

**GRAND JUNCTION
CITY COUNCIL ADDITIONAL WORKSHOP
SUMMARY**

October 13, 2003

The City Council of the City of Grand Junction, Colorado met on Monday, October 13, 2003 at 11:47 a.m. in the Administration Conference Room, 2nd Floor, City Hall, 250 N. 5th Street to discuss workshop items. Those present were Harry Butler, Cindy Enos-Martinez, Bruce Hill, Dennis Kirtland, Bill McCurry, Gregg Palmer and President of the Council Jim Spehar.

Summaries and action on the following topics:

1. **Discussion of City Policy on Sales Tax Delinquencies:** A report on the sales tax delinquency process, including enforcement procedures and estimate of current outstanding tax liabilities was provided to Council. Councilmember Palmer expressed concern that businesses are collecting sales tax on behalf of the City and then not remitting it to the City. As the stewards for the taxpayers' money, he thought it was the Council's duty to collect those funds. Councilmember Palmer had no problem extending courtesy to those businesses that are having a temporary setback and work with them to bring them back into compliance, but for those businesses that are disregarding the law, stiffer enforcement may be in order.

Administrative Services Director Ron Lappi and Customer Services Manager Jodi Romero were present and addressed Council's questions on the amounts outstanding, the type of businesses out of compliance and the measures being taken to deal with such delinquencies. Assistant City Attorney John Shaver was present and related his involvement in the enforcement process. Comparisons were made with the State's process. Councilmember Enos-Martinez asked City Clerk Tuin if businesses with liquor licenses are checked for compliance prior to renewal to which Clerk Tuin replied yes, reports are requested from sales tax and any delinquencies are brought up at the renewal hearing.

Transient vendors were also discussed with Mr. Shaver noting that both the police and code enforcement will check with any such vendors spotted and ensure they are properly licensed. If they are not, the business is shut down until they obtain the appropriate licenses.

Council President Spehar pointed out that the percentage of uncollected sales tax is very small, less than 1% of the total revenue and that its questionable whether there is anything Council needs to address. Councilmember Hill inquired if there are any tools the Sale Tax Division

needs to collect on those uncollected accounts to which City Manager Arnold replied that they have all the tools they need. Councilmember Palmer inquired if the City has ever utilized an amnesty program. Director Lappi replied that they did once about 12 years ago and it did not produce any new collections that were not already being worked on.

Action summary: City Manager Arnold suggested the Sales Tax Division provide the Council with a year-end report this year and annually hereafter. City Council accepted the report and the offer of an annual report.

2. **Discussion of Public Improvements for Developments:** A report presenting a list of policies and administrative interpretations concerning public improvements requirements within the development review process was provided to the City Council. Public Works and Utilities Director Mark Relph explained a flow chart on the various options. There are two parts to be considered: the improvements adjacent to the development and any off-site improvements the City determines are necessary. Two Councilmembers expressed that the biggest complaint they hear is that the requirements of the City for improvements are unreasonable. Mr. Relph explained the various levels of participation the City could explore including the use of the TCP (which needs to be increased), the use of reimbursement agreements and the formation of Special Improvement Districts. Two of these tools are also available even without the City's participation.

Another policy issue for Council to consider is what triggers the requirements for improvements. The current policy is that if improvements are needed, then they are required. CDOT is using a different method for triggering the improvements, a percentage increase. Once a threshold is reached, then that developer must bear the entire cost. Council did not express any interest in changing the City's method.

Mr. Relph then asked Council to consider certain exceptions to the requirement in the cases where the area is already developed and no improvements exist nor is there a reasonable expectation that they will be installed and where the lot split is residential only. Council did not discount considering such exceptions but cautioned that the criteria be narrowly focused in order to avoid any future problems.

The increase in the TCP was discussed and a study on what the difference is in the current TCP fund because the fee did not keep up with inflation. It was thought that the City might have to contribute to the fund in order to bring it up to the level it should be. Council favored an increase in the fee and the developers present agreed, saying such an increase would make costs more predictable than the current method of

requiring improvements that may be above and beyond just a half-street section. City Manager Arnold added that he would like to see the TCP match the cost of participation in an SID so that such improvements could get done sooner rather than later. Assistant City Attorney Shaver clarified that the TCP contribution might not be spent specifically on the contributing development's frontage, that is, it may not be directly proximate. The developers present understood.

Action summary: Public Works and Utilities Director Mark Relph stated that getting this issue settled is a priority of his and he will return to Council with more information in short order.

Adjourn

The meeting adjourned at 1:12 p.m.