

CITY OF STEAMBOAT SPRINGS

AGENDA

Regular Meeting NO. 2012-16
Tuesday, September 18, 2012

5:00 PM

MEETING LOCATION: Citizens' Meeting Room, Centennial Hall;
124 10th Street, Steamboat Springs, CO

MEETING PROCEDURE: Comments from the Public are welcome at two different times during the course of the meeting: 1) Comments no longer than three (3) minutes on items not scheduled on the Agenda will be heard under Public Comment; and 2) Comments no longer than three (3) minutes on all scheduled public hearing items will be heard following the presentation by Staff or the Petitioner. Please wait until you are recognized by the Council President.

With the exception of subjects brought up during Public Comment, on which no action will be taken or a decision made, the City Council may take action on, and may make a decision regarding, ANY item referred to in this agenda, including, without limitation, any item referenced for "review", "update", "report", or "discussion". It is City Council's goal to adjourn all meetings by 10:00 p.m.

PUBLIC COMMENT: Public Comment will be provided at 7 p.m., or at the end of the meeting, (whichever comes first).

CITY COUNCIL WILL MAKE NO DECISION NOR TAKE ACTION, EXCEPT TO DIRECT THE CITY MANAGER. **THOSE ADDRESSING CITY COUNCIL ARE REQUESTED TO IDENTIFY THEMSELVES BY NAME AND ADDRESS. ALL COMMENTS SHALL NOT EXCEED THREE MINUTES.**

ROLL CALL (5:00 PM)

JOINT MEETING WITH THE COUNTY COMMISSIONERS

1. **PROCLAMATION: A proclamation recognizing September 17-23, 2012 as Constitution Week in Steamboat Springs, Colorado. (Barb Ficke, Daughters of the American Revolution)**

2. **Yampa Valley Housing Authority Annual Report.**
 3. **City/County Affordable Housing Fund.**
 4. **Steamboat Springs Area Community Plan Update. (Peasley)**
-

COMMUNITY REPORTS/CITY COUNCIL DISCUSSION TOPIC:

5. **Report from the Urban Land Institute Yampa Street Advisory Panel. (Gibbs)**
 6. **Requesting direction regarding a new Police Station to be built at the Iron Horse site. (Hinsvark)**
 7. **Summer Marketing 2012 recap and 2013 proposed summer marketing plan presentation. (Kara Givnish, Steamboat Springs Chamber; Kerry Shea, SSCRA Marketing Committee)**
 8. **Community Support Coalition Funding. (Mark Andersen)**
-

CONSENT CALENDAR: MOTIONS, RESOLUTIONS AND ORDINANCES FIRST READINGS

ITEMS ON THE CONSENT CALENDAR GENERALLY REQUIRE LITTLE COUNCIL DELIBERATION AND MAY BE APPROVED WITH A SINGLE MOTION. ANY MEMBER OF THE COUNCIL OR THE PUBLIC MAY WITHDRAW ANY ITEM FROM THE CONSENT CALENDAR FOR FURTHER DISCUSSION AT ANY TIME PRIOR TO APPROVAL.

9. **RESOLUTION: A resolution authorizing a Concession Agreement between the City of Steamboat Springs and The Tennis Center at Steamboat Springs, Inc. (Small)**
-

PUBLIC HEARING: ORDINANCE SECOND READINGS

THE CITY COUNCIL PRESIDENT OR PRESIDENT PRO-TEM WILL READ EACH ORDINANCE TITLE INTO THE RECORD. PUBLIC COMMENT WILL BE PROVIDED FOR EVERY ORDINANCE.

10. **RESOLUTION: A resolution approving the Steamboat Springs Local Marketing District Operating Plan and the Steamboat Springs Local Marketing District Budget for the year 2013. (Bill Stuart, LMD Treasurer)**
11. **SECOND READING OF ORDINANCE: An ordinance amending Sections 25-3 of the Steamboat Springs Revised Municipal Code by**

limiting the uses to which a person connecting to the City water system may put City water; repealing all conflicting ordinances; and providing an effective date. (Foote)

PUBLIC COMMENT: PUBLIC COMMENT WILL BE PROVIDED AT 7 P.M., OR AT THE END OF THE MEETING, (WHICHEVER COMES FIRST).

CITY COUNCIL WILL MAKE NO DECISION NOR TAKE ACTION, EXCEPT TO DIRECT THE CITY MANAGER. THOSE ADDRESSING CITY COUNCIL ARE REQUESTED TO IDENTIFY THEMSELVES BY NAME AND ADDRESS. ALL COMMENTS SHALL NOT EXCEED THREE MINUTES.

PLANNING COMMISSION REPORT

CONSENT CALENDAR - PLANNING COMMISSION REFERRALS:

ITEMS ON THE CONSENT CALENDAR GENERALLY REQUIRE LITTLE OR NO COUNCIL DELIBERATION AND MAY BE APPROVED WITH A SINGLE MOTION. A CITY COUNCIL MEMBER MAY REQUEST AN ITEM(S) BE REMOVED FROM THE CONSENT CALENDAR FOR FURTHER DISCUSSION. ALL ORDINANCES APPROVED BY CONSENT SHALL BE READ INTO THE RECORD BY TITLE.

There are no items scheduled for this portion of the agenda.

PUBLIC HEARING – PLANNING COMMISSION REFERRALS

PUBLIC HEARING FORMAT:

- Presentation by the Petitioner (estimated at 15 minutes). Petitioner to state name and residence address/location.
- Presentation by the Opposition. Same guidelines as above.
- Public Comment by individuals (not to exceed 3 minutes). Individuals to state name and residence address/location.
- City staff to provide a response.

There are no items scheduled for this portion of the agenda.

REPORTS

12. City Council

13. Reports

- a. Agenda Review: (Franklin)
 - 1. City Council agenda for October 2, 2012
 - 2. City Council agenda for October 16, 2012.

14. Staff Reports

- a. City Attorney's Update/Report. (Lettunich)
 - 1. Litigation issues.
- b. Manager's Report: Ongoing Projects. (Roberts)
 - 2. Director's Response.
 - 3. Update on Storm Water Management Plan. (Beall)
 - 4. Update on new water meters. (Anderson)

ADJOURNMENT

BY: JULIE FRANKLIN, CMC
CITY CLERK

AGENDA ITEM # 1

CITY COUNCIL COMMUNICATION FORM

FROM: Barbara Ficke, Vice Regent NSDAR, Augusta Wallihan Chapter (970-879-8319)

THROUGH: Valerie Dietrich, Staff Assistant (Ext. 225)

DATE: September 18, 2012

ITEM: A proclamation recognizing September 17-23, 2012 as Constitution Week in Steamboat Springs, Colorado.

DIRECTION
 INFORMATION
 ORDINANCE
 MOTION
 RESOLUTION

I. REQUEST OR ISSUE:

A proclamation recognizing September 17-23, 2012 as Constitution Week in Steamboat Springs, Colorado.

II. RECOMMENDED ACTION:

Approval.

III. FISCAL IMPACTS:

None.

V. LEGAL ISSUES:

None.

LIST OF ATTACHMENTS

Attachment 1 - *Constitution Week Radio, Television and Newspaper Spotlights 2012-2013.*

Attachment 1

Constitution Week Radio, Television, and Newspaper Spotlights 2012-2013

Please note: These Spot Announcements are designed for radio, television, and newspaper use, as well as schools, churches, etc. Each spot requires approximately 30 to 40 seconds.

1. September 17 through 23 commemorates the signing of the Constitution of the United States of America. You might have even heard the phrase, "That's unconstitutional" or "That's my constitutional right!" Many times Americans believe that sayings and phrases are in our Constitution, but they really aren't. Let us celebrate Constitution Week September 17-23 by resolving to be better-informed and responsible citizens. Read the Constitution! This announcement was provided by the *Chapter/State Society*, National Society Daughters of the American Revolution.
2. Next (This) week, September 17 – 23, is Constitution Week, the 225th anniversary of the signing of this great document. Did you know that nowhere in the Constitution does it say, "It's a free country"? Amendment 1 of the Constitution does NOT include the words "freedom of expression" but over time it has been ruled to include limits to the freedom of speech/press/assembly for defamation, perjury, contempt of court, hate speech, size of public demonstrations, trade secrets, noise pollution, classified information and treason. Study the Constitution, know your rights, and know what it says and does not say. This announcement was provided by the *Chapter/State Society*, National Society Daughters of the American Revolution.
3. Our Constitution, the cornerstone of our freedoms, was written to protect every American from the abuse of power by government. The Fifth Amendment states that "No person shall be ... deprived of life, liberty, or property without due process of law" and it protects us from double jeopardy and incrimination. However, the phrases "innocent until proven guilty" and "presumption of innocence" are not found in the 5th amendment nor in any part of the Constitution. These phrases are derived from English law and are part of our system and considered common law today. Know your Constitution, know your rights, and know what it says and does not say. This announcement was provided by the *Chapter/State Society*, National Society Daughters of the American Revolution.
4. Constitution Week, September 17 – 23, commemorates the signing of the Constitution of the United States. Did you know that the only place in the Constitution that "Lord" or any reference to God is where the date is written: "Seventeenth Day of September in the Year of our Lord one thousand seven hundred and Eighty seven"? Did you know that "We hold these truths to be self-evident, that all men are created equal" and "Life, Liberty, and the Pursuit of Happiness" are not in the Constitution, but both are in the Declaration of Independence? And lastly, this quote, "Of the people, by the people, for the people" is neither in the Constitution nor the Declaration, but comes from the Gettysburg Address. Study our Constitution! This announcement was provided by the *Chapter/State Society*, National Society Daughters of the American Revolution.
5. The U.S. Constitution is the oldest constitution still in active use in the world today and is the basic document of our republic, which protects the individual liberties of all citizens through written law. Did you know that you cannot be denied the right to vote because of race or gender? But remember, the Constitution never clearly ensures us the "right to vote." The 26th Amendment requires that 18 year-olds must be able to vote; however, states can allow persons younger than 18 to vote if they chose. The qualifications for voters are left to the states, as long as they do not conflict with anything in the Constitution. In some states, felons who are in prison or on probation are denied the right to vote. Study the Amendments and the Constitution! This announcement was provided by the *Chapter/State Society*, National Society Daughters of the American Revolution.

6. American colonists fought, sacrificed, and died to establish and preserve the freedoms now guaranteed to us by the Constitution of the United States. The right to privacy has come to the public's attention through various controversial Supreme Court rulings. Privacy is not specifically mentioned in the Constitution, but over the years the Supreme Court has made decisions that have established that the right to privacy is a basic human right and as such is protected by virtue of the 9th Amendment. Study the Constitution, know your rights, and know what it says and does not say. This announcement was provided by the *Chapter/State Society*, National Society Daughters of the American Revolution.
7. "We the people of the United States, in order to form a more perfect Union, establish justice, insure domestic tranquility, provide for the common defense, promote the general welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America." These words, written 225 years ago, are the Preamble to our Constitution. This is Constitution Week, September 17 – 23, celebrating the signing of this important document. Read beyond the Preamble to understand the structure of the three branches of our representative government. Study the Amendments and the Bill of Rights. Know your Constitution! This announcement was provided by the *Chapter/State Society*, National Society Daughters of the American Revolution.
8. Did you know that Inauguration Day is set in the 20th Amendment? The Presidential and Vice Presidential terms end and the next term begins on January 20th following an election. For Senators and Representatives, it ends and begins on January 3rd following an election. The time between the election and Inauguration Day is known as the Lame Duck period, particularly if the President was not reelected. Study the Amendments and the Bill of Rights. Know your Constitution! This announcement was provided by the *Chapter/State Society*, National Society Daughters of the American Revolution.
9. The Equal Rights Amendment, which reads in part, "Equality of rights under the law shall not be denied or abridged by the United States or by any state on account of sex," was proposed by the 92nd Congress on March 22, 1972, but was not ratified because not enough states approved it. The main reason that states did not approve it was that the process was already in practice. This announcement was provided by the *Chapter/State Society*, National Society Daughters of the American Revolution.
10. Constitution Week, September 17 – 23, commemorates the signing of the Constitution of the United States. Did you know that the Constitution does not give the right to have cases heard by a jury of "my" peers? The Constitution does not have the words "separation of church and state" anywhere in it. The only crime that is defined in the Constitution is treason. Specifically, it is adhering to or giving comfort to the enemies of the United States. The Constitution neither prohibits nor encourages that the President and the Vice President be from the same party. Study the Amendments and the Bill of Rights. Know your Constitution! This announcement was provided by the *Chapter/State Society*, National Society Daughters of the American Revolution.

***A PROCLAMATION RECOGNIZING SEPTEMBER 17-23, 2012 AS CONSTITUTION WEEK IN
STEAMBOAT SPRINGS, COLORADO***

WHEREAS, September 17, 2012 marks the two hundred and twenty-fifth anniversary of the drafting of the Constitution of the United States of America by the Constitutional Convention; and

WHEREAS, it is fitting and proper to officially recognize this magnificent document and the anniversary of its creation; and

WHEREAS, it is fitting and proper to officially recognize the patriotic celebrations which will commemorate the occasion; and

WHEREAS, public law 915 guarantees the issuing of a proclamation each year by the President of the United States of America designating September 17 through 23 as Constitution Week.

NOW, THEREFORE, BE IT PROCLAIMED, by the City Council of the City of Steamboat Springs, Colorado, that the week of September 17-23, 2012 is hereby declared "Constitution Week" IN STEAMBOAT SPRINGS, ROUTT COUNTY" and ask our citizens to reaffirm the ideals the Framers of the Constitution had in 1787.

ADOPTED THIS 18th day of SEPTEMBER, 2012.

Attest:

Julie Franklin, CMC
City Clerk

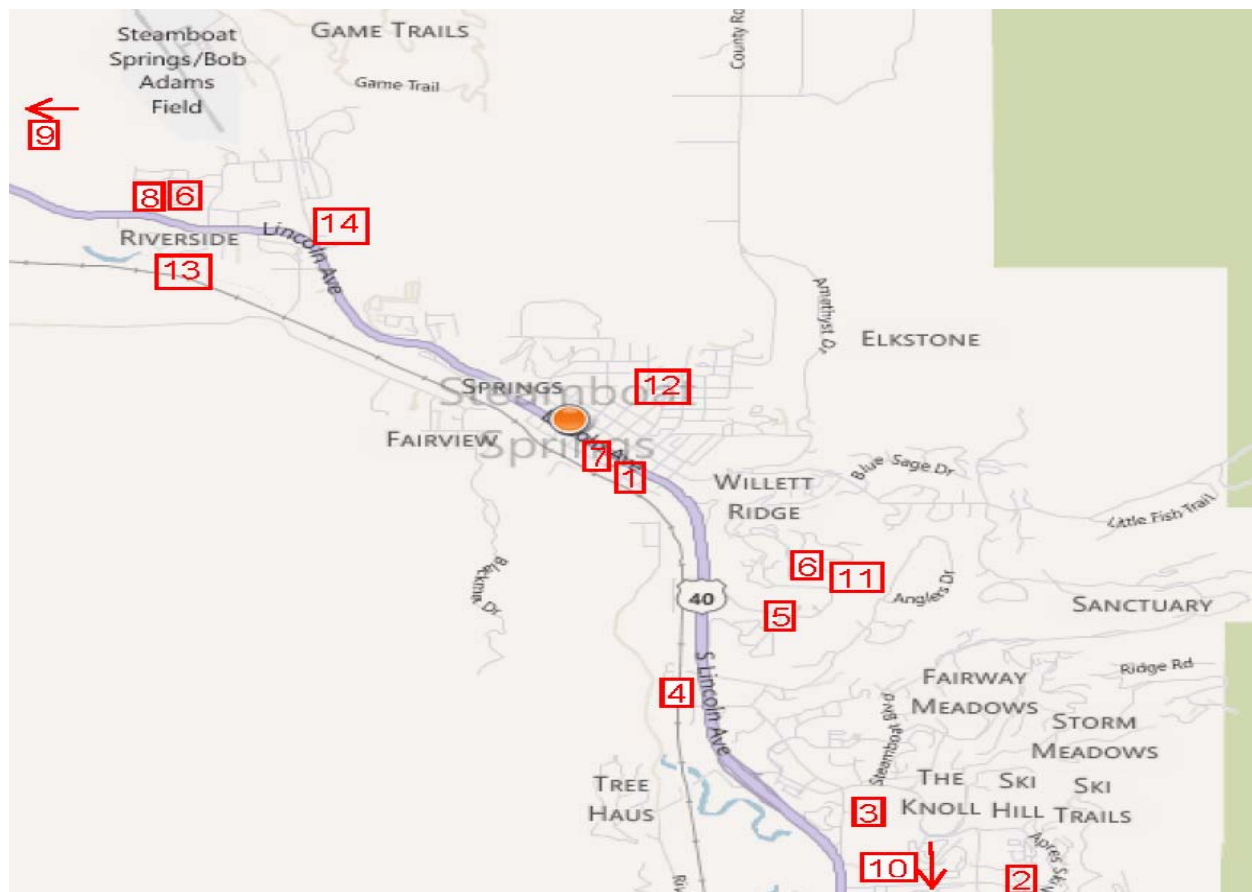
Bart Kounovsky
Steamboat Springs City Council President

2012 Annual Report



Yampa Valley Housing Authority

Yampa Valley Housing Authority Site Map



- | | |
|---|--|
| 1. Alpenglow—45 6th Street, Steamboat | 9. Self-Help Housing, Golden Meadows—Hayden |
| 2. Sunray Meadows—Columbine Drive, Steamboat | 10. Self-Help Housing, Grand Street—Oak Creek |
| 3. First Tracks—2545 Cattle Kate Drive, Steamboat | Land Bank: Sierra View Subdivision—Oak Creek |
| 4. Fish Creek Mobile Home Park—75 Anglers Drive, Steamboat | 11. Main Office, Yampa Valley Housing Authority—627 Tamarack Drive, Steamboat |
| 5. Fox Creek Village Condominiums—1275-1355 Hilltop Parkway, Steamboat | 12. Partnership: Horizons Specialized Services Housing—459 8th Street, Steamboat |
| 6. Rentals: Hillside Village Apartments—605-753 Tamarack Drive, Steamboat | 13. Partnership: Habitat for Humanity — Riverside Subdivision, Steamboat |
| 7. Howelsen Place—703 Lincoln Avenue, Steamboat | 14. Elk River Village Property — Elk River Road, Steamboat |
| 8. Self-Help Housing, West End Village—Steamboat | |



September 9, 2012

Dear City Council President Kounovsky, Members of City Council, County Commission Chairperson Monger and County Commissioners:

On behalf of the members of the Yampa Valley Housing Authority (YVHA) Board of Directors, we are pleased to submit our 2012 Annual Report.

We wish to first thank you for the work we have done together over the last year and your continuing investment of General and Community Housing Funds towards the challenge of keeping our housing affordable and attainable to the low and moderate income members of our community.

We continue along the lines that 2010 set for the next decade of work for YVHA and modeled our revised mission statement and commitment to the community: support the local economy, community and businesses of the Yampa Valley by implementing appropriate housing solutions for local workers, other qualified residents, and their families.

While we are challenged with our staff turnover and the current lack of an Executive Director, we continue to commit significant time and focus to the question of what it will take for the YVHA to support and maintain the affordable and attainable housing for our local families in the current economy. Our first focus remains on maintaining and managing our current portfolio effectively. Secondly, we continue our endeavors in the expansion of affordable and attainable housing inventory from development to assistance and education programs.

Our accomplishments over the previous twelve (12) months include approximately \$60,000 in capital improvements at the Hillside Village Apartments; additional efforts to fund and complete upgrading the water and sewer systems at Fish Creek Mobile Home Park, moving closer to the day we can consider resident ownership in the park; management of a down payment assistance portfolio in excess of \$600,000 including approximately \$100,000 granted to the YVHA by the City over the last three (3) years; and continuing our leadership role in identifying and appropriately responding to the dynamics of affordable and attainable housing throughout our community.

We published an updated version of our Multi-Jurisdictional Housing Plan (MJHP) in late 2010 with a horizon of the next five (5) years. During the process, we sought input from surrounding and local community leaders and residents, and incorporated the information gathered into the plan. Our annually updated strategic plan will focus on the MJHP initiatives while also assuring that our assets are funded and protected so they can continue to house our local families.

On behalf of the residents, staff and Board of Directors, we want to express our appreciation for the continuing support the Council and Commission provides to us as we seek to serve the Yampa Valley. Our successes are only possible through the support of community leaders who continue to partner with us in seeking housing solutions that contribute to a culturally rich and economically strong community.

Richard Lowe, President

"Building our Community one home at a time."

627 Tamarack Drive PO Box 774542 Steamboat Springs, CO 80477
Phone 970.870.0167 Fax 970.870.7851

YVHA ACTIVITIES

Down Payment Assistance	The current housing marketplace has seen several affordable opportunities become available, and we have matched available down payment assistance loans with qualifying households to provide a chance at homeownership, though 2012 has seen only minimal use of this resource. Our current portfolio exceeds \$600,000 and through the generosity of the City and repayments, we continue to have resources available for this loan program. All loans are performing as agreed.
Strategic Plan	The YVHA Board of Directors adopted a strategic plan in 2009. The plan is updated at least annually, and serves as a guide for all YVHA focuses and activities.
Asset /Real Estate	<p>The Elk River Village property has been listed for sale since December, 2009 without any serious offers being received. YVHA worked with our lender and was able to begin reducing principal and extend the term of the balloon payment to two years. In addition, we have held a series of meetings with our lender to further restructure our loan to more favorable terms for the YVHA. This will result in lower monthly payments while still continuing to reduce our principal and keep the asset on our balance sheet as a long term obligation vs. a current liability. The property's listing price was lowered to \$1.5 MM in accordance with a MAI appraisal done in June, 2011. We agreed with our Auditor to recognize this asset's lower value on our balance sheet and have made the appropriate adjustment, as of our fiscal year end 2012.</p> <p>With limited sales activity over the last few years, the Board is re-considering our strategy with this asset and, concurrent with more favorable loan conditions from our lender, we now believe the prudent course is to remove the property from the market. That will give the YVHA the flexibility to be more patient waiting for a stronger real estate market and allowing either future development or sale of the property.</p>
Hillside Village Apartments	Capital improvement activities at Hillside Village have focused on replacing aging wooden and unsafe stairway assemblies with metal and the installation of additional laundry facilities. The stairs are a 5-year process that is now in its 3 rd year.
Fish Creek Mobile Home Park	We continue to work through the preliminaries, e.g. replacement of the water and sewer systems.
Database	Our database is now up and fully functional. Included with this report is some of the information in graphical form that we can now provide. As time goes on, more refined information will be able to be distilled, along with having up-to-date information for the City, County and our partner organizations, and some of that information is included with this report.

2011 Financials

YVHA Balance Sheet Summary & Statement of Activities Summary December 31, 2011

BALANCE SHEET SUMMARY

ASSETS

CURRENT ASSETS	\$ 552,615
NON CURRENT ASSETS	<u>\$7,724,665</u>
TOTAL ASSETS	\$8,277,280

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES	\$ 291,045
LONG TERM LIABILITIES	\$6,207,633
NET ASSETS	<u>\$1,778,602</u>
TOTAL LIABILITIES AND NET ASSETS	\$8,277,280

STATEMENT OF ACTIVITIES SUMMARY

OPERATING REVENUE

NET TENANT RENTAL INCOME	\$ 740,387
OTHER OPERATING REVENUE	<u>\$ 27,871</u>
TOTAL OPERATING REVENUE	\$ 768,258

OPERATING EXPENSES

SALARIES AND BENEFITS	\$ 186,291
OTHER OPERATING EXPENSES	<u>\$ 363,410</u>
TOTAL OPERATING EXPENSES	\$ 549,701

OPERATING INCOME (LOSS)	\$ 218,557
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NON-OPERATING REVENUE (EXPENSES)

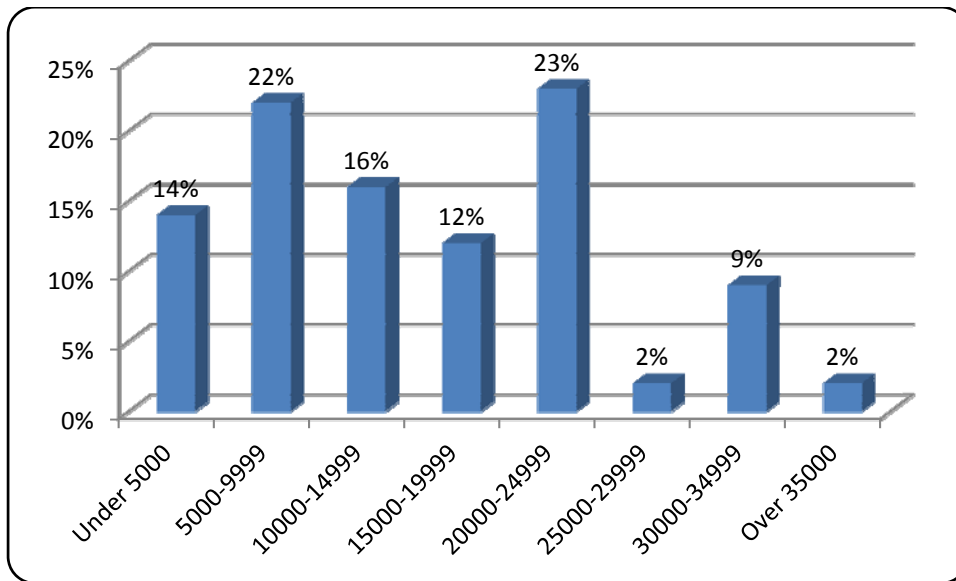
GRANTS/CONTRIBUTIONS	\$ 209,950
OTHER NON-OPERATING REVENUE	\$ 1,778
OTHER NON-OPERATING EXPENSE	\$ (276,295)
IMPAIRMENT LOSS ON LAND	<u>\$ (754,282)</u>
TOTAL NON-OPERATING REVENUE	\$ (818,849)

CHANGE IN NET ASSETS	\$ (600,292)
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2011 YVHA Resident Statistics

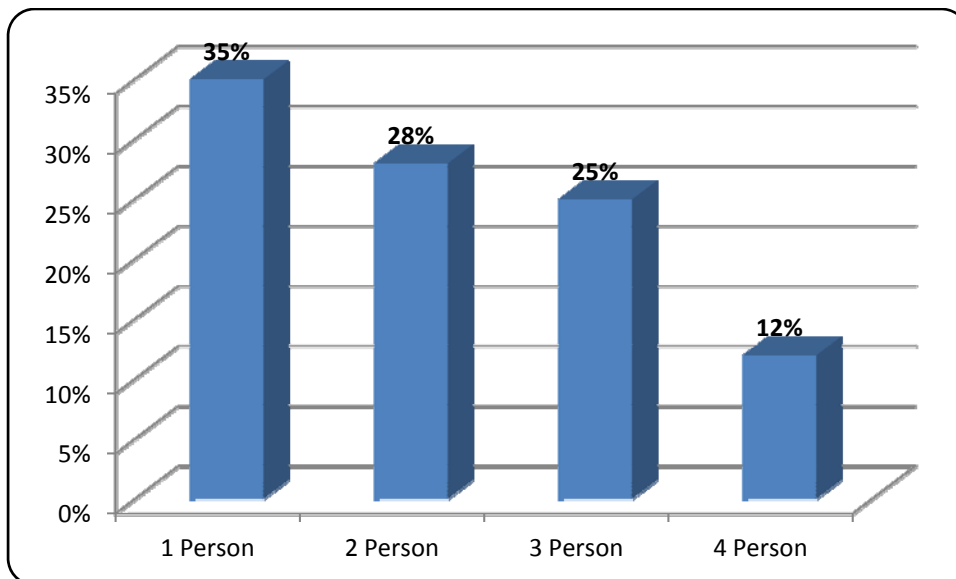
Affordable Rentals – 123 Households *as of 12/2011

Distribution of Household's Gross Income (%)

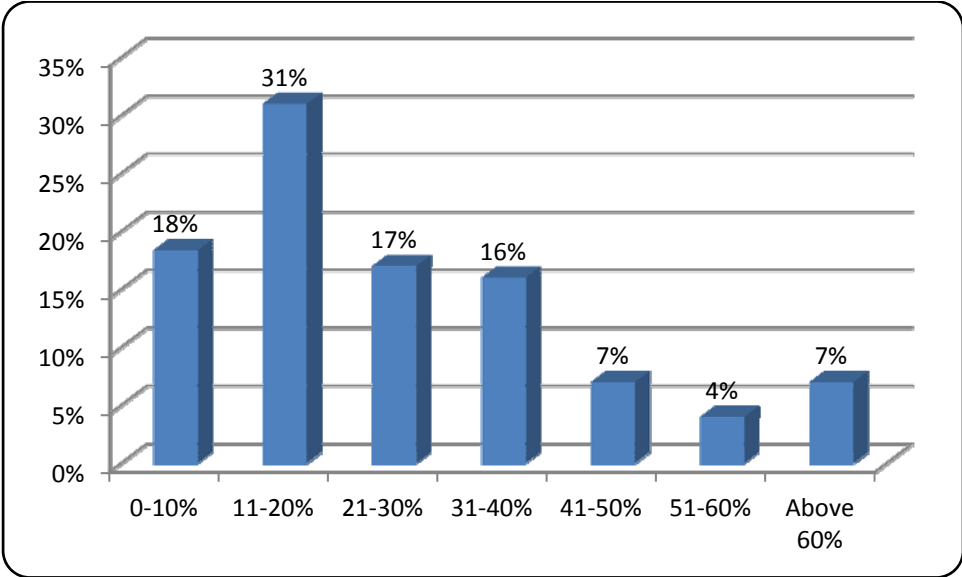


Average Annual
Income:
\$16,378

Summary of Household Size (%)



Summary of Household AMI Level (%)



Average AMI Level: 19%

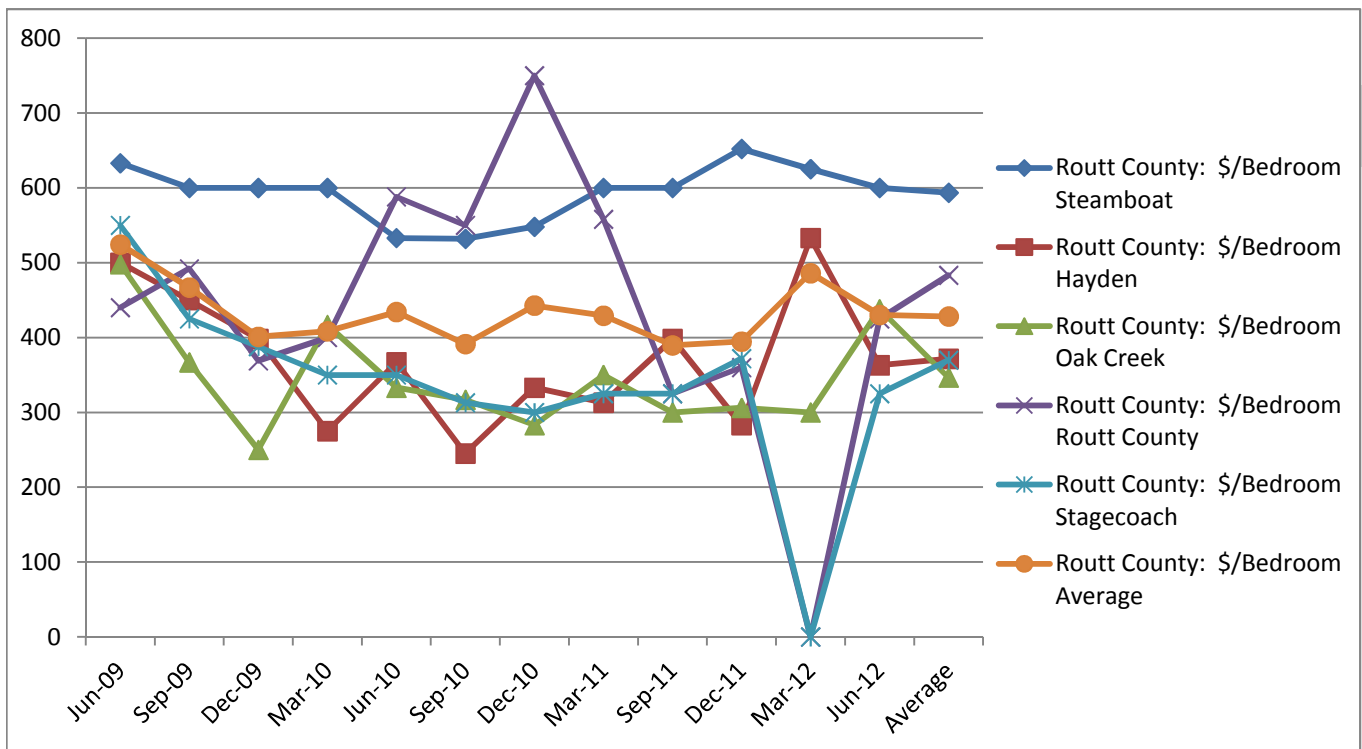
Routt County: \$/Bedroom

Date	Steamboat	Hayden	Oak Creek	Routt County	Stagecoach	Average
Jun-09	633	500	498	440	550	524
Sep-09	600	450	367	492	425	467
Dec-09	600	398	250	369	388	401
Mar-10	600	275	417	400	350	408
Jun-10	533	367	333	588	350	434
Sep-10	532	245	317	550	313	391
Dec-10	548	333	283	750	300	443
Mar-11	600	313	350	558	325	429
Sep-11	600	398	300	325	325	390
Dec-11	652	283	306	360	372	395
Mar-12	625	533	300	NA	NA	486
Jun-12	600	363	438	425	325	430
Average	594	372	347	483	370	428

2 Bedroom/1 Wage
Earner/ Income

Required*	\$42,738	\$26,748	\$24,954	\$34,790	\$26,626	\$30,832
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*HUD Income Rent Tables 2012



AGENDA ITEM # 3



COMMUNICATION FORM

FROM: Staff
DATE: September 11, 2012
ITEM: City/County Affordable Housing Fund
ATTACHMENTS: Stahoviak E-Mail 5-11-12
Intergovernmental Agreement Establishing the Steamboat Springs/Routt County Affordable Housing Fund

BOARD ACTION: ACTION ITEM
 DIRECTION REQUESTED
 INFORMATION

REQUEST OR ISSUE: Discussion of request to release of City/County Affordable Housing Fund to YVHA and the use of those funds

RECOMMENDED ACTION: The Board should review and strategize a request to the City and County to release the \$250,000 in the City/County Affordable Housing Fund established under the IGA included with this communication.

BACKGROUND INFORMATION: Review the Stahoviak e-mail for background information on this Fund. It has been suggested that the YVHA Board pursue a request to the City and County to grant the funds to YVHA, and that as part of doing so should include proposal(s) for the use of funds. The use of funds could include:

- Buying distressed properties
- Paying down the Elk River Village property loan
- Using the funds at Fish Creek Mobile Home Park to move forward with water and sewer systems upgrade
 - If this is proposal, a profile of the park, the tenants living therein, and the importance of this asset to the community

FISCAL IMPACTS: To be determined.

LEGAL ISSUES: The Intergovernmental Agreement stipulates the use of the money and may need to be amended or rescinded to accomplish the reallocation of the funding to YVHA and the proposed use of funds.

CONFLICTS OR ISSUES: To be determined.

SUMMARY AND ALTERNATIVES: Materials have been included for review.

Attachment 1

YVHA

From: Nancy Stahoviak [nstahoviak@co.routt.co.us]
Sent: Friday, May 11, 2012 8:47 AM
To: 'George Krawzoff'
Cc: Scott Myller; 'Mary Alice Page-Allen'
Subject: city/county affordable housing fund
Attachments: Affordable Housing Fund - City.County IGA.pdf

George,

Attached is the IGA I discussed at the Board meeting yesterday related to the \$250,000 City/County Affordable Housing Fund. As I mentioned yesterday, the fund was initially used as a loan to RALF for the Westend Village project and paid back. It was then used as a loan for the Fox Creek Townhomes project and paid back. I can't remember if it has been used for any of the Habitat construction projects. I am copying Mary Alice on this email as she may have knowledge of other ways in which the Fund has been used.

The idea I proposed yesterday for this fund was that the City and County be approached with a request to close out the fund and transfer the balance (\$250,000 plus interest earned over the years) to YVHA. These proceeds could then be utilized to implement our strategy to purchase distressed properties and turn them into affordable rental units. It would allow YVHA to purchase 2 or 3 properties without having to obtain loan funding. The revenues from the rental of these properties could then be utilized to acquire additional properties or develop other affordable housing opportunities. A portion of the rental income could also be paid into the YVHA General Fund as a management fee similar to what is currently done by Hillside Village and Fish Creek Mobile Home Park. The business plan to be presented to the City and the County supporting this concept would be developed by you with assistance and guidance from the New Projects Committee. It would not only include a financial plan but the justification and need for the program, along with a preliminary analysis of available properties. The committee could also discuss whether or not it would be appropriate to share a portion of this money with Habitat for Humanity.

My reasons for suggesting this concept are as follows:

1. The Affordable Housing Fund was created as the result of an action item in the original West of Steamboat Plan. When the Plan was updated in 2006, this action item was not carried forward nor was the Fund mentioned in the update. The original purpose was to assist with affordable housing development in the West of Steamboat Plan area and with the demise of Steamboat 700, there is going to be little opportunity to develop that area for quite some time.
2. The IGA references an Affordable Housing Incentives Matrix that, to my knowledge, is no longer in existence.
3. Since the creation of the this Fund, the City has created its own community housing fund though its inclusionary zoning regulations and the County has developed a program to provide subsidies for building permit fees and building use tax for affordable units that meet certain criteria. To my knowledge, the original Affordable Housing Fund has not been accessed for any affordable housing projects for some time.
4. There continues to be a need for affordable rental units for Routt County families, especially with two or more bedrooms and with the current loan and development market, it is not realistic or financially feasible to develop a multi-unit rental complex.
5. With the current real estate market, now is the time to be acquiring some appropriately priced housing units that can be converted into long term affordable rentals. Closing out the Affordable Housing Fund to implement this program is a good use of tax payer dollars that have been designated for affordable housing. It will give YVHA the ability to fill a community housing need (the reason the City and County established YVHA) and create a program that can grow and be valuable into the future as it keeps a portion of our housing affordable for those who live or work in Steamboat Springs.

Mary Alice, If I have incorrectly misstated anything, please correct me.

Thanks, Nancy

Attachment 2

INTERGOVERNMENTAL AGREEMENT ESTABLISHING THE STEAMBOAT SPRINGS-ROUTT COUNTY AFFORDABLE HOUSING FUND

This Intergovernmental Agreement Establishing the Steamboat Springs-Routt County Affordable Housing Fund (the "IGA"), dated as of February 25, 2003, is between Routt County, Colorado ("County"), acting by and through its Board of County Commissioners (the "BCC") and the City of Steamboat Springs, a Colorado home rule municipality ("City"), acting by and through the City of Steamboat Springs City Council (the "City Council").

Recitals

- A. On November 19, 1999, City and County adopted the "West of Steamboat Springs Area Plan" (the "Plan").
- B. One of the "Fiscal Impact Policies" contained in the Plan provides: "The County and the City will contribute to a fund administered by RALF [the Regional Affordable Living Foundation] that, using the Affordable Housing Incentives Matrix, will be used to defray the costs and fees of the affordable housing units. The City and the County will each contribute \$62,500 in FY 00 and FY 01, for a total of \$125,000 each and \$250,000 in the aggregate." (Plan, page 101.)
- C. RALF has requested City and County to loan to it \$250,000 for use in connection with the development of affordable housing units in the West End Village subdivision. City and County are willing to make the loans (the "RALF Loans") requested by RALF.
- D. RALF Loans will be secured by the same security, and the security interests to be granted to City and County are to be of equal priority. Additionally, City and County are to share equally in any loan repayments made with respect to either loan. In order to accomplish these objectives and to facilitate the administration of the RALF Loans, City and County desire to establish an inter-creditor relationship and a collateral agency relationship.
- E. City and County also desire to provide for the use of the loan funds repaid by RALF for other affordable housing purposes by establishing the Steamboat Springs - Routt County Affordable Housing Fund. By doing so, City and County intend to implement the item from the Plan described in Recital B above.

Terms and Conditions

1. City and County hereby establish the Steamboat Springs - Routt County Affordable Housing Fund (the "Fund"). City is hereby designated as the initial Fund Holder. Promptly following execution of this IGA by both City and County, County shall pay to City \$125,000 to be held as a part of the Fund and City shall transfer to the Fund \$125,000. The Fund Holder shall hold, administer, distribute and account for the Fund in accordance with this IGA.

2. The Fund Holder shall hold the Fund in a segregated, interest-bearing account. Any interest earned on the Fund shall become a part of the Fund and held, distributed and administered in accordance with the terms of this IGA.

3. Fund Holder shall enter into the loan agreement (the "Loan Agreement") between Fund Holder and RALF which is attached hereto as Exhibit A. Upon satisfaction of all conditions precedent to the making of the RALF Loans set forth in the Loan Agreement, Fund Holder shall loan to RALF \$250,000 solely from the Fund. Fund Holder shall thereafter administer the RALF Loans and the security held for it in accordance with this Agreement. Fund Holder shall have authority to receive payments made by RALF pursuant to the Loan Agreement and related documents, to release security held upon payment in full of the RALF Loans and to hold any loan payments received in the Fund.

4. In the event of any default under the Loan Agreement or related documents, Fund Holder shall consult with City and County to determine what action, if any, should be taken in connection with such default. Fund Holder shall be obligated to take action concerning the default only if City and County agree as to the course of action to be taken and provide written direction to Fund Holder signed on behalf of both entities.

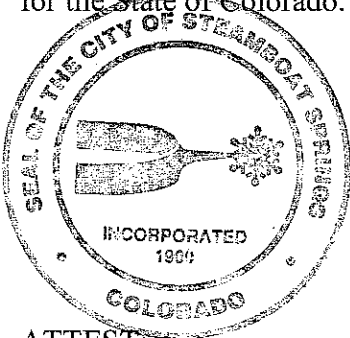
5. City and County agree that they shall deliver to Fund Holder, as appropriate, any payments received directly by them with respect to the RALF Loans and to assign or transfer, as appropriate, to Fund Holder any additional security which they or either of them may receive with respect to the RALF Loans, it being the intent of City and County to share equally in all payments and all security for the RALF Loans.

6. All repayments and other recoveries of any portion of the RALF Loans shall continue to be held in the Fund by the Fund Holder and used in connection with affordable housing projects approved by City Council and BCC.

7. City and County each agree to execute such further documents as may be necessary for Fund Holder to carry out its responsibilities under this IGA including documents confirming Fund Holder's authority to act on behalf of City and County hereunder.

8. Fund Holder shall have no liability to City or County for any acts or omissions undertaken or not undertaken in connection with this IGA, the RALF Loans, the Loan Agreement or the related documents so long as Fund Holder acts in good faith. Any out-of-pocket expenses reasonably incurred by Fund Holder in connection with carrying out the terms of this IGA shall be shared equally by City and County and both shall promptly pay to Fund Holder that party's share of any such expenses upon presentation to it of a written request for reimbursement together with any supporting information which may reasonably be requested by City or County. Fund Holder shall not be held to be a fiduciary of either City or County nor held to any heightened duty of care with respect to its duties under this IGA.

14. This IGA shall be governed by and construed in accordance with the internal laws of the State of Colorado without reference to choice of laws rules. The parties agree that venue in any action to enforce or interpret this IGA shall be in the District Court in the Fourteenth Judicial District for the State of Colorado.



City of Steamboat Springs

By: *Kathy Connell* Date: _____
Kathy Connell, President
Steamboat Springs City Council

ATTEST:

Julie Jordan
Julie Jordan, City Clerk

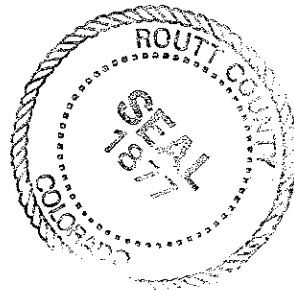
Routt County, Colorado

By: *Douglas B. Monger* Date: 3/4/08
Douglas B. Monger, Chairman
Board of County Commissioners

ATTEST:

Kay Weinland by Debbie Hess
Kay Weinland, Routt County Clerk *Chief Deputy*

RALFLOANIGA.FINAL.DOC (2/26/2003)



AFFORDABLE HOUSING LOAN AGREEMENT

This Affordable Housing Loan Agreement (the "Agreement"), dated as of February 25, 2003, is between the Regional Affordable Living Foundation ("RALF"), a Colorado nonprofit corporation which is also a corporation described in Internal Revenue Code Section 501 (c)(3) and the City of Steamboat Springs, a Colorado home rule municipality ("City"), acting solely in its capacity as Fund Holder under an "Intergovernmental Agreement Establishing the Steamboat Springs-Routt County Affordable Housing Fund," dated as of February 25, 2003, between Routt County, Colorado ("County") and City. County also joins in this Agreement for the purposes set forth below.

Recitals

- A. RALF was formed to provide decent housing that is affordable to low and moderate income residents of Routt County.
- B. RALF has requested a loan of \$125,000 from County to pay for a portion of the costs of acquiring the duplex lots described in Recital C below. RALF has requested a similar loan, also for \$125,000, from the City for the same purpose. City and County are willing to make these loans which are referred to hereinafter as the "RALF Loans."
- C. To facilitate the development of affordable housing units (the "Affordable Housing Units") in the West End Village subdivision, RALF proposes to purchase five duplex lots (the "Duplex Lots") using the proceeds from the RALF Loans. Thereafter, RALF will sell four of the duplex lots to Crystal Peak Construction ("Crystal Peak") and one duplex lot to Habitat for Humanity ("Habitat"). RALF will finance all or a portion of the sales price being paid by Crystal Peak and Habitat. Crystal Peak and Habitat will execute and deliver to RALF promissory notes and deeds of trust to secure the portion of the sales price being financed by RALF. All of the promissory notes and deeds of trust given to RALF by Crystal Peak in connection with the sale of four of the Duplex Lots to Crystal Peak together with any related guarantees or other security documents are referred to hereinafter as the "Crystal Peak Loan Documents." The promissory note and deed of trust given to RALF by Habitat in connection with the sale of one of the Duplex Lots to Habitat together with any related guarantees or other security documents are referred to hereinafter as the "Habitat Loan Documents."
- D. RALF has requested a loan of \$125,000 from County to pay for a portion of the costs of acquiring land necessary for the development of the Affordable Housing Units. RALF has requested a similar loan, also for \$125,000, from the City. City and County are willing to make these loans (the "RALF Loans") for the public purpose of encouraging the development of affordable housing. City and County believe that the development of the Affordable Housing Units will benefit the citizens of Routt County by assisting in the availability of employees needed by the local community and allowing those employees to be an integral part of the community.

E. Pursuant to an Intergovernmental Agreement Establishing the Steamboat Springs-Routt County Affordable Housing Fund, dated as of February 25, 2003 (the "IGA"), City and County have appointed City to act as Fund Holder to make and administer the RALF Loans and to act as agent with respect to all security granted to secure the RALF Loans. Pursuant to the IGA, City and County have also established the Steamboat Springs-Routt County Affordable Housing Fund (the "Fund") and have transferred \$250,000 to the Fund.

F. City is entering into this Agreement as the Fund Holder under the IGA and to evidence City's obligation to transfer \$125,000 to the Fund so as to permit the Fund Holder to make the RALF Loans as provided under this Agreement. County joins in this Agreement to evidence its obligation to transfer \$125,000 to the Fund so as to permit the Fund Holder to make the RALF Loans as provided under this Agreement.

Terms and Conditions

1. Subject to the other terms and conditions of this Agreement, Fund Holder shall loan to RALF the sum of \$250,000 (the "RALF Loans") for a maximum term of twenty-four months from the date on which the loan is disbursed to RALF (the "Date of Advance"). The proceeds from the RALF Loans shall be used solely to purchase the Duplex Lots. The RALF Loans shall be made by a single advance into an escrow (the "Escrow") established to consummate the purchase of the Duplex Lots and only after all conditions precedent to Fund Holder's obligation to make the RALF Loans, as set forth below, have been satisfied. Fund Holder's obligation to make the RALF Loans is subject to the further condition that City and County shall have each paid \$125,000 to the Fund Holder to be held, administered and distributed in accordance with the IGA.

2. City and County agree to each pay \$125,000 to the Fund Holder to be held as a part of the Fund pursuant to the IGA.

3. The conditions precedent to the Fund Holder's obligation to make the RALF Loans are:
a. RALF shall have entered into a development agreement with the City as required as a condition to the approval of the West End Village project.

b. City shall have issued a final development approval for the portion of the West End Village project which includes the Affordable Housing Units being developed, in part, with the proceeds of this Loan.

c. RALF shall have made, executed and delivered into the Escrow a promissory note (the "RALF Promissory Note") in the form attached hereto as Exhibit 1 which shall be delivered to Fund Holder upon the consummation of the transaction for the purchase of the Duplex Lots. The RALF Promissory Note shall provide that it shall not bear any interest until due and shall bear interest of ten per cent per annum after it is due until paid.

d. RALF shall have made, executed and delivered into the Escrow a deed of trust (the "RALF Deed of Trust") in the form attached hereto as Exhibit 2 which shall be recorded in the Official Records of Routt County upon consummation of the transaction for the purchase of the Duplex Lots. The collateral described in the RALF Deed of Trust shall be all of the Duplex Lots other than those as to which there is a simultaneous sale to Crystal Peak or Habitat.

e. With respect to each Duplex Lot as to which there is a simultaneous sale to either Crystal Peak or Habitat, RALF shall have made, executed and delivered into the Escrow collateral assignments of all of the related Loan Documents and shall have directed the holder of the Escrow to deliver all originals of the Loan Documents and such collateral assignments to Fund Holder upon the consummation of the transaction for the purchase of the Duplex Lots.

f. Fund Holder shall have received title policy commitments from a title insurance company acceptable to Fund Holder for the issuance of lender's title policies insuring that the lien of the RALF Deed of Trust shall constitute a first lien on the Duplex Lots described in it as collateral subject only to current taxes and such other exceptions acceptable to Fund Holder and, with respect to Duplex Lots simultaneously being sold to either Crystal Peak or Habitat, title policy commitments from a title company acceptable to Fund Holder for the issuance of lender's title policies insuring that the liens of the Crystal Peak and Habitat Loan Documents being assigned to Fund Holder will constitute first liens; provided, however, that the lien of the Crystal Peak Loan Documents may be subordinate to the lien of security for construction loans to Crystal Peak for improvements to be constructed on the Duplex Lots or other improvements required for the development of those Duplex Lots. RALF shall be responsible for paying for all costs of providing such title policy commitments and for the issuance to the Fund Holder of the title policies described in those commitments. All such title commitments and policies shall contain an endorsement recognizing that City and County both have insurable interests to the extent of their contributions to the Fund.

4. RALF shall take all actions necessary to ensure that the dwelling units to be constructed by Crystal Peak and Habitat will be Affordable Housing Units complying with the requirements of City of Steamboat Springs Ordinance No. 1704. RALF will submit all Crystal Peak and Habitat Loan Documents for review and approval before they are executed by Habitat or Crystal Peak, as appropriate.

5. Fund Holder shall execute such documents as may be necessary to subordinate the lien of the Crystal Peak Loan Documents to the lien securing construction loans to Crystal Peak for improvements to be constructed on the Duplex Lots or other improvements required for the development of those Duplex Lots.

6. Fund Holder shall release the lien of the RALF Deed of Trust and the lien of any security instrument with respect to a particular Duplex Lot when it is sold or otherwise transferred to a third party purchaser upon payment by RALF of \$50,000 for each Duplex Lot to be released. Except as provided in the preceding sentence, RALF shall repay the Loan in accordance with provisions of the RALF Promissory Note.

7. In the event that RALF fails to comply with any provision of this Agreement then, notwithstanding any contrary provision in the RALF Promissory Note or RALF Deed of Trust, Fund Holder shall have the right to declare a default and require immediate repayment of the RALF Loans. In order to exercise this right, Fund Holder shall first give RALF written notice of the occurrence of an event of default. RALF shall have thirty days in which to cure such default. Unless such default has been cured within the thirty day period, Fund Holder shall have the right to declare a default and require immediate repayment of the RALF Loan by written notice to RALF.

8. Any notice required under this Agreement may be personally delivered or mailed in the United States mails, first class postage prepaid to the party to be served at the following addresses:

RALF: Regional Affordable Living Foundation
P.O. Box 774542
Steamboat Springs, CO 80477

City/Fund Holder: Office of the City Manager
137 10th Street
P.O. Box 775088
Steamboat Springs, CO 80477

County: Routt County Board of Commissioners
P.O. Box 773598
Steamboat Springs, CO 80477

Notices personally served shall be deemed served on the date of delivery. Notices mailed shall be deemed served the next business day following the date of mailing if mailed in the State of Colorado otherwise on the date which is two business days following the date of mailing.

9. In the event either party to this Agreement brings suit to enforce or interpret any portion of this Agreement, the party substantially prevailing in such action shall be entitled to recover all costs incurred in such action, including without limitation reasonable attorney's fees.

10. This Agreement constitutes the entire agreement between the parties concerning the Loan and may not be amended except by a written document executed by both parties hereto.

11. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Colorado without reference to choice of laws rules. The parties agree that venue in any action to enforce or interpret this Agreement shall be in the District Court in the Fourteenth Judicial District for the State of Colorado.

Regional Affordable Living Foundation
a Colorado nonprofit corporation

By: _____ Date: _____
Title: _____

City of Steamboat Springs

By: _____ Date:
Kathy Connell, President
Steamboat Springs City Council

ATTEST:

Julie Jordan, City Clerk

Routt County, Colorado

By: _____ Date:
Douglas B. Monger, Chairman
Board of County Commissioners

ATTEST:

Kay Weinland, Routt County Clerk

RALFLOANAGMNT.FINAL.DOC (2/26/2003)

SECURED PROMISSORY NOTE

U.S. \$ 250,000.00

Steamboat Springs, Colorado
_____, 200_

For value received, the Regional Affordable Living Foundation, a Colorado nonprofit corporation (the "Borrower") promises to pay to the City of Steamboat Springs, Colorado as Fund Holder under an Intergovernmental Agreement Establishing the Steamboat Springs-Routt County Affordable Housing Fund dated as of February 25, 2003, or any successor Fund Holder (the "Note Holder"), or to order, the principal sum of Two Hundred Fifty Thousand and No One-Hundredths (\$250,000.00). The principal sum shall bear no interest if paid when due. Any amount not paid when due shall thereafter bear interest at the rate of ten percent per annum until paid in full. Unless due earlier under the terms of an Affordable Housing Loan Agreement (the "Loan Agreement") dated as of February 25, 2003, between Borrower and Note Holder, all sums due hereunder shall be due and payable on _____, 2004. Payments made under this Promissory Note shall first be applied to any interest due and then to principal. The Loan Agreement requires earlier payment or partial payment upon the sale of any of the Duplex Lots, as that term is defined in the Loan Agreement.

If any payment required by this Note is not paid when due, or if any default under any Deed of Trust or other security instrument securing this Note occurs, the entire principal amount outstanding and accrued interest thereon shall at once become due and payable at the option of the Note Holder ("Acceleration"). The Note Holder shall be entitled to collect all reasonable costs and expenses of collection and legal action, including, but not limited to reasonable attorneys' fees.

Borrower may prepay the principal amount outstanding under this Note, in whole or in part, at any time without penalty.

Borrower hereby waives presentment, notice of dishonor and protest, and hereby agrees to any extensions of time of payment before, at, or after maturity.

Any notice to Borrower provided for in this Note shall be in writing and shall be given and be effective upon (1) delivery to Borrower or (2) mailing such notice by first-class U.S. mail, addressed to Borrower at Borrower's address for notice set forth in the Loan Agreement, or to such other address as Borrower may designate by written notice to the Note Holder at the address for the Fund Holder set forth in the Loan Agreement.

The indebtedness evidenced by this Note is or may be secured by a Deed of Trust dated _____, 200_, as well as other security and, until released said Deed of Trust and the other security instruments contain additional rights of the Note Holder. Such rights or other provisions of the Loan Agreement may cause Acceleration of the indebtedness evidenced by this Note. Reference is made to said Deed of Trust, the other security instruments and the Loan Agreement for additional terms. Said Deed of Trust grants rights in the property identified as:

Regional Affordable Living Foundation,
a Colorado nonprofit corporation

By: _____
Title: _____

DEED OF TRUST

This deed of trust is made this ___ day of _____, 200__, between the Regional Affordable Living Foundation, a Colorado nonprofit corporation ("Trustor"), whose address is _____, Springs, Colorado 80477 and the Public Trustee of Routt County, Colorado ("Trustee") for the benefit of the City of Steamboat Springs, Colorado as Fund Holder under an Intergovernmental Agreement Establishing the Steamboat Springs-Routt County Affordable Housing Fund dated as of February 25, 2003, or any successor Fund Holder thereunder ("Beneficiary"), whose address is P.O. Box 773598, Steamboat Springs, Colorado 80477.

Trustor, hereby grants and conveys to Trustee in trust, with full power of sale, the following described real property located in the Town of Steamboat Springs, County of Routt, State of Colorado: **[legal description for Duplex Lots]**

_____ Steamboat Springs, Colorado.

which has the address of _____, Steamboat Springs, Colorado, together with all its appurtenances and the rents, issues, profits and proceeds there from (the "Property").

This deed of trust is given to secure full and faithful performance by Trustee of all its obligations (the "Obligations") owing to Beneficiary under that certain Secured Promissory Note (the "Promissory Note") dated as of _____, 200__ in the principal amount of \$250,000.00 made by Trustor in favor of Beneficiary or under that certain Affordable Housing Loan Agreement (the "Loan Agreement") dated February 25, 2003, between Trustor and Beneficiary and this deed of trust is given pursuant to the terms of the Loan Agreement. All capitalized terms used herein not otherwise defined herein shall have the meanings given them in the Loan Agreement.

Trustor further covenants and agrees as follows:

1. Trustor covenants to Trustee and Beneficiary that Trustor owns and has the right to grant, convey and encumber the Property, warrants title to the same, subject to general real estate taxes for the current year, easements of record or in existence, and recorded declarations, restrictions, reservations and covenants, if any, as of this date and warrants that this deed of trust, when executed and delivered to Beneficiary, shall constitute a lien on the Property.

2. Trustor shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which are or may become a lien having priority over this deed of trust when and as due and payable. The foregoing notwithstanding, Trustor shall not be required to make payments otherwise required by this paragraph if Trustor, after written notice to Beneficiary, shall in good faith contest such obligation by, or defend enforcement of such obligation in, legal proceedings which operate to prevent the enforcement of the obligation or forfeiture of the Property or any part thereof.

3. Trustor shall, at all times, maintain the following insurance on the Property: _____ . All such insurance is referred to hereinafter as the "Property Insurance."

The insurance carrier providing the Property Insurance shall be qualified to write such Property Insurance in Colorado and shall be chosen by Trustor subject to Beneficiary's right to reject the chosen carrier for reasonable cause. All insurance policies and renewals shall include a standard mortgage clause in favor of Beneficiary, and shall provide that the insurance carrier shall notify Beneficiary in writing at least thirty (30) days prior to cancellation, termination or any material change of coverage. Insurance policies or certificates shall be delivered to Beneficiary at the same time as the delivery of this deed of trust to Beneficiary. Beneficiary shall have the right to hold the policies and any renewals thereof.

In the event of loss, Trustor shall give prompt notice to the insurance carrier and Beneficiary. Beneficiary may make proof of loss if not made promptly by Trustor.

Insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security for this deed of trust is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this deed of trust would be impaired, the insurance proceeds shall be applied to satisfy the Obligations which are secured by this deed of trust with the excess, if any, paid to Trustor.

If the Property is abandoned by Trustor, or if Trustor fails to respond to Beneficiary within thirty (30) days from the date notice is given in accordance with paragraph 11 hereof by Beneficiary to Trustor that the insurance carrier offers to settle a claim for insurance benefits, Beneficiary is authorized to collect and apply the insurance proceeds, at the Beneficiary's option, either to restoration or repair of the Property or to the Obligations.

Notwithstanding anything else herein to the contrary, if under paragraph 13 the Property is acquired by Beneficiary, all right, title and interest of Trustor in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Beneficiary to the extent of the Obligations outstanding immediately prior to such sale or acquisition.

4. Trustor shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property. Trustor shall perform all of Trustor's obligations under any declarations, covenants, by-laws, rules or other documents governing the use, ownership or occupancy of the Property.

5. If Trustor fails to perform the covenants and agreements contained in this deed of trust, the Promissory Note or the Loan Agreement, or if a default occurs with respect to an obligation which is secured by a lien prior to the lien of this deed of trust, or if any action or proceeding is commenced which, if decided, would adversely affect Beneficiary's interest in the Property, then Beneficiary, at Beneficiary's option, with notice to Trustor if required by law, may make such appearances, disburse such sums and take such action as Beneficiary deems

reasonably necessary to protect Beneficiary's interest in the Property, including, without limitation, disbursement of attorney fees and entry on the Property to make repairs. Trustor hereby assigns to Beneficiary any right Trustor may have by reason of any prior encumbrance on the Property or by law or otherwise to cure any default under said prior encumbrance.

Any amounts disbursed by Beneficiary pursuant to this paragraph 5, together with interest thereon at the maximum legal rate from the date of disbursement by Beneficiary until paid, shall become additional Obligations of Trustor secured by this deed of trust and shall be immediately due and payable to Beneficiary upon demand. In the event such sums are not paid to Beneficiary by Trustor within five (5) days after demand by Beneficiary, Beneficiary may commence suit to collect such sums. Nothing contained in this paragraph 5 shall require Beneficiary to incur any expense or take any action hereunder.

6. Beneficiary may make or cause to be made reasonable entries upon and inspection of the Property, provided that Beneficiary shall give Trustor notice prior to any such inspection specifying reasonable cause therefor related to Beneficiary's interest in the Property.

7. The proceeds or any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or any part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Beneficiary as herein provided.

In the event of a total taking of the Property, the proceeds shall be applied to the Obligations secured by this deed of trust with the excess, if any, paid to Trustor. In the event of a partial taking of the Property, the proceeds shall be divided between payment of the Obligations, if any then due, and payment to Trustor, in the same ratio as the amount of the Obligations of Trustor bears to Trustor's equity in the Property immediately prior to the date of taking. Trustor's equity means the fair market value of the Property less the Obligations.

If the Property is abandoned by Trustor, or if Trustor fails to respond to Beneficiary within thirty (30) days from the date notice is given in accordance with paragraph 11 hereof by Beneficiary to Trustor that the condemnor offers to make an award or settle a claim for damages, Beneficiary is authorized to collect and apply the proceeds, at the Beneficiary's option, either to restoration or repair of the Property or to the Obligations.

8. Any forbearance by Beneficiary in exercising any right or remedy hereunder, or otherwise afforded by law, shall not be a waiver or preclude the subsequent exercise of any such right or remedy.

9. Each remedy provided in the Promissory Note, the Loan Agreement or in this deed of trust is distinct from and cumulative to all other rights or remedies under the Promissory Note, the Loan Agreement and this deed of trust or afforded by law or equity and may be exercised concurrently, independently or successively.

10. The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Trustor and Beneficiary. All covenants and agreements of the Trustor shall be joint and several.

11. Except for any notice required by law to be given in another manner, (a) any notice to Trustor provided for in this deed of trust shall be in writing and shall be given and effective upon (1) delivery to Trustor or (2) mailing such notice by certified mail, return receipt requested, addressed to Trustor at Trustor's address stated herein or at such other address as Trustor may designate by notice to Beneficiary as provided herein, and (b) any notice to Beneficiary shall be in writing and shall be given and effective upon (1) delivery to Beneficiary or (2) mailing such notice by certified mail, return receipt requested, to Beneficiary's address stated herein or to such other address as Beneficiary may designate by notice to Trustor as provided herein. Any notice provided for in this deed of trust shall be deemed to have been given to Trustor or Beneficiary when given in any manner designated herein.

12. The Promissory Note, the Loan Agreement, and this deed of trust shall be governed by and interpreted in accordance with the laws of the State of Colorado. In the event that any provision or clause in this deed of trust or the Promissory Note or the Loan Agreement conflicts with such law, such conflict shall not affect other provisions of this deed of trust, the Promissory Note or the Loan Agreement which can be given effect without the conflicting provisions and to this end the provisions of this deed of trust, the Promissory Note and the Loan Agreement are declared to be severable.

13. Except as provided in paragraph 14, upon Trustor's breach of any covenant or agreement of Trustor in this deed of trust, in the Promissory Note or in the Loan Agreement, or upon any default in a prior lien upon the Property, at Beneficiary's option all of the Obligations of Trustor shall be immediately due and payable (hereinafter "Acceleration"). To exercise this option, Beneficiary may invoke the power of sale and any other remedies permitted by law. Beneficiary shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this deed of trust, including, without limitation, all attorney fees actually incurred.

If Beneficiary invokes the power of sale, Beneficiary shall give written notice to Trustee of such election. Trustee shall give such notice to Trustor of Trustor's rights as is provided by law. Trustee shall record a copy of such notice as required by law. Trustee shall advertise the time and place of the sale of the Property, for not less than four weeks in a newspaper of general circulation in the county in which the Property is situated, and shall mail copies of such notice of sale to Trustor and other persons as prescribed by law. After the lapse of such time as may be required by law, Trustee, without demand on Trustor, shall sell the Property at public auction to the highest bidder for cash at the time and place (which may be on the Property or any part thereof as permitted by law) in one or more parcels as the Trustee may think best and in such order as the Trustee may determine. Beneficiary or Beneficiary's designee may purchase the Property at any sale. It shall not be obligatory upon the purchaser at any such sale to see to the application of the purchase money.

Trustee shall apply the proceeds of the sale in the following order: (a) to all reasonable costs and expenses of the sale, including, without limitation, reasonable Trustee's and attorney's fees and costs of title evidence; (b) to all Obligations secured by this deed of trust; and (c) the excess, if any, to the person or persons legally entitled thereto.

14. Whenever foreclosure is commenced for nonpayment of any sums due hereunder, the owner of the Property or parties liable hereon shall be entitled to cure said defaults by paying all delinquent amounts as of the date of cure, costs, expenses, late charges, attorney's fees and other fees all in the manner provided by law. Upon such payment and the performance of all other Obligations owing hereunder, this deed of trust and the Obligations shall remain in full force and effect as though no Acceleration had occurred and the foreclosure proceedings shall be discontinued.

15. As additional security hereunder, Trustor hereby assigns to Beneficiary the rents, issues and profits for the Property; however, Trustor shall, prior to Acceleration under paragraph 13 hereof or abandonment of the Property, have the right to collect and retain such rents, issues and profits as they become due and payable.

Beneficiary or the holder of the Trustee's certificate of purchase shall be entitled to a receiver for the Property after Acceleration under paragraph 13 hereof, and shall also be so entitled during the time covered by foreclosure proceedings and the period of redemption, if any; and shall be entitled thereto as a matter of right without regard to the solvency or insolvency of the Trustor or of the then owner of the Property, and without regard to the value thereof. Such receiver may be appointed by any court of competent jurisdiction on ex parte application and without notice, notice being hereby expressly waived.

Upon Acceleration pursuant to paragraph 13, abandonment of the Property or as specified in the Promissory Note or the Loan Agreement, Beneficiary, in person, by agent or by judicially-appointed receiver, shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by Beneficiary or the receiver shall be applied, first, to payment of the costs of preservation and management of the Property, second, to payments due upon prior liens, and then to the Obligations. Beneficiary and the receiver shall be liable to account only for those rents actually received by Beneficiary or the receiver as the case may be.

16. Upon full and faithful performance and satisfaction of all Obligations, Beneficiary shall cause Trustee to release this deed of trust and shall produce for Trustee the Promissory Note and the Loan Agreement. Trustor shall pay all costs of recordation and shall pay the statutory Trustee's fees. If the Beneficiary shall not produce the Promissory Note or the Loan Agreement, then Beneficiary, upon notice in accordance with paragraph 11 from Trustor to Beneficiary shall obtain at Beneficiary's expense, and file, any lost instrument bond required by the Trustee or pay the cost thereof to effect the release of this deed of trust.

17. Trustor hereby waives all right of homestead and any other exemption in the Property under state or federal law presently existing or hereafter enacted.

18. The following events shall be referred to herein as a "Transfer." A transfer or conveyance of title (or any portion thereof, legal or equitable) of the Property (or any part thereof or interest therein), the execution of a contract or agreement creating a right to title (or any portion thereof, legal or equitable) in the Property (or any part thereof or interest therein), or an agreement granting a possessory right in the Property (or any portion thereof) in excess of three years. Not to be included as a Transfer are (i) the creation of a lien or encumbrance subordinate to this deed of trust, (ii) the creation of a purchase money security interest for household appliances, or (iii) a transfer by devise, descent or by operation of the law upon the death of a joint tenant. Trustor acknowledges that, pursuant to the Loan Agreement, in the event of the sale of any of Duplex Lots to a third party, not Crystal Peak or Habitat, Trustor shall repay to Beneficiary the sum of \$50,000 for each Duplex Lot sold.

At the election of Beneficiary in the event of each and every Transfer:

(a) Trustor shall, upon Beneficiary's request, submit information required to enable Beneficiary to evaluate whether the Transfer will cause the Beneficiary to become obligated to partially repay the Promissory Note. If Beneficiary, in the reasonable exercise of its judgment, determines that the Transfer will cause the Beneficiary to become obligated to partially repay the Promissory Note, and Trustor fails to make such partial repayment when due then, Beneficiary, at its option, may declare all Obligations immediately due and payable ("Acceleration").

(b) If Beneficiary exercises such option to cause Acceleration, Beneficiary shall give Trustor notice of Acceleration in accordance with paragraph 11 hereof. The notice shall inform Trustor of the right to assert in the foreclosure proceeding the nonexistence of a default or any other defense of Trustor to Acceleration and sale. Such notice shall also provide a period of not less than ten (10) days from the date the notice is given within which Trustor may pay the sums declared due. If Trustor fails to pay such sums prior to the expiration of such period, Beneficiary may, without further notice or demand on Trustor, invoke any remedies permitted under paragraph 13. Beneficiary shall give notice of such Acceleration within thirty (30) days after notice of any Transfer is given to Beneficiary by Trustor in accordance with the provisions of paragraph 11 hereof. If Beneficiary shall not give notice of such Acceleration within such thirty (30) days, then Beneficiary shall have no further right to such Acceleration based upon such Transfer.

(c) If a Transfer occurs and should Beneficiary not exercise Beneficiary's option pursuant to this paragraph 18 to Accelerate, the transferee (the "Transferee") shall be deemed to have assumed all of Trustor's Obligations under this deed of trust and the Agreement whether or not the instrument evidencing such conveyance, contract or grant expressly so provides. This covenant shall run with the Property and remain in full force and effect until all Obligations have been full and faithfully performed. The Beneficiary may without notice to the Trustor deal with Transferee in the same manner as with the Trustor with reference to the Obligations, without in any way altering or discharging the Trustor's liability hereunder or pursuant to the Promissory Note or the Loan Agreement for the Obligations.

By: _____
Title: _____

AGENDA ITEM # 4

CITY COUNCIL AND BOARD OF COUNTY COMMISSIONERS COMMUNICATION FORM

FROM: Jason K. Peasley, AICP, City Planner (Ext. 229)
Rebecca Bessey, AICP, County Planner

THROUGH: Jon Roberts, City Manager, (Ext. 228)
Tom Sullivan, County Manager

DATE: September 18, 2012

ITEM: Steamboat Springs Area Community Plan Update

ORDINANCE
 RESOLUTION
 MOTION
 DIRECTION
 INFORMATION

EXECUTIVE SUMMARY:

1. Background Information:

The update to the Steamboat Springs Area Community Plan is a joint effort between to the City and County to refine the community's vision in the areas of Land Use, Transportation, Housing and Growth Management. The City Council and Board of County Commissioners approved the scope of work for the project on August 1, 2011. The vision for the Plan Update is to create a set of measurable goals that can be monitored on an annual basis to ensure that the investments made by the City and County move the community closer to achieving its goals. This process will result in housing and transportation baselines and goals as well as a new Future Land Use Map. These additions will be complemented by a new plan implementation process where progress towards each community goal is monitored on an annual basis to inform the next year's budget and implementation projects. This yearly monitoring will ensure that the Plan does not stay on the shelf and that our projects and decisions will be measured against our community goals established in the Plan.

Phase 3 Public Outreach Results

Staff has recently concluded a phase of public outreach intended to develop a series of development scenarios for the future of the Steamboat Springs community. The scenarios presented below have been developed by members of this community through a process where they were challenged to accommodate 1,500, 3,000 and 4,500 new full time residents within the existing City limits and/or through annexation.

- **Growth / land use.** Charrette participants worked in small groups to decide where and how the community should accommodate future population growth in three increments of 1,500 full-time residents. By identifying common themes, Staff has synthesized all of the group scenarios into the following alternatives for each phase of growth:

Type of Growth	Total Population Growth		
	1500	3000	4500
Infill, focus on west of Downtown	X		
Infill, focus on south of Downtown	X		
Infill, focus on SF west of Downtown and MF south of Downtown		X	X
Infill throughout City	X		
Infill throughout City, focus on increase in MF		X	X
Infill throughout City with small annexations			X
Annex to the west, neighborhood concept	X	X	X

- **Housing.** Charrette participants were asked to identify their group’s attainable and ideal goals for the percent of homeowners and renters that spend less than 30% of their income on their housing costs. Currently in Routt County, 62% of owners and 46% of renters spend less than 30% of their income on housing. The table below includes the low, average, and high values of all groups for affordable housing (spending <30% of income on housing) goals.

	Spending <30% of Income on Housing			
	% of Renters		% of Owners	
Existing	46%		62%	
	Attainable Goal	Ideal Goal	Attainable Goal	Ideal Goal
Low	50%	50%	50%	50%
Average	62%	84%	70%	86%
High	76%	100%	80%	100%

- **Transportation.** Charrette participants were asked to identify their group’s attainable and ideal mode share goals. Currently in Steamboat Springs, 98% of all trips are car/truck and 2% are bike/pedestrian/transit. The table below includes the low, average, and high values of all groups for attainable and ideal bike/pedestrian/transit goals.

Existing	% of Mode Share: Bike-Pedestrian-Transit	
	Attainable Goal	Ideal Goal
	2%	
Low	8%	20%
Average	19%	45%
High	30%	85%

Next Steps (Phase 3, Task 3)

- A. Evaluate each growth / land use alternative - ONGOING

Planning Staff is currently evaluating each of the growth alternatives using the ten vision statements of the 2004 Plan and the triple bottom line “lens” – society, economy, environment.

- B. Develop an online tool to solicit public input on growth, housing, and transportation alternatives - ONGOING

An online public input presentation/survey tool is being developed that will accomplish the following:

- Present each land use / growth alternative and evaluation in an easy-to-understand format.
- Present the above housing and transportation data.
- Offer the public the opportunity to select their preferred growth / land use alternative and their preferred attainable and ideal housing and transportation goals.

- C. Identify preferred alternatives.

Using public input, the City/County will select the preferred growth, housing, and transportation alternatives to be incorporated into the final Plan document.

Staff and Budget Resources

The proposed scope of work anticipates that the City and County will each dedicate 25%-30% of one full time employee to the project through its completion. Roughly \$7,000 exists of the \$30,000 originally budgeted by the City in 2012 for outside services. No additional budget has been requested in the 2013 budget for this project.

LIST OF ATTACHMENTS

Attachment 1 – SSACP Update Scope

Attachment 1

Steamboat Springs Area Community Plan Update – Scope

Revised September 2012

TASKS	RESOURCES	TIMEFRAME
Phase 1: Community Outreach and Prioritization – Are we getting there?		
1) Community Outreach Presentations		
A) Community meetings <i>Attend/host a series of meetings with community groups and the public to present information regarding changes since 2004 and obtain feedback regarding the effectiveness of the 2004 SSACP and the community's priorities for the future.</i>	Staff	Complete
B) Internet presentation and survey <i>Develop Internet presentation and survey to present information regarding changes since 2004 and obtain feedback regarding the effectiveness of the 2004 SSACP and the community's priorities for the future.</i>	Staff	Complete
2) SSACP Update Scope		
A) Community input review <i>Compile input received during community meetings and from Internet survey and present to City and County Planning Commissions, Board of County Commissioners, and City Council.</i>	Staff	Complete
B) Scope / work program <i>Develop a scope of work to update the SSACP based on community input received during Phase 1 Task 1 and present to the Area Plan Coordinating Committee, City and County Planning Commissions, Board of County Commissioners, and City Council.</i>	Staff	Complete
Phase 2: Data Analysis – Where are we?		
1) Current Planning Efforts		
A) Multi-Modal Transportation Plan <i>Review the City's Multi-Modal Transportation Plan data and policies in order to incorporate and/or coordinate with the SSACP.</i>	Staff	Complete
B) Housing Needs Assessment <i>Coordinate with the Yampa Valley Housing Authority to update the Housing Needs Assessment.</i>	Staff	Complete
C) Economic Development Strategy <i>Review the City's Economic Development Strategy in order to incorporate and/or coordinate with the SSACP.</i>	Staff	Complete
2) Background Data		
A) Demographic and Background Data <i>Collect and review demographic and other background data to establish a baseline or snapshot of the community's existing conditions.</i>	Staff	Complete

TASKS	RESOURCES	TIMEFRAME
<p>B) Land Use Capacity Model</p> <p><i>Update and refine the land use capacity data and build out analysis to determine the City's ability to grow within its existing limits and urban growth boundary.</i></p>	Staff	Complete
Phase 3: Community Visioning – Where do we want to go?		
<p>1) Community Engagement Campaign</p> <p><i>Develop and utilize a variety of tools and materials to get the word out and engage the community in the update process (e.g., website, social networking, television and radio, posters and other print materials).</i></p>	Staff	Complete
<p>2) Community Charrettes</p> <p><i>Host a series of charrettes with community groups, property owners, residents, and other stakeholders to evaluate development / growth scenarios and obtain input regarding preferred growth patterns.</i></p>	Staff	Complete
<p>3) Online Public Input Tool</p> <p><i>Synthesize the public input received from the Community Charrettes into a series of growth alternatives. Develop an online survey/input tool that enables the public to comment and/or rank the various growth, housing, and transportation alternatives. Identify preferred alternative.</i></p>	Staff	Ongoing Q4 2012
Phase 4: Plan Implementation and Monitoring – How do we get there?		
<p>1) The Plan</p> <p>A) Goals and Objectives</p> <p><i>Review, revise, and/or reaffirm SSACP goals that clearly articulate the community's vision and priorities for land use, growth management, housing, transportation, and economic development. Develop measurable objectives to gauge progress toward achieving the goals.</i></p> <p>B) SSACP Document</p> <p><i>Draft updated Plan elements and package with unchanged 2004 Plan elements.</i></p>	Staff	Q1 2013
<p>2) Adoption</p> <p><i>Conduct required public hearings and adoption proceedings.</i></p>	Staff	Q2 2013
<p>3) Implementation Review Program</p> <p><i>Develop an ongoing process to review implementation activities, monitor effectiveness, and report progress.</i></p>	Staff	Yearly

AGENDA ITEM # 5

**Report from the Urban Land Institute Yampa Street
Advisory Panel**

Materials will be available in the Rainbow Packet

AGENDA ITEM # 6

CITY COUNCIL COMMUNICATION FORM

FROM: Deb Hinsvark, Deputy City Manager (Ext. 240)

THROUGH: Jon Roberts, City Manager (Ext. 228)

DATE: September 18, 2012

ITEM: Requesting direction regarding a new Police Station to be built at the Iron Horse site.

NEXT STEP: Council will see a supplemental budget to implement the project.

DIRECTION
 INFORMATION
 ORDINANCE
 MOTION
 RESOLUTION

I. REQUEST OR ISSUE:

Direction is required regarding 1) the sale of the Yampa Street property and 2) the construction of a new police station at the Iron Horse site.

II. RECOMMENDED ACTION:

Provide staff with clear direction.

III. FISCAL IMPACTS:

Proposed Expenditure: \$7.1MM
Funding Source: Excess Unassigned General Fund Balance and potential sale of property as well as potential grants.

IV. BACKGROUND INFORMATION:

In March a presentation was made to council that proposed to move the public safety presence on Yampa to a location west of town. The estimated cost was approximately \$19.5 million and would have required a property tax supported General Obligation bond and a vote of the Steamboat electorate.

Since that time, staff have researched many potential locations for a new public safety campus that would have included a new police headquarters and a new full-sized (8-man company) fire station. We narrowed our focus, after a while, on two parcels we already owned: the Stockbridge property and the Iron Horse Property. Our work progressed with a goal of building both the police and the fire station.

When negotiations with the Fire District stalled, we began to question the need for a full sized fire station west of town. A small station at Stockbridge, keeping the two-man company in the west of downtown area, would be sufficient for Steamboat. If the Fire District chose to build a volunteer station in Milner as they have mentioned, a two-man company at Stockbridge would be sufficient far into the future. It appears we need to have a better understanding of our future needs for fire before we begin a new station.

That left only the police headquarters to consider and between the two properties, the Iron Horse is a better situated site. It sits between the town and the mountain which are the areas from which the department receives the bulk of its calls. Additionally, the Iron Horse buildings are problematic. We do not make enough money on their operations to keep up with the building maintenance – over the next 15 years, we are scheduled to perform over \$500,000 in maintenance on these buildings; this figure does not include unplanned maintenance. The older building was built in the 60's and the newer one, which has a known structural problem with its roof, was built in the 90's. Further the parking lot at the site is dropping a few inches per year – major repairs can be expected in the future.

The work group finally settled on the Iron Horse as the logical site for police. The price tag at \$7.16 million is such that we can pay for the project from unassigned reserves. We are currently looking at two grants to help defray costs as well, but to be conservative, we have used the full amount in our projections.

Regarding our Yampa property, we have a buyer. There is a strong economic development reason to make this property available to this recreational goods manufacturer. Big Agnes/Honeystinger currently employs 60 people and will

increase that number by 15 in the next year. They would make this location their international headquarters.

V. LEGAL ISSUES:

We will need to confirm that our certificate holders on the Iron Horse debt are comfortable switching collateral from an aging hotel to an essential City facility. Our bond legal counsel feels this is a mechanical issue, and there will be no problem with the switch.

VI. CONFLICTS OR ENVIRONMENTAL ISSUES:

There is asbestos in the older building at the Iron Horse. It will need to be mitigated before we can demolish the building.

VII. SUMMARY AND ALTERNATIVES:

Staff needs direction regarding the purchase offer from Big Agnes that is on the table. Council can accept it, make a counter-offer, or reject the offer.

Staff needs direction regarding the use of unassigned reserves to build a police headquarters at the Iron Horse site. Council can tell us to proceed, tell us to look for another site, or direct us to drop the project.

New Police Station

Presented to City Council
September 18, 2012

- Thanks to Councilwoman Hermacinski and Councilman Myller for their work as we fine-tuned this project.
- In March we were looking at a \$19.5 million campus for police and fire on purchased land west of 13th St.
- Today - \$7.16 million police station on the site of the Iron Horse.
- In March we considered a bond election to construct the project.
- Today – use reserves.

Introduction

- The building was constructed between 1971 and 1975 as the Steamboat Springs Rural Fire Station, Steamboat's population was about 2,500.
- In 1980, a second story was added to house the police department and council chambers; the Steamboat population was 5,098.
- City Council chambers remained in the building until 2001 when Centennial Hall was constructed.
- In 2002, when our population had grown to more than 10,000, a study indicated that the police department needed twice the amount of space that it has in the Yampa building in order to function effectively.
- Almost 40 years' service; 32 years as police headquarters.

History of the Building on Yampa

- Longwood Study since the 1990's has listed Cherry Creek and the 16th St Pedestrian Mall as the number one and number two tourist attraction for Denver.
- Boulder's Pearl Street Mall is a destination.
- Vail and Aspen have pedestrian-friendly town centers.
- Yampa Street provides Steamboat with an opportunity to develop a premier destination attraction with a Steamboat cultural feel.
- Need to move the police and fire presence from the street. YVEA has plans to move as well.

Think of Yampa as
a Destination

Current State of the Project

- No bonding/no debt/no vote.
- Police at Iron Horse *with* sale of Yampa.
- Police at Iron Horse *without* Yampa sale.
- Fire future
 - Much depends on determining our continued relationship with the District.
 - The downtown station is a two-man operation.
 - We have several options to keep equipment on Yampa for the time being.



Impact of Proposed Road
 Road Area of Lot 2
 Mental Health Subdivision: 57 44 sq ft
 Road Width: 30 ft
 Road boundary from edge of parcel: 35ft

Projected Cost of Police Station at Iron Horse

Construction 15,055 sq ft @ \$275 sq ft		\$ 3,865,125
Design at appx 12%		\$ 463,815
Contingency of 12%		\$ 463,815
Permits and Fees		\$ 50,000
FF&E and Technology @ appx 12%		\$ 463,815
Demolition and Grading (Asbestos)		\$ 920,000
Legal re: change of collateral		\$ 40,000
Access Road, Sidewalks, Parking Lot		\$ 760,000
Realign bike path, move electrical		\$ 140,000
Total Uses of Funds		\$ 7,166,570

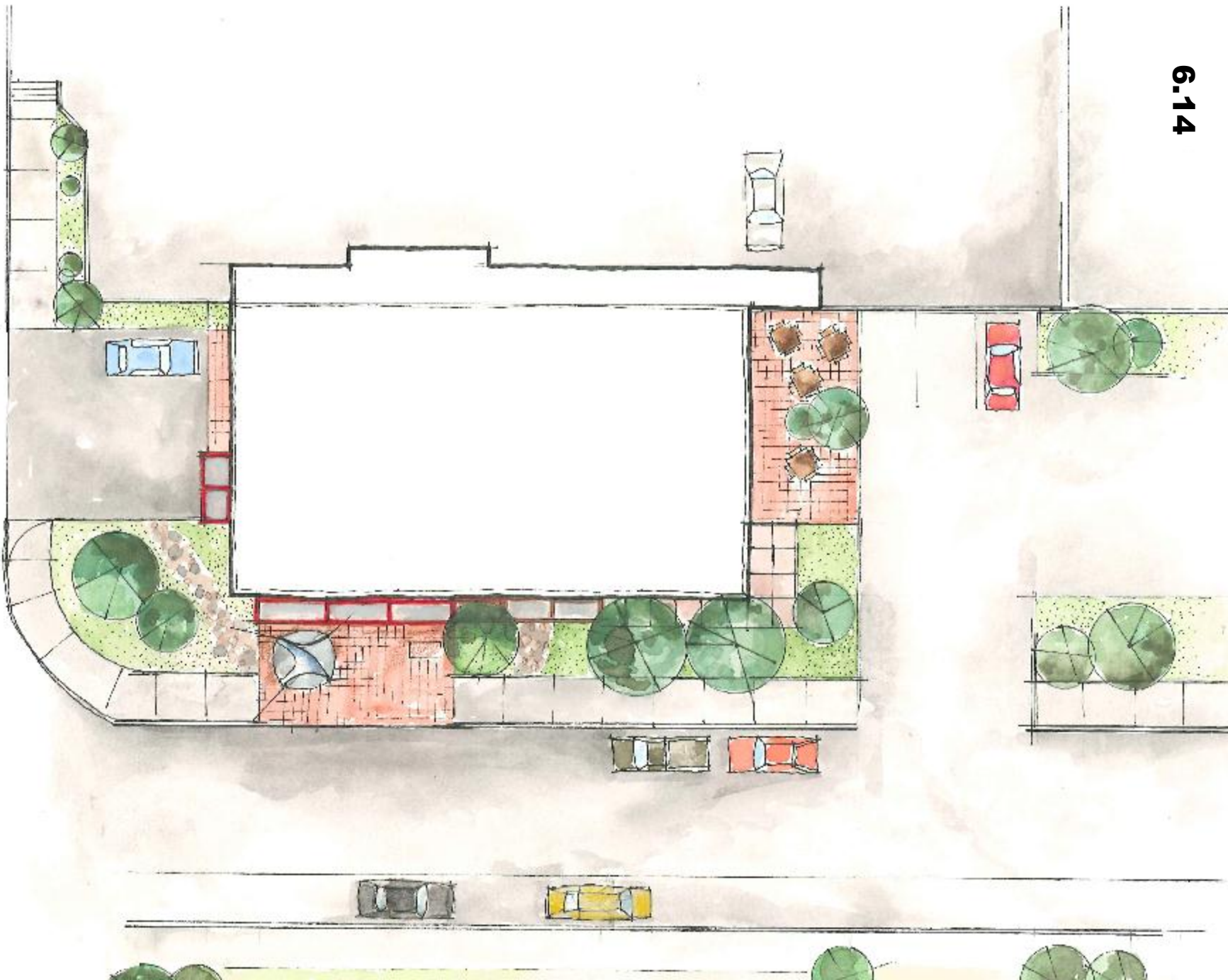
- Unassigned Fund Balance stays positive and dips then grows assuming:
 - The sale of the Yampa property nets \$2 million.
 - We return \$1.3 million annually to the reserves which will happen if:
 - Sales tax revenues meet or exceed 2011 levels.
 - Budgeted expenditures remain flat or grow only by an amount of revenues in excess of 2011 levels.
 - The 6-year CIP is realistic.

Unassigned Fund Balance Impact

Unassigned Fund Balance Cash Flow							
	2012	2013	2014	2015	2016	2017	2018
Unassigned Balance at January 1	\$ 9,704,666	\$ 7,908,166	\$ 8,302,759	\$ 2,790,713	\$ 2,540,549	\$ 3,086,328	\$ 3,906,509
Less							
Transfer to Iron Horse Debt Service	\$ -	\$ 310,000	\$ 477,719	\$ 479,019	\$ 479,719	\$ 479,819	\$ 479,319
Capital Projects Fund Transfer	\$ -	\$ 95,407	\$ 2,017,577	\$ 1,071,145	\$ 274,502	\$ -	\$ -
Loan to Airport	\$ 946,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Police Station Completion Costs	\$ 350,000	\$ 2,500,000	\$ 4,316,750	\$ -	\$ -	\$ -	\$ -
Plus							
Revenue in Excess of Budget	\$ 1,300,000	\$ 3,300,000	\$ 1,300,000	\$ 1,300,000	\$ 1,300,000	\$ 1,300,000	\$ 1,300,000
Ending Unassigned Balance	\$ 9,708,166	\$ 8,302,759	\$ 2,790,713	\$ 2,540,549	\$ 3,086,328	\$ 3,906,509	\$ 4,727,190
Less Adjustment to Increase Fiscal Reserve	\$ 1,800,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Final Unassigned Balance	\$ 7,908,166	\$ 8,302,759	\$ 2,790,713	\$ 2,540,549	\$ 3,086,328	\$ 3,906,509	\$ 4,727,190
TABOR Reserve	\$ 933,000	\$ 933,000	\$ 933,000	\$ 933,000	\$ 933,000	\$ 933,000	\$ 933,000
Assigned for Health Insurance Reserve	\$ 1,700,000	\$ 1,700,000	\$ 1,700,000	\$ 1,700,000	\$ 1,700,000	\$ 1,700,000	\$ 1,700,000
Fiscal Reserve Reserve (now 30% of annual expenses)	\$ 5,361,457	\$ 5,361,457	\$ 5,361,457	\$ 5,361,457	\$ 5,361,457	\$ 5,361,457	\$ 5,361,457
Ending TOTAL Fund Balance General Fund	\$ 15,902,623	\$ 16,297,216	\$ 10,785,170	\$ 10,535,006	\$ 11,080,785	\$ 11,900,966	\$ 12,721,647

- Movement of our public safety from Yampa coupled with desire to find a permanent headquarters for Big Agnes and Honey Stinger.
- Big Agnes, Honey Stinger and BAP are a homegrown conglomerate that employs over 60 employees today and has tripled in size over the last 5 years.
- They will be adding 14 more to their staff in the next twelve months – 5 of those in the next two months.
- Their recreational market is a perfect partnership with our Steamboat culture and will provide the venue we want to see on Yampa.

Consider Sale of Property





- Original offer dated 4/27:
\$2,000,000
- Final bid dated 6/19: \$2,108,000
- Final bid included enough above \$2mm so that the City could lease back the bays for the fire department for 18 months.
- If we rented the lower bays for 18 months, the City would net \$2 million on the sale.
- Recent talks indicate BAP would be willing to defer the closing to spring 2013.

Big Agnes Offer

- The appraisal valued the property at \$3mm. However, our buyer felt the appraisal data was dated.
- Recent sale of Chase Furniture property at 3rd and Lincoln might be more appropriate, although a Lincoln location carries more value.
- Chase was listed at \$3.9 mm, and sold for \$3.0mm.
- Chase: .55 acres, 20,650 sq ft building fully remodeled in 2006.
- Yampa: .78 acres, 13,200 sq ft building in fair condition, but not recently remodeled.
- Chase sold for \$145.28 per square foot
- Yampa would sell for \$159.69 per square foot (at \$2.1mm)
- Appraisal indicated that sales along the Yampa during the “boom” sold for between \$125/sq ft and \$190/sq ft.
- Larger discrepancy is in the acreage. BAP wants the entire parcel in order to continue to grow their business. The Chase purchase paid about \$125 per sq ft for their .55 acres. The Yampa sale at \$2.1mm would equate to about \$60 per sq ft for .78 acres.

Compared to the Yampa Appraisal

- Shall we sell the Yampa property to Big Agnes for \$2.108 million?
 - If so we will immediately begin negotiations for closing and will locate temporary space for the police department.
- Shall we build the Police Station as planned at the Iron Horse Site?
 - If so, we will submit a supplemental budget ordinance at the next meeting to begin the purchase of property or easements for the access road. We will also contact our certificate holders to receive approval to swap collateral and we will begin the design process. We will add the police station to our 6-year CIP for future budgets.

Direction Needed

AGENDA ITEM # 7

CITY COUNCIL COMMUNICATION FORM

FROM: Kara Givnish, Steamboat Springs Chamber Resort Association Marketing Director (875-7002)
Kerry Shea, SSCRA Marketing Committee
Tom Kern, SSCRA CEO

THROUGH: Val Dietrich (Ext. 225)

DATE: September 18, 2012

ITEM: Summer Marketing 2012 recap and 2013 proposed summer marketing plan presentation.

NEXT STEP: The summer marketing funding request can be taken under consideration during the City budgeting process.

DIRECTION
 INFORMATION
 ORDINANCE
 MOTION
 RESOLUTION

I. REQUEST OR ISSUE:

The Steamboat Springs Chamber Resort Association is requesting funding for the proposed 2013 summer marketing program.

II. RECOMMENDED ACTION:

Determine funding allocation during this meeting or the budget process.

III. FISCAL IMPACTS:

Proposed Expenditure: \$600,000 for summer marketing; \$100,000 for special event funding; \$25,000 for trade show marketing

Funding Source: General Fund

IV. BACKGROUND INFORMATION:

Annually, the SSCRA presents a proposed plan to market Steamboat Springs as a destination for the non-ski season months and requests funding to do so from the City General Fund. SSCRA is also presenting a recap of the 2012 summer marketing program performance.

V. LEGAL ISSUES:

N/A

VI. CONFLICTS OR ENVIRONMENTAL ISSUES:

N/A

VII. SUMMARY AND ALTERNATIVES:

The presentation will include a recap of the 2012 summer marketing efforts as well as an overview of the 2013 proposed summer marketing plan.

LIST OF ATTACHMENTS

- Attachment 1 -** 2013 Marketing Campaign Summer
- Attachment 2 -** 2012 metrics and goals
- Attachment 3 -** 2013 metrics and goals

STEAMBOAT SPRINGS

7.3

COLORADO

Attachment 1

The
Greatest Summer
OF EARTH

STEAMBOAT SPRINGS

7.4

COLORADO

2012 SUMMER MARKETING RECAP

Crews go on offensive against growing Colorado wildfire

By Phil Gast, Ed Payne and Moni Basu, CNN
updated 8:52 PM EDT, Wed June 27, 2012



A firefighter works a burnout operation on the north flank of the Fontenelle Fire outside Big Piney, Wyoming, on Wednesday, July 4. More than 800 firefighters are working 15-hour shifts battling the fire that has exceeded 56,000 acres, according to fire information services.

REUTERS/ANDREW

Wildfires devastate Western states

HIDE CAPTION



STORY HIGHLIGHTS

- Winds kick up as firefighters tackle hot spots
- FBI is investigating the cause of the wildfires
- President Obama calls governor and will visit the state on Friday

Are wildfires blazing near you? *Share photos and videos with iReport, but please stay safe.*

(CNN) -- Some of the country's best firefighters matched wits Wednesday with a fiendish Colorado wildfire that has scorched structures and sent tens of thousands fleeing from Colorado Springs and other communities.

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July 16, 2012 • Vol. 78 • No. 3

Western Wildfires: Colorado Burning

As Fires Rage Across 10 States, One of the Biggest Blazes of All Wreaks Devastation Outside Picturesque Colorado Springs, Destroying More Than 340 Homes and Forcing the Evacuation of More Than 30,000--and There's No End in Sight

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Colorado wildfires: Waldo Canyon blaze almost half contained, officials say

By Dylan Stableford, Yahoo! News | The Lookout - Sun, Jul 1, 2012



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Colorado wildfires ruthlessly march on

By Trevor Hughes and Elizabeth Weise, USA TODAY Updated 7/1/2012 6:38 PM

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VOICE OF STEVE SCHOPPER COLORADO SPRINGS FIRE DEPARTMENT

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An earlier version of this story misstated the size of the High Park wildfire.

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FORT COLLINS, Colo. — As flames from a destructive, uncontrolled wildfire licked the southwestern end of their campus, more than 1,000 cadets arrived at the Air Force Academy in Colorado Springs on Thursday to begin their

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Power4Home.com

Tens of thousands flee homes as Colorado wildfire doubles in size overnight

Published June 27, 2012 / FoxNews.com



32,000 trying to escape wildfire in Colorado

Colorado's Waldo Canyon fires growing out of control

Western wildfires threaten tourist destinations

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Colorado wildfires rage – video

More than 100 buildings have burned down and one person is missing in Colorado after wildfires tore for a third day through the mountains north of Denver. Fuelled by tinder-dry vegetation and fanned by erratic winds, the fires cover an area one and a half times the size of Manhattan

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guardian.co.uk, Tuesday 12 June 2012

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High Park wildfire ravages northern Colorado – in pictures
 The High Park fire in Colorado has burned almost 37,000 acres, damaged or destroyed more than 100 structures, and left at least one person dead. Authorities in Larimer county, which contains Fort Collins, have called it the worst fire they've seen in 25 years. The massive fire, along with a second wildfire in New Mexico, is taxing state and federal resources as firefighters battle poor weather conditions



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Source: Reuters

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Doug Co union



Peyton M Greeley s



Police: W down nar

Recommend 2 Tweet 0 +1 0 [share icons] - A A A +

Written by STEAMBOAT SPRINGS - There will not be a 32nd annual Hot Air



COOPERATIVE EFFORTS

- Tour de NoCo FAM trip – Fort Collins CVB, Moots, Iconic Adventures
- Denver Golf Expo – Haymaker and Rollingstone
- Destination Colorado Trade Show – The Steamboat Grand and Sheraton Steamboat Resort
- Governor's Tourism Conference - The Steamboat Grand and Sheraton Steamboat Resort
- 9News Campaign – Steamboat Wine Festival
- CBS Sports commercial – Triple Crown World Series, Lodging Association



STEAMBOAT SPRINGS

7.10

COLORADO

2013

SUMMER MARKETING
CAMPAIGN

2013 Summer Marketing Metrics and Goals

HIGHEST PRIORITY:

Lodging Occupancy

2013 Goal: 5% increase over 2012 pillow count total per the Lodging Barometer

Sales Tax

2013 Goal: 3% increase over summer months YOY

SECOND PRIORITY:

Social Media

2013 Goal: Increase audience engagement YOY

- YouTube: 20% increase of views
- Twitter: 20% increase retweets and mentions
- Blog: 10% increase in subscribers
- Facebook: 20,000 fans total by EOY

Public Relations

2013 Goal: Increase number of Fam Trips, grow Front Range and National presence, and cross promote to winter visitors YOY

Email Database

2013 Goal: 15% increase of email database YOY

THIRD PRIORITY:

Event Attendees

2013 Goal: Increase the Lodging Barometer by 5% YOY on event weekends

PR Impressions

(Includes: articles, blogs, radio, TV)

2013 Goal: 15% increase of impressions based on circulation, website visits, subscribers, etc. YOY

Online Advertising

2013 Goal: Increase website visits by 10% YOY

FUTURE METRIC: GROUP SALES

FUTURE GOAL: Collaborate with Lodging Properties and Ski Corp for larger group bookings



2013 BUDGET

7.12

Description	2012 Budgeted	2013 Budgeted	Variance 12 to 13
Summer Marketing Contribution	\$600,000	\$600,000	\$0
NEW: Trade Show Marketing	\$0	\$25,000	\$25,000
Marketing Carry Over from Previous Year	\$0	\$0	\$0
Special Event Funding	\$100,000	\$100,000	\$0
Carry Over from Special Event Funding	\$0	\$10,300	\$10,300
Total Marketing Revenue	\$700,000	\$725,000	\$35,300

2013 FOCUS AREAS

PUBLIC RELATIONS

7.14

22% in spend

- Continue to grow national and regional presence
- Venture into new markets
- Collaborate with other CVBs and local businesses on FAM trips
- Increase impressions by hosting top publication journalists throughout the summer

SOCIAL MEDIA

42% in spend


- Grow reach/ gain new fans and likes
- Strengthen conversations
- Increase content to spark engagement

PHOTOS/VIDEOS

233% in spend

- Increase social engagement
- Enhance advertising creative
- Enhance visuals on website

ONLINE ADVERTISING

5%  in spend


- More strategic with placement
- Focus more on ad roll and retargeting efforts
- Increase pay per click

WEBSITE

51%↓ in spend

- New website in place
- Create new mobile site
- Increase Search Engine Optimization

BROADCAST

28% in spend


- Run commercial during Pro Cycling Challenge

PRINT

44% in spend

- Place fewer Denver Post ads
- Place ads in correlation with PR efforts

FULFILLMENT AND DIRECT MAIL

50%  in spend

- Send Visitor Guides or Steamboat Magazines to 2012 fulfillment requests with unique call to action

CREATIVE

25%  in spend

- Refresh creative direction
- New tag line(s)

RESEARCH

- Need to gain up to date visitor demographics
- Use this info to adjust marketing efforts where need be

OPPORTUNITY FUND

Equal to 2012 spend

- Allows us to seize short lead opportunities that arise throughout the summer
 - Remnant ad space, cooperative marketing campaigns, etc.

PURSUIT OF GREATNESS

7.25

- Create a campaign that will make Steamboat Springs top of mind in one city.
- knock it out of the park with Public Relations efforts, geo-targeted online ads, geo-targeted Facebook/ social ads and giveaway, etc.
- City will be in the 10-12 hour drive market (further drive lends to above average night stay)
- Put marketing efforts outside of saturated markets

2013

NEXT STEPS

- 2013 budget approval
- Provide specific definition to each marketing category
- Continue to capitalize on our strongest assets: biking, water, western

2013 SUMMER MARKETING

Questions



Attachment 2

2012 Summer Marketing Metrics

HIGHEST PRIORITY:

Lodging Barometer

2012 Goal: Increase by 500* nights over the summer months YOY
*5% increase over 2011 average %

Sales Tax

2012 Goal: 5% increase over summer months YOY

SECOND PRIORITY:

Impressions

(Includes: ads, articles, blogs, radio, TV)
2012 Goal: 30% increase of impressions based on circulation, website visits, subscribers, etc. YOY

Event Attendees

2012 Goal: Increase by 5% YOY

Online Advertising

2012 Goal: 25% increase of website visits and 15% increase of email database YOY

THIRD PRIORITY:

Group Sales

2012 Goal: Collaborate with Lodging Properties and Ski Corp for 2013/2014 bookings

Social Media

2012 Goal: Increased audience engagement YOY
- YouTube: 20% increase of views
- Twitter: 20% increase retweets and mentions
- Blog: 20% increase in subscribers
- Facebook: work with Booyah and Insights to determine best metric/ goal

Public Relations

2012 Goal: Increase number of Fam Trips, grow Front Range and National presence, and cross promote to winter visitors YOY

Attachment 3

2013 Summer Marketing Metrics and Goals

HIGHEST PRIORITY:

Lodging Occupancy
2013 Goal: 5% increase over 2012 pillow count total per the Lodging Barometer

Sales Tax
2013 Goal: 3% increase over summer months YOY

SECOND PRIORITY:

Social Media
2013 Goal: Increase audience engagement YOY
- YouTube: 20% increase of views
- Twitter: 20% increase retweets and mentions
- Blog: 10% increase in subscribers
- Facebook: 20,000 fans total by EOY

Public Relations
2013 Goal: Increase number of Fam Trips, grow Front Range and National presence, and cross promote to winter visitors YOY

Email Database
2013 Goal: 15% increase of email database YOY

THIRD PRIORITY:

Event Attendees
2013 Goal: Increase the Lodging Barometer by 5% YOY on event weekends

PR Impressions
(Includes: articles, blogs, radio, TV)
2013 Goal: 15% increase of impressions based on circulation, website visits, subscribers, etc. YOY

Online Advertising
2013 Goal: Increase website visits by 10% YOY

FL
FL
7.29

METRIC: GROUP SALES
GOAL: Collaborate with Lodging Properties and Ski Corp for larger group bookings

AGENDA ITEM # 8

CITY COUNCIL COMMUNICATION FORM

FROM: Mark Andersen (879-8632)

THROUGH: Kim Weber, Director of Finance (Ext. 250)
Deb Hinsvark, Deputy City Manager (Ext. 240)

DATE: September 18, 2012

ITEM: Community Support Coalition Funding.

NEXT STEP: Information and Direction for Budget Hearing on October 2, 2012.

DIRECTION
 INFORMATION
 ORDINANCE
 MOTION
 RESOLUTION

I. REQUEST OR ISSUE:

Information on Community Support Coalition Funding process with direction on two funding requests from Friends of the Chief and Routt County Conservation District.

III. FISCAL IMPACTS:

None.

LIST OF ATTACHMENTS

Attachment 1 - Community Support 2013 Budget Summary

Attachment 1

City of Steamboat Springs Community Support Coalitions 2013 Budget Summary

	2012 <u>Request</u>	2012 <u>Funding</u>	2013 <u>Request</u>
Arts and Culture (10)	145,000	100,000	141,500
Environmental (5)	49,000	32,000	69,000
Human Resources (23)	<u>234,625</u>	<u>197,500</u>	<u>235,750</u>
Total	\$428,625	\$329,500	\$446,250

Notes:

Number of organizations requesting Community Support funding listed in parenthesis
HRC includes one umbrella organization that represents eight additional organizations

Arts and Culture

- Steamboat Springs Arts Council did not ask for funding in 2013 due to taking over the administrative responsibilities of the Arts and Culture Coalition
- Friends of the Chief have requested \$50,000/year for three years (not included) for renovations of the downtown theatre

Environment

- Yampa Valley Sustainability Council and Yampa Valley Recycles have merged – they submitted one request in 2013 compared to two in 2012 (same dollar amount)
- One new request in 2013 by Routt County Conservation District for \$5,000 to develop Yampa River Watershed Plan.

Human Resources

- One new request for 2013 by Colorado Student Care for \$2,500
- Three request that were denied funding in 2012 have applied again in 2013:
 - Court Appointed Special Advocates for \$5,000
 - Girl Scouts for \$500
 - Old Town Hot Springs for \$2,500

The Community Support Steering Committee is seeking direction from City Council on the proper procedure on the vetting process of two specific requests by Friends of the Chief and Routt County Conservation District.

AGENDA ITEM # 9

CITY COUNCIL COMMUNICATION FORM

FROM: Anne Small, Director of General Services (Ext.249)
Chris Wilson, Director of Parks, Open Space and Recreation
(879-4300 ext. 317)

THROUGH: Jon B. Roberts, City Manager (Ext. 228)

DATE: September 18, 2012

ITEM: Tennis Center Concession Agreement.

NEXT STEP: A resolution authorizing a Concession Agreement between the City of Steamboat Springs and the Tennis Center at Steamboat, Inc.

RESOLUTION
 MOTION
 DIRECTION

I. REQUEST OR ISSUE:

Staff requests approval of a resolution authorizing a Concession Agreement between the City of Steamboat Springs and the Tennis Center at Steamboat, Inc.

II. RECOMMENDED ACTION / NEXT STEP:

Motion to approve to resolution

III. FISCAL IMPACTS:

Proposed Expenditure: General repairs and maintenance to the facility
Source of Funds: Parks and Facilities operating budgets

IV. BACKGROUND INFORMATION:

The twenty-year agreement with Jim Swiggart/Tennis Center at Steamboat, Inc. for tennis center concession services is scheduled to expire on September 30, 2012. Staff conducted a formal RFP process soliciting proposals for tennis center operations and management. After extensive review, research and interviews of the two proposers, the

evaluation committee unanimously recommended awarding a contract to the Tennis Center at Steamboat, Inc.

The expiring contract requires the Concessionaire to pay a an annual concession fee equal to 20% of the annual gross receipts over \$250,000. This fee averaged \$25,000 annually over the past three years. Additionally, the Concessionaire was responsible for 15% of the gas and electric utility costs, which averaged \$7,500 annually. Staff negotiated a 3-year contract with similar terms and conditions with the following exceptions: Concessionaire is responsible for all costs of gas and electric utilities; Concessionaire will not pay a concession fee. The new agreement will net the City, on average, \$13,000 more than the previous contract.

V. LEGAL ISSUES:

Agreement was prepared by the General Services Department and reviewed by Legal.

VI. CONFLICTS OR ENVIRONMENTAL ISSUES:

None

VII. SUMMARY AND ALTERNATIVES:

Council may select one of the following options:

1. Approve the resolution for the concession agreement with the Tennis Center at Steamboat, Inc.
2. Table the item and give direction to staff on changes.
3. Decline to approve the resolution.

CITY OF STEAMBOAT SPRINGS, COLORADO

RESOLUTION NO.

**A RESOLUTION AUTHORIZING A CONCESSION AGREEMENT
BETWEEN THE CITY OF STEAMBOAT SPRINGS AND THE TENNIS
CENTER AT STEAMBOAT, INC.**

WHEREAS, the City of Steamboat Springs ("City") is the owner of certain property known as the Tennis Center; and

WHEREAS, the City is desirous of entering into a Concession Agreement for operations and management of the Tennis Center; and

WHEREAS, the City requested proposals from qualified tennis management professionals to provide operation and management services at the Tennis Center; and

WHEREAS, the Tennis Center at Steamboat, Inc. submitted the best proposal and City Council has determined that the interests of the City would be best served by entering into a concession agreement with the Tennis Center at Steamboat, Inc; and

WHEREAS, the City Council of the City of Steamboat Springs wishes to award the concession on the terms contained in the attached Concession Agreement.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF
STEAMBOAT SPRINGS, COLORADO:**

Section1. Hereby authorizes the City Manager to execute the Steamboat Springs Tennis Center Concession Agreement attached hereto as Exhibit "A."

PASSED, ADOPTED AND APPROVED this __ day of _____, 2012.

**Bart Kounovsky, President
Steamboat Springs City Council**

ATTEST:

**Julie Franklin, CMC
City Clerk**

Exhibit "A"

CONCESSION AGREEMENT STEAMBOAT SPRINGS TENNIS CENTER

THIS CONCESSION AGREEMENT (hereafter "Agreement") is made and entered into this ____ day of _____, 2012 by and between the City of Steamboat Springs, Colorado, a municipal corporation, ("City"), and The Tennis Center at Steamboat, Inc., a Colorado corporation, ("Concessionaire").

WITNESSETH:

WHEREAS, the City owns certain property known as the Steamboat Springs Tennis Center with six indoor, four outdoor hard courts and six outdoor clay courts located at 2500 Pine Grove Road, Steamboat Springs Colorado ("Tennis Facility").

WHEREAS, the City and Concessionaire desire to enter into an Agreement for the Concessionaire to operate the Tennis Facility.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions, it is agreed as follows:

1. **Purpose of the Agreement.** Upon the terms and conditions provided herein, the City does hereby grant the Concessionaire the exclusive right and privilege of operating the Tennis Facility on the property described in Exhibit "A", attached hereto and made a part hereof by reference (hereinafter "Premises"). Concessionaire agrees to operate the Tennis Facility upon the terms and conditions provided herein.
2. **Use of Premises.** During the period and term of this Agreement, the Premises shall be used for tennis play, racquet sports, instruction, pro shop sales, food and beverage sales and special events. Concessionaire shall not use or permit the Premises to be used for any other purpose without obtaining prior written consent from the City.
3. **Equipment.**
 - a. Concessionaire acknowledges the receipt of certain City property and equipment with the right to use such equipment in conjunction with the operation of the business, all fully listed on the Schedule of Equipment, attached as Exhibit "B" ("City Equipment"). Any addition to or removal from such Schedule shall be promptly recorded by written amendments to the Schedule, which shall be dated and signed by both parties. Concessionaire shall at all times maintain City-owned equipment in good condition. The City shall have the right to inspect City-owned equipment and, if necessary, establish maintenance standards and procedures. In the event City-owned equipment, due to normal wear or damage as a result of weather, hazard or cause other than negligence, improper maintenance, misuse or abuse by Concessionaire, is in need of repair or replacement, City-owned equipment shall promptly be repaired or replaced at City expense. However, the City shall require Concessionaire to repair or replace at Concessionaire's expense any equipment damaged due to Concessionaire's negligence, improper maintenance, misuse, or abuse. The Concessionaire shall obtain City approval prior to ordering said repairs or replacements. The City shall provide the Concessionaire with the name of City-approved repair personnel and, once

approved by the City, the Concessionaire shall contact such personnel to perform the repair or replacement work. The City assumes no responsibility for product loss or damage due to equipment failure, utility outages, plumbing breaks or blockages, insects, rodents, theft or vandalism, and Concessionaire waives any rights to claim against the City for loss or damage related thereto. The City and Concessionaire shall cooperate in making any claims for repair or replacement of equipment under applicable warranties. In no event shall Concessionaire be entitled to any claim against the City for any damages due to the failure of any equipment.

b. Concessionaire shall furnish and install ready for use, at its own expense, all of the equipment necessary to operate the Concession other than that listed in Section 3 (a) above as being furnished by the City. Concessionaire shall supply the items listed in Exhibit "C" as necessary. Concessionaire shall be responsible for the costs of installation of all equipment supplied by it and Concessionaire shall maintain all such equipment in good working condition at all times, at its own expense.

c. Upon the termination of this agreement, Concessionaire shall be reimbursed for 1) those fixed assets as described on Exhibit C and 2) those fixed assets purchased over the life of the agreement (except for replacement fixed assets already included on Exhibit C, City shall have the right to approve new fixed asset purchases). The value of those fixed assets and replacements as described on Exhibit C shall be equal to the initial value as described in Exhibit C less 10% of the initial value per year with the first such reduction in value occurring one year from the Initiation Date of this agreement. [For example, if the Playmate Ball Machine has an initial value of \$8,000 on October 1, 2012, the value on October 1, 2018 shall be: $\$8,000 - (.1 * \$8,000 * 6) = \$3,200.$] City shall pay to Concessionaire the total value of all fixed assets on Exhibit C and those replacement Items on Exhibit C based on this computation within sixty (60) days after the termination of the agreement. Should there be abnormal wear, damage or destruction to any fixed asset, the City and Concessionaire may mutually agree to a different value. If an agreement of value is not reached within ten (10) days, then an appraisal paid for by the City shall be deemed the value of the asset."

4. **Risk of Loss.** Concessionaire shall indemnify the City against the risk of loss, damage or theft to any City equipment or property designated as City Equipment, unless resulting from ordinary wear and tear, from negligence of the City, or from hazards or third party theft or vandalism as would be typically covered under a commercial insurance policy. However, Concessionaire's liability and obligations under this Agreement shall not survive the expiration or termination of such Agreement. In the event of such loss, damage or theft, Concessionaire shall promptly notify the City in writing and replace or repair same within ten days of such loss or a commercially reasonable time following such loss if replacement or repair cannot be completed within such 10-day time period.

5. **Repairs and Maintenance.**

a. Concessionaire agrees to keep and maintain the Premises, and all contents thereof, in a clean, sanitary and orderly condition at all times. Concessionaire shall be responsible for providing janitorial services such as sweeping,

vacuuming, dusting, cleaning tables and chairs, trash removal, and daily maintenance of the clay courts.

Concessionaire shall be responsible for purchasing and installing clay as needed. City shall annually reimburse Concessionaire up to \$4,000 for such purchase and installation. Concessionaire shall submit an invoice, including copies of paid invoices and labor costs to City for reimbursement and payment shall be made within thirty (30) days of receipt of invoice.

Any remodeling of the Premises shall be subject to the prior written approval of the City which may be granted in the City's sole discretion. Upon the termination or expiration of this Agreement, City shall have the option, in its sole discretion, to request Concessionaire to leave all such alterations, improvements and fixtures in place, which would then, with no cost to the City, be solely owned by the City, or to require the Concessionaire to remove same at Concessionaire's expense.

b. City shall have the right and obligation to maintain existing facilities in good order and repair, including, but not limited to, heating, water, gas, electricity, sewerage, drainage, fire protection, ventilating, and communications systems and other such service systems and equipment on the Premises and to enter upon the Premises at all reasonable times to make such repairs, replacements and alterations as may, in the opinion of the City, be deemed necessary or advisable.

c. City shall also be responsible for maintenance and repair of the mechanical building, fabric structure and insulation, interior and exterior lighting fixtures, fencing and gates on outdoor courts, court repairs/replacement, landscaping, sidewalks and parking lot.

d. Unless expressly stated to the contrary (including as expressly stated in Section 3(a) hereof), nothing contained in this Agreement shall be construed to impose upon the City any obligation to maintain or make repairs, replacements, alterations or additions to equipment furnished by the City for use in conjunction with the business, or any liability for failure to do so.

e. The City, by its officers and employees, may, upon reasonable notice to Concessionaire, have access to the Premises for the purpose of inspection to insure compliance by Concessionaire with the terms of this Agreement.

f. In the event that the City fails to meet its obligations listed above with regard to maintenance and repair of City Equipment or the facilities or items listed in Section 5 (a) through (c) inclusive, then after seven (7) days written notice to the City and after obtaining not less than two bids to accomplish such work, the Concessionaire may enter into a contract to have such work completed. In the event of an emergency, the requirement of notice and competitive bid set forth above shall be waived, provided however that Concessionaire shall first make a good faith attempt to notify the City of the emergency prior to engaging a contractor to complete such work. The City shall promptly reimburse the Concessionaire for such work within thirty (30) days of receipt by the City of an invoice.

6. **Utilities.** Concessionaire shall be responsible to for all gas, electric and telephone utility charges. Gas and electric utilities shall be listed in City's name and City shall invoice Concessionaire monthly for gas and electric utility charges. Concessionaire shall remit payment to City within thirty (30) days of receipt of invoice. City shall be responsible for water, sewer and trash removal services.
7. **Concession Fee and Conditions.**
 - a. Concessionaire shall be entitled to all proceeds derived from the operations of the Tennis Facility.
 - b. Concessionaire shall keep and maintain complete and accurate accounts, records, books and data in accordance with generally accepted accounting procedures which shall identify all sales and services performed for cash or credit and also the gross receipts of the business and the aggregate amount of all services provided within the Tennis Facility.
 - c. Concessionaire, at all times during the term of this Agreement and for three (3) years following its termination, shall maintain appropriate records and books reflecting all sales, charges, fees and expenses made or incurred by him or his staff pursuant to this Agreement. All financial records shall be maintained in accordance with generally accepted accounting practices and available for review and/or audit by the City's designated representative.
8. **Quality of Service.**
 - a. Concessionaire shall operate the concession in accordance with the highest standards for this type of operation.
 - b. Concessionaire shall employ, train, staff and manage all personnel.
 - c. Concessionaire shall observe and obey all laws, ordinances, regulations and rules of the federal, state, and local governments.
 - d. Concessionaire, in providing food and beverage equipment, shall not install or operate any coin activated vending machines or devices of any kind without written consent of the City.
9. **Operating Hours.** Concessionaire shall operate the concession seven (7) days a week during the term of this Agreement. Hours of operation during winter season (October 1-May 15) will be 8:00 AM to 9:00 PM and during summer season (May 16-September 30) 9:00 AM to 8:00 PM with the exception of December 24, 25, 31 and January 1 of each year. Concessionaire may modify these hours of operation with written consent of the City.
10. **Marketing.** Concessionaire will collaborate with the Steamboat Springs Chamber Resort (Chamber) and the City to market the Tennis Facility. On an annual basis, City shall provide up to two thousand five hundred dollars (\$2,500) for marketing the Tennis Facility and/or its programs contingent upon the Chamber providing a five thousand dollars (\$5,000) cash or in-kind contribution for the same purpose. Concessionaire shall match total of City and Chamber's contribution up to five thousand dollars (\$5,000) annually.
11. **Rates and Charges.**

- a. Concessionaire shall establish and from time to time modify its rates and charges for court time, food, beverage, merchandise and instruction. Annually, Concessionaires shall provide the City with any and all proposed rate schedule changes for court time three months in advance of such proposed changes.
 - b. Concessionaire may establish a season pass program allowing local members of the community to receive free and/or reduced court time and instruction rates in return for an annual, pre-paid fee and Concessionaire may offer lodge owners a discount on pre-purchased court time. Amendments to all season pass or discount programs shall be with the approval of the City.
12. **Independent Contractor.** For the purposes of defining Concessionaire's relationship with City, it is understood and agreed that Concessionaire is an independent contractor and nothing herein contained shall constitute or designate the Concessionaire or any of its employees or agents as agents or employees of the City, nor shall Concessionaire be deemed to be engaged in a partnership or joint venture with the City. The Concessionaire understands and agrees that Concessionaire is not entitled to nor shall receive any City benefits, including vacation, worker's compensation, sick pay or any other benefits from City.
13. **Term of Agreement and Option to Renew.** The term of this Agreement shall begin October 1, 2012 and shall continue until September 30, 2015. Concessionaire shall have the option to renew this agreement for one additional three-year term after the initial three-year term of this Agreement expires, provided that, at a time not later than sixty days prior to the expiration of the term of this Agreement, the Concessionaire serves a written notice on City of its desire to extend the term hereof and City agrees to said request for renewal. All other terms of this Agreement shall remain the same unless both parties mutually agree to a change thereof.
14. **Termination.** Either the City or Concessionaire may, in its reasonable discretion, terminate this Agreement upon the conditions set forth herein.
- a. **For Cause, Without Illegality.** Upon thirty days written notice, the City or Concessionaire may terminate the Agreement in the event any of the terms of this Agreement have been violated, unless the breaching party has cured any such failure to conform to the conditions of the Agreement within such period, or unless the breaching party has commenced such cure within the cure period, if the cure cannot reasonably be completed within such thirty day period, and completes such cure in a diligent manner.
 - b. **For Cause, With Illegality.** The City or Concessionaire, may in its reasonable discretion, terminate this Agreement, effective immediately, upon the giving of written notice of termination, in the event that either the City or Concessionaire engages in, or permits, the violation of any federal, state, county, or city law or ordinance in the operation of said business.
 - c. **Without Cause.** The City or Concessionaire, may in its reasonable discretion, terminate this Agreement without cause upon providing sixty (60) days written notice to the other party.

15. **Delivery after Termination.** The Concessionaire will deliver the Premises and any permanent improvements, and items specified in the current Schedule of Equipment to the City at the termination of this Agreement in as good condition and state of repair as when received, except for ordinary wear and tear. In the event of termination of this Agreement by the City or Concessionaire for cause as set forth above in Section 14 (a) and (b), City shall assume responsibility for performing all outstanding store credits, prepaid services, or rain checks or other similar customer liabilities, provided that Concessionaire provides to City a list of such customer liabilities within fifteen days of termination.
16. **No Signs.** Concessionaire will not erect nor install any signs on the Premises except with the written consent of the City.
17. **Taxes, Compensation Insurance, Licenses.** Concessionaire shall promptly pay all taxes and fees of any nature, including, but not limited to, all applicable employment related taxes and sales taxes, applicable to this operation. Concessionaire shall obtain and keep current all licenses, required for the conduct of the business. Concessionaire shall not permit any mechanic's lien or any other lien to be imposed upon the Premises, or any part thereof. Concessionaire shall furnish the City, upon request, duplicate receipts or other satisfactory evidence showing the prompt payment of all Social Security, Unemployment Compensation, and other applicable taxes and fees and showing that the Workmen's Compensation Insurance and all required licenses are in good standing. Concessionaire shall promptly pay, when due, all bills, debts and obligations incurred in connection with the operation of the business and not permit the business to become delinquent.
18. **Notices.** All notices, requests, demands, and other communications under this Agreement shall be in writing and deemed duly given upon delivery, if delivered personally, or upon depositing in the U.S. Mail, postage prepaid and certified, return receipt requested, and addressed to the proper party as follows:

To the City: City of Steamboat Springs
P.O. Box 775088
Steamboat Springs, CO 80477
Attn: City Manager

With a Copy to: City of Steamboat Springs
P.O. Box 775088
Steamboat Springs, CO 80477
Attn: City Attorney

To the Concessionaire: The Tennis Center at Steamboat, Inc.
PO Box 881537
Steamboat Springs, CO 80488
Attn: James M. Swiggart, President

At any time either party may change the address for purposes of notice by providing the other party with written notice of a change in address.

19. **Insurance.**

a. Workers' Compensation Insurance. Concessionaire shall procure and maintain throughout the term of this Agreement workers' compensation insurance in the forms and with coverages complying with Colorado law, covering the Concessionaire's employees.

b. Concessionaire's Property. Concessionaire may obtain such insurance coverage as he deems advisable to protect from loss, theft, or destruction the equipment or merchandise of Concessionaire associated with his business.

c. Public Liability Insurance. Concessionaire shall provide public liability insurance with bodily injury limits of not less than \$1,000,000.00 per occurrence, \$1,000,000.00 aggregate, property damage insurance with limits of not less than \$500,000.00 per occurrence, \$300,000.00 aggregate and liquor liability limits of not less than \$150,000.00 per occurrence and \$600,000.00 aggregate and shall name City under said insurance policy as an additional insured.

d. Evidence of Insurance. A certificate of insurance shall be completed by Concessionaire's insurance agent as evidence that policies providing the required coverages, conditions, and minimum limits are in full force and effect, and shall be reviewed and approved by the City prior to commencement of the Agreement. No other form of certificate shall be used. The certificate shall identify this Agreement and shall provide that the coverages afforded under the policies shall not be canceled, terminated or materially changed until at least 10 days prior written notice has been given to the City. The completed certificate of insurance shall be sent to:

City of Steamboat Springs
Director of General Services
P.O. Box 775088
Steamboat Springs, CO 80477

e. Termination for Failure to Obtain Insurance. Notwithstanding any other portion of this Agreement, failure on the part of Concessionaire to procure or maintain policies providing the required coverages set forth in this Paragraph 18 shall constitute a material breach of this Agreement for which the City may procure or renew any such policy or any extended reporting period thereto and may pay any and all premiums in connection therewith, and all monies so paid by the City shall be repaid by Concessionaire to the City upon demand, or the City may offset the cost of the premiums against any monies due to Concessionaire from the City.

f. Copies of Policies. The City reserves the right to request and receive a certified copy of any policy and any endorsement thereto.

g. No Waiver of Governmental Immunity. The parties hereto understand and agree that the City is relying on, and does not waive or intend to waive by any provision of this Agreement, the monetary limitations (presently \$150,000.00 per person and \$600,000.00 per occurrence) and any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, Section 24-10-101 et seq., C.R.S., as from time to time amended, or any other law or limitation of liability otherwise available to the City, its officers, or its employees.

h. General Liability and Premises Insurance. The City shall provide, at its cost, general liability and premises insurance in such amount and with such carriers as the City may from time to time determine.

20. Indemnification by Concessionaire. Concessionaire agrees to indemnify and hold the City, its officers, employees, insurers, and self-insurance pool, harmless from and against all liability, claims, and demands on account of injury, loss or damage, including, without limitation, claims arising from bodily injury, personal injury, sickness, disease, death, property loss or damage, or any other loss of any kind whatsoever, which arise out of or are in any manner connected with this Agreement, if such injury, loss, or damage is caused in whole or in part by, or is claimed to be caused in whole or in part by the wrongful act, omission, error, professional error, mistake, negligence, or other fault of Concessionaire, any subcontractor of Concessionaire or which arise out of any worker's compensation claim of any employee of Concessionaire.
21. Damage or Destruction of Premises. Should any portion of the Premises be partially damaged by fire or other casualty but not be rendered untenable, such Premises shall be repaired by the City at its expense as soon as commercially reasonable.
- Should any portion of the Premises be so extensively damaged by fire or other casualty as to render the same untenable, and should the City fail or refuse to repair or rebuild the same, Concessionaire shall be under no obligation to do so and shall be relieved of its obligation to continue the business formerly conducted by it in such area or areas, until such time as the City shall furnish Concessionaire with replacement space suitable to Concessionaire. In such event, any and all fees or expenses to be paid by Concessionaire under this Agreement shall abate and the terms and provisions of Section 15 shall apply as if this Agreement was terminated.
22. Assignment. Concessionaire shall not assign, sell, transfer, or in any way convey any interest in this Agreement without the prior written consent of the City, which consent shall not be unreasonably withheld, provided however that Concessionaire may subcontract, at its sole discretion, the pro shop and/or retail activities within the Tennis Center (or a portion thereof).
23. No Implied Representations. No representations, agreements, covenants, warranties, or certifications, express or implied, shall exist as between the parties, except as specifically set forth in this Agreement.
24. Attorneys Fees. If any action is brought to recover on account of any breach of this Agreement, or for the recovery of the possession of the Premises or otherwise, the prevailing party shall be entitled to recover from the other party, as part of prevailing party's costs, reasonable attorneys' fees, the amount of which shall be fixed by the court and shall be made a part of any judgment.
25. No Third Party Beneficiaries. None of the terms or conditions in this Agreement shall give or allow any claim, benefit or right of action by any third person not a party hereto.

26. **Financial Obligations of the City.** All financial obligations of the City under this Agreement are contingent upon appropriation, budgeting, and availability of specific funds to discharge such obligations. Nothing in this Agreement shall be deemed a pledge of the City's credit or a payment guarantee by the City to the Concessionaire.
27. **Integrated Agreement and Amendments.** This Agreement is an integration of the entire understanding of the parties with respect to the matters set forth herein. The parties shall only amend this Agreement in writing with the proper official signatures attached thereto.
28. **Waiver.** No waiver of any breach or default under this Agreement shall be a waiver of any other or subsequent breach or default.
29. **Severability.** Invalidation of any specific provisions of this Agreement shall not affect the validity of any other provision of this Agreement.
30. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of Colorado.
31. **Binding Effect.** This Agreement shall be binding upon the parties and their respective successors and assigns.
32. **Promotional and Charitable Events.** The City reserves the right to sponsor or authorize promotional or charitable events to occur at the Tennis Facility. The parties agree to negotiate in good faith as to how the Tennis Facility will be utilized and how the Concessionaire will be compensated for such events.
33. **Concessionaire's Compliance with Applicable Laws.** The Concessionaire agrees to comply with all local, state, and federal laws, including, without limitation, compliance with Equal Employment Opportunity laws, the Americans with Disabilities Act ("ADA"), laws prohibiting discrimination and harassment in the workplace, laws relating to the hiring of or contracting with illegal aliens, and compliance with all liquor laws. Notwithstanding the foregoing, Concessionaire shall have no obligation to construct any ramps or other structures, or remove any structural barriers to access, in order to provide accessibility compliance under the ADA, regardless of whether such changes would be readily achievable, with all such structural modifications being solely the responsibility of the City. In addition, Concessionaire agrees to comply with all federal and state laws, rules or regulations concerning the posting of notices, advertisements, and solicitations regarding any of the policies and laws set forth in this paragraph 33.
34. **Quiet Enjoyment.** City agrees that Concessionaire upon performing the covenants and conditions of this Agreement, may quietly have, hold and enjoy the Concession Premises during the term of this Agreement and any extensions hereof without hindrance or interruption. Should, for any reason, Concessionaire's use of the Concession Premises be interrupted through no fault of Concessionaire, City shall reimburse Concessionaire all lost revenues based on the prior year's financial statement (after the 1st one thousand dollars) through the term of the Agreement. In addition, interruption of Concessionaire's use of the

Concession Premises shall constitute a breach of this Agreement which shall entitle the Concessionaire to terminate this Agreement as set forth in Section 14.

IN WITNESS WHEREOF, the parties have set their hands the day and year first written above.

CITY OF STEAMBOAT SPRINGS
A Municipal Corporation

Jon B. Roberts, City Manager

ATTEST:

Julie Franklin, City Clerk

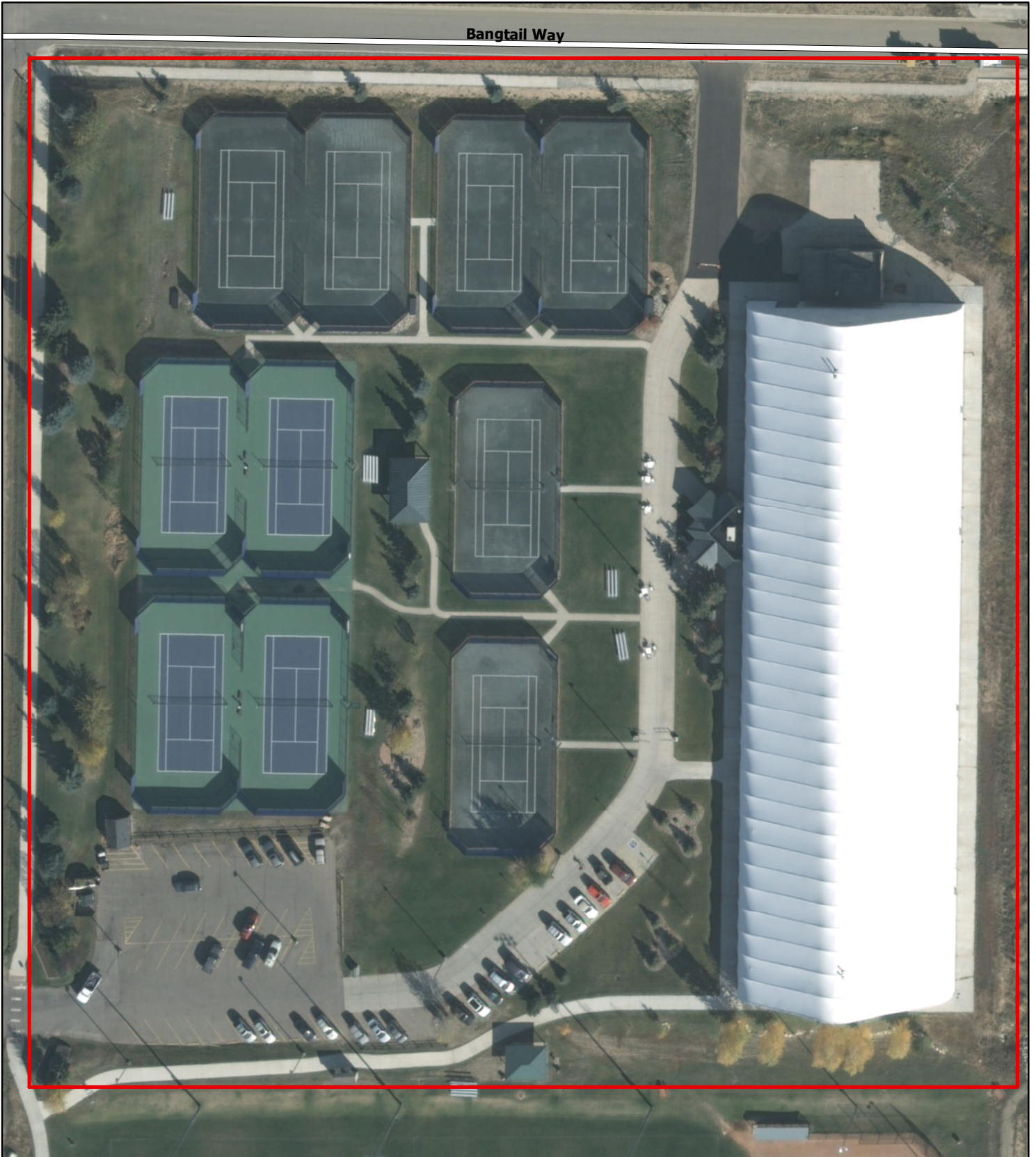
The Tennis Center at Steamboat, Inc.

By: _____
James M. Swiggart, President

Steamboat Springs Tennis Center
2500 Pine Grove Road
Steamboat Springs, Colorado

Exhibit "A"

Bangtail Way



0 35 70 140 **9.15**
Feet

Exhibit "B"
Provided Equipment

Section 1

1. Six (6) indoor RSS 500 cushioned hard courts
2. One frame and fabric structure with mechanical system
3. Pro Shop, conference room, storage room, offices and locker rooms as described to include:
 - a. lockers, showers, toilets and assorted support equipment
 - b. counter and cabinets
 - c. viewing deck furniture
 - d. conference room furniture and tables
 - e. carpeting
 - f.
4. Six (6) outdoor hydro, clay tennis courts, line tapes and nails
5. Four (4) outdoor hard surface tennis courts
6. Outside landscaping including water, irrigation, snow removal
7. Drinking fountain
8. Courtside benches
9. Outdoor court windscreens
10. Indoor court dividers and backdrops
11. 24' gas roller (Brutus ar-1)
12. Telephone system
13. Court and facility numbering and signage
14. Replacement nets, clay court court material, divider netting, back drops and windscreens
15. Courtside benches, trash disposal units, score posts, brooms and line sweeps
16. Parking lot and entrance lighting
17. Automated External Defibrillator
18. Indoor lighting and light bulbs

Exhibit "C"
Concessionaire's Property

Item	#	Location	Category	Cost
1 Playmate Ball Machine (Smash)	1	Behind Indr Crts	Ball Machines	\$4,395.00
2 Playmate Ball Machine (Grand Slam)	1	Behind Indr Crts	Ball Machines	8995
3 Playmate Ball Machine (Ace)	1	Behind Indr Crts	Ball Machines	3495
4 husky power wash 1720	1	Maintenance Room	Court Equip	225
5 Brutus Clay Court Roller		Clay Storage Room	Court Equip	8000
6 Clay Court Line Brush	8	Outdoor clay courts	Court Equip	976
7 wheel barrel	1	Behind Indr Crts	Court Equip	125
8 Utility Golf Cart		Clay Storage Room	Court Equip	1500
9 Tent (20' x 20") 1/3 ownership	1		Court Equip	500
10 Clay Court Brooms	6	Outdoor clay courts	Court Equip	306
11 industrial hot water rubber hose 75'	8	Maintenance Room	Court Equip	480
12 Water Wand	2	Maintenance Room	Court Equip	350
13 Roll Dries & Frames	6	Crts	Court Equip	402
14 Lutes	6		Court Equip	306
15 Score Posts and frames	16	Courts	Court Equip	1024
16 Torro Leaf blower	1	Maintenance Room	Court Equip	69
17 Court Equip (MIsc)		Clay Storage Room	Court Equip	1000
18 Clay Spreader (metal)	1		Court Equip	150
19 Trash cans (with tennis ball return slots)	4	Indoor Crts & Entrance	Court Equip	636
20 office tray		Director's Office	Display/Art	25
21 cork board	3	Pro's Office 2/Foyer	Display/Art	45
22 display 5' stand up racks(metal)	2	Indoor Foyer	Display/Art	150
23 miscellaneous frames and poster material		Confrence Room	Display/Art	75
24 display 5' stand up racks(wood)	3	Indoor Foyer	Display/Art	375
25 Display (arrows)	2	Confrence Room	Display/Art	200
26 Dahlquist professional tennis photo		Confrence Room	Display/Art	1500
27 Shadow Box	1	Foyer	Display/Art	150
28 Banner - 2011 USTA National Facility of Yr	1	Crt 1	Display/Art	395
29 information display rack (cusotm)		Pro Shop/Viewing Deck	Display/Art	175
30 tennis art		Pro Shop	Display/Art	250
31 Ball Carts	10	Ball Storage Room	Equip-Teaching	1950
32 Ball Hoppers	14	Ball Storage Room	Equip-Teaching	840
33 Ball pick up tubes	10	Ball Storage Room	Equip-Teaching	480
34 Custom Hopper Rack	1	Ball Storage Room	Equip-Teaching	350
35 Dart Fish computer stand (custom)		Confrence Room	Equip-Teaching	720
36 Dart Fish cpu monitor and camera	1	Confrence Room	Equip-Teaching	350
37 pee wee tennis racquets	10	side court	Equip-Teaching	125
38 Quick Start Nets	5	Behind Indr Crts	Equip-Teaching	625
39 Quick Start On court-Off ocourt	5	Behind Indr Crts	Equip-Teaching	250
40 target cones	12	side court	Equip-Teaching	125
41 target cones 12"	12	Behind Indr Crts	Equip-Teaching	150
42 tennis twist ball machine	1	Behind Indr Crts	Equip-Teaching	125
43 5' locker	3	Pro's Office 2	Furniture/Fixtures	125
44 fax machine HP 640	1	Pro's Office 2	Furniture/Fixtures	125
45 shelving		Storage Room	Furniture/Fixtures	1750
46 desk	1	Confrence Room	Furniture/Fixtures	50
47 igloo water jugs w cup dispensers	8	Maintenance Room	Furniture/Fixtures	250
48 Court Benches	18	Courts	Furniture/Fixtures	1080
49 tool storage rack/hardware (custom)		Maintenance Room	Furniture/Fixtures	2800
50 slat wall		Pro Shop	Furniture/Fixtures	2200
51 window shades	3	Confrence Room/Offices	Furniture/Fixtures	1750
52 trophy display case	1	Upstairs Viewing Deck	Furniture/Fixtures	450

53	bissel vacuum cleaner power force			
54	folding tables 4'			
55	simple human trash can			
56	score post parts			
57	logo tennis center mats			
58	Trash can			
59	trash can			
60	comfort zone radiant heater			
61	guest chairs			
62	Folding Tables 8'			
63	big screen TV			
64	Folding Tables 6'			
65	Shelving			
66	folding tables 5'			
67	Wood Court Caddies (custom)			
68	black metal enclosed trash cans			
69	Desk			
70	POS System (Custom Counterpt)			
71	Customer List (2,000)			
72	Website Domain Registration			
73	Logo and Website Signage			
74	Monitor			
75	Speakers			
76	Monitor			
77	CPU			
78	CPU			
79	Monitor			
80	Monitor (Touch Screen)			
81	Server			
82	Monitor			
83	Computer Equip Misc			
84	Carpet Sweep Dual Action			
85	Toiltery Supplies			
86	Janitorial Supplies (Misc)			
87	Ridgid Wet-Dry Vacuum			
88	Tools - Misc			
89	Air Compressor			
90	Fitness equipment			
91	Vivera Scanner			
92	HP Deskjet 6940			
93	Drawer File Cabinets			
94	HP laserjet printer			
95	Office Supplies (misc)			
96	Paper Shreader			
97	Clocks			
98	Premium Cutting Board			
99	Savin 2518 CopY Machine			
100	Staples SPLS302D Shreeder			
101	File Rack			
102	Storage Bins			
103	HP deskjet 6940			
104	Dart Fish Software			
105	Dart Fish Monitor			
106	Dart Fish CPU			
1	Maintenance Room	Furniture/Fixtures		69
2	upstairs storage	Furniture/Fixtures		210
1	Confrence Room	Furniture/Fixtures		100
	Maintenance Room	Furniture/Fixtures		185
2	Pro Shop	Furniture/Fixtures		450
	Behind Indr Crts	Furniture/Fixtures		175
1	Pro's Office 2	Furniture/Fixtures		25
	Upstairs Viewing Deck	Furniture/Fixtures		450
2	Director's Office	Furniture/Fixtures		550
2	upstairs storage	Furniture/Fixtures		160
1	Upstairs Viewing Deck	Furniture/Fixtures		2500
4	upstairs storage	Furniture/Fixtures		240
	Maintenance Room	Furniture/Fixtures		250
4	upstairs storage	Furniture/Fixtures		320
5	Behind Indr Crts	Furniture/Fixtures		400
2	upstairs storage	Furniture/Fixtures		300
1	Director's Office	Furniture/Fixtures		195
1	CP	Intellectual		2500
1	CP	Intellectual		5000
1	Internet	Intellectual		7500
8	windows throughout	Intellectual		400
2	Pro's Office 2	IT		250
2	Director's Office	IT		75
1	Director's Office	IT		125
1	Director's Office	IT		450
2	Front Desk	IT		900
1	Front Desk	IT		125
1	Front Desk	IT		450
1	Server Room	IT		400
1	Server Room	IT		50
1	Server Room	IT		750
1	Storage Room	Maintenance		120
	Storage Room	Maintenance		300
	Storage Room	Maintenance		400
1	Maintenance Room	Maintenance		70
	Maintenance Room	Maintenance		500
1	Maintenance Room	Maintenance		400
	Behind Indr Crts	MISC		420
1	Director's Office	Office Supplies		50
1	Pro's Office 2	Office Supplies		200
2	Director's Office	Office Supplies		200
1	Pro's Office 2	Office Supplies		125
	Storage Room	Office Supplies		500
1	Storage Room	Office Supplies		75
2	Upstairs Viewing Deck	Office Supplies		50
1	Pro's Office 2	Office Supplies		120
1	Confrence Room	Office Supplies		850
1	Director's Office	Office Supplies		125
	Pro's Office 2	Office Supplies		75
5	Pro's Office 2	Office Supplies		250
1	Director's Office	Office Supplies		150
1	Confrence Room	Video		2500
1	Confrence Room	Video		250
1	Confrence Room	Video		600
				\$86,828.00

AGENDA ITEM # 10

CITY COUNCIL COMMUNICATION FORM

FROM: Kara Givnish, Local Marketing District Clerk (875-7002)
Presenting: Bill Stuart, LMD Treasurer

THROUGH: Val Dietrich (Ext. 225)

DATE: September 18, 2012

ITEM: A resolution approving the Steamboat Springs Local Marketing District Operating Plan and the Steamboat Springs Local Marketing District Budget for the year 2013.

NEXT STEP: The Local Marketing District would like a resolution from City Council to approve the 2013 LMD budget and operating plan.

DIRECTION
 INFORMATION
 ORDINANCE
 MOTION
 RESOLUTION

I. REQUEST OR ISSUE:

The Local Marketing District is requesting a resolution of the presented 2013 budget and operating plan.

II. RECOMMENDED ACTION:

City Council approval of the 2013 LMD budget and marketing plan as presented.

III. FISCAL IMPACTS:

Proposed Expenditure: see budget worksheet attached

Funding Source: LMD accommodation and airline taxes

IV. BACKGROUND INFORMATION:

It is required that the LMD receive a resolution of approval of the LMD budget and operating plan annually.

V. LEGAL ISSUES:

N/A

VI. CONFLICTS OR ENVIRONMENTAL ISSUES:

N/A

LIST OF ATTACHMENTS

Attachment 1 - Comment from Steve Lewis

Attachment 1

September 13, 2012
City Council
Re: LMD 2013 budget, Sept 18 packet

Dear City Council,

I am writing to request your increased attention to the (LMD) Local Marketing District's 2013 and future budgets. Increased attention is appropriate now that we are contributing roughly \$1 million in sales tax proceeds each year to the LMD. Increased attention is further warranted because the LMD's air program, crucial to the Steamboat Springs economy, is in trouble.

In early August I sent you a graph of the air program's Cost Cap/Seat trend. The most recent 5 years have seen that Cost Cap/Seat increasing at a 19% average, with the last two years increasing 25% or more each year. It is worth noting that across one winter of bountiful snow and another of no snow, the Cost Cap/Seat increased the same amount. This trend has nothing to do with snow or local events, and everything to do with air industry expectations prior to the season contracted.

Carrying a 19% average Cost Cap/Seat increase forward while keeping the seats into Hayden constant at 111,000 seats thru 2016/17 would put the 2016/17 Cost Cap for our air program at just over \$8,000,000. That is a Cost Cap we cannot afford to guarantee.

Thus a strong possibility exists we will see fewer airline seats into Hayden in the near future. We should know more about this future, and we should insist on a stable trend rather than a year-to-year go-for-broke manner that puts the next year's seats at further risk and sends preventable shock waves through our local economy.

The City should insist on a LMD budget that projects air program performance beyond 1 year. The 2B ballot proponents promised a rebuilding of air program reserves. Where is the plan to do that? Given the taxpayer investment, the City should know and establish satisfaction with the level of Ski Corp. marketing aimed at filling these airline seats.

I understand these are challenging circumstances to engage. In my view you have a choice. If you believe continued sales tax subsidy of this program will be needed beyond its current 5-year sunset, now is the time for this community to engage its shortcomings. I believe you can get the taxpayers on board for another 5 years via your attention to their interests in this program.

Sincerely,
Steve Lewis
Steamboat Springs, CO

CITY OF STEAMBOAT SPRINGS, COLORADO

RESOLUTION NO. _____

A RESOLUTION APPROVING THE STEAMBOAT SPRINGS LOCAL MARKETING DISTRICT OPERATING PLAN AND THE STEAMBOAT SPRINGS LOCAL MARKETING DISTRICT BUDGET FOR THE YEAR 2013.

WHEREAS, pursuant to Colorado Revised State Statutes 29-25-110; an operating plan and budget is required to be submitted to the local government by September 30 of each year; and

WHEREAS, the City Council was presented with this information on September 11th, 2012 with their City Council meeting packet for the September 18th, 2012 meeting

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF STEAMBOAT SPRINGS, COLORADO, THAT:

Section 1. The City hereby approves the Steamboat Springs Local Marketing District Budget for 2013 (Exhibit A and exhibits to it) with expenditures totaling \$2,173,666 and the Steamboat Springs Local Marketing District Operating Plan (Exhibit B) as presented.

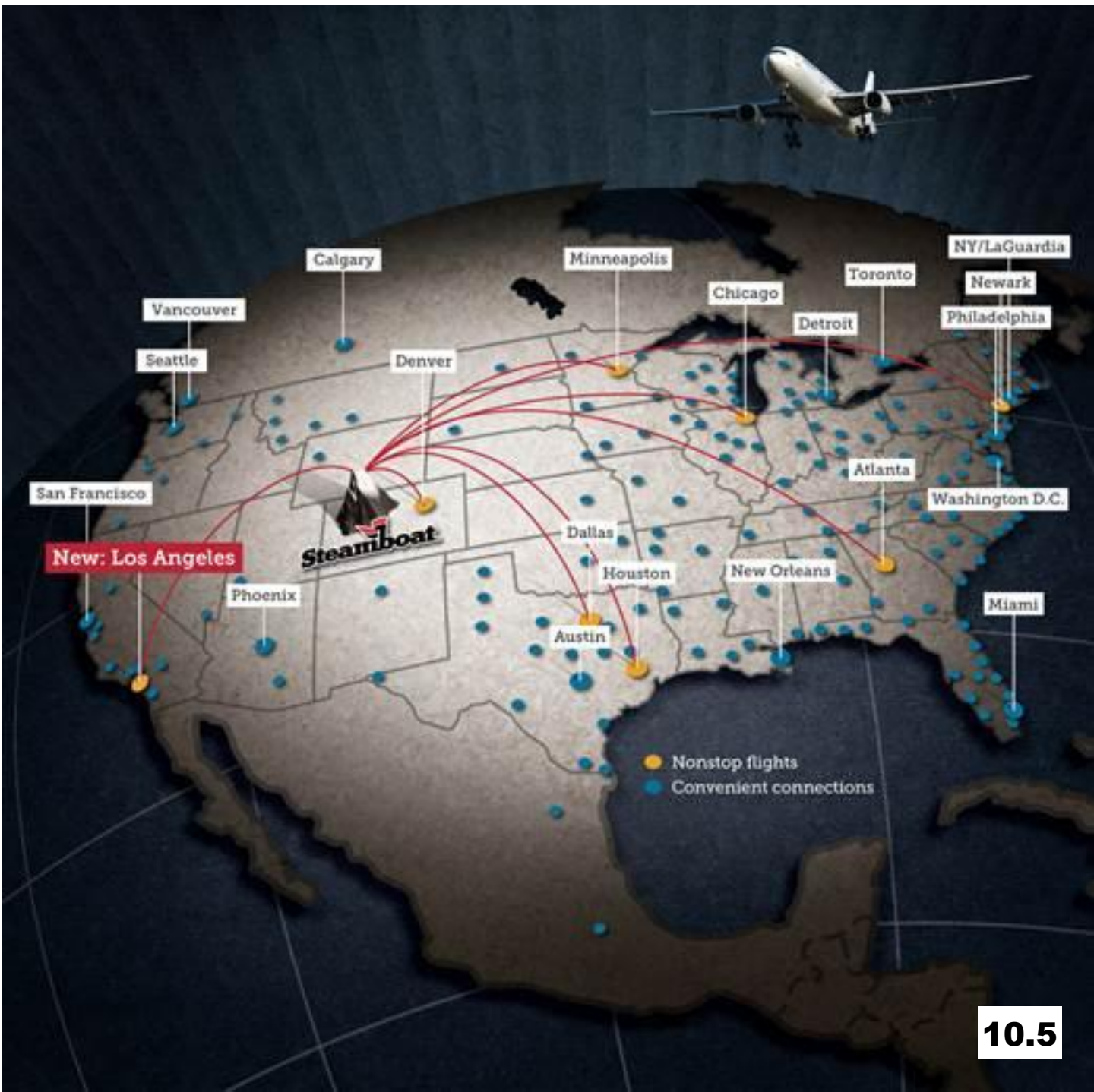
PASSED, ADOPTED AND APPROVED this _____ day of _____, 2012.

**Bart Kounovsky, President
Steamboat Springs City Council**

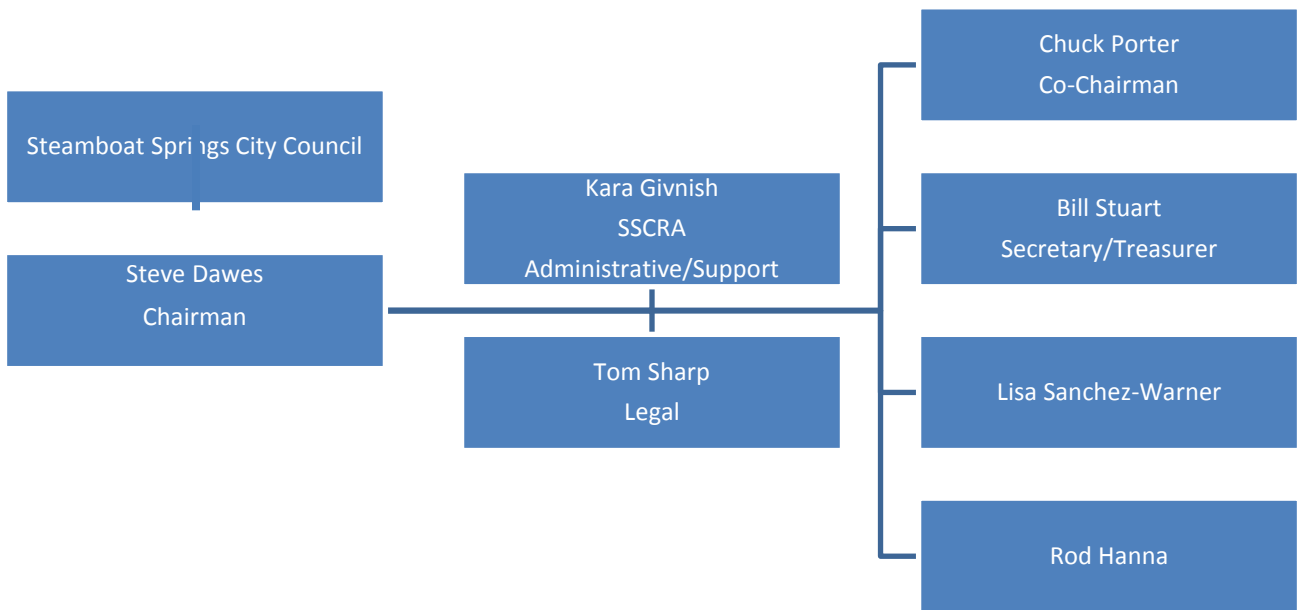
ATTEST:

**Julie Franklin, CMC
City Clerk**

Steamboat Springs Local Marketing District 2013 Budget Submission



Steamboat Springs Local Marketing District Board of Directors



Steamboat Springs Local Marketing District

Regular
Contributors
Guests
Attendees
and
Participants

Janet Fischer

Airline Program Director

SSRC

Rob Perlman

Vice-President Sales & Marketing

SSRC

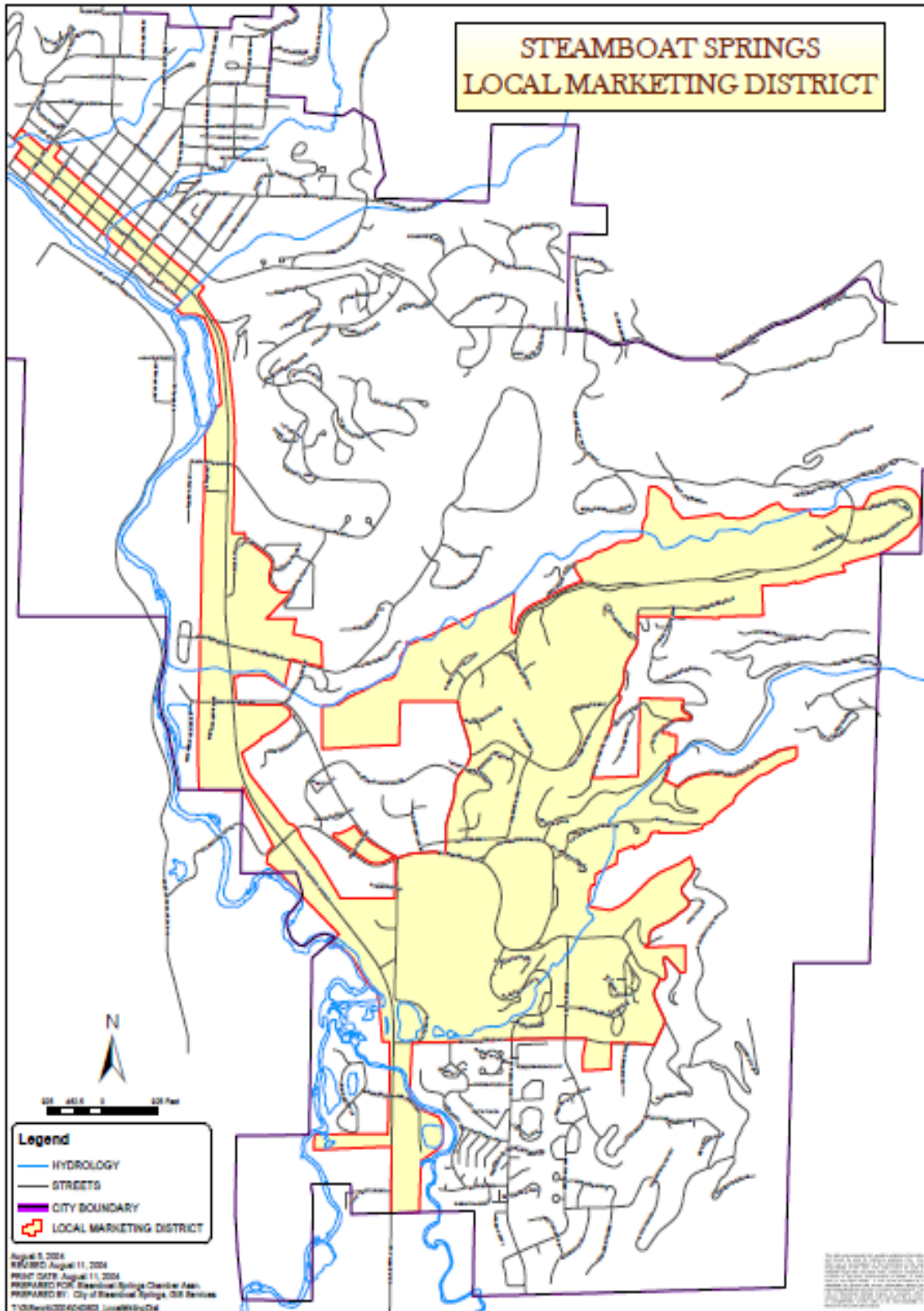
Dave Ruppel

Yampa Valley Regional Airport
Manager

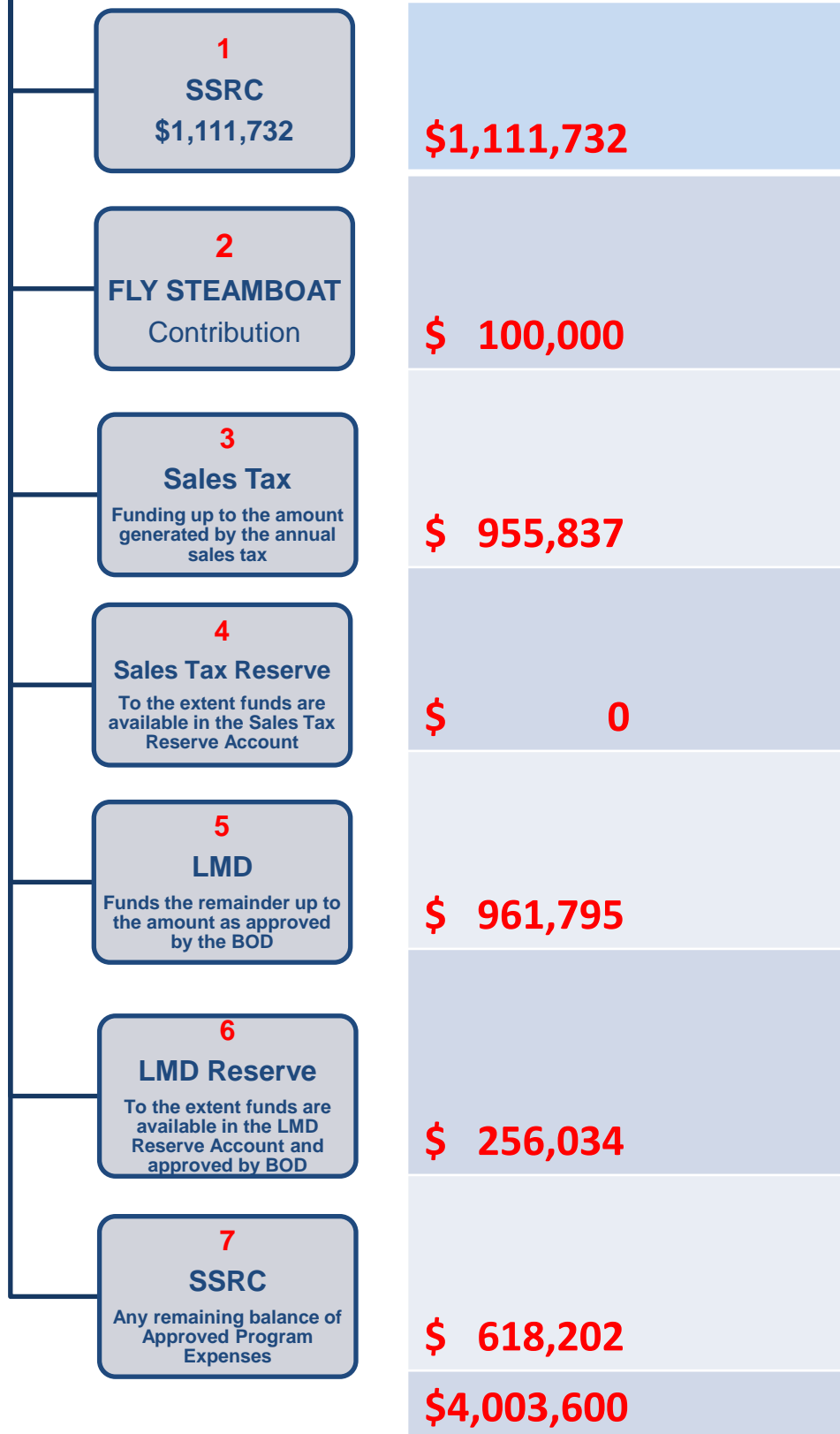
Tom Sullivan

Routt County Manager

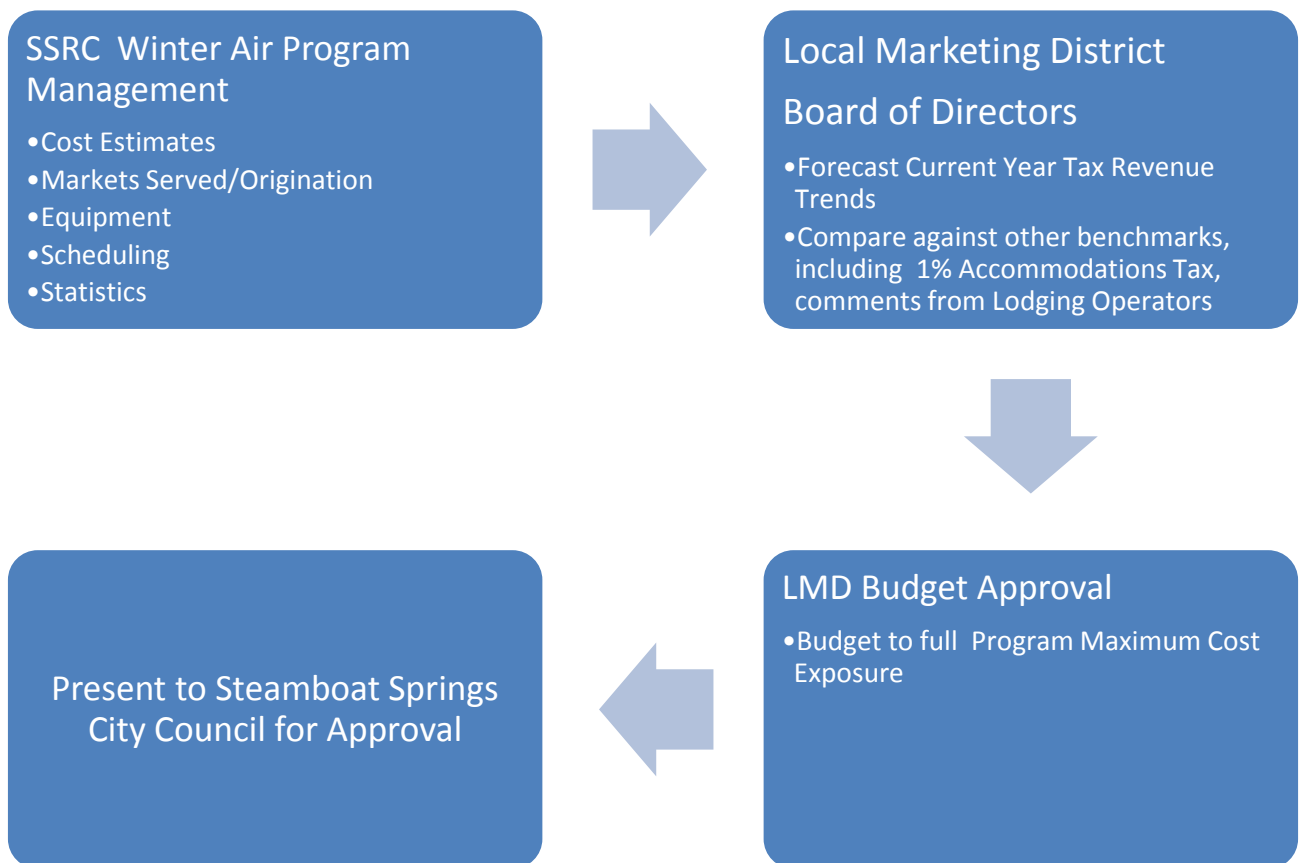
Steamboat Springs Local Marketing District



2013 Winter Air Service Program Cost Payment Waterfall



Budget Process Flow



Local Marketing District
2013 Budget Worksheet-Alternative 1 version

as of 07/25/2012	2013 Prelim Budget-V1	MEMO	Funds Available for Air Program
LMD Accomodations Revenue			
Projected carry over	\$ -		
2% Tax Jan - December (net of state fees)	\$ 1,053,833	Collected in 2013 for use in 2013	
Interest	\$ 1,500		
LMD Reserve Approved to Program	\$ 256,034		
LMD Accomodations Total	\$ 1,311,367		
LMD Accomodations Expenses			
Summer Air Service	\$ -		
Summer/Fall Air Service Marketing	\$ -		
Winter Air Service Mngmnt Fee	\$ 50,000		
Summer Air Service Mngmnt Fee			
Administration/Legal	\$ 11,500		
City Services 1%-begins 01/01/2012	\$ 10,538		
Miscellaneous	\$ 1,500		
Contingency	\$ 20,000		
Total Expenses	\$ 93,538		
LMD Accomodations Revenues less Expenses	\$ 1,217,829		\$ 1,217,829
Airline Service Sales Tax (.25%)	\$ 965,492	Collected in 2012 for use in 2013	
City Services 1%-begins 01/01/2012	\$ 9,655		
Airline Service Tax Fund Total	\$ 955,837		\$ 955,837
Subtotal	\$ 2,173,666		\$ 2,173,666
Waterfall Funding Schedule			
SSRC	\$ 1,111,732		
Fly Steamboat	\$ 100,000		
LMD-All Tax Sources less Expenses	\$ 2,173,666	From above	
Sub-total	\$ 3,385,398		
Winter Air Program Contracted Cap	\$ 4,003,600		
SSRC Back-Stop Amount	\$ (618,202)	if grater than \$0	

Exhibit B

Steamboat Springs Local Marketing District

2013 Operating Plan

The Local Marketing District (LMD) of Steamboat Springs was formed pursuant to the Special District Act of the State of Colorado. As such, under Title 29 Article 25-110, the LMD is required to file an operating plan and a proposed budget for the next fiscal year with the clerk of the local government (City of Steamboat Springs) no later than September 30 of each year.

Background

The Local Marketing District collects a 2% tax on nightly accommodations within the District boundary.

The LMD was approved by the voters in the District in the 2004 election, and began collecting the tax on January 1, 2005.

In November 2011, a ballot question (Ballot Measure 2B) was presented to and passed by the qualified electors the electors of the City of Steamboat Springs asking if the City should be allowed to increase the Sales Tax by .25% for a period of five (5) years to support commercial winter air service. The proceeds of the tax would be provided to the LMD for this purpose.

The tax was imposed beginning January 1, 2012.

As a result of the sales tax initiative, the LMD was required to enter into an Intergovernmental Agreement (IGA), which then required that the LMD draft and submit a set of Bylaws to the City for acceptance.

The IGA and the Bylaws have been approved and adopted by both the LMD and the City.

With the 2013 Operating Plan and Budget submission, the LMD now has two funding sources to manage; the legacy LMD 2% tax on nightly accommodations, plus the .25% Air Service General Sales tax.

Purpose

The **LMD revenues** are dictated by State Statute on what the funds may be used for, which include marketing, promotion, and business development. The statute allows the funds to be used for airline service as defined as business development.

The **Air Service Sales Tax** is dedicated to support winter air service as required in the approved Ballot Measure.

Funding

- **LMD funds (2% tax on accommodations within the District)**
 - Provide funding for winter air service and contract for marketing of winter air service in conjunction with agreed upon participation from the Steamboat Ski & Resort Corp. (SSRC)
 - The tax revenues are collected and used for program expenses in the budgeted calendar year. In other words, tax revenues generated in 2013 will be used for 2013 program expenses.
 - Provide a portion of the funding for management of the winter air service
 - Pay for other LMD expenses as approved by the LMD Board, including:
 - Contract Management fee to SSRC
 - Legal
 - Administrative
 - 1% administrative fee to the City to provide finance services
 - Miscellaneous and contingency
- **Air Service Sales Tax funds (.25% tax on Sales within the City)**
 - Provide funding for winter air service in conjunction with agreed upon participation from the Steamboat Ski & Resort Corp. (SSRC)
 - The tax revenues are collected in the prior calendar year and then used for program expenses in the next budgeted calendar year. In other words, tax revenues generated in 2012 will be used for 2013 program expenses. 2013 tax revenues will be used for 2014 program expenses.
 - Less 1% administrative fee to the City to provide collection and finance services

- The LMD Board;
 - Contracts with the Steamboat Ski and Resort Corporation (SSRC) to manage the air program.
 - Administrate the program pursuant to the terms and conditions of the Air Program Contribution Agreement, as modified by the First Amendment to the Air Program Contribution Agreement.
- SSRC in turn contracts with the air service carriers to encourage competitive air service to the marketplace, including funding appropriate minimum-revenue-guarantees (MRG), opportunity costs, subsidies, and in some instances, marketing co-op.
- **Funding Waterfall**
 - As a result of the execution of the IGA and the First Amendment to the Air Program Contribution Agreement, a funding “waterfall” has been established that prioritizes each funding source. **Please refer to the exhibit that illustrates the funding based on the budget submittal.**

Operating Information

- LMD funds are collected by the State of Colorado, and deposited with the City of Steamboat Springs. The LMD works closely with the City Finance Director to ensure compliance with statutory requirements.
- The Air Service portion is included in the collection of overall sales taxes by the City.
- The City collects a 1% fee of both the LMD accommodations tax and the portion of the sales tax allocated to the Air Service. The City then provides accounting and oversight services, including record keeping, annual audits, fund investments, etc.
- The LMD Board of Directors does not receive any compensation or fees, and does not directly handle any funds.
- It is the practice of the LMD to budget the full risk and fund exposure (CAPS). It is possible that the costs could actualize lower and realize a savings.

- The LMD had established a reserve account of \$1,000,000, however, due to the actualized costs of the 2012 program, the reserve was depleted by \$750,000. This risk potential was disclosed in the 2012 Operating Plan and Budget submission, and approved by City Council.
- The LMD utilizes a calendar year as its fiscal period. Program costs are recognized in the year when paid. For example, the statement for the 2011/12 season is received generally sometime in June of 2012. The full expense will be posted to 2012, even though a portion of the expense is attributable to December 2011.
- Revenues are accrued in the year the tax is earned.
- The Steamboat Springs Chamber Resort Association provides organizational and administrative assistance for a nominal fee to offset their time and expenses.

Air Program Notes

- Specific service costs are discussed in Executive Session, due to the confidentiality of contractual details with the airline companies.
- The YVRA collected about \$2.1MM in landing fees, sales tax on fuel, security fees, and rents. The YVRA operation is self-funding. The air service, made possible with the MRG, brings in sufficient operating revenues to the YVRA to allow it to function without subsidies from the county.
- SSRC, with approval from the LMD, has established a program of approximately 111,000 round-trip seats for the 2012/13 winter season. The 2011/12 season was at 124,918.
 - 11,781 of the approximately 13,000 loss in seats (90%) is a result of Frontier not returning to this market. The Frontier service was not contracted in 2011/12. Frontier has also pulled out of Aspen.
- The 2013 program includes new service to Los Angeles (LAX), as a result of feedback from the community to expand to the west coast.
- Please refer to the chart in the Budget submission for specific flights and markets served.

- The LMD does not pay for summer service. If revenues allowed, the LMD would consider contracting for flights from another market to introduce competition for the summer. SSRC does not participate financially in summer flights, though it does offer contract management services for a nominal fee.
- Airline mergers and bankruptcies, combined with the most challenging snow conditions in thirty years, have dramatically changed the air service contract negotiation dynamics. The airlines are more risk adverse than at any time since the program was implemented. The result has been that the air program comes with increased guarantees.

2013 Budget Submission Notes

- LMD Accommodations Tax
 - LMD 2013 Accommodations Tax Revenues: \$1,053,833
 - -2% to 2011 actual
 - +1.1% to 2012 Forecast
 - Remainder of Reserve: \$ 256,034
 - Per waterfall
 - Total LMD revenues available: \$1,311,367
 - Less LMD expenses: \$ 93,538
 - Total LMD funding available: \$1,217,829
- Air Service Tax
 - Forecasted 2012 Tax Revenues: \$ 965,492
 - Less expenses: \$ 9,655
 - Total Tax funding available: \$ 955,837
- **Total Funding Available from Tax Sources: \$2,173,666**

AGENDA ITEM # 11

CITY COUNCIL COMMUNICATION FORM

FROM: Dan Foote, Staff Attorney (Ext. 223)

THROUGH: Jon Roberts City Manager (Ext. 228)

DATE: September 18, 2012

ITEM: An ordinance amending Sections 25-3 of the Steamboat Springs Revised Municipal Code by limiting the uses to which a person connecting to the City water system may put City water; repealing all conflicting ordinances; and providing an effective date.

NEXT STEP: Adopt the ordinance on second reading.

ORDINANCE
 RESOLUTION
 MOTION
 DIRECTION
 INFORMATION

I. REQUEST OR ISSUE:

Adopt an ordinance amending the municipal code to identify permissible and impermissible uses of City water.

II. RECOMMENDED ACTION:

Adopt the ordinance.

III. BACKGROUND INFORMATION:

The City on June 11, 2011 adopted a Water Conservation Plan that concludes that the City's raw water supplies are a limited resource and that encourages various conservation measures. This plan was the basis for the imposition of

water restrictions imposed earlier this year in response to climate conditions that created the possibility of water shortages.

The State of Colorado has in recent years seen increased energy development, including development of oil and gas resources. Some methods of oil and gas development, such as hydraulic fracturing or the extraction of oil from oil shale, require the consumptive use of large volumes of water. In some instances, oil and gas producers have acquired or sought to acquire water for their operations from municipal sources.

The use City of Steamboat Springs water for power generation, oil and gas production, mining, or other extractive uses may be inconsistent with the City's water conservation goals and the preservation of the City's limited water resources.

In addition, the uses to which City water may be put are limited by the terms of water court decrees authorizing the City's appropriation of its municipal water supply.

Staff is unaware of any current use of City water for oil and gas or other energy development.

The proposed ordinance is intended as a proactive measure to set policy for the City's administrative process of approving utility permits, to provide clear guidance to the City's customers as to the purposes for which City water may be used, and to prevent prospective purchasers of City water from circumventing City policies by acquiring water directly from existing City customers.

The ordinance has been revised since first reading to remove industrial uses from the list of permitted uses on advice of the City's water counsel to avoid any argument that mining or oil and gas extraction fall into that category.

IV. LEGAL ISSUES:

None.

V. CONFLICTS OR PROBLEMS:

None.

VI. FISCAL IMPACTS:

None.

CITY OF STEAMBOAT SPRINGS, COLORADO

ORDINANCE NO. _____

AN ORDINANCE AMENDING SECTIONS 25-3 OF THE STEAMBOAT SPRINGS REVISED MUNICIPAL CODE BY LIMITING THE USES TO WHICH A PERSON CONNECTING TO THE CITY WATER SYSTEM MAY PUT CITY WATER; REPEALING ALL CONFLICTING ORDINANCES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Steamboat Springs owns and operates a municipal water supply system; and

WHEREAS, the City of Steamboat Springs appropriates raw water for municipal uses from the Yampa River, Fish Creek, and their tributaries pursuant to various decreed water rights that generally permit such appropriations for municipal purposes only; and

WHEREAS, the City Council of the City of Steamboat Springs finds that oil and gas development in the State of Colorado has increased demand for water supplies to support activities such as hydraulic fracturing and the extraction of oil from oil shale, that hydraulic fracturing and the extraction of oil from oil shale can consume large quantities of water, and that the oil and gas industry has sought to acquire municipal water to satisfy industry needs; and

WHEREAS, the City of Steamboat Spring adopted in May 2011 a Water Conservation Plan that implements water conservation measures in order to conserve the City's limited sources of water suitable for municipal uses; and

WHEREAS, the City Council of the City of Steamboat Springs finds that permitting uses of the municipal water supply for other than municipal purposes is inconsistent with the City's water conservation goals; and

WHEREAS, the City Council of the City of Steamboat Springs hereby determines that it is necessary to the preservation of the health, safety, and welfare of the citizens of the City to adopt this ordinance identifying permissible uses of the municipal water supply.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF STEAMBOAT SPRINGS, COLORADO:

Section 1. Section 25-3 of the Steamboat Springs Revised Municipal Code is hereby amended by the addition of the following subsections (c) and (d):

(c) Prohibited uses. No utility permit shall be issued to permit the use of water from the City water system and no person shall use water pursuant to an existing utility permit for any purpose other than municipal purposes. The term "municipal purposes" includes, without limitation, domestic, recreation, the watering of lawns, parks, and grounds, fire protection, fish and wildlife propagation, commercial, and manufacturing uses. The term "municipal purposes" excludes, without limitation, the use of water for power generation, hydraulic fracturing, oil and gas development, mining, other extractive uses, and any use of the City's municipal supply determined by the Colorado State Engineer or the Division Engineer for Water Division 6 to constitute a change of water right pursuant to C.R.S. 37-92-103(5).

(d) Verification. Any consumer shall upon the written request of the Director of Public Works provide documentation as to the use of any water obtained from the City system and transported from the consumer's property."

Section 2. All ordinances heretofore passed and adopted by the City Council of the City of Steamboat Springs, Colorado, are hereby repealed to the extent that said ordinances, or parts thereof, are in conflict herewith.

Section 3. This ordinance shall take effect immediately upon the expiration of five (5) days from and after its publication following final passage, as provided in Section 7.6(h) of the Steamboat Springs Home Rule Charter.

Section 4. The City Council hereby finds, determines and declares that this ordinance is necessary for the immediate preservation of the public peace, health, and safety.

INTRODUCED, READ AND ORDERED PUBLISHED, as provided by law, by the City Council of the City of Steamboat Springs, at its regular meeting held on the ____ day of _____, 2012.

**Bart Kounovsky, President
Steamboat Springs City Council**

ATTEST:

**Julie Franklin, CMC
City Clerk**

FINALLY READ, PASSED AND APPROVED this ____ day of _____, 2012.

**Bart Kounovsky, President
Steamboat Springs City Council**

ATTEST:

**Julie Franklin, CMC
City Clerk**

AGENDA ITEM # 12

CITY COUNCIL UPDATES

This is a discussion item only

*******TENTATIVE AGENDA FOR TUESDAY, OCTOBER 2nd, 2012*******
This agenda is tentative and the information is subject to change until the agenda is finalized.

AGENDA ITEM # 13

CITY OF STEAMBOAT SPRINGS

AGENDA

REGULAR MEETING NO. 2012-17 TUESDAY, OCTOBER 2, 2012

8:00 A.M.

MEETING LOCATION: Citizens' Meeting Room, Centennial Hall;
124 10th Street, Steamboat Springs, CO

MEETING PROCEDURE: Comments from the Public are welcome, provided they are no longer than three (3) minutes on all public hearing items and will be heard **following** the presentation by Staff. Please wait until you are recognized by the Council President.

A City Council meeting packet is available for public review in the lobby of City Hall, 137 10th Street, Steamboat Springs, CO.

A. ROLL CALL

START TIME	TIME ALLOTTED	
7:30 – 8:00	30 Minutes	Breakfast
8:00 – 8:15	15 Minutes	Presentation of the Proposed Budget City Manager Director of Financial Services
8:15 – 8:30	15 Minutes	Approve Community Support Allocation Committee Members
8:30 – 9:45	90 Minutes	General Fund Operations Budget
10:00 – 10:15	15 Minutes	Break

*******TENTATIVE AGENDA FOR TUESDAY, OCTOBER 2nd, 2012*******

This agenda is tentative and the information is subject to change until the agenda is finalized.

START TIME	TIME ALLOTTED	
10:15 – 12:00	105 Minutes	General Fund Operations Budget (continued)
12:00 – 1:00	60 Minutes	Lunch
1:00 – 2:00	60 Minutes	Capital Improvement Plan
2:00 – 3:00	60 Minutes	Enterprise Funds
3:00 – 3:15	15 Minutes	Break
3:15 – 3:45	30 Minutes	Public Comment
3:45 – 4:45	60 Minutes	Review of Revisions & Amendments/Budget Wrap Up

B. ADJOURNMENT

**BY: JULIE FRANKLIN, CMC
CITY CLERK**

*******TENTATIVE AGENDA FOR TUESDAY, OCTOBER 16, 2012*******
This agenda is tentative and the information is subject to change until the agenda is finalized.

CITY OF STEAMBOAT SPRINGS

AGENDA

REGULAR MEETING NO. 2012-18
TUESDAY, OCTOBER 16, 2012

5:00 P.M.

MEETING LOCATION: Citizens' Meeting Room, Centennial Hall;
124 10th Street, Steamboat Springs, CO

MEETING PROCEDURE: Comments from the Public are welcome at two different times during the course of the meeting: 1) Comments no longer than three (3) minutes on items **not** scheduled on the Agenda will be heard under Public Comment; and 2) Comments no longer than three (3) minutes on all scheduled public hearing items will be heard **following** the presentation by Staff or the Petitioner. Please wait until you are recognized by the Council President. With the exception of subjects brought up during Public Comment, on which no action will be taken or a decision made, the City Council may take action on, and may make a decision regarding, ANY item referred to in this agenda, including, without limitation, any item referenced for "review", "update", "report", or "discussion". It is City Council's goal to adjourn all meetings by 10:00 p.m.

A City Council meeting packet is available for public review in the lobby of City Hall, 137 10th Street, Steamboat Springs, CO, or on our website at http://steamboatsprings.net/city_council/council_meetings. The e-packet is typically available by 1pm on the Friday before the meeting.

PUBLIC COMMENT: Public Comment will be provided at 7 p.m., or at the end of the meeting, (whichever comes first). CITY COUNCIL WILL MAKE NO DECISION NOR TAKE ACTION, EXCEPT TO DIRECT THE CITY MANAGER. **THOSE ADDRESSING CITY COUNCIL ARE REQUESTED TO IDENTIFY THEMSELVES BY NAME AND ADDRESS. ALL COMMENTS SHALL NOT EXCEED THREE MINUTES.**

A. ROLL CALL

B. COMMUNITY REPORTS/CITY COUNCIL DISCUSSION TOPIC:

*******TENTATIVE AGENDA FOR TUESDAY, OCTOBER 16, 2012*******

This agenda is tentative and the information is subject to change until the agenda is finalized.

1. Yampa Valley Data Partners Update and New Project Status. (Kate Nowak)

C. CONSENT CALENDAR: MOTIONS, RESOLUTIONS AND ORDINANCES FIRST READINGS

ITEMS ON THE CONSENT CALENDAR GENERALLY REQUIRE LITTLE COUNCIL DELIBERATION AND MAY BE APPROVED WITH A SINGLE MOTION. ANY MEMBER OF THE COUNCIL OR THE PUBLIC MAY WITHDRAW ANY ITEM FROM THE CONSENT CALENDAR FOR FURTHER DISCUSSION AT ANY TIME PRIOR TO APPROVAL.

2. RESOLUTION:

3. FIRST READING OF ORDINANCE:

D. PUBLIC HEARING: ORDINANCE SECOND READINGS

THE CITY COUNCIL PRESIDENT OR PRESIDENT PRO-TEM WILL READ EACH ORDINANCE TITLE INTO THE RECORD. PUBLIC COMMENT WILL BE PROVIDED FOR EVERY ORDINANCE.

4. SECOND READING OF ORDINANCE:

E. PUBLIC COMMENT: Public Comment will be provided at 7 p.m., or at the end of the meeting, (whichever comes first). CITY COUNCIL WILL MAKE NO DECISION NOR TAKE ACTION, EXCEPT TO DIRECT THE CITY MANAGER. THOSE ADDRESSING CITY COUNCIL ARE REQUESTED TO IDENTIFY THEMSELVES BY NAME AND ADDRESS. ALL COMMENTS SHALL NOT EXCEED THREE MINUTES.

F. PLANNING COMMISSION REPORT

G. CONSENT CALENDAR - PLANNING COMMISSION REFERRALS:

ITEMS ON THE CONSENT CALENDAR GENERALLY REQUIRE LITTLE OR NO COUNCIL DELIBERATION AND MAY BE APPROVED WITH A SINGLE MOTION. A CITY COUNCIL MEMBER MAY REQUEST AN ITEM(S) BE REMOVED FROM THE CONSENT CALENDAR FOR FURTHER DISCUSSION. **ALL ORDINANCES APPROVED BY CONSENT SHALL BE READ INTO THE RECORD BY TITLE.**

**5. PROJECT:
PETITION:
LOCATION:
APPLICANT:**

*******TENTATIVE AGENDA FOR TUESDAY, OCTOBER 16, 2012*******
This agenda is tentative and the information is subject to change until the agenda is finalized.

PLANNING COMMISSION VOTE:

H. PUBLIC HEARING – PLANNING COMMISSION REFERRALS

PUBLIC HEARING FORMAT:

- **Presentation by the Petitioner (estimated at 15 minutes). Petitioner to state name and residence address/location.**
- **Presentation by the Opposition.** Same guidelines as above.
- **Public Comment by individuals (not to exceed 3 minutes). Individuals to state name and residence address/location.**
- **City staff to provide a response.**

6. SECOND READING OF ORDINANCE:

I. REPORTS

7. City Council

8. Reports

- a. Agenda Review (Franklin):
 - 1.) City Council agenda for October 30, 2012.
 - 2.) City Council agenda for November 13, 2012.

9. Staff Reports

- a. City Attorney's Update/Report. (Lettunich)
 - b. Manager's Report: Ongoing Projects. (Roberts)
-

J. OLD BUSINESS

10. Minutes (Franklin)

- a. Regular Meeting 2011-16, September 4, 2012.
 - b. Regular Meeting 2011-17, September 18, 2012.
 - c. Regular Meeting 2011-18, October 2, 2012.
-

K. ADJOURNMENT

**BY: JULIE FRANKLIN, CMC
CITY CLERK**

AGENDA ITEM # 14

STAFF REPORTS:

City Attorney's Update/Report
Litigation Issues

Manager's Report: Ongoing Projects
Director's response

The above are discussion items only

Update on Storm Water Management Plan
Materials follow this page

Update on new water meters
Materials will be available in the Rainbow Packet

TO: City Council

FROM: Ben Beall, Public Works Engineer

DATE: September 12, 2012

RE: Citywide Storm Water Master Plan Update

SEH (Short Elliot Hendrickson) has been awarded the contract of \$180,000.00 to provide a city-wide stormwater master plan that outlines the existing and future storm drainage needs within the City. The effort to date includes field inspection and cataloging of major drainage ways and roadway crossings throughout the City. In addition, SEH has met with City Streets, Engineering, and Parks & Rec staff to incorporate institutional knowledge of the existing system.

Project Goals:

- Building off current City GIS mapping, refine and complete a system wide map of existing drainage infrastructure **Complete**
- Create existing and future condition hydrologic models for the 5-, 25-, and 100-year storm events **Complete**
- Evaluate the physical condition of the existing drainage infrastructure. **Complete**
- Generate detailed alternatives report which identifies maintenance and replacement needs due to lifespan concerns and flooding potential. **In-Progress**
- Generate final report for recommended improvements and capital improvement needs including an overall system plan, phasing plan, O&M plan, and cost estimate for necessary improvements to the system.

The alternatives analysis and preliminary findings report will be provided to the City for review and comment once completed. The general timeline is to have this by the second meeting in October or first meeting in November for another status update to Council. At that same time, City staff plans to hold a public

workshop to invite the community to review the plan and provide comments in order to inform the final draft of the plan.