

September 25, 2018

COUNCIL OF THE CITY OF FORT COLLINS, COLORADO

Council-Manager Form of Government

Adjourned Meeting – 6:00 PM

• ROLL CALL

PRESENT: Martinez, Stephens, Summers, Overbeck, Troxell, Cunniff, Horak

STAFF PRESENT: Mihelich, Daggett, Coldiron

1. **Montava Planned Unit Development Pre-Application Hearing. (Hearing was Held)**

The purpose of this item is to allow the prospective applicant of the Montava development project in northeast Fort Collins to receive preliminary comments from the City Council regarding the prospective Planned Unit Development (PUD) Master Plan and to assist the developer in determining whether to file a PUD application.

The order of the proceedings at the public hearing will be:

1. *Director's Overview*
2. *Prospective Applicant's Presentation*
3. *Staff Response to Applicant Presentation*
4. *Public Comment*
5. *Applicant Response to Public Comment*
6. *Staff Response to Public Comment*
7. *Council Questions and Discussion*

Mayor Troxell reviewed the procedure for the hearing.

Deputy City Manager Jeff Mihelich stated the goal of this hearing is to allow the Montava developer to provide Council with a bit more detail on its plans for development prior to submitting a formal application.

Rebecca Everette, Development Review Manager, stated the project is situated in the northeast subarea bounded by Richard's Lake Road and extending to the Anheuser-Busch brewery. The planned unit development (PUD) master plan and overlay process is an optional review process for sites greater than 50 acres in size. In the case of projects over 640 acres, Council is the final decision maker for a PUD master plan, which is the case with Montava.

Everette stated a PUD includes additional public benefits and high-quality design above what Code would otherwise require. A PUD would also provide a vision for the long-term development of the area and ensures a more consistent and coordinated review and application of development standards over time. The applicant receives the benefit of an extended vesting period over the long-term phasing of a project. Everette outlined what the City expects to see as part of a master plan.

Everette stated the Montava PUD master plan would require amendments to the Mountain Vista Sub Area Plan and Master Street Plan, both of which would be processed concurrently with the PUD process and decided by Council.

Max Moss, developer, discussed his family's ties to Fort Collins and stated he plans to live in the development when it is complete. He discussed the severe undersupply of housing in Fort Collins and detailed the benefits of strategically planning a master planned community to solve the challenges of a large piece of ground. Moss discussed the housing types planned for the

development and highlighted the diversity involved. He stated the developer is working with the School District to relocate its land to create the most logical arrangement for the town center.

Moss discussed the planned street network and park. He also discussed the land trust and affordable housing aspects of the project. He detailed the urban farm aspect of the project stating the development will partner with Native Hill to manage the land. He also discussed the energy aspects of the homes.

Lucia Liley, attorney representing the developer, stated the City's new PUD ordinance makes a master plan eligible for extended vesting, limited to certain plan elements. The applicant intends to request 25 years of vested property rights in its development agreement based on the 900-acre size of the property, multiple phases over a projected 20 to 30-year build-out period, significant up-front investment, land cost, land use entitlement cost, and public infrastructure cost. Appropriate development agreement vesting language will need to be approved by Council concurrent with the master plan.

Diane Marschke supported the development and encouraged proper traffic management and street alignment.

Nance Horowitz expressed concern about traffic, particularly the Lemay and Country Club intersection.

Matt Thompson stated this development goes above and beyond requirements and discussed the Fort Collins housing shortage and affordability issues.

Nic Koontz, Native Hill Farm, discussed the plan for the urban farm and expressed support for the project.

Kim Hoke expressed support for the project.

Elizabeth Nance expressed support for the project and commended Mr. Moss.

Zia Zybko expressed support for the project and stated Montava has been committed to a true agriculture farm centered development from the beginning.

Nate Miller expressed support for the development and commended the communication from the developer. He encouraged proper traffic management and street construction and suggested the inclusion of an urgent care.

Chris Imsland supported the project and encouraged the extension of public transportation to the development.

Jessica Miles stated she did not like the initial plans for the development but is encouraged by the changes. She supported the inclusion of a medical facility and public transportation and requested consideration of dark skies.

Mr. Moss stated he has been working for several months to potentially locate a fire station in the development and stated he intends to build a recreation center that is available to everyone. He stated he is committed to retaining dark skies.

Deputy City Manager Mihelich stated staff feels the development is moving in the right direction and is ready for a formal PUD application.

Councilmember Martinez asked if Police Services has been contacted about possibly constructing a substation. Mr. Moss replied in the negative but stated he is open to having a discussion.

Councilmember Stephens asked about the land bank and affordable housing. Deputy City Manager Mihelich stated a piece of property is under contract to hold for a land bank opportunity. He acknowledged the land bank is not in the City Manager's recommended budget; however, a land bank parcel within the development will provide affordable housing.

Mr. Moss stated affordable housing is an important part of the project and stated the proposed developments in the area created a valid opportunity for a land trust.

Councilmember Cunniff requested an assessment of the existing habitat value of the land and expressed concern in using natural areas funds to restore habitat that does not exist. He also expressed concern about the funding of trails, the park and their maintenance. He asked if land use and zoning changes will be requested. Mr. Moss replied in the affirmative. Leeson noted the PUD allows modifications to densities, land use, dimensional standards, and street standards. All modifications will be processed as part of the PUD master plan.

Councilmember Cunniff asked if any approved modifications would still apply to the property regardless of who the developer ends up being. Leeson replied in the affirmative and noted the PUD master plan does not have a termination clause.

Councilmember Cunniff stated he does not see any major issues with the overall plan, but stated he would like details on some of the funding.

Councilmember Overbeck asked how the organic certification of the farm will be protected. Mr. Moss replied he will be leaving that to Native Hill but noted the transition of the land, which takes three years, will begin this week.

Mayor Troxell discussed the positive aspects of the development and noted there is a housing mix in Old Town. He commended the intentional design of the project.

(Secretary's Note: The Council took a brief recess at this point in the meeting.)

2. **Public Hearing and Resolution 2018-083 Approving the Montava Metropolitan District Nos. 1 through 7 Consolidated Service Plan. (Adopted)**

The purpose of this item is for City Council to consider approval of the Montava Metropolitan District Nos. 1 through 7 Consolidated Service Plan (Service Plan). The developer of the proposed Montava Development has submitted the Service Plan to support the proposed development of approximately 988.5 acres located in the northeast portion of the community near the existing AB/InBev Brewery. The development is anticipated to include 2,000 single family homes, 2,400 multi-family units, 200,000 to 400,000 square feet of office, 88,900 square feet of retail. The project has committed to provide 10 percent of housing units in a mix of for rent and for sale affordable housing. In addition, the project will deliver all units as US Department of Energy Certified Zero Energy Ready along with other commitments. A Metro District with a Mill Levy Cap of 60.00 mills has been proposed to support the project.

City Council conducted a public hearing on the Service Plan at its September 4, 2018 meeting, but continued further consideration of the proposed Service Plan to its September 18, 2018 meeting and then again at the September 18 meeting to September 25, 2018, to allow additional time to refine the Public Benefit commitments and other legal aspects. The Service Plan submitted for consideration by this review includes refinements to performance assurances and commitments.

Mayor Troxell outlined the order of proceedings for the hearing.

Mayor Pro Tem Horak made a motion, seconded by Councilmember Cunniff, that Council incorporate by reference for consideration as part of this hearing the information presented and testimony provided in the Montava PUD pre-application hearing just completed and that such information be included as part of the record of Council's decision on the Montava Metropolitan District Nos. 1-7 Service Plan. The vote on the motion was as follows: Yeas: Overbeck, Horak, Troxell, Cunniff, Stephens, Martinez and Summers. Nays: none.

THE MOTION CARRIED.

Josh Birks, Economic Health and Redevelopment Director, stated there are a number of community benefits accrued through the metro district, including affordable housing, energy efficiency, a non-potable water system, agri-urban development, schools, a community park, and natural areas. Birks detailed the affordable housing commitment of 10% affordable homes for a minimum of 20 years.

Birks noted the Service Plan has a provision that would dissolve the district if there is no action on the service plan three years after adoption. Staff is recommending adoption of the Service Plan.

Max Moss stated a master planned community cannot be built without a metro district. More metro districts are being used to replace homeowner association functions and he intends to do that with this project.

Lucia Liley discussed the revised language of the public benefits section of the Service Plan and detailed the developer commitments.

Councilmember Cunniff asked why the amount of debt financing Council would be authorizing has gone down to \$163 million. Birks replied the applicant has refined the PUD and financial plans resulting in the decrease.

Councilmember Cunniff asked why the language indicates the failure to build various aspects would not be contrary to the Service Plan. Zachary Wyatt replied the construction will be completed by the developer, not the district, in most cases. The language is standard because the phasing of improvements has yet to be determined. Birks replied the list of public improvements that could be funded by the metro district exceeds the available debt cap; therefore, this language provides flexibility for some of those improvements not to be included because they are not able to be funded by the debt cap.

Councilmember Cunniff asked what kind of ratios usually exist between residential and commercial assessed value in mixed-use developments. Birks replied there is a wide spectrum of answers. Mr. Moss replied commercial users will generally not locate in this type of area, but commercial land is worth more. Birks stated he will provide a calculation of the ratio as proposed when the PUD comes forward.

Councilmember Martinez asked if metro district board members are elected with public meetings. Mr. Moss replied in the affirmative.

Councilmember Cunniff asked when elections for special districts can occur. Birks replied they can occur in November of any year or May of even years.

Mayor Pro Tem Horak made a motion, seconded by Councilmember Summers, to adopt Resolution 2018-083.

Councilmember Cunniff expressed concern about the tax load for homeowners, particularly for affordable housing. He stated the tax burden is not economical for the benefits being received.

Mayor Troxell stated he would support the Service Plan and stated there is no better way to accomplish what is envisioned. He noted the project is not in isolation from the rest of the community.

Mayor Pro Tem Horak agreed the tax burden is significant; however, there are other benefits and the energy and water savings will help offset that. He expressed support for the plan.

Councilmember Stephens stated she did have some concerns about the tax burden but noted some of that will be offset by the energy savings. It is important to be thoughtful in thinking about the use of one of the last large chunks of land in the community. She appreciated the development and encouraged the inclusion of as much affordable housing as possible. She commended the thoughtful approach of the development.

Councilmember Martinez expressed concern about the tax burden but noted the savings and added amenities will help offset that. He encouraged critical examination of connectivity and the inclusion of fire and police substations.

Councilmember Cunniff stated the energy savings and amenities do not offset the tax burden. He expressed concern the statewide use of metro districts will eventually have significant impacts on state finances.

Councilmember Overbeck stated he would support the motion despite being concerned about metro districts in general.

Councilmember Summers commended Mr. Moss and his team on incorporating the values and priorities into the master plan.

RESULT:	RESOLUTION 2018-083 ADOPTED [6 TO 1]
MOVER:	Gerry Horak, District 6
SECONDER:	Ken Summers, District 3
AYES:	Martinez, Stephens, Summers, Overbeck, Troxell, Horak
NAYS:	Cunniff


● **OTHER BUSINESS**

Councilmember Cunniff requested Council be adequately resourced and informed of any budget implications prior to discussing future service plans. He expressed concern that the quasi-judicial

status of metro district applications has not served the City well from a public policy stance. He requested and received support to direct the City Attorney to draft some options.

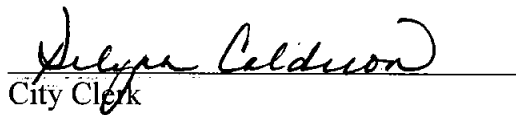
• **ADJOURNMENT**

The meeting adjourned at 9:25 PM.



Mayor

ATTEST:



City Clerk

