

Town of Rico Memorandum

Date: August 13th, 2019

TO: Town of Rico Board of Trustees
FROM: Kari Distefano
SUBJECT: Town Manager's Report

1. Katelyn Stokes special use application for the short-term rental of Lot 1A Atlantic Cable Subdivision

Ms. Stokes would like to use her house, located at 101 S. Hinkley, as a short-term rental. To that end she has applied for a Special Use Permit as required by the Rico Land Use Code. The application is attached to this memo for your review and is complete. Special Use Permits should be reviewed according to the following criteria:

Compatibility with Surrounding Area. The proposed use or operation is compatible with surrounding land uses and with the surrounding neighborhood.

General. The location, size, design and operating characteristics of all proposed uses shall mitigate any adverse effects, including visual impacts, on surrounding properties.

Noise. At no point on the bounding property line of any use in any district shall the sound pressure level of any use, operation or plant produce noise intensity greater than that customarily level of the underlying Zone District and surrounding neighborhood so as to create a nuisance or detract from the use and enjoyment of adjacent property. For the purposes of this section, bounding property line shall be interpreted as being at the far side of any street alley, stream or other permanently dedicated open space from the noise source when such open space exists between the property line of the noise source and adjacent property. When no such open space exists, the common line between two (2) parcels of property shall be interpreted as the bounding property line.

Smoke and Particulate Matter. No proposed operation or use in any district shall at any time create smoke and particulate matter that, when considered at the bounding property line of the source of operation creates a nuisance or distracts from the use and enjoyment of adjacent property.

Odorous matter. No proposed use shall be located or operated in any district that involves the emission of odorous matter from a source of operation where the odorous matter exceeds the odor threshold at the bounding property line or any point beyond the tract on which such use or

operation is located. The odor threshold shall be the concentration of odorous matter in the atmosphere necessary to be perceptible to the olfactory nerve of a normal person.

Explosives. No use involving the manufacture or storage of compounds or products that decompose by detonation shall be permitted in any district, except that chlorates, nitrates, phosphorus and similar substances and compounds in small quantities for use by industry, school laboratories, druggists or wholesalers may be permitted when approved by the Fire Marshall as not presenting a fire or explosion hazard.

Flammables. The storage and use of all flammable liquids and materials such as pyroxylin plastics, nitrocellulose film, solvents and petroleum products shall be permitted only when such storage or use conforms to the standards and regulations of the Town of Rico and receives the approval of the Fire Marshall.

Toxic and Noxious Matter. No proposed operation or use in any district shall emit a concentration across the bounding property line of the tract on which such operation or use is located of toxic or noxious matter that will exceed the threshold limits set forth by the Colorado Department of Health.

Vibration. No proposed operation or use in any district shall at any time create earthborne vibration that, when considered at the bounding property line of the source of operation creates a nuisance or distracts from the use and enjoyment of adjacent property.

Open storage. No open storage of materials or commodities shall be permitted in any district except as an accessory use to a main use located in a building in the MU Zone District. No open storage operation shall be located in front of a main building. No wrecking, junk, or salvage yard shall be permitted as a storage use in any district.

Glare. No proposed use or operation in any district shall be located or conducted so as to produce intense glare or direct illumination across the bounding property line from a visible source of illumination nor shall any such light be of such intensity as to create a nuisance or detract from the use and enjoyment of adjacent property.

Traffic. No proposed use or operation shall be permitted where the use would create undue traffic impacts on Town roads and affected residential neighborhoods.

Off-Street Parking. Adequate off-street parking is provided to accommodate the proposed use.

The proposed activity is unlikely to produce noxious odors, noise, smoke or problems with any of the other issues mentioned in the review criteria. The only concern would be additional traffic. The house is located on the corner of Hinkley and Glasgow and situated somewhat above both streets. There appears to be adequate space for at least two on-site parking

spaces. In the past, the Town has required that the applicants be limited to two off-street parking spaces. The Town has also required that the applicant maintain a contract for property management services with a local representative available to respond to emergencies or disturbances within an hour but it is my understanding that this applicant is living there and would be available should the Town need to contact her for any reason. The Town has required that contact information for the local representative be kept current and be available to local law enforcement as well as Town officials. We should also require proof that could come in the form of photos that smoke alarms and carbon monoxide detectors are installed in the house and functional.

There should be a renewal review after one year of the short-term rental operation. The Rico Planning Commission recommended approve of this application at their meeting on August 14th.

2. Approval of a letter supporting the central sewer system in Rico's commercial core and upgrades to the Rico Town Hall projects as Enterprise Zone projects for the purpose of allowing tax credits for donations to these projects (go fund me sewer).

The State of Colorado Office of Economic Development & International Trade offers Enterprise Zones communities, in which Rico and the rest of Dolores County reside, an opportunity to put forward projects to be considered "EZ Economic Development Projects". If your project meets the criteria to become an EZ Development Project, donations to the project are eligible for a 25% income tax credit for donations of up to \$100,000 per taxpayer. I want to apply to this program on behalf of both the sewer project and funding for the upkeep of the Town Hall. I have attached some additional information about this program to this packet. Carol Viner told me that the Ouray Courthouse got a lot of donations through this program. I am not quite as optimistic about the sewer system but you never know, maybe someone wants their name on a sewer treatment plant. I have also attached the proposed letters to this packet.

3. Resolution adopting revised permit applications for various development activities.

The revised applications and process diagrams were the subject of discussion at the joint Rico Planning Commission and Rico Board of Trustee's work session. The Town can approve the revised applications with a resolution prior to making all the necessary changes to the Rico Land Use Code. I believe that using the new applications will enable applicants to understand our process better without making the substantive revisions and I would like to start using them sooner rather than later. I have made a couple of minor changes. The Rico Planning Commission

will be reviewing them at their meeting on August 14th. A copy of the resolution to adopt these updated applications is included in this packet.

4. Resolution supporting the inclusion on the November 5th, 2019 ballot a question asking the voters of Rico for a mill levy increase for the purpose of constructing a central sewer system in Rico's commercial core.

Attached to this memo is the final language for the mill levy increase for central sewer in the commercial core. After a great deal of discussion with the staff of the State Revolving Loan Fund and the CDPHE, we decided to request a mill levy increase of \$3,000,000 because any additional money would require that the Town obtain a leveraged loan with an interest rate of 2.5% rather than the interest rate that they would give us for a \$3,000,000 loan of 1.5%. A 2.5% interest rate would necessitate a mill levy increase of 46.3 and I think that such an increase would be more than the taxpayers of this community could tolerate. To reduce the cost of the project, we have taken out the stretch of sewer line that progresses south of the gazebo property to the Little Ada mill site. We also took out a stretch that would serve the residences on Glasgow (Highway 145) north of Mantz. The one commercial building on the northwest corner of Mantz and Glasgow could still be served. Additionally, the State Revolving Fund will give us a grant of up to \$600,000 for final design and engineering costs and since we will not be applying to the USDA for funding, we can take out the line item in the engineer's estimate for the interim loan that the USDA requires and the construction management cost of a daily, on-site Professional Engineer, also a requirement of the USDA. Taking out these costs will bring our budget down to \$3,000,000. If we get the grant that we are going to request from the Department of Local Affairs, we can consider adding the portion of the sewer that serves the residences along Glasgow.

Included in this resolution, is a request that the voters consider supporting Rico's inclusion in the San Miguel Authority for Regional Transportation (SMART) area. This request is a provision of our current intergovernmental agreement with SMART. This ballot question also comes with a very minor tax increase, 0.75 mills as well as a .25 cent on the dollar sales tax increase. It is important to note that the Rico route is heavily subsidized by SMART even with this minor increase. SMART pays the drivers of the route as well as vehicle maintenance, insurance and other associated costs of keeping the shuttle running. A copy of the resolution is included in this packet.

5. Resolution supporting the inclusion of a November 5th, 2019 ballot a question regarding whether the Town can re-establish its right to provide telecommunication services, advanced services, and cable television services either directly or indirectly with public or private sector partners.

This ballot questions asks the voters whether or not the Town of Rico should opt out of Senate Bill 152, which is a bill prohibiting most uses of municipal or county money for infrastructure to improve local broadband services without first going to a vote of the people. This senate bill also restricts the ability of local government to engage in public private partnerships with broadband companies. Unfortunately, when Dolores County opted out of this bill, Rico did not participate and given the fact that we currently have a broadband company that seems willing to make efforts to improve broadband here, I believe that it behooves the Town to potentially make available avenues to grant funding. I have included a copy of the proposed ballot language and the resolution in this packet.

6. 2nd reading of an Ordinance amending the 2011 Rico Land Use Code to include regulations regarding tiny homes

The first reading of this ordinance passed at the last meeting. The only change is a clarification of the difference between a tiny home by the definition of the Colorado Department of Health and Environment (CDPHE) and a tiny home by the definition of the International Building Code (IBC). I have revised the ordinance so that the person wanting to construct a tiny home makes an informed choice. The CDPHE definition is more restrictive, 400 square feet including loft space, but it allows a smaller soil treatment area, an advantage. The IBC does not require that loft space be included in the square footage.

7. Atlantic Cable Lot 28 easement vacation request

The Town has had a request by a potential buyer, Charlynn Whicker, to vacate an easement that goes across Lot 28 of the Atlantic Cable Subdivision. According to Dennis, there are no Town utilities in the easement but I don't know whether or not it has or was ever intended to have power or phone lines. The Atlantic Cable Subdivision plat language is not specific. The former owners of Lot 25 got a quitclaim deed from the Town for the extension of the easement in question that goes over that property. I have suggested to the Ms. Whicker that she contact SMPA and Rico Telephone and make sure that they do not need the easement and then provide a draft easement vacation agreement or a quitclaim deed for the approval by the Board of Trustees.

8. Rico School situation

Ty Grey, the Dolores County School Superintendent, requested a meeting with Zach and me earlier this month. He brought a facilitator, who they had hired to look at the situation and make recommendations. His name is Brad Miller. Mr. Miller is often a proponent of charter schools but in the case of Rico even he admitted that a charter school was unlikely to be sustainable. Ultimately, he recommended to Ty that the Rico School be absorbed into the Telluride R1 School District. He and Ty were more optimistic about selling that plan to the community of Dove Creek than I am but there may be a legislative avenue. I also had a conversation with Paul Reich, who is on the Telluride School Board and he suggested that we try to resolve this prior to Mike Gass's retirement. To that end, I have drafted a letter that I think that we should try to get both school boards to sign and then with your approval, I will send it to Don Coram. I have included a copy of the letter in this packet.

9. Lynn Markey conversation regarding a proposed trail easement

I had a disappointing conversation with Lynn Markey regarding the Rio Grande Southern Railroad right-of-way trail. I do not believe that she will be willing to entertain the possibility of a trail easement without concessions to which the Town would be unwilling or unable to agree, such as a vehicular bridge.

10. Pump track

Nicole requested that I add this to the agenda. I have not had a chance to discuss the possibility of putting it on the Gazebo property with Oli Swanky. Hopefully by the time of the meeting, I will have an update.

SPECIAL USE PERMIT APPLICATION

TOWN OF RICO

Applicant Name: KATELYN STOKES Phone Number: 970 708 4745

Address: PO Box 115 RICO CO 81332 Fax No. _____

Email(s): KATELYN STOKES @ GMAIL.COM

Street Address and Legal Description of Subject Property: 101 S. HINCKLEY DR.
LOT 1A ATLANTIC CABLE SUBDIVISION

Zone District of Subject Property: PRESIDENTIAL

Description of Special Use Request (Use separate letter) *See Rico Land Use Code §420 Generally; 424 Submittal Requirements:*

Reasons Special Use Permit should be granted (Use separate letter) *See Rico Land Use Code §428:*

- ✓ 1. Statement from County Treasurer showing status of current taxes due on affected property
- ^{N/A} 2. Letter of agency if applicant is other than the owner of the property
- ✓ 3. Complete Special Use Permit Narrative
4. An Application Fee in the amount of \$200.00.

Attach a site plan and any other information necessary to clearly demonstrate eligibility for the requested Special Use Permit based on the review standard in §436 in the Rico Land Use Code and attach a mailing list with names, addresses, and property owned of all property owners within 200 feet of subject property with certificate of mailing.

I swear that the information provided in this application is true and correct and that I am the owner of the property or otherwise authorized to act on behalf of the owner of the property.

Signature: [Signature] Date: 8/8/19

Date Application Received: 8-5-2019

8.21.2019 Trustees
Date of Hearing: 8-14-2019 planning

Application Fee Received: 8.5.2019

Board of Adjustments Action: _____

Application Complete: need signature

Approval Subject to Conditions: _____

Mailing Notice Complete: yes

Application Reviewed by: _____

Applicant required Title Certificate from title company or attorney opinion letter listing name of property owner(s), liens, judgments, etc. affecting title to property.

☒ Yes

☒ No

NOTICE OF PENDING SPECIAL USE PERMIT APPLICATION

Date: 7/2/2019

RE: Public Hearing on Special Use Permit Application

Dear Property Owner,

You are receiving this public notice as required by the Town of Rico Land Use Code because you own property within 200 feet of a proposed special use permit application.

Name of Applicant: Katelyn Stokes

Type of Development Application(s): Special Use Permit

Legal Description: Lot 1A, Atlantic Cable Subdivision

Address: Rico, Colorado

Lot or Site Size: 12,855 sq ft

Review Authority: Rico Planning Commission

Rico Planning Commission Hearing Date: 8/14/2019

Location of Public Hearing: Rico Town Hall, 2 Commercial Street, Rico Colorado, 81332

Send emailed comments addressed to the townmanager@ricocolorado.gov

Or by surface mail to:

Kari Distefano

Town of Rico

PO Box 9

Rico Colorado, 81332

102 E. HINKLEY DRIVE	DISPOSITION PROPERTIES, LLC	14555 N. SCOTTSDALE ROAD, STE 330	SCOTTSDALE	AZ	852540000
ATLANTIC CABLE	DISPOSITION PROPERTIES, LLC	14555 N. SCOTTSDALE ROAD, STE 330	SCOTTSDALE	AZ	852540000
135 N. RIVER STREET	ALLEN MARK	P.O. BOX 172	RICO	CO	813320000
115 N. SHORT STREET	HAZEN MARLENE J.	P.O. BOX 1348	DOLORES	CO	813230000
113 N. SHORT STREET	HART JESSICA A. & FLORENTINA	1921 PROVINCETOWN LANE	RICHARDSON	TX	750800000
103 E. HINKLEY DRIVE	WHICKER MARCIA H.	1200 RICHLAND OAKS DRIVE	RICHARDSON	TX	750810000
111 N. SHORT STREET	JACOBSEN PAUL	167 COFFEY STREET	BROOKLYN	NY	112310000
6 E. SODA STREET	HODSON JULIE	P.O. BOX 2829	TELLURIDE	CO	814350000
4 E. SODA STREET	PREJS JULIA & JOSEPH DILLSWORTH	P.O. BOX 965	TELLURIDE	CO	814350000
	RICO TOWN OF	P.O. BOX 56	RICO	CO	813320000
1 SODA ST	HERSHEY CATHERINE M., ET AL (JT)	1810 CHESTNUT	GLENVIEW	IL	600250000
106 EAST HINCKLEY	MOTHER LODE ENTERPRISES, LLC	1507 SYLVAN DRIVE	PRESCOTT	AZ	863050000
104 E. HINCKLEY DRIVE	VERNADAKIS BENN J.	P.O. BOX 37	RICO	CO	813320000
101 SOUTH HINCKLEY	STOKES KATELYN	P.O. BOX 115	RICO	CO	813320000
110 N. SHORT STREET	TREADWELL GRETCHEN	P.O. BOX 142	RICO	CO	813320000
112 N. SHORT STREET	HIBBARD CRISTAL & ALEXANDRE WING	P.O. BOX 85	RICO	CO	813320000
114 N. SHORT STREET	BAKER ELIZABETH A. LIVING TRUST	203 - 4TH STREET	CHUGWATER	WY	822100000
116 N. SHORT ST.	GRIGG KALIN L.	P.O. BOX 305	RICO	CO	813320000
8 EAST SODA STREET	MANGAN-DIMUZIO GARAN	411 MOUNTIAN VILLAGE BLVD. #2	MOUNTAIN VILLAGE	CO	814350000
135 N. ARGENTINE STREET	135 NORTH RIVER STREET, LLC	2670 6TH STREET	BOULDER	CO	803040000
123 N. ARGENTINE STREET	SELL DAVID L.	12122 W. ATLANTIC DR.	LAKEWOOD	CO	802280000
101 N. GLASGOW AVE.	ENGEL PATRICIA A.	P.O. BOX 62	RICO	CO	813320000
40 N. GLASGOW AVE	RICO TOWN OF	P.O. BOX 9	RICO	CO	813320000
9 E. SODA STREET	BARLOW DEJA LYNNE	12837 BONAPARTE AVE	LOS ANGELES	CA	900660000

August 1, 2019

To Whom It May Concern,

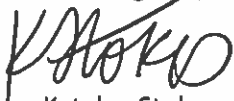
I am applying for a special use permit in order to utilize spare rooms in my home as short term rental units. This desire came about after considering options on how to supplement my income.

I purchased my home in Rico in May 2018 as my primary residence and it will remain as such, so the priority of short terming my home will be second to my needs as a full time resident. The opportunity to utilize the rental market to generate a minor secondary income is appealing to a young, single, career-oriented person in a state with a high cost of living. The other side of the coin is the hospitality aspect. I majored in this field, and have been working in it my entire life, so my nature is to be welcoming and share my love of the region with visitors. Currently the General Manager of the Hotel Columbia in Telluride, I am an industry professional and would love to bring my skills to Rico by providing beds for guests, tax revenue to the town, and vacationer dollars into Rico's economy.

Being a valuable member of the community is important to me. I am on the board of the Rico Center and the Rico Trails Alliance, and I have a vested interest in Rico's growth and sustainability. I will ensure my short term rentals are respectful to my neighbors, the community and my home by vetting all guests who wish to book. The discretionary income this opportunity could provide me would enhance my quality of life, and by bringing visitor's to Rico, hopefully the lives of the business owners in town would be enhanced as well.

Thank you for your consideration of my request. I look forward to hearing your decision soon.

Best Regards,

A handwritten signature in black ink, appearing to read 'K Stokes', written over the printed name.

Katelyn Stokes

970-708-4745

SCHEDULE # 506736200101 R 001

JANIE STIASNY
DOLORES COUNTY TREASURER

409 NORTH MAIN
PO BOX 421

DOVE CREEK, CO 81324

LEGAL
101 SOUTH HINCKLEY
A C SUB-DIV LT 1A 36-40-11 B-233 P-496.497 B-238 P-319
B-266 P-445.447 B-268 P- 340 B-270 P-481
D-334 P-487(WD) B-333 P-297 (NTR) 167863 (WD)

STOKES KATELYN
P.O. BOX 115
RICO CO 81332

2018 TAX PAYMENT RECEIPT

TAX DISTRICT 102

5652

TAX ROLL PAGE- 1627

ACTUAL VALUE 292572

ASSESSED VALUE 21066

MILL LEVY 75.429

TAX AMOUNT 1,588.98

ADJUSTMENT .00

ADMINISTRATIVE FEE .00

SPECIAL ASSESSMENT .00

ORIGINAL AMOUNT DUE 1,588.98

AMOUNT PAID TO DATE 1,588.98

BALANCE DUE .00

TAX PAID 794.49

P&I PAID .00

MISCELLANEOUS PAID .00

TOTAL AMOUNT 794.49

DATE OF PAYMENT 06/07/2019 16:33

TAX RECEIPT VALID UPON CHECKS CLEARING YOUR BANK

(CHECK)



COLORADO

Office of Economic Development
& International Trade

Business Funding & Incentives

Colorado Economic Development Commission

Enterprise Zone Contribution Tax Credit Overview and Policies

This document outlines the requirements set by Colorado Revised Statutes 39-30-103.5, and the policies established by the Colorado Economic Development Commission (EDC), as authorized by C.R.S. 24-46-104, for the Enterprise Zone (EZ) Contribution Tax Credit. The EDC policies may be amended by the standing commission.

Intent

Enterprise Zone Contribution Projects encourage community participation and public private partnerships to revitalize Enterprise Zones. Contribution Projects aim to focus community engagement on an issue or opportunity to elicit a shift, create something, and accomplish a stated goal within a defined time period. Projects need to focus on improving economic conditions and have measurable outcomes. The goal is to garner public participation and contributions for projects that improve the economy for the benefit of the broader community. Enterprise Zone Administrators are focused on managing this program with a strong ethic and focus on job creation/retention and business expansion. Zone Administrators have ownership for projects, establishing project parameters and helping the projects succeed in terms of economic development outcomes. Administrators are focused on implementing the economic development plan for the EZ. Projects must address the economic development plan and be referenced in the project application. Appropriate economic development plans include the OEDIT supported Blueprint, the federal EDA CEDS, and the annual EZ ED plan. EZ Administrators work with their communities to bring forward proposals that meet the economic development needs and have the support of the community. The project proposal form encourages the EZ Administrator to focus on how the proposed project implements the economic development plan, supports job creation, retention, and business expansion and calls for measurable outcomes.

Income Tax Credit

Donors having made a certified contribution to an Enterprise Zone Contribution Project may claim 25% of a cash donation as an income tax credit, and half of that amount (12.5%) for an in-kind donation. The actual credit earned is figured based on all eligible contributions during the tax year, and capped at \$100,000 per tax-payer with the balance carried forward up to 5 years.

Direct Benefit to Contributor Deducted from Donation

The statutes provide that no credit is to be “allowed for contributions that directly benefit the contributor.” When a donor receives a benefit, the value of the donation shall be reduced by the benefit received or attributable to the donor to arrive at a contribution that may be certified for the tax credit. For example, a donor who attends a fund raising dinner donates \$1,000 to attend the event; the contribution eligible for the tax credit will be \$925 if the dinner itself is valued at \$75.

Capital infrastructure projects (as defined below) typically have beneficiaries. The number of beneficiaries and the distribution of the benefit will be considered and documented in the project proposal. Benefits may be evenly distributed, or may accrue to one entity more than to others. The proportional benefit of a project donor will be applied to and reduce the value of the contribution. In some cases the proportional benefit may be negligible.

Donations to all projects are evaluated by the EZ Administrator before certifying the contribution. When a direct benefit is attributable to the donor, the original donation value, the value of the direct benefit (including calculations and assumptions), and the final contribution value will be documented. The credit is certified for the final contribution value.

Project tax credit limitation

Projects are held to a \$750,000 tax credit limit per project (a Project is defined by the Project proposal form) per calendar year. Once \$750,000 in tax credits have been certified for an EZ Project, no more contribution tax credits can be awarded that year. It is primarily the responsibility of the Project Organization, with oversight by the local Zone Administrator and OEDIT to monitor contributions and to stay within the credit certification limit.

Donations/Minimum Donation

The maximum or ceiling for a minimum contribution that any Enterprise Zone Project may set is \$250. This ceiling does not prohibit the certification of contributions below the \$250 ceiling should the EZ Administrator or Project Organization want to set a lower ceiling or have no minimum contribution requirement. This ceiling is intended to ensure that the credit is accessible to all Colorado tax payers wishing to support local economic development initiatives while making sure that the value of the contribution justifies the administrative costs including monitoring Project activity, processing certifications, and logging and reporting the tax credits certified. The ceiling for contribution minimums does not limit the amount that a donor may contribute, but requires that the EZ credit be available to donors regardless of the amount contributed.

An EZ Administrator may request approval from the EDC for a higher minimum for a specific Project. The request should include a compelling argument for setting a higher minimum. Such request may be made when the Project is first proposed or at the time of annual re-certification. A Project approved for a minimum contribution requirement above \$250 must request approval for that minimum annually at re-certification.

Fees charged to Organizations by the EZ Administrator

The local EZ Administrator is authorized by the statutes to charge reasonable fees to organizations for their oversight of the program. Each enterprise zone administrator that charges administrative fees shall establish a reasonable policy regarding the imposition of such fees and shall submit the policy to the Colorado Economic Development Commission for review and approval. The EDC has authority to review, require modifications to, and approve any administrative fee policies. Fees will be disclosed on the credit certification form to the extent that it is accommodated by the Colorado Department of Revenue. As of November 2016, Contribution Project Fees are - Adams County EZ, 1.5% on infrastructure projects; Arapahoe County EZ, none; Central Colorado EZ, 5% on cash up to \$1000; Denver EZ, 1% cash/stock; East Central EZ, none; Jefferson County, none; Larimer EZ, 3%; Mesa EZ, 1% cash/stock and \$1/form (max. of \$500 per donation); North Metro, none; Northeast EZ, 5%; Northwest EZ, 1% + \$1/form; Pikes Peak EZ, 3.5% on cash and stock; Pueblo EZ, 1.5% cash up to \$1,000 per project/year; Region 10 EZ, 1% and \$1/form; San Luis Valley EZ, none; South Central, 1%; Southeast, \$5/form; Southwest EZ, 3% cash up to \$500; Weld County EZ, 1.5%.

EZ Project Designation

The local EZ Administrator is responsible for implementing their EZ economic development plan. The Administrator decides which Projects are aligned with the economic development plan, gets the necessary support of their community and board, and brings those to the EDC for consideration. The EZ Administrator has authority to monitor and audit Project organizations and Project performance, and may take EZ Contribution Project status away from an organization that is not in compliance with the work and objectives outlined in the Project proposal or annual re-certification plan, or is otherwise not supporting the economic development plan for the EZ.

The local zone administrator will bring forward to OEDIT staff and peer EZ administrators any proposed new project. This review committee will consider the application, offer feedback to tighten the economic development focus and to improve project goals and metrics when warranted. Proposals that receive the approval of the review committee will be presented to the Economic Development Commission (EDC).

The EDC is charged with reviewing and approving projects proposed for EZ Contribution Project status by an EZ Administrator. OEDIT may present project proposals on behalf of the review committee and EZ Administrator to the EDC throughout the year. The commission shall approve any program, project, or organization that it determines is eligible per the statutes or is essential to the mission of the EZ, upon a majority vote.

Project Location

Generally the project organization will be located within the enterprise zone and serve individuals and businesses within the enterprise zone. However, there are limited circumstances where an organization located outside of the enterprise zone may conduct programs within and benefit the enterprise zone.

When the Organization or a portion of their activity serves non-EZ areas, this must be noted on the Project Proposal form as a percent of the organization's total activity; EZ contribution credits will not be certified for non-EZ activity. Other funds must be available to cover non-zone related activities. For example, an eligible homeless organization's housing and employment support services must be located within a zone, or, if the housing is not within the zone boundaries, the organization's facility offering employment referrals, counseling, and training should be located in the zone. The project proposal form will indicate the percent of the organization's activity that impacts the EZ.

Additionally, Projects that operate in more than one EZ must be able to identify activity and contributions for each zone in which they operate – a separate Project will be established for each zone. This allows each zone administrator to evaluate the impact of the project within his/her EZ.

Project Term

Projects can be approved for a maximum 5 year term. This encourages the Administrator and Project representative to set near-term objectives, and to recognize that Projects are not intended to be on-going, but instead to rally community participation for a specific achievable near-term objective. Given common non-profit fundraising calendars and the statutory guidelines for project eligibility, projects will have a month and date end of 12/31. A project can be recommended for less than a 5 year term, but the year end-date at a maximum is the year approved + 5. For example, a project approved by the EDC on 3/15/2017 can have a maximum end date of 12/31/2022.

This term limit applies to both Capital and Operations projects and to all categories and sub-categories.

A zone administrator may present a new application for an existing project prior to its end-date if there is good reason to continue the project activity without a break.

Note to bring existing projects into compliance with the 5 year term limit, Projects with "on-going" status (or no end-date) will have phased end-dates allowing the organizations time to plan for impacts on fund-raising and to acknowledge the calendar year planning for contribution solicitations. Projects approved prior to the year 2000 (104 projects) will receive an end-date of 12/31/2018. Projects approved from 2000 through 2005 (84 projects) will receive an end-date of 12/31/2019. Projects approved from 2006 and 2010 (92 projects) will receive an end-date of 12/31/2020. Projects approved from 2011 through 2014 (114 projects) will receive an end-date of 12/31/2021. Projects approved in 2015 and 2016 (102 projects) will receive an end-date of 12/31/2022.

Project Monitoring & Annual Review/Recertification

Each autumn, OEDIT staff will prompt local EZ Administrators to review their active EZ Contribution Projects to evaluate the performance, reporting, and certification compliance. Each Administrator must review each project by meeting, phone call, or some survey mechanism. The EZ Administrator will review with the Organization the activities conducted, how these activities are addressing the economic development goals for the EZ, and performance metrics related to job creation/retention and business expansion in the EZ. The Organization contact information will be updated as needed, and EZ program reporting and compliance will be reviewed. Zone administrators are encouraged to review and renew MOUs or agreements that they have with the Project Organization.

A zone administrator may choose to conclude a Project if it is not meeting expectations or is otherwise out of compliance with program guidelines. The administrator will share results of the Project review with OEDIT. Per statutes, OEDIT will present the annual review to the EDC as a list of Projects including how the project supports the EZ economic development goal, the Project objectives, and estimated contributions for the coming year. The EDC shall approve Projects it determines are eligible and essential to the mission of the EZ by majority vote of the members of the commission present.

Project Activity Level - the level of expected and necessary activity is always at the discretion of the EZ Administrator. The Administrator is interested in contributions being solicited so that Project activity is taking place and making a positive impact in the EZ. The activity level will be evaluated at least annually during the re-certification of projects for the coming calendar year. For projects active for at least 12 months, it is expected that there be at least 5 taxpayers contributing or \$5,000 received during the past year.

Project Structure

The organization running the project must be a nonprofit or government entity. Either the entire organization or a specific activity of the organization may be eligible for EZ Project status.

- **Entire Organization**
If the work of the organization as a whole is in line with the EZ's economic development objectives, then EZ Project status may be granted to the organization and donations may be used for general operations.
- **Specific Program or Project within an Organization**
Specific activity or work within an organization may support the economic development plans of the EZ. In this case only donations to the specific "approved purposes" as outlined in the EZ Project proposal will be certified for the tax credit. The EZ Administrator and the Organization decide on what percent of the organization's work is related to the EZ Project. This percent can be used to justify what portion of an organization's revenue or donations are to receive the EZ Contribution tax credit. The recipient organization must maintain records and an accounting system to track funding sources and to associate the use of EZ contributions with the EZ Project.

Project Types & Categories

First, the Organization running the Project must be a non-profit or a governmental entity in good standing with the Secretary of State.

Second, a Project must support the documented economic development goals for the Enterprise Zone. A Project might not comply with the types and categories outlined below, if it is in line with specific and documented economic development objectives for the zone.

Third, a Project must link to job creation and retention and/or business expansion in the broader Enterprise Zone, not only at the Project Organization.

Fourth, the project will generally comply with the following types and categories. Statutes outline certain project types as appropriate for EZ Project status; the EDC in conjunction with local administrators and OEDIT staff have further defined eligible types and categories.

Type: Capital Campaign. Projects encourage public/private partnerships and are focused on raising funds for a specific capital project that will serve the broader community, and where construction or implementation will begin within 5 years.

- **Category: Community Facility.** A new or improved facility that enhances the local economy. The Project may address a variety of unmet community needs that keep people living in the area and where those residents support local service and retail businesses. Facilities may include social/human service facilities like health care, child care, elder care, and recreation facilities, and community event/meeting space. We anticipate that proposals within Enhanced Rural Enterprise Zones may receive consideration where a similar project in a less distressed community would not.
- **Category: Workforce Housing.** Housing and infrastructure for the housing.
- **Category: Tourist Attraction.** A new or improved facility that draws outsiders in and brings revenue into the community at large. Projects may address a variety of economic opportunities – Facilities may include museums, fairgrounds, and other facilities that bring tourism to an EZ.
- **Category: Infrastructure.** Infrastructure includes networks or systems such as water, sewer, transportation, telecommunications and streetscapes that serve the larger public.
 - Infrastructure must be publicly owned or turned over to a public, co-op, or non-profit entity upon completion of the project. It cannot be owned by a private business (ex Qwest, Comcast, etc.).
 - Projects must have the support of relevant public entities.
 - Projects benefit the larger public.
 - A donor that directly benefits from the project will have the value of his donation reduced by the donor's proportion of the benefit. The number of beneficiaries and the distribution of the benefit play into quantifying any direct benefit that will reduce a donor's contribution. See section above on direct benefit.
 - Infrastructure projects that predominantly benefit a limited private interest are not eligible.

Type: Operations. These projects attract additional resources to activities promoting new economic activity in the zone and to reach a near-term goal.

- **Category: Business Assistance.** Organizations that serve businesses with training, counseling, financing, feasibility studies, and other resources. Entrepreneurship programs. Incubators.
- **Category: Economic Development Organizations.** Organizations and offices dedicated to economic development of a region.
- **Category: Job training programs.** These projects focus on training EZ residents or a workforce for a critical industry in the EZ. These projects are vocational in nature and may be 2-year training programs for skilled positions.

A Project may fund a higher education program developed in conjunction with a business in the EZ to train the local workforce. Such a proposal will include a letter of support from the local workforce organization highlighting the community need and benefit and referencing the

economic development goal addressed. A project cannot be created solely to train employees of a single business – the EZ job training tax credit supports businesses in training their employees.

Project status will not be given to a higher education institution as a whole.

- **Category: Visitor Event/Attraction.** These projects attract people to the enterprise zone and result in spending at other area businesses. These may be tourist attractions, museums, and events. These projects track and document the impact of outside visitors to the EZ.
- **Category: Healthcare.** Projects may support healthcare operations when healthcare access is an issue in the community such that it is hindering economic development. Objective indicators of inadequate service can be used to support an application for Contribution Project designation, like the Health Professional Shortage Area designation (HPSA). HPSA designation is given by the Colorado Department of Public Health & Environment (CDPHE); HPSA areas document populations with high rates of: poverty, seniors (over age 65), infant mortality rates, population to provider ratios. Facilities obtain HPSA designation by providing care to the residents of a HPSA and meeting insufficient capacity criteria.
- **Category: Homeless Support.** Projects may fund housing, referrals and counseling, job placement, and other services targeted to the homeless. Providing housing and services for the homeless may provide the homeless person opportunities to engage in the local economy, while also helping to revitalize areas where homeless might otherwise gather and deter people from visiting main street businesses.

Specific categories NOT eligible for Contribution Project status. Social services (not identified in the sub-categories above) that generally strengthen a community and promote opportunity, though important, are generally not eligible for Enterprise Zone project status. The Enterprise Zone program is focus on achieving near-term economic development improvements. Ineligible social services include education, food subsidies and food banks, child care and youth activities, elder care, homeless prevention, and most human services. Animal shelters and humane societies are ineligible. There may be rare situations where the activities identified in this paragraph do support the local economic plan, and therefore may be considered for EZ Contribution Project status.

Finally, the proposal must have the support of the Zone Administrator and the community (a board or public official).



TOWN OF RICO
INCORPORATED OCTOBER 11, 1879
2 North Commercial Street
Post Office Box 9
Rico, Colorado 81332
Office # 970.967.2861
Fax # 970.967.2862
www.ricocolorado.gov

August 21th

Colorado Office of Economic Development & International Trade
Enterprise Zone Program
Region 9

To Whom it May Concern,

The Town of Rico enthusiastically supports including the Rico Central Sewer System project as an EZ Economic Development Project.

The Town of Rico has had difficulty rebounding from the economic downturn that hit the United States in 2008. The Rico Board of Trustees and other community leaders believe that this failure to recover to the degree that the rest of Colorado has recovered is in part due to sub-standard infrastructure. The lack of a central sewer system is a barrier to economic growth in Rico's historic commercial core. Many of the buildings lining Colorado Highway 145 in the Rico town limits have limited ability to deal with wastewater either because there is inadequate area for a leach field or the building pre-dates the common use of indoor plumbing. This situation is contributing to empty storefronts and general disrepair in a number of Rico's historic buildings.

In a recent survey conducted by RPI Consulting, 84% of local business owners view the construction of a central sewer system as a positive factor in their ability to grow their business and further, 32% view it as a necessity. The same study shows that peer communities of Alma and Oak Creek, both of which have central sewer, are seeing growth in sales tax revenue whereas Rico has seen a decline over the last five years. The community is hopeful that the success of this project will contribute to economic activity in the Town

The community of Rico thanks you for consideration of this application.

Sincerely,

Zach McManus, Mayor of Rico



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August 21th

Colorado Office of Economic Development & International Trade
Enterprise Zone Program
Region 9

To Whom it May Concern,

The Town of Rico enthusiastically supports including restoration work on the Rico Town Hall as an EZ Economic Development Project.

This beautiful building was constructed in 1892 when the Town of Rico was in the midst of a mining boom. It was placed on the National Register of Historic Places in 1974. The Rico Town Hall used to be the Dolores County Seat. The Town meeting room was venue for County Court and the basement was the County Jail. Ultimately the Town would like to restore the old cells so that the jail could be used as a tourist attraction for visitors interested in the history of the region.

The Town has maintained the building to the degree possible with its limited resources, and indeed has made many improvements, but the building is in need of major repairs. Declining sales tax and property tax revenues have made it difficult for the Town of Rico to preserve the historic Rico Town Hall to the degree it should be preserved. Heavy, wet snowfall last winter has done a great deal of damage to the roof, the stonework and the bricks. The roof needs to be replaced and the bricks need an additional coat of sealant as well as other repairs. There is also an old boiler in the basement that is lined with asbestos that should be removed.

The residents of Rico love this building, which now houses the local library in addition to Town offices. The community of Rico thanks you for consideration of this application.

Sincerely,

Zach McManus, Mayor of Rico

RESOLUTION 2019-XX

A RESOLUTION BY THE BOARD OF TRUSTES OF THE TOWN OF RICO APPROVING BUILDING, DEVELOPMENT FOR AREAS OF ENVIRONMENTAL CONCERN, ENCROACHMENT, EXCAVATION, MINOR SUBDIVISION, ROAD AND RIGHT-OF-WAY VACATION, SEPTIC, SPECIAL USE, AND VARIANCE FORM APPLICATIONS AND PROCEDURES.

WHEREAS, the Board of Trustees has the power to promulgate zoning, building, septic and public property regulations and in furtherance of general health, safety and welfare pursuant to C.R.S. § 31-23-301 et. seq., Rico Home Rule Charter, § 14.1, C.R.S. § 31-15-701, et. seq. and C.R.S. § 31-15-601, et. seq.;

WHEREAS, included in the Board of Trustees broad legislative powers above is the power to approve permit forms and procedures to be used by Town of Rico staff; and

WHEREAS, the permit form applications and procedures have been reviewed by the Board of Trustees and the Board desires to approve the proposed forms.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEE OF THE TOWN OF RICO, COLORADO:

The form permits being building, development for areas of environmental concern, encroachment, excavation, minor subdivision, road and right-of-way vacation, septic, special use, and variance form applications and procedures as attached hereto are hereby approved.

ADOPTED this __ day of August, 2019, by the Board of Trustees.

TOWN OF RICO, COLORADO

Zachary McManus, Mayor

Attest:

Linda Yellowman, Town Clerk

RESOLUTION

WHEREAS, the Town of Rico, Colorado (the “Town”) is a home rule municipal corporation and political subdivision of the State of Colorado (the “State”), duly organized and operating under its home rule charter (the “Charter”) and the constitution and the laws of the State; and

WHEREAS, the members of the Board of Trustees of the Town (the “Board”) have been duly elected, chosen, and qualified; and

WHEREAS, Article X, Section 20 of the Colorado Constitution (“TABOR”) requires voter approval for any new tax, the creation of any debt, and for collecting, retaining, and spending certain moneys above limits established by TABOR; and

WHEREAS, TABOR requires the Town to submit ballot issues (as defined in TABOR) to the Town’s electors on limited election days; and

WHEREAS, the interest of the Town and the public interest and necessity demand the construction and installation of improvements to the Town’s sanitary sewer system, as further described in this resolution and the question set forth herein (the “Project”); and

WHEREAS, pursuant to Section 11.2 of the Charter, the Town regular election will be conducted by the Town Clerk (the “Clerk”) as an independent mail ballot election pursuant to the Colorado Municipal Election Code of 1965 (the “Code”) on November 5, 2019 (the “Election”); and

WHEREAS, November 5, 2019, is one of the election dates at which ballot issues may be submitted to the eligible electors of the Town pursuant to TABOR; and

WHEREAS, it is necessary to submit to the registered electors of the Town, at the Election, the proposition of incurring a debt in an aggregate principal amount not to exceed \$3,000,000 to finance a portion of the costs of the Project; and

WHEREAS, the Board wishes to submit to the registered electors of the Town, at the Election, the proposition of the property located in the Town boundaries to be included with the boundaries of the San Miguel Authority for Regional Transportation; and

WHEREAS, it is necessary to set forth certain procedures concerning the conduct of the Election.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES IF THE TOWN OF RICO, IN THE STATE OF COLORADO:

Section 1. All action heretofore taken (not inconsistent with the provisions of this resolution) by the Town and the officers thereof, directed toward the Election and the objects and purposes herein stated is, ratified, approved, and confirmed. Unless otherwise defined herein, all terms used herein shall have the meanings specified in the Code.

Section 2. Pursuant to the applicable laws of the State of Colorado, the Board hereby determines that at the regular Town election on November 5, 2019 there shall be submitted to the eligible electors of the Town the questions set forth in Section 4 hereof.

Section 3. The Board hereby designates the Clerk as the Designated Election Official of the Town and she is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this resolution and of the Code, TABOR, or other applicable laws.

Section 4. The Board hereby determines that at the Election, there shall be submitted to the registered electors of the Town the questions in substantially the following forms:

BALLOT ISSUE []:

SHALL TOWN OF RICO DEBT BE INCREASED BY UP TO \$3,000,000, WITH A MAXIMUM TOTAL REPAYMENT COST OF \$3,474,327 FOR THE PURPOSE OF FINANCING A WASTEWATER TREATMENT PLANT AND A NEW CENTRAL SEWER SYSTEM IN THE TOWN'S COMMERCIAL CORE AND SHALL TOWN TAXES BE INCREASED BY UP TO \$173,717 ANNUALLY IN ANY YEAR BY THE LEVY OF AD VALOREM PROPERTY TAXES, WITHOUT LIMIT AS TO RATE AND IN AN AMOUNT SUFFICIENT TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON SUCH DEBT; SHALL SUCH DEBT TO MATURE, BE SUBJECT TO REDEMPTION, WITH OR WITHOUT PREMIUM, AND BE ISSUED, DATED AND SOLD AT SUCH TIME OR TIMES, AT SUCH PRICES (AT, ABOVE OR BELOW PAR) AND IN SUCH MANNER AND WITH SUCH TERMS, NOT INCONSISTENT HERewith, AS THE BOARD OF TRUSTEES MAY DETERMINE; AND SHALL THE TOWN BE AUTHORIZED TO COLLECT, RETAIN AND EXPEND ALL OF THE REVENUES OF SUCH TAXES, THE PROCEEDS OF SUCH BONDS AND THE EARNINGS THEREON, NOTWITHSTANDING THE LIMITATIONS OF ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?

BALLOT ISSUE []:

SHALL THE PROPERTY WITHIN THE BOUNDARIES OF THE TOWN OF RICO BE INCLUDED IN THE BOUNDARIES OF THE SAN MIGUEL AUTHORITY FOR

REGIONAL TRANSPORTATION AND BE SUBJECT TO THE SMART .75 MILL LEVY AND 0.25% SALES TAX?

Section 5. The Designated Election Official of the Town is authorized and directed to take all action necessary or appropriate to effectuate the provisions of this resolution, including, but not limited to, mailing, posting, and publishing notices of the Election, including the TABOR Notice, and entering into necessary agreements.

Section 6. If a majority of the votes cast on the question to authorize debt and the levy of taxes submitted at the Election shall be in the affirmative, the Town shall be authorized to proceed with the necessary action to incur the debt and levy the taxes in accordance with such question. Any authority to incur the debt and levy taxes, if conferred by the results of the election, shall be deemed and considered a continuing authority to incur the debt and levy taxes so authorized at any one time, or from time to time, and neither the partial exercise of the authority so conferred, nor any lapse of time, shall be considered as exhausting or limiting the full authority so conferred.

Section 7. Pursuant to C.R.S. § 31-10-1301(2), any election contest arising out of a ballot issue or ballot question election concerning the order on the ballot or concerning whether the form or content of any ballot title meets the requirements of shall be commenced by petition filed with the proper court within five days after the title of the ballot issue or ballot question is set.

Section 8. Pursuant to Article XX of the State Constitution and the Charter, all State statutes that might otherwise apply in connection with the provisions of this ordinance (including, without limitation C.R.S. § 31-11-111) are hereby superseded to the extent of any inconsistencies or conflicts between the provisions of this ordinance and such statutes. Any such inconsistency or conflict is intended by the City Council and shall be deemed made pursuant to the authority of Article XX of the State Constitution and the Charter.

Section 8. All orders, bylaws, and resolutions, or parts thereof, in conflict with this resolution, are hereby repealed.

Section 9. If any section, paragraph, clause, or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this resolution.

ADOPTED AND APPROVED this August 21, 2019.

Mayor, Town of Rico

(SEAL)

Attest:

Town Clerk, Town of Rico

STATE OF COLORADO)
)
COUNTY OF DOLORES) SS.
)
TOWN OF RICO)

I, the Clerk of the Town of Rico, Dolores County, Colorado (the “Town”), do hereby certify:

1. The foregoing pages are a true and correct copy of a resolution (the “Resolution”) passed and adopted by the Board of Trustees of the Town (the “Board”) at a regular meeting held on August 21, 2019.

2. The Resolution was duly moved and seconded and the Resolution was adopted at the meeting by an affirmative vote of a majority of the members of the Board as follows:

[illegible]

3. The members of the Board were present at such meeting and voted on the passage of such Resolution as set forth above.

4. The Resolution was approved and authenticated by the signature of the Mayor, sealed with the Town seal, attested by the Town Clerk and recorded in the minutes of the Board.

5. There are no bylaws, rules, or regulations of the Board which might prohibit the adoption of said Resolution.

6. Notice of the meeting in the form attached hereto as Exhibit A was duly given and was posted in a designated public place no less than twenty-four hours prior to the meeting as required by law.

2019. WITNESS my hand and the seal of said Town affixed this ____ day of August

(SEAL)

Town Clerk

EXHIBIT A

(Form of Notice of Meeting)

RESOLUTION 2019-0?

A RESOLUTION BY THE BOARD OF THE TOWN OF RICO SUBMITTING TO THE REGISTERED ELECTORS OF THE TOWN OF RICO AT THE AUGUST 21st, 2019 REGULAR MUNICIPAL ELECTION TO BE HELD A BALLOT QUESTION REGARDING WHETHER THE TOWN MAY RE-ESTABLISH ITS RIGHT TO PROVIDE TELECOMMUNICATIONS SERVICES, ADVANCED SERVICES, AND CABLE TELEVISION SERVICES EITHER DIRECTLY OR INDIRECTLY WITH PUBLIC OR PRIVATE SECTOR PARTNERS

WHEREAS, affordable, reliable, and innovative telecommunication services are essential for residents and businesses in today's economic environment and for quality of life; and

WHEREAS, in 2005 the Colorado General Assembly adopted Senate Bill 152, codified at C.R.S. §§ 29-27-101, *et seq.*, which provides that before a local government may provide telecommunications services, advanced services, or cable television services, an election must be held on the question of whether the local government shall provide the services; and

WHEREAS, the effect of Senate Bill 152 has been to restrict the Town's right to improve the Town's connectivity either through the provision of direct services or through partnerships with the public or private sector; and

WHEREAS, the Council finds re-establishing the City's telecommunications rights would allow the Town of Rico community to implement local communication solutions to provide needs based access to benefit the residents and businesses of the Town; and

WHEREAS, the ballot question must be approved by a majority vote before becoming effective.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEE OF THE TOWN OF RICO, COLORADO:

The following ballot question and title shall be submitted to the electors at the November 5th, 2019, regular municipal election to be held:

Without increasing taxes, shall the Town of Rico, Colorado re-establish its right to provide all services restricted since 2005 by Title 29, article 27 of the Colorado Revised Statutes, described as "advanced services", "telecommunications services", and "cable television services", including any new and improved high bandwidth services based on future technologies,

utilizing community owned infrastructure, including, but not limited, to the existing or new fiber optic network, either directly or indirectly, with public or private sector providers, to potential subscribers that may include telecommunications service providers, residential or commercial users within the Town?

YES _____

NO _____

BE IT FURTHER RESOLVED that the Town Clerk and Town Administrator are hereby authorized and directed to take all necessary and appropriate action with respect to the submission of the above ballot question to the electors and the holding of the regular municipal election to be held on November 5th, 2019.

ADOPTED this 21st day of August, 2019, by the Board of Trustees.

TOWN OF RICO, COLORADO

Zachary McManus, Mayor

Attest:

Linda Yellowman, Town Clerk

**TOWN OF RICO
ORDINANCE NO. 2019 -**

AN ORDINANCE OF THE TOWN OF RICO, COLORADO, ADDING DEFINITONS REGARDING TINY HOMES TO THE RICO LAND USE CODE SECTION 910, ADDING A NEW SUBSECTION C TO SECTION 221 FOR ALLOWING TINY HOMES IN THE RESIDENTIAL (R) ZONE DISTRICT BY SPECIAL USE PERMIT, AND ADDING A NEW SECTION 222 SETTING FORTH TINY HOME DESIGN REGULATIONS.

WHEREAS, the Board of Trustees of the Town of Rico (Board) is empowered for the purpose of promoting health, safety, morals, or the general welfare of the community, to regulate and restrict the height, number of stories, and size of buildings and other structures, the percentage of lot that may be occupied, the size of yards, courts, and other open spaces, the density of population, the height and location of trees and other vegetation, and the location and use of buildings, structures, and land for residential purposes pursuant to C.R.S. § 31-23-301(1), as amended;

WHEREAS, the Board desires to allow tiny homes in the Residential (R) Zone District and the Commercial District to address the Town of Rico's affordable housing shortages and to take advantage of the minimal footprint due to their small size and;

WHEREAS, the Board has set forth specific design regulations, including adherence to CDPHE Waster Water Flow and Strength regulations for tiny homes pursuant to 5 C.C.R. 1002-43:43.6;

WHEREAS, the tiny homes regulated herein are not structures, transportable in one or more sections, built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation; and

WHEREAS, the tiny homes regulated herein are Dwellings as defined in the Rico Land Use Code, limited to one bedroom and less than 400' of livable space, excluding a loft for the purpose of the 2006 International Residential Code review and including the loft for the purpose of the reduced soil treatment area as defined in Colorado Health and Environment Regulation 43, adopted by the Rico Board of Trustees on September 20th 2017 and attached to a permanent foundation.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF RICO, COLORADO:

SECTION 1: AMENDMENT OF SECTION 910 TO THE RICO LAND USE CODE TO ADD TINY HOME DEFINITIONS

910 DEFINITIONS of the Municipal Code of the Town of Rico, Colorado, is amended to add the following definitions to be inserted in alphabetical order as follows:

Egress Roof Access Window. Egress Roof Access Window shall mean a skylight or roof window designed and installed to satisfy emergency escape and rescue opening requirements.

Landing Platform. A landing platform shall be a landing provided as the top step of a stairway accessing a loft.

Tiny Home Loft. A loft shall be a floor level located more than 30" (762 mm) above the main floor, open to the main floor on one or more sides with a ceiling height of less than 6', 8" (2032 mm) and used as a living or sleeping space.

Tiny Home. A tiny home is a Dwelling with a permanent foundation that is not transportable in one or more sections, has only one bedroom, and has less than 400 sq. ft. of livable space including a loft.

SECTION 2: AMENDMENT OF SECTION 221 OF THE RICO LAND USE CODE TO ADD A NEW SUBSECTION C

Section 222 is amended to add a new Subsection C as follows:

C. Tiny Homes.

SECTION 3: ADDITION OF A NEW SECTION 223 TO THE RICO LAND USE CODE

A new Section 223 is added to the Rico Land Use Code as follows:

223 TINY HOME USES

Tiny Homes must comply with all Colorado Department of Public Health & Environment (CDPHE) rules and regulations, including daily residential wastewater flow and BOD₅ load per person, per day limits. In addition, Tiny Homes must meet minimum requirements as follows:

Design Regulation	Requirements
Ceiling Height	Habitable space and hallways in Tiny Homes shall have a ceiling height of not less than 6' 8' (2032 mm). A

	bathroom, toilet room, and kitchen shall have a height not less than 6' 4" (1930 mm). Obstructions including, but not limited to, beams, girders, ducts and lighting, shall not extend below these minimum ceiling heights, except ceiling heights in lofts as set forth below.
Tiny Home Loft Area and Dimensions	Lofts shall have a floor area of not less than 35 sq. Ft (3.25 mm). Lofts shall be not less than 5 feet (1524 mm) in any horizontal dimension. Portions of a loft with a sloped ceiling measuring less than 3 feet (914 mm) from the finished floor to the finished ceiling shall not be considered as contributing to the minimum required area for the loft. Exception: Under gable roofs with a minimum slope of 6 units vertical in 12 units horizontal (50-percent slope), portions of a loft with a sloped ceiling measuring less than 16 inches (406 mm) from the finished floor to the finished ceiling shall not be considered as contributing to the minimum required area for the loft.
Height Effect on Loft Area	Portions of a loft with a sloped ceiling measuring less than 3' (914 mm) from the finished floor to the finished ceiling shall not be considered as contributing to the minimum required area for the loft. Exception: Under gable roofs with a minimum slope of 6 units vertical in 12 units horizontal (50-percent slope), portions of a loft with a sloped ceiling measuring less than 16" (406 mm) from the finished floor to the finished ceiling shall not be considered as contributing to the minimum required area for the loft.
Loft Access	Stairways accessing a loft shall not be less than 17" (432 mm) in clear width at or above the handrail. The width below the handrail shall be not less

	<p>than 20" (508 mm). The headroom in stairways accessing a loft shall be not less than 6' 2" (1880 mm), as measured vertically, from a sloped line connecting the tread or landing platform nosing in the middle of their width. Risers for stairs accessing a loft shall be not less than 7" (178 mm) and not more than 12" (305 mm) in height. Tread depth and riser height shall be calculated in accordance with the following:</p> <ol style="list-style-type: none"> 1. The tread depth shall be 20" (508 mm) minus four-thirds of the riser height. 2. The riser height shall be 15" (381 mm) minus three-fourths of the tread depth.
Landing Platform	<p>The top tread and riser of stairways accessing lofts shall be constructed as a landing platform where the loft ceiling height is less than 6' 2" (1880 mm) where the stairway meets the loft. The landing platform shall be 18" to 22" (457 to 559 mm) in depth measured from the nosing of the landing platform to the edge of the loft, and 16 to 18" (406 to 457 mm) in height measured from the landing platform to the loft floor.</p>
Handrails and Stairway Guards	<p>Handrails and stairway guards shall comply with the International Building Code (IBC) and International Residential Code (IRC), adopted by the Town.</p>
Ladder	<p>Ladders accessing lofts shall have a rung width of not less than 12" (305 mm), and 10" (254 mm) to 14" (356 mm) of spacing between rungs. Ladders shall be capable of supporting a 200-pound (75 kg) load on any rung. Rung spacing shall be uniform within 3/8" (9.5 mm).</p>

Incline	Ladders shall be installed at 70 to 80 degrees from horizontal.
Alternating Tread Devices	Alternating tread devices shall not be used as an element of a means of egress. Alternating tread devices shall be permitted provided that a required means of egress stairway or ramp serves the same space at each adjoining level or where a means of egress is not required. The clear width at and below the handrails shall be not less than 20" (508 mm). Exception: Alternating tread devices are allowed to be used as an element of a means of egress for lofts, mezzanines and similar areas of 200 gross sq. ft. (18.6 mm) or less where such devices do not provide exclusive access to a kitchen or bathroom.
Treads of alternating tread devices	Alternating tread devices shall have a tread depth of not less than 5" (127 mm), a projected tread depth of not less than 8 1/2" (216 mm), a tread width of not less than 7 "(178 mm) and a riser height of not more than 9 1/2 inches (241 mm). The tread depth shall be measured horizontally between the vertical planes of the foremost projections of adjacent treads. The riser height shall be measured vertically between the leading edges of adjacent treads. The riser height and tread depth provided shall result in an angle of ascent from the horizontal of between 50 and 70 degrees (0.87 and 1.22 rad). The initial tread of the device shall begin at the same elevation as the platform, landing or floor surface.
Ship's ladder	Ships ladders shall not be used as an element of a means of egress. Ships ladders shall be permitted provided

	that a required means of egress stairway or ramp serves the same space at each adjoining level or where a means of egress is not required. The clear width at and below the handrails shall be not less than 20". Except, Ships ladders are allowed to be used as an element of a means of egress for lofts, mezzanines and similar areas of 200 gross sq. ft. (18.6 mm) or less that do not provide exclusive access to a kitchen or bathroom.
Treads of Ship's Ladders	Treads shall have a depth of not less than 5" (127 mm). The tread shall be projected such that the total of the tread depth plus the nosing projection is not less than 8 ½" (216 mm). The riser height shall be not more than 9 ½" (241 mm).
Handrails of Ship's Ladders	Handrails shall be provided on both sides of ships ladders and comply with relevant sections of the IBC and the IRC, adopted by the Town of Rico. Handrail height shall be uniform, not less than 30" (762 mm) and not more than 34" (864 mm).
Loft Guards	Loft guards shall be located along the open side of lofts. Loft guards shall be not less than 36" (914 mm) in height or one-half of the clear height to the ceiling, whichever is less.
Emergency Escape and Rescue Opening	Tiny houses shall meet the requirements of the IBC for emergency escape and rescue openings. Except that Egress Roof Access Windows in lofts used as sleeping rooms shall be deemed to meet the requirements of IBC where installed such that the bottom of the opening is not more than 44" (1118 mm) above the loft floor, provided the Egress Roof Access Window complies with the minimum opening area requirements of IBC

SECTION 4: ADDITION OF A NEW SECTION 224 TO THE RICO LAND USE CODE

SECTION 5: EFFECTIVE DATE

This Ordinance shall take effect upon adoption and passage of the second reading.

SECTION 5: SEVERABILITY

If any clause, sentence, paragraph, or part of this ordinance or the application thereof to any person or circumstances shall for any reason be adjudged by a court of competent jurisdiction invalid, such judgment shall not affect application to other persons or circumstances.

SECTION 6: SAVINGS CLAUSE

The amendment of various provisions of the Rico Land Use Code by this ordinance shall not affect any offense or act committed, any penalty incurred, any contract, right or duty established or accruing before the effective date of this ordinance.

INTRODUCED, READ, APPROVED AS INTRODUCED, AND ORDERED PUBLISHED on first reading by Town of Rico Board of Trustees this 17th day of July, 2019.

TOWN OF RICO

Zachary McManus, Mayor

Attest:

Linda Yellowman, Town Clerk

CERTIFICATE OF ATTESTATION

I, Linda Yellowman, Ouray City Clerk, hereby certify that Ordinance No. _____, was introduced, read and passed by the Rico Board of Trustee on first reading on July 17, 2019. The Ordinance was published, in summary, in the _____ on _____, 2019, and thereafter introduced, read and adopted by the Rico Board of Trustees on _____, 2019, and thereafter published in the _____, as required by law.

Linda Yellowman, City Clerk



INCORPORATED OCTOBER 11, 1879

2 North Commercial Street

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Rico, Colorado 81332

Office # 970.967.2861

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Gentlemen,

Thank you for taking the time to talk to me and Mayor Zach McManus on August 1st about the Rico Elementary School and being willing to help solve this difficulty.

In March of last year, the Dolores County School District voted unanimously to close the Rico Elementary School. I have attached the resolution. The decision was based on declining enrollment and the expense of operating an aging building for so few students. While the citizens of Rico generally agreed that the school was difficult to maintain, they would like to see a strategy by the Dolores County School District in assuring the parents that a long-term plan was being made for the education of their children.

To appreciate this dilemma, it is helpful to understand the geography and economics of the region as well as the history of the Rico School. As you probably know, Rico was a mining town until the mid-seventies when the mine closed for good. Subsequent to the closure of the mine, Rico became a bedroom community for people who worked at the ski resort in Telluride. This situation still exists with many of the parents working in Telluride. It follows naturally that most parents want their children to be in school in Telluride where they are close should there be an emergency. The Telluride School is also the closest school to Rico being 30 miles north. The Town of Dolores has the next closest school. It is located 40 miles south of Rico and not the more frequently traveled route. It is very important to note that the Telluride School and the Dolores School are *not* in the Dolores County School District. The only school in the Dolores County School District is in Dove Creek some 70 miles away from Rico. It is also important to note that the Dolores County School District is large. At approximately 1296 square miles, it encompasses not only Dolores County in its entirety but also the western portion of San Miguel County. I have attached a map showing the area to this email.

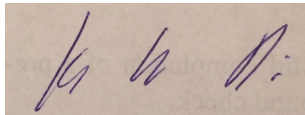
In 2002, following a previous attempt by the Dolores County School District to close the Rico School, the community of Rico collected signatures and put an initiative on the ballot to leave the Dolores School District and join the Telluride School District. While the initiative passed in both the Town of Rico and in the Telluride District, it was defeated in Dolores County where the majority of the population resides. I believe that the community of Rico would stand firmly by another attempt to join the Telluride R-1 School District.

In August of 2018, the Town of Rico organized a discussion regarding the school situation at the Rico Board of Trustee's meeting. There was a good turnout and the parents expressed a desire to have a portion of their tax dollars (Rico citizens will contribute just over \$100,000 to the Dolores School District this year) go toward transportation to the Telluride School. They were also concerned about what would become of the building should it be abandoned by the Dolores County School District.

In summary, the parents in Rico would like three things for the approximately 30 school-aged kids that live in Rico.

- Transportation – The parents in Rico would like assurance that if for some reason they can't take their kids to school, there is an alternative.
- Continuity - The Telluride School system has been very generous in taking on Rico students, however Telluride is not obliged and the parents want to know that there is a place for their children in a school that is relatively close.
- Stewardship of the property – It is important to the Rico community that, whoever ends up with the school building, maintain it to the degree that it does not become a blight on our main street.

The Rico Community will be very grateful for a positive resolution to this problem.

A handwritten signature in blue ink on a light-colored rectangular piece of paper. The signature is cursive and appears to read 'Kari Distefano'.

Sincerely,

Kari Distefano, Rico Town Manager