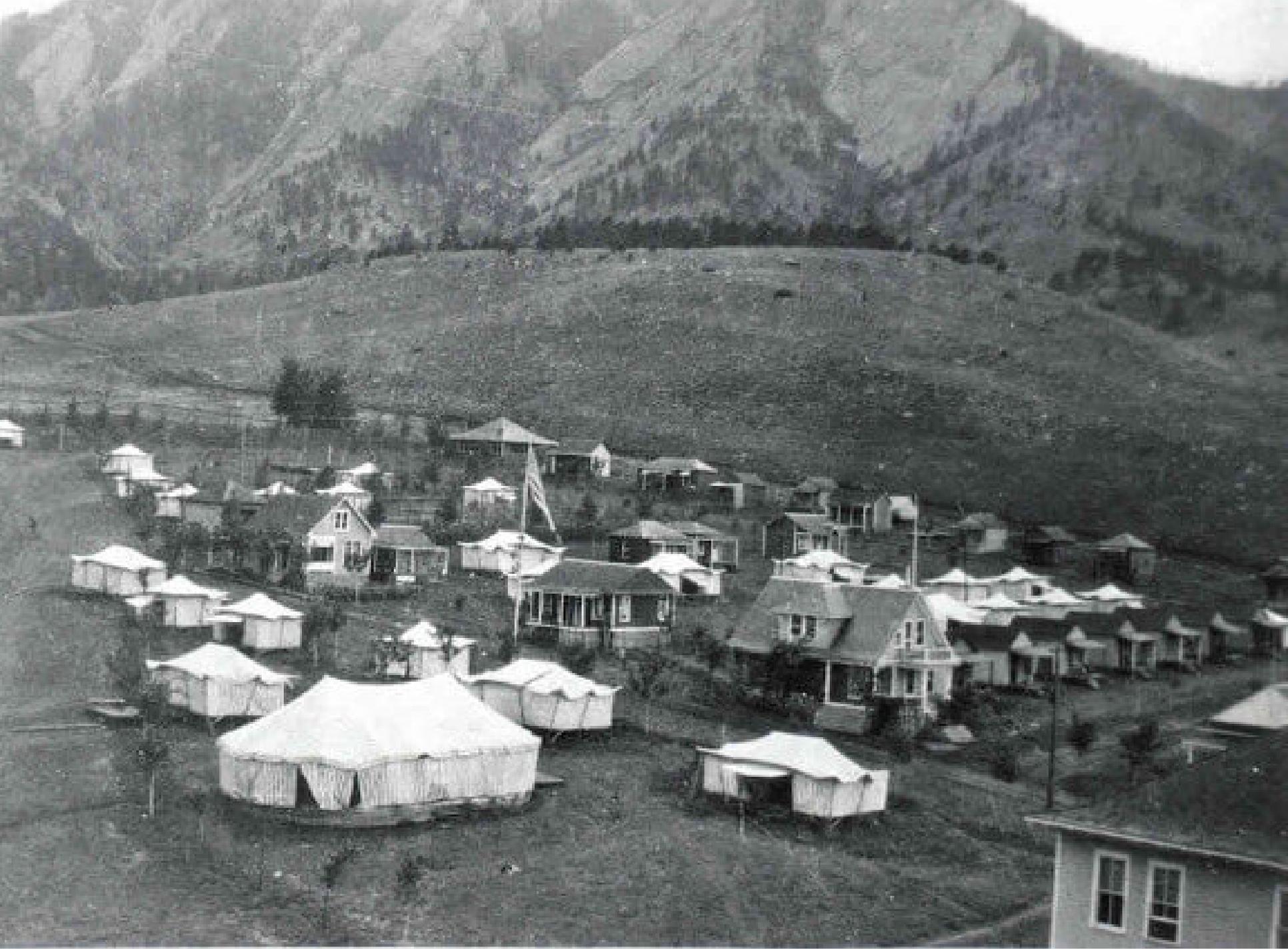


Chautauqua Lease

October 6, 2015











THE CHAUTAUQUE TEXASO PARK, BOULDER, COLO., 1899. No. 13.



"PARADISE HOLE" CHAUTAUQUA GROUNDS, BOULDER, COLO. No. 30. J.B. STURTEVANT, BOULDER, COLO.



Library For I

Near the Chalet, 138.
Rocky Mountain, Col. M. P.

3307

















407

405





Chautauqua Trail

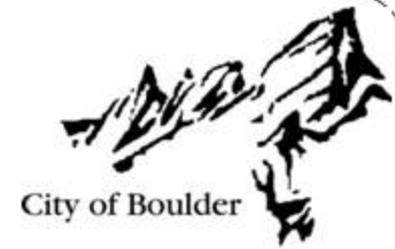
To: Bluebell-Baird Trail
Bluebell Mesa Trail
Flatiron Access

ENJOY.  PROTECT.



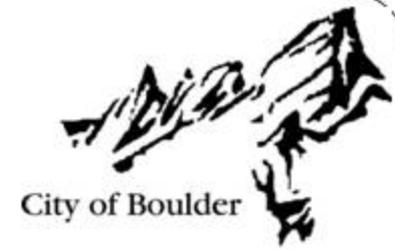


History



- In 1897 the Texas State Board of Education decided to start a summer Chautauqua in the Rocky Mountains.
- The Colorado Chautauqua opened on July 4, 1898.
- The city has leased 26 acres to the Colorado Chautauqua Association from 1898 through the present.
- The original lease has been renewed or amended seven times.

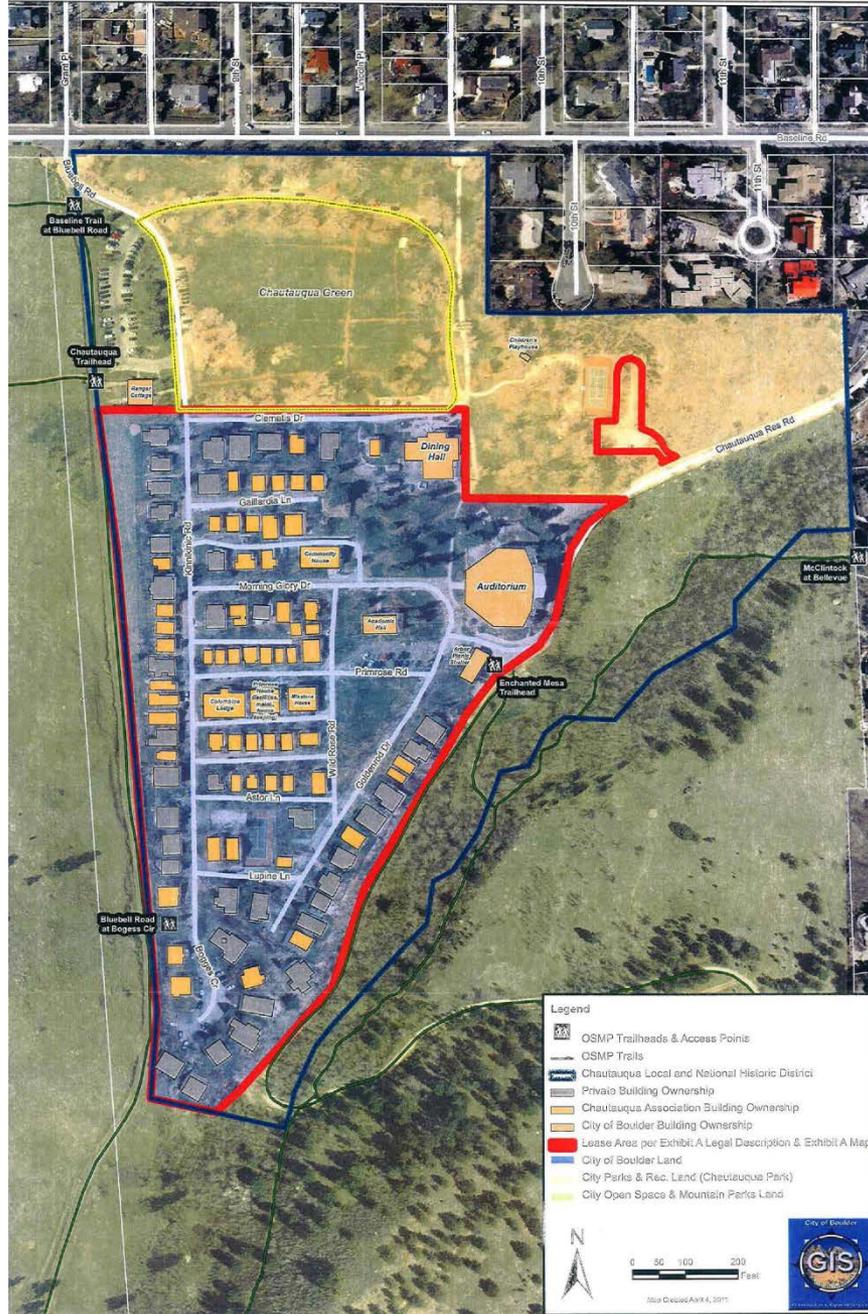
The Lease



- The lease is more than a lease.
- It governs the rights of the cottage owners.
- It maintains a public-private partnership between CCA and the city.

	2010	2011	2012	2013	2014
Repair and Maintenance	\$621,396	\$679,197	\$641,656	\$599,661	\$660,912
Capital	\$482,374	\$405,742	\$583,783	\$592,149	\$529,448

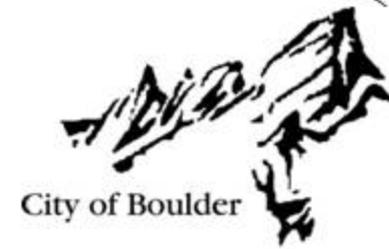
Chautauqua Map



City of Boulder



Stewardship Framework and Guiding Principles



- June 2011 – Staff and CCA proposed a Chautauqua Collaborative Stewardship Framework
- May 2012 – Council reviewed the proposed Stewardship Framework
- May 2012 – Council formed a temporary working committee to develop guiding principles
- November 2012 - Staff presented the draft guiding principles as information items to the Transportation Advisory Board, the Parks and Recreation Advisory Board, the Open Space Board of Trustees and the Landmarks Board
- December 2012 – Council approved the Guiding Principles

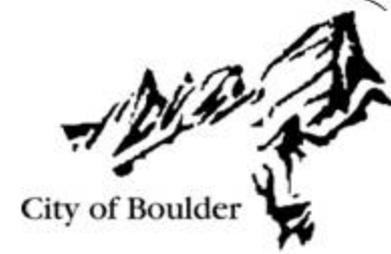
Guiding Principles

City of Boulder



1. A Public Place
2. A Historic Landmark
3. A Historic Mission
4. A Balanced Approach
5. Collaborative Place Management
6. A Cautious Approach to Change
7. Shared Financial Responsibility

Lessons Learned from Application of the Guiding Principles



- Any change at Chautauqua requires a transparent, collaborative and community involved process.
- Different user needs can be accommodated through clear communication, careful listening and public outreach.
- Even the construction of a small structure that has general community support required significant time and staff hours.

Chautauqua

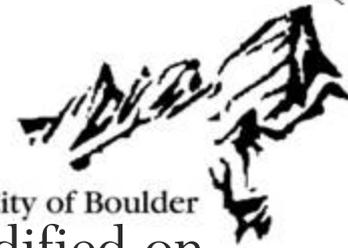
City of Boulder



- The leasehold area is 26 acres.
- There are 39 privately owned cottages and 61 owned by CCA.
- The city owns the land, the dining hall, the auditorium, the academic hall and the new restrooms.
- CCA maintains these facilities.
- The buildings were built in the early 20th century.
- Major renovations were required by the late 1970s.

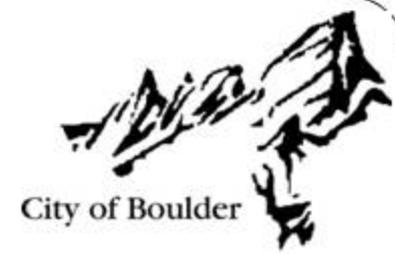
Lease Timeline

City of Boulder



- The current lease was adopted on January 14, 1998, modified on August 12, 2002 and expires on January 13, 2018.
- Council held a study session on February 10, 2015 and approved the charter for the committee on February 17, 2015.
- Between April and August, 2015, the Chautauqua Lease Committee met 7 times in publicly held meetings.
- Council received an update and gave direction at the August 6, 2015 special council meeting.
- The Committee met on August 19 to discuss council feedback
- There was a joint meeting with boards and commissions on September 10, 2015. (Four members of PRAB attended)
 - PRAB, Landmarks, TAB and OSBT.
- Council provided additional feedback during a study session on September 17.
- The Committee met again on September 24.
- PRAB approved the lease on September 28.

Key Terms



- Length (20 years)
- Rent (\$2,500 plus \$2,000 in lieu of taxes)
- Responsibilities
- Bylaws and Articles of Incorporation
- Use of Facilities
- Traffic Control and Parking
- Limitation on Subleases

Length

(Paragraph 1, page 2)

City of Boulder



- Under Section 111 of Boulder Home Rule Charter, most city leases cannot be more than 20 years.
- A lease can be up to 30 years upon approval of a 2/3 vote of council members if tenant makes significant improvements to the property that council finds provides a public benefit.
- Council members on the committee did not feel comfortable recommending 30-year term due to language in charter reserving to council question of where will be significant improvement...that council finds provides a public benefit”.
- Accordingly, the recommended provision is for a 20 year term with a renewal provision after 10 years.
- The lease would be limited to one 20 year term if at any time before January 1, 2026, either the CCA board or the City Council votes to not allow the renewal.

Rent

(Paragraph 2, page 2)

City of Boulder



- Current lease requires CCA to pay \$2,000 in lieu of ad valorem taxes and rent of \$2,500
- Committee recommended replacing with provision calling for \$1 rent
- The committee's reasoning is that the current rent is symbolic and the real value lies not in the rent paid, but the maintenance, upkeep and capital investment that CCA makes at Chautauqua.
- This change would bring Chautauqua lease with other city leases such as BMOCA and Dairy Center

Responsibilities

(Paragraph 3, pages 2-3)

City of Boulder



- Specifically referenced the Guiding Principles
- Incorporated the current maintenance practices
- Clarified the meaning of public streets
- Recognized the need for city participation in major utility renovation

By-Law and Articles of Incorporation

(Paragraph 4, page 4)

City of Boulder



- Current lease entitles city to appoint two of fifteen board members (written as 2/15 of board).
- Committee has revised language to specify two members to prevent expansion of board beyond current size.
- Paragraph was amended to require one city appointee be a city council member.
- The council recommended increasing the number of city appointed board members.
- The committee did not support this recommendation.

Use of Facilities

(Paragraph 5, page 4)

City of Boulder



- Current lease requires that CCA give the facilities “the widest practicable use in terms of scope and time”
- The committee replaced this with language intended to reflect a more contemporary view of the CCA’s role:
 - CCA is no longer expected to maximize use.
 - It incorporates preservation into CCA’s responsibilities.
 - It incorporates the city’s sustainability goals.
 - It requires sensitivity to the impacts on the surrounding residential neighborhoods.
 - It recognizes that CCA needs to generate sufficient revenue to meet its responsibilities without city subsidy.

Traffic Control and Parking

(Paragraph 6, page 5)

City of Boulder



- Title changed to “Access and Parking”
- Committee believes the lease is not appropriate means to address traffic control and parking at Chautauqua
- This is a broader issue requiring a broader community conversation
- Lease provides for a Chautauqua Access Management Plan (CAMP) to be developed by next year and then periodically updated
- Council recommended a more balanced set of principles to guide these discussions
- The committee amended the principles accordingly.

Permitting

(Paragraph 11, page 8)

City of Boulder



This paragraph required that CCA and the city agree on a process for permitting activities in the park and required an annual meeting. In fact, staff meets with CCA regularly and much more frequently than annually. In addition, the paragraph did not address open space. Accordingly, the paragraph has been renamed “Coordination” and eliminates the annual review provision.

Limitation on Subleases

(Paragraph 14, page 9)

City of Boulder

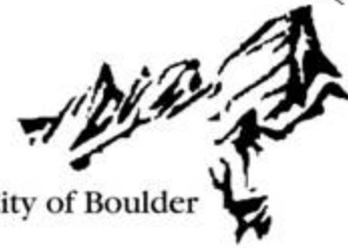


- Current lease devotes several pages to limitations on ability of private cottage owners to sell their cottages
- CCA and cottage owners are in the process of negotiating these provisions.
- The committee decided it would be best to incorporate the sublease into the lease by reference.

Privately Owned Cottages

(New, Paragraph 14, page 13)

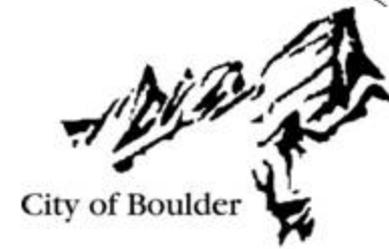
City of Boulder



- The new paragraph recognizes the importance of private cottages
- Requires CCA to lease land to cottage owners
- Limits CCA's ability to acquire additional cottages only if the acquisition meets strategic guidelines set established by the board of directors
- The Committee agreed to maintain current practice of increasing rents only to cover increased costs through inflation
- Council recommended that private cottage owners pay more rent
- The cottage owners and CCA have come to an agreement on increased rent of \$200 per month, with the increased amount going to fund the major infra-structure renovations

Miscellaneous

(Paragraph 17, page 15)

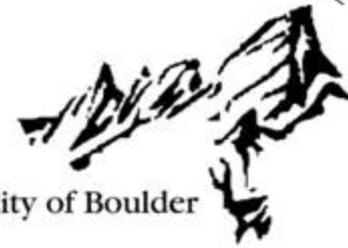


- Currently, the lease can be terminated immediately based on any breach.
- The committee recommended removing the word “immediately” and allowing an opportunity to fix the problem.

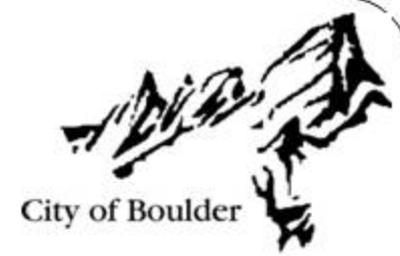
Amendment

(New, Paragraph 18, page 16)

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There was no provision in the existing contract for amendment of the lease. This paragraph provides a process for amendment.



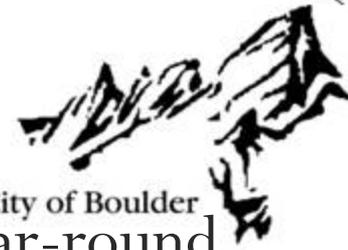
Additional slides



1. TERM. The City hereby leases to the Association the real property described in Exhibit A attached hereto ~~to the Association~~ for a period of twenty years, beginning January 14, 1998-1, 2016, and ending December 31, 2036. The parties agree that if, during the six-month period prior to January 1, 2026, neither party objects, a new Lease will commence for a period of twenty years beginning on January 1, 2026, and ending on December 31, 2046. Any such objection may be made by an affirmative vote of the majority of the City Council or by an affirmative vote of a majority of the Association's Board of Directors. In the event that a party objects, the term of the Lease shall end on December 31, 2036. The City reserves the right to replace the description contained in Exhibit A by a more detailed survey of the land in question, at any time.



C. ~~If the Association is unable to secure grant funding for replacement after all reasonable efforts, pay for the cost of replacing the wooden roofs on the Dining Hall and the Auditorium (stage roof only) before or by 2014.~~ The parties agree that in the foreseeable future, major renovation of the streets, and drainage system will be necessary, and that on-going maintenance of the water mains and sanitary sewers~~mains~~ will continue and prioritized with other city utility maintenance work. The city accepts the primary responsibility for funding the major renovations in accord with the city's capital improvement investment program. CCA accepts responsibility to contribute financially to these improvements. The parties intend that the renovation of infrastructure will be coordinated with moving the overhead utilities underground.



5. USE OF FACILITIES. The Association shall have year-round use of all of the real property described in Exhibit A, and it is the intent of the parties that the leased facilities be ~~given the widest practicable use in terms of scope and time~~ managed such that needs and interests of many are balanced in a manner that protects the site and spirit of Chautauqua. The leasehold area should be used, managed and preserved in a manner consistent with the community's sustainability goals and with sensitivity to impacts on surrounding residential neighborhoods, the adjacent park and the surrounding open space, while allowing the Association to remain financially viable without city subsidy. At a minimum, the Association shall schedule a summer entertainment program in the Auditorium annually beginning no later than June 15 and extending to at least August 31. Such programming shall include at least 15 live performances.

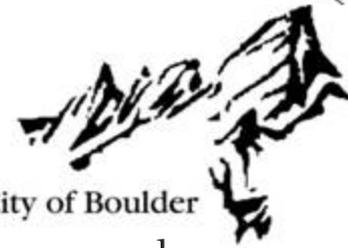
4. BY-LAWS AND ARTICLES OF INCORPORATION.

Throughout the ~~term~~-Term of this Lease, two ~~two~~-fifteenths (~~2/15~~) of the Association's ~~Board of Directors~~ shall be appointed by vote of the City Council-, one of whom shall be a member of City Council. Without the written permission of the City, the Association shall have no more than 15 members of its Board of Directors, inclusive of those appointed by the
City



- Chautauqua is a unique shared resource requiring unique solutions.
- Chautauqua is a National Historic Landmark.
- The needs of all stakeholders, including CCA, cottage owners, park users, open space users and neighbors should be considered.
- A mix of uses must be accommodated.
- Pedestrians must be given priority on the narrow streets without sidewalks.
- Traffic circulation should be minimized in the interests of pedestrian safety and user experience.
- Parking demand is seasonal and solutions need not address time periods during which access is readily available.
- During peak periods, the parking needs of users in the historic core should be prioritized, but not exclusive.
- A seasonal transportation demand management (TDM) plan for employees should be implemented.
- The right of public access should not be unreasonably restricted.
- The interests of the surrounding neighbors should be addressed.
- Any plan should be flexible to address changing circumstances.
- Access management should be consistent with the Guiding Principles for Place Management and Fiscal Sustainability.
- Consistent with the City's climate commitment and sustainability and resiliency goals, any plan should support public transit, alternative modes of transportation, and a reduction in vehicle miles traveled and a reduction in visits in single occupant vehicles.

13. ANNUAL REPORT AND AUDIT. The Association shall provide an annual report to the City on or before June 15th of each year detailing the following performance indicators: number and type of performances; number of attendees in Auditorium, Community House and other programming venues; estimated number of City residents served; estimated number of Boulder youth served; number of tickets and free admissions provided to community organizations and individuals; number of free (no cost) events sponsored by the Association; description of outreach efforts to diverse populations/communities of color in Boulder; number of low cost rentals to non-profit or governmental groups in the community; and number and type of partnerships with other arts and cultural organizations. The foregoing report shall accompany an annual financial audit also submitted to the City.



14. PRIVATELY OWNED COTTAGES. There are currently 39 privately-owned cottages at Chautauqua. Private ownership of some of the cottages provides a contemporary sense of neighborhood and a link to Chautauqua's history. While some cottages have year-round residents, others follow a historic pattern of use by families during the summer months. Recognizing the importance of private ownership, it is the intent of the parties that the number of privately-owned cottages shall not change significantly. The Association shall sublease the land on which the private cottages are situated to the owners of each private cottage. The Association has acquired a privately-owned cottage only once during the prior twenty year lease term. The parties recognize, however, that the Association may choose to acquire cottages in furtherance of its mission to preserve, perpetuate and improve the site and spirit of the historic Chautauqua. The Association agrees that it will only exercise the right of acquisition pursuant to strategic guidelines set forth by its board of directors and as necessary to further its mission. The Association further agrees to increase rents substantially and to reserve the revenue from the increased amount for contribution to the major renovations described in paragraph 3(C) above. The Association shall establish rental rates after giving consideration to the following factors, and such other factors as the Association may deem pertinent:

- The Association's need to maintain and operate Chautauqua without city subsidy;
- The need for cottage owners to have sufficient financial resources to preserve the historic cottages; and
- Recognition of the limited financial resources of some cottage owners.

15. SUBLEASES. The Association shall, as soon as practicable after the date of this lease, negotiate subleases with the private cottage owners (each a “Sublease”). Each Sublease shall be substantially in form and content as set forth in Exhibit C attached hereto and shall have the same term as the term of this lease including any extension of the term as provided in paragraph 2.