

**GRAND JUNCTION
CITY COUNCIL WORKSHOP SUMMARY**

MAY 3, 2004

The City Council of the City of Grand Junction, Colorado met on Monday, May 3, 2004 at 7:00 p.m. in the City Hall Auditorium 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. **TRANSPORTATION CAPACITY PAYMENT AND ONE-HALF STREET IMPROVEMENTS POLICY:** Review of a draft ordinance that proposes modifications to the Transportation Capacity Payment and Half Street Policies.

Mark Relph, Public Works & Utilities Director introduced the update and noted the areas that need direction from the City Council. He summarized the work that has been done on this issue. A considerable amount of time has been spent on how to implement the ordinance. The Staff is still looking at how they will address unique circumstances when they arise. They want to insure the intent is clearly stated in the policy, including making sure that Staff is aware of the intent. One member on the review committee has expressed concern that the ordinance is not explicit enough. Mr. Relph also wants to make sure the document is reviewed on an annual basis to make sure it is being implemented in the way it is intended. He then turned the presentation over to Tim Moore, Public Works Manager.

Mr. Moore reviewed current policies and fees, and the proposal which includes a rate increase and a new definition for "Minimum Access Street Improvements" which is how the development will connect to the existing street system. He described the benefits of the new policy and also identified the challenges. One of the main challenges will be timing for the City as it will be responsible for having the improvements on the ground for the development. Although there has been a team working on the City's policy specifically, there have been lots of group discussions with Mesa County and the two other municipalities because the goal is to have a uniform policy valley-wide. The goal is to have the ordinance effective by July 1. They have been communicating the change to all development applicants coming to the City.

Mr. Moore said they are looking for feedback from the City Council and if Council is ready to go forward, the first reading of the ordinance will be May 19, 2004.

Councilmember Palmer asked if the TCP fund will be an enterprise fund. Mr. Moore responded that it is hoped that the fund will be cash-flowed. He distributed a spread sheet that showed 2002 developments, and under the new proposal, a balance for the cash flow would be close.

Council President Spehar asked if there will be provisions to delay construction if the funds are not available. Mr. Moore replied that is the purpose for such tools as reimbursement agreements. The working group is aware of that possibility. In communicating the new proposal to the rest of the interests, i.e, the development community, they would have to understand that possibility.

Councilmember Hill noted that the spreadsheet indicated a million dollar deficit. Mr. Relph explained that the amount of improvements constructed is credited toward their TCP, so that amount is not collected under the current scenario.

Councilmember Kirtland noted that will still be the case under the new scenario if the developer decides to build. Mr. Relph concurred. Council President Spehar voiced concern about out-of-town developers not understanding the intent. Mr. Relph agreed that it will have to be made very clear to those developers. They will attempt to negotiate with the development design team to get it done; the new proposal will build in predictability.

Council President Spehar asked if the fees will cover the additional staff time needed for the new policy. Mr. Relph said the traffic engineer is covered and the role of the development engineer will change so that he is involved in the design of the improvements.

Councilmember Palmer asked if negotiating with the developer to do the work will cost the taxpayers more. Mr. Moore said they will be looking at the numbers to make sure they are in the right price range. Mr. Relph said if the numbers are not, they plan to have consultants brought in.

City Attorney John Shaver said there will be stipulations in the contract so that the developer will know what the City will pay and it will be the developer's option and obligation to pick up any additional increment.

Councilmember Kirtland inquired if the contract will be negotiated administratively. City Attorney Shaver said yes, administered by the City Manager, unless there is some unusual circumstance.

Public Works and Utilities Director Relph advised that through the budget process, significant projects will be identified. The City will need to have

some fund balance available in order to react to a big project that comes through the door.

Council President Spehar voiced concern that the City may have to use general fund money and thus delay another public project.

Mr. Relph noted there may be a high demand initially as much of the development community has been awaiting the enactment of this new policy. It will eventually level out.

Larry Rasmussen, a member of the review group, said he is not speaking for the entire development community. His outstanding concern was the definition of minimum access and was concerned that the ordinance was not ready for Council although conceptually the proposal was heading in the right direction.

Don Pettygrove, also on the review committee, supported the proposal as it will allow the City to address loss of capacity and impact to the overall road system which is the real reason for the TCP, there is more flexibility with the City making those decisions, whereas the development community doesn't have those options. It will allow a full section of improvements to be built instead of piecemeal and it will be more economical due to economies of scale. He was confident the group can refine the definition of minimum access and the proposal will be an improvement.

Councilmember Hill expressed concerned about perceptions of homeowners and developers. Mr. Pettygrove responded that developers will have the option to "dress up the approach", voluntarily. The possibility of credits has not been discussed. The '95 ordinance was for the purpose of equalizing the improvements, but the result is that frontage developments have been taking the hit (first-in pays).

Councilmember Enos-Martinez asked if the review group needs more time. Mr. Pettygrove replied that they can have two more meetings before the first reading and could get it done. The public hearing won't be until June 2. Mr. Larry Rasmussen concurred.

Tom Rolland, Rolland Engineering, also a member of the review team, supported the direction of the proposal. He felt it will work with the majority of projects that come forth although it is easy to find an example that won't work. He agreed with no more credits. He agreed with a formal review process to update the proposal and modifying it to address any flaws that they find.

City Manager Kelly Arnold was supportive of a simple system and not in favor of any credit system. In working with the County, the County will be negotiating with the developer for credits. Staff will come back to Council at a later date if credits become a need. Certainly there is some risk with the new system, but the disadvantage of the old system is the developers felt like the City was designing their project with their checkbook. He supported giving this new proposal a try. There is a \$672,000 fund balance to start with.

Councilmember Kirtland asked if there are any more changes to be made. Mr. Relph replied the version presented is not the final draft, the review group will at least address the definition of minimum access.

City Attorney Shaver advised that definition is the source of primary concern but they have added an appeal process.

City Manager Arnold added that there may emerge a problem with growth outpacing the fee and being affected by TABOR.

Action summary: The City Council directed Staff to go forward with the proposed schedule for first reading.

Council President Spehar called a recess at 9:00 p.m. The meeting was back in session at 9:07 p.m.

2. **STRATEGIC PLAN UPDATE:** City Manager Kelly Arnold directed the Council to their Strategic Plan Update. Under the solution Balance of Character, Economy and Environment, there is an update from the Police Chief on community policing. That action step has been completed. Also under that solution, there is an air quality report. The Air Quality Committee would like a City presence on their Air Quality Planning Committee. City Manager Arnold suggested Staff could represent the City on that committee and recommended Eileen List. City Council concurred. Under solution Efficient Transportation, the build-out report is attached. Under the solution Open and Beautiful Spaces, Horizon Drive Business Improvement District has asked to have a representative on the Gateway Committee. Councilmember Hill agreed with that request and noted that Dale Reece has volunteered. For the solutions Shelter and Housing and Vital Neighborhoods, there are two progress reports provided. City Manager Arnold suggested that next month Council develop a full plan for the next two years and asked if Council wanted to work with the same consultants. Council did.

Councilmember Kirtland said he would be bringing an update to Council in May from the GVT workshop (the bus situation).

Action summary: The City Council accepted the update, agreed with Eileen List being their representative on the Air Quality Planning Committee, agreed to have Dale Reece represent Horizon Drive BID on the Gateway Committee and confirmed the retention of Kezziah Watkins for continuing work on the Strategic Plan.

3. **COUNCILMEMBER APPOINTMENTS TO BOARDS & COMMISSIONS:** Annually City Council discusses and assigns Councilmembers to represent them on various boards and outside organizations. The City Council discussed the level of representation on boards for outside organizations. The Economic Partners were added to the list.

Action summary: No changes were made to the assignments with the exception of the addition of Economic Partners. The City Clerk was directed to put the resolution on the agenda as well as the selection of Mayor.

The City Council convened into Special Session at 9:24 p.m.