

**AGENDA
OURAY CITY COUNCIL**

Monday, December 16, 2024 - 6:00 PM

**Ouray Community Center
320 6th Ave
Ouray, CO 81427**

VIRTUAL OPTION - <https://zoom.us/j/9349389230>

Meeting ID: 934 938 9230 Passcode: 491878 Or dial: 408 638 0968 or 669 900 6833

Ouray City Council Regular Meeting

- Changes to this agenda can be found on the bulletin board at City Hall
- Electronic copies of the Council Packet are available on the City website at www.cityofouray.com. A hard copy of the Packet is also available at the Administrative Office for interested citizens.
- Notice is hereby given that a majority or quorum of the Planning Commission, Ouray Economic Development Committee, Beautification Committee, Tourism Advisory Committee, Main Streets Committee, and/or Parks and Recreation Committee may be present at the above noticed City Council meeting to discuss any or all of the matters on the agenda below for Council consideration

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. CITIZENS' COMMUNICATION
5. CITY COUNCIL REPORTS/INFORMATION - Tamara Gulde, Peggy Lindsey, Michael Underwood, Josh Smith, and Ethan Funk
6. DEPARTMENT REPORTS
 - a. Interim City Administrator
 - b. Director of Finance and Administration
 - c. Information Technology Director
7. ACTION ITEMS
 - a. Resolution 23, Series 2024 - 2024 Budget Supplement
 - b. Employment Agreement for City Administrator Position with Michelle Metteer
 - c. IGA with Town of Ridgway and Ouray County for Affordable Housing Administrator
 - d. Annual Memorandum of Understanding with Ouray County
 - e. Exception Request Authorization for an Unconventional Loan for CARE Access Colo I, LLC Related to Purchase of Lot 1 and Lot 21, Waterview Ouray Homes Subdivision
 - f. Ratification of Waterview Purchaser Closing Documents (Amendment to the Development Agreement and Corrective Deed)
 - g. Ratification of Amendment 4 to Professional Services Agreement with Short Elliott Hendrickson, Inc. (SEH)
 - h. Ratification of Executive Search Services Agreement with KRW Associates for Community Development Director Recruitment
 - i. Mayor and City Council Committee Assignments for 2025
 - j. Approval of 2025 City Council Regular Meeting Calendar
8. DISCUSSION ITEM - Future Agenda Items
9. ADJOURNMENT

**Interim City Administrator
Report for December 16th, 2024 City Council**

City Administrator

We would like to welcome Michelle Metteer as the new City Administrator of Ouray. Her contract is an action item on tonight's agenda. She is currently in the process of securing housing and maybe available to start as early as February 17th. Unfortunately she has another meeting tonight so she will not be able to virtually attend the Council approval. She asked me to extend her sincere gratitude for this opportunity and is excited to be a part of the Ouray community.

Police Chief Recruitment

City staff has selected three candidates for the open position of Police Chief. KRW Associates is currently reaching out to the three finalists to check availability for in person interviews. The tentative dates right now include a community reception to be held on Thursday January 16th followed by in person interviews Friday January 17th.

Community Development Director

The Community Development Director position is currently open and the City is taking applications. We will be working with KRW Associates again to recruit qualified candidates for the position. Application deadline is January 10th.

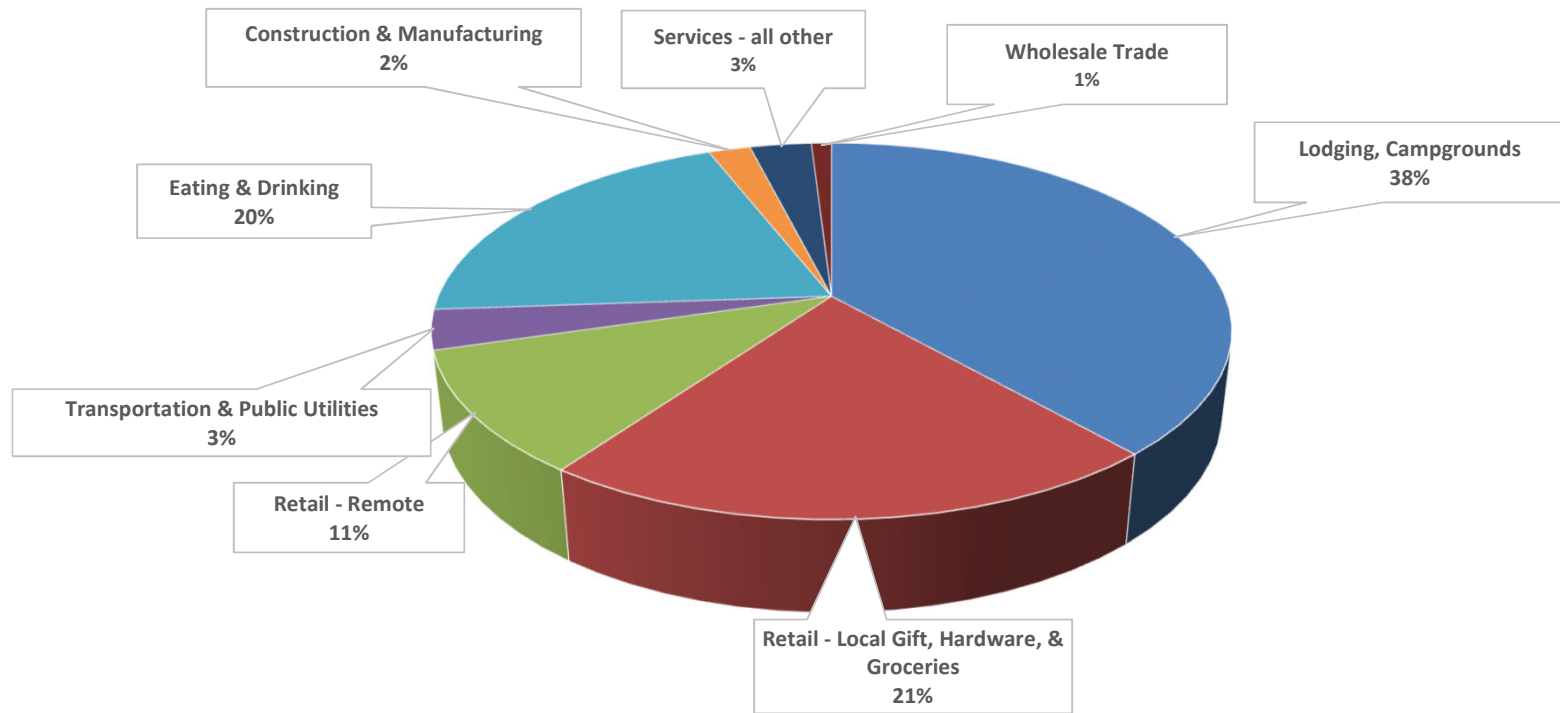
Fellin Park Stage

City staff met with Jim Keo on Thursday December 12th to discuss conceptual stage design. We plan to have a work session in February with City Council with construction costs. The costs will include the cost to move utilities if City Council decides to move the stage to the alternate site just south west of the original site.

Congratulations to Public Works for 1st Place in the Yule Night Parade



City of Ouray
October 2024 Sales Tax Revenues by Business Category
(received in December 2024)

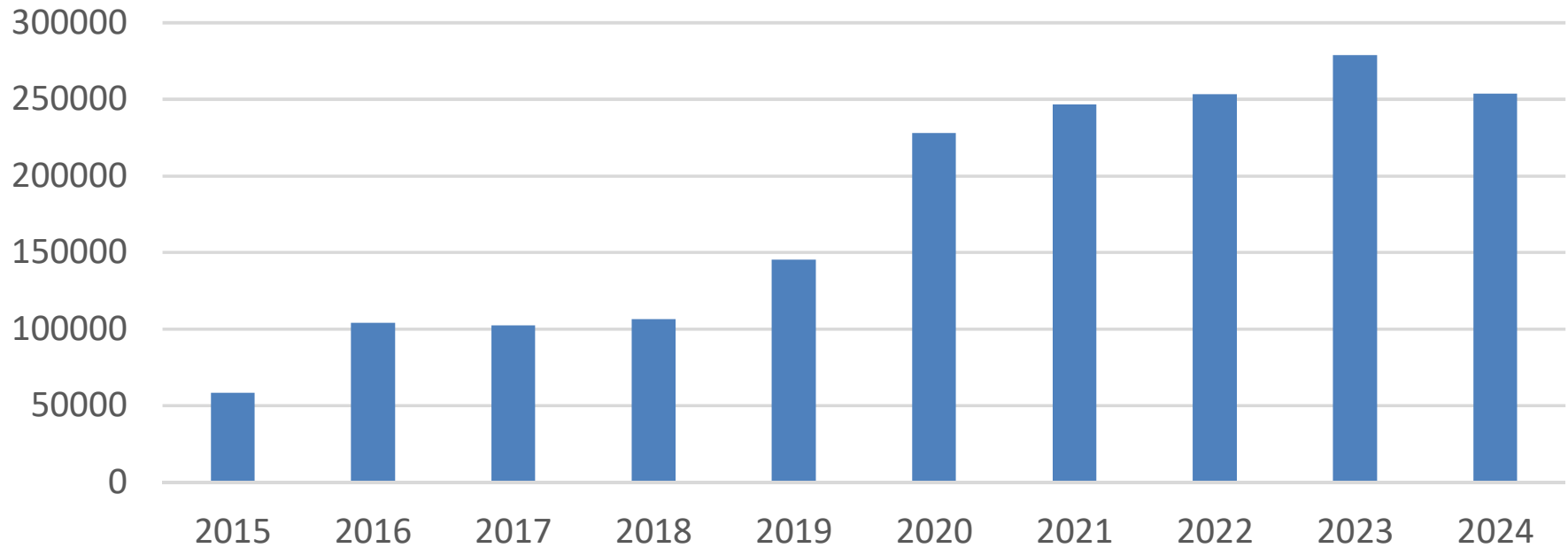


CITY OF OURAY
2024 MONTHLY SALES TAX REVENUES BY BUSINESS CATEGORY

(1) Month tax received from State of Colorado, representing sales from two months earlier (e.g. tax shown as APRIL is mostly from FEBRUARY)

2024 SALES TAX REVENUES BY BUSINESS CATEGORY							
(1) Funds received by City in: July (mostly re: May)							
Business Category	January	February	March	April	May	June	
Lodging, Campgrounds	\$ 32,828.21	\$ 55,664.35	\$ 56,276.56	\$ 53,525.63	\$ 53,814.04	\$ 40,374.35	
Retail - Local Gift, Hardware, & Groceries	\$ 24,774.67	\$ 41,173.24	\$ 30,254.11	\$ 25,475.53	29,463.16	\$ 21,524.69	
Retail - Remote	\$ 29,570.18	\$ 42,416.98	\$ 21,475.85	\$ 19,000.83	23,776.15	\$ 27,500.20	
Transportation & Public Utilities	10,498.73	13,123.23	16,179.72	13,914.72	12,346.59	10,756.15	
Eating & Drinking	22,336.34	25,615.00	25,070.51	33,719.56	24,822.86	19,476.14	
Construction & Manufacturing	9,316.95	4,858.16	2,569.79	3,241.48	10,730.46	8,002.01	
Services - all other	4,352.93	3,571.60	2,217.80	1,955.06	4,417.85	1,496.88	
Wholesale Trade	1,696.14	1,730.82	2,139.13	1,737.68	1,379.00	2,109.23	
TOTAL	\$ 135,374.15	\$ 188,153.38	\$ 156,183.47	\$ 152,570.49	\$ 160,750.11	\$ 131,239.65	
Business Category	July	August	September	October	November	December	Year-to-date
Lodging, Campgrounds	\$ 67,708.64	\$ 153,487.93	\$ 215,184.26	\$ 189,524.55	\$ 181,933.83	\$ 97,654.36	\$ 1,197,976.71
Retail - Local Gift, Hardware, & Groceries	\$ 38,355.26	\$ 80,730.09	\$ 107,399.02	\$ 82,769.47	\$ 76,848.69	\$ 54,457.97	\$ 613,225.90
Retail - Remote	\$ 24,730.33	\$ 28,168.78	\$ 31,890.27	\$ 29,961.26	\$ 28,678.13	\$ 26,732.24	\$ 333,901.20
Transportation & Public Utilities	8,904.96	8,656.73	9,335.45	9,480.73	9,154.78	8,703.04	131,054.83
Eating & Drinking	38,301.50	79,577.26	109,286.81	92,175.82	86,391.10	51,210.67	607,983.57
Construction & Manufacturing	5,994.41	8,682.42	10,532.03	5,978.13	4,773.73	5,134.76	79,814.33
Services - all other	2,436.88	11,502.76	17,403.91	11,485.27	12,906.84	7,523.51	81,271.29
Wholesale Trade	2,641.78	4,033.59	4,374.39	4,511.14	3,443.43	2,469.75	32,266.08
TOTAL	\$ 189,073.76	\$ 374,839.56	\$ 505,406.14	\$ 425,886.37	\$ 404,130.53	\$ 253,886.30	\$ 3,077,493.91

CITY OF OURAY OCTOBER SALES TAX REVENUE COMPARISON Over Past 10 Years



Notes: Figures represent tax revenue received in December
Sales Tax increased from 3% to 4% on January 1, 2016

CITY OF OURAY
SALES TAX REVENUES BY BUSINESS CATEGORY 2015-2024

SALES TAX REVENUES BY BUSINESS CATEGORY

Business Category	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Lodging, campgrnds.	\$ 20,381.63	\$ 29,296.96	\$ 31,230.66	\$ 42,021.27	\$ 48,195.15	\$ 87,070.66	\$ 83,330.92	\$ 93,538.31	\$ 114,363.00	\$ 97,654.36
Retail - Local Gift, Hardware, & Groceries					30,173.17	47,075.84	47,181.38	\$ 53,028.11	\$ 61,856.38	\$ 54,457.97
Retail - Remote					16,556.51	29,939.39	35,950.44	\$ 28,091.60	\$ 26,047.54	\$ 26,732.24
Retail - groceries, liquor, candy, hardw	7,664.93	15,830.84	16,521.19	17,706.67						
Retail - gift, souvenir, variety, books	5,600.12	7,186.97	7,462.21	8,003.92						
Trans & Pub. Util.	4,749.64	6,711.11	6,752.70	6,715.53	8,398.51	8,475.92	10,173.87	9,145.21	9,921.60	8,703.04
Eating & Drinking	12,861.76	32,212.68	24,686.33	18,839.39	33,855.23	44,338.22	55,002.56	57,399.97	51,929.83	51,210.67
Const. & Manufacturing	4,550.30	9,004.27	8,550.56	9,873.94	4,772.80	2,198.85	8,070.28	6,271.79	4,886.99	5,134.76
Services - all other	1,480.01	2,457.56	2,995.07	2,430.09	1,704.33	6,773.69	4,694.21	2,726.13	5,526.46	7,523.51
Finance, Ins. Real Estate	948.39	1,423.95	4,303.53	854.50						
Wholesale Trade	60.00	112.13	186.47	203.55	1,862.85	2,385.45	2,248.92	3,141.02	4,359.62	2,469.75
Mining			-							
All Other	2.85		-							
TOTAL	\$ 58,299.63	\$ 104,236.47	\$ 102,688.72	\$ 106,648.86	\$ 145,518.55	\$ 228,258.02	\$ 246,652.58	\$ 253,342.14	\$ 278,891.42	\$ 253,886.30
				\$14,127.90 out-of-period	\$5,930.34 out-of-period	\$15,345.03 out-of-period	\$21,715.28 out-of-period	\$9,298.36 out-of-period	\$11,861.96 out-of-period	\$1,649.91 out-of-period

Year to Date Sales Tax Comparison

Percentage Change
from 2023

October 2023 Activity	\$ 278,891.42	
October 2024 Activity	\$ 253,886.30	-8.97%
Jan-Oct 2023 Activity	\$ 2,768,337.58	
Jan-Oct 2024 Activity	\$ 2,753,966.38	-0.52%

Ouray Lodging Occ. Tax Collection Summary

ROOMS	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	24 vs 23
Month											
January	5712	5826	5113	5782	6196	6245	5936	7718	7609	6942	-8.77%
February	4816	5226	4509	5085	5593	4641	7189	7776	5906	6328	7.15%
March	3394	3638	3499	4763	4152	1952	6993	6782	7341	5953	-18.91%
April	2236	2660	2411	3080	2857	32	4941	4172	3836	4038	5.27%
May	5047	5850	5939	7396	7894	3111	11093	10002	9560	8442	-11.69%
June	12015	13521	14494	14578	15026	12736	17520	16180	17231	16029	-6.98%
July	19171	19960	20248	19802	19482	20444	20509	16551	19482	19421	-0.31%
August	16477	16949	17344	17613	18629	16919	20798	17825	18657	18339	-1.70%
September	15478	16149	16526	17743	18498	17564	13517	18930	18234	17687	-3.00%
October	7937	7691	7762	7462	9407	12877	12038	12080	12388	13644	10.14%
November	2141	2113	2674	2856	3237	3864	3199	3196	3691		
December	3656	3382	4226	5038	4268	5153	5237	3998	4776		
Total Rooms	98080	102965	104745	111198	115239	105538	128970	125210	128711		-11.13%

DOLLARS											
January	\$15,867	\$15,819	\$13,795	\$16,294	\$22,444	\$25,204	\$27,107	\$29,038	\$36,828	\$33,896	-7.96%
February	\$12,468	\$13,908	\$12,648	\$14,021	\$19,580	\$18,464	\$28,191	\$36,284	\$30,377	\$31,294	3.02%
March	\$9,240	\$9,505	\$9,529	\$12,884	\$14,526	\$6,834	\$27,858	\$30,334	\$30,554	\$27,551	-9.83%
April	\$5,701	\$6,633	\$6,294	\$8,090	\$8,312	\$107	\$18,324	\$18,466	\$17,063	\$16,861	-1.19%
May	\$13,876	\$15,372	\$15,734	\$19,031	\$22,068	\$7,922	\$41,033	\$43,131	\$39,992	\$45,341	13.38%
June	\$31,431	\$34,498	\$36,654	\$36,236	\$62,392	\$51,634	\$100,852	\$98,839	\$107,693	\$107,575	-0.11%
July	\$47,884	\$49,767	\$50,344	\$49,371	\$110,244	\$114,230	\$138,864	\$131,139	\$142,596	\$156,660	9.86%
August	\$41,643	\$41,801	\$42,090	\$43,236	\$90,952	\$92,809	\$127,157	\$122,778	\$127,552	\$135,447	6.19%
September	\$40,336	\$41,704	\$41,965	\$44,480	\$79,505	\$93,050	\$98,575	\$119,099	\$123,174	\$126,450	2.66%
October	\$21,385	\$20,717	\$20,355	\$19,711	\$37,511	\$60,690	\$54,480	\$74,824	\$74,823	\$81,895	9.45%
November	\$5,136	\$5,802	\$7,079	\$7,000	\$10,367	\$15,399	\$14,134	\$14,566	\$15,480		
December	\$9,571	\$9,590	\$11,882	\$13,622	\$17,593	\$24,892	\$29,038	\$23,554	\$27,242		
Total Dollars	\$254,538	\$265,116	\$268,369	\$283,976	\$495,494	\$511,234	\$705,613	\$742,052	\$773,373		9.09%

Data represents rooms and dollars for month in which lodging activity occurred.
 LOT report and payment are due by 20th of following month.
 "ROOMS" data includes exempt rooms.

OURAY LODGING OCCUPANCY TRENDS

Based on Lodging Occupation Tax Collections

	2022				2023				2024			
	Avail.	Rooms		Exempt	Avail.	Rooms		Exempt	Avail.	Rooms		Exempt
	Rooms	Rented	Occ. %	Rooms	Rooms	Rented	Occ. %	Rooms	Rooms	Rented	Occ. %	Rooms
	+ RVs, Unfurnished Cabins				+ RVs, Unfurnished Cabins				+ RVs, Unfurnished Cabins			
January	17411	5237	30.1%	0	20375	7609	37.3%	469	19064	6942	36.4%	331
February	16580	7776	46.9%	0	17183	6062.36	35.3%	386	17656	6328	35.8%	357
March	17657	6782	38.4%	7	19519	7341	37.6%	341	18223	5953	32.7%	92
April	16620	4172	25.1%	31	18168	3836	21.1%	0	16389	4038	24.6%	47
May	21206	10002	47.2%	57	21360	9560	44.8%	110	20956	8442	40.3%	212
June	20577	16180	78.6%	13	21111	17231	81.6%	122	20599	16029	77.8%	212
July	20677	16551	80.0%	432	21195	19482	91.9%	499	21327	19421	91.1%	205
August	21613	17825	82.5%	53	21504	18657	86.8%	481	21750	18339	84.3%	213
September	21327	18930	88.8%	47	21086	18234	86.5%	413	20844	17687	84.9%	390
October	20398	12080	59.2%	10	20094	12388	61.7%	261	20174	13644	67.6%	305
November	15776	3196	20.3%	260	16283	3691	22.7%	254				
December	17828	5050	28.3%	4	17320	4776	27.6%	215				
Total	227670	123781	52.1%	914	235198	128867.36	52.9%	3551	196982	116823	57.6%	2364

Data represents rooms for month in which lodging activity occurred.

LOT report and payment are due by 20th of following month.

"Rooms Rented" columns includes exempt rooms.

"Exempt Rooms" columns are for memo purposes only.

2024 Lodging Occupation Tax, By Business Category

AVAILABLE ROOMS	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Hotel, Motel	12,450	11,445	12,239	10,177	12,351	12,020	12,412	12,459	12,177	12,566			120,296
Bed and Breakfast	755	353	341	609	763	749	565	1,231	777	766			6,909
House, Townhouse, Condo (1)	3,286	3,451	3,070	3,030	3,254	3,390	3,762	3,472	3,450	3,294			33,459
RV Space, Unfurnished Cabin	2,573	2,407	2,573	2,573	4,588	4,440	4,588	4,588	4,440	3,548			36,318
Total Rooms	19,064	17,656	18,223	16,389	20,956	20,599	21,327	21,750	20,844	20,174	-	-	196,982

Prior YTD 200,462

ROOMS RENTED	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Hotel, Motel	4,921	4,582	4,506	3,106	5,677	9,823	11,815	10,773	11,115	8,952			75,270
Bed and Breakfast	252	149	69	75	310	482	523	1,023	633	425			3,941
House, Townhouse, Condo (1)	1,041	1,043	775	254	855	1,943	2,603	2,136	1,900	1,228			13,778
RV Space, Unfurnished Cabin	728	554	603	603	1,600	3,781	4,480	4,407	4,039	3,039			23,834
Total Rooms	6,942	6,328	5,953	4,038	8,442	16,029	19,421	18,339	17,687	13,644	-	-	116,823

Prior YTD 119,440

DOLLARS	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Hotel, Motel	\$ 22,930.38	\$ 21,580.31	\$ 21,376.32	\$ 13,707.42	\$ 32,411.97	\$ 73,600.66	\$ 104,674.75	\$ 89,821.58	\$ 88,497.66	\$ 57,410.35			526,011
Bed and Breakfast	\$ 1,270.42	\$ 777.13	\$ 408.19	\$ 578.27	\$ 1,698.66	\$ 3,835.61	\$ 5,008.54	\$ 9,444.97	\$ 7,554.68	\$ 4,681.39			35,258
House, Townhouse, Condo (1)	\$ 8,629.94	\$ 8,135.58	\$ 4,772.01	\$ 1,765.22	\$ 7,494.00	\$ 20,539.32	\$ 36,823.34	\$ 26,549.59	\$ 19,889.60	\$ 11,080.57			145,679
RV Space, Unfurnished Cabin	\$ 1,065.09	\$ 800.57	\$ 994.32	\$ 810.22	\$ 3,736.65	\$ 9,599.10	\$ 10,153.07	\$ 9,630.38	\$ 10,508.30	\$ 8,722.46			56,020
Total Dollars	\$ 33,895.83	\$ 31,293.59	\$ 27,550.84	\$ 16,861.13	\$ 45,341.28	\$ 107,574.69	\$ 156,659.70	\$ 135,446.52	\$ 126,450.24	\$ 81,894.77	\$ -	\$ -	\$ 762,968.60

Prior YTD 722,223.08

(1) For a property that is marketed as a stand-alone short-term rental, for which there are no hotel/motel amenities offered.

Data represents rooms for month in which lodging activity occurred.

LOT report and payment are due by 20th of following month.

"Rooms Rented" columns includes exempt rooms.

Excise Tax on Short Term Rentals

Activity Month	2022	2023	2024	% Change from 2023	YTD % Change
January	\$ 27,661.19	\$ 37,085.48	\$ 35,047.88	-5.5%	-5.5%
February	\$ 32,883.88	\$ 27,662.57	\$ 28,192.46	1.9%	-2.3%
March	\$ 28,220.99	\$ 23,074.54	\$ 21,027.21	-8.9%	-4.0%
April	\$ 7,217.41	\$ 6,674.51	\$ 7,558.36	13.2%	-2.8%
May	\$ 23,933.67	\$ 21,653.38	\$ 27,989.28	29.3%	3.2%
June	\$ 72,625.26	\$ 84,017.25	\$ 89,007.15	5.9%	4.3%
July	\$ 109,220.30	\$ 128,885.01	\$ 141,496.13	9.8%	6.5%
August	\$ 90,863.82	\$ 99,257.44	\$ 118,757.19	19.6%	9.5%
September	\$ 83,065.86	\$ 92,170.25	\$ 85,993.81	-6.7%	6.6%
October	\$ 41,028.93	\$ 55,796.90	\$ 47,627.45	-14.6%	4.6%
November	\$ 9,274.82	\$ 13,210.01			
December	\$ 29,333.34	\$ 29,200.58			
Grand Total	\$ 555,329.47	\$ 618,687.92	\$ 602,696.93		

Revenue by Fund	2022	2023	YTD 2024	Cumulative
Affordable/Attainable Housing	\$ 277,664.74	\$ 309,343.96	\$ 301,348.47	\$ 888,357.16
Water Capital Improvements	\$ 138,832.37	\$ 154,671.98	\$ 150,674.23	\$ 444,178.58
Sewer Capital Improvements	\$ 138,832.37	\$ 154,671.98	\$ 150,674.23	\$ 444,178.58
Cumulative Total Raised				\$ 1,776,714.32

Affordable Housing Revenue and Expenses	2022	2023	YTD 2024	Cumulative
Total Raised	\$ 277,664.74	\$ 309,343.96	\$ 301,348.47	\$ 888,357.16
Total Spent	\$ (110,000.00)	\$ (67,849.69)	\$ (132,882.16)	\$ (310,731.85)
Total Remaining	\$ 167,664.74	\$ 241,494.27	\$ 168,466.31	\$ 577,625.31

Average 2024 YTD Income Reported Per Property	\$ 34,341.74
Average 2024 YTD Excise Tax Paid Per Property	\$ 5,151.26

Check Date	Payee	Amount	Description
4/20/2022	Home Trust of Ouray County	\$ 10,000.00	2022 Operating funds
1/4/2023	Home Trust of Ouray County	\$ 100,000.00	734 4th St
2/1/2023	Home Trust of Ouray County	\$ 20,000.00	2023 Operating funds
4/26/2023	Economic & Planning Systems Inc	\$ 3,847.50	Housing needs analysis
5/24/2023	Economic & Planning Systems Inc	\$ 3,505.00	Housing needs analysis
6/7/2023	Buckhorn Engineering	\$ 3,426.25	Cascade Park Geohazard Assessment
7/5/2023	Economic & Planning Systems Inc	\$ 1,557.50	Housing needs analysis
8/2/2023	Economic & Planning Systems Inc	\$ 7,692.50	Housing needs analysis
9/6/2023	Buckhorn Engineering	\$ 6,293.75	Cascade Park Geohazard Assessment
9/27/2023	Economic & Planning Systems Inc	\$ 4,237.50	Housing needs analysis
11/1/2023	Economic & Planning Systems Inc	\$ 1,930.00	Housing needs analysis
11/29/2023	Economic & Planning Systems Inc	\$ 9,257.19	Housing needs analysis
1/23/2024	Economic & Planning Systems Inc	\$ 6,102.50	Housing needs analysis
1/23/2024	Home Trust of Ouray County	\$ 30,000.00	2024 Operating funds
4/17/2024	Ouray County Clerk & Recorder	\$ 382.16	Recording fee
8/28/2024	Economic & Planning Systems Inc	\$ 2,500.00	Housing needs analysis
9/18/2024	Home Trust of Ouray County	\$ 100,000.00	River Walk Rentals

City of Ouray Hot Springs Pool and Fitness Center - Visitor and Revenue Trends

(Source: Point of Sale Software)

VISITORS	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	% change from 2023
January	9,160	9,287	36	9,392	8,553	8,149	4,961	5,258	6,871	7,152	4.09%
February	7,158	9,095	13	7,342	5,970	7,836	4,824	6,660	5,599	5,592	-0.13%
March	10,045	10,087	58	10,468	9,118	3,638	7,697	8,621	7,148	8,426	17.88%
April	5,691	6,195	16	7,048	5,481	-	7,104	5,249	4,693	6,578	40.17%
May	11,798	12,065	2,984	13,346	11,397	-	11,580	9,549	10,602	11,201	5.65%
June	20,970	22,404	18,175	24,764	24,525	1,540	25,977	20,156	23,206	22,419	-3.39%
July	32,485	36,116	37,483	35,943	36,986	6,416	30,994	26,286	32,117	32,654	1.67%
August	22,377	22,353	25,486	23,936	23,274	12,622	22,179	19,101	21,170	20,874	-1.40%
September	14,334	9,258	16,065	16,397	14,833	11,946	13,612	14,652	15,634	15,208	-2.72%
October	7,360	62	9,834	8,771	9,596	10,699	9,368	10,135	11,035	12,238	10.90%
November	6,878	49	7,077	7,043	6,920	4,644	6,782	5,354	6,326	6,851	8.30%
December	7,646	47	10,753	9,046	8,174	4,439	6,317	6,510	8,152		
TOTAL YEAR	155,902	137,018	127,980	173,496	164,827	71,929	151,395	137,531	152,553	149,193	

REVENUE	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	% change from 2023
January	\$ 84,848.13	\$ 85,983.09	\$ 2,189.00	\$ 89,885.46	\$ 95,701.53	\$ 99,306.81	\$ 66,989.85	\$ 63,150.43	\$ 96,783.56	\$ 121,260.10	25.29%
February	\$ 62,350.28	\$ 78,569.69	\$ 724.00	\$ 70,970.13	\$ 65,918.59	\$ 97,215.12	\$ 61,086.55	\$ 85,924.20	\$ 112,926.04	\$ 105,565.18	-6.52%
March	\$ 92,289.88	\$ 84,745.80	\$ 1,012.00	\$ 102,232.15	\$ 108,526.39	\$ 47,810.30	\$ 106,419.45	\$ 126,759.01	\$ 120,467.93	\$ 145,888.18	21.10%
April	\$ 50,940.75	\$ 52,112.54	\$ 2,234.00	\$ 72,957.12	\$ 62,025.47	\$ -	\$ 98,819.49	\$ 152,003.71	\$ 133,097.92	\$ 119,178.58	-10.46%
May	\$ 109,383.77	\$ 108,047.29	\$ 123,474.60	\$ 155,881.40	\$ 138,237.34	\$ -	\$ 162,720.12	\$ 143,279.82	\$ 208,335.74	\$ 275,871.30	32.42%
June	\$ 186,061.57	\$ 211,853.56	\$ 166,974.02	\$ 317,542.31	\$ 311,093.17	\$ 19,273.04	\$ 352,538.72	\$ 321,377.13	\$ 469,321.85	\$ 469,363.01	0.01%
July	\$ 300,620.51	\$ 332,026.16	\$ 479,802.39	\$ 455,519.84	\$ 474,330.32	\$ 74,169.01	\$ 428,489.09	\$ 452,460.99	\$ 646,348.28	\$ 660,284.72	2.16%
August	\$ 194,321.61	\$ 198,465.34	\$ 326,151.96	\$ 308,882.04	\$ 295,953.46	\$ 165,977.58	\$ 312,872.14	\$ 316,183.52	\$ 419,353.80	\$ 423,754.26	1.05%
September	\$ 127,909.15	\$ 80,149.87	\$ 184,807.92	\$ 200,777.07	\$ 188,131.33	\$ 158,666.78	\$ 186,412.51	\$ 238,796.90	\$ 283,459.93	\$ 278,649.03	-1.70%
October	\$ 63,216.05	\$ 2,737.00	\$ 82,537.92	\$ 99,235.68	\$ 120,843.43	\$ 145,302.53	\$ 131,806.01	\$ 170,555.12	\$ 211,284.83	\$ 223,633.93	5.84%
November	\$ 54,218.80	\$ 1,796.25	\$ 62,435.74	\$ 84,885.49	\$ 83,976.37	\$ 58,403.16	\$ 88,639.21	\$ 84,930.60	\$ 107,867.28	\$ 119,193.83	10.50%
December	\$ 74,421.59	\$ 1,957.00	\$ 112,212.40	\$ 111,645.98	\$ 105,050.32	\$ 60,304.81	\$ 79,891.78	\$ 94,844.99	\$ 156,882.10	\$ -	
TOTAL YEAR	\$ 1,400,582.09	\$ 1,238,443.59	\$ 1,544,555.95	\$ 2,070,414.67	\$ 2,049,787.72	\$ 926,429.14	\$ 2,076,684.92	\$ 2,250,266.42	\$ 2,966,129.26	\$ 2,942,642.12	

CITY OF OURAY VISITOR CENTER - REVENUE TRENDS

REVENUES

	2022		2023			2024			Incr./Decr.	24 vs. 23
	Concessions	Non-Profit	Concessions	Non-Profit	OHV	Concessions	Non-Profit	OHV		
January			\$ 228.95	\$ 53.00		\$ 284.11	\$ 25.00	\$ -	\$ 27.16	10%
February			\$ 150.89	\$ 85.95		\$ 438.62	\$ 36.00	\$ -	\$ 237.78	100%
March			\$ 395.38	\$ 4.00		\$ 773.27	\$ 111.00	\$ -	\$ 484.89	121%
April			\$ 403.25	\$ 2.00	\$ 50.50	\$ 713.73	\$ 25.00	\$ -	\$ 282.98	62%
May			\$ 1,098.28	\$ 611.60	\$ 126.25	\$ 2,281.10	\$ 88.00	\$ 126.25	\$ 659.22	36%
June			\$ 1,627.77	\$ 690.75	\$ 202.00	\$ 3,035.75	\$ 498.00	\$ 325.25	\$ 1,338.48	53%
July	\$ 910.80	\$ 215.00	\$ 2,517.75	\$ 664.60	\$ 782.75	\$ 3,369.09	\$ 277.00	\$ 252.50	\$ (66.51)	-2%
August	\$ 1,281.05	\$ 684.85	\$ 2,669.69	\$ 648.85	\$ 378.75	\$ 2,360.70	\$ 387.00	\$ 378.75	\$ (570.84)	-15%
September	\$ 1,814.71	\$ 676.95	\$ 2,834.91	\$ 698.00	\$ 75.75	\$ 3,482.57	\$ 360.00	\$ 277.75	\$ 511.66	14%
October	\$ 1,383.05	\$ 275.00	\$ 1,096.11	\$ 253.00	\$ 227.25	\$ 1,636.08	\$ 225.00	\$ 50.50	\$ 335.22	21%
November	\$ 380.36	\$ 121.00	\$ 354.94	\$ 40.00	\$ -	\$ 160.37	\$ 60.00	\$ -	\$ (174.57)	-44%
December	\$ 516.45	\$ 79.00	\$ 233.25	\$ -	\$ -					
TOTAL \$	\$ 6,286.42	\$ 2,051.80	\$ 13,611.17	\$ 3,751.75	\$ 1,843.25	\$ 18,535.39	\$ 2,092.00	\$ 1,411.00	\$ 3,065.47	
		\$ 8,338.22			\$ 19,206.17			\$ 22,038.39		

percent of sales earning profit

75%

71%

84%

November - December 2024 IT Highlights

- Sound baffles are scheduled to be installed on the Massard and San Juan Room walls on January 13th through January 15th. This should help cut down on the echo.
- Wireless capabilities were added to new TVs installed in Massard and San Juan to be used independent of wired capabilities providing more use cases.
- Migration of endpoint security has started with a recent kickoff meeting. This will take advantage of grant money. The level of security provided will not change. The changes to systems will be rolled out slowly over the next few weeks.
- Accessibility improvements have been verified at the Visit Ouray website. Now, there are 34% of the Critical P1 and Serious P2 items closed for visitouray.com. There are 76% of the Critical P1 and Serious P2 items closed for cityofouray.com.
- Firmware update installed on Massard wall plate with AV integrator instructions to correct a video compatibility issue.
- The new video created by the Tourism department is installed on the Visitor Center tablets.
- Finance Software update was performed by our tech.
- Network Security and controller updates were performed by our tech.
- Servers Security Updates went well this month and were performed by our tech without any issues.

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF OURAY, COLORADO
FOR THE YEAR ENDING DECEMBER 31, 2024
(RESOLUTION NO. 23, 2024)**

WHEREAS, the City Council of the City of Ouray, Colorado, has adopted on December 4, 2023, the annual budget for the fiscal year 2024 in accordance with the local Government Budget Law; and

WHEREAS, the City Council of the City of Ouray, Colorado, has made provision therein for total revenues plus beginning fund balances in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

WHEREAS, it is not only required by law but also necessary to appropriate the revenues and beginning fund balances provided in the budget to and for the funds described below, so as not to impair the operations of the City; and

WHEREAS, the Fellin Park Restroom Project was not completed in 2023 as budgeted and a portion of the project was funded by the Conservation Trust Fund; and

WHEREAS, the project continued into 2024 and the Conservation Trust Fund Balance was \$36,306 at the beginning of 2024; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OURAY, COLORADO, as follows:

That the following sum is hereby appropriated from the revenue and Fund Balance of the Conservation Trust Fund to fund fiscal year 2024: \$ 16,000

ADOPTED this 16th day of December, 2024, by the Ouray City Council.

CITY OF OURAY, COLORADO

By _____
Ethan Funk, Mayor

ATTEST:

Melissa M. Drake, City Clerk

320 6th Avenue
PO Box 468
Ouray, Colorado 81427



970.325.7211
Fax 970.325.7212
www.cityofouray.com

EMPLOYMENT AGREEMENT

This Employment Agreement is made and entered into this 16th day of December 2024 by and between the **CITY OF OURAY**, a Colorado home rule municipality (City) and **MICHELLE METTEER**, (Employee or City Administrator)

WHEREAS, pursuant to the City of Ouray Home Rule Charter, §5.1, City Council desires to appoint and employ the services of Employee for the office of City Administrator of the City of Ouray, Colorado;

WHEREAS, the City and Employee desire to provide for certain benefits, establish certain conditions of employment and set working conditions in this Agreement;

WHEREAS, Employee desires to accept the appointment to the office of City Administrator and be employed under the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the following mutual covenants and conditions the parties agree as follows:

1. Duties. The City herein hires Employee to the office of City Administrator and Employee agrees to perform the functions and duties of the office as specified in City of Ouray Home Rule Charter, § 5.1 and the 2017 job description, both of which are attached hereto as Exhibit A. The City Administrator agrees to perform any other legally permissible and proper duties and functions as the City Council of the City shall from time-to-time assign the City Administrator. Employee shall abide by and uphold the laws set forth in the City Charter, the City of Ouray Municipal Code, Colorado state law, federal law, and any other applicable laws, ordinances, or regulations of the City or State of Colorado, that may be applicable.

2. Term. The City Administrator is an EMPLOYEE AT WILL. Nothing in this Employment Agreement shall prevent, limit, or otherwise interfere with the right of the City Council to terminate the services of the City Administrator at any time or with the right of the City Administrator to resign at any time from the position upon thirty (30) days prior written notice, subject only to the provisions as set forth in Paragraph 5 (Termination and Severance Pay)below.

3. Start Date. Employment as City Administrator shall begin no later than March 1, 2025, and Employee shall move to any location within Ouray County for a period of one year and thereafter reside within the City limits no later than March 1, 2026.

4. Compensation. The City Administrator shall receive an annual base salary of One Hundred Sixty-Five Thousand (\$165,000.00), payable at the same time as other employees of the City. The City Administrator shall receive any COLA increases, the same as other City employees. The process for any increase in annual salary is set forth in Paragraph 8 (Performance Evaluation) below.

5. Termination and Severance Pay. The City Administrator may be terminated by the City Council at any time, with or without cause. It is understood that in the event the City Administrator is terminated for cause, or because of a conviction of any illegal act involving personal gain to the City Administrator, or because of a conviction of any felonious act or due to any act of moral turpitude or dishonesty, the City shall have no obligation to pay any severance pay.

6. Severance Pay. In the event of the termination of the City Administrator by the City Council for any reason other than those set forth in paragraph 5, including but not limited to non-appropriation of funds pursuant to Paragraph 23, the City Administrator shall be entitled to receive three (3) months' severance pay, which shall not include any benefits. This severance pay shall be for the three (3) months immediately following the City Administrator's last working day and shall be paid in one lump sum.

7. Voluntary Resignation. In the event the City Administrator resigns, the City Administrator shall not be entitled to any severance pay or to any other benefit provided under this Employment Agreement.

8. Performance Evaluation. The City Council shall, six (6) months from Start Date, or as soon thereafter as convenient, review and evaluate the performance of the City Administrator. Thereafter, the City Administrator's performance shall be reviewed and evaluated on an annual basis on the anniversary date of the first evaluation, or as soon thereafter as convenient. Following such review, the City may, at the sole discretion of the City Council, increase said salary and/or other benefits of the City Administrator in such amounts and to such extent as the City Council may determine that it is desirable to do so on the basis of a review of performance of the City Administrator.

9. Criteria for First Review. The first review and evaluation shall be based upon the criteria set forth in Exhibit A. Thereafter reviews and evaluations shall be in accordance with any criteria jointly developed by the parties.

10. Cell Phone. The City shall provide the City Administrator with a cell phone for use in the performance of duties.

11. Vacation and Sick Time. The City Administrator shall receive and accrue sick leave time and vacation leave time during the term of employment at the same rate as

applicable to other City employees. The City Administrator will begin employment with 40 hours of vacation leave time and will accrue vacation leave time beginning at the rate of a one (1) year employee as identified in the City's Personnel Handbook. Upon termination of employment with the City, the City Administrator shall be paid for accrued paid time off in the same manner as provided for other City Employees by the City Personnel Policies and related policies.

12. Holidays. The City Administrator shall receive paid holidays during the term of employment the same as applicable to other regular City employees.

13. Insurance. The City Administrator shall be entitled to receive the same health, dental, disability, life, and other insurance coverage as set forth under the terms of the group insurance coverages provided by the City to all employees. The City Administrator must meet the terms and conditions required by the individual carriers to receive said coverage.

14. Retirement. The City pays an amount equal to three percent (3%) of the City Administrator's base salary into the Colorado County Officials and Employees Retirement Association (CCOERA), matching the three percent (3%) contribution made by the City Administrator (such three percent contribution of the City Administrator being mandatory). No contribution shall be made by the City if no contribution is made by the City Administrator.

15. Other Terms and Conditions of Employment. The City Council shall fix such other terms and conditions of employment, as it may determine from time to time, relating to the performance of the City Administrator, provided such terms and conditions are not inconsistent with the provisions of this Employment Agreement, the Colorado State Statutes, the Charter of the City or the Municipal Code of the City.

16. Personnel Regulations. Except as otherwise provided herein, the City Administrator is subject to the provisions contained in the City's Personnel Regulations and entitled to all other benefits according to a full-time employee, as that term is defined in the Personnel Regulations.

17. Exempt Employee. The City Administrator shall receive no compensatory time for performing the duties hereunder as her position is a key one and exempt. It is recognized that the Employee is expected to devote substantial time outside normal office hours and more than forty (40) hours per week to City business.

18. Dues and Subscriptions. The City agrees to budget and pay for reasonable professional dues and subscriptions of the City Administrator necessary for his participation in national, regional, state, and local associations and organizations necessary and desirable for continued professional participation, growth, and advancement, and which are for the good of the City. The City also agrees to budget and pay for necessary travel expenses for the City Administrator to adequately pursue official and other functions for the City. By way of example, such functions include, but are not limited to, meetings and conferences of the Colorado Municipal League.

19. Rental Assistance. At the request of the City Administrator, the City shall provide the City Administrator with rental assistance during the initial twelve (12) months of employment of \$1,000.00 per month, reimbursable and payable to the City Administrator upon satisfactory proof of expenditure.

20. Housing Loan.

A. Loan. At the request of the City Administrator, the City shall provide to the City Administrator a housing loan. The housing loan shall be in the amount of up to Two Hundred and Fifty Thousand Dollars (\$250,000.00) to be used as a down payment on a purchase of real property within the limits of the City. City Administrator shall not be entitled to rental assistance if a loan is approved. Once a loan is approved the City agrees that City Administrator may refinance a first mortgage to obtain a better interest rate and the City will subordinate to the new loan. If the City Administrator should desire to sell one real property and purchase another within City limits, the money owed to the City pursuant to the promissory note at the time of the sale (less any loan money that has been forgiven pursuant to sub-part C (Repayment of Loan) below) shall be placed in escrow with the title company upon the sale of the first home. Such amount of principal and interest held in escrow shall be due and payable in full to the City by the City Administrator if not used to purchase another real property within six months.

B. City's Lien. Should the City Administrator accept a housing loan from the City, the City shall have, and is hereby granted, a lien against the residence purchased by the City Administrator (Residence) to secure payment of any amounts due to the City pursuant to this Employment Agreement (City's Lien). The City's Lien shall be superior to all other liens and encumbrances except the following: (i) real property ad valorem taxes and special assessment liens duly imposed by any Colorado governmental or political subdivision or special taxing district; (ii) liens given superior priority by operation of law; and (ii) the lien of any First Mortgage against the Residence. For purposes of this Employment Agreement, "First Mortgage" means a deed of trust or mortgage which is recorded senior to any other deeds of trust or liens against the Residence to secure a loan used to purchase the Residence made by a mortgagee. The City shall have the right to file and record in the land records of Ouray County such notices and other information necessary to constitute record notice and perfection of the City's Lien. Upon perfection of the City's Lien, the City shall have all the rights that a mortgage holder may have against the Residence, including, without limitation, the right to judicially foreclose upon the Residence. The City shall be entitled to file such notices and other information necessary to preserve its rights, as a lienor, to cure and redeem in foreclosure of the Residence, as provided by C.R.S. § 38-38-101, et seq., and any other applicable law.

C. Repayment of Loan. The housing loan shall be repaid by the City Administrator to the City as follows:

i. Twenty percent (20%) of the principal amount of the loan shall be forgiven following the initial five (5) full years of employment with the City as the City

Administrator.

ii. An additional Twenty percent (20%) of the principal amount of the loan shall be forgiven each full year of employment following the initial five (5) full years of employment, so that the entire housing loan shall be forgiven, in accordance with this schedule, following ten (10) full years of employment with the City as the City Administrator.

iii. In the event the City Administrator's employment with the City is terminated, for any reason, prior to achieving ten (10) full years of employment with the City, then the amount of the housing loan not forgiven pursuant to the terms of sub-parts i and ii, above, shall become due and payable by the City Administrator to the City, with interest at prime rate on the date of the purchase of the real property, per annum, on the total amount due (the amount of the housing loan not forgiven) from the date the housing loan was paid by the City until payment in full is made by the City Administrator to the City. Such amount of principal and interest shall be due and payable in full by the City Administrator within six (6) months of such termination of employment.

iv. The City Administrator shall execute all documents necessary to document the housing loan as set forth herein, including, but not limited to, a promissory note and deed of trust. Said loan and deed of trust may be subordinated by the City to a single first mortgage, at the request of the City Administrator.

21. Moving Expenses. The City Administrator shall be reimbursed, or the City may pay directly, up to the sum of Four Thousand Dollars (\$4,000.00) for expenses incurred by the City Administrator in moving a domicile in conjunction with employment with the City. Said expenses shall include the costs of packing, moving, unpacking, storage, and insurance costs, and will be reimbursed upon satisfactory proof of expenditure so long as Employee commences work on or before March 1, 2025.

22. Constitutionality. The parties hereto do not intend this Employment Agreement to be a multiple fiscal year financial obligation within the meaning of Article X, Paragraph 20 of the Colorado Constitution, and this Employment Agreement shall be interpreted so as to avoid any such meaning.

23. Compliance with Article X, Paragraph 20 of the Colorado Constitution. It is the intent of the City and the City Administrator to comply with the provisions of Article X, Paragraph 20 of the Constitution of the State of Colorado, including subparagraph 4(b). Therefore, the parties agree that this Employment Agreement is subject to an annual appropriation by the City Council and that the failure to make such appropriation, unless such action is the result of a termination for cause pursuant to Paragraph 5 (Termination and Severance Pay) hereof, will be deemed a termination without cause. The parties further agree and acknowledge that the City has established an adequate present cash reserve pledged irrevocable and held for future payments, if required, in an amount sufficient to pay any severance compensation required under Paragraph 6 (Severance Pay) of this Employment Agreement. To the extent additional amounts are required to fund any

potential increase in such severance compensation in any future year, the failure to appropriate such additional reserve shall also be deemed a termination without cause.

24. Limitations on Professional Activities. The City Administrator shall not engage in any non-City Administrator employment activities for compensation without the express written consent of the City Council. It is the intent of the parties that this Employment Agreement is for full-time employment. Participation in professional organizations and voluntary programs are encouraged provided they are consistent with the responsibilities of the City Administrator.

25. Indemnification. The City Administrator shall be defended and indemnified in any action undertaken in his official capacity pursuant to all insurance coverage maintained by the City and pursuant to the terms of the Colorado Governmental Immunity Act. The City Administrator shall, however, not be indemnified for any act or omission that is willful and wanton as those terms are defined in the Colorado Governmental Immunity Act.

26. Entire Agreement. This Employment Agreement contains the entire agreement of the parties, and may be amended, waived, changed, modified, extended or rescinded only by a writing signed by the party against whom any such amendment, waiver, change, modification, extension or rescission is sought. In addition, this Employment Agreement shall be binding upon and inure to the benefit of the heirs, representatives, and assigns of the City Administrator.

27. Agreement Severable. If any provision or portion of this Employment Agreement is held to be unconstitutional, invalid, or unenforceable, the remainder of this Employment Agreement shall be deemed severable and shall remain in full force and effect.

28. Governing Law. This Employment Agreement shall be governed by and construed in accordance with the laws of the State of Colorado. For the resolution of any dispute arising hereunder, venue shall be in the Courts of the County of Ouray, State of Colorado.

IN WITNESS WHEREOF, the parties have caused this Employment Agreement to be signed and executed on the day and the first year above written.

CITY OF OURAY,

By: _____
Ethan Funk, Mayor

CITY ADMINISTRATOR

By:  _____
Michelle Metteer

Attest:

By: _____
Melissa M. Drake, City Clerk

**INTERGOVERNMENTAL AGREEMENT BETWEEN
TOWN OF RIDGWAY, CITY OF OURAY, AND OURAY COUNTY,
ESTABLISHING AN AFFORDABLE HOUSING SERVICES ADMINISTRATOR**

THIS AGREEMENT is entered into effective this ____ day of _____, 2024, by and between: the Town of Ridgway, Colorado (Ridgway); and the City of Ouray, Colorado (Ouray), both of which are home rule municipalities within Ouray County, Colorado; and Ouray County, Colorado (County), a statutory county in the State of Colorado, (collectively the Parties or individually the Party).

Purpose of Agreement

- A. Article XIV, Section 18(2)(A) of the Colorado Constitution, and C.R.S. § 29-20-101 enable the Parties to enter into Intergovernmental Agreements (IGA) and authorize each of the Parties to perform the functions described herein, as provided in C.R.S. § 29-20-105.
- B. Intergovernmental Agreements that provide functions or services, including the sharing of costs of such services or functions, by political subdivisions of the State of Colorado, are specifically authorized by C.R.S. § 29-1-203 and encouraged in order that the inhabitants of such political subdivisions may thereby secure high quality governmental services. Any such agreement shall set forth fully the purposes, powers, rights, obligations, and the responsibilities, financial and otherwise, of the contracting parties. C.R.S. § 29-1-203(2). Any such agreement may provide for the joint exercise of the function, service, or facility, including the establishment of a separate legal entity to do so. C.R.S. §29-1-203(4).
- C. C.R.S. § 29-32-105(3)(d)(II), titled “Affordable Housing Commitments,” further provides, “Regional partnership is encouraged. Local governments . . . may enter into written agreements . . . that allow each jurisdiction to receive partial credit towards the local government’s growth requirements for the purpose of calculating whether the local government . . . has met the requirements of subsection (1) of this section. The sum of the total units credited to the local governments . . . shall not exceed the number of units produced through the collaboration.”
- D. The Parties recognize the need for fiscal, policy, legal, and administrative benefits for entering into this Agreement, and hereby want to memorialize such understanding herein, due to: (1) the limited initial supply of affordable housing within their jurisdictions; (2) the need to pool total initial baseline and housing increase numbers among all Parties with the potential for upcoming affordable housing projects that may occur sporadically as specific projects come online under Proposition 123; (3) increasing development pressures coupled with a severe lack of affordable housing for the local workforce and local community; and (4) the benefits of collaborative pooling of any available fiscal, legal, policy, and administrative expertise and resources among the Parties in furtherance of mutually beneficial affordable housing objectives.
- E. C.R.S. § 29-26-101(1)(c) further provides that, “As an initial step in fostering the establishment of affordable housing dwelling unit programs that will satisfy the housing

needs of all the residents of a particular jurisdiction, it is appropriate for the general assembly to authorize local governments to establish affordable housing dwelling unit advisory boards.” This type of formal advisory board may be established by ordinance, under C.R.S. § 29-26-103(1).

- F. C.R.S. § 29-26-104.5(8) provides that a multi-jurisdictional housing authority “established by contracting member governments shall, if the contract so provides, be the successor to any nonprofit corporation, agency, or other entity theretofore organized by the contracting member governments to provide the same function, service, or facility, and such authority shall be entitled to all the rights and privileges and shall assume all the obligations and liabilities of such other entity under existing contracts to which such other entity is a party.”

In consideration of the covenants and conditions contained herein and the mutual benefits to be derived hereby, the Parties agree as follows.

I. DEFINITIONS

1. Administrator: Affordable Housing Services Administrator
2. Affordable Housing: Defined in C.R.S. § 29-32-101(2), as amended.
3. Agreement: This Inter-Governmental Agreement.
4. County: Ouray County
5. Ouray: City of Ouray
6. Ridgway: Town of Ridgway
7. Local Government Executives: The Ouray County Manager, Ridgway Town Manager, and Ouray City Administrator, or designee(s).
8. Parties: County, Ouray, and Ridgway.

II. AFFORDABLE HOUSING SERVICES ADMINISTRATOR

1. **Affordable Housing Services Administrator.** The Parties agree that in the interests of promoting affordable housing availability and the efficient administration of affordable housing projects and services in the unincorporated Ouray County, in the City of Ouray, and in the Town of Ridgway, this Agreement hereby creates a joint Affordable Housing Services Administrator (“Administrator”). The Administrator shall perform the duties and functions as prescribed herein and such other duties and functions as may from time to time be required by the Local Government Executives and/or the Parties’ governing bodies, and as more fully described in the Administrator Scope of Work in Exhibit A, and which is fully incorporated into this Agreement. The Parties agree that the Administrator may also provide services specific to Ouray, Ridgway, or Ouray County that do not overlap with the combined affordable housing needs of the Parties, and that any such services shall be identified in the Scope of Work or a separate addendum between the Administrator and any Party or Parties.
 - a. **Role.** The Administrator is a separate entity and is not an employee of Ouray, Ridgway, or the County. The Administrator shall perform its duties under this Agreement and the

Scope of Work, as may be amended, as an independent contractor and not as an employee of the County, Ouray, or Ridgway. Neither the Administrator nor any employee of the Administrator shall be deemed to be an agent of any of the Parties, unless as specifically authorized herein. The Administrator and her/his employees are not entitled to unemployment insurance or workers' compensations benefits through the Parties, and the Parties shall not pay for or otherwise provide such coverage. The Administrator shall provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, and the Administrator shall be solely responsible for its acts and those of its employees and agents.

b. Finances and Accounting.

- i. *Budget.* The Administrator shall annually consult and cooperatively work with the Local Government Executives and the Parties' governing bodies, to prepare proposed budgets for the Parties relating to affordable housing services in their respective jurisdictions, and/or on a shared central basis. The Local Government Executives, upon reviewing the annual work plan and budget as presented by the Administrator, shall decide whether to recommend, modify, and/or deny the adoption of the work plan and/or budget to the Parties' governing bodies.
- ii. *Affordable Housing Funds Provided.* The Administrator shall annually consult and cooperatively work with the Local Government Executives to ensure the proper care and custody of all Administrator funds, the prompt payment of all obligations of the Administrator, and the keeping of regular books of accounts showing receipts and expenditures of the Administrator. The Administrator shall render to the Local Government Executives and the Parties at their regular meetings as requested, for annual renewals, or sooner if requested, an account of Administrator transactions and also of the financial condition of the Administrator funds, in order to prepare budget requests and/or for other purposes.
- iii. *Accounting, Payroll, and Audit.* All accounting, payroll, and audit services for the Administrator shall be performed by an independent entity or entities approved by the Local Government Executives.
- iv. *Cost sharing.* For each fiscal year that this Agreement is in effect, the Parties shall engage in cost-sharing of one-third (1/3) per Party of Central Duties, described more fully in Exhibit A below, unless as otherwise determined in any amendment to this Agreement and/or any applicable service contract between the Parties and the Administrator. This shall include services provided under this Agreement for such normal operating expenses as guidelines development, qualifying applicants, enforcement, property management, and other items as more fully described in the Operations section below and the Administrator Scope of Work in Exhibit A, as may be amended.
- v. *Payment.* Each Party shall pay for services described herein to the Administrator, subject to the execution of a separate professional services agreement (i.e. service contract) between the Parties and the Administrator, following procurement of the Administrator. Each Party shall approve any increases to the expense budget.
- vi. *Reconciliation.* On or before June 15 of each fiscal year, the actual Administrator operations for the immediately preceding fiscal year may be reviewed by each

Local Government Executive with the Administrator to determine any necessary final reimbursements (and therefore, necessary supplemental appropriations of monies by the Parties) as a result of any non-budget appropriation of Administrator expenditures, in excess of any specified “not-to-exceed” maximum contractual amounts. The Parties may, but are not required to, make all necessary appropriations within a reasonable time to reconcile the final appropriations of each entity.

c. Operations – see also, Administrator Scope of Work, Exhibit A.

- i. *Strategic Plan and Annual Work Plan/Budget*. In the first year of this Agreement, the Administrator will work with the Local Government Executives to create a strategic plan defining the overall mission, vision, values, and key objectives of the Administrator. The strategic plan may be ratified by the Parties’ respective governing bodies and shall be updated at least every five (5) years. Changes to the strategic plan may also be ratified by the Parties’ respective governing bodies. Pursuant to the approved strategic plan, the Administrator, working with the Local Government Executives, shall prepare an annual work plan and budget that specifies goals, tasks, responsible employees or entities, timelines, and required budget for the operations of the Administrator. The annual work plan and budget shall include a summary detailing progress made in the implementation of objectives set forth in the Administrator’s strategic plan, including an estimate of hours needed, and an hourly rate, for all services provided under this Agreement. The annual work plan and budget shall also include an overall not-to-exceed budget for services provided. Following the initial approval of the annual work plan by the Local Government Executives, the Administrator shall then meet with the Parties’ respective governing bodies to finalize any Annual Work Plan and requested budget. The Annual Work Plan shall be presented in August for the following calendar year and shall be the basis of the Administrator and Local Government Executives’ funding request to each Party’s respective governing bodies. The Administrator shall provide detailed financial reporting and accounting to the Local Government Executives and to the Parties’ respective governing bodies. See Scope of Work, Exhibit A.
- ii. *Affordable Housing Guidelines*. If the Parties do not already have Affordable Housing Guidelines in place, the Administrator and Local Government Executives may develop Affordable Housing Guidelines, if necessary, that apply to the administration of affordable housing services under this Agreement, subject to review by the Local Government Executives and/or Parties. If approved Guidelines already exist, the Administrator shall review the Guidelines when necessary, including updates and recommendations for changes that:
 - 1) Identify category qualifications for ownership and rental housing within Ouray, Ridgway, and/or the unincorporated property of the County for the population segments identified by the Administrator as required by existing agreements and land use regulations.
 - 2) The Local Government Executives shall review the Affordable Housing Guidelines, including deletions and additions, as submitted by the Administrator. Final approval of guideline changes shall be recommended by

the Local Government Executives, and approved, modified, or denied by the respective governing bodies of the Parties.

2. **Affordable Housing Services Administrator Selection and Immediate Contact Points.**

The Parties hereby designate the County Manager, Ouray City Administrator, and Ridgway Town Manager, as the Local Government Executives. The Local Government Executives will be responsible for procuring the Administrator, providing support and guidance to the Administrator, and serving as a liaison between the Parties and the Administrator throughout the duration of the Administrator's term. The Local Government Executives shall be responsible for the following duties:

- a. **Request for Proposals.** Following the initial effective date of this Agreement, the Local Government Executives shall confer and submit a request for proposals ("RFP") for the Affordable Housing Services Administrator. The Local Government Executives may, but are not required to, submit any proposed RFP to any Party's governing body for approval and/or other input, prior to its issuance. The RFP shall include a description of Administrator functions and duties as more fully described in the Scope of Work in Exhibit A, and shall request any proposals to submit an approximate percentage of Administrator's time spent for each sub-item (A through E) in the Scope of Work, as may be amended. The initial term for the Administrator's service contract contemplated by the Parties will be for one (1) year, which may renew for additional term(s) as described herein.
- b. **Procurement, Selection, and Contracting.** The procurement of the Administrator shall be in accordance with the Ouray County Policy and Procedure Manual for Purchasing and Contracting. Ouray County shall issue a Request for Proposals (RFP) for Administrator Services, subject to approval of the Local Government Executives. The Local Government Executives shall review proposal(s) submitted and recommend selection to the Parties' governing bodies. Services for the Parties shall begin upon final execution of a service contract between the Parties and the Administrator.
- c. **Program Support.** During the first year, the Local Government Executives shall meet informally with the Administrator on a regular basis to provide and/or request support and guidance in program development and the administration of affordable housing services and to ensure that the goals of this Agreement are being implemented. The Local Government Executives and Parties' governing bodies shall provide additional support and guidance as needed or requested.
- d. **Advice and Oversight.** The Local Government Executives shall reasonably and regularly monitor and review the Administrator's activities, including grant management and Proposition 123 compliance. The Local Government Executives shall have access to any information or documents necessary from the Administrator to perform its duties. The Local Government Executives and Administrator may update the Parties' governing bodies at reasonable intervals and upon the request of any Party.

3. **Term-Withdrawal.** The term and withdrawal provisions applicable to this Agreement are as follows:

- a. *Initial term and Renewal.* The term of this Intergovernmental Agreement shall be from the effective date hereof through December 31, 2025, and shall automatically renew for successive one-calendar-year periods thereafter, subject to the appropriation and availability of funding. As part of any annual renewal, the Parties shall specify in a writing signed by the County Manager, City of Ouray Administrator, and the Town of Ridgway Manager any mutually agreed upon modifications to this Agreement necessary to accomplish the Services identified herein, including any updated financial requirements. The deadline for any modifications shall be as soon as reasonably practicable, in accordance with the Annual Work Plan and Budget requirements in Section 1.c.i, but may also require modifications to the service contract between the Parties and the Administrator.
 - b. *Withdrawal.* Any Party may terminate this Agreement, with or without cause, upon thirty (30) days' written notice to the other Parties.
 - c. Notwithstanding the one-year term of this agreement, given the ability of any Party to opt out, participation in this Agreement shall not constitute a multiyear fiscal obligation.
4. **Legal Assistance.** The Administrator may retain independent legal counsel, as needed, for day-to-day consultation and legal advice. The Parties are not financially obligated for any legal services rendered to the Administrator, unless such obligation was approved in writing by any applicable Party, in consultation with the Parties' respective Attorney(s), and was made prior to the provision of such legal services. The Parties may, but are not required to, furnish additional legal assistance for matters that affect the Parties' rights, obligations, and duties, including but not limited to grievances, appeals, exemptions and/or exceptions authorized or determined by the Parties' governing bodies.
5. **Affordable Housing Dwelling Unit Advisory Board.** The Parties agree and acknowledge that the creation of an Affordable Housing Dwelling Unit Advisory Board may be a shared future potential goal and that any such jointly established advisory board may later supplement the role of the Affordable Housing Services Administrator and the Parties. Specifically, Colorado law provides, "To further the purposes of this article, as specified in section 29-26-101, the governing body of any local government may, by ordinance, establish an affordable housing dwelling unit advisory board. Any such board or similar entity in effect prior to July 1, 2001, shall continue to be in full force and effect after that date." C.R.S. § 29-26-103(1).
6. **Multi-Jurisdictional Housing Authority.** The Parties agree and acknowledge that the creation of a Multi-Jurisdictional Affordable Housing Authority between the Parties may be a shared future potential goal and that any such Housing Authority may be the successor-in-interest to the Administrator entity and functions specified herein, if authorized contractually and legally by the Parties. The Parties may, but are not required to, authorize contracting with a nonprofit entity to perform the functions of the Administrator, in furtherance of these potential goals. Specifically, C.R.S. § 29-26-104.5(8) provides that a multi-jurisdictional housing authority "established by contracting member governments shall, if the contract so provides, be the successor to any nonprofit corporation, agency, or other entity theretofore organized by the contracting member governments to provide the

same function, service, or facility, and such authority shall be entitled to all the rights and privileges and shall assume all the obligations and liabilities of such other entity under existing contracts to which such other entity is a party.”

III. SPECIAL PROVISIONS

7. **Assignability**. This Agreement is not assignable by any party.
8. **Modification of this Agreement**. Except as otherwise provided herein, this Agreement may be changed or modified only in writing by an agreement approved by the Board of County Commissioners, Ouray City Council, and the Ridgway Town Council, acting separately and signed by authorized officers.
9. **Entire Agreement**. This Agreement contains the entire and only agreement between the Parties, and no oral statements or representations regarding this matter which are not contained in this Agreement shall be of any force or effect between the Parties.
10. **Severability**. Should any one or more sections or provisions of this Agreement be judicially adjudged invalid or unenforceable, such judgment shall not affect, impair, or invalidate the remaining provisions of this Agreement, the intention being that the various sections and provisions hereof are severable.
11. **Notice**. Any notice required or permitted under this Agreement shall be in writing and shall be provided by electronic delivery to the email addresses set forth below and by one of the following methods: 1) hand-delivery; or 2) registered or certified mail, postage pre-paid to the mailing addresses set forth below. Each party by notice sent under this paragraph may change the address to which future notices should be sent. Electronic delivery of notices shall be considered delivered upon receipt of confirmation of delivery on the part of the sender. Nothing contained herein shall be construed to preclude personal service of any notice in the manner prescribed for personal service of a summons or other legal process.

To: Ouray County
County Manager
P.O. Box C
Ouray, CO, 81427
chunt@ourayco.gov

With copies to:
Ouray County Attorney
P.O. Box C
Ouray, CO 81427
lcaselli@ourayco.gov

To: City of Ouray
City Administrator
320 6th Ave.
P.O. Box 468
Ouray, CO 81427

With copies to:

To: Town of Ridgway
Town Manager
P.O. Box 10
Ridgway, CO 81432
pneill@town.ridgway.co.us

With copies to:
Town Attorney
152 Colorado Ave.
Montrose, CO 81402
bo@coloradowestlaw.com

12. **Governmental Immunity and Insurance.** The Parties agree and understand that each Party is relying on and does not waive, by any provision of this Agreement, the monetary limitations or terms or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, C.R.S. 24-10-101, et seq., as from time to time may be amended or otherwise available to the parties or any of their officers, agents, or employees. No term or condition of this Agreement shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions contained in these statutes and other applicable law.
13. **Current Year Obligations.** The Parties acknowledge and agree that any payments provided for hereunder or requirements for future appropriations shall constitute only currently budgeted expenditures of the parties. The Parties' obligations under this Agreement are subject to each individual party's annual right to budget and appropriate the sums necessary to provide the services set forth herein. No provision of this Agreement shall be construed or interpreted as creating a multiple fiscal year direct or indirect debt or other financial obligation of either or both parties within the meaning of any constitutional or statutory debt limitation.
14. **Binding Rights and Obligations.** The rights and obligations of the Parties under this Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns.
15. **Waiver.** The waiver by any party to this Agreement of any term or condition of this Agreement shall not operate or be construed as a waiver of any subsequent breach by any party.
16. **No Third-Party Beneficiaries.** Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give any person other than the Parties hereto, any right, remedy or claim, under or by reason of this Agreement.
17. **Governing Law.** This Agreement shall be governed by the laws of the State of Colorado, both as to interpretation and performance. The courts of the State of Colorado shall have exclusive jurisdiction to resolve any disputes arising out of this Agreement and venue for any action shall be in the District Court in and for Ouray County, Colorado.
18. **Dispute Resolution.** If a disagreement or dispute arises between the Parties, the Parties shall attempt to confer and resolve the matter informally in good faith, and then the matter shall be submitted to mediation. The mediation shall be conducted by one mediator selected by the Parties, who will share the costs equally, subject to the appropriation and availability of funds.

19. **Attorney Fees and Costs.** If legal action is necessary to enforce any of the provisions of this Agreement, each Party shall be responsible for their own costs, expenses, and reasonable attorney fees.

20. **Confidentiality Clause.** The Parties intend to require the Administrator to hold confidential commercial, financial, proprietary, or other confidential or privileged information, under confidentiality pursuant to the terms of a service contract executed between the Parties and Administrator.

21. **Approval and Ratification.** This Agreement may be executed in counterparts, electronically or otherwise, which shall be fully binding upon the Parties.

IN WITNESS WHEREOF, the Parties have executed this agreement effective the date first above written.

TOWN OF RIDGWAY:

John Clark, Mayor
Date Signed: _____

Attest:

Pam Kraft, Town Clerk

CITY OF OURAY:

Ethan Funk, Mayor
Date Signed: _____

Attest:

Melissa Drake, City Clerk

OURAY COUNTY:

Chair, Board of County Commissioners
Print Name: _____
Date Signed: _____

Attest:

_____, Deputy Clerk

AFFORDABLE HOUSING SERVICES ADMINISTRATOR SCOPE OF WORK – EXHIBIT A

ADMINISTRATOR ROLE. The Administrator is a separate nonprofit, private entity and is not an employee of Ouray, Ridgway, or the County. The Administrator shall perform its duties under this Agreement and the Scope of Work, and any additional service contract between the Parties and the Administrator, as may be amended, as an independent contractor and not as an employee of the County, Ouray, or Ridgway.

ADMINISTRATOR DUTIES AND SERVICES

I. FINANCES, STRATEGIC PLAN, AFFORDABLE HOUSING GUIDELINES, AND REPORTING.

These functions are further described in Section 1 above.

II. CENTRAL DUTIES. The Administrator shall perform the following duties and services for the Parties:

A) Affordable Housing Program Administration, Information, and Inventory Management

- i. “One-stop shop.” Serve as a local presence for homebuyers and renters to be a “one-stop shop” for affordable housing information and applications in Ouray, Ridgway, and within the unincorporated County.
 - a. Develop and maintain public website with information and resources.
- ii. Affordable Housing Program
 - a. Fines and Fees. Subject to approval by the Parties, the Administrator shall review the fine and/or fee schedules at least once every five (5) years and shall submit any recommended changes to the fine and/or fee schedule to the Parties.
 - b. Buyer/Renter Qualification. Develop qualification requirements for housing projects.
- iii. Property Inventory. Develop and maintain inventory of any City, County, Town and/or special district property that may be suitable for Affordable Housing development.
- iv. Housing Inventory. Develop and maintain inventory of all deed restrictions, ground leases, rent controls and other Affordable Housing cost control mechanisms. Identify necessary cost control measures, and other necessary contingencies or similar measures for ongoing operational and maintenance expenses for rentals.

B) Deed Restriction Management and Compliance

- i. Oversight. Oversee the day-to-day administration of deed restrictions and guidelines.
- ii. Administration. Administer and/or enforce the guidelines and deed restrictions in accordance with fair housing standards and other requirements. Grant reasonable accommodations. Ongoing compliance and

verification checks and measures. Require employment verification, including third-party verification of self-employed applicants, if necessary. Work with the Parties in the event of a violation, to determine the appropriate enforcement measures and/or compliance actions. Certify business owner(s) who own a housing unit.

- iii. Exceptions, Exemptions, and Appeals. Review and determine and/or recommend any exceptions in the form of applications to modify deed restrictions, including permitting capital improvement requests. Review requests for exemptions, prepare an impact report, and approve or deny or recommend the same. Review any grievances with the actions of the Administrator and prepare response(s) to the same.
- iv. Workforce Housing Program Management and Certification. Certify essential response, health care, school district, or government personnel, and government employees.
- v. Household leave of absence. Review and determine whether to approve written requests for household leaves of absence.
- vi. Qualification. Perform application qualification screenings. Hire outside accounting expertise to evaluate household income and assets, if necessary.
- vii. Lottery and Buyer Selection. Oversee lottery process and point ranking system; select buyer.
- viii. Sale and Resale. Ensure that initial sale and/or resale processes are in accordance with the deed restriction, ground lease, or other cost control measures. Determines Maximum Sales Price (MSP).

C) Grant assistance, application, and management. The Administrator shall assist the Parties in identifying, applying for, managing, complying with, and reporting requirements for any affordable housing grants, or specific housing initiatives. The Administrator shall also provide individuals with any relevant grant information after consultation with the Parties or Local Government Executives and as otherwise allowed by law and the applicable service contract between the Parties and the Administrator.

D) Homebuyer Education. Facilitate homebuyer education classes required for first time homebuyers through Housing Resource of Western Colorado or other applicable partner(s). Host classes designed to offer prospective buyers some fundamental knowledge about the home-buying process. It could cover various topics, including budgeting, lending, down payment assistance, real estate processes, homeowners' associations, and post-purchase information. Beyond the class, the administrator could provide prospective buyers with resources designed to educate individuals interested in purchasing a home and provide specific guidance on navigating the complexities of deed-restricted properties.

E) Proposition 123 compliance and reporting

- i. Perform or arrange for required housing needs assessments as required (every 3 years).

- ii. Assist in petitioning for higher Rural Resort AMIs (140%), or other AMI update(s).
- iii. Advise on other Proposition 123 compliance requirements, including “fast track”, available at: <https://engagedola.org/prop-123#:~:text=Compliance,units%20by%203%25%20each%20year>.

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**MEMORANDUM OF UNDERSTANDING
BETWEEN
OURAY COUNTY
and
CITY OF OURAY**

RE: 2025 Operational Funding Requests, Road and Bridge Apportionment from County to City, and Future Goals

THIS MEMORANDUM OF UNDERSTANDING is entered into this 10 day of December 2024, by and between the City of Ouray, State of Colorado hereinafter referred to as ("City") and the County of Ouray, State of Colorado, hereinafter referred to as ("County").

WHEREAS, the City and the County agree that it is in the best interest of the constituency to work together on various efforts; and

WHEREAS, the City and the County are authorized by C.R.S. 29-1-203 to enter into agreements to provide or share and cooperate on functions, services and facilities; and

WHEREAS, the City and the County recognize that the tasks and objectives of this Memorandum of Understanding are aspirational in nature rather than binding contractual commitments;

NOW THEREFORE, the City and the County agree to share and cooperate on the following matters, in consideration of the mutual budget requests listed below:

1. OPERATIONAL FUNDING REQUESTS:

The City is requesting funding from the County for the following:

Ambulance Bay Payment: \$3,062 (cash payment)

The County is requesting funding from the City for the following:

Wireless Emergency Notification System/Emergency Management Services and Emergency Public Telecommunications (Repeater/Antenna Mgt. and Repair): \$6,000 (cash payment)

Sharing the cost of the Victims Services Program: \$11,475.96 (cash payment) [The total remaining cost not covered by the VOCA and VALE Grants, is \$34,427.87 - split three ways (City/Town/ County)]

2. ROAD AND BRIDGE APPORTIONMENT TO CITY FROM COUNTY:

Road and Bridge Apportionment Payment \$42,956.71 (cash payment)

3. FUTURE GOALS:

Both parties agree to work together in good faith towards the following: The

City desires:

That appropriate County offices and services continue to be maintained and provided within the City of Ouray, subject to the need for efficient delivery of County services. The City expressed the desire to provide resources if necessary to ensure this goal. The County will communicate and seek input from the City. The City desires County support in grant applications for water treatment and wastewater processing and to help facilitate any permitting processes.

The County desires:

- Collaboration between the County and City to assess organizational needs as it may relate to the usage of County and City properties located in and around the City of Ouray
- Support and input from the City concerning the County's Master Planning process
- Participation in the Multi-Jurisdictional, Multi-Hazard Plan (County lead agency and Fiscal Agent)
- Participation in Community Wildfire Protection Plan (County lead agency and Fiscal Agent)

2025 Collaborative Efforts:

- Agree to work together on regional transportation and transit issues including issues related to CDOT activity
- Continued support by City and County for Mountain Rescue
- Affordable Housing: Collaborate on building new permanently-affordable rentals and for-sale homes, improving existing affordable housing.
- Work collaboratively to share Short Term Rental / Enforcement information and work collaboratively on policies for Short Term Rental / Enforcement
- Coordinate efforts regarding energy efficiency programs and renewable energy

- Work together on child care needs within Ouray County
- Work together on mental health needs within Ouray County
- Support the utilization of Emergency notification system as needed
- Collaboration on county-wide GIS services
- Collaboratively work together on strategies and planning regarding water resources for all county stakeholders
- Collaboration on forest health issues in and around the City of Ouray
- Collaborate on all hazard mitigation efforts including but not limited to wildfires, flooding, rockslides and rock-fall incidents, avalanches, etc.
- Work together on broadband efforts
- Work collaboratively with Multi-agency Coordination group on emergency management
- Continue to ensure the utilization of the same dispatch service
- Continue to work together on county-wide economic development, coordination of recreational opportunities and future, potential public health crises
- Continue to work together regarding communication
- Collaboration on Victim's Assistance Grant and Victim Advocate for Ouray County
- Cooperate on construction/restoration projects that include fee waivers, inspections, permitting, etc.
- Look for efficiencies by and through shared resources when possible
- Work collaboratively on severance tax/mining industry issue to encourage housing within Ouray County and its municipalities
- Work collaboratively towards optimizing revenues from mining production
- Agree to provide courtesy agenda notifications and packet items for information and packet-sharing for topics or land use proposals of mutual interest that may affect both the City and County
- Work collaboratively to begin exploring a possible unified County-wide unified fire and ambulance district
- Collaborate on regional environmental sustainability efforts, including participation on the Sneffels Energy Board
- Continue to collaborate on balancing recreation, conservation, and working lands through the ORRCA Project
- Work together on sustainability of the new OurWay commuter route that connects Montrose, Ridgway and Ouray.

4. **TERM:**

This Memorandum of Understanding provides for agreement to cooperate and collaborate, as provided herein, for calendar year 2025. The parties agree to review this Memorandum of Understanding in September of 2025 for revision and reconsideration for the 2026 budget year. Both the City and the County understand and agree that budget requests may or may not be funded and are subject to availability of funds, which availability may be altered by unanticipated events at any time. The City and the County each agree to work cooperatively on the items specified in good faith, but failure to successfully complete any project will not be grounds for litigation. There is no waiver of governmental immunity by either party.

EXECUTED on this _____ day of _____, 2024.

**CITY OF OURAY
OURAY, COLORADO**

Mayor

ATTEST:

Melissa Drake, Director of Finance
And Administration

**BOARD OF COUNTY COMMISSIONERS
OURAY COUNTY, COLORADO**


Michelle Nauer, Chair

ATTEST:



Cristy Lynn, County Clerk and Recorder

Meeting Date: December 16, 2024

TO: City of Ouray
FROM: Lois Major, Special Counsel to the Ouray Homes, LLC
DATE: December 10, 2024
RE: Consideration of an Exception Request authorization for an Unconventional Loan for CARE Access Colo I, LLC related to purchase of Lot 1 and Lot 21, Waterview Ouray Homes Subdivision
ATTACHED: 1. Exception Request Application Form
2. Commitment Letter RSF, dated July 24, 2024
3. Ouray Waterview Homes Affordable Housing Regulations and Guidelines, §11

Background: Lot 1 and Lot 21, Waterview Ouray Homes Subdivision, also known as 100 Namichi Way and 192 Namichi Way, (“Property”), are the two homes built specifically for use as a Family Child Care Home Unit (“FCCH Unit”). The City of Ouray approved the purchase of both FCCH Units by CARE Access Colo I, LLC, (“CARE”), a Qualified Owner Entity, for long-term lease to a child care provider who would use the FCCH Unit as a licensed childcare facility. The lease will include an opportunity for the tenants to purchase the property from CARE after at least two years of successful tenancy, subject to the terms of the deed restriction on the homes.

RSF Social Investment Fund, Inc., a California Not-For-Profit, (“RSF”), provides loans that help businesses and nonprofits address the world’s most urgent challenges. This fund is supported by a community of more than 1,300 investors. RSF has done its due diligence and has committed to provide mortgage financing to CARE after the purchase is initially made with all cash. Please see the Commitment Letter, attachment #2.

Exception Request: CARE needs an exception to Guideline Standard: §9.2 to execute the nonconventional loan.

Guideline Standard: The applicable guideline Standard is **§ 9.2 *Lenders and Mortgages.*** *Borrowers are restricted to either conventional or government guaranteed mortgages with a fixed rate from commercial banking and lending institutions authorized to engage in mortgage lending practices in the State of Colorado. All other mortgages will require an Exception from HA prior to purchase of a Housing Unit.*

The reasoning behind the requirement to have a conventional or government loan is spelled out in §9.1

9.1 Purpose. *RH intends to meet the following goals in the facilitation of individual mortgage financing for Housing Units:*

9.1.1 *Protect the public investment and regulatory integrity of RH in the short and long term;*

9.1.2 *Minimize financial and other risks to HA and RH by prohibiting excessive debt or other obligations from being secured by Housing Units;*

9.1.3 *Minimize the chance that Owners will create a financial risk for HA through creation of debt or other secured obligations against their Housing Unit; and*

9.1.4 *Increase the potential financing opportunities for Applicants and Owners.*

Further, §9.2 requires the lender to be authorized to engage in mortgage lending practices in the State of Colorado. Lenders are subject to a wide variety of state and federal laws and regulations. Colorado requires traditional lenders to individual homeowners to have a state license to provide owner-occupied mortgages in part because it ensures they are subject to that state's consumer protection laws.

Reason to Grant the Exception: CARE is an institutional purchaser and unable to secure a conventional mortgage. As you can see in the Commitment Letter, both the purchaser and lender are sophisticated participants in the transaction and not a traditional first-time home buyer that needs the protection of the Guidelines. Additionally, RSF is a well-respected social investment fund. Both parties have agreed to submit to the jurisdiction of the courts of San Francisco County, State of California and will not need the protection of the Colorado consumer protection laws.

The exception meets the general policy goal of providing high quality homes that will remain affordable for working residents and their families who make a living primarily from employment in Ouray County boundaries, and whose income and assets are below certain targeted limits, and who choose to be part of the local community.

The Exception meets the following review standards:

11.1.3.2.a Promotes greater affordability through decreasing the long-term operating and maintenance costs of the Housing Unit in question; enabling the Exception Applicant to take advantage of a financing opportunity that would not be available without the Exception; and/or, protecting the long-term affordability of the Housing Unit through a price control or other similar means.

11.1.3.2.b Promotes or recognizes the long-term commitment of the Exception Applicant to residency, employment, and community involvement within the County in which the Housing Unit is located or provides housing for a critical community need.

Possible Actions:

1. If the City is in favor of granting the exception, the following action is recommended.

NOTE: Council person must make the following findings of fact to grant the exception:

- Applicants meet meets the general RH policy goals.
- Applicants meet meets the following review standards: 11.1.3.2.a and 11.1.3.2.b.
- Proposed lending arrangement meets the concerns stated in §9.1.
- This Exception is not prohibited by §11.1.4.

MOTION: Based on the above findings of fact, I move to grant the exception to Guideline §9.2.

2. Should the City not be in favor, no motion is required.

**Ouray Waterview Homes Lottery
Loan Exception Request**

1. All Applicants must sign and date affidavit below.
2. Exceptions shall only be considered for the following: Co-Borrower or Non-Conventional Loan

Name(s) of Applicant(s): _____ Phone no. _____

Email address(es): _____

Affidavit

I/we, _____, hereby declare, under penalty of perjury, that the following is a true statement:

1. I/we need an Exception for: Co-Borrower Non-Conventional Loan

2. Explain why the Exception is needed:

Please provide the following documents:

Non-Conventional Loan

Loan Documents

Co-borrower on Loan

Letter from lender stating:

- lender is requesting approval of a Co-Borrower Contract on behalf of the Purchaser;
- stating the Co-Borrower's name and whether the Co-Borrower is a family member or not; and,
- stating that a Co-Borrower is necessary for the Purchaser to qualify for a loan for the purchase of the property.

Signed Co-Borrower Agreement (to be signed at closing)

Applicant Signature

Date

Printed Name

Phone

Applicant Signature

Date

Printed Name

Phone



PO Box 2007
San Francisco, CA 94126

Revised Commitment Letter Update Term Loan

July 23, 2024

Mission Driven Finance
2245 San Diego Avenue, Ste 121
San Diego, California 92110
Attention: David Lynn, Co-Founder and CEO

Dear David,

RSF Social Investment Fund, Inc., a California Not-For-Profit (“SIF” or “Lender”) is pleased to offer a loan (the “Loan”) to CARE Access SD CA I, LLC and all TBD entities (“Borrowers”) as described in this commitment letter (this “Commitment Letter”) under the terms and conditions summarized below under “Summary of Terms and Conditions”, which are not intended to set forth all of the provisions that are customarily required by Lender in transactions of the type described herein. The terms and conditions of the Loan will be further developed and expanded during Lender’s due diligence and the preparation and negotiation of a definitive loan and security agreement, guaranties, promissory notes and other documents (collectively, the “Loan Documents”). The definitive rights and duties of Borrower and Lender will be more particularly described in the Loan Documents. If there is any conflict between the provisions of the Commitment Letter and the provisions of the Loan Documents, the provisions of the Loan Documents will control.

Summary of Terms and Conditions

Borrowers:	CARE Access SD CA I, LLC, a California limited liability company; additional borrowers will be added to the Loan with the same obligations, responsibilities, etc. as each theretofore named borrower (codified through “joinder” provisions)
Guarantor:	CARE Access Real Estate Investments, PBC Liability of Guarantor limited to \$5,000,000 <i>plus</i> enforcement/collection costs incurred by RSF.
Loan Amount:	Up to \$5,000,000
Purpose:	Working capital to acquire and renovate residences and childcare centers that will be leased to qualified childcare providers through the CARE program.
Term:	42 months from closing date (first 24 months interest only)
Advances/Draws:	Advances will be limited to 65% of the purchase price of each property or 55% of the projected total cost to acquire and renovate the property (which properties will also serve as collateral for the loan until such time as they are resold or

Invest. Give. Get Funding.

refinanced).

Each property shall include at least 7.5% of sources from equity, which includes grants, but excludes junior debt, convertible debt, or any other debt/equity-like instrument. RSF may waive this requirement for any project during review of property diligence.

At no time shall the loan proposed to be made to any property be greater than 80% of the purchase price, excluding renovation, construction, and associated development costs, without prior approval by RSF.

Required documentation prior to each advance includes:

For properties valued over \$750,000/all commercial properties

- Appraisal
- Phase One
- Market Survey for the region where the property is being acquired prepared within the previous 12 months
- Proforma for property being acquired showing renovation costs and projected monthly lease income once complete
- Title company date-down for property being acquired
- Written documentation confirming environmental low risk

For properties valued under \$750,000

- Broker's Opinion of Value (whatever their term for this was)
- Market Survey for the region where the property is being acquired prepared within the previous 12 months
- Proforma for property being acquired showing renovation costs and projected monthly lease income once complete
- Title company date-down for property being acquired
- Written documentation confirming environmental low risk Okay.

Interest Rate:

A fixed rate per annum equal to RSF Prime + 0.75% as of the loan closing date, computed for the actual number of calendar days elapsed on the basis of a year consisting of 360 calendar days.

For reference, as of the date of this commitment letter, RSF Prime is 6% through the period ending September 30, 2024. RSF Prime is the rate determined by RSF in consultation with RSF's community of borrowers and investors, which rate is adjusted quarterly and published at rsfsocialfinance.org.

Amortization:

Following the expiration of the Interest Only Draw Period, Lender to create amortization schedule of 20-25 years. The amortization period will be based on the actual and projected operating performance of all properties financed.

**Per Property
Reconveyance Fee:**

\$200 will be charged for each property sold to a qualified childcare provider or refinanced by a different lender.

Mandatory Paydown:

If a property is sold to a qualified childcare provider or refinanced by a different lender, Borrower is obligated to pay down the full amount that was advanced from this facility toward the acquisition and renovation of that property.

- Payment:** Interest Only Period: For 24 months following the closing date, monthly payments of interest only due on the 1st day of each month, or the first business day thereafter.
- Principal and Interest Period: Following the expiration of the Interest Only Period, monthly payments of principal and interest due on the 1st business day of each month.
- Collateral:** First position UCC-1 filing on all business assets of CARE Access SD CA I, LLC and all TBD borrowers.
- Pledge of equity interests in each Borrower as evidenced by CARE Access Real Estate San Diego, LLC (CIC) and all future CARE Access Real Estate [TBD], LCC (CIC) to pledge to RSF its equity interests in each Borrower.
- Deed of trust and assignment of rents on each property purchased by CARE Access SD CA I, LLC and all TBD borrowers.(Borrower to cover recording costs at time of each acquisition.)
- Other Collateral and/or Credit Enhancements:** Debt Service Reserve: Borrower will cause \$900,000 to be deposited and maintained for the life of the loan, for purposes of maintaining a debt service reserve, either at RSF in the form of an interest bearing account pledged to, and subject to the control of, RSF, OR at a different financial institution acceptable to RSF in the form of an account pledged to, and subject to the control of, RSF (advance rates may apply).
- Deposit:** A "good faith" deposit in the amount of \$10,000 is required with this countersigned updated commitment letter. At closing, this deposit will be applied in full to the Origination Fee and other fees and expenses due and payable by Borrower, along with the \$25,000 that has already been received.
- Fees and Expenses:** Origination Fee: 1 % of the Loan Amount
- Processing Fee: \$2,500.00
- Reimbursable Expenses: Borrower is responsible for all out-of-pocket costs incurred by RSF including outside legal costs, escrow fees, recording fees or charges, credit check and background search fees, UCC and other lien search and filing fees, site visit expenses, and/or appraisal or field audit costs, as applicable.
- Late Charge:** \$50 charge on each payment not received within 10 days of the applicable due date.
- Default Interest Rate:** Upon default, the then applicable Interest Rate shall increase by an additional 5%. Default includes but is not limited to any failure to make a payment when due.

Financial Reporting:

1. Borrowers' quarterly financial statements (including balance sheet, income statement and cash flow statement) due within 60 days after each quarter-end. (SPV financials to include financials for all associated holding companies.)
2. Borrowers', CICs'; CARE Access Real Estate Investments, PBC & CARE Investment Partners, LP audited annual financial statements due within 120 days after year end.
3. Borrowers', CICs'; CARE Access Real Estate Investments, PBC & CARE Investment Partners, LP filed IRS tax return due within 30 days after filing due date.
4. Borrowers', CICs'; CARE Access Real Estate Investments, PBC & CARE Investment Partners, LP annual budget and financial projections due within 30 days after beginning of each fiscal year.
5. Annual completion of RSF's Impact Assessment Survey.

Covenants:

RSF's standard Borrower covenants, including but not limited to the covenants listed below.

Negative Covenants:

1. Except in the ordinary course of business and subordinated indebtedness acceptable to RSF, no additional indebtedness or encumbrances/liens at any time without RSF's prior approval.
2. Except for property renovations covered by the loan purpose, no capital expenditures without RSF's prior approval.
3. No distributions by Borrower to principals or shareholders above those required for compliance with REIT status in the aggregate in any fiscal year without RSF's prior approval.
4. No secured indebtedness in the Guarantor without RSF's prior approval.

Affirmative Covenants:

1. **Debt Service Coverage Ratio.** Borrower to maintain a debt service coverage ratio equal to or greater than 1.25:1, measured at the end of each fiscal quarter as the ratio of (i) the sum of the net operating income (operating income less operating expenses) for each Eligible Property annualized based on the three months prior to the date of calculation to (ii) the sum of the current portion of Borrower's long term indebtedness under this Agreement for the 12 months following the date of calculation, plus interest expense payable for the same period. For avoidance of doubt, for the calculation of the current portion of Borrower's long term indebtedness for the fiscal year, any capital events that reduce the principal balance of such indebtedness (including without limitation, any Mandatory Prepayments) shall be netted out of such indebtedness. (See Mandatory Prepayment.)
2. **Liquidity / Minimum Cash Availability.** Guarantor to maintain "cash availability" of at least \$1,000,000, measured quarterly as the sum of all cash, cash equivalents, liquid investments, callable investor capital, and callable lines of credit *plus* availability under this loan. As properties to be purchased with loan proceeds become operational, Lender will be open to a stepped decrease and/or elimination of the liquidity covenant. The Debt Service Reserve described in the 'Credit Enhancement' section does not apply toward this covenant.

As part of RSF's approval and documentation process, additional covenants (or material modifications to the covenants listed above) may be required; any such additions or modifications shall not affect the terms of the "Deposit" section above.

Events of Default:

RSF's standard defaults, including but not limited to non-payment, breach of covenant or agreement, inaccurate or false representations and warranties, failure to maintain non-profit status, fraud, insolvency, bankruptcy, change of control, cessation of business, transfer of property (including the Collateral), material adverse change in Borrower or collateral, defective collateralization, and defaults with respect to any other creditors and counterparties.

This loan shall be cross-defaulted with any other loans made by RSF to Borrower or its affiliates.

Conditions Precedent to Closing and Disbursement of Loan Proceeds:

1. Completion of RSF's underwriting, credit, due diligence and legal review and approval processes.
2. Execution of shared Guaranty Agreement, satisfactory to RSF, with CARE Access Real Estate Investments, PBC
3. Set up and funding of \$900,000 Debt Service Reserve account.
4. See page 2 of this commitment letter for proposed advance requirements.
5. Receipt of CARE Access SD CA I, LLC; CARE Access Real Estate San Diego, LLC (CIC); and Care Access Real Estate Investments, PBC entity documents, satisfactory to RSF.
6. Execution of Pledge Agreement, or similar, for CARE Access Real Estate San Diego, LLC (CIC), satisfactory to RSF.
7. Borrower's completion of the RSF Impact Assessment.
8. No material adverse change in Borrower or the Collateral following the date of this commitment letter.
9. Execution and/or delivery of all loan and other documentation required by RSF, to be set forth on RSF's "Closing Documentation Checklist".

The above list of conditions precedent is a preliminary list, and will be updated as part of RSF's approval and documentation processes.

Expiration:

This Commitment Letter expires on July 26, 2024 if not accepted by Borrower.

The transactions contemplated by this Commitment Letter are expressly contingent upon and subject to, among other things, (i) the satisfactory completion of Lender's legal due diligence, (ii) the negotiation, execution and delivery of Loan Documents that are satisfactory to Lender, (iii) all information concerning the financial condition and business prospects of Borrower and the existence, quantity and value of the collateral for the Loan, that has been or will be made available to Lender in connection with the transactions contemplated hereby being complete and correct in all material respects and not containing any untrue statement of a material fact or omitting to state a material fact necessary in order to make the statements contained therein not misleading, and (iv) the satisfaction of the conditions precedent contained in the Summary of Terms.

LENDER SHALL NOT BE RESPONSIBLE OR LIABLE TO BORROWER OR ANY OTHER PERSON OR ENTITY FOR ANY PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES WHICH MAY BE ASSERTED AS A RESULT OF AN ALLEGED BREACH OF THIS COMMITMENT LETTER OR THE LOAN DOCUMENTS OR ARISING OUT OF OR RELATED TO ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY SUIT, ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATED TO THIS LETTER TO THE TRANSACTION DESCRIBED IN THIS LETTER, OR THE ACTIONS OF LENDER IN THE NEGOTIATION, PERFORMANCE OR ENFORCEMENT HEREOF. THE COMMITMENT LETTER SHALL BE GOVERNED IN ALL RESPECTS BY THE LAWS OF THE STATE OF CALIFORNIA, WITHOUT REGARD TO ITS CONFLICTS OF LAW PROVISIONS. IF THERE IS A LAWSUIT ARISING OUT OF THIS COMMITMENT LETTER, BORROWER AGREES UPON LENDER'S REQUEST TO SUBMIT TO THE JURISDICTION OF THE COURTS OF SAN FRANCISCO COUNTY, STATE OF CALIFORNIA.

This Commitment Letter may be executed in any number of counterparts which, taken together, shall constitute one original and is solely for the benefit of Borrower and Lender, and no provision hereof shall be deemed to confer rights on any other person or entity, and shall be governed by and construed in accordance with the laws of the State of California without regard to principles of conflicts of law. This Commitment Letter embodies the entire agreement and understanding between the parties hereto in respect of the transactions contemplated hereby and supersedes all prior negotiations, understandings, commitments and agreements between such parties in respect of the transactions described herein. This Commitment Letter and Lender's commitments hereunder are solely for the benefit of Borrower, and no other person or entity shall be deemed to be a third party beneficiary hereof and shall not be assignable by Borrower without the prior written consent of Lender. No condition or other term of this Commitment Letter may be waived or modified, except for a writing signed by the parties.

This Commitment Letter will be deemed effective upon (i) Lender's receipt of a counterpart of this letter signed by an authorized officer of Borrower on or before the close of business of 26 July 2024 and (ii) receipt by Lender of the Good Faith Deposit, in immediately available funds. After this Commitment Letter becomes effective, this Commitment Letter may be terminated (together with all obligations of Lender hereunder) (i) prior to August 26 2024 (the "Expiry Date") by mutual written agreement of the parties or (ii) at any time by Lender, if any condition precedent contemplated by this Commitment Letter or the Loan Documents has not been satisfied by the Expiry Date. This Commitment Letter shall terminate automatically by the Expiry Date unless otherwise agreed in writing by Lender and Borrower. The indemnification provisions of this Commitment Letter shall survive any termination of this commitment, except to the extent that this Commitment Letter is superseded by the duly executed Loan Documents.

If the foregoing terms and conditions are acceptable to you, please indicate your acceptance by signing this letter where indicated below and returning to the undersigned.


Very truly yours,

A handwritten signature in black ink that reads "Amy Bird". The signature is written in a cursive, flowing style.


Amy Bird
Senior Manager, Social Enterprise Lending

ACCEPTED AND AGREED AS OF July 24, 2024:

CARE Access SD CA I, LLC (signature here is by its operating entity)

By: 
Name: David Lynn
Title: Manager

CARE Access Real Estate Investments, PBC

By: 
Name: David Lynn
Title: Manager

OURAY WATERVIEW HOMES
AFFORDABLE HOUSING REGULATIONS AND GUIDELINES

Approved by the Colorado Attorney General and DOLA
and Adopted by the City of Ouray on January 16, 2024, as Exhibit E to the CITY OF OURAY
DEVELOPMENT AGREEMENT, OURAY HOMES, LLC

EXCERPT:

11. EXCEPTIONS, APPEALS AND GRIEVANCES.

All applications for Exceptions and Appeals and all Grievances shall be reviewed on a case-by-case basis as provided for as follows.

11.1. Request for Exception.

11.1.1 Request must be presented in writing to Committee on forms available from Committee, and must include a fully completed Request for Exception Form, including:

11.1.1.1 The particular ground(s) upon which the Exception is based; and

11.1.1.2 The action or remedy requested; and

11.1.1.3 The name, mailing and electronic addresses and telephone number of the exception Applicant and similar information of exception Applicant's representative, if any; and

11.1.1.4 Exception fee payment (see Appendix E).

11.1.2 Process. All requests for Exceptions will be reviewed by Committee for completeness and handled administratively ("Administrative Exceptions").

11.1.2.1 Prior to consideration, Committee shall prepare a written report analyzing the impact of the Exception on the Housing Program. Committee shall distribute a copy of the report to the Applicant requesting the Exception and shall make the report available to the public.

11.1.3 Standards for Review of Exception Applications. Applicants desiring an Exception must demonstrate, and the Committee must find:

11.1.3.1 That the Exception meets the general RH policy goals; and

11.1.3.2 That the Exception meets one or more of the following review standards:

11.1.3.2.a Promotes greater affordability through decreasing the long-term operating and maintenance costs of the Housing Unit in question;

enabling the Exception Applicant to take advantage of a financing opportunity that would not be available without the Exception; and/or, protecting the long-term affordability of the Housing Unit through a price control or other similar means.

11.1.3.2.b Promotes or recognizes the long-term commitment of the Exception Applicant to residency, employment, and community involvement within the County in which the Housing Unit is located or provides housing for a critical community need.

11.1.3.2.c Provides increased livability or durability in materials, finishes, fixtures or appliances or useful increased square footage (which shall not include “luxuries”).

11.1.3.2.d Creates living space for an additional member of the Household while maintaining the Income Tier for the Housing Unit

11.1.3.2.e Enables a Household to own and occupy a Housing Unit more suitable to the Household’s needs; or

11.1.3.2.f. Enables the Household to respond to life circumstances that arise beyond the reasonable control of the Household (such as need to care for an Elderly or Household member who is Individual with a Disability).

Limits on Authority: There are situations in which exceptions are not allowed. Guidelines §11.1.4 specifies the 5 situations in which no exception shall be granted. They are listed below:

11.1.4 Exceptions shall not be granted:

11.1.4.1 To Applicants who have been issued a Notice of Violation and who remain in violation of provisions of applicable Deed Restriction or of the Guidelines.

11.1.4.2 To an Unqualified Household to purchase a Housing Unit if there is a Qualified Household that can purchase the same Housing Unit. However, if the Owner has shown a bona fide advertisement effort which shall be no less than forty-five (45) days in duration and no Qualified Household presents itself, an Exception may be considered for the Unqualified Household.

11.1.4.3 To increase the total debt against the Housing Unit in excess of the OPP.

11.1.4.4 To Households whose Net Assets exceed three times the Maximum Sales Price of the Housing Unit.

11.1.4.5 To Households whose income is in excess of 120% AMI.



**AMENDMENT TO CITY OF OURAY DEVELOPMENT AGREEMENT
OURAY HOMES, LLC**

85009682

CITY OF OURAY, COLORADO, a home-rule municipality under the laws of the State of Colorado and OURAY HOMES, LLC, a Colorado charitable limited liability company, pursuant to City of Ouray, Colorado Resolution 18 (Series 2024), adopted by City on November 18, 2024, hereby amend that certain Development Agreement dated January 16, 2024, and recorded on November 21, 2024, at Reception No. 238266 in the office of the Ouray County, Colorado, Clerk and Recorder, by replacing Appendices F and G therein with the attached Appendices F and G.

CITY OF OURAY, COLORADO

OURAY HOMES, LLC

Carol A. Viner
Carol A. Viner, Atty. Reg. No. 33676
Attorney for City of Ouray

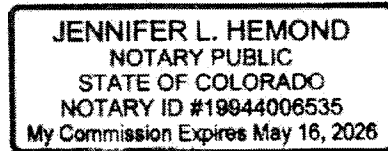
Paul Major
Paul Major, Manager

STATE OF COLORADO
COUNTY OF MONTROSE

The foregoing affidavit was subscribed to and sworn to before me this 21st day of November, 2024, by Carol A. Viner, as attorney for City of Ouray, Colorado.

Witness my hand and official seal.

Jennifer L. Hemond
Notary Public



STATE OF COLORADO
COUNTY OF EAGLE

The foregoing affidavit was subscribed to and sworn to before me this _____ day of November, 2024, by Paul Major as Manager of Ouray Homes, LLC.

Witness my hand and official seal.


Notary Public

**AMENDMENT TO CITY OF OURAY DEVELOPMENT AGREEMENT
OURAY HOMES, LLC**

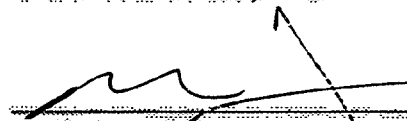
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OURAY HOMES, LLC



Carol A. Viner, Atty. Reg. No. 33676
Attorney for City of Ouray




Paul Major, Manager

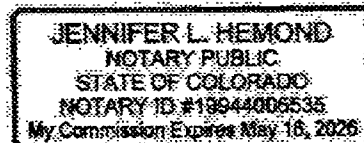
STATE OF COLORADO
COUNTY OF MONTROSE

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Witness my hand and official seal.



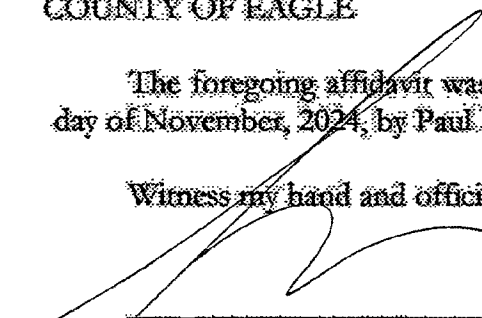
Notary Public



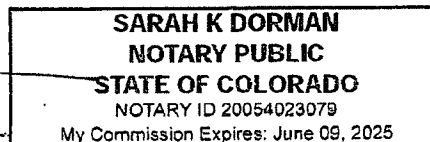
STATE OF COLORADO
COUNTY OF EAGLE

The foregoing affidavit was subscribed to and sworn to before me this 21st day of November, 2024, by Paul Major as Manager of Ouray Homes, LLC.

Witness my hand and official seal.



Notary Public



Appendix F:

**FIRST AMENDED OPERATIONS AGREEMENT AND COVENANT
Provider for Family Child Care Home Unit
(Ouray Waterview Homes)**

This First Amended Operations Agreement and Covenant (the "Agreement") is made and entered into this ____ day of _____, 2024 (the "Effective Date"), by and between the City of Ouray ("City"), a Colorado home rule municipality, with an address of PO Box 468, Ouray, CO 81427 and Ouray Homes, LLC, ("Developer") PO Box 4222, Telluride, CO 81435, their successors or assigns, and with [__OWNER__], an individual with an address of _____ ("Provider" or "Declarant") (each a "Party" and collectively the "Parties").

WHEREAS the Ouray Waterview Homes ("OWH") is a newly constructed, for-sale employee affordable housing neighborhood located in the City of Ouray;

WHEREAS the ownership and occupancy of all OWH housing units are subject to the Deed Restriction and Covenant Agreement Ouray Waterview Homes PUD, City of Ouray, ("Covenant") and the Ouray Waterview Homes Affordable Housing Regulations and Guidelines ("Guidelines").

WHEREAS City may delegate any obligations and designate authority under this agreement to the City of Ouray Housing Committee or to the Administrator.

WHEREAS prior to its construction, City and Developer determined to build one or more housing units in OWH for use as a Family Child Care Home Unit ("FCCH Unit") for the purpose of selling such unit to a qualified occupant who would use the unit as a licensed childcare facility to serve local families in need of such service ("Provider").

WHEREAS Provider has been qualified by the Developer and Administrator to own and occupy an OWH housing unit and will execute the Covenant at closing.

WHEREAS City desires to contract with a qualified family childcare home Provider for the provision of this childcare service out of the FCCH Unit who also qualifies to own and occupy an OWH housing unit pursuant to the Covenant and Guidelines.

WHEREAS City and Developer have engaged Bright Futures, a Colorado nonprofit corporation and designated by the State of Colorado as an Early Childhood Council and is also the Family Resource Center for Ouray County, who operates as an early childhood council and family resource center and has the expertise needed to advise Parties regarding the use and occupancy of the FCCH Unit, including identifying a qualified provider.

WHEREAS Provider has been prequalified by Bright Futures, to the extent possible, approved by the City, and qualified by the Administrator as meeting the provisions of the Covenant and Guidelines to operate the FCCH Unit for its intended purpose as a family childcare home.

WHEREAS Parties agree that community needs may evolve and change over time and that the FCCH Unit may better serve the community by providing expanded or different services; and

WHEREAS the Parties intend to work cooperatively to maintain the FCCH Unit in good standing and to meet the needs of the community and to support the Provider professionally and personally when circumstances demand.

Now, therefore, for and in consideration of the mutual promises and covenants contained here, the Parties mutually agree as follows:

1. **Capitalized Words.** Capitalized words and terms used in this Agreement are as defined in the Covenant and Guidelines unless otherwise defined herein.
2. **Early Childhood Council (ECC).** ECC is an entity established by the Colorado General Assembly in House Bill 07-1062. ECCs are designated by the State to increase and sustain the quality, accessibility, capacity, and affordability of early childhood programs and services for young children 0-5 years and their families. Further an ECC is directed to develop and implement a comprehensive system of early childhood services to ensure the school readiness of children in the areas of early care and education, family support, mental health, and health.
3. **Bright Futures.** Bright Futures is a Colorado not-for-profit corporation who is an ECC and had entered an MOU with Developer to fulfill the terms of the Agreement.
4. **Ownership of FCCH Unit.** Subject to the terms and conditions contained herein, Provider hereby covenants and agrees to operate a Family Child Care Home business on the following premises: [INSERT ADDRESS] ("Facility").
5. **Binding Agreement.** Parties intend, declare, and agree that the regulatory and restrictive covenants set forth herein governing the use of the FCCH Unit described and provided for herein shall be and are hereby covenants running with the land and are intended to be and shall be binding upon the Declarant and Beneficiaries and their successors in addition to the Covenant and Guidelines unless terminated in accordance with §6.b.
6. **Term and Termination.**
 - a. *Term:* Provider agrees to operate the Facility as provided in Section 8 for a minimum of ten (10) continuous years ("Minimum Term").
 - b. *Termination.* After fulfilling the Minimum Term, Provider may continue to operate the facility subject to Section 8, operate the Facility at a lower capacity, or discontinue the business without violating this Agreement.
 - c. *Failure to operate* the business for the Minimum Term as required by §6.a) may result in a default and require Owner-Provider to sell and vacate the Housing Unit. City and Bright Futures will work with Provider to ensure a smooth transition. See §10.
 - d. In the event Bright Futures ceases to exist and/or operate as described, Parties shall enter into a substantially similar agreement with its successor entity.

7. **Use and Occupancy as a Residence.** The FCCH Unit shall be occupied only by Provider, Provider's Household members, including any Qualified Tenants, and Provider's clients, and shall be used only as a primary residence and licensed family childcare home as further set forth in this Section and in Section 8.
- a. *Temporary Occupancy Guests.* Guests that stay in the unit more than five (5) days in any given month shall be considered occupants, must be registered with City, shall be subject to terms of this Agreement, and must qualify with City subject to this Section.
 - b. *Excluded Persons.* An Excluded Person is a person who has been prohibited from entering the Facility or OWH by City or Court order. Provider shall not invite or allow Excluded Persons on the Facility.
 - c. *Ongoing Qualification.* Prior to occupying the Facility for residential purposes, all adult occupants (18 years of age or older) shall be qualified according to the Covenant and Guidelines' Qualification Policy for OWH, unless part of the Provider's Household, and must execute a separate lease as required by the Covenant and Guidelines. Provider shall not sublet any part of the Facility nor assign this Agreement, or any interest therein, without the written consent of City. Provider shall remain qualified under the Covenant and Guidelines and according to City's Qualification Policy for the Facility Section 8.a. Failure to maintain ongoing compliance with this Agreement shall constitute a material breach of the Covenant and Guidelines.
8. **Use and Occupancy as a Licensed Family Child Care Home.** The Facility shall be occupied only by the Provider and Provider's clients, and other authorized personnel.
- a. *Provider Qualifications.* The Provider represents that they are a duly licensed family childcare home operator under all applicable regulations in the State of Colorado or that they have substantially met the Rural Homes Early Childhood Initiative and Ouray Provider Selection Process & Criteria and are on track to become duly licensed as a family childcare provider in the State of Colorado. Provider agrees to operate the Facility in compliance with such laws and regulations. The provider shall supply to City acceptable documents of licensing within three days of such request, and such documentation shall be kept current at all times.
 - b. *Eligibility of Clients, Waiting List and Priority.* The Facility shall be used primarily for children of families who work within the boundaries of Ouray County. Priority categories may be developed and instituted in conjunction with Bright Futures and could include categories such as families receiving benefits through Colorado Child Care Assistance Program (CCCAP), low income and hard to serve families, and Waterview neighborhood families, among others. Enrollment to the Facility will be based on an application and interview process. Provider shall maintain a waiting list for the Facility, if applicable.
 - c. *Dates and Hours of Operation.* Provider shall operate Facility for a minimum of 1,200 hours per year with a minimum of four (4) unique children per year. The Facility shall be

open to the Provider's clients on a regular basis and as contractually obligated to those clients.

- d. *Signs.* Provider shall not erect, maintain, or permit any temporary or permanent sign on the Facility except as specifically approved in writing by City. Any approved sign shall comply with any applicable sign code.
 - e. *Provider use of Facility.* The provider shall not use or permit the Facility to be used for any unlawful use, commit or permit waste of the Facility or use or permit use of the Facility to endanger or adversely affect any other occupants or the insurance covering the Facility. Provider shall not, nor shall Provider permit, family members, other occupants or guests, to keep or have on the Facility any item or property of a dangerous, flammable or explosive character or undertake any action which might unreasonably increase the danger of fire or other accident on the Facility.
9. Verification of Hours for Facility. In an attempt to reduce redundant paperwork requirements, Provider shall be allowed to submit verification of hours from forms already required by the State of Colorado, Division of Early Learning and Licensing and Administration (DELLA). Administration of verification shall be facilitated through Bright Futures. City may rely on Bright Futures to verify and report on Provider's hours of operation.
 10. Winding Down Operations. In the event Provider has met the Minimum Term of operations, has been found in breach of this Agreement, or must close the business for any reason, Provider shall notify Bright Futures and City as soon as possible but not later than seven (7) days of the decision and/or requirement to close the Facility (Notice of Intent to Cease Operations). Upon receipt of a Notice of Intent to Cease Operations:
 - a. Bright Futures will assist in the identification and vetting of new provider, including training and licensure, if applicable.
 - b. Bright Futures will assist in retraining Provider for any change in type of care, if applicable.
 - c. Provider shall cooperate with Bright Futures to identify a qualified family childcare provider who has been or will be qualified by the City to own and occupy an FCCH Unit or to an intermediary entity that will facilitate the same.
 11. Utilities. The provider shall pay for water, sewer, and trash and recycling collection, domestic hot water, and heat to the Facility. Provider understands that the electrical system for the Facility is designed for normal residential use only and shall not install or operate any dangerous light bulbs, heavy-duty power tools or other potentially hazardous electrical or electronic devices.
 12. Repair and Maintenance. Provider agrees that the Facility is in good order and repair and in a safe, clean and habitable condition as of the date of the Agreement.

a. *Provider Responsibilities.* Provider shall keep the Facility in good order and in a safe, clean, and habitable condition at all times. If the Facility needs repair, Provider shall coordinate the performance of all repairs. Failure to keep the Facility in good order and in a safe, clean and habitable condition is a material breach of this Agreement.

b. *Additional Responsibilities.* Provider shall provide snow removal for all exterior walkways and access to the Facility.

13. Rules and Regulations. Provider acknowledges receipt of a copy of the most current and up-to-date Rules Regulating Child Care Centers ("Rules") developed by the State of Colorado Early Learning Licensing and Administration and agrees to abide by such Rules promulgated by City as they may be amended from time to time. City shall give notice to Provider of any changes in the Rules prior to enforcement of such changes. Any violation of the Rules shall be deemed a material breach of this Agreement.
14. Compliance with Applicable Laws. Provider shall comply with all applicable local, state, and federal laws and regulations, violations of which shall be deemed a material breach of this Agreement.
15. Assignment of Agreement. Provider shall not assign, sublet, or sublease all or any part of Provider's rights or obligations under this agreement without written approval from the State licensing Committee and City's prior express written approval, which may be refused for any reason.
16. Insurance, Hazards, and Casualty Loss. In addition to the homeowner's insurance required by the Covenants, Provider shall provide adequate insurance for the Facility as follows:
 - a. *Fire and Casualty Insurance and Loss.* At all times, the Provider shall maintain in force, at its expense insurance for fire and casualty loss to the Unit, including the Facility. This insurance should cover the Facility's trade fixtures, furnishings, equipment, or other personal property.
 - b. *Other Insurance.* At all times, Provider shall maintain in force, at its expense, general commercial liability insurance (including bodily injury and property damage coverage) insuring Provider, with policy limits aggregating not less than one million dollars (\$1,000,000) in combined single limit coverage. Any policy under this provision shall provide that it shall not be canceled or materially changed without a minimum of ten (10) days prior written notice to City. Provider shall also obtain and maintain at all times during the Term all insurance required by state or federal law for its personnel, including, without limitation, worker's compensation and unemployment insurance coverage, and such documentation shall be kept current at all times.
 - c. *Personal Property.* Provider may obtain, at Provider's sole expense, insurance on Provider's personal property and possessions.
17. Community Needs and Repurposing Goals. Parties agree that community needs may evolve over time and that the FCCH Unit may better serve the community as a different type of care

center. Upon proper notice and the opportunity for public comment, Parties may agree to modify the type of care provided at the Facility pursuant to §10.b.

18. Sale of FCCH Unit. In addition to the requirements of Covenant §7 Transfer of Property and Guidelines §6 Sale and Resale of Housing Units, Provider shall sell FCCH Unit only to a qualified childcare provider or Qualified Entity Owner who would operate a licensed family childcare home to serve local families in need of such service. Purchaser shall be subject to the most recent version of this Agreement adopted by the City.
19. Remedies. If Provider shall be in default or material breach of any covenants or agreements set forth in this Agreement and the default or material breach remains uncorrected for a period of fourteen (14) days after City has given written notice thereof, then City may, at City's option, undertake any the following remedies without limitation: (a) require Provider to undergo and pay for additional training as recommended by Bright Futures, or its successor; (b) require Provider to hire and pay for additional staff when necessary to resolve a default; (c) require Provider to begin the unwinding of the business; (d) require Provider to recruit a new Provider; (e) other remedies recommended by Bright Futures or its successor that are properly approved and adopted by the City; and/or (f) pursue any and all available remedies in law or equity.
20. Miscellaneous.
- a. *Governing Law and Venue.* This Agreement shall be governed by the laws of the State of Colorado, and any legal action concerning the provisions hereof shall be brought in Ouray County, Colorado.
- b. *Attorney Fees.* If an action or proceeding is brought which arises out of this Agreement, its performance or breach, the prevailing Party shall be entitled to reasonable court costs and attorney fees or the reasonable value of a salaried attorney's time, in addition to other relief to which that Party is entitled by this Agreement or applicable law.
- c. *Integration.* This Agreement constitutes the entire agreement between the Parties as to the Facility, superseding all prior oral or written communications.
- d. *Binding Effect.* Except as otherwise expressly provided herein, this Agreement shall bind and benefit City, Provider and their heirs, personal representatives, successors in interest, and assigns of the parties.
- e. *No Waiver.* Delays in enforcement or the waiver of any one or more defaults or breaches of this Agreement by City shall not constitute a waiver of any of the other terms or obligations of this Agreement.
- f. *Third Parties.* There are no intended third-party beneficiaries to this Agreement.
- g. *Notice.* Any notice under this Agreement shall be in writing and shall be deemed sufficient when directly presented or sent prepaid, first-class United States Mail to the Party at the address set forth on the first page of this Agreement.

h. *Severability.* If any provision of this Agreement is found by a court of competent jurisdiction to be unlawful or unenforceable for any reason, the remaining provisions hereof shall remain in full force and effect.

i. *Modification.* This Agreement may only be modified upon written agreement of the Parties.

j. *Governmental Immunity.* City and its officers, attorneys and employees are relying on, and do not waive or intend to waive by any provision of this Agreement, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.*, as amended, or otherwise available to City or the City, its officers, attorneys, or employees.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

CITY OF OURAY

Ethan Funk, Mayor

Attest:

Melissa M. Drake, Clerk

OURAY HOMES, LLC

Paul Major, Member

STATE OF COLORADO)
) ss.
COUNTY OF _____)

Subscribed, sworn to and acknowledged before me this ____ day of _____, 20__, by Name.

My Commission expires _____.

(SEAL)

Notary Public

PROVIDER

Name, Title

STATE OF COLORADO)
) ss.
COUNTY OF _____)

Subscribed, sworn to and acknowledged before me this _____ day of _____, 20__, by
Name.

My Commission expires _____.

(SEAL)

Notary Public

Appendix G:

**FIRST AMENDED OPERATIONS AGREEMENT AND COVENANT
Qualified Entity Owner for Family Child Care Home Unit
(Ouray Waterview Homes)**

This First Amended Operations Agreement and Covenant (the "Agreement") is made and entered into this ____ day of _____, 2024 (the "Effective Date"), by and between the City of Ouray , a Colorado home rule municipality, with an address of PO Box 468, Ouray, CO 81427 ("City") and Ouray Homes, LLC, ("Developer") PO Box 4222, Telluride, CO 81435, their successors or assigns, and with [NAME], a Qualified Entity Owner, a certified B corporation with an address of [ADDRESS] ("CARE") (each a "Party" and collectively the "Parties").

WHEREAS, the Ouray Waterview Homes ("OWH") is a newly constructed, for-sale employee affordable housing neighborhood located in the City;

WHEREAS, the ownership and occupancy of all OWH housing units are subject to the Deed Restriction and Covenant Agreement, Ouray Waterview Homes, Ouray County, ("Covenant") and Ouray Waterview Homes Affordable Housing Regulations and Guidelines ("Guidelines");

WHEREAS, City may delegate any obligations under this Agreement to the City of Ouray authorized Committee or to the Administrator;

WHEREAS, prior to its construction, City and Developer determined to build one or more housing units in OWH for use as a Family Child Care Home Unit ("FCCH Unit") for the purpose of selling such unit to a qualified and licensed occupant who would use the unit as a licensed childcare facility to serve local families in need of such service ("Provider");

WHEREAS, Parties agree that purchase of a FCCH Unit by a Qualified Owner Entity for long-term lease to a child care provider where said lease includes an opportunity to purchase the Unit fulfills the intent for the FCCH Unit to be used as a licensed childcare facility to serve local families in need of such service;

WHEREAS, CARE has been qualified by the Developer and Administrator to own and lease a FCCH Unit and will City and Developer will execute the Covenant at closing;

WHEREAS, CARE intends to lease the home to a qualified child care provider who agrees to operate a licensed FCCH and who also qualifies to occupy a OWH housing unit pursuant to the Covenant and Guidelines; and

WHEREAS, City and Developer have engaged Bright Futures, a Colorado nonprofit corporation and designated by the State of Colorado as an Early Childhood Council, and is also the Family Resource Center for Ouray County, and has the expertise needed to advise Parties regarding the use and occupancy of the FCCH Unit, including identifying a qualified provider and assisting the provider to succeed in their small childcare business;

WHEREAS, Parties agree that any Provider will be prequalified through Bright Futures, to the extent possible, approved by the City, qualified by the Administrator as meeting the provisions of the

Covenant and Guidelines and enter a contract with CARE to operate the FCCH Unit for its intended purpose as a family childcare home; and

WHEREAS, Parties intend to work cooperatively to maintain the FCCH Unit and the Facility in good standing and to meet the needs of the community and to support the Provider professionally and personally when circumstances demand.

Now, therefore, for and in consideration of the mutual promises and covenants contained here, the Parties mutually agree as follows:

1. Capitalized Words. Capitalized words and terms used in this Agreement are as defined in the Covenant and Guidelines unless otherwise defined herein.
2. Early Childhood Council (ECC). The ECC is an entity established by the Colorado General Assembly in House Bill 07-1062. ECCs are designated by the state to increase and sustain the quality, accessibility, capacity, and affordability of early childhood programs and services for young children 0-5 years and their families. Further an ECC is directed to develop and implement a comprehensive system of early childhood services to ensure the school readiness of children in the areas of early care and education, family support, mental health, and health.
3. Bright Futures. Bright Futures is a Colorado not-for-profit corporation who is an ECC and entered an MOU with Developer to fulfill the terms of the Agreement.
4. Ownership of FCCH Unit. Subject to the terms and conditions contained herein, CARE hereby covenants and agrees to require that Lessee of FCCH Unit shall operate a licensed Family Child Care Home business on the following premises: Units 1 and 2 of Phase One of OWHJ ("Facility").
5. Binding Agreement. Parties intend, declare, and agree that the regulatory and restrictive covenants set forth herein governing the use of the FCCH Unit described and provided for herein shall be and are hereby covenants running with the land and are intended to be and shall be binding upon CARE and Beneficiaries and their successors in addition to the Covenant and Guidelines unless terminated in accordance with §5.a.2).
6. CARE's Contract with Provider. CARE shall, through a written contract, include the following terms and conditions upon the Provider who occupies the FCCH Unit:
 - a. Term and Termination.
 - 1) *Term*: Provider agrees to operate the Facility.
 - 2) *Failure to operate* a licensed child care may either result in termination of the lease by CARE Housing Committee or a finding of material breach. If Provider is found in material in material breach, the Parties wish to rehabilitate Provider. In either case, Bright Futures will work with Provider to ensure professional support is available or a smooth transition is made. See §8 and §5.e.

- 3) In the event Bright Futures no longer exists or is not a qualified ECC, the City shall locate a suitable replacement agency, to the extent possible.
- b. Use and Occupancy as a Residence. The FCCH Unit shall be occupied only by Provider, Provider's Household members, including any Qualified Tenants, and shall be used only as a primary residence and licensed family childcare home as further set forth in this Section and in Section 5.b. and 5.c.
- c. Use and Occupancy as a Licensed Family Child Care Home. The Facility shall be occupied only by Provider, Provider's household members, and childcare clients.
- 1) *Provider Qualifications.* The Provider represents they have substantially met the Rural Homes Early Childhood Initiative, Ouray Provider Selection Process & Criteria and that they intend to become duly licensed with the Facility to provide family childcare in the State of Colorado. Provider agrees to operate the Facility in compliance with such laws and regulations.
 - 2) *Eligibility of Clients, Waiting List and Priority.* The Facility shall be used primarily for children of families who live within the boundaries of Ouray County. Priority categories may be developed and instituted in conjunction with Bright Futures and could include categories such as families receiving benefits through Colorado Child Care Assistance Program (CCCAP), low income and hard to serve families, and Waterview neighborhood families, among others. Enrollment to the Facility will be based on an application and/or interview process. Provider shall maintain a waiting list for the Facility, if applicable.
 - 3) *Dates and Hours of Operation.* Provider shall operate Facility for a minimum of 1,200 hours per year with a minimum of four (4) unique children per year. The Facility shall be open to Provider's clients on a regular basis and as contractually obligated to those clients.
 - 4) *Signs.* Provider shall not erect, maintain, or permit any temporary or permanent sign on the Facility except as specifically approved in writing by Housing Committee. Any approved sign shall comply with any applicable sign code.
 - 5) *Provider use of Facility.* Provider shall not use or permit the Facility to be used for any unlawful use, commit or permit waste of the Facility or use or permit use of the Facility so as to endanger or adversely affect any other occupants or the insurance covering the Facility. Provider shall not, nor shall Provider permit, family members, other occupants or guests, keep or have on the Facility any item or property of a dangerous, inflammable or explosive character or undertake any action which might unreasonably increase the danger of fire or other accident on the Facility.
- d. Verification of Hours and Enrollment for Facility: In an attempt to reduce redundant

paperwork requirements, Provider shall be allowed to submit verification of hours and enrollment from forms already required by the State of Colorado, Division of Early Learning and Licensing and Administration (DELLA). City may rely on Bright Futures to verify and report on Provider's hours of operation and enrollment.

- e. Winding Down Operations. In the event Provider has been found in breach of this Agreement, or must close the business for any reason, including for a licensing violation, Provider shall notify Bright Futures and City as soon as possible but not later than seven (7) days of the decision and/or requirement to close the Facility (Notice of Intent to Cease Operations"). Upon receipt of a Notice of Intent to Cease Operations, Bright Futures will assist in identification and vetting of new provider, including training and licensure, if applicable.
 - f. Repair and Maintenance. Provider agrees that the Facility is in good order and repair and in a safe, clean and habitable condition as of the date of the Agreement.
 - 1). *Provider Responsibilities.* Provider shall keep the Facility in good order and in a safe, clean, and habitable condition at all times. If the Facility needs repair, Provider shall coordinate the performance of all repairs. Failure to keep the Facility in good order and in a safe, clean and habitable condition is a material breach of this Agreement.
 - 2). *Additional Responsibilities.* Provider shall provide snow removal for all exterior walkways and access to the Facility.
 - g. Rules and Regulations. Provider acknowledges receipt of a copy of the most current and up-to-date Rules Regulating Child Care Centers ("Rules") developed by the State of Colorado Early Learning Licensing and Administration and agrees to abide by such Rules promulgated by City as they may be amended from time to time. City shall give notice to Provider of any changes in the Rules prior to enforcement of such changes. Any violation of the Rules shall be deemed a material breach of this Agreement.
 - h. Compliance with Applicable Laws. Provider shall comply with all applicable local, state, and federal laws and regulations, violations of which shall be deemed a material breach of this Agreement.
 - i. Assignment of Agreement. Provider shall not assign, sublet, or sublease all or any part of Provider's rights or obligations under this agreement without written approval from the state licensing Committee and City's prior express written approval, which may be refused for any reason.
6. Insurance, Hazards, and Casualty Loss. In addition to the homeowner's insurance required by the Covenant §11., CARE shall provide or shall require Tenant to maintain adequate insurance as follows:
- a. *Liability Insurance.* At all times, Provider shall maintain in force, at its expense, general commercial liability insurance (including bodily injury and property damage coverage) insuring Provider, with policy limits aggregating not less than one million dollars (\$1,000,000) in

combined single limit coverage. Any policy under this provision shall provide that it shall not be canceled or materially changed without a minimum of ten (10) days prior written notice to CARE. Provider shall also obtain and always maintain during the Term all insurance required by state or federal law for its personnel, including, without limitation, worker's compensation and unemployment insurance coverage, and such documentation shall be kept current at all times.

7. **Sale of FCCH Unit.** In addition to the requirements of Covenant §7 Transfer of Property and Guidelines §6 Sale and Resale of Housing Units, CARE shall sell FCCH Unit only to a Household that includes a qualified childcare provider who would operate a licensed family childcare home to serve local families in need of such service. Purchaser shall be subject to the most recent version of this Agreement adopted by the City. If no such purchaser can be identified CARE may request an Exception to this requirement.

8. **Remedies.** If CARE or Provider shall be in default or breach material of any covenants or agreements set forth in this Agreement and the default or material breach remains uncorrected for a period of fourteen (14) days after City has given written notice thereof, then City may, at City 's option, undertake any the following remedies without limitation: (a) require Provider to undergo and pay for additional training as recommended by Bright Futures, or its successor; (b) require Provider to hire and pay for additional qualified staff when necessary to resolve a default; (c) require Provider to begin the unwinding of the business; (d) other remedies recommended by Bright Futures or its successor that are properly approved and adopted by the City and (e) pursue any and all available remedies in law or equity.

9. **Miscellaneous.**
 - a. *Governing Law and Venue.* This Agreement shall be governed by the laws of the State of Colorado, and any legal action concerning the provisions hereof shall be brought in Ouray County, Colorado.
 - b. *Attorney Fees.* If an action or proceeding is brought which arises out of this Agreement, its performance or breach, the prevailing Party shall be entitled to reasonable court costs and attorney fees or the reasonable value of a salaried attorney's time, in addition to other relief to which that Party is entitled by this Agreement or applicable law.
 - c. *Integration.* This Agreement constitutes the entire agreement between the Parties as to the Facility, superseding all prior oral or written communications.
 - d. *Binding Effect.* Except as otherwise expressly provided herein, this Agreement shall bind and benefit City, Provider and their heirs, personal representatives, successors, in interest and assigns of the parties.
 - e. *No Waiver.* Delays in enforcement or the waiver of any one or more defaults or breaches of this Agreement by City shall not constitute a waiver of any of the other terms or obligation of this Agreement.
 - f. *Third Parties.* There are no intended third-party beneficiaries to this Agreement.

g. *Notice.* Any notice under this Agreement shall be in writing and shall be deemed sufficient when directly presented or sent prepaid, first-class United States Mail to the Party at the address set forth on the first page of this Agreement.

h. *Severability.* If any provision of this Agreement is found by a court of competent jurisdiction to be unlawful or unenforceable for any reason, the remaining provisions hereof shall remain in full force and effect.

i. *Modification.* This Agreement may only be modified upon written agreement of the Parties.

j. *Governmental Immunity.* City and its officers, attorneys and employees are relying on, and do not waive or intend to waive by any provision of this Agreement, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.*, as amended, or otherwise available to City or the City, its officers, attorneys, or employees.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

CITY OR OURAY

Ethan Funk, Mayor
Attest:

Melissa M. Drake, Clerk

OURAY HOMES, LLC

Paul Major, Member
STATE OF COLORADO)
) ss.
COUNTY OF _____)

Subscribed, sworn to and acknowledged before me this _____ day of _____, 20__, by Name.

My Commission expires _____.

(SEAL)



85009682

**CORRECTIVE AFFIDAVIT RE: SCRIVENER'S ERROR
PURSUANT TO C.R.S. §38-35-109(5)**

Paul Major, Manager of Ouray Homes, LLC, and Carol A. Viner, as attorney for City of Ouray, being first duly sworn upon oath and acknowledging that such statements are made under penalty of perjury, state and aver as follows:

1. We executed and approved the plat of Ouray Waterview Homes PUD and have personal knowledge of and can testify in a court of competent jurisdiction regarding the facts set forth herein.

2. The legal description of the Property affected hereby is:

OURAY WATERVIEW HOMES PUD

3. The record owners of the Property affected hereby are: Ouray Homes, LLC, and City of Ouray.

4. The instrument affecting the Property which contains a Scrivener's Error:

Plat of Ouray Waterview Homes PUD recorded November 12, 2024 at Reception No. 238224.

5. The Scrivener's Error which is corrected by this affidavit:

Paragraph 2 under NOTICE reads:

Each lot owner is subject to the Deed Restriction and Covenant Agreement for Ouray Waterview Homes PUD recorded at Reception No. 238222 and the Ouray Waterview Homes Affordable Housing Regulations and Guidelines recorded at Reception No. 238233, as may be amended.

Paragraph 2 under NOTICE should read:

Each lot owner is subject to the Deed Restriction and Covenant Agreement for Ouray Waterview Homes PUD recorded at Pages 17-30 and the Ouray Waterview Homes Affordable Housing Regulations and Guidelines recorded at Pages 31-85 of the City of Ouray Development Agreement with Ouray Homes LLC recorded at Reception No. 238266, as may be amended.

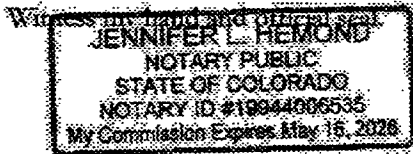
6. This affidavit is made pursuant to C.R.S. §38-35-109(5).

Dated this 21* day of November, 2024.

Carol A. Viner, Attorney for City of Ouray
Atty Reg. No. 33676

STATE OF COLORADO
COUNTY OF MONTROSE

The foregoing affidavit was subscribed to and sworn to before me this 21st day of November, 2024, by Carol A. Viner, as attorney for City of Ouray, Affiant.



Jennifer L. Hemond
Notary Public

Dated this ____ day of November, 2024.

Ouray Homes, LLC

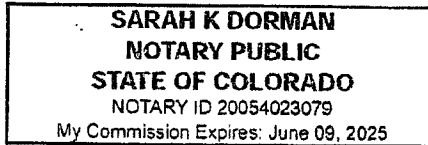
[Signature]
Paul Major, Manager

STATE OF COLORADO
COUNTY OF EAGLE

The foregoing affidavit was subscribed to and sworn to before me this ____ day of November, 2024, by Paul Major as Manager of Ouray Homes, LLC, Affiant.

Witness my hand and official seal.

[Signature]
Notary Public



AMENDMENT NO. 4
TO OWNER/ENGINEER AGREEMENT
FOR PROFESSIONAL SERVICES

Short Elliott Hendrickson Inc. (ENGINEER)

A. Background Data

1. Effective Date of Owner/Engineer Agreement for Professional Services 6/6/2023
2. Client: City of Ouray, CO
3. Engineer: Short Elliott Hendrickson Inc. ®
4. Project Title; Ouray On Call Planning

SEH Project No. 173651

B. Description of Amendment

Revise scope as follows:

Amendment to include additional hours for on call planning services.

COST:

Summary of Contract Status

Original Contract Amount = \$20,000

Previous Amendments = \$35,000

This Contract Amendment = \$20,000

New Contract Amount = \$75,000

A work item that is not explicitly included is explicitly excluded.

OWNER AND ENGINEER hereby agree to modify the above-referenced Agreement as set forth in this Amendment. All provisions of the Agreement not modified by this or previous Amendments remain in effect. The Effective Date of this Amendment is 10/31/2024.

ENGINEER

Short Elliott Hendrickson Inc.

By: 

Title: Senior Planner

Date: 10/31/24

CLIENT

City of Ouray, CO

By: 

Title: Interim City Administrator

Date: 10-31-24



Public Sector Executive Search and Organizational Consulting

Executive Search and Organizational Consulting
Web: KRW-Associates.com

Lorne Kramer, MPA – Lynn Johnson BA- Jerry Williams, DPA

November 26, 2024

Joe Coleman, Interim City Administrator
City of Ouray
320 6th Avenue
Ouray, CO 81427

RE: Executive Search Services, Community Development Director Recruitment and Selection Process Proposal

Dear Joe,

Enclosed please find a proposal to the City of Ouray, CO from KRW Associates LLC (KRW), for assistance with the recruitment and selection process for your Community Development Director position. ***If approved and signed, this document will also serve as a Letter of Agreement (LOA) between KRW Associates and the City of Ouray.***

Based on our professional experience and educational credentials, we believe that we are well suited to assist you with this assignment. We have extensive experience working with the City of Ouray and have developed a strong relationship with your elected officials, staff and community members. For over sixteen years, KRW Associates has developed extensive executive search expertise, and have contacts and professional friendships with highly qualified municipal executives throughout the country.

The principals of KRW Associates LLC have served a variety of cities, counties, and other entities with successful director level searches for many years. In addition to CD Directors, our experience in successful executive search encompasses executive-level positions such as Police Chiefs, Fire Chiefs, Executive Directors, County Attorneys and City/County Managers. Our network of contacts and professional associations has consistently attracted high quality candidates for executive positions from coast to coast, throughout the United States. We are uniquely qualified to perform a recruitment and selection process for your Community Development Director position. In conjunction with the City of Ouray, we have the capability to take this process from the announcement stage through the final selection of candidates. We have contacts with City Managers and Community Development Directors throughout the nation and have the ability to elicit their cooperation and support with our processes. This helps us to solicit quality candidates. We can also advise you with important candidate information, as well as the final negotiation process. Enclosed please find the following items: a.) a description of

services to be provided and timeline for each component of the process and, b.) a cost sheet. Hopefully these items provide the information needed to make an informed decision.

The cost of this project is **\$5,000.00** which covers consultant fees and most direct consultant expenses. Our fee includes all phases of the project, the recruitment and selection process, the assessment, background and the final recommendations and notifications. It's our understanding that the City of Ouray will conduct its own reference checks and on-site interview process.

Regarding a process for the City of Ouray Community Development Director executive search, we envision a schedule and timetable which would progress as quickly as possible once a letter of agreement is approved. KRW Managing Partner Lorne Kramer and Senior Associate Mark Collins will be Co-Directors for your project. Mr. Kramer is the former City Manager, Deputy City Manager and Police Chief for the City of Colorado Springs, Colorado and has over 14 years of executive search experience. KRW Senior Associate Mark Collins is a former City Manager in both Colorado and Wyoming. Mark also served as a University Vice President and currently teaches graduate classes in Public Administration. Also assisting our team will be Senior Associate Gina McGrail who has experience working with the public sector as an executive-level manager with a Colorado public pension fund and has provided expert technical assistance on a wide variety of professional search processes.

Recruitment Process

KRW has an established recruitment protocol which has been very successful for many years. Working with City representatives and/or other liaisons as directed, KRW would follow this process:

1. Meet and/or conference call with the City Administrator and HR Director to compile input/information relative to the skills, abilities, attributes desired in the new CD Director. Develop a profile for the position announcement and discussion with potential candidates.
2. Based on this information, KRW will draft the CD Director position announcement that describes the position, the City of Ouray, the Planning Department and the surrounding community.
3. The draft posting brochure will be submitted to the City for approval, and subsequently KRW will post the announcement with professional associations and publications and utilize national channels as described below, for a minimum of 30 days.
4. Candidates will be directed to submit application materials to KRW Associates, electronically.
5. During the posting period KRW will evaluate applicant resumes as well as perform outreach to contacts and actively solicit potential suitable candidates.
6. At the close of the posting period, the applicants will be ranked in three "tiers" (Tier 1.a", "Tier 1.b." etc.), based on background, credentials, experience, and qualifications, in descending order for the City's review and consensus of top candidates.
7. KRW will conduct pre-screening and research to assist the City in identifying semi-finalists (generally the top 8 -10). KRW will also provide a report to the City to review

and consider before selecting the finalists. The interview questions will be designed and tailored by KRW to elicit responses to issues relevant and timely for the City of Ouray.

8. Meet and/or conference with City officials to discuss candidates and select finalists.
9. The City of Ouray will conduct reference checks and background inquiries on the final candidates as they find appropriate.

Potential candidates: Our firm has a database of Community Development Directors and executive level candidates who have previously applied for open positions. In addition, we have contact with a vast network of City/Town Managers and other municipal professionals. They call our firm regularly, updating us on potential candidates, and checking for opportunities for themselves. Also, we are in constant contact with “sitting” planning professionals, seeking their knowledge of the best professional candidates. The data is also used for targeted mailing and/or brochures. KRW uses a tiered ranking process to present all candidates to the appointing authority. Unlike many firms who merely arrive with eight to ten names, we use a proven methodology that simplifies the task for the appointing authority while retaining quality and creditability. We understand the job, the public sector, and the needs of the hiring authority and the community.

Current Clients: We give great attention to new and former clients and have developed an excellent reputation for delivering outstanding customer service, staying in contact with the appointing authority throughout the process. We have always received compliments about the attention and time given to current projects, and have a reputation for being professional, knowledgeable, and helpful, delivering many more services than the standard executive search firm.

Scope of Work, Key Steps, and Schedule

In order to optimize the efforts of KRW and the City, one person from the City should be assigned as our on-site primary point of contact. A key focus of this assignment will be the collection of information, scheduling of interviews and general project progress.

November 2024 - Finalize letter of agreement and project details. Mr. Lorne Kramer and Mark Collins will be the project managers from KRW Associates.

December 2024 - KRW will conference call with City representatives to compile information concerning the abilities and qualities desired of the new CD Director.

December 2024 - KRW will prepare an ideal candidate profile and customized posting and submit it to the City for approval. KRW will post the position on the City’s website and in professional publications such as the Colorado Municipal League, Colorado City/County Manager’s Association, American Planning Association, International City/County Managers Association, etc. for 30 days. In addition, KRW will post the position on their website. All applications will be submitted to KRW electronically. Applications will consist of: 1) Cover letter, 2) Current Resume, and 3) Six professional references.

Late January 2025 - KRW will receive and initially screen applications and resumes based on background, credentials, experience, and qualifications. The applicants will

be ranked in three "tiers" (Tier 1.a", "Tier 1.b." etc.), and presented in descending order for the City's review and consensus of top candidates. KRW Associates will confer with City representatives to conduct a review, discussion, and screening of the KRW ranked candidates to develop a group of semi-finalists. This will be a review of the qualified applicants who have met the established requirements and narrowing the group down to a number manageable for the next step (usually 8 to 10 individuals). KRW Associates will conduct zoom interviews with the semi-finalist candidates with interview questions that will be designed and tailored by KRW to elicit responses to issues relevant and timely for the City of Ouray.

February – City representatives and the KRW team will confer to review, discuss and identify the finalists for the position of Community Development Director for Ouray.

I would like to underscore, the scope of work for *KRW Associates LLC* would include assistance with recruiting and selection, including advertisements, (actual cost of all advertisements is the responsibility of the City of Ouray), e-mail and telephone solicitations, resume evaluation and screening on identified semi-finalist candidates. KRW will also confer with City representatives and assist in the selection of finalist candidates.

We work thoroughly and quickly, and do not believe in unnecessarily prolonged executive searches. We will help you get this project successfully completed in a timely manner.


Thank you for considering our offer of assistance.

Sincerely,

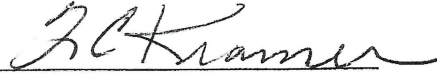
L. C. Kramer

Lorne C. Kramer, MPA
KRW Associates, LLC

AGREEMENT

Signed: 
Date: 11-26-2024

Joe Coleman, Interim City Administrator
City of Ouray

Signed: 
Date: 11/28/2024

Lorne Kramer, Managing Partner
KRW Associates, LLC

PROJECT COST SHEET

THE CITY OF OURAY, COLORADO – 2024

COMMUNITY DEVELOPMENT DIRECTOR - RECRUITMENT AND SELECTION PROCESS

1. Oversight and Administration of Executive Search Process.....\$5,000.00

Includes meeting with City representatives, preparing the advertisement, posting the announcement nationally, reviewing and screening resumes, telephone and e-mail follow up, due diligence of semi-finalists, development of candidate finalist lists and recommendations to the City regarding both semi-finalists and finalist candidates.

CONSULTANT COSTS FOR PROJECT.....\$5,000.00

The above fee does not include the costs of advertisements in professional publications, websites or newspapers, or other expenses related to candidates. Costs will be included for reimbursement with the final invoice. The City of Ouray would bear the cost of CD Director candidate travel if necessary.

2024 LIST OF OURAY CITY COUNCIL COMMITTEE AND MEETING ASSIGNMENTS

Region 10	Mayor Funk
Gunnison Valley Transportation Regional Planning	Mayor Pro Tem Smith
Uncompahgre Water Users Assoc.	Administrator Clarke & Councilor Lindsey
CIRSA	All Council Members & City Administrator
CML – Colorado Municipal League	All Council Members & City Administrator
Colorado Mountain Housing Coalition	Mayor Funk
Ouray County Transit Advisory Committee	Mayor Pro Tem Smith
Montrose Area Transit Advisory Committee	Mayor Pro Tem Smith
CAST – Colorado Association of Ski Towns	All Council Members & City Administrator
Ouray Ice Park Inc.	Councilor Gulde
IPAT – Ice Park Advisory Team	Councilor Gulde
Sneffels Energy Board	Mayor Funk
Communities that Care/Voyager	Councilor Lindsey
Multi Hazard Mitigation Plan	Mayor Funk
OEDC – Ouray Economic Develop Committee	Councilor Underwood
Multi-Agency Coordination Group	Mayor Funk
LEPC - Local Emergency Planning Committee	Mayor Funk
Employee & Volunteer Appreciation Committee	Councilor Lindsey
Parks and Recreation Committee	Councilor Underwood
Ouray Beautification Committee	Councilor Lindsey
Ouray Regional Recreation & Conservation Alliance	Mayor Funk & Councilor Gulde
Tourism Advisory Committee	Councilor Gulde
High Alpine Roadmap 9.5	Mayor Funk
Main Streets Ouray	Mayor Pro Tem Smith
Main Street CDOT Project	Mayor Pro Tem Smith
Fire Mitigation Group	Councilor Lindsey & Mayor Pro Tem Smith



CITY OF
OURAY
COLORADO

2025 OURAY CITY COUNCIL REGULAR MEETING DATES

***** 1st and 3rd Mondays unless otherwise noted *****

Meetings will be held at Ouray Community Center – 320 6th Avenue and/or on Zoom

<https://zoom.us/j/9349389230>

Meeting ID: 934 938 9230 Passcode: 491878 Or dial: 408 638 0968 or 669 900 6833

January 6th - 6:00 p.m.

January 21st - 6:00 p.m. (Tuesday)

February 3rd - 6:00 p.m.

February 18th - 6:00 p.m. (Tuesday)

March 3rd - 6:00 p.m.

March 17th - 6:00 p.m.

April 7th - 6:00 p.m.

April 21st – 6:00 p.m.

May 5th - 6:00 p.m.

May 19th - 6:00 p.m.

June 2nd - 6:00 p.m.

June 16th - 6:00 p.m.

July 7th - 6:00 p.m.

July 21st - 6:00 p.m.

August 4th – 6:00p.m.

August 18th - 6:00 p.m.

September 2nd - 6:00 p.m. (Tuesday)

September 15th - 6:00 p.m.

October 6th - 6:00 p.m.

October 20th - 6:00 p.m.

November 3rd - 6:00 p.m.

November 17th - 6:00 p.m.

December 1st - 6:00 p.m.

December 15th - 6:00 p.m.

Future Agenda Items/Work Sessions

- Restroom Cleaning and Vault Pumping Agreement Between City, OIPI, and FOVF (City to supply toilet paper but PIPI & FOVF will stock & clean)
- Rescind Flood Emergency Declaration
- Dark Sky Ordinance Moon Phase
- Huckstering Permit Re-examine Permit and Fees (City Staff owe Council recommendations)
- Additional Fee & Fine Schedules
- Waterview PUD Fines as Outlined in Guidelines
- Workforce & Attainable Housing
- Via Ferrata Agreement (Expires April 30, 2025)
- Sidewalk replacements
- Bicycle usage on municipal trails (regulations for Ebikes)
- Future Work Session – Bed & Breakfast Discussion
- Future Work Session – Revisiting Fire Protection District payment equation/Fire District increase mill levy. Work session to be help with Fire Protection District board members and Hannah.