

CALL TO ORDER Mayor Gutierrez called the Special meeting of the Loveland City Council to order on the above date at 6:10 PM.

PLEDGE OF ALLEGIANCE

ROLL CALL Roll was called and the following responded: McEwen, Solt, McKean, Johnson, Klassen, Rice and Gutierrez. Councilor Heckel was absent. Councilor Shaffer arrived at 6:31 pm.

1. AIRPORT

Access Agreement with Rocky Mountain Airport Investments, LLC

Resolution #R-20-2011

Administrative Action: Public Works Director Keith Reester Introduced this item to Council. This is an administrative action to consider a resolution authorizing the City Manager to execute a revised Airport Access Agreement with Rocky Mountain Airport Investments, LLC (the "Developer") and one or more Metropolitan Districts to be formed to finance infrastructure improvements. Councilor Johnson made a motion to approve Resolution #R-20-2011 of the Council of the City of Loveland authorizing the City Manager to execute a long-term Airport Access Agreement with Rocky Mountain Airport Investments, LLC and related Intergovernmental Agreements with Metropolitan Districts at the Fort Collins-Loveland Municipal Airport. Councilor Klassen seconded the motion and a roll call vote was taken with all councilors present voting in favor thereof.

RESOLUTION #R-20-2011

A RESOLUTION OF THE COUNCIL OF THE CITY OF LOVELAND AUTHORIZING THE CITY MANAGER TO EXECUTE A LONG-TERM AIRPORT ACCESS AGREEMENT WITH ROCKY MOUNTAIN AIRPORT INVESTMENTS, LLC AND RELATED INTERGOVERNMENTAL AGREEMENTS WITH METROPOLITAN DISTRICTS AT THE FORT COLLINS-LOVELAND MUNICIPAL AIRPORT

WHEREAS, the cities of Fort Collins and Loveland (jointly, "the Cities") jointly own and operate the Fort Collins-Loveland Municipal Airport ("the Airport"); and

WHEREAS, the Cities have previously entered into that certain Intergovernmental Agreement for the Joint Operation of the Fort Collins-Loveland Municipal Airport dated May 16, 2000; and

WHEREAS, Rocky Mountain Airport Investments, LLC, (the "Developer") is the owner and developer of certain parcels of real property which are immediately adjacent to the Airport (the "Adjacent Property"); and

WHEREAS, the Developer desires to develop the Adjacent Property as an airpark, with the platted lots within the Adjacent Property having aircraft access to the Airport; and

WHEREAS, the Developer intends to establish one or more Metropolitan Districts ("Metro Districts") within the Adjacent Property to finance construction of improvements, make assessments to pay airport access fees, and to manage the common areas and enforce covenants, conditions, and restrictions against the real property; and

WHEREAS, the Cities believe that allowing the Developer and its successors and assigns access to the Airport pursuant to certain terms and conditions, including the payment to the Cities of a fair and reasonable access fee, will increase public access to the Airport, increase revenues to the Airport, aid in making the Airport more financially self-sufficient, and contribute to improving the economic health of northern Colorado; and

WHEREAS, the staff of the Cities and the Developer have negotiated a proposed long-term airport access agreement a copy of which is attached hereto as Exhibit "A" and incorporated herein by reference ("the Access Agreement"); and

WHEREAS, attached to the Access Agreement as Exhibit "C" is an Intergovernmental agreement to be executed by the Cities with the Metro Districts to be formed by the Developer upon development of the Adjacent Property ("IGA"); and

WHEREAS, the proposed Access Agreement and IGA set forth the terms and conditions under which the Developer and its successors and assigns will be allowed access to the Airport and ensure that those terms and conditions are enforced; and

WHEREAS, the Access Agreement and IGA contain the following major provisions:

a. The Cities grant the Developer and its assignee Metro Districts a 50 year access easement ("Access Easement") onto the Airport from the specified Adjacent Property;

- b. The Developer and the Metro Districts will be responsible for the construction and maintenance costs of all improvements necessary to make the access connection, including fencing and gates;
- c. The Developer and the Metro Districts will not be permitted to have commercial aeronautical activities on the Adjacent Property, except for aircraft manufacturing and assembly, flight testing associated with assembled aircraft, painting of manufactured aircraft and parts, and air freight services;
- d. The Developer and the Metro Districts will pay the Cities a yearly access fee ("Fee") equal to 5 mills on the assessed value of the real property within the Adjacent Property, which mill rate may be adjusted yearly at the request of either party in such a way so as to ensure that the Fee amount provides the Airport with a source of revenue which is not less than the revenue that would otherwise be provided if the Adjacent Property would have been developed on the Airport;
- e. in the event that the organization of the Metro Districts does not take place as contemplated in this Agreement or the Districts otherwise fail to comply, in any way whatsoever, with the terms of the iGA, the Developer agrees to pay annually to the Cities an amount equal to the Fee at all times during the term of this Agreement until such time as the Districts come into full compliance with the Agreement.
- f. A Federal Aviation Administration ("FAA") concern with grant assurance compliance would be cause for such an adjustment of the Fee;
- g. In the event of default by either party as determined by a court, the non-defaulting party will be entitled to attorney fees from the defaulting party; and
- h. The Access Agreement, iGA and Access Easement will terminate, if:
 - (1) the Metro Districts for the entirety of the Adjacent Property (north and south parcels) are not formed and the other specified development conditions are not met as to the south parcel on or before September 30, 2012; in this case, the Agreement and the Access Easement terminate as to both parcels.
 - (2) the specified development conditions, other than creation of the Metro Districts, are not met as to the north parcel by September 30, 2019; in this case, the Agreement and the Access Easement terminates as to the north parcel only.
- i. The Cities may terminate the Access Agreement if:
 - (1) the Fee is not paid after 60 days notice.
 - (2) the FAA formally notifies the Cities of a grant assurance violation.

WHEREAS, the City Council believes that adoption of the Access Agreement and iGA and grant of the Access Easement are in the best interests of the City.

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

Section 1. That the Access Agreement, iGA, and grant of the Access Easement are hereby approved.

Section 2. That the City Manager is hereby authorized to execute the Access Agreement and iGA in substantially the forms which are attached hereto, subject to such modifications in form or substance as the City Manager, in consultation with the City Attorney, may deem necessary to effectuate the purposes of this Resolution or to protect the interests of the City.

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

ADOPTED this 22nd day of March, 2011.

Cecil A. Gutierrez, Mayor

Attest: Teresa G. Andrews, City Clerk

All Exhibits are available in the City Clerk's Office

2. CITY MANAGER

Discuss and consideration of any needed action concerning the ACE Manufacturing and Innovation Park

No discussion or consideration of action occurred.

CITY COUNCIL NEW BUSINESS

- Rice** Councilors McKean, Klassen and Johnson supported Council Rice's request to add an agenda item to the April 5th meeting to discuss the Senate HB11-1082 regarding emissions. By consensus of council the item will be added to the April 5th agenda.
- Gutierrez** Mayor Gutierrez mentioned there were a number of items scheduled for Council on March 24th including: CSU Everitt Real Estate Center's "Housing Colorado's Future" at the Embassy Suites, 9:00 - 10:45 a.m.; ED Subcommittee tour of Dan Ostermiller's Studios

(100 W 1 St) and Road Narrows Robotics (125 E 5 St #102), 3 - 4:00 p.m.; Governor Hickenlooper's "Bottom Up Economic Development Initiative" for Region 2 (Larimer & Weld Counties) at The Ranch-1st National Bank Exhibit Hall; and the joint City Council - Thompson School Board of Education Annual Meeting, 7:00 - 9:00 p.m., at the District Administration Building, 800 South Taft Avenue. The City Manager will reschedule the ED Subcommittee tour of Ostermiller's studios and Road Narrows Robotics.

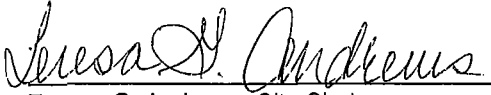
City Attorney

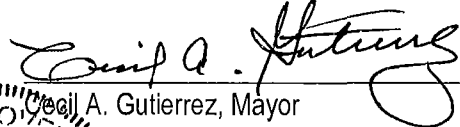
City Attorney John Duval informed Council that the Larimer District Court Judge ruled in the City's favor regarding the medical marijuana dispensary issue.

ADJOURNMENT

Having no further business to come before Council, the March 22, 2011 Special Meeting was adjourned at 7:46 p.m.

Respectfully Submitted,


Teresa G. Andrews, City Clerk


Cecil A. Gutierrez, Mayor

