



**To:** Mayor Michel and Town Council

**From:** Michael Yerman, Community Development Director

**Thru:** Dara MacDonald Town Manager

**Subject:** **Trampe Ranch Conservation Easement Funding Agreement**

**Date:** June 19, 2017

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**Background:**

The Trust for Public Lands (“TPL”) presented to the Town Council the Trampe Ranch Conservation Project in the summer of 2015. At that time, the Town Council approved Resolution 29, Series 2015 allocating a \$1 million commitment to support the permanent conservation of 4,348 acres of the Trampe Ranch that stretches from Gothic to Gunnison. As part of Resolution 29, Series 2015, a funding agreement between the Town and the TPL was required to be executed prior to the closing on the Upper East River Conservation Easement.

Attached is the funding agreement for the Trampe Ranch Conservation Easement. The agreement pledges \$1 million dollars towards the permanent protection of the Trampe Ranch. At this time, the Town’s REIT collections exceed \$1 million and the Town can fulfill its commitment this year. If the closing is delayed until 2018, the Council will have to reauthorize the payment in the 2018 budget.

**Recommendation:**

Staff recommends the Town Council makes a motion to approve the Trampe Funding Agreement Authorizing the Mayor Pro Tem to execute the funding agreement with TPL.

THE  
TRUST  
for  
PUBLIC  
LAND



July 15, 2015

Colorado Office  
1410 Grant Street  
Suite D210  
Denver, CO  
80203  
T: 303.837.1414  
F: 303.837.1131  
tpl.org

Mayor Aaron Huckstep and Members of Town Council  
Town of Crested Butte  
PO Box 39  
Crested Butte, CO 81224

Dear Mayor Huckstep and Council:

As I write this letter, a project essential to the future health and preservation of the Upper Gunnison Valley and the communities of Gunnison and Crested Butte is taking shape. The attached Project Summary provides an overview, but in essence we intend to protect in perpetuity the Trampe Ranch as undeveloped ranchland.

Over the last century, the Trampe family has built a ranching operation over almost 6,000 acres throughout the Upper Gunnison Valley. We intend to permanently protect this land with conservation easements, which will ensure the views and quality of life that residents and visitors enjoy today will be here tomorrow and for generations to come. Further, this project will make it possible to retain these lands as working ranchlands, which contribute significantly to the agricultural heritage and economy of the valley.

Our preliminary estimate is that \$18-20 million will need to be raised from public and private sources to complete this vital project. At this point in our process, direct input from elected officials, residents and others interested in the future of the valley is critical.

I look forward to speaking with you at the July 20<sup>th</sup> Town Council meeting about the Trampe Ranch project. Thank you in advance for your participation and for helping protect the future of this extraordinary place.

Sincerely,

Justin Spring  
Colorado Director of Land Protection

# THE TRUST *for* PUBLIC LAND

CONSERVING LAND FOR PEOPLE



## Trampe Ranch Conservation Project

### **The Trampe Ranch Conservation Project**

Thanks to the commitment and vision of the Trampe family, we have a once-in-a-generation opportunity to protect in perpetuity a very special working ranch whose lands define the Upper Gunnison Valley and the communities of Gunnison and Crested Butte.

The Trampe family has enlisted The Trust for Public Land to help protect their ranch with conservation easements, which will ensure the views and quality of life that residents and visitors enjoy today will be here tomorrow and for generations to come.

If the Trampe Ranch is not preserved and a future owner were to pursue development, rather than ranching, the fundamental character of Gunnison and Crested Butte could be forever changed.

### **History**

In 1901 a young schoolteacher from Illinois rode his bicycle to the top of Marshall Pass and saw the breathtaking valley at the headwaters of the Gunnison River. Soon he moved to Gunnison and married, settling on 160 acres north of town that is still the headquarters of Trampe Ranch.

By 1907 H.F. Trampe was growing potatoes to feed the miners working near Crested Butte and for rail shipment to other markets.

Over the next century the ranch grew by many more acres and the potato business became a thriving cow/calf operation. Today the grandson of that original mountain biker manages a complex and sustainable ranching enterprise, based on the plants and soils found in the narrow valleys, along rushing rivers and on the slopes above. The Trampe Ranch pastures today are the scenic backdrop to a vibrant and treasured landscape that draws hundreds of thousands of visitors every year.

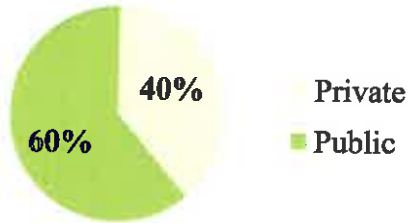
### **Conservation Easement**

The Nature Conservancy will steward the Trampe Ranch conservation easement. Under the terms of this conservation agreement, no new building sites will be created. The only developed areas will be the existing ranch headquarters and two other ranch worker residences. Seasonal cow camps on the high country parcels between Mt. Crested Butte and Gothic will permit the continuation of the careful land and water stewardship that is the hallmark of the Trampe Ranch.

## Funding Sources

The estimated appraised value of the conservation easement is \$23,500,000. Trampe Ranch will donate 25% of the easement value. The remaining funding is being sought from:

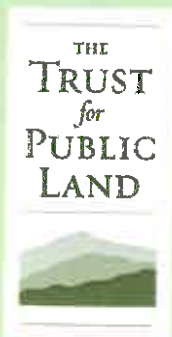
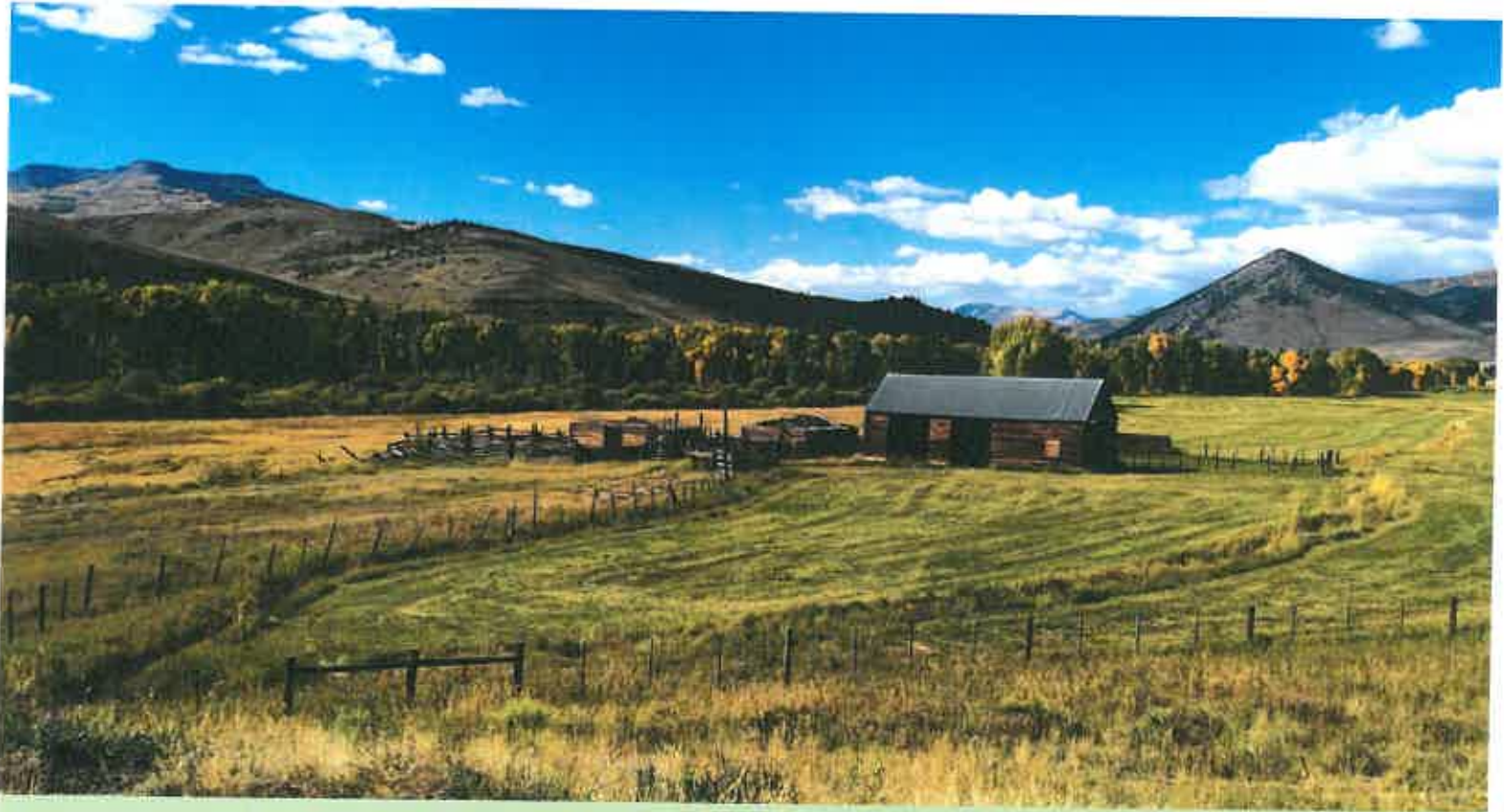
### Potential Funding



## Benefits to the Community

Conservation of Trampe Ranch will build on past conservation investments and create long-term benefits for the community, such as:

- protecting the scenic views and way of life that define Crested Butte and the Gunnison landscape;
- securing senior water rights to ensure they stay with the land forever;
- providing the certainty local governments need to plan for the future;
- making it possible to maintain a ranching operation that makes up 25% of the agriculture economy in Gunnison County;
- providing key wildlife habitat, including thriving riparian areas along the East River and important large game habitat.

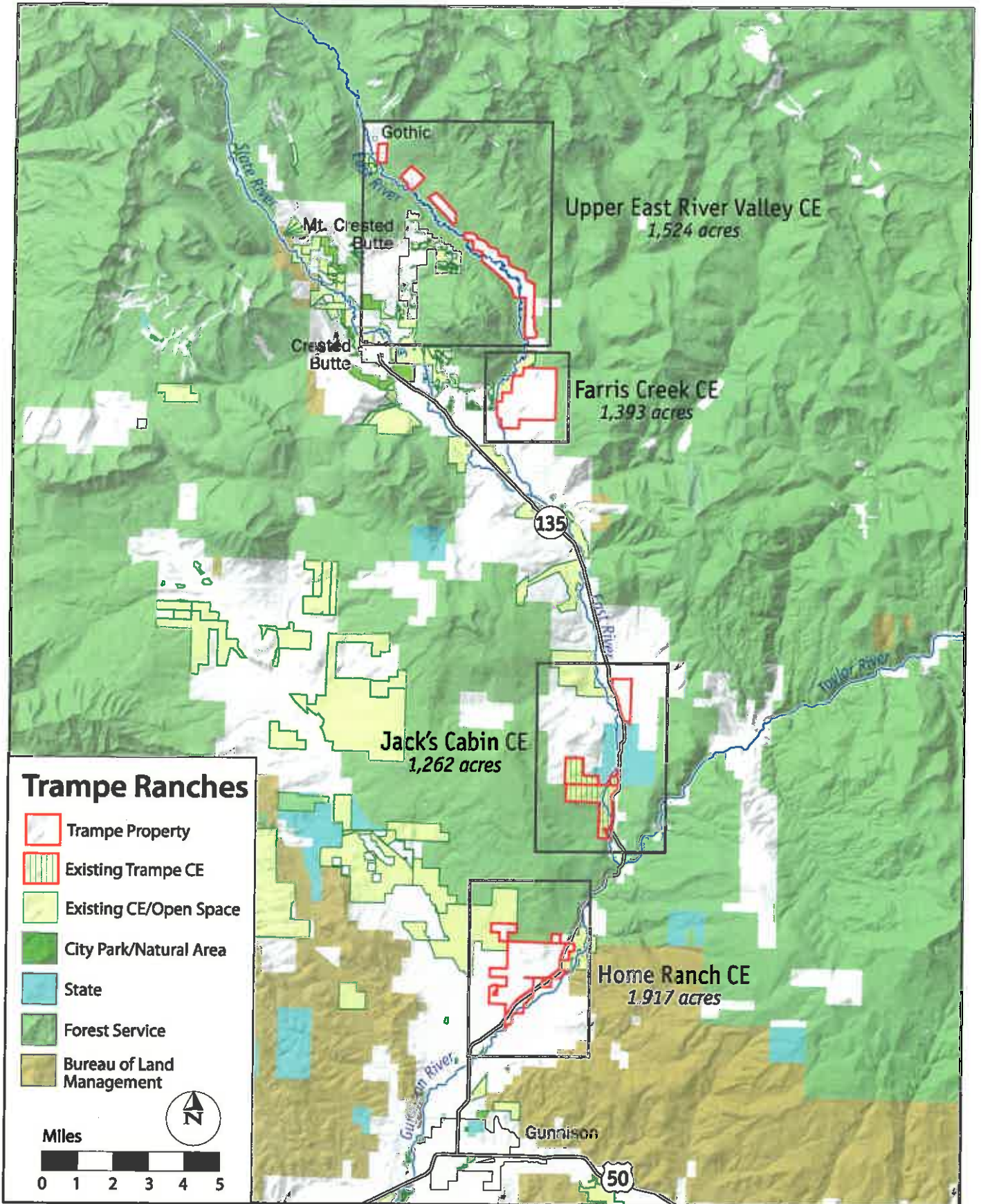


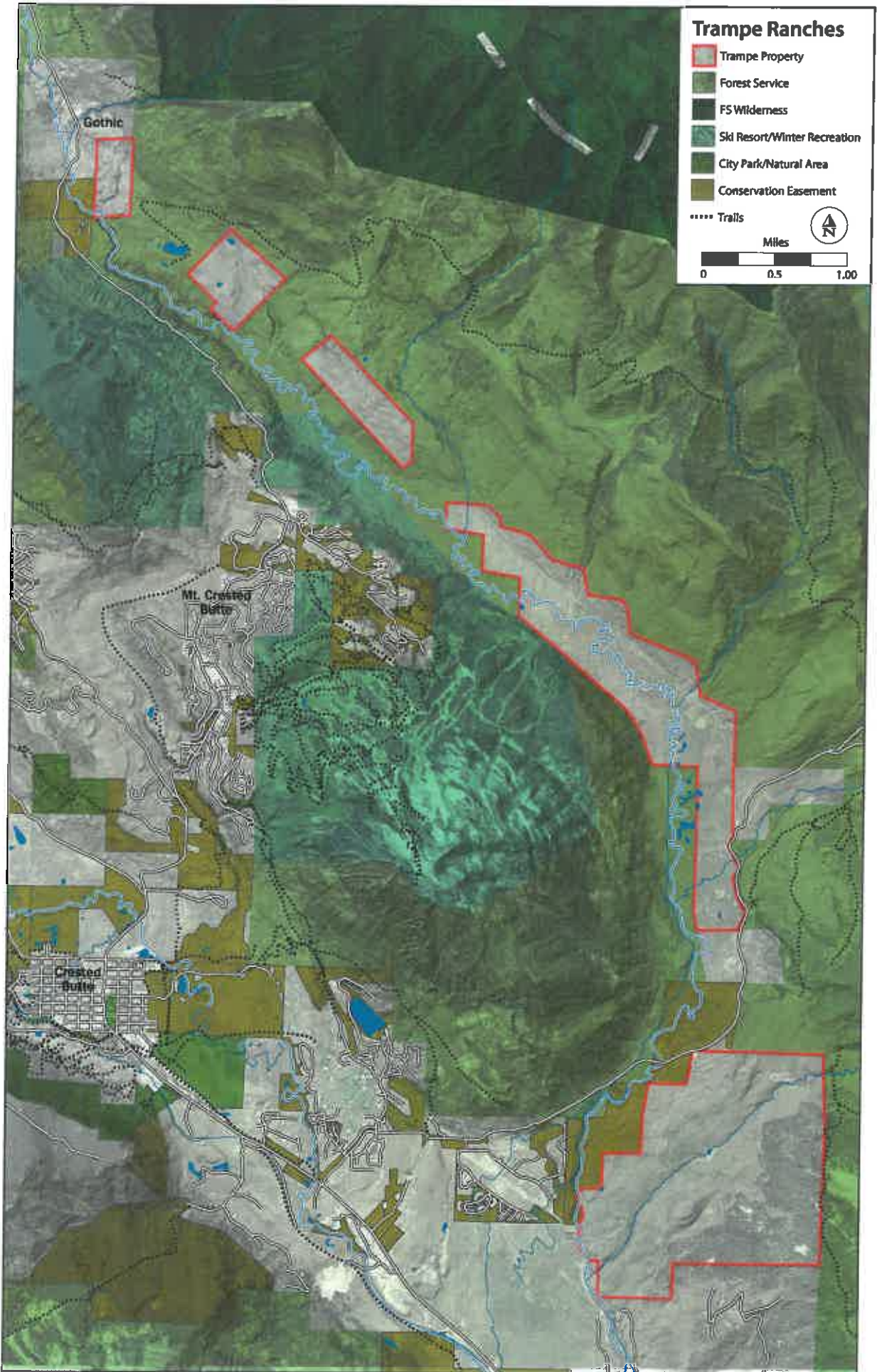
*The Trust for Public Land conserves land for people to enjoy as parks, gardens, and other natural places, ensuring livable communities for generations to come.*

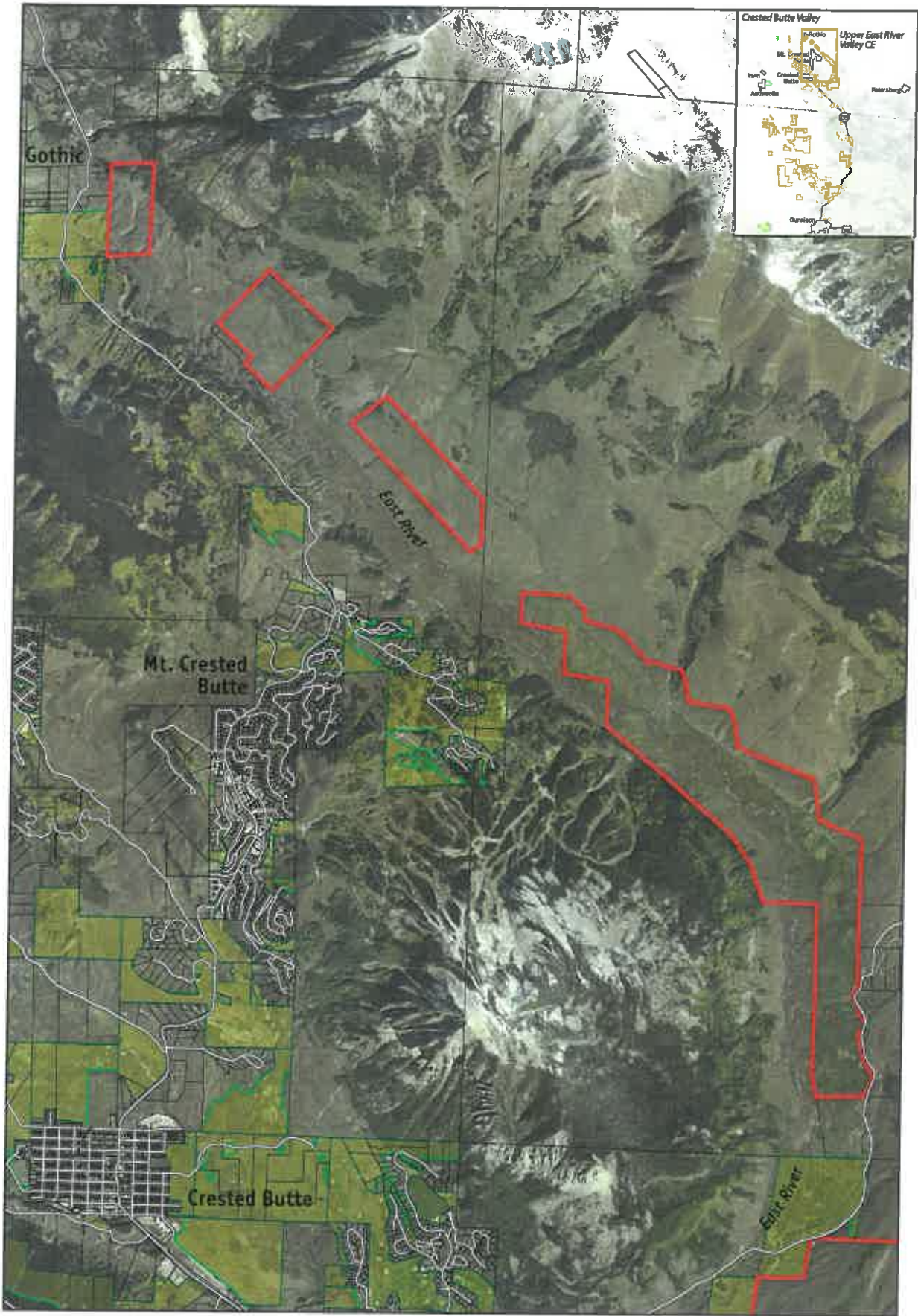
[tpl.org](http://tpl.org)

For more information:  
Justin Spring, Director of Land Protection  
The Trust for Public Land  
1410 Grant Street, D210  
Denver, Colorado 80203  
303.867.2331  
[Justin.Spring@tpl.org](mailto:Justin.Spring@tpl.org)

Photos: Gunnison Ranchland Conservation Legacy  
©2015 GRCL





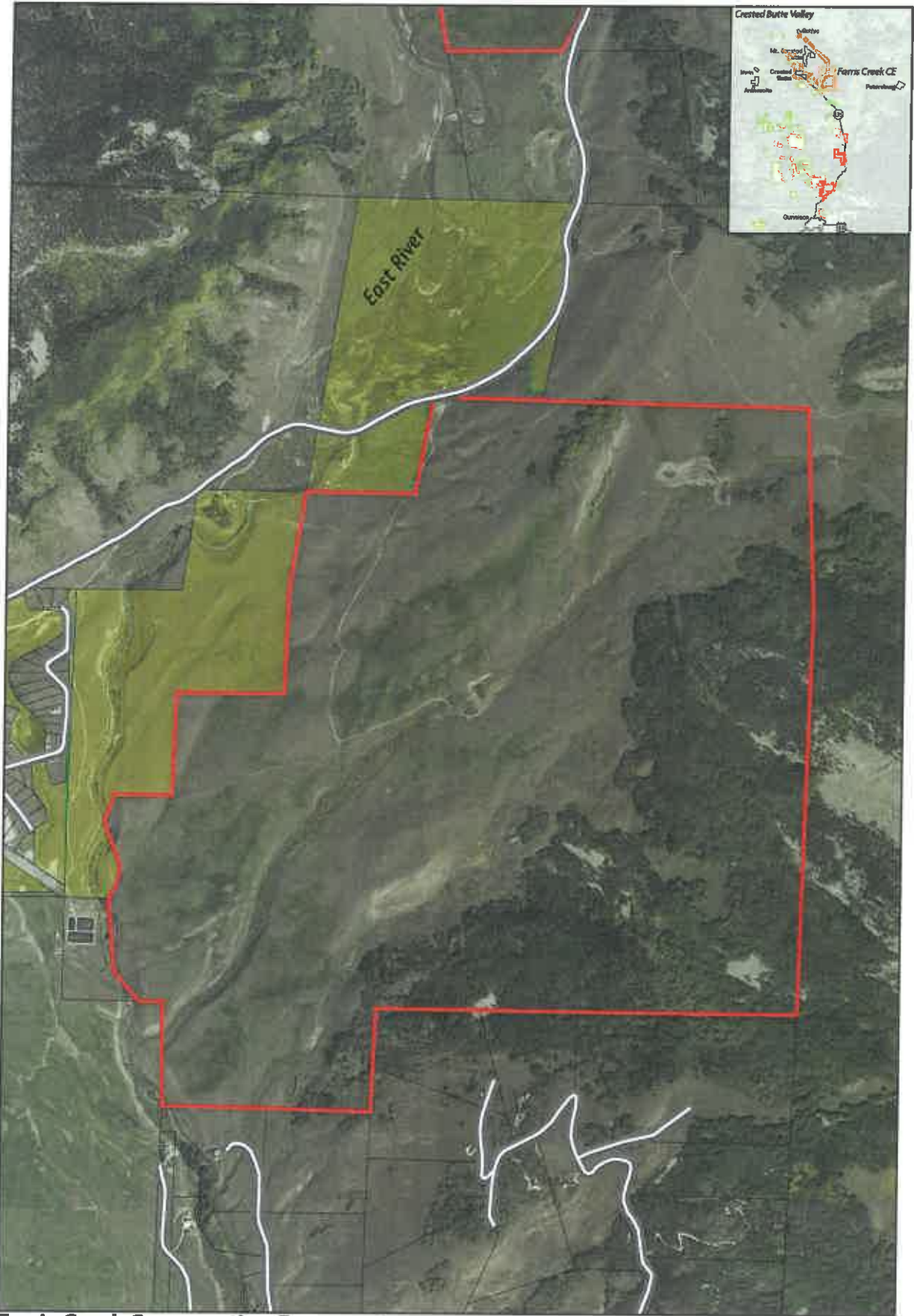


## Upper East River Valley Conservation Easement

Gunnison County Colorado

- Trampe Property
- Existing Easement/Open Space
- County Parcel





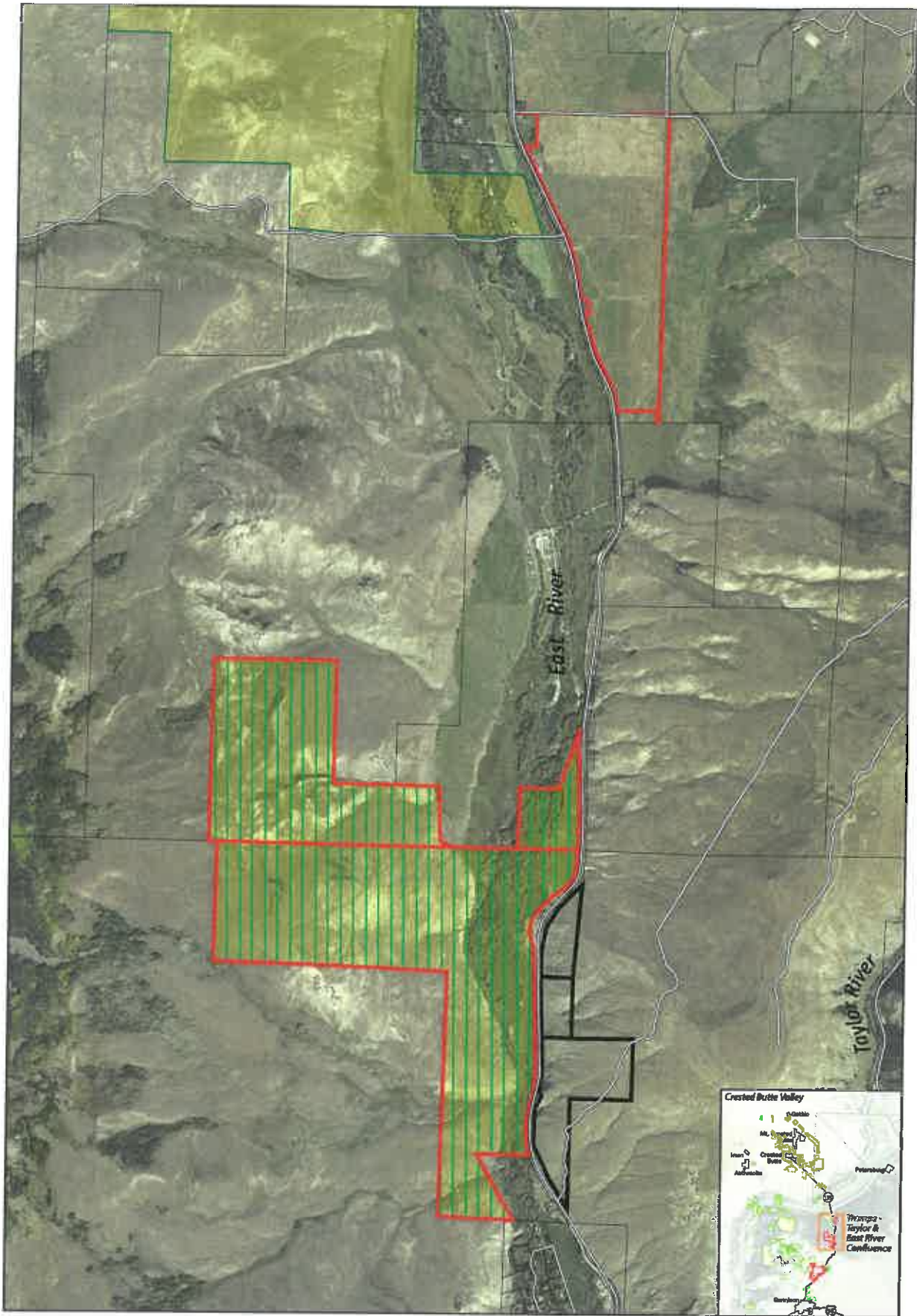
**Farris Creek Conservation Easement**

*Gunnison County Colorado*

- Trampe Property
- Existing Easement/Open Space
- County Parcel



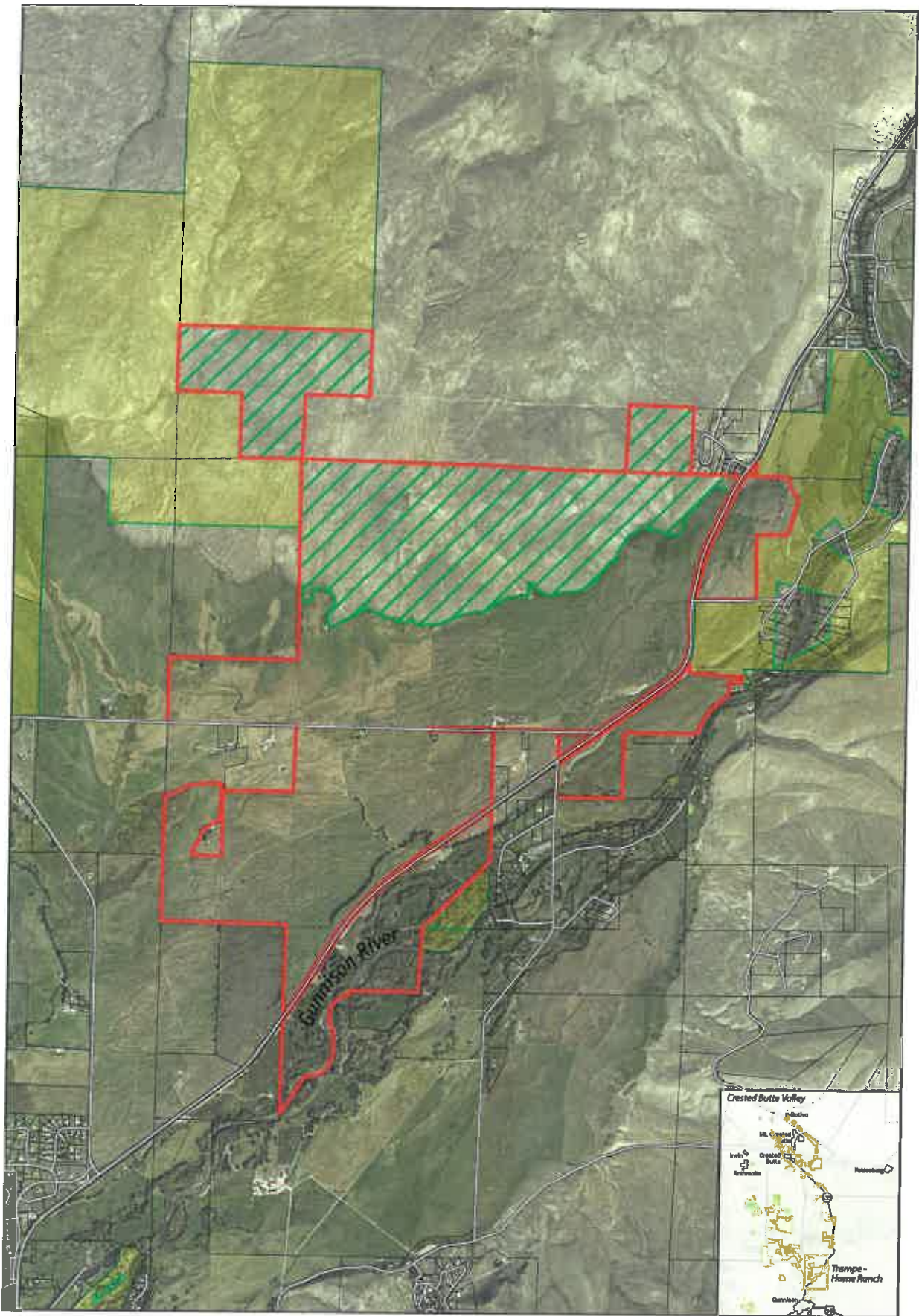




### Jack's Cabin Conservation Easement

Gunnison County Colorado





# Home Ranch Conservation Easement

Gunnison County Colorado



## OPEN SPACE FUNDING AGREEMENT

**THIS OPEN SPACE FUNDING AGREEMENT** (the "**Agreement**") is entered into effective this 27 day of June, 2017 (the "**Effective Date**") by and between the TOWN OF CRESTED BUTTE, a Colorado home rule municipality with an address of 507 Maroon Avenue, P.O. Box 39, Crested Butte, Colorado 81224 (the "**Town**") and The Trust for Public Land, a Colorado nonprofit corporation, with an address of 1410 Grant Street, Suite D210, Denver, Colorado 80203 ("**Grantee**"). The Town and Grantee are sometimes individually referred to herein as a "**party**," collectively as the "**parties**."

### RECITALS:

A. Pursuant to §4-4-90(b), as amended, of the Crested Butte Municipal Code, the Town may, in pertinent part, fund the purchase of interests in real property to be conserved from development outside of Crested Butte and designate such other entities as it deems appropriate to acquire such interests in real property in place of the Town.

B. The Town Council, by Resolution No. 37, Series 2017, has appropriated \$1,000,000.00 in funding to be used for Grantee's purchase of a conservation easement (the "**Conservation Easement**") encumbering the real property described on **Exhibit "A"** attached hereto (the "**Subject Property**").

C. The Town and Grantee desire herein to memorialize the terms and conditions upon which the Town will fund and Grantee will complete the purchase of the Conservation Easement.

### AGREEMENT:

NOW, THEREFORE, in consideration of the premises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Incorporation of Recitals.** The Recitals set forth above are material terms and conditions of this Agreement and are supported by the same consideration as the other terms and conditions hereof.

2. **Grant Funds; Payment Obligation.**

A. The Town hereby grants \$1,000,000.00 (the "**Grant Funds**") to Grantee subject to the terms and conditions set forth in this Agreement.

B. The Grant Funds shall be paid in one lump sum to Grantee (or deposited into escrow with closing company Alpine Title) at or prior to closing for the benefit of Grantee (the "**Closing**") on the Conservation Easement; provided that, Closing shall occur on or before December 31, 2017. If Closing does not occur on or before December 31, 2017, this Agreement

and the grant made herein shall terminate and be void *ab initio*, unless the Town agrees to continue this Agreement based upon a Closing after December 31, 2017.

C. Notwithstanding anything in this Agreement to the contrary, (i) nothing contained in this Agreement shall constitute a pledge of the full faith and credit of the general tax revenues, funds or moneys of the Town except the amount appropriated for the purpose of making payments hereunder during the current fiscal year, (ii) the Town is not obligated hereby to make any payments in any fiscal year beyond the fiscal year for which funds are appropriated for the payment thereof or to make payments from any funds of the Town other than funds appropriated for the payment of current expenditures, (iii) all payment obligations of the Town under this Agreement, including, without limitation, the Town's obligation to pay the Grant Funds, are from year-to-year only and do not constitute a multiple fiscal-year direct or indirect financial obligation of the Town, (iv) the agreement hereunder to pay the Grant Funds is subject to annual renewal and such agreement to pay shall be terminated upon the occurrence of an event of non-appropriation and, in such event, (x) all payments from the Town under this agreement shall terminate, and (y) Grantee expressly waives hereby all remedies and claims against the Town.

D. The Grant Funds shall be used by Grantee solely to acquire the Conservation Easement.

3. **Purchase Money Loan; Conservation Easement.**

A. The Grant Funds shall be used by Grantee at Closing as partial payment of the purchase price to acquire the Conservation Easement. The remaining amount of the purchase price for the Conservation Easement will be paid from funds received from various sources including The State Board of the Great Outdoors Colorado Trust Fund (GOCO).

B. As part of the Grantee's purchase of the Conservation Easement, Grantee shall acquire the Conservation Easement that will be subject to review and approval by the Town's attorney. If any substantial changes occur to the draft form of the Conservation Easement, Grantee will review those change with the Town before acquiring the Conservation Easement. The Deed of Conservation Easement will provide that that if the Conservation Easement is ever extinguished in the future and funds are paid, the Town and the other funding agencies will be entitled to receive a share of the funds so paid in proportion to the amount the Town and each other funding agency contributed to the Conservation Easement, up to the amount each funding agency originally contributed.

C. Neither Grantee nor the holder of fee title in the Subject Project may sell, assign, transfer or otherwise pledge, hypothecate, lien or mortgage the Conservation Easement or any interest therein without the express written approval of the Grantor. Notwithstanding the foregoing, Town acknowledges that Grantee intends to transfer the Conservation Easement to The Nature Conservancy to act as long-term holder of the Conservation Easement, and consents to such transfer, whether accomplished by an assignment at or after Closing, or by causing the owner of the Subject Property to deed the Conservation Easement directly to The Nature

Conservancy at Closing as Grantee's nominee. If Grantee assigns the Conservation Easement, Grantee will concurrently assign this Agreement to the transferee.

4. **Signage.** In the event that any signage is installed respecting the funding for the acquisition of the Conservation Easement the Town shall be listed on such signage as the grantor of the Grant Funds. Such signage shall be approved in advance by the Town, such approval to not be unreasonably withheld, conditioned or delayed.

5. **Liability.**

A. **Indemnity.** To the extent allowed by law, Grantee shall be responsible for, indemnify, defend and hold harmless the Town, its elected officials, officers, agents, employees, insurers, insurance pools and attorneys (collectively, the "**Town Parties**") from any and all liabilities, claims, demands, damages or costs (including reasonable attorneys' fees) resulting from, growing out of, or in any way connected with or incident to Grantee's receipt of the Grant Funds and any of Grantee's acts or omissions pursuant to this Agreement. Grantee hereby waives any and all rights to any type of express or implied indemnity or right of contribution from the Town Parties, for any liability resulting from, growing out of, or in any way connected with or incident to this Agreement.

B. **No CGIA Waiver.** The parties understand and agree that the parties are relying on, and do not waive or intend to waive by any provision of this Agreement, the monetary limitations (currently \$350,000 per person and \$990,000 per occurrence) or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, § 24-10-101, *et seq.*, C.R.S., as from time to time amended, or otherwise available to the parties, their elected officials, officers, agents, employees, insurers, insurance pools and attorneys officers.

C. **Compliance with Regulatory Requirements and Federal and State Mandates.** Grantee hereby assumes responsibility for compliance with all regulatory requirements in all applicable areas, including but not limited to nondiscrimination, immigration compliance, worker safety, local labor preferences, preferred vendor programs, equal employment opportunity, use of competitive bidding, and other similar requirements. To the maximum extent permitted by law, Grantee hereby agrees to indemnify, defend and hold harmless the Town from any cost, expense or liability for any failure to comply with any such applicable requirements.

D. **Nondiscrimination.** During the performance of this Agreement, Grantee and its contractors shall not unlawfully discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, age or sex, and shall comply with any other applicable laws prohibiting discrimination. Grantee and its contractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination.

6. **Audit and Accounting Records.** Grantee shall maintain standard financial accounts, document, and records relating to the acquisition, monitoring and enforcement of the Conservation Easement. The accounts, documents, and records related to acquisition of the

Conservation Easement shall be retained by Grantee for five (5) years following the date of disbursement by the Town of the Grant Funds, and shall be subject to examination and audit by the Town or its designated agent during this period. All accounts, documents, and records described in this paragraph shall be kept in accordance with generally accepted accounting principles.

7. **Breach**. In addition to such other remedies as shall be available at law or in equity, in the event that Grantee breaches any of the terms or conditions of this Agreement and fails to correct the same within thirty (30) days of receipt of notice from the Town of such breach, the Town reserves the right to seek equitable relief and/or all other remedies as available to it under applicable law, including but not limited to, the return of all or a portion of the Grant Funds.

8. **Miscellaneous Provisions**.

A. ***Good Faith***. Both parties have an obligation of good faith, including the obligation to make timely communication of information that may reasonably be believed to be of interest to the other party.

B. ***Assignment***. Grantee may not assign its rights or delegate its obligations under this Agreement without the express written consent of the Town.

C. ***Applicable Law***. Colorado law applies to the interpretation and enforcement of this Agreement.

D. ***Status of Grantee***. The parties acknowledge that the Town lacks the power and right to direct the actions of Grantee. Grantee acts in its separate capacity and not as an officer, employee or agent of the Town.

E. ***Survival***. The terms and provisions of this Agreement and Grantee's obligations hereunder shall survive the funding of the Grant Funds and the acquisition of, and any future conveyance of, the Conservation Easement.

F. ***Facsimile and Counterparts***. This Agreement may be executed in one or more counterparts, each of which shall be an original, but all of which when taken together shall constitute one agreement. In addition, the parties agree to recognize signatures to this Agreement transmitted by facsimile as if they were original signatures.

G. ***Third Party Beneficiary***. The parties hereby acknowledge and agree that this Agreement is intended only to cover the relative rights and obligations between the Town and Grantee, and that no third party beneficiaries are intended.

H. ***Notice***. Any notice, demand, request, consent, approval or communication that either party desires or is required to give the other shall be in writing and either served personally or sent by first class mail, postage prepaid, to the addresses first shown in this Agreement.

I. **Construction; Severability.** Each party hereto has reviewed and revised (or requested revisions of) this Agreement, and therefore, any usual rules of construction requiring that ambiguities are to be resolved against a particular party shall not be applicable in the construction and interpretation of this Agreement. If any provision in this Agreement is found to be ambiguous, an interpretation consistent with the purpose of this Agreement that would render the provision valid shall be favored over any interpretation that would render it invalid. If any provision of this Agreement is declared void or unenforceable, such provision shall be deemed severed from this Agreement, and the balance of this Agreement shall otherwise remain in full force and effect. At any time when this Agreement refers to a party's ability to act or make determinations or decisions with discretion, this Agreement shall be construed to permit such party to act and to make such determinations and/or decisions in its sole discretion.

J. **Entire Agreement.** Except for the Conservation Easement, this Agreement constitutes the entire agreement of the parties. No oral understanding or agreement not incorporated in this Agreement shall be binding upon the parties. No changes in this Agreement shall be valid unless made in writing and signed by the parties to this Agreement.

K. **Authority.** The parties represent and warrant to the other that each is duly authorized and existing business entity; each is qualified to do business Colorado; each has full right and authority to enter into this Agreement; the person signing on behalf of each party is duly authorized to do so and has obtained any and all approvals necessary to enter into and perform the obligations contained in this Agreement; and each party's compliance with the terms hereof do not violate any agreement or other obligation of such party.

L. **Prevailing Party.** In the event of any dispute arising from or related to this Agreement, the prevailing party will be entitled to recovery of all reasonable costs incurred in connection therewith, including, without limitation, court costs, attorneys' fees and other related expenses.

M. **Record Memorandum.** A record memorandum of this Agreement may be recorded by the Town in the official real property records of the Clerk and Recorder of Gunnison County, Colorado.

IN WITNESS WHEREOF, the parties by signature below of their authorized representatives execute this Agreement as of the Effective Date set forth above.

TOWN:

GRANTEE:

TOWN OF CRESTED BUTTE, COLORADO

THE TRUST FOR PUBLIC LAND

By:  \_\_\_\_\_  
Roland Mason, Mayor Pro Tem

By:  \_\_\_\_\_  
Justin Spring, Colorado Director for Land Protection

ATTEST:



Lynelle Stanford, Town Clerk





**EXHIBIT "A"**

Real property in Gunnison County, Colorado comprising five (5) parcels:

Parcel A: (Gothic Parcel)

Township 13 South, Range 86 West, 6th P.M.  
Section 3: E½SE¼

Parcel B: (Thomas Place)

Township 13 South, Range 86 West, 6th P.M.

Any and all of Grantor's interest in Homestead Entry No. 267, embracing a portion of Sections 2, 11 and 12, Township 13 South, Range 86 West, 6th P.M., being more particularly described as follows: Beginning at Corner No. 1 from which the Southeast corner of Section 12, Township 13 South, Range 86 West, 6th P.M., bears South 53°54' East 90.37 chains distant; thence South 42°29' West 39.89 chains to Corner No. 2; thence North 47°48' West 39.98 chains to Corner No. 3; thence North 42°5' East 39.84 chains to Corner No. 4; thence South 47°55' East 40.27 chains to Corner No. 1, the place of beginning;

SAVING, EXCEPTING AND RESERVING from the land above described a tract of land particularly described as follows: Beginning at Corner No. 1, the same being identical with the Southwest corner of said Homestead Entry No. 267; thence North 42°5' East along the Westerly boundary line of said Homestead Entry No. 267 a distance of 300 feet to Corner No. 2; thence South 47°48' East and parallel to the Southerly boundary line of said Homestead Entry No. 267 a distance of 1,452 feet to Corner No. 3; thence South 42°5' West and parallel to the Westerly boundary line of said Homestead Entry No. 267 a distance of 300 feet to the Southerly boundary line thereof to Corner No. 4; thence North 47°48' West along the Southerly boundary line of said Homestead Entry No. 267 a distance of 1,452 feet to Corner No. 1, the place of beginning.

Parcel C: (Perry Place)

Township 13 South, Range 86 West, 6th P.M.

Any and all of Grantor's interest in H.E. Survey No. 265 embracing a portion of Sections 12 and 13, Township 13 South of Range 86 West of the 6th Principal Meridian, Colorado, more particularly bounded and described as follows: Beginning at Corner No. 1, from which the east quarter corner to said Section Thirteen bears North 12°24' East 5.71 chains distant; thence South 52°28' West 6.09 chains to Corner No. 2; thence North 44°42' West 82.70 chains to Corner No. 3; thence North 51°55' East 20.85 chains to Corner No. 4; thence South 44°55' East 65.96 chains to Corner No. 5; thence South 21.18 chains to Corner No. 1, the place of beginning.

Parcel D: (Jarvis Place)

Township 13 South, Range 85 West, 6th P.M.

Section 18: SW $\frac{1}{4}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ SW $\frac{1}{4}$ , Lot 6

Section 19: N $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ NE $\frac{1}{4}$ , NE $\frac{1}{4}$ SE $\frac{1}{4}$

Section 20: NW $\frac{1}{4}$ SW $\frac{1}{4}$ , SW $\frac{1}{4}$ NW $\frac{1}{4}$ , S $\frac{1}{2}$ SE $\frac{1}{4}$ , E $\frac{1}{2}$ SW $\frac{1}{4}$ , Lots 2, 3, 6, 8, and 10

Section 21: Lot 2

Section 28: W $\frac{1}{2}$ W $\frac{1}{2}$ , Lots 2 and 3

Section 29: E $\frac{1}{2}$ NE $\frac{1}{4}$ , Lots 1, 3, and 7

Section 33: W $\frac{1}{2}$ NW $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ , N $\frac{1}{2}$ NW $\frac{1}{4}$ SW $\frac{1}{4}$ , N $\frac{1}{2}$ NE $\frac{1}{4}$ SW $\frac{1}{4}$ , Lot 2

Subject to the Boundary Agreement dated December 16, 2011 and recorded in the records of the Gunnison County Clerk and Recorder on January 18, 2012 at No. 610800.

EXCEPTING the property described in the General Warranty Deed conveying seven tracts of land to the United States of America, recorded November 18, 1998 at Reception No. 488724.

Parcel E: (Stubbs Place)

Township 14 South, Range 85 West, 6th P.M.

Section 4: S $\frac{1}{2}$

Section 5: SE $\frac{1}{4}$ SE $\frac{1}{4}$

Subject to the Boundary Agreement dated December 16, 2011 and recorded in the records of the Gunnison County Clerk and Recorder on January 18, 2012 at No. 610800.

Section 8: SE $\frac{1}{4}$ , E $\frac{1}{2}$ NE $\frac{1}{4}$ , SW $\frac{1}{4}$ NE $\frac{1}{4}$ , all of that portion of the E $\frac{1}{2}$ SW $\frac{1}{4}$  lying East of the Easterly bank of the East River

Section 9: All

Section 17: N $\frac{1}{2}$ NE $\frac{1}{4}$

County of Gunnison, State of Colorado.