

CALL TO ORDER Mayor Gutierrez called the regular meeting of the Loveland City Council to order on the above date at 6:30 PM.

PLEDGE OF ALLEGIANCE

ROLL CALL Roll was called and the following responded: Gutierrez, Farley, Kiassen, Trenary, Fogle, McKean, Shaffer, and Clark. Councilor Taylor was absent.

PROCEDURAL INFORMATION

Mayor Gutierrez made the following procedural announcement: Anyone in the audience will be given time to speak to any item on the Consent Agenda. Please ask for that item to be removed from the Consent Agenda. Items pulled will be heard at the beginning of the Regular Agenda. You will be given an opportunity to speak to the item before the Council acts upon it. Public hearings remaining on the Consent Agenda are considered to have been opened and closed, with the information furnished in connection with these items considered as the only evidence presented. Adoption of the items remaining on the Consent Agenda is considered as adoption of the staff recommendation for those items. Anyone making a comment during any portion of tonight's meeting should come forward to a microphone and identify yourself before being recognized by the Mayor. Please do not interrupt other speakers. Side conversations should be moved outside the Council Chambers. Please limit your comments to no more than three minutes.

AGENDA ITEM REMOVED Staff removed Item 20 from the agenda – "Purchase & Sale of the House of Neighborly Service property located at 565 N. Cleveland Avenue, Loveland, Colorado."

CONSENT AGENDA Mayor Gutierrez asked if anyone in the audience, Council or staff wished to remove any of the items or public hearings listed on the Consent Agenda. Councilor Shaffer moved to approve the Consent Agenda. The motion was seconded by Councilor Trenary and a roll call vote was taken with all councilors present voting in favor thereof.

1. CITY CLERK

**Approval of Council Minutes
Motion**

Administrative Action: The minutes from the November 27, 2012 study session were approved.

2. CITY MANAGER

**Appointments to the Community Marketing Commission and Planning Commission
Motion**

Administrative Action: The following appointments were approved: Brad Shannon as a regular member and Ben Price as an alternate member to the Community Marketing Commission both for terms effective until June 30, 2013 and the reappointment of John Crescibene and Carol Dowding and the appointment of Adam Prior to the Planning Commission, each for a full term effective until December 31, 2015.

3. PUBLIC WORKS

**Municipal Code Amendment – Signature Authority for real property leases
Ordinance #5733**

Legislative Action: 'AN ORDINANCE AMENDING THE LOVELAND MUNICIPAL CODE AT CHAPTER 2.24 CONCERNING THE CITY MANAGER, AND CHAPTER 12.48

CONCERNING THE AIRPORT" was approved and ordered published on second reading.

4. DEVELOPMENT SERVICES

"Analysis of Impediments to Fair Housing Choice" Report

Resolution #R-85-2012

Administrative Action: Resolution #R-85-2012 of the City Council of the City of Loveland, Colorado approving an Analysis of Impediments to Fair Housing Choice was approved.

RESOLUTION # R-85-2012

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO, APPROVING AN ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

WHEREAS, the City of Loveland receives federal Community Development Block Grant ("CDBG") funds from the U.S. Department of Housing and Urban Development ("HUD"); and

WHEREAS, HUD requires the City to submit an Analysis of Impediments to Fair Housing Choice every five years as a condition of receiving federal CDBG funds; and

WHEREAS, the City of Loveland contracted with Aibertson Clark Associates to complete an Analysis of Impediments to Fair Housing Choice, a copy of which is on file with the City Clerk ("Analysis of Impediments"); and

WHEREAS, the City Council desires to approve the Analysis of Impediments to Fair Housing Choice, a copy of which is on file with the City Clerk, for submittal to HUD.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That the Analysis of Impediments to Fair Housing Choice, a copy of which is on file with the City Clerk, is hereby approved for submittal to HUD.

Section 2. That this Resolution shall be effective as of the date of its adoption.

Signed this 18th day of December, 2012

Cecil A. Gutierrez, Mayor

Attest: Teresa G. Andrews, City Clerk

5. DEVELOPMENT SERVICES

Transfer of Fee Waiver – Habitat for Humanity

Resolution #R-86-2012

Administrative Action: Resolution #R-86-2012 amending Resolution #R-8-2012 pertaining to fee waivers for construction of eight residences by Loveland Habitat for Humanity was approved.

RESOLUTION #R-86-2012

A RESOLUTION AMENDING RESOLUTION #R-8-2012 PERTAINING TO FEE WAIVERS FOR CONSTRUCTION OF EIGHT RESIDENCES BY LOVELAND HABITAT FOR HUMANITY

WHEREAS, by adopting Resolution #R-8-2012, City Council approved the waiver of certain development fees for construction of eight residences by Loveland Habitat for Humanity ("Habitat"), subject to execution of one or more development agreements pursuant to which Habitat agreed to construct residences for the benefit of low and moderate income Loveland households; and

WHEREAS, Resolution #R-8-2012 identifies eight specific properties upon which the residences are to be built, including one located in Willow Park 2nd Subdivision at 598 East 27th Street (the "27th Street Property") and one located in Wards 3rd Subdivision at 1232 Raven Place (the "Raven Place Property"); and

WHEREAS, pursuant to Resolution #R-8-2012 the City and Habitat entered into a Development Agreement dated March 6, 2012 and recorded on March 9, 2012 at Reception No. 20120015812 in the records of the Larimer County, Colorado Clerk and Recorder pertaining to the 27th Street Property (the "27th Street Property Agreement") and a Development Agreement dated March 6, 2012 and recorded on March 9, 2012 at Reception No. 20120015814 in the records of the Larimer County, Colorado Clerk and Recorder pertaining to the Raven Place Property (the "Raven Place Property Agreement") (the 27th Street Property Agreement and the Raven Place Property Agreement are referred to collectively as the "Development Agreements") and

WHEREAS, Habitat desires to construct two single-family attached residences on the 27th Street Property, subject to such approvals as may be required under the Loveland Municipal Code ("Code"), instead of one single-family residence on the 27th Street Property and one single-family residence on the Raven Place Property; and

WHEREAS, Habitat has requested that the City amend Resolution #R-8-2012 to remove the Raven Place Property from the list of residences for which fee waivers are approved and modify that list to recognize the construction of two single-family attached residences on the 27th Street Property (subject to requirements of the Code), and amend the Development Agreements to conform to such amendments.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. Resolution #R-8-2012 shall be, and is hereby, amended to provide that the "Residences" listed therein for which certain development fees are waived shall exclude the Raven Place Property and include two single-family attached residences on the 27th Street Property (subject to requirements of the Loveland Municipal Code). Accordingly, the definition of the "Residences" set forth therein shall hereafter read as follows:

"WHEREAS, Loveland Habitat for Humanity ("Habitat") has requested that the City waive certain City-imposed development fees, including capital expansion fees, for eight residences that it will construct in 2012 in Loveland, Colorado including 7 single-family residences located in Willow Park 2nd Subdivision at 574, 596-598 (2 attached single-family residences, subject to requirements of the Loveland Municipal Code), 599, 623, 647, and 671 East 27th Street, and 1 residence located in Wards 3rd Subdivision at 1229 2nd Street Southeast (collectively, the "Residences"); and"

Section 2. That the City Manager is hereby authorized to amend the Development Agreements as deemed necessary or appropriate to conform to the foregoing modification of Resolution #8-2012; and

Section 3. That Resolution #R-8-2012, including the total capital expansion, development, and enterprise fees waived therein, shall remain in full force and effect as modified by this Resolution.

Section 4. That this Resolution shall be effective as of the date of its adoption.

ADOPTED this 18th day of December, 2012.

Cecil A. Gutierrez, Mayor

Attest: Teresa G. Andrews, City Clerk

6. CITY MANAGER

2013 SCHEDULED MEETING DATES

Resolution #R-87-2012

Administrative Action: Resolution #R-87-2012 adopting the schedule of the 2013 meeting dates for the Loveland City Council and the City's Boards and Commissions was approved.

RESOLUTION #R-87-2012

A RESOLUTION ADOPTING THE SCHEDULE OF THE 2013 MEETING DATES FOR THE LOVELAND CITY COUNCIL AND THE CITY'S BOARDS AND COMMISSIONS

WHEREAS, City Code Section 2.14.020B. provides that each year at the City Council's last regularly scheduled meeting, the City Council shall establish for the upcoming calendar year, 2013, the regular meeting dates of all boards, committees, commissions, and other policymaking and rulemaking bodies of the City; and

WHEREAS, Code Section 2.14.020B. requires that seven days after such meeting dates are so established that the meeting dates shall be published once in a newspaper of general circulation in the City and be posted in a conspicuous place in the City Municipal Building; and

WHEREAS, Section 2.14.020B. also requires that the secretary or clerk of each of the City's boards, committees, commissions, and other policymaking and rulemaking bodies shall provide notification of the regularly scheduled date of such meetings in advance of or on occasion of any special meetings duly called to those qualified electors who have made written request to the City for such notification; and

WHEREAS, the purpose of this Resolution is to so establish said meeting dates for 2013, and to require the publication, posting and notifications required in City Code Section 2.14.020B.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO AS FOLLOWS:

Section 1. That the schedule of regular meeting dates, times and places in 2013 for the Loveland City Council and the City's boards and commissions, a copy of which is attached as Exhibit "A" and incorporated by reference, is hereby adopted as provided in City Code Section 2.14.020B.

Section 2. That the City Council may, from time to time, change by motion the date, time and place of any of its regular meetings in 2013 as established in this Resolution and those of the City's boards and commissions. In addition, the City Manager, in consultation with the Mayor, is authorized to schedule fourth Tuesday study sessions as needed and to cancel the other Tuesday study sessions if there are no study session items to present or ready to present to Council.

Section 3. That the City Clerk is directed pursuant to City Code Section 2.14.020B. to publish the meeting dates established in Exhibit "A" within seven days after the date of this Resolution to be published in a newspaper of general circulation in the City and in addition post such notice of meetings in a conspicuous place in the City Municipal Building.

Section 4. That in addition, the City Clerk shall notify the secretary of each of the City's boards, committees, commissions, and other policymaking and rulemaking bodies to provide notification of this notice of meetings to all qualified electors who have requested such notice in accordance with Section 2.14.020B.

Section 5. That this Resolution shall take effect as of the date and time of its adoption.

ADOPTED this 18th day of December, 2012.

Cecil A. Gutierrez, Mayor

Attest: Teresa G. Andrews, City Clerk

Exhibit A is available in the City Clerk's Office

7. CITY MANAGER

2013 Legislative Policy

Motion

Administrative Action: A motion approving the 2013 City Council Legislative Policy Agenda was approved.

8. HUMAN RESOURCES

Contract Award ~ Workers' Compensation Insurance

Motion

Administrative Action: A motion to award the workers' compensation contract to Pinnacol Assurance in an amount not to exceed \$1,078,000 and to authorize the City Manager to execute the contract on behalf of the City was approved.

9. WATER & POWER

IGA with Platte River Power Authority – Energy Efficiency Programs

Resolution #R-88-2012

Administrative Action: A motion to approve Resolution #R-88-2012 approving an Intergovernmental Agreement between the City of Loveland, Colorado and Platte River Power Authority for Demand Side Management Program funding was approved.

RESOLUTION #R-88-2012

A RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF LOVELAND, COLORADO AND PLATTE RIVER POWER AUTHORITY FOR DEMAND SIDE MANAGEMENT PROGRAM FUNDING

WHEREAS, Platte River Power Authority's Integrated Resource Plan details Platte River's plans and programs in the areas of generation and transmission, renewable energy, and energy efficiency, including demand side management ("DSM"); and

WHEREAS, Platte River's DSM programs include programs offered to customers in all of the member municipalities ("Common Programs"), which are contracted for and funded by Platte River; and

WHEREAS, existing Common Programs include LightenUp, the Electric Efficiency Program, the Building Tune Up Program, the Efficiency Express Program, Energy Efficient Lighting Program, Northern Colorado ENERGY STAR New Homes, and the SELECT HVAC Contractor Program; and

WHEREAS, the Common Programs offered by Platte River have changed over time and may change in the future to accommodate focus on new services and technologies; and

WHEREAS, on occasion Loveland Water and Power customers' demand for services under the Common Programs may exceed the amount of funding allocated to the City of Loveland under the Platte River annual budget; and

WHEREAS, when its customers' demand for service under the Common Programs exceeds the amount of funding allocated to the City, the City may desire to continue offering Common Programs to its customers at the City's cost; and

WHEREAS, Platte River is willing to continue providing Common Programs to Loveland Water and Power customers so long as the City provides the supplemental funding for said programs; and

WHEREAS, as governmental entities in Colorado, the City and Platte River are authorized, pursuant to C.R.S. § 29-1-203, to cooperate or contract with one another to provide any function, service, or facility lawfully authorized to each.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That the "Intergovernmental Agreement for Demand Side Management Program Funding," attached hereto as Exhibit A and incorporated herein by reference ("Intergovernmental Agreement"), is hereby approved.

Section 2. That the City Manager is hereby authorized, following consultation with the City Attorney, to modify the Intergovernmental Agreement in form or substance as deemed necessary to effectuate the purposes of this Resolution or to protect the interests of the City.

Section 3. That the City Manager and the City Clerk are hereby authorized and directed to execute the Intergovernmental Agreement on behalf of the City.

Section 4. That this Resolution shall be effective as of the date of its adoption.

ADOPTED this 18th day of December, 2012.

Cecil A. Gutierrez, Mayor

Attest: Teresa G. Andrews, City Clerk

Exhibit A is available in the City Clerk's Office

10. PARKS & RECREATION

Contract Award - Construction Management/General Contractor

Motion

Administrative Action: A motion to award a Construction Management/General Contractor services contract to ECI Site Construction Management for a fixed fee of 2.8% based on the cost of work for a guaranteed maximum price (to be determined) and pre-construction fee of \$13,515 and assign the City Manager authority to sign the contract and guaranteed maximum price addendum was approved.

11. FINANCE

Supplemental Appropriation - Grant Revenue for Fire Prevention

Resolution #R-89-2012

Administrative Action: A motion to approve Resolution #R-89-2012 approving a supplemental budget and appropriation to the 2012 Loveland Fire Rescue Authority budget to appropriate additional grant funding from the Federal Emergency Management Agency for fire prevention was approved.

RESOLUTION #R-89-2012

A RESOLUTION APPROVING A SUPPLEMENTAL BUDGET AND APPROPRIATION TO THE 2012 LOVELAND FIRE RESCUE AUTHORITY BUDGET TO APPROPRIATE ADDITIONAL GRANT FUNDING FROM THE FEDERAL EMERGENCY MANAGEMENT AGENCY FOR FIRE PREVENTION

WHEREAS, on August 10, 2012, the Authority had been awarded \$32,240 grant from the Federal Emergency Management Agency ("FEMA") Assistance to Firefighters Grant Program-Fire Prevention and Safety Grant for the purchase of three (3) smoke alarms and one (1) carbon monoxide alarm for 650 low income and disabled households in our service area; and

WHEREAS, the Authority has the 20% matching funds required by the grant of \$8,060 within the existing 2012 Community Services Division budget; and

WHEREAS, the Loveland Fire Rescue Authority ("Authority") will receive these funds on a reimbursement basis that was not anticipated or appropriated at the time of the adoption of the budget for 2012; and

WHEREAS, on September 13, 2012, the Authority's Board passed Resolution R-007 approving the Authority's supplemental budget and appropriation of the funds from the City of Loveland for approved and new projects and the FEMA grant match; and

WHEREAS, Section 4.1 of the intergovernmental Agreement establishing the Authority requires approval from the City Council and the Board of the Loveland Rural Fire Protection District for the Authority's budget and appropriation to become effective; and

WHEREAS, the City Council desires to authorize the expenditure of these funds by approving the Authority's supplemental budget and appropriation to the budget for 2012.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, STATE OF COLORADO, AS FOLLOWS:

Section 1. That additional funds from FEMA were not appropriated at the time of adoption of the budget for 2012 as the grant was awarded on August 10, 2012. Said grant monies were not anticipated or appropriated at the time of adoption of the 2012 budget. The funds that shall be spending the monies supplementally budgeted and appropriated are as follows:

Account Title	Account Number	Amount	Description
Sources of Funds:			
Federal Grants	604-22-223-0000-32000	\$32,240	FEMA Assistance to Firefighters Prevention Grant
Uses of Funds:			
Safety Supplies	604-22-223-0000-42899	\$32,240	3 smoke alarms and 1 carbon monoxide alarm for each of 650 low income, disable households

Section 2. That the Authority's 2012 Supplemental Budget and Appropriation of additional funds from the City of Loveland is hereby approved.

Section 3. That this Resolution shall go into effect as of the date and time of its adoption.

ADOPTED this 18th day of December, 2012.

Cecil A. Gutierrez, Mayor

Attest: Teresa G. Andrews, City Clerk

12. LOVELAND FIRE RESCUE AUTHORITY

Intergovernmental Automatic Response Agreement

Resolution #R-90-2012

Administrative Action: A motion to approve Resolution #R-90-2012 approving an Intergovernmental Automatic Response Agreement between Poudre Fire Authority, Loveland Fire Rescue Authority regarding Poudre Emergency Communications Center and Loveland Emergency Communications Center was approved.

RESOLUTION # R-90-2012

A RESOLUTION APPROVING AN INTERGOVERNMENTAL AUTOMATIC RESPONSE AGREEMENT BETWEEN POU DRE FIRE AUTHORITY, LOVELAND FIRE RESCUE AUTHORITY REGARDING POU DRE EMERGENCY COMMUNICATIONS CENTER AND LOVELAND EMERGENCY COMMUNICATIONS CENTER

WHEREAS, in accordance with §29-1-203 of the Colorado Revised Statutes, governments may cooperate or contract one with another to provide any function, service or facility lawfully authorized to each of the respective units of governments; and

WHEREAS, in accordance with §29-1-201 of the Colorado Revised Statutes, governments are permitted and encouraged to make the most efficient and effective use of their powers and responsibilities by cooperating and contracting with other governments; and

WHEREAS, Poudre Fire Authority ("PFA"), Loveland Fire Rescue Authority ("LFRA") are independent governmental entities duly organized and existing in accordance with Colorado law are called upon to respond to emergency areas contained within their respective jurisdictions; and

WHEREAS, the City of Loveland and the City of Fort Collins provide emergency communications services through the Loveland Emergency Communications Center ("LECC") and the Poudre Emergency Communications Center ("PECC"), respectively; and

WHEREAS, PFA and LRFA, have designated an area generally adjacent to the common border between them where both will initially provide concurrent automatic emergency response aid, said area is delineated on Exhibit A; and

WHEREAS, notice to PFA and LFRA of fire emergencies in the designated area is made by and through the PECC and LECC; and

WHEREAS, it is the intent and desire of PFA and LFRA to provide an emergency fire response system that meets the health, safety and welfare needs of the affected residents; and

WHEREAS, by the terms Section 1.9 of Article I of that certain Intergovernmental Agreement for the Establishment and Operation of the Loveland Fire Rescue Authority as a Separate Governmental Entity dated August 19, 2011, such agreements must be presented to and approved by the Loveland City Council and the Loveland Rural Fire Protection district; and

WHEREAS, the City Council finds that it is in the best interests of the Fire Authority to adopt the "intergovernmental Automatic Response Agreement" attached hereto as Exhibit A and incorporated by reference (the "Agreement").

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE LOVELAND FIRE RESCUE AUTHORITY, STATE OF COLORADO, AS FOLLOWS:

Section 1. That the Agreement is hereby approved.

Section 2. That the Loveland Fire Authority is hereby authorized and directed to execute the Agreement, subject to such modifications in form or substance as the Fire Chief in consultation with the City Attorney, may deem necessary to effectuate the purposes of this Resolution.

Section 3. That this Resolution shall go into effect as of the date and time of its adoption.

ADOPTED this 18th day of December, 2012.

Cecil A. Gutierrez, Mayor

Attest: Teresa G. Andrews, City Clerk

Exhibit A is available in the City Clerk's Office

13. PUBLIC WORKS

IGA for Bus Service between Fort Collins and Longmont in 2013

Resolution #R-91-2012

Administrative Action: A motion to approve Resolution #R-91-2012 approving an Intergovernmental Agreement (IGA) between the City of Loveland, Colorado, the City of Fort Collins, Colorado for bus service between Fort Collins and Longmont for the calendar year 2013 was approved.

RESOLUTION #R-91-2012

A RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF LOVELAND, COLORADO AND THE CITY OF FORT COLLINS, COLORADO FOR BUS SERVICE BETWEEN FORT COLLINS AND LONGMONT FOR THE CALENDAR YEAR 2013

WHEREAS, the City of Loveland desires to partner with the City of Fort Collins to provide regional connector bus service between the City of Fort Collins and the City of Longmont along the U.S. Highway 287 corridor, which service is referred to as the "Fort Collins-Longmont Express," or "FLEX"; and

WHEREAS, as governmental entities in Colorado, the City of Loveland and the City of Fort Collins are authorized, pursuant to C.R.S. § 29-1-203, to cooperate or contract with one another to provide any function, service, or facility lawfully authorized to each.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That the "intergovernmental Agreement for Bus Service Between Fort Collins and Longmont," attached hereto as Exhibit A and incorporated herein by reference ("Intergovernmental Agreement"), is hereby approved.

Section 2. That the City Manager is hereby authorized, following consultation with the City Attorney, to modify the Intergovernmental Agreement in form or substance as deemed necessary to effectuate the purposes of this Resolution or to protect the interests of the City.

Section 3. That the City Manager and the City Clerk are hereby authorized and directed to execute the Intergovernmental Agreement on behalf of the City.

Section 4. That this Resolution shall be effective as of the date of its adoption.

ADOPTED this 18th day of December, 2012.

Cecil A. Gutierrez, Mayor

Attest: Teresa G. Andrews, City Clerk

Exhibit A is available in the City Clerk's Office

14. PUBLIC WORKS

2013 Fuel Contract

Motion

Administrative Action: A motion to approve a contract with Gray Oil Company for fuel and fuel delivery services in 2013 in the amount of \$1,700,000 and authorize the City Manager to sign the contract was approved.

CITY CLERK READ TITLES OF ORDINANCES ON THE CONSENT AGENDA.

CITY COUNCIL

a) Citizens' Reports

Robert Rumfeld, 2479 Selenium Ct, spoke to a need he sees for a back-up plan if the City were to lose State and/or Federal funding sources. Staff will prepare materials to assess any issues.

b) Business from Council

Trenary

Councilor Trenary mentioned there are vacancies on various Boards and Commissions. He participated in a literacy class discussion at Mountain View High School regarding a WWI novel.

Shaffer

Councilor Shaffer mentioned the reception at Artworks last week. She also attended the CML legislative policy meeting last Friday and she'll be meeting with Assistant City Manager Rod Wensing to debrief from the meeting and will provide the rest of Council with an update.

Klassen

Councilor Klassen attended the annual Loveland Choral Society holiday program last week. He also attended a luncheon celebrating the 75th anniversary of Larimer County Extension Services. Councilor Klassen announced Colin Klein took third place in the voting for the Heisman Trophy.

Farley

Councilor Farley announced the Loveland High Plains Arts Council received exciting news that Loveland's Benson Sculpture Garden was recognized as one of the "Must see Contemporary Art Sites across the US".

Gutierrez

Mayor Gutierrez attended the Community Foundation open house and the Menorah lighting last week. He thanked all those involved in the Pearl Harbor service at Dwayne Webster Veterans Park. The Mayor mentioned the tragedy at Newtown Connecticut. Councilor Shaffer read a tribute written by a minister near Newtown that addressed the tragedy.

c) City Manager Report

City Manager Cahill wished Council, staff and the community a Merry Christmas. He spoke about local school security mentioning the Loveland Police Department is engaging with the Thompson School District regarding school security arrangements.

d) City Attorney Report

None

PROCEDURAL INFORMATION

Anyone who wishes to address the Council on any item on this part of the agenda may do so when the Mayor calls for public comment. All public hearings are conducted in accordance with Council Policy. When Council is considering adoption of an ordinance on first reading, Loveland's Charter only requires that a majority of the Council present vote in favor of the ordinance for it to be adopted on first reading. However, when an ordinance is being considered on second or final reading, at least five of the nine members of Council must vote in favor of the ordinance for it to become law.

REGULAR AGENDA

CONSIDERATION OF ITEMS REMOVED FROM CONSENT AGENDA

15. CITY CLERK

Approval of Council Minutes

Motion

Administrative Action: City Clerk Terry Andrews introduced this item, which approves minutes from the December 4, 2012 regular meeting. Councilor Shaffer moved to approve Council minutes from the December 4, 2012 regular meeting. Councilor Trenary seconded the motion and a roll call vote was taken with all Councilors present voting in favor with the exception of Councilor Farley who recused himself as he missed part of the December 4th meeting.

16. ECONOMIC DEVELOPMENT

Supplemental Appropriation – Chamber of Commerce Contract

Ordinance #5734

Councilor Clark recused himself from hearing this item as he served as President of the Chamber of Commerce. Councilor Farley recused himself as he served on the Board of the Loveland Center for Business Development.

Administrative Action: City Planner Mike Scholl introduced this item. The ordinance appropriates funding (\$130,000) for the contract for small business counseling services with the Loveland Chamber of Commerce. City Council approved the contract and the first reading of the supplemental appropriation ordinance on December 4, 2012. Councilor Shaffer made a motion to approve and ordered published on second reading "AN ORDINANCE ENACTING A SUPPLEMENTAL BUDGET AND APPROPRIATION TO THE 2013 CITY OF LOVELAND BUDGET FOR A CONTRACT WITH THE LOVELAND CHAMBER OF COMMERCE FOR SMALL BUSINESS COUNSELING SERVICES". Councilor Kiassen seconded the motion and a roll call vote was held with all Councilors present voting in favor thereof with Councilor Clark and Farley recusing themselves from the vote.

17. DEVELOPMENT SERVICES

Tax-Exempt Financing by the Housing Authority of the City of Loveland (Silver Leaf I)

Resolution #R-92-2012 & P.H.

Councilor Fogle recused himself from this item as his wife works at the Housing Authority.

Administrative Action. City manager Bill Cahill introduced this item. This action is to approve a tax-exempt financing by the Housing Authority of the City of Loveland for Silver Leaf I, located at 2100 Maple Drive, Loveland, Colorado, and a single family home located at 1244 Garfield Avenue, Loveland, Colorado. The Mayor opened the public hearing at 7:03 p.m. and hearing no comment closed the hearing at 7:03 p.m. Councilor Shaffer moved to approve Resolution #R-92-2012 approving the issuance of a promissory note by the Housing Authority of the City of Loveland to FirstBank of Northern Colorado for the sole purpose of qualifying the interest payable on the note for

exclusion from the gross income of the owner or owners of the note for federal income tax purposes under the applicable provisions of the internal Revenue Code of 1986; and related matters. Councilor Trenary seconded the motion and a roll call vote was taken with all Councilors present voting in favor thereof with Councilor Fogle recusing himself from the vote.

RESOLUTION NO. R-92-2012

A RESOLUTION APPROVING THE ISSUANCE OF A PROMISSORY NOTE BY THE HOUSING AUTHORITY OF THE CITY OF LOVELAND TO FIRSTBANK OF NORTHERN COLORADO FOR THE SOLE PURPOSE OF QUALIFYING THE INTEREST PAYABLE ON THE NOTE FOR EXCLUSION FROM THE GROSS INCOME OF OWNER OR OWNERS OF THE NOTE FOR FEDERAL INCOME TAX PURPOSES UNDER THE APPLICABLE PROVISIONS OF THE INTERNAL REVENUE CODE OF 1986; AND RELATED MATTERS

WHEREAS, the City Council for the City of Loveland, Colorado (the "City Council") has been advised by the Housing Authority of the City of Loveland (the "Authority") that the Authority proposes to issue its Promissory Note in the principal amount of not to exceed \$2,100,000 (the "Note") to FirstBank of Northern Colorado, and to loan the proceeds therefrom to the Loveland Housing Development Corporation (the "Corporation") to provide refinancing for a 50-unit apartment complex known as Silver Leaf I located at 2100 Maple Drive, Loveland, Colorado 80538 and a single family home located at 1244 Garfield Avenue, Loveland, Colorado 80537 (the "Project"), all in accordance with the Authority's powers as set forth in Part 2, Article 4, Title 29 of Colorado Revised Statutes, and contingent upon the adoption of this Resolution; and

WHEREAS, it is the intent of the Authority that interest on the Note qualify for exclusion from the gross income of the owners thereof for federal income tax purposes pursuant to the applicable provisions of the Internal Revenue Code of 1986, as amended (the "Tax Code"); and

WHEREAS, under the provisions of Section 147(f) of the Tax Code, interest on the Note would not be so excludable unless the issue is approved by the City Council after a public hearing to consider the issuance of the Note following reasonable public notice; and

WHEREAS, the City Council has been advised that a public hearing was held by the Authority on December 14, 2012 after reasonable public notice; and

WHEREAS, the Authority's Report of the Public Hearing is attached to this resolution as Exhibit A and attached as Exhibit B is the affidavit of publication for the December 14, 2012 hearing.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL FOR THE CITY OF LOVELAND, AS FOLLOWS:

Section 1. The City Council, for the sole purpose of qualifying the interest payable on the Note for exclusion from the gross income of the owners thereof for federal income tax purposes pursuant to the applicable provisions of the Tax Code, does hereby approve the issuance by the Authority of the Note, provided that: (i) the aggregate principal amount of the Note shall not exceed \$2,100,000, and (ii) in no event shall the City or any other political subdivision of the State of Colorado (other than the Authority) be liable for the Note nor shall the Note constitute a debt of the State of Colorado, the City of Loveland or any other such political subdivision (other than the Authority).

Section 2. All resolutions, orders or parts thereof in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby superseded.

Section 3. This Resolution shall be in full force and effect from and after its passage and approval, in accordance with law.

ADOPTED this 18th day of December, 2012.

Cecil A. Gutierrez, Mayor

Attest: Teresa G. Andrews, City Clerk

Exhibit A is available in the City Clerk's Office

18. DEVELOPMENT SERVICES

Oil and Gas Moratorium Extension

Ordinance #5735

Legislative Action: Development Services Director Greg George introduced this item to City Council. This is a legislative action to consider extending the City's moratorium on the acceptance and processing of land use applications, permits and other approvals

concerning the conduct of oil and gas operations within the City. The ordinance was adopted by City Council on first reading December 4, 2012 by a vote of seven to one. Councilor Shaffer moved to approve and ordered published on second reading "AN ORDINANCE AMENDING ORDINANCE NO. 5685 TO EXTEND THE CITY'S MORATORIUM ON THE ACCEPTANCE AND PROCESSING OF LAND USE APPLICATIONS, PERMITS AND OTHER APPROVALS CONCERNING THE CONDUCT OF OIL AND GAS OPERATIONS WITHIN THE CITY". Councilor Trenary seconded the motion and a roll call vote was taken with seven Councilors present voting in favor and Councilor McKean voting no. The motion passed.

19. ECONOMIC DEVELOPMENT

Downtown Loveland –Brinkman / North Catalyst Project

Administrative and Legislative Actions: City Planner Mike Scholl introduced this item to City Council. Kevin Brinkman, with Brinkman Partners and Lance Boland, with Woodbury Strategic Partners Fund, LLC were also present. The combined actions would result in the expansion of the Block 41-Finley's Addition Urban Renewal Plan, based on findings of "blight", to facilitate the construction of a \$9.3 million, 69 unit market rate housing development in Downtown Loveland by the Brinkman Partners of Fort Collins acting through its investment entity 541 N. Lincoln L.L.C. The Brinkman/North Catalyst project is the result of both extensive planning by the City and two years of negotiations with the Brinkman Partners. The Mayor opened the public hearing at 7:40 p.m. Nancy Rumfelt spoke in opposition of this project. Roland Demers, 736 W. 6th St spoke in support. Leo Wotan, Affordable Housing Commission past chair spoke in support. The Mayor closed the public hearing at 7:51 p.m. Discussion ensued.

1) Resolution #R-93-2012

Legislative Action: Councilor Shaffer moved to approve Resolution #R-93-2012 of the Loveland City Council approving a substantial modification of the Block 41-Finley's Addition Urban Renewal Plan. Councilor Trenary seconded the motion and a roll call vote was taken with all Councilors present voting in favor thereof.

RESOLUTION #R-93-2012

A RESOLUTION OF THE LOVELAND CITY COUNCIL APPROVING A SUBSTANTIAL MODIFICATION OF THE BLOCK 41-FINLEY'S ADDITION URBAN RENEWAL PLAN

WHEREAS, the Loveland City Council (the "Council") created the Loveland Urban Renewal Authority, a body corporate and politic ("LURA") by adopting Resolution No. R-44-2002 on July 2, 2002 and designated Council as the Board of Commissioners of the Authority; and

WHEREAS, creation of LURA vested it with the legal authority to exercise all the rights and power granted to urban renewal authorities by the Colorado Urban Renewal Law, C.R.S. §31-25-101, et seq. (the "Act"); and

WHEREAS, by adopting Resolution #R-74-2002 on October 1, 2002, Council approved the City of Loveland Urban Renewal Plan (the "Plan") and authorized LURA to retain revenues generated by the levy of property taxes based on the incremental increase in property values (the "Tax Increment") within the area designated as the Downtown Urban Renewal Area described therein (the "Downtown Plan Area") until September 30, 2027; and

WHEREAS, by adopting Resolution #R-33-2005 on April 26, 2005, Council approved the Block 41-Finley's Addition Urban Renewal Plan (the "Original Finley's Addition Plan"), created the Block 41-Finley's Addition Urban Renewal Area (the "Original Area") as a plan area separate from the Downtown Plan Area, and authorized LURA to retain the Tax Increment within the Original Area until September 30, 2027; and

WHEREAS, the Tax Increment within the Original Finley's Addition Plan Area received prior to May 22, 2015, up to a maximum of \$917,456.00 (the "Lincoln Place Tax Increment"), has been pledged by LURA under that certain Amended and Restated Master Financing Agreement dated May 22, 2007 (the "Lincoln Place MFA") to facilitate completion of an urban renewal project in the Original Area known as "Lincoln Place"; and

WHEREAS, C.R.S. §31-25-107(7) of the Act allows the Council to make substantial modifications to the Original Finley's Addition Plan, provided the Council complies with all applicable requirements of §31-25-107 of the Act, including, without limitation, that the Council makes the required blight findings; and

WHEREAS, it is now being proposed that substantial modifications be made to the Original Finley's Addition Plan to add certain real property described on Exhibit A attached hereto and incorporated herein (the "Added Area") to the Original Finley's Addition Plan Area and to adopt changes to allow the retention by LURA of incremental tax revenues from the City's sales taxes, in addition to property taxes, as more fully set forth in the Modified and Restated Urban Renewal Plan: Block 41-Finley's Addition attached hereto as Exhibit B and incorporated by reference (the "Modified Finley's Addition Plan") in order to facilitate development the North Catalyst Project, as described in the Modified Finley's Addition Plan, to be located on the Lots 1-8, Block 12, Original Plat of the City of Loveland, County of Larimer, State of Colorado and identified in Appendix B to the Modified Finley's Addition Plan as the "Former Home State Bank" parcel; and

WHEREAS, the Original Area, as modified by the inclusion of the Added Area pursuant to the Modified Finley's Addition Plan, is hereinafter referred to as the "Modified Finley's Addition Plan Area"; and

WHEREAS, the Original Area is made up of approximately 2.15 acres which are legally described and depicted on Appendix A to the Modified Finley's Addition Plan; and

WHEREAS, the Modified Finley's Addition Plan Area proposes to add the Added Area containing approximately 2.8 acres, to the Original Area, which would result in a total of approximately 4.95 acres referred to as the Modified Finley's Addition Plan Area and described and depicted on Appendix C to the Modified Finley's Addition Plan; and

WHEREAS, by adoption of Resolution #R-85-2011 on December 6, 2011, Council approved a minor modification to the Downtown Plan removing the Added Area from the Downtown Plan Area simultaneously with and conditioned upon Council's approval of the Modified Finley's Addition Plan; and

WHEREAS, by adoption of Resolution #R-86-2011 on December 6, 2011, LURA commissioned a conditions survey prepared by MTA Planning & Architecture entitled "Expanded Block 41-Finley's Addition Urban Renewal Area Conditions Survey dated April, 2012", which is attached as Exhibit C and incorporated by reference (the "Blight Study"); and

WHEREAS, the Modified Finley's Addition Plan was submitted to the City of Loveland Planning Commission ("Commission") on February 27, 2012 for its review and recommendation regarding compliance with the City's 2005 Comprehensive Plan, as amended (the "Comprehensive Plan") as required by C.R.S. §31-25-107(2); and

WHEREAS, Council has received a written recommendation from the Commission, in the form of Commission Resolution 2, 2012 attached as Exhibit D and incorporated by reference, finding that the Modified Finley's Addition Plan is in compliance with the Comprehensive Plan; and

WHEREAS, the Modified Finley's Addition Plan was submitted to the Board of the Larimer County Commissioners, together with the impact report required by C.R.S. §31-25-107(3.5), by email on November 16, 2012, at least 30 days prior to Council's public hearing to consider the Modified Finley's Addition Plan, which public hearing was conducted on December 18, 2012 (the "Public Hearing"); and

WHEREAS, since it is anticipated that the Modified Finley's Addition Plan Area will include multifamily residences, the City has given written notice of the Modified Finley's Addition Plan to the Thompson R2-J School District to permit it to participate in advisory capacity pursuant to C.R.S. §31-25-107(9)(d) with respect to Council's consideration of the Modified Finley's Addition Plan; and

WHEREAS, since the Modified Finley's Addition Plan constitutes a substantial modification of the Original Finley's Addition Plan as contemplated by C.R.S. §31-25-107(7), all of the notices required under the Act were given by the City for the Public Hearing; and

WHEREAS, Council conducted the Public Hearing on December 18, 2012 to consider approval of the Modified Finley's Addition Plan and to consider making the findings required under the Act to approve the Modified Finley's Addition Plan as a substantial modification of the Original Finley's Addition Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That in accordance with C.R.S. §31-25-107(3), notice of the Public Hearing was published at least thirty (30) days prior to the date of the Public Hearing, as evidenced by the "Affidavit of Publication" attached as Exhibit E and incorporated by reference.

Section 2. That in accordance with C.R.S. §31-25-107(4)(c), written notice of the Public Hearing was given to all property owners, residents, and owners of business concerns in the Modified Finley's Addition Plan Area at their last

known address of record at least thirty (30) prior to the date of the Public Hearing, as evidenced by the "Certificate of Mailing" attached as Exhibit F and incorporated by reference.

Section 3. That the boundaries of the Modified Finley's Addition Plan Area have been drawn as narrowly as the Council determines feasible to accomplish the planning and development objectives of the Original Finley's Addition Plan and the Modified Finley's Addition Plan.

Section 4. That no more than one hundred and twenty (120) days have passed since the commencement of the Public Hearing.

Section 5. That no portion of the Modified Finley's Addition Plan Area contains property that was included in an urban renewal plan that was previously submitted to Council and not approved.

Section 6. That the Modified Finley's Addition Plan conforms to the City's Comprehensive Plan as a whole.

Section 7. That the Modified Finley's Addition Plan will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the rehabilitation and redevelopment of the Modified Finley's Addition Plan Area by a private enterprise.

Section 8. That the Modified Finley's Addition Plan is not expected to displace any person, family or business.

Section 9. That under the Modified Finley's Addition Plan, LURA would have the option of using the power of eminent domain to acquire real property within the Modified Finley's Addition Plan Area, provided that Council first approves such use of eminent domain. It is not expected, however, that LURA will use the power of eminent domain to acquire real property that is a part of the Modified Finley's Addition Plan Area.

Section 10. That in accordance with C.R.S. §31-25-107(1)(b), written notice was given to all owners of the Added Area at their last known address of record at within thirty (30) after the Blight Study was commissioned on December 6, 2011 as evidenced by the "Certificate of Mailing" attached as Exhibit G and incorporated by reference.

Section 11. That the Blight Study was presented to Council for review and consideration at the Public Hearing.

Section 12. That the Blight Study, together with other evidence presented at the Public Hearing, establishes and Council hereby finds, that six of the conditions set forth in C.R.S. §31-25-103(2) exist within the Added Area included in the Modified Finley's Addition Plan Area as set forth in the Blight Study and that these conditions substantially impair or arrest the sound growth of the City, constitute an economic and social liability, and are further a menace to the public health, safety and welfare, and these conditions are: (a) faulty lot layout in relation to size, adequacy, accessibility or usefulness; (b) unsanitary or unsafe conditions; (c) buildings that are unsafe because of building code violations, dilapidation, deterioration, defective design, physical construction, or faulty or inadequate facilities; (d) environmental contamination of buildings or property; (e) substantial underutilization or vacancy of sites, buildings or other improvements; and (f) deteriorated or deteriorating structures.

Section 13. That neither prior to nor at the Public Hearing, did the City receive from any owner or tenant of the Added Area, any objection to the inclusion of the Added Area in the Modified Finley's Addition Plan Area.

Section 14. That no portion of the Modified Finley's Addition Plan Area is made up of an area of open land or of agricultural land.

Section 15. That LURA is currently negotiating an agreement with Larimer County ("County") to adequately finance additional County infrastructure and services required to serve the North Catalyst Project during the period of LURA's collection of the Tax increment from the Modified Finley's Addition Plan Area.

Section 16. That the Modified Finley's Addition Plan is hereby approved and adopted pursuant to all applicable provisions of the Act.

Section 17. That except as expressly amended by the Modified Finley's Addition Plan, the Original Finley's Addition Plan shall remain unchanged in full force and effect.

Section 18. That the adoption of the Modified Finley's Addition Plan shall be subject to and have no impact on the Lincoln Place MFA.

Section 19. That this Resolution shall take effect as of the date and time of its adoption.

ADOPTED this 18th day of December, 2012.

Cecil A. Gutierrez, Mayor

Attest: Teresa G. Andrews, City Clerk

Exhibits A through G are available in the City Clerk's Office

- 2) 1st Rdg Ordinance & P.H.** Administrative Action: Councilor Shaffer moved to approve and ordered published on first reading "AN ORDINANCE OF THE LOVELAND CITY COUNCIL AUTHORIZING A DISPOSITION AND DEVELOPMENT AGREEMENT AMONG THE CITY, THE LOVELAND URBAN RENEWAL AUTHORITY, AND 541 N. LINCOLN L.L.C. AND CONVEYANCE OF LOTS 1 THROUGH 8, BLOCK 12, ORIGINAL PLAT OF THE CITY OF LOVELAND, COUNTY OF LARIMER, STATE OF COLORADO FOR THE DEVELOPMENT OF THE NORTH CATALYST PROJECT AT 541 N. LINCOLN IN LOVELAND, COLORADO" with amendments to Sections 19.1.2 and 18.1 of Exhibit A "Disposition and Development Agreement" regarding the timing of the payment. Councilor Clark seconded the motion and a roll call vote was taken with all Councilors present voting in favor thereof.
- 3) 1st Rdg Ordinance & P.H.** Administrative Action: Councilor Shaffer moved to approve and ordered published on first reading "AN ORDINANCE ENACTING A SUPPLEMENTAL BUDGET AND APPROPRIATION TO THE 2013 CITY OF LOVELAND BUDGET FOR A LOAN TO THE LOVELAND URBAN RENEWAL AUTHORITY IN CONNECTION WITH THE NORTH CATALYST PROJECT LOCATED AT 541 N. LINCOLN IN LOVELAND, COLORADO". Councilor Farley seconded the motion and a roll call vote was taken with all Councilors present voting in favor thereof.

At 9:37 p.m. City Council adjourned and convened as the Board of Commissioners for the Loveland Urban Renewal Authority (LURA)

PUBLIC HEARING The Mayor opened the public hearing at 9:38 p.m. Scott Hosiauw spoke in support of this project. The Mayor closed the hearing at 9:42 p.m.

- 4) Resolution #R-94-2012** Administrative Action: Councilor Shaffer moved to approve Resolution #R-94-2012 of the Loveland Urban Renewal Authority approving a Disposition and Development Agreement among the City of Loveland, the Loveland Urban Renewal Authority, and 541 N. Lincoln L.L.C. for conveyance of Lots 1 through 8, Block 12, Original Plat of the City of Loveland, County of Larimer, State of Colorado and authorizing the borrowing from and payment of funds to the City in connection with the development of the North Catalyst Project at 541 N. Lincoln in Loveland, Colorado with amendments to Sections 19.1.2 and 18.1 of Exhibit A "Disposition and Development Agreement" regarding the timing of the payment. Councilor Farley seconded the motion and a roll call vote was taken with all Councilors present voting in favor thereof.

RESOLUTION #R-94-2012

A RESOLUTION OF THE LOVELAND URBAN RENEWAL AUTHORITY APPROVING A DISPOSITION AND DEVELOPMENT AGREEMENT AMONG THE CITY OF LOVELAND, THE LOVELAND URBAN RENEWAL AUTHORITY, AND 541 N. LINCOLN L.L.C. FOR CONVEYANCE OF LOTS 1 THROUGH 8, BLOCK 12, ORIGINAL PLAT OF THE CITY OF LOVELAND, COUNTY OF LARIMER, STATE OF COLORADO AND AUTHORIZING THE BORROWING FROM AND PAYMENT OF FUNDS TO THE CITY IN CONNECTION WITH THE DEVELOPMENT OF THE NORTH CATALYST PROJECT AT 541 N. LINCOLN IN LOVELAND, COLORADO

WHEREAS, the City of Loveland is the owner Lots 1 through 8, Block 12, Original Plat of the City of Loveland, County of Larimer, State of Colorado, which real property is also known as 541 N. Lincoln Street (the "Property"); and

WHEREAS, the Loveland City Council (the "Council") created the Loveland Urban Renewal Authority, a body corporate and politic ("LURA") by adopting Resolution No. R-44-2002 on July 2, 2002 and vested it with the legal authority to

exercise all the rights and power granted to urban renewal authorities by the Colorado Urban Renewal Law, C.R.S. §31-25-101, et seq. (the "Act"); and

WHEREAS, by adopting Resolution #R-74-2002 on October 1, 2002, Council approved the City of Loveland Urban Renewal Plan (the "Plan") and authorized LURA to retain revenues generated by the levy of property taxes based on the incremental increase in property values (the "Tax Increment") within the area designated as the Downtown Urban Renewal Area described therein (the "Downtown Plan Area") until September 30, 2027; and

WHEREAS, by adopting Resolution #R-33-2005 on April 26, 2005, Council approved the Block 41-Finley's Addition Urban Renewal Plan (the "Finley's Addition Plan"), created the Block 41-Finley's Addition Urban Renewal Area (the "Finley's Addition Plan Area") as a plan area separate from the Downtown Plan Area, and authorized LURA to retain the Tax Increment within the Finley's Addition Plan Area until September 30, 2027; and

WHEREAS, the Tax Increment within the Finley's Addition Plan Area received prior to May 22, 2015, up to a maximum of \$917,456.00 (the "Lincoln Place Tax increment"), has been pledged by LURA under that certain Amended and Restated Master Financing Agreement dated May 22, 2007 to facilitate completion of an urban renewal project in the Finley's Addition Plan Area known as "Lincoln Place"; and

WHEREAS, the City and LURA desire to facilitate the redevelopment of the Property to include a mixed use commercial, live/work, and multifamily development referred to as the North Catalyst Project, and

WHEREAS, to facilitate the North Catalyst Project, the Council has previously approved a minor modification to remove the Property, and other specified properties, from the Downtown Plan Area and is in the process to approve a substantial modification to the Finley's Addition Urban Renewal Plan to add the Property and the other specified properties, to the Finley's Addition Plan Area (the "Modified Finley's Addition Plan Area") and to authorize LURA's retention of revenues generated by the City's sales taxes, in addition to revenue generated by the levy of property taxes, as a part of the Tax Increment from the Modified Finley's Addition Plan Area; and

WHEREAS, the City desires to convey the Property to 541 N. Lincoln, L.L.C., a Utah limited liability company ("Developer") in return for Developer's commitment to redevelop the Property and complete the North Catalyst Project in accordance with the Disposition and Development Agreement attached as Exhibit A and incorporated by reference (the "Agreement"); and

WHEREAS, the North Catalyst Project is to be financed, in part, by the Tax increment attributable to the Modified Finley's Addition Plan Area, which will include the Lincoln Place Tax Increment, all of which shall be used by LURA to repay a loan from the City for the cost of the public investment in the North Catalyst Project and other costs incurred in connection with the sale of the Property as set forth in Agreement; and

WHEREAS, after reviewing the Agreement, receiving information from the City staff, and receiving input from citizens at a public hearing, the LURA Board of Commissioners ("the Board") has determined that the Agreement is in the best interests of LURA and meets the objectives of the Modified Finley's Addition Plan; and

WHEREAS, LURA and the City are authorized under C.R.S. §31-25-107(1) to cooperate and contract with one another to pursue and accomplish urban renewal plans and projects under the Act.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE LOVELAND URBAN RENEWAL AUTHORITY:

Section 1. That Board hereby finds and determines that the Agreement, including the loan to LURA by the City for the cost of the public investment in the North Catalyst Project and LURA's repayment of that loan and other costs incurred by the City in connection with the North Catalyst Project, will serve the public purposes of: (a) providing significant economic benefits to LURA, the City and Loveland's citizens; (b) furthering LURA's planning and development goals as established in the Modified Finley's Addition Plan; (c) generally benefitting the public's health, safety and welfare; and (d) eliminating blight within Loveland's downtown area as authorized in the Act.

Section 2. That the Agreement is hereby approved, subject to Council's Ordinance No. approving the Agreement becoming law.

Section 3. That the Board further approves, subject to Council's Ordinance No. 5736 approving the Agreement becoming law, the borrowing of \$1,500,000 from the City (the "Loan") for payment of the cost of Public improvements (as defined in the Agreement) in an amount not to exceed \$1,500,000 to the developer of the North Catalyst Project as set forth in the Agreement in consideration of LURA's promise in the Agreement to pay to the City all of LURA's Tax Increment from the Modified Finley's Addition Plan Area until the City has been paid in full for: (a) the Loan; and (b)

\$965,000 for other costs of the transaction incurred by the City consisting of the City's grant of a \$50,000 construction material use tax waiver as provided in the Agreement, repayment of \$900,000 to the Cultural Services capital expansion fee fund originally used by the City to purchase the North Catalyst Project Site, reimbursement of the City for \$15,000 in predevelopment costs incurred for the North Catalyst Project; and (c) the financing costs as provided in the Agreement.

Section 4. That after Council's Ordinance No. 5736 approving the Agreement becomes law, the Mayor, as Board Chairperson, and the City Clerk, as the Board Secretary, are hereby authorized and directed to execute on behalf of LURA, the Agreement and all other documents, the form of which has been approved by the City Attorney, as are necessary and appropriate under the Agreement to consummate the transfer of the City's interest in the Property, perform LURA's obligations, and implement and close the transactions called for in the Agreement.

Section 5. That the Mayor, as Board Chairperson, in consultation with the Loveland City Attorney, is authorized to approve changes to the Agreement that are minor in nature such as typographical errors and mistakes of fact that do not change the material terms or conditions of the Agreement.

Section 6. That this Resolution shall take effect as of the date and time of its adoption.

ADOPTED this 18th day of December, 2012.

Cecil A. Gutierrez, Mayor

Attest: Teresa G. Andrews, City Clerk

Exhibit A is available in the City Clerk's Office

5)1st Rdg Ordinance & P.H. Administrative Action: Councilor Shaffer moved to approve and ordered published on first reading "AN ORDINANCE ENACTING A SUPPLEMENTAL BUDGET AND APPROPRIATION TO THE 2013 LOVELAND URBAN RENEWAL AUTHORITY BUDGET TO FUND PAYMENTS TO THE DEVELOPER OF THE NORTH CATALYST PROJECT AT 541 N. LINCOLN, LOVELAND, COLORADO FOR PUBLIC IMPROVEMENTS". Councilor Farley seconded the motion and a roll call vote was taken with all Councilors present voting in favor thereof.

Mayor Gutierrez called for a ten minute break. At 9:58 p.m. the Board of Commissioners for the Loveland Urban Renewal Authority adjourned and reconvened as City Council.

20. ECONOMIC DEVELOPMENT

House of Neighborly Service

Resolution #R-95-2012

This item was pulled from the agenda by staff and not considered by City Council. The Resolution number was not used.

21. Public Works

2035 Transportation Plan

Resolution #R-96-2012

Legislative Action: City Engineer David Klockeman introduced this item. This is a legislative action to adopt the 2035 Transportation Plan and amend the 2005 Comprehensive Master Plan. The 2035 Transportation Plan was discussed at the September 25, 2012 Study Session. The 2035 Transportation Plan includes the Capital Projects and associated costs through 2035. This includes anticipated collections and expenditures of Capital Expansion Fees, Other Funding (CDOT, FHWA and other outside sources) and the General Fund. Councilor Shaffer moved to approve Resolution #R-96-2012 adopting the 2035 Transportation Plan and amending the 2005 Comprehensive Master Plan by addition of the 2035 Transportation Plan. Councilor Trenary seconded the motion and a roll call vote was held with all Councilors present voting in favor thereof

RESOLUTION #R-96-2012

A RESOLUTION ADOPTING THE 2035 TRANSPORTATION PLAN AND AMENDING THE 2005 COMPREHENSIVE MASTER PLAN BY ADDITION OF THE 2035 TRANSPORTATION PLAN

WHEREAS, on March 6, 2007, by Resolution #R-21-2007, the City Council adopted the "2005 Comprehensive Master Plan" ("2005 Comprehensive Plan"); and

WHEREAS, pursuant to Section 6 of the 2005 Comprehensive Plan, the City Council may amend the 2005 Comprehensive Plan by amendment of a functional (component) element previously adopted as part of the 2005 Comprehensive Plan after a duly-noticed public hearing is held, and recommendations are made to the City Council, by the Planning Commission; and

WHEREAS, on April 3, 2007, by Resolution #R-37-2007, the City Council adopted the "2030 Transportation Plan," which is a functional (component) element of the 2005 Comprehensive Plan; and

WHEREAS, Public Works Department staff has prepared an update to the 2030 Transportation Plan known as the "2035 Transportation Plan"; and

WHEREAS, on November 26, 2012, the Planning Commission adopted Resolution #6-2012 recommending that the City Council amend the 2005 Comprehensive Plan by adoption of the 2035 Transportation Plan, and making certain findings in support of that recommendation as required by Section 6.0 of the 2005 Comprehensive Plan; and

WHEREAS, on December 3, 2012, the Transportation Advisory Board adopted a motion recommending that the City Council adopt the 2035 Transportation Plan; and

WHEREAS, the City Council desires to adopt the 2035 Transportation Plan and amend the 2005 Comprehensive Plan by addition of the 2035 Transportation Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That the 2035 Transportation Plan, a copy of which is on file with the Loveland City Clerk, is hereby adopted.

Section 2. That the City Council hereby adopts and incorporates by reference the findings set forth in Resolution #6-2012 adopted by the Planning Commission on November 26, 2012.

Section 3. That the 2005 Comprehensive Plan is hereby amended by the addition of the 2035 Transportation Plan, which shall supersede and replace the 2030 Transportation Plan.

Section 4. That this Resolution shall take effect as of the date of its adoption.

ADOPTED this 18th day of December, 2012.

Cecil A. Gutierrez, Mayor

Attest: Teresa G. Andrews, City Clerk

22. Public Works

Capital Expansion Fees for Streets

Resolution #R-97-2012

Administrative Action: City Engineer David Klockeman introduced this item. This is an administrative action to consider a resolution adopting a new schedule of Capital Expansion Fees (CEF) for Streets. The basis for these CEFs is the 2035 Transportation Plan. Proceeds from the CEFs provide funding for capital improvements. For purposes of preparing the 2013 Budget, the Budget Office staff has assumed that the CEFs will be continued into the future. The update process indicates that CEFs should be increased to meet the policy of growth paying for its share of capital costs. Councilor Shaffer moved to approve Resolution #R-97-2012 adopting a new schedule of Capital Expansion Fees for Streets pursuant to Section 16.38.020.E of the Loveland Municipal Code effective January 1, 2013. Councilor Klassen seconded the motion and a roll call vote was held with seven Councilors present voting in favor and Councilor Clark voting against. The motion passed.

RESOLUTION #R-97-2012

A RESOLUTION ADOPTING A NEW SCHEDULE OF STREETS CAPITAL EXPANSION FEES PURSUANT TO SECTION 16.38.020.E OF THE LOVELAND MUNICIPAL CODE EFFECTIVE JANUARY 1, 2013

WHEREAS, Loveland Municipal Code Section 16.38.020.E provides that capital expansion fees be reviewed and approved by resolution every five (5) years commencing in 2000; and

WHEREAS, the last five (5) year review of capital expansion fees was completed with the adoption of Resolution #R-38-2007, on April 3, 2007 establishing the City's current capital expansion fees; and

WHEREAS, City staff has completed a comprehensive five (5) year review of capital expansion fees established in Resolution #R-38-2007 and by adoption of Resolution #R-81-2012, City Council approved a new Capital Expansion Fee Schedule for all capital Expansion Fees other than Streets; and

WHEREAS, City staff is recommending changes to the Streets CEF as set out in the Streets Capital Expansion Fee Schedule attached hereto as Exhibit A and incorporated by reference (the "Streets CEF Schedule") to more accurately reflect actual growth related capital costs; and

WHEREAS, City Council desires to adopt the Streets CEF Schedule to more accurately reflect current growth related capital costs pursuant.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That the City Council hereby finds that the Streets CEF Schedule more accurately reflects the City's actual growth-related capital costs.

Section 2. That the Streets CEF Schedule is hereby adopted and approved as the capital expansion fees for streets for the City of Loveland as authorized in Section 16.38.020.E of the Loveland Municipal Code to become effective as provided in Section 3. below.

Section 3. That the streets capital expansion fees set forth in the Streets CEF Schedule shall be effective as of January 1, 2013 and shall apply to all building permit applications completed on or after January 1, 2013, subject to annual adjustment thereafter in accordance with Code Section 16.38.110.A.

Section 4. That Resolution #R-38-2007 shall be superseded as to CEFs charged for streets as of January 1, 2013 by this Resolution except with respect to building permits completed prior to January 1, 2013, which permits shall continue to be subject to the capital expansion fees for streets as set forth in Resolution #R-38-2007 as adjusted annually in accordance with Code Section 16.38.110.A.

Section 4. That this Resolution shall be effective as of the date and time of its adoption.

ADOPTED this 18th day of December, 2012.

Cecil A. Gutierrez, Mayor

Attest: Teresa G. Andrews, City Clerk

Exhibit A is available in the City Clerk's Office

23. CITY MANAGER

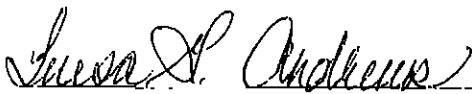
Setting January 8, 2013 as a Special Meeting

Administrative Action: Councilor Shaffer move to set January 8, 2013 as a special meeting of the City Council for the purpose of holding an Executive Session to conduct the Municipal Judge's annual evaluation. Councilor Farley seconded the motion and a roll call vote was taken with all Councilors present voting in favor thereof.

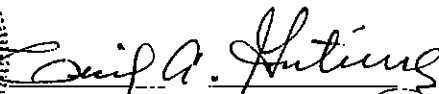
ADJOURNMENT

Having no further business to come before Council, the December 18, 2012 Regular Meeting was adjourned at 11:38 p.m.

Respectfully Submitted,


Teresa G. Andrews, City Clerk




Cecil A. Gutierrez, Mayor