



MINUTES
LOVELAND CITY COUNCIL MEETING
SPECIAL MEETING AND STUDY SESSION
Tuesday, October 24, 2017 CITY COUNCIL CHAMBERS 5:30 PM

COUNCIL PRESENT:

Mayor Gutierrez
Councilors:
Fogle, Ball, Shaffer, Overcash, Clark, Johnson, Olson

COUNCIL ABSENT:

Krenning

SPECIAL MEETING

1. INTRODUCTION

1.1. CALL TO ORDER

1.2. ROLL CALL

2. CONSENT AGENDA

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. Members of the public 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. Comments will be limited to no more than three minutes, the City Clerk will start the timer once an introduction is made and a buzzer will sound when the three minutes have expired.

Larry Sarner, Loveland resident, asked to pull items 2.3 and 2.4 from the Consent Agenda.

Moved by Councilor Shaffer, seconded by Councilor Clark

A Motion to approve items 2.1-2.4 on the Consent Agenda, with the exception of 2.3 and 2.4.

CARRIED UNANIMOUSLY.

**2.1. CULTURAL SERVICES
PUBLIC HEARING
SUPPLEMENTAL APPROPRIATION FOR BACKSTAGE RIALTO DONATION FOR
CINEMA PROGRAMMING**

Backstage Rialto, a non-profit support organization for the Rialto, donated \$11,500 to support the cinema program to acquire movie rights and provide advertising and part-time staff. Backstage Rialto was incorporated as a non-profit support entity for the Rialto Theater Center in July 2016. The Non-Profit Corporation is organized exclusively for charitable and educational purposes, more specifically to foster and encourage advancement of the Rialto Theater Center. This item was presented to the Cultural Services Board on September 25, 2017 where they voted, unanimously, to endorse the acceptance of the Backstage Rialto donation.

A Motion To Adopt, On First Reading, An Ordinance Enacting A Supplemental Budget And Appropriation To The 2017 City Of Loveland Budget For Cinema Programming

CARRIED.

**2.2. LOVELAND POLICE DEPARTMENT
PUBLIC HEARING
SUPPLEMENTAL BUDGET AND APPROPRIATION TO THE 2018 CITY OF LOVELAND
BUDGET FOR TWO POLICE OFFICERS, ONE POLICE SERGEANT, AND VEHICLES**

This ordinance provides supplemental appropriation to fund an additional 3 Police FTE's (2 Police Officers and 1 Police Sergeant) for the 2018 City of Loveland budget. The additional FTE's will permit the Police Department to staff two additional officers to focus on a flexible geographic assignment in response to developing crime issues. They will work in the downtown area as well as other areas that develop similar or more pressing crime issues that are inadequately addressed with current patrol staffing. This will also allow the police department to add one additional sergeant position. This will allow our Street Crimes Sergeant to focus on his unit while also addressing the two additional positions in the flexible geographic assignment as necessary and maintaining a span of control for sergeants that will not exceed the optimal number of 6 officers per sergeant. If approved, the General Fund Unassigned Fund Balance will increase by \$70,838, thus increasing the remaining unassigned General Fund Balance to \$1,277,939. The remaining unassigned fund balance in the Police CEF will be \$356,579. This item was presented to City Council at their Regular meeting held on October 17, 2017 where it was adopted unanimously, on first reading, with an 8-0 Vote. The only request for additional information was to clarify comments found in the Police Chief's Staff Memorandum dated September 27, 2017 regarding the use of National averages for the numbers of police officers per thousand residents. City Council requested that this number be updated to reflect similar data from other communities similar in size to that of the Loveland community. This information can be found in the AIR (Agenda Item Report) under the Council or Board/Commission Review; Discussion section.

A Motion To Adopt, On Second Reading, Ordinance No. 6151 Enacting A Supplemental Budget And Appropriation To The 2018 City Of Loveland Budget For Two Police Officers, One Police Sergeant, And Vehicles

CARRIED.

**2.3. LOVELAND POLICE DEPARTMENT
SUPPLEMENTAL BUDGET AND APPROPRIATION OF NORTHERN COLORADO DRUG
TASK FORCE EQUITABLE SHARING DOLLARS FOR LAW ENFORCEMENT
PURPOSES TO THE 2017 CITY OF LOVELAND BUDGET**

This item was considered on the Regular Agenda, Item 5.1.1.

**2.4. PARKS AND RECREATION
ADOPTION OF CITY COUNCIL RESOLUTION SUPPORTING THE REAUTHORIZATION
BY THE GENERAL ASSEMBLY OF THE COLORADO LOTTERY DIVISION IN 2018**

This item was considered on the Regular Agenda, Item 5.1.2.

3. CITY CLERK READS TITLES OF ORDINANCES ON THE CONSENT AGENDA

4. PUBLIC COMMENT

Anyone who wishes to speak to an item NOT on the Agenda may address the Council at this time.

Public Comment: Larry Sarner, spoke regarding the response to his TABOR comments, staff gave him the memo that was sent to Council.

**5. REGULAR AGENDA
PROCEDURAL INFORMATION**

Anyone in the audience will be given time to speak to any action item on the Regular Agenda before the Council acts upon it. The Mayor will call for public comment following the staff report. 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.

5.1 CONSIDERATION OF ITEMS REMOVED FROM CONSENT AGENDA

**5.1.1 LOVELAND POLICE DEPARTMENT
PUBLIC HEARING
SUPPLEMENTAL BUDGET AND APPROPRIATION OF NORTHERN COLORADO
DRUG TASK FORCE EQUITABLE SHARING DOLLARS FOR LAW ENFORCEMENT
PURPOSES TO THE 2017 CITY OF LOVELAND BUDGET**

Vincent Junglas, Assistant City Attorney, presented this item to Council. The Police Special Investigations Unit investigates the distribution of controlled substances, and other crimes, with local and federal law enforcement agencies through participation in the Northern Colorado Drug Task Force (NCDTF). NCDTF has historically reimbursed the City for a portion of costs related to the overtime of Loveland Police Department (LPD) officers. The Police Seizures & Forfeitures Fund is a City Fund used for segregating revenue received from the Northern Colorado Drug Task Force under the equitable sharing agreement that the City is a part of. There is currently \$46,224 in unassigned fund balance within this fund. This current fund balance is related to a \$40,000 transfer from the General Fund made back in 2009 that has been earning interest and risen to \$46,224 over time. If this supplemental appropriation is approved, the new funding award amount of \$36,937 will be used to mitigate police overtime costs. In addition to this, staff will determine how to properly spend down the existing fund balance amount of \$46,224, which will require a future appropriation action in order to expend. This item was presented to City Council on February 21, 2017 where Council voted to continue this item to a time at the discretion of the City Manager in order for City staff to research and explore possible alternatives for the use of equitably shared funds. This item was also presented to the Loveland Police Citizens Advisory Board on September 11, 2017. The Advisory Board voted to support the motion, recommending the Chief of Police to direct the use of funds consistent with the Department of Treasury Equitable Sharing Program guidelines and his identified needs for the police department and the community. Several members of the Advisory Board expressed a preference for utilizing equitable sharing dollars for overtime personnel costs. This item was presented at a Special Meeting to City Council on October 17, 2017 where the ordinance was adopted unanimously, on first reading, with a 7-0 Vote. Public Comment: Larry Sarner, Loveland resident, spoke in opposition of the ordinance.

Moved by Councilor Shaffer, seconded by Councilor Johnson

A Motion To Adopt, On Second Reading, Ordinance No. 6152 Enacting A Supplemental Budget And Appropriation Of Northern Colorado Drug Task Force Equitable Sharing Dollars For Law Enforcement Purposes to the 2017 City Of Loveland Budget

CARRIED UNANIMOUSLY, 8 - 0.

5.1.2. PARKS AND RECREATION

ADOPTION OF CITY COUNCIL RESOLUTION SUPPORTING THE REAUTHORIZATION BY THE GENERAL ASSEMBLY OF THE COLORADO LOTTERY DIVISION IN 2018

Elizabeth Kayl, Parks and Recreation Director, presented this item to Council. The Colorado Parks and Recreation Association has reached out to all local parks and recreation agencies that receive funding through the Colorado Lottery to encourage

their governing boards to support, via Resolution, the 2018 reauthorization of the Lottery by the General Assembly. Since 1983, Lottery has returned more than \$3 billion in proceeds to the people of Colorado for projects in all 64 counties. Lottery-funded projects have helped connect families to the outdoors; created and enhanced local trails and parks; built outdoor recreation facilities; preserved ranchlands, water resources, and view corridors; improved river access and quality; and conserved wildlife habitat. This item was presented to the Parks and Recreation Commission on October 12, 2017 and the Open Lands Advisory Board on October 11, 2017. Both the Parks and Recreation Commission and the Open Lands Advisory Board received a presentation on the benefits derived by the proceeds of the Lottery Division to the City of Loveland Parks and Recreation Department. Both Boards approved for the Resolution to come before City Council to support the reauthorization of the Lottery Division by the State General Assembly. Public Comment: Larry Sarner, spoke in opposition to the resolution. Councilors Clark and Olson expressed their concern regarding the lottery system.

Moved by Councilor Shaffer, seconded by Councilor Johnson

A Motion To Adopt Resolution #R-98-2017 Supporting The Reauthorization By The General Assembly Of Colorado Of The Colorado Lottery Division

CARRIED 6 - 2, No Votes: Clark and Olson.

5.2 ECONOMIC DEVELOPMENT

PUBLIC HEARING

THE APPROPRIATION FOR THE ACQUISITION OF THE LARIMER COUNTY BUILDING AND THE APPROPRIATION FOR THE INCENTIVE AGREEMENT WITH LPR/LONGBOW INDUSTRIES

Kelly Jones, Economic Development Director and Mike Scholl, Economic Development Manager, presented this item to Council. The appropriation would fund the acquisition of the County Building and Parking Lot (attachment 2 Property Map) through the Finley's Block URA plan area (attachment 3 Finley Block Map) and the Incentive Agreement with LPR/Longbow Industries LLC. The Incentive Agreement with LPR/Longbow Industries, LLC is scheduled for consideration by City Council at the second reading of the appropriation on November 7, 2017 regular City Council meeting. The funds will be loaned to the Finley's Block URA plan area. \$754,000 from the sale of the building to Longbow/LPR in 2018 will be applied to the loan. The balance of the loan will be repaid over 10 years at 3% interest. Staff presented the item to City Council at the September 26, 2017 Council Study Session. At the meeting, Council provided direction to staff to bring the item back for formal consideration. This is the first item and will be followed by the Incentive Agreement with Longbow Industries at the November 7, 2017 Regular meeting. Staff presented the outline of the sale and incentive agreement in Executive Session on May 2, 2017. Staff also presented the outline of the negotiation with Larimer County regarding the possible acquisition of the County properties on March 28, 2017. Public Comment: Larry Sarner, spoke in opposition to the ordinance.

Moved by Councilor Shaffer, seconded by Councilor Ball

1) A Motion To Adopt, On First Reading, An Ordinance Enacting A Supplemental Budget And Appropriation To The 2018 City Of Loveland Budget For A Loan To The Loveland Urban Renewal Authority (LURA) To Implement The Urban Renewal Plan For Block 41-Finley's Addition By Funding The Acquisition Of The Larimer County Building At 205 E. 6th Street, The Parking Lot At 6th Street And Railroad Avenue And The Longbow Industries, LLC Economic Incentive And Performance Agreement

CARRIED UNANIMOUSLY, 8 - 0.

Moved by Councilor Shaffer, seconded by Councilor Fogle

ADJOURN AS THE LOVELAND CITY COUNCIL AND CONVENE AS THE LOVELAND URBAN RENEWAL AUTHORITY

2) A Motion to Adopt, On First Reading, An Ordinance Enacting a Supplemental Budget and Appropriation to the 2018 Loveland Urban Renewal Authority (LURA) Budget to implement the Urban Renewal Plan for Block 41-Finley's Addition by funding the acquisition of the Larimer County Building at 205 E. 6th Street, the Parking Lot at 6th Street and Railroad Avenue and the Longbow Industries, LLC Economic Incentive and Performance Agreement.

CARRIED UNANIMOUSLY, 8 - 0.

Moved by Councilor Shaffer, seconded by Councilor Fogle

3) A Motion to Adopt, On First Reading, An Ordinance Enacting a Supplemental Budget and Appropriation to the 2017 Loveland Urban Renewal Authority Budget to implement the Urban Renewal Plan for Block 41-Finley's Addition by funding the Earnest Money Deposit and other expenses for the acquisition of the Larimer County Building at 205 E. 6th Street and the Parking Lot at 6th Street and Railroad Avenue

CARRIED UNANIMOUSLY, 8 - 0.

ADJOURN AS THE LOVELAND URBAN RENEWAL AUTHORITY AND RECONVENE AS THE LOVELAND CITY COUNCIL

**5.3. COMMUNITY PARTNERSHIP OFFICE
PUBLIC COMMENT
AFFORDABLE HOUSING CODE CHANGES**

Alison Hade, Community Partnership Administrator and Derek Turner, Assistant City Attorney, presented this item to Council. The proposed Community Housing

Development code change outlines a process for non-profit and for-profit developers to receive incentives from the City of Loveland to build single-family affordable housing (see Attachment 2 for redlined changes). This final recommendation is the result of comments from Study Sessions with City Council on September 26, 2017 and Planning Commission on September 11, 2017, and a public hearing with the Planning Commission on October 9, 2017. It also came from meetings with the Affordable Housing Commission, Loveland Housing Authority, Loveland Habitat for Humanity, Aspen Homes, Brinkman Partners and LC Real Estate. Recommended is a code change that describes an incentive for developers who construct homes that will be priced as affordable to residents living between 30% and 60% of the area median income (AMI) (Attachment 3) and a process for developers to apply to the city for project-specific incentives to construct homes that will be priced as affordable to residents living above 61% AMI. Public Comment: Larry Sarner, spoke in opposition to the ordinance.

Moved by Councilor Shaffer, seconded by Councilor Johnson

A Motion To Adopt, On First Reading, An Ordinance Amending Chapter 16.43 Of The Loveland Municipal Code Regarding Affordable Housing

CARRIED 7 - 0, Councilor Fogle recused himself.

**5.4. PARKS AND RECREATION
PUBLIC HEARING**

A SUPPLEMENTAL APPROPRIATION FOR TIMBERLANE FARM CONSULTING SERVICES

Council did not request a presentation, due to the The Executive Board for Timberlane Farm approached the City of Loveland to see what assistance, if any, the City is willing to provide in order to preserve the operation of this historic asset. City Council directed staff to locate a qualified consultant to prepare findings of possible options for the long-term operation of the farm and museum. Sunflower Development Group was selected based upon their experience in working with municipalities dealing with historic properties. The Timberlane Farm Board has agreed to contribute \$2,500 towards the \$25,000 fee for Sunflower Development Group. The remaining \$22,500 would come from General Fund Unassigned Fund Balance. If approved, the General Fund Unassigned Fund Balance would be \$10,790,012. This item was presented to City Council at Study Sessions on April 25, 2017 and August 22, 2017. This item was also presented to City Council at their Special Meeting on October 10, 2017 where the ordinance was adopted, on first reading, with a 4-3 Vote. At this meeting, City Council discussion included who would perform long-term financial and operational support of this facility, would it be possible to relocate other City historic elements to this location, and other discussion; which will be captured by the consultant in the report. Public Comment: Larry Sarner, spoke in opposition to the ordinance. Councilors expressed concern regarding the historical value to the community and others expressed concern regarding the funding by the City.

Moved by Councilor Shaffer, seconded by Councilor Johnson

A Motion To Adopt, On Second Reading, Ordinance No. 6153 Enacting A Supplemental Budget and Appropriation To the 2017 City of Loveland Budget For Timberlane Farms

CARRIED 5 - 3, No Votes: Clark, Olson and Overcash.

ADJOURN

Mayor Gutierrez adjourned the October 24, 2017 Special Meeting of the Council at 6:57 p.m.

STUDY SESSION

5.1 PARKS AND RECREATION

GOLF ENTERPRISE FUND OLDE COURSE CLUBHOUSE UPDATE

Steve Southard, Parks and Recreation Golf Manager, provided an update on the progress made to date towards a new clubhouse at The Olde Course At Loveland and will also introduce a new multi-use concept as information for City Council. This item was presented to City Council at the August 8, 2017 City Council Study Session. City Council requested Staff to present options to provide a funding mechanism for the clubhouse. Council spoke in support of the overall concept, but with concerns regarding some of the options presented. Council thanked staff for the update.

Information Only

BUSINESS FROM CITY COUNCIL

Councilor Overcash presented an item to address budget processes for 2019. Discussion ensued regarding when to begin working with staff and CFAC members.

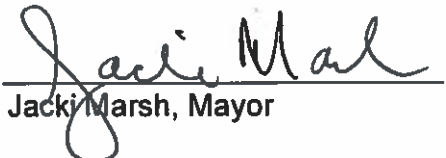
ADJOURN

Mayor Gutierrez adjourned the October 24, 2017 Study Session at 8:30 p.m.

Respectfully Submitted,




Beverly A. Walker, Acting City Clerk


Jacki Marsh, Mayor