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**CITY COUNCIL AGENDA
WEDNESDAY, JULY 19, 2017
250 NORTH 5TH STREET
5:15 PM – PRE-MEETING – ADMINISTRATION CONFERENCE ROOM
6:00 PM – REGULAR MEETING – CITY HALL AUDITORIUM**

To become the most livable community west of the Rockies by 2025

Call to Order, Pledge of Allegiance, Invocation

Pastor Kaila Armbruster, Shepherd of the Valley Lutheran Church

(The invocation is offered for the use and benefit of the City Council. The invocation is intended to solemnize the occasion of the meeting, express confidence in the future, and encourage recognition of what is worthy of appreciation in our society. During the invocation you may choose to sit, stand, or leave the room.)

Appointment

To the Riverfront Commission

Certificates of Appointment

Certificates of Appointment to the Riverfront Commission

Certificate of Appointment to the Grand Junction Regional Airport Authority

Citizen Comments

Council Reports

Consent Agenda

1. Approval of Minutes

- a. Summary of the June 19, 2017 Workshop
- b. Minutes of the July 5, 2017 Special Session
- c. Minutes of the July 5, 2017 Regular Meeting

2. Contracts

- a. Contract with Asphalt Specialist

3. Resolutions

- a. Resolution Setting Fees and Charges
- b. Resolution Authorizing the City Manager to Submit a Grant Request to the Department of Local Affairs for the Development of the Las Colonias Business Park
- c. Resolution Authorizing the City Manager to Submit a Grant Request to Great Outdoors Colorado for the Inspire Initiative and the RIO Implementation Grant.
- d. Resolution Authorizing the Sale by the City of Grand Junction, Colorado, of Certain Real Property and Ratifying Actions Heretofore Taken in Connection Therewith

Regular Agenda

If any item is removed from the Consent Agenda, it will be heard here

4. Public Hearings

- a. Public Hearing - 2017 Second Supplemental Appropriation
- b. Public Hearing - Resolution Accepting the Petition and Ordinances Annexing and Zoning the Hill Business Complex Annexation, Located at 2905 Hill Avenue.

5. Contracts

- a. Contract for Access Improvements on Riverside Parkway
- b. Bonsai Design Incentive Agreement - Authorization of the City Manager to Execute an Economic Development Incentive Agreement to Retain and Expand an Existing Business

6. Non-Scheduled Citizens & Visitors**7. Other Business**

8. Adjournment



Grand Junction City Council

Regular Session

Item #

Meeting Date: July 19, 2017
Presented By: City Council
Department: City Clerk
Submitted By: Debbie Kemp, Interim City Clerk

Information

SUBJECT:

To the Riverfront Commission

RECOMMENDATION:

Appoint applicant recommended by the interview committee.

EXECUTIVE SUMMARY:

The interview committee interviewed several on June 2, 2017. There were five names to be kept on file. There was an additional resignation. The consensus from the interview committee will put forward their recommendation.

BACKGROUND OR DETAILED INFORMATION:

This was an additional opening with the resignation of William Findlay.

FISCAL IMPACT:

SUGGESTED MOTION:

I move to (appoint/not appoint) the interview committee's recommendation to the Riverfront Commission for a partial term ending July 2019.

Attachments

None



Grand Junction City Council

Regular Session

Item #

Meeting Date: July 19, 2017
Presented By: City Council
Department: City Clerk
Submitted By: Debbie Kemp, Interim City Clerk

Information

SUBJECT:

Certificates of Appointment to the Riverfront Commission

RECOMMENDATION:

Present Certificates

EXECUTIVE SUMMARY:

City Council to present certificates of appointment to reappointed Karen Jefferson and newly appointed J. Fred Barbero, Rondo Buecheler, and Laura Tyre Hannam.

BACKGROUND OR DETAILED INFORMATION:

Karen Jefferson was reappointed and J. Fred Barbero, Rondo Buecheler, and Laura Tyre Hannam were all appointed to the Riverfront Commission.

FISCAL IMPACT:

N/A

SUGGESTED MOTION:

N/A

Attachments

None



Grand Junction City Council

Regular Session

Item #

Meeting Date: July 19, 2017
Presented By: City Council
Department: City Clerk
Submitted By: Debbie Kemp, Interim City Clerk

Information

SUBJECT:

Certificate of Appointment to the Grand Junction Regional Airport Authority

RECOMMENDATION:

Present Certificates

EXECUTIVE SUMMARY:

City Council to present a certificate of appointment newly appointed Erling Brabaek.

BACKGROUND OR DETAILED INFORMATION:

Erling Brabaek was appointed to the Grand Junction Regional Airport Authority.

FISCAL IMPACT:

N/A

SUGGESTED MOTION:

N/A

Attachments

None

GRAND JUNCTION CITY COUNCIL WORKSHOP SUMMARY
June 19, 2017 – Noticed Agenda Attached

Meeting Convened: 5:30 p.m. in the City Hall Auditorium

Meeting Adjourned: 7:45 p.m.

City Council Members present: All Councilmembers

Staff present: Caton, Shaver, LeBlanc, Rainguet, Camper, Allen, Portner, Finlayson, Hockins, Valentine, Romero, and Kemp

Agenda Topic 1. Discussion Topics

Council President Taggart advised citizens in the audience that no public comments will be taken for any item during this workshop.

Discussion on November Ballot Questions including School District 51

Council President Taggart noted that there is no representation from School District 51 present. City Council discussed the importance of getting a ballot question to increase funding for Public Safety on the November 2017 ballot. City Attorney Shaver advised Council that the County Commissioners certify the ballot in November and there is not a guarantee that they would allow the City to place a question on the ballot. He said if the County would not allow the City to place a question on the November 2017 ballot, the City would have to try again in November 2018 or wait until the City Regular Election in April 2019.

City Council asked City Manager Caton and City Attorney Shaver to work with the County to encourage them to allow the City to place a question on the November 2017 ballot.

Broadband Discussion

City Manager Caton stated that City Council members met with incumbent broadband providers to get further insight on improving Broadband services. He also advised that another proposal has been received by SyFi-Nokia.

Council President Taggart said that there were three broad categories in the proposals: 1) Overbuild a new network using a 3rd party, 2) go forth with incumbents with no financial participation, or 3) go forth with incumbents with financial participation.

After discussing several options on how to move forward and reasons to move forward, the Council directed staff to schedule an Executive Session on July 5, 2017 at 4:00 p.m. to look at all of the proposals.

Presentation and Discussion on the Adopted Greater Downtown Plan and Related Overlay Zoning Districts

Community Services Manager Kathy Portner presented the process and development of the Greater Downtown Plan and the Greater Downtown Overlay District which was adopted by City Council in 2013. She reviewed the area wide goals, the Downtown District goals, the Rail District goals, and the river district goals. The Zoning Overlay District was established to achieve the goals of the Comprehensive Plan and the Greater Downtown Plan. The overlay has two types of corridors: Commercial and Industrial. The Downtown District Central Business District (CBD)/Core Subarea encourages high density, mixed-use development, minimizes single use, surface parking, creates entries to CBD at strategic locations, activates the streets and maintains prominence of buildings, encourages high quality, compatible design for all new buildings, and has a menu of options for architectural character. The residential subarea discourages demolition of existing historic homes (as a general goal or guideline), maintains and enhances the historic character of the streetscape including use and landscaping of the park strips, does not allow further encroachment by non-residential, higher intensity/density, maintains the existing character of house styles including scale and proportion, roof shape, window pattern, materials and setbacks, ensures accessory structures are subordinate to the primary structures on a site, allows multifamily development where zoning allows, but site and building design must be compatible, and does not allow off-street parking for multifamily development in the front yard or setback. The N. 7th Street Historic Residential District process and standards were established by the neighborhood to maintain and enhance the District, Standards, and Guidelines to preserve and enhance most essential elements of the District, it regulates setbacks, landscaping, fencing, architecture, and materials, and a Certificate of Appropriateness is required. The Transitional Subarea (where there have been some recent projects that have generated interest) allows a mix of uses but minimizes impact on adjacent residential areas—Residential Office (RO) design standards, required parking must be provided on-site and located in the side and rear yards and screened from adjacent residential uses, front yards shall be reserved for landscaping, sidewalks, driveway access to parking areas and signage, new residential and non-residential construction shall be designed to have a residential character and limit size of building and hours of operation, service entrances, loading areas, and dumpsters located only in the rear or side, and signs for non-SF (Single Family) uses are restricted in type, size, location and lighting.

City Council thanked Ms. Portner for the presentation.

Agenda Topic 2. Next Workshop Topics

North Avenue Association, renaming 12th Street to Maverick Way, Petitions for renaming North Avenue to University Blvd. (Robert Bray to be the spokesperson), and the Horizon Drive Association Business Improvement District's request.

Agenda Topic 3. Other Business

City Manager Caton had a conversation with Kristi Pollard regarding the Economic Development 2030 Plan.

Council President Taggart asked staff to re-invite John Williams for discussion on the ballot question for School District 51.

There being no future business, the meeting adjourned at 7:45 p.m.



**GRAND JUNCTION CITY COUNCIL
MONDAY, JUNE 19, 2017**

**PRE-MEETING (DINNER) 5:00 P.M. ADMINISTRATION CONFERENCE ROOM
WORKSHOP, 5:30 P.M.
CITY HALL AUDITORIUM
250 N. 5TH STREET**

To become the most livable community west of the Rockies by 2025

1. Discussion Topics

- a. Discussion on November Ballot Questions including School District 51
- b. Broadband Discussion
- c. Presentation and Discussion on the Adopted Greater Downtown Plan and Related Overlay Zoning Districts

2. Next Workshop Topics

3. Other Business

GRAND JUNCTION CITY COUNCIL

SPECIAL SESSION MINUTES

JULY 5, 2017

The City Council of the City of Grand Junction, Colorado met in Special Session on Wednesday, July 5, 2017 at 4:04 p.m. in the Administration Conference Room, 2nd Floor, City Hall, 250 N. 5th Street. Those present were Councilmembers Bennett Boeschstein, Duncan McArthur, Phyllis Norris, Barbara Traylor Smith, and President of the Council Rick Taggart.

Staff present for the first portion of the Executive Session were City Manager Caton, City Attorney Shaver, Deputy Finance Director Valentine, Purchasing Supervisor Hockins, and Information Technology Director Finlayson.

Staff present for the second portion of the Executive Session were City Manager Caton, City Attorney Shaver, Finance Director Romero, and Parks and Recreation Director Rob Schoeber.

Councilmember Boeschstein moved to go into Executive Session to receive confidential and/or proprietary information pursuant to Colorado Revised Statutes 24-72-204(3)(a)(IV) for purposes of evaluating proposals and to determine positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators concerning the development of broadband service(s) **and** concerning a possible Incentive and Cooperation Agreement with a business prospect for the Las Colonias Park Project in the City Under Colorado Revised Statutes Section 24-6-402(4)(e) of the Open Meetings Law and will not be returning to open session. Councilmember McArthur seconded the motion. Motion carried.

The City Council convened into Executive Session at 4:05 p.m.

Councilmember Wortmann arrived at the meeting at 4:06 p.m.

Councilmember Kennedy arrived at the meeting at 5:27

Councilmember Traylor Smith moved to adjourn. Councilmember Norris seconded. Motion carried.

The meeting adjourned at 5:57 p.m.

Debra M. Kemp, MMC
Interim City Clerk

GRAND JUNCTION CITY COUNCIL
MINUTES OF THE REGULAR MEETING
July 5, 2017

The City Council of the City of Grand Junction convened into regular session on the 5th day of July, 2017 at 6:09 p.m. Those present were Councilmembers Chris Kennedy, Phyllis Norris, Duncan McArthur, Barbara Traylor Smith, Duke Wortmann, and Council President Pro Tem Bennett Boeschstein. Council President Taggart was absent. Also present were City Manager Greg Caton, City Attorney John Shaver, and Interim City Clerk Debbie Kemp.

Council President Taggart called the meeting to order. Council President Boeschstein introduced Boy Scout Troop 323 who led the Pledge of Allegiance which was followed by a moment of silence.

Proclaiming the Month of July, 2017 as "Parks and Recreation Month" in the City of Grand Junction

Councilmember Barbara Traylor Smith read the proclamation. Parks and Recreation Director Rob Schoeber was present to receive the proclamation. He talked about what the Parks and Recreation staff do for the community. They do everything for anyone and everyone to support their slogan "We Make It Better". He thanked Council for the proclamation and their support throughout the year. He also recognized the Parks and Recreation Advisory Board and appreciates the members being liaisons for the City. He invited everyone out for the ribbon cutting and grand opening at the Las Colonias Park Amphitheater on July 6th.

Riverfront Commission Appointments

Councilmember Wortman moved to re-appoint Karen Jefferson and appoint Laura Tyre Hannam, Rondo Buechler, and Fred Barbero to the Riverfront Commission for three year terms expiring July 2020. Councilmember Traylor Smith seconded the motion. Motion carried by roll call vote.

Grand Junction Regional Airport Authority Appointment

Councilmember Kennedy moved to appoint Erling Brabaek to the Grand Junction Regional Airport Authority for a partial term expiring May 2019. Councilmember Norris seconded the motion. Motion carried by roll call vote.

Certificates of Appointment to the Grand Junction Regional Airport Authority

Thaddeus Shrader was present to receive his certificate of appointment. Mr. Shrader thanked Council for the appointment.

Certificates of Appointment to the Downtown Development Authority/Downtown Grand Junction Business Improvement District

Duncan Rowley was present to receive his certificate of re-appointment and Doug Simons, Jr. was present to receive his certificate of appointment to the Downtown Development Authority/Downtown Grand Junction Business Improvement District for four year terms expiring June 2021. Mr Simons and Mr. Rowley thanked Council for the opportunity to serve.

Citizens Comments

Cory Tomps, Assistant Scout Master for Troop 323, was present and thanked City Council for allowing the three Boy Scouts from Troop 323 (Fruita) who were present to attend the City Council Meeting and explained this was one of the requirements of earning a Merit Badge for Citizenship in the Community.

Councilmember McArthur stated that Mr. Tomps works for the Grand Junction Police Department and he had the pleasure of doing a ride along with Officer Tomps and he thanked Mr. Tomps for his service to the community and what he does every day.

Bruce Lohmiller, 3032 N. 15th Street, spoke on "The Tower Chimes" by Reverend J. Dodson. He told City Attorney Shaver that his church Pastor would be willing to explain the Israel Museum to him. He spoke of the newsletter his church puts out and he feels does a better job than the City's local media.

Ricki Howie, 1003 Chipeta Avenue, spoke on the new improved 1st Street and how pleasant it is to drive on it and likes the center median and the trees. She showed her shirt regarding "The Lofts". She said with the property at 10th and Grand being sold, it will become another "Lofts" and she will have to stencil another name on her shirt she wears that currently has a logo on it for "No Lofts". She read a comment that was made by a Senior Planner two weeks before the approval of "The Lofts" and she feels that the density for that location is not fair for the neighborhood. She asked for 1) a crosswalk on the corner of 10th and Grand to make it safe for the children to cross, and 2) for Council and especially Councilmember McArthur (because he is in her District) to have an open dialogue to discuss a way to revamp the administrative review in the Planning Department. It is not fair for the citizens who are affected to only have a very limited input on projects such as "The Lofts".

Councilmember McArthur stated, even though he is a representative of that District, they are elected "At Large". He is more than happy to meet with people but the City Charter prohibits members of Council being active in day to day activities of the City. He referred Ms. Howie to the City Manager.

Council Reports

Councilmember Norris had no report.

Councilmember Traylor Smith had no report.

Councilmember Kennedy said he hoped everyone enjoyed the 4th of July parade.

Councilmember McArthur reported that he attended Colorado Municipal League (CML) Annual Conference and it was an excellent conference. He was appointed to the Energy and Environmental Natural Resources Committee who adopted a proclamation which included support for climate change conditioned on any policies that are adopted by the Federal Government include assistance for communities that are impacted by the policies. This was a result of his pleas to that committee. Department of Local Affairs are hiring someone on the Western Slope to help the communities that have been impacted by climate change regulations.

Councilmember Wortmann also attended CML's conference for the first time and pointed out that many towns and cities face the same issues as Grand Junction does.

Councilmember Boeschstein was also in attendance at the CML conference and the National Civic League awards which the City has won in the past.

Consent Agenda

Councilmember Norris moved to adopt the Consent Agenda items #1 - #3.

Councilmember Traylor Smith seconded the motion. Motion carried by roll call vote.

1. Approval of Minutes
 - a. Summary of the June 5, 2017 Workshop
 - b. Minutes of the May 17, 2017 Regular Meeting
 - c. Minutes of the June 7, 2017 Regular Meeting
2. Set Public Hearings
 - a. Quasi-judicial
 - i. Resolution Referring a Petition to the City Council for the Annexation of Lands to the City of Grand Junction, Colorado,

Setting a Hearing on Such Annexation, and Exercising Land Use Control, and Introducing Proposed Annexation Ordinance for the Weeminuche Annexation, Approximately 4.516 Acres of Portions of Public Rights-of-Way for 26 Road, 26 1/2 Road, H 3/4 Road and Summer Hill Way, Located North of H Road.

- ii. Ordinance Zoning the Hill Business Complex Annexation, Located at 2905 Hill Avenue, and Set a Hearing for July 19, 2017.
- iii. 2017 Second Supplemental Appropriation

3. Contracts

- a. Change Order for Elam Construction on the 2017 Contract Street Maintenance/Overlay Contract

Contract for Bonsai Design Incentive Agreement

Bonsai Design Incentive Agreement – Authorization of the City Manager to Execute an Economic Development Incentive Agreement to Retain and Expand an Existing Business

Councilmember Kennedy moved to table the contract for Bonsai Design Incentive Agreement until the next meeting as identified by the City Manager. Councilmember Traylor Smith seconded the motion. Motion carried.

Public Hearing Adopting the 2017 Program Year Action Plan

A Resolution Adopting the 2017 Program Year Action Plan as a Part of the Grand Junction Five-Year Consolidated Plan for the Community Development Block Grant (CDBG) Program

The public hearing was opened at 6:36 p.m.

Kristen Ashbeck, CDBG Administrator/Senior Planner, presented this item. She described the purpose of this item, recapped the CDBG program, and said the City has received funding since 1996 to meet the program's objectives. The City also has \$14,938 in funds remaining from the 2015 Program Year to be allocated with the 2017 estimated appropriation funds of 375,000. The City just received the formal 2017 allocation from HUD which was \$400,521. This leaves a remaining \$25,521 that the City can look at using in 2017 or wait until 2018. She went on to describe the 2017 Action Plan which includes 11 projects and how they relate to the Plan's goals and objectives.

Councilmember Kennedy asked if the remaining \$25,521 is held until 2018, would it impact next year's appropriation. Ms. Ashbeck said it would not. Councilmember Kennedy asked Ms. Ashbeck if she had any idea what the allocation might be in 2018. Ms. Ashbeck said she did not. Councilmember Kennedy felt that the excess should be held until 2018.

Councilmembers Traylor Smith and Norris felt that it should be reviewed to help the community this year.

Councilmember McArthur asked about what improvement plans are planned for the Senior Center. Ms. Ashbeck described the improvements that are currently being made to the Senior Center and funded by CDBG. There are also some cosmetic improvements being done that cannot be funded by CDBG. Councilmember McArthur said that the Trump Administration is proposing to cut the CDBG funding from the budget, however, Senator Gardner and Congressman Tipton do not feel that will happen.

Council President Pro Tem Boeschstein stated he was glad to see more safe routes to schools project, Riverside Park, and Las Colonias Park in the Action Plan. He asked about Whitman Park. Ms. Ashbeck said that the Parks Department presented projects that they felt were their highest priority and Whitman Park was not included.

There were no public comments.

The public hearing closed at 7:47 p.m.

Councilmember Traylor Smith moved to adopt Resolution No. 35-17 – A Resolution to Adopt the 2017 Program Year Action Plan as a part of the Grand Junction Five-Year Consolidated Plan for the Community Development Block Grant (CDBG) Program. Councilmember Kennedy seconded the motion. Motion carried by roll call vote.

Non-Scheduled Citizens & Visitors

There were none.

Other Business

There was none.

Adjournment

With no further business, the meeting adjourned at 7:48 p.m.

Debbie Kemp, MMC
Interim City Clerk



Grand Junction City Council

Regular Session

Item #2.a.

Meeting Date: July 19, 2017

Presented By: Greg Lanning, Public Works Director, Jay Valentine, Deputy Finance Director

Department: Public Works - Streets

Submitted By: Justin Vensel, Project Engineer Streets Division

Information

SUBJECT:

Contract with Asphalt Specialist

RECOMMENDATION:

Authorize the City Purchasing Department to enter into a contract with Asphalt Specialists and Supply, Inc. from Grand Junction, CO for the installation of Vance Brothers NuSeal, Type 1 Micro Surface Pavement Preservation in the amount of \$90,780.

EXECUTIVE SUMMARY:

With the enhanced funding provided by Measure 2B, many more roads will be treated over the next five years. There are several pavement preservation alternatives available in the industry and with the additional funding, the City is now able to test and determine the best alternatives available to optimize the effectiveness of the paving program. If approved, this pavement preservation product, known as NuSeal, or Type I microsurfacing, will be applied in a pilot program to determine performance and durability. This is a proprietary product that requires sole source justification and Council approval for the \$90,780 expenditure.

BACKGROUND OR DETAILED INFORMATION:

There are several pavement preservation alternatives available in the industry and the City is now able to test and determine the best alternatives available to optimize the effectiveness of the paving program. One product being evaluated is a thin oil, aggregate, and polymer application. Vance Brothers of Denver Colorado has

introduced a product known as Type 1 Micro Surface that has been applied throughout the Colorado Region. The supplier has proposed not only supplying the product, but training City and local contractors in the application of the product.

This will be one of three trial/plot studies of alternate pavement preservation products applied on City streets for the 2017 calendar year. A total of 26,700 square yards will be treated using the NuSeal product.

The area selected for this treatment is north of North Avenue to Orchard Avenue and west of 1st Street. All streets selected are classified as residential roadways. The roadways selected have a PCI value Ranging from a 53 to 76. These are all good candidates for this type of preservation technique.

FISCAL IMPACT:

Earlier this year, City Council approved the supplemental appropriation of \$3,750,000 of the available \$11,205,000 in the Riverside Parkway Debt Retirement fund to be allocated to road improvement projects in 2017. The breakdown of the utilization of these funds is detailed below.

Measure 2B

2017 Budgeted Funds Available Through Supplemental Appropriation	\$3,750,000
Sole Source Contract - Asphalt Specialist (This Action)	90,780
Change Order - Elam Construction	251,644
Redlands Parkway Resurfacing (Council Approval June 7, 2017)	2,594,252
Remaining 2017 Budgeted Funds	\$813,324

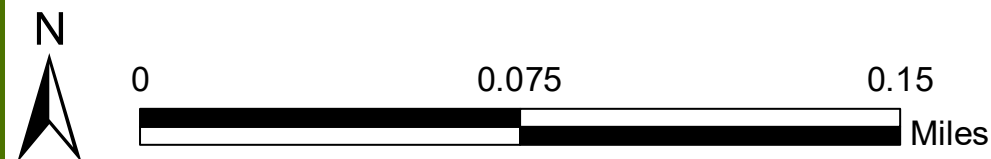
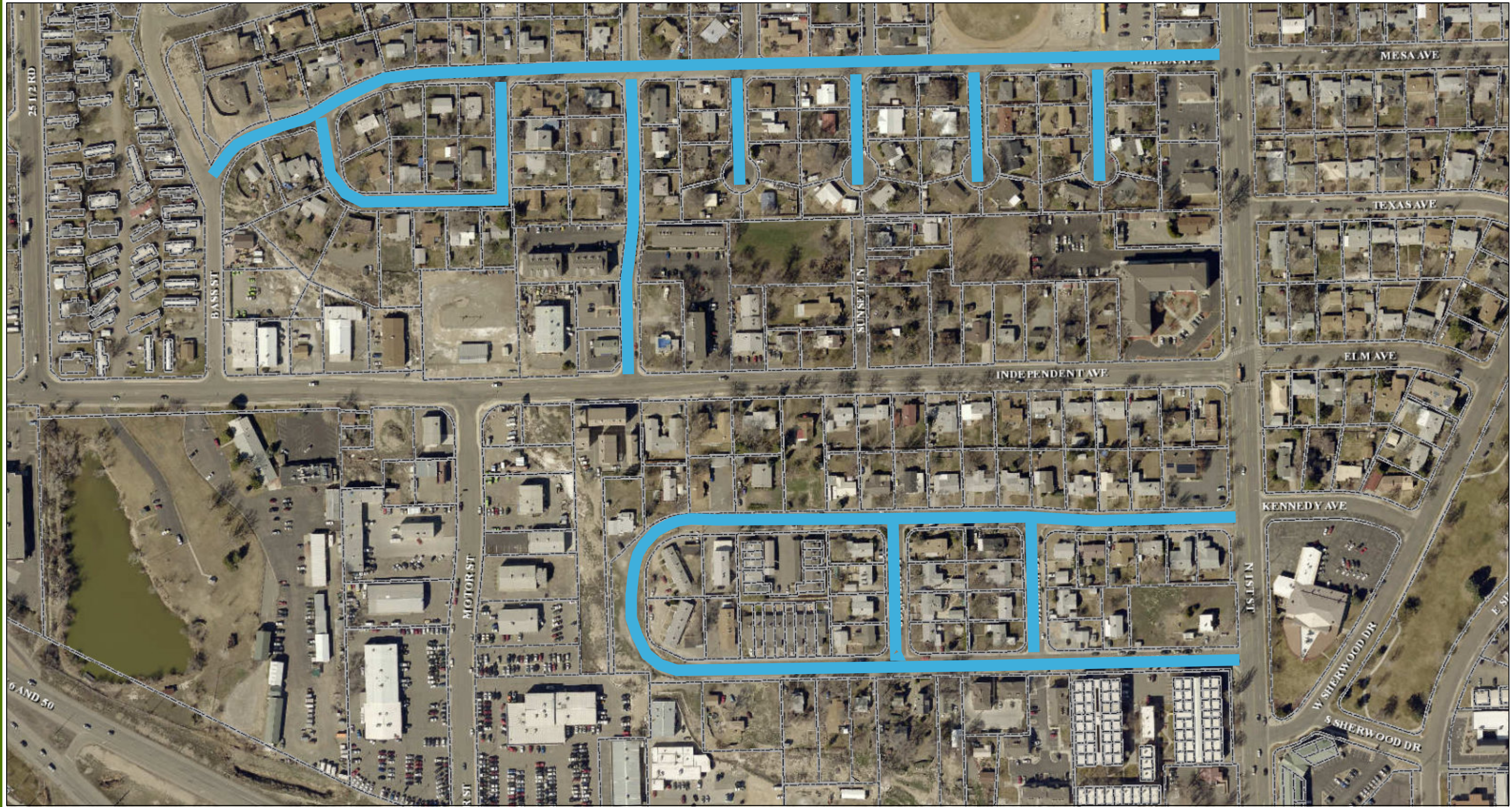
SUGGESTED MOTION:

Move to authorize/deny the sole source purchase and installation of NuSeal, Type 1 Micro Surface and enter into a contract with Asphalt Specialists and Supply, Inc. from Grand Junction, CO for installation, in the amount of \$90,780.

Attachments

1. NuSeal Street Location Project Area

City of Grand Junction



Date: 7/10/2017

1 inch = 200 feet



Grand Junction City Council

Regular Session

Item #3.a.

Meeting Date: July 19, 2017

Presented By: Jodi Romero, Finance Director, Greg Caton, City Manager

Department: Finance

Submitted By: Jodi Romero, Finance Director

Information

SUBJECT:

Resolution Setting Fees and Charges

RECOMMENDATION:

Staff recommends approving the resolution adopting 2018 fees and charges as presented.

EXECUTIVE SUMMARY:

In order to establish fees and charges for the wide array of services provided by the City of Grand Junction the City Council discussed the philosophies supporting the setting of fees and charges by department as well as recommended changes at a Council workshop on May 12th, 2017. The fees and charges will be included in the operating revenue as the 2018 expense budget is developed. A few of the fees and charges are required to be established by resolution of City Council.

BACKGROUND OR DETAILED INFORMATION:

In order to establish fees and charges for the wide array of services provided by the City of Grand Junction the City Council discussed the philosophies supporting the setting of fees and charges by department as well as recommended changes at a Council workshop on May 12, 2017. The fees and charges will be included in the operating revenue as the 2018 expense budget is developed. A few of the fees and charges are required to be established by resolution of City Council. Utility rates which are determined based on rate studies, long term financial plans, and comparison to market as well as impact fees such as transportation capacity

and open space which are directly related to capital projects will be discussed during the budget process in the upcoming months.

In preparation for the workshop staff conducted a comprehensive review of rates, fees, and charges across all departments of the organization. All rates, fees, and charges are based on a set of philosophies. Those philosophies will vary based on considerations such as benefit to the overall community, cost recovery models, comparison to the market and other entities, as well as legal considerations. During that review, staff developed recommendations for changes to existing rates, fees, and charges as well as identified opportunities for new charges. Recommended changes are proposed to be effective January 1, 2018 with the exception of the new registered sex offender fee that will become effective at the same time the Mesa County Sheriff's office registered sex offender fee is established which is anticipated to be in the fall of this year.

Following is a summary of the philosophies for the major departments of the City. As noted earlier, the Utilities Department philosophy and rates will be discussed during the budget process. Attached is a full report of the departments philosophies and proposed changes for 2018.

Police Department

The philosophical basis that supports how fees are established at the Police Department is depicted by a pyramid. The base of GJPD's pyramid consists of the core public safety services provided to the community. This includes Patrol teams, Investigations, and the Communications Center. In addition, this layer includes the Bomb Squad that covers Eastern Utah and Western Colorado, and the SWAT team. These services are considered the minimum requirements to ensure the safety of our community. Also included in the base level of service funded by tax dollars are "Additional Citizen Services". These include services such as Community Relations Unit, School Resource Officers, Records and Victim Advocacy Program, just to mention a few. These functions provide customer service to the community, support and enhance core services. The other level of GJPD's pyramid is made up of customized services provided to the public, such as background checks, bicycle registrations and VIN inspections, etc. For services that fall under the Colorado Open Records Act, GJPD follows the same fee structure as the City Clerk's office, which are based on legal limits. Other fees are charged in order to recover costs such as VIN inspections and copies of CDs and DVDs.

Fire Department

Industry wide, fire department funding has primarily been through property tax dollars however the City's property tax generates about half of the funding of the department. Also as the department began to provide more diverse services they began to charge fees for these services. As the various fee types have increased, it is important to reflect on what is provided through taxes vs through fees. This philosophy is also depicted in a pyramid. As budgets have grown tighter and new tax or increased taxes have become scarcer, the fire department has begun looking at taxes covering the cost of "readiness", i.e. fire stations, personnel, apparatus and equipment needed to respond to the incident which represents the base of the pyramid. Fees are then considered to cover the actual service or response for the next two levels of including ambulance services, medical services treatment, flight team transport, standby and specialized response services (technical rescue, hazmat response).

Parks and Recreation Department

The Parks & Recreation Department's philosophy for setting fees is based on a Cost Recovery Pyramid model as well. The base level of the pyramid represents a majority of the Department. A majority of the programs and services offered in the base level are primarily subsidized by tax dollars and these include parks, trails, community and special events. As progression is made up the pyramid, the level of subsidy decreases as the programs and services move from a community benefit to a higher individual benefit and the fees charged for the services and programs cover a larger portion of the cost. Examples of services in the next level include aquatics, sports facilities, and summer camps followed by services for special interest groups in the highest level of cost recovery including golf and adult athletics. This foundation and upward progression is intended to represent the Department's core mission, while also representing a reflection of the diversity of programs and services the City offers.

and

Community Development

The Community Development Department is sensitive to the local economy and the impact that fees can have on development activity. The Department's philosophy is to set fees that are balanced in comparison to other entities in the region and to offset some, but not all development-related review costs.

Municipal Court

Municipal Court's fees and charges are set based on a combination of cost recovery, comparison to other jurisdictions, and accumulation of funds to provide assistance to financially challenged defendants in the court system.

Two Rivers Convention Center and the Avalon Theater are being managed through contract with Pinnacle Venue Services and through terms of that contract rates and fees of the facilities are set by Pinnacle. In the attached report, Pinnacle

describes their business philosophy of setting fees and rates.

FISCAL IMPACT:

The fees and charges will be included in the revenue estimates in order to establish the 2018 operating budget for the City of Grand Junction. The revenue increase in the General Fund is estimated at \$315,000 and in the Golf fund at \$44,000.

SUGGESTED MOTION:

I move to (approve/deny) Resolution No. 36-17 - A Resolution Adopting Fees and Charges for False Alarms, Golf Cart License Fees, and Grave Space Fees

Attachments

1. Department Philosophies and Proposed 2018 Changes
2. 2018 Fees and Charges Resolution



City of Grand Junction Fees and Charges Philosophies July 2017

Police Department Philosophy

The philosophical basis that supports how fees are established at the Police Department is depicted by a pyramid. The base of GJPD's pyramid consists of the core public safety services provided to the community. This includes Patrol teams, Investigations, and the Communications Center. In addition, this layer includes the Bomb Squad that covers Eastern Utah and Western Colorado, and the SWAT team. These services are considered the minimum requirements to ensure the safety of our community. Also included in the base level of service funded by tax dollars are "Additional Citizen Services". These include services such as Community Relations Unit, School Resource Officers, Records and Victim Advocacy Program, just to mention a few. These functions provide customer service to the community, support and enhance core services. The other level of GJPD's pyramid is made up of customized services provided to the public, such as background checks, bicycle registrations and VIN inspections, etc. For services that fall under the Colorado Open Records Act, GJPD follows the same fee structure as the City Clerk's office, which are based on legal limits. Other fees are charged in order to recover costs such as VIN inspections and copies of CDs and DVDs.

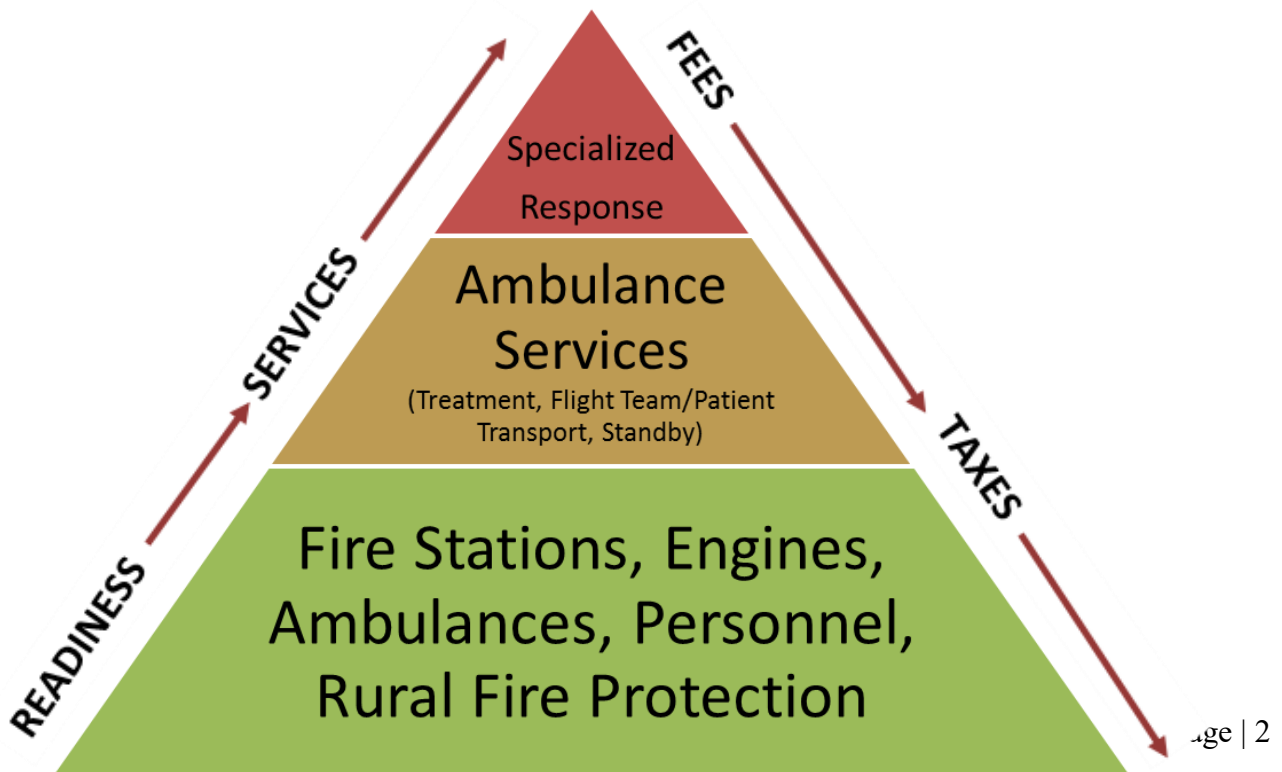


Changes for 2018:

- False Alarms- Over a four-year period GJPD responded to 9,314 mechanically activated intrusion alarms of which 20 proved to be valid, a more than 99% error rate. It is estimated that less than 5-10% are from residences. Currently the false alarm fee for is \$15 per incident allowing four free false alarms per year. This fee has not been increased for many years and it is our recommendation that it be increased to \$100 per incident allowing two free false alarms per year for commercial buildings and four free false alarms per year for residences.
- Fee Change – There is a voluntary Golf Cart License fee that is \$10 for three years. In 2016, we collected \$20. This fee is recommended to be eliminated.
- Fee Change – Currently we do not charge Registered Sex Offenders to pay for their annual registration requirement. However, the Mesa County Sheriff’s Office is instituting a fee beginning sometime this fall. The fee is the maximum allowed by the State: \$75 for initial and \$25 for reregistration. It is our belief that we need to maintain consistency with this fee structure. If the County is charging and the City is not, it has the potential to force sex offenders into the City limits.

Fire Department Philosophy

Industry wide, fire department funding has primarily been through property tax dollars however the City’s property tax generates about half of the funding of the department. Also as the department began to provide more diverse services they began to charge fees for these services. As the various fee types have increased, it is important to reflect on what is provided through taxes vs through fees. As budgets have grown tighter and new tax or increased taxes have become scarcer, the fire department has begun looking at taxes covering the cost of “readiness”, i.e. fire stations, personnel, apparatus and equipment needed to respond to the incident. Fees are then considered to cover the actual service or response. The Grand Junction Fire Department applies this philosophy as depicted below.



Fees:

The Grand Junction Fire Department charges three main types of fees - ambulance service and transport, response cost recovery and fire prevention services.

Ambulance fees consist of ambulance transportation fees paid by Medicare, Medicaid, health insurance and private pay. Because of contractual write-offs and bad debt, the amount the City actually receives is usually less than what is billed for the transport. The fees are set annually by the Mesa County Commissioners through a formula that is based on healthcare CPI and range from \$777 - \$1,155 per transport.

In addition, the department charges for medical standby services at special and sporting events, patient treatment and release and patient, flight team transportation and a loaded mileage fee to offset vehicle costs. Medical standby fees are paid for by the event or sponsoring organization and are based on an hourly charge for the personnel and vehicle. The patient treatment and release fee is charged to patients where we provide treatment on scene but the patient doesn't need transported or refuses transport. The fee is to cover medical treatment and supplies or medications that the patient has received.

The department charges cost recovery fees for hazardous material incidents and wildland fire response. These incidents are time intensive and the charges are based on the actual cost of personnel, vehicle expenses and expendable supplies. Vehicle costs are based on standard rates provided by the Colorado Division of Fire Prevention and Control and personnel and supply costs are actual. The department considered a number of other incident types for cost recovery, primarily based on time intensive incidents or those that are human caused. A request for information through the Colorado State Fire Chiefs resulted in nine fire departments stating that they charge for response to motor vehicle accidents, including services for patient extrication, traffic control and scene clean up. In addition, the department's third party billing firm stated that they bill this type of cost recovery fee for 33 other departments

The department charges a number of fire prevention fees that are primarily paid by developers, architectural and design firms and construction and fire safety contractors. The fees are to help off-set the cost of providing fire prevention services, including construction plan review, code compliance and inspection. Fee increases and introduction of new fees are based on an industry survey of other fire departments providing these services including; Montrose, Longmont, Loveland, Durango and South Metro. Many of these fees were increased in 2016 so the department is recommending that roughly half of the fire prevention fees receive an incremental increase for 2018.

Changes for 2018:

Standby services, flight team transportation, patient treat and release, and mileage were last increase 2016 so the department is recommending an incremental 5% increase for 2018.

New Cost Recovery Fees:

Traffic Accident Response Fee \$255 per accident – Charged for fire engine response and services at a motor vehicle accident. Fee is based on cost recovery of personnel and vehicle expenses.

Brush Fire Response Fee \$530 per hour (1-hour minimum) - Charged for response to brush fire that is caused by violation of the outdoor burning ordinance, including burning without a permit. Fee is based on cost recovery for personnel and vehicle expenses.

New Fire Prevention Fees:

Underground Fire Line \$200 Previously this fee was charged through the Mesa County Building Department but this request would provide an individual permit through the fire department.

Indoor Pyrotechnics \$200 Indoor pyrotechnic displays require a higher degree of review than a typical fireworks display. This fee would cover the cost of that review and inspections.

Carbon Dioxide (CO₂) Permit \$50 This fee would be charged to restaurants that have converted to large CO₂ vessels for carbonated beverages. The larger vessels have a higher danger of asphyxiation and require a detector to alert for low levels of O₂.

Hazardous Materials Permit Fee \$300 (annual) This permit fee is charged to facilities that store or use large quantities of hazardous materials and are required to report to local and state agencies. The fee would be tied to an annual inspection to confirm completion and accuracy of required reporting; and to control the handling, storage, manufacture, processing, packaging, use, and disposal of hazardous materials to prevent an unreasonable risk to the health and safety of emergency response personnel, the public and the environment. Information gained from the inspections would directly tie to the department's mapping and pre-planning program to assist emergency responders identify special areas or hazards in case of an emergency response to the facility.

There are approximately 50+ of these facilities in the fire department response area. The fee would be tied to an annual inspection to confirm completion of required reporting accurately as well as follow up re-inspections to assist the business in achieving compliance. On average to conduct a proper hazardous materials inspection requires 1-3 hours depending on the size of the facility. Multiple occupancy facilities could take more than a day to complete the inspections. The recommended fee is \$300 per permit and an additional \$50 charged for each additional building for the same business.

Parks & Recreation

History:

The City of Grand Junction has been a regional provider of parks and recreation services since its inception. Until 2007, the department charged a 20% higher fee to non-residents for participation in recreation programs and facilities. The elimination of the non-resident fee in 2007 allowed the department to provide better customer service while maintaining its presence as a regional hub. The department is also unique because of its relationships with the local school district, university, and partner organizations. Recognizing the impact of fees on these organizations, the department works closely with each of them to determine fair and equitable fee structures for programs and facilities. Fees and charges are also reviewed annually by the Parks and Recreation Advisory Board and multiple levels of staff. The reviews and comparisons conducted for facilities and programs are primarily localized to the Grand Valley or the Western Slope; however, due to the uniqueness of some facilities, comparison with Front Range communities is required to better evaluate price and structure. For the programs that may compete with private business, the fee structure is determined based on what would be generally acceptable as opposed to competitive.

Philosophy:

The Parks & Recreation Department's philosophy for setting fees is based on a Cost Recovery Pyramid model. The base level of the pyramid represents a majority of the Department. A majority of the programs and services offered in the base level are primarily subsidized by tax dollars. As progression is made up the pyramid, the level of subsidy decreases as the programs and services move from a community benefit to a higher individual benefit and the fees charged for the services and programs cover a larger portion of the cost. This foundation and upward progression is intended to represent the Department's core mission, while also representing a reflection of the diversity of programs and services the City offers.

Cost Recovery Pyramid:

Community Benefit: 0-35% cost recovery

At the base of the pyramid are programs that benefit the entire community, not individuals. Examples are access to parks, trails, community events, cultural arts, weed abatement, and special events. This also include the operation of the decades old agreement to operate the Senior Recreation Center. These programs or facilities have minimal or no fees.

Community/Individual Benefit: 36-75% cost recovery

The middle level of the pyramid contains programs and services that benefit mainly the community but also individuals. These programs and services promote health and wellness activities and opportunities as well. Examples are aquatics, sports facilities, summer camps, Bookcliff Activity Center, cemeteries, and youth athletics.

Primarily Individual Benefit: 76-100% cost recovery

The highest level of the pyramid contains programs and service that benefit specific groups or individuals and include adult athletics, special interest programs, contract programs, and the golf courses, which are considered enterprise funds.

Cost Recovery Philosophy

Parks, Recreation, and Golf



* Enterprise Fund

Changes for 2018:

Several changes were made to the 2018 fee structure including the addition of an administrative fee category. This category is primarily items that are pass-through costs such as security or traffic control, costs that are a percentage of an already established fee, and direct costs such as lost keys. Two minor adjustments were made to child and infant grave space fees to coincide with current adult rates. New fees include the hourly rental fee for the Amphitheater and a fee for additional marketing use of the Lincoln Park marquee. Increased fees include the elimination of the non-prime fee for shelters, increased hourly fees at the Barn and the Hospitality Suite, the hourly fee for Stocker Stadium, and season tickets, green fees and golf cart fees at the golf courses.

Community Development Department

History:

The Community Development Department collects a variety of fees for the development review services that it provides. Fees are collected by application, clearance or permit type as well as specific fees for engineering inspection. Most fees have not been updated since

approximately 2000 in concert with a significant land use code revision with the exception of engineering inspection fees that were last revised in 2008. The Department's review of development projects focuses on projects that adhere to adopted development standards and ranges from highly technical review of such items as drainage and floodplains to other standards related to site design items such as landscaping, circulation and parking.

Philosophy:

The Community Development Department is sensitive to the local economy and the impact fees can have on development activity. The Department's philosophy is to set fees that are balanced in comparison to other entities in the region and to offset some, but not all development-related review costs.

Changes for 2018:

Staff is recommending the elimination of several fees that only require a brief consultation and have a minimal impact on workload. Some examples of recommended eliminations are fees for demolition permits, interior remodels, change of use, and home occupation permits.

Because it has been over 15 years since the latest increase in planning fees, they have fallen behind comparable fees in the area. In order to begin working towards the comparable rates, staff recommends a 10% increase in fees.

Major Site Plan reviews generally take a significant amount of time for a project review and the complexity of the reviews are generally scalable to the square footage of the project being proposed. In an attempt to create some parity with the cost of projects that are equally complex (or simple), staff recommends looking at a tiered approach to Site Plan Review fee based on square footage of the proposed project.

Single Family planning clearances regularly require approximately a half hour of time from a planning technician or planner. Staff believes the proposed fee adjustment better aligns with the level of review required to process a clearance.

In addition to Application and Clearance fees, development projects are asked to pay Engineer Inspection Fees (if applicable), the cost of their required mailings, the cost of their required public notice signage as well as impact fees. Engineer inspections fees were last updated in 2008 and are proposed to see a similar increase of 10%. For projects that require the submittal of specific plans, including Grading and Drainage, drainage reports, utilities composite, traffic impact study and off-site improvement plans, fees are charged to review these specific plans. These fees were historically collected to off-set the additional city engineering review time of these technical documents. Staff has proposed an approximate 10% increase to these fees, but would also has identified there may be an opportunity to simplify this approach to collecting fees.

Municipal Court Philosophy

Municipal Court's fees and charges are set based on a combination of cost recovery, comparison to other jurisdictions, and accumulation of funds to provide assistance to financially challenged defendants in the court system.

Changes for 2018:

Municipal Court fees for court costs and deferred judgements were increase by 30% in 2016, and the trial costs were increase by 10% in 2016. Municipal Court has not previously charged for payment plans, and recommends a \$25 fee to recoup the administrative costs of tracking a case from start to finish.

Municipal Court is recommending the adoption of two new surcharges earmarked for use in the operation of the Municipal Court for the following; assisting the Court in distinguishing between those defendants that truly cannot comply with orders of the Court and those choose not to do so; and to provide defendants who do not qualify for court appointed counsel under current guidelines, legal direction which would aid the Judge in resolving the case.

City Clerk Philosophy

The City Clerk's Office has a limited number of fees that are charged to citizens. There are Open Records Request Fees, Liquor License Fees, Liquor Occupation Tax Fees, and Auditorium Use Fees. The philosophy supporting most of these fees is a combination of law and cost recovery.

Changes for 2018:

The City Clerk's Office is responsible for responding to requests for information under the Colorado Open Records Act. By law, certain fees and charges can be assessed for the research, collection, compiling, redacting, and copying of such records for the requestor. Currently the City is not charging the maximum allowed by State Law. The proposal is to charge the amount allowed and include a provision for the regular adjustment of the fee. By law, the first hour of research and collection is free.

There are no proposed changes to liquor license fees and liquor occupational tax fees, because the liquor license fee is set by State law and although the liquor occupational tax for the City is one of the lowest in the State it would require a vote to increase.

The City Hall Auditorium is available for use by the public Monday through Saturday 7:30 a.m. 10:00 p.m. If the use is on a weekend, or if the users need the audio visual (AV) equipment after regular business hours there are fees assessed unless it is a bona fide government agency. We are currently charging \$20 per hour for using the room on the weekends and an additional \$20 per hour if using the equipment after business hours. It is recommended to increase the fees to \$30 per hour in order to recover costs.

If the user group is a for-profit entity, there are additional charges. Another exception is if a group begins using the room more than twice per month.

Two Rivers Convention Center and Avalon Theater-Pinnacle Venue Services

The following has been provided by Maria Rainsdon, General Manager

Booking and Rental of The Avalon Theatre and Two Rivers Convention Center:

With the overarching philosophy of yield management, we aim to:

- Sell the Right Product
- Sell it to the right person
- For the right price
- At the right time

Yield Management: How it achieves these goals

Yield management, also known as revenue management, seeks to maximize total profit by manipulating price and inventory availability for future bookings. Yield management orients room rental rates and other sources of revenue to demand. It is a marginal analysis of supply and demand with respect to price and inventory factors. The goal of yield management is to maximize revenues during the high traffic periods and maximize traffic during low revenue periods. It is a model based on facility history, where previous bookings are used to generate a revenue forecast, which when compared over time with actual revenues can be refined or enhanced through various pricing strategies.

1. Benefits of yield management

Using this model provides much greater flexibility in rate structures, which translates into booking the right business. Because we are not simply raising static rates across the board but varying the rates in either direction, we are able to maximize revenues and the amount of business booked especially during off peak periods. Managing the yield (value) within a finite amount of space by focusing on filling slower time periods and capitalizing on peak periods produces what we call the win/win scenario.

This drives business to non-peak time periods; to lower demand space and drives higher revenues to peak periods for high demand (most popular) space.

2. How it works

Rental rates are transferred into a range of values for each space. The range represents non-peak to peak values.

Examples as they might apply in Grand Junction:

- In January 2017 we have two potential clients requesting rates. One is a consumer show organizer interested in a single April 2018 Saturday date; they would pay a greater rate for the space due to the prime date and the length of time they are holding the space. The second is a concert promoter interested in an August 2017 Tuesday date. The concert promoter may receive a lower rate for the same space because both Tuesday and August dates are low yield at our venue. The shorter booking window

also contributes to the lower rate because there is less of a chance a better piece of business would also be interested in that date.

- Another example, a wedding booking on a Saturday night in prime wedding season might be asked to pay a higher rental rate and food minimum than a wedding the same week that takes place on a Sunday or Monday night. The range of rates helps accommodate budgets as well as fill our space on dates that are typically less in-demand.

Rental values within the yield management analysis are only one piece of the evaluation process. To gain a true picture of the financial impact of an event, the revenues from all sources, such as food and beverage or audio-visual support, are pooled and analyzed as a sum total. These projected revenues are then compared to past performance or the building history during that same time periods. This forecasting is essential. The event management software (Ungerboeck EBMS) is essential for tracking histories of rates and event profit, allowing for accurate forecasting of rate and facility use.

Historically, convention center pricing structures have been based on a “one rate for all” concept to limit any perceived favoritism or discrimination. This practice, closely followed by a passive sales effort, has been the primary reason for convention centers performing so poorly from a financial standpoint and limiting their effectiveness as a catalyst for the community. Given our ballroom may have a different value on a Monday night versus a Saturday night or the Creek Rooms may be more expensive in April than it is in July, we have developed the following practices and procedures to eliminate all reasonable exposure:

- Redefine booking policy as a booking guideline
- Include in the booking guideline the evaluation factors discussed below:
 - Overall economic impact
 - Room-night generation
 - Amount of exhibition and meeting space required
 - Month of year
 - Day(s) of week
 - Time of day
 - Degree of cost sensitivity
 - Potential for repeat/referral business
 - Prestige factor
 - Attendance
 - Lead time of booking
- No quantifiable equation tied to evaluation factors, meaning rate range guidelines instead of a rate card.
- Turn down business reports to track business not booked for a variety of reasons
- Sales proposals approved by Sales and Marketing Manager/GM
- Contracts approved/signed by GMs
- Communicate yield management strategy in sales and marketing plan

RESOLUTION NO. xx-17

A RESOLUTION ADOPTING FEES AND CHARGES FOR FALSE ALARMS, GOLF CART LICENSE FEES, AND GRAVE SPACE FEES

Recitals:

As required by Municipal Code, City of Grand Junction establishes charges and fees by this resolution.

Now, therefore, be it resolved that:

Effective January 1, 2018 fees for false alarms and golf cart license fees according to the following schedule:

Police Department				
Description	2017 Current	2018 Proposed	Change	Notes
False Alarms (System Activated)	\$15	\$100	+\$85	Commercial- 2 Free per Year Residential-4 Free per Year
Golf Cart License Fee	\$10	0	-\$10	

Parks and Recreation Department				
Description	2017 Current	2018 Proposed	Change	Notes
Child Grave Space	\$541	\$563	+\$22	
Infant Grave Space	\$454	\$450	-\$4	

PASSED and ADOPTED this 19th day of July, 2017.

President of the Council

Attest:

City Clerk



Grand Junction City Council

Regular Session

Item #3.b.

Meeting Date: July 19, 2017

Presented By: Kathy Portner, Planning Manager

Department: Community Development

Submitted By: Kathy Portner, Planning Manager

Information

SUBJECT:

Resolution Authorizing the City Manager to Submit a Grant Request to the Department of Local Affairs for the Development of the Las Colonias Business Park

RECOMMENDATION:

Adopt a Resolution Authorizing the City Manager to Submit a Grant Request to the Colorado Department of Local Affairs for the Development of the Las Colonias Business Park

EXECUTIVE SUMMARY:

This request is for authorization to submit a request to the Colorado Department of Local Affairs (DOLA) for a \$1 million grant, with a local match of \$1 million, for the development of Las Colonias. The project includes the integration of the Business Park components with the community infrastructure and amenities.

BACKGROUND OR DETAILED INFORMATION:

The Las Colonias Planned Development zoning set the vision and provides guidance and establishes appropriate land uses for the 147 acre Las Colonias site. Conceptual design of the business park includes the development of approximately 10% of the entire Las Colonias Park for the location of several businesses in a campus setting combined with public park amenities consistent with the Las Colonias Park Master Plan.

Guiding Principles

The Guiding Principles for the proposed Planned Development (PD) zone district are to:

- Establish a business park within a recreational park in a location near the Colorado River.
Protect the Colorado River and its floodplain and habitat.
- Plan for future development in the business park using principles of compact development, appropriate architectural standards and good site design.
- Establish appropriate uses of the open space, relying on the list of amenities established in the Las Colonias Park Master Plan.

Several components of the Las Colonias property have been completed, including Phase I park improvements and the Amphitheater. Completion of the east end of the property will include original elements contemplated in the 2013 Master Plan such as a boat ramp, dog park, zip line, and festival area, as well as the business park for outdoor related businesses and retail/restaurant pad sites.

The grant request to DOLA for \$1 million, with a \$1 million match, would be used for a portion of the public improvements required for the completion of the east end of Las Colonias Park.

FISCAL IMPACT:

If awarded, a local match of \$1 million will be required and will be budgeted from the debt proceeds for the business park project.

SUGGESTED MOTION:

I MOVE to (Adopt or Deny) Resolution No. 37 - 17 - A Resolution Authorizing the City Manager to Submit a Grant Request to the Department of Local Affairs for Las Colonias Business Park Development.

Attachments

1. Proposed Resolution

**CITY OF GRAND JUNCTION, COLORADO
RESOLUTION NO. ____-17**

**A RESOLUTION AUTHORIZING THE CITY MANAGER TO SUBMIT A GRANT
REQUEST TO THE COLORADO DEPARTMENT OF LOCAL AFFAIRS' (DOLA)
ENERGY AND MINERAL IMPACT ASSISTANCE PROGRAM FOR DEVELOPMENT
OF LAS COLONIAS BUSINESS PARK**

RECITALS.

The Las Colonias Planned Development zoning set the vision and provides guidance and establishes appropriate land uses for the 147 acre Las Colonias site.

Conceptual design of the business park includes the development of approximately 10% of the entire Las Colonias Park for the location of several businesses in a campus setting combined with public park amenities consistent with the Las Colonias Park Master Plan.

Guiding Principles

The Guiding Principles for the proposed Planned Development (PD) zone district are to:

- Establish a business park within a recreational park in a location near the Colorado River.
- Protect the Colorado River and its floodplain and habitat.
- Plan for future development in the business park using principles of compact development, appropriate architectural standards and good site design.
- Establish appropriate uses of the open space, relying on the list of amenities established in the Las Colonias Park Master Plan.

Several components of the Las Colonias property have been completed, including Phase I park improvements and the Amphitheater. Completion of the east end of the property will include original elements contemplated in the 2013 Master Plan such as a boat ramp, dog park, zip line and festival area, as well as the business park for outdoor related businesses and retail/restaurant pad sites.

The grant request to DOLA for \$1 million, with a \$1 million match would be used for a portion of the public improvements required for the completion of the east end of Las Colonias Park.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Grand Junction does hereby authorize the City Manager to submit a \$1 million grant request in accordance with and pursuant to the recitals stated above to the Department of Local Affairs' Energy and Mineral Impact Assistance Program for development of Las Colonias Business Park.

Dated this ____ day of _____ 2017.

President of the Council

ATTEST:

Interim City Clerk



Grand Junction City Council

Regular Session

Item #3.c.

Meeting Date: July 19, 2017

Presented By: Traci Wieland, Recreation Superintendent

Department: Parks and Recreation

Submitted By: Traci Wieland, Recreation Superintendent

Information

SUBJECT:

Resolution Authorizing the City Manager to Submit a Grant Request to Great Outdoors Colorado for the Inspire Initiative and the RIO Implementation Grant.

RECOMMENDATION:

Adopt a Resolution Authorizing the City Manager to Submit a Grant Request to Great Outdoors Colorado for the Inspire Initiative and the RIO Implementation Grant.

EXECUTIVE SUMMARY:

RIO is a local planning effort funded by the Great Outdoors Colorado (GOCO) Inspire Initiative aimed at inspiring a lifelong connection for underserved youth to the outdoors and its benefits. The Inspire Initiative is a five-year, \$25 million effort.

This request is for authorization to submit a request to Great Outdoors Colorado (GOCO) for an approximate grant request of \$1 million, with a local cash match of approximately \$250,000 and in-kind match of approximately \$65,000 for the RIO implementation project that includes program, place, and pathway improvements and enhancements for the Riverside and Orchard Mesa neighborhoods. The City's portion of the cash match is an already approved \$50,000 grant from the Community Development Block Grant Fund.

The RIO Coalition includes the Riverside Educational Center, Riverfront Commission, School District 51, Healthy Mesa County, Colorado Parks and Wildlife, Mesa Land Trust, Colorado Canyons Association, Riverside Task Force, Partners, and the City of Grand Junction. RIO has targeted the Riverside and Orchard Mesa areas since January of 2016 to determine ideas and concepts for Program, Place, and Pathway

improvements including the following:

- Develop and enhance PROGRAMS for youth from Kindergarten to 12th Grade that actively engages them in outdoor activities in their backyard then progressing to the backcountry.
- Improve close to home PLACES that will provide ongoing opportunities for underserved youth to connect with nature on a day-to-day basis without scheduled programs. These include a road closure and conversion to a trail at Riverside Park, a bicycle playground on the Jarvis property, and a group picnic shelter at Connected Lakes.
- Work with community partners (i.e. private business, public sector, and non-profits) to develop PATHWAYS for leadership and career development especially as they relate to the outdoor recreation industry.

RIO will be competing against 17 other coalitions for the remaining \$10 million dollars in grant funds that are available. The application is due in July of 2017 with decisions made by November of 2017. If funded, the three-year implementation program will begin in 2018 and conclude in 2020.

BACKGROUND OR DETAILED INFORMATION:

Being outdoors benefits children physically, socially, emotionally, and cognitively. Yet, American kids today spend an average of 4-7 minutes a day playing outside; over 50 percent less time than their parents did. We also know, according to the Mesa County Health Department study, significant barriers exist in the Grand Valley for underserved and Latino youth to getting outdoors and participating in outdoor programming that contribute to youth choosing healthy lifestyles and making good choices.

RIO is a local planning effort funded by the Great Outdoors Colorado (GOCO) Inspire Initiative that is nurturing a lifelong connection for underserved youth to the outdoors and its benefits. The RIO Coalition includes the Riverside Educational Center, Riverfront Commission, School District 51, Healthy Mesa County, Colorado Parks and Wildlife, Mesa Land Trust, Colorado Canyons Association, Riverside Task Force, Partners, and the City of Grand Junction.

RIO has targeted the Riverside and Orchard Mesa youth, families, and service providers since January of 2016 in a planning effort to better engage our underserved youth in the outdoors through pilot programming and community outreach and expects to reach 280 of these youth during the implementation process. The GOCO Inspire Initiative requires RIO to design a community responsive three-year plan to:

- Develop and enhance PROGRAMS for youth from Kindergarten to 12th Grade. The Riverside Education Center (REC) will be leading the Programs for Riverside and Orchard Mesa youth and families due to their existing relationships with the Latino and

low-income communities.

- Improve close to home PLACES that will provide ongoing opportunities for underserved youth to connect with nature on a day-to-day basis without scheduled programs. These improvements include closure of Riverside Park Drive west of Riverside Park and its conversion to a trail, a bicycle playground on the Jarvis property to serve as a gateway to intermediate and advanced mountain biking at Lunch Loops, and a group picnic shelter at Connected Lakes.
- Work with community partners (i.e. private business, public sector, and non-profits) to develop PATHWAYS for leadership and career development especially as they relate to the outdoor recreation industry. Several private businesses have been engaged to provide paid internship opportunities.

RIO will be competing against 17 other coalitions for the remaining \$10 million dollars in grant funds that are available. The application is due in July of 2017 with decisions made by November of 2017. If funded, the three-year implementation program will begin in 2018 and conclude in 2020. This request is for an approximate grant request of \$1 million, with a local cash match of approximately \$250,000 (City's portion is an already approved grant from the Community Development Block Grant Fund for \$50,000), and an in-kind match of approximately \$65,000.

FISCAL IMPACT:

The total project cost is approximately \$1.25 million with a grant request of approximately \$1 million. RIO has a local cash match of approximately \$250,000 and in-kind match of approximately \$65,000. The cash match is derived from 14 different organizations, including an already approved \$50,000 grant from the City's Community Development Block Grant for the improvements to Riverside Park. In-kind match is derived from the City of Grand Junction, Colorado Canyons Association, Mesa Land Trust, Riverside Educational Center, Colorado Parks and Wildlife, and Progressive Bike Ramps.

SUGGESTED MOTION:

I move to adopt Resolution No. 38 - 17 - A Resolution Authorizing the City Manager to Submit a Grant Request to Great Outdoors Colorado for the Inspire Initiative and the RIO Implementation Grant.

Attachments

1. Conceptual Drawings
2. RIO Resolution



BARRIER

SOFTEN GRADE BETWEEN RIVER AND NEW TRAIL

CLOSE EXISTING PATH. REPLACE WITH GRASS

EXPAND EXISTING PLAYGROUND

NEW 1/2 TRAIL

EXISTING BASKETBALL COURT 26x39

SHORT RETAINING WALL

GRASS GAIN - 8150 sq
GRASS LOSS - 4710 sq

SPLIT RAIL FENCE

SAFETY BARRIER BETWEEN ROAD AND TRAIL

ACCESS CONTROL GATE FOR MAINTENANCE

REMOVE EXISTING TREE

EXISTING RESTROOMS TO REMAIN

REMOVE EXISTING TREE

NEW LARGER SHELTER

(12) PARALLEL PARKING SPACES

REMOVE EXISTING TREES

RELOCATED SHELTER FROM PLAYGROUND

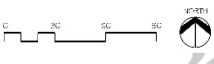
NEW BASKETBALL COURT 45x75'

REMOVE EXISTING TREES

FAIRVIEW AVENUE

NEW PARKING LOT (15) SPACES

RIVERSIDE AREA CONCEPT



GIANNONE, ROBERTS & ASSOCIATES, INC.
LAND PLANNING AND
LANDSCAPE ARCHITECTURE
200 N. 17th STREET, GRAND JUNCTION, CO 81505
970.241.0786 (P) 970.241.0786 (F)



JARVIS AREA CONCEPT



CLAVONNE, ROBERTS & ASSOCIATES, INC.
LAND PLANNING AND
LANDSCAPE ARCHITECTURE
209 N. 7TH ST. SUITE 100 DENVER, COLORADO 80202
303.241.0715 FAX 303.241.0755 WWW.CRAONLINE.COM



Grand Junction, CO
pbr0219



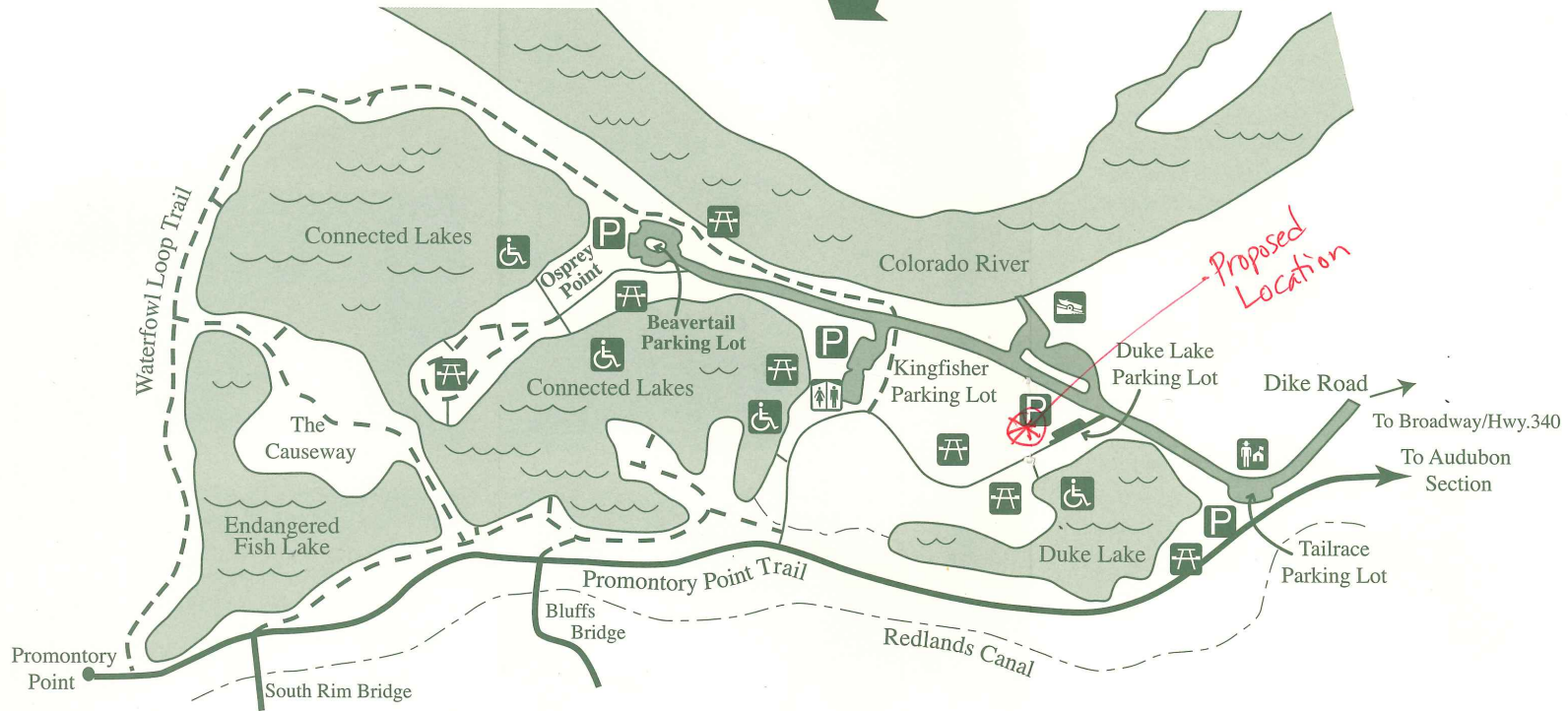
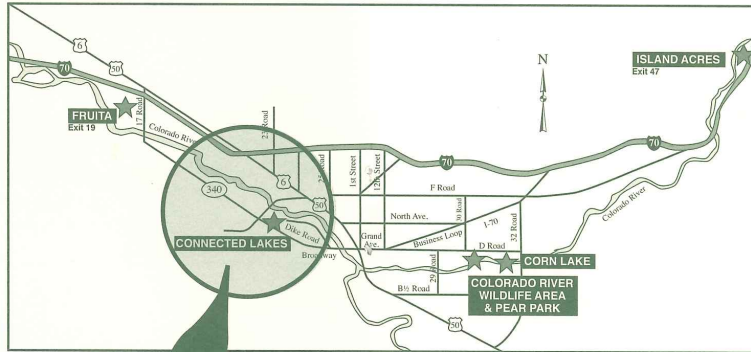
WWW.PROGRESSIVEBIKERAMPS.COM

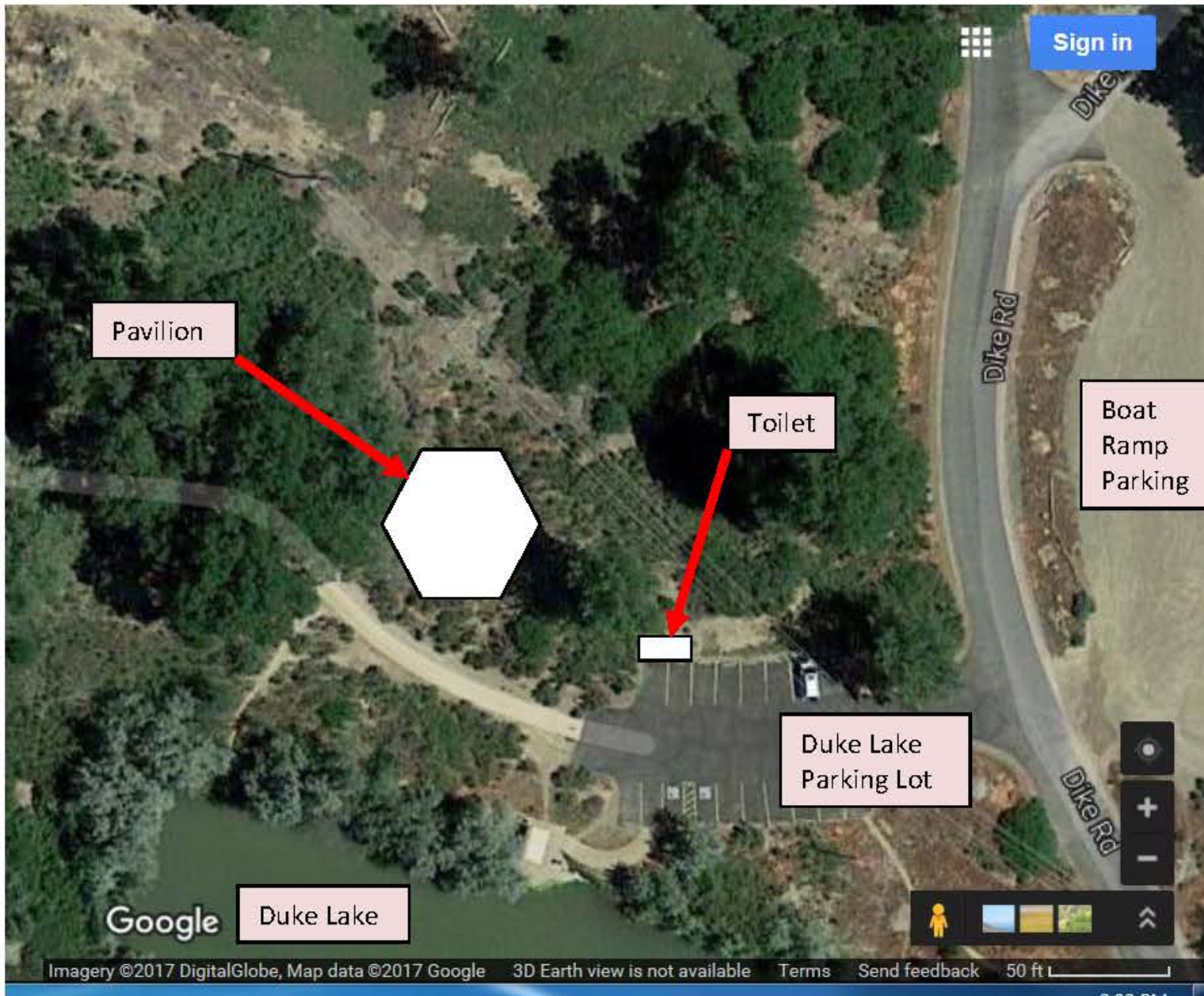
- LASER-CUT STEEL FRAMEWORK
- STAINLESS STEEL HARDWARE
- FASTENER FREE RIDING SURFACE
- 10 YEAR WARRANTY

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James M. Robb - Colorado River State Park - CONNECTED LAKES SEC

LEGEND			
	Accessible Fishing		Restrooms
	Boat Ramp		Trailhead
	Parking		Paved Trail
	Park Office		Unpaved Trail
	Picnic Area		





Pavilion

Toilet

Boat Ramp Parking

Duke Lake Parking Lot

Duke Lake

RESOLUTION NO. __ - 17

A RESOLUTION SUPPORTING THE GRANT APPLICATION FOR AN INSPIRE INITIATIVE GRANT APPLICATION FROM THE STATE BOARD OF THE GREAT OUTDOORS COLORADO TRUST FUND AND THE IMPLEMENTATION OF THE GOCO INSPIRE/RIO INITIATIVE

WHEREAS, the City of Grand Junction supports the Great Outdoors Colorado grant application for the GOCO Inspire/RIO Initiative. If the grant is awarded, the City of Grand Junction supports the completion of the project.

WHEREAS, the City of Grand Junction has requested approximately \$1 million from Great Outdoors Colorado to implement the GOCO Inspire/RIO Initiative.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION THAT:

Section 1: The City Council of the City of Grand Junction strongly supports the application and has appropriated matching funds for a grant with Great Outdoors Colorado.

Section 2: If the grant is awarded, the City Council of the City of Grand Junction strongly supports the completion of the project.

Section 3: The City Council of the City of Grand Junction authorizes the expenditure of funds necessary to meet the terms and obligations of any Grant awarded.

Section 4: The project site is owned by the City of Grand Junction and will be owned by City of Grand Junction for the next 25 years.

Section 5: The City Council of the City of Grand Junction recognizes that as the recipient of a Great Outdoors Colorado Local Government grant the project site must provide reasonable public access.

Section 6: The City Council of the City of Grand Junction will continue to maintain Riverside Park and the Bicycle Playground in a high quality condition and will appropriate funds for maintenance in its annual budget.

Section 7: If the grant is awarded, the City Council hereby authorizes the City Manager to sign the grant agreement with Great Outdoors Colorado.

Section 8: This resolution to be in full force and effect from and after its passage and approval.

Passed and adopted this ____ day of _____, 2017.

President of the City Council

ATTEST:

City Clerk



Grand Junction City Council

Regular Session

Item #3.d.

Meeting Date: July 19, 2017

Presented By: Jamie Beard, Asst. City Attorney

Department: City Attorney

Submitted By: John Shaver, City Attorney

Information

SUBJECT:

Resolution Authorizing the Sale by the City of Grand Junction, Colorado, of Certain Real Property and Ratifying Actions Heretofore Taken in Connection Therewith

RECOMMENDATION:

Adopt Resolution

EXECUTIVE SUMMARY:

The City of Grand Junction has offered for sale to Sunshine Polishing Inc. ("Sunshine") certain real property described as Lot 10 of Filing 2 of the Jarvis Subdivision as further described in the Mesa County land records ("Property" or "the Property").

BACKGROUND OR DETAILED INFORMATION:

With Resolution 13-17 City Council authorized the sale of Lot 5 of Filing 1 of the Jarvis Subdivision. Sunshine purchased that Lot but has determined that it is not suitable for its needs. Sunshine has offered to sell Lot 5 back to the City, which will be accomplished as a separate transaction, and Sunshine has offered to buy Lot 10.

FISCAL IMPACT:

The contract price is \$20,000 and the revenue will be accounted for in the General Fund.

SUGGESTED MOTION:

I move to (adopt deny) Resolution Number No. 39-17 - Resolution Authorizing the Sale by the City of Grand Junction, Colorado, of Certain Real Property and Ratifying Actions

Heretofore Taken in Connection Therewith

Attachments

1. Resolution

RESOLUTION NO. __-17

A RESOLUTION AUTHORIZING THE SALE BY THE CITY OF GRAND JUNCTION, COLORADO, OF CERTAIN REAL PROPERTY AND RATIFYING ACTIONS HERETOFORE TAKEN IN CONNECTION THEREWITH

Recitals:

The City of Grand Junction has offered for sale to Sunshine Polishing Inc. (“Sunshine”) certain real property described as Lot 10 of Filing 2 of the Jarvis Subdivision as further described in the Mesa County land records (“Property” or “the Property”).

With Resolution 13-17 City Council authorized the sale of Lot 5 of Filing 1 of the Jarvis Subdivision. Sunshine purchased that Lot but has determined that it is not suitable for its needs. Sunshine has offered to sell Lot 5 back to the City, which will be accomplished as a separate transaction, and Sunshine has offered to buy Lot 10.

The City Council has reviewed the proposed sale and a majority of the members of the Council recommend the sale for the terms established herein and do hereby ratify the sale in accordance with and pursuant to a contract by and between Sunshine and the City.

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

1. That the City Council hereby authorizes the sale of the Property to Sunshine Polishing Inc. for \$20,000.00.
2. All actions heretofore taken by the officers, employees and agents of the City relating to the sale of the Property which are consistent with the provisions of the attached Staff Report and this Resolution are hereby ratified, approved and confirmed.
3. That the officers, employees and agents of the City are hereby authorized and directed to take all actions necessary or appropriate to effectuate the provisions of this Resolution and the attached Staff Report, including but not limited to entering into a contract and the delivery of the deed.

PASSED and ADOPTED this ____ day of _____ 2017.

President of the City Council

Attest:

Interim City Clerk



Grand Junction City Council

Regular Session

Item #4.a.

Meeting Date: July 19, 2017

Presented By: Jodi Romero, Finance Director, Greg Caton, City Manager

Department: Finance

Submitted By: Jodi Romero, Finance Director

Information

SUBJECT:

Public Hearing - 2017 Second Supplemental Appropriation

RECOMMENDATION:

Staff recommends approval of the 2017 Second Supplemental Ordinance.

EXECUTIVE SUMMARY:

This request is to appropriate certain sums of money to defray the necessary expenses and liabilities of the accounting funds of the City of Grand Junction based on the 2017 budget amendments. Supplemental appropriations are required to ensure adequate appropriations by fund and often are needed to carryforward capital projects that regularly span more than one year. This action re-appropriates the funds for projects approved and started in the prior budget year but not completed in that year. Because these capital projects have already been planned for and the expenditure approved by Council in the 2016 budget, they do not decrease the budgeted fund balances. Other items requiring a supplemental appropriation include the authorization to spend unexpected revenues during the year such as seized funds for public safety.

BACKGROUND OR DETAILED INFORMATION:

This request is to appropriate certain sums of money to defray the necessary expenses and liabilities of the accounting funds of the City of Grand Junction based on the 2017 budget amendments. Supplemental appropriations are required to ensure adequate appropriations by fund and often are needed to carryforward capital projects that regularly span more than one year. This action re-appropriates the funds for projects approved

and started in the prior budget year but not completed in that year. Because these capital projects have already been planned for and the expenditure approved by Council in the 2016 budget, they do not decrease the budgeted fund balances. Other items requiring a supplemental appropriation include the authorization to spend unexpected revenues during the year such as seized funds for public safety.

Transfers out of a fund to be expended in another fund and the expenditure itself both need appropriation authority.

The 2017 Supplemental appropriation provides, upon passage of the ordinance, for the following by fund:

General Fund 100

\$988,701 to appropriate seized funds applied for and received in 2017 for police operations and equipment {\$51,053}. The transfer of employee retiree health insurance funds to the Self-Insurance Fund. Originally it was anticipated to create a formal trust to manage the plan, however after further study including recent actuarial information the trust has not been formed and the plan will be managed out of the Self-Insurance Fund {\$937,648}. These budget amendments do not decrease the General Fund Balance.

Sales Tax CIP Fund 201

\$1,287,342. All capital projects were approved in the 2016 budget.

New Grants in 2017- Las Colonias Riparian Restoration Project	\$190,103
New Grants in 2017 - Community and Recreation Center Feasibility Study (discussed June 5th Council Workshop with PLACE Group)	\$50,000
Capital Carryforward - Las Colonias Amphitheater	\$558,424
Capital Carryforward - Riverside Borrow Revegetation	\$33,046
Capital Carryforward - B 1/2 Road Overpass	\$194,418
Capital Carryforward - Training Center Fire	\$184,951
Capital Carryforward - Transfer to Drainage Fund for Buthorn	\$76,400
Total Fund 201	\$1,287,342

Storm Drainage Fund 202

\$76,400 to carryforward the Buthorn Drainage Project which was approved in the 2016 budget.

Water Fund 301

\$407,529 to carryforward the Kannah Creek Intake project {\$263,662}, Hallenbeck Reservoir project {\$73,695}, and the 301 Filter Retrofit project {\$70,172} as approved in the 2016 Budget.

Solid Waste Removal Fund 302

\$109,000 for the increases to commercial landfill costs which are set by Mesa County and were not available at the time the 2017 budget. There are sufficient funds in the Solid Waste Fund Balance to pay the increase in fees.

Fleet and Equipment Fund 402

\$891,866 for the replacement of the fire engine (unit #939), a Smeal Aerial Fire Truck that was irreparably damaged responding to an accident on I-70 during the ice storm event on January 9th of this year. The replacement is covered by insurance. The City will have to pay a \$150,000 deductible out of the Self-Insurance Fund as noted below.

Self Insurance Fund 404

\$640,100 for retiree health insurance premiums that were expected to be paid out of a formal trust. {\$490,100} City staff and the advisory board are still evaluating the best way to move forward with the program. Trust has therefore not been established, and the plan will be managed through the Self-Insurance Fund.

Payment of the \$150,000 insurance deductible for the replacement of Fire Engine #1.

Joint Sewer Fund 902

\$5,438,640 All capital projects were approved in the 2016 budget.

Capital Carryforward - Sewer Interceptor Repair & Replacement	\$3,507,388
Capital Carryforward - Diffuser Construction	\$1,500,000
Capital Carryforward - Raw Sewage Wet Well	\$431,251
Total Fund 902	\$5,438,639

FISCAL IMPACT:

The supplemental appropriation ordinance is presented in order to ensure sufficient appropriation by fund to defray the necessary expenses of the City. The appropriation ordinance is consistent with, and as proposed for adoption, reflective of lawful and proper governmental accounting practices and are supported by the supplementary documents incorporated by reference above.

SUGGESTED MOTION:

I move to (adopt/deny) Ordinance No. 4760 - An Ordinance Making Supplemental Appropriations to the 2017 Budget of the City of Grand Junction, Colorado on final passage and order final publication in pamphlet form.

Attachments

1. 2017 Second Supplemental Appropriation Ordinance

ORDINANCE NO.

AN ORDINANCE MAKING SUPPLEMENTAL APPROPRIATIONS TO THE 2017 BUDGET OF THE CITY OF GRAND JUNCTION, COLORADO

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION:

That the following sums of money be appropriated from unappropriated fund balance and additional revenues to the funds indicated for the year ending December 31, 2017, to be expended from such funds as follows:

Fund Name	Fund #	Appropriation
General Fund	100	\$988,701
Sales Tax CIP Fund	201	\$1,287,342
Storm Drainage Fund	202	\$76,400
Water Fund	301	\$407,529
Solid Waste Removal Fund	302	\$109,000
Fleet and Equipment Fund	402	\$891,866
Self-Insurance Fund	404	\$640,100
Joint Sewer Operations Fund	900	\$5,438,640

INTRODUCED AND ORDERED PUBLISHED IN PAMPHLET FORM this 5 day of July, 2017

ADOPTED ON FINAL PASSAGE ORDERED PUBLISHED IN PAMPHLET FORM this 19 day of July, 2017

President of the Council

Attest:

City Clerk



Grand Junction City Council

Regular Session

Item #4.b.

Meeting Date: July 19, 2017

Presented By: Lori Bowers, Senior Planner

Department: Community Development

Submitted By: Lori Bowers, Senior Planner

Information

SUBJECT:

Public Hearing - Resolution Accepting the Petition and Ordinances Annexing and Zoning the Hill Business Complex Annexation, Located at 2905 Hill Avenue.

RECOMMENDATION:

Staff recommends approval of the annexation and Planning Commission recommended approval of the zoning request at their June 27, 2017 meeting.

EXECUTIVE SUMMARY:

A request to annex and zone 2.734 acres, located at 2905 Hill Avenue. The applicant has requested annexation and C-2 (General Commercial) zoning of this property as part of a development plan to build a State Farm Insurance office on the site.

BACKGROUND OR DETAILED INFORMATION:

The property at 2905 Hill Avenue is adjacent to existing City limits and within the Persigo 201 boundary. In accordance with the 1998 Persigo Agreement, the proposed development is Annexable Development and as such, requires annexation. The property owner has signed an Annexation Petition for annexation and has a development application under review by the City for a State Farm Insurance office.

A portion of Teller Avenue and Hill Avenue, directly adjacent to the property, will be annexed. A portion of the I-70B right-of-way will also be annexed. They are all platted right-of-way and therefore required to be included in the annexation under the Colorado Annexation Statutes. Under the 1998 Persigo Agreement, the County consents to the annexation of all or a portion of any road, street, easement, right-of-way, open space,

or other County-owned property within the Persigo Wastewater Treatment boundary.

It is staff's opinion, based on review of the petition and knowledge of applicable state law, including the Municipal Annexation Act Pursuant to C.R.S. 31-12-104, that the Hill Business Complex Annexation is eligible to be annexed because of compliance with the following:

- a) A proper petition has been signed by more than 50% of the owners and more than 50% of the property described;
- b) Not less than one-sixth of the perimeter of the area to be annexed is contiguous with the existing City limits;
- c) A community of interest exists between the area to be annexed and the City. This is so in part because the Central Grand Valley is essentially a single demographic and economic unit and occupants of the area can be expected to, and regularly do, use City streets, parks and other urban facilities;
- d) The area is or will be urbanized in the near future;
- e) The area is capable of being integrated with the City;
- f) No land held in identical ownership is being divided by the proposed annexation;
- g) No land held in identical ownership comprising 20 contiguous acres or more with an assessed valuation of \$200,000 or more for tax purposes is included without the owner's consent.

Please note that this petition has been prepared by the City.

The proposed annexation and zoning schedule with a summary is attached.

The property owner has requested a zoning from County C-2 to City C-2 (General Commercial) in order to develop the property. The 2.73 acre Hill Business Complex Annexation includes 1.64 acres of the surrounding right-of-way and 1.09 acres of developable area that is proposed for C-2 zoning.

FISCAL IMPACT:

This annexation will include approximately 340 lineal feet (LF), or 2300 square yards (SY) of pavement on Teller Avenue; and 240 LF, or 850 SY of pavement on Hill Avenue. Both roads were recently upgraded and the pavement is satisfactory. Given the condition of the roads, a chipseal will be required in 5 years, and an overlay in 12 years at a present value of \$5,500, and \$17,700 respectively.

Annual costs including street sweeping, snow and ice control, striping, snow removal, and street lights are approximately \$90/year, for a present value of \$3,000. Total road maintenance related costs for this annexation are estimated at \$26,200.

Currently the land is valued at \$145,000 which would yield \$336 in property taxes annually. As the land is commercially developed, every \$100,000 of actual valuation yields \$232 in property taxes annually. Sales and Use Taxes will apply as appropriate depending on the business type.

SUGGESTED MOTION:

I move to (Approve or Deny) Resolution No. 40-17 - A Resolution Accepting a Petition for the Annexation of Lands to the City of Grand Junction, Colorado, Making Certain Findings, and Determining that Property Known as the Hill Business Park Annexation, Located at 2905 Hill Avenue, is Eligible for Annexation, Ordinance No. 4761 - An Ordinance Annexing Territory to the City of Grand Junction, Colorado, Hill Business Park Annexation, Located at 2905 Hill Avenue, Consisting of One Parcel of Land, and 1.63 acres of Teller Avenue, Hill Avenue and I-70 Business Loop Rights-of-Way, and Ordinance No. 4762 - An Ordinance Zoning the Hill Business Park Annexation to C-2 (General Commercial) Located at 2905 Hill Avenue on Final Passage and Order Final Publication in Pamphlet Form.

Attachments

1. Annexation Schedule and Summary
2. Site Map with Aerial Photo
3. Site Map with Future Land Use
4. Site Map with Zoning
5. Planning Commission Staff Report
6. Proposed Resolution
7. Proposed Ordinance
8. Proposed Zoning Ordinance

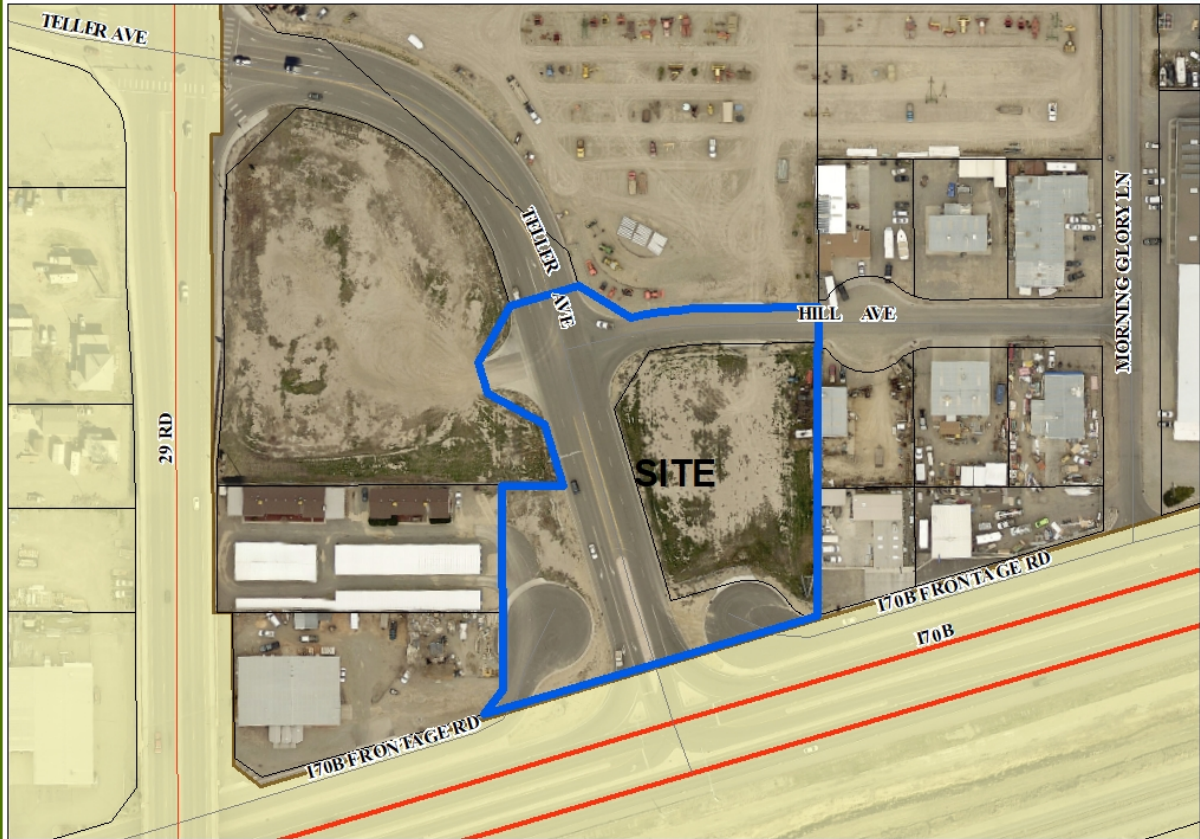
HILL BUSINESS COMPLEX ANNEXATION SCHEDULE

June 7, 2017	Referral of Petition (30 Day Notice), Introduction of a Proposed Ordinance, Exercising Land Use
June 27, 2017	Planning Commission considers Zone of Annexation
July 5, 2017	Introduction of a Proposed Ordinance on Zoning by City Council
July 19, 2017	Acceptance of Petition and Public Hearing on Annexation and Zoning by City Council
August 20, 2017	Effective date of Annexation and Zoning

ANNEXATION SUMMARY

File Number:		ANX-2017-189
Location:		2905 Hill Avenue
Tax ID Numbers:		2943-172-00-271
# of Parcels:		1
Existing Population:		0
# of Parcels (owner occupied):		0
# of Dwelling Units:		0
Acres land annexed:		2.734
Developable Acres Remaining:		1.096
Right-of-way in Annexation:		1.638
Previous County Zoning:		C-2
Proposed City Zoning:		C-2
Current Land Use:		Vacant
Future Land Use:		Professional Office
Values:	Assessed:	\$42,070
	Actual:	\$145,060
Address Ranges:		2905 Hill Av & 476 to 478 (even only) Teller Av
Special Districts:	Water:	Ute
	Sewer:	City
	Fire:	GJ Rural
	Irrigation/Drainage:	Grand Valley Drainage District
	School:	District 51
	Pest:	Grand River Mosquito District

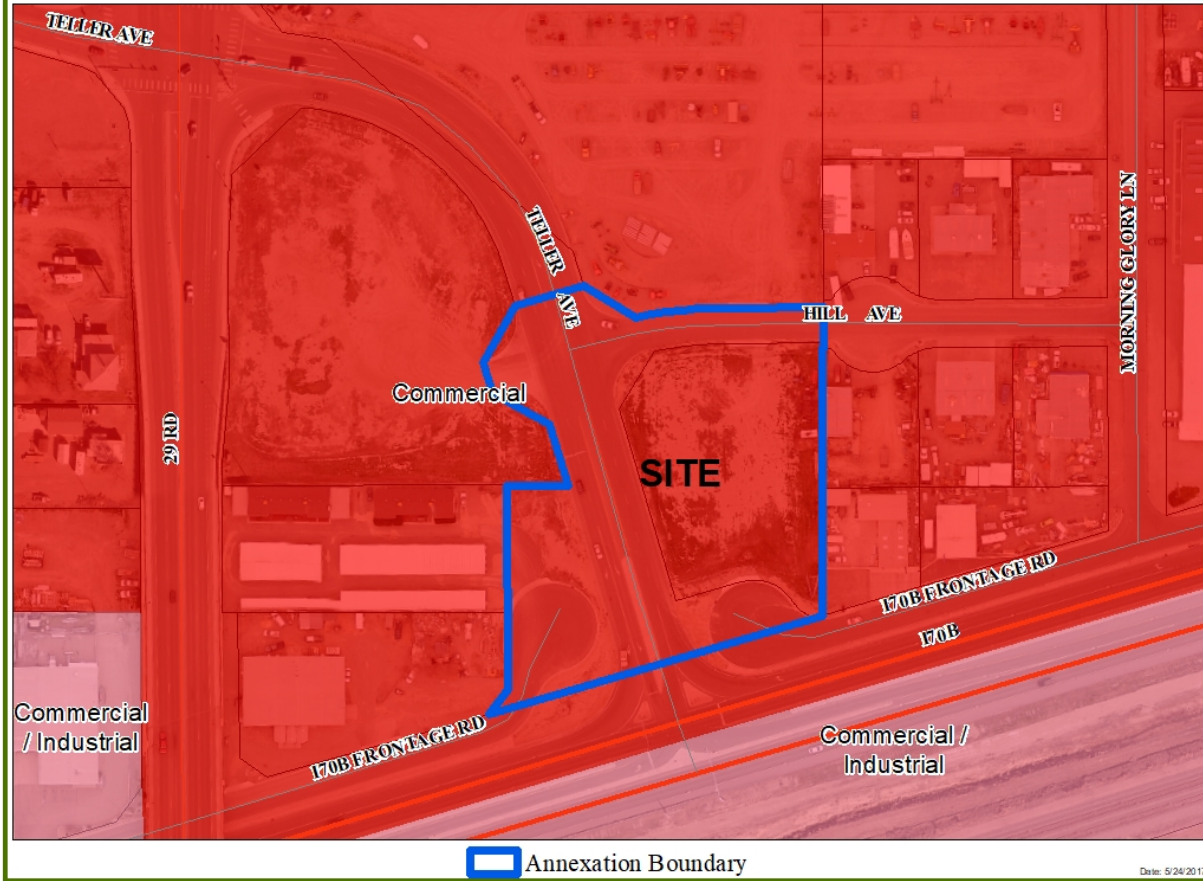
Hill Business Complex Annexation



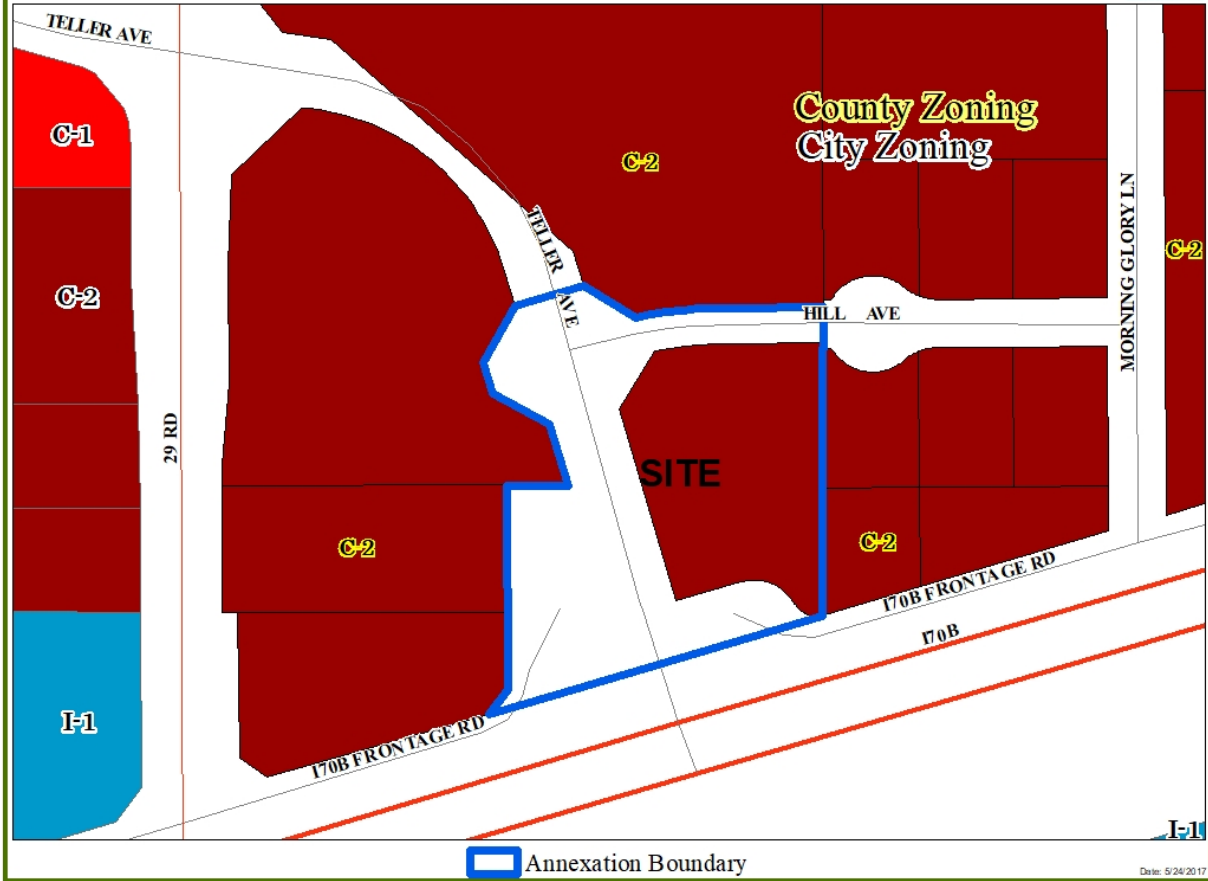
City Limits Annexation Boundary

Date: 5/24/2017

Hill Business Complex Annexation - Future Land Use



Hill Business Complex Annexation - Zoning





Date: June 8, 2017
 Author: Lori V. Bowers
 Title/ Phone Ext: Senior Planner, x 4033
 Proposed Schedule: Resolution
 Referring Petition, June 7, 2017
 1st Reading Zoning: July 5, 2017
 2nd Reading (if applicable): July 19, 2017
 File #: ANX-2017-189

PLANNING COMMISSION AGENDA ITEM

Subject: Hill Zone of Annexation, Located at 2905 Hill Avenue
Action Requested/Recommendation: Forward a recommendation to City Council to zone 1.09 acres from a County C-2 (General Commercial District) to a City C-2 (General Commercial) zone district.
Presenter(s) Name & Title: Lori Bowers

Executive Summary:

A request to zone 1.09 acres from a County C-2 (General Commercial District) to a City C-2 (General Commercial) zone district.

Background, Analysis and Options:

The property owner has requested annexation into the City and a zoning of C-2 (General Commercial) in order to develop the property. Under the 1998 Persigo Agreement with Mesa County, certain Annexable Developments within the Persigo Wastewater Treatment Facility boundary (201 service area) triggers land use review and annexation by the City. The property owner would like to construct a commercial office building that is clearly defined as Annexable Development within the Persigo Agreement.

Neighborhood Meeting:

A neighborhood meeting was held on site, April 13, 2017. Six people, including the applicant and their representatives attended the meeting. There was no opposition to the proposed use.

How this item relates to the Comprehensive Plan Goals and Policies:

Goal 1: To implement the Comprehensive Plan in a consistent manner between the City, Mesa County, and other service providers.

Annexation of the property will create consistent land use jurisdiction and allow for efficient provision of municipal services.

Goal 3: The Comprehensive Plan will create ordered and balanced growth and spread future growth throughout the community.

Annexation of the property will create an opportunity for future commercial development in a manner consistent with adjacent commercial development.

How this item relates to the Economic Development Plan:

The purpose of the adopted Economic Development Plan by City Council is to present a clear plan of action for improving business conditions and attracting and retaining employees. The proposed annexation and zoning meets with the goal and intent of the Economic Development Plan by supporting and assisting existing businesses within the community. The subject property is in close proximity of the 29 Road Mixed Use Corridor.

Board or Committee Recommendation:

N/A

Financial Impact/Budget:

This information will be provided will with the Acceptance of the Annexation Petition and the Zoning Ordinance at the Public Hearing.

Previously presented or discussed:

This has not been previously discussed by the Planning Commission.

Attachments:

1. Background information
2. Staff report
3. Annexation Map
4. Aerial Photo
5. Comprehensive Plan Future Land Use Map
6. Existing Zoning Map
7. Neighborhood Meeting Summary
8. Ordinance

STAFF REPORT / BACKGROUND INFORMATION				
Location:		2905 Hill Avenue		
Applicants:		Hill Business Complex LLC c/o Sean Brumelle		
Existing Land Use:		Vacant land		
Proposed Land Use:		Insurance office		
Surrounding Land Use:	North	Commercial		
	South	Commercial/Industrial		
	East	Commercial		
	West	Commercial		
Existing Zoning:		County C-2 (General Commercial District)		
Proposed Zoning:		City C-2 (General Commercial)		
Surrounding Zoning:	North	County C-2		
	South	City I-1 (Light Industrial)		
	East	County C-2		
	West	County C-2		
Future Land Use Designation:		Commercial		
Zoning within density range?		X	Yes	No

Section 21.02.140(a) of the Grand Junction Municipal Code:

Zone of Annexation: Section 21.02.160(f) of the Grand Junction Municipal Code, states that the zoning of an annexation area shall be consistent with the adopted Comprehensive Plan and the criteria set forth. The Comprehensive Plan Future Land Use Map designates the property as Commercial. The request for C-2 (General Commercial) zone district is consistent with this designation

In addition to a finding of compatibility with the Comprehensive Plan, one or more of the following criteria set forth in Section 21.02.140 (a) of the Code must be met in order for the zoning to occur:

(1) Subsequent events have invalidated the original premises and findings; and/or

Response: The requested annexation and rezoning is being triggered by the 1998 Persigo Agreement between Mesa County and the City of Grand Junction in anticipation of future development. In general, the Persigo Agreement defines non-residential Annexable Development to include 1) any proposed development that would require a public hearing under the Mesa County Land Development

Code as it was on April 1, 1998 and 2) any new or non-residential structure. (GJMC Section 45.08.020.e.1). The property owner intends develop the site for the use of an office building therefor requiring annexation.

Based on the Comprehensive Plan Future Land Use designation, existing County Zoning of C-2 and surrounding C-2 Zonings of this property, the original premise and findings have not been invalidated by subsequent events.

(2) The character and/or condition of the area has changed such that the amendment is consistent with the Plan; and/or

Response: 29 Road improvements were completed in this area in 2012, along with the implementation of the 29 Road Mixed Use Corridor. The area has benefited by the roadway improvements and is experiencing new interest in re-development and new development along this corridor.

(3) Public and community facilities are adequate to serve the type and scope of land use proposed; and/or

Response: Ute Water serves the area east of 29 Road. There are public utilities available within 29 Road, Hill Avenue, Teller Avenue and I-70 B Frontage Road. Existing streets also provide adequate public access to the site. Sanitary sewer service, maintained by the City, and electricity from Xcel Energy (a franchise utility) are available. Utility mains and/or individual service connections will be required to be extended into the property as part of future development of the parcel.

(4) An inadequate supply of suitably designated land is available in the community, as defined by the presiding body, to accommodate the proposed land use; and/or

Response: The C-2 zone district is the predominant zoning designation east of 29 Road. The proposed zone is consistent with the existing county zoning of C-2 and the future land use designation of Commercial.

It is the proposed development and the adherence to the Persigo Agreement that brings this annexation and the requested zoning to the City, not a shortage or an inadequate supply of suitably zoned land.

(5) The community or area, as defined by the presiding body, will derive benefits from the proposed amendment.

Response: The proposed C-2 zone district creates consistent land use jurisdiction, will allow for efficient provision of municipal services and creates an opportunity for future commercial development in a manner consistent with

adjacent commercial development. As such, the community and area will derive benefits from the proposed zoning.

STAFF RECOMMENDATION:

Based on review of Section 21.02.140(a), Staff believes one or more criteria have been met to support approval of the C-2 (General Commercial) zone district for the Hill Business Complex Annexation. As such Staff recommends that the Planning Commission forward a recommendation to the City Council, of approval of the C-2 (General Commercial) zone district for the Hill Business Complex Annexation, ANX-2017-189.

RECOMMENDED PLANNING COMMISSION MOTION:

Madam Chairman, on the Hill Business Complex Zone of Annexation, ANX-2017-189, located at 2905 Hill Avenue, I move that the Planning Commission forward to City Council a recommendation of approval of the C-2 (General Commercial) zone district for the Hill Business Complex Annexation with the following findings:

1. The requested zone is consistent with the goals and policies of the Comprehensive Plan.
2. The applicable review criteria in Section 21.02.140, with the exclusion of criterion 4, of the Grand Junction Municipal Code, have been met.

CITY OF GRAND JUNCTION, COLORADO

RESOLUTION NO. _____

**A RESOLUTION
ACCEPTING A PETITION
FOR THE ANNEXATION OF LANDS
TO THE CITY OF GRAND JUNCTION, COLORADO,
MAKING CERTAIN FINDINGS, DETERMINING THAT PROPERTY KNOW AS THE**

HILL BUSINESS COMPLEX ANNEXATION

**APPROXIMATELY 2.734 ACRES
LOCATED AT 2905 HILL AVENUE**

IS ELIGIBLE FOR ANNEXATION

WHEREAS, on the 7th day of June, 2017, a petition was referred to the City Council of the City of Grand Junction, Colorado, for annexation to said City of the following property situate in Mesa County, Colorado, and described as follows:

HILL BUSINESS COMPLEX ANNEXATION

A certain parcel of land lying in the Northwest Quarter (NW 1/4) of Section 17, Township 1 South, Range 1 East of the Ute Principal Meridian, County of Mesa, State of Colorado and being more particularly described as follows:

COMMENCING at the Northwest corner of the Southwest Quarter of the Northwest Quarter (SW 1/4 NW 1/4) of said Section 17 and assuming the West line of the Northwest Quarter of the Northwest Quarter (NW 1/4 NW 1/4) of said Section 17 bears N 00°12'02" W with all other bearings contained herein being relative thereto; thence from said Point of Commencement, S 89°55'25" E, along the North line of the SW 1/4 NW 1/4 of said Section 17, a distance of 330.52 feet to a point on the Westerly right of way for Teller Avenue, as same is defined and described in Book 4835, Page 205, Public Records of Mesa County, Colorado and being the POINT OF BEGINNING; thence, from said Point of Beginning, traversing along and across said right of way the following ten (10) courses:

1. N 00°11'53" W a distance of 131.84 feet; thence...
2. S 89°55'25" E a distance of 63.28 feet; thence...
3. N 16°16'19" W a distance of 65.93 feet; thence...
4. N 61°52'30" W a distance of 67.18 feet; thence...
5. N 16°16'19" W a distance of 34.00 feet; thence...
6. N 29°19'52" E a distance of 67.18 feet; thence...
7. N 73°53'05" E a distance of 74.00 feet; thence...
8. S 58°54'40" E a distance of 63.51 feet to a point on the North right of way for Hill Avenue, being the beginning of a 519.00 foot radius curve, concave South, whose

long chord bears N 84°04'03" E with a long chord length of 98.18 feet, non-tangent to the previously described line; thence...

9. Easterly along the arc of said curve, thru a central angle of 10°51'18", an arc distance of 98.33 feet; thence...
10. N 89°29'41" E, along said North right of way, a distance of 97.73 feet to a point on the West line of Freeway Commercial Subdivision Amended, as same is recorded in Plat Book 11, Page 122, Public Records of Mesa County, Colorado;

thence departing said right of way, S 00°11'49" E, along said West line, a distance of 43.61 feet; thence S 89°48'49" W, a distance of 1.99 feet, to a point on the North end of two Boundary Line Agreements recorded with Reception Numbers 2800336 and 2800337, Public Records of Mesa County, Colorado; thence S 00°01'10" E, along said Boundary Line Agreement, a distance of 277.52 feet, more or less, to a point on the North right of way for Interstate 70 Business Loop, as same is recorded in Book 605, Page 241, Public Records of Mesa County, Colorado; thence S 73°41'04" W, along said Northerly right of way and being the North line of the Overpass Annexation, Ordinance No. 4319, as same is recorded in Book 4782, Page 921, Public Records of Mesa County, Colorado, a distance of 361.19 feet; thence N 36°43'00" E, along right of way described in Book 4742, Page 133, Public Records of Mesa County, Colorado, a distance of 32.33 feet; thence N 00°11'53" W, along the Westerly right of way for said Teller Avenue, a distance of 80.02 feet, more or less, to the Point of Beginning.

CONTAINING 119,107 Square Feet or 2.734 Acres, more or less, as described.

WHEREAS, a hearing on the petition was duly held after proper notice on the 19th day of July, 2017; and

WHEREAS, the Council has found and determined and does hereby find and determine that said petition is in substantial compliance with statutory requirements therefore, that one-sixth of the perimeter of the area proposed to be annexed is contiguous with the City; that a community of interest exists between the territory and the City; that the territory proposed to be annexed is urban or will be urbanized in the near future; that the said territory is integrated or is capable of being integrated with said City; that no land held in identical ownership has been divided without the consent of the landowner; that no land held in identical ownership comprising more than twenty acres which, together with the buildings and improvements thereon, has an assessed valuation in excess of two hundred thousand dollars is included without the landowner's consent; and that no election is required under the Municipal Annexation Act of 1965.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION:

The said territory is eligible for annexation to the City of Grand Junction, Colorado, and should be so annexed by Ordinance.

ADOPTED the _____ day of _____, 2017.

President of the Council

Attest:

City Clerk

CITY OF GRAND JUNCTION, COLORADO

ORDINANCE NO.

**AN ORDINANCE ANNEXING TERRITORY TO THE
CITY OF GRAND JUNCTION, COLORADO**

HILL BUSINESS COMPLEX ANNEXATION

APPROXIMATELY 2.734 ACRES

LOCATED 2905 HILL AVENUE

WHEREAS, on the 7th day of June, 2017, the City Council of the City of Grand Junction considered a petition for the annexation of the following described territory to the City of Grand Junction; and

WHEREAS, a hearing on the petition was duly held after proper notice on the 19th day of July 2017; and

WHEREAS, the City Council determined that said territory was eligible for annexation and that no election was necessary to determine whether such territory should be annexed;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION, COLORADO:

That the property situate in Mesa County, Colorado, and described to wit:

HILL BUSINESS COMPLEX ANNEXATION

A certain parcel of land lying in the Northwest Quarter (NW 1/4) of Section 17, Township 1 South, Range 1 East of the Ute Principal Meridian, County of Mesa, State of Colorado and being more particularly described as follows:

COMMENCING at the Northwest corner of the Southwest Quarter of the Northwest Quarter (SW 1/4 NW 1/4) of said Section 17 and assuming the West line of the Northwest Quarter of the Northwest Quarter (NW 1/4 NW 1/4) of said Section 17 bears N 00°12'02" W with all other bearings contained herein being relative thereto; thence from said Point of Commencement, S 89°55'25" E, along the North line of the SW 1/4 NW 1/4 of said Section 17, a distance of 330.52 feet to a point on the Westerly right of way for Teller Avenue, as same is defined and described in Book 4835, Page 205, Public Records of Mesa County, Colorado and being the POINT OF BEGINNING; thence, from said Point of Beginning, traversing along and across said right of way the following ten (10) courses:

1. N 00°11'53" W a distance of 131.84 feet; thence...

2. S 89°55'25" E a distance of 63.28 feet; thence...
3. N 16°16'19" W a distance of 65.93 feet; thence...
4. N 61°52'30" W a distance of 67.18 feet; thence...
5. N 16°16'19" W a distance of 34.00 feet; thence...
6. N 29°19'52" E a distance of 67.18 feet; thence...
7. N 73°53'05" E a distance of 74.00 feet; thence...
8. S 58°54'40" E a distance of 63.51 feet to a point on the North right of way for Hill Avenue, being the beginning of a 519.00 foot radius curve, concave South, whose long chord bears N 84°04'03" E with a long chord length of 98.18 feet, non-tangent to the previously described line; thence...
9. Easterly along the arc of said curve, thru a central angle of 10°51'18", an arc distance of 98.33 feet; thence...
10. N 89°29'41" E, along said North right of way, a distance of 97.73 feet to a point on the West line of Freeway Commercial Subdivision Amended, as same is recorded in Plat Book 11, Page 122, Public Records of Mesa County, Colorado;

thence departing said right of way, S 00°11'49" E, along said West line, a distance of 43.61 feet; thence S 89°48'49" W, a distance of 1.99 feet, to a point on the North end of two Boundary Line Agreements recorded with Reception Numbers 2800336 and 2800337, Public Records of Mesa County, Colorado; thence S 00°01'10" E, along said Boundary Line Agreement, a distance of 277.52 feet, more or less, to a point on the North right of way for Interstate 70 Business Loop, as same is recorded in Book 605, Page 241, Public Records of Mesa County, Colorado; thence S 73°41'04" W, along said Northerly right of way and being the North line of the Overpass Annexation, Ordinance No. 4319, as same is recorded in Book 4782, Page 921, Public Records of Mesa County, Colorado, a distance of 361.19 feet; thence N 36°43'00" E, along right of way described in Book 4742, Page 133, Public Records of Mesa County, Colorado, a distance of 32.33 feet; thence N 00°11'53" W, along the Westerly right of way for said Teller Avenue, a distance of 80.02 feet, more or less, to the Point of Beginning.

CONTAINING 119,107 Square Feet or 2.734 Acres, more or less, as described.

be and is hereby annexed to the City of Grand Junction, Colorado.

INTRODUCED on first reading on the _____ day of _____, 2017 and ordered published in pamphlet form.

ADOPTED on second reading the _____ day of _____, 2017 and ordered published in pamphlet form.

President of the Council

Attest:

City Clerk

CITY OF GRAND JUNCTION, COLORADO

ORDINANCE NO.

**AN ORDINANCE ZONING THE HILL BUSINESS COMPLEX ANNEXATION
TO C-2 (GENERAL COMMERCIAL)**

LOCATED AT 2905 HILL AVENUE

Recitals

After public notice and public hearing as required by the Grand Junction Municipal Code, the Grand Junction Planning Commission recommended approval of zoning the Hill Business Complex Annexation to the C-2 (General Commercial) zone district finding that it conforms with the recommended land use category as shown on the future land use map of the Comprehensive Plan and the Comprehensive Plan's goals and policies and is generally compatible with land uses located in the surrounding area. The zone district meets the criteria found in Section 21.02.140 of the Grand Junction Municipal Code.

After public notice and public hearing before the Grand Junction City Council, City Council finds that the C-2 (General Commercial) zone district is in conformance with the stated criteria of Section 21.02.140 of the Grand Junction Municipal Code.

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION
THAT:**

The following property be zoned C-2 (General Commercial).

HILL BUSINESS COMPLEX ANNEXATION

A certain parcel of land lying in the Northwest Quarter (NW 1/4) of Section 17, Township 1 South, Range 1 East of the Ute Principal Meridian, County of Mesa, State of Colorado and being more particularly described as follows:

COMMENCING at the Northwest corner of the Southwest Quarter of the Northwest Quarter (SW 1/4 NW 1/4) of said Section 17 and assuming the West line of the Northwest Quarter of the Northwest Quarter (NW 1/4 NW 1/4) of said Section 17 bears N 00°12'02" W with all other bearings contained herein being relative thereto; thence from said Point of Commencement, S 89°55'25" E, along the North line of the SW 1/4 NW 1/4 of said Section 17, a distance of 330.52 feet to a point on the Westerly right of way for Teller Avenue, as same is defined and described in Book 4835, Page 205, Public Records of Mesa County, Colorado and being the POINT OF BEGINNING; thence, from said Point of Beginning, traversing along and across said right of way the following ten (10) courses:

1. N 00°11'53" W a distance of 131.84 feet; thence...
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5. N 16°16'19" W a distance of 34.00 feet; thence...
6. N 29°19'52" E a distance of 67.18 feet; thence...
7. N 73°53'05" E a distance of 74.00 feet; thence...
8. S 58°54'40" E a distance of 63.51 feet to a point on the North right of way for Hill Avenue, being the beginning of a 519.00 foot radius curve, concave South, whose long chord bears N 84°04'03" E with a long chord length of 98.18 feet, non-tangent to the previously described line; thence...
9. Easterly along the arc of said curve, thru a central angle of 10°51'18", an arc distance of 98.33 feet; thence...
10. N 89°29'41" E, along said North right of way, a distance of 97.73 feet to a point on the West line of Freeway Commercial Subdivision Amended, as same is recorded in Plat Book 11, Page 122, Public Records of Mesa County, Colorado;

thence departing said right of way, S 00°11'49" E, along said West line, a distance of 43.61 feet; thence S 89°48'49" W, a distance of 1.99 feet, to a point on the North end of two Boundary Line Agreements recorded with Reception Numbers 2800336 and 2800337, Public Records of Mesa County, Colorado; thence S 00°01'10" E, along said Boundary Line Agreement, a distance of 277.52 feet, more or less, to a point on the North right of way for Interstate 70 Business Loop, as same is recorded in Book 605, Page 241, Public Records of Mesa County, Colorado; thence S 73°41'04" W, along said Northerly right of way and being the North line of the Overpass Annexation, Ordinance No. 4319, as same is recorded in Book 4782, Page 921, Public Records of Mesa County, Colorado, a distance of 361.19 feet; thence N 36°43'00" E, along right of way described in Book 4742, Page 133, Public Records of Mesa County, Colorado, a distance of 32.33 feet; thence N 00°11'53" W, along the Westerly right of way for said Teller Avenue, a distance of 80.02 feet, more or less, to the Point of Beginning.

CONTAINING 119,107 Square Feet or 2.734 Acres, more or less, as described.

INTRODUCED on first reading the ___ day of ___, 2017 and ordered published in pamphlet form.

ADOPTED on second reading the _____ day of _____, 2017 and ordered published in pamphlet form.

ATTEST:

President of the Council

City Clerk



Grand Junction City Council

Regular Session

Item #5.a.

Meeting Date: July 19, 2017

Presented By: Greg Lanning, Public Works Director, Jay Valentine, Deputy Finance Director

Department: Public Works - Engineering

Submitted By: Jerod Timothy, Project Manager

Information

SUBJECT:

Contract for Access Improvements on Riverside Parkway

RECOMMENDATION:

Authorize the City Purchasing Division to enter into a contract with Sorter Construction, Inc. of Grand Junction, CO for the Riverside Parkway Access Improvements Project in the estimated amount of \$531,659.50.

EXECUTIVE SUMMARY:

In anticipation of the development of the Las Colonias Business Park the construction of a right and left turn lane at Winters Avenue and Riverside Parkway is necessary to grant access to the property. The project also includes right and left turn lanes at the proposed west access of the business park, a right turn lane at the main entrance of the Las Colonias Amphitheater and a right turn lane at the entrance to the Jarvis Property.

Work also includes the installation of 540 lineal feet of 12" water line.

BACKGROUND OR DETAILED INFORMATION:

With the Las Colonias Business Park moving forward, adequate access will be required to accommodate future development as well as access for construction of proposed buildings this winter. The master plan for the business park consists of two locations for ingress/egress along the Riverside Parkway. These two access points are the first phase of construction for the business park. This work includes the installation of 540

lineal feet of 12" domestic water line to service the business park.

In conjunction with this work a right turn lane is to be constructed at the main entrance to the Las Colonias Amphitheater to accommodate an influx of traffic during events.

Proposed to be added to the scope of work for the project is a right turn lane and entrance to the Jarvis Property development. Sorter Construction has agreed to hold bid prices for this additional work.

A formal Invitation for Bid was issued via BidNet (an on-line site for government agencies to post solicitations), posted on the City's website, advertised in The Daily Sentinel, and sent to the Grand Junction Chamber of Commerce and the Western Colorado Contractors Association (WCCA). Four companies submitted formal bids, all of which were found to be responsive and responsible, in the following amounts:

Company	City, State	Amount
Sorter Construction	Grand Junction, CO	\$436,659.50
MA Concrete Construction	Grand Junction, CO	\$510,400.25
United Companies	Grand Junction, CO	\$588,995.00
Western Gravel, Inc.	Montrose, CO	\$626,688.00

The proposed addition of a right turn lane and entrance to the Jarvis Property development currently has an estimated additional cost of \$95,000. Total amount to be awarded is \$436,659.50 base bid + \$95,000 additional work = \$531,659.50. Final drawings and quantities will be prepared to determine the final contract price, however it is anticipated that the final cost for this additional work will be less than the estimated amount.

Work is slated to begin mid-August and finish by end of September.

FISCAL IMPACT:

Funding and appropriation authority for this project is from the Transportation Capacity Fund and the City Water Fund.

SUGGESTED MOTION:

Authorize the City Purchasing Division to Enter into a Contract with Sorter Construction, Inc. of Grand Junction, CO for the Riverside Parkway Access Improvements Project in the Estimated Amount of \$531,659.50.

Attachments

1. Attachment 1 - Las Colonias
2. Attachment 2 - Jarvis



Proposed left
turn lane

Proposed left
turn lane

Proposed right
turn lanes

Proposed 500 ft
12 inch water line
extension

Proposed right
turn lane

Amphitheater

Utilities M

Attachment 1 - Riverside Parkway Access Improvements – Las Colonias Park



Attachment 2 - Riverside Parkway Access Improvements – Jarvis



Grand Junction City Council

Regular Session

Item #5.b.

Meeting Date: July 19, 2017

Presented By: Greg Caton, City Manager

Department: City Manager

Submitted By: Greg Caton, City Manager

Information

SUBJECT:

Bonsai Design Incentive Agreement - Authorization of the City Manager to Execute an Economic Development Incentive Agreement to Retain and Expand an Existing Business

RECOMMENDATION:

City Staff recommends approval as presented.

EXECUTIVE SUMMARY:

This item is to discuss whether to authorize the City Manager to execute an incentive package for the retention and expansion of an existing business. The company would locate the facility on City owned land that would be improved for the purposes of establishing a business park on the riverfront at the east end of Las Colonias Park. As the anchor tenant, the company would actively participate with Grand Junction Economic Partnership in the recruitment of businesses to the park. If the incentive agreement is consummated, the business park will be considered under separate action at a future City Council meeting. Conceptual design of the business park includes the development of approximately 10% of the entire Las Colonias Park for the location of several businesses in a campus setting combined with public park amenities consistent with the Las Colonias Master Plan. Approximately one-half of the project is for related park amenities which include irrigation systems, a shelter, bathroom facilities, a dog park, a boat ramp and an athletic turf area. The cost to develop the business park includes street infrastructure for both access on and off Riverside Parkway as well as internal street structure within the park development.

BACKGROUND OR DETAILED INFORMATION:

This item is to discuss whether to authorize the City Manager to execute an incentive package for the retention and expansion of an existing business which includes \$1 million toward the construction of a facility (estimated to be \$2 million), City payment of \$71,000 in fees, and a 10-year rebate of the City's real property tax which is estimated at a total \$46,000. In addition to its portion of the building, the company would construct a public asset estimated at \$600,000 for public use, execute a land lease on City owned land for \$20,000 per year for 25 years (totaling \$500,000), and the company would actively participate with Grand Junction Economic Partnership in the recruitment of businesses to the park.

With the successful execution of an incentive agreement, the company would locate its facility on City owned land that would be improved for the purposes of establishing a business park. The business park will be considered under separate action at a future City Council meeting; however, to provide some context for the negotiation of the incentive package, there is an economic development opportunity within the City and Downtown Development Authority (DDA) district to build a business park in connection with the next phase of Las Colonias Park for an overall public/private investment of \$30 million on the riverfront (\$10 million public and \$20 million private). The City wishes to partner with the DDA in pursuit of this development.

Of the \$10 million estimated cost of the project, approximately one-half is for park amenities which include irrigation systems, a shelter, bathroom facilities, a dog park, a boat ramp and an athletic turf area. The cost to develop the business park includes street infrastructure for both access on and off Riverside Parkway as well as internal street structure within the park development.

Conceptual planning of the recreation and business park estimates between 10 to 15 acres developed with park amenities complimenting a business park designed to attract the outdoor recreation industry. Key to this development is the retention of a native Grand Junction business. This business is looking to move and expand its current operations and is proposed as the anchor tenant for the development. The vision of the combination recreation and business park centers around two main concepts: one, providing a Google-like campus for a cluster of like type industry businesses is a proven tool to attract significant economic development to a defined area. The business will play an active and key role in the recruitment of other businesses to this park and two, the combined park allows for the company as well as other businesses to build significant amenities that will have public and private benefit. The City, or a City-based organization such as a development corporation, would manage the park including 25-year land leases to businesses located in the park.

The State of Colorado has placed specific emphasis in the outdoor recreation industry

with the creation of the Office of Outdoor Recreation Industry in 2015. In support of expansion and new job creation, the State has offered \$75,000 in cash incentives to the company. Officials at the State level have also encouraged the concept of a “plug and play” business park to compete with other States and in particular, Utah. The vision of this business park is in direct alignment with the State of Colorado’s goals and initiatives related to economic development and specifically this targeted industry.

FISCAL IMPACT:

The economic development incentive includes:

- \$1 million toward the construction of a facility (estimated to be \$2 million)
- Waiving \$78,844 in fees
- 10-year rebate of the City’s real property tax estimated to total \$46,000

In addition to constructing their portion of the building, the company would also:

- Construct a recreation asset estimated at \$600,000 with access to the public
- Execute a land lease on City owned land for \$20,000 per year over 25 years (totaling \$500,000)

SUGGESTED MOTION:

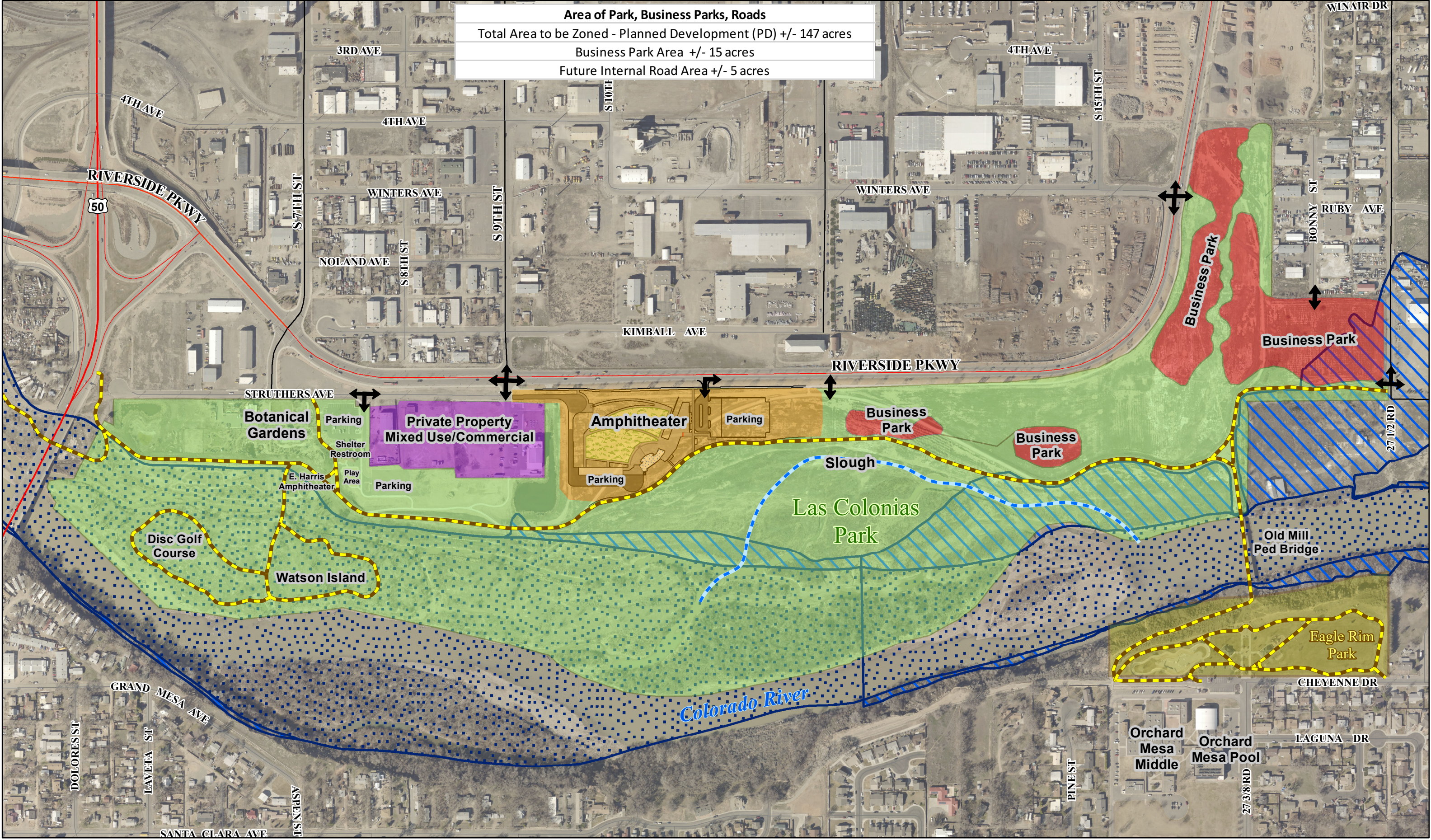
I move to authorize (to not authorize) the City Manager to execute an economic incentive agreement consistent with the terms presented with Bonsai Design.

Attachments

1. Draft Outline Development Plan (ODP)
2. GJEP-Bonsai Economic Impact
3. Draft Incentive Agreement

Las Colonias Park - Outline Development Plan (ODP)

Area of Park, Business Parks, Roads
 Total Area to be Zoned - Planned Development (PD) +/- 147 acres
 Business Park Area +/- 15 acres
 Future Internal Road Area +/- 5 acres



FEMA -2012 Floodplain Data

- ZONE AE - Floodway
- ZONE AE (100yr) 1% Annual Chance Flood
- Existing Park
- Colorado Riverfront Trail
- Access Points

Document Path: G:\GIS\DEPARTMENT\PARKS\GIS\LasColonias\OutlineDevelopmentPlan.mxd



Economic Impact Analysis Bonsai Riverfront Project

Overall economic impact is valued based on the direct spending of a business as well as the indirect and induced spending that is often referred to as the “multiplier” effect. This multiplier effect not only applies to spending levels but also new jobs created.

Bonsai employs people and spends money with other businesses to run their operations (direct impact). In turn those businesses buy goods and services from other businesses (indirect impact). Finally, labor income generates household spending in the local economy (induced impact). The total of direct, indirect, and induced spending yields the overall economic impact of **Bonsai**. The following breaks out the current operations, new construction in the Business Park, and addition of new full time employee positions in Mesa County.

Current Operations-21 Full Time Mesa County Employees

DIRECT Economic Impact-Bonsai Spending:

Employment: 21
Labor Income: \$1,600,000
Overall Economic Impact: \$6,800,000

INDIRECT Economic Impact-Business to Business Spending:

Employment: 10.63
Labor Income: \$512,000
Overall Economic Impact: \$1,800,000

INDUCED Economic Impact-Household Spending:

Employment: 13.21
Labor Income: \$491,000
Overall Economic Impact: \$1,600,000

TOTAL:

Employment: 44.84
Labor Income: \$2,603,000
Overall Economic Impact: \$10,200,000

Business Park \$2 million New Construction Project:

DIRECT Economic Impact-Bonsai Spending:

Employment: 16.4
Labor Income: \$792,000
Total Economic Impact: \$2,000,000

INDIRECT Economic Impact-Business to Business Spending:

Employment: 2.6
Labor Income: \$128,000
Overall Economic Impact: \$422,000

INDUCED Economic Impact-Household Spending:

Employment: 5.7
Labor Income: \$212,000
Overall Economic Impact: \$689,000

TOTAL:

Employment: 24.7
Labor Income: \$1,132,000
Overall Economic Impact: \$3,111,000

**Expanded Operations-Add 15 Employees
36 Total Full Time Mesa County Employees**

DIRECT Economic Impact-Bonsai Spending:

Employment: 36
Labor Income: \$2,770,000
Overall Economic Impact: \$11,700,000

INDIRECT Economic Impact-Business to Business Spending:

Employment: 18.22
Labor Income: \$877,000
Overall Economic Impact: \$3,100,000

INDUCED Economic Impact-Household Spending:

Employment: 22.65
Labor Income: \$842,000
Overall Economic Impact: \$2,700,000

TOTAL:

Employment: 76.87
Labor Income: \$4,489,000
Overall Economic Impact: \$17,500,000

COOPERATIVE AGREEMENT

THIS COOPERATIVE AGREEMENT (“Agreement”), made this ____ day of July, 2017 between **GRAND JUNCTION ECONOMIC PARTNERSHIP, INC.** (herein referred to as “GJEP”), a Colorado non-profit corporation, with offices at 122 N. 6th Street, Grand Junction, CO 81501, **THE CITY OF GRAND JUNCTION**, a Colorado home rule municipality (herein referred to as “CITY” or “the CITY”) with offices at 250 N. 5th Street, Grand Junction, CO 81501 and **BONSAI DESIGN, LLC**, a Colorado limited liability company (herein referred to as “BONSAI”), **BONSAI HOLDINGS, LLC**, a Colorado limited liability company (herein referred to as “BONSAI HOLDINGS”), **BONSAI DEVELOPMENT, LLC**, a Colorado limited liability company (herein referred to as “BONSAI DEVELOPMENT”), and **BONSAI AERIAL ADVENTURES, LLC**, a Colorado limited liability company (herein referred to as “BONSAI AERIAL ADVENTURES”), all with offices at 201 South Avenue, Grand Junction, CO 81501. BONSAI, BONSAI HOLDINGS, BONSAI DEVELOPMENT and BONSAI AERIAL ADVENTURES shall be collectively referred to as “BONSAI ENTITIES.”

WITNESSETH:

- A. GJEP is a non-profit corporation seeking to facilitate business development in Grand Junction, Colorado including economic assistance to new businesses locating in the City of Grand Junction, Colorado;
- B. BONSAI is engaged in the business of design, development and construction of aerial adventure courses, light manufacturing, marketing and research and development (R&D) of related products and desires to expand its operations in Grand Junction, Colorado;
- C. BONSAI DEVELOPMENT is wholly owned by BONSAI HOLDINGS and was formed to hold real property to be used by BONSAI in the operation of its business;
- D. BONSAI AERIAL ADVENTURES is wholly owned by BONSAI HOLDINGS and was formed to own and operate the Zip Line Improvements described in paragraph 3.e;
- E. BONSAI desires to obtain, and GJEP desires to provide, certain forms of assistance in connection with BONSAI’s expansion in Grand Junction;
- F. GJEP will provide such assistance in cooperation with the CITY and other agencies in accordance with criteria established between GJEP and such public sector organizations;
- G. In consideration of the assistance specified below, BONSAI will undertake and perform certain obligations as set forth herein; and
- H. The parties desire to reduce their agreement to writing and secure BONSAI’s performance of its obligations under this Agreement.

NOW, THEREFORE, in consideration of the recitals above and mutual promises below, the parties agree as follows:

1. The Assistance. GJEP will provide or arrange for grants and other assistance (“INCENTIVE ASSISTANCE”) to BONSAI ENTITIES, or for its use and benefit, as follows:

Description	Explanation	Value
A. CITY – Escrow Account for Collateral and Cash Grant	To collateralize the Construction Loan and subsequently defray building costs. Escrow account to be funded in conjunction with private construction financing and any amounts remaining after payment of construction-related expenses payable upon completion and issuance of a Certificate of Occupancy for the Facility to BONSAI DEVELOPMENT.	\$1,000,000
B. CITY - Rebate of Property Tax for 10 years	To defray operating costs. Payable annually in arrears from the date of Certificate of Occupancy (CO) or the date from which real property taxes are assessed if different than CO date.	\$42,000 +/-
C. CITY - Payment of City Development and Impact Fees	To defray building and development costs. Benefit to accrue as building/site development project is achieved and development fees are due.	\$78,844
D. CITY or Assignee – Discounted Land Lease to BONSAI DEVELOPMENT of not to exceed 4 acres in the Las Colonias Subdivision (average of \$20,000 per year for 25 year term)	To defray operating costs	\$500,000
E. State of Colorado Cash Grant	To defray project costs; \$5,000 per local new hire up to 15 employees. Payable upon job creation NOTE: this grant is separate and distinct from the parties’ obligations under this Agreement; however, funds provided by the City pursuant to this Agreement are matching funds for the State of Colorado grant, up to a total of \$75,000.	\$75,000
_____	-----	-----
	TOTAL INCENTIVE ASSISTANCE	\$1,695,844 +/-

2. Letter of Credit/Grant Disbursements. Subject to the terms and conditions of this Agreement, the CITY shall provide the following INCENTIVE ASSISTANCE:

Upon the construction lender’s funding of the construction loan for construction of the Facility (“Construction Loan”), and execution of agreed-upon escrow instructions by the CITY, BONSAI ENTITIES and the construction lender, the CITY shall deposit the amount of \$1,000,000 in an escrow account established with the construction lender to be disbursed in accordance with the escrow instructions for expenses incurred by BONSAI ENTITIES in connection with design and construction of the Facility (“Escrow Account”). The escrow instructions for the Escrow

Account shall be the construction lender's standard-form escrow instructions together with the following specific instructions: (1) amounts shall be disbursed only for expenses related to the construction of the Facility; (2) disbursements from the Escrow Account shall be made only after Bonsai's construction loan proceeds are fully disbursed for the construction of the facility; and (3) applications for disbursement shall be in writing and be subject to approval by BONSAI, the CITY and the construction lender and shall include documentation regularly required by the construction lender for loan disbursements, including mechanics' lien waivers. In the event of a default by BONSAI on the terms of the construction loan and/or this agreement, the CITY may request the construction lender to withhold any disbursement(s) of the escrow account or if disbursement(s) has(have) begun to withhold further disbursement(s) of the Escrow Account until the default is cured to the satisfaction of the CITY. The CITY may request that disbursement(s) be withheld if it reasonably believes that the Facility cannot or will not receive a Certificate of Occupancy and/or the funds available under the construction loan and Escrow Account are insufficient to complete the Facility to the point of permitted occupancy. Any amounts remaining in the Escrow Account after issuance of the Certificate of Occupancy for the Facility shall be disbursed to BONSAI ENTITIES for investment in the Facility, the Zip Line Improvements or other capital improvements in furtherance of the incentive, or pay down of the balance of the Construction Loan, all subject to satisfaction of any and all applicable contingencies of this Agreement.

The CITY shall pay BONSAI the property tax rebate referred to in paragraph 1.B above in the amount of the City-assessed real property tax each year on the Facility for 10 years on the date real property taxes are due in full to the Mesa County Treasurer.

The CITY will pay City development fees referred to in paragraph 1.C above incurred in connection with the development of the Leased Premises, the Facility and the Improvements, including, but not limited to, application fees and impact fees.

The CITY or its assign(s) shall enter into a twenty-five (25) year ground lease ("Initial Term") for a not to exceed 4-acre site in the Las Colonias Business Park ("Leased Premises") at an average lease rate of \$20,000 per year. The lease shall give BONSAI ENTITIES immediate possession of the Leased Premises upon its effective date; provided, however, the twenty-five (25) year term and obligation to pay rent shall commence on the first day of the month after issuance of the Certificate of Occupancy for the Facility. The lease rate may be structured so that the annual rent payments are lower than the average at the beginning of the lease term and shall increase during the lease term to average \$20,000 per year and total \$500,000.00 over the Initial Term. The ground lease shall be subordinate to the construction loan and permanent financing leasehold deeds of trust, and subject to other conditions or requirements imposed by BONSAI's lender(s), including, but not limited to, an agreement between the landlord and the lender regarding the lender's rights and responsibilities in the event of a default on the Construction Loan or permanent financing by BONSAI. The lease shall provide for an option for an additional 25-year renewal term ("Renewal Term") at fair market rental rates as agreed to by the parties or as determined by appraisal if agreement cannot be reached; provided that BONSAI ENTITIES shall not be in default under the terms of the lease, this Agreement and any other agreement with the CITY at the time of exercise of the renewal options.

If the CITY or its assign(s) does not renew the lease following the Initial or Renewal Term(s), then the CITY and/or the assign(s) may purchase the Leasehold Improvements and Zip Line Improvements from BONSAI ENTITIES at their then appraised value. If the CITY or its assign(s) does not renew following the Initial or Renewal Term(s), for good cause as defined by the Lease, then the Lease shall terminate. For the purposes of the lease, “good cause” shall mean BONSAI ENTITIES’ default under the terms of the lease, this Agreement and any other agreement with the CITY at the time of exercise of the renewal options. Notwithstanding the foregoing, the parties agree to consider additional renewal option(s) prior to the expiration of the lease term. The lease may contain other provisions regarding termination and other customary lease terms as agreed to by the CITY, its assign(s) and BONSAI ENTITIES consistent with applicable law.

In the event of non-renewal all Leasehold Improvements, including, but not limited to, the Zip Line Improvements, and any additions and replacements thereof, shall be the sole property of BONSAI ENTITIES, and, except in the event of a material breach of the lease by BONSAI ENTITIES, shall remain the property of BONSAI ENTITIES until a conveyance is made by BONSAI ENTITIES, notwithstanding such termination. BONSAI shall have no obligation to make the Zip Line Improvements available to the public in the event of termination of the lease. Notwithstanding the foregoing, during the first twenty-five (25) years following the effective date of the lease, if BONSAI vacates the Leased Premises, or assigns the lease and conveys the Leasehold Improvements to a third party and the third party does not agree to operate the Zip Line Improvements, the Zip Line Improvements shall become the property of the CITY at no cost or additional considerations.

If the CITY or its assign(s) does not renew the lease for other than good cause, BONSAI may institute an action against either or both the CITY and the assign(s) for claims of lost profit, lost advantage and other economic and non-economic claims and/or damages that it has sustained or may sustain by virtue of the lease non being renewed. The City and/or its assign(s) recognize that BONSAI will make a significant investment in the Facility and that non-renewal of the lease could impair that investment and the opportunity for that investment to further benefit BONSAI. If the City and/or its assign(s) fails to renew the lease without cause and claims are made/an action(s) is filed, BONSAI and the CITY shall enter mediated negotiation to find a mutually acceptable resolution to the claim(s), which resolution may provide fair market value for its demonstrated lost profit, lost advantage and other economic and non-economic damages that it has sustained or may sustain because of the unjustified failure to renew the lease.

The parties agree to cooperate in preparing a ballot question to submit to the City Council, at an appropriate election as determined by the CITY, to refer to the City voters a ballot question or questions to ask to repeal or suspend the 25-year lease restriction in the City Charter and/or ask for permission to sell the Leased Premises to BONSAI ENTITIES.

When the lease is renewed, or in the event that the Leased Premises become available for purchase by BONSAI ENTITIES, the CITY shall recognize BONSAI DESIGN’s critical role in development of the Las Colonias Business Park in considering the renewal terms or establishing a purchase price for the Leased Premises.

If City voters authorize the sale of the land comprising the Leased Premises to be sold, the City Council sitting at that time may sell the Leased Premises to BONSAI ENTITIES at the lesser of (1) the lowest purchase price, on a square foot basis, of other parcels in the Las Colonias Business Park that have been sold; or (2) the then current cumulative value of the rent remaining to be paid under the lease by BONSAI ENTITIES with payments of the purchase price on the same schedule as rent due under the lease agreement.

The CITY's deposit of funds in the Escrow Account and any payment to BONSAI, or to BONSAI DEVELOPMENT for the use of BONSAI, under this Agreement is expressly contingent on:

- a) the City Council approving and authorizing an ordinance and other necessary documents for the Grand Junction Downtown Development Authority (DDA) to incur bonded indebtedness for the project on or before October 5, 2017; and
- b) expiration of the 30-day period provided by City Charter allowed for protesting the debt ordinance without a protest being filed. In the event a protest is filed, the performance of this Agreement may be suspended without claim of breach, until the protest is resolved; and
- c) BONSAI shall prepare, with the assistance of GJEP, and provide to the CITY subject to the reasonable satisfaction of the City Manager, a financial analysis of the total Incentive Assistance and the solvency, creditworthiness and financial soundness of BONSAI to fully perform the obligations of this Agreement; provided, however, that GJEP shall neither make, nor be deemed to have made, any representations or warranties as to the accuracy or completeness of the financial analysis or information, or of BONSAI's solvency, creditworthiness or financial soundness; and,
- d) BONSAI fully and faithfully performing each and every term of this Agreement as it is obligated to perform as of the date of funding of the Escrow Account.

3. BONSAI ENTITIES' Obligations. In consideration of the INCENTIVE ASSISTANCE, BONSAI ENTITIES agree to do and perform the following:

- a) Expand business operations in the City of Grand Junction, Colorado by: i) employing as of the Maturity Date a minimum of thirty-six (36) Full-Time Employees in BONSAI ENTITIES' business endeavors in the City, and ii) maintain that level of employment in the City for the Vesting Period. BONSAI may employ more full and part-time employees and otherwise expand its operations; however, such growth or expansion shall not be a condition of this Agreement.
- b) On or before the Maturity Date, BONSAI ENTITIES shall add not less than fifteen (15) additional New Jobs. The baseline employment level against

which the New Jobs will be determined is the number of full-time employees of BONSAI ENTITIES as of close of business on May 31, 2017. By and with its signature below BONSAI represents that as of that date and time that it has a total of 21 Full-Time Employees in good standing and in its employ.

- c) Maintain its total employment in the City of Grand Junction at or above thirty-six (36) Full-Time Employees at an Average Wage of at least \$41,145 for the Vesting Period.
- d) Assist GJEP in the recruitment of outdoor product manufacturers and retailers by making contacts with and introductions to GJEP staff with people that Bonsai has done business with and/or may be doing business with and BONSAI knows or has reason to know are seeking an opportunity to expand an existing business or may be interested in expanding in and/or relocating to Grand Junction, Colorado. BONSAI has represented that it has an extensive network of contacts and that any referral it makes to GJEP will not be or result in a disclosure or any confidential or propriety information. BONSAI waives and releases any such claim. BONSAI may refer to GJEP any outdoor industry contact(s), including, but not limited to, with outdoor product manufacturing, retailing, service, research, media or related entity(ies) but the parties understand and agree that BONSAI shall first and foremost refer going concerns. BONSAI shall provide no less than five (5) referrals (“Referrals”) per year of this Agreement. BONSAI shall allow GJEP to provide site visits to prospects of the Facility at reasonable items during normal business hours with reasonable advance notice. BONSAI will allow GJEP to use BONSAI’s trademarks, service marks and identify BONSAI as a reference company that prospects may contact to learn about working with GJEP. BONSAI also agrees to provide a senior level executive to attend at least one trade show per year with staff from GJEP (each party to pay their own expenses), assist with prospects visiting the Las Colonias site and in the closing of prospect deal(s) on the Las Colonias site and/or other locations in the City, with a preference for those prospects desiring to locate in the Las Colonias Business Park.
- e) Subject to approval by applicable federal, state and local authorities with terms and conditions of approval no more onerous than those of general application, construction of a zip line in accordance with BONSAI’s then current standard design and specifications. The initial construction of the zip line improvements (“Zip Line Improvements”), shall include the following: (i) launch tower; (ii) dual (side by side) racing line system; (iii) landing station located on the Leased Premises; (iv) at least 800 feet in length; and (v) launch platform located at Eagle Rim Park at a location to be agreed to by the parties with a crossing of Colorado River with the approval of the underlying landowner and issuance of any necessary permits to cross the Colorado River. Construction of the Zip Line Improvements, in generally the location and type shown on the attached schematic drawing (“Zip Line Improvements Concept Plan”) shall be completed within the later of two (2) years from the date of

this Agreement, or concurrently with the scheduled completion of the public park improvements underlying and adjacent to the Zip Line Improvements in accordance with the Master Plan for Las Colonias Business Park. BONSAI shall design, install and operate the Zip Line Improvements at a retail construction cost of no less than \$600,000.00.

- f) BONSAI shall not be required to upgrade the Zip Line Improvements without financial participation or contribution from the CITY on terms then mutually acceptable to both. BONSAI's primary use of the Zip Line Improvements shall be for research and development, new and existing client sales demonstrations and training classes. In addition, BONSAI shall consistently operate and make available to the public the Zip Line Improvements for commercial purposes consistent with industry best practices which may include seasonal closure(s) so long as such commercial purposes are fiscally reasonable as the CITY and BONSAI determine in accordance with this and/or any other applicable agreement(s). Operation, scheduling, pricing and staffing of the Zip Line Improvements shall be determined by BONSAI and shall accommodate reasonable public access with discounts, usage incentives and preferential pricing all in consultation with the CITY as fiscally reasonable and in accordance with industry best practices. For the purposes of this Section 3.e, "fiscally reasonable" shall mean that operating revenue for commercial use of the Zip Line Improvements shall meet or exceed operating expenses, exclusive of depreciation, over a six (6) month rolling measurement period. BONSAI shall consult with the CITY prior to any unscheduled closure to the public of the Zip Line Improvements. BONSAI agrees to keep the Zip Line Improvements in good working condition until the end of the Vesting Period. In the event BONSAI discontinues operation of the Zip Line Improvements for more than one (1) year during the Vesting Period, the CITY shall have the option to purchase the Zip Line Improvements at their replacement fair market value as determined by appraisal.

4. Repayment Obligation. In the event BONSAI discontinues business operations, or materially changes its business at the Facility or otherwise breaches the terms of this Agreement prior to completion of the Vesting Period, then BONSAI shall repay a fraction of the Incentive Assistance. The amount required to be repaid to the City will be based on the number of whole months remaining in the ten-year (10) period remaining in the tax abatement period. The fraction shall be multiplied against the \$1,120,844 Incentive Assistance provided by the CITY through cash and waivers, less amounts, if any, not yet paid by the CITY and received by BONSAI ENTITIES. Payment shall be made within thirty (30) days of written notice from the CITY or GJEP to BONSAI of the amount due under these terms.

Notwithstanding anything in this Agreement to the contrary, BONSAI ENTITIES will not be deemed to be in breach of this Agreement solely because its employment at the Facility does not meet the levels set forth at paragraph 3.b) above. After the Maturity Date, for any year during the five (5) year Vesting Period when BONSAI ENTITIES' annual employment falls below the levels set forth in paragraph 3.b), BONSAI ENTITIES will repay to the CITY an amount equal

to \$5,000 multiplied by the number of New Jobs that is less than fifteen (15). Such repayment shall be in the form of repayment of such funds or in the reduction of City tax rebates described in paragraph 1.3 above, and shall be paid to the CITY or withheld by the CITY on or before the date real property taxes are due in full to the Mesa County Treasurer in the calendar year following the calendar year in which BONSAI ENTITIES fail to meet the levels set forth at paragraph 3.b) above.

5. Contingency. Each and every aspect of the Incentive Assistance described in this Agreement is subject to, and the payment to BONSAI ENTITIES of any part of the Incentive Assistance, is expressly contingent upon appropriation(s) by the CITY and the State of Colorado in addition to other contingencies expressly stated. Neither GJEP nor the CITY assumes responsibility and shall not be liable to BONSAI ENTITIES for any portion of the assistance that is not appropriated annually or at other appropriate interval(s) and/or paid by any political subdivision if a stipulation(s), contingency(ies) and/or other condition(s) precedent is not satisfied in accordance with applicable Colorado law. In the event that the CITY or the State of Colorado fails to appropriate any such funds, BONSAI ENTITIES' obligations under this Agreement shall be suspended during the period that any such appropriations are not made. If any such failure to make appropriations continues for more than one (1) year, BONSAI ENTITIES may terminate this Agreement upon notice to the other parties, provided that the CITY shall have a period of six (6) months following the effective date of the termination notice in which to cure any such failure to appropriate. In the event that the City cures the failure to appropriate during such six (6) month period, this Agreement shall continue in full force and effect.

6. Definitions. For purposes of this Agreement, the following terms shall have the meanings set forth in this paragraph:

"Annual Wage" – (i) for a worker paid hourly, the amount identified as "wages, tips and other compensation" on that worker's Form W2, excluding, however, all overtime pay and overtime hours worked; and (ii) for a salaried worker, the amount identified as "wages, tips and other compensation" on that worker's Form W2.

"Average Wage" – the arithmetic average of the Annual Wages paid to BONSAI ENTITIES' Full-Time Employees.

"Facility" – any building(s) built by and/or occupied, in whole or part by or for the use of by BONSAI ENTITIES within the Las Colonias business park, consisting of office space, a warehouse and a manufacturing facility, together with related improvements.

"Full-Time Employee" -- either:

1. a person employed by BONSAI ENTITIES working at least forty (40) paid hours per week;

2. a person employed by BONSAI ENTITIES on an annual average of at least 40 hours per week;
3. a person employed by BONSAI ENTITIES scheduled to work at least forty (40) hours per week but failing to do so for reasons of illness, absence, tardiness, etc., outside of the company's control;
4. a salaried employee employed by BONSAI ENTITIES working at least thirty-seven (37) hours per week; or
5. two people employed by BONSAI ENTITIES working at least forty (40) hours per week combined. Ordinary part-time workers who are willing to work full-time may not be aggregated to be a full time employee. State of Colorado full-time employment standards in effect as of the date of this Agreement shall apply.

“Maturity Date” – the date that is five (5) years after the date of this Agreement, or an earlier date on which BONSAI ENTITIES have added fifteen (15) New Jobs.

“New Job” – a new Full-Time Employee position added by BONSAI ENTITIES on or after the date of this Agreement. The Full-Time Employee may be a new or existing employee, so long as the position is newly created and increases the total number of Full-Time Employees over twenty-one (21).

“Vesting Period” – the five (5) year period commencing on the Maturity Date and ending five (5) years later.

7. Legal Compliance. All contracts or agreements entered into by BONSAI ENTITIES in fulfillment of any of its obligations under any of the provisions of this Agreement shall comply with all applicable federal and Colorado laws, rules and regulations.

8. Employment. All personnel engaged in any work to be performed by or for BONSAI ENTITIES under the terms of this Agreement shall be fully qualified and shall, to the extent required by law, be authorized under Colorado state and local law to perform such services.

9. Assignment. BONSAI ENTITIES shall not assign nor delegate any right or obligation under the terms of this Agreement, in whole or part, without the prior written consent of GJEP and the CITY. Such consent will not be unreasonably withheld. Notwithstanding the foregoing, BONSAI may assign its rights to payments, building construction, leasing obligations and zip line obligations to BONSAI HOLDINGS, BONSAI DEVELOPMENT and/or BONSAI AERIAL ADVENTURES as applicable.

10. Equal Opportunity. In the performance of this Agreement, BONSAI ENTITIES will comply with the letter and the spirit of the Colorado Anti-Discrimination Act of 1957, as amended, and any other practices as is required by Executive Order, Equal Opportunity and Affirmative Action, dated April 16, 1975.

11. No Improper Conduct. GJEP, the CITY and BONSAI ENTITIES each state, that to the best of their knowledge, information and belief, no state or local government employee has a personal or beneficial interest in the services or property described in this Agreement. GJEP and BONSAI ENTITIES state that they are familiar with §18-8-301, et seq., C.R.S. (abuse of public office), and that no violation of such provisions have been committed by them.

12. Reporting and Record Keeping. In January of each year, BONSAI ENTITIES shall prepare and submit annual reports stating the number of Full-Time Employees employed during the previous calendar year. BONSAI ENTITIES will allow GJEP and the CITY (with reasonable notice and during normal BONSAI business hours) to examine its payroll and related records as determined necessary in the sole discretion of GJEP throughout the vesting period to ensure that BONSAI ENTITIES' employment and compensation obligations hereunder are being met. GJEP and its agents will, if asked, provide reasonable written assurances that such information will be kept confidential.

13. Notice. Any notice required or permitted to be given under the terms of this Agreement shall be deemed sufficiently given upon being hand delivered to the other party with receipt or mailing, United States mail, postage prepaid, certified or return receipt requested, to the parties' addresses set forth below:

To GJEP:
Grand Junction Economic Partnership
c/o Kristi Pollard
122 N. 6th Street
Grand Junction, Colorado 81501
Telephone Number: (970) 245-4332

To BONSAI ENTITIES:
Bonsai Design, LLC
c/o Thaddeus Shrader
201 South Avenue
Grand Junction, Colorado 81501
Telephone Number: (970) 255-7393

To the CITY:
City of Grand Junction
c/o Greg Caton
250 N. 5th Street
Grand Junction, Colorado 81501
Telephone Number (970) 244-1508

Any party may change the address to which notice is given hereunder by giving notice of the change of address in the method and manner provided by this paragraph.

14. Entire Agreement. The terms and provisions of this Agreement shall be binding upon and inure to the benefit of GJEP, the CITY and BONSAI ENTITIES and their successors

in interest and permitted assigns. This Agreement constitutes the entire agreement of the parties concerning its subject matter and supersedes any prior discussions, agreements or negotiations. The terms of this Agreement may be modified only by a single written agreement signed by GJEP, the CITY and BONSAI ENTITIES.

15. Limitations on Damages; Termination. BONSAI ENTITIES shall not be liable under this Agreement for any indirect, special or consequential damages. BONSAI ENTITIES may terminate this Agreement for any reason by payment to GJEP and/or the CITY of any funds or consideration received by BONSAI ENTITIES hereunder in accordance with Section 4, Repayment Obligations.

BONSAI stipulates that the remedies provided to the CITY in this agreement are not indirect, special or consequential damages and the limitation provided herein is not applicable to the City's enforcement of those/each and every remedy that it has or may claim to have.

16. Venue; Choice of Law. This Agreement shall be interpreted and construed in accordance with the laws of the State of Colorado. Mesa County, Colorado shall be the sole venue for any litigation concerning this Agreement and any of the obligations of the parties pursuant to the terms of this Agreement.

17. Attorneys' Fees and Costs. Should litigation be required to enforce or interpret the terms of this Agreement the prevailing party shall be entitled to an award of its reasonable attorney's fees and costs in addition to any other relief. In the event of an attorney's fee award the CITY may claim the market value of the services of in-house counsel or special counsel retained to initiate or defend any and all claim(s) made by or against it.

[signatures and notarizations on following pages]

