

**LOVELAND CITY COUNCIL MEETING
LOVELAND URBAN RENEWAL AUTHORITY BOARD OF COMMISSIONERS
TUESDAY, DECEMBER 6, 2011
CITY COUNCIL CHAMBERS
500 EAST THIRD STREET
LOVELAND, COLORADO**

THE CITY OF LOVELAND DOES NOT DISCRIMINATE ON THE BASIS OF DISABILITY, RACE, CREED, COLOR, SEX, SEXUAL ORIENTATION, RELIGION, AGE, NATIONAL ORIGIN, OR ANCESTRY IN THE PROVISION OF SERVICES. FOR DISABLED PERSONS NEEDING REASONABLE ACCOMMODATION TO ATTEND OR PARTICIPATE IN A CITY SERVICE OR PROGRAM, CALL 962-2343 OR TDD # 962-2620 AS FAR IN ADVANCE AS POSSIBLE.

**5:30 P.M. DINNER - City Manager's Conference Room
6:30 P.M. REGULAR MEETING - City Council Chambers**

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

PROCLAMATION DECLARING DECEMBER 4 – 11, 2011 AS “HAROLD DWAYNE WEBSTER WEEK”

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.

CONSENT AGENDA

1. CITY CLERK

APPROVAL OF COUNCIL MINUTES

Consideration of a motion approving the Council minutes

This is an administrative action to approve Council minutes from the November 8, 2011 special meeting and the November 15, 2011 regular meeting.

2. FINANCE

SUPPLEMENTAL APPROPRIATION – CITY'S 2011 BUDGET

Consideration on second reading of an ordinance enacting a supplemental budget and appropriation to the City of Loveland, Colorado 2011 budget

This is an administrative action. The ordinance is necessary to resolve several year-end issues and finalize the 2011 Budget. Several of the issues are new and the remainder we have been following through the year and have waited until now in order to provide the best forecast for the cost to the end of the year. This ordinance was unanimously approved by Council on first reading November 1, 2011. Due to a publication error this item is coming back to Council on December 6, 2011 for approval on second reading. There are no other changes to this item.

3. **FINANCE**
SUPPLEMENTAL APPROPRIATION – 2011 SPECIAL IMPROVEMENT DISTRICT #1 BUDGET
Consideration on second reading of an ordinance enacting a supplemental budget and appropriation to Loveland Special Improvement District #1 2011 budget
This is administrative action. The Ordinance appropriates funds from prepaid assessments to pay down debt. The revenue for the appropriation is from a prepaid assessment in full. The revenue is being used to call District bonds early reducing the debt service for the District. This ordinance was unanimously approved by Council on first reading November 1, 2011. Due to a publication error this item is coming back to Council on December 6, 2011 for approval on second reading. There are no other changes to this item.
4. **PUBLIC WORKS**
SALE OF THE BISHOP HOUSE
Consideration on second reading of an ordinance authorizing the sale of the Bishop House and the sale of real property owned by the City of Loveland pursuant Section 4-7 of the City of Loveland Municipal Charter
This is an administrative action to approve the sale of the “Bishop House,” located at 871 E. 1st Street, and approximately 0.4 acres of City-owned real property located at 1317, 1321, & 1375 W. 8th Street (these parcels were acquired for the Taft Avenue widening project). This ordinance was unanimously approved by Council on first reading November 1, 2011. Due to a publication error this item is coming back to Council on December 6, 2011 for approval on second reading. There are no other changes to this item.
5. **FIRE & RESCUE**
MUNICIPAL CODE AMENDMENT - FIRE & RESCUE ADVISORY COMMISSION
Consideration on second reading of an ordinance amending Section 2.60.110 of the Loveland Municipal Code to modify the purpose of the Fire and Rescue Advisory Commission to reflect the creation of a Fire Authority and to increase the Loveland Rural Fire Protection District’s representation on the Commission to include voting members
This is a legislative action. This ordinance makes provisions for citizen representation and involvement from the Loveland Rural Fire Protection District on the Fire Rescue Advisory Commission (FRAC). This action also changes the focus and concerns of future fire commissions to include areas within the new fire authority’s boundaries; this will include the City of Loveland and the area of the Loveland Rural Fire Protection District. This action is necessary to reflect the changes brought about by the adoption of the new fire authority, which will commence on January 1, 2012. On November 15, 2011 City Council unanimously approved the ordinance on first reading.
6. **ECONOMIC DEVELOPMENT**
SUPPLEMENTAL APPROPRIATION – LODGING TAX FUND
Consideration on second reading of an ordinance enacting a supplemental budget and appropriation to the 2012 City of Loveland budget for the Lodging Tax fund

This is an administrative action. On October 19th, 2011 the Community Marketing Commission made a unanimous recommendation to City Council to approve an ordinance enacting a supplemental budget and appropriation to the 2012 City of Loveland Budget for the Lodging Tax Fund. On November 15, 2011 City Council unanimously approved the ordinance on first reading.

7. DEVELOPMENT SERVICES

REZONING PROPERTY IN WATERFALL SUBDIVISION

Consideration on second reading of an ordinance amending Section 18.04.040 of the Loveland Municipal Code, the same relating to zoning regulations for certain property located in the Waterfall Subdivision, City of Loveland, Larimer County, Colorado

Consideration of a quasi-judicial action for adoption of an ordinance on second reading rezoning Lot 1, Block 1 of the Waterfall Subdivision from I-Developing Industrial to MAC - Mixed-Use Activity Center District. The 12.3 acre property is located at the northwest corner of the intersection of East 15th Street and North Boyd Lake Avenue and was formerly occupied by the Loveland Waterpark. The owner of the property is MBL 34, LLC, a McWhinney-controlled entity. City Council unanimously adopted the ordinance on first reading at the November 15, 2011 meeting.

ADJOURN AS CITY COUNCIL AND CONVENE AS THE BOARD OF COMMISSIONERS FOR THE LOVELAND URBAN RENEWAL AUTHORITY (LURA)

8. DEVELOPMENT SERVICES

APPROPRIATION AND AGREEMENT – LURA DOWNTOWN FAÇADE PROGRAM

- a) **Consideration on second reading of an ordinance enacting a supplemental budget and appropriation to the Loveland Urban Renewal Authority 2011 Budget**
- b) **Consideration of Resolution #R-78-2011 of the Loveland Urban Renewal Authority approving an Intergovernmental Agreement between the City of Loveland, Colorado and the Loveland Urban Renewal Authority for 2011 Façade Program funding**

This is an administrative action to adopt an ordinance on second reading appropriating funding received through the Downtown Urban Renewal Authority (URA) property tax increment to continue the Downtown Façade Improvement Grant Program. This appropriation would commit the TIF fund balance of \$48,100 to fund the façade program. An Inter-Governmental Agreement (IGA) between the Loveland URA and the City would contractually commit the TIF fund balance for funding the Façade Improvement Grant Program in 2011. In the past, LURA tax increment funds that were otherwise not committed were paid to the City to reimburse it for administrative costs under an IGA signed in 2007. Under the proposed appropriation, these funds would be appropriated in the budget for Community and Strategic Planning for the sole purpose of funding the Façade Grant Program. City Council unanimously approved the ordinance on first reading on November 15, 2011.

ADJOURN AS THE BOARD OF COMMISSIONERS FOR THE LOVELAND URBAN RENEWAL AUTHORITY AND RECONVENE CITY COUNCIL

9. DEVELOPMENT SERVICES

AGREEMENT – LURA DOWNTOWN FAÇADE PROGRAM

Consideration of Resolution #R-79-2011 of the City of Loveland, Colorado approving an Intergovernmental Agreement between the City of Loveland, Colorado and the Loveland Urban Renewal Authority for 2011 Façade Program funding

This is an administrative action to consider a resolution approving an Intergovernmental Agreement (IGA) between the City of Loveland and the Loveland Urban Renewal Authority (LURA) to commit to provide funding for the Façade Program from the 2011 TIF fund balance to be expended during its 2012 grant cycle. This IGA will serve the public purpose of furthering redevelopment and renovation of the Downtown Plan Area.

10. **DEVELOPMENT SERVICES**
PUBLIC HEARING

2012 THREE MILE PLAN

Consideration of Resolution #R-80-2011 adopting a Three Mile Plan for the City of Loveland, Colorado

A legislative action to formally adopt a Three Mile Plan for 2012. The Three Mile Plan would consist of the City's comprehensive plan, other adopted plans covering infrastructure, services and surrounding areas, and procedures.

11. **CITY MANAGER**
2012 SCHEDULED MEETING DATES

Consideration of Resolution #R-81-2011 adopting the schedule of the 2012 meeting dates for the Loveland City Council and the City's Boards and Commissions

This is an administrative action pursuant to City Code Section 2.14.020B. to set the 2012 meeting dates, times and locations for the City Council and for the City's boards and commissions.

12. **CITY MANAGER**
APPOINTMENT TO LARIMER EMERGENCY TELEPHONE AUTHORITY (LETA)

Consideration of a motion to appoint Bill Westbrook, IT Director, as the City's representative to the LETA Board

This is an administrative action to designate a City representative to the LETA Board. Pursuant to City Ordinance #5435 the City Council may designate an elected City official or a City employee. The City Manager's Office proposes to re-appoint Bill Westbrook, IT Director, as the City's representative to the LETA Board.

13. **CITY CLERK**
PUBLIC HEARING
MUNICIPAL CODE AMENDMENT - SPECIAL EVENT PERMITS

Consideration on first reading of an ordinance of the City Council for the City of Loveland approving its Local Licensing Authority to adopt a streamlined Special Events Permit process pursuant to C.R.S. §12-48-107

This is a legislative action. State law requires a permit for special events at which alcohol beverages are sold and/or served to the public. Currently, approval/denial of such permits is required at the City and State levels, with fees to both the City and State to help recover the cost of permitting. Recent legislation provides an option for the City to "opt in" to a process to streamline the Special Event Permit process. The simplified option eliminates the State from the approval process and retains approval at the local level only. The number of days which special event permit holders can hold events increased from 10 to 15 days per year.

14. **ECONOMIC DEVELOPMENT**
CONCESSION AGREEMENT FOR RIALTO THEATER & RIALTO THEATER CENTER

Consideration of a motion approving a contract for food and beverage concession service with Next Door Tapas, Inc. and authorizing the City Manager to sign the contract on behalf of the City

This is an administrative action to approve a contract with Next Door Tapas, Inc. for food and beverage concession to patrons of the Rialto Theater, and exclusive alcohol beverage service to users of the community spaces within the Rialto Theater Center. The contract provides for revenue to the City based on a percentage of Next Door Tapas, Inc.'s gross sales. By the third year of the contract, the City will receive 15 percent of gross sales, which will help to offset the cost of operating the Rialto Theater.

15. **CITY MANAGER**

VOLUNTEER FIREFIGHTER PENSION PLAN

Consideration of Resolution #R-82-2011 authorizing an increase in the Loveland and Rural Consolidated Volunteer Fire Department Pension Plan effective January 1, 2012

The proposed resolution authorizes an increase in the benefits paid to firefighters that have served the community in the capacity of volunteers in the Loveland and Rural Consolidated Volunteer Fire Department Pension Plan (the "Plan"). Currently, retirees with at least 20 years of service receive a monthly payment of \$600. This amount would be increased to \$650 per month commencing on January 1, 2012. Other payments that are made to partially vested, retired firefighters and surviving beneficiaries of firefighters are adjusted proportionately according to the schedule attached to the Resolution. Based on an independent actuarial study, the Plan has a funding plan sufficient to cover the costs of the increased payments.

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

16. **DEVELOPMENT SERVICES**

PUBLIC HEARING

MARIANA BUTTE 23RD AND 26TH SUBDIVISION APPEAL

Consideration of a motion regarding an appeal filed September 22, 2011 by Landmark Engineering LTD, on behalf of the applicant, B&B I LLC, of the August 22, 2011

Planning Commission denial of an amendment to a preliminary development plan for the Mariana Butte 23rd Subdivision PUD and a preliminary plat for the Mariana Butte 26th Subdivision

This is a quasi-judicial action to consider an appeal of the Planning Commission's denial of an amendment to the Mariana Butte 23rd PUD Preliminary Development Plan and a preliminary plat for Mariana Butte 26th Subdivision. The property is located at the northwest corner of West 1st Street and Rossum Drive, within the Mariana Butte Planned Unit Development. The property is 5.03 acres and is bordered on the west by the Buckingham Reservoir. The applicant is B&B I LLC.

17. CITY MANAGER'S OFFICE

BUILDING LEASE AGREEMENT - CHAMBER OF COMMERCE

Consideration of Resolution #R-83-2011 approving a building lease agreement between the City of Loveland, Colorado and the Loveland Chamber of Commerce for a portion of the building located at 5400 Stone Creek Circle.

This is an administrative action. City staff is recommending that the current 1995 lease agreement as amended be terminated and a new lease be approved whereby the City will lease to the Chamber, and the Chamber will lease from the City, only about half of the building for office and conference space through 2016. The City will occupy and use the remaining portion of the building for operation of the Loveland Visitor's Center. The approval of this new building lease will also allow the implementation of the vision expressed in the Destination Loveland Strategic Plan that the Council unanimously approved on November 15, 2011.

18. ECONOMIC DEVELOPMENT

LETTER AGREEMENT WITH BRINKMAN PARTNERS & MODIFICATION TO URBAN RENEWAL AREA

a) Consideration of Resolution #R-84-2011 approving a Letter Agreement for Exclusive Right to Negotiate a Disposition and Development Agreement with Brinkman Partners, LLC for the North Catalyst site located at 533 North Lincoln Avenue, Loveland, Colorado

b) Consideration of Resolution #R-85-2011 of the City Council of the City of Loveland conditionally approving a Minor Modification to the Urban Renewal Plan for downtown Loveland, and initiating a Major Modification to the Urban Renewal Area for Block 41-Finley's Addition

This is an administrative action to consider a series of Council resolutions that would facilitate the negotiation and financing of 533 N. Lincoln Avenue (North Catalyst project) in partnership with the Brinkman Partners. Resolution #1, the Exclusive Right to Negotiation (ERN), provides an exclusive period of negotiation beginning December 7, 2011 through May 18, 2012 during which the parties will engage in negotiations and due diligence work on an agreement for the sale and development of the parcel. Resolutions #2 and the LURA resolution to follow would authorize the blight study, approve a minor modification to the Downtown Urban Renewal Plan Area and initiate a major modification to the Block 41-Finley's Addition Urban Renewal Plan. Resolutions #2 and the LURA resolution also authorize the City to fund the blight study pursuant to an Intergovernmental Agreement with the Loveland Urban Renewal Authority.

ADJOURN AS CITY COUNCIL AND CONVENE AS THE BOARD OF COMMISSIONERS FOR THE LOVELAND URBAN RENEWAL AUTHORITY (LURA)

**19. ECONOMIC DEVELOPMENT
AUTHORIZE BLIGHT STUDY**

Consideration of Resolution #R-86-2011 the Board of the Loveland Urban Renewal Authority commissioning a Blight Study for property proposed to be added to the Urban Renewal Plan for Block 41 – Finley’s Addition

This is an administrative action to consider a resolution to authorize the blight study for the purposes of amending the Finley’s Block/Lincoln Place URA. There is minimal budget impact at this time with funding of the blight study at an estimated cost not to exceed \$7,500 but should the project move forward a request for financing to support the project will be forthcoming.

ADJOURN AS THE BOARD OF COMMISSIONERS FOR THE LOVELAND URBAN RENEWAL AUTHORITY AND RECONVENE CITY COUNCIL

**20. FINANCE
OCTOBER 2011 FINANCIAL REPORT**

This is an information only item. No action is required. The Snapshot Report includes the City’s preliminary revenue and expenditures including detailed reports on tax revenue, health claims and cash reserves for the ten months ending October 31, 2011.

**21. CITY MANAGER
INVESTMENT REPORT FOR OCTOBER 2011**

This is an information only item. No Council action is required. The budget estimate for investment earnings for 2011 is \$3,163,130. For the first ten months of 2011, the amount posted to the investment account is \$3,008,179 including realized gains. Actual year-to-date earnings are higher than the year-to-date projection by \$372,339. Based on October’s monthly statement, the estimated annualized yield on the U.S. agencies and corporates was up to 1.71%, well under the annual target rate of 2% but higher than recent months. Reinvestment rates are now significantly lower than the first-half of 2011.

ADJOURN