



Police Department

810 East Tenth Street, Suite 100 • Loveland, CO 80537
(970) 667-2151 • Fax (970) 962-2916 • TDD (970) 663-5144
www.cityofloveland.org

AGENDA ITEM: 1
MEETING DATE: January 10th, 2012
TO: City Council
FROM: Loveland Police Department
PRESENTER: Luke Hecker

TITLE:
Governance of Loveland Pawnshop operations

RECOMMENDED CITY COUNCIL ACTION:
Provide feedback to staff recommending either the implementation of a licensing process for local pawn shops, or the development of an Ordinance to govern pawnshop operations.

DESCRIPTION:
Pawnbrokers operating in the City of Loveland are seeking local licensing of pawnshop operations. City Staff recommends local control of pawnshop operations through a City Ordinance rather than licensing.

BUDGET IMPACT:
 Positive impact
 Negative impact
 Neutral or negligible impact

SUMMARY:
Beginning in late 2010, Local Pawnbrokers reached out to elected officials and city staff seeking local licensing for pawnshops. In 2011 over the course of six meetings with pawnbrokers and five renditions of licensing drafts, the pawnbrokers were not satisfied with the proposed licensing conditions.

Licensing of pawnbrokers is not required by the State of Colorado, and city staff believes a local ordinance could be crafted that does not require licensing of pawnbrokers, but safeguards the integrity of pawnshop operations, and protects public interests.



REVIEWED BY CITY MANAGER: *William D. Cahill*

LIST OF ATTACHMENTS:

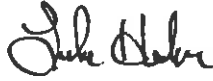
- Staff memorandum
- Appendix – Table of Council Options



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MEMORANDUM

TO: Loveland City Council
FROM: Luke Hecker, Chief of Police 
DATE: December 20, 2011
RE: Licensing Question for Local Pawn Shops

On January 10th, 2012 this topic will appear before City Council as a Study Session Item. At that time City Council will be presented with a number of options regarding local licensing of pawn shops. The purpose of this memorandum is to illuminate the history of the licensing request, provide the background city staff has experienced with local pawn brokers on the topic of licensing, and to provide staff recommendations.

City staff members involved in this process includes:

- Police Captain Ray Miller – law enforcement issues;
- Assistant City Attorney Moses Garcia – ordinance drafting,
- City Clerk Terry Andrews – licensing process.

History and Background:

In November of 2010, Loveland pawnshop owners approached several City Council members seeking to be licensed by the City with the expressed intent of ensuring pawnbrokers within the City of Loveland remain reputable. When City staff became involved in the process staff worked with the local pawnbrokers, represented primarily by Ray Steele Jr. from Friendly Pawn, to draft language for licensing local pawnshops. The pawnshop ordinance initially proposed by City of Loveland staff was based upon the City of Greeley's and City of Fort Collins' pawnshop licensing ordinances. The City's proposed pawnshop licensing ordinance was not as comprehensive as the Greeley's ordinance, but it was more comprehensive than Fort Collins' ordinance. Some differences were:

- The City's version had a lower surety bond requirement than Greeley, but a higher one than Fort Collins
- The proposed ordinance had less control over minor operational decisions than Greeley or Fort Collins
- The proposed ordinance did not limit the number of pawnshop businesses one pawnbroker could have within the City as did those ordinances
- Unlike Greeley, the ordinance did not require a video record and photograph of all customers who pawned property.

Over the course of six meetings with the Pawnbrokers, and five renditions of the ordinance that went back and forth between the two stakeholders, the pawnbrokers were not satisfied with the City's proposed licensing process.

During this time frame, Assistant City Attorney Moses Garcia communicated with Colorado Attorney General's Office in Denver, Colorado and determined that in accordance with provisions of the Uniform Consumer Commercial Code (UCCC), unlicensed pawn shops are subject to loan interest rate charges between 21% - 36%. On the other hand, licensed pawn brokers could collect loan interest charges of 240%.



Additionally Moses learned that pawn brokers collecting 240% interest without being licensed faced state penalties that could include reimbursement to clients who had been overcharged for interest and possible charges of criminal usury. Upon learning this information, city staff surmised that the undisclosed intent of the pawnbrokers in obtaining local licensing is to maintain current loan interest charges of 240%.

In August 2011 city staff from the Attorney's Office, Police Department, City Clerk, and the Assistant City Manager met to strategize the next steps in the stalled process. At that meeting staff determined to raise the issue of interest rates as it relates to the licensing process with the pawnbroker. When the pawnbrokers were notified of the interest rate issue the following email was sent to the Assistant City Attorney:

“From: Ray Steele [<mailto:rayjr@friendlypawnshop.com>]

Sent: Friday, August 26, 2011 4:46 PM

To: Moses Garcia; Ray Miller; Terry (Teresa) Andrews; Luke Hecker; John Duval

Subject: RE: Pawnshop Licensing and Interest Rates - CEASE DOCUMENT PROGRESS

Moses et al. -

I do not understand what you are asking. Colorado pawnbrokers HAVE to adhere to Colorado Revised Statutes (C.R.S.) as it is the most definitive document the State orders for pawnbroker operations. No local authority may dictate otherwise with respect to C.R.S definitions for fixed time and fixed price. That is what I have already stated to you below. It is a mute point.

What specifically are you asking? Another MORE SERIOUS MATTER: The Loveland pawnbrokers do not support the draft you and the Loveland Police Department (LPD) have created. It is unfortunate that the draft has taken the turn toward overregulation, oppressiveness and unnecessary government interference to the point that would affect our ability to operate and our right to make a living. *We acknowledge there has been a lot of time and effort put into it; however, since Loveland pawnbrokers were the originator for the licensing document request, we now wish to withdraw our request - stop or place on hold any further progress.* (Emphasis added.) The LPD document has strayed too far from the original safe intent we first presented to you, Chief Hecker, and John Duval mid-December 2010. We will continue to operate per C.R.S. 12-56-101 thorough 12-56-104, as we have successfully for years.

Respectfully,

- Ray Jr.

Friendly Pawn, Inc.”

Subsequent to this email, the pawnbrokers approached city staff to revisit the possibility of licensing their industry within the City. This is likely due to their noncompliance with the lower interest rate requirements under the Uniform Consumer Commercial Code.

Staff Recommendations:

Licensing of pawnbrokers is not required by the State of Colorado. City staff believes local licensing of pawnshops is overly intensive as it relates to obtaining proof of compliance for issuing licenses, renewing licenses every three years, maintaining file documentation, and ensuring compliance through periodic premise inspections. Instead of licensing, staff believes the following four provisions added to the City Code would safeguard the integrity of local pawn shops and protect the interest of the public.

1. Require the use of fingerprinting or photographing of people who pawn items, along with proper personal identification;
2. Require the use of an Internet service (Leads on Line or similar) identified by the Police Department to register ALL items/property taken in by the Pawnshops;
3. Authorize police officers to place a “hold” on property as needed;
4. Create a legal interplead process whereby the “primary owners” of the property could appeal to the Larimer County District Court to assist them in getting their property back when ownership is in dispute by the pawnbroker.

Practices by Regional Jurisdictions Related to Pawnbrokers:

- The City of Longmont has a simple ordinance that essentially provides a mechanism to issue a license (\$25.00 for three months) and involves little regulation. Presumably, Longmont relies on the provisions of the State's pawnbroker statute.
- The Town of Windsor has a business license, but does not offer any specific licensing for or regulation of pawnshops. Windsor relies on the State's pawnbroker statute for regulation, and currently does not appear to have any pawnshops.
- The Town of Estes Park requires a business license, but does not offer any specific licensing for or regulation of pawnshops. It has at least one pawnshop and similarly appears to rely on the State's pawnbroker statute for regulation.

Options discussed but not recommended are:

1. Approve an ordinance that establishes licensing in the City of Loveland;
2. Do nothing and let the State requirements be the only "Pawnshop" regulations that the Pawnshops would have to follow. All other City Code provisions would still apply, as would the State interest rate provisions.

Appendix

The table below describes possible alternatives City Council could pursue related to the licensing matter:

Table of provisions:

Current City and State provisions	No Licensing recommended by Staff; but with the following provisions added to deter criminal intent	If Licensing is preferred, additional provisions
No local licensing requirement	No Licensing required	Licensing - required
State interest rate of 21% annually (for loans above \$1,000) - 36% annually (for loans up to \$1,000) apply.	State interest rate of 21% annually (for loans above \$1,000) - 36% annually (for loans up to \$1,000) provisions would apply per the UCCC.	Instituting local licensing will allow Interest rate at 20% of value per month (up to 240% annually) per the Pawnbrokers statute, C.R.S. §12-56-101 <i>et seq.</i>
Hours of operation 8:00 p.m.-8:00 a.m. 5.28-010 LMC	Require the use of fingerprinting or photo along with proper Identification to identify the person pawning the items;	Require the use of fingerprinting or photo along with proper Identification to identify the person pawning the items;
Pawnbroker must keep a numerical register or other tangible or electronic record with the following information: name address date of birth of customer driver's license number or other identification number that is allowed for the sale of valuables. They shall also obtain a written declaration of customer's ownership. 12-56-103(1) C.R.S.	Require the use of an Internet service (Leads on Line or similar) identified by the Police Dept. to register ALL items/property taken in by the Pawnshops;	Require the use of an Internet service (Leads on Line or similar) identified by the Police Dept. to register ALL items/property taken in by the Pawnshops;
Customer shall sign the register or other tangible or electronic record and declaration of ownership	The authorization for Police Officers to place a "hold" on property as needed.	The authorization for Police Officers to place a "hold" on property as needed.

and shall receive a copy of the contract or a receipt of the purchase transaction. 12-56-103 (2) C.R.S.		
The register shall be made available to the local law enforcement agency for inspection at any reasonable time. 12-56-103 (3)	The ability to interplead on behalf of the "primary owners" of the property to assist them in getting their property back when necessary.	The ability to interplead on behalf of the "primary owners" of the property to assist them in getting their property back when necessary.
Shall keep register for at least three years after date of the last transaction entered in the register 12-56-103 (4)		Background check for owners of 10% or more of the business to have a background check.
Pawnbroker shall hold contracted goods for a period of ten days following the maturity date of the contract for purchase such goods shall be held separate and apart from any other tangible person property and shall not be changed in form or altered in any way. 12-56-103 (5) C.R.S.		Manager certificate, renewable every three years.
Pawnbroker shall hold all property purchased by him through a purchase transaction for 30 days following the date of purchase 12-56-103 (6) C.R.S.		Surety bond of \$5,000 required.
Every pawnbroker shall provide the local law enforcement agency, on a weekly basis, with two records on a form to be provided or approved by the local law enforcement agency for		No contracts with someone who is under the influence of alcohol or any illegal narcotic drug, substance, stimulant or depressant. No contracts with someone whose actions

<p>all the tangible personal property accepted during the preceding week containing the information required in the registry. The local law enforcement agency shall designate the date of the week on which the records and declarations shall be submitted. 12-56-103 (7) C.R.S.</p>		<p>would give the pawnbroker probable cause to believe the tangible property was obtained illegally or if the id # on the property is obscured.</p>
<p>No pawnbroker shall enter into a contract for purchase with any individual under the age of 18 years</p>		<p>No pawnbroker establishment within one mile of another.</p>
<p>No pawnbroker may permit any customer to become obligated on the same day in any way under more than one contract for purchase agreement with the pawnbroker which would result in the pawnbroker obtaining a greater amount of money than would be permitted if the pawnbroker and customer had entered into only one contract for purchase covering the same tangible personal property.</p>		<p>Requirements to allow inspections of the pawnshop premises, related storage facilities and pawned property, to provide a safe place for keeping pawned property and to provide sufficient insurance on the pawned property held by a pawnbroker to pay 50% of the fair market value. Copy of insurance provided to City.</p>
		<p>6 month compliance window</p>



AGENDA ITEM: 2
MEETING DATE: 1/10/2012
TO: City Council
FROM: Betsey Hale, Economic Development
PRESENTER: Betsey Hale

TITLE: Development Fee and Use Tax Deferral for Advanced Manufacturing Technology for Bottles, Inc. (AMT) Expansion

RECOMMENDED CITY COUNCIL ACTION: Consideration and discussion. Staff needs direction to return to a future council meeting for formal consideration.

DESCRIPTION: Advanced Manufacturing Technology for Bottles, Inc. (AMT) is a Loveland business located at 3950 Patton Ave. AMT is planning an expansion on their Loveland campus which is budgeted to cost nearly \$800,000.00. The City of Loveland fees and use taxes to be collected at building permit and final inspection are estimated to total \$38,538.70. The company has asked City Council to consider a deferral of payment for a period of 36 months with no interest accrued.

BUDGET IMPACT:

- Positive
- Negative: This is a deferral of payment of development fees and use taxes for 36 months. There is an estimated loss of investment revenue of \$2,600.00 over the 36 month period.
- Neutral or negligible:
-

SUMMARY: Goal 13.5 of the City of Loveland comprehensive plan states the City should, “retain and expand existing businesses and create new businesses by maintaining a positive business and entrepreneurial climate within the community, proactively supporting the development of local businesses and strengthening any gaps related to business needs.” The City of Loveland Incentive policy provides the Council with the policy direction to provide such fee and use tax deferrals to businesses. The most recent fee deferral was made to Orthopaedic Center of the Rockies in 2009. The applicant has completed the steps required by the incentive policy and does meet the minimum requirements for consideration as outlined in the incentive checklist.

REVIEWED BY CITY MANAGER:

LIST OF ATTACHMENTS:

1. Staff Report
2. Project Checklist
3. Letter Of Request
4. NCEDC Letter of Support
5. CSU Economic Impact Analysis
6. Fee Adjustment Chart
7. Company Information



AGENDA ITEM: 2
MEETING DATE: 1/10/2012
TO: City Council
FROM: Betsy Hale, Economic Development Director

STAFF REPORT: Advanced Manufacturing Technology for Bottles, Inc. (AMT)

City Council support for the City Use Tax and Fee Deferral request from AMT is consistent with the City of Loveland comprehensive plan, the current City of Loveland Economic Incentive Policy and the draft economic development strategy to be considered by City Council on January 31st, 2012. The applicant has followed the process required by the incentive policy.

The following minimum requirements for consideration have been met:

1. There is a positive net new revenue to the City over 5 years: \$3,323.00 (30% commute)
2. The average annual wage of \$45,000 is greater than the 2010 Larimer County average wage which is \$39,220
3. The employer provides group health insurance and pays 80% of the employee premium
4. Group health insurance is offered to the employee's dependents
5. The employer is investing more than \$500,000.00 in the project: \$800,000.00
6. There are net new jobs to Loveland: 12 total
7. The owner has agreed to provide a personal guarantee in a performance agreement

In addition, the City of Loveland Executive Economic Advisor, Alan Krcmarik has reviewed three years of company financial statements and finds the company in good standing. Support for the deferral also assists in the retention of the existing 110 employees and allows for growth in future years. The Northern Colorado Economic Development Corporation (NCEDC) is recommending support for the deferral.

City of Loveland Economic Development Policy Project Checklist		Dec-11	
Primary Employer Guidelines			
Company Name : Advanced Manufacturing Technologies			
Requirement	Completed	Date	Details
Meeting with the Business Development Manager	yes	May-11	
Letter of Intent/Request	yes	11/14/2011	
Economic Impact Analysis Data Submitted	yes	Jun-11	
Impact Analysis shows Positive Net New Revenue	yes	June 31 2011	
Pays 80% of Employee Health Ins. Premium	yes		
Offers Group Health Ins. Coverage to Dependents	yes		
Performance Agreement	yes		
Minimum investment of \$500,000	yes		\$800,000.00
Net New Jobs to Loveland	yes		12
Project Budget Submitted	yes		
Study Session	yes	Jan 10 2012	
Council Meeting and Approval	yes	TBD	
Average Annual Wages Company wide	Meets		Details
100% of Larimer County Ave Annual Wage			
110% of Larimer County Ave Annual Wage	Yes		115% of Larimer County Average
120% of Larimer County Ave Annual Wage			
130% of Larimer County Ave Annual Wage			
140% of Larimer County Ave Annual Wage			
150% or > Larimer County Ave Annual Wage			
Encouraged but not required	Meets		Details
Located in an Enterprise Zone			
Located in Downtown Loveland			
Reuse of an existing vacant facility			
Clean Energy Company			
Health Care			
Aerospace/Aviation			
Bio-Science			
Arts/Sculpture Related			
Rocky Mountain Innovation Initiative Client			



**Advanced
Manufacturing
Technology**

3920 Patton Avenue • Loveland, CO 80538 • Phone (970) 612-0315 • Fax (970) 612-0320 • E-mail: amt@amtcolorado.com

November 14, 2011

City of Loveland
Mr. Bill Cahill, City Manager
500 East Third Street
Loveland, CO 80537

Dear Mr. Cahill;

I respectfully submit this request for a 36 month deferral of our building permit fees for the expansion of Advanced Manufacturing Technology adjacent to our 25,000 sf existing facility at 3920 Patton Avenue, Loveland, CO 80538. We have been operating in Northern Colorado since our inception in 1996. We moved to Loveland from Fort Collins in 2003. Our company designs and produces conveying systems for bottles, cans, caps and cartons. Some of our clients are Quaker Oats, Pepsi Cola and Coca Cola. We have over 110 full time employees who are operating under tight quarters in this facility in addition to a rented facility just north of us. This rented facility is critical to our operations and may soon be under contract to another business, which places us at a growth standstill.

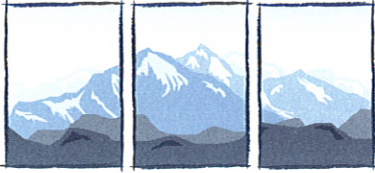
We are under contract with Drahota Construction to build our new facility. Our building fee estimates have come in at \$45,373.79. We would appreciate any assistance the City of Loveland's planning and development staff can provide in order that we don't experience a dire lag in our response to our customers in addition to the deferral of the fees.

Thank you for your consideration,

Tom Ingraham
President and CEO
Advanced Manufacturing Technology

Cc: Betsey Hale, City of Loveland
Kelly Peters, NCEDC

NORTHERN COLORADO



Economic Development Corporation

RECEIVED

NOV 28 2011

CITY MANAGER'S OFFICE

November 17, 2011

Mr. Bill Cahill
Loveland City Manager
City Manager's Office, Third Floor
300 East Third Street
Loveland, CO 80537

Dear Bill:

The Northern Colorado Economic Development Corporation (NCEDC) has enjoyed partnering with the city on Advanced Manufacturing Technologies' (AMT) expansion in Loveland. Our staff has been working closely with Drahotka Construction and AMT throughout their construction planning at 3920 Patton Avenue in Loveland.

We would like to recommend that the City leadership and its council support and continue to assist AMT with the 36 month deferral of all building permit fees affiliated with this expansion amounting to \$45,373. AMT has followed all of the City of Loveland incentive Guidelines.

1. AMT leadership has met with NCEDC to review the policy.
2. AMT has provided the City CFO three years of financial statements for review.
3. AMT will be making an investment of \$892,000 in its new building.
4. AMT currently employs 110 full time employees.
5. AMT will be relocating 8 and hiring 12 new employees at an average wage of \$45,000.
6. CSU's economist has performed an economic impact analysis.

It is innovative manufacturing firms such as AMT that help to maintain Loveland's and Larimer County's strong economic base.

Thank you for considering this request and please do not hesitate to contact me (970-667-0905) if you have any questions.

Sincerely,

Walter J. Elish

NCEDC
President and CEO

cc: Betsey Hale, Director of Economic Development, City of Loveland
cc: Kelly Peters, Director of Business Retention and Expansion, NCEDC

Advanced Manufacturing Technology for Bottles, Inc Economic Impact Analysis for the City of Loveland

Martin Shields, Professor of Economics
Michael Marturana, Research Economist
Colorado State University

29 June 2011

About Advanced Manufacturing Technology for Bottles, Inc

- Advanced Manufacturing Technology for Bottles, Inc (AMTB) is planning to build a new facility on 2.9 acres in Loveland, CO
- Advanced Manufacturing Technology for Bottles expects to relocate 8 employees to this new building and plans to hire an additional 12 FTEs, over the next five years
 - The average estimated annual wage is \$45,000, with an expected growth rate of 3.5 percent
 - 2010 average earnings per worker in Larimer County: \$39,220

Notes About the Calculations

- AMTB budgeted \$797,000 for the construction of their facility and expects the site to be valued at \$1.4 million upon completion
 - Due to current market conditions, we assume a 1 percent growth rate in real estate values
- We assume 30 percent of AMTB employees reside in Loveland (we provide a range of estimates based on different commuting patterns in Table 5)
 - According to the US Census Bureau, roughly 30 percent of Loveland workers in goods producing industries reside in Loveland
- A discount rate of 3 percent is assumed for present value calculations
- Fiscal impacts are calculated using CSU's Insight-based fiscal impact model

Estimated Revenue Impacts to the City of Loveland from Advanced Manufacturing Technology for Bottles, Inc

- Over five years, city tax revenue generated is estimated at \$78,861 (Table 1)
- The greatest municipal revenue impact is \$47,750, over five years, from employee effects (Table 1)
 - \$46,124 in retail sales tax
 - \$1,373 from single family property taxes
 - \$253 in multifamily property taxes
- \$20,761 from operations, over five years
 - \$15,766 in real property taxes
 - \$4,409 in sales tax on utility purchases
 - \$585 from personal property taxes
- \$10,350 in taxes on construction materials

Estimated Cost to the City of Loveland

- \$75,538 over five years in providing government services (Table 2)
 - \$67,296 in providing government services to AMTB
 - \$8,242 over five years in government services to AMTB employees residing in Loveland

Net Fiscal Impacts of Advanced Manufacturing Technology for Bottles, Inc on the City of Loveland

- The City of Loveland is estimated to experience a net revenue gain of \$3,323 over a period of five years (Table 3)
 - Five year net present value: \$2,952
- Ten year estimates show a net public *loss* of \$4,069
 - Ten year net present value: -\$3,119
- The net revenue gain/loss per new employee over the next five years is reported in Table 4
- If a larger percentage of Advanced Manufacturing Technology for Bottles, Inc ' workers reside in Loveland, then the net public revenue to the City decreases (Table 5); conversely, if fewer workers live in Loveland, net public revenue increases
- Table 6 details the major expenses in the next 5 years and corresponding present values for Advanced Manufacturing Technology for Bottles, Inc

Table 1: Revenue benefits to Loveland from AMTB

Revenue Source and Breakdown	Year 1	Year 2	Year 3	Year 4	Year 5	5 Year Total
Construction	\$10,350					\$10,350
Use tax on construction materials	\$10,350					
Operations	\$785	\$4,886	\$4,952	\$5,029	\$5,108	\$20,761
Real property tax		\$3,883	\$3,922	\$3,961	\$4,001	\$15,766
Personal property taxes during operations		\$172	\$151	\$138	\$124	\$585
Sales tax on utilities	\$785	\$831	\$879	\$930	\$984	\$4,409
Offsite Employee Effects	\$4,826	\$7,935	\$11,114	\$11,732	\$12,142	\$47,750
City sales tax on retail sales	\$4,826	\$7,720	\$10,810	\$11,188	\$11,580	\$46,124
Single family property taxes	\$0	\$215	\$223	\$460	\$475	\$1,373
Multifamily property taxes	\$0	\$0	\$82	\$84	\$87	\$253
Total Public Revenues	\$15,962	\$12,822	\$16,066	\$16,762	\$17,250	\$78,861

Sources: AMTB and Insight

Table 2: Costs to Loveland from providing government services to AMTB

Public Cost Source	Year 1	Year 2	Year 3	Year 4	Year 5	5 Year Total
Operations	\$7,205	\$11,413	\$15,827	\$16,223	\$16,628	\$67,296
City Residents	\$574	\$1,177	\$2,111	\$2,163	\$2,218	\$8,242
Total Public Costs	\$7,779	\$12,590	\$17,938	\$18,386	\$18,846	\$75,538

Sources: AMTB and Insight

Table 3: Net revenue to Loveland from AMTB

	Year 1	Year 2	Year 3	Year 4	Year 5	5 Year Total	5 Year Average
Total Public Revenues	\$15,962	\$12,822	\$16,066	\$16,762	\$17,250	\$78,861	\$15,772
Total Public Costs	\$7,779	\$12,590	\$17,938	\$18,386	\$18,846	\$75,538	\$15,108
Net Public Loss	\$8,183	\$232	-\$1,872	-\$1,625	-\$1,595	\$3,323	\$665

Sources: AMTB and Insight

Table 4: Net public revenues per new worker over five years

	Year 1	Year 2	Year 3	Year 4	Year 5
Net Revenue	\$8,183	\$232	-\$1,872	-\$1,625	-\$1,595
Total New Jobs	3	9	12	12	12
Net Public Revenue per New Worker	\$2,728	\$26	-\$156	-\$135	-\$133

Sources: AMTB and Insight

Table 5: Net revenue to the City of Loveland for different commuting patterns over 5 and 10 years

Percent of workers residing in Loveland	5 Year Net Revenue	Present Value of 5 Year Net Gain	10 Year Net Revenue	Present Value of 10 Year Net Revenue
20%	\$6,144	\$5,459	\$2,563	\$1,964
30%	\$3,323	\$2,952	-\$4,069	-\$3,119
40%	\$780	\$693	-\$8,714	-\$6,679

Sources: AMTB and Insight

Table 6: Net present value of major expenses for AMTB

Expense	Furniture	Computer Equipment	Manufacturing Equipment	Operational Materials*	Utilities	Total
5 Year Total	\$27,000	\$11,000	\$18,000	\$55,000	\$83,748	\$194,748
Expense Spent in Loveland	0%	0%	0%	0%	100%	
Present Value of Expense	\$25,390	\$10,268	\$16,926	\$50,377	\$76,453	\$179,413
Present Value of Expense Sent in Loveland	\$0	\$0	\$0	\$0	\$76,453	\$76,453

Source: AMTB



Fee Adjustment Chart

Initial FM Meeting Date	December 13, 2011
Finalized FM Meeting Date	
FM # (provided by Fee Masters)	2011-0011
Project Name	Advanced Manufacturing
Project Manager	Betsey Hale
Project Location	3950 Patton Ave
Adopted Date	
Effective Date	
Expiration Date	36 months from approval

Fee Description	Fee Amount		Fee Adjustment		Net Change	
	<input type="checkbox"/> Global adjustment <input checked="" type="checkbox"/> Estimate/Current		<input type="checkbox"/> Amount Locked <input checked="" type="checkbox"/> Adjusts w/actual		<input checked="" type="checkbox"/> Amount Locked <input type="checkbox"/> Adjusts w/actual	
Plan Check Fee	\$ 2,790.45		\$ 2,790.45		\$ -	
Structural Permit	\$ 4,293.00		\$ 4,293.00		\$ -	
Mechanical Permit	\$ 181.25		\$ 181.25		\$ -	
Electrical Permit	\$ 634.15		\$ 634.15		\$ -	
Plumbing Permit	\$ 401.85		\$ 401.85		\$ -	
Construction Water	FCLWSD				\$ -	
Water Meter Fee	FCLWSD				\$ -	
Electric Install - Residential only					\$ -	
City Use Tax	\$ 10,836.86		\$ 10,836.86		\$ -	
County Open Space Tax	\$ 903.07		\$ -		\$ 903.07	
County Courthouse Tax	\$ 722.46		\$ -		\$ 722.46	
County Jail Tax	\$ 722.46		\$ -		\$ 722.46	
County Fairgrounds	\$ 541.84		\$ -		\$ 541.84	
Issuance fee total	\$ 22,027.39		\$ 19,137.56		\$ 2,889.83	
PIF Electric Residential					\$ -	
Raw Water Development	FCLWSD				\$ -	
School Fee-In-Lieu of Land Dedication - Residential only					\$ -	
CEF Fire Protection	\$ 302.40		\$ 302.40		\$ -	
CEF General Government	\$ 504.00		\$ 504.00		\$ -	
CEF Law Enforcement	\$ 403.20		\$ 403.20		\$ -	
CEF Library - Residential only					\$ -	
CEF Museum - Residential only					\$ -	
CEF Open Lands - Residential only					\$ -	
CEF Parks - Residential only					\$ -	
CEF Recreation - Residential only					\$ -	
CEF Streets	\$ 8,769.60		\$ 8,769.60		\$ -	
CEF Trails - Residential only					\$ -	
SIF Sewer	FCLWSD				\$ -	
Street Inspection	\$ 150.00		\$ 150.00		\$ -	
Storm Inspection	\$ 150.00		\$ 150.00		\$ -	
SIF Stormwater	\$ 9,121.94		\$ 9,121.94		\$ -	
SIF Water	FCLWSD				\$ -	
Final fees total	\$ 19,401.14		\$ 19,401.14		\$ -	
Water Rights					\$ -	
Fire Alarm Permits					\$ -	
Fire Suppression Permits					\$ -	
Sign Permits					\$ -	
Date of Valuation Data Table						
Date of Permit Fee Schedule						
Other - Provide specific details below						
Total	\$ 41,428.53		\$ 38,538.70		\$ 2,889.83	

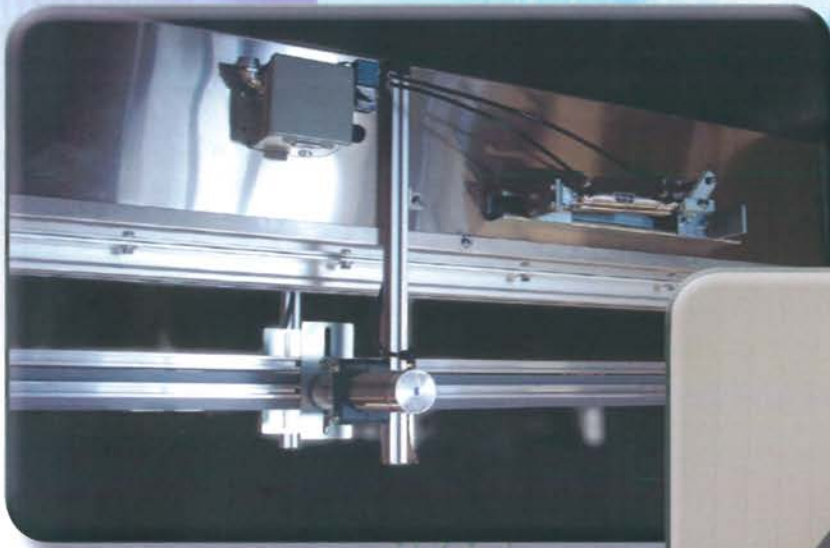
Residential projects include - single family, attached single family, duplexes, and multi-family

Additional fee adjustment notes: Attach additional sheets if necessary	This is a deferral of payment of all building permit fees and use taxes for the City. We still collect County use taxes. This is a deferral for a 36 month period from the date of approval and there is no interest due.
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Advanced Manufacturing Technology

AMT - Performance - Service - Value



Advanced Manufacturing Technology (AMT) is a conveyor system manufacturer, offering a completely integrated system including conveyors, controls and mechanical & electrical installation, primarily for the packaging industry.



We have the best technology and the most experience in high speed, empty bottle handling systems across all the new bottle shapes. All of our systems offer high output, streamlined operation and low maintenance.

Our goal includes reducing your operational costs through providing the highest quality, most efficient equipment ... on schedule with the very best after sale service.

AMT is your working partner, providing air, mat-top, table top, belt and drag chain conveyor systems along with storage hoppers, gravity track, platforms and special supports, all to meet your manufacturing needs!





Advanced Manufacturing Technology

AMT - Performance - Service - Value

AMT's service department is extensive and innovative for a company many times over our \$20 million in sales. In addition to installing our own systems, we can also retrofit and relocate existing systems. From engineering analysis production problems and layouts to programming, controls and on-site customer support, AMT is your dependable, reliable, value-oriented partner.

We keep our customer's needs in mind in every situation and your satisfaction is imperative. In fact, our work is always guaranteed.



Located in a 30,000 square foot building in Loveland, Colorado, we are able to provide the most efficient and cost-effective solutions to your manufacturing needs.

United States Patents: 6,000,884; 6,196,788; 6,241,072; 6,309,144; 6,589,008; 7,210,572

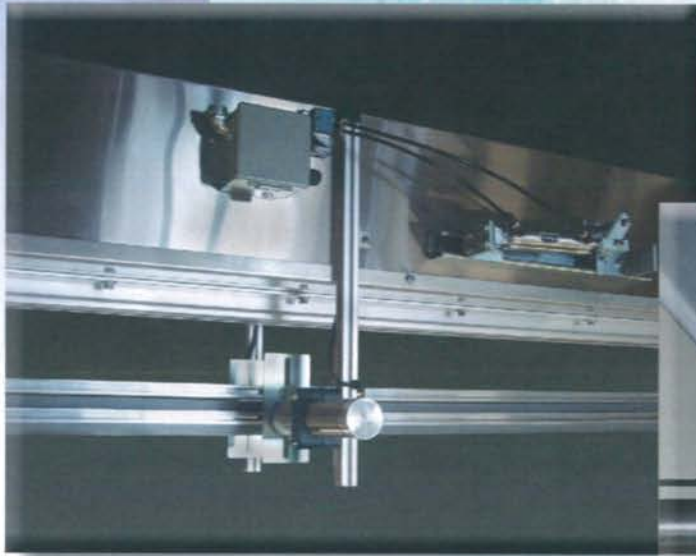


Advanced Manufacturing Technology • 3920 Patton Avenue • Loveland, CO 80538
Phone: 970.612.0315 • F: 970.612.0320 • www.amtcolorado.com



Advanced Manufacturing Technology

AMT NECK RING AIR CONVEYOR



Our Products:

AMT offers a complete line of neck-ring guided conveyor products for your unique application. We provide proven designs for every combination of packages, layouts, line speeds, interfaces and environments. All the switching options are available in divert and merge gates as well as multi-lane switching.

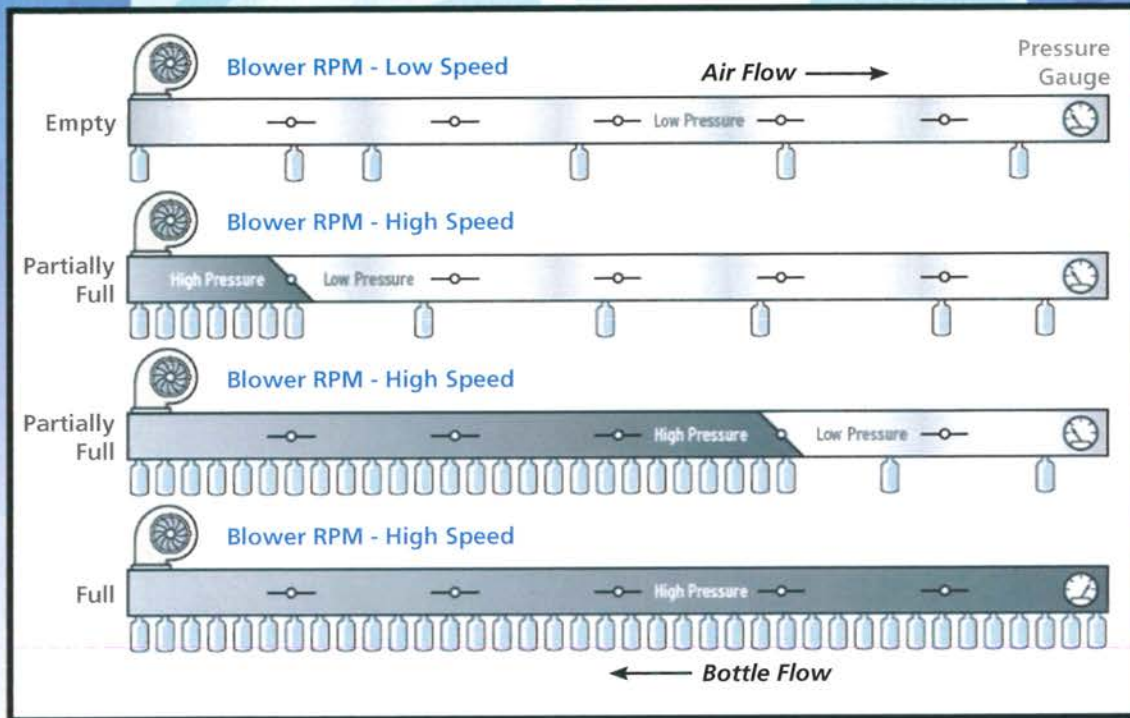
AMT also offers a complete line of wash-down duty and clean room systems with HEPA filtration. Our product line features an umbrella of technology that solves all the historical problems with neck-ring air conveyance systems.

Benefits:

- Free of jams
- No bottle damage
- Smooth bottle flow
- Uses 50% fewer blowers
- Requires half the power of competitive systems
- Half the operating noise level
- Uses 50% fewer supports



AMT'S PATENTED SYSTEM MAKES GREAT PERFORMANCE HAPPEN!



Sequencing Dampers*

When bottles are back-to-back, high pressure is applied to assure that the system conveys at line rate. When the bottles are free flowing, low pressure is applied. The pressure is maintained just high enough to keep the bottles flowing smoothly, without the chattering seen on single pressure systems. Short control zones (ten feet) make this possible. Any system with longer control zones is actually a single pressure system.

Multiple Package Sizes

Anysize** Technology uses a single positioner to automatically move side rails to any setting for all current and future bottle sizes. Up to four neck ring finishes can be accommodated on a single track, and turn sections are automatically changed over without change parts.** It is a truly flexible system where change overs are done from the touch screen and new bottles are easily added.



Environmental Feedback*

Compensate for any environmental changes from weather to dirty filters with a bottle speed detector and blower feedback. Consistent performance from summer to winter; newly replaced neck guides to badly worn.

*US Patent numbers 6,000,884 and 7,530,453

**Patent Pending





ANYSIZE* TECHNOLOGY COMES TO NECKGUIDES

The standard for side rail positioning on Air Conveyance systems can now control your neck guides as well.

- Accuracy to +/-0.24 mm
- 26mm to 43mm Now or Future
- Compensate for neck guide wear
- No change parts in the turns
- Can be Retrofitted to Any Manufacturer's Conveyor
- Do Start-Up from a touch screen instead of a ladder
- Independent setting for each bottle, not 'one size fits all' for a given neck ring size
- Bottlers with multiple suppliers can compensate for blow molding differences



**Completely Flexible
Air Conveyance System
Anysize Body•Anysize Neck**

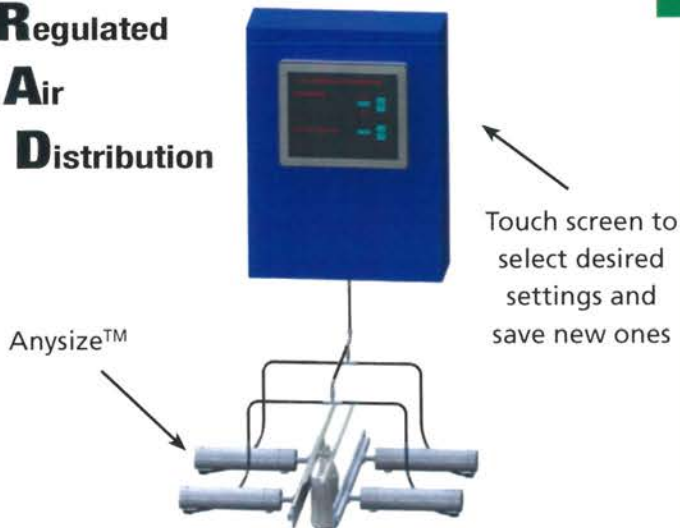


*Anysize Technology Patent Pending

FLEXIBILITY ENGINEERING

FLEXIBILITY ENGINEERING ANYSIZE™ INFINITE POSITIONING SYSTEM

Regulated
Air
Distribution



Touch screen to
select desired
settings and
save new ones

Anysize™

ANYSIZE™

Flexibility Engineering's Anysize™ product line is elegant, inexpensive, clean, simple, accurate, durable, flexible and user-friendly.

It's simply revolutionary!

Anysize™ is a guide positioning system that will accommodate any package... current or future. Install Anysize™ on your conveyor and side rail change-over problems become a thing of the past.

Any future packages can be easily added to the menu from the touch screen, without the need for OEM support.

Benefits include:

- Price: Anysize™ is less than half the price of any infinite system on the market today.
- Start-Up: One-time setup is fast and easy.
- Clean: A single positioner and a single air line ensure a clutter-free installation.
- No Power Drop: The RAD box is 110 VAC.
- Easy Self-Install: No wiring or sensors – complete instructions are provided.
- Maintenance Free: Only one moving part per positioner.
- Accurate: Plus or minus 1mm.
- User Friendly: To add a setting, just enter the dimensions on the touch screen and save.
- Retrofit: Designed to upgrade existing conveyor systems.
- Customer Support: Turn-key installation and on-site technical assistance available upon request.

Anysize™ Patent Pending



ANYSIZE™

Support and service are very important values to the team at Flexibility Engineering. We will be there for you...from engineering analysis production issues and layouts to programming and controls to on-site customer support when you need it.

We are your dependable, reliable, value-oriented partner and our work is always guaranteed.

At Flexibility Engineering, we provide performance, service and value in the most efficient and cost-effective manner for your manufacturing needs.



For more information on Anysize™ visit our website at www.FlexibilityEngineering.com





CITY OF LOVELAND
CITY MANAGER'S OFFICE

Civic Center • 500 East Third • Loveland, Colorado 80537
(970) 962-2303 • FAX (970) 962-2900 • TDD (970) 962-2620

AGENDA ITEM: 3
MEETING DATE: 1/10/2012
TO: City Council
FROM: William D. Cahill, City Manager
PRESENTER: Bill Cahill

TITLE:

Review of Possible Topics for City Council Advance on January 21, 2012

RECOMMENDED CITY COUNCIL ACTION:

Discussion and priority-setting.

DESCRIPTION:

Discussion only; no action required.

BUDGET IMPACT:

- Positive
 - Negative
 - Neutral or negligible
-

SUMMARY:

The City Council will hold its Annual Advance on January 21, 2012 at the Foote Gallery at the Loveland Museum. This annual event is intended for the Council to set major goals and priorities for the coming year. The results of the Council's work from last year's Advance are included in the year's final progress report (Attachment 1).

Council members have submitted possible topics for prioritization at this year's Advance. Staff have supplemented that list with additional items carried over from last year which are not yet complete, and with other new initiatives of which staff is aware.

The list of topics for prioritization is included as Attachment 2. At the Study Session, Councilors will be asked to prioritize these items for inclusion in the year's action plan, to be developed at the Advance. This will allow focusing the Advance on the topics of greatest interest to the Council. However, even the lower priority topics will be preserved in the records of the Advance.

REVIEWED BY CITY MANAGER:

William D. Cahill

LIST OF ATTACHMENTS:

1. Quarterly Report on City Council Goals
2. Listing of Topics to be Prioritized

Progress Report: City of Loveland 2011 Council Goals Updated: December 30, 2011



Goals and Activities

Lead Responsibility

Schedule and Progress

Goal 1, Public Safety: Continue public safety as the key priority of the City.

1.1 Regional Crime Lab

Police

Draft IGA by December 2011

Behind Schedule. The IGA has been approved by Loveland, Greeley and Weld County. Action is pending from Larimer County and Fort Collins who have been reluctant to approve an IGA without known operating and maintenance (O&M) costs. Weld County is currently working on a five year strategic plan for the crime lab that will be made available in January of 2012. The strategic plan should have more firm estimates of O&M costs, and should address a timeline for construction of the facility.

1.2 Consolidation of City & Rural District for Fire/Rescue Services

Fire

Draft IGA by December 2011

On course. The Fire Authority IGA has been approved and signed into existence by the City and Rural District. The Fire Authority Review Committee has been replaced by the new Loveland Fire and Rescue Authority Board made up of Chairman Jeff Swanty (Rural,) Vice Chairman Cecil Gutierrez (City,)

Dave Legits (Rural,) John Fogle (City) and City Manager Bill Cahill. The board held their first meeting on December 8, with full implementation of the fire authority set for January 1, 2012.

1.3 Public Safety Infrastructure

Police, Fire

Ongoing.
 The Police Chief and Fire Chief continue to meet with the City Manager to review options and forge a cogent plan for future long-term improvements in the public safety infrastructure. Renee Wheeler, the new Public Safety Administrative Director, has held meetings with both Fire and Police to work on financial models for the long-term plan.

Goal 2, Economic Vitality: Build and strengthen Loveland’s economic vitality.

2.1 Economic Development Strategy

Economic Development

Complete November 2011

On course. Council ED Subcommittee has reviewed and given directions for minor changes. Scheduled for Study Session and Council adoption in early 2012.

2.2 Downtown Catalyst Projects

Development Services

Developer Selection July 2011

On course. Developer was selected on time. Staff continues to work on Brinkman Project. Blight study for the URA expansion is underway. The ERN has been executed. Staff is

		meeting with another developer on an additional project for consideration in 2012. The purchase of Leslie's is complete. Staff is in the process of developing an ongoing developer recruitment process.
2.3 Redevelopment of the Agilent Campus, including public engagement	City Manager, Econ Dev't	Development Agreement August 2011 <i>On course.</i> Property sale to new owner complete on 12/15/11. City Staff will work with CW and NCEDC staff to market the property and secure tenants in 2012.
2.4 Rialto Bridge	Development Services	Construction underway May 2011 <i>On course.</i> Construction began timely for May 2011 and is underway. Anticipating a January/February 2012 completion. The restaurant is planning on opening on Valentine's Day.
2.5 Airport Growth and Capital Projects	Public Works	Major project summer 2011 <i>Completed.</i> Main runway project completed. Other projects ongoing through the fall.
2.6 Targets of Opportunity	as needed	<i>Ongoing</i> <i>No report.</i>

2.7 Regionalism and Annexation Agreement with Johnstown	Council, City Manager	Discussions by September 2011 <i>Ongoing.</i> Joint meeting with Johnstown in mid-2011 but no subsequent progress.
2.8 Artspace Project	Development Services	Finance application by July 2011 <i>Behind schedule.</i> ArtSpace staff met with City staff to review the timeline and budget. They are still on schedule for a groundbreaking 4th quarter of 2012. They are meeting with CHFA in January and anticipate financing submittal in early 2012.
2.9 Pulliam Building	Development Services	Ongoing, no milestone. <i>On course.</i> An Historic Structure Assessment (HSA) grant application has been approved. Norm Rehme has developed a Business Plan and City staff has reviewed the plan. The Business Plan will be further reviewed and refined prior to return to Council.
2.10 "Black Boxes" (significant vacant buildings)	Economic Development	Program adopted by November 2011 <i>Ongoing.</i> This is included in the ED Strategy to be adopted early 2012.

Goal 3, Financial Responsibility: Maintain Loveland's healthy financial position.

3.1 Financial Sustainability Strategy	Finance, City Manager	Complete May 2011 <i>Completed June 7.</i> Implementation steps now being carried out.
3.2 "De-Brucing" Election	Finance, CFAC, Council	Ballot Measure drafted July 2011 <i>Completed November 1.</i> The ballot measure was passed by voters with 9,760 or 56.57% passing the measure (7,423 or 43.43% voting no).
3.3 Analyze and Reduce Reliance on Intergovernmental Revenue	Finance	Complete October 2011 <i>Complete.</i> Information presented at the 9/13/11 Study Session concluding that the City is not overly reliant upon Intergovernmental Revenues. This evaluation has been incorporated into the annual evaluation of the City's financial position.
3.4 Capital Expansion Fees (CEFs)	Dev Svcs, Fiscal Advisor	Complete July 2011 <i>Completed.</i> Per Council direction, completed public outreach, including development community. Presented results of outreach process to Council in May 2011 – Council reinstated annual increase in CEFs on June 7, 2011. On October 18, 2011, City Council suspended the CEF inflation adjustment for 2012.

Goal 4, Infrastructure Quality: Maintain and develop Loveland's infrastructure.

4.1 Street Maintenance Funding	Public Works	<p>Ongoing</p> <p>Ongoing. Study Session in Q1 2012 to review long term pavement funding needs.</p>
4.2 Water Shares, Supply and Infrastructure	Water & Power	<p>Master Plan targeted for completion December, 2011</p> <p>Completed. Pending Council final approval. LUC approval achieved October, 2011, and approval from Planning Commission and the Construction Advisory Board were both received in December, 2011. Reviewed by City Council in December work session, and scheduled for first reading and public hearing on January 17, 2012. Scheduled for second (final) reading in February 2012.</p>
4.3 Electric Power Infrastructure	Water & Power	<p>Ongoing.</p> <p>Staff is continuing to identify capital projects that need to be included in the revised five year capital improvement plan. For each of the projects that have been identified, cost estimates are being created and then a decision will be made as to which year the project should be in. One of the goals is to have a five year plan that spreads the costs as evenly as possible across all five years.</p>

Goal 5, Quality of Life: Preserve and enhance Loveland’s quality of life.

5.1 Public policy concerning poverty and homelessness

Community Partnership

Policy Draft complete September 2011

On course. The Community Partnership Office will complete the following as a result of the poverty/homelessness presentation to City Council on October 11th:

- Participate on the Pathways Past Poverty Advisory Committee.
- Work on partnerships between the Hand Up Cooperative and local businesses.
- Work with local hospitals and Larimer County Detention Center to determine the cost of homeless community members.
- Through the Loveland Homeless Task Force hold a point-in-time survey and a one-day “Project Homeless Connect” to provide services for the homeless.
- Market information about the Circles Initiative through the CPO.

5.2 Environmental Sustainability Plan

Public Works

Ongoing, no milestone specified.

Ongoing. Preliminary draft of sustainability plan completed, presented at October 25 Council study session. Staff developing public input plan for Q1/Q2 2012.

5.3 Comprehensive Plan Update

Development Services

Draft to Council October 2011

Completed. City Council approved the 2005 Comprehensive Plan – 2011 Implementation Plan on December 20, 2011.

5.4 Visual Arts Commission: Selection Process for Public Art

Cultural Services

Draft to Council December 2011

Completed. The State of the Arts report, which included the process for selecting public art, was delivered to City Council by Andrew Svedlow, Chair of the Visual Arts Commission, at the October 18 Council meeting.

5.5 Transportation Plan

Public Works

Council Review by September 2011

Delayed. Staff has been involved in underlying transportation modeling based on the land use plan to support the next stage of plan development. MPO Regional Transportation Model completed December, 2011. Study Session February 2012.

Governance

Lead Responsibility

Schedule and Progress

G.1 Council Meetings: Combine Council comment periods to one

City Manager

By May 2011
Complete.

G.2 Print suggested time limits on City Council study session items

City Manager

By April 2011.
Complete.

G.3 Council members contact staff in advance with questions

Council

Ongoing
Ongoing.

G.4 Improve staff reports thru: redlining, history of issues, use of PowerPoint. include options for City Council action	City Manager	Ongoing Ongoing.
G.5 Pilot test of laptops - iPads with interested Council Members	Information Technology	By July 2011 Completed. Laptops in use. Now adding additional iPads.
G.6 Provide Communications policy to Council Members	Assistant City Manager	By April 2011 Complete. March 2011.
G.7 Resume Legislative Day	Assistant City Manager	By June 2011 Complete. Next Day to be scheduled in 2012.
G.8 Review Boards & Commissions as part of financial sustainability process	City Manager	By June 2011 Complete. Adopted as part of Strategy.
G.9 Improve Process for Key Management Evaluations	Human Resources	By September 2011 Complete: City Council subcommittee worked with HR to revise evaluations. Council completed 2011 evaluations as scheduled in October.

Implementation

I.1 Publish Report of the Advance

Lead Responsibility

City Manager

Schedule and Progress

By April 2011
Complete.

I.2 Periodic Reporting on progress toward Goals

City Manager

Quarterly
On course.

I.3 Mid-Year Review with City Council and management staff

CM/Council

By August 2011

Complete. Conducted September 6.

Topics Listing for City Council Consideration Loveland City Council Advance, 2012

These are grouped for convenience into broad categories. They are not listed in any order of priority.

Public Safety

Plan the Police Firing Range for Implementation. The current location has a number of problems and the facility, while improved, is not adequate. A tentative concept for a new location has been developed (Airport). Planning needs to be done, including design, cost estimation, review of permitting issues, and any potential phasing.

Advance the Northern Colorado Regional Crime Lab Project. Continue the Regional Crime Lab project. Loveland has approved the IGA for the project, but other jurisdictions have not. Weld County, as lead agency, has maintained \$2 million in its budget for capital expense. This will need some staff resources from Police, but the more important task is involvement of elected officials to move this forward with other governmental units.

Plan for Fire Station 2 and Acquire Property. To meet the needs of northwest Loveland, the existing Fire Station 2 is not well-located. A new location has been considered near Wilson and 29th Streets, but has not been acquired. No plans have yet been started for a new Station 2, and no clear plan for re-use or sale of the existing property has been developed. Total project cost is estimated at about \$2.9 million, with operational cost increases of \$986,000 annually. The project is currently scheduled for construction in 2013 in the Capital Program.

Complete and Adopt a Long-Term Police Staffing Plan. This type of planning has previously been done for the Fire Department. Police have developed significant materials for long-term staffing, and a new effort has just begun to develop a long-term (ten year) picture for Police Department.

Review Speeding through "School Zones". This creates a safety problem for children. Is this a significant problem and if it is, how should it be dealt with? Without adding police, are there alternative solutions for closer monitoring and what are the financial impacts?

Develop a Long-Term Funding Plan for Police and Fire. This issue was discussed by Council and established as a priority for last year (2011). The City's share of Fire Authority's Plan B Staffing Plan should be determined for the 2013 Budget.

Assess Joint Support Services for the Fort Collins-Loveland Airport. This involves an inter-city agreement for funding and support services for the airport. Poudre Fire Authority has not provided any real support of the Airport, or for Fire Rescue services. The burden of Airport fire service has been borne by the Loveland Fire Rescue Department, now becoming the new Fire Authority. The services provided by both fire authorities should also be discussed for the future as a matter of financial equity.

Develop and Implement an Improved Building Abatement Policy. The collapse of the 4th Street building illustrates a need to review and improve City policy for building abatement. Review should include other buildings that may become safety problems, and balance property rights with public safety. The policy also needs to include options for funding abatement if private parties do not advance the costs.

Economic Vitality

Market or Develop the 25/402 Property. The Ehrlich Addition property has been re-zoned to facilitate its sale to a developer. However, the obligation of the City to extend sewer service in the event of development presents an additional financial burden to the City. Discussions with Johnstown and the Low Point Sanitation District regarding a more cost effective approach for sewer service would be advisable prior to sale of the property. Due to the high inventory of available property along I-25, the land values in the current market are severely diminished. Efforts to develop a strategy that may include carrying the property for some time would require significant staff resources and formal policy decisions by Council.

Bring the Artspace project to construction. Artspace has developed a concept for a 35-unit residential complex for artists centered on the Feed & Grain property, and has the property under contract. Financing will be sought from a mix of low-income housing tax credits, bank loan, philanthropy, and other grant sources. Total project cost is currently estimated at about \$8.5 million, which includes some funding to stabilize and preserve the Feed & Grain building, but does not provide for its full restoration and re-use.

Evaluate and plan downtown infrastructure for revitalization. Downtown projects all require include water, wastewater, and electric infrastructure. Evaluate needs for utility undergrounding in the downtown and older sections of the City, and develop a strategy to address downtown parking to accompany projects which generate parking demand.

Move forward with expansion of the Loveland Museum. A vision has been described for a transformed Museum, which could become a major cultural and economic destination for northern Colorado. Total project cost is currently estimated at \$15 million, of which about \$3 million is available. Project design and fundraising, as well as operational plans, need development.

Continue efforts to restore the Pulliam Building. Initial conceptual studies have been done to restore the Pulliam Building, and repurpose it to a multiple-use auditorium. Total project cost is currently estimated at about \$3 million, and project proponents have developed a draft business plan intended to reduce reliance upon the City's General Fund for operational costs. Community fund raising is proceeding but not yet fully in gear. The project would be a collaboration between a nonprofit board and the City.

Create a durable and robust institutional structure for downtown development. Current structure is the Loveland Downtown Team, which was originally envisioned as a short-term "ad-hoc" group. Various devices might be considered to provide a permanent structure for continuing downtown revitalization. The LDT itself may be an appropriate vehicle to discuss and develop a thorough proposal for City Council consideration for a long-term structure.

Fill the "Black Boxes" (significant empty commercial or industrial buildings). Several of these buildings are being addressed through current activities and proposals (Former HP/Agilent property; former Davidson's Chevrolet; former Metrolux theaters). Some remain with little interest shown in the market. Identify those that need to be redeveloped; recruit interest in them; work with owners to fill these properties.

Carry out a retail recruitment program communitywide in scope. Build Loveland's economy through attraction of retailers; partner with the private sector to attract and retain retailers. Establish quarterly meetings with local private retail recruiters and brokers.

Develop a Highway 287 business development plan. Create a plan for the Highway 287 corridor to guide its development and improve the quality of development along the length of the corridor. Such a plan would call for effort and participation by Development Services, Economic Development, Public Works, Water & Power, and other City staff.

Evaluate the future of the Downtown URA. The Downtown URA has generated little property tax increments (currently about \$50,000 annually). The Lincoln Place project was accomplished through removal of a portion of the Downtown URA, creating a more specific URA. A similar approach is now proposed for the Brinkman Partners project. Study for evaluation of the Downtown URA, and whether it should continue in its current form, could provide a basic building block in downtown revitalization.

Evaluation of Centerra after eight years of history. Review and evaluate Centerra's financial and economic performance, compared to original projections and with consideration of broader economic conditions. Review and evaluate its contributions to regional infrastructure. Consider all aspects of the project, including the URA and Metro Districts. Use the analysis to reprioritizing future regional improvements as needed, and create projections to meet the funding requirements for present obligations and future regional improvements. Such evaluation and projection are a major work effort for staff or consultants.

Carry out a signage program to direct visitors and residents to important Loveland destinations. Develop and implement an action plan for signs to direct people to shopping opportunities and attractions. A wayfinding sign design has been previously developed by Public Works, providing a foundation for action. In the Lodging Tax budget recently adopted by City Council for tourism promotion, an allowance of \$50,000 was made for "product improvement", which is primarily intended for signage.

Market Loveland aggressively for economic development. The draft Economic Development Strategy calls for several marketing efforts, including industrial, retail, and tourism. Increase funding support for marketing, and assure that all parts of the marketing effort are integrated and support one another strategically.

Develop a Cooperative Agreement with Johnstown for Development and Annexation. The City has a long-history of supporting regional cooperation between governmental agencies. A joint meeting was held with the Johnstown City Council in mid-2011. This effort will require significant allocation of staff time, organizational resources and several outreach meetings and policy decisions by the Council. Decisions on expanding any overlay zone in this area would also involve Larimer County staff and formal actions by the Commissioners.

Reconsider the Loveland Jobs Development Fund proposal. The Loveland Jobs Development Fund proposal was considered by City Council about a year ago as a way of investing a small portion of the City's investment portfolio in local business. Two objectives are addressed: local job creation, and a small increase in the portfolio's rate of return. Increased portfolio risk would also result. The proposal was tabled by Council at that time, pending additional work.

Debrief and analyze economic development efforts, successes and failures. The intent is a frank analysis and discussion of economic development shortfalls and successes, to identify areas for increasing the City's competitiveness and needs for process improvement. This would require effort from City staff, and possibly the City Council's Economic Development Committee.

Airport area economic development planning. More deliberately and specifically include this area in the City's economic development planning and strategy. There are significant land holdings and development opportunities surrounding the Airport, which need to be aggressively pursued.

Infrastructure Quality

Power Infrastructure Needs: Short - Long Term Strategies. On the Generation and Transmission side, we are working with the other owner cities and staff at PRPA to plan the City's long term generation needs. This takes into consideration a mix of fuels, renewable portfolio standards and regulatory impacts. Agreements with other utilities in the Western U.S. play a major role in accomplishing economies of scale and increased reliability through diversification. On the Retail distribution side, we are planning for significant capital improvements to enhance reliability by making the system more flexible in how loads can be transferred from substation to substation. Staff is working on updating the system model and from the results of this distribution system study; a revised five year capital improvement plan will also be created. Council feedback is desired.

Water infrastructure Needs: Short - Long Term Strategies. In the short term, continuous upgrades at the Chasteen's Grove Water Treatment facility are required to replace aging equipment at this \$70 million facility. In addition, upgrades are also necessary to meet increasingly stringent Federal (EPA) and Colorado Department of Public Health and Environment (CDPHE) standards for water treatment. Increasing peak summer demands in the coming years will also require an approximately \$10 million plant upgrade. The Water Division is also tracking increasing maintenance and replacement costs associated with the \$90 million water distribution system due to aging infrastructure. These trends in expenses will likely require significant capital investments through sustained rate increases and/or bonding in the near future. Long term strategies include addressing the ongoing responsibilities for infrastructure rehabilitation/replacement; large-scale raw water storage; and options for additional water treatment capacity at a new location. Staff will continue to seek opportunities for regional cooperative efforts with neighboring water providers that may offer economies of scale that benefit all parties. Council feedback is desired.

Future Water Conservation Planning. In 2012, the Water Division anticipates presenting for Council review and approval an update to the City's 1996 Water Conservation Plan. This Plan is required by the State of Colorado Water Conservation Board for all water purveyors serving more than 2,000 acre feet annually. This plan will include techniques for fostering wise use of the City's water resources. The water use reductions associated with these techniques lower water use may have long-term rate increase impacts. Council feedback is desired.

Carry out a Cross Connection / Backflow Control Program. The Water Division is in the process of implementing an enforcement mechanism to further protect the public water supply from potential hazards caused by backflow. Plans are to have the Ordinance and cross connection control program be presented at the January 31, 2012 City Council study session followed by the first and second readings of the Ordinance at the regularly scheduled City Council meetings in February. Council feedback is desired.

Accelerate the undergrounding of existing power lines. The current program to bury existing residential power lines is in place, but there may be options for accelerating and expanding that effort. This would require staff review of costs and possible funding sources, and Council consideration of options.

Develop a leadership position for Loveland in regional transportation issues. Transportation is vital to the continued planned development of northern Colorado. There is no existing effective structure to advocate for more Federal transportation funding resources for the area, in contrast to many other areas which compete vigorously for this transportation funding. Should Loveland focus more organizational energy and resources in this area?

Highway 34 Traffic Improvements. The City continues to work with CDOT on long term improvements on US 34, the objective as development continues is the 3-laning each direction of 34 from I-25 to 287. The plan is defined in the US 34 Environmental Assessment and the City's Transportation Master Plan completed in 2008. West of 287 Council has previously passed legislation limiting this road to two lanes in each direction. Staff has also pursued substantial grant funds to improve traffic signal technology in the corridor; although an additional \$2.5 M is needed to upgrade all the signal technology. Are there alternative solutions to closing this gap?

Highway 402 – State to City Transition Talks. In 2008, the City and CDOT completed an environmental assessment to lay out the long-term transportation plan for 402. This identifies all future right-of-way needs and access control plan. CDOT is currently completing improvements at Paradise Acres for a turn lane. CDOT has also programmed funds for acquisition of ROW for the plan. Staff has begun exploratory discussion with CDOT for Loveland to eventually take this section of roadway over from CDOT, and remove it from the state highway system. These are very early and just exploratory. City Council feedback is desired.

Transportation/Street Maintenance Funding Gap. In 2008 and 2009 staff reviewed with Council the increases costs of roadway maintenance coupled with the static levels of funding the City is putting toward maintenance. Currently we have one of the States strongest pavement and roadway system ratings. However, failure to maintain it will cause dramatic costs in the future, as rebuilding is substantially more expensive than maintenance. Are there alternative solutions to closing this gap?

Develop a More Stable Funding Stream for Street Maintenance. Street Maintenance Funding has been a consistent priority for the City over the years. However, the viability of using the TABOR Reserve as a long term solution should be discussed by the Council.

Transportation Master Plan Review and Update. The City is required to have a Transportation Master Plan, as a sub to the Comprehensive Master Plan. The current document has a planning horizon to 2030; every five years the plan is updated. The plan outlines the future infrastructure needs for the City as it approaches “build out,” as predicted by the Comp Plan. The TMP is the basis for the impact fees for transportation; the plan identifies the eventual future state and then equates that into current dollars, identifying what is attributable to growth, current residents, business, and pass-through traffic. This update will also include a look at long term planning trends around “living streets” and enhanced connectivity for other transportation modes in addition to vehicles. The plan currently also has sub-plans for transit, bicycles and pedestrians, maintenance, and traffic. Council feedback is desired.

Plan for Public Works Service Center Expansion. Beginning in 1992, a Public Works Department facility upgrade and expansion based at the Service Center first appeared in City’s Capital Plan. In 2012, \$400,000 is budgeted for programming and design to establish the projected project costs and establish the likely financing mechanism for this project. The current vision moves the Public Works Streets, Stormwater, and Solid Waste Divisions to the existing area where the School District was previously located. The project cost is estimated at \$6,100,000 plus \$500,000 for the MOC remodel needs. Of the \$6.1M for the Service Center, approximately 50% will be paid by the Stormwater and Solid Waste Enterprise funds, while the balance is a general fund responsibility for the Streets Division; this is based on a calculation of usage of all phases of the building.

Quality of Life

Increase City activity in purchasing Open Lands. Loveland has accumulated a significant balance in its Open Space Fund (approximately \$12 million balance shown in the 2012 Budget). More actively plan and purchase Open Lands with these funds. In addition, focus on open lands that will be open to the public, and take actions to open existing open lands areas to the public if appropriate.

Complete the City’s recreational hike/bike trail. The City has made substantial progress in its hike/bike trail encircling the City, but there are still gaps to fill. Place a high priority on infilling the gaps in 2012.

Consider additions to the City’s recreational trail network. Move to a “networked” plan for recreational trails, building on the primary recreational trail around Loveland, and adding connectors to the central part of the City. This would require a new Trail Plan, creating a blueprint for a more complete network accessible to more areas of the City, and possibly making use of ditch “rights of way” or abandoned rail property (Arkins Branch).

Adopt a City environmental sustainability plan in 2012. Focus the City’s efforts as appropriate and adopt a sustainability plan. In 2008, staff began developing a draft plan to bring forward to Council for consideration on the topic of environmental sustainability; the Council has previously reviewed a draft sustainability plan in 2011 at a Study Session. The City is already doing many things but has not adopted a formal policy statement. The plan is built around already existing concepts in existing City plans, and

then combines that with a strategy to identify the City's role in guiding and supporting sound environmental decision-making.

Refocus efforts concerning poverty and homelessness. Due to reductions in Federal CDBG Funding and the recession, local agencies are struggling to provide services to our citizens in need. A major concern is the increase of children and youth in poverty. In 2011, the Council gave this priority and conducted a Study Session, as well as collaborating with the School District.

Consider Creation of a Library District. A Library District (defined and formulated under CRS 24-90-107 to 114) or a Regional Library Authority (CRS 24-90-110.7) once established, would remove the Loveland Public Library from the City of Loveland's General Fund. Ownership of existing property and buildings would be agreed to by contract. Only two municipalities, Loveland and Wellington, operate public libraries in Larimer County – the balance are library districts. The Library Board has studied the Library District/Regional Library Authority issue in the past. The project administration of this effort will require significant allocation of staff time, organizational resources and involve extensive community outreach along with several formal policy decisions by the Council.

Financial and Administrative

Develop a strategic and implementation plan for use of Tabor Reserve. The election of last November authorized the spending of funds beyond the limits set by TABOR. Discussion needs to follow on how those funds should be spent within the four designated areas that were identified in the ballot language: Fire, Parks, Police, and Public Works. Council should determine policy on whether the funds should be spent on "one-time" projects or on operational costs, given the 12-year sunset provision. The TABOR "cap" is not expected to be reached in 2012, so there is adequate time for policy development.

Reduce City sales tax on food, or some food items. A philosophical and policy question is raised, whether it is appropriate and equitable to charge sales tax on food. The City currently operates a rebate program for sales tax paid on food by low-income residents, at a cost of roughly \$130,000 to \$150,000 annually. Sales tax paid on food sales in the community accounts for several million dollars annually; substantial reduction would create a significant budget deficit going forward that would need to be addressed.

Review sponsorship and levels of involvement in Citywide Special Events. A report is desired on funding, departmental involvement, Engaging Loveland, roles and responsibilities and possible duplication. This would require multi-departmental cooperation in assessing staff involvement in events.

Complete the Five Year Update of the Capital Expansion Fee System. Every five years, the City updates the Capital Expansion Fee system to take into account the additions of capital improvements and shifts in the economic base of the community. The last update was completed in 2007. Capital expansion costs are recovered from new development, while annual operating taxes, fees, and charges are responsible for ongoing operating and maintenance expenses, as well as capital replacement (depreciation) costs and capital betterment costs resulting from service improvements. Only growth-related expenses are included in the CEF fees. The basic theory underlying the Capital Expansion Fee System is that growth should pay its fair share of the costs that it imposes on the City. The update will include extensive public outreach and multiple meetings with City Council, and city advisory

commissions. The five-year update is expected to be completed by in-house staff without additional consulting costs.

Planning Application Fee Increases: The Strategy for Financial Sustainability (SFS), adopted by City Council on June 7, 2011, includes fee increases for planning applications. Currently, cost recovery for planning applications is approximately 8%. By comparison, the cost recovery rate for planning applications in Fort Collins is approximately 80%. Public input during development of the strategy recommended that these fees be significantly higher. Planning application fees were increased for 2012 for review of plans and documents for which no fees had been charged in the past (i.e. civil improvement construction drawings, transportation impact studies and development and annexation agreements). The eventual goal is to increase cost recovery to approximately 50% over a multi-year period. Staff will need to perform internal studies to support later Council decision for fee adjustments. This work effort would be accomplished by existing City staff.

Developing Annual Budget Guidance. The Budget's assumptions, conditions and guiding principles are a critical point in the budget development process where the senior leadership of an organization has great influence. Council has occasionally been deeply involved in the initial assumptions, and in other years has left this primarily to staff.

Develop a new program for performance measurement at the City of Loveland. The City has participated in the International City Management Association (ICMA) performance measurement program through the Colorado consortium, a group of Colorado jurisdictions which provided data to one another for comparative "benchmarking". Due to dissatisfaction with the ICMA program, the Colorado Consortium has recently dissolved. The City needs to develop a new and meaningful program of performance measurement which enlists the support of the entire organization.

Continue financial sustainability efforts through improved cost accounting throughout the organization. The Finance Department will play a lead role in improving methods to more accurately account for costs of the City's various services and programs. While some functions are precisely tracked and costs charged to user departments (e.g., Fleet), others are treated as free services (e.g., Facilities). Efforts would aim toward accurately determining the costs of service provision and pricing of services.

Governance Issues

Develop a Common Purpose among Council. This Advance is expected to generate a work plan for the City for the year but there has not been any great effort in the past two years of finding common goals/desires among Councilors besides the voting process for narrowing topics. This is one of the only times in a year when the Council can collectively discuss and find those common points.

Improving Technology for Council Meetings. Evaluate the iPad experiment and expand it as appropriate. Consider the expanded use of technology to aid the Council: e.g., display on screen the language of a current motion, the title of an agenda item under discussion, or other display. Consider electronic voting system.

Continue improvement of City Council meeting processes. Review the Council's Rules of Procedure, and verify whether existing rules represent how meetings should be conducted (particularly Rule 13). Clarify the right of the public to speak on various agenda items; consider reduction of the time limit for proponents/applicants in public hearings; consider scheduling finance and investment reports for full quarterly reports with consent calendar between; operation of the "rule of four" for placement on the agenda. Incorporating rules into a single source for consideration, i.e., a succinct "desk" handbook that can be distributed by staff at every meeting for Council use: identifying meeting protocol; defining the process of making and amending motions; outlining the public hearing process, etc. This practical tool could aid in meeting expectations and place the steps in the meeting process at Council's fingertips. This tool could also replace or significantly condense the administrative portion for both Candidate and Elected Official orientations.

Review Roles and Participation of Boards and Commissions, and Continue Process Improvement. The City Council currently has 22 Boards and Commissions to which citizen members are appointed, as well as 15 Ad-Hoc Committees that expect Council members to be directly involved as Liaisons. Review the participation of boards and commissions in policy development, and the nature of decisions made by boards, and what distinguishes those decisions from those made administratively. Standardizing the process used by these Boards and Commissions will aid in maintaining the records and ensuring statutory requirements are being met by all Boards and Commissions. Items to address include: the recruitment process; attendance policies, updating the Boards and Commissions handbook; clearly identifying the role of the Entity, the chair, technical staff and clerical staff; retention of records. The project administration of this type of consolidation effort will require significant allocation of staff time, public meetings and a formal decision by the Council.

Informational Requests (Possible reports or Study Session items)

These items were placed in this category because they appeared to be requests for information, rather than proposals for projects, programs or major research efforts.

Windy Gap Firing project. This project has completed a vital step. Report from Steve Adams as to significance, what happens next. Loveland Utilities, water and power, describing infrastructure and revenue needs in the near future. How should council pursue? Report and discussion from Steve Adams and associated staff.

Downtown Loveland Strategic Plan. I would like to know if we have determined what kinds of retail or other businesses we envision on 4th Street. For instance, have we determined whether Downtown will be an employment centered area during regular business hours and an entertainment/dining hub at night? If so, have we determined whether that addresses family oriented activities that would typically occur during the day or early evening? How did we or shall we make that decision?

Airport report and discussion. Recent reports of Airlines cutting small jets and airports as fuel prices soar. How might affect Ft. Collins/Loveland Airport. Also, the Through the Fence Agreements, how proceeding and progress? The new runway improvement, effect on operations? New capacity on terminal building. Other prospects for growth? Airport manager to report and discuss.

Status of West Eisenhower overlay plan. Development and redevelopment plan for Eisenhower from Denver Avenue to West edge of Loveland.

Nationwide "Occupy Wall Street" protests. If such activity should come to Loveland, discussion of our potential handling and responses. Chief of Police leads discussion.

Five year historical snapshot of the city's budget. I am interested to see the trends in our City's budget categories on both the revenue side as well as the expenditures. No great detail, just how these areas compare to each other year to year and what that will affect the City's forecast in the budgeting process.

Intergovernmental Agreements. Overview and current status of all agreements that are in place that are of this nature. This does not have to be of great detail just the: Who, What, When and Why.

Comprehensive 'flow chart' of the permit/planning processes. Outline the processes currently used in the departments for providing building permits, etc. (including existing timelines and targets)

Budgeting process. I would like to have a discussion of our current budget process and the pros and cons of alternate processes.

North Front Range Metropolitan Planning Organization. Regional Transportation issues, priorities, and potential solutions? Should Loveland be focusing on a smaller area MPO option?

Over-Grown, Diseased or Dangerous Trees. Does the City have enforceable Codes directing property owners to correct over-grown, diseased or dangerous trees? This is highlighted by the recent blizzard damage as well as the continuing threat of the Mountain Pine Beetle and other tree destroying pests. Can the City do more to enforce responsibility and timely corrective action by private property owners for diseased or dangerous trees?

Coordination of Departmental and City-wide Planning. I am interested in learning more about how updates to Departmental Master Plans coordinate and tie into the City's Comprehensive Plan?

Approved Development Plans and Water Conservation. I am interested in learning if there are development requirements and Code items that could be modified/enacted to encourage (or, at least allow) water conservation in the area of landscape watering. I recently attended an Annual HOA meeting where I heard a general comment that although they wanted to reduce water use in the summer, the City would not allow them to modify the approved development plan and change any of the trees, shrubs or grass in the common areas.