

**MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL
FOR THE CITY OF BRIGHTON, COUNTY OF ADAMS, STATE OF
COLORADO, HELD ON OCTOBER 7, 2014.**

1. CALL TO ORDER

Mayor McLean called the meeting to order at 7:00 p.m.

A. Pledge of Allegiance to the American Flag.

Councilmember Humbert led the recitation of the Pledge of Allegiance to the American Flag.

B. Roll Call.

Council present: Mayor McLean, Mayor Pro Tem Wallin, Councilmembers Baca, Bell, Edwards, Humbert, Kniss, Kreutzer and Martinez.

2. CONSENT AGENDA

A. Approval of the September 2, 2014 City Council Minutes.

City Clerk Natalie Hoel read the Consent Agenda into the record.

Motion by Councilmember Kniss to approve the Consent Agenda as presented, **second by Councilmember Kreutzer.**

Voting aye: All present.

3. APPROVAL OF REGULAR AGENDA (Council will take a short break between 8:30–9:00 p.m.)

City Manager Manuel Esquibel informed City Council that there is not a need for the scheduled Executive Session.

Motion by Councilmember Humbert to approve the Regular Agenda as amended, **second by Councilmember Bell.**

Voting aye: All present.

4. CEREMONIES

A. Recognition of Eagle Scout Ryan Mellin.

Mayor McLean read the recognition and presented it to Eagle Scout Ryan Mellin.

Eagle Scout Ryan Mellin introduced his parents.

B. Recognition of Brian Arnold, Ninja Warrior.

Mayor McLean read the recognition for Brian Arnold, Mr. Arnold was not present at the meeting.

C. Community Planning Month Proclamation.

Mayor McLean read the Proclamation into the record and presented it to Community Development Director Holly Prather and Assistant City Manager of Development Marv Falconburg.

Motion by Councilmember Martinez, second by Councilmember Kniss to approve the Proclamation.

Voting aye: All present.

Community Development Director Holly Prather and Assistant City Manager of Development Marv Falconburg thanked City Council for approving this Proclamation.

D. Introduction of New Employees by Chief of Police Clint Blackhurst.

Chief of Police Clint Blackhurst introduced John Staton, Code Enforcement Officer, Ashton Steely, Police Officer, Steve Berlanga, Police Officer and David Kornowski, Police Officer and gave a brief history of their background.

Mayor McLean and City Council welcomed the new employees to the City of Brighton.

5. PUBLIC INVITED TO BE HEARD ON MATTERS NOT ON THE AGENDA (Speakers limited to five minutes)

Nancy Besaw, 717 South 12th Avenue, Brighton, Colorado. Ms. Besaw expressed her concern regarding the vague requirements for a person to run for City Council in the City of Brighton Charter.

Kathryn Lawrence, 9482 East 146th Avenue, Brighton. Ms. Lawrence asked that City Council and the City Attorney investigate Councilmember Martinez to verify her residency and eligibility to represent the City as a Councilmember.

Vicki Frese, 270 North Main Street. Ms. Frese expressed her concern regarding the residency of Councilmember Martinez.

6. PUBLIC HEARINGS

A. American Pride PUD.

- 1. An Ordinance of the City Council of the City of Brighton, Approving a Zone Change Request from C-2 (Restricted Retail and Services) to PUD (Planned Unit Development) for the Approximately 1.4233 Acre Property known as Lots 1 and 2, Block 1, of the American Pride Subdivision, and more Particularly Described as being Located within the Southwest Quarter of Section 7, Township 1 South, Range 66 West of the 6th Principal Meridian, City of Brighton, County of Adams, State of Colorado.**

Mayor McLean read the title of the Ordinance into the record.

Mayor McLean opened the public hearing at 7:32 p.m. and City Clerk Natalie Hoel verified the required postings and publications (September 18, 2014 in the *Banner*) for this public hearing were completed.

City Manager Esquibel introduced Associate Planner Cathy Sexton.

Associate Planner Cathy Sexton explained that she will be presenting the PUD and the Vested Property Rights. The applicant is Jerry Davidson with Perception Design Group, Inc., the owner is Fulton & Bromley, LLC by Edgemark Development, LLC its manager. The request is to hold a public

hearing to consider the proposed rezoning and vested property rights application. Notice of the public hearing was posted on the property on September 10, 2014, published in the *Banner* on September 18, 2014 and property owners within 300' were sent notification on September 17, 2014. Staff has not received any public comments however a nearby property owner asked for a copy of the PUD. The property is located south of Cherry Place, north of Bromley Lane and adjacent to the Fulton Avenue alignment. The property is approximately 1.42 acres and is currently zoned C-2 (Restricted Retail and Services). The properties to the north and east are zoned R-1 (Single-Family Residential), the property to the south and west are zoned I-1 (Light Industrial).

The Comprehensive Plan designates this property as being appropriate for Mixed Use, Residential, Commercial and Office and the planning area designates this site as being in the City Core Planning Area which is intended to maintain its basic character with an emphasis on improving the appearance, vitality and function of the area and improving pedestrian systems and lessening traffic congestion. The property consists of two (2) triangular shaped lots which are part of the American Pride subdivision. There is an existing access road that runs diagonally through the middle of the site and connects to a signalized intersection at Bromley Lane. The access road is established by a private access agreement with the Agfinity site to the west of the property. The request is to rezone the property from C-2 to PUD (Planned Unit Development). The proposed PUD would allow for the creation of one (1) lot which would be accomplished by an administrative plat amendment. The zone change would allow for the realignment of access to the north and east of the property and also provides for access near the front of the property to connect to the traffic signal. The proposed PUD establishes allowable uses which are those uses allowed in the C-3 zone district with some exceptions. It also provides standards for maximum lighting levels and maximum light pole height and provides architecture standards in addition to the Commercial Design Standards. It provides for landscaping standards that require a xeric landscaping plan and addresses buffering requirements.

The applicant is requesting a three (3) year vesting period which will provide assurance that the PUD will remain in effect for an adequate period of time to develop the site. The proposed PUD is generally in conformance with the PUD approval criteria. The PUD addresses a unique situation as the site contains the access road through the middle of it and it is subject to buffering requirements which make a large portion of the lot unusable. It integrates and provides connection to adjacent developments with the allowance to realign the access road through the site and maintains trails currently on the site. The proposed PUD also mitigates impacts by restricting uses such as drive-in windows, menu boards and accessory car washes to the west side of the property away from adjacent residences, it limits the lighting levels and height of light poles and requires a xeric landscaping plan. Staff finds that the PUD is in conformance with the Comprehensive Plan and the Plan designates this area as appropriate for Mixed Use, Residential, Commercial and Office. There is only one (1) lot in the development and it will be used for commercial purposes. It also complies with the policies associated with the City Core Planning Area as the development of this site will improve the appearance of the Bromley Lane corridor and maintains the access road and trails throughout the site. The site specific plan (PUD) is in conformance with the provisions outlined in Article 17-56, Vested Property Rights in the Municipal Code. The Planning Commission recommends approval of the PUD with conditions and recommends approval of the Vested Property Rights for a period of three (3) years and those conditions have been met by the applicant. Staff recommends approval of the proposed PUD and Vested Property Rights for a standard period of three (3) years for the American Pride PUD.

Mayor McLean asked if the applicant would like to add anything to the presentation.

Richard Sapkin, Edgemark Development, 410 17th Street, Suite 1705, Denver, CO 80202. Mr. Sapkin explained that this property was purchased two (2) years ago from FDIC. Edgemark worked closely with Agfinity/American Pride Co-op to help make this property a usable retail development. A road was put in that bisects the property and has made the property unusable. Mr. Sapkin has worked closely with staff to be able to utilize the property and that is the reason the applicant has asked for

the PUD zoning. This will hopefully help to attract various retailers and help with additional development along the Bromley Lane corridor.

Mayor McLean asked if anyone in the audience had questions for the applicant.

Alma Olivas, 98 Cherry Place. Ms. Olivas lives east of this property and asked if there will be parking developed for the site. **Associate Planner Sexton** explained that there will be parking on the site. Ms. Olivas asked what will be facing her house when the development is completed. Associate Planner Sexton explained that there is not a user at this time so there is no way to know what the development will be.

Michelle Pace, 847 South 2nd Avenue. Ms. Pace asked if there will be traffic going onto Cherry Place. Richard Sapkin explained that there will not be traffic onto Cherry Place.

Mayor McLean asked if anyone in the audience wished to speak on behalf of the request, there was none.

Mayor McLean asked if anyone in the audience wished to speak against the request, there was none.

Mayor McLean asked if any correspondence had been received, there was none.

Mayor McLean asked if there were questions from City Council, there was none.

Councilmember Bell reported that he is happy to see something happening on this property.

Mayor McLean closed the public hearing at 7:47 p.m.

City Attorney Margaret Brubaker explained that City Council will be taking action on two (2) items, the Zone Change request and the Vested Property Rights request. City Attorney Brubaker asked if Council was satisfied with the presentation covering both items.

Motion by Mayor Pro Tem Wallin, second by Councilmember Martinez to combine the public hearings for Items 6A(1) and 6A(2).

Voting aye: All present.

Motion by Mayor Pro Tem Wallin to approve the Ordinance the title of which as read by Mayor McLean, **second by Councilmember Baca**.

Voting aye: All present.

2. **A Resolution of the City Council of the City of Brighton, Colorado, Approving the Site Specific Development Plan Vested Property Right for the American Pride PUD (Planned Unit Development) for a Period of Three (3) Years, to Expire on October 7, 2017. The Approximately 1.4233 Acre Property is Generally Located North of Bromley Lane, South of Cherry Place, and Adjacent to the Fulton Avenue Alignment, and is Further Described as Lots 1 and 2, Block 1 of the American Pride Subdivision and being Located within the Southwest Quarter of Section 7, Township 1 South, Range 66 West of the 6th Principal Meridian, City of Brighton, County of Adams, State of Colorado.**

Mayor McLean read the title of the Resolution into the record.

Motion by Councilmember Martinez to approve Resolution 2014-91 the title of which as read by Mayor McLean, **second by Councilmember Humbert.**

Voting aye: All present.

B. Resolution of the City Council of the City of Brighton, Colorado, Approving the Organization of the Village at Southgate Metropolitan District Pursuant to the Statutory Requirements of Title 32, Article 1 of the Colorado Revised Statutes; Setting Forth Certain Findings in Relation Thereto; Authorizing the Mayor to Execute this Resolution on Behalf of the City and the City Clerk to Attest Thereto; and Approving an Intergovernmental Agreement, and Setting Forth Other Details Related Thereto.

Mayor McLean read the title of the Resolution into the record.

Mayor McLean opened the public hearing at 7:53 p.m. and City Clerk Natalie Hoel verified the required postings and publications (September 3, 2014 in the *Standard Blade*) for this public hearing were completed.

City Manager Esquibel introduced Assistant City Manager of Development Marv Falconburg.

Assistant City Manager of Development Marv Falconburg explained that this presentation is for the Village at Southgate Metropolitan District as required by the policies and regulations that City Council has adopted. The developer, Special Bond Counsel Sally Tasker and Internal Finance Advisor Bernadette Kimmey are present.

The location of the property is 120th Avenue between Peoria and Potomac streets on the south side. The applicant is Fred Cook on behalf of the owner PFG Acquisitions, LLC. The request is to consider a Metropolitan District of approximately 79.811 acres. The South Brighton Sub Area Plan is the controlling document for this area. This project was previously known as Fuller Estates and at the time of zoning it did comply with the South Brighton Sub Area Plan and was designated as Mixed Use Residential and Commercial. There is major water and sewer infrastructure that was installed by the City in this area when the Adams County Government Center was built. If this is approved the developer will be re-paying its proportionate share of the City's cost which is approximately 1.8 million dollars.

The Metropolitan District that was previously on this site was never fully formed and has lapsed. In 2006 the City Council did approve a Metro District and it was known as West 80 but it was not fully formed through the Court system. If this Metropolitan District Service Plan is approved this evening it will go to court prior to November 4, 2014. City Council also approved the PUD zoning for the Village at Southgate in the spring of 2014. An application for Final Plat and Development Agreement was submitted on July 15, 2014 and this is currently in process in Planning. This is the final step prior to construction; this is nearing completion and will be coming back to Council soon.

The proposed Metro District will assist in financing onsite and offsite regional infrastructure including a line item re-payment of \$1,780,538.00 for the regional water and sewer lines previously installed by the City. This also includes other infrastructure for a neighborhood as well as open space, landscaping, onsite and offsite road improvements and onsite utilities.

The Special District Procedures and Policies adopted by the City Council set forth the regulatory requirements that are required for a Service Plan to be submitted for City Council review. The Service Plan must also meet the requirements under the Colorado Revised Statutes.

The proposed Metro District Service Plan does meet the criteria as outlined in the State Statutes and also in the City's Special District Service Plan approval Procedures, with the provision that 80 acres

and a maximum of 50 mills is acceptable to the City Council. Those are the two (2) discretionary items in this Plan; the preferred acreage is 320 acres and the current cap is 38 mills. The previous Metro District Plan was also 80 acres. There was a previous approved Service Plan that showed 38 mills with a contemplation of the formation of a General Improvement District (GID) that would encompass the additional mills and also contemplates specifically in the approval language that if the GID was not issuing any debt within six (6) months the previous Metro District could go up to 50 mills. Staff recommends approval of the Metropolitan District. Assistant City Manager of Development Marv Falconburg introduced Special Counsel Sally Tasker.

Special Counsel Sally Tasker explained that she will be giving a brief overview of Special Districts, generally, and discuss the proposed Southgate Service Plan. Special Districts are political subdivisions of the State of Colorado and are governed by Statute. The purpose of forming a political subdivision or Special District is to provide financing for infrastructure and improvements that a city or county may not want to finance such as water, sewer and parks. A Special District has to be approved by the City in this case and a Service Plan has to be approved. A Service Plan sets forth the powers and limitations of the District. These are formed for a financing tool that the developer of the property is proposing, because if a Special District is formed, then tax exempt financing can be done. Tax exempt bonds could be issued and would have a lower interest rate so these improvements could be financed at a cheaper rate than traditional financing. It also allows the cost of the bonding to be passed on through property taxes of the owners in the District and allows fees and charges to be paid so that growth pays its own way. What is being asked for is a financing tool that is part of a bigger bucket of financing that the developer will bring to the project. The District is proposing 14 million dollars of improvements; the bonds will cover approximately 6 million dollars of that and there will be other tools to finance the remaining infrastructure. If this Service Plan is approved it will then go to the District Court for the approval of a petition, and the Court would then order an election.

Once formed, a Special District is similar to other governments where it will be subject to public bidding, open meetings, public budget laws, public audit laws and it must make filings with the local government. A government entity will be formed; they will have a board and elections and will be limited by Statute on what they can do, and these limitations are listed in the Service Plan. This is a common way to finance infrastructure and it is done throughout the state. The Special District is subject to TABOR and will have to have elections to issue bonds and raise taxes.

Councilmember Humbert asked where and when the board would meet and what the makeup of the board would be. Special Counsel Tasker explained that initially the board will be made up of the organizers of the District because the land is owned by one (1) entity. As residents and business owners move into the District and others are eligible to be on the board, there will be elections. This point has been looked at by the IRS and it was determined in Florida that if the entity is unable to hold elections and the developer is in control, the entity is not considered to be a political subdivision and therefore tax exempt debt cannot be issued. Councilmember Humbert asked how often the board would meet. Special Council Tasker reported that she does not know but there is a provision in the City's guidelines that they must meet in the City.

Councilmember Bell asked if a Metropolitan District is a method by which a community can issue bonds to develop property and Special Council Tasker answered "correct". Councilmember Bell clarified that the proposal is to form a Metropolitan District to issue bonds in the amount of 6 million dollars and the purpose is to develop infrastructure for Southgate development. Special Counsel Tasker agreed. Councilmember Bell asked who is ultimately responsible for paying those funds back. Special Counsel Tasker explained that the District is ultimately responsible, but the obligation will be set forth in the bond documents. The District will pledge certain revenues; it is expected that the District will pledge property taxes up to a certain limit on their mill levy and also assess facility fees for single-family homes and multi-family homes. Councilmember Bell asked if the property owners will pay those bond issues back and Special Council Tasker replied "yes". Councilmember Bell asked if this would ever default back to the City. Special Counsel Tasker explained that it is not a debt of

the City and is a good reason why Metro Districts are formed so they can issue the bonds for infrastructure and it does not affect the City's credit. Councilmember Bell asked that with the approval of this Metro District the City will receive money back from the infrastructure that was installed. Special Counsel Tasker explained that the City will receive a proportionate share of 1.78 million dollars for the water and sewer lines that were installed by the City in the area.

Councilmember Kreutzer asked who would vote on this issue when it is on the ballot. Special Counsel Tasker explained that it is the members of the District. Councilmember Kreutzer asked how many people that is and Special Counsel Tasker explained that at this time it would be a limited amount, but she is not sure of the exact number. Councilmember Kreutzer asked if there will be more people voting when there are more people that own property in the area. Special Counsel Tasker explained that once the District is formed it is final. The District is intending to hold an election to authorize debt and taxes that the District will then have the authority to do. It is fully expected that the election in November will authorize the issuance of the bonds. They will be issued in an amount more than the Service Plan is authorizing so if there is a need for more financing there will financial capability to do that. Once the ballot questions are approved, the bonds are approved and the taxes to pay that debt will be authorized, and the people who move into the development will move in subject to the electoral authorization. Councilmember Kreutzer asked if there will be a lot of campaigning and Special Counsel Tasker explained that there would not be.

Councilmember Kniss asked what the additional restrictions that were mentioned in the proposed plan might be. Special Counsel Tasker explained that the Special District is governed by Statute so there are certain things in the Statute that provide parameters. A lot of the parameters regarding debt and property taxes that can be imposed on a property owner are addressed in the Service Plan. In this Service Plan it states that only \$8,925,000.00 worth of bonds can be issued to finance these improvements and that total can go up to \$10,700,000.00 with the consent of the City Manager which allows a 20% contingency if the District is able to support more debt without having to come back before the City Council and amend the Service Plan. The debt is one limitation and the other limitation is the mill levy limitation. At this time under Colorado Statute if bonds are sold to a bank there is not necessarily a mill levy limitation on the bonds. In this instance if the debt is more than twice the assessed valuation of the property, the mill levy will have to be limited to fifty (50) mills for the debt service mill levy and the operational maintenance mill levy, so the homeowners are protected. When the assessed valuation goes up, under this Service Plan the District be able to go to an unlimited mill levy with the approval of the majority of the board members that live in the District. Those are the types of limitations that are imposed by Statute and therefore need to be addressed in the Service Plan. Other requirements in the Service Plan state that bonds cannot go more than thirty (30) years and interest cannot be more than 12%. The District has also agreed to enter into an Intergovernmental Agreement (IGA) with the City which will create a contract that will be entered into at their organizational meeting agreeing to comply with the limitations in the Service Plan. If for some reason the District does not comply with the requirements in the Service Plan, the City will have a contractual argument.

Special Counsel Tasker explained some of the specifics in the Service Plan. Initially the costs for the City-installed water and sewer would be reimbursed in the amount of 1.78 million dollars for the regional infrastructure including water lines, sewer lines, storm water, roads and parks. The total cost of improvements for all of this is approximately \$ 14,487,000.00. Bond proceeds are being looked at in the amount of \$8,925,000.00 which is the debt limit. There is a plan for two (2) series of bonds, one senior for \$ 6.2 million and another subordinate series for \$1,305,000.00 which will be expected to be bought by the developer if needed. The mill levy limit will start at 50 mills combined and if the debt is less than 50% of the assessed valuation then there could be an unlimited mill levy. This is one thing that is different from the proposed City Guidelines of 38 mills for debt service, and the reason this was in the Guidelines is because this area was expected to be in a GID and the GID was expected to finance the water and sewer infrastructure that the City installed. The City wanted to make sure that the combined mill levy with the GID would not go over 50 mills. There is not going to be a GID

issuing bonds to pay off the debt so there does seem to be a reason in this circumstance to not limit the 38 mills and to allow the combined fifty (50) mills. There is a thirty (30) year maximum. The repayment sources will be from taxes on the property, facility fees of \$2,500.00 for single-family and \$1,500.00 for multi-family. They will be limited obligations of the District.

Internal Financial Advisor Bernadette Kimmey explained that she reviewed the Service Plan and the Financing Plan submitted by the applicant. The developers will be responsible for the cost of any improvements that exceed the amount of debt issued by the District. The District may issue note certificates, debentures, or other debt and the District shall only issue bonds or other debt that conforms to the requirements and limitations of the Service Plan. In the financing document itself it projects the issuance of debt and the anticipated repayment schedule for the \$8,925,000.00. There was a cash flow analysis prepared by the bonds underwriting firm for both senior and subordinate debt in those amounts. It assumes a 2% increase in market value each year and it uses interest rates of 5.5% as a senior non-rated bond and it appears that the subordinate bonds are anticipated to be issued at 7.75% in the thirty (30) year bonds. The debt service reserve will be at 120% and would be covered from bond issuance proceeds on the senior bonds.

The applicant is proposing a seven (7) year build-out to start in 2015 and end in 2020. The payment will be from property taxes that are assessed and collected two (2) years after the improvements are constructed. The issuance of the general obligation bonds is estimated to be in 2019 and the amount of the \$7,620,000.00 (senior debt) and the \$6,305,000.00 (subordinate debt) in the same year with the maximum interest rate of 12%. On the senior bonds of the \$7,620,000.00 the applicant noted that the bond proceeds from that would be \$6.2 million dollars. The District may repay the organizer or organizer's successor or assigns for any unreimbursed costs of improvements and the District shall be prohibited from pledging or encumbering District or City access for repayment of any indebtedness. The District does not expect to impose a public improvement fee on retail sales unless the City consents. The Village at Southgate is currently located within the boundaries of the South Brighton General Improvement District (GID) and is also located within the boundaries of the 1989 IGA with Commerce City for property tax and sales and use tax sharing, including building use tax and auto use tax along 120th Avenue. The cost of the public improvements is estimated to be \$14,487,030.00 less the bond proceeds of 6.2 million dollars, with a resulting shortfall of almost 8.3 million dollars. The District must raise that almost \$15 million to construct public improvements in 2015. They plan on issuing bonds in 2019 to repay 6.2 million dollars of that and then issue note certificates, debentures or other debt in the amount of about 8.3 million dollars, plus interest. Based on the information provided by the applicant it appears that the new Village at Southgate Metro District will have the financial ability to discharge the proposed indebtedness of \$8,925,000.00.

Councilmember Baca asked if the public improvement fee (PIF) would be in addition to what is being proposed tonight. **Internal Financial Advisor Kimmey** explained that the PIF would require the City's consent to implement, and that it is not a piece of the Service Plan at this time. Councilmember Baca asked if this could be considered at a later time and Internal Financial Advisor Kimmey reported that it would have to come back to Council for approval.

Mayor McLean asked who the typical buyer of the bonds would be and Internal Financial Advisor Kimmey explained that it is proposed to issue in increments of \$500,000.00 to institutional investors.

Mayor McLean asked if the applicant would like to add anything to the presentation.

Brad Neiman, Miller & Associates, 1641 California Street, Suite 300, Denver, 80202. Mr. Neiman is representing the applicant and thanked City staff and the City Attorney's Office for their hard work and assistance getting this completed. Mr. Neiman noted that the notice of the hearing had been published but also had been mailed out to all interested parties within a three (3) mile radius per State Statute and these include any other Special Districts or municipalities that may be able to offer the services provided that the District is proposing. The Board will meet as often as needed, possibly

once or twice per year. As the District is a governmental entity it will need to meet at least on an annual basis to adopt the budget, approve audits and take care of any administrative matters. Each even numbered year there will be an election for board members. As development increases and residents move in there will be more board meetings. There are currently nine (9) eligible electors comprised of five (5) representatives of the organizer, the property owner and their respective spouses. This will increase as individuals move into the District. At this time, the District does not anticipate imposing a PIF, and placing a PIF on commercial property would require approval from City Council.

There are four (4) findings under CRS 32-1-203 that City Council must make in order to approve the Service Plan that has been presented. They are as follows:

1. There is sufficient existing and projected need for organized service in the area to be serviced by the proposed Special District.

Mr. Neiman explained that there is a need for public infrastructure; right now the area is entirely undeveloped and without the District to provide this as a finance mechanism, development would not occur.

2. The existing service in the area to be served by the proposed Special District is inadequate for present and projected needs.

Mr. Neiman explained that there is currently no public infrastructure within the boundaries of the District and there is a need.

3. The proposed Special District is capable of providing economical and sufficient service to the area within its proposed boundaries.

The Service Plan authorizes the District to provide the services and facilities that are needed for the development.

4. The area included within the proposed Special District has or will have the financial ability to discharge the proposed indebtedness on a reasonable basis.

The Service Plan and the Financing Plan evidence that the District can sufficiently service its debt with the imposition of the mill levy cap up to fifty (50) mills and that there is a means for the District to discharge its financial indebtedness as it becomes due on a reasonable basis.

Councilmember Humbert asked if this area was within an existing Urban Renewal Area and Mr. Neiman explained that it is not.

Councilmember Kreutzer asked what impact there will be on the taxes of the property owners buying in the area. Mr. Neiman explained that aside from any overlapping mill levy that the City imposes the only impact would be the mill levy that the District would impose up to the mill levy cap. Councilmember Kreutzer asked how much he would pay in taxes if he purchased a \$300,000.00 home in the District. **Internal Finance Advisor Kimmey** reported that a single-family home costing about \$325,000.00 with fifty (50) mills being proposed would result in \$1,293.00 per year and there is usually an addition of about ninety (90) mills when the County, the School District and other Districts are included. Councilmember Kreutzer asked how long this would be for and Internal Finance Advisor Kimmey reported that it would be for thirty (30) years.

Councilmember Martinez asked what the mill levy was in 2011 with the Adams Crossing Metro District. **Assistant City Manager of Development Marv Falconburg** reported that it was thirty-eight (38) mills with the provision for fifty (50), the same as this proposal. Councilmember Martinez asked if this is in the same realm as other Special Districts. Assistant City Manager of Development

Falconburg reported that he has a sampling of twenty (20) Metro Districts in Adams County. There are about seven (7) different existing and future developments in the City that are approved for Metro Districts and many of them have multiple Districts so there are approximately thirty-three (33) that are currently approved. Bromley Park Metro District has six (6) and is the only functioning District with residents in the City. It was approved through the County before the City of Brighton allowed or regulated Metro Districts so the City does not control this District. The other future Districts that are approved are Case Farms, Brighton Lakes 1-4, Adams Crossing 1-8, the previous at Southgate 1-4, and Prairie Center 1-10. These were all approved by previous Council's and have much stricter limitations. The average Adams County mill levy is fifty-three (53) and the maximum Adams County is eighty-six (86). The Bromley Park Metro No. 2 is currently at eighty-six (86) and with the overlap it is one hundred eighty-three (183) which is under the County approval of the Metro District. The City was very resistant to Metro Districts but found that this is a common practice and is the only way to get development to pay its own way. The City reluctantly allowed thirty-eight (38) mills but now the average is approximately fifty-three (53) in Adams County.

Councilmember Baca explained that she is excited to see development in this area and it will be a great addition to have commercial space on 120th Avenue. Councilmember Baca acknowledged the dedication of the developer for working so hard and even making significant changes to his own development to accommodate the residents in the neighboring development. Councilmember Baca expressed her dismay that this information was not brought to City Council at a Study Session considering the amount of information that has been given during this hearing. City Council wants to find a win, win situation for everyone but there was a lot of information and Councilmember Baca wished that it would have come back at another time. Councilmember Baca is disappointed that City Council was not given the opportunity to review this information prior to the hearing. Councilmember Baca explained that the preferred acreage for Metro Districts is 320 acres and this proposal is substantially lower than what Councilmember Baca would like, it should be a more substantial development if there is going to be this kind of financing.

Mayor McLean asked if anyone in the audience had questions for the applicant, there was none.

Mayor McLean asked if anyone in the audience wished to speak on behalf of the request, there was none.

Mayor McLean asked if anyone in the audience wished to speak against the request, there was none.

Mayor McLean asked if any correspondence had been received, there was none.

Mayor McLean asked if there were questions from City Council, there was none.

Mayor McLean closed the public hearing at 8:46 p.m.

Motion by Councilmember Bell to approve Resolution 2014-92 the title of which as read by Mayor McLean, **second by Councilmember Edwards**.

Voting aye: All present.

Mayor McLean asked for a break at 8:49 p.m.

Mayor McLean resumed the meeting at 9:02 p.m.

7. ORDINANCES FOR INITIAL CONSIDERATION

A. An Ordinance of the City Council of the City of Brighton, Colorado, Amending Article 2-8 Administration and Personnel of Chapter 2 of the Brighton Municipal Code Regarding

Changes to the City Manager’s Administrative Plan for the City; Recognizing the New Positions of Assistant City Manager for Development and Redevelopment and Assistant City Manager for Operations; Defining the General Duties and Oversight Responsibilities Thereof; and Setting Forth Other Details Related Thereto.

Mayor McLean read the title of the Ordinance into the record.

City Manager Esquibel reported that the City Charter requires that the City Manager prepares an organizational structure of the City and present it to City Council periodically. For the past year the Director’s team has been evaluating how the reorganization of the City should look and the changes that can be made to more effectively provide services to the City. Staff looked at what specifically should be taken into consideration while discussing the reorganization process and these are the nine (9) factors that were considered:

1. The organizational structure should address the City Council and citizens needs and priorities.
2. Maintain Communications.
 - Upward and downward communication process.
 - Be aware and address communication disconnects.
3. Prevent “Bottle Necking” in the organization.
4. Empowerment of directors and their position.
5. Succession planning and staff development.
6. Enhancement of a strategic and sustainable approach in providing City services.
7. Offer an understanding of each departmental function and the interaction that each provides to the organization.
8. Facilitate a process to encourage meeting efficiency among the departmental director team.
9. Organization must remain “fluid”.

City Manager Esquibel presented the new organizational chart to City Council. City Manager Esquibel answered questions from Council regarding:

- If changes are made to this organizational chart in the future it being brought back to City Council.
- The timeframe for hiring the new Assistant City Manager.
- The person overseeing the operations departments until the new Assistant City Manager is hired.

Motion by Councilmember Kniss to approve the Ordinance the title of which as read by Mayor McLean, **second by Councilmember Kreutzer.**

Voting aye: All present.

8. ORDINANCES FOR FINAL CONSIDERATION

A. An Ordinance of the City of Brighton City Council Approving the Designation of the Former Senior Center (575 Bush Street) as a Local Historic Landmark; Setting Forth Certain Findings in Support of said Designation; Authorizing the Inclusion of the Property in the Brighton Register of Locally and Designated Historic Landmarks and Districts; Instructing the City Manager or his Designee to Notify the Owner of the Property of its Obligations and Restrictions associated with the Designation; and Setting Forth Other Details Related Thereto.

Mayor McLean read the title of the Ordinance into the record.

City Manager Esquibel introduced Long Range and Historic Preservation Planner Aja Tibbs.

Long Range and Historic Preservation Planner Aja Tibbs explained that this ordinance is for the historic landmark nomination for 575 Bush Street and this is the final reading of the Ordinance. The Historic Preservation Commission (HPC) reviewed the application according to the criteria in the Land Use Code. This was reviewed by the HPC at a public hearing on March 13, 2014 and was found to meet the criteria required and the HPC approved a Resolution recommending approval to the City Council for the designation. Staff also reviewed the application and found that the building meets the criteria set forth for the nomination. There are policies in the Comprehensive Plan supporting the preservation of historic structures. City Council reviewed this information at first reading of the Ordinance at a public hearing on April 15, 2014. There were several questions relating to the building and future use so City Council requested that this item be brought back for review at final reading.

There have been several questions about what “designation” means. Local designation makes the building eligible for state tax grants and tax credits and it preserves the structure through the Certificate of Appropriateness (COA). The COA process is kind of like a conditional use hearing. It requires a fifteen (15) day notice, the information is presented to the HPC and they review criteria to see if any additions or changes being proposed are appropriate according to the historic context of that structure. The building can be sold and there are no restrictions on keeping the building as a public or private use. The building may be renovated if the proposed changes meet the COA criteria. It is important to note that the COA process does not require the building to be restored or brought to an original condition; it just asks that the original structure remain in the context that it is in at this time. The building at 575 Bush Street has already been impacted, it has an addition on the side of the building, the water tower has been removed and the site has not been preserved. The interior has been modified dramatically since the original construction so the condition is now different and has been impaired. If the owner would like to do an addition to the building one could argue that this has already been done and should be allowable. The review is to make sure that the historic value of the structure is not being damaged more than it currently has. The regulations do allow for a designated structure to be relocated or demolished if evidence is provided that there are no other viable alternatives to keeping the structure or preserving it the way it is. The designation can be removed if the owners go through the same process and it is found that the designation is no longer appropriate.

Dave Jacovetta, 592 South 16th Avenue. Mr. Jacovetta expressed his disappointment that this item was supposed to be put off for six (6) months to explore where the funding would come from. There is still the issue of the amount of money that will be required to get this building back to working order.

Marty Wadsworth, 358 Arroyo Street, Brighton. Mr. Wadsworth expressed that the City should evaluate historic projects critically and is concerned about the number of historic buildings that the City already owns and the amount of money it will take to get this building open to the public.

Wayne Scott, 274 South 3rd Avenue. Mr. Scott explained that he feels this is the most important historic City building because it was built by the citizens of Brighton as the original Town Hall and it has served the City for many years. This designation was recommended by the HPC and they are experts in their field and in the history of Brighton.

Long Range and Historic Preservation Planner Aja Tibbs answered questions from Council regarding:

- The obligations or implications that this designation will have to be considered by any potential buyer.

Motion by Mayor McLean to postpone Item 8A for several months for staff to complete further research, **second by Councilmember Edwards.**

Voting aye: Mayor McLean, Councilmembers Bell, Edwards and Kniss.

Voting no: Mayor Pro Tem Wallin, Councilmembers Baca, Humbert, Kreutzer and Martinez.

Motion fails.

Motion by Councilmember Kreutzer to approve Ordinance 2177 the title of which as read by Mayor McLean, second by Mayor Pro Tem Wallin.

Voting aye: Mayor Pro Tem Wallin, Councilmembers Baca, Humbert, Kreutzer and Martinez.

Voting no: Mayor McLean, Councilmembers Bell, Edwards and Kniss.

Motion passes.

9. RESOLUTIONS

A. A Resolution Providing Funds for a 2014 Supplemental Budget Appropriation in the Amount of Eight Hundred Twenty Five Thousand and no/100 Dollars (\$825,000.00) for Tower Road and Southern Street Road Construction Project.

Mayor McLean read the title of the Resolution into the record.

City Manager Esquibel introduced Streets and Fleet Director Joe Smith.

Streets and Fleet Director Joe Smith explained that he will be discussing Items 9A and 9B together. The first Resolution is for a budget amendment and it is needed because of the changes in the project at Southern Street and Tower Road. The costs for the project were originally estimated in 2011. It was discussed at that time to do a ribbon of asphalt, 24' wide with no other improvements to make a road connection. There was only one lane built as part of Prairie Center Parkway south of Bromley Lane and it does not exist today. During the design process staff found several issues including a water line that needs to be moved. The original estimate was 1.4 million dollars for design and construction and a bid was received for just over 1.7 million dollars which is approximately 5% inflation since 2011. The ribbon of asphalt would have only required a minor amount of earthwork to complete the roadway but the new design will fit the future roadways for build out of Southern Street and Tower Road which will require more earthwork than originally anticipated.

Three (3) bids were received and they are all close in price. Included in the bids are the moving of the water line which is estimated at \$250,000.00, the lighting and the build out of the roadway to match the future roads, these additions make a difference of \$776,040.40. Staff is asking that the budget be increased by \$825,000.00 to allow for differences in the estimates to the actual cost. The budget amendment Resolution includes funds that are not General Funds; they are from specific roadway funds: the Adams County Road and Bridge Sales Tax Fund and the Traffic Impact Fees are both used specifically to build new roadways and for significant upgrades. If this project comes in under budget the extra money will go back to these funds for future roadways. Director Smith answered questions from Council regarding:

- The extra \$50,000.00 being added because the project cost is just an estimate.

Motion by Mayor Pro Tem Wallin to approve Resolution 2014-93 the title of which as read by Mayor McLean, second by Councilmember Humbert.

Voting aye: All present.

B. A Resolution of the City Council of the City of Brighton, Colorado, Accepting the Bid of Asphalt Specialties Company, Inc. and Awarding the Contract for the Tower Road and

Southern Street Road Construction Project, Bid #14-034, in an Amount not to Exceed One Million Seven Hundred Ten Thousand Four Hundred Thirty-Two and 40/100 Dollars (\$1,710,432.40), and Authorizing the Mayor to Sign the Contract on Behalf of the City and the City Clerk to Attest Thereto.

Mayor McLean read the title of the Resolution into the record.

Streets and Fleet Director Joe Smith asked for approval of a bid award to the lowest and most responsive and responsible bidder Asphalt Specialties Company. Staff received three (3) bids. Asphalt Specialties Company has done good work in the City in the past. There will be one (1) section of roadway between Southern Street and 45th Avenue that will be wider to accommodate a bike lane and a fence will have to be installed.

Motion by Councilmember Baca to approve Resolution 2014-94 the title of which as read by Mayor McLean, **second by Councilmember Edwards.**

Voting aye: All present.

C. A Resolution Providing Funds for a 2014 Supplemental Budget Appropriation in the Amount of Thirty Seven Thousand and no/100 Dollars (\$37,000.00) for the Design and Replacement of the South Steps and Landing at the Former Senior Center for the Purposes of Selling the Property.

Mayor McLean read the title of the Resolution into the record.

City Manager Esquibel introduced IT Director Margaret Brocklander.

IT Director Margaret Brocklander explained that this Resolution is for the engineering design services to replace the stairs and landing at the former Senior Center for the purpose of selling the property. A Senior Center Committee was formed and charged with looking at zoning and possible uses for the building. While the Committee is actively working on identifying options for possible uses it was found that the south steps and landing are deemed a hazard and it is necessary to repair the steps to get approval to use the 2nd floor of the building. The financial impact of this repair is \$70,000.00; there is currently \$33,000.00 available in the building and improvement account for the former Senior Center. This request is that an additional \$37,000.00 be appropriated to repair the steps. Repairs for the Senior Center were included in the proposed amendment of the 2014 budget presented on April 22, 2014 so the funds are available but need to be appropriated. Staff recommends approval of this budget appropriation.

Facilities Project Manager Bob Brady and City Manager Esquibel answered questions from Council regarding:

- There being something in place to keep people from using the stairway.
- The steps being repaired or replaced.
- The steps being condemned at this time.
- The condemnations being satisfied if the steps were completely removed.
- The building needing two (2) exits if it is not being used at this time.
- Protection to keep people from running under the steps.
- The efforts to find other uses for the building being abandoned.

Motion by Councilmember Kreutzer to approve Resolution 2014-95 the title of which as read by Mayor McLean, **second by Councilmember Humbert.**

Voting aye: All present.

Motion by Mayor Pro Tem Wallin, second by Councilmember Martinez to extend the meeting for fifteen (15) minutes at 11:00 p.m.

Voting aye: All present.

10. UTILITIES BUSINESS ITEMS

Ordinances

Resolutions

11. GENERAL BUSINESS

12. REPORTS

A. By the Mayor – Mayor McLean attended the E-470 Board Meeting, the Metro Mayors Caucus Conference, Weld County Mayors Meeting and the International Hispanic Network Program.

B. By Department Heads – Economic Development Director Robert Smith reported that Ross will be opening this Saturday.

C. By the City Attorney – No report.

D. By the City Manager – No report.

13. REPORTS BY COUNCIL ON BOARDS & COMMISSIONS

Councilmember Humbert reminded everyone that The Evening with Albin Wager will take place on Sunday at the Armory and tickets are available online.

Councilmember Baca asked if City Council would consider canceling the meeting on November 4, 2014 since it is election night.

City Manager Esquibel explained that there will be a Special City Council meeting scheduled for November 25, 2014 prior to the Study Session.

Motion by Councilmember Baca, second by Mayor Pro Tem Wallin to cancel the City Council meeting on November 4, 2014

Voting aye: All present.

Mayor Pro Tem Wallin attended the annual Police Department inspection and is proud of the Police Department.

Councilmember Edwards attended the Taste of Brighton at the Eagle View Adult Center and it was a great event. The Predator Aware Fair had a fair turnout but had a lot of great information for parents with young children.

Councilmember Martinez was impressed with the vendors at the Predator Aware Fair and thanked them all for the event. The IHN speaker Federico Pena was wonderful and it was a great event.

Councilmember Kreutzer attended the Lodging Tax Committee meeting. Councilmember Kreutzer thanked Chief of Police Clint Blackhurst for all of the work putting on the Homecoming Parade. It is a great event for the community. There were many good questions from citizens at the Coffee with

Mayor McLean. Councilmember Kreutzer toured the North Metro Wastewater Facility. Saturday is the Historic Preservation Annual Gala, 50's Rock around the Clock.

Councilmember Kniss thanked the Kiwanis for the Predator Aware Fair and encourages everyone to go to the Police Department and get a packet on identity theft. Councilmember Kniss did a ride-along with police officers and appreciates how community centered the Brighton officers are and how respectful they are with the people they come in contact with. Councilmember Kniss attended the swearing in ceremony for the new officers and thanked City Manager Esquibel for hosting the IHN conference. There were two (2) Brighton High School graduates on the panel. Brighton hosted the delegation of Brazilian educators and it was a great event.

Mayor McLean will be walking with children to Pennock Elementary in the morning for Walk to School Day.

14. EXECUTIVE SESSION

15. ADJOURNMENT

Motion by Councilmember Martinez, second by Mayor Pro Tem Wallin to adjourn at 11:15 p.m.

Voting aye: All present.

CITY OF BRIGHTON, COLORADO

By: _____
Richard N. McLean, Mayor

ATTEST:

Natalie Hoel, City Clerk

Approval Date