From: Councilor Bernie Grauer

To: Mike Scanlon, Manger, Town of Basalt

Date: August 18, 2015

Subject: Request for reconsideration of the disapproval on August 11, 2015 of Resolution No 43, Series of 2015, "Approving a pre-development agreement with Roaring Fork Community Development Corp. and Lowe Enterprises."

Request: Please consider including on the council agenda for the August 25, a reconsideration of Resolution No.43, 7A Agenda of Aug. 11, 2015.

In the event that the council approves the motion for reconsideration; I would request that Resolution No. 43, 7B Agenda of Aug.11, 2015, also be placed on the agenda.

I will change my vote from "nay" to "aye" on Resolution No. 43, Series of 2015, if a motion for reconsideration is approved. My change of mind is based on recent comments in the press by Jim DeFrancia, president of Lowe Enterprises.

Despite the uncertainty of a possible council referendum or a voter initiative, and the council's failure to enter into a pre-development agreement, Jim is willing to go ahead studying a possible project. That was a game changer for me.

It is crucial that Lowe also sign the agreement. It is non-binding on either party as to the outcome, but it does bind both parties to a financial analysis carried out by the town's trusted financial advisor, Ehlers. It also calls for both parties to share the costs.

Another consideration for me was Jim's announcement that the project will be a condominium-hotel operating similarly to "The Gant", or the "Aspen Square Condominiums".

"The Gant" has proven its long-term economic sustainability by supplying the owners with property management, amenities and quasi-public uses. The model provides sufficient economic benefits so that full and part-time residents

are continuously renting out their units, just as would occur at a residence-stay hotel.

Jim's and Lowe Enterprises' track record and positive business reputation make me comfortable naming Lowe Enterprises as the "Developer of Record" in the pre-development agreement.