

## **GRAND JUNCTION CITY COUNCIL WORKSHOP SUMMARY** **December 18, 2023**

**Meeting Convened:** 5:30 p.m. The meeting was held in person at the Fire Department Training Room, 625 Ute Avenue, and live streamed via GoToWebinar.

**City Councilmembers Present:** Councilmembers Scott Beilfuss, Cody Kennedy, Jason Nguyen (virtual), Randall Reitz, Dennis Simpson, Mayor Pro Tem Abe Herman and Mayor Anna Stout.

**Staff present:** City Manager Greg Caton, City Attorney John Shaver, Assistant to the City Manager Johnny McFarland, Director of Community Development Tamra Allen, Finance Director Jennifer Tomaszewski, City Clerk Amy Phillips, and Deputy City Clerks Selestina Sandoval and Krystle Koehler.

### **1. Discussion Topics**

#### **a. Tax-Exemption for Secondhand Store**

Councilmember Kennedy requested that this item be considered at a Council Workshop. He stated that he had sent Council a memo outlining his proposal. Discussion ensued noting that Council did not receive/have time to fully review the memo. Citing the length and complexity of the memo, Council delayed discussion regarding the item to afford everyone time to review the information thoroughly. Staff was directed to add this item to the next Workshop agenda.

#### **b. School District Impact Fee**

Councilmember Simpson requested that this item be considered at a Council Workshop.

Discussion expressed concerns about the School District Impact Fees charged to developers for school facilities. The current fee is \$920 per dwelling unit, and questions were raised whether the fee is still justified given the lack of significant growth in D51 School District. Additionally, there was concern about the accumulation of \$3.4 million in funds dedicated for land purchases for new facilities. Discussion revealed the ambiguity in the language specifying the use of funds within the school district versus City limits.

Clarification on the legal defensibility of the fee and its use for expansion requirements was requested from the School District. Discussion ensued regarding the legal aspects of Impact Fees, their long-term nature, and consideration of future school district needs. There was also a mention of the school district's role in determining their requirements and the potential purchase of properties for educational purposes. The conversation explored the idea of whether the fee collected on behalf of the School District is justifiable in the current circumstances and whether it should be lowered to reduce housing costs. There was a call for input from the School District on its long-term plans and needs. Council emphasized the importance of legal defensibility and questioned whether the accumulated funds can be dispersed based on the current purchases made by the School District. The discussion ended with considerations about the School District's potential future needs and the flexibility of using funds for various educational assets within the district.

The conversation continued, expressing concerns about the narrow focus of the Impact Fee, and suggesting that program expansions, enrichment, and tutoring may fall outside its prescribed purpose.

It was suggested that the City might temporarily suspended the collection of the Impact Fee until there is evidence of growth in the student population. Discussion involved consideration on affordability of housing and the potential impact on developers, especially in the current housing crisis.

There was a discussion on the fees collected in 2018 and the need to determine whether a refund or disbursement would be the appropriate action. The discussion included considerations about how to allocate the refund and whether it should follow a first-in, first-out approach based on the developers who paid the fees.

The discussion noted the importance of aligning with municipal law and ensuring that any actions taken are legally defensible. The discussion also touched on the need for the school district to provide a legally defensible list of expenditures. Additionally, conversation explored the option of amending the Code extending the timeframe for expenditure, providing more time for decision-making, and mentioned the challenges of dealing with shell corporations and the potential difficulty in reaching out to entities that may no longer exist.

In summary, the Council highlighted the need for collaboration between the City and School D51 to gather essential information, clarify legal justifications, and assess the impact on housing affordability. The complexity of the issue requires a careful and informed decision-making process.

## **2. City Council Communication**

1. **Airport Airlines Situation:** There was a brief mention of ongoing discussions with airlines, including concerns about the proposed agreement and the possibility of the City facing challenges without the airlines' cooperation and not allowing City representative in all meeting of the Regional Airport Authority. Council asked staff to create a document or matrix that clarifies the roles and responsibilities of Councilmembers serving as liaisons or voting members on various Boards and Commissions. This includes understanding voting privileges and if/when Councilmembers can be excluded from certain meetings. They also requested that staff send a memo to Chairs of Boards and Commissions regarding the roles of Council liaisons and the distribution of relevant information.
2. **Upcoming Workshop Topics:** Council briefly discussed upcoming workshop topics, expressing appreciation for the upcoming topics that are provided and suggesting that Councilmembers share any additional requests for workshops.

## **3. Next Workshop Topics**

City Manager Caton reported the items for the January 8, 2024, Special Workshop will be:

- a) CMU Proposal
- b) Tax-Exemption for Secondhand Store

## **4. Adjournment**

There being no further business, the Workshop adjourned at 6:42 p.m.