

This is an administrative action to approve the September 17, 2013 Regular Meeting Minutes.

2. **CITY MANAGER** (presenter: Bill Cahill)
APPOINTMENT OF A MEMBER TO THE CONSTRUCTION ADVISORY BOARD
A motion to appoint Bob Dehn to the Construction Advisory Board for a full term effective until June 30, 2016.
This is an administrative action recommending the reappointment of a member to the Construction Advisory Commission.
3. **PUBLIC WORKS** (presenter: Ken Cooper)
SALE OF NORTH TAFT PROPERTIES
A motion to approve and order published on second reading an Ordinance Authorizing the Sale of 905, 915, 925, 933, and 935 North Taft Avenue Pursuant Section 4-7 of the City of Loveland Municipal Charter
This is an administrative matter to consider an ordinance on second reading approving the sale of approximately 5.2 acres of City-owned property located at 905, 915, 925, 933, and 935 North Taft Avenue, which were parcels acquired for the Taft Avenue widening project. The ordinance was approved unanimously by Council on first reading at the September 17, 2013 regular meeting.
4. **PUBLIC WORKS** (presenter: Keith Reester)
SUPPLEMENTAL APPROPRIATION FOR EMERGENCY MOSQUITO SPRAYING
A motion to approve and order published on second reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2013 City of Loveland Budget for Contractual Costs of Emergency Spraying Due to the West Nile Virus
This is an administrative item. The ordinance appropriates available fund balance in the Mosquito Control Division (part of the Solid Waste Enterprise Fund) to cover four West Nile Virus mosquito sprayings required to safeguard the community. The mosquito control function is funded by a separate fee. The balance used is not from Refuse or Recycling Rate revenue. The appropriation is from the Mosquito Control Division balance which reduces the flexibility to fund other items within the Solid Waste Enterprise Fund. The ordinance was approved unanimously on first reading by Council at the September 17, 2013 regular meeting.
5. **PUBLIC WORKS** (presenter: David Klockemen & Kevin Gingery)
REVISIONS TO SYSTEM INVESTMENT FEES AND STORMWATER UTILITY FEES
A motion to approve Resolution #R-66-2013 on second reading Concerning Revisions to the Stormwater Rates for System Investment Fees (SIF's) and the Stormwater Utility Fee for 2014 and Beyond
This is an administrative action to adopt a resolution on second reading that provides funding for the Stormwater Enterprise through a series of rate increases for System Investment Fees (SIF's) and the Stormwater Utility Fee. Two readings of the resolution are required, as it is a rate change. The first reading of the resolution was approved unanimously by City Council at the September 17, 2013 regular meeting.
6. **DEVELOPMENT SERVICES** (presenter: Troy Bliss)
PUBLIC HEARING CONTINUED FROM SEPTEMBER 17, 2013
ASPEN KNOLLS VACATION FOR ALL PUBLIC RIGHTS-OF-WAY AND AMENDMENT RELATING TO ZONING
 1. A motion to approve and order published on first reading an Ordinance

Vacating All Public Rights-of-Way Located in the Aspen Knolls First and Second Subdivisions, City of Loveland, Larimer County, Colorado

This is a legislative action for adoption of an ordinance on first reading to vacate all public rights-of-way within the Aspen Knolls First and Second Subdivisions.

2. A motion to approve and order published on first reading an Ordinance Amending Section 18.04.040 of the Loveland Municipal Code, the Same Relating to Zoning Regulations for "P-50 - Aspen Knolls" to the City of Loveland

This is a quasi-judicial action for adoption of an ordinance on first reading to rezone the property from P-50 – Aspen Knolls Planned Unit Development (PUD) to DR – Developing Resource. This item was continued from the September 17, 2013 City Council.

7. WATER & POWER (presenter: Larry Howard)

ASPEN KNOLLS WATER BANK CREDIT

A motion to approve Resolution #R-73-2013 Removing the Water Rights Dedicated to Aspen Knolls 1st and 2nd Subdivisions and Issuing a Credit in the City's Water Bank to McWhinney Enterprises

This is an administrative action. McWhinney Enterprises, as owner of Aspen Knolls 1st and 2nd Subdivisions (Aspen Knolls), has requested that City Council consent to the removal of the water rights dedicated to Aspen Knolls in the total amount of 316.94 acre-feet and issue McWhinney a credit of 316.94 acre-feet in the City's Water Bank. Water Utility staff supports this request as long as Aspen Knolls is first down-zoned to DR-Developing Resource, which would indicate that the water rights have not been paid and would provide the City with a method for collecting the water rights in the future if the property develops. The Loveland Utilities Commission voted at its September 18, 2013 meeting to unanimously recommend that City Council adopt the resolution.

**8. ECONOMIC DEVELOPMENT (presenter: Marcie Erion and Mike Scholl)
MADWIRE MEDIA LLC LEASE AGREEMENT**

A motion to adopt Resolution #R-74-2013 Approving the Madwire Media, LLC Lease at the Rialto Theater Center

This is an administrative action. The resolution would authorize the City Manager to sign a lease agreement for the ongoing use of the Devereaux Room at the Rialto Theater Center (RTC). Madwire Media is moving into the 3rd Floor (privately owned space) of the Rialto Theater Center and the company has requested the use of the 2nd floor Community Room for morning meetings. The City of Loveland will receive approximately \$4,420 annually for the use of the space.

**9. ECONOMIC DEVELOPMENT (presenter: Mike Scholl)
VALUE PLASTICS INCENTIVE AGREEMENT**

A motion to adopt Resolution #R-75-2013 Approving the Value Plastics Incentive Agreement

This is an administrative action. The resolution would authorize the City Manager to enter into an Incentive Agreement with Value Plastics to construct a facility in Loveland. The Incentive Agreement will provide the company with an incentive package valued at \$1,094,353 in support of the construction of a \$28,000,000 advanced manufacturing facility in Loveland. The cost of the facility includes both the construction costs and the equipment. The company will retain 83 jobs to the region and add roughly 60 new jobs with an average salary of \$72,000 per year. The City is providing an incentive for the investment; it is not a "jobs incentive". A preliminary review was conducted for the September 24, 2013 Council Study Session.

10. **HUMAN RESOURCES** (presenter: Julia Holland)
PUBLIC HEARING
AMENDING THE CODE TO ALLOW ADOPTION OF THE PAY PLAN BY RESOLUTION
A motion to approve and order published on first reading an Ordinance Amending Section 2.68.020 of the Loveland Municipal Code Regarding the Manner of Adopting the Employee Pay Plan
This is a legislative action and a public hearing to consider an ordinance, on first reading, amending the Section 2.68.020 Loveland Municipal Code to permit adoption of the employee pay plan from time to time by resolution, as opposed to an ordinance.
11. **FINANCE** (presenter: Brent Worthington)
AUGUST 2013 FINANCIAL REPORT
This is an information only item. The Snapshot Report includes the City's preliminary revenue and expenditures including detailed reports on tax revenue and health claims year to date, ending August 31, 2013.
12. **CITY MANAGER** (presenter: Alan Krcmarik)
INVESTMENT REPORT FOR AUGUST 2013
This is an information only item. The budget estimate for investment earnings for 2013 is \$2,760,420. Through August, the amount posted to the investment account is \$963,739 including realized gains. Actual year-to-date earnings are much lower than the budget projection. Earlier this year, several very high interest rate corporate bonds matured, so future yields will be lower. The estimated annualized yield on market value for securities held by US Bank decreased to 1.14% at the end of August, lower than the 1.16% yield reported at the end of July. The yield is still under the annual target rate of 1.20% for 2013. Reinvestment rates have risen recently after being at near record low levels. Current reinvestment rates are now higher than the budget projection target.
13. **ECONOMIC DEVELOPMENT** (presenter: Mike Scholl)
PUBLIC HEARING
ARTSPACE INCENTIVE AND LOAN AGREEMENT AND SUPPLEMENTAL APPROPRIATION FOR ACQUISITION OF THE FEED & GRAIN
1. A motion to adopt Resolution #R-76-2013 Approving the Artspace Affordable Housing Incentive and Loan Agreement and the Feed & Grain Building Agreement
This is an administrative action. The resolution would authorize the City Manager to sign an incentive and loan agreement with Artspace Inc. for the affordable housing building to be constructed west of the Feed & Grain Building. The loan is for \$300,000 to be repaid over 30 years at 1.75% interest. Annual payments will be made to the City according to the repayment schedule in the agreement. The loan would fill the gap in funding and complete the financing package to allow Artspace to close on the acquisition of the property and to close on the tax credits. The agreement would also waive the Construction Materials Use Tax estimated to be \$71,000. The resolution would also authorize the City Manager to sign the agreement regarding stabilization and redevelopment of the Feed & Grain Building.
2. A motion to approve and order published on first reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2013 City of Loveland Budget for a Loan to Artspace Inc. for Acquisition of the Feed and Grain
This is an administrative action. The ordinance appropriates the funding for the loan from the City Council Reserve Fund. The City would commit \$300,000 to the project to be

repaid over 30 years at 1.75% interest. The City will also forego \$71,000 in potential revenue from the Construction Materials Use Tax waiver.

14. DEVELOPMENT SERVICES (presenter: Troy Bliss)
PUBLIC HEARING

ARTSPACE VACATION OF A PORTION OF A PUBLIC RIGHT-OF-WAY

A motion to approve and order published on first reading an Ordinance Vacating a Portion of a Public Right-of-Way Located in the Loveland Addition to the City of Loveland, City of Loveland, Larimer County, Colorado

A legislative action to consider adoption of an ordinance on first reading vacating a portion of existing public alley right-of-way located within Block 21 of the Loveland Addition. The right-of-way to be vacated is in association with the Artspace project and will be replaced with a public access and utility easement.

END OF CONSENT AGENDA

CITY CLERK READS TITLES OF ORDINANCES ON THE CONSENT AGENDA

CITY COUNCIL

- a. **Citizens' Report** *Anyone who wishes to speak to an item NOT on the Agenda may address the Council at this time.*
- b. **Business from Council** *This is an opportunity for Council Members to report on recent activities or introduce new business for discussion at this time or on a future City Council agenda.*
- c. **City Manager Report**
- d. **City Attorney Report**

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 quorum 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 MANAGER (presenter: Bill Cahill)
LARIMER COUNTY OFFICE BUILDING

A motion to approve Resolution #R-77-2013 of the City Council of the City of Loveland Expressing Support for Larimer County's Construction of a New Office Building in Loveland, Colorado

This is an administrative action. Larimer County residents will be asked at the November 5 election to vote on repurposing existing funds authorized by a previous ballot measure, linked to the construction of a new County administrative facility in the City of Loveland. Larimer County has requested the Loveland City Council approve a resolution of support.

16. FINANCE (presenter: John Hartman)
PUBLIC HEARING

2014 CITY OF LOVELAND BUDGET

1. **A motion to approve Resolution #R-78-2013 Adopting the 2014 Schedule of**

Rates, Charges, and Fees for Services Provided by the City of Loveland, Other Than Services Provided by the Water and Power Department and the Stormwater Enterprise, and Superseding All Prior Resolutions Establishing Such Rates, Charges, and Fees

2. **A motion to approve Resolution #R-79-2013 Adopting the 2014 Schedule of Rates, Charges, and Fees for Services Provided by the Storm Water Enterprise of the City of Loveland, Colorado and Superseding All Prior Resolutions Establishing Such Rates, Charges, and Fees**
3. **A motion to approve Resolution #R-80-2013 Adopting the 2014 Schedule of Rates, Charges, and Fees for Services Provided by the Water and Power Department of the City of Loveland and Superseding All Prior Resolutions Establishing Such Rates, Charges, and Fees**
4. **A motion to approve Resolution #R-81-2013 Amending Resolution #R-51-2013 Approving the 2014-2023 Capital Program for the City of Loveland to Add \$1 Million to the Street Rehabilitation Program and \$199,880 to the Transportation Program**
5. **A motion to approve and order published on first reading an Ordinance Adopting the 2013 Mill Levy for the General Fund of the City of Loveland, Colorado**
6. **A motion to approve and order published on first reading an Ordinance Adopting the 2014 Budget for the City of Loveland, Colorado**
7. **A motion to approve and order published on first reading an Ordinance Making an Appropriation for the Fiscal Year Beginning January 1, 2014 and Ending December 31, 2014 for the City of Loveland, Colorado**

This is an administrative action to adopt the fee resolutions and ordinances, except for the mill levy ordinance, to approve the 2014 Budget on first reading. The adoption of the 2013 mill levy is a legislative action. Included are all the Fee Resolutions and Ordinances necessary to adopt and implement the 2014 Budget.

ADJOURN AS CITY COUNCIL AND CONVENE AS THE BOARD OF DIRECTORS OF THE LOVELAND SPECIAL IMPROVEMENT DISTRICT #1 (SID)

17. FINANCE

PUBLIC HEARING

(presenter: John Hartman)

2014 BUDGET FOR THE LOVELAND SPECIAL IMPROVEMENT DISTRICT #1 (SID)

A motion to approve and order published on first reading an Ordinance Adopting the 2014 Budget for the Loveland Special Improvement District #1

This is an administrative action. The City serves as the sponsoring agency for the Special Improvement District (SID) and the ex-officio Board of Directors. The SID #1 was established to allow for the collection of assessments from property owners in the District to back bonded debt used to construct infrastructure improvements in the district. The City does not have any legal obligation towards this debt. By State law, all special districts with a connection to the City must adopt a budget. The City of Loveland serves as staff for the District. This action adopts the budget and appropriates funds for the 2014 expenditures of the District.

ADJOURN THE BOARD OF DIRECTORS OF THE LOVELAND SPECIAL IMPROVEMENT DISTRICT #1 AND CONVENE AS THE BOARD OF COMMISSIONERS FOR THE LOVELAND URBAN RENEWAL AUTHORITY (LURA)

18. **FINANCE** (presenter: John Hartman)
PUBLIC HEARING
2014 BUDGET FOR THE LOVELAND URBAN RENEWAL AUTHORITY (LURA)
A motion to approve and order published on first reading an Ordinance of the Board of Commissioners of the Loveland Urban Renewal Authority Adopting the 2014 Budget for the Loveland Urban Renewal Authority
This is an administrative action. City Council serves as the Board of Commissioners for the Loveland Urban Renewal Authority. By State budget law, the Board must approve an annual budget for the Authority. The City of Loveland serves as staff for the District. The Authority is funded by tax increment revenues from property and sales taxes. This action adopts the budget and appropriates funds for the 2014 expenditures of the Authority.

ADJOURN AS THE BOARD OF COMMISSIONERS FOR THE LOVELAND URBAN RENEWAL AUTHORITY AND CONVENE AS THE BOARD OF DIRECTORS FOR THE LOVELAND GENERAL IMPROVEMENT DISTRICT #1 (GID)

19. **FINANCE** (presenter: John Hartman)
PUBLIC HEARING
2014 BUDGET FOR THE GENERAL IMPROVEMENT DISTRICT #1 (GID)
1. **A motion to approve and order published on first reading an Ordinance Adopting the 2014 Budget for the Loveland General Improvement District #1**
The ordinance adopting the budget is an administrative action.
2. **A motion to approve and order published on first reading an Ordinance Setting the 2013 Mill Levy for the Loveland General Improvement District #1**
The ordinance setting the mill levy is a legislative action.
City Council serves as the ex-officio Board of Directors for the District. The Board must approve a budget and set the mill levy for the District. The City of Loveland serves as staff for the District. These items establish a budget and appropriate funds for District expenses in 2014 and set the mill levy rate for the property tax collections.

ADJOURN AS THE BOARD OF DIRECTORS FOR THE LOVELAND GENERAL IMPROVEMENT DISTRICT #1 AND RECONVENE AS CITY COUNCIL

20. **FINANCE** (presenter: John Hartman)
PUBLIC HEARING
2014 SCHEDULE OF RATES, CHARGES & FEES AND 2014 AIRPORT BUDGET
1. **A motion to approve Resolution #R-82-2013 Adopting the Schedule of Rates, Charges and Fees for the Fort Collins-Loveland Municipal Airport Repealing Resolution #R-66-2012, Effective January 1, 2014**
2. **A motion to approve and order published on first reading an Ordinance Adopting the 2014 Budget for the Fort Collins-Loveland Municipal Airport**
This is an administrative action. The City of Loveland provides staff support to the Airport through the Intergovernmental Agreement with the City of Ft. Collins. As a part of this function the City Council approves the Airport Budget, including the City's share of the Airport Budget. These items set a schedule of fees, establish a budget, and appropriate funds for the Airport expenses in 2014.
21. **DEVELOPMENT SERVICES** (presenter: Alison Hade)
HUD-MIRASOL SETTLEMENT AGREEMENT
A motion to adopt Resolution #R-83-2013 of the Loveland City Council Approving the Mirasol Settlement Agreement

In 2004, 2005 and 2006 the City awarded the Loveland Housing Authority CDBG funds to be used to acquire water rights for the development of the Mirasol Senior Living Community. In March 2012, February 2013 and August 2013 the City received letters from the US Department of Housing and Urban Development (HUD) regarding the use of those CDBG funds. Three findings were issued by HUD asserting that awarded CDBG funds for Mirasol were used in violation of HUD's CDBG regulations. The proposed Resolution would approve a Settlement Agreement between the Housing Authority and the City setting forth their agreement to share the cost to resolve HUD's three findings.

The payment of funds by the City necessary to resolve HUD Findings #1, #2 and #3 will have a negative effective on the City budget. The total amount of these payments is estimated to be not more than \$146,468. However, the total of the payments made to HUD under Findings #2 and #3 will be credited by HUD back to the City's CDBG program account with HUD, which will be \$92,936. The Housing Authority's Board approved the Settlement Agreement at its September 25, 2013, meeting.

22. DEVELOPMENT SERVICES (presenter: Alison Hade)

HACOL FEE WAIVER- GREEN HOUSE PROJECT

A motion to approve Resolution #R-84-2013 Granting An Exemption From Certain Capital Expansion Fees And Other Development Fees For Qualified Affordable Housing To Be Constructed By The Housing Authority Of The City Of Loveland

This is administrative action. The Housing Authority of the City of Loveland is requesting a waiver of certain fees for the construction of six 10-unit buildings and one office building to provide skilled nursing services for 60 residents. A minimum of twenty four of the housing units within the project would be affordable. The total fee waiver request for the project is \$584,135.40, none of which are fees that are required to be backfilled by city council. The applicant would be paying \$255,605.30 for water rights and \$241,930.00 for fees that would otherwise require backfill. No backfill is required from the City. The \$584,135.40 fee waiver request consists of permit fees and capital expansion fees that do not need to be backfilled, but constitutes potential revenue lost to the City.

ADJOURN