

**GRAND JUNCTION CITY COUNCIL
MINUTES OF THE REGULAR MEETING
MARCH 21, 2018**

The City Council of the City of Grand Junction convened into regular session on the 21st day of March 2018 at 6:00 p.m. Those present were Councilmembers Chris Kennedy, Duncan McArthur, Phyllis Norris, Barbara Traylor Smith (arrived at 6:13 p.m.), Duke Wortmann and Council President Pro Tem Bennett Boeschstein. Mayor Rick Taggart was absent. Also present were City Manager Greg Caton, City Attorney John Shaver, and City Clerk Wanda Winkelmann.

Council President Pro Tem Boeschstein called the meeting to order. Councilmember Kennedy led the Pledge of Allegiance which was followed by a moment of silence.

Presentation - Colorado Mesa University Funds Presentation

The City of Grand Junction has pledged to contribute financially to Colorado Mesa University (CMU). Council President Pro Tem Boeschstein presented President Tim Foster with two checks: the first in the amount of \$250,000 for the "Grand Junction Opportunity Scholarship Program," which will be used during the 2018-2019 academic year for 2018 graduates of District 51 schools; the second check for \$500,000 will help fund a classroom building located in the center of campus to be renamed Escalante Hall.

Advisors from three area high schools introduced students from their respective schools who are scholarship recipients. Students thanked Council for their support and gave a brief summary of their future plans.

Proclamations

Proclaiming April 16, 2018 as National Health Care Decisions Day in the City of Grand Junction

Councilmember McArthur read the proclamation. Erica Eng, Director, Patient Experience with Community Hospital, and Mary Watson, Safety Officer/Community Project Coordinator with HopeWest, were present to accept the proclamation. Ms. Eng thanked Council for the proclamation and gave a background of the organization. She spoke of the importance of advance directives and of the classes being offered. Ms. Watson echoed Ms. Eng's statements regarding the importance of advance directives.

Proclaiming April 8 - 14, 2018 as National Public Safety Telecommunicator Week in the City of Grand Junction

Councilmember Norris read the proclamation and thanked the first responders who were present. Paula Creasy, Regional Communication Center Manager, along with other first responders, were present to accept the proclamation. Ms. Creasy introduced the telecommunicators with her and thanked Council for the proclamation. She told of the challenges they face in their profession and thanked everyone for their support to help overcome those challenges.

Proclaiming March 31, 2018 as Cesar Chavez Day in the City of Grand Junction

Councilmember Kennedy read the proclamation. Susana Whitrock was present to accept the proclamation, along with Jose Chavez. Mr. Chavez thanked Council and told of Cesar Chavez's life and mission.

Citizens Comments

Bruce Lohmiller spoke of the Veteran's Art Center and asked for support for that organization. He displayed a sculpture that he made at the Center. He also spoke of tourism and presented a poster that he created to promote leaving the area as tourists found it.

Council Reports

Councilmember Norris attended a Planning Commission/City Council working lunch on March 8th where a discussion was held about short term rentals. She attended a Visit Grand Junction meeting on March 13th where they spoke of an increase to the lodging tax. On March 14th she went to Denver with City Manager Caton to conduct a presentation to the Department of Local Affairs (DOLA) for a \$1 million grant for infrastructure for Las Colonias Business Park. On March 15th Councilmember Norris attended coffee with the City Manager where she said 15 citizens participated; she urged citizens to attend as they are very informative.

Councilmember Traylor Smith stated she has been out of town and looks forward to hearing her fellow councilmembers' reports.

Councilmember Kennedy gave a Grand Junction Economic Partnership (GJEP) update. Jennifer Seal is leaving to take over as the Executive Director for the Fruita Chamber of Commerce. He shared that the Bureau for Land Management (BLM) Headquarters is having conversations of relocating to Grand Junction. Riverfront at Las Colonias covenants have been finalized and a ground breaking will take place on March 30th at 4:00 p.m., which means the Business Park can then be marketed. He spoke of the Opportunity Zones and Foreign Trade Zones that are well on their way which will be a great opportunity to leverage some projects that are underway.

Councilmember McArthur attended the National League of Cities Conference in Washington D.C. from March 11th – 14th where there were many interesting presentations. On March 15th he participated in the Associated Governments of Northwestern Colorado (AGNC) meeting where they reviewed upcoming State Legislation. On March 20th he attended the Grand Junction Area Chamber of Commerce meeting where they discussed upcoming legislation affecting businesses. He spoke of Federal Mineral Lease funds that will be paid back to counties of which Mesa County will receive \$1.8 million.

Councilmember Wortmann talked about the Federal Mineral Lease Board and that he and City Manager Caton attended to request funds to develop Las Colonias Business Park.

Council President Pro Tem Boeschenstein said a lot of exciting things are happening in Grand Junction.

Consent Agenda

Councilmember Kennedy moved to approve adoption of the Consent Agenda, items #1 through #5. Councilmember Wortmann seconded the motion. Motion carried by unanimous roll call vote.

1. Approval of Minutes

- a. Summary of the March 5, 2018 Workshop
- b. Minutes of the March 7, 2018 Regular Meeting

2. Set Public Hearings

- a. Legislative
 - i. 2018 Supplemental Appropriation Ordinance for Expansion of School Resource Officer Program and Setting a Hearing for April 4, 2018
 - ii. An Ordinance Amending Chapter 2 of the Grand Junction Municipal Code regarding Ballot Title Protests and the Deadline for Write-in Candidate Affidavits and Setting a Public Hearing for April 4, 2018
 - iii. An Ordinance Amending Ordinance 4772 Concerning the Issuance of DDA Bonds and Setting a Public Hearing for April 4, 2018

- b. Quasi-judicial
 - i. Consider a 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, Exercising Land Use Control, and Introducing Proposed Annexation Ordinance for the York Annexation of 5.943 Acres, Located at 2122 H Road

3. Contracts

- a. Authorize the City Manager to enter into a Community Solar Garden Subscription Agreement with Oak Leaf Solar XXXI LLC

4. Resolutions

- a. A Resolution Authorizing the City Manager to Submit a Grant Request to the Department of Local Affairs for the Two Rivers Convention Center Improvements Project
- b. A Resolution Authorizing and Ratifying a Contract with Sunshine Polishing

5. Other Action Items

- a. I-70 / 29 Road Interchange Memorandum of Understanding Between the City of Grand Junction and Mesa County

Regular Agenda

Public Hearing to consider a request by Regeneration, LLC for Review of a Service Plan for the Proposed Lowell Village Metropolitan District

The Applicant, ReGeneration, LLC, is planning for the proposed Lowell Village project to be constructed on the easterly two-thirds (approximately 1.64 acres) of Block 84 of the Original City Plat also known as the R-5 High School Block located at 310 North 7th Street. Per conceptual plans reviewed by the City, the development will consist of 36 townhome units, each with the potential for an accessory dwelling unit above a garage on each lot. As a means of generating capital for the construction and on-going maintenance of the proposed public improvements within the development, the Applicant is proposing to form a Metropolitan District. Per Title 32 of the Colorado Revised Statutes (C.R.S.), the first step is to develop a Service Plan for the District, which is to be considered and, if found acceptable, approved by the City.

Kristen Ashbeck, Senior Planner with Community Development, presented the location, zoning, and plans for the development. Ms. Ashbeck spoke to the requirements of State Statute that must apply since the City does not have a policy/procedure for approval of Metropolitan Districts. She gave the criteria according to statutory compliance for approval or disapproval of Metropolitan Districts. Ms. Ashbeck outlined the Planning Commission Findings and Recommendations in which they found the Service Plan is consistent with the Comprehensive Plan, but does not meet Title 32 C.R.S. for formation of the district in the following areas:

- Approved Development Plan
- The Need for Private and Intergovernmental Agreements

The Planning Commission recommended approval subject to the conditions listed above being met prior to the Service Plan becoming effective, since according to Ms. Ashbeck, the first condition that had previously been listed, has been met.

Jeremy Nelson with ReGeneration, LLC outlined the Lowell Village Townhomes project overview, economic impacts, and highlights of the site. Chris Bremner, Metro District Consultant, gave an overview, brief history, and legal basis for formation of Title 32 Special Districts. He listed six comparable Metro Districts in Colorado.

Pete Smith, attorney for the project, was present to request an adjustment of the wording of conditional approval for item #3 where he asked that "attached to the Service Plan" be changed to "allowed to the Service Plan".

Councilmember Kennedy asked for clarification of the "property owner," which City Attorney Shaver said was currently the Downtown Development Authority. Secondly, he asked about the mill and how that relates to TABOR laws. City Attorney Shaver said it would have to surpass the authorized mills originally presented which is typically in excess of the projected costs, then it would go to a vote of the property owners.

City Attorney Shaver said staff had no objections to the request of the word change, but recommended proper wording for fluency sake.

Councilmember Traylor Smith asked what happens if the approved mill levy is exceeded. City Attorney Shaver said material modifications to the Service Plan would go back to the property owners for a vote. If property owners don't approve the increase, then they would discuss how to bring costs down. City Attorney Shaver spoke of the Ridges Metropolitan District and how the City had to annex it because they failed to maintain their Metro District services. Councilmember Traylor Smith expressed concern that the City may be left to take on challenges if the Metro District fails.

Councilmember McArthur asked if the exterior of the buildings is covered like they are by Homeowners Associations and how the cost for the roads and public areas will be paid. Mr. Nelson said the exterior of the buildings are not covered by the District. Mr. Smith said that in theory, the streets are built well and by the time they need to be replaced, the debt will be paid down and there will be money to replace streets.

Councilmember Norris asked if the Special District must be approved by District Court. City Attorney Shaver said it is a petition process which involves a hearing in front of the court. She asked about the size of the property and the roads that will be built into the development. Mr. Nelson said the roads are one-way streets that would be used to access driveways and garages. Councilmember Norris asked if the mill levy would go down if debt is paid and excess money is unused. Mr. Smith answered the mill levy could go down by a vote of the District property owners, but future needs would need to be kept in mind. City Attorney Shaver spoke to the mill levy certification and how it works the same way. Councilmember Norris asked about bringing in Lowell Valley School to the Metro District. Mr. Nelson said although that is not the primary goal, bringing in the school would increase the value of the property which may create additional bonding potential. It would help close the gap between the initial value of the District and the total cost of the infrastructure. Councilmember Norris asked about the process of the school inclusion and Mr. Nelson answered that the owners of Lowell School would vote on the inclusion, not the property owners of the district; the townhome owners would not have a vote for new debt, as long as the amount is under the original mill levy.

Councilmember McArthur said the district is not only a good idea, but necessary. His concern is oversight of the sale of the bonds and asked if the financial plan was part of the Service Plan. City Attorney Shaver said it is part of the recommended approval, but Council could not base their approval on future numbers, but rather the numbers that were presented to them for the meeting. Ongoing management of the board was also a concern to Councilmember McArthur. He asked about backup plans for board members. Mr. Nelson said there are no bylaws for the governing board and no organizational model. Mr. Smith said he would recommend starting the board with the developers and transition it to the homeowners.

Council President Pro Tem Boeschstein asked about the conditional steps to complete approval. Ms. Ashbeck said the development plan will be approved at staff level which would satisfy condition #2.

The public hearing opened at 8:07 p.m.

Trace Bolhaul, local builder, spoke in support of the Metro District because of job creation and affordable downtown housing.

Rich Garrigan, resident of downtown Grand Junction, spoke in support of the Metro District to bring more residents downtown and to increase the likelihood of businesses coming back to the area.

Irie Yates spoke in support of the District because of the potential of the project and the benefits for downtown Grand Junction.

Robert Strong spoke in support of the district and told of feedback he is getting from future homebuyers and how they are excited about the benefits of the development.

Christine Sere sees this District as a benefit because it would revitalize the downtown area.

Rob Greeden is a developer working on this project and feels this is an innovative project that will spark interest in the downtown area as well as interest for other districts.

Joanna Tipsky said Grand Junction is a wonderful place to live and that she has many people interested in buying homes such as the ones being proposed in this development. She believes this will be a great addition to the City.

Steve Amenterp believes this project has been very well vetted and that the time is right for such a development.

The public hearing was closed at 8:20 p.m.

Councilmember Norris asked what will happen if the district is not approved. Mr. Nelson said the project team would have to revisit the plans and rethink if they could move forward and how.

Councilmember Traylor Smith asked about providing services and water works in a Metro District. City Attorney Shaver said the City is responsible for how the water gets to the master meter, but the district is responsible for how the water gets to the homeowners and that is why the Intergovernmental Agreements in condition #3 is so important. She asked about emergency services and City Attorney Shaver explained, being a Metro District doesn't impact services, because regardless, they are in City limits.

Councilmember Kennedy moved to adopt Resolution No. 19-18, a resolution approving the Service Plan for the Lowell Village Metropolitan District with the following three conditions that shall be met prior to the District becoming effective. The effective date being the date which the election results are certified by the Colorado Department of Local Affairs.

- 1) Revise legal description and boundary map within the Service Plan that correlate to each other and accurately depict the location of the services to be provided and an accurate map of Areas of Operations and Maintenance that

clearly show the areas within which the services will be provided by the District and whether the areas are within or outside the District Boundaries.

2) An Approved Development Plan

3) An Intergovernmental Agreement and such other agreements needed as acceptable to the City for the performance of any services (e.g. water acquisition, treatment and delivery; transportation systems; road and drainage systems and recreation facilities, parks and open space) between the proposed District and the City that is to be allowed by the Service Plan.

Councilmember McArthur seconded the motion. Motion carried by unanimous roll call vote.

Council President Pro Tem Boeschenstein called for a recess at 8:26 p.m.

The meeting resumed at 8:37 p.m.

Public Hearing for a Resolution Accepting a Petition for the Annexation and Ordinances Annexing and Zoning the Camp Annexation CSR and C-1 Located at 171 Lake Road

The Applicants, Mirror Pond, LLC, have requested annexation of their 8.626 acres located at 171 Lake Road. The proposed annexation includes all of the right-of-way of variable width of Power Road (approximately 750 linear feet), Dike Road (approximately 652 linear feet), and Lake Road (approximately 532 linear feet). The property is currently used as a primitive campground for special events under a Special Use Permit issued by Mesa County. The Applicant is requesting annexation for future development of the property, which is anticipated to constitute "annexable development" and as such is required to annex in accordance with the Persigo Agreement.

The request also includes zoning of 4.445 acres of the property to CSR (Community Services and Recreation) and zoning to C-1 (Light Commercial) for 4.181 acres of the property. The proposed split zoning is consistent with the Comprehensive Plan Future Land Use Map and recognizes the constraints of the special flood hazard areas on the property.

Kathy Portner presented the property's location, future land use, and existing zones. Councilmember Norris asked about the cost of road improvements and if the County is going to share in that expense. Ms. Portner answered that those roadways may not have to be improved to the level quoted and a lot of the cost will fall on the developer. City Manager Caton said there was no indication that the County will share in the

expenses. Councilmember Norris asked about the fire districts and change in mills. City Manager Caton clarified that the City would be losing revenue but still have to provide the services. She then asked about camp cleanups on that property and City Manager Caton said that since this is private property it helps in enforcement of trespassing which limits the need for camp cleanups. Ms. Portner said the neighbors have written letters that this area has actually been cleaned up because of this business.

The public hearing was opened at 8:50 p.m.

There were no public comments.

The public hearing was closed at 8:50 p.m.

Councilmember Traylor Smith asked about transitioning this property to multifamily homes, and Ms. Portner said it is possible to develop this area, although it would cost more money to elevate the homes because of the flood plain. Councilmember Traylor Smith asked about the City's cost to repair the subpar roads since they have not been maintained. City Manager Caton spoke to that question and the high expense of fixing the roads. Councilmember Traylor Smith stated she would like to have a Joint Committee meeting with Mesa County to discuss this issue.

Councilmember Kennedy stated that the costs are a moot point because of the Persigo Agreement.

Council President Pro Tem Boeschstein concurred with Councilmember Traylor Smith.

Councilmember Wortmann said that these are issues that need to be discussed with the County and moved forward.

Councilmember Wortmann spoke of a community municipalities dinner where he asked Commissioner Scott McInnis how much money is needed to meet the needs of the County and he said \$1 billion. Councilmember Wortmann concurred with the other Councilmembers that discussions with the County are needed to move the issue forward.

Councilmember McArthur asked if the City is required to annex the property without requiring improvements. City Attorney Shaver said there are no stipulations in the Persigo Agreement that outline such requirements.

City Manager Caton spoke of more extensive staff analysis in other areas of the state in which properties would not be accepted if they were not financially feasible to the City.

City Attorney Shaver spoke about “bargain for exchange” and how the City does not have that.

Councilmember Norris reiterated her concern about the County stepping up and doing their part.

Council President Pro Tem Boeschstein suggested going in with Community Block Development Grant money to help these extremely poor neighborhoods.

Councilmember Kennedy moved to adopt Resolution No. 20-18, 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 Camp Annexation, located at 171 Lake Road is eligible for annexation, and Ordinance No. 4792 an ordinance annexing territory to the City of Grand Junction, Colorado, Camp Annexation, approximately 10.652 acres, located at 171 Lake Road, and Ordinance No. 4793, an ordinance zoning the Camp Annexation to CSR (Community Services and Recreation) and C-1 (Light Commercial) located at 171 Lake Road on final passage and ordered final publication in pamphlet form. Councilmember Wortmann seconded the motion. Motion carried by roll call vote with Councilmember Norris voting NO.

Consider a Request by Two R&D, LLC to Accept the Dedication of 15.06 Acres of Open Space in the Pinnacle Ridge Subdivision Instead of Payment of the City's Open Space Dedication in Lieu of Fee

The Applicant, Two R & D, LLC, proposed that the City accept dedication of 15.06 acres of open space within Pinnacle Ridge Subdivision to satisfy its obligations arising out of its development being a “cluster” development under the Zoning and Development Code. To satisfy the open space requirement, the applicant may (1) dedicate the open space to the City or to another entity charged with maintaining and holding the land as open space, (2) deed the open space to a property owners’ association (HOA) with a public easement over it (which the Applicant does not want to do because of HOA and homeowner liability concerns), (3) dedicate discreet public trail easements within the open space area to be owned by the HOA (which the Applicant may be amenable to depending upon the scope and nature of the easements and the ability to limit liability), or (3) pay a fee-in-lieu (which the Applicant is willing to do). The Applicant’s preferred option is for the City to accept dedication of the 15.06 acres of open space. The proposed open space is adjacent to the City-owned open space along Mariposa and Monument Road and would provide connections to the open space in the Ridges and

Redlands Mesa developments. The area is already used by the public for hiking and mountain biking, as indicated by a robust trail system on the property.

Scott Peterson, Senior Planner with the Community Development Department, presented the site location and the area proposed as dedication to the City of Grand Junction Parks Department. If the dedication of land is not approved, the applicant is willing to pay the open space fee, but not willing to dedicate a public easement over the fifteen acres. Parks & Recreation Advisory Board recommends acceptance of the payment of \$82,000 instead of accepting the dedication of the 15.06 acres of open space.

Robert Jones II, Vortex Engineering, presented more information on the item. The property is valued at \$272,240 and makes up 33% of the development's total acreage. The property is a natural continuation of the bike trails at the Lunch Loop Trails and the public currently uses this undeveloped property as trail connections.

Councilmember Traylor Smith clarified that if the open space dedication is denied, the access to the trails would be closed off. Mr. Jones said that was correct.

Councilmember Traylor Smith said a concern of accepting the properties was that it becomes an expense and a liability to the City, and that many times nearby property owners build structures on the areas. She asked if there was an option to leave this property open to other organizations maintaining it. Rob Shoeber, Parks & Recreation Director, said there were none he knew of that had volunteered.

Councilmember Wortmann asked why they want to dedicate 33%, an amount much larger than the required 10%, instead of developing it. Mr. Jones said because of the topography of the land, they have analyzed the areas that they can develop, and it makes sense to leave this as open space that could be dedicated. Councilmember Wortmann asked if the City has ever turned away property. Mr. Schoeber said they have entertained three other properties in the past few months, but this piece of property doesn't make sense to acquire.

Councilmember Kennedy stated he felt that this is piece of property is undevelopable and therefore is being dedicated.

Council President Pro Tem Boeschstein spoke of the Ridges and Kingsview Desert subdivisions. He said it is a different landscape than one of a golf course and likes the proposal.

Tom Volkman, attorney for Two R & D, LLC, clarified why they had specifically asked to either pay the fee or dedicate the land - it was in response to an initial requirement of

the City for a blanket easement over the entire property if the land wasn't dedicated and the fee was paid. That requirement later went away, but they wanted to ensure they were willing to do one or the other.

Councilmember Norris asked about how many trails would still be open or connected after the houses are built over them. Mr. Jones said there would be trailhead disruptions.

Councilmember Traylor Smith said the expense of maintaining the property is what makes the difference of approving or disapproving the dedication.

Richard VanGundy with Grand Valley Trails Alliance supported the adoption of the open space because of multi-level pathways, a concept that successful trail systems are connected trail systems, and these kinds of connections should be protected by public ownership. He believes accepting this dedication would reinforce the message that the City is strong on its trail systems. He also believes that the layout of the trail systems would be easy to map out.

Councilmember McArthur said that the City has to accept the consequences of requiring open space dedications. He likes the proposal and will support it.

Councilmember Kennedy moved to approve the request to accept the dedication of open space land in the Pinnacle Ridge Subdivision in-lieu of open space payment. Councilmember McArthur seconded the motion. Motion carried by roll call vote with Councilmembers Wortmann and Norris voting NO.

Non-Scheduled Citizens & Visitors

There were none.

Other Business

There was none.

Adjournment

The meeting adjourned at 10:03 p.m.

W Winkelmann

Wanda Winkelmann, MMC
City Clerk

