

Town of Estes Park, Larimer County, Colorado, January 22, 2008

Minutes of a Regular meeting of the Board of Trustees of the Town of Estes Park, Larimer County, Colorado. Meeting held in the Town Hall in said Town of Estes Park on the 22nd day of January, 2008. Meeting called to order by Mayor Baudek.

Present: John Baudek, Mayor
 Bill Pinkham, Mayor ProTem
 Trustees Eric Blackhurst
 Dorla Eisenlauer
 Richard Homeier
 Chuck Levine
 Wayne Newsom

Also Present: Greg White, Town Attorney
 Jacquie Halburnt, Town Administrator
 Lowell Richardson, Deputy Town Administrator
 Jackie Williamson, Town Clerk

Absent: None

Mayor Baudek called the meeting to order at 7:00 p.m. and invited any person desiring to participate to stand and recite the Pledge of Allegiance.

SWEARING-IN CEREMONY.

Chief Richardson stated James Kenny was promoted to Sergeant approximately one year ago and has met his probationary period. Town Clerk Williamson conducted a Swearing in Ceremony for the promotion of James Kenney to Sergeant.

PUBLIC COMMENT.

None.

TOWN BOARD COMMENTS.

Trustee Levine congratulated Deputy Town Administrator Richardson on his recent promotion.

Trustee Blackhurst read a prepared statement regarding his position as a Trustee. He stated he is a volunteer to this community and takes his oath of office seriously. He spoke to the recent verbal attacks in the media and in person including the insinuation that the Board has violated the law; accusations of profiting from his position as Trustee; and Trustee property damaged both personal and business related. He hopes that the community can engage in a civil and respectful process that weighs many views and ideas moving forward.

Town Clerk Williamson reviewed the upcoming election process. The election will be held April 1, 2008. Qualified electors of the Town of Estes Park will elect three Trustees, a Mayor and vote on an Initiated Ordinance requiring the sale of any property owned by the Town of Estes Park within the Stanley Historic District. Those elected, will take office on Tuesday, April 8, 2008 and all will serve for four years. Candidates may begin circulating their Nomination Petitions on Monday, February 11th, and the submittal deadline is Friday, February 29th. All candidates must be a resident of the Town for the 12 months prior to the election. Residents must be registered to vote, and the voter registration deadline is Monday, March 3rd. Early voting will be conducted through Absentee Ballot and applications are available in the Town Clerk's office.

Mayor Baudek commented on the lack of response by the Board to recent accusations. He stated the Board wants to hear from the public and encourages citizens to come

forward to discuss issues by creating an environment that is not critical or negative. He addressed Mr. Nichols comments that the Trustees are not always right, but they are certainly unanimous. He stated much of the Board's duties are routine in nature and a split vote would not be accepted. The Town operates on a committee level with major issues discussed at the Committee meetings prior to being discussed by the Board. He also addressed the implied statement by Mr. Nichols that the Board took improper action by discussing the Initiated Ordinance in an Executive Session.

1. CONSENT AGENDA (Approval of):

1. Town Board Minutes dated January 8, 2008 and Study Session Minutes January 8, 2008.
2. Bills.
3. Committee Minutes:
 - A. Utilities, January 17, 2008.
4. Intent to Annex Resolution #3-08 – Kundtz Addition, Phase I, II and III. Public Hearing scheduled April 22, 2008.
5. Estes Valley Board of Adjustment, December 4, 2007 (acknowledgement only).
6. Estes Valley Planning Commission, December 18, 2007 (acknowledgement only).

It was **moved and seconded** (Pinkham/Levine) **the Consent Agenda be approved**, and it passed unanimously.

2. ACTION ITEMS:

1. ESTES PARK HOUSING AUTHORITY – REQUEST EXTENSION OF NOTE FOR THE PINE KNOLL APARTMENT PURCHASE.

Town Administrator Halburnt reviewed the \$2.7 million loan with EPHA. This loan is spread out over several funds with revenues budgeted for 2008. The General Fund anticipated \$850,000 in revenue with the repayment of the loan in 2008 and an ending fund balance of 29%. If the loan is extended as requested by the EPHA, the ending fund balance in the General Fund would decrease to 22%. The Town's options if the loan is not repaid in 2008 include requesting EPHA to seek a market rate loan, foreclosure on the property, sue EPHA and declare the note in default or recommend an extension of the note.

Rita Kurelja/Director of EPHA stated the Housing Authority is requesting a two year extension of the Promissory Note held by the Town, dated June 1, 2006 with an expiration date of June 1, 2008. The original amount of the note was \$2.7 million. A principal payment was made in the amount of \$90,000, making the current principal \$2.61 million. The original interest rate was 3.63% and as per the current note the interest rate adjusted in June of 2007 to 5.43%. EPHA has been making quarterly interest payments to the Town and if the extension is approved, those payments would continue and the note would expire on June 1, 2010. In order to help with the interest payments, the EPHA will rent units in one building on the open market.

Discussion followed and is summarized: EPHA was formed by the Town and should be supported, EPHA was asked to take on the project by the Town, perhaps the Town is overbuilt with condominiums, EPHA should investigate a

market rate loan and the effects on the rents for the affordable units, the Town has other projects moving forward and can not sustain an extension of the loan.

It was **moved and seconded** (Newsom/Homeier) **the Estes Park Housing Authority should investigate a market rate loan and report back to the Town Board at the second meeting in February** with Trustee Blackhurst and Mayor ProTem Pinkham recusing themselves from the vote.

2. **SUPPORTERS OF THE PERFORMING ARTS (SOPA) MEMORANDUM OF UNDERSTANDING.**

A Memorandum of Understanding (MOU) between SOPA and the Town of Estes Park has been drafted to outline the responsibilities of each party with regard to a performing arts theater. This MOU should be considered a broad outline of the basic considerations. If SOPA raises 100% of the money required for construction of the performing arts theater, the Town would enter into another agreement at that time outlining more specific details. SOPA would be responsible for the operations, management and maintenance of the theater. In exchange, the Town would provide the building site, site preparation contingent upon the sale of Lot 4, Stanley Historic District, and would provide an annual subsidy of \$217,000, based upon annual appropriation of the funds. This MOU may be voided on December 31, 2009 if the Town does not close the sale of Lot 4, Stanley Historic District and/or SOPA has not raised 100% of the construction costs. This does not preclude a future Town Board from entering into a new MOU at that time.

Discussion followed and is summarized: the Board questioned the perpetuity of the annual subsidy of \$217,000/year and if it should be scaled back over time; SOPA would be responsible for operating the theater and limiting the Town's exposure; SOPA would be responsible for site preparation if Lot 4, Stanley Historic District does not sell; the MOU aids SOPA in fundraising by establishing Town support for the project.

After further discussion, it was **moved and seconded** (Eisenlauer/Newsom) **to approve a Memorandum of Understanding between the Supporter of the Performing Arts and the Town of Estes Park outlining the responsibilities of each party for a performing arts theater**, and it passed unanimously.

3. **TOWN ADMINISTRATOR REPORT.**

- A joint meeting of the Town Board, County Commissioner and Planning Commission would be held on January 29th at 3:00 p.m. at the Conference Center to discuss land use issues. No public comment will be heard at this meeting; however, the community is welcome to attend.

4. **ADJOURN.**

Whereupon Mayor Baudek adjourned the meeting at 7:59 p.m.

John Baudek, Mayor

Jackie Williamson, Town Clerk