

Town of Rico Memorandum

Date: March 11th, 2022

TO: Town of Rico Board of Trustees

From: Chauncey McCarthy

Consideration of an application for a special use permit for the purpose of a short-term rental, 1 N Commercial, Justin and Christie Miller, applicants

Justin and Christie Miller would like to use their house, located at 1 N Commercial Street, as a short-term rental. They have applied for a Special Use Permit as required by the Rico Land Use Code. The application is included in this packet for your review and is complete and compliant along with additional information for the applicant. I have advised the applicants that they should be available via zoom to answer questions from the Board of Trustees.

The application came before the Planning Commission last meeting on March 9th, 2022. The commission recommended approval with conditions. Motion and vote provided below:

Motion

To recommend to the Town Board of Trustees to approve the application of this open-ended application with the following conditions: A limit of two persons per bedroom, A health and safety inspection to make sure the facility is a safe place for renters to live and that a review of the septic system be conducted by a licensed civil engineer to ensure capacity for two people per room. Addition of property delineation to prevent trespassing onto neighbor's lots. Snow removal to meet off-street parking requirements. All of the outdoor lighting is dark sky compliant. Meet all current town code requirements. Along with the neighbors be given the contact persons information.

Moved by Gerrish Willis, Second by Cristal Hibbard

Vote. A roll call vote was taken and the motion was approved, 5-0.

Consideration of liquor license renewal, Garden Bar LLC, applicant

Included in this packet is a liquor license renewal application provided by the Garden Bar LLC. Application is complete and the business owners have had no complaints over the past year.

Greg Perkins water tap public hearing

The Perkins have not paid their water tap fee in over two years. Historically after two years the Board holds a hearing to decide if the tap should be forfeited.

According to the Water Rules and Regulations Ordinance 2019-06:

5.9 Revocation of Tap Rights. The right to connect to the Town of Rico's system and receive services shall be revocable by the Town upon non-payment of any Town fees owing to the Town, whether or not related to the water system, and remaining unpaid for a period of sixty (60) days, and whether or not the customer owning the right to connect has actually connected to the Town system. Such revocations shall be conducted in accordance with Section 5.8. If the right to connect to the Town's system is revoked, then the customer may reacquire such tap rights only by

reapplying for service in accordance with Section 5.3 above and after paying all fees due and owing the Town and the then-current tap fees charged by the Town under these Rules and Regulations.

The Perkins were notified of this situation by certified mail on 2/2/2022. They have been invited to either pay or to come to the March 16th Board meeting.

Point of diversion update

Included in this packet is a point of diversion update from Marti Whittemore, Town's water attorney. She is unable to attend the March 16th, 2022 meeting.

Karp Neu Hanlon project list and time estimates

Included in this packet is a memorandum that outlines the legal projects for the Town of Rico and provides cost estimates for completing each project.

VCUP application review/update

Nicole to provide an update on the VCUP application and review

Planning commission recommendation for short term rental moratorium

During the March 9th, 2022 planning commission meeting they motioned to recommend to the Board a consideration for a moratorium on short term rentals. The motion is provided below:

Motion

To recommend to the town board to enact an ordinance that would put a moratorium on Short Term rentals for a period of at least six months or upon issuance of a new ordinance.

Moved by Gerrish Willis, Second by Cristal Hibbard

Vote. A roll call vote was taken and the motion was approved, 4-1.

Town shop and facility planning update

As discussed in past meetings the Town is in need of a new shop. The location of the shop is a designated Brownfields site. The CDPHE is providing grant funding for the remediation of contaminated sites through the 1306 Brownfields Cleanup Grant Program. The grant program does not require a match and could be used to remediate the site, and under the guises of remediation allow for site prep to prepare for the construction of a new shop. Applications are due by May 31, 2022 and require a site plan and budget from an environmental engineer. There is \$5,000 budgeted in facility planning for a new shop in the street fund. We would like to use those funds to hire an environmental engineer and proceed with the grant process. If award funds, we would remediate the shop lot and prep a site on the parcel for the new shop. In 2023 the Town could start construction of a new shop. Once the new shop is completed the old building could be taken down and the pad used for the fuel tanks along with road base storage.

Short term rental ordinance update

March 7th, 2022 the Board of Trustees held a work session to discuss the drafting of a short term rental ordinance. The summary provided below was taken from those minutes:

- Creating cap based on quadrants with similar number of houses in each.
- Adopt the three-strike system.
- How to move forward with existing permits
- Owner occupied unit exception from cap, but included in application fee and tax structure.
- Commercial zone should be exempt.

On Monday March 13th I will be meeting with legal to provide them the updates from the work session. This will be our attorney's first review of the board's considerations and the start of drafting a short-term rental ordinance. This item was added to the agenda to allow for additional discussion along with any new considerations the board would like to include in the ordinance. Jen Stark, Town planner, thought there would be value in the Board reviewing the Dolores short term rental ordinance the town recently adopted. It is included in this packet.

Water tap fee schedule

Last month the Board discussed water tap fees in surrounding communities along with a larger discussion on rates, liens, and infrastructure upgrades the Town's system will need in the future. Trustee Pat Fallon suggested last week the Board should consider raising tap fees back to \$10,000, for ¾ inch tap, the rate they were prior to the being lowered a few years ago. All other taps sizes could be raised on the proposed percentage increase of a ¾ inch tap.

Van Winkle Headframe repairs

Included in this packet is a letter from Brian Johnson, Liability Business Manager Atlantic Richfield Company, discussing the condition of the Van Winkle headframe and the need for repairs. The Historical Society was issued a conservation easement in 2003, included in the packet. The Conservation Easement provides that the Town of Rico will notify the Rico Historical Society of damage or destruction to the Headframe structure, and the Historical Society will thereafter complete the repair or reconstruction necessary to restore the structure. The president of the historical society was asked to join the meeting on March 16th, 2022 to further discuss this matter.

Special Use Permit Applications

Special Use Permit Applications are required for uses not permitted by right in zone districts but permitted by special permit upon review. Uses not listed shall not be permitted under any circumstances.

Special Use Permits are required in Commercial Zone Districts for the following:

- **Adult Businesses, including retail sales of adult material and nudity shows**
- **Day Care Facilities**
- **Fire Stations and Emergency Facilities**
- **Hospitals and Medical Centers**
- **Gasoline, fuel cell and other stations that sell fuel and/or energy**
- **Manufacturing businesses, not including art studios**
- **Religious Institutions**
- **Repair shops for automobiles**
- **Schools**
- **Trade Businesses, including electrical, heating, plumbing, welding, etc.**
- **Warehouses and distribution centers**
- **Wood working shops**
- **All other businesses not listed as a use by right in the Rico Land Use Code**

Special Use Permits are required in Residential Zone Districts for the following:

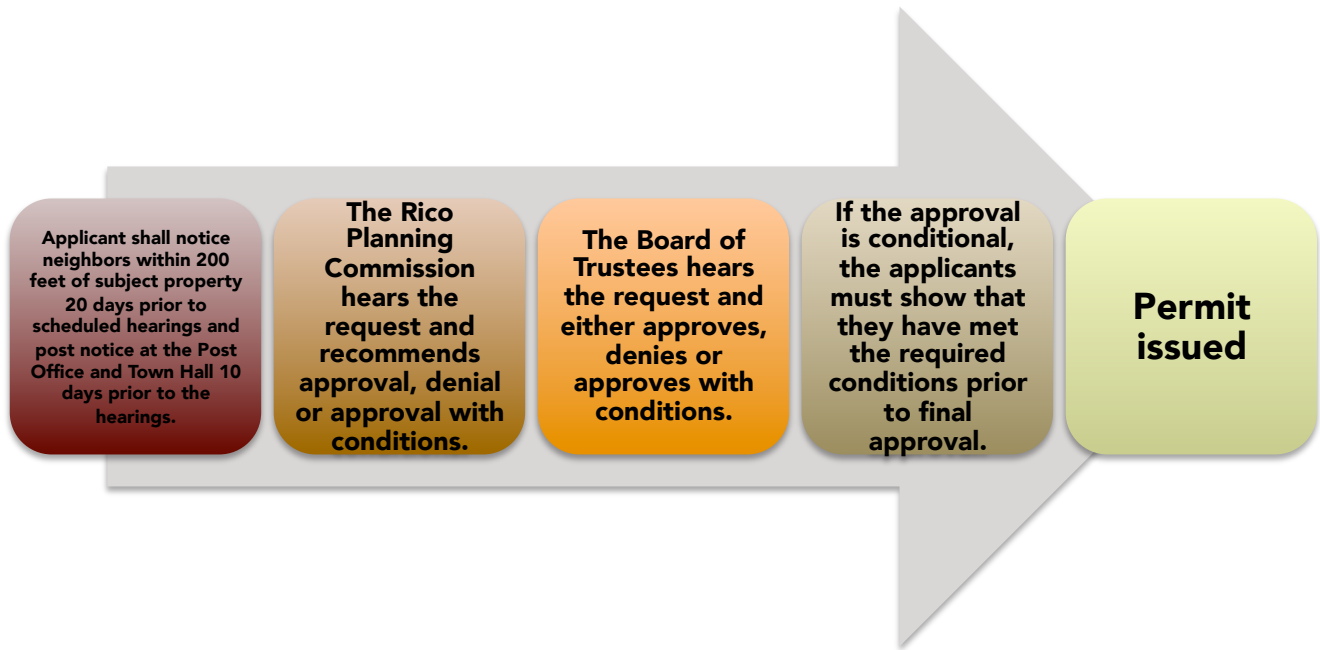
- **Short-term rental dwelling units / accommodations excluding hotels, condominium hotels, bed and breakfasts, motels, lodges, boarding houses and rooming houses**
 - **Day Care Facilities**
 - **Schools**
 - **Churches**
-

Special Use Permit Process Chart



The Rico Planning Commission is authorized to review and make a recommendation to the Board of Trustees. Standards for review include the following:

- Compatibility with the surrounding area.
 - The location, size, design and operating characteristics shall mitigate any adverse effects on the surrounding properties.
 - Proposed use shall not produce noise levels beyond those of traditional uses in the underlying zone district.
 - Proposed use shall not produce smoke, particulate matter, odorous matter beyond those of traditional uses in the underlying zone district.
 - Proposed use shall not involve explosives, flammables, toxic and noxious matter, vibrations, or the need for open storage or glare.
 - Proposed use shall not create undue traffic impacts on Town roads and affected area.
 - Proposed use shall provide adequate off-street parking.
-



Special Use Permit



Applicant Name Justin and Christie Miller Phone Number 801.726.3474
 Address 188 J Street, Salt Lake City, UT 84103 Cell Phone Number 801.381.8375
 Email jmillerandsons@outlook.com Fax Number _____
 Street Address of Subject Property 1 N Commercial Street, Rico, CO 81332
 Legal Description of Subject Property RICO LTS 17-20 BLK 14 36-40-11

Zone District of Subject Property Residential

Attachments Required:

- ☒ Description of Special Use Request
- ☒ Narrative of Reasons that Special Use should be granted
- ☒ Statement from County Treasurer showing the status of current taxes due on affected property
- ☒ Letter of agency if applicant is other than the owner of the property
- ☐ An application fee in the amount of \$200.00
- ☒ A site plan that includes any information relevant to the request i.e.: adequate parking for short term rental permit applications.
- ☐ A Certificate of Mailing with names, addresses, and property owned of property owners within 200 feet of subject property.
- ☒ A copy of the deed for the property.

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: _____ Date _____

| | | | |
|---------------------------|---------|---------------------------------|-------------------|
| Date Application Received | 1/11/21 | Application Reviewed by | Chauncey McCarthy |
| Application Fee Received | 2/2/22 | Date of Hearing | 2/9/22 |
| Application Complete | 2/2/22 | Rico Planning Commission Action | |
| Mailing Notice Complete | 2/2/22 | Approval Subject to Conditions | |

Other comments:

Dear Rico Planning Commission and the Board of Trustees,

We are writing to request a conditional use permit allowing the short-term rental of our family property.

Our family has had a connection with Rico since the 1940's, and this home (1 N Commercial Street) has been used by our family since the 1950's. Since my wife's grandfather's passing, over 20 years ago, the house has had very limited use and the properties condition has deteriorated. In order to preserve our family's connection to Rico, and this home, my wife and I have recently purchased the property from our family. It is our plan to remodel and update the home.

My wife is an elementary school teacher in Salt Lake City, and I am self-employed with a flexible schedule. In the short term we plan on spending a considerable amount of time during my wife's school breaks in Rico fixing up the home. In the not-too-distant future we plan on making Rico, and this home, our full-time residence.

We understand that short term rentals can have a bad reputation, and we want you to know we will take the following steps to make sure we are good neighbors:

- Use a professional management company to manage the listing and bookings. Vet the bookings to make sure we are renting to people who will take care of the property and abide by our rules.
- Have a local contact who lives in town who can assist with cleanings and be a point of contact if any immediate issues arise.
- Use monitoring technology such as outdoor cameras to ensure that the number of guests on the booking match the numbers that arrive. Install sound detection devices inside that monitors the noise levels in the property to make sure our guests don't create a nuisance for our neighbors.

Our property has ample off-street parking to accommodate guests. In the back of the property (northwest corner) there is a large concrete parking pad that can accommodate at least two vehicles. Next to the pad there is an additional gravel spot for a third car. There are also two off street spaces that our family has used for years in front of the small house (southwest corner of the lot that faces Mantz). It is our plan to incorporating a small section of off-street parking in this area of the property. We will make sure that the parking will blend in with the landscaping and design.

Lastly, we would like to point out that this property is not currently being used as a long-term rental and we have no plans of renting the space out long-term in the future. We want to maintain access and utilize the property as much as our schedule will allow, until we can make it our full-time residence. We are pointing this out because we want to make sure it's clear that issuing this conditional use permit will not remove long-term housing from the available supply in town.

We hope that our request for this conditional use permit is granted so we can offset some of the cost of ownership, renovation and maintenance.

Best Regards,

Justin and Christie Miller

Silver

United Presbyterian

Houston

Rico Town

Cislo

Engel

Rico Town

Harrah

Commercial

Mantz

Fallon

Hunt

Beacon Group

Dow Family

Adams

Eleison

Lyons

Dougherty

Yaseen

Mother Lode

Mother Lode

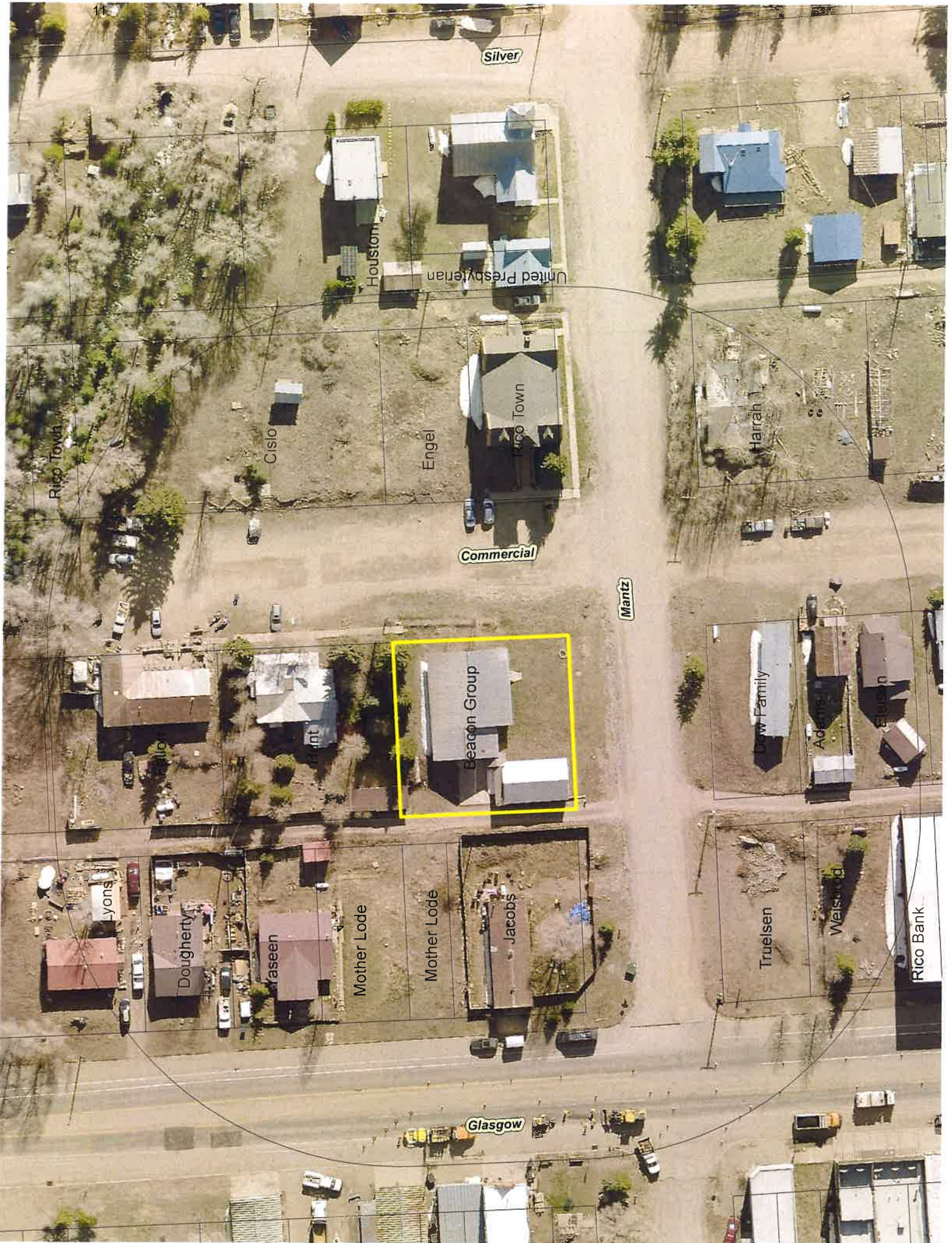
Jacobs

Truelsen

Weisbrod

Rico Bank

Glasgow



Beacon Group, 200' Buffer

| ANAME1 | AADDR1 | AADDR3 | AADDR4 | AST/AZIPCD | APADDR |
|-------------------------------------|------------------------|---------------------------------|-----------------|--------------|----------------------------|
| UNITED PRESBYTERIAN CHURCH | ATTN.: BETH GILLECE | 101 N. UNCOMPAHGRE, STE 9 | MONTROSE | CO 814010000 | 110 E MANTZ MANSE |
| RICO BANK BUILDING, LLC | | P.O. BOX 189 | RICO | CO 813320000 | GLASGOW AVE. |
| WEISBROD DALE CHARLES AKA | DALE C. WEISBROD | 1302 PIONEER RD. | DELTA | CO 814162734 | GLASGOW AVE. |
| HOUSTON ALAN F. LIVING TRUST | ET AL | BOX 35 | CENTER SANDWICH | NH 032274349 | 9 N. SILVER STREET |
| RICO TOWN OF | | P.O. BOX 56 | RICO | CO 813320000 | 24 N. COMMERCIAL ST. |
| CISLO TODD J. & STACEY REED (JT) | | 2645 EAST MATTERHORN DRIVE | FLAGSTAFF | AZ 860010000 | 18 N. COMMERCIAL ST. |
| ENGEL PATRICIA ANN | | P.O. BOX 62 | RICO | CO 813320000 | NORTH COMMERCIAL |
| RICO TOWN OF | | P.O. BOX 56 | RICO | CO 813320000 | 2 N. COMMERCIAL STREET |
| LYONS SARAH & CRAIG LYONS (JT) | | P.O. BOX 265 | RICO | CO 813320000 | 26 N. GLASGOW AVE |
| DOUGHERTY MICHAEL | | P.O. BOX 116 | RICO | CO 813320000 | 20 N. GLASGOW |
| YASEEN RYAN C. | | P.O. BOX 626 | TELLURIDE | CO 814350000 | 14 N. GLASGOW AVE |
| MOTHER LODGE ENTERPRISES, LLC | | 3370 CHARLA DR. | PRESCOTT | AZ 863050000 | 12 N. GLASGOW AVE |
| MOTHER LODGE ENTERPRISES, LLC | | 3370 CHARLA DR. | PRESCOTT | AZ 863050000 | 8 N. GLASGOW AVE |
| JACOBS SCOTT P. | | P.O. BOX 242 | RICO | CO 813320000 | 2 N. GLASGOW AVE |
| FALLON PATRICK G. | | P.O. BOX 38 | RICO | CO 813320000 | 19 N. COMMERCIAL STREET |
| HUNT SUSAN R. LIVING TRUST | | 3939 E. ALLIN STREET #201 | LONG BEACH | CA 908030000 | 11 N. COMMERCIAL STREET |
| BEACON GROUP | C/O JOHN HINCKLEY | 2573 BEACON DR. | SALT LAKE CITY | UT 841080000 | 1 N. COMMERCIAL STREET |
| TRUELSEN DEANNA | | P.O. BOX 458 | DOLORES | CO 813230000 | 2 S. GLASGOW AVE |

| ANAME1 | AADDR1 | AADDR3 | AADDR4 | AST/AZIPCD | APADDR |
|--|------------------------|---|-----------------|------------------------------|--|
| E. ELEISON J.& S. REVOCABLE TRUST ADAMS LAURIE | | 11692 C.R. 27.1 P.O. BOX 98 | DOLORES RICO | CO 813230000 CO 813320000 | 7 SOUTH COMMERCIAL ST. 5 S. COMMERCIAL ST |
| DOW FAMILY TRUST UTD 4/5/2012 HARRAH DARLA JOANNE | C/O JEAN ANN MORRIS | P.O. BOX 123 1226 S. MONACO PKWY #306 | RICO DENVER | CO 813320000 CO 802240000 | 1 S. COMMERCIAL STREET 2 S. COMMERCIAL STREET |

DOLORES₄ COUNTY

TAXES DUE
Thru Tax Year 2021

Printed 01/18/2022

TAX DISTRICT 102

SCHEDULE NUMBER

504736209003 R

PAGE 117

Legal Description of Property:

EXCEPTIONS:

17-5047-362-09-003

RICO LTS 17-20 BLK 14

36-40-11

2021 TAX AMT 1772.30

B-171 P-161 B-218 P-327

B-333 P-297 (WTR)

| | | | | | |
|--|------------|------|--------|-----------------|------------|
| 2021 Taxes | \$1,772.30 | Paid | \$.00 | Taxes Due | \$1,772.30 |
| 2021 Other | .00 | Paid | .00 | Other Due | .00 |
| | | | | Other Years Due | .00 |
| | | | | Interest Due | .00 |
| | | | | Cert Amt's Due | \$.00 |
| TOTAL IS CORRECT ONLY IF PAID BY: 04/30/2022 | | | | Total Now Due | \$1,772.30 |

Assessed Owner:

BEACON GROUP

C/O JOHN HINCKLEY

2573 BEACON DR.

SALT LAKE CITY UT 84108

DOLORES₅ COUNTY

TAXES DUE
Thru Tax Year 2020

Printed 01/18/2022

TAX DISTRICT 102

SCHEDULE NUMBER

504736209003 R

PAGE 111

Legal Description of Property:

EXCEPTIONS:

17-5047-362-09-003

RICO LTS 17-20 BLK 14

36-40-11

2020 TAX AMT

1582.16

B-171 P-161 B-218 P-327

B-333 P-297 (WTR)

2020 TAX PD

1582.16-

| | | | | | |
|------------|------------|------|------------|-----------------|--------|
| 2020 Taxes | \$1,582.16 | Paid | \$1,582.16 | Taxes Due | \$.00 |
| 2020 Other | .00 | Paid | .00 | Other Due | .00 |
| | | | | Other Years Due | .00 |
| | | | | Interest Due | .00 |
| | | | | Cert Amts Due | \$.00 |
| | | | | Total Now Due | \$.00 |

TAXES HAVE BEEN PAID IN FULL

Assessed Owner:

BEACON GROUP

C/O JOHN HINCKLEY

2573 BEACON DR.

SALT LAKE CITY UT 84108

171402
Page 1 of 3
Lana Hancock, County Clerk & Recorder
Dolores County, CO
01-14-2022 11:59 AM Recording Fee \$23.00

| |
|---|
| State Documentary Fee \$35.00 01-14-2022 |
|---|

**After Recording Return To &
Mail Tax Forms To:**
Justin Jhan Miller and Christine Hinkley Miller
188 J Street, Salt Lake City UT 84103

Parcel ID: 504736209003
Order #: C-CO840737

WARRANTY DEED

THIS DEED, made this 14 day of January, 2022, Beacon Group, a partnership, Grantors, for the consideration of \$350,000.00 in hand paid, hereby sells and conveys to Justin Jhan Miller and Christine Hinkley Miller, husband and wife, whose post office address is 188 J Street, Salt Lake City UT 84103, Grantees, the following real property in the County of Dolores, and State of Colorado, to wit:

SEE COMPLETE LEGAL DESCRIPTION ATTACHED AS EXHIBIT "A"

Parcel ID: 504736209003
Property Address: 1 North Commercial Street, Rico, CO 81332

Together with all its appurtenances and warrant(s) the title to the same.

AND the Grantors hereby covenants with said Grantees that the Grantors is lawfully seized of said land in fee simple; that the Grantors have good right and lawful authority to sell and convey said land, hereby warrants the title to said land and will defend the same against the lawful claims of all persons whomsoever; and that said land is free of all encumbrances.

IN WITNESS WHEREOF, Grantors have executed this Deed on the date set forth above.

Beacon Group, a limited partnership

By: John S. Hinckley, managing member for Beacon Group II LLC its limited partner

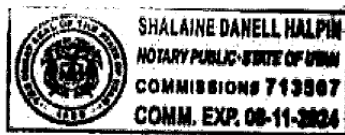
By John S. Hinckley

Name/Title Managing Member

STATE OF VA

COUNTY OF WASHINGTON

The foregoing instrument was hereby acknowledged before me this 14 day of JANUARY, 2022,
By _____ its _____ of John S. Hinckley, managing member for
Beacon Group II LLC its limited partner for Beacon Group, a limited partnership, who is personally
known to me or who has produced XXXX XXXX identification, and who signed this instrument
willingly, on behalf of the corporation.



Shalaine Danell Halpin
Notary Public

My commission expires: 8/11/24

No title search was performed on the subject property by the preparer. The preparer of this deed makes no representation as to the status of the title nor property use or any zoning regulations concerning described property herein conveyed nor any matter except the validity of the form of this instrument. Information herein was provided to preparer by Grantor/Grantees and /or their agents; no boundary survey was made at the time of this conveyance.

Prepared By:

National Deed Network, Inc.
36181 East Lake Road #382
Palm Harbor, FL 34685

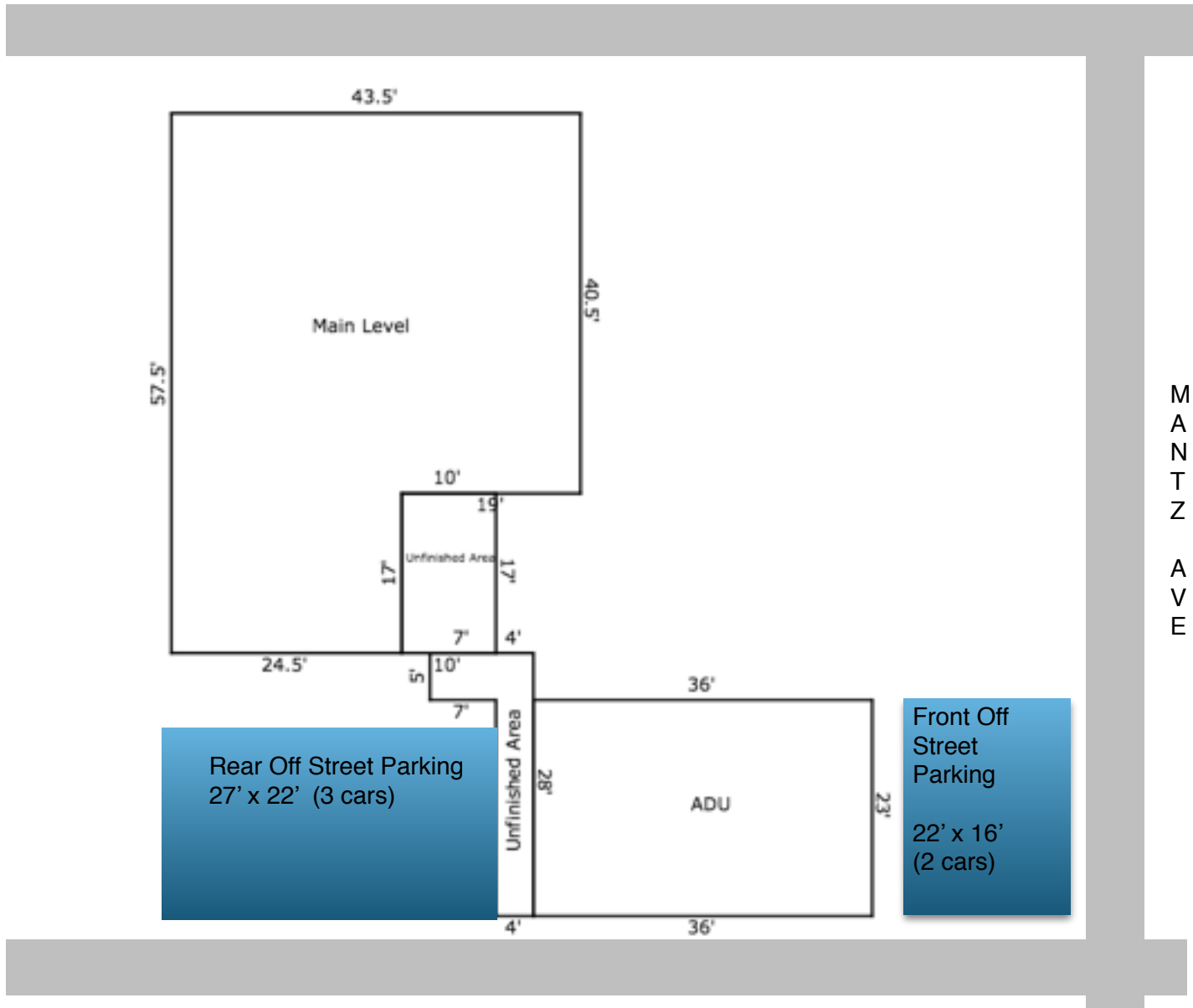
EXHIBIT "A"

Lots 17, 18, 19, and 20 Block 14, City of Plat of Rico, Dolores County, Colorado.

Commonly Known As: 1 North Commercial Street, Rico, CO 81332

Parcel ID: 504736209003

COMMERCIAL STREET



ALLEY ACCESS TO REAR PARKING

Hi Chauncey,

I wanted to follow up with some additional information for our STR permit.

At last weeks meeting there were some questions/concerns raised about parking. I want to make sure it's very clear that we will ensure our guests who stay at the property do not park on the street.

We have ample off street parking in the front of the house off Mantz, and on a large parking pad accessed through the alley behind the property to the west. This can be seen in the site survey part of our application. During the winter months, if we are having guests stay in the property, we will also make sure the snow is clear from these parking areas.

We will make sure all guests are given clear parking instruction in their check-in information sheet, and they will have to agree to not park on the street, among other rules, in order to book a stay.

We will also have signage clearly posted at the property showing guests where they can and can not park, and other rules they have already agreed to at the time of their booking.

We will have cameras installed on the exterior of the property so we can monitor the property remotely when we are not there.

We will also have a person on the ground in town to do the cleanings, and assist with issues that may arise, until we make the house our primary residence and can manage things ourselves.

In the event a guest chooses to ignore these clear instructions and parks on the street they will be promptly told to move their vehicle to the designated off street parking areas. Guests who don't comply with the rules after being warned will have their booking canceled. Airbnb has a policy where guests who don't follow the rules can have their bookings canceled and they do not get a refund. We only rent to guests who have a valid photo ID and have a credit card on file.

As a side note, my wife and I operate several successful short term rentals in downtown Salt Lake City where parking is very restricted and limited. We have found that giving clear instructions at the time of booking, clearly posting the rules at the property, and using video cameras to monitor and enforce these rules has pretty much eliminated parking issues.

We will use the same process to make sure the number of guests on the booking match the number of guests staying in the property, and noise monitoring technology helps us ensure guests who stay do not interfere with our neighbors ability to have peace and quite and the enjoyment of their own property.

We are committed to handling this STR professionally and responsibly. We will not allow this house to become a "party house" and have unruly guests who do not comply with the rules they agree to at the time of booking.

We hope this gives some additional clarification on how we will manage the STR if our permit is granted.

Best,

Justin Miller

801.726.3474

Sent from my iPhone

Submit to Local Licensing Authority

**GARDEN BAR LLC
 PO BOX 155
 Rico CO 81332**

| Fees Due | |
|--|--------|
| Renewal Fee | 550.00 |
| Storage Permit \$100 X _____ | \$ |
| Sidewalk Service Area \$75 00 | \$ |
| Additional Optional Premise Hotel & Restaurant \$100 X _____ | \$ |
| Related Facility - Campus Liquor Complex \$160.00 per facility | \$ |
| Amount Due/Paid | \$ |

Make check payable to Colorado Department of Revenue. The State may convert your check to a one-time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department may collect the payment amount directly from your banking account electronically.

Retail Liquor or Fermented Malt Beverage License Renewal Application


Please verify & update all information below

Return to city or county licensing authority by due date

| | | | | |
|---|--------------------------------------|---|---|-------------------------------------|
| Licensee Name GARDEN BAR LLC | | | Doing Business As Name (DBA) GARDEN BAR LLC | |
| Liquor License # 03-14629 | License Type Tavern (city) | Sales Tax License # 94620133 | Expiration Date 04/15/2022 | Due Date 03/01/2022 |
| Business Address 20 SOUTH GLASGOW AVENUE Rico CO 81332 | | | | Phone Number 9707081810 |
| Mailing Address PO BOX 155 Rico CO 81332 | | | Email andrew.romanyshyn@gmail.com | |
| Operating Manager ANDREW ROMANYSHYN | Date of Birth 1/30/1985 | Home Address 20 S. GLASGOW AVE. | | Phone Number 970-708 1810 |
| 1. Do you have legal possession of the premises at the street address above? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Are the premises owned or rented? <input checked="" type="checkbox"/> Owned <input type="checkbox"/> Rented* *If rented, expiration date of lease _____ | | | | |
| 2. Are you renewing a storage permit, additional optional premises, sidewalk service area, or related facility? If yes, please see the table in upper right hand corner and include all fees due. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | | |
| 3a. Since the date of filing of the last application, has the applicant, including its manager, partners, officer, directors, stockholders, members (LLC), managing members (LLC), or any other person with a 10% or greater financial interest in the applicant, been found in final order of a tax agency to be delinquent in the payment of any state or local taxes, penalties, or interest related to a business? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | | |
| 3b. Since the date of filing of the last application, has the applicant, including its manager, partners, officer, directors, stockholders, members (LLC), managing members (LLC), or any other person with a 10% or greater financial interest in the applicant failed to pay any fees or surcharges imposed pursuant to section 44-3-503, C.R.S.? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | | |
| 4. Since the date of filing of the last application, has there been any change in financial interest (new notes, loans, owners, etc.) or organizational structure (addition or deletion of officers, directors, managing members or general partners)? If yes, explain in detail and attach a listing of all liquor businesses in which these new lenders, owners (other than licensed financial institutions), officers, directors, managing members, or general partners are materially interested. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | | |
| 5. Since the date of filing of the last application, has the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) been convicted of a crime? If yes, attach a detailed explanation. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | | |
| 6. Since the date of filing of the last application, has the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) been denied an alcohol beverage license, had an alcohol beverage license suspended or revoked, or had interest in any entity that had an alcohol beverage license denied, suspended or revoked? If yes, attach a detailed explanation. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | | |
| 7. Does the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) have a direct or indirect interest in any other Colorado liquor license, including loans to or from any licensee or interest in a loan to any licensee? If yes, attach a detailed explanation. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | | |

Affirmation & Consent

I declare under penalty of perjury in the second degree that this application and all attachments are true, correct and complete to the best of my knowledge.

| | |
|--|------------------------|
| Type or Print Name of Applicant/Authorized Agent of Business ANDREW ROMANYSHYN | Title OWNER |
| Signature  | Date 2/27/22 |

Report & Approval of City or County Licensing Authority

The foregoing application has been examined and the premises, business conducted and character of the applicant are satisfactory, and we do hereby report that such license, if granted, will comply with the provisions of Title 44, Articles 4 and 3, C.R.S., and Liquor Rules.

Therefore this application is approved.

| | | |
|-------------------------------|-------|--------|
| Local Licensing Authority For | | Date |
| Signature | Title | Attest |

Tax Check Authorization, Waiver, and Request to Release Information

I, _____ am signing this Tax Check Authorization, Waiver and Request to Release Information (hereinafter "Waiver") on behalf of _____ (the "Applicant/Licensee") to permit the Colorado Department of Revenue and any other state or local taxing authority to release information and documentation that may otherwise be confidential, as provided below. If I am signing this Waiver for someone other than myself, including on behalf of a business entity, I certify that I have the authority to execute this Waiver on behalf of the Applicant/Licensee.

The Executive Director of the Colorado Department of Revenue is the State Licensing Authority, and oversees the Colorado Liquor Enforcement Division as his or her agents, clerks, and employees. The information and documentation obtained pursuant to this Waiver may be used in connection with the Applicant/Licensee's liquor license application and ongoing licensure by the state and local licensing authorities. The Colorado Liquor Code, section 44-3-101, et seq. ("Liquor Code"), and the Colorado Liquor Rules, 1 CCR 203-2 ("Liquor Rules"), require compliance with certain tax obligations, and set forth the investigative, disciplinary and licensure actions the state and local licensing authorities may take for violations of the Liquor Code and Liquor Rules, including failure to meet tax reporting and payment obligations.

The Waiver is made pursuant to section 39-21-113(4), C.R.S., and any other law, regulation, resolution or ordinance concerning the confidentiality of tax information, or any document, report or return filed in connection with state or local taxes. This Waiver shall be valid until the expiration or revocation of a license, or until both the state and local licensing authorities take final action to approve or deny any application(s) for the renewal of the license, whichever is later. Applicant/Licensee agrees to execute a new waiver for each subsequent licensing period in connection with the renewal of any license, if requested.

By signing below, Applicant/Licensee requests that the Colorado Department of Revenue and any other state or local taxing authority or agency in the possession of tax documents or information, release information and documentation to the Colorado Liquor Enforcement Division, and is duly authorized employees, to act as the Applicant's/Licensee's duly authorized representative under section 39-21-113(4), C.R.S., solely to allow the state and local licensing authorities, and their duly authorized employees, to investigate compliance with the Liquor Code and Liquor Rules. Applicant/Licensee authorizes the state and local licensing authorities, their duly authorized employees, and their legal representatives, to use the information and documentation obtained using this Waiver in any administrative or judicial action regarding the application or license.

| | | | |
|---|--|--|-------------|
| Name (Individual/Business) | | Social Security Number/Tax Identification Number | |
| Address | | | |
| City | | State | Zip |
| Home Phone Number | | Business/Work Phone Number | |
| Printed name of person signing on behalf of the Applicant/Licensee | | | |
| Applicant/Licensee's Signature (Signature authorizing the disclosure of confidential tax information) | | | Date signed |

Privacy Act Statement

Providing your Social Security Number is voluntary and no right, benefit or privilege provided by law will be denied as a result of refusal to disclose it. § 7 of Privacy Act, 5 USCS § 552a (note).

TOWN OF RICO
DOLORES COUNTY, COLORADO
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

January 31, 2022

Greg Perkins
 1375 SE Deercreek Dr
 Cedaredge, CO 81413-4547

Dear Mr. Perkins,
 After 24 months of non-payment, the Board of Trustees may declare the water tap in default. A public hearing will be held March 16, 2022 at 7:00 p.m.

If you have any questions, please give us a call at (970) 967-2861 or email us at townclwek@ricocolorado.gov

Thank you,

Anna Wolf
 Rico Town Clerk

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MEMORANDUM
Attorney Client Privileged Information

To: Board of Trustees
From: Martha P. Whitmore
Date: March 10, 2022
Cc: Town Manager

Re: Change in Point of Diversion

Chauncey and I had a successful meeting on March 1 with Rob Viehl, CWCB staff and director of the instream flow program, and Jen Mele, an assistant attorney general who represents the CWCB. As a result of the meeting, I am hoping to get a draft application to change the point of diversion for the Silver Creek water rights to Rob and Jen for review and comment before the end of March.

I have been talking to the CWCB staff about the potential for doing this for several years, beginning with Linda Bassi, before she left the CWCB. As you are aware, CWCB holds an instream flow through the Town of Rico that has limited the options for expanding the Town's water supply. Changing the point of diversion for the Silver Creek water rights arose in part when the treatment facility became inoperable/and no longer met regulatory standards. The possibility of moving the water right from the surface stream to alluvial groundwater and operate with the existing Town well would consolidate operations, and would eliminate the need to meet surface water treatment requirements.

The location for the well and potential additional well(s) is upstream of the instream flow and upstream from Silver Creek. CWCB had raised several issues of concern about this option. Over time, and under the leadership now of Rob Viehl, staff was willing to take another look at the possibility, and after our meeting last week, has indicated that the CWCB will support the effort.

CWCB has proposed some language to be included as a condition in the decree changing the point of diversion (actually we will be adding the well(s) as an alternate point of diversion):

Diversions of the Original Rico Flume water right at the upstream alternate point of diversion shall be curtailed when the CWCB instream flow right on the Dolores River, decreed in Case No. 84CW284 for 20 cfs, is not met and is being administered in the reach of the Dolores River between the alternate point of diversion and the confluence with Silver Creek. At such time, the Town of Rico may continue to divert the 0.187 cfs as decreed in Case No. 06CW110.”

I do not think that this limitation will adversely affect the utility of the Silver Creek water right in a significant way. It is a reasonable condition, and in my opinion it is a good trade off for getting the entire Silver Creek right (both absolute and conditional) moved to the well field.

Keep in mind that over the years, various engineering reports have discussed some of the challenges of the Silver Creek water right, and changing the point of diversion will alleviate some of those issues as well.

Glenwood Springs – Main Office
201 14th Street, Suite 200
P. O. Drawer 2030
Glenwood Springs, CO 81602

Aspen
323 W. Main Street
Suite 301
Aspen, CO 81611

Montrose
1544 Oxbow Drive
Suite 224
Montrose, CO 81402

jrd@mountainlawfirm.com
Office: 970.945.2261
Fax: 970.945.7336
***Direct Mail to Glenwood Springs Office**

PRIVILEGED AND CONFIDENTIAL MEMORANDUM

DATE: March 11, 2022
TO: Chauncey McCarthy, Rico Town Manager
FROM: Karp Neu Hanlon PC
RE: Town of Rico Project Time Estimates

This memorandum outlines the legal projects for the Town of Rico that we have discussed with you and provides cost estimates for completing each project. Please let us know which projects you would like us to prioritize and complete first. If there are projects omitted from this list that the Town needs, please advise and we will update accordingly.

Projects and Time/Cost Estimates:

- Updating the fee schedule for the land use code and drafting an ordinance or resolution amending pass-through costs. (We will need to determine if this can all be accomplished by ordinance or resolution.)
 - JRD: 5-8 hours total (\$1,025-\$1,640)
 - KJH/RJP: 1 hour total of review and advice (\$215-\$225)
 - **\$1,240-1,865 total**
- Parking ordinance for snow removal purposes, and an enforcement mechanism. The enforcement mechanism will be up to the Town, but we can confer about that and write the ordinance appropriately.
 - JRD: 3-5 hours total (\$615-\$1,025)
 - KJH: 0.5 hours of review (\$113)
 - **\$730-\$1,138 total**
- Transfer assessment advice: provide an initial opinion on how to move forward.
 - KJH: 1-2 hours (\$225-\$450)
 - JRD: 1-2 hours of additional research if necessary (\$205-\$410)
 - **\$430-860 total**

- Revise land use code.
 - The time and cost for this project could vary widely depending on the goals of these revisions. We should have a longer conversation about which sections of the land use code Rico wants to revise before moving forward.
 - Low-end estimate for revising, for example, one section of the land use code:
 - i. JRD: 10 hours (\$2050)
 - ii. RJP: 2 hours of review and advice (\$430)
 - iii. KJH: 2 hours of review and advice (\$450)
 - iv. **\$2,930 total**
 - More comprehensive, global revision:
 - i. JRD 25 hours (\$5,125)
 - ii. RJP: 5 hours of review and advice (\$1,075)
 - iii. KJH: 5 hours of review and advice (\$1,125)
 - iv. **\$7,325 total**
- P&Z training for March 9 P&Z meeting.
 - JRD: 4 hours total (2 hours of preparation, 2 hours of presenting) (\$820)
 - KJH: 1 hour of review and advice (\$225)
 - **\$1,045 total**
- Draft short-term rental ordinance.
 - JRD: 3-6 hours total (\$615-\$1,230)
 - KJH: 0.5 hours review (\$113)
 - **\$730-\$1,343 total**
- Take over an application filed in water court for an alternate point of diversion. (These numbers represent a general estimate. We can provide a more specific estimate once we see the as-filed application.)
 - KJH: 5-10 hours (\$1,125-\$2,250)
 - JRD: 3 hours of research and drafting assistance as necessary (\$615)
 - **\$1,740-\$2,865 total**
- Municipal prosecution.
 - JRD: 5-10 hours per month, depending on the docket (\$1025 to \$2050)
 - **\$1025-\$2050 per month**
- Review documents related to a voluntary lead soil cleanup agreement with an oil company subsidiary. (This is also a general estimate and will vary depending on the volume of documents and complexity of the legal issues.)
 - JRD: 2-5 hours (\$410-\$1025)
 - RJP: 1-3 hours of advice and review (\$215-\$645)
 - **\$625-\$1670 total**

TOWN OF DOLORES, COLORADO

ORDINANCE NO. 552 SERIES 2020

AN ORDINANCE AMENDING TITLE 5 OF THE DOLORES MUNICIPAL CODE AND ARTICLES II AND III OF THE DOLORES LAND USE CODE ALLOWING FOR AND REGULATING SHORT-TERM RENTALS

WHEREAS, The Town Trustees desire to maintain effective zoning and development regulations that implement the vision and goals of the Comprehensive Plan while being flexible and responsive to the community's desires and market conditions and has directed that the Code be reviewed and amended as necessary.

WHEREAS After public notice and public hearing as required by the Dolores Land Use Code and applicable law and regulations, the Town of Dolores Planning and Zoning Commission recommended approval of proposed changes to the Dolores Land Use Code to allow and regulate Short-Term Rentals.

WHEREAS After public notice and public hearing, the Town of Dolores Board of Trustees finds that the proposed amendments to the Town of Dolores Land Use Code are necessary to maintain effective regulation of Short-Term Rentals.

WHEREAS, the Board of Trustees has further determined that it is in the best interests of the health, safety and welfare of the inhabitants of the Town to exercise its express statutory authority to establish reasonable regulations concerning Short-Term Rentals and to amend the Dolores Land Use Code and the Dolores Municipal Code as set forth herein.

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

SECTION 1. A new Section 5.04.010 C. under Article V is added to the Dolores Municipal Code as follows:

C. *A business license is required to operate a Short-Term Rental in the Town of Dolores as further defined in and regulated by the applicable provisions for Short-Term Rental Regulations set forth in the Dolores Land Use Code as amended from time to time.*

SECTION 2. The following definitions are added to Section B of Article II of the Dolores Land Use Code:

Accessory Dwelling Unit: A residential unit that is located on the same lot as a primary residential dwelling unit, either internal to or attached to the primary residential dwelling unit or in a detached structure.

Bed and Breakfast: An owner-occupied, single-family detached dwelling unit that includes guest rooms offered as short-term lodging for compensation to the travelling and vacationing public. Guest rooms or suites may include a private bath but shall not include cooking facilities. Breakfast and other meals, services, facilities, or amenities may be offered exclusively to guests.

Boarding or Rooming House: An owner-occupied, single-family detached dwelling unit in which the owner rents individual rooms and the individual rooms do not have individual cooking/restroom facilities. The unit is designed to serve as the residence of individuals subject to the following:

1. Rooms may be rented on a monthly basis.
2. The rooms are generally furnished by the owner.
3. Communal cooking and restroom facilities are provided.
4. Owner provides some housekeeping and linen services.
5. The relationship between owner and resident is that of a landlord/tenant with references and deposits required of the resident.
6. Rooms rented for a period of less than 30 days shall be deemed a short-term rental.

Booking Service: Any person or entity that facilitates short-term rental reservations and collects payment for lodging in a short-term rental.

Closely-Held Corporation: Pursuant to Colorado Statutes, an entity with no more than three owners.

Eligible residential structure: an “eligible residential structure” for purposes of this code means a structure with an occupancy for single family use as permitted under the Town’s adopted building codes.

Limited Liability Company: Pursuant to Colorado Statutes, a company in which the members and managers are not liable for a debt or obligation of the company.

Long-Term Tenant: A person who occupies land or property rented from a property owner for 30 days or longer.

Party House: A residential dwelling unit, including all accessory structures, that is rented or used for the purpose of hosting a social, business, or commercial event that is open to more people, either as private invitees or members of the public, than the maximum unit rental capacity calculated at 2 adults per bedroom.

Residential Structure or Space: to be eligible for use as a short-term rental, a structure or space within a structure shall have an established building code occupancy for residential use and shall be a permitted or legally nonconforming use within the applicable zone district.

Short-Term Rental (STR): the renting, or offer to make available, (by way of a rental agreement, lease, license, or any other means, whether oral or written) for compensation or consideration, of residential property, a dwelling unit, or a portion thereof, for a period of 30 consecutive days or less to a transient guest.

Short-Term Rental Categories:

Category 1: Full-Time Use: A dwelling unit that is not owner-occupied and is primarily used or made available for short-term rentals.

Category 2: Part-Time Use: A dwelling unit that is owner-occupied for more than 180 days per calendar year and that is rented as an entire unit during the time when the owner is not in residence.

Category 3: Accessory Dwelling Unit Use: A dwelling unit with an ADU where either the primary home or the ADU are owner-occupied and the other unit is made available for short-term rentals on a periodic basis.

***Category 4: Accessory Space Use:** A bedroom or other habitable space offered for short-term rental within an owner-occupied dwelling unit.*

***Category 5: Residential Unit in Mixed-Use or Commercial District:** A residential structure or space located in a mixed-use or commercial district where lodging is a permitted use.*

***Short-Term Rental Guest:** A person who occupies a room in a hotel, motel, or tourist court as well as a bed and breakfast or short-term rental for a period less than 30 days.*

***Short-Term Rental Unit:** A residential dwelling unit, or portion of such a unit, that is rented by a transient guest for compensation or consideration for less than 30 days at a time; does not include dwelling units owned by the federal government, the state, or the Town, or any of their agencies, or facilities licensed by the state as health care facilities.*

SECTION 3. The Permitted Use Table under Article III of the Dolores Land Use Code is amended to include the following uses:

| Current LUC | LLR | n/a | R1 | n/a | MR F | n/a | MH | CB 1+ 2 | CH | n/a | n/a | P | R10 | R35 |
|---|----------|----------|---------|---------|---------|-------------|---------|---------------|-------------|---------|-----|----|---------|---------|
| 2021 LUC, when adopted | LL R1 | LL R2 | N R1 | N R2 | N R3 | N M U | M HP | D M U | H M U | IN D | P1 | P2 | R 10 | R 35 |
| Key: /P/ Permitted Use /PL/ Permitted with Use Limitations /C/ Conditional Use /-/ Not Permitted | | | | | | | | | | | | | | |
| Commercial | | | | | | | | | | | | | | |
| Short-Term Rentals | PL | PL | PL | PL | PL | PL | --- | PL | PL | PL | -- | -- | PL | PL |

SECTION 4. A new Section 0 is added under Article III of the Dolores Land Use Code as follows:

O. REGULATION OF SHORT-TERM RENTALS

1. ***Purpose and Intent:** This section of the Dolores Land Use Code shall be known as the "Short-Term Rental Regulations." The purpose of the Town of Dolores Short-Term Rental Regulations is to:*

- i. *Maintain the character of residential neighborhoods in Dolores.*
- ii. *Preserve long-term rental residential properties for the residents of Dolores and surrounding local communities.*
- iii. *Facilitate the permitting of short-term rental units subject to appropriate restrictions and standards.*
- iv. *Allow for varied accommodations and experiences for visitors.*
- v. *Establish a licensing and permitting system to ensure that all taxes including sales and lodging taxes, fees, and fines related to short-term rentals are both assessed and current.*

vi. *Map the location of short-term rental properties within the community with the purpose of measuring their concentration and impact in order to reevaluate the effectiveness of these regulations on a regular basis.*

vii. *Protect the health, safety and welfare of guests and occupants of Short-Term Rentals and the residents of the Town of Dolores.*

viii. *The Dolores Board of Trustees intends for these Short-Term Rental Regulations to be supportive of both neighborhood conservation and local businesses in the Town. The Board may adjust the total number of permits issued annually as necessary to meet the purposes of these regulations.*

b. *Applicability*

i. *It shall be unlawful for any person to operate any short-term rental unit without a valid short-term rental permit, as approved pursuant to the provisions of this Short-Term Rental Regulations and other applicable provision of the Dolores Land Use Code.*

ii. *The short-term rental permit shall be issued to the specific owner of the property and does not run with the property. The permit shall not be transferred or assigned to another individual, person, entity, or address, but may be managed by a third party on behalf of the owner.*

iii. *A short-term rental permit shall only be issued to:*

(1) *A natural person whose name appears on the deed of the property.*

(2) *A trust, if the beneficiary of the trust is a natural person; or*

(3) *A not-for-profit corporation licensed pursuant to Section 501(c) of the Internal Revenue Code.*

(4) *Limited Liability Company or a closely held corporation with three or fewer members or shareholders who are natural persons.*

iv. *Nothing in this section shall limit the ability of a property owner; property covenants, conditions, and restrictions (CC&Rs); homeowners' association or similar association from prohibiting or further limiting the short-term rental of property where the authority to do so exists.*

v. *Nothing in this section shall prohibit the operation of a hotel, motel, or bed and breakfast inn where such use is permitted.*

c. *Where Permitted*

i. *Short-Term Rentals are permitted in all zones except the MH – Mobile Home and P – Public zones where all Short-Term Rentals are expressly prohibited.*

ii. *Located in a Habitable Structure*

Short-term rentals shall be located in a habitable structure that complies with the Dolores LUC and applicable Town building and life safety codes adopted under Title 15 of The Dolores Municipal Code as may be amended from time to time and shall not be located in:

(1) *Non-residential areas within buildings or accessory structures (e.g., shed, garage),*

- (2) *Commercial (office/retail) or industrial (warehouse) spaces, or*
- (3) *Outdoors in a temporary structure (e.g., tent, yurt, treehouse, or other similar structure) or in a recreational vehicle, mobile home, travel trailer, commercial or passenger vehicle or trailer, or any portable storage unit.*

iii. *Maximum Number of Permits*

- (1) *Categories 1, 2, and 5: A maximum of number of short-term rental permits equal to 7% of the Town's eligible residential structures and spaces may be issued in Dolores for any one-year period. The number of eligible residential structures and spaces for any given year shall be determined by the Building Official within 30 days after adoption of this ordinance and by January 15 of each year thereafter. In any year where the maximum number of permits has been issued, whether new or renewal, no additional permits will be issued.*
- (2) *Categories 3 and 4: Short-term rental permits are required for ADUs and accessory spaces. There is no maximum limit on the number of permits the Town may issue in these categories.*
- (3) *No more than one permit shall be issued per structure.*
- (4) *A short-term rental permit may not be issued for a permanently affordable dwelling unit.*
- (5) *Short-Term Rentals in existence at the time of adoption of this Short-Term Rental Regulation shall are subject to all of the requirements of this Regulation, the Dolores Land Use Code, and the applicable provisions of Title 15 of the Dolores Municipal Code. The owners of existing Short-Term Rentals shall apply for and obtain a Short-Term Rental Permit not later than 60 days after the effective date of the ordinance adopting this Short-Term Rental Regulation or shall be deemed to be in violation hereof.*

d. *Generally Applicable Requirements*

i. *Use*

- (1) *Short-term rentals shall be used for lodging purposes only.*
- (2) *A short-term rental may not include simultaneous rental to more than one party under separate contracts.*
- (3) *Use of the short-term rental unit as a party house for any commercial or large social events or gatherings, such as weddings, is prohibited. These uses may be permitted through the Town's temporary use permit or special event process.*
- (4) *Overnight guest occupancy for Short-Term vacation rentals shall not exceed the maximum number of allowable overnight guests permitted by the applicable building codes adopted by the Town of Dolores under Title 15 of the Dolores Municipal Code as determined by the Building Official and stated in the permit.*
- (5) *During the daytime, maximum number of total guests and visitors allowed at any time in a short-term vacation rental shall not exceed the maximum overnight occupancy plus six (6) additional persons per property, or fourteen (14) persons, whichever is less.*

ii. *Noise*

(1) Quiet hours shall be from 10:00 p.m. to 7:00 a.m. and no outside assembly of more than the maximum overnight occupancy shall be permitted during this period.

(2) Outdoor amplified sound (microphone or speaker system) shall not be allowed at any time. This provision does not apply to casual music from personal music devices or similar situations that are typical of residential surroundings.

(3) Pets if allowed by owner shall be secured on the property at all times. Continual nuisance barking by unattended pets is prohibited.

iii. Outdoor Fire Areas

Outdoor fire areas, when not prohibited by state or local fire codes, may be allowed but shall be limited to three feet in diameter, shall be located on a non-combustible surface, shall be covered by a fire screen, and shall be extinguished as soon as it is unattended or by 10:00 p.m. whichever is earlier.

iv. Taxes and Insurance

(1) The owner shall obtain a business license from the Town of Dolores.

(2) The owner shall be responsible for payment of all applicable sales and lodging taxes.

v. Advertising

All short-term rental advertising shall include the Dolores Short-Term Rental Permit number and the maximum unrelated occupancy permitted in the unit pursuant to the currently adopted International Building Code or International Residential Code, as applicable.

vi. Health, Safety, and Code Compliance

(1) Short-Term rental units must remain compliant with all zoning, parking, building, fire, noise, and other applicable Town codes.

(2) The short-term rental unit shall be equipped with operational smoke detectors, carbon monoxide detectors, 2A:10B:C fire extinguisher, and other life safety equipment as may be required by the Town.

(3) Parking in private driveways shall be utilized first with overflow parking on the street where permitted. Parking on-site in non-driveway areas (e.g., setbacks or yards) shall be prohibited. Where on-site parking is not available, the property owner shall instruct the renter where to find the closest legal parking, which may include on-street parking.

(4) Short-Term Rental permit holders will encourage guest parking limited to the frontage of the permitted STR and shall otherwise comply with the parking requirements of the zone in which the Short-Term Rental is located.

(5) The owner shall maintain weekly trash collection services. Garbage/refuse containers shall not be left out at the collection point 24 hours after collection and property shall be free of trash and debris.

vii. Contact Information and Renter Notifications

(1) Local contact and guest information: Each vacation rental shall have a designated local contact person(s). The local contact may be a property management/real estate company, rental agent or other

person engaged or employed by the owner to rent, manage or supervise the vacation rental. A property owner may designate themselves as the local contact person if the owner meets the criteria of this section. The local contact must reside within a thirty-minute (30) drive of the rental property and be available twenty-four (24) hours a day 365 days a year during tenancies for timely response to guest and neighborhood questions and concerns. An alternate local contact shall be designated, available and meet the criteria of this section when the primary is not available. All local contacts shall list their name and telephone/cell number and it shall be provided to the Town of Dolores on the application for a short-term rental which shall be made available to the Town Marshal. Any change to the contact(s) name or telephone/cell number shall be submitted to the Town within twenty-four (24) hours of the change.

(2) Each rental unit shall also display the following information in a prominent interior and easy to access location:

- (a) The short-term rental permit number.
- (b) A copy of the Dolores Short-Term Rental Regulations.
- (c) Site-specific instructions about parking locations and trash pick-up.
- e. Short-Term Rental Permit
- i. Application Contents

In addition to any other information prescribed by the Zoning Administrator, an application for a short-term rental permit shall include the following information:

- (1). Contact information for the owner of the property.
- (2) Local contact and guest information: Each vacation rental shall have a designated local contact person(s). The local contact may be a property management/real estate company, rental agent or other person engaged or employed by the owner to rent, manage or supervise the vacation rental. A property owner may designate themselves as the local contact person if the owner meets the criteria of this section. The local contact must reside within a thirty-minute (30) drive of the rental property and be available twenty-four (24) hours a day 365 days a year during tenancies for timely response to guest and neighborhood questions and concerns. An alternate local contact shall be designated, available and meet the criteria of this section when the primary is not available. All local contacts shall list their name and telephone/cell number and it shall be posted in a prominent location within the vacation rental and the contact information shall also be provided to the Town of Dolores on the application for a short-term rental. Any change to the contact(s) name or telephone/cell number shall be submitted to the Town within twenty-four (24) hours of the change.
- (3) Attestation and agreement to comply with the requirements of this section.
- (4) Identification of all dwelling units that will be rented on a short-term basis.
- (5) A zoning development permit with confirmation of a passed building, fire, and life safety inspection.
- (6) The URL (i.e., the website address) and names of any booking services for any and all advertisements of the short-term rental of the property.

(7) *Attestation that short-term rental of the property is not prohibited by Covenants, Conditions and Restrictions (CC&Rs), or rules or restrictions of a homeowners' association or similar association, and that applicant has notified such association that the property owner is applying for a short-term rental permit. Proof of notification must be retained for the duration that the applicant maintains a short-term rental permit for the property.*

(8) *If seeking a short-term rental permit in a multifamily structure, contact information, including a phone number, for all tenants. Copies of the leases for all tenants, and proof of ownership of entire building must be provided within 10 days of a request for such information.*

(9) *Payment of a permit fee the amount of which shall be established from time to time by the Board of Trustees of the Town of Dolores by resolution.*

ii. *Review*

The Zoning Administrator shall review an application for a short-term rental permit for compliance with these regulations. The Zoning Administrator shall not approve an application for a short-term rental permit (or renewal of such permit), or may revoke such permit, if any of the following findings are made:

(1) *The applicant has not paid all applicable sales and lodging taxes due for the short-term rental or property on which it is located.*

(2) *The property has any outstanding code enforcement violations.*

(3) *The property does not comply with all applicable codes regarding fire, building and safety, and other relevant laws and ordinances.*

(4) *The applicant has knowingly made any false, misleading, or fraudulent statement of material fact in the application, or in any report or statement required to be filed that is related to the application.*

(5) *The property that is the subject of the application is not in a condition where it may be immediately rented on a short-term basis consistent with the requirements of these regulations.*

(6) *The property has received more than two citations for violation of the Land Use Code, parking, noise ordinance, or outdoor lighting regulations within a period of 12 consecutive months.*

iii. *Notice of Approval*

When a short-term rental permit is approved, the Zoning Administrator shall provide, at the owner's expense, the contact information for the owner's agent to all dwelling units adjacent to or across the street from the parcel boundary.

iv. *Duration and Renewal*

(1) *Short-term rental permits shall be issued for one year and must be renewed annually.*

(2) *An application to renew a short-term rental permit must be received by the Zoning Administrator not less than sixty days prior to the expiration of the short-term rental permit.*

(3) *Applications for renewal shall be in a form required by the Town and shall include updates of all information required or submitted for the permit.*

(4) *No permit shall be renewed unless all Town fees and taxes owed by the applicant are paid in full, including the renewal fee.*

(5) *Applications for renewal shall include a passing annual fire/life safety inspection conducted by the town Building Official. Effect of Denial or Revocation*

(a) *If an application for a short-term rental permit (or an application for renewal of such permit) is denied, the Zoning Administrator shall not approve a new application for that applicant and location for a 12-month period after the denial unless the Zoning Administrator determines that the reason for the denial has been cured and no longer exists. An applicant who has requested review based on cured circumstances but who is then again denied must wait the full 12-month period following the cured circumstances request before submitting a new application.*

(b) *If a short-term rental permit is revoked, the short-term rental of the property must cease immediately and shall not be permitted for a period of 12 months from the date of revocation.*

(c) *The short-term rental of property (or advertisement or offer of such rental) after denial or revocation of a short-term rental permit shall result in the property and applicant being ineligible to conduct the short-term rental of property (or apply for a short-term rental permit) for an additional six-month period for each such rental; such period is in addition to the prohibitions listed in sections (a) and (b) above.*

(d) *No fee refunds shall be issued to any permittee whose short-term rental permit is revoked.*

f. Enforcement, Violation, and Penalties

i. *In addition to the other penalties and remedies available to the Town, violations of this section shall be subject to a fine of \$ 500 per day or violation.*

ii. *The short-term rental permit holder shall be held responsible for citations for violations of the municipal code committed by persons at the property during a period when the property is rented on Short-Term rental basis.*

g. Review by Board of Trustees

The Board of Trustees will calendar this Short-Term Rental Regulation for review not later than two years from the date of its adoption to evaluate its effectiveness and whether the maximum number of permits issued should be adjusted.

SECTION 5. The initial permit fee for a Short-Term Rental is established at \$100.00 per year and may be amended by the Trustees by resolution from time to time without amendment of this ordinance.

SECTION 6. If any section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of any such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 7. This Ordinance shall take effect June ____, 2021 or thirty (30) days after final publication whichever is later.

PUBLIC HEARING. This ordinance shall be considered for second or final reading on the 14th day of June _____, 2021, in the Town Board Chambers in Town Hall, Dolores, Colorado, at which time and place all persons may appear and be heard concerning the same.

Passed adopted and approved on the first reading this 24th day of May, 2021.

DOLORS BOARD OF TRUSTEES:

By: *Chad Walker*



Attest:

By: *Keely*

Passed adopted and approved on the second and final reading this 14th day of JUNE, 2021.

DOLORS BOARD OF TRUSTEES:

By: *Chad Walker*



Attest:

By: *Keely*

Atlantic Richfield Company

Brian S. Johnson

Liability Business Manager

201 Helios Way
Houston, Texas 77079
Office: (281) 504-9093
E-Mail: brian.s.johnson @bp.com

August 18, 2021

VIA EMAIL AND FIRST CLASS MAIL

Mayor Barbara Betts and Rico Board of Trustees
Town of Rico
2 Commercial Street
Rico, Colorado 81332

RE: Condition of Van Winkle Headframe

Dear Mayor Betts and Members of the Rico Board of Trustees:

The purpose of this letter is to inform the Town of Rico about the degrading condition of the Van Winkle Headframe structure located on Town-owned property and to request that the Town work with the Rico Historical Society to make immediate repairs to the structure before it collapses and possibly causes injury to passersby or creates other physical hazards.

The Headframe structure is located on Town-owned property: the Van Winkle Headframe parcel, Van Winkle Subdivision Lot 3 (PIN 504736200013), at 110 N. Garfield Street in Rico. The structure is surrounded by a steel fence and is used by the public as an historical amenity. Under a January 16, 2003 Historic Preservation and Conservation Easement, the Rico Historical Society was granted an easement to, among other things, conserve and preserve the Van Winkle Headframe and the related structures. The Conservation Easement sets forth the Historical Society's maintenance obligations with respect to the structures. The Conservation Easement provides that the Town of Rico will notify the Rico Historical Society of damage or destruction to the Headframe structure, and the Historical Society will thereafter complete the repair or reconstruction necessary to restore the structure.

Under an August 20, 2008 Maintenance Agreement entered into by the Town and North Rico, Inc. (now dissolved), the Town assumed certain maintenance obligations with respect to the public areas within the Van Winkle Subdivision, including the roads, rights-of-way, and drainage structures. That agreement specifically states that North Rico, Inc. will not be responsible for maintenance of public areas, including the walking trail, the parking and road areas to the east and south of the headframe, the area within the fence surrounding the headframe, and the fence itself.

Recent observations show that the main Van Winkle Headframe structure is tilting to one side, partially collapsed, and leaning against the adjacent steel fence (see attached photos). Other structures inside the fence have also collapsed, and the fence itself is damaged in spots. Atlantic Richfield is concerned that if the condition of the main Headframe structure continues to degrade, it may breach the fence, restrict access on the adjacent parking area and right-of-way, and possibly damage the surface cap on Atlantic Richfield's adjoining reclaimed Lot 2.

We encourage the Town to reach out to the Rico Historical Society and request that they assess the condition of the Headframe structure and develop a plan for either rehabilitating the structure or at least documenting and preserving its historically significant elements. Guidance on historical preservation for buildings like the Van Winkle Headframe is available at <https://www.nps.gov/hdp/habs/index.htm> and <https://www.loc.gov/pictures/collection/hh/>. Should the Historical Society be unable to obtain the funding needed for this project, Atlantic Richfield may be able to contribute financially if a reasonable request is presented. In the meantime, the Town may need to consider restricting access to the area in the interest of public safety. Given the current condition of the structures, we believe time is of the essence for developing a preservation plan and preventing further damage to this important public amenity.

Thank you for your attention to this matter. We look forward to receiving a response from the Town describing the steps to be taken to address this situation.

Sincerely,



Brian S. Johnson, Liability Business Manager
Atlantic Richfield Company

cc: Nathan Bock, Atlantic Richfield Company
Steve Ferry, Atlantic Richfield Company





HISTORIC PRESERVATION AND CONSERVATION EASEMENT

THIS HISTORIC PRESERVATION AND CONSERVATION EASEMENT ("Easement") is made this 16TH day of JANUARY, 2003, by and between **Rico Properties LLC**, a Colorado limited liability company; **Rico High Altitude Investments LLC**, a Colorado limited liability company; **The Town of Rico**, a Colorado home rule municipality; **Matthew F. Greene** and **Amy L. Levitas**; and **Patricia A. Engel** (individually and collectively "Grantors" as pertains to each party's ownership of affected underlying parcels of land), and the **Rico Historical Society**, a Colorado nonprofit corporation with 501(c)(3) status ("Grantee").

WITNESSETH

WHEREAS, the Grantee is organized as a nonprofit corporation under the laws of the State of Colorado and is a qualifying recipient of qualifying conservation contributions under Sections 170(b), (f), and (h) of the Internal Revenue Code of 1986 as amended (the "Code");

WHEREAS, Grantee is authorized to accept historic preservation and conservation easements to protect property significant in Colorado history and culture under the provisions of Colorado law;

WHEREAS, Grantors are owners in fee simple of three parcels of real property located within the Town of Rico, in Dolores County, Colorado, which properties are hereinafter sometimes referred to as the "R.G.S. Rico Water Tower," the "Van Winkle Headframe," and the "Atlantic Cable Headframe" (collectively the "Historic Structures" or the "Premises"), more particularly described in *Exhibit A*;

WHEREAS, the Grantors and Grantee recognize the historical, cultural, and aesthetic value and significance of the Premises, and have the common purpose of conserving and preserving the aforesaid value and significance of the Historic Structures;

WHEREAS, the grant of a Historic Preservation and Conservation Easement by Grantors to Grantee on the real property referred to herein will assist in preserving and maintaining the Premises and their architectural, historical, and cultural features;

WHEREAS, the grant of a Historic Preservation and Conservation Easement by Grantors to Grantee on the Premises will assist in preserving and maintaining the aforesaid value and significance of the Premises;

WHEREAS, to that end, Grantors desires to grant to Grantee, and Grantee desires to accept, a Historic Preservation and Conservation Easement on the premises, pursuant to Colorado law;

NOW THEREFORE, in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, receipt of which is hereby acknowledged, Grantors hereby irrevocably grant and convey unto the Rico Historical Society a Historic Preservation and Conservation Easement in gross in perpetuity in and to the three parcels of real property and the Historic Structures located thereon, owned by Grantors, and more particularly described in *Exhibit A*.

The Easement, to be of a nature and character hereinafter further expressed, shall constitute a binding servitude upon said Premises of the Grantors, and to that end Grantors covenants on behalf of itself, its successors and assigns, with Grantee, and Grantee covenants on behalf of its successors and assigns, such covenants being deemed to run as a binding servitude, in perpetuity, with the land,

to do upon the Premises each of the following covenants and stipulations, which contribute to the public purpose in that they aid significantly in the preservation of the Historic Structures and surrounding land area, and which help maintain and assure the present and future historic integrity of the Historic Structures.

1. Description of Historic Structures. In order to make more certain the full extent of Grantors' obligations and the restrictions on the Premises, and in order to document the nature and condition of the Historic Structures as of the date hereof, attached hereto as *Exhibit B* and incorporated herein by this reference are photographs depicting the Historic Structures and the surrounding areas and other baseline documentation regarding the Historic Structures. It is stipulated by and between the Grantors and Grantee that the nature and condition of the Historic Structures as shown on the photographs is deemed to be the nature and condition of the Historic Structures as of the date hereof.

2. Grantors' Covenants. In furtherance of the Easement herein granted, Grantors undertake to do (and refrain from doing as the case may be) upon the Premises each of the following covenants, which contribute to the public purpose of significantly protecting and preserving the Premises:

- a. Grantors shall abide by all terms and conditions of this Easement.
- b. Grantors shall not demolish, remove, or raze the Historic Structures.
- c. Grantors shall not undertake any of the following actions:
 - i. Adversely affect the structural soundness of the Historic Structures
 - ii. Erect anything on the Premises which would interfere with the views of the Historic Structures or be incompatible with the historic character of the Premises.
- d. Grantors shall use the premises only for purposes consistent with the historic preservation and conservation purposes of this Easement.
- e. Grantors agree not to obstruct the substantial and regular opportunity of the public to view the Historic Structures on the Premises from adjacent real property owned by Grantors.
- f. The Premises shall not be subdivided and shall not be devised or conveyed except as in units consisting of each parcel.

3. Grantee's Covenants. In furtherance of the Easement herein granted, Grantee undertakes, of itself, to do (and refrain from doing as the case may be) upon the Premises each of the following covenants, which contribute to the public purpose of significantly protecting and preserving the Premises:

- a. Grantee shall abide by all terms and conditions of this Easement.
- b. Grantee shall not undertake any of the following actions:
 - i. Demolish, remove, or raze the Historic Structures.
 - ii. Adversely affect the structural soundness of the Historic Structures
 - iii. Erect anything on the Premises which would interfere with the views of the Historic Structures or be incompatible with the historic character of the Premises.
 - iv. Remove or destroy trees, shrubs, or other vegetation on the Premises
 - v. Make any topographical changes on the Premises.

- c. Grantee shall use the premises only for purposes consistent with the historic preservation and conservation purposes of this Easement.
- d. Grantee agrees not to obstruct the substantial and regular opportunity of the public to view the Historic Structures on the Premises.
- e. Grantee agrees to use its best abilities, subject to its ability to obtain grant or other funding, to protect and preserve the Historic Structures and to pursue funding resources to meet this obligation.
- f. Grantee agrees to use its best abilities, subject to availability of grant or other funding, to conduct preservation and restoration work on the Historic Structures consistent with site assessments and recommendations as made by the appropriate professionals in historic preservation and conservation efforts.
- g. In exercising any authority created by the Easement, including but not limited to inspection of the premises, conduct of any construction, alteration, repair, or maintenance, or to review any casualty maintenance or to reconstruct the Historic Structures following casualty damage, Grantee agrees to apply state or local standards considered appropriate by Grantors for review of work affecting historically significant structures. Grantee agrees to abide by such standards in performing all ordinary repair and maintenance work and all construction or reconstruction.
- h. Grantee warrants and covenants that Grantee is and will remain a Qualified Organization for purposes of the Code. In the event the Grantee's status as a Qualified Organization is successfully challenged by the Internal Revenue Service, then the Grantee shall promptly select another Qualified Organization and transfer all of its rights and obligations under the Easement to it.
- i. Grantee shall exercise reasonable judgment and care in performing its obligations and exercising its rights under the terms of the Easement.
- j. No utility transmission lines, except those reasonably necessary for the existing Historic Structures, may be created on the Premises, subject to utility easements already in existence.
- k. Grantee agrees to have surveys prepared describing the fenced areas currently surrounding each Historic Structure, to be completed at its cost. Such surveyed areas shall be the Premises for the purposes of this Easement, and the survey plats shall become a part of *Exhibit A* of this instrument. This instrument shall be recorded along with the survey plats of each of the three Historic Structure sites.

4. Casualty Damage or Destruction. In the event that the Historic Structures or any part thereof shall be damaged or destroyed by casualty, Grantors shall notify Grantee in writing within one (1) week of the damage or destruction, including a statement of what, if any, emergency work has been undertaken. Within four (4) weeks of the date of damage or destruction, the Grantee shall submit to the Grantors a written report prepared by a qualified architect, engineer, or other specialist, which shall include the following:

- a. Photographs of the damage or destruction
- b. An assessment of the nature and extent of the damage

- c. A report of such restoration/reconstruction work necessary to return the Historic Structures to the condition existing at the date immediately prior to the date of damage or destruction.

Grantee shall, within twenty-four (24) months of the damage or destruction, subject to availability of obtaining grant or other funds, complete the repair or reconstruction of the Historic Structure in accordance with the specifications included in the damage assessment report.

5. Casualty Damage Resulting in Total Loss. In the event the damage resulting from casualty is of such magnitude and extent as to render repairs or reconstruction of the Historic Structures impossible using all applicable insurance proceeds and any other funds available for such purposes, then:

- a. Grantee may elect to reconstruct the Historic Structure(s) using insurance proceeds, donations, or other funds received by Grantors or Grantee on account of such casualty, but otherwise at its own expense; or
- b. Grantee may elect to choose any salvageable portion of the Historic Structures and remove them from the premises, extinguish the Easement pursuant to Paragraph 16, and this instrument shall thereupon lapse and be of no further force and effect, and Grantee shall execute and deliver to Grantors acknowledged evidence of such fact suitable for recording the land records of Dolores County, Colorado, and Grantors shall deliver to Grantee a good and sufficient Bill of Sale for such salvaged portions of the Historic Structures.

6. Grantors' Remedies. Grantors has the following legal remedies to correct any violation of any covenant, stipulation, or restriction herein, in addition to any remedies now or hereafter provided by law against Grantee, its successors or assigns:

- a. Grantors may, following reasonable notice to Grantee, institute suit(s) to enjoin such violation by ex parte, temporary, preliminary, and/or permanent injunction, including prohibitory and/or mandatory injunctive relief, and to require the restoration of the Historic Structures to the condition and appearance required under this instrument.
- b. Grantors may, following reasonable notice to Grantee, enter upon the Premises, correct any such violation, and hold Grantee responsible for the cost thereof. Such cost until repaid shall constitute a lien on the Premises.
- c. Grantors shall have all available legal and equitable remedies to enforce Grantee's obligations hereunder.
- d. In the event Grantee is found to have violated any of its obligations, Grantee shall reimburse Grantors for any costs or expenses incurred in connection therewith, including all reasonable court costs, and attorneys', architectural, engineering, and expert witness fees.
- e. Exercise by Grantors of one remedy hereunder shall not have the effect of waiving or limiting any other remedy, and the failure to exercise any remedy shall not have the effect of waiving or limiting the use of any other remedy or the use of such remedy at any other time.

7. **Grantee's Remedies.** Grantee has the following legal remedies to correct any violation of any covenant, stipulation, or restriction herein, in addition to any remedies now or hereafter provided by law against Grantors, its successors or assigns:

- a. Grantee may, following reasonable notice to Grantors, institute suit(s) to enjoin such violation by ex parte, temporary, preliminary, and/or permanent injunction, including prohibitory and/or mandatory injunctive relief, and to require the restoration of the Historic Structures to the condition and appearance required under this instrument.
- b. Grantee may enter upon the Premises, correct any such violation, and hold Grantors responsible for the cost thereof. Such cost until repaid shall constitute a lien on the Premises.
- c. Grantee shall have all available legal and equitable remedies to enforce Grantors' obligations hereunder.
- d. In the event Grantors is found to have violated any of its obligations, Grantors shall reimburse Grantee for any costs or expenses incurred in connection therewith, including all reasonable court costs, and attorneys', architectural, engineering, and expert witness fees.
- e. Exercise by Grantee of one remedy hereunder shall not have the effect of waiving or limiting any other remedy, and the failure to exercise any remedy shall not have the effect of waiving or limiting the use of any other remedy or the use of such remedy at any other time.

8. **Runs With the Land.** The obligations imposed by this Easement shall be effective in perpetuity and shall be deemed to run as a binding servitude with the Premises. This Easement shall extend to and be binding on Grantors and Grantee, their respective successors in interest, and all persons hereafter claiming under or through Grantors and Grantee, and the words "Grantors" and "Grantee" when used herein shall include all such persons. Anything contained herein to the contrary notwithstanding, a person shall have no obligation pursuant to this instruments where such person shall cease to have any interest in the Premises by reason of a bona fide transfer. Restrictions, stipulations, and covenants contained in this instrument shall be inserted by Grantors, verbatim or by express reference, in any subsequent deed or other legal instrument by which Grantors divests itself of either the fee simple title or to any lesser estate in the Premises or any part thereof.

9. **Recording.** Grantee shall do and perform at its own cost all acts necessary to the prompt recording of this instrument in the land records of Dolores County, Colorado. This instrument is effective only upon recording in the land records of Dolores County, Colorado.

10. **Existing Liens.** Except for those matters disclosed in writing to Grantee, Grantors warrants to Grantee that no lien or encumbrance exists on the Premises as of the date hereof. If any lien or encumbrance is placed or claimed to be placed on the Premises that would have priority over the rights, title, or interest of Grantee, the causing party shall immediately cause it to be satisfied or released.

11. **Indemnification.** The Grantee hereby agrees to pay, protect, indemnify, hold harmless, and defend at its own cost and expense, the Grantors from and against any and all claims, liabilities, expenses, costs, damages, losses, and expenditures, (including reasonable attorneys' fees and disbursements hereafter incurred) arising out of or in any way relating to the administration,

performed in good faith, of this preservation and conservation Easement, including, but not limited to, the granting or denial of consents hereunder, the reporting on or advising as to any condition on the Premises, and the execution of work on the Premises.

12. Taxes and Assessments. Grantors shall pay immediately, when first due and owing, all general property taxes for the premises. Grantee shall pay immediately, when first due and owing, all incremental increases in any special taxes, special assessments, utility charges, and other charges directly related to the preservation and maintenance of the Historic Structures, which may become a lien on the Premises. Grantors are hereby authorized, but in no event required or expected, to make or advance in the place of the Grantee, any payment of taxes, assessments, utility services, and any other governmental or municipal charge, fine, imposition, or lien asserted against the Premises and may do so according to any bill, statement, or estimate procured from the appropriate public office without inquiry into the accuracy of such bill, statement, or assessment or into the validity of such tax, assessment, sale, of forfeiture.

13. Insurance. The Grantee shall keep the Premises insured by an insurance company rated "A+" or better by Best's for the full replacement value against loss from perils commonly insured under standard fire and extended coverage policies and comprehensive general liability insurance against claims for personal injury, death, and property damage of a type and in such amounts as would, in the opinion of the Grantors, normally be carried on a property such as the Premises protected by a preservation and conservation easement, and considered to be adequate in the sole determination of the Grantee. Such insurance shall include Grantors' interest and name Grantors as an additional insured and shall provide for at least thirty (30) days' notice to Grantors before cancellation and that the act or omission of one insured party will not invalidate the policy as to the other insured party. Furthermore, the Grantee shall deliver to the Grantors fully executed copies of such insurance policies evidencing the aforesaid insurance coverage the commencement of this grant and copies of new or renewed policies at least ten (10) days prior to the expiration of such policy. The Grantors shall have the right to provide such insurance at the Grantors' cost and expense, should the Grantee fail to obtain the same.

14. Written Notice. Any notice which either Grantors or Grantee may desire or be required to give to the other party shall be in writing and shall be mailed postage prepaid by registered or certified mail with return receipt requested, or hand delivered, if to Grantors, then at: Rico Renaissance LLC, 11 South Glasgow Ave, P.O. Box 220, Rico, CO 81332; Town of Rico, P.O. Box _____, Rico, CO 81323; Matthew F. Greene and Amy L. Levitas, _____, _____, _____, Patricia A. Engel, _____, _____, _____; all as may be changed from time to time by notice in writing to Grantee, and if to Grantee, then at: Rico Historical Society, P.O. Box 281, Rico, CO 81332.

15. Evidence of Compliance. Upon request by Grantors, Grantee shall promptly furnish Grantors with evidence of Grantee's compliance with any obligation of Grantee contained herein.

16. Extinguishment. Grantors and Grantee hereby recognize that an unexpected change in the conditions surrounding the Premises may make impossible the continued ownership or use of the Premises for the preservation and conservation purposes and necessitate extinguishment of the Easement. Such a change in conditions includes, but is not limited to, partial or total destruction of the Historic Structures resulting from a casualty of such magnitude that the Historic Structures are demolished or removed and salvaged as explained in Paragraph 5, or condemnation or loss of title

of all or a portion of the Premises or the Historic Structures. Such an extinguishment must be the result of a final judicial proceeding.

17. Interpretation and Enforcement. The following provisions shall govern the effectiveness, interpretation, and duration of the Easement.

- a. Any rule of strict construction designed to limit the breadth of restrictions on alienation or use of property shall not apply in the construction or interpretation of this instrument, and this instrument shall be interpreted broadly to effect its preservation and conservation purposes and the transfer of rights and the restrictions on use herein and as provided for under Colorado law.
- b. Except as expressly provided for herein, nothing contained in this instrument grants, nor shall be interpreted to grant to the public any right to enter on the Premises or in or on the Historic Structures.
- c. For the purposes of furthering the preservation of the Premised and Historic Structures and of furthering the other purposes of this instrument, and to meet changing conditions, Grantors and Grantee are free to amend jointly the terms of this instrument in writing without notice to any other party; provided, however, that no such amendment shall limit the perpetual duration or interfere with the preservation and conservation purposes of the donation. Such amendment shall become effective upon recording in the land records of Dolores County, Colorado.
- d. The terms and conditions of this Easement shall be referenced in any transfer of the property by the Grantors.
- e. It is the intent of the parties to agree to and bind themselves, their successors, and their assigns in perpetuity to each term of this instrument whether this instrument be enforceable by reason of any statute, common law, or private agreement either in existence now or at any time subsequent hereto. This instrument may be re-recorded at any time by any person if the effect of such re-recording is to make more certain the enforcement of this instrument or any part thereof. The invalidity or unenforceability of any provision of this instrument shall not affect the validity or enforceability of any other provision of this instrument or any ancillary or supplementary agreement relating to the subject matter thereof.
- f. Nothing contained herein shall be interpreted to authorize or permit Grantee to violate any ordinance or regulation relating to building materials, construction methods, or use. In the event of any conflict between any such ordinance or regulation and the terms hereof, Grantee shall cooperate with the applicable governmental entity to accommodate the purposes of both this instrument and such ordinance or regulation.
- g. This instrument reflects the entire agreement of Grantors and Grantee. Any prior or simultaneous correspondence, understandings, agreements, and representations are null and void upon execution hereof, unless set out in this instrument.

00145767 02/13/2003 02:17pm BK: 0319 PG: 397
 EARLENE WHITE DOLORES COUNTY CLERK & RECORDER

IN WITNESS WHEREOF, on the date first shown above, Grantors has caused the preservation and conservation Easement to be executed, sealed, and delivered; and Grantee has caused this instrument to be accepted, sealed, and executed; each in its individual name or corporate name by its authorized representative, and attested by its Secretary.

GRANTORS:

Rico Properties L.L.C. 1-16-03
 Rico Properties LLC Date

By Steve Foster, its Manager

Rico High Altitude Investments LLC 1-16-03
 Rico High Altitude Investments LLC Date

By Steve Foster, its Manager

The Town of Rico Date

By _____, its _____

Attest:

_____, Secretary

Matthew F. Greene Date

Amy L. Levitas Date

Patricia A. Engel Date

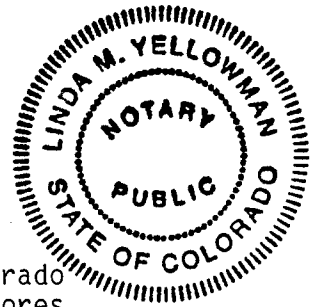
GRANTEE:

Earlene J. Hays, president 1-17-03
 Rico Historical Society Date

By _____, its _____

Attest:

Jerrie Matthews - Okey
1-17-03, Secretary



State of Colorado
 County of Dolores

Linda M. Yellowman
 Notary Public

My Commission Expires on

OCT-20-2006

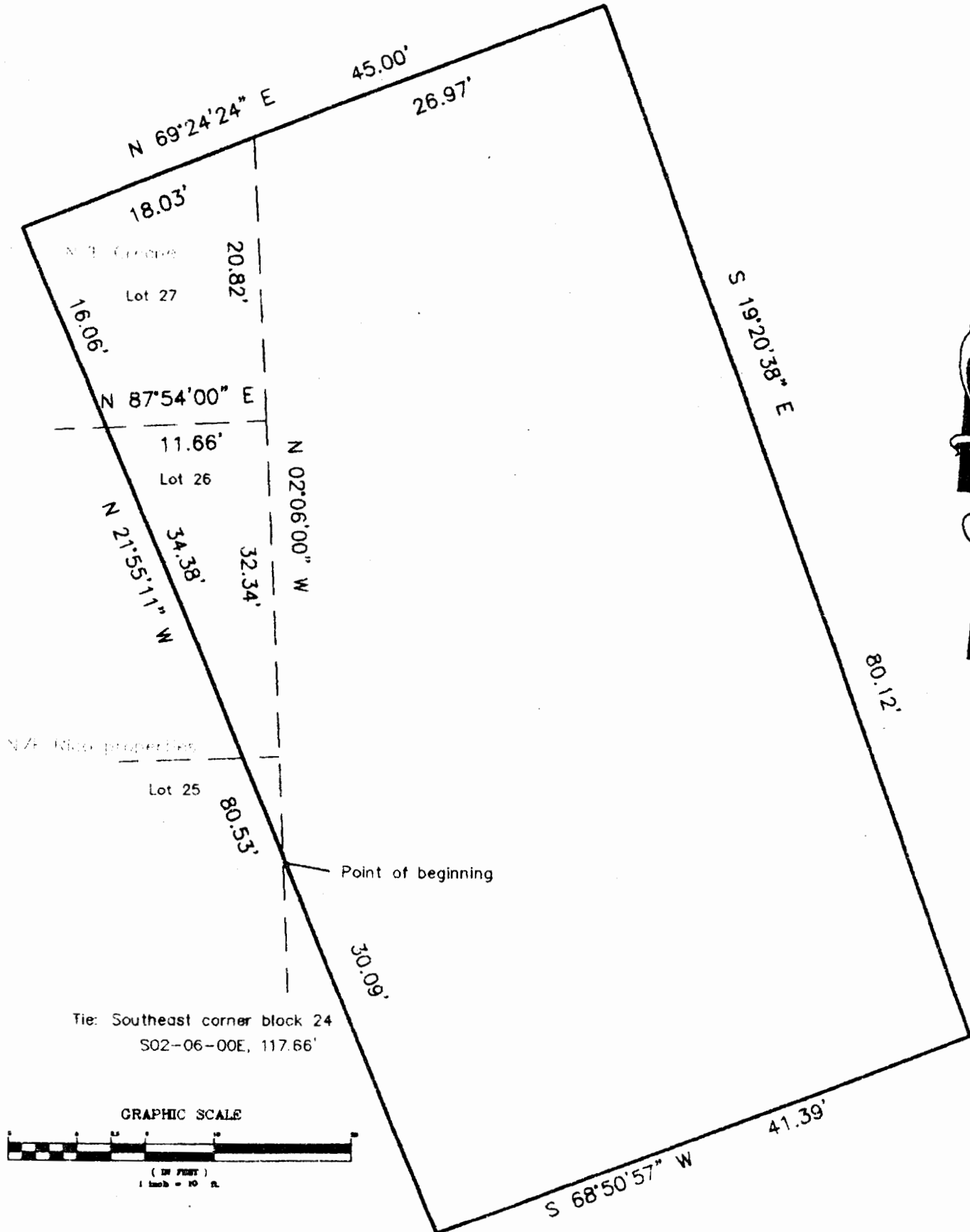


EXHIBIT A-1

CANYON SURVEYING

PO BOX 88, RIO, CO. 81332 970-887-2845

Rogun K. Williamson

COLORADO STATE LIC. NO. 26771

Van Winkle Headframe

COUNTY OF DOLORES

TOWN OF RIO

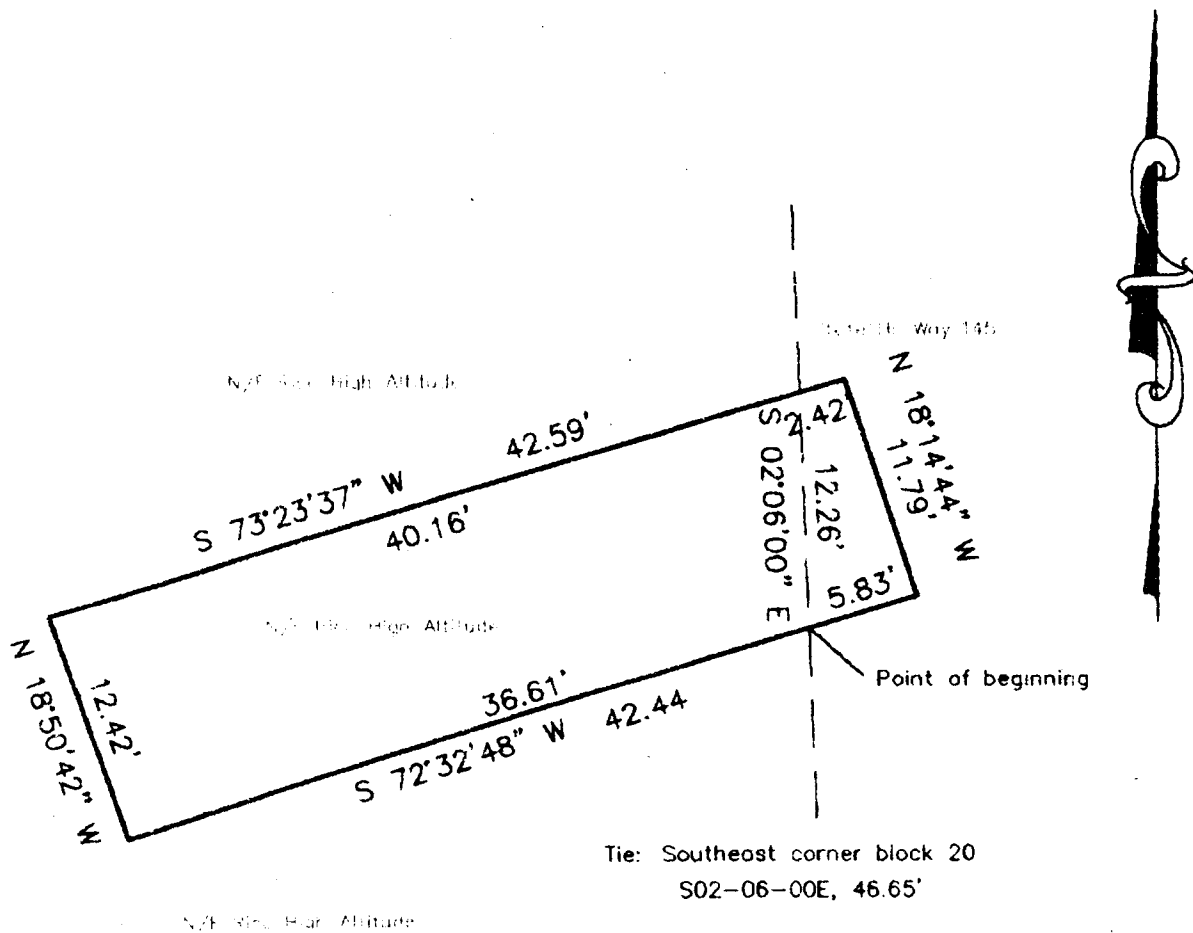
STATE OF COLORADO

SURVEYED BY: [Signature]

CHECKED BY: [Signature]

DATE: [Signature]

SCALE 1" = 10' SHEET 1 OF 1



GRAPHIC SCALE

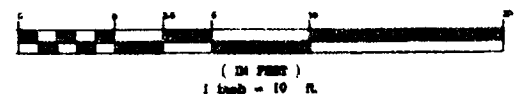


EXHIBIT A -2

CANYON SURVEYING

PO BOX 68, RICO, CO. 81332 970-867-2848

Bryan E. Williamson

COLORADO STATE LIC. NO. 26771

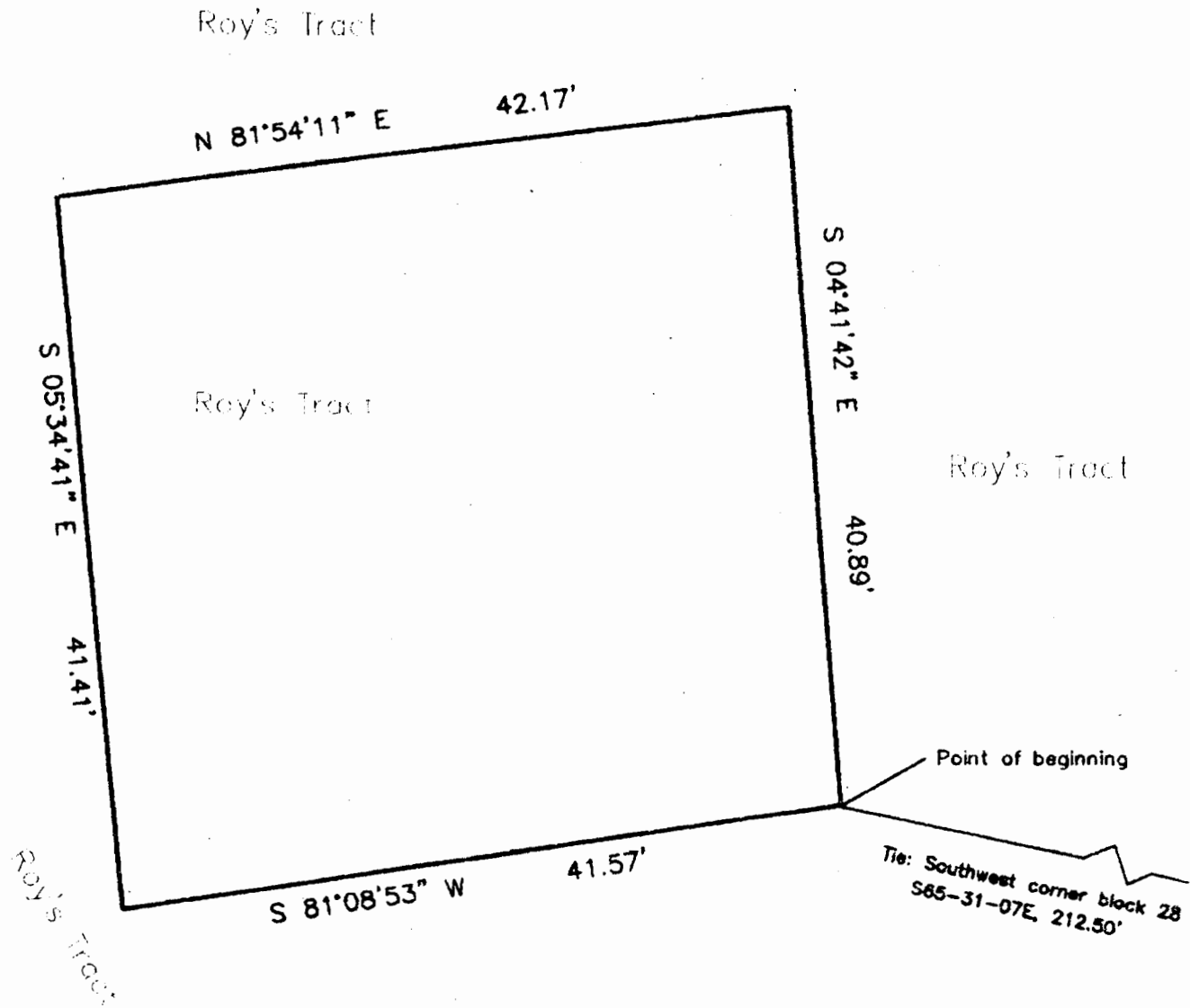
Atlantic Cable Headframe

COUNTY OF DOLORES TOWN OF RICO STATE OF COLORADO

| | | | |
|---------------------------|--------------------------|------------------------|------------------------|
| SURVEYED BY B.E.W. | CHECKED BY B.E.W. | DRAWN BY B.E.W. | DATE 02/13/2003 |
|---------------------------|--------------------------|------------------------|------------------------|

SCALE 1" = 10' SHEET 1 OF 1

00145767 02/13/2003 02:17pm BK: 0319 PG: 400
EARLENE WHITE DOLORES COUNTY CLERK & RECORDER



GRAPHIC SCALE

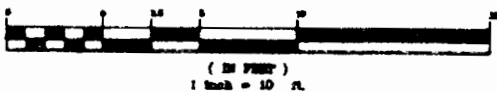


EXHIBIT A-3

CANYON SURVEYING

PO BOX 68, REC. CO. 81332 970-867-2946

Dagmar E. Williamson

COLORADO STATE LIC. NO. 29771

Water Tank

COUNTY OF DOLORES TOWN OF TUCO STATE OF COLORADO

SURVEYED BY DEW OPENED BY DEW DATE 10/1/02

SCALE 1" = 10' SHEET 1 OF 1