



Commerce City

7887 E. 60th Ave.
Commerce City, CO 80022
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Meeting Minutes - Draft

City Council

Monday, February 1, 2016

6:00 PM

Council Chambers

1. Call to Order/Roll Call

A regular meeting of the City Council of the City of Commerce City was called to order by Mayor Ford on February 1, 2016, at 6:07 PM.

A motion was made by Council Member McEldowney, seconded by Mayor Pro Tem Bullock, to excuse Council Members Diaz and Carson from tonight's meeting.

VOTE: 7 aye, 2 excused (Diaz, Carson)

A motion was made by Mayor Pro Tem Bullock, seconded by Council Member Amador, to amend the agenda to move the 3015 State of the Court Presentation after citizen communication.

VOTE: 7 aye, 2 excused (Diaz, Carson)

A motion was made by Council Member McEldowney, seconded by Mayor Pro Tem Bullock, to amend the agenda to move the public hearings and resolutions before the consent agenda and approval of minutes.

VOTE: 7 aye, 2 excused (Diaz, Carson)

Present: 7 - Mayor Sean Ford , Council Member Rick A. Teter, Mayor Pro Tem René Bullock, Council Member Crystal Elliott, Council Member Jason McEldowney, Council Member Steven J. Douglas and Council Member Andrew Amador

Excused: 2 - Council Member Jadie Carson and Council Member Paolo Diaz

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

3. Audience Introduction

City Manager McBroom introduced the new IT Director Justin Bingham.

The audience introduced themselves.

4. Proclamations and Recognitions

Proc 16-01 Proclamation recognizing Lee Matoush's service to Commerce City

City Attorney Gehler read a proclamation recognizing retired employee Lee Matoush for 37 years of service.

A motion was made by Mayor Pro Tem Bullock, seconded by Council Member Teter, that this proclamation be approved. VOTE:

Aye: 7 - Mayor Ford, Council Member Teter, Mayor Pro Tem Bullock, Council Member Elliott, Council Member McEldowney, Council Member Douglas and Council Member Amador

Excused: 2 - Council Member Carson and Council Member Diaz

5. Citizen Communication

Glen Murray, 11010 Havana St, addressed council regarding road issues around 106th and Havana and 112th and Potomac.

Rebecca White appeared on behalf of CDOT to report that the final Environmental Impact Statement on the I-70 realignment project has been released and CDOT is hosting public meetings.

Adams County Sheriff McIntosh appeared before council to state that he has been the elected sheriff for approximately one year now and believes that the inmate issue at the county jail has been worked out without going through a litigation process.

6. Approval of Minutes

Min 16-14 Meeting minutes of January 4, 2016

A motion was made by Mayor Pro Tem Bullock, seconded by Council Member McEldowney, that the minutes be approved. VOTE:

Aye: 7 - Mayor Ford, Council Member Teter, Mayor Pro Tem Bullock, Council Member Elliott, Council Member McEldowney, Council Member Douglas and Council Member Amador

Excused: 2 - Council Member Carson and Council Member Diaz

Min 16-15 Meeting Minutes of December 21, 2015

A motion was made by Council Member McEldowney, seconded by Council Member Elliott, that the minutes be approved as amended. The amendment is to Item #7 and the spelling of conditional use. VOTE:

Aye: 7 - Mayor Ford, Council Member Teter, Mayor Pro Tem Bullock, Council Member Elliott, Council Member McEldowney, Council Member Douglas and Council Member Amador

Excused: 2 - Council Member Carson and Council Member Diaz

7. Consent Agenda

A motion was made by Mayor Pro Tem Bullock, seconded by Council Member Douglas, to approve the consent agenda as presented. ROLL CALL VOTE:

Aye: 7 - Mayor Ford, Council Member Teter, Mayor Pro Tem Bullock, Council Member Elliott, Council Member McEldowney, Council Member Douglas and Council Member Amador

Excused: 2 - Council Member Carson and Council Member Diaz

- Res 2016-13** RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT REGARDING CENTRAL PARK BOULEVARD IMPROVEMENTS
- Res 2016-16** RESOLUTION APPROVING CITY 2015 HIGHWAY USER TAX FUND (HUTF) Report
- Res 2016-17** RESOLUTION EXPRESSING CITY COUNCIL SUPPORT FOR THE RENEWAL OF THE SCIENTIFIC & CULTURAL FACILITIES DISTRICT
- Res 2016-22** RESOLUTION APPROVING WATER RESOURCES AGREEMENT
- Res 2016-25** RESOLUTION REAPPOINTING MEMBERS TO DESIGNATED BOARDS AND COMMISSIONS OF COMMERCE CITY

8. Public Hearings

CU-109-16 CONDITIONAL USE PERMIT FOR A SALVAGE YARD - CASE #CU-109-16

Mayor Ford opened the public hearing.

Planner Caitlin Hasenbalg-Long presented the case. The applicant, USA Enterprises, is seeking a conditional use permit in order to bring their existing business into legal conformity. After purchasing the property, sometime after 2012, the applicant started working with staff to address various code violations. The planning commission approved forwarding the application subject to eight conditions identified in both the planning commission minutes and the council communication included in the agenda packet.

Stefan Cruceana appeared on behalf of the applicant. He stated that he started the business as a body shop and added the salvage yard portion after 1 1/2 years.

No one else came forward to speak on the application and Mayor Ford closed the public hearing.

A motion was made by Council Member McEldowney, seconded by Council Member Teter, to accept the findings and recommendations of the planning commission.

VOTE: 7 aye, 2 excused (Diaz, Carson)

A motion was made by Council Member McEldowney, seconded by Council Member Amador, that this conditional use permit be adopted. VOTE:

Aye: 7 - Mayor Ford, Council Member Teter, Mayor Pro Tem Bullock, Council Member Elliott, Council Member McEldowney, Council Member Douglas and Council Member Amador

Excused: 2 - Council Member Carson and Council Member Diaz

Z-931-16

AN ORDINANCE AMENDING THE ZONING MAP OF THE CITY OF COMMERCE CITY, COLORADO FOR REZONING TO PUD ZONE DISTRICT AND APPROVING A PUD ZONE DOCUMENT FOR THE PROPERTY DESCRIBED IN EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF LOCATED AT 7790 EAST 88TH AVENUE, COMMERCE CITY, COLORADO.

Mayor Ford opened the public hearing.

Planner Paul Workman presented the case. The applicant, Midwest Truck Parts and Sales, is seeking to rezone their property from agriculture to planned unit development. The applicant has been in business since the 1960s and has outgrown its facility in Denver. The subject property is currently undeveloped and has not been used since the 1980s. The site will consist of two areas: one for office space and one for truck service. The planning commission held a public hearing and voted unanimously to forward the case to council.

Howard Siegel, appeared on behalf of the applicant. He stated that his company has been around a long time and would bring 37 jobs into the city.

There was no additional public comment and the mayor closed the public hearing.

A motion was made by Council Member McEldowney, seconded by Council Member Amador, to accept the findings and recommendations of the planning commission.

VOTE: 7 aye, 2 excused (Carson, Diaz)

A motion was made by Council Member Teter, seconded by Mayor Pro Tem Bullock, that this zoning ordinance be introduced by council as seated and approved on first reading. VOTE:

Aye: 7 - Mayor Ford, Council Member Teter, Mayor Pro Tem Bullock, Council Member Elliott, Council Member McEldowney, Council Member Douglas and Council Member Amador

Excused: 2 - Council Member Carson and Council Member Diaz

9. Resolutions

Res 2016-01

RESOLUTION APPROVING ECONOMIC DEVELOPMENT INCENTIVES FOR INTSEL STEEL WEST, LLC AND MID RAIL REAL ESTATE, LLC

Senior Economic Development Specialist Hill stated that the division has been working on these incentive agreements for over one year. Mid Rail Real Estate, LLC acquired property, in the Irondale area and will develop it for Intsel Steel West, LLC, an existing Commerce City company. Intsel Steel West will be relocating to this new site. The company will be constructing a 234,000 square foot industrial warehouse facility and 200,000 square foot outdoor yard for operations. Intsel Steel West will be acquiring new equipment for their operations, once they move into the new building, at a cost of approximately \$1.5 million. Total jobs over time is estimated at 105. Mid Rail Real Estate will develop the property and own the building. Total land acquisition and building costs are estimated at \$13 million, so incentives on this project are expected to be approximately \$282,000.

Gary Stein appeared on behalf of the applicant. He stated that both companies, Mid

Rail Real Estate and Intsel Steel West are owned by the same family, and have been, since the 1960s.

A motion was made by Council Member McEldowney, seconded by Council Member Teter, that this resolution be adopted. VOTE:

Aye: 7 - Mayor Ford, Council Member Teter, Mayor Pro Tem Bullock, Council Member Elliott, Council Member McEldowney, Council Member Douglas and Council Member Amador

Excused: 2 - Council Member Carson and Council Member Diaz

Res 2016-23 RESOLUTION FINDING SUBSTANTIAL COMPLIANCE OF AN ANNEXATION PETITION AND SETTING A PUBLIC HEARING TO DETERMINE IF THE PROPOSED ANNEXATION COMPLIES WITH STATUTORY REQUIREMENTS FOR SUCH ANNEXATION AN-236-16

A motion was made by Council Member McEldowney, seconded by Council Member Elliott, that this resolution be adopted. VOTE:

Aye: 7 - Mayor Ford, Council Member Teter, Mayor Pro Tem Bullock, Council Member Elliott, Council Member McEldowney, Council Member Douglas and Council Member Amador

Excused: 2 - Council Member Carson and Council Member Diaz

Res 2016-18 RESOLUTION APPROVING SECOND AMENDMENT TO 2012 INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF COMMERCE CITY AND THE URBAN RENEWAL AUTHORITY OF THE CITY OF COMMERCE CITY

Community Development Director Cramer gave a brief presentation. He stated that there is a need for an additional loan of \$100,000 to the Urban Renewal Authority to cover site expenses such as weed maintenance and consultant services.

A motion was made by Mayor Pro Tem Bullock, seconded by Council Member Douglas, that this resolution be adopted. VOTE:

Aye: 7 - Mayor Ford, Council Member Teter, Mayor Pro Tem Bullock, Council Member Elliott, Council Member McEldowney, Council Member Douglas and Council Member Amador

Excused: 2 - Council Member Carson and Council Member Diaz

Res 2016-19 RESOLUTION APPROVING PHASED REDEVELOPMENT AGREEMENT FOR THE FORMER MILE HIGH GREYHOUND PARK

Community Development Director Cramer reviewed the history of the site. The framework for the proposed master development includes: land sale proceeds are split equally between REgen and the Urban Renewal Authority, the Urban Renewal Authority will hold the property as landowner until sale of the land, there will be no required land take down schedule, but there will be a proposed land sale schedule included in the business plan, REgen will acquire financing for construction of the horizontal infrastructure, and the city will be responsible for regional drainage facility, REgen will receive 3% of sales tax increment for applicable sales and hotel revenue, REgen will receive 90% of all available property tax increment until REgen has been paid its eligible costs, plus interest on any outstanding unpaid balance at a rate of 9%

of the actual costs, capped at 30 months if no land sale has been made, the Urban Renewal Authority will receive 10% property tax until REgen is paid back, after which the Urban Renewal Authority will receive 100%, the city will provide water rights to the project, and for both sides, termination is available based on performance of either the developer or the Urban Renewal Authority. Mr. Cramer stated that there is one remaining issue that needs to be discussed and he will let the developer present that issue to council. After the master development agreement is signed and the Urban Renewal Authority has the property under a TIF scenario, there will be a number of new requirements, as a result of an urban renewal authority reform bill, HB1348.

Rick Wells, REGen, LLC appeared before council. Mr. Wells stated that since he became involved with this process, two of his partners pulled out because they could not make the economics work. This was a distressed property at the time of purchase. He has already invested money into this project, and will invest more once he has effective control over the project. The one issue that has come up is the rising cost of construction, so he is requesting a change in the way they start the master development agreement and not give away the portion of the increment attributable to the schools on the residential portion as originally discussed. The economics of this project have eroded to the point where he doesn't feel it would be prudent to recommend going forward without at least having the opportunity to collect the full property TIF.

City Manager McBroom stated that he has reached out to the school district regarding this proposed change, but has not yet heard back from them.

Council was not supportive of signing the agreement without the school district's input on the change request.

Craig Fitchett with DelWest appeared before council. Mr. Fitchett stated that he had a \$50,000 check and a letter of intent in his pocket that he is holding off on giving to the Urban Renewal Authority because DelWest would like to purchase the property. They would like to work with Rick Wells, but DelWest could stimulate the process and move forward at a much higher rate. Within three weeks of having a contract, DelWest would have a preliminary development agreement to staff to build 190 affordable housing units. Mr. Fitchett said he has been meeting with council, staff, and citizens about the need for affordable housing in the city. The site is within a HUD qualified census tract so the developer would get an enhancement on their tax credit, and to place a TIF on the project would impede certain financing tools. He stated again that DelWest would like to purchase the property and asked council to give them 30 days to work it out.

City Attorney Gehler stated that DelWest has been in contact with staff, REgen, Mayor Ford, and Mayor Pro Tem Bullock.

Council Member McEldowney would like staff to work with REgen and DelWest to understand all the implications.

City Manager McBroom stated that neither council, nor the Urban Renewal Authority, can entertain unsolicited offers to sell the property for two reasons: the Urban Renewal Authority has already entered into a memorandum of understanding with Mr. Wells, secondly if the city decides to not proceed with Mr. Wells, state law requires going through a public process to select another developer or offer the property for sale. Council can ask Mr. Wells to speak with DelWest, but not require him to do so.

A motion was made by Council Member McEldowney, seconded by Mayor Pro

Tem Bullock, that this resolution be continued to a special meeting on March 14, 2016. VOTE:

Aye: 7 - Mayor Ford, Council Member Teter, Mayor Pro Tem Bullock, Council Member Elliott, Council Member McEldowney, Council Member Douglas and Council Member Amador

Excused: 2 - Council Member Carson and Council Member Diaz

10. Executive Session

City Attorney Gehler stated that the executive session was no longer necessary.

16-10 Executive session pursuant to C.R.S. 24-6-402(4)(e) for the purpose of developing strategy for negotiations and instructing negotiators concerning the Mile High Greyhound Park Master Development Agreement

11. Presentations

Pres 16-08 Capital Program Update

Scott Hergenrader with CH2M Hill presented the item. He stated that all of the capital projects in the Measure 2K Program are either on schedule or ahead of schedule. Total cost of the program to date is \$137 million.

Pres 16-09 2015 4th Quarter Work Plan Update

Deputy City Manager Hayes stated that staff is beginning to see trend data since operations have been tracked for a couple of years. A few highlights include: finalizing the legal review of the master development agreement for the Mile High Greyhound Park Site, meeting with Aspen Hills Developer regarding new retail and restaurant projects along 104th Avenue, completed formal withdrawal from Adams County related to the community development block grant program and completed a draft RFP for consultant services, 345 residential permits were issued, and 22 marijuana licensing pre-application meetings were held.

Pres 16-70 State of the Court for 2015

Municipal Court Judge Juarez gave a presentation to council on the state of the municipal court. He stated that case loads and revenues are increasing to the 2009 levels. The court is seeing an increase of people speaking various dialects from Ethiopia and Asia. Judge Juarez stated that the municipal judges in Adams County have an agreement on bed usage at the Adams County Detention Facility and have a good working relationship with Sheriff McIntosh. Juvenile marijuana violations have remained about the same as they were prior to the legalization of marijuana. He informed council that the Colorado Defender Center has been auditing the court in regards to juvenile sentencing.

12. Administrative Council Business

City Manager McBroom asked council to hold a special meeting on Monday, March 14, 2016, to select the general contractor for the new recreation center project.

A motion was made by Mayor Pro Tem Bullock, seconded by Council Member Douglas, to hold a special meeting in addition to the study session.

VOTE: 7 aye, 2 excused (Diaz, Carson)

Council Member Douglas asked who is responsible for removing the ice buildup in the city's storm drains. He was concerned about the road conditions on Landmark Street, and he knows of a homeowner who would like to speak to someone on staff regarding parking in front of his home. Council Member Douglas also reported that he was approached by an AFSCME member about the public works director, but he didn't engage in conversation with that member.

Council Member McEldowney asked that parking considerations and storm drains be considered when neighborhoods in new developments are planned.

Mayor Ford stated that City Manager McBroom spoke to him about hiring an outside firm to search for a new city attorney.

A motion was made by Council Member McEldowney, seconded by Council Member Teter, to authorize staff to secure a recruitment firm for a city attorney search.

VOTE: 7 aye, 2 excused (Diaz, Carson)

13. Reports

City Manager McBroom referred council to his report emailed to them earlier.

Mayor and council reported on their attendance at various meetings and events.

Council Member McEldowney left during reports.

14. Adjourn to URA Meeting

The meeting adjourned at 10:29 pm.

In accord with the city charter, the city attorney read the title to all ordinances and resolutions adopted by Council at this meeting.

Respectfully Submitted by:

City Clerk Laura J. Bauer