

CALL TO ORDER Mayor Gutierrez called the regular meeting of the Loveland City Council to order on the above date at 6:30 PM.

PLEDGE OF ALLEGIANCE

ROLL CALL Roll was called and the following responded: Gutierrez, Taylor, Farley, Klassen, Shaffer, Trenary, McKean and Fogle. Councilor McEwen was absent.

PROCLAMATION Mayor Gutierrez read the proclamation "Harold Dwayne Webster Week" which was received by Marilee Rayome.

PROCLAMATION

WHEREAS seventy years ago this week, on December 7, 1941, the surprise attack of the Imperial Japanese Naval Forces against the United States 7th Fleet at Pearl Harbor, Hawaii, occurred, marking the entry of America into World War II; and

WHEREAS the Congress of the United States has designated December 7 as National Pearl Harbor Remembrance Day (36 U.S. C. §129) to honor all who perished at Pearl Harbor; and

WHEREAS the battleship USS Arizona BB 39 commissioned in 1916, was the most heavily damaged vessel along battleship row, suffering four direct hits from 800 kg bombs which penetrated her deck, resulting in detonation of her ammunition stores thereby sinking her in less than 9 minutes and killing 1,177 crewmen ; and

WHEREAS Harold Dwayne Webster, United States Navy Seaman Second Class, born October 31, 1923 in Loveland, Colorado, who enlisted in the United States Navy on December 7, 1940, was Killed in Action on December 7, 1941 while serving on the battleship USS Arizona at Pearl Harbor, Territory of Hawaii, and

WHEREAS Harold Dwayne Webster, United States Seaman Second Class is entombed within the USS Arizona and was the first native Lovelander to lose his life in World War II,

NOW, THEREFORE, we, the City Council of Loveland, do hereby proclaim the week of December 4 through December 11, 2011 as

HAROLD DWAYNE WEBSTER WEEK

in Loveland, Colorado, and in so doing, urge all citizens to join together in remembering and honoring Seaman Second Class Harold Dwayne Webster as well as all who perished at Pearl Harbor that fateful day.

Signed this 6th day of December, 2011

Cecil A. Gutierrez

Mayor

PROCEDURAL INFORMATION

Mayor Gutierrez made the following procedural announcement: 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

Mayor Gutierrez asked if anyone in the audience, Council or staff wished to speak on any of the items or public hearings listed on the Consent Agenda. Staff pulled Item 15 regarding the Volunteer Firefighter Pension Plan. Councilor Shaffer moved to approve the Consent Agenda with the exception of Item 15. The motion was seconded by Councilor Klassen and a roll call vote was taken with all councilors present voting in favor thereof. City Planner Bethany Clark answered questions about the funding of the downtown façade program. City Planner Mike Scholl clarified the concessionaire agreement (Item 14) with Next Door Tapas, Inc had an exclusivity agreement for serving alcohol but there was no exclusivity agreement for catering.

1. CITY MANAGER

Approval of Council Minutes Motion

Administrative Action: A motion approving Council minutes from the November 8, 2011 special meeting and the November 15, 2011 regular meeting was approved.

2. FINANCE

Supplemental Appropriation – City's 2011 Budget Ordinance #5651

Administrative Action: "AN ORDINANCE ENACTING A SUPPLEMENTAL BUDGET AND APPROPRIATION TO THE CITY OF LOVELAND, COLORADO 2011 BUDGET" was approved and ordered published on second reading.

3. FINANCE

Supplemental Appropriation – 2011 Special Improvement District #1 Budget Ordinance #5652

Administrative Action: "AN ORDINANCE ENACTING A SUPPLEMENTAL BUDGET AND APPROPRIATION TO LOVELAND SPECIAL IMPROVEMENT DISTRICT #1 2011 BUDGET" was approved and ordered published on second reading.

4. PUBLIC WORKS

Sale of the Bishop House Ordinance #5653

Administrative Action: "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" was approved and ordered published on second reading.

5. FIRE & RESCUE

Municipal Code Amendment – Fire & Rescue Advisory Commission Ordinance #5654

Administrative Action: "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" was approved and ordered published on second reading.

6. ECONOMIC DEVELOPMENT

Supplemental Appropriation - Lodging Tax Fund

Ordinance #5655

Administrative Action: "AN ORDINANCE ENACTING A SUPPLEMENTAL BUDGET AND APPROPRIATION TO THE 2012 CITY OF LOVELAND BUDGET FOR THE LODGING TAX FUND" was approved and ordered published on second reading.

7. DEVELOPMENT SERVICES

Rezoning Property in Waterfall Subdivision

Ordinance #5656

Quasi-judicial Action: "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" was approved and ordered published on second reading.

AT 6:45 P.M. CITY COUNCIL ADJOURNED AND CONVENED AS THE BOARD OF COMMISSIONERS FOR THE LOVELAND URBAN RENEWAL AUTHORITY (LURA)

8. DEVELOPMENT SERVICES

Appropriation and Agreement – LURA Downtown Façade Program

a) Ordinance #5657

Administrative Action: "AN ORDINANCE ENACTING A SUPPLEMENTAL BUDGET AND APPROPRIATION TO LOVELAND URBAN RENEWAL AUTHORITY 2011 BUDGET" was approved and ordered published on second reading.

b) Resolution #R-78-2011

Administrative Action: 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 was approved.

RESOLUTION #R-78-2011

A RESOLUTION 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

WHEREAS, the City of Loveland ("City") is a Colorado home rule municipality with all the powers and authority granted pursuant to Article XX of the Colorado Constitution and its City Charter; and

WHEREAS, the Loveland Urban Renewal Authority ("LURA") is a Colorado Urban Renewal Authority, with all the powers and authority granted to it pursuant to Title 31, Article 25, Part 1, C.R.S. (the "Act");

WHEREAS, as governmental entities in Colorado, the City and LURA are authorized, pursuant to C.R.S. § 29-1-203, to cooperate or contract with one another to provide any function, service, or facility lawfully authorized to each; and

WHEREAS, in 2002, Downtown Loveland was the first project area (the "Downtown Plan Area") approved under the City of Loveland Urban Renewal Plan, as authorized by the Act; and

WHEREAS, on November 20, 2007, LURA, approved a Façade Improvement Program (the "Façade Program") pursuant to Resolution R#118-2007 making grant funds available to applicants who own property or businesses located within the boundaries of the Downtown Plan Area to further redevelopment, elimination of blight, and funding for façade improvements in a manner consistent with the Urban Renewal Plan; and

WHEREAS, on November 20, 2007, the Loveland City Council approved the transfer \$155,000 in City funds to the LURA to fund the Façade Program; and

WHEREAS, on September 15, 2009, the Façade Program was modified to include the Façade Matching Grant Program pursuant to Resolution R#89-2009; and

WHEREAS, the Loveland City Council desires that LURA contractually commit to provide funding for the Façade Program, as the same may hereafter be amended, from the tax increment fund balance available to for 2011 to be expended

by LURA during its 2012 grant cycle in order to serve the public purpose of furthering redevelopment and renovation of the Downtown Plan Area and LURA is willing to make that commitment.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, ACTING AS THE BOARD OF COMMISSIONERS OF THE LOVELAND URBAN RENEWAL AUTHORITY:

Section 1. That the Intergovernmental Agreement between the City and LURA for Funding of the Façade Program for 2011 ("Intergovernmental Agreement"), attached hereto as Exhibit A and incorporated herein by reference, is hereby approved.

Section 2. That the Chairman of the Board of Commissioners and the Secretary of LURA are hereby authorized and directed to execute the Intergovernmental Agreement on behalf of LURA.

Section 3. That this Resolution shall take effect as of the date and time of its adoption.

ADOPTED this 6th day of December, 2011.

Cecil A. Gutierrez, Mayor

Attest: Teresa G. Andrews, City Clerk

Exhibit A is available in the City Clerk's Office

AT 6:45 P.M. THE BOARD OF COMMISSIONERS FOR THE LOVELAND URBAN RENEWAL AUTHORITY ADJOURNED AND CITY COUNCIL RECONVENED

9. DEVELOPMENT SERVICES

Agreement – LURA Downtown Façade Program

Resolution #R-79-2011

Administrative Action: 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 was approved.

RESOLUTION #R-79-2011

A RESOLUTION 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

WHEREAS, the City of Loveland ("City") is a Colorado home rule municipality with all the powers and authority granted pursuant to Article XX of the Colorado Constitution and Its City Charter; and

WHEREAS, the Loveland Urban Renewal Authority ("LURA") is a Colorado Urban Renewal Authority, with all the powers and authority granted to it pursuant to Title 31, Article 25, Part 1, C.R.S. (the "Act");

WHEREAS, as governmental entities in Colorado, the City and LURA are authorized, pursuant to C.R.S. § 29-1-203, to cooperate or contract with one another to provide any function, service, or facility lawfully authorized to each; and

WHEREAS, in 2002, Downtown Loveland was the first project area (the "Downtown Plan Area") approved under the City of Loveland Urban Renewal Plan, as authorized by the Act; and

WHEREAS, on November 20, 2007, LURA, approved a Façade Improvement Program (the "Façade Program") pursuant to Resolution R#118-2007 making grant funds available to applicants who own property or businesses located within the boundaries of the Downtown Plan Area to further redevelopment, elimination of blight, and funding for façade improvements in a manner consistent with the Urban Renewal Plan; and

WHEREAS, on November 20, 2007, the Loveland City Council approved the transfer \$155,000 in City funds to the LURA to fund the Façade Program; and

WHEREAS, on September 15, 2009, the Façade Program was modified to include the Façade Matching Grant Program pursuant to Resolution R#89-2009; and

WHEREAS, the Loveland City Council desires that LURA contractually commit to provide funding for the Façade Program, as the same may hereafter be amended, from the tax increment fund balance for 2011 to be expended by LURA during its 2012 grant cycle in order to serve the public purpose of furthering redevelopment and renovation of the Downtown Plan Area.

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

Section 1. That the Intergovernmental Agreement between the City and LURA for Funding of the Façade Program for 2011 ("Intergovernmental Agreement"), attached hereto as Exhibit A and incorporated herein by reference, is hereby approved.

Section 2. That the City Manager and the City Clerk are hereby authorized and directed to execute the Intergovernmental Agreement on behalf of the City of Loveland.

Section 3. That this Resolution shall take effect as of the date and time of its adoption.

ADOPTED this 6th day of December, 2011.

Cecil A. Gutierrez, Mayor

Attest: Teresa G. Andrews, City Clerk

Exhibit A is available in the City Clerk's Office

10. DEVELOPMENT SERVICES

2012 Three Mile Plan

Resolution #R-80-2011

Legislative Action: A public hearing was held and Resolution #R-80-2011 adopting a Three Mile Plan for the City of Loveland, Colorado was approved.

RESOLUTION #R-80-2011

A RESOLUTION ADOPTING A THREE MILE PLAN FOR THE CITY OF LOVELAND, COLORADO

WHEREAS, pursuant to C.R.S. §31-12-105(1)(e)(I), as amended, prior to the completion of any annexation within a three mile area outside of the municipal boundaries of a municipality ("Three Mile Area"), a municipality is required to have in place a plan ("Three Mile Plan") which generally describes the proposed location, character and extent of certain public facilities to be provided within and the proposed land uses for the Three Mile Area; and

WHEREAS, pursuant to C.R.S. §31-12-105(1)(e)(I), as amended, the Three Mile Plan must be updated at least once annually; and

WHEREAS, the City of Loveland has enacted, adopted and approved the various plans, documents, ordinances and resolutions (collectively "Plans") listed on Exhibit A, attached hereto and incorporated herein; and

WHEREAS, the City Council has determined that the Plans, when considered together as a whole, adequately comply with the requirements of state law and shall constitute the annual updated Three Mile Plan for the City of Loveland; and

WHEREAS, to ensure that future annexations by the City of Loveland are completed in compliance with the provisions of state law, the City Council, by this Resolution, desires to formalize its understanding and intention that the Plans serve as the Three Mile Plan for the City of Loveland.

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

Section 1. The Plans, as described in Exhibit A, when considered together as a whole, shall constitute the Three Mile Plan for the City of Loveland required pursuant to C.R.S. §31-12-105(1)(e)(I), as amended.

Section 2. The Three Mile Plan shall be reviewed and revised as may be necessary at least annually, and additional Plans may be added from time to time, as they are developed and adopted.

Adopted this 6th day of December, 2011.

Cecil A. Gutierrez, Mayor

Attest: Teresa G. Andrews, City Clerk

Exhibit A is available in the City Clerk's Office

11. CITY MANAGER

2012 Scheduled Meeting Dates

Resolution #R-81-2011

Administrative Action: Resolution #R-81-2011 adopting the schedule of the 2012 meeting dates for the Loveland City Council and the City's Boards and Commissions was approved.

RESOLUTION #R-81-2011

A RESOLUTION ADOPTING THE SCHEDULE OF THE 2012 MEETING DATES FOR THE LOVELAND CITY COUNCIL AND THE CITY'S BOARDS AND COMMISSIONS

WHEREAS, City Code Section 2.14.020B. provides that each year at the City Council's last regularly scheduled meeting, the City Council shall establish the regular meeting dates of all boards, committees, commissions, and other policymaking and rulemaking bodies of the City; and

WHEREAS, Code Section 2.14.020B. requires that seven days after such meeting dates are so established that the meeting dates shall be published once in a newspaper of general circulation in the City and be posted in a conspicuous place in the City Municipal Building; and

WHEREAS, Section 2.14.020B. also requires that the secretary or clerk of each of the City's boards, committees, commissions, and other policymaking and rulemaking bodies shall provide notification of the regularly scheduled date of such meetings in advance of or on occasion of any special meetings duly called to those qualified electors who have made written request to the City for such notification; and

WHEREAS, the purpose of this Resolution is to so establish said meeting dates, and to require the publication, posting and notifications required in City Code Section 2.14.020B.

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

Section 1. That the schedule of regular meeting dates, times and places in 2012 for the Loveland City Council and the City's boards and commissions, a copy of which is attached as Exhibit "A" and incorporated by reference, is hereby adopted as provided in City Code Section 2.14.020B.

Section 2. That the City Council may, from time to time, change by motion the date, time and place of any of its regular meetings in 2012 as established in this Resolution and those of the City's boards and commissions. In addition, the City Manager, in consultation with the Mayor, is authorized to schedule fourth Tuesday study sessions as needed and to cancel the other Tuesday study sessions if there are no study session items to present or ready to present to Council.

Section 3. That the City Clerk is directed pursuant to City Code Section 2.14.020B. to publish the meeting dates established in Exhibit "A" within seven days after the date of this Resolution to be published in a newspaper of general circulation in the City and in addition post such notice of meetings in a conspicuous place in the City Municipal Building.

Section 4. That in addition, the City Clerk shall notify the secretary of each of the City's boards, committees, commissions, and other policymaking and rulemaking bodies to provide notification of this notice of meetings to all qualified electors who have requested such notice in accordance with Section 2.14.020B.

Section 5. That this Resolution shall take effect as of the date and time of its adoption.

Cecil A. Gutierrez, Mayor

Attest: Teresa G. Andrews, City Clerk

Exhibit A is available in the City Clerk's Office

12. CITY MANAGER

Appointment to Larimer Emergency Telephone Authority (LETA)

Motion

Administrative Action: A motion appointing Bill Westbrook, IT Director, as the City's representative to the LETA Board was approved.

13. CITY CLERK

Municipal Code Amendment – Special Event Permits

1st Rdg Ord & P.H.

Legislative Action: A public hearing was held and "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" was approved and ordered published on first reading.

14. ECONOMIC DEVELOPMENT

Concession Agreement for Rialto Theater & Rialto Theater Center

Motion Administrative Action: 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 was approved.

15. CITY MANAGER

Volunteer Firefighter Pension Plan

Not Considered This item was pulled from the agenda by staff and was not considered by Council.

END OF CONSENT AGENDA

CITY CLERK READ TITLES OF ORDINANCES ON THE CONSENT AGENDA.

CITY COUNCIL

a) Citizens' Reports

Dean Snyder spoke about business license requirements in the City of Loveland.

b) Business from Council

Trenary Councilor Trenary spoke about the rededication of the Daniel Webster Park scheduled for December 7 and mentioned several holiday activities scheduled for the coming weekend. He also noted the passing of Gerald Portugal, past member of several City of Loveland Boards and Commissions.

McKean Councilor McKean asked Council members to submit discussion topics for the 2012 Advance to the City Manager.

Klassen Councilor Klassen mentioned the first planning meeting for the Council Advance is December 9th and the submitted due date for topics is December 27th.

Shaffer Councilor Shaffer will be attending the Colorado Municipal League policy committee meeting. She mentioned the legislative subcommittee consisting of Councilors Trenary, Taylor Shaffer and Assistant City Manager Wensing, will be updating the legislative policy brochure for Council's review, in preparation of the 2012 Legislature session.

Gutierrez Mayor Gutierrez mentioned several upcoming events including the Snow Sculpture event and the Parade of Lights. He attended the lighting of the community Christmas tree, the gingerbread house contest at the Library, the Hispanic Latino Institute program for getting kids involved in the community and the ribbon cutting of the Palomino's Restaurant. This week the Fire Authority Board is honoring former Councilman Larry Heckel.

c) City Manager Report None

d) City Attorney Report None

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 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 - None

16. DEVELOPMENT SERVICE

Mariana Butte 23rd and 26th Subdivision Appeal

Quasi-judicial Action: City Councilor Farley recused himself due to his relationship with John Baxter, manager of B&B I LLC. City Planner Kerri Burchett introduced this item to Council. Also present were Ken Merritt, the developer, applicant John Baxter, manager of B&B I LLC and attorney representation, Tim Goddard. 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. The Mayor opened the public hearing at 7:34 p.m. All items submitted in the packet were entered into the record. Also entered into the record are the email from Mike Knee, dated November 20, 2011 and the letter from John Baxter, dated December 3, 2011. Mayor Gutierrez asked for public comment: Joe Pugh, 5271 Dear Meadow, spoke in support of the appeal. Eari Baumgartel, 285 Rossum Dr spoke in opposition. Don Riedel, president of the Buckingham Reservoir Area Owner's Association spoke in opposition. Jennifer Bray, Mariana Points spoke in support. George Legotke, 4283 Red Fox, owner of lot 9, spoke in opposition. Darlene Kasenberg, 247 Rossum Dr spoke in opposition. Timothy Webb, 377 Rossum spoke in opposition. Dick Barton, 367 Rossum spoke in opposition. Connie Boose, 5287 Deer Meadow spoke in support. Martin Landers, 426 Mariana Point spoke in support. Rosalie Leek, 823 Rossum spoke in support. The Mayor closed the hearing at 9:50 p.m. Discussion ensued. Councilor Shaffer made a motion to uphold the Planning Commission's decision and deny the First Amendment to the Mariana Butte 23rd Subdivision PUD Preliminary Development Plan and Mariana Butte 26th Subdivision Preliminary Plat and directed staff to prepare written findings and conclusions setting forth its decision for consideration and adoption by Council within 30 days of this appeal hearing. Councilor McKean seconded the motion and a roll call vote was taken with all Councilors present voting in favor thereof.

ITEMS 20 & 21

It was the consensus of Council to postpone Item 20, the October 2011 Financial Report and Item 21, the October, 2011 Investment Report until the December 13, 2011 study session.

17. CITY MANAGER'S OFFICE

Building Lease Agreement – Chamber of Commerce

Resolution #R-83-2011

Administrative Action: Assistant City Manager Rod Wensing introduced this item to Council. 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. Estimated annual direct operating expenses associated with the Chamber side of the building will increase City costs by \$8,300 with an offset of \$6,492 in a utilities fee paid by the Chamber

resulting in a net increase of \$1,808. The direct costs associated with the City taking over the Visitor Center operations side of the building are already being planned in the Community Marketing Commission budgets for 2011 and 2012. Councilor Shaffer made a motion to adopt Resolution #R-83-2011 approving a 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 in Loveland, Colorado. Councilor Trenary seconded the motion and a roll call vote was taken with all Councilors present voting in favor thereof.

RESOLUTION #R-83-2011

A RESOLUTION APPROVING A 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 IN LOVELAND, COLORADO

WHEREAS, the City of Loveland is the owner of that certain building located on a portion of Lots 2 and 3, Block 1, McWhlInney Second Subdivision, City of Loveland, County of Larimer, State of Colorado, also known by the mailing address of 5400 Stone Creek Circle, Loveland, Colorado 80538 ("Building"); and

WHEREAS, the City and the Loveland Chamber of Commerce entered into that certain "Lease Agreement Between the City of Loveland and the Loveland Chamber of Commerce" dated October 23, 1995, as amended on April 16, 1996 and on June 21, 2011 (together, the "1995 Lease Agreement"), for construction, occupancy, and use of the Building by the Chamber for office and conference space and for operation of a visitor's center ("Visitor's Center"); and

WHEREAS, the parties desire to terminate the 1995 Lease Agreement and enter into a new lease whereby the City will lease to the Chamber, and the Chamber will lease from the City, only a portion of the Building for office and conference space, and the City will occupy and use the remaining portion of the Building for operation of the Visitor's Center.

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

Section 1. That the Lease Agreement, attached hereto as Exhibit A and incorporated herein by reference, is hereby approved.

Section 2. That the City Manager is hereby authorized, following consultation with the City Attorney, to modify the Lease Agreement in form or substance as deemed necessary to effectuate the purposes of this Resolution or to protect the interests of the City.

Section 3. That the City Manager and the City Clerk are hereby authorized and directed to execute the Lease Agreement on behalf of the City.

Section 4. That this Resolution shall be effective as of the date of its adoption.

ADOPTED this 6th day of December, 2011.

Cecil A. Gutierrez, Mayor

Attest: Teresa G. Andrews, City Clerk

Exhibit A is available in the City Clerk's Office

18. ECONOMIC DEVELOPMENT

Letter Agreement with Brinkman Partners & Modification to Urban Renewal Area

Administrative Action: City Planner Mike Scholl introduced this item to Council. 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.

Resolution #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 (detaching the

North Catalyst site at 533 N. Lincoln, the Museum site at 503 N. Lincoln, the 5th Street Parking lot site, and the County Building at 606 N. Cleveland from the Downtown Plan Area and adding them to the Block 41-Finley's Addition Plan Area). Resolution #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.

Prior to the development moving forward, Council will be required to consider the completed blight study to determine whether a finding of blight can be made, a proposed major modification of the Block 41-Finley's Addition Plan to include the identified properties (including the North Catalyst site), and approve a final disposition and development agreement for the North Catalyst site and an appropriation for any negotiated financing of development incentives that will need to take place prior to closing.

a) Resolution #R-84-2011

Councilor Shaffer made a motion to approve 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. Councilor Trenary seconded the motion and a roll call vote was taken with all Councilors present voting in favor thereof.

RESOLUTION #R-84-2011

A RESOLUTION 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

WHEREAS, in January, 2011, the City of Loveland issued a Request for Proposals, Downtown Redevelopment Sites (the "RFP"); and

WHEREAS, Brinkman Partners, LLC, a Colorado limited liability company ("Brinkman") submitted a response to the RFP dated April 7, 2011 (the "Brinkman Response") for the North Catalyst Project to be located on that real property located at 533 North Lincoln Avenue, Loveland, Colorado (the "Property"); and

WHEREAS, the Scheme 1 development proposal for the North Catalyst Project (the "Project") as set forth in the Brinkman Response was selected as the preferred development alternative for the North Catalyst Project to be located on the Property; and

WHEREAS, the parties desire to enter into a Letter Agreement for Exclusive Right to Negotiate to provide additional time to complete negotiation of an agreement for disposition and development of the Property.

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

Section 1. That the Letter Agreement for Exclusive Right to Negotiate attached hereto as Exhibit A and incorporated herein by this reference (the "ERN") is hereby approved.

Section 2. That the City Manager is authorized, following consultation with the City Attorney, to modify the ERN in form or substance as deemed necessary to effectuate the purposes of this resolution or to protect the interests of the City.

Section 3. That the City Manager is hereby authorized and directed to execute the ERN on behalf of the City of Loveland.

Section 4. That this Resolution shall be effective as of the date of its adoption.

ADOPTED this 6th day of December, 2011.

Cecil A. Gutierrez, Mayor

Attest: Teresa G. Andrews, City Clerk

Exhibit A is available in the City Clerk's Office

b) Resolution #R-85-2011

Councilor Shaffer made a motion to approve 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 Plan for Block 41 – Finley’s Addition. Councilor Trenary seconded the motion and a roll call vote was taken with six Councilors present voting in favor and Councilors McKean and Fogle voting against. The motion passed.

RESOLUTION #R-85-2011

A RESOLUTION 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 PLAN FOR BLOCK 41 – FINLEY’S ADDITION

WHEREAS, on October 1, 2002, the Loveland City Council adopted Resolution #R-74-2002 approving the City of Loveland Urban Renewal Plan (“Downtown Plan”); and

WHEREAS, Section 3 of the Downtown Plan legally describes, depicts, and refers to the “Urban Renewal Area for Downtown Loveland” (“Downtown Plan Area”); and

WHEREAS, on April 26, 2005, the City Council adopted Resolution #R-32-2005 modifying the Downtown Plan by removing from the Downtown Plan Area the Finley’s Addition Plan Area, described below, resulting in a modified and amended Downtown Plan (“Amended Downtown Plan”) and a modified and amended Downtown Plan Area (“Amended Downtown Plan Area”); and

WHEREAS, the Amended Downtown Plan Area currently includes certain real property legally described as set forth in Exhibit A, attached and incorporated by reference (“Property”), which is owned in part by the City, and in part by Larimer County; and

WHEREAS, a portion of the Property owned by the City is the site of an obsolete commercial building proposed for disposition and redevelopment as the “North Catalyst Project” (“North Catalyst Site”); and

WHEREAS, the City Council desires to remove the Property from the Amended Downtown Plan Area and add it to the Finley’s Addition Plan Area, thereby allowing all of the tax increment revenues from the Property, when developed, and the Finley’s Addition Plan Area, after satisfaction of all of the obligations under the “Amended and Restated Master Financing Agreement for Block 41 – Finley’s Addition Urban Renewal Plan Area” dated May 22, 2007 (“MFA”), to be used by the Loveland Urban Renewal Authority (“Authority”) to finance the construction of certain public improvements on the Property; and

WHEREAS, C.R.S. § 31-25-107(7) allows the City Council to further amend the Amended Downtown Plan at any time without being subject to the notice and blight finding requirements of said section, provided that such modification will not substantially change the Amended Downtown Plan in land area, land use, design, building requirements, timing, or procedure, as previously approved; and

WHEREAS, the removal of the Property, which consists of approximately 2.8 acres, from the existing Amended Downtown Plan Area, which currently consists of approximately 230 acres, will not substantially change the Amended Downtown Plan in land area, land use, design, building requirements, timing, or procedure, as previously approved; and

WHEREAS, on April 26, 2005, the City Council adopted Resolution #R-33-2005 approving an urban renewal plan referred to as the “City of Loveland Urban Renewal Plan for Block 41 – Finley’s Addition” (“Finley’s Addition Plan”); and

WHEREAS, the Finley’s Addition Plan legally describes and depicts the Plan’s boundaries (“Finley’s Addition Plan Area”); and

WHEREAS, the City Council desires to modify the Finley’s Addition Plan by adding the Property to the Finley’s Addition Plan Area to facilitate redevelopment of the North Catalyst Site as described above; and

WHEREAS, C.R.S. § 31-25-107(7) allows the City Council to amend the Finley’s Addition Plan at any time provided that any substantial changes to the Finley’s Addition Plan are subject to the notice and blight finding requirements of said section, and all other applicable requirements of said section; and

WHEREAS, the addition of the Property, which consists of approximately 2.8 acres, to the existing Finley’s Addition Plan Area, which currently consists of approximately 2.15 acres, will substantially change the Finley’s Addition Plan in land area, land use, design, building requirements, timing, or procedure, as previously approved; and

WHEREAS, pursuant to C.R.S. § 31-25-112, the City is specifically authorized to do all things necessary to aid and cooperate with the Authority in connection with the planning or undertaking of any urban renewal plans, projects, programs, works, operations, or activities of the Authority, to enter into agreements with the Authority respecting such actions to be

taken by the City, and appropriating funds and making such expenditures of its funds to aid and cooperate with the Authority in undertaking the North Catalyst Project and carrying out the Finley's Addition Plan as it may hereafter be modified and amended; and

WHEREAS, the City desires to enter into an intergovernmental agreement with the Authority to aid and cooperate with the Authority in undertaking the North Catalyst Project and carrying out the Finley's Addition Plan as it may hereafter be modified and amended; and

WHEREAS, as governmental entities in Colorado, the City and the Authority are authorized, pursuant to C.R.S. § 29-1-203, to cooperate or contract with one another to provide any function, service, or facility lawfully authorized to each.

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

Section 1. That the City Council hereby finds that the removal of the Property from the Amended Downtown Plan Area will not substantially change the Amended Downtown Plan in land area, land use, design, building requirements, timing, or procedure, as previously approved.

Section 2. That contemporaneously with and conditioned on the City Council's future approval of the substantial modification of the Finley's Addition Plan to include the Property within its boundaries, the Amended Downtown Plan shall be deemed modified pursuant to C.R.S. § 31-25-107(7) to remove the Property from the boundaries of the Amended Downtown Plan, and that the Amended Downtown Plan Area, as modified by this Resolution, shall have the new boundaries legally described in Exhibit B attached and incorporated by reference.

Section 3. That except as modified by this Resolution and Resolution #R-32-2005, the Downtown Plan is hereby ratified and reaffirmed, shall remain unchanged in all other respects, and shall remain in full force and effect.

Section 4. That the City Council hereby finds that the addition of the Property to the Finley's Addition Plan Area will result in a substantial modification of the Finley's Addition Plan in land area, land use, design, building requirements, timing, or procedure, as previously approved.

Section 5. That the City Council hereby requests that the Authority commission a study to determine whether the Property is a slum, blighted area, or a combination thereof ("Blight Study") in accordance with the requirements of C.R.S. § 31-25-107(1).

Section 6. That the City Council hereby directs that the proposed substantial modification to the Finley's Addition Plan be submitted to the Loveland Planning Commission for review and recommendations as to the conformity of the proposed substantial modification with the general plan for the development of the City of Loveland as a whole in accordance with the requirements of C.R.S. § 31-25-107(2).

Section 7. That the City Council hereby directs that, at least thirty (30) days prior to the City Council's public hearing on the substantial modification to the Finley's Addition Plan, notice of the public hearing be made by publication in the Loveland Reporter-Herald in accordance with the requirements of C.R.S. § 31-25-107(3)(a).

Section 8. That the City Council hereby directs that, at least thirty (30) days prior to the City Council's public hearing on the substantial modification to the Finley's Addition Plan, the proposed substantial modification and an urban renewal impact report be submitted to the Larimer County Board of Commissioners in accordance with the requirements of C.R.S. § 31-25-107(3.5).

Section 9. That the City Council hereby directs that, at least thirty (30) days prior to the City Council's public hearing on the substantial modification to the Finley's Addition Plan, notice of the public hearing be made to all property owners, residents, and owners of business concerns within the legal boundaries of the Property and the Finley's Addition Plan Area at their last known address of record in accordance with the requirements of C.R.S. § 31-25-107(4)(c).

Section 10. That the City Council hereby directs that the Thompson School District be requested to participate in an advisory capacity with respect to inclusion of provisions in the Finley's Addition Plan for the use of tax increment financing by the Authority for construction of certain public improvements on the Property in accordance with the requirements of C.R.S. § 31-25-107(9)(d).

Section 11. That the City Council hereby finds that the Property does not contain any "agricultural land" as this term is defined in C.R.S. § 31-25-103(1).

Section 12. That the City Council hereby declares that it does not intend to acquire private property by eminent domain within the Property or the Finley's Addition Plan Area.

Section 13. That the City Council hereby authorizes the City to enter into an intergovernmental agreement, in a form approved by the City Attorney, with the Authority for the purpose of making a loan from the City's general fund to the Authority in such amount as may be necessary to contract for the Blight Study, and authorizes the City Manager to sign said intergovernmental agreement on behalf of the City.

Section 14. That this Resolution shall take effect as of the date of its adoption.

ADOPTED this 6th day of December, 2011.

Cecil A. Gutierrez, Mayor

Attest: Teresa G. Andrews, City Clerk

Exhibits A and B are available in the City Clerk's Office

AT 12:02 A.M. CITY COUNCIL ADJOURNED AND CONVENED AS THE BOARD OF COMMISSIONERS FOR THE LOVELAND URBAN RENEWAL AUTHORITY (LURA)

19. ECONOMIC DEVELOPMENT

Authorize Blight Study

Resolution #R-86-2011

Administrative Action: City Planner Mike Scholl introduced this item to City Council. 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. City Councilor Shaffer made a motion to approve, with the amended Exhibit A, Resolution #R-86-2011 of 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. Councilor Farley seconded the motion and a roll call vote was taken with six Councilors present voting in favor and Councilors McKean and Fogle voting against. The motion passed.

RESOLUTION #R-86-2011

A RESOLUTION OF 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

WHEREAS, on October 1, 2002, the Loveland City Council adopted Resolution #R-74-2002 approving the City of Loveland Urban Renewal Plan ("Downtown Plan"); and

WHEREAS, Section 3 of the Downtown Plan legally describes, depicts, and refers to the "Urban Renewal Area for Downtown Loveland" ("Downtown Plan Area"); and

WHEREAS, on April 26, 2005, the City Council adopted Resolution #R-32-2005 modifying the Downtown Plan by removing from the Downtown Plan Area the Finley's Addition Plan Area, described below, resulting in a modified and amended Downtown Plan ("Amended Downtown Plan") and a modified and amended Downtown Plan Area ("Amended Downtown Plan Area"); and

WHEREAS, the Amended Downtown Plan Area currently includes certain real property legally described as set forth in Exhibit A, attached and incorporated by reference ("Property"), which is owned in part by the City, and in part by Larimer County; and

WHEREAS, a portion of the Property owned by the City is the site of an obsolete commercial building proposed for disposition and redevelopment as the "North Catalyst Project" ("North Catalyst Site"); and

WHEREAS, the City Council desires to remove the Property from the Downtown Plan Area and add it to the Finley's Addition Plan Area, thereby allowing all of the tax Increment revenues from the Property, when developed, and the Finley's Addition Plan Area, after satisfaction of all of the obligations under the "Amended and Restated Master Financing Agreement for Block 41 – Finley's Addition Urban Renewal Plan Area" dated May 22, 2007 ("MFA"), to be used by the Loveland Urban Renewal Authority ("Authority") to finance the construction of certain public improvements on the Property; and

WHEREAS, C.R.S. § 31-25-107(7) allows the City Council to further amend the Amended Downtown Plan at any time without being subject to the notice and blight finding requirements of said section, provided that such modification will

not substantially change the Amended Downtown Plan in land area, land use, design, building requirements, timing, or procedure, as previously approved; and

WHEREAS, on December 6, 2011, the City Council adopted Resolution #R-85-2011, in which it found that the removal of the Property, which consists of approximately 2.8 acres, from the existing Amended Downtown Plan Area, which currently consists of approximately 230 acres, will not substantially change the Amended Downtown Plan in land area, land use, design, building requirements, timing, or procedure, as previously approved; and

WHEREAS, on April 26 2005, the City Council adopted Resolution #R-33-2005 approving an urban renewal plan referred to as the "City of Loveland Urban Renewal Plan for Block 41 – Finley's Addition" ("Finley's Addition Plan"); and WHEREAS, the Finley's Addition Plan legally describes and depicts the Plan's boundaries ("Finley's Addition Plan Area"); and

WHEREAS, the City Council desires to modify the Finley's Addition Plan by adding the Property to the Finley's Addition Plan Area to facilitate redevelopment of the North Catalyst Site as described above; and

WHEREAS, C.R.S. § 31-25-107(7) allows the City Council to amend the Finley's Addition Plan at any time provided that any substantial changes to the Finley's Addition Plan are subject to the notice and blight finding requirements of said section, and all other applicable requirements of said section; and

WHEREAS, on December 6, 2011, the City Council adopted Resolution #R-85-2011, in which it found that the addition of the Property, which consists of approximately 2.8 acres, to the existing Finley's Addition Plan Area, which currently consists of approximately 2.15 acres, will substantially change the Finley's Addition Plan in land area, land use, design, building requirements, timing, or procedure, as previously approved; and

WHEREAS, the Board of the Authority ("Board") desires to commission a study to determine whether the Property is a slum, blighted area, or a combination thereof, and provide notice of the study, in accordance with the requirements of C.R.S. § 31-25-107(1); and

WHEREAS, the Board desires to enter into an intergovernmental agreement with the City to aid and cooperate with the City in undertaking the North Catalyst Project and carrying out the Finley's Addition Plan as it may hereafter be modified and amended; and

WHEREAS, as governmental entities in Colorado, the Authority and the City are authorized, pursuant to C.R.S. § 29-1-203, to cooperate or contract with one another to provide any function, service, or facility lawfully authorized to each.

NOW, THEREFORE, BE IT RESOLVED BY THE URBAN RENEWAL AUTHORITY OF THE CITY OF LOVELAND, COLORADO:

Section 1. That the Board hereby commissions a study to determine whether the Property is a slum, blighted area, or a combination thereof ("Blight Study") in accordance with the requirements of C.R.S. § 31-25-107(1).

Section 2. That the Board hereby directs that notice be given to any owner of private property located in the area that is the subject of the Blight Study by mailing notice to the owner by regular mail at the last-known address of record in accordance with the requirements of C.R.S. § 31-25-107(1).

Section 3. That the Board hereby authorizes the Authority to enter into an intergovernmental agreement, in a form approved by the City Attorney, with the City for the purpose of accepting a loan from the City in such amount as may be necessary to commission the Blight Study, and authorizes the Chairman of the Board to sign said intergovernmental agreement on behalf of the Authority.

Section 4. That this Resolution shall take effect as of the date of its adoption.

ADOPTED this 6th day of December, 2011.

Cecil A. Gutierrez, Mayor

Attest: Teresa G. Andrews, City Clerk

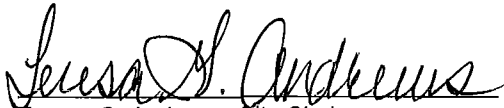
Exhibit A is available in the City Clerk's Office


**AT 12:05 A.M. THE BOARD OF COMMISSIONERS FOR THE LOVELAND URBAN RENEWAL AUTHORITY
ADJOURNED AND CITY COUNCIL RECONVENED**

ADJOURNMENT

Having no further business to come before Council, the December 6, 2011 Regular Meeting was adjourned at 12:05 a.m.

Respectfully Submitted,


Teresa G. Andrews, City Clerk


Cecil A. Gutierrez, Mayor