

DATE: October 4, 2011
STAFF: Rita Harris

AGENDA ITEM SUMMARY
FORT COLLINS CITY COUNCIL

6

SUBJECT

Consideration and Approval of the Minutes of the September 6, 2011 Regular Meeting.

September 6, 2011

COUNCIL OF THE CITY OF FORT COLLINS, COLORADO

Council-Manager Form of Government

Regular Meeting - 6:00 p.m.

A regular meeting of the Council of the City of Fort Collins was held on Tuesday, September 6, 2011, at 6:00 p.m. in the Council Chambers of the City of Fort Collins City Hall. Roll call was answered by the following Councilmembers: Horak, Manvel, Ohlson, Poppaw, Troxell and Weikunat.

Councilmembers Absent: Kottwitz

Staff Members Present: Atteberry, Krajicek, Daggett.

Agenda Review

City Manager Atteberry stated a revised version of Resolution 2011-080 for Item No. 34, *Items Relating to the Midtown Urban Renewal Plan*, was included in the read before packet.

Citizen Participation

Josh Kerson, 244 North College, supported allowing e-bikes on City trails. He noted individuals with mobility challenges are lawfully allowed to use electric assist bicycles and he supported signage being placed on the trails indicating that law.

Mel Hilgenberg, 172 North College, encouraged citizens to attend the Fort Collins Symphony. He noted it is possible to acquire Lincoln Center tickets from the box office to avoid surcharges. He urged Council to file a friend-of-the-court brief regarding Congressional redistricting.

Ron Young and Vicki Lutz, Crossroads Safehouse, thanked Council and staff for providing funding assistance.

Virginia Farber, 1214 Bellvue Drive, opposed the proposed power line project through Pine Ridge Natural Area and suggested a moratorium be placed on smart meters until further study has been completed.

Sarah Burnett, 714 Gilgalad Way, read an editorial article from a newspaper in Denton, Texas, discussing students who had been hospitalized after falling from a student housing unit. She encouraged Council to consider the possible outcome of allowing potentially dangerous student housing to be built in Fort Collins.

Lucia Liley, attorney, opposed Ms. Burnett's comments.

September 6, 2011

Stacy Lynne, 305 West Magnolia, asked about the relationship between the firm Black and Veatch and the City's Smart Meter project, Glade Reservoir Project, and ICLEI. She asked if Council has asked the local press to not cover gang and meth related stories in Fort Collins. She discussed an incident at the Larimer County Justice Center on August 24 and asked for the help of elected officials.

Brian Wareing, Golden resident, discussed an incident with Clarion employees in Montana. He stated Clarion is part of Agenda 21 and related to ICLEI.

Citizen Participation Follow-up

Jerry Schiager, Police Chief, stated no direction has been given to local press to ignore or conceal gang and meth related issues. He clarified Fort Collins Police Services has no jurisdiction over the Larimer County Justice Center.

City Manager Atteberry stated he would contact Sheriff Justin Smith and provide Ms. Lynne's materials to the Sheriff's Office.

Councilmember Poppaw thanked Ms. Lutz and her work with Crossroads Safehouse.

Mayor Pro Tem Ohlson asked that a written response be provided to Ms. Lynne regarding Black and Veatch.

CONSENT CALENDAR

6. Consideration and Approval of the Minutes of the August 11, 2011 Special Meeting and the August 16, 2011 Regular Meeting.
7. Second Reading of Ordinance No. 098, 2011, Repealing and Reenacting Division 14, Article III of Chapter 2 of the City Code Dissolving the Electric Board and Creating a New Energy Board.

Decisions Council makes today can have a significant impact on the community's ability to respond to changing conditions in the future. Council needs visionary and innovative advice regarding the community's energy future as it relates to the Plan Fort Collins goals for a sustainable community. Council is in need of advice from subject matter experts, not just in the electric engineering field, but also other experts who are knowledgeable about such things as how the electrification of transportation impacts carbon emissions and energy consumption. To this end, an Energy Board is being created to replace the Electric Board. The purpose of the Energy Board will be to take a systems approach to the City's energy future looking out 10 years and beyond and to advise Council on such matters. This Ordinance dissolving the Electric Board and establishing an Energy Board was unanimously adopted on First Reading on August 16, 2011.

8. Items Relating to the Linden Street Streetscape Project.

- A. Second Reading of Ordinance No. 099, 2011, Authorizing the Transfer of Existing Appropriations from the Linden Street Streetscape Project to the Cultural Services Fund for the Art in Public Places Program.
- B. Resolution 2011-072 Approving Expenditures from the Art in Public Places Reserve Account in the Cultural Services and Facilities Fund for the Purpose of Commissioning an Artist to Create Art for the Linden Street Streetscape Project.

This Ordinance, unanimously adopted on First Reading on August 16, 2011, appropriates \$17,998 for administration, design, materials, installation and contingency for a project with Fort Collins artist Susan Dailey, to create up to twelve granite pavers to be integrated into the streetscape of the Linden Street Streetscape Project. \$7,060 has already been appropriated and is available in the Art in Public Places reserve account in the Cultural Services and Facilities Fund to pay for the art project. Resolution 2011-072 approves the expenditures of \$25,058 for the design, materials, installation contingency and maintenance for the project.

9. Second Reading of Ordinance No. 100, 2011, Appropriating Unanticipated Revenue in the Cultural Services Fund and in the Capital Projects Fund for the Building on Basics Lincoln Center Renovation Project.

The Lincoln Center Renovation project is funded primarily through the Building on Basics capital tax approved by voters in 2005. Unanticipated grant and donation revenue will be used to complete the full scope of the estimated \$8.2 million project. Approximately \$5.5 million has been appropriated from the Building on Basics tax and \$2.6 million from unanticipated grant revenue and prior year reserves in the Cultural Services and General Funds. This Ordinance, unanimously adopted on First Reading on August 16, 2011, appropriates \$161,088 to the Cultural Services Fund and \$14,620 to the Capital Projects Fund.

10. Second Reading of Ordinance No. 101, 2011, Appropriating Prior Year Reserves in the Cultural Services Fund for Transfer to the Capital Projects Fund and Appropriating Unanticipated Revenue in the Capital Projects Fund for the Fort Collins Museum/Discovery Science Center Project.

The Discovery Center, a Colorado non-profit corporation, has provided funds, currently held in the Capital Projects Fund, in the amount of \$738,034 in support of the exhibits for the new Fort Collins Museum and Discovery Science Center Joint Facility project. Also, \$100,000 from the Fort Collins Museum Donation Reserves are being provided to support the exhibits. Additionally, an estate gift in the amount of \$150 has been provided. This Ordinance, unanimously adopted on First Reading on August 16, 2011, appropriates these funds for the project.

September 6, 2011

11. Second Reading of Ordinance No. 102, 2011, Appropriating Unanticipated Revenue in the Capital Projects Fund, Mason Corridor Project for the South Transit Center Park and Ride.

This Ordinance, unanimously adopted on First Reading on August 16, 2011, appropriates funding in the amount of \$820,430 received from the Colorado Department of Transportation for the South Transit Center Park and Ride Project, a component of the Mason Corridor Project.

12. Second Reading of Ordinance No. 103, 2011, Appropriating Unanticipated Grant Revenue in the Transportation Services Fund for the FY 2011-2012 Safe Routes to School Program.

This Ordinance, unanimously adopted on First Reading on August 16, 2011, appropriates a \$99,800 federal grant received through the Colorado Department of Transportation for the FY 2011-12 Safe Routes to School (SRTS) program. This funding will allow the City of Fort Collins' Safe Routes to School Program (administered and staffed by the Transportation Planning Division) to provide pedestrian and bicycle safety education programs.

13. Second Reading of Ordinance No. 104, 2011, Appropriating Unanticipated Grant Revenues in the General Fund for Police Services and Appropriating Funds from the Police Operating Budget.

Ordinance No. 104, 2011, unanimously adopted on First Reading on August 16, 2011, appropriates a grant in the amount of \$45,000 from the Colorado Division of Criminal Justice Juvenile Diversion fund for salaries associated with the continued operation of Restorative Justice Services, which includes the RESTORE program for shoplifting offenses, and the Restorative Justice Conferencing Program for all other offenses. An \$8,700 cash match is required and will be met by appropriating funds from the police operating budget designated for Restorative Justice Services.

14. Second Reading of Ordinance No. 105, 2011, Appropriating Proceeds from the Issuance of City of Fort Collins, Stormwater Utility Enterprise, Stormwater Utility Revenue Refunding Bonds, Series 2011A, in the Maximum Aggregate Principal of Amount of \$8,750,000 in the Stormwater Utility Fund.

This Ordinance, unanimously adopted on First Reading on August 16, 2011, appropriates \$8,750,000 to pay off the 2002 Storm Drainage Revenue bonds. The funding source is the proceeds from the 2011A Storm Drainage refunding bonds. Market conditions are such that they can be refinanced at lower interest rates, resulting in an estimated net present value savings of \$500,000.

15. Second Reading of Ordinance No. 108, 2011, Authorizing the Conveyance of a Portion of City Property to the Lower Poudre Augmentation Company.

Arapaho Bend Natural Area is located along the Cache la Poudre River near I-25 and East Harmony Road. The Lower Poudre Augmentation Company (LPAC) owns property immediately to the south of the portion of Arapaho Bend that lies east of I-25. A wire fence

separates the two properties. A recent boundary survey revealed the fence separating the two properties was located slightly north of the described property line. The fence has been in place for greater than 18 years and has been recognized by the Natural Areas Program (NAP) and LPAC as the boundary of the Natural Area since the property was purchased in 2000. The strip of property between the fence and the described boundary line contains 0.703 acres. City staff determined that it was necessary to explore options for cleaning up the boundary issue to ensure clear boundary lines for future access, maintenance and use of the sites for both the NAP and LPAC. This Ordinance, unanimously adopted on First Reading on August 16, 2011, authorizes the conveyance of the 0.703 acre area south of the existing boundary fence in exchange for an access easement across the LPAC property. LPAC has agreed to the exchange. It also has agreed to pay the City an amount equal to fifty percent of the costs to survey and document the new property boundary.

16. First Reading of Ordinance No. 111, 2011, Appropriating Prior Year Reserves and Unanticipated Revenue in Various City Funds.

The purpose of this annual “clean-up” Ordinance is to combine dedicated revenues or reserves that need to be appropriated before the end of the year to cover the related expenses that were not anticipated and, therefore, not included in the 2011 budget. The unanticipated revenue is primarily from fees, charges, rents, contributions and grants that have been paid to City departments to offset specific expenses. Prior year reserves are primarily being appropriated for unanticipated operation expenses from reserves that are set aside for that purpose.

17. Items Relating to Updates, Amendments, Deletions and Additions to Chapter 17 of the City Code.

- A. First Reading of Ordinance No. 112, 2011, Amending Article V of Chapter 17 of the City Code Pertaining to Abandoned Refrigerators and Similar Items.
- B. First Reading of Ordinance No. 113, 2011, Adding a Section to Article IV of Chapter 17 of the City Code Pertaining to the Violation of Court Orders.
- C. First Reading of Ordinance No. 114, 2011, Amending Articles VII and VIII of Chapter 17 of the City Code Pertaining to Disorderly Conduct, Harassment and Public Indecency.
- D. First Reading of Ordinance No. 115, 2011, Adding a New Section in Article VII of Chapter 17 of the City Code Pertaining to Graffiti Crimes.
- E. First Reading of Ordinance No. 116, 2011, Amending Article VII of Chapter 17 of the City Code Pertaining to Loitering.
- F. First Reading of Ordinance No. 117, 2011, Adding a New Section to Article VII of Chapter 17 of the City Code Pertaining to Staying on Medians Prohibited.

September 6, 2011

- G. First Reading of Ordinance No. 118, 2011, Amending Article III of Chapter 17 of the City Code Pertaining to Jurisdictional Amount of Various Criminal Offenses.

To maintain continuity with federal law, the revised statutes for the State of Colorado, and the needs of citizens of Fort Collins, the Fort Collins City Code must be regularly updated through amendments, deletions, and the creation of new ordinances. These amendments, deletions, and creations of several new ordinances will allow law enforcement to more effectively and efficiently protect and serve the citizens of Fort Collins.

18. First Reading of Ordinance No. 107, 2011, Repealing Section 2-575 of the City Code Relating to the Compensation of Councilmembers.

This Ordinance repeals the City Code provision relating to Council compensation. This section is unnecessary because the method for adjusting compensation is set out in the City Charter, and such adjustment is accomplished through administrative action of the City Manager.

19. First Reading of Ordinance No. 119, 2011 Amending Various Provisions of the Fort Collins Traffic Code.

The Colorado General Assembly amended certain statutory provisions this legislative session relating to state traffic laws. This Ordinance ensures that the Fort Collins Traffic Code (the "Traffic Code") is consistent with state traffic laws. During a review of the statutory changes, staff identified additional amendments that would make the Traffic Code more consistent and provide more effective and efficient local enforcement.

20. First Reading of Ordinance No. 120, 2011, Making Various Amendments to the Land Use Code.

Staff has identified a variety of proposed changes, additions and clarifications in the 2011 annual update of the Land Use Code.

21. First Reading of Ordinance No. 121, 2011, Authorizing the Conveyance of a Portion of a Tract of Stormwater Utility Property to Kevin P. Caffrey and Julia J. Caffrey.

In 1992, the final plat of Clarendon Hills Fifth Filing dedicated Tract E to the City of Fort Collins for the purposes of storm drainage, flood plain management and Department of Parks and Recreation use. The intended purpose of the Parks and Recreation use was for a bike trail. In 1998, the location of the bike trail was changed to be adjacent to Shields Street. To accommodate this change, the City acquired Tracts A, B, and D of Clarendon Hills Fifth Filing for the bike trail that has been constructed and is now in use. Due to the City's change of use for Tract E, the adjacent property owners, Kevin and Julia Caffrey, have expressed an interest to obtain the portion of Tract E that abuts their property at 5424 Hilldale Court.

24. Resolution 2011-075 Approving the Design of the Restoration of the Coca-Cola/Angell's Delicatessen Sign on the J. L. Hohnstein Block, 220 East Mountain Avenue.

September 6, 2011

The City has received a State Historic Fund grant from the Colorado Historical Society to protect the Coca-Cola and Angell's Delicatessen sign on the J. L. Hohnstein Block, 220 East Mountain Avenue. Councilmembers have expressed concern that the sign not be painted to look new, and directed staff to investigate treatment options that would retain the faded look. Four treatment options were originally identified, which were further narrowed to two options. A conservation firm was hired to further investigate both options. Based upon their findings, the consultants are confident that the paint, brick, and mortar can be successfully conserved by reattaching and protecting the existing paint with a consolidating material. If sufficient funding and time remains following the consolidation, a few missing elements of the sign, including the artist's signature, would also be restored. Staff is now requesting that Council approve the recommended treatment for the restoration and rehabilitation of the Coca-Cola/Angell's Delicatessen sign.

25. Resolution 2011-076 Assigning a Councilmember as Liaison to the Energy Board.

Ordinance No. 098, 2011, adopted on Second Reading this same date, created a new Energy Board. City Council appoints a liaison to each board and commission. This Resolution appoints Councilmember Lisa Poppaw as the Council liaison to the newly created Energy Board.

26. Resolution 2011-077 Making Appointments to Various Boards and Commissions.

This Resolution makes appointments to fill current vacancies on the Building Review Board, Commission on Disability, Human Relations Commission, Land Conservation and Stewardship Board, Senior Advisory Board, Transportation Board and Youth Advisory Board.

27. Routine Deed.

Deed of dedication from Cottonwood Land and Farms, Ltd., for land under future bridge, on Zeigler Road between Drake and Horsetooth Roads.

*****END CONSENT*****

Ordinances on Second Reading were read by title by City Clerk Krajicek.

7. Second Reading of Ordinance No. 098, 2011, Repealing and Reenacting Division 14, Article III of Chapter 2 of the City Code Dissolving the Electric Board and Creating a New Energy Board.
8. Second Reading of Ordinance No. 099, 2011, Authorizing the Transfer of Existing Appropriations from the Linden Street Streetscape Project to the Cultural Services Fund for the Art in Public Places Program.
9. Second Reading of Ordinance No. 100, 2011, Appropriating Unanticipated Revenue in the Cultural Services Fund and in the Capital Projects Fund for the Building on Basics Lincoln Center Renovation Project.

September 6, 2011

10. Second Reading of Ordinance No. 101, 2011, Appropriating Prior Year Reserves in the Cultural Services Fund for Transfer to the Capital Projects Fund and Appropriating Unanticipated Revenue in the Capital Projects Fund for the Fort Collins Museum/Discovery Science Center Project.
11. Second Reading of Ordinance No. 102, 2011, Appropriating Unanticipated Revenue in the Capital Projects Fund, Mason Corridor Project for the South Transit Center Park and Ride.
12. Second Reading of Ordinance No. 103, 2011, Appropriating Unanticipated Grant Revenue in the Transportation Services Fund for the FY 2011-2012 Safe Routes to School Program.
13. Second Reading of Ordinance No. 104, 2011, Appropriating Unanticipated Grant Revenues in the General Fund for Police Services and Appropriating Funds from the Police Operating Budget.
14. Second Reading of Ordinance No. 105, 2011, Appropriating Proceeds from the Issuance of City of Fort Collins, Stormwater Utility Enterprise, Stormwater Utility Revenue Refunding Bonds, Series 2011A, in the Maximum Aggregate Principal of Amount of \$8,750,000 in the Stormwater Utility Fund.
15. Second Reading of Ordinance No. 108, 2011, Authorizing the Conveyance of a Portion of City Property to the Lower Poudre Augmentation Company.
31. Items Relating to Amendments to the Definitions in Article I of Chapter 26, the Electric Article of Chapter 26, and to Standards for Interconnection of Electric Generation Facilities.
 - A. Second Reading of Ordinance No. 079, 2011, Making Certain Amendments to Chapter 26 of the City Code Pertaining to the Provision of Net Metering Service and Certain Definitions Related Thereto.
 - B. Second Reading of Ordinance No. 080, 2011, Amending Various Provisions of the City Code and the Land Use Code Pertaining to the Definition of General Manager.
 - C. Second Reading of Ordinance No. 081, 2011, Making Certain Amendments to Interconnection Standards for Generating Facilities Connected to the Fort Collins Distribution System.

Ordinances on First Reading were read by title by City Clerk Krajicek.

16. First Reading of Ordinance No. 111, 2011, Appropriating Prior Year Reserves and Unanticipated Revenue in Various City Funds.
17. Items Relating to Updates, Amendments, Deletions and Additions to Chapter 17 of the City Code.

September 6, 2011

- A. First Reading of Ordinance No. 112, 2011, Amending Article V of Chapter 17 of the City Code Pertaining to Abandoned Refrigerators and Similar Items.
 - B. First Reading of Ordinance No. 113, 2011, Adding a Section to Article IV of Chapter 17 of the City Code Pertaining to the Violation of Court Orders.
 - C. First Reading of Ordinance No. 114, 2011, Amending Articles VII and VIII of Chapter 17 of the City Code Pertaining to Disorderly Conduct, Harassment and Public Indecency.
 - D. First Reading of Ordinance No. 115, 2011, Adding a New Section in Article VII of Chapter 17 of the City Code Pertaining to Graffiti Crimes.
 - E. First Reading of Ordinance No. 116, 2011, Amending Article VII of Chapter 17 of the City Code Pertaining to Loitering.
 - F. First Reading of Ordinance No. 117, 2011, Adding a New Section to Article VII of Chapter 17 of the City Code Pertaining to Staying on Medians Prohibited.
 - G. First Reading of Ordinance No. 118, 2011, Amending Article III of Chapter 17 of the City Code Pertaining to Jurisdictional Amount of Various Criminal Offenses.
- 18. First Reading of Ordinance No. 107, 2011, Repealing Section 2-575 of the City Code Relating to the Compensation of Councilmembers.
 - 19. First Reading of Ordinance No. 119, 2011 Amending Various Provisions of the Fort Collins Traffic Code.
 - 20. First Reading of Ordinance No. 120, 2011, Making Various Amendments to the Land Use Code.
 - 21. First Reading of Ordinance No. 121, 2011, Authorizing the Conveyance of a Portion of a Tract of Stormwater Utility Property to Kevin P. Caffrey and Julia J. Caffrey.

Councilmember Horak withdrew Item No. 16, *First Reading of Ordinance No. 111, 2011, Appropriating Prior Year Reserves and Unanticipated Revenue in Various City Funds.*

Councilmember Manvel made a motion, seconded by Councilmember Troxell, to adopt and approve all items not withdrawn from the Consent Calendar. Yeas: Weitkunat, Manvel, Ohlson, Poppaw, Horak and Troxell. Nays: none.

THE MOTION CARRIED.

Consent Calendar Follow-up

September 6, 2011

Mayor Pro Tem Ohlson stated he would like follow-up information prior to Second Reading, regarding Item No. 20, *First Reading of Ordinance No. 120, 2011, Making Various Amendments to the Land Use Code*. He specifically requested more information regarding how, and from what part of a stream, buffer zones are measured.

Councilmember Troxell supported Item No. 21, *First Reading of Ordinance No. 121, 2011, Authorizing the Conveyance of a Portion of a Tract of Stormwater Utility Property to Kevin P. Caffrey and Julia J. Caffrey*.

Staff Reports

City Manager Atteberry introduced Mike Beckstead, the City's new Chief Financial Officer. Beckstead thanked Council, staff, and the community.

Craig Foreman, Park Planning and Development, gave an update on five projects.

Matt Day, Landscape Architect, discussed the natural playground at Gateway Park Natural Area and the park adjacent to the Pelican Marsh Natural Area.

Craig Kisling, Apprentice Landscape Architect, discussed Registry Park in Registry Ridge.

Jason Stutzman, Park Planning and Development Civil Engineer, discussed the Fossil Creek trail extension.

Kathleen Benedict, Park Planning and Development Senior Landscape Architect, discussed the new neighborhood park adjacent to Zach Elementary School.

City Manager Atteberry commended the Parks staff and noted none of the projects would be occurring without the citizen support of the Keep Fort Collins Great ballot measure.

Councilmember Reports

Mayor Weitkunat discussed Council's joint meeting with Poudre School District and Larimer County. Collaborative social efforts were discussed.

Items Relating to Amendments to the Definitions in Article I of Chapter 26, the Electric Article of Chapter 26, and to Standards for Interconnection of Electric Generation Facilities, Adopted on Second Reading

The following is staff's memorandum for this item.

“EXECUTIVE SUMMARY

- A. *Second Reading of Ordinance No. 079, 2011, Making Certain Amendments to Chapter 26 of the City Code Pertaining to the Provision of Net Metering Service and Certain Definitions Related Thereto.*
- B. *Second Reading of Ordinance No. 080, 2011, Amending Various Provisions of the City Code and the Land Use Code Pertaining to the Definition of General Manager.*
- C. *Second Reading of Ordinance No. 081, 2011, Making Certain Amendments to Interconnection Standards for Generating Facilities Connected to the Fort Collins Distribution System.*

These Ordinances, unanimously adopted on First Reading on July 5, 2011, make minor revisions to the definitions section of Article I and to the Electric Article of Chapter 26 of the City Code and the Land Use Code. These revisions include updating the definition of General Manager, clarification regarding the provision of net metering service and clarification regarding authority to execute interconnection or parallel generation agreements on behalf of the City. Light and Power is also recommending adding clarifying language to the City’s indemnification and insurance requirements contained in the City’s Interconnection Standards. These standards govern operational and other requirements for interconnection generating facilities to the City’s electric distribution system. This item was withdrawn from the August 16th Consent Agenda but was not considered because of the lateness of the hour.”

Steve Catanach, Light and Power Operations Manager, stated this item provides clarification regarding definitions used in net metering and initiates changes in the indemnification portion of the interconnection agreement.

Eric Sutherland, 3520 Golden Currant, asked when the City would begin allowing more innovative energy solutions. He suggested the City Code be changed to allow individuals to buy and sell energy among themselves.

Councilmember Horak made a motion, seconded by Councilmember Troxell, to adopt Ordinance No. 079, 2011, on Second Reading. Yeas: Weitkunat, Manvel, Ohlson, Poppaw, Horak and Troxell. Nays: none.

THE MOTION CARRIED.

Councilmember Manvel made a motion, seconded by Councilmember Troxell, to adopt Ordinance No. 080, 2011, on Second Reading. Yeas: Weitkunat, Manvel, Ohlson, Poppaw, Horak and Troxell. Nays: none.

THE MOTION CARRIED.

September 6, 2011

Councilmember Manvel made a motion, seconded by Councilmember Troxell, to adopt Ordinance No. 081, 2011, on Second Reading. Yeas: Weitkumat, Manvel, Ohlson, Poppaw, Horak and Troxell. Nays: none.

THE MOTION CARRIED.

Resolution 2011-078
Making Findings of Fact Regarding the Appeal of the June 16, 2011,
Planning and Zoning Board Approval of the Amended CSURF
Centre for Advanced Technology Overall Development Plan, Adopted

The following is staff's memorandum for this item.

“EXECUTIVE SUMMARY

On June 30, 2011, an appeal of the June 16, 2011 decision of the Planning and Zoning Board to approve the Amended CSURF Centre for Advanced Technology, Overall Development Plan was filed by representatives for Windtrail on Spring Creek HOA, Sundering Townhomes HOA, Hill Pond on Spring Creek HOA, Hill Pond Condominium HOA and Windtrail Townhomes HOA.

On August 23, 2011, City Council voted to uphold the decision of the Planning and Zoning Board. In order to complete the record regarding this appeal, the Council should adopt a Resolution making findings of fact and finalizing its decision on the appeal.

BACKGROUND / DISCUSSION

The Appellants notice of appeal was based on the allegation that:

- *The Planning and Zoning Board improperly interpreted and applied relevant portions of the Code.*

At the August 23, 2011 hearing on this matter, Council considered the testimony of City staff, the Appellants, and the Opponents to the Appeal. In subsequent discussion at this hearing, Council determined that the Planning and Zoning Board did properly interpret and apply relevant portions of the Code and Charter.

City Council determined to uphold the decision of the Planning and Zoning Board.”

Carrie Daggett, Deputy City Attorney, reviewed the decisions made by Council concerning the appeal and stated this Resolution will lay out findings of fact regarding its decision.

Sarah Burnett, 714 Gilgalad Way, stated the applicant was asked a variety of questions following the appeal presentation though the burden of proof was on the appellants, to whom no questions were asked. She opposed the process and Land Use Code policies relating to the property zoning.

September 6, 2011

(**Secretary's note: Lucia Liley, attorney representing the applicant, objected to Ms. Burnett's statements; however, Council opted to hear the testimony.)

Lucia Liley, 300 South Howes, attorney representing the applicant, objected to a letter sent by Ms. Burnett to Council and supported adoption of the Resolution.

Eric Sutherland, 3520 Golden Currant, supported the appellants.

Councilmember Horak made a motion, seconded by Councilmember Troxell, to adopt Resolution 2011-078.

Councilmember Manvel noted adoption of this Resolution is procedural in nature and does not allow for rehashing aspects of the appeal. He stated the neighborhood response has brought forth the need for process and policy changes.

Mayor Pro Tem Ohlson stated he would support the motion but asked staff to provide information to Council in the next couple weeks regarding the questions presented at the appeal hearing.

The vote on the motion was as follows: Yeas: Weitkunat, Manvel, Ohlson, Poppaw, Horak and Troxell. Nays: none.

THE MOTION CARRIED.

Resolution 2011-079
Makings Findings of Fact Regarding the Appeal of the June 16, 2011,
Planning and Zoning Board Approval of the Grove at Fort Collins
Project Development Plan, Adopted

The following is staff's memorandum for this item.

“EXECUTIVE SUMMARY

On June 30, 2011, an appeal of the June 16, 2011 decision of the Planning and Zoning Board to approve The Grove at Fort Collins, Project Development Plan was filed by representatives for Windtrail on Spring Creek HOA, Sundering Townhomes HOA, Hill Pond on Spring Creek HOA, Hill Pond Condominium HOA and Windtrail Townhomes HOA.

On August 23, 2011, City Council voted to modify the decision of the Planning and Zoning Board to approve the Project Development Plan with two additional conditions. In order to complete the record regarding this appeal, the Council should adopt a Resolution making findings of fact and finalizing its decision on the appeal.

BACKGROUND / DISCUSSION

The Appellants notice of appeal was based on the allegation that:

September 6, 2011

- *The Planning and Zoning Board improperly interpreted and applied relevant portions of the Code and Charter*

At the August 23, 2011 hearing on this matter, Council considered the testimony of City staff, the Appellants, and the Opponents to the Appeal. In subsequent discussion at this hearing, Council determined that the Planning and Zoning Board did properly interpret and apply relevant portions of the Code and Charter.

City Council determined to modify the decision of the Planning and Zoning Board, by approving the Project Development Plan with the following two additional conditions:

- 1. One building must be LEED certified and all buildings will be built to the specifications and standards of the LEED-certified building.*
- 2. Pets will be prohibited in the project.”*

Jonathan Feiman, 959 Gilgalad Way, appellant, suggested The Grove at Fort Collins PDP is in violation of conditions set by the Planning and Zoning Board when it approved the ODP. The notes on the ODP are meaningful and applicable under the law as the Land Use Code outlines the purpose of the ODP is to establish general planning and development control parameters for projects. The PDP does not conform with the development control parameters of the ODP. Note 3 of the 2003 ODP prohibiting residential construction in the 100 year floodplain was retained by the Board. Substantial portions of buildings on the PDP are in the floodplain. Note 5 from the 2003 ODP establishes a 0.37 floor area ratio, and was retained by the Board. Contrary to this condition of approval, the PDP has floor area ratios of 0.45, 0.53, 0.69, and 0.90 on the lots. The Board stipulated that the Land Use Code should prevail given a conflict between any note on the ODP and the Land Use Code. He urged Council to reverse its approval of the PDP.

Sarah Burnett, 714 Gilgalad Way, appellant, opposed the project stating there is no primary Employment zoning use in the project, parts of two buildings are within the FEMA floodplain, standards for Rolland Moore Drive were administratively changed, and additional standards were not met. She urged Council to reverse its approval of the PDP.

Colleen Hoffman, 1804 Wallenberg Drive, urged Council to reverse its approval of the PDP.

Ann Malone, 1220 East Stuart, suggested the issue be put to a vote of Fort Collins residents.

Doug Brobst, 1625 Independence Road, stated he had attended a workshop discussing student housing and encouraged residents of the appellants' neighborhoods to put their energy toward solving the community's student housing issues.

Chase Eckert, ASCSU Director of Governmental Affairs, supported adoption of the Resolution.

Councilmember Horak made a motion, seconded by Councilmember Troxell, to adopt Resolution 2011-079.

September 6, 2011

Mayor Pro Tem Ohlson asked if the adopted PDP is in conflict with the adopted ODP, and, if so, what are the ramifications of such a conflict.

Steve Olt, City Planner, replied staff has determined there is no conflict between the PDP and the amended ODP.

Mayor Pro Tem Ohlson asked about the Resolution wording relating to the LEED certification of one building and the phrase stating that the remaining buildings be built to the “same or comparable” specifications. Deputy City Attorney Daggett replied the word “comparable” was used because the buildings are not the same as one another; therefore the specifications will not be able to be the same.

Mayor Pro Tem Ohlson asked who will determine whether or not the specifications are comparable. Deputy City Attorney Daggett replied the City will be in a position to enforce the standard.

Councilmember Manvel suggested the wording be changed to “same or superior” specifications. Daggett replied the concept may be difficult to apply as the buildings are different; however, the wording could apply to the LEED standards.

Councilmember Horak stated the wording could be rephrased to make the specifications comparable and the standards the same or better than LEED certification standards.

Councilmembers Horak and Troxell accepted a friendly amendment to change the wording in Section 2A of Resolution 2011-079 to state that at least one building must be LEED certified and that all other buildings in the project will be built to comparable specifications and the same or higher standards as LEED certified buildings.

Mayor Pro Tem Ohlson stated there are legitimate concerns on the part of neighborhoods that opposing a development means not only opposing the developer, but also the City organization.

The vote on the motion to adopt Resolution 2011-079 as amended was as follows: Yeas: Weitkunat, Manvel, Ohlson, Poppaw, Horak and Troxell. Nays: none.

THE MOTION CARRIED.

Items Relating to the Midtown Urban Renewal Plan, Adopted

The following is staff’s memorandum for this item.

“EXECUTIVE SUMMARY

- A. *Resolution 2011-080 Adopting the Midtown Existing Conditions Survey and Making Findings Determining an Area Within the City of Fort Collins to Be a Blighted Area and Appropriate for Inclusion in an Urban Renewal Plan.*
- B. *Resolution 2011-081 Making Findings and Approving the Urban Renewal Plan for the Midtown Area and Establishing a Tax Increment Financing District for Prospect South.*

September 6, 2011

Resolution 2011-080 will adopt the Midtown Existing Conditions Survey and determine the Midtown area is blighted. Resolution 2011-081 will formally adopt the Midtown Urban Renewal Plan (URP) and establish the area referred to as Prospect South as the first tax increment financing (TIF) district. Staff has completed the necessary steps to bring forward the URP. On June 16, 2011, the Planning and Zoning Board made a recommendation that the Midtown URP conforms to the policies and principles of City Plan. Larimer County has reviewed the Midtown URP and the Impact Report for the Prospect South TIF District with staff and resolution was reached about the concerns the County expressed about the Midtown Urban Renewal Plan.

BACKGROUND / DISCUSSION

In 1982, Council created an Urban Renewal Authority (URA) and designated itself as the governing board (known as the “Authority”). The boundaries of the URA are the municipal limits. The Fort Collins URA was created to prevent and eliminate conditions in the community related to certain “blight factors,” as defined in the State’s Urban Renewal Law. State statutes allow the URA broad powers to carry out its statutory mandate, including powers to enter into contracts, borrow funds, and acquire property voluntarily or by eminent domain, among others. Urban renewal projects may be financed in a variety of ways. URAs are authorized to issue bonds and accept grants from public or private sources. The principal method of financing urban renewal projects is through obligations secured by property tax or sales tax increments from the project area, or “tax increment financing” (TIF). The Authority exercises its powers by planning and carrying out urban renewal plans in urban renewal areas.

Midtown, the South College Avenue commercial corridor running from Prospect Road to just south of Harmony Road, has been in decline as a prominent regional destination for retail uses. Increased regional competition, aging and outmoded space, and the impact of the national recession have contributed to approximately 650,000 square feet of vacant space.

In 2009, Council recognized that Midtown deserved and required an immediate assessment of its economic outlook and community aspirations for its future, and directed staff to initiate the Midtown Redevelopment Study. This process occurred from late October 2009 to May 2010, during which the consultant team worked with the City, stakeholders, and the public to assess Midtown issues, make recommendations for its future, and outline next steps for action. The recommended actions to help achieve the redevelopment envisioned by the Midtown Redevelopment Study include additional design and planning efforts, financial feasibility analysis and further refinement of public financing options.

Action A1 of the study’s implementation strategy directs the City to “Implement other Midtown Corridor Redevelopment Opportunities...Prepare an existing conditions report for the Midtown Study area (excluding Prospect South and Foothills Mall areas previously addressed).”

In February, 2011, as a result of the recommended action item, City Council adopted Resolution 2011-008 authorizing and directing staff to prepare an Urban Renewal Plan and Existing Conditions Survey for the Midtown Area. From the perspective of the URA, there are essentially four steps in the redevelopment process:

September 6, 2011

1. Complete an Existing Conditions Survey
2. Create an Urban Renewal Plan
3. Enable TIF
4. Participate in revitalization and improvements

Staff initiated the Midtown Existing Conditions Survey (Survey) upon adoption of Resolution 2011-008, and completed the effort in April 2011. The purpose of the Survey was to determine whether Midtown constituted a blighted area within the meaning of Colorado Urban Renewal Law. The Survey area boundary began just north of Whole Foods shopping center continuing down the commercial corridor along College Avenue until Fairway Lane, just south of Harmony Road. This boundary is consistent with the Midtown Redevelopment Study, including Prospect South and Foothills Mall.

In order to declare an area blighted, at least four of eleven physical, environmental, or social factors must be present, including:

1. **Slum, deteriorated, or deteriorating structures**
2. **Predominance of defective or inadequate street layout**
3. **Faulty lot layout in relation to size, adequacy, accessibility, or usefulness**
4. **Unsanitary or unsafe conditions**
5. **Deterioration of site or other improvements**
6. **Unusual topography or inadequate public improvements or utilities**
7. Defective or unusual conditions of title rendering the title non-marketable
8. The existence of conditions that endanger life or property by fire and other causes
9. Buildings that are unsafe or unhealthy for persons to live or work in
10. Environmental contamination of buildings or property
11. **The existence of health, safety, or welfare factors requiring high levels of municipal services or substantial physical underutilization or vacancy of sites, building, or other improvements**

As the Survey showed, seven factors were found in the area (shown in bold above).

In addition to the Midtown Existing Conditions Survey field work, both the Prospect South (2008) and Foothills Mall (2007) Existing Conditions Surveys were updated in 2011 to ensure the findings remain consistent with the original document, and to identify unfavorable conditions that have occurred since the documents were finalized.

The major purpose of establishing a Midtown Urban Renewal Plan (Midtown URP) is to permit the utilization of tax increment financing (TIF) in redevelopment projects that would in return eliminate or prevent conditions of blight in and around the Urban Renewal Plan Area (Plan Area). TIF is a tool that is commonly used throughout Colorado for a variety of redevelopment and economic development these purposes. TIF has also proven to be an effective tool in the North College Urban Renewal Plan (North College URP) area to overcome significant public improvement costs and to make their retail projects more competitive in the region and state. Given the lack of economic tools at the City's disposal and the proven effectiveness of TIF, staff believes that utilizing TIF is the most effective tool to help keep the targeted redevelopment areas competitive with other communities

September 6, 2011

along the Front Range. An advantage to using TIF is that public assistance toward the development is driven by enhancements to the assessed valuation of the property and is funded through property tax revenues versus sales tax revenues. The temporary diversion of property tax revenues for 25 years benefits all the affected taxing entities at the end of the Plan Area's life cycle, ultimately increasing the collection of revenues for all entities because of the actions of the URA, without raising new taxes.

At Council's direction, staff has prepared the Midtown URP. Rather than take a holistic approach and activate TIF for the entire Plan Area at once, thus triggering the 25-year clock corridor-wide, staff recommends a more strategic approach commonly used in other Urban Renewal Authorities in Colorado. The Plan states that within the Plan Area, separate TIF Districts could be created based on necessity and qualified projects. The Plan proposes Prospect South, the area along College Avenue from Prospect Road to parcels just north of Whole Foods to be the first TIF District within the Midtown URP. This allows the URA Board to be more intentional with the use of TIF and approve projects that are indeed qualified without jeopardizing the TIF timeline all at once (i.e., North College URP).

Before City Council can officially approve the URP, state law requires Council to formally submit the URP to the Planning and Zoning Board for its review and recommendation as to the URP's conformity with City Plan. In addition, Urban Renewal Law 31-25-107 (3.5)(a) requires the City to submit the proposed URP to the Larimer County Board of Commissioners as well as an impact report estimation about the time, increment created and impact to County resources, within 30 days of the final hearing to approve the URP. Although not a requirement of Urban Renewal Law, the City also committed to submitting the URP to the other affected taxing entities (i.e., Poudre School District, Poudre Fire Authority, Library District).

On May 17, 2011, City Council adopted Resolution 2011-045 to formally submit the Midtown Urban Renewal Plan to the Planning and Zoning Board, the Poudre School District Board of Education, and the Larimer County Board of Commissioners for their review and, with respect to the Planning and Zoning Board a written recommendation as to its conformity with City Plan.

Upon adoption of Resolution 2011-045, Larimer County received the URP and impact report and initially provided some concerns. Staff met with County officials and provided resolution to these concerns. The County verbalized support for Midtown URP and the concept of creating TIF districts.

The remaining affected taxing entities that received and reviewed the URP provided no additional comments or concerns to staff.

FINANCIAL / ECONOMIC IMPACTS

By adopting Resolution 2011-081, the Urban Renewal Authority is enabled to use the powers within its authority, as identified in the Urban Renewal Plan, to provide assistance to eligible projects that will aid in the elimination of blighted conditions within the Midtown commercial corridor. By adopting the Resolution and approving the Plan, Prospect South is established as Midtown's first tax increment financing (TIF) District, thus allowing the Urban Renewal Authority to collect

September 6, 2011

property tax TIF based on the redevelopment activity that occurs over the statutory 25-year lifetime of the District.

The timing for the creation of this plan area is intentional. Staff has been in negotiations with a major catalytic student housing project over the past year. This project will be located in the Prospect South TIF district and generate over \$8 million in property tax increment over the dedicated 25 years. This project has already spurred interest in Prospect South and staff is aware of at least four potential projects in close proximity to the student housing project that will be constructed in the next year as a result of this catalyst. Prospect South will be a prominent gateway for Midtown and the southern entrance to Colorado State University (CSU) generating more tax increment for area-wide improvements than a single project could provide; in excess of the predicted \$8 million.

ENVIRONMENTAL IMPACTS

Adopting Resolution 2011-081 will not have any direct environmental impacts. Potential redevelopment projects resulting from this Resolution that request TIF assistance from the Urban Renewal Authority will be subject to the pending 2011 revised URA Policies and Procedures. The Policies and Procedures will require that projects adhere to the recently adopted Green Building Code and prepare a Construction/Deconstruction Waste Management Plan, among other sustainable practices. Preference will be given to projects that go above and beyond Code minimums to ensure that TIF assistance is reserved for high quality, sustainable redevelopment. “

Christina Vincent, Urban Renewal Authority Redevelopment Program Administrator, stated this 9-month process has involved many public outreach meetings. Resolution 2011-080, would adopt the existing conditions survey and declare the area blighted. Resolution 2011-081 would adopt the plan itself and create the first TIF district.

Megan Bolin, City Planner, discussed the proposed Midtown Urban Renewal Plan area. She discussed the seven blight factors present in the area and the various abilities of the Urban Renewal Authority.

Vincent clarified that Council's action will establish the Urban Renewal Plan area on behalf of the URA Board, which cannot establish its own plan area. The URA Board considered actions that are a result of projects or decisions that relate to the established plan areas.

Ray Martinez, 4121 Stoneridge Court, South Fort Collins Business Association Board of Directors, lauded the public process and staff's work on the item and supported adoption of the Resolutions.

Nancy York, 130 South Whitcomb, opposed the use of TIF assistance for the Midtown area.

David Everitt, 2413 Brookwood Drive, supported the Resolutions.

Spiro Palmer, 4323 Shoreline Drive, supported the Resolutions.

September 6, 2011

Gina Janett, 730 West Oak Street, noted South College Avenue has a great deal of private redevelopment occurring, including the Mason Street Corridor, and questioned whether or not this plan is needed.

Jay Girard, Fort Collins New Car Automobile Dealers Association President, supported the Resolutions.

Bill See, 819 Strachan, supported the Resolutions.

Glen Colton, 625 Hinsdale Drive, opposed the Resolutions and provided handouts to Council.

Ann Malone, 1220 East Stuart, opposed the Resolutions.

Les Kaplan, 140 Palmer Drive, supported the Resolutions.

Eric Sutherland, 3520 Golden Curreant, asked how TIF is awarded to projects and how the tax increment that is diverted from other entities is calculated.

Allen Ginsborg, College and Horsetooth shopping center owner, supported the Resolutions.

Jim Palmer, South Fort Collins Business Association President, supported the Resolutions.

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

Councilmember Manvel asked if it is possible for Council to amend the Urban Renewal Plan given that it has received County approval as is. Daggett replied the statute requires that a substantial modification would need to go through the review process.

Councilmember Manvel asked about the timetable to date in regard to the 120 days mentioned in Resolution 2011-081. Vincent replied the 120 days began on May 17, 2011, when the plan was referred to the existing taxing entities and the Planning and Zoning Board.

Councilmember Manvel expressed concern the Capstone project may not be approved by the URA Board and asked about ramifications of approval of the Urban Renewal Plan. Vincent replied staff would recommend stopping the tax increment financing clock until the proper catalytic project is presented.

Councilmember Manvel asked if it would be possible to place a contingency clause on the TIF district approval to begin if and when a project is approved. Daggett replied she would investigate the option.

Councilmember Poppaw asked why the City is not encouraging development to occur on its own as the Mason Corridor comes on line. Vincent replied the Midtown area is larger than just the Mason Corridor and the investment in rapid transit alone cannot spur the development needed for

September 6, 2011

Midtown. City Manager Atteberry replied the Mason Corridor is a major asset to the Capstone project.

Councilmember Poppaw asked how much money schools will lose given the fact that the State does not have the money to backfill the losses. Vincent replied she would investigate the answer.

Councilmember Poppaw asked about the model for the North College Citizens Advisory Group (CAG). Vincent replied an ad hoc committee of City Councilmembers formed in 2006. That committee formed a partnership with the North College Avenue Business Association to create a citizens advisory group. The members are appointed by the North College Avenue Business Association Executive Board. This proposed URA Board is not set up for that structure.

Councilmember Poppaw asked if there are any members in the North College Citizens Advisory Group that do not have a financial interest in North College. Vincent replied one member is a past employee of CSU and represents housing interests. Councilmember Manvel and Planning and Zoning Boardmember Bridgette Schmidt sit on the Board as does Bob Brown, the Greenbriar Homeowners Association president.

Councilmember Poppaw asked how many members are on the CAG. Vincent replied there are eleven members and nine voting members. Bridgette Schmidt and Councilmember Manvel do not vote.

Councilmember Troxell asked for the definition of a TIF. Vincent replied a TIF is the increment above the current base as a result of development occurring. The taxing entities continue to receive the base as well as an inflation rate every other year. The amount on top of the base, resulting from development, is captured by the Urban Renewal Authority to be put back into infrastructure projects. At the end of the time period, up to 25 years, the taxing entities receive the swell of funding resulting from the public – private partnership.

Councilmember Troxell asked how a project qualifies for TIF. Vincent replied extensive policies adopted by the URA Board guide applicants through the process. Applicants must submit to a financial pro forma review and a review of the URA goals and objectives.

Councilmember Troxell made a motion, seconded by Councilmember Horak, to adopt Resolution 2011-080.

Councilmember Manvel expressed concern regarding the extent of the area but noted there are many examples of deterioration. He stated he would support the Resolution but noted not all projects will be entitled to tax increment financing.

Councilmember Troxell agreed with Councilmember Manvel.

Councilmember Poppaw stated she would support the motion and agreed Council should be selective with the projects it selects to receive TIF.

September 6, 2011

Mayor Pro Tem Ohlson agreed TIF should be used selectively.

Mayor Weitkunat stated she would support the motion as it will aid in advancing the community.

The vote on the motion was as follows: Yeas: Weitkunat, Manvel, Ohlson, Poppaw, Horak and Troxell. Nays: none.

THE MOTION CARRIED.

Councilmember Troxell made a motion, seconded by Councilmember Manvel, to adopt Resolution 2011-081.

Mayor Pro Tem Ohlson asked if URA statutes differ from the DDA, from which the taxing entities did not receive the swell of money at the closure of the term. Vincent replied the legislation returns the money to the taxing entities once the plan area has ended, in no more than 25 years.

Councilmember Horak discussed the evolution of the URA.

Mayor Pro Tem Ohlson asked how many projects have unsuccessfully applied for URA assistance. Vincent replied seven potential projects have not been recommended for approval, and that number does not include a few projects along the I-25 corridor.

The vote on the motion was as follows: Yeas: Weitkunat, Manvel, Ohlson, Poppaw, Horak and Troxell. Nays: none.

THE MOTION CARRIED.

Resolution 2011-082
Clarifying the Basis for the Setting of Development
Review and Building Permit Fees, Adopted

The following is staff's memorandum for this item.

“EXECUTIVE SUMMARY

At the June 14, 2011, Work Session, Council discussed a proposed change to the City's cost recovery philosophy for Building Permit and Plan Check Fees and an increase to these fees. Council directed staff to conduct outreach to affected boards and interests, and bring the issue back to Council for formal consideration. This proposal is consistent with the City's practice of ensuring that new development pays for the development related service costs. It represents a change of philosophy to move from a goal of collecting 80% of the cost of the entire Development Review Center through fees, toward recovering 100% of the cost of Fee-Related Services through Building Permit and Plan Check Fees. This approach would result in an increase of 0.5% to 6.5% in Building Permit and Plan Check fees, and yield an additional \$714,098 in fee revenue to support the Development Review Center. Fee increases would be implemented January 1, 2012.

BACKGROUND / DISCUSSION

For many years, the City had a Land Use Code policy to recover 80% of the costs of development through the collection of fees on development. Though this official policy was eliminated in the adoption of a more recent Land Use Code, the organization has continued to operate with the expectation that it should recover a similar percentage of these development-related costs. In 2008, staff examined its cost recovery performance and found that less than half of the costs of the Development Review Center were recovered through fees. A combination of a lower number of permits and development applications and a number of years without fee increases led to a lower cost recovery. Adjustments to Building Permit and Plan Check fees were discussed with the Council Finance Committee at that time, but staff received direction to postpone any increases until the economic situation in the community improved. Staff returned to City Council with a new proposal for consideration by the Finance Committee and the City Council at a work session and received direction to continue to develop a proposal and seek community input.

Proposal:

Staff has developed a proposal for Council's consideration which would increase the Building Permit and Plan Check fees to reflect the current costs associated with providing these services, and at the same time, update the philosophical underpinnings of the City's method for calculating fees. In the past, Council had expressed a desire to recover 80% of the Development Review Center's costs through fees, with 20% of the costs being attributed to community good. Since the fee formula has not been updated for many years, and the City has experienced less construction activity in recent years, current cost recovery is approximately 60% of the Development Review Center's costs.

The Resolution, if adopted, clarifies that the City Manager is authorized to set a fee based on the costs of providing development and building permit review services, pursuant to City Code Section 7.5-2. The result would be that the City Manager will implement a fee for these services designed to recover 100% of the fee-related services (with some exceptions for items such as water heaters) through the City's Building Permit and Plan Check Fees. To determine the cost recovery goal, expenses of the Development Review Center have been divided between fee-related services and non-fee related services. Fee-related services are those which are directly tied to new development or construction. Non-fee related services represent those activities of the department which are not suitable for being funded through fees, either logistically or as a matter of public purpose. The cost breakdown of services allocated to the Fee-related services category include the following:

2011 Fee Study: Recoverable Costs

<i>Services</i>	<i>% Costs Recovered</i>	<i>Services</i>	<i>% Costs Recovered</i>
<i>Current Planning</i>	<i>20%</i>	<i>Water Development Review</i>	<i>100%</i>
<i>Zoning</i>	<i>50%</i>	<i>Wastewater Development Review</i>	<i>100%</i>
<i>Customer and Administration</i>	<i>90%</i>	<i>Stormwater Development Review</i>	<i>100%</i>
<i>Building Inspection</i>	<i>75%</i>	<i>Historic Preservation</i>	<i>50%</i>
<i>Plan Review</i>	<i>90%</i>	<i>Green Building Enforcement</i>	<i>100%</i>
<i>Construction Inspection</i>	<i>100%</i>	<i>Community Development Neighborhood Services (CDNS) Hourly Staff</i>	<i>100%</i>
<i>Engineering Survey Development Review</i>	<i>100%</i>	<i>Management Information Services (MIS) – Development Tracking System/Licensing</i>	<i>100%</i>
<i>Engineering Development Review</i>	<i>35%</i>	<i>MIS – Development Review</i>	<i>100%</i>
<i>Traffic Development Review</i>	<i>100%</i>	<i>Geographic Information Services (GIS)</i>	<i>100%</i>
<i>Light and Power Development Review</i>	<i>100%</i>	<i>Development Review Laptop Replacement</i>	<i>100%</i>

Within the Development Review Center (DRC), activities which link directly to development include such services as plan checking, proposal submission and review, issuing building permits, inspections, among others. Non-fee related services might include such things as Conceptual Review, zoning questions not related to a specific project, special projects, Service Area Requests, work for other organizations (reviewing a plan for Larimer County, Poudre School District, etc.)

An analysis of the cost breakdown between fee-related services and non-fee related services found that 70% of DRC expenses result from fee-related services and 30% from non-fee related services. This breakdown is further illustrated in Attachment 1, 2011 Fee Study—Building Permit and Plan Check Fees, Figure 1.

In order to reach the goal of recovering 100% of the costs of fee-related services, the City is currently approximately \$700,000 short of covering fee-related services with fee revenue. In the

September 6, 2011

current budget, that funding comes from the General Fund and reserves, but adjusting fees would result in a 100% cost recovery fee schedule for 2012.

Attachment 1, the 2011 Fee Study, Building Permit and Plan Check Fee proposal, provides additional detail about the proposed approach to setting fees, the City's relative position in the local construction market (before and after implementation of the proposal), and the impact of the fee change on a variety of types of building permits and valuations.

Attachment 2 includes the City's current and proposed Plan Review and Building Permit Fee Schedules.

FINANCIAL / ECONOMIC IMPACTS

This fee increase will apply to all building permits, including both new construction and remodel/renovation projects. The impact on permit holders will be between 0.5% and 6.5%, depending on the valuation of the project receiving the permit. The fee increase will result in approximately \$715,000 in new fee revenue to support the City's Development Review Center."

Ann Turnquist, Policy and Project Manager, stated the City charges building permit and plan check fees based on a formula which has not changed since 1982. The fees are driven by valuations. The previous goal was to recoup 80% of the cost of the Development Review Center through these fees. It was discovered that amount recouped was actually only about 50%. The proposal is to have a goal to recoup 100% of fee-related services and acknowledged the remaining costs are not easily or appropriately recovered through fees. The Resolution acknowledges that the City Manager has the authority to set administrative fees and endorses the methodology used to calculate the proposed fees.

Eric Sutherland, 3520 Golden Currant, questioned the wisdom of placing all of the funding for the Development Review process on the developers.

Clint Skutchan, Fort Collins Board of Realtors, offered tentative support for the Resolution. He suggested the possibility of a third party service provider and expressed concern regarding possible additional fee increases and the outreach provided to the development community. He suggested phasing in fee increases.

David Everitt, 2413 Brookwood Drive, stated cost recovery is not necessarily justifiable as costs may either be below or above what is appropriate.

Jim Palmer, South Fort Collins Business Association, expressed concern his Association was not part of the discussion regarding these changes.

Councilmember Troxell asked how it can be argued that processes are being improved and made more efficient in light of the cost recovery approach.

September 6, 2011

Steve Dush, Community Development and Neighborhood Services Director, replied the question of efficiency has been addressed in the Budgeting for Outcomes process as the Development Review Center lost 7.2 full time positions. The proposed fees are lower than the industry standard.

Councilmember Troxell asked about the possibility of additional fee changes in the future. Turnquist replied Council requested a review of building review and plan check fees as well as capital expansion fees. The capital expansion fees will be explored as the next piece.

Councilmember Troxell asked if a downturn in development would result in City staffing shortfalls. Turnquist replied there would be a direct tie between the number of building permits issued and staffing levels.

Councilmember Troxell asked if the Development Review Center has specified levels of service against which it can monitor and gauge its performance. Dush replied in the affirmative and stated Mike Gebo, Chief Building Official, prepares reports as to the number of days it takes for permits to be completed. Process gaps are analyzed in weekly staff meetings.

City Manager Atteberry stated standards can be maintained while improving processes. Council has approved the ability to use outside services for plan review, should it be needed.

Mayor Pro Tem Ohlson asked what assurance Council has that this item will be evaluated in no longer than two years. Turnquist replied this change ties the process to the Budgeting for Outcomes process.

Mayor Pro Tem Ohlson noted increases in these fees have been delayed for years and were once slated to be drastically higher than they are currently proposed.

Mayor Weitkumat asked about potential payment flexibility and timing. Dush confirmed certain non-refundable fees are collected at the beginning of the development review process. The proposed methodology applies to the permit review and plan check fees only.

Mayor Weitkumat asked about potentially phasing in the fees. Turnquist replied it is possible to phase in the fees over a two-year period as the Development Review Center is funded at its current Budgeting for Outcomes offer.

Councilmember Manvel asked about the financial goal. Turnquist replied the fees are slated to fill a \$714,000 gap; phasing would result in half of that being filled in 2012 and half in 2013.

Councilmember Troxell asked about the use of sales or use taxes as opposed to development fees. Mike Gebo, Chief Building Official, stated valuations could be used to collect sales tax. It would be possible to place more audits on single-family projects.

Mayor Pro Tem Ohlson expressed concern Fort Collins may be one of the last communities to adopt 2011 changes to the square foot fee table. Gebo replied the 2011 version increases a permit fee for

September 6, 2011

a typical single-family home over 20% and the City is using a fee table in the middle range of other jurisdictions.

Mayor Pro Tem Ohlson stated the City should be adopting the latest Codes on a quicker basis.

Councilmember Manvel made a motion, seconded by Mayor Pro Tem Ohlson, to adopt Resolution 2011-082 for implementation on January 1, 2012.

Mayor Weitkunat suggested a friendly amendment to phase in the fee increases over two years given the current economic situation and other potential fee increases.

Councilmember Manvel did not support phasing given that the fee gap will be covered by all City taxpayers if not by these fee increases.

Mayor Pro Tem Ohlson did not support phasing given the small amount of fee increases.

Councilmember Troxell stated he would not support the motion without the inclusion of phasing.

Councilmember Horak stated he would like metrics regarding the building review timeline and citizen satisfaction at the next Budgeting for Outcomes process. He suggested, rather than phasing, the new fees could begin in 2013.

The vote on the motion was as follows: Yeas: Manvel, Ohlson, Poppaw and Horak. Nays: Weitkunat and Troxell.

THE MOTION CARRIED.

Extension of the Meeting

Councilmember Manvel made a motion, seconded by Councilmember Horak, to extend the meeting past 10:30 p.m. Yeas: Weitkunat, Manvel, Ohlson, Horak and Troxell. Nays: Poppaw.

THE MOTION CARRIED.

(**Secretary's note: Councilmember Poppaw left at this point in the meeting.)

Resolution 2011-083 Replacing the City's Appointed Director on the Platte River Power Authority Board of Directors, Adopted

The following is staff's memorandum for this item.

September 6, 2011

“EXECUTIVE SUMMARY

Platte River Power Authority (PRPA) was established by the cities of Fort Collins, Loveland, Longmont and Estes Park to be their wholesale power provider. The contract establishing PRPA requires each municipality to have two members on the board of directors of PRPA. One is the mayor, and the other is appointed by City Council.

This Resolution replaces the Utilities Executive Director with a member of the City Council.

BACKGROUND / DISCUSSION

Platte River Power Authority (PRPA) was established by the cities of Fort Collins, Loveland, Longmont and Estes Park to be their wholesale power provider. The contract establishing PRPA requires each municipality to have two members on the board of directors of PRPA. One is the Mayor, and the other is appointed by City Council.

Historically, the Council-appointed Board member has been the Director of Utilities. The Director of Utilities reports to and receives direction from the City Manager. As the policy making body for the City, City Council believes that its appointed member of the Board should be a member of the City Council.

This Resolution removes the Utilities Executive Director, Brian Janonis, and fills that vacancy with a member of the City Council.”

City Manager Atteberry stated this Resolution would remove Brian Janonis, Utilities Executive Director, from the PRPA Board and fill that vacancy with a member of City Council.

Eric Sutherland, 3520 Golden Currant, encouraged the City to work with its PRPA partners.

Mayor Pro Tem Ohlson made a motion, seconded by Councilmember Manvel, to adopt Resolution 2011-083 placing Councilmember Horak on the PRPA Board.

Councilmember Horak discussed his qualifications for the position.

Mayor Pro Tem Ohlson stated Councilmember Horak is extremely qualified to fill the position.

Councilmember Manvel stated Councilmember Horak, along with Mayor Weitkumat, will now have the ability to bring policy direction to the Board.

The vote on the motion was as follows: Yeas: Weitkumat, Manvel, Ohlson, Horak and Troxell.
Nays: none.

THE MOTION CARRIED.

Ordinance No. 111, 2011
Appropriating Prior Year Reserves and Unanticipated
Revenue in Various City Funds, Adopted on First Reading

The following is staff’s memorandum for this item.

“EXECUTIVE SUMMARY

Following is a list of funds that make up the increase in appropriations:

<i>General Fund</i>	
<i>Unanticipated Revenue</i>	\$ 630,881
<i>Prior Year Reserves</i>	
<i>Traffic Surcharge Reserve</i>	\$ 93,696
<i>Camera Radar Reserve</i>	\$ 274,485
<i>Other Reserves</i>	\$ 213,807
<i>Capital Projects Fund</i>	\$ 355,000
<i>Cultural Services and Facilities Fund</i>	\$ 53,768
<i>Neighborhood Parkland Fund</i>	\$ 167,797
<i>Recreation Fund</i>	\$ 151,901
<i>Sales & Use Tax Fund</i>	\$ 502,526
<i>Transit Services Fund</i>	\$1,445,784
<i>Transportation Services Fund</i>	\$ 36,500

The purpose of this annual “clean-up” Ordinance is to combine dedicated revenues or reserves that need to be appropriated before the end of the year to cover the related expenses that were not anticipated and, therefore, not included in the 2011 budget. The unanticipated revenue is primarily from fees, charges, rents, contributions and grants that have been paid to City departments to offset specific expenses. Prior year reserves are primarily being appropriated for unanticipated operation expenses from reserves that are set aside for that purpose.

This Ordinance appropriates prior year reserves and unanticipated revenue in various City funds. The City Charter permits the City Council to provide by ordinance for payment of any expense from prior year reserves. The Charter also permits the City Council to appropriate unanticipated revenue received as a result of rate or fee increases or new revenue sources.

If these appropriations are not approved, the City will have to reduce expenditures even though revenue and reimbursements have been received to cover those expenditures.

BACKGROUND / DISCUSSION

A. GENERAL FUND

1. *Fort Collins Police Services (“FCPS”) has received revenue from various sources which needs to be appropriated to cover the related expenditures. A listing of these items follows:*

September 6, 2011

- a. *\$34,500 - Chemical Test Fees and Driving Without Insurance Penalty Assessments - Pursuant to C.R.S. 16-11-501(2)(j), the costs of chemical tests (blood/breath tests) shall be reimbursed by the defendant to the law enforcement agency which administered and paid for the test. The driving without insurance law provides revenue to the law enforcement agency issuing the citation. It is projected that by the end of 2011, \$34,500 will have been collected by the courts and passed on to FCPS under these provisions. This revenue is used to directly offset the actual cost of testing for Driving Under the Influence and Driving Under the Influence of Drugs.*
- b. *\$3,800 - Training Revenue - In 2011, FCPS sponsored various classes which other agencies paid tuition to attend. The training events were sponsored by the SWAT Team. The revenue from these classes is used to offset the cost of supplies and to fund other SWAT related supply costs.*
- c. *\$4,200 - Community Workshop Fees - FCPS conducts community education workshops for Municipal Violation and Noise Violation offenders. Attendance is a requirement as part of their sentence. The fee is \$20 per participant. This money is used to offset the overtime incurred by those teaching the course.*
- d. *\$12,390 - Miscellaneous Overtime Reimbursement - In 2011, Police Services billed various outside entities for overtime expenses for the following activities: DEA investigative partnership, Tour De Fat, Brew Fest and the Regional Auto Theft Investigative Unit. The revenue collected directly offsets what was spent.*
- e. *\$38,200 - Police Report and Special Event Permit Fees - Police reports purchased by the public and insurance agencies generate revenue of approximately \$7.50 per report. Special event permits are required if the public wishes to hold an event that will interfere with vehicular or pedestrian traffic or takes place on public property. Special event permits cost \$50 per event. In 2011, approximately \$38,200 will be collected from these fees. The fee revenue is used to subsidize the cost of copy machine rental.*
- f. *\$200 - Community Contributions - In 2011, FCPS received a \$200 donation from a community member for the K-9 program. The money will be used to purchase equipment for the program.*
- g. *\$93,696 - Traffic Surcharge Officer - In 2010, authorization was received to hire an additional police officer assigned to the Traffic Unit, to be supported by the Traffic Calming Surcharge. The addition was not part of the 2011 authorized budget. Since inception, the fund has stabilized enough to support a third officer dedicated to traffic enforcement. This appropriation covers the 2011 salary and benefits for the officer.*
- h. *\$97,068 - Downtown Development Authority (DDA) Funded District One Officer - In 2010, the City of Fort Collins entered into an agreement with the DDA for the DDA to provide two years of funding for an additional officer for District One. This appropriation covers the ongoing operating expenses, salary and benefits for 2011.*

September 6, 2011

- i. *\$13,500 – Police Service Seizure Expense - In 2011, Police Services purchased a Lexipol policy management system. The system allows for review of the origin of all policy content, including federal and state laws and law enforcement best practices. This system provides regular policy updates in response to legislative mandates, case law and best practices evolution. Federal rules determine what seizure funds can be used for and the purchase of this system is a permissible use of these funds.*

- j. *\$46,309 – In-Car DUI Officer Camera System - The old DUI car camera system was failing, beyond its useful life and ability to be covered by a maintenance agreement. A new system by the name of “Arbitrator” was purchased in 2011. City of Fort Collins Purchasing Guidelines were followed in the acquisition of this system.*

- k. *\$228,176 – Patrol Car Modification Project - With the replacement of laptops scheduled at the end of the year, modifications need to be made to the patrol cars to accommodate the new laptop. The semi rugged laptop is at the end of its life cycle and the next ruggedized series has a different “footprint”. Docking stations are being installed to improve connectivity to (1) exterior antennas (Wi-Fi hotspots, broadband, GPS signals) (2) power sources (battery, alternator and distribution timers) and (3) interfacing USB devices (cameras, voice recorders, etc.)*

The docking station also provides a locking mechanism for anti-theft and a more sturdy housing than a stand-alone computer mount. Antennas will be added for improved wireless coverage. The vehicles center console will be modified to integrate the docking station and laptop safely and ergonomically instead of installing separate computer mounts. New radio cabling will also be installed in anticipation of mobile radio replacement in 2012 while the console is removed, saving labor costs on that project. In total, 147 vehicles are being equipped. It is estimated these consoles have a useful life of 10+ years.

- l. *\$40,000 – Computer Aided Dispatch (CAD) System Storage Capacity Addition - The aging CAD/RMS (Records Management System) system required a storage upgrade in 2011. This appropriation will cover the cost of replacing the RMS component of the CAD system. This will be funded by the CAD reserve account which was established exclusively to repair/replace CAD components.*

- m. *\$6,000 - Seatbelt Enforcement Grant - In 2011, FCPS received a contract from the State of Colorado Department of Transportation for \$6,000 to be used for seatbelt compliance enforcement.*

- n. *\$6,356 – Driving while Under the Influence (DUI) Enforcement Grant - FCPS received an additional \$6,356 of funding over what was originally appropriated for the 2010 DUI enforcement grant. The grant pays for FCPS officer overtime during multi-agency checkpoints.*

September 6, 2011

- o. \$15,335 – *DUI Enforcement Grant – Fort Collins Police Services (FCPS) received a grant for DUI enforcement in 2011. The grant pays for FCPS officer overtime during multi-agency checkpoints.*
- p. \$6,376 - *Colorado Internet Crimes Against Children Grant - For late 2010 and early 2011 Fort Collins Police was the sub-recipient of \$6,376 in grant funding as part of the Colorado Internet Crimes Against Children (ICAC) Task Force. The Colorado Springs Police Department administered the grant and FCPS received funds to pay for ICAC sponsored community internet safety meetings and case related overtime. The grant also provided funds to purchase computer equipment and to attend out of state training.*
- q. \$13,271 – *Supplemental Grant Awards - Fort Collins Police Services is the administrative agency for the Northern Colorado Drug Task Force (NCDTF). The NCDTF is the recipient of a grant from the Rocky Mountain High Intensity Drug Trafficking Area (HIDTA) program. Occasionally, additional funding is available to help offset the cost of illegal narcotics investigations. Supplemental funding was received for both 2009 (\$7,414) and 2010 (\$5,857) grants.*

<i>FROM: Unanticipated Revenue (Miscellaneous Police)</i>	\$ 93,290
<i>FROM: Unanticipated Revenue (DDA)</i>	\$ 97,068
<i>FROM: Prior Year Reserve (Traffic Surcharge)</i>	\$ 93,696
<i>FROM: Prior Year Reserve (Police Seizure)</i>	\$ 13,500
<i>FROM: Prior Year Reserve (Camera Radar)</i>	\$274,485
<i>FROM: Prior Year Reserve (CAD Replacement)</i>	\$ 40,000
<i>FROM: Unanticipated Revenue (Seatbelt Grant)</i>	\$ 6,000
<i>FROM: Unanticipated Revenue (DUI Enforcement Grant)</i>	\$ 21,691
<i>FROM: Unanticipated Revenue (ICAC Task Force Grant)</i>	\$ 6,376
<i>FROM: Unanticipated Revenue (Drug Task Force Grant)</i>	\$ 13,271
<i>FOR: Police Services</i>	\$612,039
<i>FOR: Seatbelt Grant</i>	\$ 6,000
<i>FOR: DUI Enforcement Grant</i>	\$ 21,691
<i>FOR: ICAC Task Force Grant</i>	\$ 6,376
<i>FOR: Drug Task Force Grant</i>	\$ 13,271

- 2. *The Climate Wise program received a private grant of \$4,000 in 2010 for continuing education, events and outreach to encourage further Climate Wise partner project implementation and to reach new businesses. At the end of 2010, the revenue was closed into the General Fund reserves. The grant period is from July 1, 2010 through June 30, 2011. This grant does not require a local match.*

<i>FROM: Prior Year Reserves (General Fund)</i>	\$4,000
<i>FOR: Climate Wise Program Expenses</i>	\$4,000

3. *The Waste Innovation Program, which generates money from departments' landfill tipping fees, has a current balance of \$105,307. To meet the City's internal sustainability goals, the City Manager established this fund in 2010 to be used for projects that improve various departments' ability to divert trash from landfill disposal. Working with Parks Maintenance, Streets, and Environmental Regulatory Affairs, the Natural Resources Department has developed a proposal to establish a fully permitted, outdoor facility that will be used for composting landscape maintenance trimmings and fall leaves. The \$105,307 in the Waste Innovation Program will be applied to building the new composting facility, which has a projected budget of \$119,500 to complete Phase I (planning) and Phase II (implementation).*

FROM: Prior Year Reserves (General Fund) \$105,307
FOR: Waste Innovation Fund Expenses \$105,307

4. a. *The City Manager and Executive Leadership Team (ELT) considered ways to enhance the efficiency and effectiveness of the City organization. Changes impacting existing service areas were approved in March 2011 and included the following:*
1. *Assistant to the City Manager - This new position is an executive level position intended to support the City Manager in pursuing a world class community and performance excellence. There will be primarily three areas of focus, including Sustainability Coordination, Community Design & Special Projects, and Innovative Culture.*
 2. *Assistant to the City Manager - Employee and Communications Services (Restructured Communications and Public Involvement Director Position)*
 3. *Reclassify the current Public Relations Coordinator to the Communications and Public Involvement Manager*

This item appropriates \$25,000 from General Fund Reserves to cover the costs for this change in 2011.

- b. *On November 10, 2010 the Communications and Public Involvement Office (CPIO) received and deposited a donation from the Johanna A. Favrot Fund to be used towards the 2011 City Works 101 program. At the end of 2010, the revenue was closed into the General Fund reserves. This item appropriates this donation in the amount of \$6,000 for that purpose.*

FROM: Prior Year Reserves (General Fund) \$31,000
FOR: Communications & Public Involvement Office Expenses \$31,000

5. *Forestry has identified several high use public areas where trees need maintenance for safety and tree health reasons. In some cases, maintenance has not been performed in over a decade. This item appropriates \$20,000 from the General Fund - Tree Donations Reserve to be used to contractually prune and remove mature City trees.*

September 6, 2011

FROM: Prior Year Reserves (Tree Donations) \$20,000
FOR: Forestry Expenses \$20,000

6. This request is to appropriate a \$30,000 donation from Poudre Valley Health Systems for the 4th of July celebration in 2011. The donation paid for fireworks and other supplies for the celebration.

FROM: Unanticipated Revenue (Donations) \$30,000
FOR: Parks Expenses \$30,000

7. Operations Services-Facilities has performed construction, maintenance, repairs, alterations, and facilities related services for various City departments on a cost reimbursement basis. This work includes the recent project of repainting the interior of the downtown Civic Center Parking Structure. This item appropriates \$225,000 that has been billed to those various departments to cover the cost of the work performed.

FROM: Unanticipated Revenue (Work for Others) \$225,000
FOR: Facilities Expenses \$225,000

8. The Gardens on Spring Creek has received additional money from events above the original revenue appropriated during the budget process. These revenues will be used to fund hourly, seasonal staff and supplies at The Gardens. In addition, sponsorship dollars were raised to support events. These monies must be spent on those specific events (Harvest Festival, Garden of Lights, etc.).

FROM: Unanticipated Revenue \$50,000
FOR: The Gardens on Spring Creek \$50,000

9. The Gardens on Spring Creek received several grants in 2011 that need to be appropriated. They are as follows: Can Do Grant - \$13,000, Stanley Smith Horticulturist Trust Grant - \$19,350, and Colorado Health Foundation Grant - \$55,835. The Can Do Grant and Colorado Health Foundation Grant fund the Community Garden Outreach Program, which grows food in the Garden of Eatin', coordinates Garden Network meetings for those interested in community gardens and growing food for low income populations, and provides technical assistance to people and organizations that are creating community gardens specifically targeting low income residents. The Stanley Smith Horticulturist Trust Grant provides money for an hourly horticulturist to oversee construction and maintenance of the Rock Garden which opens in September 2011.

FROM: Unanticipated Revenue (Grants) \$88,185
FOR: The Gardens on Spring Creek Grant Expenses \$88,185

B. RECREATION FUND

1. The following items appropriate expenditures from unanticipated revenue and unrestricted reserves for programs in the Recreation Fund.

September 6, 2011

- a. \$24,000 – Recreator - Unanticipated revenue (\$11,000) for advertising sales in the Recreator and prior year Recreation reserves (\$13,000) will be appropriated through this item and used for increased production and distribution costs for the publication. Over the next few months there could be additional unanticipated revenues that offset the need to draw on the Recreation Reserves.
- b. \$17,260 – Northside Aztlan Community Center Rentals - Unanticipated revenue for the Northside Aztlan Rentals will be appropriated through this item and used to cover additional costs of increased rental activity.
- c. \$5,951 – Northside Aztlan Community Center Fitness - Unanticipated revenue in Northside Aztlan Fitness programs will be appropriated through this item and used to cover additional costs of the increased programming demand.
- d. \$35,000 – Trips and Travel Program - Unanticipated revenue in the Senior Center Trips and Travel program will be appropriated through this item and used to cover additional costs of increased programming demand.

FROM: Unanticipated Revenue (Recreation Fund)	\$69,211
FROM: Prior Year Reserves (Recreation Fund)	\$13,000
FOR: Recreation Programs	\$82,211

2. The Recreation Division administers several restricted revenue accounts for various programs. Revenues for these programs include grants, fund-raising events and activities, and sponsorships. The following items appropriate unanticipated restricted revenue and restricted reserves for specific programs.

- a. \$11,000 – Alternative Programs - Prior year reserves in the Alternative Program special revenue account will be appropriated through this item and used for fall programs and contractual staffing.
- b. \$7,000 – Youth Programs - Unanticipated revenue in the Youth Programs special revenue account will be appropriated through this item and used for the Toys for Kids program and fundraising activities.
- c. \$1,000 – Senior Center - Prior year reserves in the Senior Center special revenue account will be appropriated through this item and used for an upgraded sound system and fundraisers.
- d. \$8,855 – Senior Center - Prior year reserves in the Recreation donation special revenue account will be appropriated through this item and used for a fundraising feasibility study and a business plan for the Senior Center addition.
- e. \$2,800 – Youth Sports - Prior year reserves in the Youth Sports special revenue account will be appropriated through this item and used to purchase youth sports equipment.

September 6, 2011

- f. \$17,500 – Club Tico - Unanticipated revenue (\$16,000) and prior year reserves (\$1,500) in the Club Tico special revenue account will be appropriated through this item and used for the architectural designs of phase two of the Club Tico renovation.
- g. \$4,535 – Active Kids - Prior year reserves in the Active Kids special revenue account will be appropriated through this item and used to support youth physical activities.
- h. \$17,000 – Youth Football - Unanticipated revenues (\$12,125) and prior year reserves (\$4,875) in the Youth Football special revenue account will be appropriated through this item and used to support youth football programs.

FROM: Unanticipated Revenue (Recreation Fund)	\$35,125
FROM: Prior Year Reserves (Recreation Fund)	\$34,565
FOR: Recreation Programs	\$69,690

C. TRANSIT SERVICES FUND

- 1. Federal Transit Authority (FTA) Section 5309 State of Good Repair Funding - The City of Fort Collins is the recipient of \$1,200,000 in unanticipated 2010 FTA Section 5309 "State of Good Repair" funding. The funding was awarded to the City to replace three heavy-duty, diesel transit buses that have exceeded their useful life. Transfort intends to purchase two 35 foot alternative fuel (compressed natural gas) heavy-duty transit buses and one 60 foot alternative fuel (compressed natural gas) articulated transit bus with the grant funding. Federal funding has been awarded at an 83%/17% match rate and the local match in the amount of \$245,784 is requested from the Transit Fund prior year reserves.

FROM: Unanticipated Revenue (FTA Section 5309 Funding)	\$1,200,000
FROM: Prior Year Reserves (Transit Services Fund)	\$245,784
FOR: Replacement Buses	\$1,445,784

D. TRANSPORTATION SERVICES FUND

- 1. Fort Collins FCBikes Program - This item appropriates unanticipated revenue for the 2011 FCBikes program. The Orthopedic Center of the Rockies contributed \$500 for the 2011 Bike Week events. These funds will be applied to program expenditures.

FROM: Unanticipated Revenue	\$500
FOR: FCBikes Program Expenses	\$500

- 2. Staff is requesting that the 2011 budgeted appropriation for expenses related to Senior Alternatives in Transportation (SAINT) services be transferred from the Transit Fund to the Transportation Fund. Historically, through the Transfort budget, the City of Fort Collins has contributed annual funding to SAINT for the operation of a volunteer demand-response transportation program for people 60 years old and older and people with disabilities. This low-cost type of transportation eases the demand for more costly Dial-A-Ride services provided by the City. A recent Federal Transit Administration procurement review

September 6, 2011

identified the need to use time consuming and expensive FTA procurement processes if the City continues to make this \$36,000 appropriation through the Transfort budget. These requirements are not necessary if the appropriation is from another fund. As the current 2011 Transfort budget contains \$36,000 to be paid to SAINT, staff is requesting that this appropriation be transferred to the Transportation Fund to pay to SAINT. This issue will be addressed as part of the 2013-2014 Budget process to eliminate the future need for a fund transfer. This item appropriates the \$36,000 in the Transportation Fund.

FROM: Unanticipated Revenue (Transfer from Transit) \$36,000
FOR: Transportation Services Fund-SAINTE Expenses \$36,000

E. NEIGHBORHOOD PARKLAND FUND

1. Trail Connection from Provincetown Development to Carpenter Road - The developer of Provincetown 3rd filing was required to provide funding for the trail connection from the development to Carpenter Road for access to Thompson Elementary School on the south side of the road. Construction of an 8-foot wide concrete trail will be installed in 2011. The funds will be used for the construction of the trail in conjunction with Waters Way Neighborhood Park.

FROM: Unanticipated Revenue \$167,797
FOR: Trail Development \$167,797

F. CAPITAL PROJECTS FUND

1. Transfort is requesting that revenue and appropriations in the amount of \$350,000, be transferred from the Building on Basics (BOB) Transit Services Fund account to the Mason Express (MAX) vehicles project in the Capital Projects Fund. BOB funding was awarded to Transfort to serve as local match for the replacement of transit vehicles. The funds will serve as a portion of the local match for MAX buses, which will replace older buses. This transfer is requested to appropriately identify the funds that will be used to meet the local match requirements for MAX transit vehicle procurement - in the Mason Corridor Capital Project in the Capital Projects Fund.

FROM: Unanticipated Revenue \$350,000
FOR: Mason Corridor Project \$350,000

2. The Fidelity Charitable Gift Fund provided a \$5,000 contribution from an anonymous donor for bike lane/path improvements on Trilby Road from the railroad to Timberline Road. Currently the additional funds needed for these improvements have not been identified. This appropriates the contribution into the BOB funded Bike Plan project to be held until the bike improvements project can move forward.

FROM: Unanticipated Revenue \$5,000
FOR: BOB – Bike Plan Implementation Project \$5,000

G. CULTURAL SERVICES AND FACILITIES FUND

1. *City Council approved legislation in 1995 creating an Art-in-Public Places (APP) Program. The purpose of the program is to encourage and enhance artistic expression and appreciation adding value to the community through acquiring, exhibiting and maintaining public art. The program is funded by setting aside 1% of all eligible City construction projects (including Utility projects) over \$250,000, as defined in the APP guidelines. The APP Program has received unanticipated revenue for specific art projects. The following items describe the revenue source and how the funds are to be used.*

a. *\$3,468 is revenue from the North College Improvement Project in the Capital Projects Fund. These funds will be used for the APP project for North College. This project is currently in the design phase and will be brought to City Council for final review.*

b. *\$9,800 has been received from the Downtown Development Authority (DDA) These funds will be used for administration for the collaborative projects with the Downtown Development Authority. For the DDA Alley Paver Project, APP produced a total of sixty pavers with drawings by local youth, to be installed in three alley projects. The Art in Action Project had an artist working on Old Town Square during the summer months and creating a final piece of artwork for display.*

c. *\$40,500 has been received from the Bohemian Foundation for the “Pianos About Town”, a collaborative project with the Bohemian Foundation and Downtown Development Authority. These funds are the Bohemian Foundation’s contribution to the project. This appropriation funds the overall project, including the tuning, moving, purchase, repairs and artists painting the pianos, as well as a portion of the administration costs. There will be fourteen painted pianos about town at the end of the project.*

FROM: Unanticipated Revenue \$53,768
FOR: Art-in-Public Places projects \$53,768

H. SALES AND USE TAX FUND

1. *The revenue forecast model was updated in July 2011 with data from the first six months of the year. The net sales and use tax revenue increase is projected to be about 2.5% over the budgeted amount. While staff does not recommend appropriating the additional revenue at this time, the appropriations for transfers from the Sales and Use Tax Fund to the Capital Projects Fund for the one quarter cent Building on Basics tax, and to the Natural Areas Fund for the one quarter cent Natural Areas tax need to be increased. Transfers to the General Fund, the Keep Fort Collins Great Fund, and the Transportation Services Fund are not needed because the tax revenues are recorded directly into the appropriate fund and do not flow through the Sales and Use Tax Fund.*

This item appropriates the projected increase of \$217,500 for transfer from the Sales and Use Tax Fund to the Capital Projects fund for the Building on Basics projects and \$217,500

September 6, 2011

from the Sales and Use Tax Fund to the Natural Areas Fund. These dollars will be held in the respective fund reserves for future programs and projects.

<i>FROM: Unanticipated Revenue (Sales Tax)</i>	<i>\$435,000</i>
<i>FOR: Transfer to Capital Projects - Building on Basics</i>	<i>\$217,500</i>
<i>FOR: Transfer to Natural Areas Fund</i>	<i>\$217,500</i>

2. *In accordance with Chapter 25, Article II, Division 5, Manufacturing Equipment Use Tax Rebate, \$67,526 was paid out in March 2011 for the 2009 rebate program. The rebate program was established to encourage investment in new manufacturing equipment by local manufacturing firms. Vendors have until December 31st of the following year to file for the rebate. This item appropriates the use tax funds to cover the payment of the rebates.*

<i>FROM: Prior Year Reserves (Sales & Use Tax Fund)</i>	<i>\$67,526</i>
<i>FOR: Manufacturers Rebate</i>	<i>\$67,526</i>

FINANCIAL / ECONOMIC IMPACTS

This Ordinance increases total City 2011 appropriations by \$3,926,145. Of that amount, this Ordinance increases General Fund 2011 appropriations by \$1,212,869. Funding for the total City appropriations is \$2,593,814 from unanticipated revenue, \$942,863 from prior year reserves, and \$389,468 transferred from other funds.”

Councilmember Manvel made a motion, seconded by Mayor Pro Tem Ohlson, to adopt Ordinance No. 111, 2011, on First Reading.

Councilmember Horak stated he would like this appropriations of this type to go to the Finance Committee and appropriate boards and commissions for review prior to Council. He objected to the process for the selection of Bruce Hendee for the sustainability position.

City Manager Atteberry noted he discussed the appointment and position funding with the sitting Council and the appointment was in response to Council direction to fill this type of need.

The vote on the motion was as follows: Yeas: Weitkumat, Manvel, Ohlson and Troxell. Nays: Horak.

THE MOTION CARRIED.

September 6, 2011

Adjournment

The meeting adjourned at 11:15 p.m.

Mayor

ATTEST:

City Clerk