

**MEETING OF THE BOARD OF DIRECTORS OF THE
SALIDA NATURAL RESOURCE CENTER DEVELOPMENT CORPORATION
A COLORADO NON-PROFIT CORPORATION**

City Council Chambers
448 East 1st Street
City of Salida, Colorado

Tuesday, February 2, 2016 11:00 a.m.

The NRCDC Board may take action on and of the following agenda items as presented or modified prior to or during the meeting, and items necessary or convenient to effectuate the agenda items.

- I.** MEETING CALLED TO ORDER
- II.** PUBLIC COMMENT
- III.** APPROVAL OF MINUTES – January 19, 2016
- IV.** TREASURER'S REPORT
- V.** SCHEDULED ITEMS
 - 1. NRCDC Master Plan Review
 - 2. Gas extension update
 - 3. Natural Habitats LOI
 - 4. Lau LOI
 - 5. Montessori School Request
 - 6. Salida School District request
 - 7. Signature cards for bank
 - 8. Conflict of Interest forms
 - 9. Updates on potential property sales or development
 - a. Colorado Parks & Wildlife
 - b. Workforce Housing
 - c. Light Industrial
 - d. Recreation Area
- VI.** UNSCHEDULED ITEMS
- VII.** EXECUTIVE SESSION: For the purpose of a conference with the attorney for the purpose of receiving legal advice on specific legal questions, under C.R.S. Section 24-6-402(4)(b). AND THE FOLLOWING ADDITIONAL DETAILS ARE PROVIDED FOR

IDENTIFICATION: To discuss conflicts of interest.

And/or

For the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators, under C.R.S. Section 24-6-402(4)(e). AND THE FOLLOWING ADDITIONAL DETAILS ARE PROVIDED FOR IDENTIFICATION: To discuss negotiations for the possible disposition of land and development opportunities.

VIII. REPORT/ACTION ON EXECUTIVE SESSION MATTERS

IX. ADJOURN

**MINUTES
OF THE BOARD OF DIRECTORS OF
SALIDA NATURAL RESOURCE CENTER DEVELOPMENT CORPORATION
A COLORADO NON-PROFIT CORPORATION**

A meeting of the Corporation was held January 19, 2016, at 448 E. 1st Street, Salida, Colorado 81021 beginning at 11:00 a.m. Directors present were Tim Glenn, Walt Harder, Ray Kitson, Bob Grether, Jim McConaghy, Susan Hughes, Dan Tibbetts and Ron Mazzeo. Dan Osborn was also in attendance.

Public Comment: Jeff Auxier offered public comment.

Approval of Minutes: Minutes of January 5th were unanimously approved with the correction regarding McConaghy's presence at the meeting.

Treasurer's Report: Glenn provided the report to the Board. The operation and maintenance account has a balance of \$4,779.52. The Revenue and payment account has a balance of \$80,505.61. The restricted surplus reserve account balance is approximate \$140,032.66 for a total of \$225,317.79. Bills paid were \$2,440.23. Gross income was \$5,516.64. Increase in rent coming from Forest Service. Current loan balance is \$4,495,395.11.

Scheduled Items:

1. Officer Appointments
 - a. A motion was made to appoint Jim McConaghy as the new treasurer. All votes were unanimous and the motion carried. A motion was then made to keep the positions as they are. All votes were unanimous and the motion carried.
2. NRCDC Mission Statement
 - a. Discussion on the status of the requested mission statement for NRCDC. Tim added he thought Walt's mission statement proposal was fine although he felt they are not the developer but that they guide the developer. Susan stated that it would be nice to see the current or original mission statement. Ray added that they should reflect the comprehensive plan with the mission statement.
3. NRCDC Master Plan Review –
 - a. Osborn gave an overview of the comments received at the last public meeting. Osborn gave an update on the tax credit project, as well as the public's comments on; management of affordable housing components, the light industrial area and if its size is sufficient (business park), vacation rentals, integration of affordable housing into the community, etc. Commissioners discussed deed restrictions and how to implement and manage affordability. Walt added that the process for affordable housing has to make sense for the developer. Bob stressed the need for apartments and to integrate housing types, densities throughout the development and not let it become a single family suburb. Andy added that individual tracts can build on Bob's idea of mixing housing types and densities. Overall discussion was on the volume of affordable housing, how much would be created as well as the densities of housing. Tim reminded Board members that the loan payments need to be made in considering deed restrictions and the value of the land. Ray added that although younger people/families were not present at the meeting, he did

talk to some and felt their number one priorities were recreation as is reflected in the comprehensive plan. Ron stated that Board members should focus their actions on a plan consisting of broader, less detailed spaces to provide flexibility in providing recreation components, housing of different types, affordable housing, business park, and if necessary school sites or other needs the community wants. Cheryl from the public spoke about the Salida Housing Authority and how they are open to working with the city on other projects and management. Osborn and Cheryl clarified how the Salida Housing Authority works and is managed. Further discussion consisted of the need to create a housing authority and how its expenses are paid for. Lorri Lua from the public added that deed restricted housing would not be fair for the people able to buy and would make it harder for developers to sell and owners to invest in. She also added that percentages may work better for developers rather than using bubbles on the area. Francie Bomer from the public believed that design standards like footprint, materials need to be considered in the housing types as well as specifics on number and location of affordable housing to be shown so the public can conceptualize this aspect of the development plan. She also added greenspace between the road and the path needs to be considered for safety of pedestrians. Osborn summarized on the map what the Board has discussed so far in the meeting. Bob stressed the need to create bubbles to get people thinking about what can be in a PUD like apartments and that the uses can be moved around later on. Jeff Auxier from the public stated it is not appropriate that members of the board speak about hundreds of people telling them outside of public meetings what they want and that putting a new gym in the recreation facility would compromise the business of another gym in the city. Board members discuss the need to get younger citizens input and involved in the planning process (Facebook page). Andy clarified that lot lines would be taken off the map and that the business/rec overlay, single family, apartment complex, multifamily, mixed use areas as well as tax credit project (affordable) and workforce housing be shown on the map. A potential school site was discussed and added to the map as four acres as an overlay layer. Eileen from the public stated that there is a possibility a school would be needed and that it should be in the residential area.

4. REDI Grant and gas extension
 - a. Tabled to the next meeting.

5. 2016 Budget
 - a. Tabled to the next meeting.

6. Trailhead development
 - a. No update

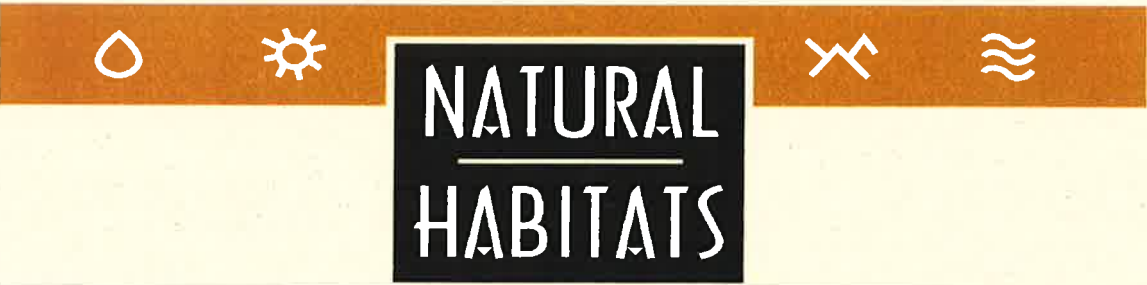
7. Updates on potential sales or development: Tabled to next meeting
 - a. Colorado Parks & Wildlife
 - b. Workforce Housing
 - c. Light Industrial
 - d. Recreation Area

8. Unscheduled items
 - a. Ron would like an update on the Lowry Letter of intent that was approved by City Council and the status of their project.
9. Executive session
 - a. None held
10. Report/action on executive sessions matters
11. Adjourn

The undersigned have executed these minutes effective this 2nd day of February, 2016.

RAY KITSON, PRESIDENT

DARA MACDONALD, SECRETARY



November 14, 2015

Board Members of NRCDC care of Dara MacDonald, Secretary
City of Salida
448 East 1st St.
Salida, CO 81201

RECEIVED
NOV 24 2015
By: *[Signature]*
11:50 am

LETTER OF INTENT TO PURCHASE

THIS LETTER OF INTENT (the "Letter") made as of this _____ day of _____, 2015 (the "Execution Date")

BETWEEN:

Salida Natural Resource Center Development Corporation (the "Seller")

-AND-

Tom Pokorny and Dan Thomas, or assigns (the "Purchaser")

BACKGROUND:

A: The Seller is the owner of the undeveloped land (the "Property") located on the Vandaveer Ranch site that is available for sale.

B: The Purchaser wishes to enter into a purchase agreement for undeveloped land from the Seller.

This Letter will establish the basic terms and conditions to be used in a future real estate purchase agreement between the Seller and the Purchaser. The terms and conditions contained in this Letter are not comprehensive and it is expected that additional terms may be added and existing terms may be changed or deleted. The basic terms are as follows:

Non-Binding

This Letter does not create a binding agreement between the Purchaser and the Seller and will not be enforceable. Only the future real estate purchase agreement, duly executed by the Seller and the Purchaser, will be enforceable. The terms and conditions of any future real estate purchase agreement will supersede any terms and conditions contained in this Letter. The Seller and the Purchaser are not prevented from entering into negotiations with other third parties with regard to the subject matter of this Letter.

Council Approval

All of the terms and conditions of this Letter and any future real estate purchase agreement are subject to final approval of the Salida City Council.

Transaction Description

Purchaser has approached the Seller regarding the purchase of the Property as described below: approximately 50 acres described as that portion of Parcel VPA-1 as shown in Exhibit A that is unencumbered by the Lowry L.O.I., the connection road (60' R.O.W.) between C.R. 104 and C.R. 107 through which the Lowry improvements will lie, and any areas the City wishes to retain for Open Space.

Currently, the Property is not served by City of Salida municipal public utilities. However, Purchaser understands that this portion of land will in fact be served by water and sewer, but not gas, as part of the Lowry L.O.I. Purchaser proposes to install natural gas to the Property for a consideration in the purchase price.

Terms and Conditions

The following terms and conditions must be resolved to the satisfaction of the Seller and the Purchaser prior to the parties entering into a real estate purchase agreement:

1. It is anticipated that the Purchaser will deliver cash for a portion of the sale of the property at closing. Additionally, the Seller will transfer a portion of the Property to Purchaser in exchange for the installation of gas to the Property, herein subject to value determination in Section 5 below;
2. Closing is to occur within 45 days of completion of the infrastructure (sign off by City) to be provided by Lowry/LCI within the Lowry L.O.I.
3. Purchaser may phase improvements as the subdivision develops, subject to review and approval through the established subdivision review process;

4. The Purchaser intends to develop this Property as R-2 and R-3 or Planned Development as provided within the City of Salida Land Use and Development Code (Code) at the time of application. However, Purchaser reserves the right to apply for any use allowed in aforementioned Code.
5. The Seller will have Atmos Energy provide a cost estimate for a service extension to serve this Property with a natural gas pipeline of a size adequate to serve the Property.
6. The parties agree to an updated appraisal once the final lot locations and areas have been determined. This appraisal shall be used as the basis of negotiation for the purchase price, with consideration given to the cost of the gas line to be provided by Purchaser.
7. The Purchaser proposes to work with the City to provide a minimum of 10% affordable housing units within the overall development. The definition of "affordable housing" and the mechanism by which this occurs is to be determined.
8. The Purchaser will conduct any necessary due diligence regarding subdivision and zoning of the Property;
9. The Seller will verify with Seller's lender that Seller's lender will approve the sale of the property to Purchaser and determine if Seller's lender requires any specific conditions on the sale; and
10. The Seller shall provide to Purchaser within 14 days of execution of this Letter of Intent copies of any existing associated land reports, surveys, geotechnical reports, road improvement studies (traffic study reports), and other reports that pertain to this Property.

This letter hereby states the major terms of an agreement between the Seller and the Purchaser. This Letter is in no way a legally binding agreement between the Seller and the Purchaser to purchase the Property.

SELLER:


Signed: _____

Name: _____

Title: _____

Company: _____

PURCHASER:

Signed: 

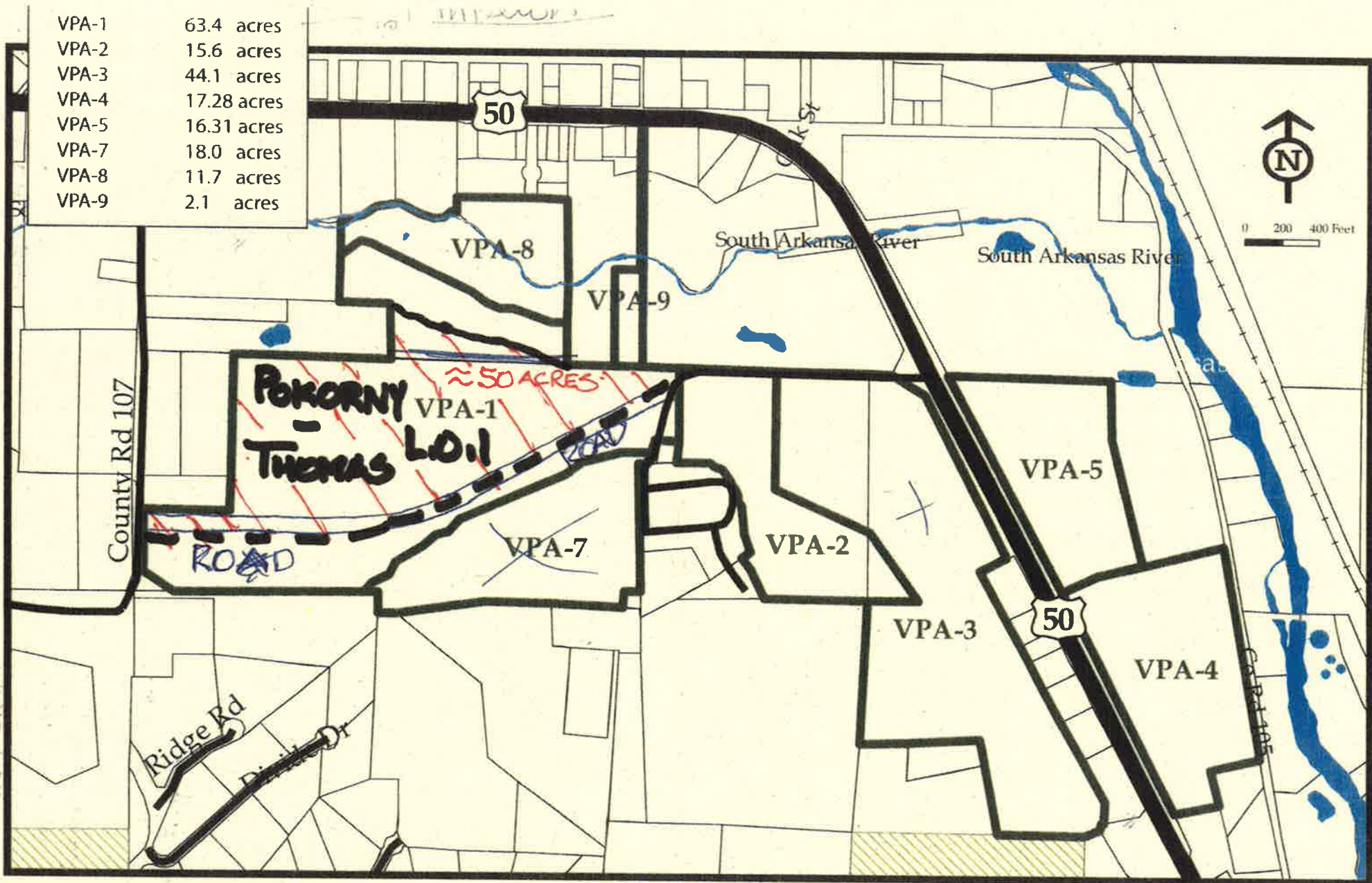
 Thomas C Potoczny

Name: _____

Title: _____

Company: _____

| | |
|-------|-------------|
| VPA-1 | 63.4 acres |
| VPA-2 | 15.6 acres |
| VPA-3 | 44.1 acres |
| VPA-4 | 17.28 acres |
| VPA-5 | 16.31 acres |
| VPA-7 | 18.0 acres |
| VPA-8 | 11.7 acres |
| VPA-9 | 2.1 acres |



Vandaveer Ranch Planned Development District
 2011 Amendment to the Overall Development Plan
 City of Salida, Colorado

Exhibit A
Entitlements Map
 Planning Areas

EXHIBIT A

January 12, 2016,

Board Members of NRCDC
c/o Dara MacDonald, Secretary
City of Salida
448 East 1st St.
Salida, CO 81201

LETTER OF INTENT TO PURCHASE

THIS LETTER OF INTENT (the "Letter") made as of this 12th day of January 2016 (the "Execution Date")

BETWEEN:

Salida Natural Resource Center Development Corporation (the "Seller")

-AND-

Lorri D. and Christopher J. Lau ("buyers")

BACKGROUND:

A: The Seller is the owner of the undeveloped land (the "Property") located on the Vandaveer Ranch site that is available for sale.

B: The Purchaser wishes to enter into a purchase agreement for undeveloped land from the Seller.

This Letter will establish the basic terms and conditions to be used in a future real estate purchase agreement between the Seller and the Purchaser. The terms and conditions contained in this Letter are not comprehensive and it is expected that additional terms may be added and existing terms may be changed or deleted. The basic terms are as follows:

Non-Binding

This Letter does not create a binding agreement between the Purchaser and the Seller and will not be enforceable. Only the future real estate purchase agreement, duly executed by the Seller and the Purchaser, will be enforceable. The terms and conditions of any future real estate purchase agreement will supersede any terms and conditions contained in this Letter. The Seller and the Purchaser are not prevented from entering into negotiations with other third parties with regard to the

subject matter of this Letter.

Council Approval

All of the terms and conditions of this Letter and any future real estate purchase agreement are subject to final approval of the Salida City Council.

Transaction Description

Purchaser has approached the Seller regarding the purchase of approximately 5.69 acres currently described as Tract 13 the "Alternate Vandever Master Plan with Light Industrial" dated January 4, 2016. Buyers are interested in Tract 13 with the understanding that the exact boundaries and Tract numbers are subject to change with citizen input and final approval of the Master Plan.

Currently, the Property is not served by City of Salida municipal public utilities. However, Purchaser understands that this portion of land will in fact be served by water and sewer, but not gas, as part of the Lowry L.O.I. price.

Terms and Conditions

The following terms and conditions must be resolved to the satisfaction of the Seller and the Purchaser prior to the parties entering into a real estate purchase agreement:

1. Closing is to occur within 45 days of completion of the infrastructure (sign off by City) to be provided by Lowry/LCI within the Lowry L.O.I.
2. Purchaser may phase improvements as the subdivision develops, subject to review and approval through the established subdivision review process;
3. The Purchaser intends to develop this Property as High Density Affordable Housing, R-3, R-4 or a Mobile/Modular Home Community and/or a Planned Development as provided within the City of Salida Land Use and Development Code at the time of application.
4. The parties agree to an updated appraisal once the final lot locations and areas have been determined. This appraisal shall be used as the basis of negotiation for the purchase price.
5. The Purchaser proposes to work with the City to provide affordable housing units of mobile home spaces within the overall development. The definition of "affordable housing" and the mechanism by which this occurs is to be determined.

6. The Purchaser will conduct any necessary due diligence regarding subdivision and zoning of the Property;
7. The Seller will verify with Seller's lender that Seller's lender will approve the sale of the property to Purchaser and determine if Seller's lender requires any specific conditions on the sale; and
8. The Seller shall provide to Purchaser within 14 days of execution of this Letter of Intent copies of any existing associated land reports, surveys, geotechnical reports, road improvement studies (traffic study reports), and other reports that pertain to this Property.

This letter hereby states the major terms of an agreement between the Seller and the Purchaser. This Letter is in no way a legally binding agreement between the Seller and the Purchaser to purchase the Property.

SELLER:

Signed: _____

Name: _____

Title: _____

Company: _____

PURCHASER:

Signed: Christopher J. Lau

Name: Christopher J. Lau

Signed: [Signature]

Name: Lorri D. Lau

**Salida Natural Resource Center Development Corporation
Conflict of Interest Policies**

Conflict of interest arises when the personal, financial or professional interests of a board member are at odds with the best interests of the Salida Natural Resource Center Development Corporation. In order to fulfill the laws governing nonprofit corporations as well as to avoid even the appearance of impropriety, Salida Natural Resource Center Development Corporation adopts the following policies:

1. Whenever a director or officer has a personal, financial or professional interest in any matter coming before the board of directors, the board shall ensure that:
 - The interest of such officer or director is fully disclosed to the board of directors.
 - No interested officer or director may vote or lobby on the matter or be counted in determining the existence of a quorum at the meeting of the board of directors at which such matter is voted upon.
 - Any transaction in which a director or officer has a financial or personal interest shall be duly approved by members of the board of directors not so interested or connected as being in the best interests of the organization.
 - Payments to the interested officer or director shall be reasonable and shall not exceed fair market value.
 - The minutes of meetings at which such votes are taken shall record such disclosure, abstention, and rationale for approval.
2. Matters pertaining to individuals or organizations with whom a director has an intimate, familial or business relationship shall be considered “of interest” of that director.
3. In order to prevent the occurrence or appearance of conflict of interest:
 - No board member of Salida Natural Resource Center Development Corporation shall serve simultaneously on the board of directors of another natural resource center development nonprofit.
 - No two individuals in an intimate or familial relationship with one another shall serve simultaneously on the board of directors of Salida Natural Resources Center Development Corporation.

Such individuals are welcomed as volunteers and advisors at any time.

4. Each director shall annually sign a board agreement that includes a provision to comply with the above policies.
5. Each director shall sign an annual disclosure of any potential conflicts of interest, and will inform the board president immediately should a conflict arise mid-year.

EXHIBIT A

[Year] Disclosure of Conflict of Interest

Name:

Date:

Please describe any relationship, position or circumstances in which you are involved that could contribute to a conflict of interest arising.

I certify that the information I have provided is true and complete to the best of my knowledge.

I agree to inform the board president immediately if any potential conflict arises after submission of this disclosure, and to submit a revised disclosure as necessary.

I agree to comply with the Salida Natural Resource Center Development Corporation Conflict of Interest Policies.

Signature _____