

**ORDINANCE NO. 2011-001**

**AN ORDINANCE AUTHORIZING A SITE LEASE AND A LEASE AGREEMENT (COLLECTIVELY KNOWN AS THE "LEASE-LEASE BACK AGREEMENT") ALONG WITH A TAX COMPLIANCE CERTIFICATE AND AN OMNIBUS CERTIFICATE.**

**WHEREAS**, the Town of Crestone will apply for several grants for the renovation of the historic blue building known as the Crestone Town Center with legal description of Block 38, lots 1 through 5, Town of Crestone, Colorado; and

**WHEREAS**, complete funding for the acquisition of this property was not received in time to preserve the structural integrity of the building and provide services needed locally by the community; and

**WHEREAS**, the First Southwest Bank of Alamosa, Colorado (the "Bank") has agreed to forgive, release, and otherwise deem a certain promissory note satisfied in exchange for a lease-leaseback agreement that would allow the Town of Crestone to further pursue the grants so needed for renovations of the Crestone Town Center; and

**WHEREAS**, the Site Agreement would lease the Crestone Town Center to the Bank for 20 years or upon payment of the Rental Agreement as established in the Lease Agreement, and the Lease agreement is renewable yearly by the Town; and

**WHEREAS**, there are 35 monthly rental payments of \$1,600.00 under the Lease Agreement and the last payment is in the amount of \$86,438.49, subject to annual appropriation; and

**WHEREAS**, the lease payments (as defined in the Lease) payable by the Town of Crestone shall constitute currently budgeted expenditures of the Town of Crestone, and shall not constitute a general obligation or other indebtedness of the Town of Crestone nor a mandatory charge or requirement against the Town of Crestone in any ensuing fiscal year beyond the then-current fiscal year; and

**WHEREAS**, the Board of Trustees believes this agreement is necessary for the general welfare of the citizens of the Town of Crestone;

**NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF CRESTONE, COLORADO** for and in consideration of the premises and the mutual covenants contained in this Ordinance, the Site Agreement, the Lease Agreement, the Omnibus Certificate of Town, and the Tax Compliance Certificate, that:

1. The Town Mayor, Ralph Abrams is authorized, on behalf of the Town of Crestone, to bind or otherwise execute the Site Agreement, Lease Agreement, Omnibus Certificate of Town, and Tax Compliance Certificate. The Site Agreement and the Lease Agreement shall contain the terms recited in this Ordinance.

2. No provision of this Ordinance, or the Site Lease, the Lease Agreement, or any other necessary documents executed therewith, shall be construed or interpreted: (a) to directly or indirectly obligate the Town to make any payment in any Fiscal Year in excess of amounts appropriated for such Fiscal Year; (b) as creating a debt or multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the Town within the meaning of Article XI, Section 6 or Article X, Section 20 of the Colorado Constitution or any other constitutional or statutory limitation or provision; (c) as a delegation of governmental powers by the Town; (d) as a loan or pledge of the credit or faith of the Town or as creating any responsibility by the Town for any debt or liability of any person, company or corporation within the meaning of Article XI, Section 1 of the Colorado Constitution or; (e) as a donation or grant by the Town to, or in aid of, any person, company, or corporation within the meaning of Article XI, Section 2 of the Colorado Constitution.

HEALTH and SAFETY CLAUSE: The Board of Trustees of the Town of Crestone specifically find that this Ordinance is necessary for the immediate preservation of the public peace, health and safety, to attempt to obtain a grant to purchase the administration building for the benefit of the Town, and shall become effective and shall be enforced upon, from and after this 20th day of January, 2011.

DONE and SIGNED this 20th day of January, 2011.

  
Ralph Abrams, Mayor

Attest:

  
Akia Tanara, Town Clerk

Approved as to Form:

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Eugene L. Farish, #2557  
Crestone Town Attorney

#### CERTIFICATION

I hereby certify that the within Ordinance was introduced, read in full, approved and adopted at a special meeting of the Board of Trustees of the Town of Crestone, Colorado on the 20th day of January, 2011, and published by title in the Crestone Eagle, a legal newspaper in the Town of Crestone on February 1, 2011.

  
Akia Tanara, Town Clerk