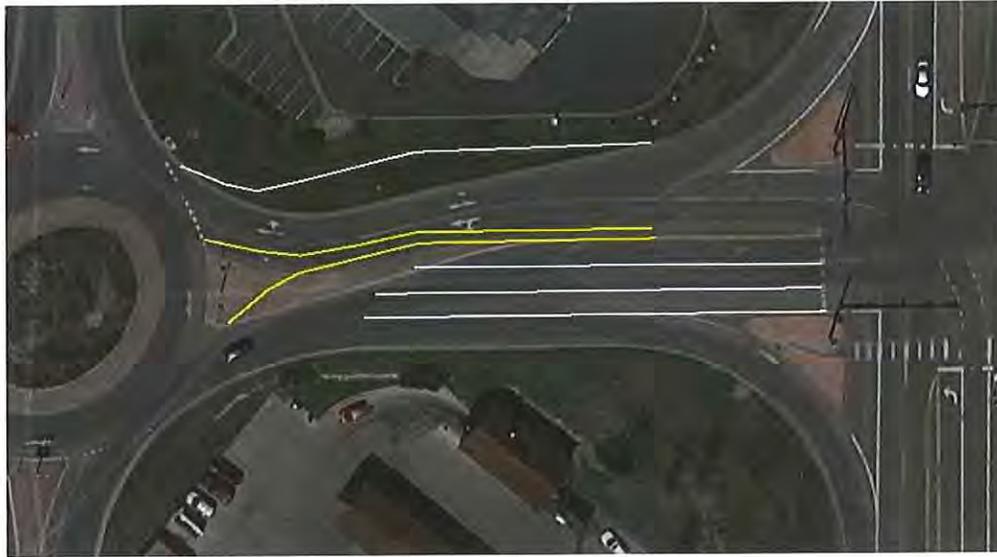
Subject: Comments on Willits Town Center Traffic Impact Analysis 2nd Edition December 1 (FHU, December 2015)

Dear Ms. Philp:

SGM has reviewed the updated traffic impact analysis provided by Felsburg, Holt, and Ullevig (FHU) that assesses the remaining unbuilt potential of the Willits Town Center (WTC) proposed development. The developer is proposing to upsize the development by adding 59,000 SF of commercial space and 49 more residential units (over what was proposed in the original application for WTC).

SGM has the following comments on the updated traffic impact analysis:

1. The comments noted in our October 12, 2015 review memo were generally addressed.
2. The analysis maintains a LOS "D" at the Willits/SH 82 signal by recommending a double left turn for eastbound traffic. This is predicated by the current Tree Farm development totals and may not be necessary if the Tree Farm does not build to current proposed development totals. There is no indication in the report of who would fund this improvement, although Eagle County has recommended ROW be secured on the Tree Farm property for this specific improvement of widening the northbound lanes to accept two left turning lanes from the highway (during the Tree Farm planning commission meetings).
3. The report shows that the existing PM and future years 95th percentile queues will spill into the roundabout and concludes that *"given the existing lane geometry, intersection configuration/spacing, and surrounding land use, it appears that the opportunity to increase vehicle queue storage length on the northbound approach of Willits Lane to SH 82 is limited"*. The leg between the roundabout and the highway could be improved to maximize left turn and through lane storage. Modifications to the southbound approach to the roundabout could be incorporated within the existing right-of-way and still achieve the required vehicle deflection that is necessary in roundabout design. This widening/shift, would allow for more storage if the splitter island were modified for northbound traffic exiting the roundabout. Below is a crude sketch of the shift of the southbound curb line to achieve more storage for left turns entering the highway (north is to the right).



4. The influence of the Arts Center appears to be underestimated in the updated report. There may be times (which may become more frequent as the popularity of this use increases over time) when events are held that coincide with the PM peak hour. This would result in additional event traffic entering the site during the PM peak than was generated by the traffic engineer. A brief analysis that includes the influence of event traffic (full performance) during the PM peak would provide a more complete the picture of a built out Arts Center and its impact on the study intersections.
5. CDOT provided comments dated December 1, 2015 on the initial traffic report (October 2015), which confirmed that the Protected-Permissive Double Left turn phasing would not be an acceptable phasing alternative at the SH 82/Willits signal, and that a fiber interconnect is recommended and would improve highway operations between adjacent signals. An access permit is required to install the fiber interconnect. Additionally, CDOT noted that the operations at this intersection can influence adjacent intersections such as El Jebel and Original Road, recommending that the Town and Eagle County work together toward the ultimate preferred solution on the south side of the highway at El Jebel/Valley Road and SH 82.

The report concludes that the traffic engineer recognizes the benefits of coordinating the signals along SH 82, noting that doing so may assist in reducing the critical northbound queue to the Willits signal, which SGM agrees with. Please call me at 970.384.9044 if you have any questions regarding this review.

Sincerely,



Lee Barger
Review Engineer

13 Email from Scot Hunn, Eagle County, re Referral + IGA

Susan Philp

From: Scot Hunn <scot.hunn@eaglecounty.us>
Sent: Monday, January 04, 2016 11:31 AM
To: Susan Philp
Cc: Bob Narracci; Clifford Simonton
Subject: Willits Town Center Referral Response from Eagle County Planning

Susan,

Please accept this email as evidence that Eagle County had received and reviewed the proposed PUD Amendment for Willits Town Center Planned Unit Development in the fall of 2015. For the record, Eagle County received a referral from the Town on October 19, 2015.

As we may have discussed over the phone since staff received the official referral notice, Eagle County Planning staff members discussed the proposed amendment and have no substantive comments at this time.

However, you should have received comments from Eva Wilson, County Engineer, with regard to traffic concerns and capacity issues in and around Hwy. 82 and Willits Road intersection.

Importantly, please also let this email serve as confirmation that, in staff's opinion, your referral was forwarded to the County in accordance with the Intergovernmental Agreement (IGA) by and between the Town and Eagle County Government. Specifically, your actions to afford Eagle County the opportunity to review the proposal as the "reviewing agency" adhere to the procedures outlined within Sections 3 and 5 of the IGA.

Again, thank you for the opportunity to review the proposed PUD Amendment and to allow Eagle County Government ample time to provide comments and/or request additional information.

--

Scot Hunn, AICP

Senior Planner / Current Planning Manager
Eagle County Community Development Department
(970) 328-8624
scot.hunn@eaglecounty.us

14 AP Article re. Teacher Housing

U.S. News Home

U.S. News & WORLD REPORT **NEWS**

News, Opinion & Analysis

To stem teacher shortages, school districts and cities think about becoming landlords



In this Dec. 11, 2015, photo, Katy Howser, a kindergarten teacher in the Santa Clara School District, looks out from the balcony of her apartment at Casa Del Maestro, an apartment complex for teachers, in Santa Clara, Calif. School districts in high cost-of-living areas and rural communities that have long struggled to staff classrooms are considering buying or building rent-subsidized apartments as a way to attract and retain teachers amid concerns of a looming shortage. (AP Photo/Marcio Jose Sanchez)



By LISA LEFF, Associated Press

SAN FRANCISCO (AP) — As the days get shorter, first grade teacher Esmeralda Jiménez watches the dimming afternoon sky outside her classroom window the way her pupils watch the clock at dismissal time.

The studio apartment Jiménez rents for \$1,783 a month, or 43 percent of her salary, is located in one of San Francisco's sketchiest neighborhoods. Getting home involves running a gauntlet of feces-strewn sidewalks, popping crack pipes, discarded needles and menacing comments — daily irritants that become more daunting after dark.

"If I lived in a better area, I wouldn't feel so scared going home and I would be able to stay at school a little longer," Jiménez, 26, said. "You have so many things to do to prep for the next day, but it's gotten to the point where even if I leave at a decent time I will walk three blocks out of my way to avoid some streets."

It's a scenario that has Jiménez wondering if she should find a profession that pays more, and public officials here and in other cities looking at housing as a tool to prevent the exodus of young educators like her.

Inspired by the success in the heart of the Silicon Valley of a 70-unit teachers-only apartment complex, school districts in high cost-of-living areas and rural communities that have long struggled to staff classrooms are considering buying or building rent-subsidized apartments as a way to attract and retain teachers amid concerns of a looming shortage.

Housing costs especially have become a point of friction for teachers in expensive cities such as Seattle, where teachers who went on a one-week strike in September said they could not afford to live in the same city as the children they teach.

In San Francisco, where many of Jiménez's colleagues have roommates or long commutes, addressing the affordability crisis for teachers was one of the main selling points of a housing bond voters approved in November, the first to pass in a generation.

About \$35 million of the \$310 million to be raised has been earmarked for construction of up to 100 new apartments on surplus land owned by the San Francisco Unified School District. The units would be rented at below-market rates to the district's 3,500 teachers and 1,600 classroom aides, who also would be eligible for new rental housing allowances and home down payment loans aimed at reducing living costs for another 300 educators, Deputy Superintendent Nyong Leigh said.

"Each one of these ideas would reach some modest number, but in aggregate it would hopefully make a difference," Leigh said.

Officials in the Roaring Fork School District in western Colorado, which serves three mountain towns in the valley that houses Aspen's posh ski resorts, similarly leveraged a \$122 million school construction bond on the November ballot to secure \$15 million for subsidized teacher rentals.

The district hopes to acquire 15 to 20 apartments in each of the three towns, enough to house at least 10 percent of its 450 teachers, Assistant Superintendent Shannon Pelland said. In an area where the average home sells for \$630,000 and the average teacher makes \$47,000, housing costs are "without a doubt the number one reason we lose teachers and it's the number one reason people turn down jobs," Pelland said.

"Our typical pattern with teachers is they come to the valley, it's an absolutely beautiful place, it's a great lifestyle with wonderful recreational opportunities, and they are willing to live with roommates and do whatever they have to do to make it work for four or five years," she said. "And right at that 5-year mark we see a lot of them saying, 'This is great for a while, but I'll never be able to afford a home here or make it work here, I'm moving on.'"

School districts in Oakland, Milwaukee, Odessa, Texas, and Asheville, North Carolina, also have apartment projects for teachers in the works. Last spring, Los Angeles Unified School District opened its first apartment complex on school grounds for district employees and has two more under construction.

Stockton Williams, executive director of the Urban Land Institute's Terwilliger Center for Housing, said the concern over teachers being priced out of the communities they serve reflects an inadequate supply of new rental housing designed for middle-income workers instead of the high end of the market.

"It's not just a San Francisco-New York-Seattle story. It's in many cities, large and small, and in most parts of the country," Williams said.

Officials in Santa Clara, California, found a workable formula more than a decade ago that other school districts in the San Francisco Bay Area and beyond still are trying to replicate. Working with a private developer under a tax-exempt financing scheme, the school district built 70 apartments between 2002 and 2009 that collectively are known as Casa del Maestros, Spanish for "house of the teachers."

When kindergarten teacher Katy Howser moved into a one-bedroom apartment there 6 ½ years ago, she was a 23-year-old living with her parents while she paid off her student college loans and credit card debt. The teachers-only complex was all she could afford, but having other educators as neighbors turned out to be more than a financial advantage.

"Everyone has the same common courtesy for each other," Howser said. "There are technically quiet hours, but it's not ever really loud. Everyone just wants to come home and be quiet because we have to be loud all day."

Now married and expecting her first child, Howser and her husband pay \$1,700 a month for a two-bedroom apartment, at least \$1,000 less than for a comparable place in the area. They will have to move out in June because tenants can only stay for seven years. Howser hopes they will have saved enough for a down payment on a house by then.

"The fact that our district sees enough value in us teachers to make a way for us to be here says a lot," Howser said. "It tends to be a relatively thankless job, and if you can't afford to live, you can't afford to stay."

This story corrects that the Los Angeles Unified School District opened its first apartment complex on school grounds for district employees last year instead of this year.

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Article also appeared:

The New York Times

Cities Look at Subsidized Housing to Stem Teacher Shortages

By THE ASSOCIATED PRESS JAN. 2, 2016, 11:03 A.M. E.S.T

15 Citizen Correspondence

Correspondence to Council 12/09/15 through 01/08/16

Pam Schilling

From: Katie Morlind <jkmorlind@hotmail.com>
Sent: Wednesday, December 09, 2015 8:54 AM
To: Pam Schilling
Subject: The Fields & 90,000' Willits

Dear Council,

I would like to ask you to deny the Fields Application and the additional 90,000' for the Willits add on. Our mid valley is absolutely at its peak for traffic and congestion at this point. Developers come in, develop and leave the community with the after effects of overdevelopment, overcrowding in our schools, our emergency response system, traffic and crime.

Please deny these applications.

Katie Morlind

Pam Schilling

From: Patrice Becker <42patrice@gmail.com>
Sent: Monday, January 04, 2016 5:14 PM
To: Pam Schilling
Cc: Mike Scanlon; James Lindt; Susan Philp
Subject: PIF and Expansion Agreements

Council & Mayor,

The PIF and Expansion agreement between The Town of Basalt and Mariner Development is unacceptable. Development needs to pay its own way. It is not fair for Basalt residents to pay to finish developing WTC with public funds.

Mariner also wants to build 30,000 additional sq feet of residential units. A three bedroom would cost \$876,600. These are not affordable and are being built with only the second homeowner in mind.

Traffic congestion and the lack of infrastructure for this project were not considered at the Dec 8 Town Council meeting. This is irresponsible decision making.

A moratorium to not build more residential and commercial buildings needs to be put into place. The infrastructure in the mid valley cannot handle the impact of so many proposed developments. Hwy 82 is already beyond safe at the Willits Town Center signal. Additional car, noise and light pollution will also occur.

When you make your second and final vote on Jan. 12 remember you are representatives of the people. And the people are not responsible for funding Mariner's \$12 million financial gap with Public Money.

Consciously vote for what is truly best for Basalt.

Patrice K. Becker
Basalt

Pam Schilling

From: ljacksue@comcast.net
Sent: Monday, January 04, 2016 5:51 PM
To: Pam Schilling
Subject: save mid valley

Thanks for the efforts of those who can see clearly that developers should have no rights to get in our pockets .

We do not want a precedent set by allowing builder/developers to receive money from tax payers against their will.

If an individual wants to "invest" in a project I suggest builder/developer set up such a program- see how that works.

If builder/developer does not have the funds- guess what ? If a developer sees a project is not feasible- guess what?

Don't built - it don't develop it- don't force people who can not it afford it to pay for it because you want it.

Shame on Basalt officials for even thinking along these lines.

thank you

Sue Driggers

Blue Lake

Pam Schilling

From: Bruce Gabow <bgabow@gmail.com>
Sent: Tuesday, January 05, 2016 4:45 AM
To: Pam Schilling
Subject: willits

Dear Council,

I urge you to deny the willits expansion plan. Why should we subsidize this development?

We also don't need any more traffic midvalley.

Sincerely,

Bruce and Deborah Gabow

Pam Schilling

From: Michele Peterson <michele@mpconsultingllc.com>
Sent: Tuesday, January 05, 2016 1:22 PM
To: Pam Schilling
Subject: City council meeting January 12, 2016
Attachments: Vote no on Willits (2).docx

Pam,
Attached please find a letter, from me, for you to forward to all council members prior to this evening's meeting. Also, I have provided a link below to the Aspen times article that I would like the council members to be reminded of. Please confirm with me once this is received and forwarded as often my emails get sent to Spam due to my email address.

<http://www.aspentimes.com/news/19663406-113/developer-says-public-funds-critical-to-basalt-project>

Respectfully,
Michele Peterson

--
Michele Peterson
MP Consulting & Management Services, LTD

January 12, 2016

Dear Basalt City Council Members:

I am writing this letter to request that you deny the additional Willits expansion. I am contemplating opening a business in Basalt, however, the current climate of proposed massive development is cause for concern. If the council approves this expansion, I will invest my money elsewhere or not at all. Please vote no today, January 12, 2016.

Additionally, the Willits expansion is a terrible idea for the following reasons:

- The Willits developer is Mariner Real Estate Management, a Delaware LLC with home offices in Kansas. It has requested approval to build 91,000 more square feet of commercial and residential space at Willits, increasing the development to 591,000 square feet. Since receiving approval in 2001, it has built about 325,000 square feet, which means it still has another 175,000 square feet to build under its current entitlement.
- Mariner acquired Willits during the recession at a deep discount when it went on a spending spree for distressed properties. It acquired about \$1.5 billion in real estate and loans in 33 states, often paying pennies on the dollar for the assets. (source: The Aspen Times. article attached to email)
- The developer says the only way it can afford to build the new 91,000 square feet is if Basalt gives up half of the projected sales tax revenue the new space will generate. It is not good business to subsidize developers/corporations. If the business model is flawed, don't build. On the other hand, if Basalt wants to subsidize entities, subsidize local companies investing in Basalt. At first reading, the Basalt Town Council voted 4 to 2 in favor of the developer, with Mayor Jacque Whitsitt and Gary Tannenbaum casting the two no votes. The rest of the Council should follow their lead because the real beneficiary here is a Kansas developer.
- This project will increase traffic, result in little additional revenue to Basalt, and provide preciously little affordable housing. Based on Eagle County's calculation that 2.8 employees are needed to fill every 1,000 square feet of commercial space, the 421,583 square feet of commercial space at Willits calls for 1,080 new employees. At 1.5 workers per home, the midvalley needs 787 new homes just to house the workers. The 2001 Willits approval only required 60 affordable homes for new workers and the proposed expansion adds only 18 more, for 78 total. That only meets 10% of the demand, a problem we all recognize. That is, unless we see no problem with workers coming here from Silt or Parachute.

- The town hired a consultant from Wisconsin to look at the sales tax giveaway, called a PIF in our acronym-slaphappy society. **A PIF, or Public Improvement Fee, is a gimmick where the developer ends up with the sales tax the town should collect.** In Colorado, towns get almost all their revenue from sales tax, which is why we see runaway retail development springing up all over the state in places like Willits. By annexing Willits nearly 20 years ago, Basalt forged a link to highway 82 so it could approve City Market and Whole Foods and collect sales tax revenue. Basalt gets practically no property tax revenue, so sales tax revenue is driving its development decisions. Cart before horse, anyone?
- Basalt gets 3% of the first \$45 million of retail sales at Willits, about what Willits merchants are now generating, but it only gets 1.5% on sales over \$45 million for the next 15 years. I hope Basalt didn't pay much to the Wisconsin PIF consultant, because he did little more than say, "If you subtract \$45 million from the gross sales, and multiply what's left by 1.5%, that's what the developer gets." The consultant did not inform us how much the Willits commercial space will continue to hollow out existing Basalt businesses, or whether this will start a PIF war so every town has grant a PIF for every new development, or what the average wage would be in a development like this, or what impacts the new development will have on our schools or roads, or how much the new infrastructure will even cost the Kansas developer.
- The PIF is worth \$10 million to the developer, who can cash this check immediately by simply flipping Willits to the next buyer. The developer is asking for 91,000 new square feet, to get out of a pesky requirement to provide alleys, and to decide whether to sell or rent the minimal affordable housing it has to provide. Fortunately, the Town Council decided to hold the line on limiting a new sign on Highway 82 to 180 square feet, down from the 270 square feet the developer wants. Thanks Basalt, we're glad you're looking out for us.

This deal is so bad for Basalt that the Kansas developer must simply think we're rubes out here in Colorado. The Willits development does everything Basalt objected to when it just opposed the Tree Farm development application – it increases traffic, continues mega-sprawl in the midvalley, and falls way short on our biggest need, affordable housing. **Turn this application down Basalt Town Council.** The public that waited out the interminable Tree Farm hearings weighed in 5 to 1 against it when they finally got a chance to speak. How do you think they'll vote for you in the next election? My voting decisions will be based on the outcome of this vote.

Respectfully,

Michele Peterson

Pam Schilling

From: Elle Taylor <elletaylor373@gmail.com>
Sent: Tuesday, January 05, 2016 4:27 PM
To: Pam Schilling
Subject: No to Willits expansion

Basalt Town Council Members:

I live in Emma and have been horrified at the level of development you have allowed in Willits so far. To think that you are now proposing to allow more is simply unconscionable. Enough is enough. Aside from bringing the worst in suburban Denver architecture, Willits has lowered the quality of life of all of us long term valley residents. The traffic, bright lights, congestion, stress on our schools, roads, Police, trails, and wilderness is what we are all forced to live with because of your short sighted, and negligent decisions. It's unbelievable that you're even considering this proposal. Read the Aspen Times, listen to the local radio, you'll hear everywhere that this is a TERRIBLE IDEA.

Below are some points to consider:

The Willits expansion is a terrible idea

- The Willits developer is Mariner Real Estate Management, a Delaware LLC with home offices in

Kansas. It has requested approval to build 91,000 more square feet of commercial and

residential space at Willits, increasing the development to 591,000 square feet. Since receiving

approval in 2001, it has built about 325,000 square feet, which means it still has another

175,000 square feet to build under its current entitlement.

- Mariner acquired Willits during the recession at a deep discount when it went on a spending

spree for distressed properties. It acquired about \$1.5 billion in real estate and loans in 33

states, often paying pennies on the dollar for the assets. (source: The Aspen Times. article

attached to email)

- The developer says the only way it can afford to build the new 91,000 square feet is if Basalt

gives up half of the projected sales tax revenue the new space will generate. At first reading,

the Basalt Town Council voted 4 to 2 in favor of the developer, with Mayor Jacque Whitsitt and

Gary Tannenbaum casting the two no votes. The rest of the Council should follow their lead

because the real beneficiary here is a Kansas developer.

- This project will increase traffic, result in little additional revenue to Basalt, and provide

preciously little affordable housing. Based on Eagle County's calculation that 2.8 employees are

needed to fill every 1,000 square feet of commercial space, the 421,583 square feet of

commercial space at Willits calls for 1,080 new employees. At 1.5 workers per home, the

midvalley needs 787 new homes just to house the workers. The 2001 Willits approval only

required 60 affordable homes for new workers and the proposed expansion adds only 18 more, for 78 total. That only meets 10% of the demand, a problem we all recognize. That is, unless we see no problem with workers coming here from Silt or Parachute.

- The town hired a consultant from Wisconsin to look at the sales tax giveaway, called a PIF in our acronym-slaphappy society. A PIF, or Public Improvement Fee, is a gimmick where the developer ends up with the sales tax the town should collect. In Colorado, towns get almost all their revenue from sales tax, which is why we see runaway retail development springing up all over the state in places like Willits. By annexing Willits nearly 20 years ago, Basalt forged a link to highway 82 so it could approve City Market and Whole Foods and collect sales tax revenue. Basalt gets practically no property tax revenue, so sales tax revenue is driving its development decisions. Cart before horse, anyone?

- Basalt gets 3% of the first \$45 million of retail sales at Willits, about what Willits merchants are

now generating, but it only gets 1.5% on sales over \$45 million for the next 15 years. I hope

Basalt didn't pay much to the Wisconsin PIF consultant, because he did little more than say, "If

you subtract \$45 million from the gross sales, and multiply what's left by 1.5%, that's what the

developer gets." The consultant did not inform us how much the Willits commercial space will

continue to hollow out existing Basalt businesses, or whether this will start a PIF war so every

town has grant a PIF for every new development, or what the average wage would be in a

development like this, or what impacts the new development will have on our schools or roads,

or how much the new infrastructure will even cost the Kansas developer.

- The PIF is worth \$10 million to the developer, who can cash this check immediately by simply

flipping Willits to the next buyer. The developer is asking for 91,000 new square feet, to get out

of a pesky requirement to provide alleys, and to decide whether to sell or rent the minimal

affordable housing it has to provide. Fortunately, the Town Council decided to hold the line on

limiting a new sign on Highway 82 to 180 square feet, down from the 270 square feet the

developer wants. Thanks Basalt, we're glad you're looking out for us.

This deal is so bad for Basalt that the Kansas developer must simply think we're rubes out here in

Colorado. The Willits development does everything Basalt objected to when it just opposed the Tree

Farm development application – it increases traffic, continues mega-sprawl in the midvalley, and falls

way short on our biggest need, affordable housing. Turn this application down Basalt Town Council.

The public that waited out the interminable Tree Farm hearings weighed in 5 to 1 against it when they

finally got a chance to speak. How do you think they'll vote for you in the next election?

-Ellie Taylor

Pam Schilling

From: Tim Belinski <tbelinski@indventures.com>
Sent: Thursday, January 07, 2016 5:37 PM
To: Pam Schilling; Susan Philp
Cc: kathy@kitchencollage.com
Subject: FW: willits retail vibrancy

For public record

From: kathy@kitchencollage.com [<mailto:kathy@kitchencollage.com>]
Sent: Thursday, January 07, 2016 9:56 AM
To: Tim Belinski
Cc: amy@kitchencollage.com
Subject: RE: willits retail vibrancy

Dear Tim,

Just a few thoughts from our retail build out experience. As you know, we were one of the first retail stores not only in Basalt but also in Riverwalk, Edwards. It has been a struggle in Basalt for many years because Willits did not have much to offer as a destination shopping center. We are finally showing some improvement because of more retail, restaurants and services which bring more foot traffic. Willits must be a lively center with many choices of retail, restaurants, services and entertainment to draw people to it as a destination for shopping dining and entertainment and not just a grocery center.

When we opened in Basalt, we were assured that the town was in agreement that a living center such as Willits needs to be built out as quickly as possible. Set backs have already occurred with the delay in development so we must move on quickly or we lose momentum. Our dedication in showing our community that we are a growing living center where customers will come and spend a few hours enjoying the Basalt area needs to continue. We must move on with the build out plan if we expect new businesses to be interested. I can honestly say that we have only been successful in Riverwalk because we stuck to our plan and gave more new businesses the opportunity to open in our center.

I hope the town sees how this will benefit them. Hope all goes well.

Thanks again,
Kitchen Collage of Roaring Fork

Pam Schilling

From: Tim Belinski <tbelinski@indventures.com>
Sent: Thursday, January 07, 2016 5:39 PM
To: Pam Schilling; Susan Philp
Cc: Susan Harvey (sloodge6126@icloud.com)
Subject: RE: Retail

For public record

-----Original Message-----

From: Susan Harvey [<mailto:sloodge6126@icloud.com>]
Sent: Thursday, January 07, 2016 10:44 AM
To: Tim Belinski
Subject: Retail

I do think that having more retail shops across from Susie's would in all probability be beneficial to my business.

Susan Harvey
Susie's Consignment
Willits

Sent from my iPhone

Pam Schilling

From: Richard Rosenfeld <richard@twoleavestea.com>
Sent: Friday, January 08, 2016 10:12 AM
To: Pam Schilling
Subject: Comment on Willits PIF - AGAINST Sales tax "sharing"

Hi Pam,
Please pass this to town council with my thanks.

Dear Basalt Town Council,

As a Basalt resident and business owner I am strongly against this proposal.

I realize that all of us want to complete the development at Willits. But if we facilitate building more empty real estate what have we accomplished? The developer is clearly telling us they can not rent what they have; we would be foolish to subsidize building more.

The argument that these funds would only be used for public improvements is not valid - the developer has already committed to these improvements in the PUD agreement.

And a "race to the bottom" with other communities that this could start would be bad for the whole valley.

This is a rare occasion when Fiscal Conservatism meets Liberal Values: Don't foolishly give tax dollars away and support the "too big to fail" against the smaller landowners/merchants in town.

Please vote against this "PIFfle."

Thank you,
Richard

Richard Rosenfeld
CEO & Founder
Two Leaves and a Bud Tea Company
We take tea personally!

.....
Elevate your tea experience: [food service catalog](#).

[Retail Catalog](#)

.....
[twoleavestea.com](#)

Follow us on [Facebook](#), [Twitter](#), [Instagram](#) and [Pinterest](#) @twoleavestea

Pam Schilling

From: Pam Weber <pam@weberinteriordesign.com>
Sent: Friday, January 08, 2016 10:30 AM
To: Pam Schilling
Subject: Comment on Willits PIF - AGAINST Sales tax "sharing"

Hi Pam,
Please pass this to town council with my thanks.

Dear Basalt Town Council,

As a Basalt resident and business owner I am strongly against this proposal.

I realize that all of us want to complete the development at Willits. But if we facilitate building more empty real estate what have we accomplished? The developer is clearly telling us they can not rent what they have; we would be foolish to subsidize building more.

The argument that these funds would only be used for public improvements is not valid - the developer has already committed to these improvements in the PUD agreement.

And a "race to the bottom" with other communities that this could start would be bad for the whole valley.

This is a rare occasion when Fiscal Conservatism meets Liberal Values: Don't foolishly give tax dollars away and support the "too big to fail" against the smaller landowners/merchants in town.

Please vote against this "PIFfle."

Thank you,
Pam Weber

Pamela Weber Rosenfeld
Weber Interior Design
Box 3436
Basalt, CO 81621
970-948-2848

TOWN OF BASALT ACTION ITEMS	Date: January 12, 2016 From: Susan Philp AICP, Planning Director
--	---

SUBJECT:
7A. Ordinance No. 01 Series of 2016 - Ordinance Approving Contract to Buy and Sell Between Roaring Fork Conservancy and Town of Basalt
7B. Ordinance No. 02. Series of 2016 – Ordinance approving Lease Agreement

RECOMMENDATION:
 Approve both ordinances at 1st Reading and set 2nd Reading and Public Hearing for January 26, 2016

DETAIL:

In its discussions the Council has acknowledged that the Roaring Fork Conservancy River Center proposed adjacent to RMI and the recent River and Old Pond Park improvements are key elements of implementing the Town goals defined in the Our Town Planning Process.

The Roaring Fork Conservancy and the Town entered into a pre-development agreement on August 29, 2014. The purpose of the predevelopment agreement was to establish the framework of how the Town can help the Conservancy through the land use and development process and kick off the construction of the River Center.

The Council subsequently approved Resolution No. 36, Series of 2015. The ultimate strategy as outlined in that resolution was for the Council to purchase back the Roaring Fork Conservancy parcel for \$400,000 and then lease the property needed for the River Center back to the Conservancy. In addition the Town would contribute \$100,000 toward infrastructure improvements.

The first ordinance (Ordinance No. 01, Series of 2016) authorizes the purchase and sale contract between the Conservancy and the Town of Basalt where the Town would acquire the original .14+ acres that the Roaring Fork Conservancy purchased.

The second ordinance (Ordinance No. 02, Series of 2016) authorizes the Town to lease back a portion of the property to the Roaring Fork Conservancy which is to be used for the River Center.

The Town would be responsible for developing the park and trail improvements around the pond. The parties would continue to work together to refine the responsibilities for the wetland being created which is viewed as an educational component so that all ages could experience its value.

Recommendation From Other Boards: No other boards are required to review the Ordinances

Related Town Statute and or Town Actions Two Rivers Road Greenway Plan, Town's "Fix the Fork" Project, Town's action on RMI approvals, Pre-development Agreement, Resolution No. 36, Series of 2015

Attachments:
 Draft Ordinance No. 01, Series of 2016 – Authorizing Purchase and Sale Contract
 Draft Ordinance No. 02, Series of 2016 – Authorizing Lease agreement

**Town of Basalt, Colorado
Ordinance No. 01
Series of 2016**

AN ORDINANCE AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTRACT TO BUY AND SELL REAL ESTATE BETWEEN THE ROARING FORK CONSERVANCY AND THE TOWN OF BASALT, COLORADO AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO

RECITALS:

A. There has been presented to the Town Council (the "Council") of the Town of Basalt (the "Town"), at this meeting a form of a Contract to Buy and Sell Real Estate (the "Contract"), between the Roaring Fork Conservancy and the Town.

B. The Town is interested in furthering the development of a River Center and additional park amenities adjacent to Old Pond and to this end entered into a Pre-Development agreement with the Roaring Fork Conservancy on August 29, 2014.

C. The Contract provides for the Roaring Fork Conservancy to sell and the Town to buy approximately 16,000 square feet of land in the property known as Lot 1, of the Basalt Riverfront Park Subdivision.

D. At a public meeting held on January 12, 2016, the Town Council considered approval of the Contract on first reading and scheduled a public hearing and second reading for the ordinance for January 26, 2016, for a meeting beginning no earlier than 6:00 pm at the Basalt Town Hall, 101 Midland Avenue, Basalt, Colorado.

E. At a public hearing and second reading on January 26, 2016, the Town Council heard evidence and testimony as offered by the Town Staff and members of the public.

F. The Council desires to approve the form of the Contract and authorize the execution thereof.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF BASALT, COLORADO AS FOLLOWS:

1. The form of the Contract setting forth *inter alia* the terms, conditions and details of the proposed purchase and sale of approximately 16,000 square feet of

land is attached as **Exhibit A** is incorporated herein by reference and is hereby approved; and the Town shall enter into the Contract, and perform its obligations thereunder in substantially the forms presented at this meeting with only such changes as are not inconsistent herewith and as are expressly approved by the Town Attorney to effectuate the intentions of the parties or to comply with applicable law.

2. The Town Council hereby terminates the Declaration of Restrictive Covenant Concerning 22826 Two Rivers Road as recorded as Reception No. 9200207 in the Eagle County Records and the Right of First Refusal recorded as Reception No. 920208 in the Eagle County Records contingent upon the Town taking title to the Property.

3. The Town Council affirms that the Landscape and Improvements Easement Agreement recorded as Reception No. 920206 in the Eagle County Records and the Reciprocal Access Easement Agreement recorded as Reception No. 920205 were vacated by the First Amended Final Plat of Basalt Riverfront Park Subdivision recorded October 2, 2014, as Reception No. 201416919, and no further action is needed to terminate those agreements.

4. The Mayor of the Town is hereby authorized and directed to execute, and the Town Clerk or any deputy Town Clerk are authorized to authenticate and affix the seal of the Town to the Contract, and the Town Manager is further authorized to execute and authenticate such other documents, instruments or certificates as are deemed necessary or desirable in connection therewith. Such documents are to be executed in substantially the form hereinabove approved, provided that such documents may be completed, corrected or revised as deemed necessary by the parties thereto in order to carry out the purposes of this Ordinance. The execution of any instrument by said officials shall be conclusive evidence of the approval by the Town of such instrument in accordance with the terms of such instrument and this Ordinance.

5. The Town Manager is hereby authorized to execute such closing documents as are reasonably required or necessary and convenient to effectuate the purposes and intent of the Contract approved hereby.

6. This Ordinance, after its passage and publication, shall be authenticated by the signature of the Mayor, by the signature of the Town Clerk, and by the Certificate of Publication. This Ordinance shall be effective 14 days after final publication.

7. If any part, section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this Ordinance and the Town Council hereby declares it would have passed this Ordinance and each part, section, subsection, sentence, clause or phrase thereof regardless of the fact that any one or more parts, sections, subsections, sentences, clauses or phrases be declared invalid.

READ ON FIRST READING, ORDERED PUBLISHED AND SET FOR PUBLIC HEARING TO BE HELD ON January 26, 2016, by a vote of ___ to ___ on January 12, 2016.

READ ON SECOND READING AND ADOPTED, by a vote of ___ to ___ on January 26, 2016.

TOWN OF BASALT, COLORADO

By: _____
Jacque R. Whitsitt, Mayor

ATTEST:

Pamela Schilling, Town Clerk

Date of First Publication: Thursday, _____
Date of Second Publication: Thursday, _____
Effective Date: Thursday, _____

Exhibit A

CONTRACT TO BUY AND SELL REAL ESTATE

1. **PARTIES AND PROPERTY.** The Town of Basalt, Colorado, a home rule municipality ("Buyer"), agrees to buy, and The Roaring Fork Conservancy, a Colorado nonprofit corporation ("Seller"), agrees to sell, on the terms and conditions set forth in this Contract, the following described real estate in the County of Eagle, Colorado, to wit:

Lot 1, Basalt Riverfront Park Subdivision, according to the Plat thereof recorded January 26, 2005 as Reception No. 904436 of the Eagle County Records ("Plat");

TOGETHER WITH all easements and other appurtenances thereto, all improvements thereon and all attached fixtures thereon, except as herein excluded (collectively the "Property").

2. **PURCHASE PRICE AND TERMS.** The purchase price shall be \$400,000.00, payable in U.S. dollars by Buyer at closing as follows:

a. **CASH AT CLOSING.** Purchase price and all closing costs to be paid by Buyer at closing in funds which comply with all applicable Colorado laws, which include cash, electronic transfer funds, certified check, savings and loan teller's check, and cashier's check ("Good Funds").

3. **TITLE COMMITMENT.** Within 10 days ("Title Deadline") of Mutual Execution of this Contract ("MEC"), Seller shall provide Buyer a Commitment for Title Insurance in an amount equal to the Purchase Price ("Title Commitment"). As soon as reasonably practicable after Closing, Seller will cause an Owner's Title Insurance Policy (the "Title Policy") to be issued in accordance with the Title Commitment and delivered to Buyer and Seller shall pay the basic premium thereon. Said Title Policy shall be an approved ALTA form policy and shall show title in the Buyer. Buyer shall not be relieved of Buyer's obligation to close the purchase of the Property by virtue of the existence of lien claims of mechanics and materialmen that Seller disputes in good faith and for the ultimate discharge of which Seller and the Title Company shall remain responsible and will insure over. The Title Policy to be delivered by Seller to Buyer following Closing shall include a deletion of standard preprinted exceptions Nos. 1, 2 and 3. Preprinted exception No. 4 shall be amended to except only for mechanic's liens created by Buyer. No water rights are being transferred hereunder and Preprinted Exception No. 5 will remain unchanged. Preprinted Exception No. 6 shall be amended to except for general taxes for the year of Closing and subsequent years. The Parties will sign any affidavit, indemnity or other agreement required by Title Company to insure against mechanic's liens or provide any of the additional coverage described in the preceding sentences.

4. **TITLE OBJECTIONS.** If title is unmerchantable or otherwise unacceptable to Buyer and written notice of such defects is given to Seller on or before 30 days of MEC, Seller shall have the option, in Seller's sole discretion, to: (i) cause such matters that are the subject of the notice of defects to be removed or remedied prior to Closing and, if necessary, to extend Closing from time to time as necessary to effectuate such removal or remedy or (ii) in the event of monetary claims or

liens, including mechanics liens, obtain an endorsement prior to Closing to the Title Commitment showing the matters that are the subject of the notice of defects to be insured over and Seller shall pay the full premium for such additional insurance or (iii) not remove or remedy the matters which are the subject of Buyer's notice of defects. Seller agrees to advise Buyer in writing within seven (7) days after receipt of any notice of title defects from Buyer as to which of the options set forth in the preceding sentence Seller has elected to follow. In the event Seller shall elect not to remedy or remove any of the matters which are the subject of Buyer's notice of defects, Buyer, as its sole remedy, shall have seven (7) days after receipt of Seller's notice thereof to advise Seller, in writing, as to whether Buyer will either waive the matters which are the subject of Buyer's notice of defects and close on the Property subject thereto or to terminate this Agreement and obtain a refund of all Earnest Money paid. Where Seller has elected to remedy or remove the matters which are the subject of Buyer's notice of defects but is unable to do so by Closing or any extension thereof, Buyer's sole remedy shall be to terminate this Agreement or to waive such matters and close on the purchase of the Property subject thereto. Seller shall have no obligation to remove or remedy any matters which are the subject of Buyer's notice of defects or to expend any monies should Seller elect to remove or remedy any matters which are the subject of Buyer's notice of defects. If Buyer shall fail to timely provide Seller with any notice of title defects within the time period set forth above, Buyer's acceptance and complete satisfaction with regard to the matters set forth in the Title Commitment shall conclusively be deemed given and Buyer shall have waived all further rights (except with respect to any updated Title Commitment as set forth below) to object to any matters set forth in the Title Commitment or that Seller's title to the Property may be unmerchantable. Mineral reservations or exceptions appearing in patents or other documents of record shall not be the subject of any objections to title on the part of Buyer so long as the company issuing the Title Commitment will at the expense of Buyer commit to affirmatively insure over such reservations. There are no water rights to be conveyed with the Property. To the extent any update of the Title Commitment is provided to Buyer and such updated Title Commitment shall disclose any matter of record not disclosed in the original Title Commitment, Buyer shall, within seven (7) days after receipt thereof or prior to Closing, whichever is sooner, have the right (which right, if not timely exercised, shall be deemed waived) to object thereto. Should Buyer timely make such objection, each of Seller and Buyer shall have the same rights set forth above as applied to the original Title Commitment with respect to the remedy or removal thereof. Nothing in this paragraph shall be construed to limit or restrict Buyer's rights pursuant to **paragraph 5** (Buyer's Due Diligence).

5. **BUYER'S DUE DILIGENCE.** Seller agrees to provide Buyer on or before the Title Deadline all instruments, documents, reports, engineering or technical data, maps, drawings, photographs, surveys, improvement location certificates, plats, appraisals, or other documents in existence and in Seller's knowledge, possession or under Seller's control, that are not of public record that may affect or concern the Property. Buyer shall have until 45 days after MEC (the "Due Diligence Period") to satisfy itself as to any matter concerning the Property except for issues related to title, the Plat or the Survey. Any objection to title to the Property, shall be made and resolved in accordance with **paragraph 4** above. Buyer, itself or through its designee(s), shall be entitled to, upon prior notice to Seller and if Seller elects, in the presence of a representative of Seller, enter the Property to conduct inspections of the Property at all reasonable times provided that: (i) Buyer shall indemnify and hold Seller absolutely blameless and harmless from and against any and all loss, injury, damage to person or property, claim, demand, liability or obligation of whatsoever nature resulting from, occasioned by or arising in connection with such investigations and (ii) all such investigations shall be at Buyer's sole cost and expense, shall be undertaken solely at the behest of Buyer as contract vendee, not at the behest of Seller as the owner of the Property and shall not give rise to any lien against the Property. If, within the Due Diligence Period, Buyer advises Seller, in

writing, that it no longer wishes to purchase the Property, for any reason or no reason at all, in Buyer's sole and absolute discretion, this Agreement shall terminate. If Buyer fails timely to give any such notice, then the provisions of this paragraph shall be deemed fully satisfied, and Buyer shall have no further right to terminate this Agreement on the grounds set forth in this paragraph.

6. **WATER RIGHTS.** The purchase price shall not include any water and water rights; ditches and ditch rights; structure rights, rights of way and easements for water right diversion and conveyance structures, including interests in water or ditch companies; and springs, wells and well permits which may be or may have been appurtenant to, adjudicated to, associated with or historically used on or in connection with the Property ("Water Rights").

7. **SELLER'S WARRANTIES.** Seller represents and warrants as of the date hereof and as of closing that the following facts and circumstances are true and correct. Such representations and warranties shall survive closing for a period of one year, and thereafter shall be deemed merged into the deed:

a. This Contract constitutes a legal and binding agreement of the Seller enforceable in accordance with its terms, and there exists no restriction on the right of Seller to transfer, sell, convey and assign the Property except as provided herein.

b. The execution of this Contract and the consummation of the transactions contemplated hereby do not constitute and will not result in any breach or default of the terms or conditions of any lien, license, lease, instrument, or other agreement to which the Property or the Seller is subject.

c. Seller has received no notice of and has no knowledge of any pending or threatened litigation, proceeding, or investigation by any governmental authority, special district, or any other person against or otherwise affecting the Property; and Seller does not know of any grounds for any such litigation, proceeding, or investigation.

d. Seller has not received notice of and does not know of any basis for any special assessment against the whole or any part of the Property other than as disclosed in writing to Buyer.

e. The Property has access to and from a public highway or road.

f. Seller has full power and authority to enter into this Contract and has taken all necessary action to consummate the transaction contemplated hereby.

g. To the best of Seller's knowledge and belief, the Property is not and will not be at the time of closing in violation of any federal, state or local law, ordinance or regulation or requirement, relating to environmental conditions on or under the Property.

h. Until closing, Seller shall be entitled to any reasonable use of the Property

which does not materially affect the usability of the Property to Purchaser.

8. **DATE OF CLOSING.** The date of closing shall be 50 days after MEC or by mutual agreement at an earlier date. The hour and place of closing shall be as designated by the closing agent.

9. **TRANSFER OF TITLE.** Subject to tender or payment at closing as required herein and compliance by Buyer with the other terms and provisions hereof, Seller shall execute and deliver a good and sufficient general warranty deed to Buyer, on closing, conveying the Property free and clear of all taxes, except the general taxes for the year of closing. Title shall be conveyed free and clear of all liens for special improvements installed as of the date of Buyer's signature hereon, whether assessed or not, except (i) those matters reflected by the Title Documents accepted by Buyer in accordance with **paragraph 4**, and (ii) subject to building and zoning regulations.

10. **PAYMENT OF ENCUMBRANCES.** Any encumbrance required to be paid shall be paid at or before closing from the proceeds of this transaction or from any other source.

11. **CLOSING COSTS, DOCUMENTS AND SERVICES.** Buyer and Seller shall pay, in Good Funds, their respective closing costs and all other items required to be paid at closing, except as otherwise provided herein. Buyer and Seller shall sign and complete all customary or required documents at or before closing. Fees for real estate closing services shall not exceed \$500.00 and shall be paid at closing one-half by each party.

12. **TAX PRORATIONS.** Buyer is a governmental entity which does not pay real estate taxes. There shall be no proration of taxes, Seller will pay any real estate taxes owed by Seller, if any.

13. **POSSESSION.** Possession of the Property shall be delivered to Buyer at closing. If Seller, after closing, fails to deliver possession on the date herein specified, Seller shall be subject to eviction and shall be additionally liable to Buyer for payment of \$100.00 per day from the date of agreed possession until possession is delivered.

14. **CONDITION OF AND DAMAGE TO PROPERTY.** Except as otherwise provided in this Contract, the Property shall be delivered in the condition existing as of the date of this Contract, ordinary wear and tear excepted. In the event the Property shall be damaged by fire or other casualty prior to time of closing, in an amount of not more than ten percent of the total purchase price, Seller shall be obligated to repair the same before the date of closing. In the event such damage is not repaired within said time or if the damages exceed such sum, this Contract may be terminated at the option of Buyer. Should Buyer elect to carry out this Contract despite such damage, Buyer shall be entitled to credit for all the insurance proceeds resulting from such damage to the Property, not exceeding, however, the total purchase price.

15. **TIME OF ESSENCE/REMEDIES.** Time is of the essence hereof. If any note or check received as earnest money hereunder or any other payment due hereunder is not paid, honored or tendered when due, or if any other obligation hereunder is not performed or waived as herein provided, there shall be the following remedies:

a. **IF BUYER IS IN DEFAULT.** All payments and things of value received hereunder shall be forfeited by Buyer and retained on behalf of Seller and both parties shall thereafter be released from all obligations hereunder. It is agreed that such payments and things of value are LIQUIDATED DAMAGES and (except as provided in **subsection c**) are SELLER'S SOLE AND ONLY REMEDY for Buyer's failure to perform the obligations of this Contract. Seller expressly waives the remedies of specific performance and additional damages.

b. **IF SELLER IS IN DEFAULT.** Buyer may elect to treat this Contract as cancelled, in which case all payments and things of value received hereunder shall be returned and Buyer may recover such damages as may be proper, or Buyer may elect to treat this Contract as being in full force and effect and Buyer shall have the right to specific performance or damages, or both.

c. **COSTS AND EXPENSES.** Anything to the contrary herein notwithstanding, in the event of any arbitration or litigation arising out of this Contract, the arbitrator or court shall award to the prevailing party all reasonable costs and expenses, including attorney fees.

16. **FOREIGN WITHHOLDING.** Seller warrants it is not subject to withholding as defined under Internal Revenue Code Section 1445 (Foreign Person Transferor) and will execute an affidavit, at or prior to closing, to that effect.

17. **COUNTERPARTS.** This Contract may be executed in multiple counterparts, in writing or by legible facsimile copy, each of which shall constitute an original, but all of which, taken together, shall constitute one and the same instrument. If this Contract is executed in facsimile counterparts, the parties agree to circulate promptly hard copies for physical signature to replace, upon full execution of the hard copies by the parties, the facsimile counterparts.

18. **REAL ESTATE BROKERS.** Each party represents to the other that such party has not enlisted the services of a real estate broker in this transaction. In the event any real estate broker shall make a claim for a commission with respect to this transaction, the party whom such real estate broker claims to have represented shall hold harmless and defend the other party from all costs and expenses associated with such claim.

19. **NOTICES.** Any and all notices required or permitted to be given by the terms of this Contract shall be effective: (a) on the date of delivery, if delivered personally; or (b) the day of deposit in the U.S. Mail as certified mail, postage prepaid, addressed as follows.

As to Buyer: Town Manager
Town of Basalt, Colorado
101 Midland Avenue
Basalt, Colorado 81621

With copy to: Thomas Fenton Smith
Austin, Peirce & Smith, P.C.
600 E. Hopkins Ave.
Aspen, CO 81611

As to Seller: Director
Roaring Fork Conservancy
201 Basalt Center Circle
Basalt, Colorado 81621

With copy to:

Personal delivery shall be deemed to have occurred when any notice is delivered to the offices of the party for whom the delivery is intended or to such address as the parties may from time to time designate in writing with notice as provided herein and may be evidenced by an affidavit of delivery.

20. **MODIFICATION OF CONTRACT; PRIOR AGREEMENTS.** No waiver, amendment or modification of this Contract or any covenant, condition, undertaking or limitation herein contained shall be valid unless in writing and duly executed by the party charged therewith. All prior agreements, written or oral, of the parties are hereby terminated and of no further force or effect and are replaced by this Agreement.

21. **APPLICABLE LAW.** The law applicable to this Contract and its interpretation shall be that of the State of Colorado (regardless of its choice of law provisions), and any litigation arising out of or concerning this Contract shall be commenced and maintained in Eagle County, Colorado. The parties hereby submit to the personal jurisdiction of the Eagle County, Colorado, District Court in connection therewith.

22. **NON-RESIDENT WITHHOLDING REQUIREMENTS.** Seller has been advised that, pursuant to Colorado law, the title insurance company or other entity responsible for handling the closing of the purchase and sale of the Property may be required to withhold Colorado state income tax equal to the lesser of two percent of the sales price or the net proceeds derived from the sale of the Property. This law is applicable to all Colorado non-resident sellers.

23. **NO ASSIGNMENT.** Buyer shall have no right to assign all or any part of its interest in this Contract.

24. **FURTHER ASSURANCES.** The parties agree to execute, acknowledge, deliver, file and record or cause to be executed, acknowledged, delivered or filed and recorded such further instruments and documents and such certificates and to do all things and acts as the other party may reasonably require in order to carry out the intentions of this Contract and the transaction contemplated hereby.

25. **CONSTRUCTION.** No provision of this Contract shall be construed against or interpreted to the disadvantage of any party by reason of such party's having or being deemed to have requested, drafted or acquired or structured such provision. Both parties acknowledge they had the benefit of counsel in reviewing this Contract prior to their execution of this Contract, and it is the intention of the parties that the party who employed the scrivener to prepare this Contract shall not be prejudiced by virtue of such act.

26. **NON-BUSINESS DAYS.** If the closing date or any period of time set forth in this Contract falls on or expires on a holiday, a weekend or other non-business day, that period of time shall be extended to the next business day.

27. **NO WAIVER.** No waiver of any term, provision or condition of this Contract in any one or more instances shall be deemed to be or shall be construed as a further or continuing waiver of any such term, provision or condition or as a waiver of any other term, provision or condition of this Contract.

28. **HEADINGS.** Section headings are inserted only for convenient reference and do not define, limit or prescribe the scope of this Contract or any exhibit attached hereto.

29. **ATTORNEY FEES.** Buyer and Seller shall each bear the cost of their own legal counsel except as provided in this section. In the event of any dispute arising between the parties, which dispute is associated with this Contract, the substantially prevailing party shall be awarded its attorney fees and costs.

IN WITNESS WHEREOF, the parties have executed this Contract on the dates set forth below.

BUYER:

TOWN OF BASALT, COLORADO

ATTEST:

By: _____
Jacque R. Whitsitt, Mayor

By: _____
Pamela K. Schilling, Town Clerk

Date of Buyer's signature: _____, 2015

SELLER:

ROARING FORK CONSERVANCY,
a Colorado nonprofit corporation

By: _____
Diane Schwener, President

Date of Seller's Signature: _____, 2015

**AN ORDINANCE OF THE TOWN COUNCIL OF BASALT, COLORADO, APPROVING
A LEASE AGREEMENT FOR CONSTRUCTION AND OCCUPANCY OF A RIVER
CENTER AT 22826 TWO RIVERS ROAD ON PROPERTY TO BE OWNED BY THE
TOWN**

**Ordinance No. 02
Series of 2016**

RECITALS

1. The Town of Basalt has approved Ordinance No. 01, Series of 2015 approving a contract for the Town to purchase the Roaring Fork Conservancy's interests in Lot 1, Basalt Riverfront Park Subdivision.

2. The Town is interested in furthering the development of a River Center near Old Pond to be constructed by the Roaring Fork Conservancy and to this end entered into a Pre-Development agreement with the Roaring Fork Conservancy on August 29, 2014.

3. In order to help provide funding for the River Center the Town is purchasing the property owned by the Roaring Fork Conservancy and agreeing to construct certain park and trail improvements originally required by the Roaring Fork Conservancy as part of their land use approvals granted by Ordinance No. 08, Series of 2010 as amended by Ordinance No. 07, Series of 2011.

4. The Town Council desires to approve a lease agreement to give the Conservancy time to amend its current approvals, seek remaining funding and construct the River Center.

5. At a public meeting on January 12, 2016 the Basalt Town Council approved this ordinance on first reading and scheduled second reading and public hearing for January 26, 2016, at a meeting beginning no earlier than 6:00 PM at the Basalt Town Hall, 101 Midland Avenue, Basalt, Colorado. Throughout the meeting, evidence and testimony was offered by the Applicants, Staff and members of the public.

6. At a public hearing on January 26, 2016, the Town Council heard evidence and testimony from the Applicants, Town Staff, and members of the public.

Please return to:
TOWN OF BASALT
101 Midland Avenue
Basalt, CO 81621

7. The Town Council finds and determines it is in the best interests of the Town to approve this Ordinance. Further, the Town Council finds and determines this Ordinance is reasonably necessary to promote the legitimate public purposes of the public health, safety and welfare.

NOW, THEREFORE, BE IT ORDAINED by the Basalt Town Council of Basalt, Colorado, as follows:

1. The Roaring Fork Conservancy Lease Agreement, attached hereto as **Exhibit A**, is hereby approved and the Mayor of the Town of Basalt is hereby authorized to execute the Agreement on behalf of the Town Council once the Town owns Lot 1 of the Basalt Riverfront Park Subdivision. The Town Attorney may make minor modifications to the Lease Agreement before execution which are consistent with the intent of this approval.

2. The approvals and conditions contained herein shall be binding on and inure to the benefit of the heirs, successors, and assigns of the owners of the Property.

3. If any part, section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portions of this Ordinance and the Town Council hereby declares it would have passed this Ordinance and each part, section, subsection, sentence, clause or phrase thereof regardless of the fact that any one or more parts, sections, subsections, sentences, clauses or phrases be declared invalid.

4. This Ordinance shall be effective 14 days after final publication of the Ordinance in accordance with the Town Home Rule Charter.

READ ON FIRST READING, ORDERED PUBLISHED AND SET FOR SECOND READING TO BE HELD ON January 26, 2016 by a vote of ___ to ___ on January 12, 2016.

READ ON SECOND READING AND ADOPTED, by a vote of ___ to ___ on January 26, 2016.

TOWN OF BASALT, COLORADO

By: _____
Jacque R. Whitsitt, Mayor

ATTEST:

By: _____
Pamela K. Schilling, Town Clerk

First Publication: Thursday, _____
Final Publication: Thursday, _____
Effective date: Thursday _____

(EXHIBIT A TO ORDINANCE NO. 02, SERIES OF 2016)

TOWN OF BASALT

ROARING FORK CONSERVANCY LEASE AGREEMENT

This LEASE AGREEMENT is made this _____ day of _____, 2016 between the **TOWN OF BASALT**, a home-rule municipality of the State of Colorado, whose address is c/o Town Manager 101 Midland Avenue, Basalt, CO 81621 ("Landlord") and the Roaring Fork Conservancy, whose address is 201 Basalt Center Circle, Basalt, CO 81621 ("Tenant").

WITNESSETH

WHEREAS, Landlord is the owner of the real property known as Lot 1, Basalt Riverfront Park.

WHEREAS, Landlord desires to lease a portion of the Property, consisting of approximately 8568 square feet as delineated on Exhibit A attached hereto and incorporated herein (hereinafter referred to as the Premises" in accordance with the terms and conditions contained in this Lease Agreement;

WHEREAS, Tenant desires to plan, build and construct a River Center on the Premises and desires to lease from the Landlord the Premises in accordance with the terms and conditions contained in this Lease Agreement.

NOW, THEREFORE, for and in consideration of the payments to be made hereunder, and in further consideration of the terms, conditions, covenants and mutual promises contained herein, the parties hereto agree as follows:

1. Premises. The parties agree that this is a land lease only. Landlord does hereby lease Premises to the Tenant and Tenant does hereby rent from Landlord the land area, all in its current condition subject to the covenants and conditions hereinafter contained to wit:

That portion of the land area located at 22826 Two Rivers Road, delineated and outlined on Exhibit A Attached hereto and incorporated herein, hereinafter referred to as "the Premises."

2. Term. Unless sooner terminated, as provided herein, the term of the Lease shall be for a period of five (5) years. The Lease term shall commence _____, 2016 and shall end on _____, 2021. The term of the Lease Agreement shall automatically

extend to a total of 99 years upon a certificate of occupancy for the River Center to be occupied by the Roaring Fork Conservancy.

3. Base Rent. The base rent for the first five years of the term of this Lease, commencing _____, 20____ and terminating _____, 2021 shall be Five dollars (\$5.00), payable in annual installments of \$1.00 commencing on _____, 2016 and continuing on an annual basis thereafter.

4. Tenant's Acceptance of Premises. Tenant accepts the Premises, together with any and all appurtenances thereto, as is, in its present existing condition. Except as may be specifically stated herein, the parties agree that no representation, statement, express or implied warranty has been made by or on behalf of the Landlord as to the condition of the Premises or its sustainability for the Tenant's use thereof. In no event shall the Landlord be liable for damages resulting from any condition or defect in the condition of the Premises.

5. Use of Premises. The Tenant may use and occupy the Premises for the purpose of building and occupying a River Center. "River Center" means the land uses approved by the Town of Basalt in accordance with the Basalt Municipal Code. No other use of the Premises is permitted without the written consent of the Landlord. Tenant shall not use or permit the use of the Premises for any unlawful purpose. Tenant shall be liable for the actions of its guests and invitees. No hazardous or dangerous activities are permitted on the Premises.

6. Use of Property Outside of Premises. The Tenant may have use of Town Property outside of the Lease Area for Construction of the River Center only and subject to an approved Construction Management Plan and Construction License to be approved by the Town Building Official.

7. Performance Deadlines. The Tenant must satisfy the following requirements. Failure to meet those requirements shall constitute a violation of this lease.

		Performance Requirement
A – Approvals Deadline	April 15, 2017	Applicant must obtain Amended land Use Approvals
B – Building Permit Deadline	April 15, 2019	Applicant must obtain a full building permit for River Center
C – Completed Construction Deadline	April 15, 2021	Applicant must obtain a final certificate of occupancy

A. Deadline A requires the Tenant to obtain all necessary approvals under Sec. 16-28 of the Basalt Municipal Code for the use of the Property as a River Center.

B. Deadline B requires the Tenant to obtain all necessary building permits from the Town of Basalt for the construction of the River Center approved

in accordance with Deadline A.

- C. Deadline C requires the Tenant to obtain a final Certificate of Occupancy for the use and occupancy of the River Center built in accordance with Deadline B.
- D. The Landlord may, for good cause shown as determined in the discretion of the Landlord, grant extensions of the deadlines referred to in this section.

8. Utilities. Tenant shall pay all utilities for the Premises throughout the term of this Lease, including charges for water, heat, sewer, electricity and light, cable TV, telephone, trash collection, and general maintenance and any other utilities or services desired by Tenant. Procedurally, Tenant shall have the natural gas, water, electricity, telephone, and cable TV, to the extent desired by Tenant, placed in Tenant's name. In addition, Tenant shall contract directly with all utility and service companies.

9. Real Estate Taxes. As the Property is owned by Landlord and the Tenant has provided documentation that it is a 501(C) 3 under Federal Tax Laws, it is anticipated that Tenant will not have to pay real property taxes for its use and occupancy of the Premises. However, any real property taxes that may be levied on the Premises shall be paid by Tenant.

10. Repairs and Maintenance. Tenant shall be solely responsible for the repair and maintenance of the River Center and other improvements it places or constructs on the Premises.

11. Damage to Premises. Tenant shall be solely responsible for damage to the Premises and the improvements located thereon regardless of cause and whether caused intentionally or by negligence of Tenant, its agents, employees, guests and invitees.

12. Snowplowing and Snow Removal/Yard Maintenance. The Town agrees to maintain the Premises until a Development Permit is issued by the Town for a River Center. The boundaries and responsibilities for maintenance between the Roaring Fork Conservancy and the Town of Basalt will be further refined in the River Center's land use approval process.

13. Liability Insurance. For the entire term of this Lease, the Tenant at its own cost and expense, shall provide and keep in full force for the benefit of the Tenant and the Landlord (as a named or additional insured) during the term hereof or any extension or renewal period, general public liability insurance for claims of liability arising out of, occasioned by or resulting from an accident or otherwise in or about the Premises, for injuries to any person or persons for limits of not less than Five

Hundred Thousand Dollars (\$500,000.00) for injuries to one person and One Million Dollars (\$1,000,000.00) for injuries to more than one person, in any one accident or occurrence, and for loss or damage to the property of any person or persons, for not less than Fifty Thousand Dollars (\$50,000.00). The policy or policies of insurance (or certificate of insurance therefor) shall be issued by a reputable company or companies authorized to do business in this State and copies thereof shall be delivered to the Landlord prior to the commencement of the term hereof. The Tenant also agrees to and shall save, hold and keep harmless and indemnify the Landlord from and against any and all payments, expenses, costs, attorney's fees and/or damage to property or injuries to persons occasioned wholly or in part by or resulting from any acts or omissions by Tenant. If for any reason as a result of Tenants' activities, use, or business, it shall be impossible to obtain fire and other hazard insurance on the buildings and improvements on the Premises, the Landlord may terminate this Lease and the term hereof, upon giving to Tenant fifteen (15) days notice in writing of the Landlord's intention to do so and upon the expiration of the time provided in said notice, this Lease and the term hereof shall terminate. The Tenant waives all rights of recovery against the Landlord or Landlord's agents, employees or other representatives, for any loss, damages or injury of any nature whatsoever to property or persons for which the Tenant is insured.

14. Improvements and Alterations. No alterations, additions, or improvements shall be made and no fixtures shall be installed in or attached to the Premises, without the written consent of the Town Manager and approval in accordance with the Basalt Municipal Code.

15. Signs. The Tenant shall not place nor allow to be placed any signs of any kind whatsoever, upon, in or about the said Premises or any part thereof, except as otherwise approved by the Town in accordance with the Town of Basalt's Municipal Code.

16. Alcohol. The Premises shall not be construed as Town Property for the purpose of complying with State and Town of Basalt liquor laws.

17. Compliance with Law. The Tenant shall comply with all laws, ordinance, rules, regulations, requirements, and directives of the federal, state and municipal governments that are applicable to and affecting the said Premises.

18. Quiet Enjoyment. So long as the Tenant is not in default hereunder during the term hereof or any renewal or extension hereof, the Landlord covenants that the Tenant shall peacefully and quietly occupy and enjoy the Premises subject of the terms hereof. The Landlord warrants and agrees to defend the title to the Premises, and Landlord further warrants that it has full power and authority to execute this Lease, be bound by, and perform all its obligations hereunder.

19. Assignment/Sublease. Tenant shall not let, sublet, transfer, assign, or

otherwise in any way alienate, encumber or suffer the Premises, or any part of portion thereof, to be used by others.

20. Surrender and Termination. Upon termination of this Lease for any reason, Tenant shall surrender the Premises to Landlord in as good condition as it was at the commencement of this Lease, reasonable use and wear excepted.

21. Compensation for Improvements. Upon termination of this Lease Agreement, whether based upon its expiration, lease violation, abandonment, mutual agreement or otherwise, all of the improvements located on the Premises shall become the sole property of the Landlord. The Landlord shall at that time pay the Tenant the then-present value of the improvements as determined in accordance with an appraisal to be made by a qualified appraiser selected by agreement of the parties.

22. Re-Entry Upon Tenant Default. If there shall be a default in the performance of Tenant's obligations under this Lease or if there shall be a delinquency by Tenant in the performance of any covenant, agreement, condition, rule or regulation herein contained or hereafter established for more than fourteen (14) days after written notice of such default from Landlord to Tenant, and opportunity to cure during the 14 day period, Landlord or Landlord's agent, at any time thereafter may give written notice to Tenant specifying such event of default and stating that this Lease shall terminate on the date specified in such notice, which shall be at least ten (10) days after the giving of such notice, and upon the date specified in such notice, this Lease and all rights of Tenant hereunder shall terminate.

Upon termination of this Lease pursuant to the preceding subparagraph, Tenant shall peacefully surrender the Premises to Landlord, and Landlord may, upon or at any time after such termination, without further notice, re-enter the Premises and repossess it by force, summary proceedings, ejectment, or otherwise, and may dispossess Tenant and remove Tenant and all other persons and property from the Premises. Tenant shall be responsible for any and all costs and attorney's fees incurred by Landlord in enforcing the provisions contained in this Section. At any time after such termination, Landlord may relet the Premises or any part thereof, in the name of the Landlord or otherwise for such term (which may be greater or less than the period which would otherwise have constituted the balance of the term of this Lease) and on such conditions as Landlord, at its discretion, may determine, and may collect and receive the rents therefor.

23. Surrender of Lease Area Upon Termination. At the termination of this Lease, Tenant shall surrender the Premises to Landlord in good condition and repair, excepting for reasonable wear and tear and acts of God. Tenant shall have the right at the end of the term hereof to, and upon demand by Landlord Tenant shall, remove any equipment, furniture, trade fixtures not affixed to the realty, and other personal property placed in the Premises by Tenant and Tenant shall promptly

repair any damage to the Premises caused by such removal and Landlord may require removal of attached fixtures at its sole discretion.

24. Attorneys' Fees and Waiver of Right to Jury. In the event of any litigation or other action or proceeding between the parties hereto arising out of the performance or non-performance of this Lease, or enforcement of any rights or remedies hereunder, including any indemnities herein contained, the prevailing party shall be entitled in such litigation, action or proceeding to also recover as part of any judgment, award or other relief, its reasonable attorney's fees and costs incurred. The Landlord and Tenant expressly waive any right which either may have to trial by jury of any dispute arising under this Lease relating to the issues of termination of this Lease and rights to possession of the Premises.

25. Notices. All notices required under the terms of this Lease shall be given in person or by mailing such notices by certified or registered mail, return receipt requested, to the address of the party as shown at the beginning of this Lease, or to such other address as may be designated in writing, which notice of change of address shall be given in the same manner. If not sooner received, any notice given by mail shall conclusively be deemed received three (3) days after the date of certification or registration. Unless and until otherwise designated, notice shall be given to the Landlord and Tenant as follows:

Landlord:
Town Manager
Town of Basalt
101 Midland Avenue
Basalt, CO 81621

Tenant:
President
River Center Lease
Basalt, CO 81621

26. Enforceability/Attorney's Fees. If either party fails to perform any of its obligations under this Lease Agreement, or if a dispute arises concerning the meaning or interpretation of any provision of this Lease Agreement, then the defaulting party or the party not prevailing in the dispute, as the case may be, must pay any and all costs and expenses incurred by the other party in enforcing or establishing its rights under the Lease, including, without limitation, court costs and reasonable attorneys' fees as per §13-40-123, C.R.S.

27. Situs. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado. Any action commenced to enforce the terms of this agreement shall be brought in the Eagle County Courts and the parties hereto

24. **FURTHER ASSURANCES.** The parties agree to execute, acknowledge, deliver, file and record or cause to be executed, acknowledged, delivered or filed and recorded such further instruments and documents and such certificates and to do all things and acts as the other party may reasonably require in order to carry out the intentions of this Contract and the transaction contemplated hereby.

25. **CONSTRUCTION.** No provision of this Contract shall be construed against or interpreted to the disadvantage of any party by reason of such party's having or being deemed to have requested, drafted or acquired or structured such provision. Both parties acknowledge they had the benefit of counsel in reviewing this Contract prior to their execution of this Contract, and it is the intention of the parties that the party who employed the scrivener to prepare this Contract shall not be prejudiced by virtue of such act.

26. **NON-BUSINESS DAYS.** If the closing date or any period of time set forth in this Contract falls on or expires on a holiday, a weekend or other non-business day, that period of time shall be extended to the next business day.

27. **NO WAIVER.** No waiver of any term, provision or condition of this Contract in any one or more instances shall be deemed to be or shall be construed as a further or continuing waiver of any such term, provision or condition or as a waiver of any other term, provision or condition of this Contract.

28. **HEADINGS.** Section headings are inserted only for convenient reference and do not define, limit or prescribe the scope of this Contract or any exhibit attached hereto.

29. **ATTORNEY FEES.** Buyer and Seller shall each bear the cost of their own legal counsel except as provided in this section. In the event of any dispute arising between the parties, which dispute is associated with this Contract, the substantially prevailing party shall be awarded its attorney fees and costs.

IN WITNESS WHEREOF, the parties have executed this Contract on the dates set forth below.

BUYER:

TOWN OF BASALT, COLORADO

ATTEST:

By: _____
Jacque R. Whitsitt, Mayor

By: _____
Pamela K. Schilling, Town Clerk

Date of Buyer's signature: _____, 2016

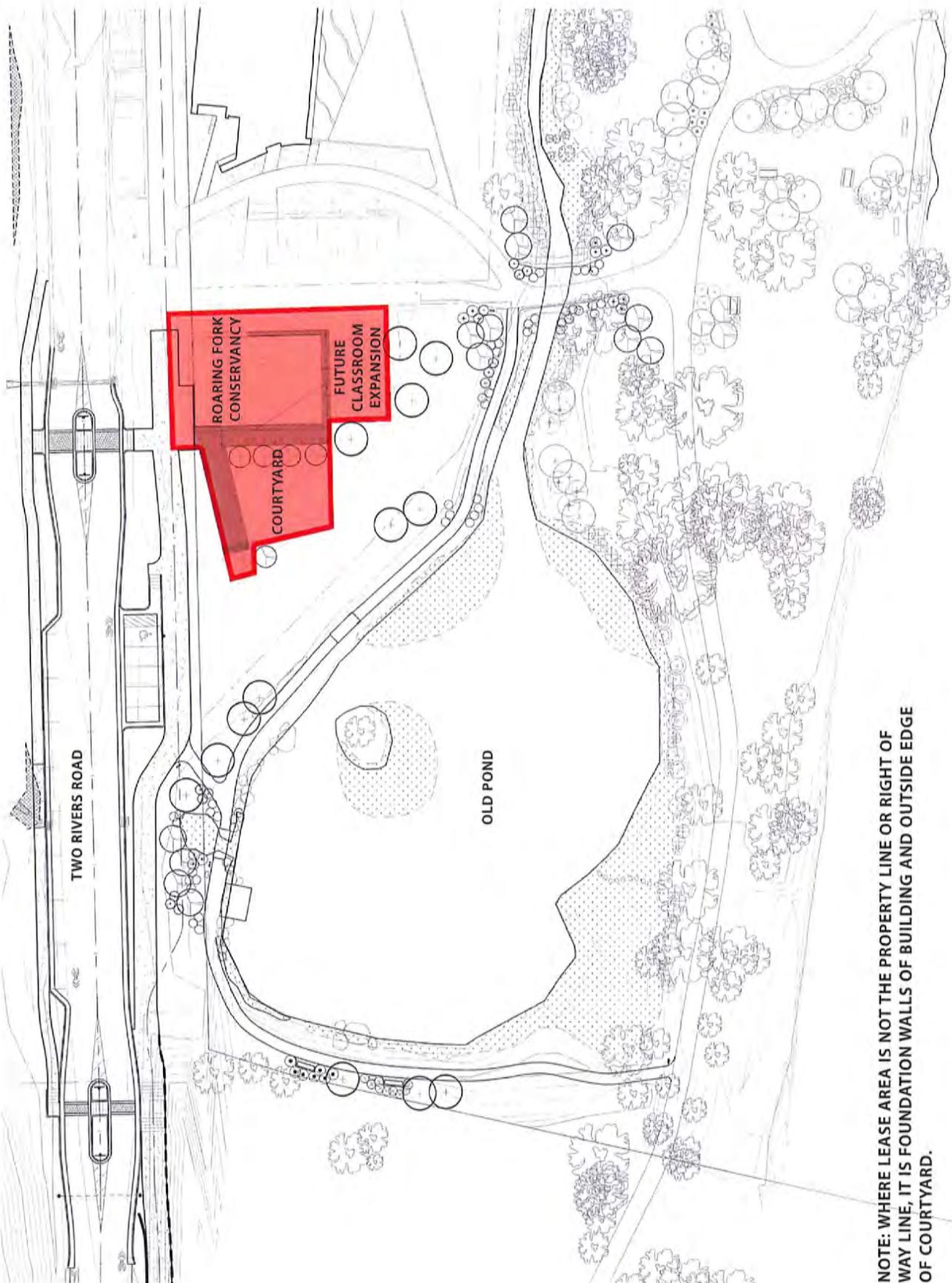
SELLER:

ROARING FORK CONSERVANCY,
a Colorado nonprofit corporation

By: _____
Pat McMahon

Date of Seller's Signature: _____, 2016

EXHIBIT A - LEASE AREA



NOTE: WHERE LEASE AREA IS NOT THE PROPERTY LINE OR RIGHT OF WAY LINE, IT IS FOUNDATION WALLS OF BUILDING AND OUTSIDE EDGE OF COURTYARD.

TOWN OF BASALT ACTION ITEM	Date: January 12, 2016 From: Susan Philp AICP, Planning Director Nicole Leveque and Nancy Lowenthal from BPAC
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SUBJECT: 1 st reading Ordinance No. 03, Series of 2016 Amending Chapter 4 Revenue and Finance of the Basalt Municipal Code to Add a New Article VIII Establishing a 1% for the Arts Program
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RECOMMENDATION: Approve Ordinance 03, 2016 establishing 1% for the Arts Program on 1 st reading, set 2 nd reading and public hearing for January 26, 2016.
--

<p>DETAIL:</p> <p>Many communities have endorsed the 1% public arts program to support arts initiatives, including the City and County of Denver, Loveland, Carbondale, and other places in the country including the cities of New York, Seattle, Baltimore, Nashville and several states for state projects. Simplistically, under this program 1% of public capital improvement project costs are set aside to be used for public art.</p> <p>Ordinance No. 05, Series of 2015 established the Basalt Public Arts Commission (BPAC). In Section 2 of that ordinance, the Council asked BPAC to: Review and make recommendations on financing mechanisms for the development of visual and performing arts.</p> <p>The BPAC unanimously recommended on October 19, 2015 that the Town Council adopt an ordinance establishing the 1% Public Arts Program.</p> <p>The ordinance amends Chapter 4 of the Town Code to: allocate one percent (1%) of eligible construction costs of Town capital improvement projects paid wholly or in part by the Town of Basalt to construct or remodel any public or Town building, structure, park or any portion thereof to be allocated for public art. No less than eighty percent (80%) of this one percent (1%) will be used for public art. No more than twenty percent (20%) will be deposited in a public arts trust fund used for maintenance and administration of public art.</p> <p>Section 4-134 of the new code language describes how the funds will be allocated by the Town Council after advice from BPAC. It describes that the One Percent for Art Program focuses on the outside and the inside of new and remodeled Town owned public spaces. The art may serve a function, express a theme, or commemorate an important person. It may underscore or provide a counterpoint to the architecture and surrounding site. It may serve as a landmark that adds definition to the Town of Basalt.</p>
--

Recommendations by Other Boards: BPAC considered the proposal at several meetings and unanimously endorsed it on October 19, 2015.
Related Town Statute and or Town Actions: 2016 Basalt Town Budget (anticipates that these funds would be available for use); Town of Basalt Master Plan; 2015 Council Work Plan; Ordinance No. 05, Series of 2015 establishing BPAC.
Attachments: Proposed Ordinance

**Town of Basalt
Ordinance No. 03
Series of 2016**

AN ORDINANCE OF THE TOWN OF BASALT, COLORADO, AMENDING CHAPTER 4, REVENUE AND FINANCE, OF THE BASALT MUNICIPAL CODE TO ADD A NEW ARTICLE VIII ESTABLISHING A ONE PERCENT FOR THE ARTS PROGRAM.

RECITALS:

A. The Town of Basalt recognizes and accepts responsibility for public art in public areas. The Town Council has found that such enhancement adds greatly to the enhancement of the quality of life of Basalt's citizens, attracts tourism, and provides incentives to business to locate in the Town, thereby expanding Basalt's economic base.

B. The Town of Basalt established the Basalt Public Arts Commission in part to help make the case for new resources when necessary to fulfill the goals for public arts within the Town.

C. The Basalt Public Arts Commission unanimously recommended on October 19, 2015 that the Town Council adopt an ordinance establishing the 1% Public Arts Program.

D. Town Council accepts the recommendation of the Basalt Public Arts Commission and supports the imposition of a 1% for Public Art Program.

E. At a public meeting held on January 12, 2016, the Town Council considered the following addition to Chapter 4 of the Municipal Code of the Town on first reading and scheduled a public hearing and second reading for the ordinance for January 26, 2016, at a meeting beginning no earlier than 6:00 pm at the Basalt Town Hall, 101 Midland Avenue, Basalt, Colorado.

F. At a public hearing and second reading on January 26, 2016, the Town Council heard evidence and testimony as offered by the Town Staff and members of the public.

NOW, THEREFORE, BE IT ORDAINED by the Town Council of the Town of Basalt, Colorado, as follows:

1. Chapter 4 of the Town of Basalt Municipal Code is amended to add a new Article VIII to read as follows:

ARTICLE VIII

Public Arts Program

Sec 4- 131. Intent.

The purpose of this Article is to establish a public art program, provide for its funding and establish responsibilities relating to administering the Town's public art program.

The Town of Basalt recognizes and accepts responsibility for public art in public areas. The Town Council has found that such enhancement adds greatly to the enhancement of the quality of life of Basalt's citizens, attracts tourism, and provides incentives to business to locate in the Town, thereby expanding Basalt's economic base.

Section 4-132. Definitions.

A. "Public art" includes murals, paintings, glass, fiber, fountains, arches, frescoes, mosaics, mobiles, photographs, drawings, prints, crafts, sculpture, memorials, integrated-architectural or landscape-architectural work, community art, digital new media, and performances and festivals. It can take a wide range of forms, sizes, and scales, and can be temporary or permanent. It may be created in response to this place and community, interpreting the history of the place, its people, and perhaps addressing a social or environmental issue. Free and accessible to everyone, it may be created in collaboration with the community.

B. "Town" is the Town of Basalt.

C. "Construction Cost" is the contracted sum for construction of the designated project including any change orders. Construction costs do not include costs such as professional fees, cost of land, and rights of way.

D. "Construction Project" means any capital improvement project paid wholly or in part by the Town of Basalt to construct or remodel any public or Town building, structure, park or any portion thereof.

E. "Public Art Trust Fund" is a funding mechanism that aggregates portions of the individual private, site-specific One Percent for Art requirement and redistributes these funds to promote, finance and maintain public art projects throughout the Town. This money is limited to not more than twenty percent (20%) of the original one percent (1%) per project allocation unless this is waived by the Town Council for small projects.

F. "Basalt Public Art Commission (PAC)" is a Commission created in 2015 by the Town of Basalt as a standing Town Commission designated to review, advocate and develop public art projects in the public domain for the Town of Basalt. It will develop a formal structure in which to create, develop, acquire, and maintain public art as well as further public accessibility to the arts.

G. "Maintenance" is the periodic work on a facility required to maintain its original functionality.

h.. "Remodel" is work required to substantially change or enhance the functionality of a facility.

Section 4- 133. Imposition of 1% Public Arts Requirement.

It is hereby declared to be the policy of the Town of Basalt to allocate one percent (1%) of eligible construction costs of Town capital improvement projects paid wholly or in part by the Town of Basalt to construct or remodel any public or Town building, structure, park or any portion thereof to be allocated for public art. No less than eighty percent (80%) of this one percent (1%) will be used for public art. No more than twenty percent (20%) will be deposited in a Public Art Trust Fund used for maintenance and administration of public art.

Section 4-134. One Percent for Art Program established.

There is hereby established a One Percent for Art Program. The Town Manager is responsible for implementing the program. The Town Council is responsible for appropriating the funds after advice and recommendation from the Basalt Public Arts Commission.

The One Percent for Art Program focuses on the outside and the inside of new and remodeled Town owned public spaces. The art may serve a function, express a theme, or commemorate an important person. It may underscore or provide a counterpoint to the architecture and surrounding site. It may serve as a landmark that adds definition to the Town of Basalt.

The One Percent for Art Program shall be implemented without discrimination based on race, religion, gender, sexual orientation, marital status, color, national origin, ancestry, or creed.

Section 4-135. Exemptions from the One Percent for Art Program.

Public repair and maintenance projects are exempt from the One Percent-for-Art requirements. However, this exemption does not preclude the Town from proposing and including funding for art as part of these types of project.

2. The effective date of this Ordinance shall be 15 days after final publication.

3. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason held invalid or unconstitutional in a court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and shall not affect the validity of the remaining portions hereof.

INTRODUCED, READ ON FIRST READING, ORDERED PUBLISHED,
AND SET FOR PUBLIC HEARING TO BE HELD ON January 26, 2016, by a
vote of __ to __, on January 12, 2016.

READ ON SECOND READING AND ADOPTED AFTER PUBLIC
HEARING, AND ORDERED PUBLISHED, by a vote of __ to __, on _____
__, 2016.

TOWN OF BASALT, COLORADO

By _____
Jacque R. Whitsitt, Mayor

ATTEST:

By _____
Pamela K. Schilling, Town Clerk

Town of Basalt Accounts Payable December 22, 2015
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GENERAL FUND**Reimbursable**

Total Reimbursable	12,576.61
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Non-reimbursable

Payroll 12/18/2015	97,280.07
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Other Expenditures	165,845.99
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Sub Total General Fund Non-reimbursable	263,126.06
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TOTAL GENERAL FUND	275,702.67
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Bond Fund:	22,771.82
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Total Bond Fund	22,771.82
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Conservation Trust Fund:	0.00
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Total Conservation Trust Fund	0.00
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Water Fund:	21,342.96
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Total Water Fund	21,324.96
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TOTAL ALL FUNDS	319,817.45
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Report Criteria:

Report type: GL detail

Check Detail.Amount = {<>} 0

GL Period	Check Issue Date	Check Number	Payee	Invoice Number	Invoice GL Account	Check Amount
12/15	12/22/2015	37051	AFLAC	060937	10-22760	41.86
12/15	12/22/2015	37052	ALL PHASE ELECTRIC	2675-4	10-50-600	128.95
12/15	12/22/2015	37053	ALPINE BANK	HSA 12	10-22775	776.05
12/15	12/22/2015	37054	ALPINE TIRE COMPANY	1-1312	10-61-580	1,991.88
12/15	12/22/2015	37055	AMERIGAS	304677	10-50-435	557.61
12/15	12/22/2015	37055	AMERIGAS	741524	10-50-435	353.95
12/15	12/22/2015	37056	ASPEN DAILY NEWS	910687	10-45-540	77.40
12/15	12/22/2015	37056	ASPEN DAILY NEWS	910687	10-45-540	77.40
12/15	12/22/2015	37056	ASPEN DAILY NEWS	910687	10-47-600	92.48
12/15	12/22/2015	37056	ASPEN DAILY NEWS	910687	10-47-600	77.40
12/15	12/22/2015	37056	ASPEN DAILY NEWS	910687	10-47-600	277.44
12/15	12/22/2015	37056	ASPEN DAILY NEWS	910687	10-41-675	38.70
12/15	12/22/2015	37056	ASPEN DAILY NEWS	910687	10-45-540	77.40
12/15	12/22/2015	37056	ASPEN DAILY NEWS	918687	10-45-590	77.70
12/15	12/22/2015	37056	ASPEN DAILY NEWS	B01034	10-45-540	258.50
12/15	12/22/2015	37056	ASPEN DAILY NEWS	B01034	10-24480	46.00
12/15	12/22/2015	37056	ASPEN DAILY NEWS	B01034	10-24350	97.75
12/15	12/22/2015	37057	ASPEN GROVE	1212	10-60-422	6,265.00
12/15	12/22/2015	37058	ASPEN MAINTENANCE SUPPLY	303312	10-50-600	114.05
12/15	12/22/2015	37059	AUSTIN, PEIRCE & SMITH, P.C.	1008-0	10-45-310	3,806.39
12/15	12/22/2015	37059	AUSTIN, PEIRCE & SMITH, P.C.	1008-0	10-41-670	77.70
12/15	12/22/2015	37059	AUSTIN, PEIRCE & SMITH, P.C.	1008-0	10-41-670	233.10
12/15	12/22/2015	37059	AUSTIN, PEIRCE & SMITH, P.C.	1008-0	10-41-670	97.13
12/15	12/22/2015	37059	AUSTIN, PEIRCE & SMITH, P.C.	1008-0	51-45-310	194.25
12/15	12/22/2015	37059	AUSTIN, PEIRCE & SMITH, P.C.	1008-0	10-24350	5,565.00
12/15	12/22/2015	37059	AUSTIN, PEIRCE & SMITH, P.C.	1008-0	10-45-315	4,511.00
12/15	12/22/2015	37059	AUSTIN, PEIRCE & SMITH, P.C.	1008-0	10-24375	26.25
12/15	12/22/2015	37059	AUSTIN, PEIRCE & SMITH, P.C.	1008-0	10-45-310	26.25
12/15	12/22/2015	37060	AUTO TRUCK GROUP	134901	10-60-422	428.76
12/15	12/22/2015	37061	BASALT ELEMENTARY SCHOO	HOLE	10-47-600	28.69
12/15	12/22/2015	37062	BASALT MOUNTAIN INN	2% LO	10-31-320	10,459.50
12/15	12/22/2015	37063	BASALT PRINTING	001480	10-45-600	37.40
12/15	12/22/2015	37063	BASALT PRINTING	001480	10-64-665	20.69
12/15	12/22/2015	37063	BASALT PRINTING	001480	10-45-600	40.50
12/15	12/22/2015	37063	BASALT PRINTING	001489	10-45-600	39.00
12/15	12/22/2015	37064	BOYD BIERBAUM	DEC 20	10-62-530	30.00
12/15	12/22/2015	37065	CASELLE	69436	51-45-325	436.92
12/15	12/22/2015	37065	CASELLE	69436	10-45-325	466.71
12/15	12/22/2015	37065	CASELLE	69436	10-42-325	89.37
12/15	12/22/2015	37066	CLARION ASSOCIATES	6399	10-47-330	1,000.00
12/15	12/22/2015	37067	COLE-PARMER	943803	51-72-430	1,470.38
12/15	12/22/2015	37068	COLORADO MTN. NEWS MEDIA	100335	10-47-600	788.74
12/15	12/22/2015	37069	COLUMBIA BUILDERS, INC.	120115	10-75-700	7,155.00
12/15	12/22/2015	37070	COMCAST	849750	10-70-530	177.96
12/15	12/22/2015	37071	COMPUTER SPECIALISTS	4668	10-45-390	240.00
12/15	12/22/2015	37072	DANA KEPNER CO	141824	51-72-430	1,153.85
12/15	12/22/2015	37073	DPC INDUSTRIES, INC	DE730	51-72-405	12.00
12/15	12/22/2015	37074	DREAMTIME WATER DISTRIBU	387600	10-64-605	32.20
12/15	12/22/2015	37075	EHLERS	69283	31-40-310	750.00
12/15	12/22/2015	37075	EHLERS	69409	10-75-700	8,820.00
12/15	12/22/2015	37075	EHLERS	69410	10-41-670	800.00
12/15	12/22/2015	37075	EHLERS	69430	10-24350	5,027.50

GL Period	Check Issue Date	Check Number	Payee	Invoice Number	Invoice GL Account	Check Amount
12/15	12/22/2015	37075	EHLERS	69432	10-24350	525.00
12/15	12/22/2015	37075	EHLERS	69433	31-40-315	4,410.00
12/15	12/22/2015	37076	JENNIFER, ELLSPERMAN	BIKE C	10-47-600	652.39
12/15	12/22/2015	37077	FAMILY SUPPORT REGISTRY	DEC 20	10-22770	200.00
12/15	12/22/2015	37078	MAURINE FITZPATRICK	FALL B	10-64-350	217.60
12/15	12/22/2015	37079	FLORIDA DEPARTMENT OF RE	DEC 20	10-22770	271.20
12/15	12/22/2015	37080	D.D. GERDIN	BEADE	10-64-350	468.00
12/15	12/22/2015	37081	GRAINGER	989210	51-72-405	933.30
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	444507	10-60-412	30.43
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	444520	51-73-410	59.68
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	444556	10-50-410	56.46
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	444558	10-60-412	11.99
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	447001	10-60-412	53.44
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	447513	51-72-410	66.98
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	447528	10-60-412	55.56
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	447531	10-70-410	19.58
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	447532	10-60-412	120.35
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	447542	10-60-412	33.04
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	447543	10-60-412	19.58
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	447563	10-70-410	19.58
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	447568	10-66-410	390.12
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	447575	10-50-410	63.59
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	500295	10-60-412	19.58
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	500335	10-70-410	19.58
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	500373	10-70-410	12.90
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	500373	10-70-410	19.58
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	500462	10-60-412	30.59
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	500541	10-60-412	19.58
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	500545	10-60-412	61.19
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	500579	10-70-410	19.90
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	500623	10-50-410	39.66
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	501058	51-73-410	341.13
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	501290	51-72-410	603.59
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	501475	10-50-410	30.51
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	501584	10-70-410	66.90
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	502041	10-50-410	16.89
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	503061	10-60-412	31.49
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	503212	10-60-412	19.58
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	503274	10-60-412	49.19
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	503355	10-60-412	19.58
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	503404	10-80-412	19.58
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	503431	51-73-410	19.58
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	503447	10-60-412	27.24
12/15	12/22/2015	37082	HOLY CROSS ENERGY ASSOC.	503468	10-60-412	25.00
12/15	12/22/2015	37083	HUGHES EXCAVATING CO., IN	TRIAN	10-75-700	54,939.00
12/15	12/22/2015	37084	ICMA MEMBERSHIP RENEWAL	818226	10-45-570	1,144.50
12/15	12/22/2015	37085	JACOB TOUPAL	REFER	10-64-350	200.00
12/15	12/22/2015	37086	JEFF BLEVINS	DEC 20	51-45-530	30.00
12/15	12/22/2015	37087	ROBERT LARSON	DEC 20	10-62-350	30.00
12/15	12/22/2015	37088	LEAF	613563	10-45-740	495.50
12/15	12/22/2015	37089	LIPKIN WARNER DESIGN&PLA	WTP.C	10-75-700	8,093.50
12/15	12/22/2015	37090	LORIS & ASSOCIATES, INC.	9816	10-47-330	2,993.75
12/15	12/22/2015	37091	DANNY MARTINEZ	REFER	10-64-350	160.00
12/15	12/22/2015	37092	MATRIX DESIGN GROUP	17504	31-40-315	1,758.50
12/15	12/22/2015	37093	MICHAEL CAMPBELL	REFER	10-64-350	280.00
12/15	12/22/2015	37094	MICHAEL J. KINSLEY	120	10-41-670	1,750.00

GL Period	Check Issue Date	Check Number	Payee	Invoice Number	Invoice GL Account	Check Amount
12/15	12/22/2015	37095	MICHAEL SCANLON	DEC 20	10-45-530	150.00
12/15	12/22/2015	37095	MICHAEL SCANLON	DEC 20	10-45-580	600.00
12/15	12/22/2015	37096	MINION HYDROLOGIC	DEC 20	51-71-400	558.45
12/15	12/22/2015	37097	Mountain Pest Control	49486	10-50-435	75.00
12/15	12/22/2015	37097	Mountain Pest Control	49488	10-50-435	70.00
12/15	12/22/2015	37098	MOUNTAIN WASTE - ROARING	7425	10-50-435	50.00
12/15	12/22/2015	37098	MOUNTAIN WASTE - ROARING	8691	10-50-415	370.46
12/15	12/22/2015	37099	MYERS & COMPANY	037471	10-63-700	2,000.00
12/15	12/22/2015	37100	NAPA AUTO PARTS	136177	10-61-430	4.69
12/15	12/22/2015	37100	NAPA AUTO PARTS	136178	10-61-430	15.33
12/15	12/22/2015	37100	NAPA AUTO PARTS	136194	10-61-580	184.99
12/15	12/22/2015	37100	NAPA AUTO PARTS	136552	10-61-430	80.66
12/15	12/22/2015	37100	NAPA AUTO PARTS	137067	10-61-430	16.67-
12/15	12/22/2015	37100	NAPA AUTO PARTS	261244	10-61-430	6.19-
12/15	12/22/2015	37101	NORTHERN LIGHTS DISPLAY, L	2967	10-50-600	4,867.00
12/15	12/22/2015	37102	OPEN MEDIA FOUNDATION	9632	10-45-390	6,000.00
12/15	12/22/2015	37103	PINNACOL ASSURANCE	178610	10-45-520	6,000.00
12/15	12/22/2015	37104	Pitkin County Treasurer	2015-B	10-54-600	6,000.00
12/15	12/22/2015	37104	Pitkin County Treasurer	32531	10-70-710	160.56
12/15	12/22/2015	37105	RISING SUN ENT., INC.	25908	10-60-411	42.00
12/15	12/22/2015	37106	RIVER VIEW PLAZA HOA	4494/4	10-54-410	1,654.31
12/15	12/22/2015	37107	RON ARBANEY TRUCKING INC.	656498	10-60-422	510.00
12/15	12/22/2015	37108	RUEDI WATER & POWER AUTH	ANNUA	51-80-805	9,450.00
12/15	12/22/2015	37109	SCHMUESER GORDON MEYER	90040B	51-45-330	1,478.75
12/15	12/22/2015	37110	SOPRIS ENGINEERING	110448	10-59-330	213.75
12/15	12/22/2015	37111	SOPRIS SUN	12903	10-45-540	174.00
12/15	12/22/2015	37111	SOPRIS SUN	12974	10-45-540	174.00
12/15	12/22/2015	37111	SOPRIS SUN	13012	10-45-540	87.00
12/15	12/22/2015	37112	SOURCE GAS	DEC 20	10-70-410	119.05
12/15	12/22/2015	37112	SOURCE GAS	DEC 20	10-50-410	1,768.67
12/15	12/22/2015	37113	STREET DECOR INC.	23909	10-50-600	2,755.76
12/15	12/22/2015	37114	TG MALLOY CONSULTING, LLC	201505	10-47-330	974.05
12/15	12/22/2015	37114	TG MALLOY CONSULTING, LLC	201505	10-47-330	3,294.30
12/15	12/22/2015	37115	THREE BEARS INN LTD	2943	10-41-670	2,000.00
12/15	12/22/2015	37116	JUDITH TIPPETTS	DEC 20	10-45-530	75.00
12/15	12/22/2015	37116	JUDITH TIPPETTS	XMAS	10-45-600	352.19
12/15	12/22/2015	37117	TREVOR LALONDE	DEC 20	10-70-530	30.00
12/15	12/22/2015	37118	TWIN PEAKS ELECTRIC, INC.	3410	31-40-315	15,853.32
12/15	12/22/2015	37119	UNCC	215111	51-73-390	21.45
12/15	12/22/2015	37120	UNILINK	094935	10-45-740	202.33
12/15	12/22/2015	37120	UNILINK	094936	10-45-740	19.57
12/15	12/22/2015	37121	USPS HASLER/TMS	POSTA	10-45-615	1,500.00
12/15	12/22/2015	37122	VALLEY LUMBER COMPANY	45081	10-50-600	21.00
12/15	12/22/2015	37122	VALLEY LUMBER COMPANY	45775	10-50-600	37.98
12/15	12/22/2015	37122	VALLEY LUMBER COMPANY	46101	10-50-435	58.66
12/15	12/22/2015	37122	VALLEY LUMBER COMPANY	46124	10-50-430	13.39
12/15	12/22/2015	37122	VALLEY LUMBER COMPANY	46154	10-50-600	19.96
12/15	12/22/2015	37122	VALLEY LUMBER COMPANY	46168	10-50-600	33.44
12/15	12/22/2015	37122	VALLEY LUMBER COMPANY	46408	10-50-600	84.45
12/15	12/22/2015	37122	VALLEY LUMBER COMPANY	69978	10-50-600	2.00-
12/15	12/22/2015	37123	VILLAS @ ELK RUN HOMEOWN	12/01/2	10-50-435	286.87
12/15	12/22/2015	37124	MATT WAGNER	DEC C	10-62-530	30.00
12/15	12/22/2015	37125	WESSELLING, RYAN	DEC 20	10-62-530	30.00
12/15	12/22/2015	37126	WESTERN COLO. ELECT.	5338	51-72-430	930.10
12/15	12/22/2015	37126	WESTERN COLO. ELECT.	5339	51-72-430	947.55
12/15	12/22/2015	37126	WESTERN COLO. ELECT.	5340	51-72-430	639.90

GL Period	Check Issue Date	Check Number	Payee	Invoice Number	Invoice GL Account	Check Amount
12/15	12/22/2015	37127	WESTERN SLOPE WATER RIG	NOVE	51-45-310	1,977.10
Grand Totals:						222,537.38

Summary by General Ledger Account Number

GL Account	Debit	Credit	Proof
1020200	24.86	222,562.24-	222,537.38-
10-22760	41.86	.00	41.86
10-22770	471.20	.00	471.20
10-22775	776.05	.00	776.05
10-24350	11,215.25	.00	11,215.25
10-24375	26.25	.00	26.25
10-24480	46.00	.00	46.00
10-31-320	10,459.50	.00	10,459.50
10-41-670	4,957.93	.00	4,957.93
10-41-675	38.70	.00	38.70
10-42-325	89.37	.00	89.37
10-45-310	3,832.64	.00	3,832.64
10-45-315	4,511.00	.00	4,511.00
10-45-325	466.71	.00	466.71
10-45-390	6,240.00	.00	6,240.00
10-45-520	6,000.00	.00	6,000.00
10-45-530	225.00	.00	225.00
10-45-540	925.70	.00	925.70
10-45-570	1,144.50	.00	1,144.50
10-45-580	600.00	.00	600.00
10-45-590	77.70	.00	77.70
10-45-600	469.09	.00	469.09
10-45-615	1,500.00	.00	1,500.00
10-45-740	717.40	.00	717.40
10-47-330	8,262.10	.00	8,262.10
10-47-600	1,917.14	.00	1,917.14
10-50-410	1,975.78	.00	1,975.78
10-50-415	370.46	.00	370.46
10-50-430	13.39	.00	13.39
10-50-435	1,452.09	.00	1,452.09
10-50-600	8,062.59	2.00-	8,060.59
10-54-410	1,654.31	.00	1,654.31
10-54-600	6,000.00	.00	6,000.00
10-59-330	213.75	.00	213.75
10-60-411	42.00	.00	42.00
10-60-412	646.99	.00	646.99
10-60-422	7,203.76	.00	7,203.76
10-61-430	100.68	22.86-	77.82
10-61-580	2,156.87	.00	2,156.87
10-62-350	30.00	.00	30.00
10-62-530	90.00	.00	90.00
10-83-700	2,000.00	.00	2,000.00
10-64-350	1,325.60	.00	1,325.60
10-64-605	32.20	.00	32.20
10-64-665	20.69	.00	20.69
10-66-410	390.12	.00	390.12

GL Account	Debit	Credit	Proof
10-70-410	297.07	.00	297.07
10-70-530	207.96	.00	207.96
10-70-710	160.56	.00	160.56
10-75-700	79,007.50	.00	79,007.50
31-40-310	750.00	.00	750.00
31-40-315	22,021.82	.00	22,021.82
51-45-310	2,171.35	.00	2,171.35
51-45-325	436.92	.00	436.92
51-45-330	1,478.75	.00	1,478.75
51-45-530	30.00	.00	30.00
51-71-400	558.45	.00	558.45
51-72-405	945.30	.00	945.30
51-72-410	670.57	.00	670.57
51-72-430	5,141.78	.00	5,141.78
51-73-390	21.45	.00	21.45
51-73-410	420.39	.00	420.39
51-80-805	9,450.00	.00	9,450.00
Grand Totals:	222,587.10	222,587.10-	.00

Report Criteria:

Report type: GL detail

Check Detail.Amount = {<>} 0

**Town of Basalt
Accounts Payable
January 12, 2016**

GENERAL FUND

Reimbursable

Total Reimbursable 15,233.79

Non-reimbursable

Payroll 1/1/16, Vision and Disability Insurance 122,112.00

Other Expenditures 119,239.86

Sub Total General Fund Non-reimbursable 241,351.86

TOTAL GENERAL FUND 256,585.65

Bond Fund: 84,158.36

Total Bond Fund 84,158.36

Conservation Trust Fund: 0.00

Total Conservation Trust Fund 0.00

Water Fund: 2,091.50

Total Water Fund 2,091.50

TOTAL ALL FUNDS 342,835.51

Due date(s): All-All

Jan 06, 2016 04:51PM

Check Issue Date: 01/12/2016

Due Date	Discount Lost Due Date	Vendor Number	Vendor Name	Invoice Number	Invoice Amount	Discount Amount	Partial Payments	Net Due Amount	Pay	Partial Pmt Amt	Part Pmt Disc Amt
01/30/2015		10739	SINCLAIR PLUMBING AN	121	477.85	.00	.00	477.85			
11/03/2015		10281	IRBF CONCRETE CONST	11/3/15 CON	3,570.00	.00	.00	3,570.00			
12/06/2015		5874	LORIS & ASSOCIATES, IN	9837	2,662.50	.00	.00	2,662.50			
12/06/2015		10700	COLORADO BUREAU OF	T1600000004	30.00	.00	.00	30.00			
12/10/2015		2320	Bobcat of the Rockies	65004794	216.41	.00	.00	216.41			
12/10/2015		9431	WESTERN SLOPE MATE	84493	3,568.99	.00	.00	3,568.99			
12/13/2015		9860	DHM DESIGN CORPORA	31099	14,316.02	.00	.00	14,316.02			
12/15/2015		5242	ICC	1000639183	60.00	.00	.00	60.00			
12/15/2015		7830	Sandy's Office Supply	157945	49.22	.00	.00	49.22			
12/19/2015		9776	CENTURY LINK	9709273057	446.90	.00	.00	446.90			
12/21/2015		1300	ALPINE TIRE COMPANY	1-131938	35.00	.00	.00	35.00			
12/21/2015		2300	BLUE LAKE PRESCHOOL	4TH QTR FI	2,799.00	.00	.00	2,799.00			
12/21/2015		2300	BLUE LAKE PRESCHOOL	FINANCIAL	960.00	.00	.00	960.00			
12/21/2015		4760	GRAND RIVER CONSTRU	REFUND	25.00	.00	.00	25.00			
12/21/2015		4820	GROWING YEARS SCHO	FINANCIAL	1,920.00	.00	.00	1,920.00			
12/21/2015		10395	MT. DALY ENTERPRISES	TRIANGLE P	98.32	.00	.00	98.32			
12/21/2015		10715	HONEY TREE, LLC	4TH QTR	1,175.00	.00	.00	1,175.00			
12/21/2015		10715	HONEY TREE, LLC	FINANCIAL	1,920.00	.00	.00	1,920.00			
12/21/2015		10740	BRYAN CHOCHON	TURKEY BO	340.75	.00	.00	340.75			
12/22/2015		10741	BASALT HIGH SCHOOL	FOOTBALL	2,200.00	.00	.00	2,200.00			
12/23/2015		9202	VERIZON WIRELESS/PU	9757272460	274.35	.00	.00	274.35			
12/23/2015		9202	VERIZON WIRELESS/PU	9757290974	430.92	.00	.00	430.92			
12/23/2015		10489	COMPLETE MAILING SOL	87774	174.32	.00	.00	174.32			
12/23/2015		10675	GREAT AMERICA FINAN	18020993	596.66	.00	.00	596.66			
12/24/2015		1560	ASPEN MAINTENANCE S	303856	231.01	.00	.00	231.01			
12/24/2015		1930	BASALT PRINTING	0014919	469.93	.00	.00	469.93			
12/24/2015		9130	VALLEY LUMBER COMPA	47912	16.49	.00	.00	16.49			
12/24/2015		10095	CAUSEY & HOWARD LLC	3347	525.00	.00	.00	525.00			
12/24/2015		10671	AMERIGAS	202788600	557.61	.00	.00	557.61			
12/27/2015		3205	COMCAST	8497505340	367.42	.00	.00	367.42			
12/27/2015		10348	LEAF	6186040	138.00	.00	.00	138.00			
12/28/2015		7210	QUALITY BUSINESS FOR	4856	143.09	.00	.00	143.09			
12/29/2015		1730	B&H SPORTS--GJ	ABE003298	1,457.00	.00	.00	1,457.00			
12/29/2015		4700	GRAINGER, INC.	9922263042	88.30	.00	.00	88.30			
12/29/2015		4700	GRAINGER, INC.	9922263059	134.10	.00	.00	134.10			
12/29/2015		9776	CENTURY LINK	9709274799	58.64	.00	.00	58.64			
12/29/2015		10601	BRESLIN, MARC	6	1,700.00	.00	.00	1,700.00			
12/29/2015		10722	DEWCO PUMPS & EQUIP	108757	588.47	.00	.00	588.47			
12/29/2015		10735	KENNY'S OVERHEAD DO	11332	395.00	.00	.00	395.00			
12/31/2015		7900	SCHMUESER GORDON	03125A-214	938.52	.00	.00	938.52			
12/31/2015		8602	TG MALLOY CONSULTIN	2015057	3,060.75	.00	.00	3,060.75			
12/31/2015		8850	TRIAD RESOURCE GRO	3134	427.50	.00	.00	427.50			
12/31/2015		9330	WASTE MANAGEMENT	0885984-118	3,300.00	.00	.00	3,300.00			
12/31/2015		9860	DHM DESIGN CORPORA	31101	13,214.05	.00	.00	13,214.05			
12/31/2015		10391	TIMBERWOLF WELDING I	1	12,888.00	.00	.00	12,888.00			
12/31/2015		10600	ROCKY MOUNTAIN CUST	9	76,765.74	.00	.00	76,765.74			
12/31/2015		10736	J.T. HEUER LLC	OVERPAYM	25.00	.00	.00	25.00			
01/01/2016		1087	ACCESS ROARING FORK	2016	1,000.00	.00	.00	1,000.00			
01/01/2016		1273	ALPINE LEGAL SERVICE	2016	1,000.00	.00	.00	1,000.00			
01/01/2016		1390	ANDY ZANCA YOUTH EM	2016	1,000.00	.00	.00	1,000.00			
01/01/2016		1510	ASPEN DANCE CONNEC	2016	500.00	.00	.00	500.00			
01/01/2016		1541	ASPEN FILM	2016	1,000.00	.00	.00	1,000.00			
01/01/2016		1565	ASPEN MUSIC FESTIVAL	2016	500.00	.00	.00	500.00			
01/01/2016		1580	ASPEN SANTA FE BALLE	2016	600.00	.00	.00	600.00			
01/01/2016		1600	THEATRE ASPEN	2016	100.00	.00	.00	100.00			
01/01/2016		1640	ASPEN VALLEY SKI CLU	2016	1,000.00	.00	.00	1,000.00			

Due Date	Discount Lost Due Date	Vendor Number	Vendor Name	Invoice Number	Invoice Amount	Discount Amount	Partial Payments	Net Due Amount	Pay	Partial Pmt Amt	Part Pmt Disc Amt
01/01/2016		1861	ASPEN YOUTH CENTER	2016	200.00	.00	.00	200.00			
01/01/2016		1840	BASALT EDUCATION FO	2016	5,000.00	.00	.00	5,000.00			
01/01/2016		1865	BASALT HIGH SCHOOL B	2016	1,400.00	.00	.00	1,400.00			
01/01/2016		1960	BASALT REGIONAL LIBR	2016	1,000.00	.00	.00	1,000.00			
01/01/2016		1975	BASALT RIVER LOFTS	299	559.10	.00	.00	559.10			
01/01/2016		1980	BASALT SANITATION DIS	1ST QTR 20	1,747.20	.00	.00	1,747.20			
01/01/2016		2000	BASALT SOCCER CLUB	2016	400.00	.00	.00	400.00			
01/01/2016		2101	BERTHOD MOTORS	01-28739	473.43	.00	.00	473.43			
01/01/2016		2101	BERTHOD MOTORS	01-28829	97.67	.00	.00	97.67			
01/01/2016		2535	CAMCA	2016 MEMB	20.00	.00	.00	20.00			
01/01/2016		2880	CMCA	2016 MEMB	195.00	.00	.00	195.00			
01/01/2016		2980	COLLINS, P.C., JOHN	JANUARY 20	800.00	.00	.00	800.00			
01/01/2016		3100	COLORADO MTN COLLE	2016	300.00	.00	.00	300.00			
01/01/2016		3225	COMPUTERS FOR KIDS	2016	1,000.00	.00	.00	1,000.00			
01/01/2016		3229	COMMUNITY HEALTH SE	2016	200.00	.00	.00	200.00			
01/01/2016		3378	CRMPI	2016	200.00	.00	.00	200.00			
01/01/2016		3770	DPC INDUSTRIES, INC	737005395-1	131.36	.00	.00	131.36			
01/01/2016		3800	DREAMTIME WATER DIS	391769	15.00	.00	.00	15.00			
01/01/2016		4220	FAMILY VISITOR PROGR	2016	1,000.00	.00	.00	1,000.00			
01/01/2016		4345	FOREST CONSERVANCY	2016	500.00	.00	.00	500.00			
01/01/2016		4370	UNION SECURITY INSUR	JANUARY 20	1,166.41	.00	.00	1,166.41			
01/01/2016		4850	HACH COMPANY	9722020	337.79	.00	.00	337.79			
01/01/2016		5470	JUNIOR ACHIEVEMENT	2016	500.00	.00	.00	500.00			
01/01/2016		5515	KDNK	2016	1,000.00	.00	.00	1,000.00			
01/01/2016		6290	The Buddy Program	2016	750.00	.00	.00	750.00			
01/01/2016		6680	NEWMAN TRAFFIC SIGN	TI-0293543	95.88	.00	.00	95.88			
01/01/2016		6865	PATHFINDERS	2016	100.00	.00	.00	100.00			
01/01/2016		7391	RESPONSE	2016	1,500.00	.00	.00	1,500.00			
01/01/2016		7510	Roaring Fork Outdoor Volu	2016	1,500.00	.00	.00	1,500.00			
01/01/2016		7538	ROARING FORK SCHOO	2016	750.00	.00	.00	750.00			
01/01/2016		7761	RYAN, SEAN	OPEN GYM	120.00	.00	.00	120.00			
01/01/2016		7900	SCHMUESER GORDON	90040E-4	7,290.88	.00	.00	7,290.88			
01/01/2016		9130	VALLEY LUMBER COMPA	47348	36.98	.00	.00	36.98			
01/01/2016		9130	VALLEY LUMBER COMPA	47377	28.56	.00	.00	28.56			
01/01/2016		9250	VISION SERVICE PLAN	JANUARY 20	405.21	.00	.00	405.21			
01/01/2016		9688	Young Services	REFUND 20	25.00	.00	.00	25.00			
01/01/2016		9838	RON ARBANEY TRUCKIN	857102	510.00	.00	.00	510.00			
01/01/2016		9845	ASPEN VALLEY MARATH	2016	500.00	.00	.00	500.00			
01/01/2016		9853	SCIENCE IN SCHOOLS	2016	300.00	.00	.00	300.00			
01/01/2016		10064	ENGLISH IN ACTION	2016	1,000.00	.00	.00	1,000.00			
01/01/2016		10068	HOME CARE & HOSPICE	2016	2,000.00	.00	.00	2,000.00			
01/01/2016		10070	LIFT UP	2016	1,000.00	.00	.00	1,000.00			
01/01/2016		10331	ANDERSON RANCH ART	2016	250.00	.00	.00	250.00			
01/01/2016		10332	ASPEN HISTORICAL SOC	2016	250.00	.00	.00	250.00			
01/01/2016		10340	ROARING FORK SCHOO	2016	200.00	.00	.00	200.00			
01/01/2016		10342	THOMPSON DIVIDE COA	2016	1,000.00	.00	.00	1,000.00			
01/01/2016		10343	HUTS FOR VETS	2016	1,000.00	.00	.00	1,000.00			
01/01/2016		10357	THREE BEARS INN LTD	2934	2,000.00	.00	.00	2,000.00			
01/01/2016		10357	THREE BEARS INN LTD	2952	2,000.00	.00	.00	2,000.00			
01/01/2016		10587	GRASSROOTS TELEVISI	2016	500.00	.00	.00	500.00			
01/01/2016		10609	FAMILY SUPPORT REGIS	MARTINDAL	200.00	.00	.00	200.00			
01/01/2016		10674	FLORIDA DEPARTMENT	SANTIAGO 1	271.20	.00	.00	271.20			
01/01/2016		10697	VILLAS @ ELK RUN HOM	JAN HOA	286.87	.00	.00	286.87			
01/01/2016		10734	MOUNTAIN WASTE	29449	50.00	.00	.00	50.00			
01/01/2016		10743	A WAY OUT	2016	500.00	.00	.00	500.00			
01/01/2016		10744	CARSYN KNOTTS	OPEN GYM	120.00	.00	.00	120.00			

Due Date	Discount Lost Due Date	Vendor Number	Vendor Name	Invoice Number	Invoice Amount	Discount Amount	Partial Payments	Net Due Amount	Pay	Partial Pmt Amt	Part Pmt Disc Amt
01/01/2016		10745	MOUNTAIN WASTE & RE	30786	295.17	.00	.00	295.17			
01/01/2016		10746	ADVANTAGE INDOOR TE	2016	500.00	.00	.00	500.00			
01/01/2016		10747	ASPEN HOPE CENTER	2016	200.00	.00	.00	200.00			
01/01/2016		10748	ASPEN SCIENCE CENTE	2016	250.00	.00	.00	250.00			
01/01/2016		10749	ENERGETICS EDUCATIO	2016	100.00	.00	.00	100.00			
01/01/2016		10750	FAMILY RESOURCE CEN	2016	200.00	.00	.00	200.00			
01/01/2016		10751	LUCKY DAY ANIMAL RES	2016	100.00	.00	.00	100.00			
01/01/2016		10752	RAISING A READER	2016	500.00	.00	.00	500.00			
01/01/2016		10753	ROARING FORK MUSIC S	2016	300.00	.00	.00	300.00			
01/05/2016		5110	HOLY CROSS ENERGY A	447011401 1	310.32	.00	.00	310.32			
01/05/2016		5110	HOLY CROSS ENERGY A	447011501 1	19.58	.00	.00	19.58			
01/05/2016		5110	HOLY CROSS ENERGY A	447014202 1	334.04	.00	.00	334.04			
01/05/2016		5110	HOLY CROSS ENERGY A	501679300	42.71	.00	.00	42.71			
01/05/2016		5110	HOLY CROSS ENERGY A	503367503	19.58	.00	.00	19.58			
01/05/2016		5110	HOLY CROSS ENERGY A	503425100 1	19.58	.00	.00	19.58			
01/05/2016		6307	MID VALLEY METRO	JANUARY 20	293.14	.00	.00	293.14			
01/05/2016		6940	PETTY CASH	GASPER	56.60	.00	.00	56.60			
01/05/2016		9130	VALLEY LUMBER COMPA	48148	31.98	.00	.00	31.98			
01/05/2016		9130	VALLEY LUMBER COMPA	48717	91.96	.00	.00	91.96			
01/05/2016		10007	COMPUTER SPECIALIST	4683	1,620.00	.00	.00	1,620.00			
01/05/2016		10670	MICHAEL J. KINSLEY	122	1,900.00	.00	.00	1,900.00			
01/05/2016		10737	THE ASPEN DIGGER, INC	REFUND	25.00	.00	.00	25.00			
01/05/2016		10738	NATIONAL FINANCIAL SE	CQ 4004132	1,699.56	.00	.00	1,699.56			
01/05/2016		10739	SINCLAIR PLUMBING AN	120	2,525.08	.00	.00	2,525.08			
01/06/2016		10742	ROSSOW CONSTRUCTIO	REFUND	50.00	.00	.00	50.00			
01/15/2016		5110	HOLY CROSS ENERGY A	369625600	820.06	.00	.00	820.06			
01/15/2016		5110	HOLY CROSS ENERGY A	370006809 1	72.25	.00	.00	72.25			
01/15/2016		5110	HOLY CROSS ENERGY A	503206701 T	31.71	.00	.00	31.71			
01/15/2016		8824	TRAVELERS	6342M6121	2,351.00	.00	.00	2,351.00			
01/15/2016		9045	US Bank	2943311632	214.13	.00	.00	214.13			
Grand Totals:				142	222,293.42	.00	.00	222,293.42			

Cash Requirements Summary

Date	Invoice Amount	Discount Amount	Partial Payments	Net Due Amount	Net Cumulative Amount
01/30/2015	477.65	.00	.00	477.65	477.65
11/03/2015	3,570.00	.00	.00	3,570.00	4,047.65
12/06/2015	2,692.50	.00	.00	2,692.50	6,740.15
12/10/2015	3,785.40	.00	.00	3,785.40	10,525.55
12/13/2015	14,316.02	.00	.00	14,316.02	24,841.57
12/15/2015	109.22	.00	.00	109.22	24,950.79
12/19/2015	446.90	.00	.00	446.90	25,397.69
12/21/2015	9,273.07	.00	.00	9,273.07	34,670.76
12/22/2015	2,200.00	.00	.00	2,200.00	36,870.76
12/23/2015	1,476.25	.00	.00	1,476.25	38,347.01
12/24/2015	1,800.04	.00	.00	1,800.04	40,147.05
12/27/2015	505.42	.00	.00	505.42	40,652.47
12/28/2015	143.09	.00	.00	143.09	40,795.56
12/29/2015	4,421.51	.00	.00	4,421.51	45,217.07
12/31/2015	110,619.56	.00	.00	110,619.56	155,836.63
01/01/2016	53,928.51	.00	.00	53,928.51	209,765.14

Cash Requirements Summary

Date	Invoice Amount	Discount Amount	Partial Payments	Net Due Amount	Net Cumulative Amount
01/05/2016	8,989.13	.00	.00	8,989.13	218,754.27
01/06/2016	50.00	.00	.00	50.00	218,804.27
01/15/2016	3,489.15	.00	.00	3,489.15	222,293.42
Grand Totals:	222,293.42	.00	.00	222,293.42	

January 8, 2016

2016 Council Calendar
Potential Upcoming Schedules – Subject to Change

1/26/16 LEGISLATIVE**Worksessions**

1. Worksession - 5:00 pm River Recreation Plan
2. Worksession – 6:00 pm with Pitkin County River Recreation Plan & Recycling
3. Worksession – 7:30 pm or after Two Rivers Road Master Plan
4. Worksession –TACAW Update
5. Worksession – We-Cycle Update

Ordinances 2nd Readings

6. 2nd Reading Roaring Fork Conservancy – Purchase
7. 2nd Reading Roaring Fork Conservancy - Lease
8. 2nd Reading PAC

Ordinances 1st Readings

9. 1st Reading 104 Midland (tentative)

Resolutions

10. Resolution – Stott’s Mill Annexation substantial compliance
11. Resolution Basalt Mini- Storage - Annexation substantial compliance
12. Resolution Basalt Mini- storage- Pre-development Agreement
13. Resolution – 2016 Work Plan

2/9/16 WORKSESSION/LEGISLATIVE**Worksessions**

1. Worksession – River Park with POST & P&Z
2. Worksession – with P&Z: Zoning re. Our Town
3. Worksession – Misc. Planning Items

2/23/16 LEGISLATIVE Worksession - BDBA and Chamber discussion**Worksession**

1. BDBA and Champer
2. 2nd Reading – 104 Midland

Resolutions

3. Resolution – Roaring Fork Charity Classic selection

POTENTIAL LAND USE APPLICATIONS – to be scheduled

Basalt Industrial Park PUD Amendment- Waiting for Additional Information
 Arbaney Kittle PUD Amendment- Pursuant to pre-development agreement
 Homestead Property Rezoning and Plan Review
 Roaring Fork Conservancy LU – pursuant to pre-development agreement

TO BE SCHEDULED

Town Council Policy on Redevelopment
 BACH and Affordable Housing Corporation
 Adopting the 2016-2020 Capital Improvements Plan
 Police Emergency Services Dispatch

January 8, 2016

Valley Rd/El Jebel Road Alignment

SKICO/Pitkin - AH

Resolution – Attorney, Judge, Prosecuting Attorney 1st meeting after April Election

Pam Schilling

From: Michael McVoy <mcvoy@comcast.net>
Sent: Friday, January 08, 2016 1:11 PM
To: Pam Schilling
Subject: Please forward to town council for agenda packet and Mike Scanlon

To the Basalt Town Council:

I am writing this letter to notify you that the contract between the Roaring Fork Community Development Corporation (CDC) and Lowe Enterprises to purchase the Pan and Fork property has been renewed and extended beyond the previous Jan. 31, 2016 expiration date. The new contract allows both Lowe and the CDC to enter into contracts with the town if any ballot questions in the upcoming municipal election determines a future use of the property, including the proposed Pan & Fork River Park Citizen Committee ordinance and TABOR question.

The Roaring Fork Community Development Corporation would like to see the status of this property resolved in a timely fashion in 2016. We are open to any outcome that reimburses the CDC for its investment and also meets the hopes and aspirations of the residents in Basalt, whether it is a larger park with commercial and/or civic oriented development, or a smaller park with additional accompanying development.

Sincerely,
Michael McVoy
Board President
Roaring Fork Community Development Corp.

Pam Schilling

From: Steve Chase <aspensailor@comcast.net>
Sent: Monday, December 28, 2015 5:23 PM
To: Bernie Grauer; Mark Kittle; Rob Leavitt; Herschel Ross; Rick Stevens; Gary Tennenbaum
Cc: Mike Scanlon; Susan Philp; Denise Tomaskovic; Pam Schilling
Subject: Re: Chase/ Executive Session

Dear Council, This is your opportunity to jointly say **NO! No**, to unwittingly participate in continuing to create a divided community; **No**, to undermining the efforts of a well-meaning staff; **No**, to ignoring the results of nearly 18 months of citizen participation; **No**, to ignoring the efforts of 100's of planning efforts over the last 19 years; **No**, to the commandeering the agenda of the council meetings and **NO** to dismissing the most positive contributions in decades by our Town Manager, Mike Scanlon. The Town of Basalt is better and bigger than the few narrow-minded, selfish and fearful individuals that see "their Basalt" grow to assume its rightful role in the Roaring Fork Valley – 2016 and beyond!
NO MORE!

**AND BE LOUD AND
OUTSPOKEN ABOUT IT!.....Steve
Chase**

MEMORANDUM

TO: Mayor Whitsitt and Basalt Town Council
FROM: Pamela Schilling, Town Clerk
DATE: December 23, 2015

RE: **Administrative Liquor Review/Approvals for December, 2015**

The Town Clerk has administratively approved the following:

- Jimbo's Liquor Store – Retail Liquor Store Renewal
- 7-11 – 3.2 Fermented Malt Beverage License
- Two Rivers Bar and Café – H&R Liquor License
- Special Event for Art Base (at the Annex 174 Midland) – January 8
- Added dates to Art Base (Formerly the Wyly) Gallery Permit (January 8; February 12; March 11; April 8)
- Special Event dates for RMI (January 13, February 24, February 25)



2016 Budget Presentation

RFTA Board Meeting

December 10, 2015

Agenda

- Budget Highlights
- Consolidated Financial Overview
- Revenues
- Expenditures
- Fund Balance
- Long Range Financial Forecast



2016 Budget Highlights

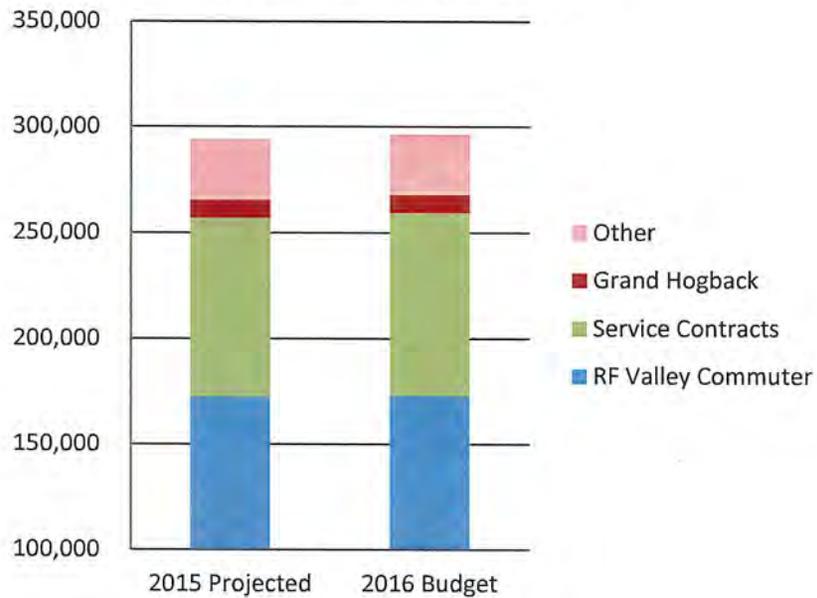
- \$51.9 million total budget (-6%)
 - \$32.4 million Operating (+5%)
 - \$13.7 million Capital (-29%)
 - \$5.8 million Debt Service (+10%)
- \$105,000 use of General Fund's fund balance
- Revenue estimates:
 - +4% sales and use tax revenues
 - +6% service contract revenues
 - +2% transit fare revenues
 - +8% operating grant revenues

2016 Budget Highlights (Continued)

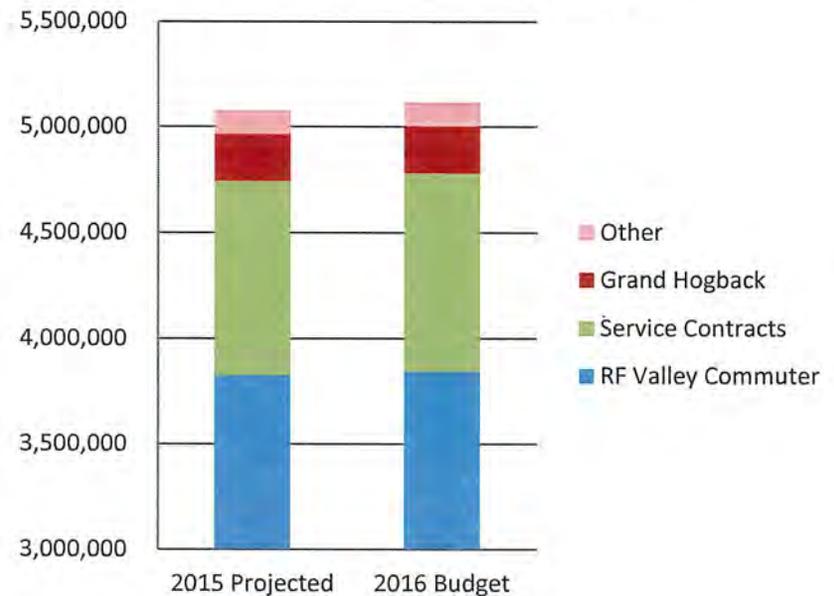
- Major Goals identified in the 2016 5-Year Strategic Plan (draft):
 - Begin development of a Regional Integrated Transportation Service Plan (ITSP)
 - Create and Recruit Chief Financial and Administrative Officer (CFAO)
 - Update CEO and Management Team Succession Plan/Training Plan for employees
 - Update Long-Term Capital Replacement Financing Plan
 - Negotiate Collective Bargaining Agreement
 - Provide ongoing support for We-Cycle. Purchase one bicycle kiosk for RFTA BRT station
 - Work with Legislature to extend RTA Property Tax Authority beyond 2019; seek Eminent Domain Power
 - Complete construction of New Castle Park and Ride
 - Secure funding for Phase I (at minimum) of the GMF renovation and expansion project
 - Construct temporary parking for 20 buses at Glenwood Maintenance Facility (GMF)
 - Complete all sections of the updated Rio Grande Railroad Corridor Comprehensive Plan

2016 Budget Highlights (Continued)

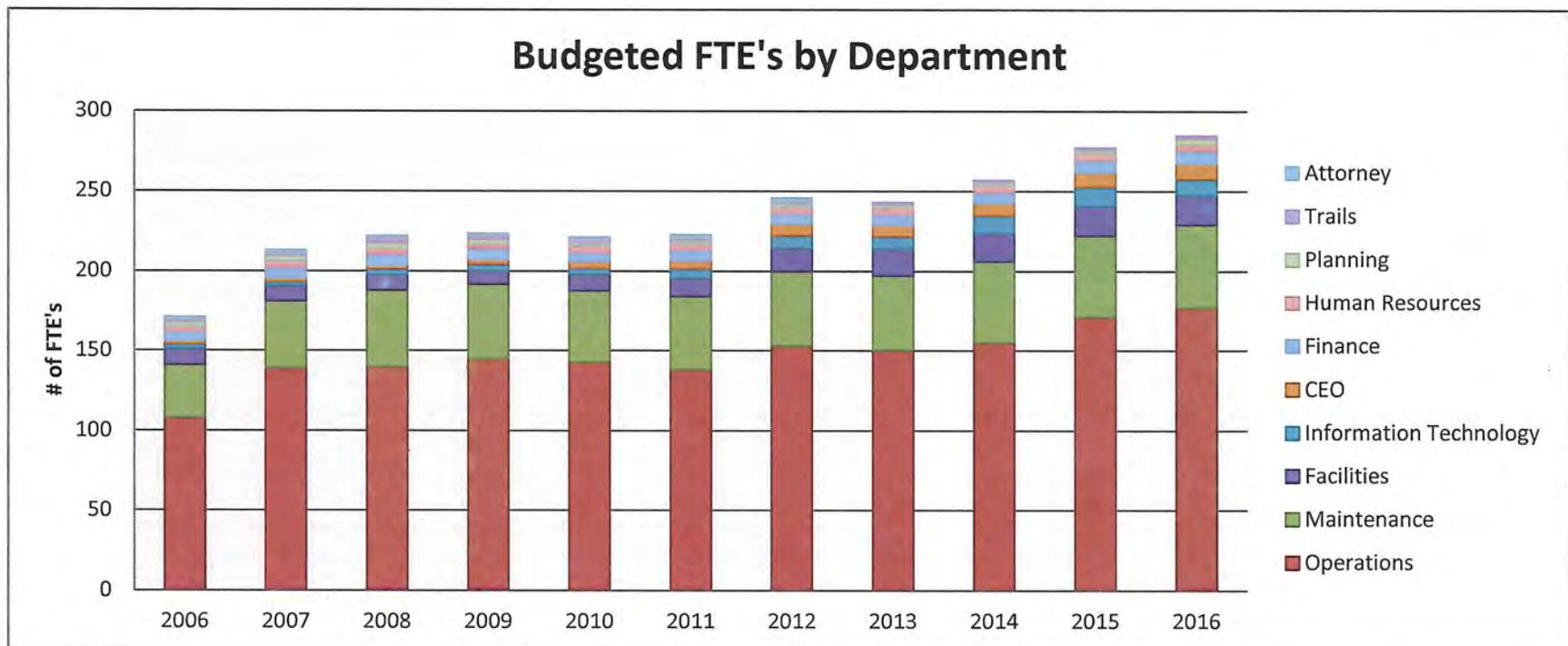
Transit Service Hours



Transit Service Mileage



2016 Budget Highlights (Continued)



2016 Budget Highlights (Continued)

- Capital Budget
 - \$7.05 million in General Fund
 - \$859,000 funded by capital grants
 - \$6.7 million in Capital Project Fund
 - Any unexpended 2015 budget will be re-budgeted in early 2016
 - Bus replacements:
 - Assumed 6 over-the-road coaches to be replaced and purchased using capital lease proceeds of \$5 million
 - Phase I of GMF renovation:
 - Assumed to be financed using bond proceeds received after issuance of remaining \$7.1 million of bonding authority

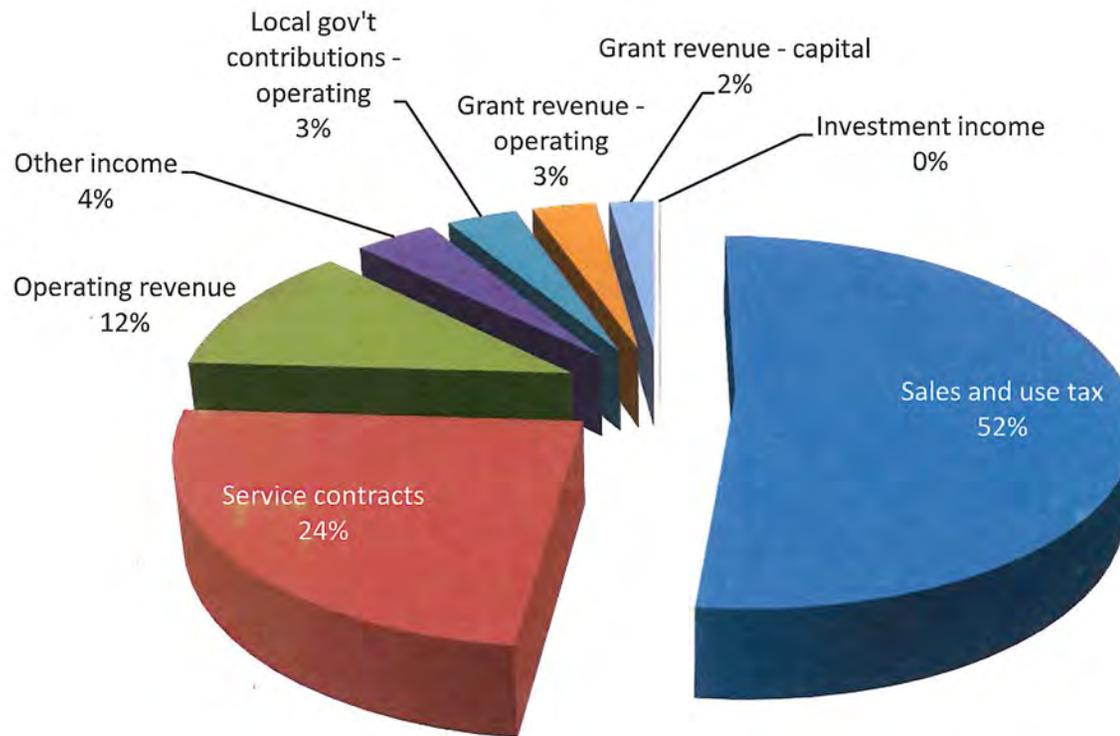
Consolidated Financial Overview

(1,000's)	General Fund	Service Contracts	Bus Stops/ PNR SRF	Mid Valley Trails SRF	Capital Projects Fund (1)	Debt Service Fund	2016 Total Budget	%
Beginning fund balance (Budget)	\$ 16,648	\$ -	\$ 80	\$ 116	\$ -	\$ 2,499	\$ 19,343	
Revenues:								
Sales and use tax	\$ 20,678	\$ -	\$ -	\$ 50	\$ -	\$ -	\$ 20,728	52%
Service contracts	\$ -	\$ 9,671	\$ -	\$ -	\$ -	\$ -	\$ 9,671	24%
Operating revenue	\$ 4,594	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,594	11%
Grant revenue - operating	\$ 1,215	\$ 30	\$ -	\$ -	\$ -	\$ -	\$ 1,245	3%
Grant revenue - capital	\$ 859	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 859	2%
Local gov't contributions - operating	\$ 1,364	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,364	3%
Other income	\$ 435	\$ -	\$ 461	\$ -	\$ -	\$ 672	\$ 1,568	4%
Investment income	\$ 14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14	0%
Total revenue	\$ 29,159	\$ 9,701	\$ 461	\$ 50	\$ -	\$ 672	\$ 40,043	100%
Program expenditures:								
Fuel	\$ 1,698	\$ 745	\$ -	\$ -	\$ -	\$ -	\$ 2,443	5%
Transit	\$ 19,716	\$ 9,095	\$ 627	\$ -	\$ -	\$ -	\$ 29,437	57%
Trails & Corridor Mgmt	\$ 437	\$ -	\$ -	\$ 66	\$ -	\$ -	\$ 503	1%
Subtotal operating exp.	\$ 21,851	\$ 9,840	\$ 627	\$ 66	\$ -	\$ -	\$ 32,384	62%
Capital	\$ 7,050	\$ -	\$ -	\$ -	\$ 6,691	\$ -	\$ 13,741	26%
Debt Service	\$ 2,319	\$ -	\$ -	\$ -	\$ 142	\$ 3,358	\$ 5,819	11%
Total expenditures	\$ 31,220	\$ 9,840	\$ 627	\$ 66	\$ 6,833	\$ 3,358	\$ 51,944	100%
Other financing sources	\$ 5,172	\$ 138	\$ 166	\$ -	\$ 7,330	\$ 2,958	\$ 15,764	
Other financing (uses)	\$ (3,215)	\$ -	\$ -	\$ -	\$ (272)	\$ -	\$ (3,487)	
Change in Fund Balance	\$ (105)	\$ 0	\$ 0	\$ (16)	\$ 225	\$ 272	\$ 376	
Ending fund balance	\$ 16,543	\$ 0	\$ 80	\$ 100	\$ 225	\$ 2,771	\$ 19,719	

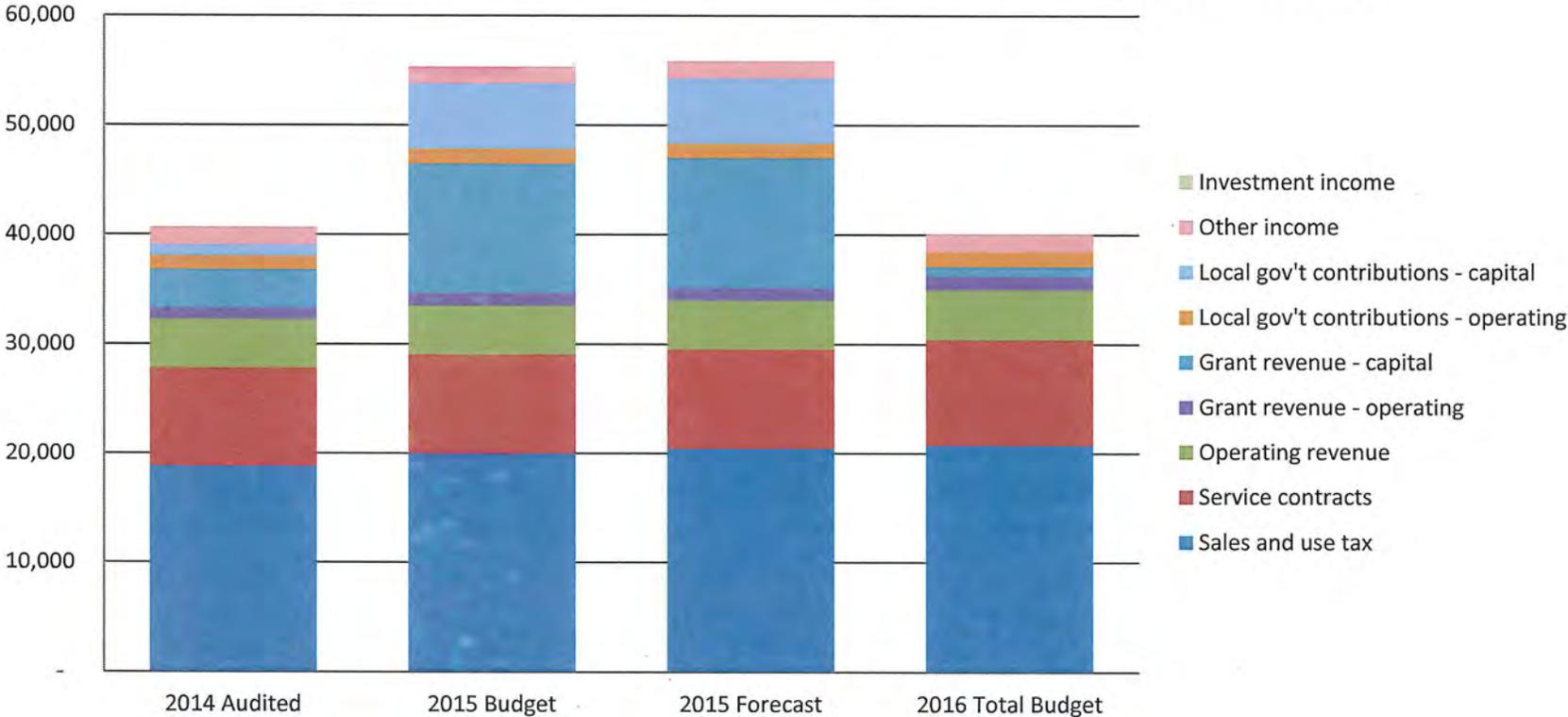
Other Financing Sources / (Uses) – All Funds

(1,000's)	General Fund	Service Contracts SRF	Bus Stops/ PNR SRF	Capital Project Fund	Debt Service Fund	2016 Total Budget
Other financing sources	\$ 5,172	\$ 138	\$ 166	\$ 7,330	\$ 2,958	\$ 15,764
Other financing (uses)	\$ (3,215)	\$ -	\$ -	\$ (272)	\$ -	\$ (3,487)
Net	\$ 1,957	\$ 138	\$ 166	\$ 7,058	\$ 2,958	\$ 12,277
Detailed Other financing sources/(uses):						
Transfer to fund add'l Bus Stops/PNR cost	\$ (166)	\$ -	\$ 166	\$ -	\$ -	\$ -
Transfer to fund RFTA's contribution to Traveler	\$ (138)	\$ 138	\$ -	\$ -	\$ -	\$ -
Transfer to pay debt service	\$ (2,686)	\$ -	\$ -	\$ -	\$ 2,686	\$ -
Transfer to fund local match for AMF Phase IV	\$ (225)	\$ -	\$ -	\$ 225	\$ -	\$ -
Capital lease proceeds	\$ 5,172	\$ -	\$ -	\$ -	\$ -	\$ 5,172
Bond proceeds	\$ -	\$ -	\$ -	\$ 7,105	\$ -	\$ 7,105
Transfer to fund est. DS reserve requirement	\$ -	\$ -	\$ -	\$ (272)	\$ 272	\$ -
Net	\$ 1,957	\$ 138	\$ 166	\$ 7,058	\$ 2,958	\$ 12,277

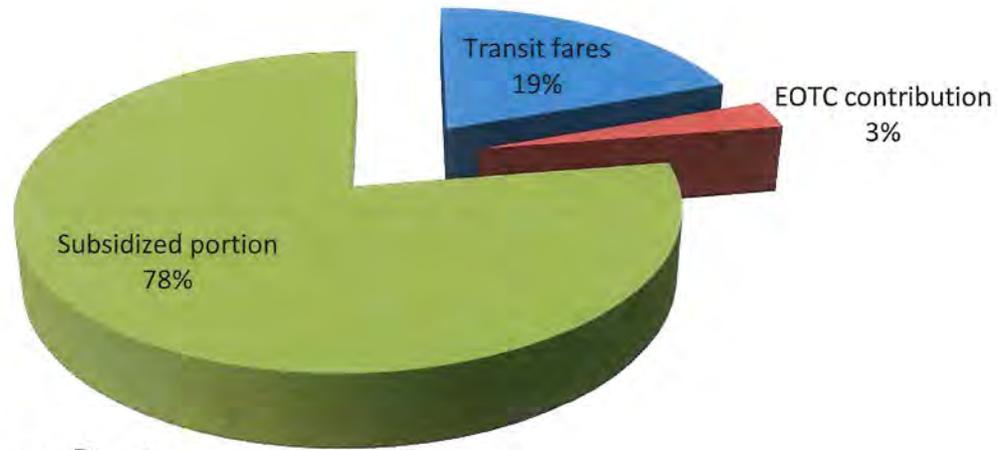
2016 Estimated Revenue Composition



Three-Year Revenue Comparison (1,000's)

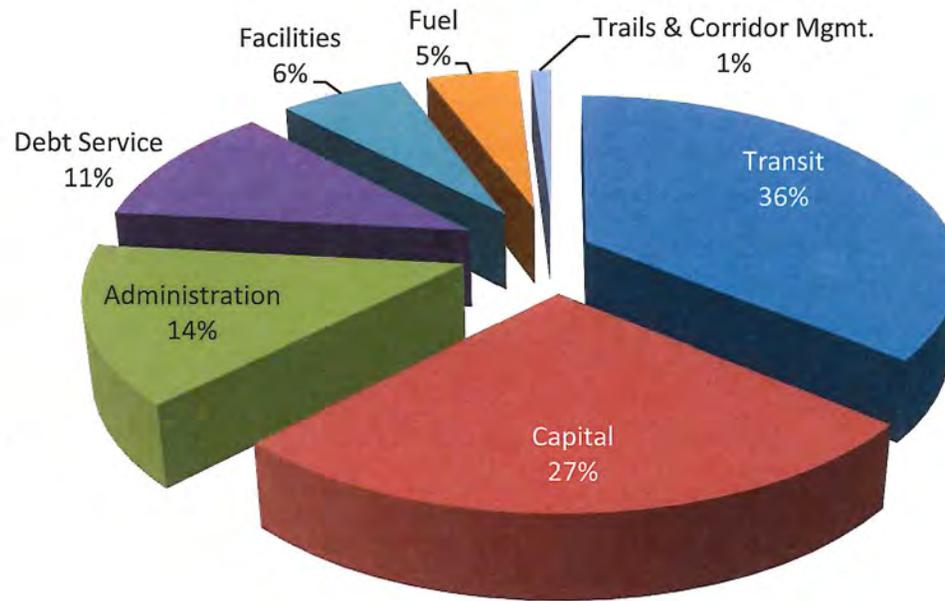


Farebox Recovery Ratio for Regional Transit Services

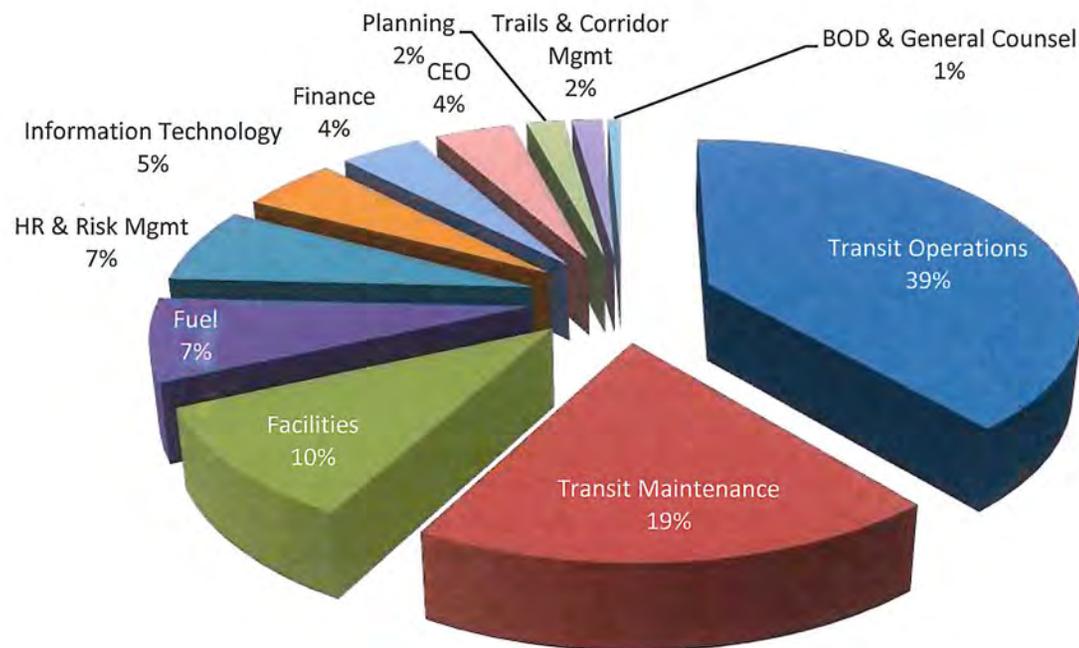


- Farebox Recovery Ratio
 - The percentage of total operating revenues that passengers pay through fares

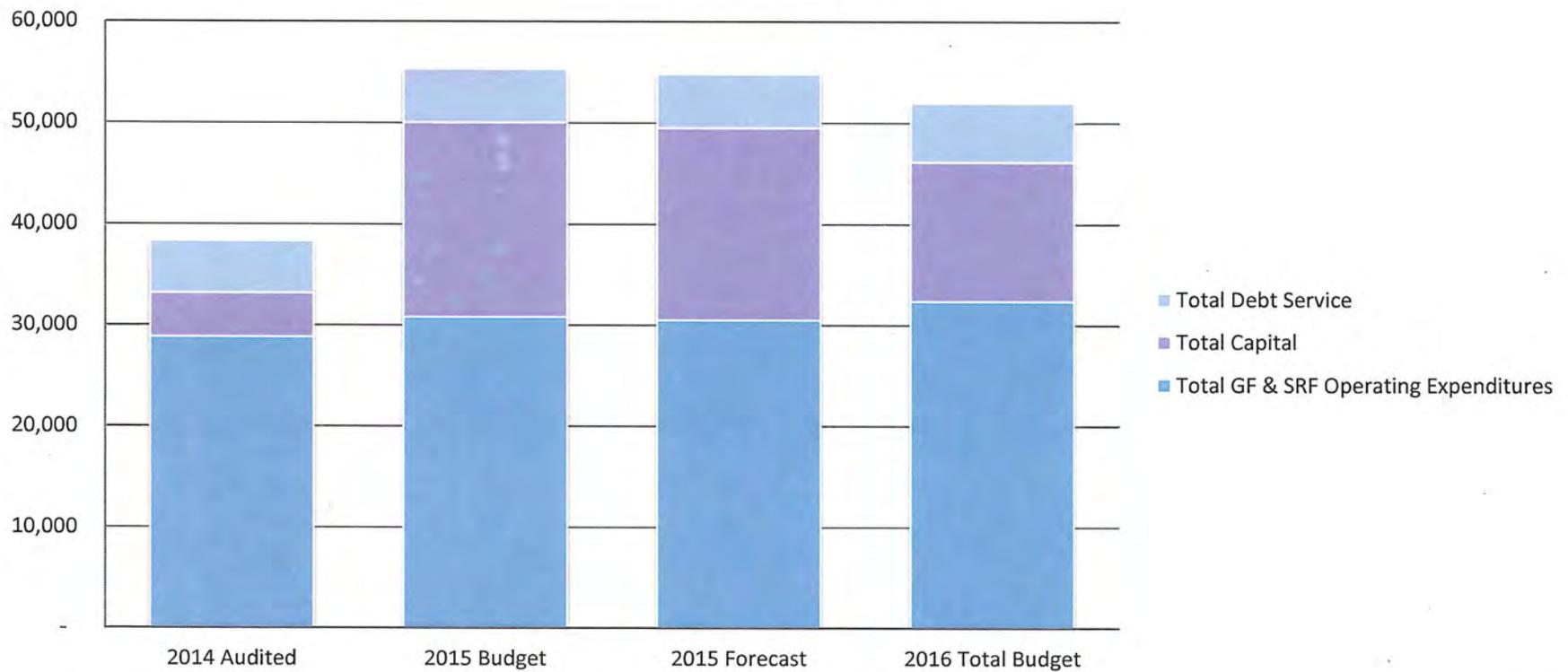
2016 Budgeted Expenditures by Function



2016 Budgeted Operating Expenditures by Department



Three-Year Total Expenditure Comparison - All Funds (1,000's)



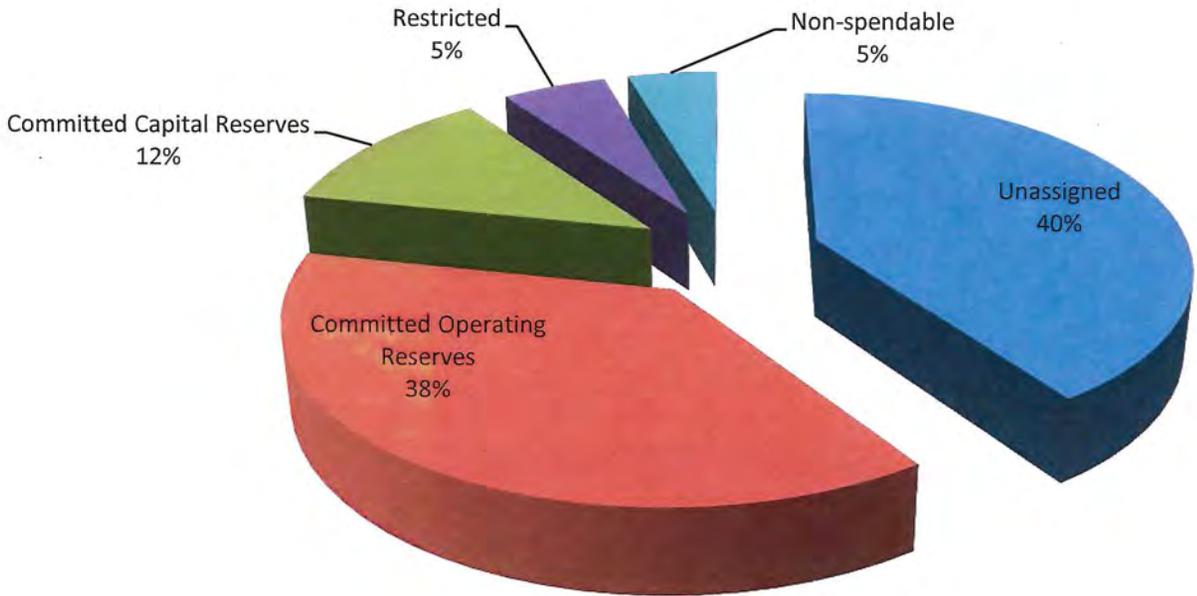
Budgeted Capital Expenditures – All Funds

Description (1,000's)	General Fund	Capital Project Funds	Total
Transit			
GMF Phase I		\$ 6,691	\$ 6,691
Rolling stock (6 CNG buses)	\$ 5,000		\$ 5,000
New Castle PNR	\$ 800		\$ 800
Facilities Improvements	\$ 250		\$ 250
Basalt Pedestrian Underpass	\$ 250		\$ 250
Bus engine/transmission rebuilds	\$ 200		\$ 200
Support vehicles	\$ 172		\$ 172
WE-Cycle Kiosk	\$ 50		\$ 50
Other Transit	\$ 143		\$ 143
Facilities Master Plan	\$ 65		\$ 65
Subtotal Transit	\$ 6,930	\$ 6,691	\$ 13,621
Trails			
Asphalt Repair	\$ 100		\$ 100
Support vehicles	\$ 20		\$ 20
Subtotal Trails	\$ 120	\$ -	\$ 120
Total	\$ 7,050	\$ 6,691	\$ 13,741

Fund Balance

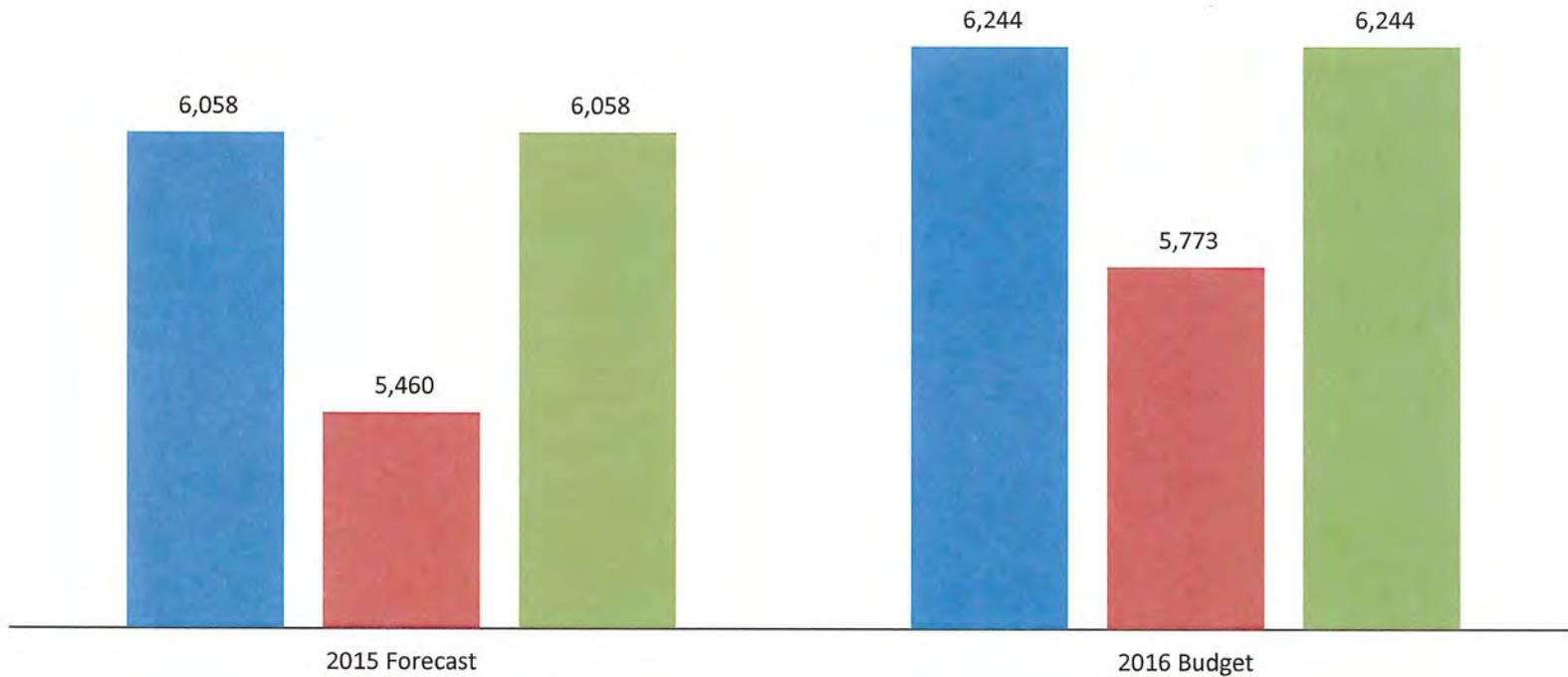
(1,000's)	General Fund	Service Contracts	Bus Stops/ PNR	Mid Valley Trails	Capital Projects Fund(1)	Debt Service Fund	Total
Beginning fund balance (budget)	\$ 16,648	\$ -	\$ 80	\$ 116	\$ 0	\$ 2,499	\$ 19,343
Revenues	\$ 29,159	\$ 9,701	\$ 461	\$ 50	\$ -	\$ 672	\$ 40,043
Expenditures	\$ (31,220)	\$ (9,840)	\$ (627)	\$ (66)	\$ (6,833)	\$ (3,358)	\$ (51,944)
Other financing source/(use)	\$ 1,957	\$ 138	\$ 166	\$ -	\$ 7,058	\$ 2,958	\$ 12,277
Change in net assets	\$ (105)	\$ 0	\$ 0	\$ (16)	\$ 225	\$ 272	\$ 376
Ending fund balance	\$ 16,543	\$ 0	\$ 80	\$ 100	\$ 225	\$ 2,771	\$ 19,719
Ending fund balance composition:							
Non-spendable fund balance	\$ 750						\$ 750
Restricted fund balance	\$ 875	\$ -	\$ 80	\$ 100	\$ 225	\$ 2,771	\$ 4,051
Committed fund balance:							
Operating reserves	\$ 6,244						\$ 6,244
Facilities capital reserves	\$ 775						\$ 775
Transit capital reserves	\$ 535						\$ 535
Trails capital reserves	\$ 675						\$ 675
Unassigned fund balance	\$ 6,689						\$ 6,689
Ending fund balance	\$ 16,543	\$ -	\$ 80	\$ 100	\$ 225	\$ 2,771	\$ 19,719

2016 Projected General Fund Fund Balance Composition

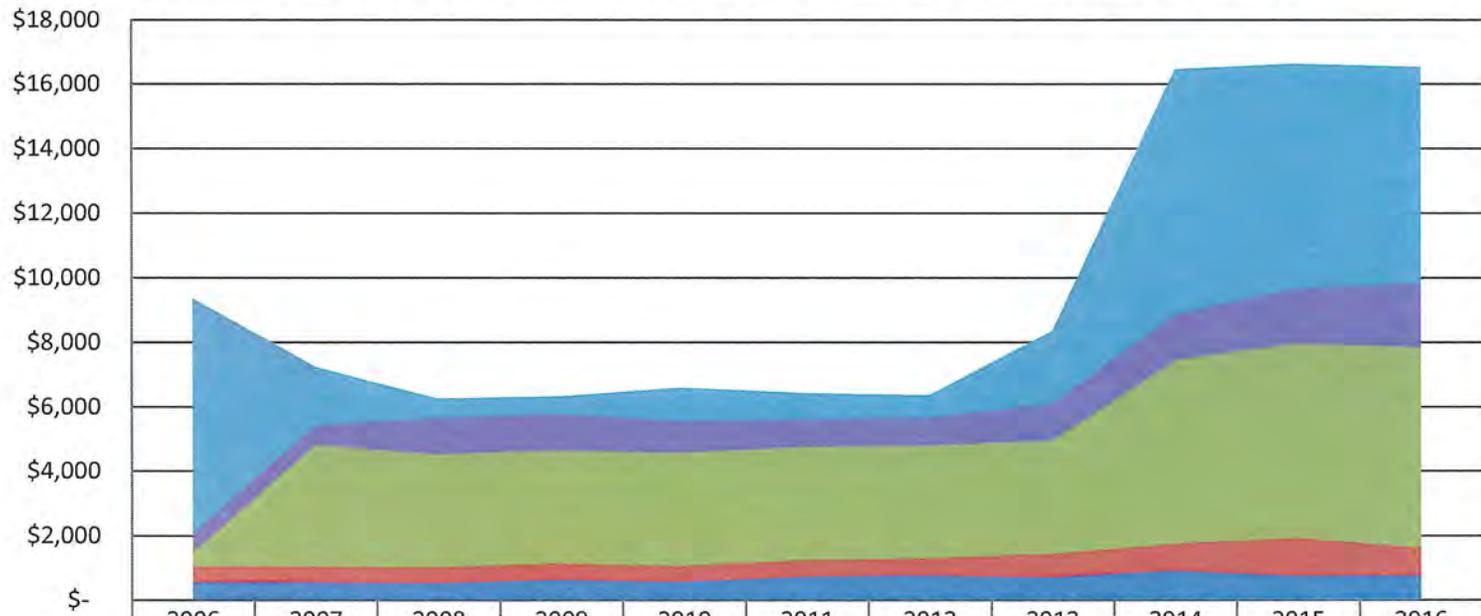


Operating Reserves Test

■ Committed Operating Reserves ■ 2-Month Avg. of Operating Expenditures ■ 2-Month Avg. of Operating Revenues



General Fund's Fund Balance History (1,000's)



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Unassigned	\$7,278	\$1,816	\$593	\$537	\$1,037	\$798	\$688	\$2,237	\$7,572	\$6,953	\$6,689
Committed Capital Reserves	\$600	\$600	\$1,150	\$1,150	\$1,000	\$885	\$885	\$1,160	\$1,435	\$1,710	\$1,985
Committed Operating Reserves	\$444	\$3,788	\$3,513	\$3,513	\$3,513	\$3,513	\$3,513	\$3,513	\$5,717	\$6,058	\$6,244
Restricted	\$498	\$498	\$498	\$498	\$498	\$519	\$524	\$733	\$826	\$1,176	\$875
Non-spendable	\$556	\$559	\$526	\$649	\$573	\$734	\$775	\$711	\$921	\$750	\$750

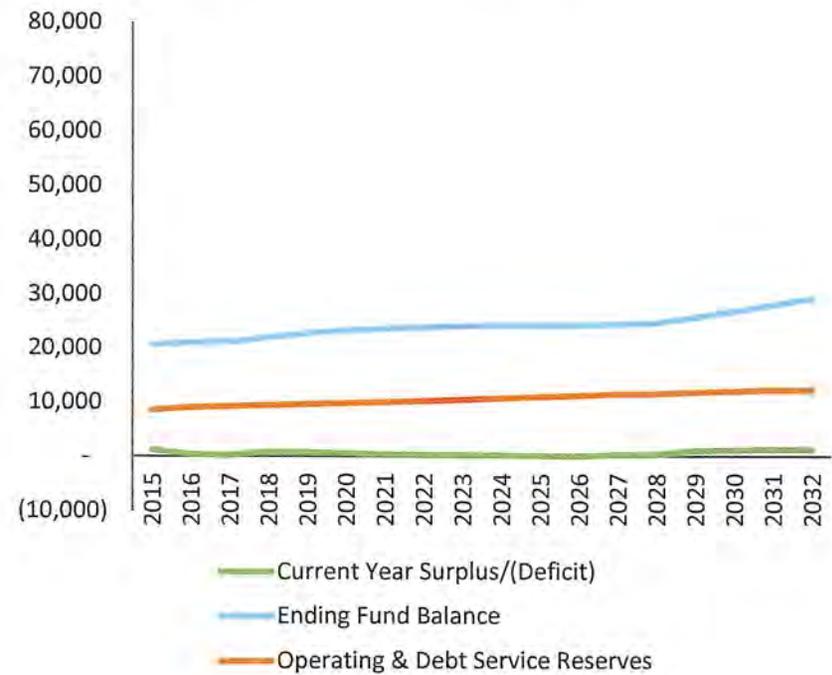
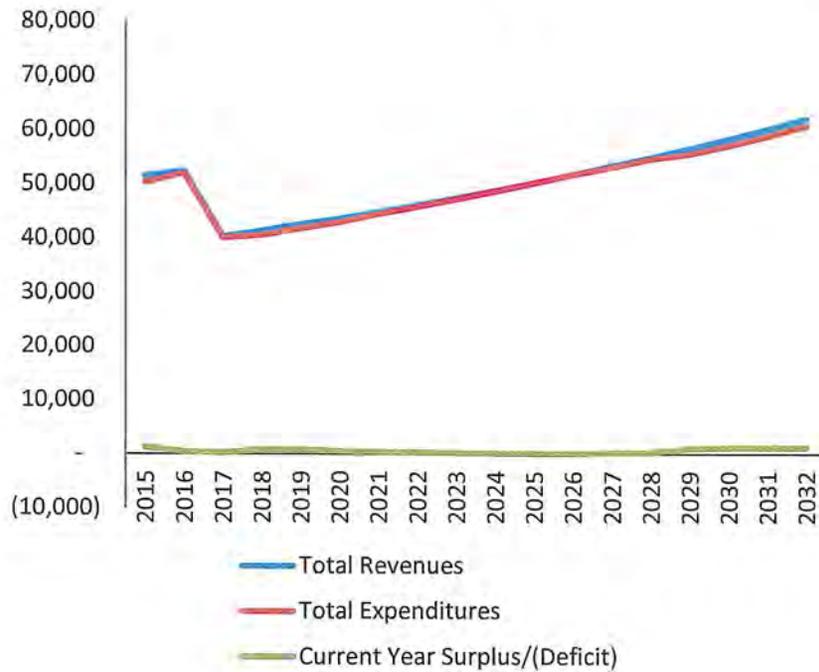
Long Range Financial Forecast

- Status Quo
- Future challenges:
 - Bus replacements
 - Facilities Capital Investment Plan
 - Awaiting updated information derived from EAM software

Long Range Financial Forecast: Status Quo Assumptions

- Transit service levels reflect 2016 budget
- FTE's reflect 2016 budget
- Inflation factors:
 - Compensation & benefits +3.5%
 - Health insurance +7.5%
 - Operating expenditures +3%
 - Sales & use tax revenues +3%
- \$1 million of annual capital outlay for recurring improvements
- Does not include bus replacements or facilities capital investment plan

Long Range Financial Forecast: Status Quo without Bus Replacements



Long Range Financial Forecast: Status Quo without Bus Replacements

Status Quo (1,000)	Forecast																	
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Revenues	38,080	39,184	40,194	41,286	42,462	43,468	44,723	46,025	47,358	48,742	50,181	51,676	53,230	54,847	56,530	58,281	60,105	62,010
Operating Expenditures	30,625	32,384	33,404	34,460	35,664	36,913	38,208	39,553	40,949	42,397	43,902	45,464	47,086	48,772	50,523	52,343	54,235	56,202
Net Change before Debt & Cap	7,455	6,801	6,791	6,826	6,798	6,555	6,515	6,472	6,409	6,346	6,279	6,212	6,144	6,076	6,007	5,938	5,870	5,808
Debt Service	5,288	5,219	4,396	3,975	3,986	3,955	4,114	4,086	4,059	4,040	4,011	3,978	3,610	3,477	3,153	2,913	2,727	2,630
Net Change before Capital	2,167	982	1,388	1,844	1,807	1,640	1,442	1,427	1,391	1,346	1,309	1,276	1,676	1,639	2,443	2,614	2,732	2,767
Capital Outlay	14,303	13,741	1,225	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305	1,344	1,384	1,426	1,469	1,513	1,558
Capital Grants & Local Contrib.	11,951	859	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bond/Lease Proceeds	1,380	12,277	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	51,412	52,320	40,194	41,286	42,462	43,468	44,723	46,025	47,358	48,742	50,181	51,676	53,230	54,847	56,530	58,281	60,105	62,010
Total Expenditures	50,216	51,943	40,031	40,472	41,716	42,920	44,407	45,768	47,161	48,626	50,139	51,706	53,999	54,692	56,612	57,135	68,886	60,801
Current Year Surplus/(Deficit)	1,196	377	163	814	746	648	317	267	197	116	42	(30)	231	265	1,017	1,145	1,219	1,209
Beginning Fund Balance	19,347	20,543	20,920	21,083	21,897	22,643	23,191	23,508	23,775	23,972	24,088	24,131	24,101	24,332	24,587	25,604	26,750	27,969
Ending Fund Balance	20,643	20,920	21,083	21,897	22,643	23,191	23,508	23,775	23,972	24,088	24,131	24,101	24,332	24,587	25,604	26,750	27,969	29,178
Operating Reserve Policy	6,058	6,244	6,425	6,607	6,802	6,970	7,179	7,396	7,622	7,856	8,099	8,352	8,615	8,888	9,173	9,469	9,778	10,100
Debt Service Reserve Fund	2,499	2,771	2,771	2,771	2,771	2,771	2,771	2,771	2,771	2,771	2,771	2,771	2,771	2,771	2,563	2,429	2,429	2,039
Operating & Debt Svc Reserves	8,558	9,015	9,196	9,378	9,573	9,741	9,950	10,167	10,392	10,627	10,870	11,123	11,386	11,452	11,736	11,896	12,207	12,139
Forecast Assumptions	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Revenues	5.24%	2.90%	2.58%	2.72%	2.85%	2.37%	2.89%	2.91%	2.90%	2.92%	2.95%	2.98%	3.01%	3.04%	3.07%	3.10%	3.13%	3.17%
Operating Expenditures	6.35%	5.74%	3.15%	3.16%	3.49%	3.50%	3.51%	3.52%	3.53%	3.54%	3.55%	3.56%	3.57%	3.58%	3.59%	3.60%	3.61%	3.63%
Net Change before Debt & Cap	-1.11%	-2.84%	-0.57%	-0.45%	-0.64%	-1.13%	-0.62%	-0.61%	-0.63%	-0.61%	-0.60%	-0.58%	-0.56%	-0.54%	-0.52%	-0.50%	-0.48%	-0.46%
Operating Reserve Policy	0.00%	3.06%	2.91%	2.82%	2.96%	2.46%	3.00%	3.02%	3.05%	3.07%	3.10%	3.12%	3.15%	3.17%	3.20%	3.23%	3.26%	3.29%
Debt Service Reserve Fund	0.00%	10.86%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-7.49%	0.00%	-5.26%	0.00%	-16.04%
Transit Mileage (1,000)	5,057	5,114	5,114	5,114	5,114	5,114	5,114	5,114	5,114	5,114	5,114	5,114	5,114	5,114	5,114	5,114	5,114	5,114
Transit Hours (1,000)	296	296	296	296	296	296	296	296	296	296	296	296	296	296	296	296	296	296
FTE's	283.7	293.2	293.2	293.2	293.2	293.2	293.2	293.2	293.2	293.2	293.2	293.2	293.2	293.2	293.2	293.2	293.2	293.2

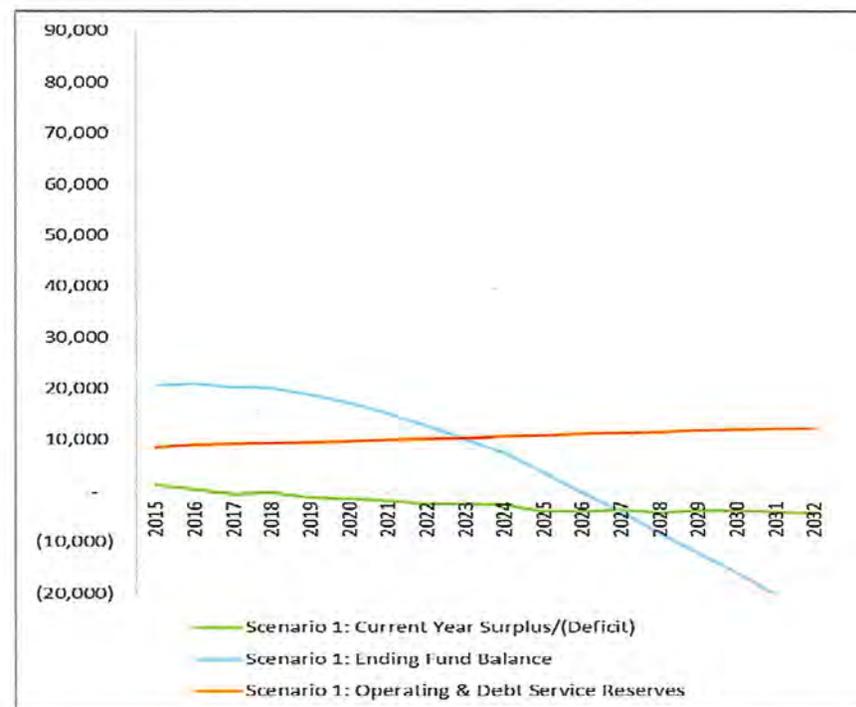
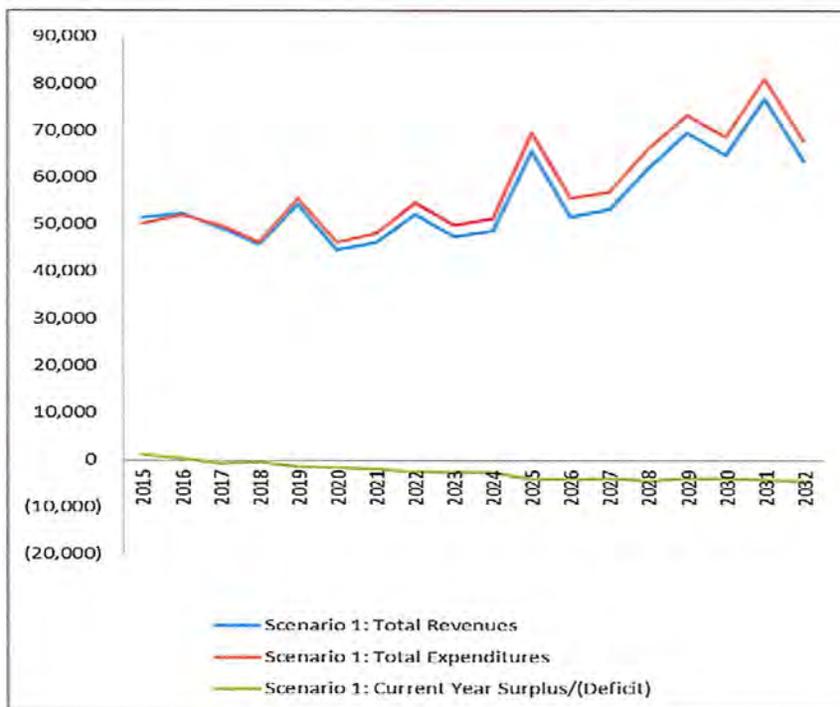
Estimated Bus Replacement Schedule

	2016	2017	2018	2019	2020	2021	2022	2025	Total
Capital Outlay	\$ 4,464,264	\$ 9,134,296	\$ 4,609,190	\$ 11,780,638	\$ 1,137,028	\$ 1,489,696	\$ 6,110,279	\$ 15,511,925	\$ 54,237,316
Quantity	6	14	8	21	2	2	8	22	83

Long Range Financial Forecast: Scenario 1A Assumptions

- Capital grant awarded for 25% of Bus Replacement Costs
- Remaining Local Match funded by Capital Lease Proceeds or other financing

Scenario 1A with Bus Replacements: Capital Grant Funds 25% and Local Match using Capital Lease Proceeds



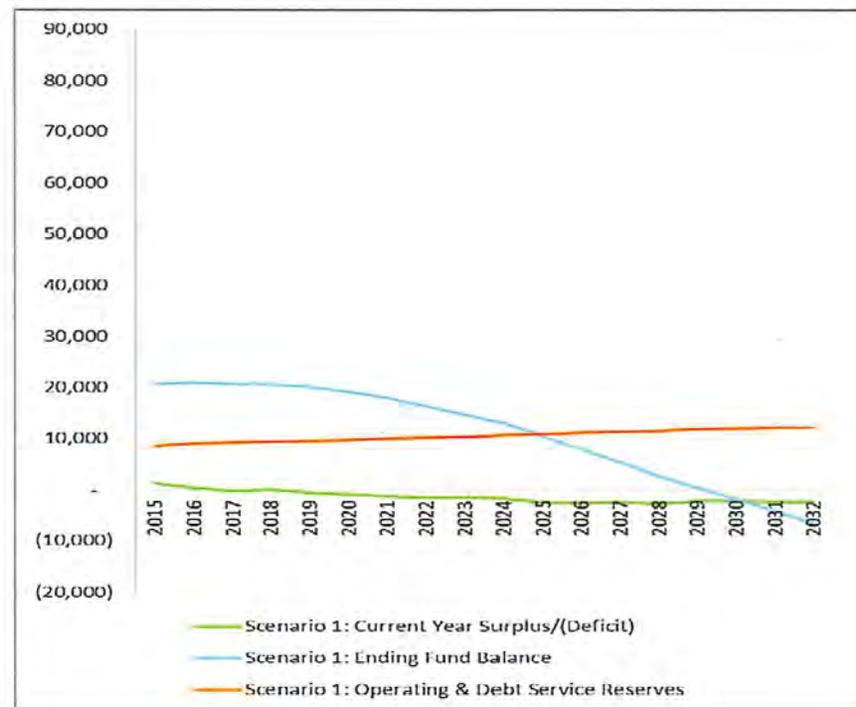
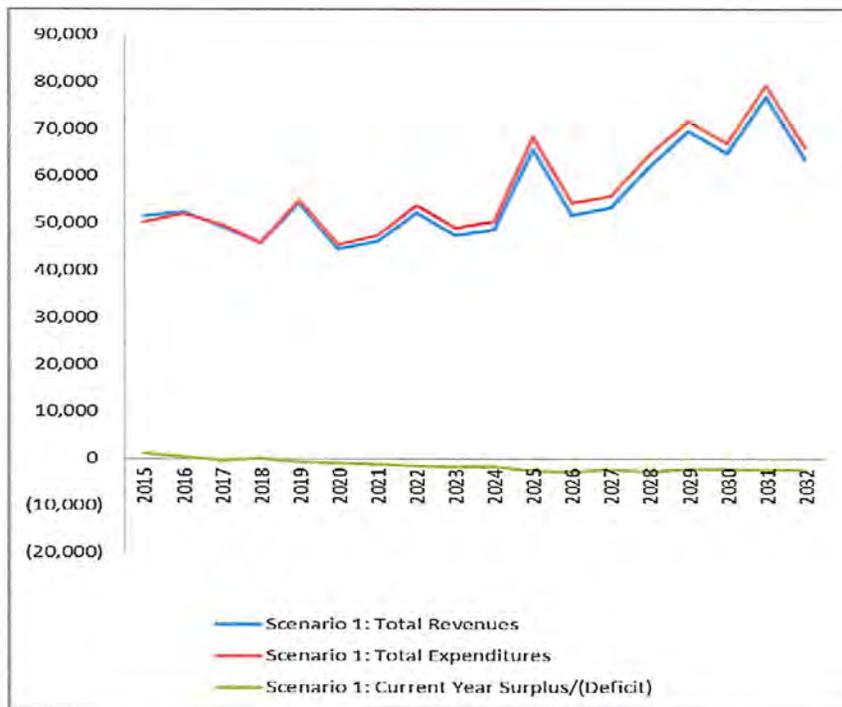
Scenario 1A with Bus Replacements: Capital Grant Funds 25% and Local Match using Capital Lease Proceeds

(1,000)	Budget For Planning Purposes Only																	
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Current Year Surplus/(Deficit)	1,196	377	163	814	746	548	317	267	197	116	42	(30)	231	255	1,017	1,145	1,219	1,209
Critical Issue: Bus Replacement			9,134	4,609	11,781	1,137	1,490	6,110			15,512			7,129	13,023	6,572	16,796	1,621
Scenario 1: Capital Grant Funds & Local Match using Capital Lease Proceeds																		
Capital Grant (25/75)	-	-	2,284	1,152	2,945	284	372	1,528	-	-	3,878	-	-	1,782	3,256	1,643	4,199	405
Capital Lease Proceeds	-	-	6,851	3,457	8,835	853	1,117	4,583	-	-	11,634	-	-	5,347	9,767	4,929	12,597	1,216
Additional Debt Service																		
2017			730	730	730	730	730	730	730	730	730	730	730	730				
2018				368	368	368	368	368	368	368	368	368	368	368	368			
2019					941	941	941	941	941	941	941	941	941	941	941	941		
2020						91	91	91	91	91	91	91	91	91	91	91	91	91
2021							119	119	119	119	119	119	119	119	119	119	119	119
2022								488	488	488	488	488	488	488	488	488	488	488
2025											1,240	1,240	1,240	1,240	1,240	1,240	1,240	1,240
2028														570	570	570	570	570
2029															1,041	1,041	1,041	1,041
2030																525	525	525
2031																	1,342	1,342
2032																		130
Subtotal Add'l Debt Svc	-	-	730	1,098	2,040	2,131	2,250	2,738	2,738	2,738	3,978	3,978	3,978	4,547	4,858	5,015	5,416	5,454
Excess/(Shortfall)	-	-	(730)	(1,098)	(2,040)	(2,131)	(2,250)	(2,738)	(2,738)	(2,738)	(3,978)	(3,978)	(3,978)	(4,547)	(4,858)	(5,015)	(5,416)	(5,454)
Scenario 1: Total Revenues	51,412	52,320	49,329	45,895	54,243	44,605	46,213	52,135	47,358	48,742	65,693	51,676	53,230	61,976	69,553	64,852	76,901	63,631
Scenario 1: Total Expenditures	50,216	51,943	49,895	46,179	55,537	46,187	48,146	54,606	49,899	51,364	69,628	55,683	56,977	66,269	73,394	68,722	81,098	67,877
Scenario 1: Current Year Surplus	1,196	377	(567)	(284)	(1,294)	(1,583)	(1,933)	(2,471)	(2,541)	(2,622)	(3,935)	(4,007)	(3,746)	(4,292)	(3,841)	(3,869)	(4,196)	(4,245)
Scenario 1: Beginning Fund Balance	19,347	20,543	20,920	20,353	20,069	18,775	17,192	15,259	12,789	10,248	7,626	3,691	(316)	(4,063)	(8,355)	(12,196)	(16,065)	(20,261)
Scenario 1: Ending Fund Balance	20,543	20,920	20,353	20,069	18,775	17,192	15,259	12,789	10,248	7,626	3,691	(316)	(4,063)	(8,355)	(12,196)	(16,065)	(20,261)	(24,507)

Long Range Financial Forecast: Scenario 1B Assumptions

- Capital grant awarded for 50% of Bus Replacement Costs
- Remaining Local Match funded by Capital Lease Proceeds or other financing

Scenario 1B with Bus Replacements: Capital Grant Funds 50% and Local Match using Capital Lease Proceeds



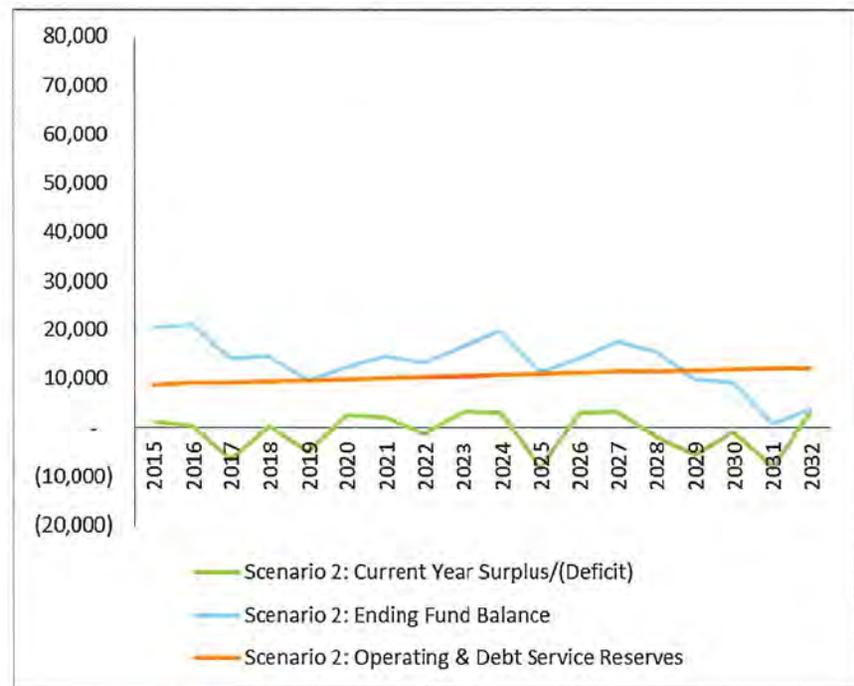
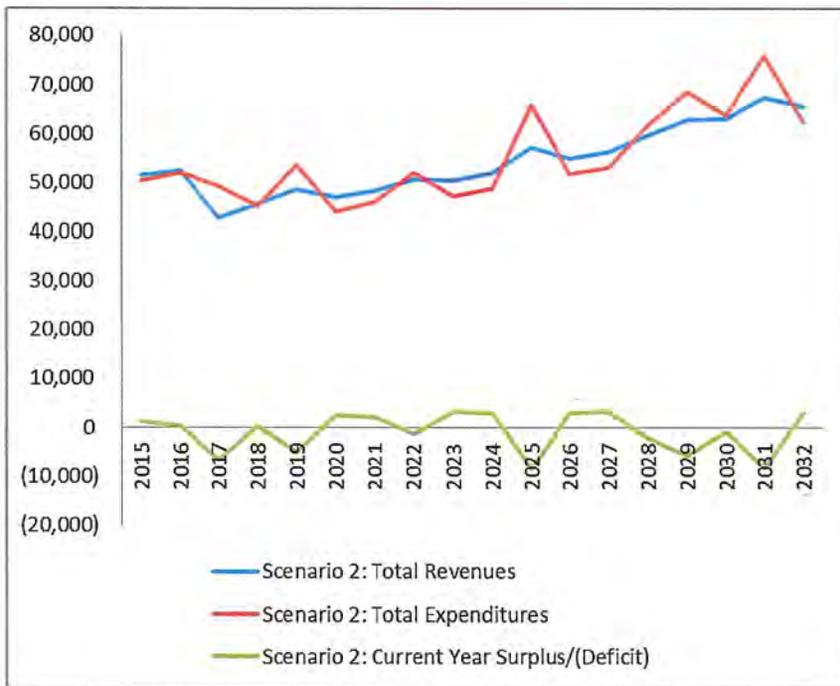
Scenario 1B with Bus Replacements: Capital Grant Funds 50% and Local Match using Capital Lease Proceeds

(1,000)	Budget For Planning Purposes Only																	
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Current Year Surplus/(Deficit)	1,196	377	163	814	746	548	317	267	197	116	42	(30)	231	255	1,017	1,145	1,219	1,209
Critical Issue: Bus Replacement			9,134	4,609	11,781	1,137	1,490	6,110			15,512			7,129	13,023	6,572	16,796	1,621
Scenario 1: Capital Grant Funds & Local Match using Capital Lease Proceeds																		
Capital Grant (50/50)	-	-	4,567	2,305	5,890	569	745	3,055	-	-	7,756	-	-	3,564	6,512	3,286	8,398	811
Capital Lease Proceeds	-	-	4,567	2,305	5,890	569	745	3,055	-	-	7,756	-	-	3,564	6,512	3,286	8,398	811
Additional Debt Service																		
2017			487	487	487	487	487	487	487	487	487	487	487	487				
2018				246	246	246	246	246	246	246	246	246	246	246	246			
2019					628	628	628	628	628	628	628	628	628	628	628	628		
2020						61	61	61	61	61	61	61	61	61	61	61	61	61
2021							79	79	79	79	79	79	79	79	79	79	79	79
2022								326	326	326	326	326	326	326	326	326	326	326
2025											826	826	826	826	826	826	826	826
2028														380	380	380	380	380
2029															694	694	694	694
2030																350	350	350
2031																	895	895
2032																		86
Subtotal Add'l Debt Svc	-	-	487	732	1,360	1,420	1,500	1,825	1,825	1,825	2,652	2,652	2,652	3,032	3,239	3,343	3,610	3,636
Excess/(Shortfall)	-	-	(487)	(732)	(1,360)	(1,420)	(1,500)	(1,825)	(1,825)	(1,825)	(2,652)	(2,652)	(2,652)	(3,032)	(3,239)	(3,343)	(3,610)	(3,636)
Scenario 1: Total Revenues	51,412	52,320	49,329	45,895	54,243	44,605	46,213	52,135	47,358	48,742	65,693	51,676	53,230	61,976	69,553	64,852	76,901	63,631
Scenario 1: Total Expenditures	50,216	51,943	49,652	45,813	54,857	45,477	47,396	53,693	48,986	50,452	68,302	54,358	55,651	64,753	71,774	67,050	79,293	66,058
Scenario 1: Current Year Surplus	1,196	377	(323)	82	(614)	(873)	(1,183)	(1,558)	(1,628)	(1,709)	(2,609)	(2,681)	(2,420)	(2,777)	(2,221)	(2,198)	(2,391)	(2,427)
Scenario 1: Beginning Fund Balance	19,347	20,543	20,920	20,596	20,679	20,065	19,192	18,009	16,451	14,823	13,114	10,504	7,823	5,402	2,626	404	(1,793)	(4,185)
Scenario 1: Ending Fund Balance	20,543	20,920	20,596	20,679	20,065	19,192	18,009	16,451	14,823	13,114	10,504	7,823	5,402	2,626	404	(1,793)	(4,185)	(6,612)

Long Range Financial Forecast: Scenario 2A Assumptions

- Same as Scenario 1A
- Assumes RFTA is successful in the 2016 Election to impose a uniform mill levy of 1 mill on all taxable property within the territory of the Authority in accordance with House Bill 09-1034 to help provide a more stable funding source for future capital replacements. Taxable property is assessed in 2017 and revenues collected in 2018.
- 1 mill = ~\$3 million of additional revenue per year

Scenario 2A with Bus Replacements: Capital Grant Funds 25%, Local Match using 1 Mill Levy or Equivalent Tax/Revenue Increase in 2016 Ballot



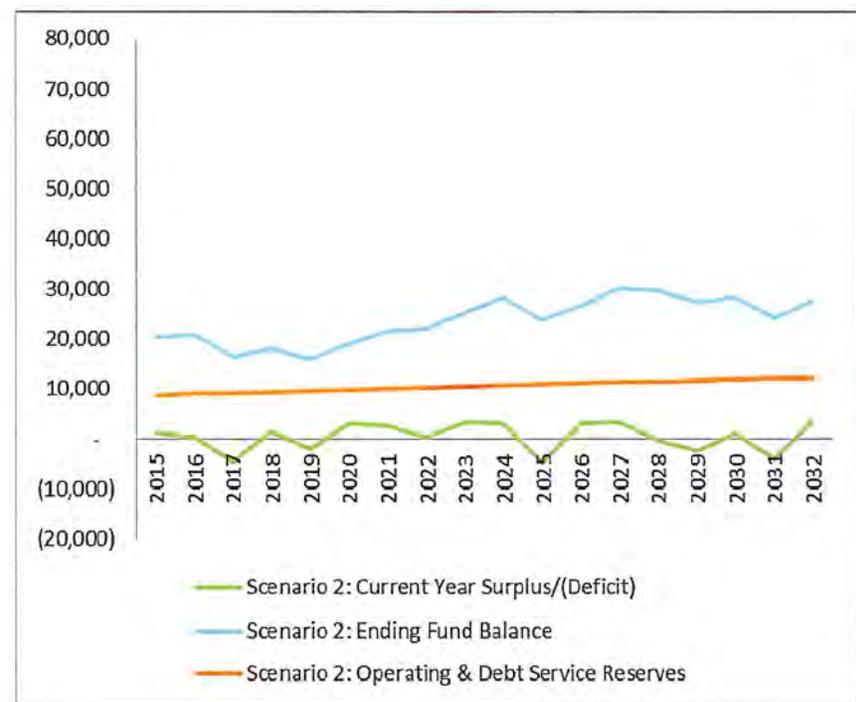
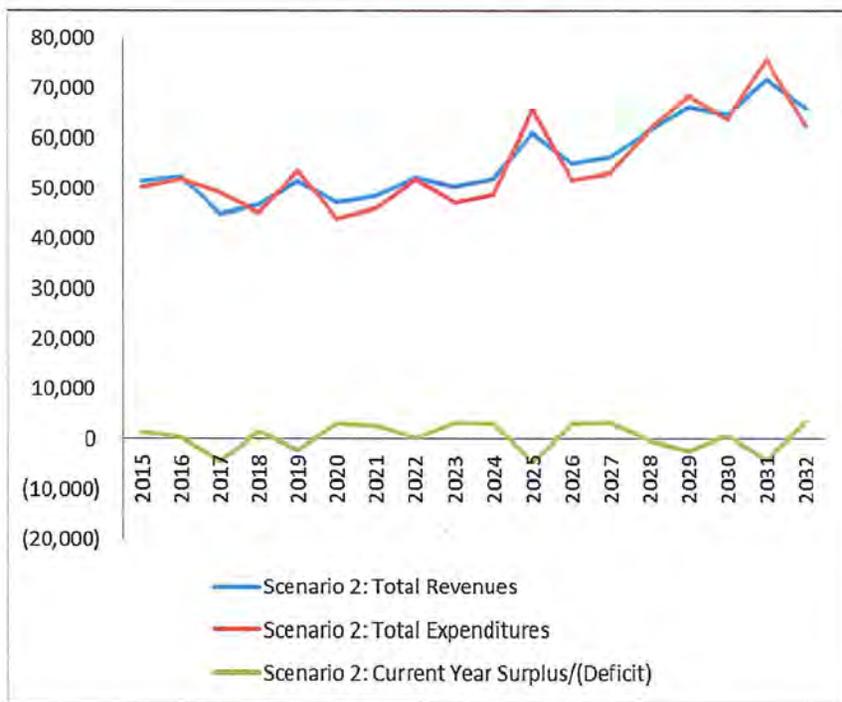
Scenario 2A with Bus Replacements: Capital Grant Funds 25%, Local Match using 1 Mill Levy or Equivalent Tax/Revenue Increase on 2016 Ballot

	Budget For Planning Purposes Only																	
(1,000)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Current Year Surplus/(Deficit)	1,196	377	163	814	746	548	317	267	197	116	42	(30)	231	255	1,017	1,145	1,219	1,209
Critical Issue: Bus Replacement			9,134	4,609	11,781	1,137	1,490	6,110			15,512			7,129	13,023	6,572	16,796	1,621
Scenario 2: Capital Grant Funds, Local Match using 1 Mill Levy or equivalent tax/revenue increase in 2016 Ballot																		
Capital Grant (25/75)	0	0	2,284	1,152	2,945	284	372	1,528	0	0	3,878	0	0	1,782	3,256	1,643	4,199	405
Property Tax Revenue																		
Pitkin County				2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480
Garfield County				390	390	390	390	390	390	390	390	390	390	390	390	390	390	390
Eagle County				190	190	190	190	190	190	190	190	190	190	190	190	190	190	190
Excess/(Shortfall)	-	-	(6,851)	(398)	(5,777)	2,206	1,942	(1,524)	3,059	3,059	(8,575)	3,059	3,059	(2,288)	(6,709)	(1,870)	(9,538)	1,843
Scenario 2: Total Revenues	51,412	52,320	42,478	45,497	48,466	46,811	48,155	50,611	50,417	51,801	57,118	54,735	56,289	59,688	62,844	62,983	67,363	65,474
Scenario 2: Total Expenditures	50,216	51,943	49,165	45,081	53,497	44,057	45,896	51,868	47,161	48,626	65,651	51,706	52,999	61,721	68,535	63,707	75,682	62,422
Scenario 2: Current Year Surplus	1,196	377	(6,687)	416	(5,031)	2,754	2,258	(1,256)	3,256	3,175	(8,533)	3,029	3,290	(2,033)	(5,691)	(724)	(8,319)	3,052
Scenario 2: Beginning Fund Balance	19,347	20,543	20,920	14,232	14,649	9,618	12,372	14,630	13,374	16,630	19,805	11,272	14,301	17,592	15,559	9,868	9,143	824
Scenario 2: Ending Fund Balance	20,543	20,920	14,232	14,649	9,618	12,372	14,630	13,374	16,630	19,805	11,272	14,301	17,592	15,559	9,868	9,143	824	3,876

Long Range Financial Forecast: Scenario 2B Assumptions

- Same as Scenario 1B
- Assumes RFTA is successful in the 2016 Election to impose a uniform mill levy of 1 mill on all taxable property within the territory of the Authority in accordance with House Bill 09-1034 to help provide a more stable funding source for future capital replacements. Taxable property is assessed in 2017 and revenues collected in 2018.
- 1 mill = ~\$3 million of additional revenue per year

Scenario 2B with Bus Replacements: Capital Grant Funds 50%, Local Match using 1 Mill Levy or Equivalent Tax/Revenue Increase in 2016 Ballot



Scenario 2B with Bus Replacements: Capital Grant Funds 50%, Local Match using 1 Mill Levy or Equivalent Tax/Revenue Increase on 2016 Ballot

	Budget For Planning Purposes Only																	
(1,000)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Current Year Surplus/(Deficit)	1,196	377	163	814	746	548	317	267	197	116	42	(30)	231	255	1,017	1,145	1,219	1,209
Critical Issue: Bus Replacement			9,134	4,609	11,781	1,137	1,490	6,110			15,512		7,129	13,023	6,572	16,796	1,621	
Scenario 2: Capital Grant Funds, Local Match using 1 Mill Levy or equivalent tax/revenue increase in 2016 Ballot																		
Capital Grant (50/50)	0	0	4,567	2,305	5,890	569	745	3,055	0	0	7,756	0	0	3,564	6,512	3,286	8,398	811
Property Tax Revenue																		
Pitkin County				2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480	2,480
Garfield County				390	390	390	390	390	390	390	390	390	390	390	390	390	390	390
Eagle County				190	190	190	190	190	190	190	190	190	190	190	190	190	190	190
Excess/(Shortfall)	-	-	(4,567)	754	(2,831)	2,490	2,314	4	3,059	3,059	(4,697)	3,059	3,059	(505)	(3,453)	(227)	(5,339)	2,248
Scenario 2: Total Revenues	51,412	52,320	44,762	46,650	51,412	47,095	48,527	52,139	50,417	51,801	60,996	54,735	56,289	61,471	66,100	64,626	71,562	65,880
Scenario 2: Total Expenditures	50,216	51,943	49,165	45,081	53,497	44,057	45,896	51,868	47,161	48,626	65,651	51,706	52,999	61,721	68,535	63,707	75,682	62,422
Scenario 2: Current Year Surplus	1,196	377	(4,404)	1,569	(2,086)	3,038	2,631	271	3,256	3,175	(4,655)	3,029	3,290	(251)	(2,435)	919	(4,120)	3,457
Scenario 2: Beginning Fund Balance	19,347	20,543	20,920	16,516	18,085	15,999	19,037	21,668	21,939	25,195	28,370	23,715	26,745	30,035	29,784	27,349	28,267	24,148
Scenario 2: Ending Fund Balance	20,543	20,920	16,516	18,085	15,999	19,037	21,668	21,939	25,195	28,370	23,715	26,745	30,035	29,784	27,349	28,267	24,148	27,605

Questions?

