

**SILVERTHORNE TOWN COUNCIL MEETING  
AGENDA FOR JUNE 8, 2016- 6:00 PM**



- I. CALL TO ORDER/ROLL CALL/APPROVAL OF AGENDA**
- II. PLEDGE OF ALLEGIANCE**
- III. STAFF COMMENTS ..... 1**
- IV. COUNCIL COMMENTS**
- V. CITIZENS' COMMENTS\***
- VI. CONSENT CALENDAR**
  - A. Town Council Meeting Minutes, May 25, 2016 ..... 7
  - B. Replat of Tract A, Silverthorne Town Center Subdivision ..... 13
  - C. Appointment of SPORT Committee Members ..... 15
- VII. ACTION ITEMS**
  - A. Sauce on the Blue, Ltd, Enhanced Sales Tax Incentive Program (ESTIP) Agreement – 358 Blue River Parkway, Unit C, Tract B, Silverthorne Town Center Subdivision..... 21
  - B. Amended Interim Funding Agreement with Lake Dillon Theatre Company for the Construction of a Performing Arts Center ..... 35
- VIII. DISCUSSION ITEMS**
- IX. EXECUTIVE SESSION**

Executive session under Charter Section 4.13 and CRS 24-6-402(4)(b) and (e) developing strategy for negotiations, instructing negotiators, and determining positions relative to matters that may be subject to negotiations; and conferencing with an attorney for the public entity for the purposes of receiving legal advice on specific legal questions; in regard to Blue River Trail Segments 5 and 6.
- X. ADJOURNMENT**

\* Citizens making comments during Citizen's Comments or Public Hearings should state their name and address for the record, be topic specific, and limit comments to 3-5 minutes. Council may add citizen Comment items as an Action Item by motion; however, the general policy is to refer citizen comments for review and recommendation. Public presentations must be pre-arranged a week in advance with the Town Manager and limited to 10 minutes.

**COUNCIL WORK SESSION:  
TOPIC:**

**JUNE 7, 2016 – 6:00 P.M.  
Arts & Culture Overview from Recreation and  
Culture Director Joanne Cook**

**SILVERTHORNE TOWN COUNCIL WORK SESSION  
PUBLIC ISSUES SCHEDULE  
2016**

*The Council Work Sessions are held every 2nd and 4th Tuesday of each month and begin at 6:00 p.m. with open discussions. The following issues will be addressed from 6:15 p.m. until completed. Additional items to be discussed will be scheduled as time permits.  
"OPEN" indicates a topic has not yet been selected.*

JUNE 21 WATER RIGHTS PORTFOLIO REVIEW

JULY 12 PAVILION PROGRAMMING & USE UPDATE

JULY 26 MARKETING PROGRAM UPDATE

AUGUST 9 JOINT MEETING WITH THE BOARD OF  
COUNTY COMMISSIONERS

AUGUST 23 JOINT MEETING WITH SILVERTHORNE  
PARKS, OPEN SPACE, RECREATION  
AND TRAILS COMMITTEE (SPORT) FOR  
POST PLAN UPDATE

**FUTURE WORK SESSION DISCUSSION ITEMS:  
HISTORIC SOCIETY**

# June 2016

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		June is Cycle Silverthorne Month!	1 Bike to School Day @SVE and Bike Rodeo @North Pond Park	2 Café Concert @ Pavilion 5:30 PM	3 Summer Free Day @ Rec Center	4 Fishing Derby @ Trent Park 9:00 AM Safe Summer Kick Off @ SVE 11:00 AM
5	6 Yoga for Cyclists @ Rec Center 6PM	7 Mountain Bike Fundamentals @ Rec Center 6 PM Work Session	8 Council Meeting	9	10 Payroll	11
12	13 Farmer's Market @ Town Center 9:00 AM—2:00 PM Planning Commission	14 Farmer's Market @ Town Center 9:00 AM—2:00 PM Planning Commission	15 Council Goal Setting Session Court	16 SPORT Meeting	17 Slide & Slip @ Rainbow Park 1:00 PM	18
19	20 Bike to Work Week in Summit County	21 Farmer's Market @ Town Center 9:00 AM—2:00 PM Work Session	22 Bikes & Burgers \$5 @ Pavilion 5-7PM Council Meeting	23 Summer Evening of Family Fun @ Rainbow Park & Public Meeting for Rainbow Park West Entrance Redesign	24 World's Largest Swim Lesson @ Rec Center 9:00 AM Silverthorne Storm Gymnastics Meet Payroll	25 Silverthorne Storm Gymnastics Meet
26	27 Yoga for Cyclists @ Rec Center 6PM	28 Farmer's Market @ Town Center 9:00 AM—2:00 PM	29 Council Meeting	30		

# July 2016

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
					8 Slide & Slip @ Rainbow Park 1:00 PM	9 LDTC Summer Concert @ Rainbow Park
3	4 Independence Day Holiday/ Town Hall & Rec Center Closed	5 EDAC Farmer's Market @ Town Center 9:00 AM—2:00 PM	6	7	15 Payroll	16 LDTC Summer Concert @ Rainbow Park
		12 Farmer's Market Rainbow Park Public Meeting @ Rainbow Park 5-7PM	13	14	22	23 LDTC Summer Concert @ Rainbow Park
		19 Farmer's Market @ Town Center 9:00 AM—2:00 PM	20	21 Café Concert @ Pavilion 5:30 PM		
		26 Farmer's Market @ Town Center 9:00 AM—2:00 PM	27	28 Rainbow Park Final Public Meeting @ Rainbow Park 5-7PM	29 Payroll	30 LDTC Summer Concert @ Rainbow Park
24/31	25	Work Session	Court	SPORT Meeting		
		Planning Commission	Council Meeting			

# August 2016

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2 Farmer's Market Osprey Day @ North Pond Park Planning Commission	3 Community Picnic 5:30 -7:30 PM @ Pavilion	4 Café Concert @ Pa- vilion 5:30 PM	5 Payroll	6 Registration for Fall Programming Begins @ 12 Noon
7	8 Registration for Fall Programming	9 Farmer's Market Work Session	10 Council Meeting	11	12 Slide & Slip @ Rain- bow Park 1:00 PM Doo Wop Denny @ Pavilion	13
14	15	16 Farmer's Market Planning Commission	17 Court	18 SPORT Meeting	19 Payroll	20
21	22 First Day of School	23 Farmer's Market	24 Pool Maintenance Closure through September 26/Full Facility Closure through September 31 Council Meeting	25	26	27
28	29	30 Farmer's Market	31			

# September 2016

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3 Rec Center Re-Opens
4	5 Rec Center Hours: 10:00 am—6:00 pm	6 Farmer's Market EDAC	7	8	9 Payroll	10
	TOS Holiday	Planning Commission				
11	12	13 Farmer's Market	14	15	16	17
		Work Session	Council Meeting	SPORT Meeting	Payroll	
18	19	20 Farmer's Market	21 Court	22	23	24
		Planning Commission				
25	26 Pool Re-Opens	27 Farmer's Market	28 Council Meeting	29	30	
		Work Session			Payroll	

Town of Silverthorne  
Council Agenda Memorandum

**TO:** Mayor and Town Council  
**THRU:** Ryan Hyland, Town Manager *RH*  
**FROM:** Susan Schulman, Executive Assistant to the Town Manager *SS*  
**DATE:** June 1, 2016 for Meeting of June 8, 2016  
**SUBJECT:** Staff Comments

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Attached please find the Staff Comments and Updates for the June 8, 2016 Town Council Agenda and Meeting. This includes:

1. Administrative Services Update
2. Public Safety Update
3. Public Works Update
4. Community Development Update
5. Recreation and Culture Update

**ACTION REQUIRED**

No action is required; these items have been submitted for informational purposes.

## **Administrative Services – June 2, 2016**

**Admin:** Susan Schulman has been working on the Town's website update-hoping to launch by end of June/early July. She is also working to increase social media presence on Facebook, Instagram and Twitter – so go ahead and like, follow and comment! This brings free publicity to the Town. Lots of effort has been put into Cycle Silverthorne month along with Renee Rogers, Blair McGary and Susan Lee:

- June 1 bike to school day, bike rodeo at elementary school, ribbon cutting of bike rack at N Pond Park at noon-all successful!
- June 7 Mountain biking class
- Rec center special classes for bikers (yoga and water aerobics) in June
- June 22-bikes, burgers and beers at the Pavilion-bring your bike to business bingo card for prize drawing

**Finance:** We continue to work on completing the 2015 Comprehensive Annual Financial Report (CAFR) for both the Town and the Joint Sewer Authority. These are due to the State by the end of June and the Town's CAFR will be submitted to the Government Finance Officers' Association (GFOA) for consideration for the Certificate of Achievement of Excellence in Financial Reporting Award. The Town has been the recipient of this award for the past 20 years.

Simultaneously, we are preparing to update the biennial budget (2017-2018).

Staff cross-training is beginning to take place for critical functions such as payroll processing and water/sewer billing.

The Request for Proposal for the Performing Arts Center has been distributed to a number of lenders with a response date of June 13<sup>th</sup>.

Donna Braun's retirement celebration has been scheduled at the Pavilion on July 5<sup>th</sup> from 5:30-7:30pm. Council is invited to join the party and wish Donna well on her next adventure!

**Human Resources:** Connie Williams has returned from her time away and is working on orienting a number of new employees as well as meeting with two separating employees. She recommends a month-long vacation to anyone who feels like they could use a break.

## **Public Safety – June 1, 2016**

**Incidents** – A male reported to an officer that a person living with him threatened to cut his girlfriend and kill other roommates in the house. The male reporting

party said the person making the threats was in possession of a knife and showed him the knife and it scared him. Officers went to the residence where the suspect was located and after obtaining a key from the reporting person made entry and contacted the suspect who made the threats. The suspect was taken into custody and charged with felony menacing and was transported to the jail.

An officer attempted to conduct a traffic stop on a suspect with active warrants and the suspect refused to stop. The suspect started driving in an unsafe manner and the officer terminated the traffic stop due to community safety concerns.

While conducting traffic enforcement an officer along with his trainee observed a female in an SUV chasing a male in a smaller sedan. The officers observed the female driver strike the other vehicle as she chased him on Rainbow Drive. Upon contact it was discovered that the 2 were fiancés and had two children together. The female said she suspected the male of having an affair and this female observed the male with another female in the car and she started chasing them. At some point in the chase the other female got out of the male's car and hit the window of the SUV and broke it. Upon speaking to both parties it was determined they were both under the influence of alcohol and both were arrested and charged with DUI. The female was also charged with Domestic Violence and they were taken to jail.

In addition to the above, officers handled several accidents, domestic violence arrests, thefts, disturbances, harassments, trespasses, DUI's, noise complaints, animal calls, intoxicated subjects and numerous other agency assists as well as business and area checks. Officers also took part in municipal court and county court. Officers also issued numerous traffic citations and warnings.

**Feedback from the community** – Officer Steele received a thank you from a person he pulled over thanking him for being professional and fair.

Officers Watson and Cox received a thank you from a female who lost her credit card and had it returned to her by the officers.

**Department Training** – The department recently went through a county wide training that focuses on rescuing people in an active shooter situation. There will be follow up to this training in the form of scenarios and then a county wide scenario later in the year.

**Staffing** – Officers Jambor and Officer Cox are currently in FTO and we are continuing with the hiring process to get fully staffed.

**Public Works Department – June 2, 2016**

**Streets** – Most of our major cleanup is now complete. We are busy crack filling, mostly on streets slated for additional preventive maintenance work later this summer. Our streets projects Council approved at your last meeting will be happening later in July. Street striping will commence this weekend with crosswalk arrows and such. Centerline striping is scheduled to start next Monday. Both contractors were delayed due to weather this spring.

**Parks** – Heavy spring cleanup is just about done. The first of our flowers have arrived, mostly for the Pavilion area. These will be followed by two more orders of flowers, with the goal of having all planted by the end of June. We are now in our regular mowing schedule in all grass areas.

**Utilities** – Utility staff is busy with various maintenance work to all of our systems. Work continues at Summit Sky Ranch so we are busy watching over that as we will be for the remainder of this season.

**Engineering** – Dan is busy with reviews of Summit Sky Ranch, Blue River 50, Silver Trout, and other smaller projects. He is also gearing up for this summer's streets and drainage work.

**Buildings** – Rob and his staff are busy with upkeep on the various systems and buildings, as well as planning for this year's facility shutdown, scheduled later this year. New carpeting will be installed in Town Hall later this month.

### **Community Development Department – June 2, 2016**

**Blue River Trail** – The design has been modified and the next step would be to acquire the necessary easements, meet with FEMA concerning the flood plain, and Army Corps of Engineers concerning wetlands. Summit County Open Space Advisory Committee (OSAC) has been participating in acquiring an easement from Blue River Valley Ranch Lake Estates.

**Summit Sky Ranch (aka South Maryland Creek Ranch)** – The first Final Plat for SMCR has been approved by Town Council. The focus now shifts to the installation of infrastructure and to the construction of homes. Staff has spent a great deal of time getting the major project up and running with appropriate controls in place.

**Lake Dillon Theatre Company (LDTC)** – The contract with A&P Construction has been approved by Town Council. The plans for Building Permit and they are under review and are close to being issued.

**Transportation Plan Update** – Staff is working on the update to the Town Transportation Plan. This includes gathering traffic counts at various intersections as well as modeling the Level of Service. Staff will be discussing the impacts to Highway 9 in the Town Core with representatives from CDOT.

**USFS Summit County Connectivity Assessment** – Mark Leidal and Susan Lee attended the initial meeting for this Assessment. The intention of this assessment is to create a plan useable by anyone in the County and to create a common vision of wildlife connectivity for the County. This project is being undertaken by the Forest Service and will occur over the next year.

**Joint BOCC/CDOT Quarterly Meeting** – Mark Leidal attended this meeting and a variety of Countywide topics were discussed. For Silverthorne, bridge work for the expansion joints on I-70 will occur this summer, and the overlay of Highways 6 and 9 from Everist Materials to the top of Dillon will occur in 2017.

**Town Council Retreat** – Staff is preparing for the Town Council Retreat which will be held on June 15.

**Current Applications** – The following is a list of applications which have been submitted to the Community Development Department and are currently being processed (ex parte rules apply):

- Blue River 50 – Preliminary Site Plan
- South Maryland Creek Ranch Tract X – Preliminary Site Plan
- Silver Trout – Preliminary Site Plan

## **Recreation and Culture – June 2, 2016**

Recreation Center Manager, Steven Herrman, reports that 2015 was the Recreation Center's busiest year ever. Usage reports indicate the following:

- Annual Visitors (includes daily admissions, pass visits, program participants, and everyone walking past the front desk for access to the facility): 279,074
- Daily Admissions (local, coupons, adult, youth, child): 33,435
- Annual Pass Visits (punch passes, monthly, annual, special passes): 221,555
- The busiest day of the year was December 29<sup>th</sup> with a total of 1,316 people in the door. There were no programs going at this time so this is primarily pass visits and daily admissions.
- The busiest Month of the year was March with a daily average of 951 people per day.
- The annual daily average was 771 people per day.

As you know, June is Cycle Silverthorne Month, and it's off to a great start so far! Silverthorne was highlighted in the Summit Daily News for the SPORT Committee's commissioning of an artful bike rack made by Snowy Peaks High School students. This coverage also included updates to the community on the variety of other bike related activities and events this month, including the "Bikes, Burgers and Beers" event which will be held at the Pavilion on June 22. This event will be open to the public and will feature \$5 Burger and Beer specials, bike mechanics on-site, a kid's bike decorating area, door prizes and more! The

event is FREE and we hope to see a good turnout from our community.

Wedding season is underway and the first off-site ceremony was held at Smith Ranch last weekend. Thanks to support from Public Works, the ceremony site looks great and the short gathering was successful. Off-site locations, including Smith Ranch and North Pond Park, will be used for ceremonies that would otherwise be held on the Pavilion Lawn during the construction work for the Performing Arts Center.

Donated 5-punch Recreation Center passes to Nurses Appreciation Week, West Grand Middle School, and The Summit Foundation's Rubber Duck and Golf Tournament fundraisers. The value of each pass is \$60.

### **Upcoming Pavilion Events**

June 2	Yoga
	Café Concert
June 3	Wedding
June 4	Anniversary Party
June 5	Wedding
June 7	Babysitting Class
June 8	Chamber Board Meeting
	Wedding
June 9	Wedding
June 10	Wedding
June 11	Wedding
June 12	Wedding
June 13	Yoga
	Tae Kwon Do
June 16	Yoga
	Wedding
June 17	Wedding
June 18	Wedding
June 21	Yoga
June 23	Yoga
June 24	Wedding
June 25	Wedding
June 26	Agape Outpost

Town of Silverthorne  
Council Agenda Memorandum

**TO:** Town Council  
**THRU:** Ryan Hyland, Town Manager *RH*  
**FROM:** Michele Miller, MMC, Town Clerk *mm*  
**DATE:** June 2, 2016  
**SUBJECT:** Town Council Meeting Minutes from May 25, 2016

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**SUMMARY:** Staff asks the Town Council to approve the Regular Town Council Meeting minutes from May 25, 2016.

**STAFF RECOMMENDATION:** Staff recommends approval of the Minutes from the meeting.

**PROPOSED MOTION:** Included in the Consent Calendar motion.

**ATTACHMENTS:**  
Meeting Minutes.

**MANAGERS COMMENTS:**

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**SILVERTHORNE TOWN COUNCIL**  
**Meeting Minutes**  
**Wednesday, May 25, 2016**

**CALL TO ORDER/ROLL CALL/APPROVAL OF AGENDA:**

Those members present and answering Roll Call were Mayor Bruce Butler, Council Members Derrick Fowler, Peggy Long, Russ Camp, JoAnne Nadalin and Tanya Shattuck. Council Member Bob Kieber was absent. Staff members present were Town Manager Ryan Hyland, Sergeant Tim Osborn, Recreation Director Joanne Cook, Special Events and Leisure Coordinator Carin Faust, Public Works Director Bill Linfield, Finance Director Laura Kennedy, Assistant Town Manager Mark Leidal, Senior Planner Lina Lesmes, Planning Manager Matt Gennett, Town Attorney Kendra Carberry and Town Clerk Michele Miller.

The Pledge of Allegiance was recited by those present.

**STAFF COMMENTS:**

Cook reported on the success of the Town's annual Clean Up Day and thanked participants. She reported on upcoming Recreation Center and Pavilion events, and the Recreation Center's summer hours.

Cook introduced Carin Faust, the new Special Events and Leisure Coordinator. Council welcomed Faust to Town Staff.

**COUNCIL COMMENTS:**

Nadalin commented as a representative of Silvana's Garden, the Community Garden has had great success with kid's involvement in the garden and they are looking forward to the upcoming cooking classes. She thanked Recreation Center staff for their efforts.

**CITIZEN COMMENTS:**

Jane Hankison, 132 Talon Circle, requested Council do something about the Solar Garden's negative impact to her home. During certain times of the day, the sun's reflection off of the solar collectors into her home is unbearable. She has contacted the owner, Fin Doyle but she requested Council assist with a solution.

Staff and Council discussed the Solar Garden.

Eli Robertson, 23 Lariat Loop, reported on the absence of several long established beaver dams between Angler Mountain Ranch, Silver Trout and the Blue River. He passed out pictures of the area and requested Council look into the damage.

Council directed staff to look into what happened to the beaver dams in the area.

**CONSENT CALENDAR:**

**NADALIN MOVED TO APPROVE THE CONSENT CALENDAR INCLUDING THE MINUTES FROM MAY 10 & 11, 2016, RESOLUTION 2016-15; A RESOLUTION AWARDDING THE CONTRACT FOR THE 2016 SILVERTHORNE CHIP SEAL PROJECT TO A-1 CHIP SEAL OF DENVER, CO., RESOLUTION 2016-16; A RESOLUTION AWARDDING THE CONTRACT FOR THE 2016 STEPHENS WAY AND RIVER ROAD MILL AND OVERLAY PROJECT TO COLUMBINE HILLS CONCRETE OF SILVERTHORNE, RESOLUTION 2016-17; A RESOLUTION AWARDDING THE CONTRACT FOR THE 2016 GOLDEN EAGLE ROAD RECONSTRUCTION PROJECT TO COLUMBINE HILLS CONCRETE OF SILVERTHORNE, CO., RESOLUTION 2016-18; A RESOLUTION APPOINTING THE MUNICIPAL JUDGE, REPLAT – LOT 44, EAGLES NEST GOLF COURSE, FILING NO.1 AND RESOLUTION 2016-**

**14; A RESOLUTION AUTHORIZING THE TOWN TO ACCEPT A PARKING EASEMENT FROM THE OWNER OF LOT 6R, RIVERVIEW SUBDIVISION. MOTION SECONDED. MOTION PASSED UNANIMOUSLY BY COUNCIL. (KIEBER ABSENT)**

**LIQUOR BOARD:**

**A. CHB, Inc. dba La Quinta – New H & R Liquor License Application - PULLED**

**PUBLIC HEARINGS:**

**A. Final Plat, SIA and Final Site Plan – Angler Mountain Ranch, (AMR) Lakeside Townhomes, Filing no. 9**

Matt Gennett, Planning Manager, presented the applicant's request for approval for a Final Plat, SIA and Final Site Plan. The applicant Tim Crane, Compass Homes LLC, is requesting approval for the Final Plat and Final Site Plan for Angler Mountain Ranch Lakeside Townhomes Filing No.9. Gennett reported on the community meetings held to address neighbors' concern and the Memorandum of Understanding reached with the neighbors. He reviewed his staff report and requested approval with no conditions

Tim Crane, Compass Homes LLC, gave the history of past approvals and changes that have been made since then to accommodate the neighbors to the north. He reviewed the Memorandum of Understanding agreement between South Forty property owners and Angler Mountain Ranch, the main part being a landscaped berm built along the north side of Filing 9, adjacent to South Forty. The street will be a one way from East to West, to mitigate interruptions from headlights. He reviewed the material, color scheme, architecture. He requested approval.

**Public hearing opened.**

Peter Wessel, 134 Lariat Loop, commended AMR for working with homeowners to the north. There were a lot of pieces to this puzzle, they have met throughout the month to address them and this is the best that we could do to mitigate them. They appreciate all of the efforts the developer put into this. He requested the Town extend the berm onto the Town's property.

Sharon Swartz, 164 Lariat Loop, is the neighbor that lives immediately to the north of the proposed development. She thanked the developer for coming out to meet with the neighbors, walk the property and coming up with solutions to mediate the impact to their neighborhood. She asked Council if there is a possibility to extend the berm 20' into the Town's property. This is a piece of Town of Silverthorne open space that has sage and scrub grasses on it, it would be the ideal for them if the berm could be extended into that piece of open space. She just wanted to bring that up; the HOA will put together a letter to the Town making the request. She thanked the developer again.

Elliot Robertson, 123 Lariat Loop, asked if the Town and Developer could enter into the MOU, memorializing the agreement about maintaining the berm, not the HOA. The Town should also extend the berm onto their open space property. He asked, why does the berm make sense on the developer's land and not the Town's, since you are requiring that of him, why not yourselves? This development is going to have a huge effect on us and everything should be done to mitigate this huge development from our county subdivision.

**Public hearing closed.**

Butler stated he is not ready to move forward with anything being built on the Town's open space. Council will only consider the plan before them tonight.

Camp asked for clarification on what the neighbors are asking for on the Town property, he requested it be considered by Council tonight.

Long requested that the berm request be made formally and considered after the development is completed so Council can look at the actual impact.

Nadalín stated we have to treat the Town just like any other applicant, we would not allow any other applicant to proceed without a formal application.

Robertson thanked Council but wishes the development would not be built before they considered extending the berm.

Long appreciates the applicant coming forward with a clean application and quality product.

Camp wants to consider the berm tonight.

**LONG MOVED TO APPROVE THE FINAL PLAT AND FINAL SITE PLAN – ANGLER MOUNTAIN RANCH LAKESIDE TOWNHOMES FILING NO. 9. MOTION SECONDED. MOTION PASSED UNANIMOUSLY BY COUNCIL. (KIEBER ABSENT)**

**B. Ordinance 2016-05; an Ordinance Enacting a New Article II of Chapter 5 of the Silverthorne Town Code to Establish the Silverthorne Arts and Culture Advisory Board, 2<sup>nd</sup> Reading**

**Public hearing opened.**

Joanne Cook Recreation and Culture Director presented the Ordinance to Council for consideration. She reviewed the staff report and changes made since first reading.

**No public comment, public hearing closed.**

Council expressed their excitement in moving one more step in the process by forming the Silverthorne Arts and Culture Advisory Board.

**NADALIN MOVED TO APPROVE ORDINANCE NO. 2016-05: AN ORDINANCE ENACTING A NEW ARTICLE II OF CHAPTER 5 OF THE SILVERTHORNE TOWN CODE TO ESTABLISH THE SILVERTHORNE ARTS AND CULTURE ADVISORY BOARD. MOTION SECONDED. MOTION PASSED UNANIMOUSLY BY COUNCIL. (KIEBER ABSENT)**

**C. Conditional Use Permit Renewal (CUP)– J&H Mountain Auto Services 205 & 207 Warren Avenue, Lot 2-A, Block 2, Enterprise Park Subdivision**

**Public hearing opened.**

Lina Lesmes, Senior Planner, presented the applicant's request for an extension of his Conditional Use Permit for "Auto Storage" in the C-2 Zone District. She reviewed her staff report and Planning Commission's recommended conditions of approval. She presented a power point presentation, with pictures, noting violations the CUP's previous approval.

Kamil Petrik, Owner of JH Mountain Service, responded to the Town's concerns and conditions of approval for his Conditional Use Permit. He requested Council see his efforts to make this better.

Long feels the applicant has overgrown the space he is in.

Petrik stated all vehicles are moved into his space every night.

Long stated the violations are not just today, there are others.

Shattuck commended the applicant for his successful business, but agrees this might be too much business for the space.

Nadalín reminded the applicant that the Town Code has requirements; it is up to the applicant to see that the CUP's conditions are met.

Butler stated he wants to see every business succeed. He asked Petrik, as the owner of the business, what are you proposing to correct these problems and keep your business within your own property.

Petrik feels that they have addressed the issues by moving their vehicles out of the Town right-of-way as soon as they can. He reviewed some suggestions for snow stacking.

Nadalín again asked the applicant what you are going to do to fix the Town Code violations.

Brad Ruch, J&H Mountain Auto Service Manager, feels that they have been addressing these problems and will continue to work towards solution.

Council requested staff work with the applicant to figure out a way for him to operate within his own property and without violations and come back at the June 22, 2016 Town Council Meeting.

**LONG MOVED TO CONTINUE THE PUBLIC HEARING UNTIL JUNE 22, 2016. MOTION SECONDED. MOTION PASSED BY COUNCIL PRESENT. (KIEBER ABSENT)**

**ACTION ITEMS:**

**A. Appointment of Inaugural Arts and Culture Advisory Board Members**

Joanne Cook, Recreation and Culture Director reviewed the need for board member appointments to the new Inaugural Arts and Culture Advisory Board. She reviewed her staff report and requested the three proposed appointments be made.

**SHATTUCK MOVED TO APPOINT TO THE ART AND CULTURE ADVISORY BOARD COUNCILWOMAN JOANNE NADALIN TO A (1) YEAR TERM, COUNCILMAN DERRICK FOWLER TO A TWO (2) YEAR TERM, AND ANN-MARIE SANDQUIST SILVERTHORNE RESIDENT TO A THREE (3) YEAR TERM. MOTION SECONDED. MOTION PASSED UNANIMOUSLY BY COUNCIL. (KIEBER ABSENT)**

**DISCUSSION ITEMS:**

Long asked staff to contact Collision Autobody about putting up their fence and not using the driveway.

**INFORMATIONAL:**

- A. March 2016 Sales Tax Review
- B. Planning Commission Meeting Minutes, May 17, 2016
- C. EDAC Meeting Minutes, May 3, 2016

**LONG MOVED TO ADJOURN. MOTION SECONDED. MEETING ADJOURNED AT 7:48 P.M.**

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**BRUCE BUTLER, MAYOR**

**ATTEST**

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**MICHELE MILLER, TOWN CLERK**

These minutes are only a summary of the proceedings of the meeting. They are not intended to be comprehensive or to include each statement, person speaking or to portray with complete accuracy. The most accurate record of the meeting is the videotape of the meeting, maintained in the office of the Town Clerk.

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Town of Silverthorne  
Town Council Agenda Memorandum

**TO:** Mayor and Town Council  
**THRU:** Ryan Hyland, Town Manager *RH*,  
Mark Leidal, AICP, Assistant Town Manager *ML*  
**FROM:** Lina Maria Lesmes, AICP, Senior Planner *LML*  
**DATE:** June 2, 2016, for meeting of June 8, 2016  
**SUBJECT:** Replat of Tract A, Silverthorne Town Center Subdivision (PT 2015-27)

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**SUMMARY:** The applicant is requesting approval of a Replat of Tract A, Silverthorne Town Center Subdivision to create an exclusive water line easement, and a utility easement for an electric power distribution line. The site is the location of the Silverthorne Performing Arts Center (SPAC), which is currently under construction.

**PREVIOUS COUNCIL ACTION:** On March 30, 2000, Town Council approved the Town Center Phase I, Final PUD. On May 25, 2005, Town Council approved a Major Amendment to the Town Center PUD, a Commercial Subdivision, and a Site Plan for Phase II of the Town Center. The approval formalized the PUD Guide, and created Tracts A and B of the Silverthorne Town Center. Town Council approved another Major PUD Amendment on September 12, 2007, to modify the PUD Guide.

On March 9, 2016, Town Council approved a Major Amendment to the Silverthorne Town Center PUD to update the language and modify the list of permitted and conditional uses. Town Council approved the Replat and Final Site Plan for the Silverthorne Performing Arts Center on March 23, 2016 with conditions.

**BACKGROUND:** The Replat approved by Town Council in March located the new water line easement, and vacated a portion of a utility easement. Following the approval, Xcel located a new electric power line and transformer for the SPAC. In addition, there exists a power line on the property that feeds the transformer for the Pavilion. An easement is needed because the power line is a distribution line serving the transformers.

**DISCUSSION:** The proposed Replat vacates a portion of an existing utility easement, and creates a new exclusive water line easement and a new utility easement. Staff finds that the Replat meets the requirements of Section 4-5-14, Replat, Vacation, or Plat Amendment, and the requirements of Section 4-5-15, Certifications.

**STAFF RECOMMENDATION:** Staff recommends approval of the Replat for Tract A, Silverthorne Town Center Subdivision.

**PROPOSED MOTION:** No motion is necessary; part of consent calendar

**EXHIBITS:** Exhibit A - Replat

**MANAGER'S COMMENTS:**

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Town of Silverthorne  
Town Council Memorandum

**TO:** Mayor and Town Council  
**THRU:** Ryan Hyland, Town Manager *RH*  
Mark Leidal, Assistant Town Manager *ML*  
**FROM:** Susan Lee, Planner II *SL*  
**DATE:** June 1, 2016 for the meeting of June 8, 2016  
**SUBJECT:** SPORT Committee Member Appointments

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**SUMMARY:** SPORT Committee by-laws state that the committee will have a minimum of five members and a maximum of eleven members. Members need to be reappointed on a rotating basis. Due to recent resignations the membership is currently at nine members, eight of which are due for reappointment. To fill the remaining positions, Staff advertised for letters of interest and received two responses. The SPORT Committee reviewed the letters at their May 19, 2016, meeting and voted to recommend the appointment of both individuals.

**PREVIOUS COUNCIL ACTION:** The SPORT Committee was formed in 1999, with the Town Council adoption of Resolution 1999-2; a Resolution Establishing the Silverthorne Parks, Open Space, Recreation, and Trails Advisory Committee.

**BACKGROUND:** The Resolution establishing the SPORT Committee sets forth the membership guidelines. The membership shall have varying terms so that approximately one-third of the memberships expire each year. During a recent review of membership terms, Staff recognized that several of the members' terms had lapsed and two members, Marty Richardson and Frank Gutmann, decided to retire, leaving two open positions. Staff advertised for new members and received letters of interest from Suzanne Reed and Tyler Bunnelle. The SPORT Committee reviewed their letters at the May 19, 2016 meeting and voted to recommend appointment of both individuals.

The members up for reappointment and their terms are:

Pat Taylor, three-year term  
Tom Dopplick, three-year term  
John Taylor, two-year term  
Bob Mayerle, one-year term  
Don Hansen, two-year term  
Kathy Swanson, one-year term  
Mary Kay Rachwalski, three-year term  
Don Langmuir, one-year term

Marilyn Raymond is serving on a three-year term and her membership is active through April, 2017.

**STAFF RECOMMENDATION:** Staff recommends that Town Council reappoint Pat Taylor, Tom Dopplick, John Taylor, Bob Mayerle, Don Hansen, Kathy Swanson, Mark Kay Rachwalski, and Don Langmuir for their respective terms, appoint Tyler Bunnell for a three-year term, appoint Suzanne Reed for a two-year term, and appoint Frank Gutmann as an ex officio member.

Town of Silverthorne  
Town Council Memorandum

**PROPOSED MOTION:** No motion necessary; part of consent calendar.

**ATTACHMENTS:**

Exhibit A: Letter of Interest from Tyler Bunnelle

Exhibit B: Letter of Interest from Suzanne Reed

## Exhibit A

Tyler Bunnelle  
SPORT Letter of Interest  
5-3-16

As a Silverthorne resident now for almost 6 years, I believe in the great potential that the town of Silverthorne holds. All the amazing outdoor opportunities that Silverthorne has such as fishing, hiking, biking, cross country skiing, snowshoeing and rafting makes this an amazing place to live, work and play. I look forward to having a positive impact on the community and its beautiful surroundings, creating a better future for the residents of the town of Silverthorne. Please accept this letter as my eager interest in becoming a member of the SPORT committee.

I have been teaching Physical Education at Silverthorne Elementary for the past two years. Prior to that I taught PE in Denver before moving up to Summit County in 2011 to teach outdoor Education at Keystone Science School and then technology support at Silverthorne Elementary. My wife and I feel honored to have the opportunity to raise our, soon to be born, daughter in beautiful Summit County and Silverthorne specifically.

As the PE teacher at Silverthorne I have sat in on quite a few SPORT meetings in the attempt to offer my support and knowledge to assist in the amazing projects the SPORT committee is involved in. A lifelong lover of outdoor activities such as mountain biking, skiing, hiking, and rafting everything the SPORT committee is involved in is near to my heart. To have the opportunity to be involved in these projects in the town I want to raise my daughter in is a true honor.

As a member of the SPORT team I would want to continue to offer my views as a teacher and represent the students of our community as well as strengthen the bond between the school and the town. In addition I would want to see mountain biking become a main focus for the Town of Silverthorne. Silverthorne already has a strong draw for road biking with the blue river trail nearing completion and highway 9 offering flat terrain and great views. Mountain biking is a rapidly growing outdoor sport being experienced by a wide range of abilities and I think could be a summer time activity that really puts Silverthorne on the map as a destination town.

If we look at towns such as Fruita, Salida, Buena Vista, Breckenridge and of course Moab, these towns have made, or are making, a huge reputation for themselves as summer time destination towns with mountain biking among the main attractions for them. Mountain bikers come from miles around to enjoy the wide variety of biking trails that these places have to offer and at the same time boost the town's economy. I think that if the Town of Silverthorne was willing to invest a small amount of money and time into creating high quality, versatile mountain biking trails that appealed to a wide range of riders, Silverthorne could be the next big mountain biking destination spot for people in the front range and all over looking for the next great trail to ride.

I look forward to hearing back from you regarding a position on the SPORT committee. With the opportunity to make Silverthorne the great town that I know it can be.

Thank You, Tyler Bunnelle

## Exhibit B

Suzanne M. Reed

PO Box 24089

Silverthorne, CO 80498

SPORT Committee

Town of Silverthorne

Attn: Liz Hodson

April 18, 2017

I am writing to express my interest in applying for membership on the Town of Silverthorne SPORT Committee. Community involvement has been a large part of my life, wherever my family has lived. Over the last 12 years as a full time resident of Silverthorne my involvement has included serving as a volunteer, including board positions, for the Summit County Libraries and The Friends of the Dillon Ranger District. I would like the opportunity to contribute to the development of the recreational opportunities for our Silverthorne community as outlined in the SPORT master plan, a very impressive document. The SPORT Committee came to my attention through Kathy Swanson who often shares with me the SPORT projects she participates in.

I am a firm believer in the benefits of outdoor recreation, whether organized or solitary, aerobic or meditative, educational or just for fun - there should be something for everyone and Silverthorne is on its way toward meeting this challenge while working with the existing town plans.

I am including my resume with this letter and I welcome the chance to meet with the committee.

Thank you,

Suzanne Reed

970 513 9741 (h)

970 485 9198 (c)

[suzr412@comcast.net](mailto:suzr412@comcast.net)

Suzanne M. Reed  
P.O. Box 24089  
Silverthorne, CO 80497  
970-513-9741 (home), 970-485-9198 (cell)  
[suzr412@comcast.net](mailto:suzr412@comcast.net)

## SUMMARY OF QUALIFICATIONS

Excellent organizational skills, attention to detail and ability to work with and motivate a wide range of people in a variety of environments are talents that have served me well in all my professional and volunteer capacities.

## EDUCATION

University of Denver, Denver CO: 3 credits – Information Management, 1999  
Emporia University, Emporia, KS: 3 credits – Library and Information Science, 1997  
University of Wisconsin, Madison, WI: Masters of Library Science, 1975  
University of Wisconsin, Madison, WI: B.S., Elementary Education, 1973

## PROFESSIONAL EXPERIENCE

2014 - present

Part Time Sales Associate  
Pearl Izumi  
Silverthorne, CO

2009 - 2014

Part Time Sales Associate  
Coldwater Creek  
Silverthorne, CO

2006 - 2009

Part Time Sales Associate  
Pier One, Dillon CO

1999 – 2005

Volunteer Coordinator, The Colorado Trail Foundation, Golden, CO.  
Developed job descriptions for, recruited and managed the 40 + volunteers who make up the central workforce of The Colorado Trail Foundation. Daily office tasks include responding to information requests, public relations for all CTF programs and events, office support for CTF Board of Directors, communication with related non-profits.

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Town of Silverthorne  
Council Agenda Memorandum

**TO:** Mayor and Town Council  
**THRU:** Ryan Hyland, Town Manager *RH*  
**FROM:** Mark Leidal, Assistant Town Manager *ML*  
**DATE:** June 2, 2016, for meeting of June 8, 2016  
**SUBJECT:** Sauce on the Blue, LTD, Enhanced Sales Tax Incentive Program (ESTIP) Agreement

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**SUMMARY:** Shervin Rashidi, Manager for Sauce on the Blue, LTD, has requested to be considered for participation in the Town's Enhanced Sales Tax Incentive Program (ESTIP). A five (5) year sales tax revenue sharing agreement is attached for Town Council consideration. The proposed ESTIP agreement sets forth a sales tax reimbursement of up to \$40,000 over a five (5) year period.

**BACKGROUND:** The purpose of ESTIP, as stated in the Town Code, is to: encourage establishment and/or substantial expansion of retail sales tax generating businesses within the Town, thereby stimulating the economy of and within the Town, providing employment for the residents of the Town and others, expanding the goods available for purchase and consumption by residents of the Town, and increasing the sales taxes collected by the Town. The expanded ESTIP program, implemented in December 2011, provides opportunities for a broader range of businesses to be eligible for consideration, while at the same time maintaining the Town Council's sole and exclusive discretion to approve or deny an application based solely on the merits of each particular application. The program expansion implemented a lower minimum required threshold of enhanced sales taxes, and an expanded definition of public and public-related purposes for which enhanced sales taxes can be used.

**PREVIOUS COUNCIL ACTION:** Ordinance 2001-8, an ordinance establishing the ESTIP program, was approved by the Town Council on June 26, 2001. An expansion of the ESTIP program was implemented by the Town Council in 2011 via Ordinance 2011-12. The Silverthorne Town Council has approved seven ESTIP agreements to date, including a 2001 Target Agreement, a 2010 Lowe's Agreement, a 2013 Which Wich Agreement, a 2014 Murdoch's Agreement, a 2014 Baker's Brewery Agreement, a 2015 Starbucks Agreement, and a 2015 Hampton Inn Agreement.

**DISCUSSION:** Sauce on the Blue, LTD, is eligible for consideration in the ESTIP program as the business meets the minimum enhanced sales tax amount of \$5,000, and the business will bring public-related benefits identified in the ESTIP ordinance, including the occupancy of a vacant space and the creation of jobs to Silverthorne. Sauce on the Blue is a restaurant that will be located in Phase II of the Town Center. The tenant finish for Sauce on the Blue is currently under construction and the restaurant is scheduled to open by the end of June 2016 at 358 Blue River Parkway, Unit C, Tract B, Silverthorne Town Center Subdivision.

Town of Silverthorne  
Council Agenda Memorandum

The ESTIP agreement sets forth a sales tax reimbursement of up to \$40,000 over a five (5) year period. The ESTIP formula takes into consideration displacement of sales tax revenue that may come from competing businesses in Silverthorne. This amount is identified in paragraph 4.b of the ESTIP Agreement, which identifies a "base amount" of \$-0- which is deducted from the amount of sales tax to be reimbursed in a given year.

**STAFF RECOMMENDATION:** Staff recommends approval of the Sauce on the Blue, LTD, Enhanced Sales Tax Incentive Program (ESTIP) Agreement as presented.

**Proposed Motion:** *"I move to approve the Enhanced Sales Tax Incentive Program Agreement with Sauce on the Blue, LTD, as presented."*

**ATTACHMENT:**

Exhibit A: Agreement Pursuant to Enhanced Sales Tax Incentive Program –  
Sauce on the Blue, LTD

**AGREEMENT PURSUANT TO ENHANCED SALES TAX INCENTIVE PROGRAM**  
(Sauce on the Blue, LTD)

This Agreement Pursuant to Enhanced Sales Tax Incentive Program (this "Agreement") is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between Sauce on the Blue, LTD, the operator of Sauce on the Blue Restaurant, hereinafter referred to as the "Tenant" and the TOWN OF SILVERTHORNE, COLORADO, hereinafter referred to as the "Town"; collectively the "Parties", and each individually, as a "Party".

**RECITALS:**

Whereas, the Town has adopted Chapter 1, Article X, Division 9 of the Silverthorne Town Code, entitled the Enhanced Sales Tax Incentive Program (the "ESTIP Program"), a copy of which is attached hereto as **Exhibit A**, to encourage, in part, the establishment of retail sales tax generating businesses within the Town; and

Whereas, the Tenant desires to participate in the ESTIP Program and to share in the enhanced sales tax derived from the business described as Sauce on the Blue Restaurant, located at 358 Blue River Parkway, Unit C, and more particularly described as, 358 Blue River Parkway, Unit C, Tract B, Silverthorne Town Center Subdivision, (the "Property"), for the installation of Public-Related Improvements defined as the Occupancy of an Existing Vacant Space and the Creation of Jobs in the Town (the "Public-Related Improvements") to the extent allowed by this Agreement and the ESTIP Program.

NOW, THEREFORE, in consideration of the foregoing premises and the covenants, promises, and agreements of each of the Parties hereto, to be kept and preformed by each of them, the Parties agree as follows:

1. **Recitals.** The Recitals set forth above are incorporated in this Agreement by reference.

2. **Term.** The term of this Agreement shall commence on the first day of the calendar month following the month in which the Sauce on the Blue Restaurant opens for business on the Property (the "Commencement Date") and shall terminate on the one (1) year anniversary date of the Commencement Date, unless otherwise provided in this Agreement (the "Term"). The Term may be renewed by up to four (4) one (1) year periods (the "Extended Term"). The Term of this Agreement shall automatically renew for each additional one year period.

3. **Application of Town Code.** This Agreement is subject to the limitations of the ESTIP Program. In the event of conflicts between this Agreement and the ESTIP Program, the ESTIP Program shall control.

**4. Qualification of Property for the ESTIP Program.** The Town agrees that the Tenant qualifies for the ESTIP Program and the Public-Related Improvements are improvements for public purposes that will stimulate the economy of and within the Town, provide employment opportunities for residents of this Town and others, expand the goods available for purchase and consumption by residents of the Town, and increase sales taxes collected by the Town. The Town finds the new business is reasonably likely to generate enhanced sales taxes of at least Five Thousand (\$5,000.00) Dollars in the first year of operation. The following provisions shall apply for each year in which the ESTIP Program is in effect for the Tenant:

- a. Fifty percent (50%) of the “Enhanced Sales Taxes” collected by the Town and derived from the Tenant shall be segregated by the Town to be utilized for the ESTIP Program herein established and approved (the “Allocated Revenues”). For purposes of this Agreement “Enhanced Sales Taxes” shall have the meaning set forth in the ESTIP Program at Section 1-10-102 of the Silverthorne Town Code (not less than 2.8% of sales).
- b. In determining the amount of Enhanced Sales Taxes, the “base amount” as defined in the ESTIP Program and agreed to by the Town and the Tenant shall be zero dollars (\$-0-) per year representing the good faith determination by the Tenant and the Town of the amount of sales taxes which could be generated from the new business to be established on the Property without the participation of the Tenant in the ESTIP Program created hereunder, to which shall be added Zero Dollars (\$-0-) per year, representing that amount of sales taxes presently being received by the Town which will be displaced as a result of and the operation of the Sauce on the Blue Restaurant on the Property, for a total agreed base amount of Zero Dollars (\$-0-).
- c. The Tenant shall share in the Enhanced Sales Taxes derived from the Property and the new business located thereon as provided herein.
- d. Enhanced Sales Taxes from the Tenant shall be shared and the Allocated Revenues shall be disbursed to the Tenant on a monthly basis as provided herein commencing with sales taxes collected on and after the Commencement Date. The maximum period of time that the Agreement shall be in effect shall be the earlier of (i) five (5) years, commencing on the Commencement Date, or (ii) until the sum of Forty Thousand Dollars (\$40,000) in Enhanced Sales Taxes (the “Maximum Amount”) has been paid to Tenant for public-related benefits, whichever occurs first, at which time this Agreement shall terminate. It is expressly understood by the Parties that this Agreement will terminate upon the occurrence of the earlier to be reached of the maximum time as provided in the preceding sentence (whether or not the Maximum Amount has been reached) or the disbursement of the Maximum Amount as provided in the preceding sentence (whether or not the maximum time set forth has expired).

- e. This Agreement is a personal agreement between the Town and the Tenant and does not run with the land. The obligations, benefits and/or the provisions of this Agreement may not be assigned in whole or in part without the express authorization of the Town Council, acting in its sole and exclusive discretion and no third party shall be entitled to rely upon or enforce any provisions hereon. Notwithstanding the foregoing, Tenant may assign its interests in this Agreement to an affiliate or to a successor by consolidation. For the purposes of this Paragraph, an affiliate means an entity which controls, is controlled by, or is under common control with the Tenant. This Agreement shall never constitute a debt or obligation of the Town within any constitutional or statutory provision.
- f. Any Enhanced Sales Taxes subject to the Agreement shall be escrowed in the event there is a legal challenge to the ESTIP Program or to the approval of this Agreement.
- g. At the end of the Term of this Agreement as provided for herein, any monies segregated by the Town which have not been expended as hereunder provided may be transferred to another account of the Town or used in manner determined by the Town in its sole discretion, excluding any amounts escrowed under Paragraph 4.f.
- h. From the Enhanced Sales Tax proceeds segregated by the Town, the Town shall pay to the Tenant, at the time that all of the Public-Related Improvements are substantially completed, no more than the Maximum Amount defined in Subparagraph 4(d) above for the installation of Public-Related Improvements defined as the Occupancy of an Existing Vacant Space and the Creation of Jobs in the Town.

**5. Town's Budget Process.** Each year, the Town Manager shall include in a budget presented to the Town Council pursuant to Article VII of the Silverthorne Home Rule Town Charter, the appropriation of the Allocated Revenues for payment to the Tenant as provided in this Agreement. Nothing in this Agreement shall be construed as obligating the Town Council to appropriate the Allocated Revenues in any fiscal year.

**6. No Debt or Pecuniary Liability.** Notwithstanding anything in the Agreement to the contrary, the Agreement is specifically subject to annual appropriation of sufficient funds to pay the Allocated Revenue as provided in the ESTIP Program. The decision of the Town Council not to appropriate funds in any given year shall not affect, impair or invalidate any of the remaining provisions of this Agreement. None of the obligations of the Town hereunder shall be payable from any source other than Enhanced Sales Taxes.

**7. Subordination.** Notwithstanding anything in the Agreement to the contrary, this Tenant shall have no right, claim, lien, or priority, in or to the Town's sales tax revenue that would be superior to or on parity with the rights, claims, or



601 Center Circle  
P.O. Box 1309  
Silverthorne, CO 80490

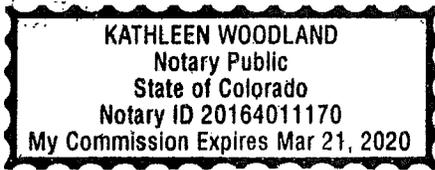
Copy to: Town Attorney  
Town of Silverthorne  
601 Center Circle  
P.O. Box 1309  
Silverthorne, CO 80490

Notice to the Tenant: Sauce on the Blue, LTD  
Shervin Rashidi, Manager  
PO Box 5953  
Dillon, CO 80435

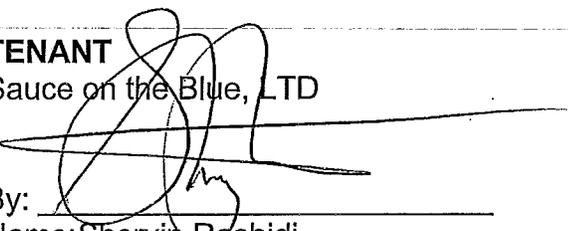
12. **Entire Agreement – Amendments.** This Agreement embodies the whole agreement of the Parties. There are no promises, terms, conditions, or obligations other than those contained herein and this Agreement shall supersede all previous communications, representations or agreements, either verbal or written, between the Parties hereto. This Agreement may be amended only by written agreement between the Tenant and the Town acting pursuant to Town Council authorization.

13. **Effective Date.** This Agreement shall be effective and binding upon the Parties upon the date first set forth above.

IN WITNESS WHEREOF, Tenant and Town have each caused this Agreement to be executed by the authorized Parties.



TENANT  
Sauce on the Blue, LTD

By:   
Name: Shervin Rashidi  
Title: Manager

State of Colorado )  
County of Summit )

ss. Kathleen Woodland

The foregoing Agreement was acknowledged before me this 1 day of June, 2016, by Shervin Rashidi, as Manager of Sauce on the Blue, LTD.

WITNESS MY HAND AND OFFICAL SEAL.

My Commission expires: \_\_\_\_\_

\_\_\_\_\_  
NOTARY PUBLIC

**TOWN OF SILVERTHORNE**

By: \_\_\_\_\_

Name: Bruce Butler

Title: Mayor

ATTEST:

\_\_\_\_\_  
Name: Michele Miller  
Title: Town Clerk

**EXHIBIT A**

Silverthorne Town Code  
Chapter 1, Article X, Division 9  
The Enhanced Sales Tax Incentive Program  
(The "ESTIP Program")

TOWN OF SILVERTHORNE, COLORADO  
ORDINANCE NO. 2011 - 12

AN ORDINANCE AMENDING THE SILVERTHORNE TOWN  
CODE CHAPTER 1, ARTICLE X, DIVISION 9 – ENHANCED  
SALES TAX INCENTIVE PROGRAM

WHEREAS, The Town of Silverthorne is a home rule municipality organized and operating under a charter adopted pursuant to Article XX of the Colorado Constitution; and

WHEREAS, the Silverthorne Town Council has authority to adopt ordinances for the protection of the public health, safety and welfare; and

WHEREAS, in the exercise of this authority, the Council has previously adopted Ordinance 2001-8, an ordinance establishing an Enhanced Sales Tax Incentive Program (ESTIP); and

WHEREAS, ESTIP has proven to be a valuable economic development tool for the Town of Silverthorne; and

WHEREAS, the Council desires to amend the Town Code to expand the ESTIP program to provide eligibility opportunities to a larger group of potential participants; and

WHEREAS, the Town's Economic Development Advisory Committee (EDAC) supports this effort to expand the Town's economic development efforts.

NOW THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF SILVERTHORNE, COLORADO:

**Section 1.** Sections 1-10-102, 1-10-103, 1-10-105, 1-10-106, 1-10-107, 1-10-108, 1-10-109 and 1-10-110 of the Silverthorne Town Code are amended to read as follows:

**Division 9. Enhanced Sales Tax Incentive Program.**

*Enhanced Sales Tax Incentive Program*

**Sec. 1-10-102. Definitions.**

The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this Section, except where the context clearly indicates a different meaning. *Enhanced sales tax* shall mean the amount of sales tax collected by the Town, and available to the Town after the deduction of sixty percent (60%) of the two-percent Town sales taxes required by election, over and above a base amount negotiated and agreed upon by the applicant and the Town, and which amount is approved by the Town Council. This base amount shall never be lower than the amount of sales taxes collected by the Town at the property in question in the twelve (12) months prior to the date the ESTIP Agreement is executed plus a reasonable

and agreed-upon percentage of anticipated increase in sales taxes, or, in the case of a newly established business, an amount which represents the good faith determination by the applicant and the Town as to the amount of sales taxes which could be generated from the new business without the participation by the applicant in the ESTIP. *As an illustration only:*

1-62

<i>Total sales during a one-month period:</i>		\$100,000
<i>Sales tax available to Town:</i>		
<i>Town</i>	<i>2% of sales</i>	\$ 2,000
<i>County</i>	<i>2% of sales</i>	\$ 2,000
<i>Town sales tax (gross)</i>	<i>4% of sales</i>	\$ 4,000
<i>Less:</i>		
<i>Restricted portion of sales tax</i>	<i>1.2% of sales</i>	\$ (1,200)
<i>Total sales tax (net)</i>	<i>2.8% of sales</i>	\$ 2,800
<i>Less:</i>		
<i>Agreed sales tax base (existing taxes Town receives, i.e. 10% of gross)</i>		\$ (400)
<i>Total amount of Enhanced Sales Tax</i>		\$ 2,400
<i>Up to 50% available to share under ESTIP</i>		\$ 1,200

*ESTIP* means the enhanced sales tax incentive program created by this division.

*ESTIP Agreement* means the signed agreement between the applicant and the Town, which implements the ESTIP for a specific project or property.

*TENANT SHALL MEAN THE RECORD OPERATOR OF A BUSINESS LOCATED IN A COMMERCIAL DISTRICT IN SILVERTHORNE.*

*Owner* shall mean the record owner of the real property upon which one (1) or more business is operated. (Ord. 2001-08 §1)

**Sec. 1-10-103. Participation.**

Participation in ESTIP shall be based upon approval by the Town Council exercising its sole and exclusive discretion. Any owner of a newly established retail-sales-tax-generating business or location, or the owner of an existing retail-sales-tax-generating business or location which wishes to expand substantially, which newly established or substantial expansion is accomplished subsequent to the effective date of this Division, may apply to the Town for inclusion within the ESTIP, provided that the new or expanded business is reasonably likely to generate enhanced sales taxes of at least ~~twenty-five thousand dollars (\$25,000.00)~~ FIVE THOUSAND DOLLARS (\$5,000) in the first year of operation. (Ord. 2001-08 §1)

**Sec. 1-10-105. Eligible uses.**

The uses eligible for the shared enhanced sales taxes shall be strictly limited to those which are public or public-related in nature. For the purposes of this Division, but not by way of limitation, *public or public-related purposes* shall mean environmental remediation improvements such as streets, sidewalks, curbs, gutters, pedestrian malls, street lights, drainage facilities, snow storage areas, demolition and site restoration for redevelopment, landscaping, decorative structures, enhanced architectural features, public transportation improvements, road and street improvements including traffic control signals, statuaries, fountains, identification signs, traffic safety devices, bicycle paths, off-street parking facilities, benches, public restrooms, information booths, public meeting facilities, and all necessary, incidental, and appurtenant structures and

improvements, installation of utility lines and facilities and relocation extension and improvement of existing utility lines and facilities and any other improvements of a similar nature which are specifically approved by the Town Council upon a finding that said improvements are public or public-related improvements. PUBLIC OR PUBLIC-RELATED PURPOSES SHALL ALSO INCLUDE REDEVELOPMENT OF EXISTING PROPERTIES, OCCUPANCY OF EXISTING VACANT SPACE, AND EXPANSION OR CREATION OF JOBS IN THE TOWN. In the event the applicant is reimbursed for the cost of such improvements from other public funds and/or grants, the amount eligible under the ESTIP program shall be decreased by the amount of such reimbursement. (Ord. 2001-08 §1)

**Sec. 1-10-106. Increments; sharing of funds.**

The base figure for sales taxes shall be divided into twelve (12) monthly increments which shall be reasonably related to the average monthly performance of the business or property in question, or similar businesses in the area (i.e., adjusted for seasonal variations). If in any month the agreed-upon figure is not met by the applicant so as to create enhanced sales tax for that month, no funds shall be shared with the applicant for that month, and no increment shall be shared until that deficit, and any other cumulative deficit, has been met, so that at the end of any twelve-month cycle, funds in excess of those enhanced sales taxes agreed to be shared shall not have been shared by any applicant. THE TOWN RESERVES THE RIGHT TO SELECT LARGER INCREMENTS OF TIME, INCLUDING BUT NOT LIMITED TO QUARTERLY, BIENNIAL, AND ANNUAL, IN LIEU OF THE MONTHLY INCREMENTS PROVIDED FOR IN THIS SECTION.

**Sec. 1-10-107. Revenues restricted.**

It is an overriding consideration and determination of the Town Council that existing sources of Town sales tax revenues shall not be used, impaired or otherwise affected by this enhanced sales tax incentive program. Therefore, it is hereby conclusively determined that only enhanced sales taxes generated by the properties OR TENANTS described in an application shall be subject to division under this ESTIP. The Town shall collect and hold all such enhanced sales taxes in a separate account apart from the sales taxes generated by and collected from the other sales-tax-generating uses and businesses within the Town and to provide an accounting system which accomplishes the overriding purpose of this Section. (Ord. 2001-08 §1)

**Sec. 1-10-108. Criteria for approval of application.**

(a) Participation in ESTIP shall be based upon approval by the Town Council exercising its sole and exclusive discretion. The Town Council may permit such participation based in part upon the following criteria, as a general guide.

- (1) The amount of enhanced sales taxes which are reasonably to be anticipated to be derived by the Town through the expanded or new retail-sales-tax-generating business;
- (2) The public benefits which are provided by the applicant through public works, public improvements, additional employment for Town residents, REDEVELOPMENT OF EXISTING PROPERTIES, OCCUPANCY OF EXISTING VACANT SPACE, etc.;
- (3) The amount of estimated expenditures which may be deferred by the Town based upon public improvements to be completed by the applicant;
- (4) The conformance of the applicant's property or project with the comprehensive plan and zoning ordinances of the Town; and

(5) The agreement required by Section 1-10-109 having been reached, which agreement shall contain and conform to all requirements of Section 1-10-109.

(b) Approval shall be by motion adopted by a majority of the entire Town Council. (Ord. 2001-08 §1)

**Sec. 1-10-109. Agreement required.**

Each application for participation in ESTIP shall be subject to approval by the Town Council solely on its own merits and in the sole and exclusive discretion of the Town Council. Approval of an application shall require that an agreement be executed by the owner OR TENANT and the Town, which agreement shall at a minimum contain:

- (1) A list of those public or public-related improvements which justify the applicant's approval and the estimated amount which shall be spent on such improvements.
- (2) The maximum amount of enhanced sales taxes to be shared, and the maximum time during which the agreement shall continue, it being expressly understood that any such agreement shall expire and be of no further force and effect upon the occurrence of the earlier to be reached of the maximum time of the agreement (whether or not the maximum amount to be shared has been reached) or the maximum amount to be shared (whether or not the maximum time set forth has expired).
- (3) A statement that the agreement is personal to the applicant, is not transferable and does not run with the land OR SUBSEQUENT TENANT.
- (4) That the agreement shall never constitute a debt or obligation of the Town within any constitutional or statutory provision.
- (5) The base amount of enhanced sales taxes agreed upon by month, OR OTHER FORMALLY AGREED UPON TIME INCREMENT AS NOTED IN SECTION 1-10-106, and the fact that if, in any month as specified, sales taxes received from the property do not at least equal such amount, there shall be no sharing of funds for such month.
- (6) The base amount shall consider the historic level of sales at the property in question, or a similar property within the area in the event of a new business, and a reasonable allowance for increased sales due to the improvements and upgrades completed as a result of inclusion within this program.
- (7) That any enhanced sales taxes subject to sharing shall be escrowed in the event there is a legal challenge to this ESTIP or the approval of any application therefor.
- (8) A statement that the obligations, benefits and/or provisions of this agreement may not be assigned in whole or in any part without the express authorization of the Town Council, acting in its sole and exclusive discretion, and further that no third party shall be entitled to rely upon or enforce any provision hereof. (9) That the agreement shall be subject to the annual appropriation of sufficient funds for payments as provided in this Chapter, pursuant to Section 20, Article X of the Colorado Constitution.
- (10) That the agreement shall provide that the successful applicant shall have no right, claim, lien or priority in or to the Town's sales tax revenue superior to or on parity with the rights, claims or liens of the holders as any sales tax revenue bonds, notes, certificates or debentures payable from or secured by the Town outstanding as of the effective date of the agreement provided for by this Section; and that all rights of the successful applicant are, and at all times shall be, subordinate and inferior to the rights, claims and liens of the holders of any and all such sales tax revenue bonds, notes, certificates or debentures, payable from or secured by any sales taxes issued by the Town.

(11) Any other provisions agreed upon by the parties and approved by the Town Council. (Ord. 2001-08 §1)

**Sec. 1-10-110. No joint venture; liability.**

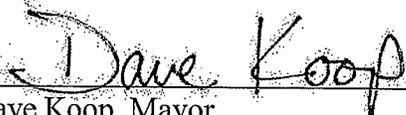
The Town Council has enacted this ESTIP as a joint benefit to the public at large and to private owners AND TENANTS for the purposes of providing the Town with increased sales tax revenues generated upon and by properties improved as a result of this program. The Town Council further finds that the public benefits of this ESTIP include public improvements AND PUBLIC RELATED IMPROVEMENTS being completed by private owners OR TENANTS through no debt obligation being incurred on the part of the Town, and allowing the applicant an opportunity to improve properties which generate sales activities, which improvements make those properties more competitive in the marketplace and further provide to the applicant additional contingent sources of revenues for upgrading such properties. The Town Council specifically finds and determines that creation of this ESTIP is consistent with the Town's powers as a home rule municipal corporation and that exercise of such powers in the manner set forth herein is in furtherance of the public health, safety and welfare. Notwithstanding any provision hereof, the Town shall never be a joint venturer in any private entity or activity which participates in this ESTIP, and the Town shall never be liable or responsible for any debt or obligation of any participant in this ESTIP. (Ord. 2001-08 §1)

**Section 2. Effective Date**

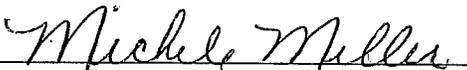
This ordinance shall be effective upon adoption at second reading, as provided by the Silverthorne Home Rule Charter.

MOVED, SECONDED AND FINALLY PASSED ON SECOND AND FINAL READING, THIS 11<sup>th</sup> DAY OF JANUARY, 2012.

TOWN OF SILVERTHORNE, COLORADO

  
\_\_\_\_\_  
Dave Koop, Mayor

ATTEST:

By:   
Michele Miller, Town Clerk

Approved on first reading: 12-14-11  
Published by title only: 12-21-11  
Approved on second reading: 1-11-12  
Published by title only 1-20-12

(with amendments, if amended on second reading):

Town of Silverthorne  
Council Meeting Memorandum

**TO:** Mayor and Town Council  
**FROM:** Ryan Hyland, Town Manager *RH*  
**DATE:** June 3, 2016, for Meeting of June 8, 2016  
**SUBJECT:** Amended Interim Funding Agreement with Lake Dillon Theatre  
Company for the Construction of a Performing Arts Center

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Agreements including a Development Agreement, Lease (with associated Operating and Maintenance Plan), and a programming Funding Agreement are in the final stages of negotiation with the Lake Dillon Theatre Company. A meeting between the parties and their attorneys has been scheduled for Tuesday, June 7, 2016, to finalize negotiations. An Interim Funding Agreement was approved by the Town Council on April 13, 2016, to enable construction to commence while negotiations continued. The Interim Funding Agreement will need to be amended should the Town Council wish to provide additional time for negotiations to conclude, final document preparation to be completed, and allow sufficient time for Town Council to review the agreements prior to any formal action. The amended agreement provides time for this work to occur and pushes the item to your June 22, 2016, Town Council meeting.

**STAFF RECOMMENDATION:** *Staff will provide an update and a recommendation at the Town Council Work Session on June 7, and the recommendation will be based upon the outcome of the June 7 meeting with the Lake Dillon Theatre Company.*

**ATTACHMENT:**

1) Amended Interim Funding Agreement

## AMENDED INTERIM FUNDING AGREEMENT

THIS AMENDED INTERIM FUNDING AGREEMENT (the "Agreement") is made this \_\_\_\_\_ day of June, 2016 (the "Effective Date"), by and between the Town of Silverthorne, Colorado, a Colorado home rule municipality with an address of 601 Center Circle, P.O. Box 1309, Silverthorne, CO 80498 (the "Town"), and Lake Dillon Foundation for the Performing Arts d/b/a Lake Dillon Theater Company, a Colorado nonprofit corporation with an address of P.O. Box 2625, Dillon, CO 80435 ("LDTTC") (each individually a "Party" and collectively, the "Parties").

WHEREAS, the Town is the owner of certain real property generally described as the Pavilion Lawn and more particularly described as Tract A, Silverthorne Town Center Subdivision (the "Property");

WHEREAS, LDTTC is a 501(c)(3) organization, founded in 1995, committed to enhancing the quality of life in Summit County by providing unique and accessible cultural experiences through the performing arts;

WHEREAS, in support of its purpose and mission, LDTTC produces theater performances and educational programs for Summit County residents and guests;

WHEREAS, the Parties desire to develop the Property as a Performing Arts Center, to be operated jointly by LDTTC and the Town in a way that is consistent with both organizations' purposes and missions (the "Project");

WHEREAS, to accomplish the development of the Property, the Parties are sharing in the costs of construction of the Project, and the Town is retaining fee ownership of the Property and providing LDTTC with a long-term lease of the facility to be constructed on the Pavilion Lawn of the Property;

WHEREAS, the Parties memorialized their original intent regarding the Project in a Pre-Development Agreement dated July 8, 2015;

WHEREAS, LDTTC has received over \$1.8 million in pledges for donations for the Project;

WHEREAS, the Parties are in the process of finalizing the parameters of the Project and negotiating an associated development agreement, which includes a long-term lease of the Property (the "Development Agreement");

WHEREAS, so as not to miss the upcoming construction season, the Parties wish to proceed with the initial construction for the Project while the Development Agreement is being negotiated;

WHEREAS, the Parties wish to memorialize their understanding about the responsibility for the costs of the initial construction;

WHEREAS, on April 13, 2016, the Parties entered into an Interim Funding Agreement with an expiration date of June 15, 2016; and

WHEREAS, the Parties wish to extend the expiration date via this Agreement.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained herein, the sufficiency of which is mutually acknowledged, the Parties agree as follows:

1. Project Budget. The Parties recognize that the Project budget has increased since the execution of the Pre-Development Agreement. The current budget is \$9 million, of which \$6.3 million will be the responsibility of the Town and \$2.7 million will be the responsibility of the LDTC.

2. Construction. Notwithstanding Section 4.b. of the Pre-Development Agreement, the Parties authorize the Town to begin construction of the Project as of the Effective Date.

3. Term and Termination. This Agreement shall commence upon the Effective Date and terminate automatically on June 23, 2016, provided that the Parties' obligation to pay as set forth in Section 4 shall survive termination of this Agreement.

4. Payment. Should the Development Agreement not be executed by both Parties on or before June 23, 2016, for whatever reason, the Town will be responsible for 2/3 of the Total Costs (defined below) incurred by the Town and the LDTC will be responsible for the remaining 1/3 of the Total Costs. For purposes of this Agreement, "Total Costs" includes the following: design work; costs of construction, including without limitation planning, permitting, excavation, grading and testing; and any costs associated with removal or destruction of any portions of the building already constructed, unless the Project is continued by the Town as set forth below.

5. Project Continuance. Should the Development Agreement not be executed by both Parties on or before June 23, 2016, the Town may determine, in its sole discretion, whether to proceed with construction of the Project, or whether to construct another building, or whether to abandon the Project and the building and remove any parts already constructed.

6. Miscellaneous.

a. Modification. This Agreement may only be modified by subsequent written agreement of the Parties.

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

c. Integration. This Agreement and any attached exhibits constitute the entire agreement between LDTC and the Town, superseding all prior oral or written

communications other than the Pre-Development Agreement, which, to the extent it does not conflict with this Agreement, shall remain in full force and effect.

d. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, successors and assigns.

e. Severability. If any provision of this Agreement is determined to be void by a court of competent jurisdiction, such determination shall not affect any other provision hereof, and all of the other provisions shall remain in full force and effect.

f. 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 Summit County, Colorado.

g. Assignment. There shall be no transfer or assignment of any of the rights or obligations of LDTC or the Town under this Agreement without the prior written approval of the other Party.

h. Third Parties. There are no intended third-party beneficiaries to this Agreement.

i. Contingency; No Debt. Pursuant to Article X, § 20 of the Colorado Constitution, any financial obligations of the Town under this Agreement are specifically contingent upon annual appropriation of funds sufficient to perform such obligations. This Agreement shall never constitute a debt or obligation of the Town within any statutory or constitutional provision.

j. No Joint Venture. Notwithstanding any provision hereof, the Town shall never be a joint venture in any private entity or activity which participates in this Agreement, and the Town shall never be liable or responsible for any debt or obligation of any participant in this Agreement.

WHEREFORE, the Parties have executed this Agreement as of the Effective Date.

**TOWN OF SILVERTHORNE,  
COLORADO**

\_\_\_\_\_  
Bruce Butler, Mayor

ATTEST:

\_\_\_\_\_  
Michele Miller, Town Clerk



