

Doug Hutchinson, Mayor
Kelly Ohlson, District 5, Mayor Pro Tem
Ben Manvel, District 1
Lisa Poppaw, District 2
Aislinn Kottwitz, District 3
Wade Troxell, District 4
David Roy, District 6

Council Chambers
City Hall West
300 LaPorte Avenue

Cablecast on City Cable Channel 14
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Darin Atteberry, City Manager
Steve Roy, City Attorney
Wanda Krajicek, City Clerk

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REGULAR MEETING

May 4, 2010

Proclamations and Presentations

5:30 p.m.

- A. Proclamation Declaring "Creativity" as the Character Focus for May 2010 and Recognition of the "Character in Action."
- B. Proclamation Declaring May 2-8 as Drinking Water Week.
- C. Proclamation Declaring May 17-23, 2010 as Travel and Tourism Week.
- D. Proclamation Declaring May 2010 as the Fort Collins Lions Club 90th Anniversary Celebration.
- E. Proclamation Declaring May 3-9, 2010 as Public Service Recognition Week.

Regular Meeting

6:00 p.m.

PLEDGE OF ALLEGIANCE

1. CALL MEETING TO ORDER.
2. ROLL CALL.

3. CITIZEN PARTICIPATION (limited to 30 minutes)

Individuals who wish to make comments regarding items scheduled on the Consent Calendar or wish to address the Council on items not specifically scheduled on the agenda must first be recognized by the Mayor or Mayor Pro Tem. **Before speaking, please sign in at the table in the back of the room.** The timer will buzz once when there are 30 seconds left and the light will turn yellow. The timer will buzz again at the end of the speaker's time. Each speaker is allowed 5 minutes. If there are more than 6 individuals who wish to speak, the Mayor may reduce the time allowed for each individual.

- State your name and address for the record.
- Applause, outbursts or other demonstrations by the audience are not allowed
- Keep comments brief; if available, provide a written copy of statement to City Clerk

4. CITIZEN PARTICIPATION FOLLOW-UP

This is an opportunity for the Mayor or Councilmember to follow-up on issues raised during Citizen Participation.

5. AGENDA REVIEW: CITY MANAGER

CONSENT CALENDAR

The Consent Calendar consists of Items 6 through 19. This Calendar is intended to allow the City Council to spend its time and energy on the important items on a lengthy agenda. Staff recommends approval of the Consent Calendar. Anyone may request an item on this Calendar be "pulled" off the Consent Calendar and considered separately. Agenda items pulled from the Consent Calendar will be considered separately under Item No. 26, Pulled Consent Items. The Consent Calendar consists of:

- Ordinance on First Reading that are routine
- Ordinances on Second Reading that are routine
- Those of no perceived controversy
- Routine administrative actions.

6. Consideration and Approval of the Minutes of the April 6, 2010, Regular Meeting.

7. Postponement of Second Reading of Ordinance No. 043, 2010, Appropriating Unanticipated Revenue and Electric Revenue Bond Proceeds for the Smart Grid Investment Grant Project in the Light and Power Fund and for Bond Issuance Costs to May 18, 2010.

Ordinance No. 043,2010, was adopted on First Reading on April 20, 2010, by a vote of 6-1 (Nays: Kottwitz). Postponement of Second Reading until May 18, 2010, is requested in order to ensure that the revenue amounts that are appropriated align with the actual bond costs contained in the Electric Utility Enterprise Ordinance authorizing the issuance of the bonds. Postponement of Second Reading of the Electric Utility Enterprise bond ordinance until May 18, 2010, will be requested to allow bond counsel time to review the changes in the regulations from the IRS regarding the use of Qualified Energy Conservation Bonds ("QECBs").

8. Second Reading of Ordinance No. 044, 2010, Appropriating Unanticipated Revenue in the General Fund for the Restoration and Rehabilitation of Paramount Cottage Camp.

This Ordinance, unanimously adopted on First Reading on April 20, 2010, appropriates unanticipated revenue in the amount of \$148,000 for the rehabilitation and restoration of 1544 West Oak Street, the historic Paramount Cottage Camp.

9. First Reading of Ordinance No. 048, 2010, Appropriating Grant Funds for the Gardens on Spring Creek.

The Gardens on Spring Creek has received a total of \$41,375 in grant funding for two part-time, hourly positions, a Community Garden and Outreach Coordinator and a Fund-raising Coordinator.

10. First Reading of Ordinance No. 049, 2010, Appropriating Unanticipated Grant Revenue and Transferring Prior Year Reserves in the Northern Colorado Drug Task Force Reserve to the General Fund for the Northern Colorado Drug Task Force.

This Ordinance appropriates grant funds received from the Office of National Drug Control Policy and also transfers \$173,381 from the Northern Colorado Drug Task Force forfeiture reserve account to cover unfunded expenses.

11. First Reading of Ordinance No. 050, 2010, Appropriating Unanticipated Grant Revenue in the General Fund for Police Services and Providing for the Transfer of Matching Funds Previously Appropriated in the Police Services Operating Budget.

The City has received additional grant funds for Police Services. A grant received from the Colorado Division of Criminal Justice (DCJ), Juvenile Diversion, provides additional funds in the amount of \$6,142 for the continuation of Restorative Justice Services. These additional funds were awarded from unspent funds returned to DCJ from other agencies. An in-kind match of \$2,047 is required and has been met by donated administrative support from the 8th Judicial District Probation Department.

Additional funds of \$1,965 are needed to meet expenditure requirements of the Division of Criminal Justice Juvenile Accountability Incentive Block Grant (JABG), which also funds Restorative Justice Services. This need will be met by appropriating funds from prior program income.

12. First Reading of Ordinance No. 051, 2010, Appropriating Unanticipated Revenue in the General Fund for the Purchase, Training and On-going Maintenance of the E911 and Emergency Dispatch Systems at Fort Collins Police Services Dispatch Center.

Larimer Emergency Telephone Authority (LETA) provides funds to the Fort Collins Police Services to be used for equipment and training to process E911 calls. This Ordinance appropriates those funds.

13. First Reading of Ordinance No. 052, 2010, Appropriating Unanticipated Revenue in the Downtown Alley Enhancement Project.

The Downtown Alley Enhancement Project funding for construction of the Old Firehouse and Montezuma Fuller Alley Project needs to be appropriated to the City. The City will be administering the construction contract for the Downtown Development Authority. The DDA funds for the Project will remain in the DDA's account, and will be transferred and spent to pay contractor invoices only as they become due and payable.

14. First Reading of Ordinance No. 053, 2010, Authorizing the Use of a Portion of Bernard Ranch as Match for a Neotropical Migratory Bird Conservation Act Grant Administered by the U.S. Fish and Wildlife Service.

The City has received a Neotropical Migratory Bird Conservation Act Grant, administered by the U.S. Fish and Wildlife Service. The City will use a 660 acre purchase of the Bernard Ranch as match towards the grant, as well as management funds currently obligated in the Natural Areas budget. Using the funds already spent as match towards this grant is a great secondary benefit for the City. The \$240,026 grant will fund Rocky Mountain Bird Observatory's (RMBO) critical research and monitoring work to inform conservation strategies and management for 30 high priority grassland birds within the Laramie Foothills Mountains to Plains Project, the Shortgrass Prairie Bird Conservation Region and in the Chihuahuan Desert of Mexico.

This will be the fourth such match authorized, as the City, in partnership with RMBO. The previous partnership efforts have resulted in a broader understanding of the grasslands bird species that nest on Soapstone Prairie and Meadow Springs and has contributed to the conservation of these species' winter range in Mexico.

15. Items Relating to Sales, Use and Lodging Tax.

- A. First Reading of Ordinance No. 054, 2010, Amending Chapter 25, Article III of the City Code Concerning Sales and Use Tax.
- B. First Reading of Ordinance No. 055, 2010, Amending Section 25-252 of the City Code Relating to the Vendor Fee for Collecting and Remitting Lodging Tax.

Ordinance No. 054, 2010, modifies City Code to allow for use of a certified electronic address database for determining whether or not a customer is in the City, and it simplifies tax collection regarding definitions, waivers, and notice.

Ordinance No. 055, 2010, will eliminate the City's current vendor fee for lodging tax licensees. The proposed modification will result in approximately \$25,000 of ongoing additional revenue available for the promotion of convention and visitor activities and for cultural development and programming services. This change will not increase taxes or fees charged, but rather eliminate the amount of City lodging taxes that vendors are allowed to retain in exchange for the service they provide in collecting City taxes. Currently, vendors are allowed to retain 3% of the lodging tax collected.

16. First Reading of Ordinance No. 056, 2010, Authorizing Conveyance of Non-Exclusive Drainage Easement on City Property to Provincetowne, LLC.

In 2006, the City of Fort Collins conveyed a permanent drainage easement to KB Home Colorado on City property. This City-owned property is a future neighborhood park for the benefit of the Provincetowne P.U.D. Filing Three Development (the "Development"). The City of Fort Collins Park Planning and Development Department is ready to develop the park, now known as Water's Way Neighborhood Park. The design of the Park requires the alignment of the easement granted in 2006 to move farther south and cross a portion of Pelican Marsh Natural Area. Staff is requesting City Council approve the conveyance of a new permanent drainage easement reflecting the new alignment to the owner of the Development, which is now Provincetowne, LLC. The 2006 easement will be terminated when the new easement is granted.

17. Resolution 2010-024 Authorizing the Lease of City-Owned Property at 200 West Mountain Avenue, Suite A, for Up to Two Years, As Part of the Rocky Mountain Innovation Initiative Program.

The City has leased space to the Rocky Mountain Innovation Initiative (RMI2) Program and its participating clients since the summer of 2004. Currently, RMI2 leases space at 200 West Mountain

Avenue, Suites A and C, 321 Maple Street, and 212 West Mountain Avenue. Until the new RMI2 building is complete in late 2010/early 2011, RMI2 clients will continue leasing space from the City.

18. Resolution 2010-025 Authorizing the Lease of a Portion of City-Owned Property Located at 200 West Mountain Avenue, Suite B, For Up to Two Years As Part of the Fort Collins Public Access Network.

Fort Collins Public Access Network (FC-PAN) is the City's designated public access provider. One of its responsibilities, as required by the City, is to provide and operate a Community Media Center. In 2008, City Council approved the leasing of space at 200 West Mountain to FC-PAN for a two-year term. FC-PAN leased the space at no cost. During the second year, FC-PAN paid for utilities only.

19. Resolution 2010-026 Authorizing the Lease of City-Owned Property at 1506B West Horsetooth Road, for Up to Two Years.

The City acquired this property as part of the Affordable Housing Land Bank Program ("Land Bank Program") in 2003. Currently, this site has one single-family residence, one building with an efficiency apartment and garage, and horse facilities. The lease for 1506B West Horsetooth Road will be for the efficiency apartment.

END CONSENT

20. Consent Calendar Follow-up.

This is an opportunity for Councilmember to comment on items adopted or approved on the Consent Calendar.

21. Staff Reports.

22. Councilmember Reports.

DISCUSSION ITEMS

The method of debate for discussion items is as follows:

- Mayor introduces the item number and subject; asks if formal presentation will be made by staff
- Staff presentation (optional)
- Mayor requests citizen comment on the item (five-minute limit for each citizen)
- Council questions of staff on the item
- Council motion on the item
- Council discussion
- Final Council comments
- Council vote on the item

Note: Time limits for individual agenda items may be revised, at the discretion of the Mayor, to ensure all citizens have an opportunity to speak. **Please sign in at the table in the back of the room.** The timer will buzz when there are 30 seconds left and the light will turn yellow. It will buzz again at the end of the speaker's time.

23. Resolution No. 2010-023 Approving the North College Infrastructure Funding Plan. (staff: Clark Mapes; 5 minute staff presentation; 20 minute discussion)

The proposed Funding Plan consists of a prioritized list of infrastructure projects needed in the North College Avenue corridor area, along with corresponding potential funding sources to pursue. It contains no new policy decisions, nor any obligations or commitments. Rather, it is an aid to implementation of previously adopted plans.

Council approval of the Funding Plan would establish a useful framework to guide work efforts and decision making on funding for infrastructure projects over time.

The term "infrastructure projects" generally refers to construction projects that would build up a more complete system of streets and utilities in the area. These are basic public facilities needed to support long-term revitalization as envisioned.

24. Second Reading of Ordinance No. 042, 2010, Amending Section 5-265 of the City Code Relating to Occupancy Disclosure Statements. (staff: Steve Dush, Beth Sowder; 5 minute staff presentation; 20 minute discussion)

The current occupancy regulations should be amended to ensure that they meet Council's original intent for limiting the occupancy of dwelling units. This Ordinance, adopted on First Reading on April 6, 2010, by a vote of 5-2 (Nays: Kottwitz, Troxell) revises the disclosure statement requirement related to occupancy limits to ensure that the statement is truthful, is provided by the property owner or manager to the tenants at the time of lease signing, and is readily available when requested by the City.

The Ordinance has been revised on Second Reading and now requires that the occupancy ordinance disclosure statement be signed by the property owner or manager and all tenants at the time of lease signing with the execution date verified by electronic means or by having all signatures on the statement notarized by a Notary Public. A copy of the disclosure statement shall be retained at the leased property and shall be made available to the City immediately upon request. In the case of a multi-family unit with an on-site manager, the disclosure statement may be kept on file in the on-site office as long as it is available during business hours immediately upon request of the City.

25. Items Relating to Medical Marijuana. (staff: Jerry Schiager, Ginny Sawyer, Steve Dush, Peter Barnes, Steve Roy, Linda Samuelson; 10 minute staff presentation; 1 hour discussion)

- A. Second Reading of Ordinance No. 045, 2010, Amending the City's Land Use Code by Adding Medical Marijuana Cultivation Facilities as Permitted Uses in Various Zone Districts. (Option 1 or Option 2)
- B. Second Reading of Ordinance No. 046, 2010, Amending Article XVI, Chapter 15 of the City Code Relating to Medical Marijuana.
- C. Second Reading of Ordinance No. 047, 2010, Amending Ordinance No. 025, 2010, to Clarify the Application of Chapter 15, Article XVI of the City Code to Existing Medical Marijuana Businesses.

Ordinance No. 045, 2010, adopted on First Reading on April 20, 2010 by a vote of 6-1 (nays: Troxell), amends the Land Use Code to allow additional zones for marijuana cultivation facilities. Ordinance No. 046, 2010, adopted on First Reading on April 20, 2010 by a vote of 6-1 (nays: Troxell), amends Article XVI, Chapter 15 of the City Code to allow for the co-location of dispensaries and cultivation facilities in certain zones, to allow medical marijuana businesses (MMBs) to acquire 4 ounces of medical marijuana per 7-day period from other licensed MMBs, and to regulate collective growing by persons otherwise exempt from licensing. Ordinance No. 047, 2010, adopted on First Reading on

April 20, 2010 by a vote of 7-0, amends Article XVI, Chapter 15 of the City Code to clarify existing businesses and to authorize the issuance of a non-provisional license to businesses that meet all requirements.

26. Pulled Consent Items.

27. Other Business.

28. Adjournment.

Every Council meeting will end no later than 10:30 p.m., except that: (1) any item of business commenced before 10:30 p.m. may be concluded before the meeting is adjourned and (2) the City Council may, by majority vote, extend a meeting until no later than 12:00 a.m. for the purpose of considering additional items of business. Any matter which has been commenced and is still pending at the conclusion of the Council meeting, and all matters scheduled for consideration at the meeting which have not yet been considered by Council, will be continued to the next regular Council meeting and will be placed first on the discussion agenda for such meeting.

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ELECTRIC UTILITY ENTERPRISE MEETING
May 4, 2010
(after the Regular Council Meeting)

1. Call Meeting to Order.
2. Roll Call.
3. Postponement of Second Reading of Ordinance No. 001, Authorizing the Issuance and Sale of its Tax-exempt Revenue Bonds, Series 2010A and its Taxable Revenue Bonds (Direct Pay Build America Bonds), Series 2010B, Providing for the Sources of Payment of the Bonds, and Providing Other Details Concerning the Bonds and the Enterprise's Electric Utility System to May 18, 2010. (staff: Bill Freeman, Chuck Seest; no staff presentation; 5 minute discussion)

This Ordinance was adopted on First Reading on April 20, 2010 by a vote of 6-1 (Nays: Kottwitz). Postponement of Second Reading until May 18, 2010, is requested to allow bond counsel time to review the changes in the regulations from the IRS regarding the use of Qualified Energy Conservation Bonds ("QECBs"). The bond ordinance will be updated to comply with the new IRS regulations.

4. Other Business.
5. Adjournment.



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URBAN RENEWAL AUTHORITY MEETING May 4, 2010 (after the Electric Utility Enterprise Meeting)

1. Call Meeting to Order.
2. Roll Call.
3. Resolution No. 024 Adopting Policies and Procedures for the Fort Collins Urban Renewal Authority. (staff: Christina Vincent; 5 minute staff presentation; 20 minute discussion)

The Urban Renewal Authority (URA) policies and procedures were restructured and expounded upon to fit the criteria discussed at URA Board meetings over the past 18 months. It was apparent, through the process of new URA projects, that the current policy document needed improvement and additional clarity for guidance. The guidelines are general in nature and are not as clear and concise as staff or applicants thought they should be. The lack of step-by-step process and additional information, in staff's opinion, left the URA vulnerable to loopholes in the process. This revised document is an effort to enhance the process, provide better customer service to URA applicants, create better decision-making tools for the URA Board, and allow staff a reference document for URA goals and objectives.

4. Resolution No. 025 Approving a Financial Agreement Between the Fort Collins Urban Renewal Authority and Jax, Inc. for an Addition to an Existing Building at 1200 North College Avenue. (staff: Christina Vincent; 5 minute staff presentation; 30 minute discussion)

Postponed to May 18, 2010
Jax Mercantile is expanding the east entrance at its 1200 North College Avenue location by 3,000 square feet and converting an existing warehouse of 9,000 square feet into additional retail space. This expansion/conversion will increase its retail sales space by approximately 25%. Jax is seeking

Tax Increment Financing (TIF) for the street improvement cash-in-lieu obligations required of the applicant through the Development Review process. The TIF request is \$150,000, and financing costs total \$31,000. The total TIF request is \$181,000.

5. Resolution No. 026 Approving a Financial Agreement Between the Fort Collins Urban Renewal Authority and Fort Collins Habitat for Humanity, Inc. (staff: Christina Vincent; 5 minute staff presentation; 20 minute discussion)

In March 2009, Union Place was approved as a URA project with tax increment funding awarded in the amount of \$2.2 million for public improvements within the development. Fort Collins Habitat for Humanity (Habitat) is under contract to purchase lots within the Union Place development and needs assistance to participate in the project with the cost to acquire the land. Habitat will provide homes that meet 50% or below the area median income, which is far below the City's definition of affordable housing. The URA staff sees the value in this partnership and has concluded the financial gap is too large and would prevent Habitat from participating in Union Place. Habitat originally attempted to obtain Community Development Block Grant (CDBG) funding to obtain the lots, and focus efforts on private donations, however the funding in both areas was less than expected. The total property tax predicted generation from these four lots will be \$130,000. Habitat is seeking \$107,000 from the URA to purchase the lots and start building homes.

6. Other Business.
7. Adjournment.