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2. **CITY MANAGER** (presenter: Bill Cahill)  
**BOARDS & COMMISSIONS APPOINTMENTS**  
 Appointment of Members to the Citizens' Finance Advisory Board, Human Services Commission, Loveland Utilities Commission, Senior Advisory Board, and Transportation Advisory Board
1. A motion to appoint Victor Palomares to the Citizens' Finance Advisory Board for a partial term effective until December 31, 2014.
  2. A motion to appoint Sonnette Greenidge to the Human Services Commission for a term effective until June 30, 2017.
  3. A motion to reappoint April Lewis to the Human Services Commission for a term effective until June 30, 2017.
  4. A motion to appoint Jo Anne Warner to the Human Services Commission for a term effective until June 30, 2017.
  5. A motion to appoint Rebecca Paulson as an alternate member on the Human Services Commission for a term effective until June 30, 2015.
  6. A motion to appoint Marcy Yoder as an alternate member on the Human Services Commission for a term effective until June 30, 2015.
  7. A motion to appoint Jennifer Gramling to the Loveland Utilities Commission for a full term effective until June 30, 2017.
  8. A motion to reappoint Phoebe Hawley as the McKee Medical Center Seasons Club representative on the Senior Advisory Board for a term effective until August 5, 2016.
  9. A motion to reappoint Irene Fortune to the Transportation Advisory Board for a term effective until June 30, 2017.
  10. A motion to reappoint Dave Martinez to the Transportation Advisory Board for a term effective until June 30, 2017.
  11. A motion to reappoint Bob Massaro to the Transportation Advisory Board for a term effective until June 30, 2017.
- These are administrative actions recommending the appointment of members to the Citizens' Finance Advisory Board, the Human Services Commission, the Loveland Utilities Commission, the Senior Advisory Board, and the Transportation Advisory Board.
3. **DEVELOPMENT SERVICES** (presenter: Bethany Clark)  
**HISTORIC LANDMARK DESIGNATION FOR THE SCOTT HOUSE**  
**A Motion to Approve and Order Published on Second Reading an Ordinance Designating as a Historic Landmark the Scott House Located at 719 East 5th Street in Loveland, Colorado**
- This is a legislative action. The owner of a Craftsman-style home on East 5th Street is requesting Loveland Historic Landmark designation to recognize the building's architecture and cultural significance in Loveland. The Historic Preservation Commission acknowledges the building's significance and recommends that City Council designate the building to the Loveland Historic Register. This ordinance was approved unanimously on first reading by Council at the July 15, 2014 regular meeting.
4. **PARKS & RECREATION** (presenter: Janet Meisel-Burns)  
**SUPPLEMENTAL APPROPRIATION FOR MOREY/MARIANA RIVERWORK AND VIESTENZ-SMITH MOUNTAIN PARK**  
**A Motion to Approve and Order Published on Second Reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for Engineering Work to Develop River Modeling Along the River Reaches of the Morey Wildlife Reserve/Mariana Butte Golf Course, River's Edge Natural Area and Viestenz-Smith Mountain Park**

This is an administrative action. The ordinance on second reading appropriates funding for engineering costs to determine the scope for 4 park and recreation projects that require hydraulic modeling and river scour analysis prior to the full restoration of the sites. The total appropriation is \$500,000. Depending on the final determination from FEMA, some of these costs may be eligible for reimbursement and other grant opportunities that may arise. In particular the costs for Mariana Butte Golf Course's share will likely not be reimbursed but the Viestenz-Smith Mountain Park costs may be covered under the reimbursement from FEMA if the project is selected for the Alternative Pilot Program. This ordinance was approved unanimously on first reading by Council at the July 15, 2014 regular meeting.

5. **ECONOMIC DEVELOPMENT** (presenter: Betsey Hale)  
**SUPPLEMENTAL APPROPRIATION FOR LEGAL COSTS ASSOCIATED WITH NEW DOWNTOWN ORGANIZATION**

**A Motion to Approve and Order Published on Second Reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for Legal Costs to Assist in the Formation of a New Downtown Organization**

This is an administrative action requesting a supplemental budget and appropriation of \$50,000 for the purpose of hiring legal counsel to assist with the formation of a downtown leadership organization. The ordinance is funded by fund balance in the General Fund that reduces the flexibility to fund other projects. The ordinance was approved unanimously on first reading by Council at the July 15, 2014 regular meeting.

6. **ECONOMIC DEVELOPMENT** (presenter: Marcie Erion)  
**SUPPLEMENTAL APPROPRIATION AND FEE WAIVER AGREEMENT FOR THARP CABINET CORPORATION**

**A Motion to Approve and Order Published on Second Reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for Incentives to Tharp Cabinet Corporation for the Expansion of its Current Facility**

This is an administrative action. The incentive request on behalf of Tharp Cabinet Corporation will waive City of Loveland fees and taxes associated with an expansion of their current facility. The City of Loveland is being asked to waive up to but not to exceed \$100,000 of fees and taxes based on final fee calculations provided at time of building permit issuance. The funds to backfill the Capital Expansion Fees and System Impact Fees will come out of the Economic Development Incentive Fund contingent upon City Council approval. Based on the current fee estimate, the fee waivers amount to \$40,000 with the backfill of Capital Expansion Fees and System Impact Fees in the amount of \$60,000. These figures may change based on final building plan submittal. The ordinance was approved unanimously on first reading by Council at the July 15, 2014 regular meeting.

7. **ECONOMIC DEVELOPMENT** (presenter: Mike Scholl)  
**SUPPLEMENTAL APPROPRIATION FOR SOUTH CATALYST PROJECT**

**A Motion to Approve and Order Published on Second Reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for the Purchase of Property for the South Catalyst Project**

This is an administrative action. The ordinance on second reading appropriates \$6.25 million to fund the acquisition of Downtown property in support of the South Catalyst redevelopment project. The proposed project, a partnership with the Michaels Development Company and Larimer County, is expected to result in a vertically dense mixed-use project that would include office, residential and retail. The total investment is

expected to generate between \$50 to \$70 million. The project was originally conceived in the 2010 Downtown Vision book as the South Catalyst project. The Vision book also conceived the recently completed North Catalyst project, the Gallery Flats apartment buildings. Staff identified the Michaels Development Company as a private sector development partner for the project and Council approved a six month exclusive right to negotiate in February of 2014. The negotiations are moving forward with Michaels and we expect an update to Council by August 5, 2014. The ordinance is funded by General Fund Reserves (\$2,250,000) and Council Capital Reserve (\$4,000,000) that reduces the flexibility to fund other projects. The current balance in the General Fund Reserves is \$13,393,673. The new balance, pending approval of this supplemental appropriation request, will be \$11,143,673. The Council Capital Reserve balance is \$4,063,570 and pending approval of this supplemental appropriation request the new balance will be \$63,570. This ordinance was approved unanimously by Council at the July 15, 2014 regular meeting.

**8. INFORMATION TECHNOLOGY (presenter: Bill Westbrook)**  
**PUBLIC HEARING**

**SUPPLEMENTAL APPROPRIATION FOR FIBER OPTIC CABLE INSTALL**

**A Motion to Approve and Order Published on First Reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for the Installation of Fiber Optic Cable on 29th Street from Taft Avenue to Wilson Avenue**

This is an administrative action. The appropriation funds a project to bury, install, and terminate a fiber optic cable on 29th Street to provide connection to the new fire station 2, the Olde Course and the Cattail Creek Golf Courses. Revenues in the total amount of \$112,910 are hereby requested for appropriation and transfer to the Capital Projects for installation of fiber optic cable. Fund balance is used for the Golf Enterprise's share and reduces the flexibility to fund other projects in the Enterprise.

**9. DEVELOPMENT SERVICES (presenter: Alison Hade)**  
**ANNUAL ACTION PLAN AND GRANT APPLICATION FOR CBDG**

**A Motion to Adopt Resolution #R-49-2014 of the City Council of the City of Loveland, Colorado Approving a Community Development Block Grant Annual Action Plan and Grant Application for 2014-2015**

This is an administrative action. Each year, the Community Partnership Office submits a report to the U.S. Department of Housing and Urban Development (HUD) called the Annual Action Plan which identifies the housing and public services projects that will be funded with a Community Development Block Grant (CDBG) during the next grant year. This resolution approves the Action Plan and grant application for 2014-2015 so they can be submitted to HUD. CDBG funding for 2014-2015 is expected to be \$301,648.

**10. WATER & POWER (presenter: Gretchen Stanford)**  
**IGA FOR DEMAND SIDE MANAGEMENT PROGRAM PARTNERSHIP**

**A Motion to Adopt Resolution #R-50-2014 Approving an Intergovernmental Agreement Among the Town of Estes Park, the City of Fort Collins, the City of Longmont, the City of Loveland, and Platte River Power Authority for Demand Side Management Program Partnership**

This is an administrative action to approve an agreement under which Platte River Power Authority will contract for Demand Side Management (DSM) programs to be offered to Loveland's water and power customers. These programs are designed to reduce our customers' water and electric consumption, which will benefit the utilities, its customers, and the community as a whole. DSM programs are currently budgeted for in the Water and Power budget. The IGA does not necessarily increase DSM program



costs, but it does provide a mechanism for increasing DSM programming (thereby increasing costs). No DSM programs would be contracted for in excess of funds appropriated and budgeted in the Water and Power Budget.

**11. FINANCE (presenter: Brent Worthington)**

**FINANCIAL REPORT JUNE 2014**

This is an information only item. The Snapshot Report includes the City's preliminary revenue and expenditures including detailed reports on tax revenue and health claims year to date, ending June 30, 2014.

**12. CITY MANAGER (presenter: Alan Krcmarik)**

**INVESTMENT REPORT JUNE 2014**

This is an information only item. The 2014 budget projection for investment earnings for 2014 is \$2,025,920 which equates to an annual interest rate of 0.94%. For June, the amount posted to the investment account is \$219,024. For the year-to-date, the amount posted is \$982,941. Actual earnings are now below the year-to-date budget projection by \$56,758. Based on the monthly statement, the estimated annualized yield in June on the securities held by US Bank was 0.99%, 0.03% lower than May. Due to the demands for draws from the fund balances to pay for the cost of flood response and project repair, the portfolio has a significantly lower fund balance than it would otherwise.

**END OF CONSENT AGENDA**

**CITY CLERK READS TITLES OF ORDINANCES ON THE CONSENT AGENDA**

**PUBLIC COMMENT** *Anyone who wishes to speak to an item NOT on the Agenda may address the Council at this time.*

**PROCEDURAL INFORMATION**

*Anyone in the audience will be given time to speak to any item on the Regular Agenda before the Council acts upon it. The Mayor will call for public comment following the staff report. All public hearings are conducted in accordance with Council Policy. When Council is considering adoption of an ordinance on first reading, Loveland's Charter only requires that a majority of the Council quorum present vote in favor of the ordinance for it to be adopted on first reading. However, when an ordinance is being considered on second or final reading, at least five of the nine members of Council must vote in favor of the ordinance for it to become law.*

**REGULAR AGENDA**

**CONSIDERATION OF ITEMS REMOVED FROM CONSENT AGENDA**

**13. CITY MANAGER (presenter: Bill Cahill)**

**APPOINTMENT OF A NOMINATED MEMBER TO THE SENIOR ADVISORY BOARD**

**A Motion to Reappoint Donita Fogle as the Housing Authority of the City of Loveland Representative on the Senior Advisory Board for a Term Effective Until August 5, 2016**

This is administrative action recommending the appointment of a Senior Advisory Board nominated member.

**14. WATER AND POWER (presenter: Jim Lees)**

**SUPPLEMENTAL APPROPRIATION FOR WATER TREATMENT PLANT EXPANSION AND WATERLINE REPAIRS**

**A Motion to Approve and Order Published on Second Reading an Ordinance enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for the Water Treatment Plant Expansion Project and Repair of Water Lines Damaged in the 2013 Flood**

This is an administrative action. Because of construction bids coming in higher than expected for the WTP expansion project and because of uncertainty regarding when the Water Utility will be reimbursed by FEMA and the State for costs associated with the Flood of 2013, there is a need to appropriate more funding in order to award the contracts for construction and services during construction for the WTP expansion project. Staff is proposing to add to the \$9.865 million fund balance included in the 2014 budget by appropriating additional revenue from three sources: a) the available balance on the previously authorized \$10 million loan from Wells Fargo (approximately \$9.9 million); b) an internal loan from the Raw Water Utility in the amount of \$13 million; and c) a new external borrowing sufficient to provide net loan proceeds that range from zero to \$3 million. Part of this supplemental appropriation is simply to move expenditures forward from 2015 and 2016 into 2014 in order to award the construction and services during construction contracts for the water treatment plant (WTP) expansion project. The supplemental appropriation addresses an increase in the cost of this project and the need to acquire additional funds while the City awaits funding from FEMA. This ordinance was approved with a vote of 8-1 on first reading by Council at the July 15, 2014 regular meeting.

#### **ADJOURN AS CITY COUNCIL AND CONVENE AS THE WATER ENTERPRISE BOARD**

##### **15. WATER AND POWER (presenter: Chris Matkins) PUBLIC HEARING**

##### **EMERGENCY ORDINANCE FOR PHASE 2 OF WATER TREATMENT PLANT CONSTRUCTION CONTRACT AWARD**

**A Motion to Approve and Order Published on First and Only Reading an  
Emergency Ordinance of the Loveland City Council by and Through the Water  
Enterprise Board Approving and Authorizing the Execution of a Multi-Fiscal Year  
Contract with Moltz Construction, Inc. for Phase 2 of the Water Treatment Plant  
Expansion Project**

This is an administrative item to adopt an Emergency Ordinance awarding a construction contract to Moltz Construction, Inc. for the Chasteen Grove (Phase 2) Water Treatment Plant Expansion Project. The Water Enterprise will authorize and execute the contract because it is a multi-year fiscal contract. The contract is for \$24,374,213, including the Soda Ash Alternate and will have a concurrently executed deductive change order for approximately \$400,000 in staff recommended value engineering Contract changes. The Contractor is obligated to hold his bid for 60 days after the bid opening (June 12, 2014). The Emergency Ordinance on first and only reading requires an affirmative vote of 2/3 of the entire Council (6 votes) under Charter Section 4-10.

#### **ADJOURN AS THE WATER ENTERPRISE BOARD AND RECONVENE AS CITY COUNCIL**

##### **16. CITY ATTORNEY (presenter: Judy Schmidt) PUBLIC HEARING**

##### **MODIFICATION TO THE CONSOLIDATED SERVICE PLAN-CENTERRA METRO DISTRICTS 1-4**

**A Motion to Adopt Resolution #R-51-2014 Approving a Material Modification to the  
Consolidated Service Plan for Centerra Metropolitan Districts Nos. 1 through 4  
Permitting the Inclusion of Additional Real Property into Centerra Metropolitan  
District No. 1**

This is an administrative matter. The Internal Revenue Service ("IRS") recently announced a policy change that requires political subdivisions, including metropolitan districts, to include residential property in their boundaries in order to be considered a good issuer of tax-exempt debt. As a result, Centerra Metropolitan District No. 1 (the

“District”) desires to include property into its boundaries that will have future residents in order for it to be considered a good issuer of tax-exempt debt. This is a time-sensitive issue, as the District desires to complete its next financing this summer so that it may complete the infrastructure for Parcel 505, which includes, among other uses, the Bass Pro Outdoor World store. This item has no impact on the City’s budget.

**17. CITY ATTORNEY (presenter: Judy Schmidt)**

**PROPOSED EAGLE CROSSING-LOVELAND METROPOLITAN DISTRICTS NOS. 1-4**

This is an information only item. Eagle Crossing Development, Inc., as Developer, is proposing to create four new metropolitan districts to provide all or part of the activities necessary for the development of Eagle Crossing, which consists of approximately 56 acres located at the southeast intersection of Fairgrounds Avenue and Crossroads Avenue. The Developer has requested an opportunity to present information regarding metropolitan districts generally, and the need for these four metropolitan districts in particular, to City Council prior to bringing forward the Service Plan to City Council for approval.

**BUSINESS FROM CITY COUNCIL** *This is an opportunity for Council Members to report on recent activities or introduce new business for discussion at this time or on a future City Council agenda.*

**CITY MANAGER REPORT**

**CITY ATTORNEY REPORT**

**ADJOURN**

**MINUTES  
LOVELAND CITY COUNCIL  
STUDY SESSION  
TUESDAY, JUNE 24, 2014  
CITY COUNCIL CHAMBERS  
500 EAST THIRD STREET  
LOVELAND, COLORADO**

**6:30 P.M. STUDY SESSION - City Council Chambers  
STUDY SESSION AGENDA**

**ROLL CALL**

Councilors present: Gutierrez, Farley, Taylor, Clark, Shaffer, Fogle, Trenary, and McKean. Councilor Krenning was absent. City Manager, Bill Cahill was also present.

**1. ECONOMIC DEVELOPMENT (presenters: Marcie Erion & Don Fraley; 60 min)  
INCENTIVE REQUEST –THARP CABINET CORPORATION**

Business Development Specialist, Marcie Erion presented this item to Council as an initial discussion of an incentive request on behalf of Tharp Cabinet Corporation to waive City of Loveland fees and taxes associated with an expansion of their current facility. The City of Loveland is being asked to waive up to but not to exceed \$100,000 of fees and taxes based on final fee calculations provided at the time of building permit issuance. The funds to backfill the Capital Expansion Fees and System Impact Fees will come out of the Economic Development Incentive Fund contingent upon City Council approval. Based on the current fee estimate, the fee waivers amount to \$30,000 with the backfill of Capital Expansion Fees and System Impact Fees in the amount of \$60,000. These figures may change based on final building plan submittal. Tharp Cabinet Corporation's President, Don Fraley was also present to address Council and answer questions. Discussion ensued. Council directed staff to move forward to a regular meeting for formal consideration of the incentive request.

**2. FINANCE (presenter: John Hartman; 60 min)  
DISCUSSION OF PRELIMINARY ANALYSIS FROM THE PRIORITY BASED  
BUDGETING (PBB) MODEL**

Budget Officer, John Hartman presented preliminary analysis from the PBB Model for discussion and Council direction on further analysis. The analysis of more than 700 individual programs, separating them into community and governance program groups which identified specific results for use as a Policy Tool and a Management Tool in developing the budget. The Model showed that 86% of the Total Budget goes to the highest priority programs opening the door to more discussion. Council directed staff to use the results in the budget discussion with departments for the 2015 Budget. The Citizens Finance Advisory Commission was also directed to use the results, develop analysis and make ongoing recommendations for the 2015 and 2016 Budgets.

**ADJOURNMENT**

**Having no further business to come before Council, the June 24, 2014 Study Session was adjourned at 8:37 p.m.**

**Respectfully Submitted,**

**Jeannie M. Weaver, Deputy City Clerk**

**Cecil A. Gutierrez, Mayor**



This is an administrative action to approve the City Council Study Session Minutes for the June 10, 2014 Study Session.

2. **CITY MANAGER** (presenter: Bill Cahill)  
**Appointments of Members to the Affordable Housing Commission, the Citizens' Finance Advisory Commission, and the Parks and Recreation Commission**  
  1. A motion to appoint Jill Angelovic to the Affordable Housing Commission for a term effective until June 30, 2017 was approved.
  2. A motion to reappoint Vendia Berg to the Affordable Housing Commission for a term effective until June 30, 2017 was approved.
  3. A motion to appoint Rey Liss to the Citizens' Finance Advisory Commission for a partial term effective until December 31, 2015 was approved.
  4. A motion to appoint Wendi Croft to the Parks and Recreation Commission for a partial term effective until December 31, 2016 was approved.

This is administrative action recommending the appointment of members to the Affordable Housing Commission, the Citizens' Finance Advisory Commission, and the Parks and Recreation Commission.
  
3. **DEVELOPMENT SERVICES** (presenter: Noreen Smyth)  
**CYNTHIA COURT EASEMENT VACATION**  
**A Motion to Approve and Order Published on Second Reading Ordinance #5867 Vacating a Utility and Drainage Easement across Lot 22, Block 1, Mariana Village Second Addition, City of Loveland, County of Larimer, State of Colorado was approved.**  

This is a legislative action to consider adoption on second reading of an ordinance vacating a drainage and utility easement. The easement is on a lot occupied by a single family dwelling located at 1119 Cynthia Court, southwest of the intersection of Cynthia Court and Camellia Place. The applicant is James Zack with Adroit Building Services, Inc., on behalf of the property owners. This ordinance was approved unanimously by Council on first reading at the June 3, 2014 regular meeting.
  
4. **DEVELOPMENT SERVICES** (presenter: Noreen Smyth)  
**KERSEY EXEMPTION EASEMENT VACATION**  
**A Public Hearing was held and a Motion to Approve and Order Published on First Reading an Ordinance Vacating Access Easements, Drainage Easements, Emergency Access Easements, and Utility Easements across Lot 1, Amended Parcel 3 of the Kersey Exemption, Larimer County, Colorado, also known as a Portion of Parcel 6, North Boyd Lake Avenue 1st Addition to the City of Loveland, Colorado was approved.**  

This is a legislative action to consider adoption of an ordinance on first reading vacating utility, drainage, emergency access and access easements. The easements are on a lot located southeast of the intersection of North Boyd Lake Avenue and Medford Place. A minor subdivision application is being processed to subdivide the lot into two lots. The applicant is Industrial Piping Specialists, Inc., who has also submitted a site development plan application to construct a 22,000 sq. ft. warehouse facility on one of the new lots.
  
5. **PARKS & RECREATION** (presenter: Gary Havener)  
**BIG THOMPSON RIVER FLOOD GRANT AWARD AND IGA**  
**A Motion to Adopt Resolution #R-39-2014 Approving an Intergovernmental Agreement Between the City of Loveland, Colorado and the State Board of the Great Outdoors Colorado (GOCO) Trust Fund for the Big Thompson River Flood Recovery Project was approved.**

This is an administrative action. The City of Loveland applied for and was awarded a GOCO grant for the Big Thompson River Flood Recovery Project. This includes reconstruction of portions of the Loveland Recreation Trail and River's Edge Natural Area trails, pond access points, and wetlands damaged during the 2013 floods. Approval of the attached Resolution authorizes the City Manager to sign the grant agreement with Great Outdoors Colorado and supports the completion of the project. The City of Loveland has been awarded a grant, not to exceed \$281,798.85 from the State Board of the Great Outdoors Colorado Trust Fund for completion of the Big Thompson River Flood Recovery Project. The grant amount includes \$251,543 to complete the Project, and up to \$30,255.85 in contingency funds for unanticipated expenses that may be incurred for Project Completion. The required match for this grant is \$55,000. Budget appropriations for matching funds have been secured from the Open Space Fund 202, as part of the Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for Flood Related Projects approved on March 4, 2014.

6. **ECONOMIC DEVELOPMENT** (presenter: Cindy Mackin)  
**SUPPLEMENTAL APPROPRIATION FOR LODGING TAX RESERVES**

**A Public Hearing was held and a Motion to Approve and Order Published on First Reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for Additional Funding for Way Finding Signage, Event Support, Website Reconstruction and Installing Fiber Optic Communications to the Visitors Center was approved.**

This is an administrative action. On June 18, 2014, the Community Marketing Commission unanimously voted to approve a supplemental appropriation of \$170,000 of Lodging Tax Reserves to support of certain 2014 projects. Support of these programs is consistent with the Destination Loveland Strategic Plan adopted by City Council in 2011. The ordinance is funded with reserves reducing the flexibility to use the reserves for other projects.

7. **FINANCE** (presenter: Brent Worthington)  
**FINANCIAL REPORT FOR MAY 2014**

This is an informational only item. The Snapshot Report includes the City's preliminary revenue and expenditures including detailed reports on tax revenue and health claims year to date, ending May 31, 2014.

8. **CITY MANAGER** (presenter: Alan Krcmarik)  
**INVESTMENT REPORT FOR MAY 2014**

This is an informational only item. The 2014 budget projection for investment earnings for 2014 is \$2,025,920 which equates to an annual interest rate of 0.94%. For May, the amount posted to the investment account is \$218,199. For the year-to-date, the amount posted is \$763,917. Actual earnings are now below the year-to-date budget projection by \$95,051. Based on the monthly statement, the estimated annualized 1.02% yield on the securities held by US Bank is exactly the same as last month's reading. Due to the demands for draws from the fund balances to pay for the cost of flood response and project repair, the portfolio has a significantly lower fund balance than it would otherwise.

9. **PARKS & RECREATION** (presenter: Gary Havener)  
**PARKS & RECREATION MASTER PLAN**

**A Motion to Approve the 2014 Parks and Recreation Master Plan for the City of Loveland was approved.**

This is an administrative action to approve the 2014 Parks and Recreation Master Plan. While the resolution to adopt the 2014 Parks and Recreation Master Plan as a functional component of the City Comprehensive Master Plan will be presented at the July 15,

2014 City Council meeting, it is important to provide the City Council the opportunity to discuss and review the plan prior to the pending retirement of Parks and Recreation Director Gary Havener. The Parks and Recreation Department embarked on an update of its 13 year-old Parks and Recreation Master Plan to coordinate with an update of other City master plans including the City's Comprehensive Master Plan and the capital expansion fee program discussion and review. The process has included an inventory and inspection of existing conditions; a community based outreach/needs analysis based on surveys, questionnaires, group discussions, and assessment of service levels; and recommendations for systems and service improvements including potential schedules and funding sources for implementation.

## **END OF CONSENT AGENDA**

### **CITY CLERK READS TITLES OF ORDINANCES ON THE CONSENT AGENDA**

**PUBLIC COMMENT** *Anyone who wishes to speak to an item NOT on the Agenda may address the Council at this time.*

Odalys Pastrano, 9<sup>th</sup> grade 574 E. 23<sup>rd</sup>, Loveland asked for more running trails.

Jose Pastrano, 8<sup>th</sup> grade 574 E. 23<sup>rd</sup>, asked for more bike lanes on the street.

Mari Pastrano, 7<sup>th</sup> grade 574 E. 23<sup>rd</sup>, asked for a Teen Center in Loveland.

Lexi Hernandez, 9<sup>th</sup> grade 3314 Ridge Dr. asked for running trails.

## **PROCEDURAL INFORMATION**

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## **REGULAR AGENDA**

### **CONSIDERATION OF ITEMS REMOVED FROM CONSENT AGENDA**

#### **10. FINANCE (presenter: John Hartman)**

##### **CAPITAL PROGRAM 2015-2024**

Budget Officer, John Hartman introduced this item to Council. This is an administrative action. The Capital Program is part of the 2015 Budget development process. The program includes the funding sources available for capital projects and the recommended projects for each year of the ten-year program. The Resolution establishes the planned capital expenditures for the ten-year period. Projects shown in 2015 will be included in the 2015 City of Loveland Budget. Alan Krcmarik and Steve Adams also addressed Council's questions. Mayor Gutierrez asked for public comment.

**Councilor Shaffer moved to Adopt Resolution #R-40-2014 Approving the 2015-2024 Capital Program for the City of Loveland. Councilor Farley seconded the motion which carried with all councilors present voting in favor thereof.**

#### **11. CULTURAL SERVICES (presenter: Susan Ison)**

##### **RIALTO THEATER CENTER BUSINESS PLAN**

Cultural Services Director, Susan Ison introduced this item to Council. This is an informational only item. This packet includes the first formal Business Plan completed for the Rialto Theater Center (RTC). The RTC has undergone many changes in the past few years—physically and operationally—with the three-story addition to the west and significant changes in the staff. Adapting to these changes and giving the new staff an opportunity to be involved in the development of this important document has delayed



the completion of this report. All areas of operating the RTC were reviewed in the process of developing this Business Plan. The goal to reach Sustainability Plan metrics included an assessment of operating practices of other similar cultural institutions and comparisons of rates and fees. With multiple strategies—increasing rates and fees, diversifying programming, marketing, and development—increased sustainability should be achievable. Whether the market in Loveland will bear these changes as presented is unclear. Continuous evaluation by management and users will be necessary and the ability to make adjustments will be crucial. It is staff's intention is to return as soon as possible with an action to revise rates and fees. Additional revenue is anticipated due to an increase in rates and fees, changes in programming, and new marketing and development efforts. Lise Van Dyne, Rich Harris. Discussion regarding survey questions on the impact of the Rialto to Downtown Business. Council directed Susan to come back with a change in the fee schedule.

**BUSINESS FROM CITY COUNCIL** *This is an opportunity for Council Members to report on recent activities or introduce new business for discussion at this time or on a future City Council agenda.*

Trenary:	Announced House Bill (HB1443) referring to a legislative action on the health and well-being of Police Officers. Ralph Trenary was asked to serve as a Study group task force member from the Community Municipal League (CML); Announced this Friday, July 4th North Lake Park festivities will begin with the flag raising at Lone Tree School at 10:00 am, followed by the Northern Colorado Trumpet Trio to perform bugle and then the singing of the National Anthem; Attended the CML presentation of Colorado Water plan session; Announced the Colorado Statewide Water Symposium on July 18th at the Embassy Suites.
Farley:	Announced Urban Land Institute completed their panel and made a presentation. Councilor Farley expressed appreciation to the volunteers that participated; The final report will be completed 60 to 90 days and the presentation will be posted on the Community Foundation website Loveland, Ft. Collins, and Estes Park.
McKean:	Announced the soft opening of River's Edge Natural areas on Thursday, July 3rd at 4 p.m.
Shaffer:	Expressed appreciation to the City Clerk's Office for the election effort. Councilor Krenning sent out an email regarding postponing hiring a City prosecutor before the new City Attorney is hired. Consensus was to allow Judy as Acting City Attorney to hire a prosecutor; Attended the I-25 North Coalition at CML regarding 2 sessions about I-25 and E470.
Taylor:	Encouraged residents to be safe on July 4th.
Fogle:	Also encouraged residents to be safe on July 4th.
Gutierrez:	Announced Loveland-Ft. Collins is the "happiest place to live." Kudos to our marketing team; announced Verboten brewery will be filming in the area; Loveland was #7 on the national list for July 4 <sup>th</sup> festivities according to Peter Greenburg; Announced Thursday is Concerts at the Lagoon with Mary Louise Lee, July 3, 2014.

## **CITY MANAGER REPORT**

None.

## **CITY ATTORNEY REPORT**

None.

**ADJOURNMENT**

Having no further business to come before Council, the July 1, 2014, Regular Meeting was adjourned at 9:14 p.m.

Respectfully Submitted,

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Teresa G. Andrews, City Clerk

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Cecil A. Gutierrez, Mayor

**MINUTES**  
**LOVELAND CITY COUNCIL MEETING**  
**LOVELAND URBAN RENEWAL AUTHORITY BOARD OF COMMISSIONERS**  
**TUESDAY, JULY 15, 2014**  
**CITY COUNCIL CHAMBERS**  
**500 EAST THIRD STREET**  
**LOVELAND, COLORADO**

**6:30 P.M.                      REGULAR MEETING - City Council Chambers**

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**ROLL CALL:** Fogle, Gutierrez, Shaffer, Taylor, Clark, Farley, Mckean, Trenary and Krenning responded.

*Anyone in the audience will be given time to speak to any item on the Consent Agenda. Please ask for that item to be removed from the Consent Agenda. Items pulled will be heard at the beginning of the Regular Agenda. Members of the public will be given an opportunity to speak to the item before the Council acts upon it.*

*Public hearings remaining on the Consent Agenda are considered to have been opened and closed, with the information furnished in connection with these items considered as the only evidence presented. Adoption of the items remaining on the Consent Agenda is considered as adoption of the staff recommendation for those items.*

*Anyone making a comment during any portion of tonight's meeting should come forward to a microphone and identify yourself before being recognized by the Mayor. Please do not interrupt other speakers. Side conversations should be moved outside the Council Chambers. Please limit comments to no more than three minutes. Mayor Gutierrez asked if anyone would like to remove an item from the consent agenda. Council Shaffer moved to approve the consent agenda. Councilor Fogle asked for item 3 to be moved to the regular agenda. The motion seconded by Mayor Pro Tem Clark carried with all councilors present voting in favor thereof.*

**CONSENT AGENDA**

**Mayor Gutierrez asked if anyone in the audience, Council or Staff wished to remove any of the items or public hearings listed on the Consent Agenda. Councilor Fogle asked to move Item #3 to the Regular Agenda. Councilor Shaffer moved to approve the Consent Agenda with the exception of Item #3. Councilor Clark seconded the motion which carried with all councilors present voting in favor thereof.**

1. **CITY MANAGER** (presenter: Bill Cahill)  
**Appointment of Members to the Community Marketing Commission, the Cultural Services Board, the Historic Preservation Commission, the Housing Authority and the Loveland Utilities Commission**
  1. **A motion to reappoint Miki Roth to the Community Marketing Commission for a term effective until June 30, 2017 was approved.**
  2. **A motion to reappoint Justin Erion to the Community Marketing Commission for a term effective until June 30, 2017 was approved.**
  3. **A motion to appoint Christine Forster to the Community Marketing Commission for a partial term effective until June 30, 2016 was approved.**
  4. **A motion to appoint Adrian Somerset to the Cultural Services Board for a**

partial term effective until December 31, 2015 was approved.

5. A motion to appoint Paula Sutton to the Historic Preservation Commission for a term effective until June 30, 2017 was approved.

6. A motion to appoint Chris Wertheim to the Historic Preservation Commission for a term effective until June 30, 2017 was approved.

7. A motion to appoint Dale Doering to the Housing Authority for a term effective until June 30, 2019 was approved.

8. A motion to reappoint Gene Packer to the Loveland Utilities Commission for a term effective until June 30, 2017 was approved.

9. A motion to reappoint Larry Roos to the Loveland Utilities Commission for a term effective until June 30, 2017 was approved.

These are administrative actions recommending appointments of members to the Community Marketing Commission, the Cultural Services Board, the Historic Preservation Commission, the Housing Authority, and the Loveland Utilities Commission.

2. **DEVELOPMENT SERVICES** (presenter: Noreen Smyth)

**KERSEY EXEMPTION EASEMENT VACATION**

**A Motion to Approve and Order Published on Second Reading Ordinance #5868 Vacating Access Easements, Drainage Easements, Emergency Access Easements, and Utility Easements across Lot 1, Amended Parcel 3 of the Kersey Exemption, Larimer County, Colorado, also known as a Portion of Parcel 6, North Boyd Lake Avenue 1st Addition to the City of Loveland, County of Larimer, State of Colorado was approved.**

This is a legislative action to consider adoption on second reading of an ordinance vacating utility, drainage, emergency access and access easements. The easements are on a lot located southeast of the intersection of North Boyd Lake Avenue and Medford Place. A minor subdivision application is being processed to subdivide the lot into two lots. The applicant is Industrial Piping Specialists, Inc., who has also submitted a site development plan application to construct a 22,000 sq ft warehouse facility on one of the new lots. This ordinance was approved unanimously on first reading by Council at the July 1, 2014 regular meeting.

3. **ECONOMIC DEVELOPMENT** (presenter: Cindy Mackin)

This item was moved to the Regular agenda.

**CITY COUNCIL ADJOURNED AND CONVENED AS THE BOARD OF COMMISSIONERS FOR THE LOVELAND URBAN RENEWAL AUTHORITY (LURA)**

4. **DEVELOPMENT SERVICES** (presenter: Bethany Clark)  
**LOVELAND URBAN RENEWAL AUTHORITY 2014 FAÇADE MATCHING GRANTS AND AGREEMENTS**

**A Motion to Approve Resolution #R-42-2014 of the Loveland Urban Renewal Authority Awarding Façade Matching Grant Program Grants for 2014 and Authorizing Façade Matching Grant Agreements was approved.**

This is an administrative action. The Façade Matching Grant program provides a dollar for dollar matching grant of up to \$12,500 for property or business owners who undertake façade improvements in the core of the Downtown Loveland Urban Renewal Area. One application was received for the 2014 grant round and was scored by a committee of three Loveland Downtown Team members and one Historic Preservation Commission member. The review committee felt the project to be well-qualified and recommends that the grant be awarded. The application is for 239 East 4<sup>th</sup> Street, which will house Stone Forest Real Estate Services, LLC. City Council appropriated general

seed funds for the LURA Façade program in November of 2007 and appropriated additional TIF funds in December of 2011. In 2013, only one matching grant was awarded resulting in a fund balance of \$36,310. The TIF funds generated in 2013 in the amount of \$23,680 resulted in a total Façade Improvement Program budget of \$59,990.

**THE BOARD OF COMMISSIONERS FOR THE LOVELAND URBAN RENEWAL AUTHORITY  
ADJOURNED AND RECONVENED AS CITY COUNCIL**

5. **DEVELOPMENT SERVICES** (presenter: Bethany Clark)  
**HISTORIC LANDMARK DESIGNATION FOR THE SCOTT HOUSE**  
**A Public Hearing was held and a Motion to Approve and Order Published on First Reading an Ordinance Designating as a Historic Landmark the Scott House Located at 719 East 5th Street in Loveland, Colorado was approved.**  
 This is a legislative action. The owner of a Craftsman-style home on East 5th Street is requesting Loveland Historic Landmark designation to recognize the building's architecture and cultural significance in Loveland. The Historic Preservation Commission acknowledges the building's significance and recommends that City Council designate the building to the Loveland Historic Register.
  
6. **PARKS & RECREATION** (presenter: Keven Aggers)  
**PARKS & RECREATION MASTER PLAN**  
**A Motion to Approve Resolution #R-43-2014 Adopting the 2014 Parks and Recreation Master Plan of the City of Loveland and Amending the 2005 Comprehensive Plan by Addition of the 2014 Parks and Recreation Master Plan as a Functional (Component) Plan Element was approved.**  
 This is a legislative action to adopt the 2014 Parks and Recreation Master Plan and to amend the 2005 Comprehensive Master Plan by addition of the 2014 Parks and Recreation Master Plan as a functional (component) plan element.
  
7. **ECONOMIC DEVELOPMENT** (presenter: Betsey Hale)  
**SUPPLEMENTAL APPROPRIATION FOR LEGAL COSTS ASSOCIATED WITH NEW DOWNTOWN ORGANIZATION**  
**A Public Hearing was held and a Motion to Approve and Order Published on First Reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for Legal Costs to Assist in the Formation of a New Downtown Organization was approved.**  
 This is an administrative action requesting a supplemental budget and appropriation of \$50,000 for the purpose of hiring legal counsel to assist with the formation of a downtown leadership organization. The ordinance is funded by fund balance in the General Fund that reduces the flexibility to fund other projects.
  
8. **PARKS & RECREATION** (presenter: Janet Meisel-Burns)  
**SUPPLEMENTAL APPROPRIATION FOR MOREY/MARIANA RIVERWORK AND VIESTENZ-SMITH MOUNTAIN PARK**  
**A Public Hearing was held and a Motion to Approve and Order Published on First Reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for Engineering Work to Develop River Modeling Along the River Reaches of the Morey Wildlife Reserve/Mariana Butte Golf Course, River's Edge Natural Area and Viestenz-Smith Mountain Park was approved.**  
 This is an administrative action. The ordinance on first reading appropriates funding for engineering costs to determine the scope for 4 park and recreation projects that require hydraulic modeling and river scour analysis prior to the full restoration of the sites. The total appropriation is \$500,000. Depending on the final determination from FEMA, some

of these costs may be eligible for reimbursement and other grant opportunities that may arise. In particular the costs for Mariana Butte Golf Course's share will likely not be reimbursed but the Viestenz-Smith Mountain Park costs may be covered under the reimbursement from FEMA if the project is selected for the Alternative Pilot Program. Supplemental funding requested for the engineering studies is from the Open Space funds, \$162,500 (Fund 202), and \$250,000 from the General Fund (Fund 100) for the studies required for Viestenz-Smith Mountain Park and \$87,500 is from the Golf Enterprise Fund for engineering studies required for Marianna Butte Golf Course. The ordinance is funded with unreserved fund balance reducing the flexibility to fund other projects.

**9. ECONOMIC DEVELOPMENT (presenter: Marcie Erion)  
SUPPLEMENTAL APPROPRIATION AND FEE WAIVER AGREEMENT FOR THARP  
CABINET CORPORATION**

**1. A Motion to Adopt Resolution #R-44-2014 Approving an Incentive and Fee and Tax Waiver Agreement with Fraley Holdings Company LLC (Tharp Cabinet Corporation) was approved.**

**2. A Public Hearing was held and a Motion to Approve and Order Published on First Reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for Incentives to Tharp Cabinet Corporation for the Expansion of its Current Facility was approved.**

These are administrative actions. The City of Loveland is being asked to waive up to but not to exceed \$100,000 of fees and taxes based on final fee calculations provided at time of building permit issuance. The funds to backfill the Capital Expansion Fees and System Impact Fees will come out of the Economic Development Incentive Fund contingent upon City Council approval. Based on the current fee estimate, the fee waivers amount to \$40,000 with the backfill of Capital Expansion Fees and System Impact Fees in the amount of \$60,000. These figures may change based on final building plan submittal. The ordinance is funded with available fund balance that reduces the flexibility to fund other projects.

**END OF CONSENT AGENDA**

**CITY CLERK READS TITLES OF ORDINANCES ON THE CONSENT AGENDA**

**PUBLIC COMMENT** *Anyone who wishes to speak to an item NOT on the Agenda may address the Council at this time.*

Mim Neal, 733 W. 5<sup>th</sup> Street, Chair of the Martin Luther King Jr. Committee, encouraged the City to embrace MLK's vision of a beloved community.

Nancy Kain, 4025 Don Fox Circle, committee member also spoke in support of the City's involvement in this celebration. Staff will follow up.

**PROCEDURAL INFORMATION**

*Anyone in the audience will be given time to speak to any item on the Regular Agenda before the Council acts upon it. The Mayor will call for public comment following the staff report. All public hearings are conducted in accordance with Council Policy. When Council is considering adoption of an ordinance on first reading, Loveland's Charter only requires that a majority of the Council quorum present vote in favor of the ordinance for it to be adopted on first reading. However, when an ordinance is being considered on second or final reading, at least five of the nine members of Council must vote in favor of the ordinance for it to become law.*

**REGULAR AGENDA**

**CONSIDERATION OF ITEMS REMOVED FROM CONSENT AGENDA**

3. **ECONOMIC DEVELOPMENT** (presenter: Betsey Hale)  
**SUPPLEMENTAL APPROPRIATION FOR LODGING TAX RESERVES**

Economic Development Director, Betsey Hale, introduced this item to Council. This is an administrative action. On June 18, 2014, the Community Marketing Commission unanimously voted to approve a supplemental appropriation of \$170,000 of Lodging Tax Reserves in support of certain 2014 projects. Support of these programs is consistent with the Destination Loveland Strategic Plan adopted by City Council in 2011. The ordinance is funded with reserves reducing the flexibility to use the reserves for other projects. This ordinance was unanimously approved on first reading by Council at the July 1, 2014 regular meeting.

**Councilor Shaffer moved to approve and Order Published on Second Reading Ordinance #5869 Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for Additional Funding for Way Finding Signage, Event Support, Website Reconstruction and Installing Fiber Optic Communications to the Visitors Center. The motion was seconded by Councilor Farley, which carried with all councilors present voting in favor thereof.**

10. **WATER AND POWER** (presenters: Chris Matkins and Jim Lees)  
**SUPPLEMENTAL APPROPRIATION FOR WATER TREATMENT PLANT EXPANSION AND WATERLINE REPAIRS**

Water Utilities Manager, Chris Matkins and Utility Accounting Manager, Jim Lees introduced this item to Council. This is an administrative action. Because of construction bids coming in higher than expected for the WTP expansion project and because of uncertainty regarding when the Water Utility will be reimbursed by FEMA and the State for costs associated with the Flood of 2013, there is a need to appropriate more funding in order to award the contracts for construction and services during construction for the WTP expansion project. Staff is proposing to add to the \$9.865 million fund balance included in the 2014 budget by appropriating additional revenue from three sources: a) the available balance on the previously authorized \$10 million loan from Wells Fargo (approximately \$9.9 million); b) an internal loan from the Raw Water Utility in the amount of \$13 million; and c) a new external borrowing sufficient to provide net loan proceeds that range from zero to \$2.3 million. Mayor Gutierrez opened the public hearing at 8:17 p.m. Hearing no public comment, the public hearing was closed at 8:17 p.m. **Councilor Shaffer moved to Approve Resolution #R-45-2014 Concerning Funding for the Water Enterprise to Improve the Water Treatment Plant. The motion was seconded by Councilor Clark. Councilor Krenning moved to amend the resolution by increasing the 2,300,000 to \$3,000,000. The motion seconded by Councilor Farley, carried with eight Councilors voting in favor and Mayor Pro Tem Clark voting against. The original motion as amended, carried with eight Councilors voting in favor the Mayor Pro Tem Clark voting against.**

**Councilor Shaffer moved to Approve and Order Published on First Reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for the Water Treatment Plant Expansion Project and Repair of Water Lines Damaged in the 2013 Flood. Councilor Krenning moved to amend the ordinance by increasing Revenue line 300-45-2900-33019 to \$12,900,000 and total revenue to \$17,900,000 and Appropriation for construction 300-46-318-49360-W1300D to \$6,559,000 and total appropriation \$8,299,600. The motion seconded by Councilor Farley, carried with eight Councilors voting in favor and Councilor Clark voting against. The original motion as amended, carried with eight Councilors voting in favor the Councilor Clark voting against. Council recommended applying the level of Reserve requirements for the Fund (Water) and a projected length of time.**

11. **DEVELOPMENT SERVICES** (presenter: Alison Hade)  
**INLAND GROUP AFFORDABLE HOUSING DESIGNATION AND FEE WAIVERS**

Community Partnership Manager, Alison Hade introduced this item to Council. Pam Crory, Chair of the Affordable Housing Commission and Keith James, from Inland Group residing in Green Acres, WA was also present. These are administrative actions. The first Resolution will allow Inland Group to designate low-income senior housing (55+) in the Fox Pointe Subdivision as an affordable housing development. The second Resolution would grant the Inland Group a waiver of capital expansion and building permit fees totaling \$947,153. None of the waived fees would require back filling from another funding source. City staff and the Affordable Housing Commission are recommending that City Council adopt the two resolutions to allow the Inland Group to develop an affordable housing project that would provide 165 units of affordable senior housing. The total fee waiver would be \$947,153, or 62.8% of all building permit and capital expansion fees. City Code allows a waiver of up to 70% of fees for an affordable housing project. The applicant would be paying fees totaling \$1,896,825. Granting of the fee waiver would have a negative effect on future fund balances for capital expansion and building permit fees. Mayor Gutierrez asked for public comment at 10:01 p.m. **Councilor Shaffer moved to Adopt Resolution #R-47-2014 Approving an Affordable Housing Designation and Associated Reduction in Development Fees For A Project Known As Traditions At Loveland Senior Apartments to be Constructed on Fox Pointe First Subdivision Within the City of Loveland. The motion was seconded by Councilor Farley which carried with eight councilors voting in favor and Councilor McKean voting against.**

**Councilor Shaffer moved to approve a motion to Adopt Resolution #R-48-2014 Granting an Exemption from Certain Capital Expansion Fees and Other Development Fees for a Qualified Affordable Housing Development Known as Traditions at Loveland Senior Apartments. The motion was seconded by Councilor Farley, which carried with eight councilors voting in favor and Councilor McKean voting against.**

12. **ECONOMIC DEVELOPMENT** (presenter: Mike Scholl)  
**SUPPLEMENTAL APPROPRIATION FOR SOUTH CATALYST PROJECT**

This is an administrative action. The ordinance appropriates \$6.25 million to fund the acquisition of Downtown property in support of the South Catalyst redevelopment project. The proposed project, a partnership with the Michaels Development Company and Larimer County, is expected to result in a mixed-use project that would include office, residential and retail. The total investment is expected to generate between \$50 to \$70 million dollars. Both the Michaels Development Company and Larimer County are progressing in their project development. The project was originally conceived in the 2010 Downtown Vision book as the South Catalyst project. Staff identified the Michaels Development Company as a private sector development partner for the project and Council approved a six month exclusive right to negotiate in February of 2014. The negotiations are moving forward with Michaels and we expect an update to Council by August 5, 2014. The ordinance is funded by General Fund Reserves that reduce the flexibility to fund other projects. Mayor Gutierrez asked for public comment. **Councilor Shaffer moved that the City Council go into executive session as authorized by the Colorado Open Meetings Law in C.R.S. §24-6-402(4)(a), (4)(b) and (4)(e) and by City Charter 4-4(c)(1), (c)(2) and (c)(3). This executive session will concern the City's acquisition of real property in Downtown Loveland for the South Catalyst Project and is authorized by the following sections of the Colorado Open Meetings Law and the City Charter: The purchase of real property as authorized by C.R.S. §24-6-402(4)(a) and by City Charter 4-4(c)(2) since, in the judgment of Council,**



premature disclosure of information might give any person an unfair competitive or bargaining advantage; and Since the purchase of such real property is a matter that is subject to negotiations, to receive reports concerning negotiations, to develop the City's negotiation positions and strategies, and to instruct the City's negotiators concerning those positions and strategies as authorized by C.R.S. §24-6-402(4)(e) and Charter Section 4-4(c)(1); and As needed, to receive legal advice from the City Attorney's Office as authorized in C.R.S. § and Charter section 4-4(c)(3) at 11:13 p.m. The motion, seconded by Mayor Pro-tem Clark, carried with six councilors present voting in favor, and Councilors Farley, Krenning and Taylor voting against. Council reconvened at 12:36 a.m. on July 16, 2014. Mayor Gutierrez asked for public comment at 12:36 a.m. Hearing no public comment, the public hearing was closed. Councilor Shaffer moved to approve and Order Published on First Reading an Ordinance Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for the Purchase of Property for the South Catalyst Project. The motion seconded by Councilor Farley carried with all councilors voting in favor thereof. The direction of Council was to receive periodic reports about this project.

13. **CITY CLERK** (presenter: Terry Andrews)  
**CHARTER AMENDMENTS PERTAINING TO THE NUMBER OF AFFIRMATIVE VOTES FOR APPOINTMENT AND REMOVAL OF CITY ATTORNEY, CITY MANAGER, MUNICIPAL JUDGES AND CALLING A SPECIAL ELECTION**

This is a legislative action. City Council on June 3, 2014, asked that Staff draft ordinances for its consideration that would amend the City Charter to reduce the number of votes necessary to appoint or remove the City Manager and City Attorney from a super-majority of six to a simple majority of five. The Municipal Judge(s) is also appointed and removed by Council by a super-majority of six under the current Charter. Charter Amendments must be approved by the citizens of Loveland. If one or more of the ordinances and the resolution are approved the ballot measure would be considered by voters at the November 4, 2014, coordinated election. Mayor Gutierrez asked for public comment at 1:11 a.m. With no further public comment the public hearing was closed at 1:11 a.m. **Councilor Shaffer moved to Approve and Order Published on First Reading an Ordinance Submitting to a Vote of the Registered Electors of the City of Loveland, Colorado at a Special Municipal Election to be Held on November 4, 2014, the Ballot Question of Whether Subsections 9-1(a) and 9-1(d) of the City of Loveland Charter Pertaining to the Number of Affirmative Votes Required for the Appointment and Removal of the City Attorney Should be Amended.** The motion was seconded by Mayor Pro Tem Clark, which failed with four voting in favor and Councilors Shaffer, Trenary, Mayor Gutierrez, Farley, and Taylor voting against.

**Council did not consider two additional ordinances nor the resolution.**

**BUSINESS FROM CITY COUNCIL** *This is an opportunity for Council Members to report on recent activities or introduce new business for discussion at this time or on a future City Council agenda.*

Farley:

Announced that MoBetta Gumbo is open again.

McKean:

Announced Meeting for the Open Lands Advisory Board, Council consensus was to direct Councilor McKean to support Option 1 with regard to the County Open Lands Tax Issue going before the voters in November. Mayor Gutierrez suggested having another joint meeting with Open Lands Commission after the November election.

Shaffer: Attended the Metropolitan Planning Organization meeting which included discussion regarding the distribution of Transportation funding.

Gutierrez: Attended special meeting of the Platte River Power Authority. Invited Steve Adams, Water & Power Director to speak briefly on the additional purchase of wind power and additional transfer on Western Area Power Authority (WAPA) power grid.

**CITY MANAGER REPORT**

None

**CITY ATTORNEY REPORT**

None

**ADJOURNMENT**

Having no further business to come before Council, the July 15, 2014, Regular Meeting was adjourned at 1:50 a.m. on July 16, 2014.

Respectfully Submitted,

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Teresa G. Andrews, City Clerk

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Cecil A. Gutierrez, Mayor

**CITY OF LOVELAND****CITY MANAGER'S OFFICE**

Civic Center • 500 East Third • Loveland, Colorado 80537  
(970) 962-2303 • FAX (970) 962-2900 • TDD (970) 962-2620

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**AGENDA ITEM:** 2  
**MEETING DATE:** 8/5/2014  
**TO:** City Council  
**FROM:** City Manager's Office  
**PRESENTER:** Bill Cahill, City Manager

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**TITLE:**

Appointment of Members to the Citizens' Finance Advisory Board, Human Services Commission, Loveland Utilities Commission, Senior Advisory Board, and Transportation Advisory Board

**RECOMMENDED CITY COUNCIL ACTION:**

1. A motion to appoint Victor Palomares to the Citizens' Finance Advisory Board for a partial term effective until December 31, 2014.
2. A motion to appoint Sonnette Greenidge to the Human Services Commission for a term effective until June 30, 2017.
3. A motion to reappoint April Lewis to the Human Services Commission for a term effective until June 30, 2017.
4. A motion to appoint Jo Anne Warner to the Human Services Commission for a term effective until June 30, 2017.
5. A motion to appoint Rebecca Paulson as an alternate member on the Human Services Commission for a term effective until June 30, 2015.
6. A motion to appoint Marcy Yoder as an alternate member on the Human Services Commission for a term effective until June 30, 2015.
7. A motion to appoint Jennifer Gramling to the Loveland Utilities Commission for a full term effective until June 30, 2017.
8. A motion to reappoint Phoebe Hawley as the McKee Medical Center Seasons Club representative on the Senior Advisory Board for a term effective until August 5, 2016.
9. A motion to reappoint Irene Fortune to the Transportation Advisory Board for a term effective until June 30, 2017.
10. A motion to reappoint Dave Martinez to the Transportation Advisory Board for a term effective until June 30, 2017.
11. A motion to reappoint Bob Massaro to the Transportation Advisory Board for a term effective until June 30, 2017.

**OPTIONS:**

1. Adopt the action as recommended
  2. Deny the action
-

**SUMMARY:**

These are administrative actions recommending the appointment of members to the Citizens' Finance Advisory Board, the Human Services Commission, the Loveland Utilities Commission, the Senior Advisory Board, and the Transportation Advisory Board.

**BUDGET IMPACT:**

- ☐ Positive  
☐ Negative  
☒ Neutral or negligible
- 

**BACKGROUND:**

Due to a member resignation, the **Citizens' Finance Advisory Commission** had one vacancy. One application was received and an interview was conducted in mid-July. The committee recommends the appointment of Victor Palomares to the Citizens' Finance Advisory Commission for a partial term effective until December 31, 2014.

The **Human Services Commission** had three term vacancies during the Spring recruiting cycle. Five applications were received then one applicant withdrew from consideration for the commission. Interviews were held June 30th and the committee recommends the reappointment of April Lewis and the appointment of Sonnette Greenidge and Jo Anne Warner to the commission, each for a term effective until June 30, 2017. Rebecca Paulson and Marcy Yoder are recommended for appointment as alternate members of the Human Services Commission, each for a term effective until June 30, 2015.

At the July 15, 2014 meeting, City Council approved the reappointment of two members to the **Loveland Utilities Commission**. Recruiting for the remaining vacancy resulted in one application. An interview was held July 16th and the committee recommends appointing Jennifer Gramling to the Loveland Utilities Commission for a term effective until June 30, 2017.

Section 2.60.240 of the Loveland Municipal Code states:

**2.60.240 Senior advisory board.**

A. There is established a senior advisory board consisting of fifteen members. Nine members shall be appointed by the city council to serve terms of three years. Six members shall be nominated by the senior advisory board, and approved by the city council, to serve terms of two years. These six members shall consist of one at large member, and one member from each of the following organizations: Chilson Senior Advisory Committee, Housing Authority of the City of Loveland, Colorado, McKee Senior Services, the UCH Aspen Club/Senior Services, and the McKee Medical Center Seasons Club.

Terms have expired for representatives from Housing Authority of the City of Loveland, Colorado and McKee Medical Center Seasons Club. At the July 2, 2014 meeting, the **Senior Advisory Board** considered letters recommending Phoebe Hawley as the McKee Medical Center Seasons Club representative. If approved, she will serve a term effective until August 5, 2016. Consideration of the Housing Authority representative is a separate agenda item for this meeting.

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During the Spring recruiting process, the **Transportation Advisory Board** had three term vacancies and one vacancy due to a resignation. Applications were received from the three incumbents. The interview committee recommends the reappointment of Irene Fortune, Dave Martinez and Bob Massaro to the board, each for a term effective until June 30, 2017. Recruiting continues for the partial term vacancy.

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**REVIEWED BY CITY MANAGER:**



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**LIST OF ATTACHMENTS:**

None



**CITY OF LOVELAND**  
DEVELOPMENT SERVICES DEPARTMENT  
Civic Center • 500 East 3<sup>rd</sup> Street • Loveland, Colorado 80537  
(970) 962-2346 • FAX (970) 962-2945 • TDD (970) 962-2620

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**AGENDA ITEM:** 3  
**MEETING DATE:** 8/5/2014  
**TO:** City Council  
**FROM:** Greg George, Development Services  
**PRESENTER:** Bethany Clark, Community & Strategic Planning

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**TITLE:**

An Ordinance on Second Reading Designating as a Historic Landmark the Scott House Located at 719 East 5<sup>th</sup> Street in Loveland, Colorado

**RECOMMENDED CITY COUNCIL ACTION:**

Approve the ordinance on second reading as presented.

**OPTIONS:**

1. Adopt the action as recommended
  2. Deny the action
  3. Adopt a modified action (specify in the motion)
  4. Refer back to staff for further development and consideration
  5. Adopt a motion continuing the item to a future Council meeting
- 

**SUMMARY:**

This is a legislative action. The owner of a Craftsman-style home on East 5<sup>th</sup> Street is requesting Loveland Historic Landmark designation to recognize the building's architecture and cultural significance in Loveland. The Historic Preservation Commission acknowledges the building's significance and recommends that City Council designate the building to the Loveland Historic Register. This ordinance was approved unanimously on first reading by Council at the July 15, 2014 regular meeting.

**BUDGET IMPACT:**

- ☐ Positive  
☐ Negative  
☒ Neutral or negligible
- 

**BACKGROUND:**

On June 16, 2014 a public hearing was held by the Historic Preservation Commission for the purposes of considering the nomination application. It is the Historic Preservation Commission's charge to review nomination applications for conformance with the established criteria for

designation and with the purposes of the historic preservation ordinance. The Commission determined that the nominated property had both the significance and the integrity to be designated as a Loveland Historic Landmark, as detailed in the attached staff report, and voted unanimously to recommend approval of the designation to City Council. Draft minutes from the June 16<sup>th</sup> meeting, attached, include the Commission's motion. It is anticipated that the minutes will be adopted at the July 21<sup>st</sup> meeting.

According to the Historic Building Inventory prepared by Cultural Resource Historians, the Scott House is architecturally significant for its early Craftsman style architectural characteristics, and for the fine craftsmanship shown in its brick masonry construction. The property is also historically significant for its association with Loveland's residential development dating from the year of its construction, and for its association with its original owner Delano F. Scott, a prominent member of the Loveland community.

To be considered eligible for designation as a historic landmark on the Loveland Historic Register, a property must be at least fifty (50) years old and must meet (1) of the criteria under the three categories of architectural, social/cultural, or geographic/environmental significance as identified in Loveland Municipal Code 15.56.100. The Scott House meets the age requirement and at least one criterion in each of the three categories of significance. Specific criteria for the nomination are contained in the staff report.

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**REVIEWED BY CITY MANAGER:**



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**LIST OF ATTACHMENTS:**

1. Ordinance
2. Complete first reading packet from July 15, 2014 can be accessed on the website from:  
<http://www.cityofloveland.org/index.aspx?page=20&recordid=58774>

**FIRST READING**      July 15, 2014

**SECOND READING**      August 5, 2014

**ORDINANCE NO.** \_\_\_\_\_

**AN ORDINANCE DESIGNATING AS A HISTORIC LANDMARK THE  
SCOTT HOUSE LOCATED AT 719 EAST 5TH STREET IN LOVELAND,  
COLORADO**

**WHEREAS**, Chapter 15.56 of the Loveland Municipal Code provides that the City Council may designate as a historic landmark an individual structure, site, or other feature or an integrated group of structures and features on a single lot or site having a special historical or architectural value; and

**WHEREAS**, Code Section 15.56.100 further provides that landmarks must be at least fifty years old and meet one or more of the criteria for architectural, social/cultural, or geographic/environmental significance; and

**WHEREAS**, the owner of that real property legally described as **Lots 17 and 18 in Block 2, in Gifford-Goss Addition to the City of Loveland, Colorado, County of Larimer, State of Colorado** (the “Property”), located at 719 East 5th Street, Loveland, Colorado, filed an application for designation of a structure located on the Property (the “Scott House”) as a historic landmark under Code Chapter 15.56; and

**WHEREAS**, upon designation of the Scott House as a historic landmark, the Property shall be subject to the provisions of Chapter 15.56 of the Code, as it may be amended from time-to-time by action of the City Council, which currently include, among other provisions, requirements for maintenance, requirements for prior approval of alteration, relocation, or demolition, and remedies for violation, which are binding upon the owner and subsequent purchasers of the Property; and

**WHEREAS**, on June 16, 2014, the Historic Preservation Commission (“Commission”) held a duly-noticed public hearing (“Commission Hearing”) at which it evaluated the application for designation of the Scott House as a historic landmark, considered the criteria for designation required in Code Section 15.56.100, and received and duly considered any public comments and testimony; and

**WHEREAS**, at the conclusion of the Commission Hearing, the Commission recommended to the City Council approval of the designation of the Scott House as a historic landmark; and

**WHEREAS**, as required by Code Section 15.56.030.D, the Commission has forwarded its written recommendation to the City Council that the Scott House be designated as a historic landmark; and



**WHEREAS**, on July 15, 2014, the City Council held a duly-noticed public hearing on the designation application at which it reviewed the application for conformance with the criteria for designation in and with the purposes of Code Chapter 15.56 and considered the written views of owners of affected property, if any.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:**

**Section 1.** That the preceding recitals contained in this Ordinance are hereby adopted and incorporated by reference as findings of fact of the City Council.

**Section 2.** That the City Council finds that the Scott House, located at 719 East 5th Street in Loveland, Colorado, satisfies the age requirement and meets the following significant criteria for designation as a landmark to the Loveland Historic Register:

- a. Architectural:
  - 1. Exemplifies specific elements of an architectural style or period.
  - 2. Demonstrates superior craftsmanship or high artistic value.
  - 3. Represents a built environment of a group of people in an era of history.
- b. Social/Cultural:
  - 1. Exemplifies the cultural, political, economic, or social heritage of the community.
- c. Geographic/Environmental:
  - 1. Enhances sense of identity of the community.

**Section 3.** That the Scott House is hereby designated as a historic landmark to the Loveland Historic Register.

**Section 4.** That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full. This Ordinance shall be in full force and effect ten days after its final publication, as provided in City Charter Section 4-8(b).

**Section 5.** That the City Clerk is hereby directed to record the Ordinance with the Larimer County Clerk and Recorder after its effective date in accordance with state statutes.

**ADOPTED** this 5<sup>th</sup> day of August, 2014.

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Cecil A. Gutierrez, Mayor

ATTEST:

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City Clerk

APPROVED AS TO FORM:

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Assistant City Attorney



**CITY OF LOVELAND**  
PARKS & RECREATION DEPARTMENT  
Civic Center • 500 East Third • Loveland, Colorado 80537  
(970) 962-2303 • FAX (970) 962-2903 • TDD (970) 962-2620

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**AGENDA ITEM:** 4  
**MEETING DATE:** 8/5/2014  
**TO:** City Council  
**FROM:** Keven Aggers, Interim Parks and Recreation Director  
**PRESENTER:** Janet Meisel-Burns, Senior Park Planner

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**TITLE:**

An Ordinance on Second Reading Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for Engineering Work to Develop River Modeling Along the River Reaches of the Morey Wildlife Reserve/Mariana Butte Golf Course, River's Edge Natural Area and Viestenz-Smith Mountain Park

**RECOMMENDED CITY COUNCIL ACTION:**

Approve the ordinance on second reading.

**OPTIONS:**

1. Adopt the action as recommended
  2. Deny the action
  3. Adopt a modified action (specify in the motion)
  4. Refer back to staff for further development and consideration
  5. Adopt a motion continuing the item to a future Council meeting
- 

**SUMMARY:**

This is an administrative action. The ordinance on second reading appropriates funding for engineering costs to determine the scope for 4 park and recreation projects that require hydraulic modeling and river scour analysis prior to the full restoration of the sites. The total appropriation is \$500,000. Depending on the final determination from FEMA, some of these costs may be eligible for reimbursement and other grant opportunities that may arise. In particular the costs for Mariana Butte Golf Course's share will likely not be reimbursed but the Viestenz-Smith Mountain Park costs may be covered under the reimbursement from FEMA if the project is selected for the Alternative Pilot Program. This ordinance was approved unanimously on first reading by Council at the July 15, 2014 regular meeting.

**BUDGET IMPACT:**

- ☐ Positive  
☒ Negative  
☐ Neutral or negligible

Supplemental funding requested for the engineering studies is from the Open Space funds, \$162,500 (Fund 202), and \$250,000 from the General Fund (Fund 100) for the studies required

for Viestenz-Smith Mountain Park and \$87,500 is from the Golf Enterprise Fund for engineering studies required for Marianna Butte Golf Course. The ordinance is funded with unreserved fund balance reducing the flexibility to fund other projects.

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**BACKGROUND:**

Morey Wildlife Reserve was severely damaged by the September 2013 Flood and the 10.5 Acre pond was completely silted in with sand and sediment. Marianna Butte Golf Course needs additional bank stabilization on the 16<sup>th</sup> fairway and river modeling is required prior to the reconstruction of the bridge along Dry Creek. Viestenz-Smith Mountain Park was devastated by the Flood and no restoration improvements can be constructed until further study and analysis is completed. River's Edge Natural Area parking lot and infrastructure were damaged by the Flood and a full scour analysis must be completed to ensure that proper mitigation measures are included in the restoration of this site.

River modeling, "no rise" certifications and scour analysis reports are required for all of these sites to determine what additional mitigation measures are required for the placement of infrastructure, bridges and structures prior to the full renovation of all of these sites. The supplemental funding request will ensure that these projects continue to move forward and that the analysis and studies can be completed during the redesign and engineering for permanent improvements.

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**REVIEWED BY CITY MANAGER:**



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**LIST OF ATTACHMENTS:**

1. Ordinance

**FIRST READING** July 15, 2014

**SECOND READING** August 5, 2014

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE ENACTING A SUPPLEMENTAL BUDGET AND APPROPRIATION TO THE 2014 CITY OF LOVELAND BUDGET FOR ENGINEERING WORK TO DEVELOP RIVER MODELING ALONG THE RIVER REACHES OF THE MOREY WILDLIFE RESERVE/MARIANA BUTTE GOLF COURSE, RIVER'S EDGE NATURAL AREA AND VIESTENZ-SMITH MOUNTAIN PARK**

**WHEREAS**, the City has received reserved funds not anticipated or appropriated at the time of the adoption of the City budget for 2014; and

**WHEREAS**, the City Council desires to authorize the expenditure of these funds by enacting a supplemental budget and appropriation to the City budget for 2014, as authorized by Section 11-6(a) of the Loveland City Charter.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:**

**Section 1.** That reserves in the amount of \$250,000 from unreserved fund balance in the General Fund 100, \$162,500 from unreserved fund balance in the Open Space fund 202, and \$87,500 from unreserved fund balance in the Golf Enterprise Fund are available for appropriation. Such reserves in the total amount of \$500,000 are hereby appropriated and transferred to the Capital Project Fund 120 for engineering work to develop river modeling along the river reaches of the Morey Wildlife Reserve/Mariana Butte Golf Course, the River's Edge Natural Area and the Viestenz-Smith Mountain Park. The spending agencies and funds that shall be spending the monies supplementally budgeted and appropriated are as follows:

**Supplemental Budget  
General Fund 100**

<b>Revenues</b>		
Fund Balance		250,000
<b>Total Revenue</b>		<b>250,000</b>
<b>Appropriations</b>		
100-91-999-0000-47120	Transfer to Capital Projects Fund	250,000
<b>Total Appropriations</b>		<b>250,000</b>

**Supplemental Budget  
Capital Projects Fund Fund 120**

<b>Revenues</b>		
120-00-000-0000-37100	Transfer from General Fund	250,000
120-00-000-0000-37202	Transfer from Open Space Fund	162,500
120-00-000-0000-37375	Transfer from Golf Enterprise Fund	87,500
<b>Total Revenue</b>		<b>500,000</b>
<b>Appropriations</b>		
120-23-280-0000-49352	Engineering	500,000
<b>Total Appropriations</b>		<b>500,000</b>

**Supplemental Budget  
Open Space Fund 202**

<b>Revenues</b>		
Fund Balance		162,500
<b>Total Revenue</b>		<b>162,500</b>
<b>Appropriations</b>		
202-51-590-0000-47120	Transfer to Capital Projects Fund	162,500
<b>Total Appropriations</b>		<b>162,500</b>

**Supplemental Budget  
Golf Enterprise Fund 375**

<b>Revenues</b>		
Fund Balance		87,500
<b>Total Revenue</b>		<b>87,500</b>
<b>Appropriations</b>		
375-51-510-0000-47120	Transfer to Capital Projects Fund	87,500
<b>Total Appropriations</b>		<b>87,500</b>

**Section 2.** That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full. This Ordinance shall be in full force and effect upon final adoption, as provided in City Charter Section 11-5(d).

ADOPTED this \_\_\_\_ day of August, 2014.

\_\_\_\_\_  
Cecil A. Gutierrez, Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Assistant City Attorney

**CITY OF LOVELAND****ECONOMIC DEVELOPMENT OFFICE**

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**AGENDA ITEM:** 5  
**MEETING DATE:** 8/5/2014  
**TO:** City Council  
**FROM:** Betsey Hale, Economic Development Department  
**PRESENTERS:** Betsey Hale, Economic Development Director and  
Downtown Working Group Representatives

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**TITLE:**

An Ordinance on Second Reading Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for Legal Costs to Assist in the Formation of a New Downtown Organization

**RECOMMENDED CITY COUNCIL ACTION:**

Approve the ordinance on second reading.

**OPTIONS:**

1. Adopt the action as recommended
  2. Deny the action
  3. Adopt a modified action (specify in the motion)
  4. Refer back to staff for further development and consideration
  5. Adopt a motion continuing the item to a future Council meeting
- 

**SUMMARY:**

This is an administrative action requesting a supplemental budget and appropriation of \$50,000 for the purpose of hiring legal counsel to assist with the formation of a downtown leadership organization. The ordinance was approved unanimously on first reading by Council at the July 15, 2014 regular meeting.

**BUDGET IMPACT:**

- ☐ Positive  
☒ Negative  
☐ Neutral or negligible

The ordinance is funded by fund balance in the General Fund that reduces the flexibility to fund other projects.

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**BACKGROUND:**

On January 25, 2014, the Loveland City Council directed staff to begin the effort of developing a robust and durable organizational structure to lead downtown development, promotion, and advocacy. The intent of this direction is to ensure that the private sector is leading the efforts to redevelop downtown and create an economically vibrant and active heart of the community.

Since May, 2014 a working group of citizen leaders and downtown stakeholders have been meeting to develop the organization's strategic plan, structure and budget. On August 12, 2014, City Council will hold a study session with this group to discuss the next steps. The purpose of this funding is to assist the group with legal costs associated with formation expenses and due process questions.

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**REVIEWED BY CITY MANAGER:**

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**LIST OF ATTACHMENTS:**

1. Ordinance
2. Membership List of the Downtown Working Group

**FIRST READING** July 15, 2014

**SECOND READING** August 5, 2014

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE ENACTING A SUPPLEMENTAL BUDGET AND APPROPRIATION TO THE 2014 CITY OF LOVELAND BUDGET FOR LEGAL COSTS TO ASSIST IN THE FORMATION OF A NEW DOWNTOWN ORGANIZATION**

**WHEREAS**, the City has reserved funds not anticipated or appropriated at the time of the adoption of the City budget for 2014; and

**WHEREAS**, the City Council desires to authorize the expenditure of these funds by enacting a supplemental budget and appropriation to the City budget for 2014, as authorized by Section 11-6(a) of the Loveland City Charter.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:**

**Section 1.** That reserves in the amount of \$50,000 from fund balance in the General Fund 100 are available for appropriation. Revenues in the total amount of \$50,000 are hereby appropriated for legal costs to assist in the formation of a new downtown organization. The spending agencies and funds that shall be spending the monies supplementally budgeted and appropriated are as follows:

**Supplemental Budget  
General Fund 100**

**Revenues**

Fund Balance	50,000
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<b>Total Revenue</b>	<b>50,000</b>
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**Appropriations**

100-18-180-1500-43450	Professional Services	50,000
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<b>Total Appropriations</b>	<b>50,000</b>
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**Section 2.** That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full. This Ordinance shall be in full force and effect upon final adoption, as provided in City Charter Section 11-5(d).

ADOPTED this \_\_\_\_ day of \_\_\_\_, 2014.

\_\_\_\_\_  
Cecil A. Gutierrez, Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Assistant City Attorney

## Downtown Working Group

- **1<sup>st</sup> and 3<sup>rd</sup> Mondays, starting May 5, 2014**
- **8:00 am City Council Chambers**

[illegible]



## CITY OF LOVELAND

### ECONOMIC DEVELOPMENT OFFICE

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**AGENDA ITEM:** 6  
**MEETING DATE:** 8/5/2014  
**TO:** City Council  
**FROM:** Marcie Erion, Economic Development Department  
**PRESENTER:** Marcie Erion, Business Development Specialist

#### TITLE:

An Ordinance on Second Reading Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for Incentives to Tharp Cabinet Corporation for the Expansion of its Current Facility

#### RECOMMENDED CITY COUNCIL ACTION:

Approve the ordinance on second reading.

#### OPTIONS:

1. Adopt the action as recommended
2. Deny the action
3. Adopt a modified action (specify in the motion)
4. Refer back to staff for further development and consideration
5. Adopt a motion continuing the item to a future Council meeting

#### SUMMARY:

This is an administrative action. The incentive request on behalf of Tharp Cabinet Corporation will waive City of Loveland fees and taxes associated with an expansion of their current facility. The ordinance was approved unanimously on first reading by Council at the July 15, 2014 regular meeting.

#### BUDGET IMPACT:

- ☐ Positive  
☒ Negative  
☐ Neutral or negligible

The City of Loveland is being asked to waive up to but not to exceed \$100,000 of fees and taxes based on final fee calculations provided at time of building permit issuance. The funds to backfill the Capital Expansion Fees and System Impact Fees will come out of the Economic Development Incentive Fund contingent upon City Council approval. Based on the current fee estimate, the fee waivers amount to \$40,000 with the backfill of Capital Expansion Fees and

System Impact Fees in the amount of \$60,000. These figures may change based on final building plan submittal.

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**BACKGROUND:**

Tharp Cabinet Corporation is requesting fee and tax waivers, up to but not to exceed \$100,000, associated with their fifth expansion within the City of Loveland. Founded 42 years ago, Tharp Cabinet Corporation, under the current ownership of Don and Kayleen Fraley, has grown to be the largest volume custom cabinet manufacturer in Colorado and Wyoming. Since 2008, they have invested over \$2.4 million in capital equipment and facility expansions and renovations. With an increase in sales in the double digits the last several years, they anticipate a growth in full time employees from 96 to 145 and in revenues from \$12.2 to 18.6 million over the next five years. The proposed expansion is projected to cost \$1.5 million bringing the total investment to nearly \$4 million. The construction materials and capital expenditures will be made primarily in Colorado with an anticipated \$5 million in operating expenses in direct support of local companies and vendors.

The incentive request is less than 3% of Tharp Cabinet Corporation's total investment in the business and the community. The Economic Impact Analysis run by Chief Financial Advisor, Alan Krcmarik, yielded a net return of the investment of \$130,000, through property, use and sales taxes within five years.

Support for this incentive is consistent with the City of Loveland Economic Development Strategic Plan:

Goal #3- "Make the Right Investment Easy to Come, Stay and Grow."

Action- "Continue the use of the City of Loveland Incentive Policy."

Action- "Develop a Business Retention Plan."

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**REVIEWED BY CITY MANAGER:**




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**LIST OF ATTACHMENTS:**

1. Ordinance
2. Complete first reading packet from July 15, 2014 can be accessed on the website from:  
<http://www.cityofloveland.org/index.aspx?page=20&recordid=58774>

**FIRST READING**                      July 15, 2014

**SECOND READING**                      August 5, 2014

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE ENACTING A SUPPLEMENTAL BUDGET AND  
APPROPRIATION TO THE 2014 CITY OF LOVELAND BUDGET FOR  
INCENTIVES TO THARP CABINET CORPORATION FOR THE  
EXPANSION OF ITS CURRENT FACILITY**

**WHEREAS**, the City has reserved funds not anticipated or appropriated at the time of the adoption of the City budget for 2014; and

**WHEREAS**, the City Council desires to authorize the expenditure of these funds by enacting a supplemental budget and appropriation to the City budget for 2014, as authorized by Section 11-6(a) of the Loveland City Charter.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE  
CITY OF LOVELAND, COLORADO:**

**Section 1.** That reserves in the amount of \$56,570 from Unreserved Fund Balance in the Economic Incentive Fund 106 are available for appropriation. Such reserves in the total amount of \$56,570 are hereby appropriated and transferred to other funds for the amount of impact fees waived in the incentive agreement. The spending agencies and funds that shall be spending the monies supplementally budgeted and appropriated are as follows:

**Supplemental Budget  
Economic Incentive Fund 106**

<b>Revenues</b>		
Fund Balance		56,570
<b>Total Revenue</b>		<b>56,570</b>
<b>Appropriations</b>		
106-18-180-1500-47264	Transfer to Fire Capital Expansion Fee Fund	450
106-18-180-1500-47265	Transfer to Police Capital Expansion Fee Fund	750
106-18-180-1500-47268	Transfer to General Govt. Capital Expansion Fee Fund	900
106-18-180-1500-47269	Transfer to Streets Capital Expansion Fee Fund	12,720
106-18-180-1500-47300	Transfer to Water Enterprise Fund	430
106-18-180-1500-47301	Transfer to Water SIF Fund	18,390
106-18-180-1500-47302	Transfer to Raw Water Enterprise Fund	1,700
106-18-180-1500-47316	Transfer to Wasterwater SIF Fund	18,850
106-18-180-1500-47345	Transfer to Storm Water Enterprise Fund	2,380
<b>Total Appropriations</b>		<b>56,570</b>

**Supplemental Budget  
Fire Capital Expansion Fee Fund 264**

<b>Revenues</b>		
264-00-000-0000-37106	Transfer from Economic Incentive Fund	450
<b>Total Revenue</b>		<b>450</b>

**Supplemental Budget  
Police Capital Expansion Fee Fund 265**

<b>Revenues</b>		
265-00-000-0000-37106	Transfer from Economic Incentive Fund	750
<b>Total Revenue</b>		<b>750</b>

**Supplemental Budget  
General Government Capital Expansion Fee Fund 268**

<b>Revenues</b>		
268-00-000-0000-37106	Transfer from Economic Incentive Fund	900
<b>Total Revenue</b>		<b>900</b>



**Supplemental Budget  
Streets Capital Expansion Fee Fund 269**

<b>Revenues</b>		
269-00-000-0000-37106	Transfer from Economic Incentive Fund	12,720
<b>Total Revenue</b>		<b>12,720</b>

**Supplemental Budget  
Water Enterprise Fund 300**

<b>Revenues</b>		
300-00-000-0000-37106	Transfer from Economic Incentive Fund	430
<b>Total Revenue</b>		<b>430</b>

**Supplemental Budget  
Water System Impact Fee Fund 301**

<b>Revenues</b>		
301-00-000-0000-37106	Transfer from Economic Incentive Fund	18,390
<b>Total Revenue</b>		<b>18,390</b>

**Supplemental Budget  
Raw Water Enterprise Fund 302**

<b>Revenues</b>		
302-00-000-0000-37106	Transfer from Economic Incentive Fund	1,700
<b>Total Revenue</b>		<b>1,700</b>

**Supplemental Budget  
Wastewater System Impact Fee Fund Fund 316**

<b>Revenues</b>		
316-00-000-0000-37106	Transfer from Economic Incentive Fund	18,850
<b>Total Revenue</b>		<b>18,850</b>

**Supplemental Budget  
Storm Water System Impact Fee Fund Fund 345**

<b>Revenues</b>		
345-00-000-0000-37106	Transfer from Economic Incentive Fund	2,380
<b>Total Revenue</b>		<b>2,380</b>

**Section 2.** That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full. This Ordinance shall be in full force and effect upon final adoption, as provided in City Charter Section 11-5(d).

ADOPTED this \_\_\_\_ day of August, 2014.

\_\_\_\_\_  
Cecil A. Gutierrez, Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Assistant City Attorney

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**AGENDA ITEM:** 7  
**MEETING DATE:** 8/5/2014  
**TO:** City Council  
**FROM:** Economic Development Department  
**PRESENTER:** Mike Scholl, Economic Development Manager

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**TITLE:**

An Ordinance on Second Reading Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for the Purchase of Property for the South Catalyst Project

**RECOMMENDED CITY COUNCIL ACTION:**

Approve the ordinance on second reading.

**OPTIONS:**

1. Adopt the action as recommended
  2. Deny the action
  3. Adopt a modified action (specify in the motion)
  4. Refer back to staff for further development and consideration
  5. Adopt a motion continuing the item to a future Council meeting
- 

**SUMMARY:**

This is an administrative action. The Ordinance on second reading appropriates \$6.25 million to fund the acquisition of Downtown property in support of the South Catalyst redevelopment project. The proposed project, a partnership with the Michaels Development Company and Larimer County, is expected to result in a vertically dense mixed-use project that would include office, residential and retail. The total investment is expected to generate between \$50 to \$70 million. The project was originally conceived in the 2010 Downtown Vision book as the South Catalyst project. The Vision book also conceived the recently completed North Catalyst project, the Gallery Flats apartment buildings. Staff identified the Michaels Development Company as a private sector development partner for the project and Council approved a six month exclusive right to negotiate in February of 2014. The negotiations are moving forward with Michaels and we expect an update to Council by August 5, 2014. This ordinance was approved unanimously by Council at the July 15, 2014 regular meeting.

**BUDGET IMPACT:**

- ☐ Positive  
☒ Negative  
☐ Neutral or negligible
-

The ordinance is funded by General Fund Reserves (\$2,250,000) and Council Capital Reserve (\$4,000,000) that reduces the flexibility to fund other projects. The current balance in the General Fund Reserves is \$13,393,673. The new balance, pending approval of this supplemental appropriation request, will be \$11,143,673. The Council Capital Reserve balance is \$4,063,570 and pending approval of this supplemental appropriation request the new balance will be \$63,570.

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**BACKGROUND:**

Staff has engaged commercial real estate brokers to assemble property in Downtown Loveland and negotiations have been ongoing. Council has already appropriated \$250,000 for earnest money deposits and due diligence. \$41,000 has been spent on earnest money for the contracted properties and due diligence. Another \$45,000 has been committed for design and additional environmental due diligence.

The amount requested, \$6.25 million, exceeds the projected final cost. Staff will not know the final cost until the final contracts are negotiated. Staff does not anticipate spending all of the appropriated funds at this time.

The City has eight properties under contract with closing scheduled for the first week of December. All of the contracts are contingent on the Council approving an appropriation for the full purchase price. Three additional properties have a tentative agreement. The remaining seven properties are in negotiation.

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**REVIEWED BY CITY MANAGER:**




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**LIST OF ATTACHMENTS:**

1. Ordinance

**FIRST READING** July 15, 2014

**SECOND READING** August 5, 2014

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE ENACTING A SUPPLEMENTAL BUDGET AND APPROPRIATION TO THE 2014 CITY OF LOVELAND BUDGET FOR THE PURCHASE OF PROPERTY FOR THE SOUTH CATALYST PROJECT**

**WHEREAS**, the City has reserved funds not anticipated or appropriated at the time of the adoption of the City budget for 2014; and

**WHEREAS**, the City Council desires to authorize the expenditure of these funds by enacting a supplemental budget and appropriation to the City budget for 2014, as authorized by Section 11-6(a) of the Loveland City Charter.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:**

**Section 1.** That reserves in the amount of \$4,000,000 from the Council Capital Reserve and \$2,250,000 from Unreserved Fund Balance in the General Fund 100 are available for appropriation. Such reserves and funds in the total amount of \$6,250,000 are hereby appropriated and transferred to the capital Projects Fund 120 for the purchase of property as part of the South Catalyst Project. The spending agencies and funds that shall be spending the monies supplementally budgeted and appropriated are as follows:

**Supplemental Budget  
General Fund 100**

**Revenues**

Fund Balance	6,250,000
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<b>Total Revenue</b>	<b>6,250,000</b>
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**Appropriations**

100-18-180-1500-49010	Land	6,250,000
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<b>Total Appropriations</b>	<b>6,250,000</b>
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**Section 2.** That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full. This Ordinance shall be in full force and effect upon final adoption, as provided in City Charter Section 11-5(d).

ADOPTED this \_\_\_\_ day of August, 2014.

\_\_\_\_\_  
Cecil A. Gutierrez, Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Assistant City Attorney



**CITY OF LOVELAND**  
INFORMATION TECHNOLOGY DEPARTMENT  
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(970) 962-2335 • FAX (970) 962-2909 • TDD (970) 962-2620

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**AGENDA ITEM:** 8  
**MEETING DATE:** 8/5/2014  
**TO:** City Council  
**FROM:** Bill Westbrook, Information Technology Department  
**PRESENTER:** Bill Westbrook, Director of Information Technology

---

**TITLE:**

An Ordinance on First Reading Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for the Installation of Fiber Optic Cable on 29th Street from Taft Avenue to Wilson Avenue

**RECOMMENDED CITY COUNCIL ACTION:**

Conduct a public hearing and approve the ordinance on first reading.

**OPTIONS:**

1. Adopt the action as recommended
  2. Deny the action
  3. Adopt a modified action (specify in the motion)
  4. Refer back to staff for further development and consideration
  5. Adopt a motion continuing the item to a future Council meeting
- 

**SUMMARY:**

This is an administrative action. The appropriation funds a project to bury, install, and terminate a fiber optic cable on 29<sup>th</sup> Street to provide connection to the new fire station 2, the Olde Course and the Cattail Creek Golf Courses.

**BUDGET IMPACT:**

- ☐ Positive  
☒ Negative  
☐ Neutral or negligible

Fiber Optic lease revenues are anticipated to be over the budgeted amount in 2014 and fund the General Fund portion of the project. Revenues and/or reserves in the amount of \$75,300 from fiber optic lease revenue in the General Fund 100 and \$37,610 from the fund balance in the Golf Enterprise Fund 375 are available for appropriation. Revenues in the total amount of \$112,910 are hereby requested for appropriation and transfer to the Capital Projects Fund 120

for installation of fiber optic cable. Fund balance is used for the Golf Enterprise's share and reduces the flexibility to fund other projects in the Enterprise.

---

**BACKGROUND:**

The new Fire Station 2's initial and only fiber connection, as designed, is traffic fiber being installed along Wilson Avenue. This proposed project along 29<sup>th</sup> Street offers a redundant path for the fire station's data network access. Fiber installation along the south side of 29<sup>th</sup> Street between Taft and Wilson Avenues is projected to cost \$75,310 as no usable conduit exists and the entire run is required to be bored instead of trenched. The cost covers conduit, fiber optic cable, and connections to traffic and Platte River fiber infrastructure.

The golf cost of the project is estimated to be \$37,610 which provides conduit, fiber, connectivity, and equipment to attach both courses to the fiber to be installed on 29<sup>th</sup>. This results in t1 connections to the Olde Course and Cattail Creek being replaced by 10 gigabit network connections at each course, providing the courses a connection that is over 6,632 times faster than before. The T1 connections are approximately \$250 each per month. The fiber replaces those lines resulting in a little over six year cost recovery with no additional monthly costs after that time.

---

**REVIEWED BY CITY MANAGER:**

---

**LIST OF ATTACHMENTS:**

1. Ordinance
2. Map of proposed fiber installation along 29<sup>th</sup>, Traffic fiber project in progress, new Fire Station 2's construction project fiber, and associated existing Platte River Power Authority fiber cable.



FIRST READING August 5, 2014

SECOND READING \_\_\_\_\_

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE ENACTING A SUPPLEMENTAL BUDGET AND APPROPRIATION TO THE 2014 CITY OF LOVELAND BUDGET FOR THE INSTALLATION OF FIBER OPTIC CABLE ON 29<sup>TH</sup> STREET FROM TAFT AVENUE TO WILSON AVENUE**

**WHEREAS**, the City has received and/or reserved funds not anticipated or appropriated at the time of the adoption of the City budget for 2014; and

**WHEREAS**, the City Council desires to authorize the expenditure of these funds by enacting a supplemental budget and appropriation to the City budget for 2014, as authorized by Section 11-6(a) of the Loveland City Charter.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:**

**Section 1.** That revenues and/or reserves in the amount of \$75,300 from fiber optic lease revenue in the General Fund 100 and \$37,610 from the fund balance in the Golf Enterprise Fund 375 are available for appropriation. Revenues in the total amount of \$112,910 are hereby appropriated and transferred to the Capital Projects Fund 120 for installation of fiber optic cable. The spending agencies and funds that shall be spending the monies supplementally budgeted and appropriated are as follows:

**Supplemental Budget  
General Fund 100**

**Revenues**

100-00-000-0000-30602	Fiber Optic Lease	75,300
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<b>Total Revenue</b>		<b>75,300</b>
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**Appropriations**

100-91-999-0000-47120	Transfer to Capital Projects Fund	75,300
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<b>Total Appropriations</b>		<b>75,300</b>
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**Supplemental Budget  
Capital Projects Fund 120**

<b>Revenues</b>		
120-00-000-0000-37100	Transfer from General Fund	75,300
120-00-000-0000-37375	Transfer from Golf Enterprise	37,610
<b>Total Revenue</b>		<b>112,910</b>

<b>Appropriations</b>		
120-16-161-0000-49360	Construction	112,910
<b>Total Appropriations</b>		<b>112,910</b>

**Supplemental Budget  
Golf Enterprise Fund 375**

<b>Revenues</b>		
Fund Balance		37,610
<b>Total Revenue</b>		<b>37,610</b>
<b>Appropriations</b>		
375-51-510-0000-47120	Transfer to Capital Projects Fund	37,610
<b>Total Appropriations</b>		<b>37,610</b>

**Section 2.** That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full. This Ordinance shall be in full force and effect upon final adoption, as provided in City Charter Section 11-5(d).

ADOPTED this \_\_\_\_ day of August, 2014.

\_\_\_\_\_  
Cecil A. Gutierrez, Mayor

ATTEST:

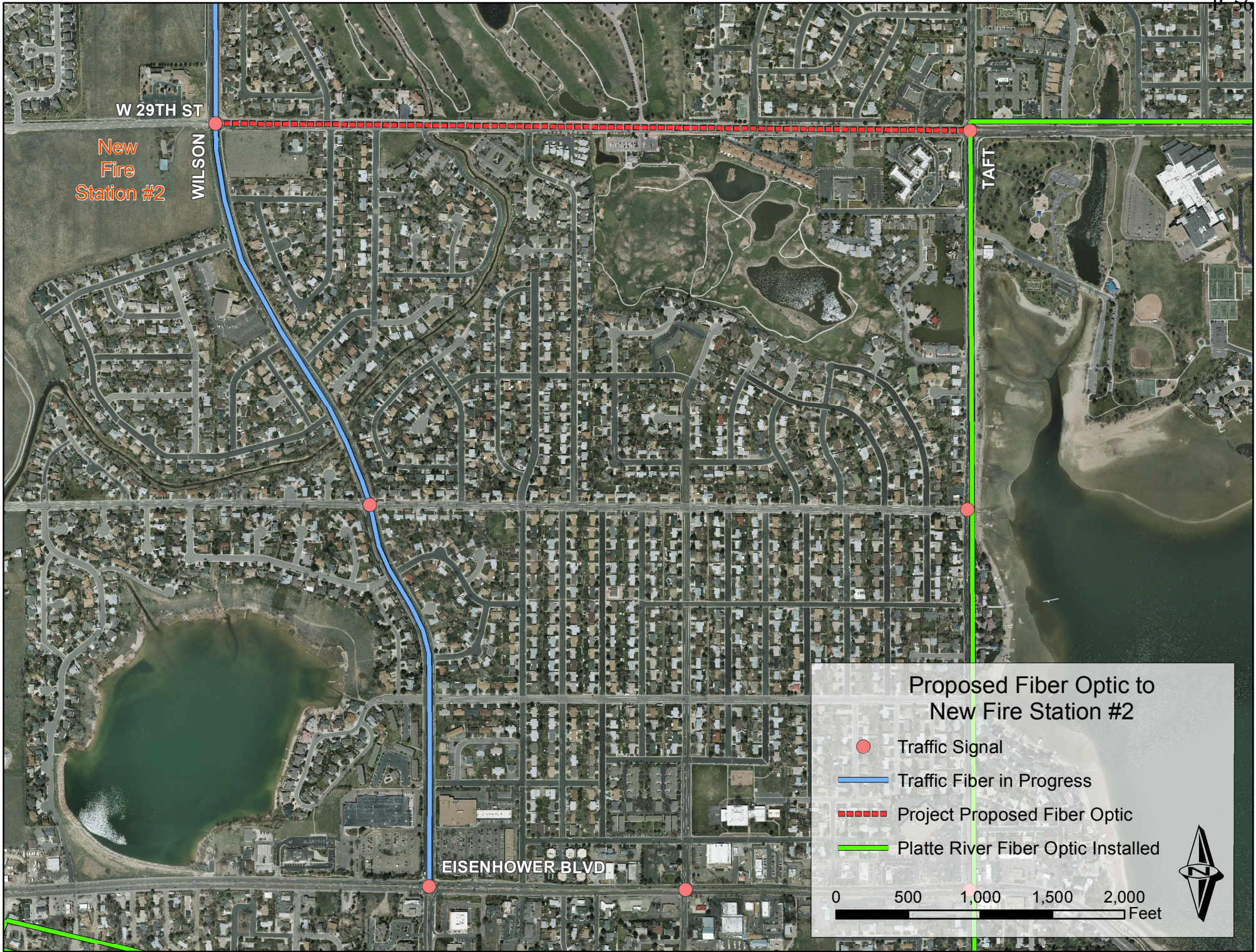
---

City Clerk

APPROVED AS TO FORM:

  
Assistant City Attorney









**CITY OF LOVELAND**  
DEVELOPMENT SERVICES DEPARTMENT  
Civic Center • 500 East 3<sup>rd</sup> Street • Loveland, Colorado 80537  
(970) 962-2346 • FAX (970) 962-2945 • TDD (970) 962-2620

---

**AGENDA ITEM:** 9  
**MEETING DATE:** 8/5/2014  
**TO:** City Council  
**FROM:** Greg George, Development Services  
**PRESENTER:** Alison Hade, Community Partnership Office

---

**TITLE:**

A Resolution of the City Council of the City of Loveland, Colorado Approving a Community Development Block Grant Annual Action Plan and Grant Application for 2014-2015

**RECOMMENDED CITY COUNCIL ACTION:**

Adopt the resolution as presented.

**OPTIONS:**

1. Adopt the action as recommended
  2. Deny the action
  3. Adopt a modified action (specify in the motion)
  4. Refer back to staff for further development and consideration
  5. Adopt a motion continuing the item to a future Council meeting
- 

**SUMMARY:**

This is an administrative action. Each year, the Community Partnership Office submits a report to the U.S. Department of Housing and Urban Development (HUD) called the Annual Action Plan which identifies the housing and public services projects that will be funded with a Community Development Block Grant (CDBG) during the next grant year. This resolution approves the Action Plan and grant application for 2014-2015 so they can be submitted to HUD. CDBG funding for 2014-2015 is expected to be \$301,648.

**BUDGET IMPACT:**

- ☐ Positive  
☐ Negative  
☒ Neutral or negligible
- 

**BACKGROUND:**

HUD requires the City of Loveland to complete an Annual Action Plan describing how the City intends to spend CDBG funding during the federal government's upcoming fiscal year (October 1<sup>st</sup> through September 30<sup>th</sup>). The Loveland City Council authorized the allocation of 2014-2015

CDBG funding on June 3, 2014 through the adoption of Resolution #R-37-2014. The Annual Action Plan provides detailed information for HUD and includes the City's official application for funding.

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**REVIEWED BY CITY MANAGER:**



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**LIST OF ATTACHMENTS:**

1. Resolution
2. Annual Action Plan for 2014-2015

**RESOLUTION #R-49-2014**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO APPROVING A COMMUNITY DEVELOPMENT BLOCK GRANT ANNUAL ACTION PLAN AND GRANT APPLICATION FOR 2014 – 2015**

**WHEREAS**, the City of Loveland, Colorado receives federal Community Development Block Grant (“CDBG”) dollars from the U.S. Department of Housing and Urban Development (“HUD”); and

**WHEREAS**, HUD requires the City to submit an annual action plan and grant application providing detailed information regarding the City’s plan to spend the federal funding; and

**WHEREAS**, the City has developed a Community Development Block Grant Annual Action Plan and Grant Application for 2014 – 2015, a copy of which is on file with the City Clerk (“Annual Action Plan”); and

**WHEREAS**, the Annual Action Plan includes information regarding the allocation of 2014 – 2015 CDBG funds that was approved by the City Council on June 3, 2014 through the adoption of Resolution #R-37-2014; and

**WHEREAS**, the City Council desires to approve the Annual Action Plan.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:**

**Section 1.** That the Community Development Block Grant Annual Action Plan and Grant Application for 2014 – 2015, a copy of which is on file with the City Clerk, is hereby approved.

**Section 2.** That this Resolution shall take effect as of the date of its adoption.

**ADOPTED** this 5<sup>th</sup> day of August, 2014.

\_\_\_\_\_  
Cecil A. Gutierrez, Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

  
Assistant City Attorney



# **2014-2015**

## **Community Development Block Grant**

### **Annual Action Plan**

DRAFT

**City of Loveland**



The City of Loveland's 2014–2015 Community Development Block Grant (CDBG) Annual Action Plan was produced by the Loveland Community Partnership Office. For more information on the plan, or to make a comment, please contact:

DRAFT

Alison Hade  
Community Partnership Administrator  
City of Loveland  
500 East Third Street, Suite 210  
Loveland, Colorado 80537  
(970) 962-2517  
[alison.hade@cityofloveland.org](mailto:alison.hade@cityofloveland.org)  
[www.cityofloveland.org/communitypartnership](http://www.cityofloveland.org/communitypartnership)



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## EXECUTIVE SUMMARY- 91.220(B)

The Annual Action Plan is a one-year plan describing how the City of Loveland intends to spend CDBG funds during the time period of **October 1, 2014** through **September 30, 2015**.

The objectives and outcomes identified in the 2014 Annual Action Plan are to address creating a **suitable living environment** and **decent housing** by **increasing availability/accessibility**, and **affordability** for **persons with low to moderate incomes**. Specific proposed outcomes and objectives for 2014-2015 that reflect the 5-year Consolidated Plan objectives are listed under ALLOCATION PRIORITIES on Page 17 as follows:

HUD-Defined Outcomes & Objectives	One Year Proposed Outcomes from Activities
Increase availability/accessibility to a suitable living environment	Rehabilitate 60,000 sq. ft. building that will house multiple non-profit organizations to provide a wide array of services at one location.
Increase availability/accessibility to a suitable living environment	Purchase a building in which to provide safe housing for victims of domestic violence.
Increase affordability of decent housing	Emergency funding for 17 homeowners with low to moderate income to maintain units as safe and decent.
Increase affordability of decent housing	Purchase land on which to build affordable housing.
Increase availability/accessibility of decent housing	Minor rehabilitation of 40 homes occupied by seniors living independently and with low to moderate income.
Increase availability/accessibility to a suitable living environment.	Counseling and case management for 764 victims of domestic violence.
Increase availability/accessibility to a suitable living environment.	Case management and access to specialty medical care for 40 individuals with HIV/AIDS.



## **PAST PERFORMANCE - 91.220(B)**

**Many performance outcomes of City of Loveland CDBG sub-recipients have been achieved. Loveland residents with low income received the benefit of new housing, housing rehabilitation, case management and shelter. During the 2013-2014 grant year, CDBG funds were expended to:**

- Start to rehabilitate a 60,000 sq. ft. building to house multiple nonprofits. The expected move-in date for the first three nonprofits will be July 28, 2014.
- Emergency rehabilitation assistance for five families (3/4 year data; outcome is expected to be achieved by the end of the program year).
- Purchase a public facility to counsel victims of sexual assault (outcome achieved). To date the organization has worked with 128 low to moderate income Loveland residents, which is 241% greater than the expected number.
- Minor home rehabilitation of 93 homes owned/occupied by low income seniors (3/4 year data; prorated for full year will meet the outcome).
- Overnight shelter and case management for 183 chronically homeless adults (3/4 year data; outcome already exceeded by 18%).
- Overnight shelter and case management for 50 adults and children (3/4 year data; prorated for full year will not meet outcome by about 33%).
- Housing counseling for 907 people (3/4 year data; prorated for full year outcome is likely, but not certain, to be met by the end of the grant year).
- Transitional housing and case management for 12 women and children who are victims of domestic violence (3/4 year data; outcome expected to be met by the end of the grant year).
- Although no low-interest loans for home rehabilitation have been made during the grant year, this measure is still expected to be achieved (3/4 year data).
- No low-interest down payment loans have been during the grant year and this measure is also likely to be achieved (3/4 year data).

**Specific information regarding prior (full-year) performance is available through the Consolidated Annual Performance Evaluation Report, which can be found at:**

**[www.cityofloveland.org/communitypartnership.org](http://www.cityofloveland.org/communitypartnership.org)**



## **CITIZEN PARTICIPATION—91.220(B)**

The citizen participation process was followed in completing the 2014 Annual Action Plan. The City of Loveland consulted with the Loveland Affordable Housing Commission and Human Services Commission (two volunteer City groups that review applications from sub-recipients for CDBG funding), Loveland City Council, Loveland citizens, and numerous human service agencies that serve lower income populations, minorities, female-headed households and people with disabilities to request that they share the Annual Action Plan with their clients and colleagues (see partial list of human service agencies on page 21). Efforts to broaden public participation included open meetings of the two Commissions, discussion of the plan at public City Council meetings, public notice in the local newspaper, posting the document on the City's website, posting the document on the Community Partnership Office's Facebook page, making the document available in hard copy form, and mailing the document to community members upon request. The Annual Action Plan was available for public comment from July 16, through August 14, 2014.

A public hearing on the use of funds for the 2014 grant year was held on June 3, 2014; Appendix C includes a copy of the City Council Resolution adopting the use of CDBG funding for the grant year. A public hearing on the 2014 Annual Action Plan was held on August 5, 2014 in the Loveland City Council Chambers. A legal notice for this meeting was placed in the local newspaper and can be found in Appendix B.

**A summary of comments or views, and a summary of comments or views not accepted and the reasons therefore are as follows:**



## FINANCIAL RESOURCES - 91.220(c)(1) and (c)(2)

The federal, state, and local resources the jurisdiction expects to receive to address the identified needs are listed below. Federal resources include Section 8 funds made available to the jurisdiction, Low-Income Housing Tax Credits, and competitive funds expected to be available to address priority needs and specific objectives identified in the plan. A brief explanation of how federal funds will leverage resources from private and non-federal public sources is included.

Resource	Estimated Amount	Leverage Additional Funds
2014 City of Loveland CDBG	\$301,648	CDBG funding can be considered local match to obtain other funding for local projects.
Title I/NCLB (received by school district, not city)	\$28,616	Thompson School District.
Low Income Housing Tax Credits and other project funding (applied for by housing developers, not city)	\$68,519,023	Two 4% tax credit projects received fee waivers from the Loveland City Council.
Section 8 Vouchers (made available to the Housing Authority, not to the city)	\$3,840,000	Housing Authority of the City of Loveland resources.
City of Loveland Human Services Grant	\$500,000	Private grants.
City of Loveland Fee Waivers	\$3,521,899	Fee waivers for affordable housing and public facilities projects.
Private Sources (grants, donations, corporate gifts, local fundraising)	\$6,775,752	Additional program funding for the projects described in this Annual Action Plan beyond the resources listed above to provide services and build facilities.
Program income	\$0	The City of Loveland does not currently have program income from any projects.



## ANNUAL OBJECTIVES - 91.220(c)

Activity	Sub-Recipient Agency	HUD Objective	National Objective	One Year Goal—Proposed Outcome	CDBG \$
Public Facility Rehabilitation	House of Neighborly Service	SL-1	LMC	Rehabilitate 60,000 sq. ft. building that will house multiple agencies.	\$74,970 *
Public Facility Acquisition	Alternatives to Violence	SL-1	LMC	Purchase building in which to provide safehousing for victims of domestic violence.	\$100,000
Land Acquisition	Habitat for Humanity	DH-2	LMH	Purchase land for the construction of one triplex.	\$75,000
Housing Rehabilitation	Housing Authority	DH-2	LMH	Emergency funding to 17 homeowners for housing rehabilitation.	\$16,342 **
Housing Rehabilitation	Volunteers of America	DH-1	LMH	Rehabilitate 40 homes of seniors living independently.	\$5,000
Sub-total capital projects					\$271,312
Case Management	Alternatives to Violence	SL-1	LMC	Counseling and case management for 650 victims of domestic violence.	\$15,065
Case Management	Crossroads Safehouse	SL-1	LMC	Case management and shelter for 114 victims of domestic violence.	\$22,750
Case Management	Northern Colorado AIDS Project	SL-1	LMC	Case management and access to specialty medical care for 40 individuals with HIV/AIDS.	\$7,432
Sub-total public services					\$45,247
Program Administration	City of Loveland			Planning and administration.	\$60,329
2012 CDBG funds					\$376,888
HUD Defined—Outcome / Objective Codes		Availability / Accessibility		Affordability	Sustainability
Decent Housing		DH-1		DH-2	DH-3
Suitable Living Environment		SL-1		SL-2	SL-3
Economic Opportunity		EO-1		EO-2	EO-3

\* Note that this allocation was made with funding that was returned to HUD because it was originally used for an ineligible project.

LMH Low-Mod Housing  
LMC Low-Mod Clientele

\*\* This allocation includes \$270 from 2013-2014 that was not distributed.





## 2014-2015 Annual Action Plan

**ANNUAL OBJECTIVES - 91.220(c)(3)****Table 3A Summary of Annual Objectives** (Note that the Outcomes/Obj are not accurate for the listed descriptions.)

Specific Objective		Source of Funds	Year	Performance Indicator	Expected Number	Actual Number	Percent Completed	
Create a Suitable Living Environment with the Purpose of New or Improved Availability/Accessibility (SL-1)						Actual Estimate		
SL 1.1	Build shelter for victims of domestic violence.	CDBG, City, other public and private sources	2010	# of facilities built	1	0	0%	
			2011			0	0%	
			2012			0	0%	
			2013			0	0%	
			2014			1	100%	
MULTI-YEAR GOAL					1	1	100%	
SL 1.2	Shelter homeless individuals, including day and night inclement weather shelter.			2010	# of persons served	100	158	158%
			2011	100			185	185%
			2012	100			229	229%
			2013	100			183	183%
			2014	100			58	58%
MULTI-YEAR GOAL					500	813	163%	
SL 1.3	Shelter homeless families.			2010	# of families sheltered	18	23	128%
			2011	18			28	156%
			2012	18			33	183%
			2013	18			15	83%
			2014	18			25	139%
MULTI-YEAR GOAL					90	124%	138%	
SL 1.5	Provide services to veterans (duplicate numbers from 1.2 & 1.3)			2010	# of persons served	50	44	88%
			2011	50			21	42%
			2012	50			5	10%
		2013	50	12			24%	
		2014	50	0			0%	
MULTI-YEAR GOAL					250	82	33%	
SL 1.6	Assist low-income households through public service activities including child care, case management, mental health, health care, services to persons with disabilities and seniors.		2010	# of persons served	1,000	3,433	343%	
		2011	1,000			3,079	308%	
		2012	1,000			3,669	367%	
		2013	1,000			3,514	351%	
		2014	1,000			4,188	419%	
MULTI-YEAR GOAL					5,000	17,883	358%	
SL 1.7	Provide facilities that service needs of low-income persons in Loveland.		2010	# of facilities constructed or rehabilitated	2	0	0%	
		2011				1	50%	
		2012				0	0%	
		2013				1	100%	
		2014				1	150%	
MULTI-YEAR GOAL					2	3	150%	



## 2014-2015 Annual Action Plan

**Table 3A Summary of Specific Annual Objectives (cont.)**

Provide Decent Housing with Purpose of New or Improved Availability/Accessibility (DH-1)							
DH 1.1	Assist seniors to remain in housing through rehabilitation.	CDBG, City, other public and private sources	2010	# of households served	35	116	331%
			2011		35	138	394%
			2012		35	119	340%
			2013		35	96	274%
			2014		35	44	126%
		MULTI-YEAR GOAL		175	513	293%	
Provide Decent Housing with Purpose of New or Improved Affordability (DH-2)							
DH 2.1	Provide additional transitional housing for the homeless.	CDBG, City, other public and private sources	2010	# of units built	1	0	0%
			2011		1	0	0%
			2012		1	1	100%
			2013		1	0	0%
			2014		1	0	0%
			MULTI-YEAR GOAL		5	1	20%
DH 2.2	Housing counseling and rent assistance.		2010	# of persons served	1000	1,359	136%
			2011		1000	1,117	112%
			2012		1000	1,397	140%
			2013		1000	907	91%
			2014		1000	898	90%
			MULTI-YEAR GOAL		5000	5,678	114%
DH 2.3	Purchase land to provide affordable housing.		2010	# of units purchased	5	15	300%
			2011		5	0	0%
			2012		5	15	300%
			2013		5	0	0%
			2014		5	1	20%
			MULTI-YEAR GOAL		25	31	124%
DH 2.4	Build affordable senior housing.		2010	# of units built	5	0	0%
			2011		50	0	0%
			2012		5	60	1200%
			2013		10	0	0%
			2014		5	0	0%
			MULTI-YEAR GOAL		75	60	80%
DH 2.5	Down-payment assistance.	2010	# of households served	20	6	30%	
		2011		20	0	0%	
		2012		20	6	30%	
		2013		20	1	5%	
		2014		20	0	0%	
		MULTI-YEAR GOAL		100	13	13%	
DH 2.6	Maintain transitional housing for victims of domestic violence.	2010	# of units rehabilitated	4	3	75%	
		2011			1	25%	
		2012			0	0%	
		2013			0	0%	
		2014			0	0%	
		MULTI-YEAR GOAL		4	4	100%	



## DESCRIPTION OF ACTIVITIES - 91.220(D)

**Table 3C**  
**Consolidated Plan Listing of Projects**

**Jurisdiction's Name** City of Loveland

**Priority Need**

Public facility.

**Project**

Public facility

**Activity**

Rehabilitation of a 60,000 square foot facility that will house multiple non-profit organizations.

**Description**

House of Neighborly Service purchased a large building and will operate as the Community Life Center, offering a one-stop location for clients to access multiple services.

**Objective category:** ☒ Suitable Living Environment ☐ Decent Housing ☐ Economic Opportunity  
**Outcome category:** ☒ Availability/Accessibility ☐ Affordability ☐ Sustainability

**Location/Target Area:**

**(Street Address):** 1511 E. 11<sup>th</sup> Street  
**(City, State, Zip Code):** Loveland, Colorado 80537

Specific Objective Number SL-1	Project ID TBD by IDIS
HUD Matrix Code 01	CDBG Citation 570.201(a)
Type of Recipient Non-profit organization	CDBG National Objective LMC
Start Date (mm/dd/yyyy) not part of 2014-15 grant.	Completion Date (mm/dd/yyyy) 9/30/14
Performance Indicator Persons Served	Annual Units 18,600
Local ID 14-HNS	Units Upon Completion 18,600

**Funding Sources:**

CDBG	74,970 **
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	5,506,530
Total	5,581,500

**\*\* Allocation with funding that was returned to HUD.**

The primary purpose of the project is to help: ☒ the Homeless ☐ Persons with HIV/AIDS ☒ Persons with Disabilities ☐ Public Housing Needs



**Table 3C**  
**Consolidated Plan Listing of Projects**

**Jurisdiction's Name** City of Loveland

**Priority Need**

Victims of domestic violence.

**Project**

Public facility

**Activity**

Acquisition

**Description**

Alternatives to Violence will purchase a large house that will shelter up to eight families for six weeks.

**Objective category:** ☒ Suitable Living Environment ☐ Decent Housing ☐ Economic Opportunity  
**Outcome category:** ☒ Availability/Accessibility ☐ Affordability ☐ Sustainability

**Location/Target Area:**

**(Street Address):** Suppressed  
**(City, State, Zip Code):** Loveland, Colorado

Specific Objective Number SL-1	Project ID TBD by IDIS
HUD Matrix Code 01	CDBG Citation 570.201(a)
Type of Recipient Non-profit organization	CDBG National Objective LMC
Start Date (mm/dd/yyyy) 10/01/2014	Completion Date (mm/dd/yyyy) 9/30/15
Performance Indicator Persons Served	Annual Units 143
Local ID 14-ATV SH	Units Upon Completion 143

**Funding Sources:**

CDBG	100,000
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	639,719
Total	739,719

The primary purpose of the project is to help: ☒ the Homeless ☐ Persons with HIV/AIDS ☐ Persons with Disabilities ☐ Public Housing Needs



**Table 3C**  
**Consolidated Plan Listing of Projects**

**Jurisdiction's Name** City of Loveland

**Priority Need**

Affordable for-sale housing.

**Project**

Acquisition

**Activity**

Land purchase

**Description**

Habitat for Humanity will purchase one lot on which to build a triplex and house three families.

**Objective category:** ☐ Suitable Living Environment ☒ Decent Housing ☐ Economic Opportunity  
**Outcome category:** ☐ Availability/Accessibility ☒ Affordability ☐ Sustainability

**Location/Target Area:**

**(Street Address):** 1154 SE 2<sup>nd</sup> Street

**(City, State, Zip Code):** Loveland, Colorado 80537

Specific Objective Number DH-2	Project ID TBD by IDIS
HUD Matrix Code 01	CDBG Citation 570.201(a)
Type of Recipient Non-profit organization	CDBG National Objective LMH
Start Date (mm/dd/yyyy) 10/01/2014	Completion Date (mm/dd/yyyy) 9/30/15
Performance Indicator Persons Served	Annual Units 6
Local ID 14-HFH	Units Upon Completion 6

**Funding Sources:**

CDBG	75,000
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	35,000
Total	110,000

The primary purpose of the project is to help: ☐ the Homeless ☐ Persons with HIV/AIDS ☐ Persons with Disabilities ☐ Public Housing Needs



**Table 3C**  
**Consolidated Plan Listing of Projects**

**Jurisdiction's Name** City of Loveland

**Priority Need**

Emergency housing rehabilitation

**Project**

Property rehabilitation

**Activity**

Emergency funding for housing rehabilitation.

**Description**

Rehabilitate owner/occupied homes of households with income below 80% AML.

**Objective category:** ☐ Suitable Living Environment ☒ Decent Housing ☐ Economic Opportunity  
**Outcome category:** ☐ Availability/Accessibility ☒ Affordability ☐ Sustainability

**Location/Target Area:**

**(Street Address):** 375 West 37<sup>th</sup> Street, Ste. 200

**(City, State, Zip Code):** Loveland, Colorado 80538

Specific Objective Number DH-2	Project ID TBD by IDIS
HUD Matrix Code 14A	CDBG Citation 570.202(a)(1)
Type of Recipient Non-profit organization	CDBG National Objective LMH
Start Date (mm/dd/yyyy) 10/01/2014	Completion Date (mm/dd/yyyy) 9/30/2015
Performance Indicator Housing units	Annual Units 17
Local ID 14-LHIP EM	Units Upon Completion 17

**Funding Sources:**

CDBG	16,342
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
Total	16,342

The primary purpose of the project is to help: ☐ the Homeless ☐ Persons with HIV/AIDS ☐ Persons with Disabilities ☐ Public Housing Needs



**Table 3C**  
**Consolidated Plan Listing of Projects**

**Jurisdiction's Name** City of Loveland

**Priority Need**

Housing accessibility

**Project**

Housing accessibility

**Activity**

Rehabilitate homes of senior by making them more accessible.

**Description**

Provide minor safety rehabilitation in homes of seniors with low income living independently.

**Objective category:** ☐ Suitable Living Environment ☒ Decent Housing ☐ Economic Opportunity  
**Outcome category:** ☒ Availability/Accessibility ☐ Affordability ☐ Sustainability

**Location/Target Area:**

**(Street Address):** 405 Canyon Avenue  
**(City, State, Zip Code):** Fort Collins, Colorado 80521

Specific Objective Number DH-1	Project ID TBD by IDIS
HUD Matrix Code 14H	CDBG Citation 570.202(b)(11)
Type of Recipient Non-profit organization	CDBG National Objective LMH
Start Date (mm/dd/yyyy) 10/01/2014	Completion Date (mm/dd/yyyy) 9/30/2015
Performance Indicator Housing units	Annual Units 40
Local ID 14-VOA	Units Upon Completion 40

**Funding Sources:**

CDBG	5,000
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	55,630
Total	60,630

The primary purpose of the project is to help: ☐ the Homeless ☐ Persons with HIV/AIDS ☒ Persons with Disabilities ☐ Public Housing Needs



**Table 3C**  
**Consolidated Plan Listing of Projects**

**Jurisdiction's Name** City of Loveland

**Priority Need**

Victims of domestic violence

**Project**

Public service

**Activity**

Counseling and case management for victims of domestic violence.

**Description**

Counseling and case management for victims of domestic violence.

**Objective category:** ☒ Suitable Living Environment ☐ Decent Housing ☐ Economic Opportunity

**Outcome category:** ☒ Availability/Accessibility ☐ Affordability ☐ Sustainability

**Location/Target Area:**

**(Street Address):** 313 E. 4<sup>th</sup> Street

**(City, State, Zip Code):** Loveland, Colorado 80537

Specific Objective Number SL-1	Project ID TBD by IDIS
HUD Matrix Code 05G	CDBG Citation 570.201(e)
Type of Recipient Non-profit organization	CDBG National Objective LMC
Start Date (mm/dd/yyyy) 10/01/2014	Completion Date (mm/dd/yyyy) 9/30/2015
Performance Indicator Persons Served	Annual Units 650
Local ID 14-ATV	Units Upon Completion 650

**Funding Sources:**

CDBG	15,065
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	327,345
Total	342,410

The primary purpose of the project is to help: ☒ the Homeless ☐ Persons with HIV/AIDS ☐ Persons with Disabilities ☐ Public Housing Needs





**Table 3C**  
**Consolidated Plan Listing of Projects**

**Jurisdiction's Name** City of Loveland

**Priority Need**

Victims of domestic violence

**Project**

Public service

**Activity**

Shelter and case management for victims of domestic violence.

**Description**

Shelter and case management for victims of domestic violence.

**Objective category:** ☒ Suitable Living Environment ☐ Decent Housing ☐ Economic Opportunity  
**Outcome category:** ☒ Availability/Accessibility ☐ Affordability ☐ Sustainability

**Location/Target Area:**

**(Street Address):** 421 Parker Street  
**(City, State, Zip Code):** Fort Collins, Colorado 80525

Specific Objective Number SL-1	Project ID TBD by IDIS
HUD Matrix Code 05G	CDBG Citation 570.201(e)
Type of Recipient Non-profit organization	CDBG National Objective LMC
Start Date (mm/dd/yyyy) 10/01/2014	Completion Date (mm/dd/yyyy) 9/30/2015
Performance Indicator Persons Served	Annual Units 114
Local ID 14-CS	Units Upon Completion 114

**Funding Sources:**

CDBG	22,750
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	124,001
Total	146,751

The primary purpose of the project is to help: ☒ the Homeless ☐ Persons with HIV/AIDS ☐ Persons with Disabilities ☐ Public Housing Needs



**Table 3C**  
**Consolidated Plan Listing of Projects**

**Jurisdiction's Name** City of Loveland

**Priority Need**

Individuals with HIV/AIDS.

**Project**

Public service

**Activity**

Case management

**Description**

Case management and access to specialty medical care for individuals with HIV/AIDS

**Objective category:** ☒ Suitable Living Environment ☐ Decent Housing ☐ Economic Opportunity

**Outcome category:** ☒ Availability/Accessibility ☐ Affordability ☐ Sustainability

**Location/Target Area:**

**(Street Address):** 400 Remington Street, Ste. 100

**(City, State, Zip Code):** Fort Collins, Colorado 80524

Specific Objective Number SL-1	Project ID TBD by IDIS
HUD Matrix Code 03T	CDBG Citation 570.201(e)
Type of Recipient Non-profit organization	CDBG National Objective LMC
Start Date (mm/dd/yyyy) 10/01/2014	Completion Date (mm/dd/yyyy) 9/30/2015
Performance Indicator Persons Served	Annual Units 40
Local ID 14-NCAP	Units Upon Completion 40

**Funding Sources:**

CDBG	7,432
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	87,527
Total	94,959

The primary purpose of the project is to help: ☐ the Homeless ☒ Persons with HIV/AIDS ☐ Persons with Disabilities ☐ Public Housing Needs



**Table 3C**  
**Consolidated Plan Listing of Projects**

**Jurisdiction's Name** City of Loveland

**Priority Need**  
Project administration

**Project**  
Administration

**Activity**  
Administration

**Description**  
Program administrative costs.

**Objective category:** ☐ Suitable Living Environment ☐ Decent Housing ☐ Economic Opportunity  
**Outcome category:** ☐ Availability/Accessibility ☐ Affordability ☐ Sustainability

**Location/Target Area:**  
**(Street Address):** 500 E. Third Street, Ste. 210  
**(City, State, Zip Code):** Loveland, Colorado 80537

Specific Objective Number N/A	Project ID TBD by IDIS
HUD Matrix Code 21A	CDBG Citation 570.206
Type of Recipient City/Administration	CDBG National Objective N/A
Start Date (mm/dd/yyyy) 10/01/2014	Completion Date (mm/dd/yyyy) 9/30/2015
Performance Indicator N/A	Annual Units 0
Local ID 14-Admin	Units Upon Completion 0

**Funding Sources:**

CDBG	60,329
ESG	
HOME	
HOPWA	
Total Formula	
Prior Year Funds	
Assisted Housing	
PHA	
Other Funding	
Total	60,329

The primary purpose of the project is to help: ☐ the Homeless ☐ Persons with HIV/AIDS ☐ Persons with Disabilities ☐ Public Housing Needs



## GEOGRAPHIC DISTRIBUTION 91.220(F)

The City of Loveland does not limit the use of CDBG funds to any specific geographic location within the city, or to any specific groups based on race, minority or ethnic concentration. Instead, all funds are used to serve persons with low to moderate income who live within the Loveland city limits. Funding is distributed based on applications reviewed by the City of Loveland Affordable Housing Commission for Brick/Mortar projects and the Human Services Commission for Public Services.

### CONCENTRATION OF MINORITY OR LOW INCOME HOUSEHOLDS

The maps on the following page show the Loveland neighborhoods where poverty is more prevalent and where residents speak English “less than very well”. It is no surprise that there is some overlap of these two measures. As noted, however, the City of Loveland does not spend CDBG funding within a specific neighborhood and does not target spending to any particular area of the City.

**ALLOCATION PRIORITIES** are based on need, income level of persons served, and whether or not a proposed activity meets one of the objectives outlined in the 5-Year Consolidated Plan, which are to: 1. Provide new housing opportunities to homeless or near homeless persons in Loveland through shelter, transitional housing, or permanent housing, with priority for permanent supportive housing projects for long term homeless individuals. 2. Provide new housing opportunities for veterans and persons with special needs. 3. Create new housing opportunities or rehabilitate existing housing for households with low to moderate income, giving funding priority to projects that serve households earning 50% or less of the area median income. 4. Decrease poverty in the community by financially supporting facilities that meet basic needs and provide self-sufficiency opportunities, with priority for low and very low income households, which is households earning 50% or less of the area median income.

All CDBG funds received from HUD during the 2010-2015 timeframe will be used to address at least one of the priority needs categories listed above.

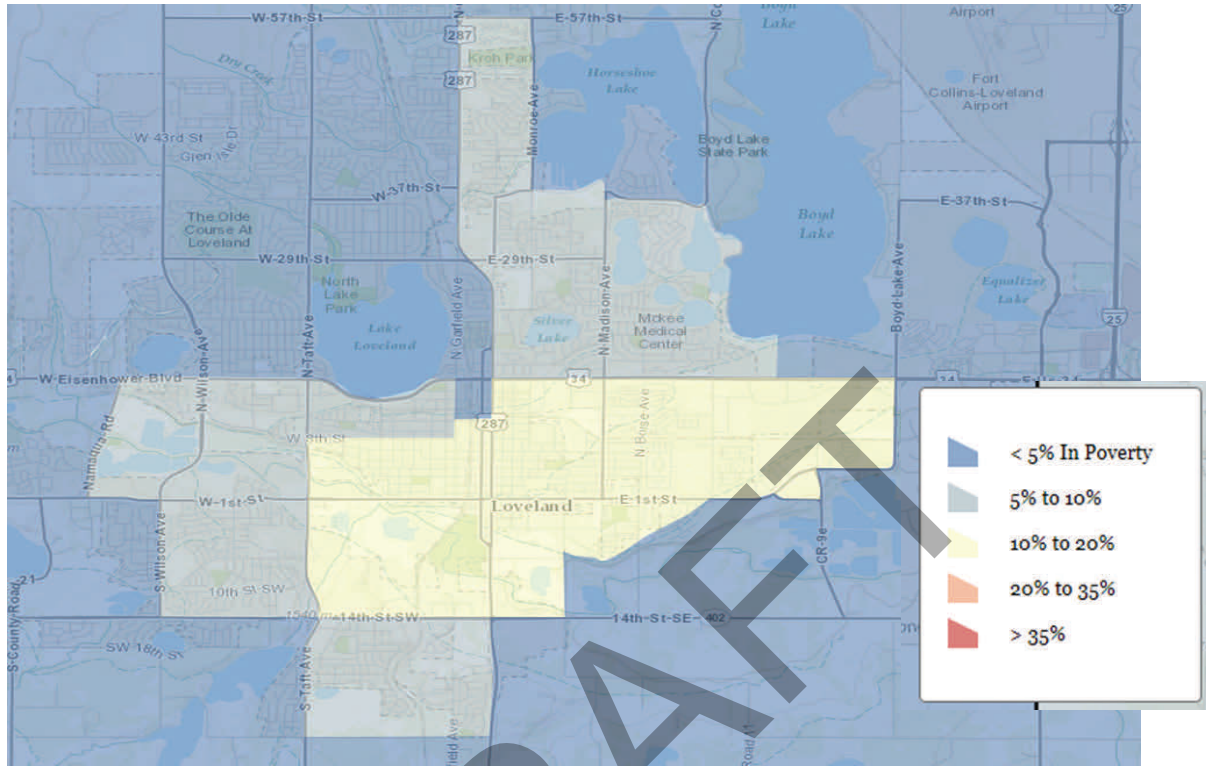
**OBSTACLES** to meeting underserved needs include, but are not limited to: (see page 23 for more information)

- The vacancy rates throughout the county are lower than those statewide, and rents are still over \$1,000 a month, which puts additional pressure on low-income households.
- The number of chronically homeless individuals and families has remained steady. Within the next year, the Housing Authority is expected to begin building 10 units of housing for homeless veterans and will add additional housing at 30% of the AMI, although those units will not begin to fulfill the demand for needed housing.

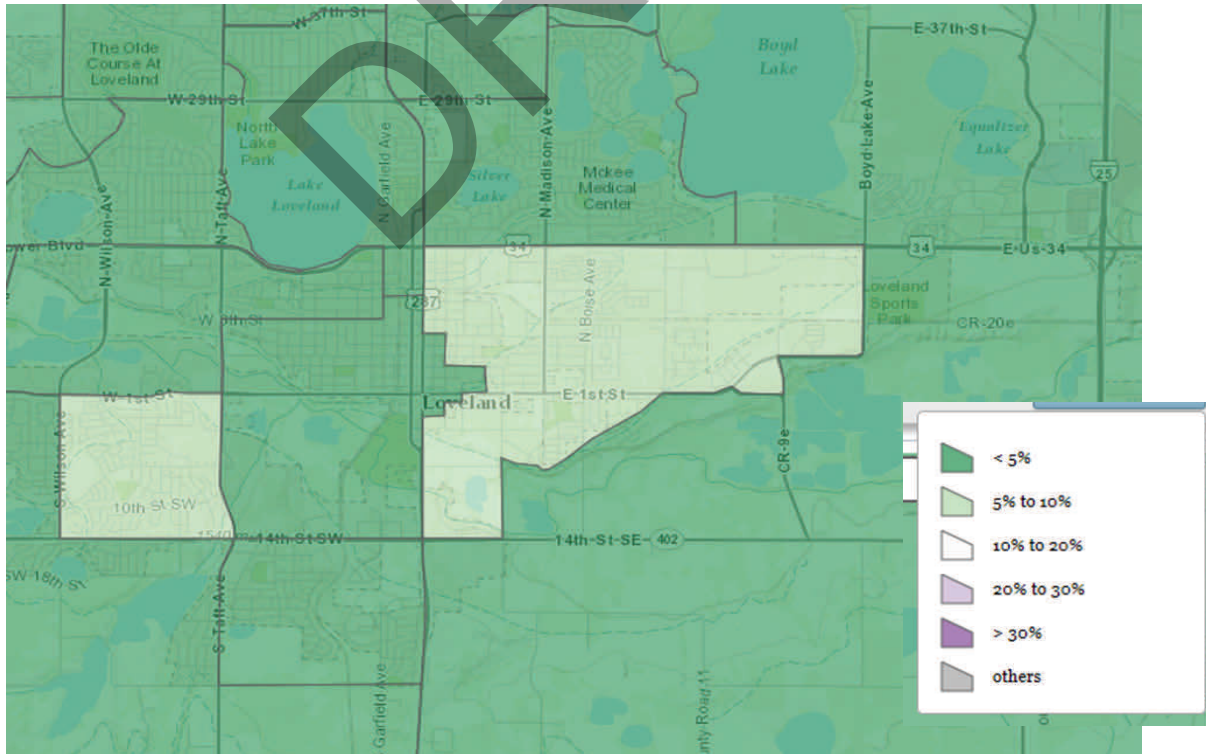


2014-2015 Annual Action Plan

Poverty in Colorado by Census Tract (State Demography Office)



Speak English "Less Than Very Well"







## ANNUAL AFFORDABLE HOUSING GOALS 91.220(G)

Table 3B Summary of Specific Annual Objectives

### ANNUAL AFFORDABLE HOUSING COMPLETION GOALS

Grantee Name: City of Loveland Program Year: 2011-2012	Expected Annual Number of Units To Be Completed	Actual Annual Number of Units Completed	Resources used during the period			
			CDBG	HOME	ESG	HOPWA
<b>BENEFICIARY GOALS (Sec. 215 Only)</b>						
Homeless households	30	15	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Non-homeless households	458	907	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Special needs households	125	93	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Total Sec. 215 Beneficiaries*</b>	613	1,015	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>RENTAL GOALS (Sec. 215 Only)</b>						
Acquisition of existing units	0	0	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Production of new units	0	0	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Rehabilitation of existing units	102	19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rental Assistance	450	N2N	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
<b>Total Sec. 215 Affordable Rental</b>	552		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>HOME OWNER GOALS (Sec. 215 Only)</b>						
Acquisition of existing units	1	0	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Production of new units	7	11	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Rehabilitation of existing units	50	79	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Homebuyer Assistance	3	1	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
<b>Total Sec. 215 Affordable Owner</b>	61	91	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>COMBINED RENTAL AND OWNER GOALS (Sec. 215 Only)</b>						
Acquisition of existing units	1	0	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Production of new units	7	11	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Rehabilitation of existing units	152	98	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rental Assistance	450	N2N	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Homebuyer Assistance	3	1	<input checked="" type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
<b>Combined Total Sec. 215 Goals*</b>	613		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>OVERALL HOUSING GOALS (Sec. 215 + Other Affordable Housing)</b>						
Annual Rental Housing Goal	552		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Annual Owner Housing Goal	61		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Total Overall Housing Goal</b>	613		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\*The total amounts for "Combined Total Sec. 215 Goals" and "Total Sec. 215 Beneficiary Goals" should be the same number.



## **PUBLIC HOUSING – 91.220(H)**

The Housing Choice Voucher program is administered by the Housing Authority of the City of Loveland (HACOL). Therefore, the City of Loveland is not directly involved in encouraging residents to participate in self-sufficiency programs or in homeownership. During the 2014-2015 CDBG grant year, funds will be used to support the emergency repair program offered by HACOL. The City of Loveland does not know if HACOL has been designated as “troubled” by HUD.

## **HOMELESS AND SPECIAL NEEDS - 91.220(I)**

**The City of Loveland’s plan for the investment and use of available resources and specific planned actions over the next year aimed at eliminating chronic homelessness are:**

- Implementation of the HEARTH Act requirements and working regionally to bring in additional funding to serve the chronically homeless.
- Work with local non-profits to produce LOVELAND HOMELESS CONNECT on October 24, 2014, a one-day event designed to provide resources and support to homeless and nearly homeless individuals and families in Loveland.
- Discussions with the Affordable Housing Commission to develop a permanent supportive housing program that could be operated by a local non-profit.

## **SPECIFIC ACTION STEPS TO ADDRESS THE NEEDS OF PERSONS WHO ARE NOT HOMELESS IDENTIFIED IN ACCORDANCE WITH 91.215(E) ARE TO EXPEND CDBG FUNDS TO:**

- Rehabilitate a 60,000 sq.ft. facility to assist people with a variety of services. Five agencies will occupy the space at the end of July. Twelve more will join in November, 2014.
- Provide emergency grants to homeowners to maintain housing as decent and safe.
- Provide housing counseling to help community members avoid homelessness.
- Assist with accessibility for persons who are frail, elderly, disabled or have special needs.
- Provide funding to purchase land on which to build affordable housing.
- Provide services to individuals with HIV/AIDS to help keep them in their existing housing.



## HOMELESSNESS PREVENTION

Other planned action steps over the next year to address individuals and families with children at imminent risk of becoming homeless are to invest City of Loveland Human Services Grant Funds into the following services to specifically help maintain financial stability and housing:

AGENCY	SERVICE
Boys & Girls Club	Youth programs and child care
Center for Adult Learning	Adult education and job skills
Community Kitchen	Daily meal program
Disabled Resource Services	Case management, financial assistance and medical equipment for people with disabilities
Food Bank for Larimer County	Food distribution and prepared meals for children
Grand Families Program	Support and assistance for grand parents raising grand children
House of Neighborly Service	Food, clothing, medical assistance
Matthews House	Life skills for youth aging out of foster care
Meals on Wheels	Meal distribution program
Project Self-Sufficiency	Single parent family housing and case management
Respite Care	Child care services
Teaching Tree	Preschool
Thompson Valley Preschool	Preschool
Touchstone Health Partners	Mental health services
Volunteers of America	Food for seniors





## **BARRIERS TO AFFORDABLE HOUSING 91.220(J)**

### **Actions that will take place during the next year to remove barriers to affordable housing :**

- Waiver of building permit and development fees for housing constructed by Habitat for Humanity. In 2014, \$197,208 was waived to build nine homes. Habitat will be responsible for the balance, which is expected to be \$16,648.
- Waiver of building and permit fees for the Housing Authority to build 60 units of skilled nursing rooms. \$584,135 in fees were waived, or just over half of the city fees to build the six homes.
- Consideration of building permit and development fee waivers for other builders and developers of qualified affordable housing. In April of 2014, \$1,512,887 was waived for a developer from Indiana to build 224 units of housing affordable to individuals and families living at or below 60% of the Area Median Income. In July of 2014, \$947,153 was waived for a developer from Washington state to build 165 units of housing for people 55 or older and living at or below 60% of the area median income.
- Completion of a domestic violence safehouse, which will allow victims of domestic violence time to work on housing that is free from abuse. Services will connect clients with Workforce Services to receive assistance finding a job, and Neighbor to Neighbor and the Loveland Housing Authority to receive assistance with housing.
- Introduction of Loveland Habitat for Humanity to a for-profit developer to help create a relationship where Habitat fulfills the affordable housing requirements of the developer and the developer sells land to Habitat for Humanity at a reduced rate.
- Continuing to address additional incentives for developers and builders to create affordable rental and for-sale housing through fee waivers or a density bonus program.
- Proposal of a collaboration to rehabilitate infill units in need of minor to major repairs. Resources could include fee waivers, CDBG funding, low-interest loans for either owner/occupied housing or landlord/tenant housing, and working with programs such as Habitat for Humanity to complete some of the work to ensure future affordability. This idea will become more clear during planning of the 2015-2020 Consolidated Plan.
- Specific CDBG-funded activities listed in this Action Plan.

While some of the actions listed above occurred during the last year, they are representative of the types of actions that could take place over the next year as well.



## **OTHER ACTIONS 91.220(κ)**

**Actions that will take place during the next year to address obstacles to meeting underserved needs, foster and maintain affordable housing, evaluate and reduce the number of housing units containing lead-based paint hazards, reduce the number of poverty-level families, develop institutional structure, and enhance coordination between public and private agencies are listed below:**

- The City of Loveland will help foster and maintain affordable housing by investing CDBG in housing rehabilitation and the purchase of land on which to build affordable homes. Volunteers of America helps to maintain affordable housing by removing barriers so that occupants with disabilities can remain in their homes.
- The City has waived permit fees for houses constructed by Habitat for Humanity and may consider additional fee waivers for other builders of affordable units. In 2015, two developers will start building the 389 multi-family units that received fee waivers in 2014.
- The City of Loveland will assist in reducing the number of housing units containing lead-based paint by requiring that all activities funded with CDBG dollars comply with federal lead-based paint regulations. Lead-based paint reduction regulations are incorporated into all legal agreements between the city and sub-recipients. Additional information about lead-based paint can be found on page 25.
- The Community Partnership Office has been working with groups regionally, including the North Front Range Continuum of Care, to address obstacles to housing, the regional governance of organizations working to reduce homelessness, the implementation of using the Homeless Management Information System (HMIS) to understand and track our homeless families and individuals, and developing a coordinated assessment to assist in placing people into housing.
- The Community Partnership Office will assist United Way of Larimer County with their new allocation process, which enhances collaboration between agencies to halve poverty in Larimer County by 2025.
- The City of Loveland will provide grant funding in the amount of \$500,000 to assist non-profit organizations serving persons with low income, many of which are also living below the poverty line, to provide food, shelter, physical and mental health care, case management, housing counseling, education and child care.



**Actions to coordinate housing strategy with local and regional transportation planning strategies to ensure, to the extent practicable, that residents of affordable housing have access to public transportation include:**

- Encouraging new affordable housing development near major transportation corridors. The sites of the 389 units of affordable housing that will be built in 2015 were chosen in part because of their proximity to both public transportation and already existing services and shopping.
- The City of Loveland provides bus tokens to local non-profits to distribute to their low-income clients in need of subsidized transportation.
- A local non-profit has taken on the responsibility of screening clients for other agency programs, such as food stamps (county), to limit the need of clients to travel to multiple destinations, and will move their office to a building that will also house multiple non-profits, which will further reduce travel time and transportation issues for the clients of many agencies.
- The transportation barriers and needs of low income Loveland residents will be discussed during planning sessions of the next 10-year Comprehensive Plan of the City of Loveland and the next 5-year Consolidated Plan that will be completed by the Community Partnership Office.

**PROGRAM SPECIFIC REQUIREMENTS - 91.220(I)(1)**

- A. No program income is expected to be received during the program year. No program income was received in the preceding program year.
- B. No proceeds from Section 108 loan guarantees will be used during the year to address priority needs and specific objectives identified in the strategic plan.
- C. No surplus funds from any urban renewal settlement for community development and housing activities will be used during the year.
- D. No grant funds have been returned to the line of credit for which the planned use has not been included in a prior statement or plan.
- E. No income will be received from float-funded activities.
- iii. No urgent need activities will be funded.
- iv. 100% of funds allocated to sub-recipients will be used for activities that benefit persons of low and moderate income.



## LEAD BASED PAINT

CDBG recipients must certify that no lead-based paint will be used in residential units assisted with CDBG funds and must document that all occupants of structures built before 1978 have been notified of the hazard of lead-based paint and have received a lead-based paint pamphlet. A fact sheet containing information about current efforts to protect children from lead-based paint poisoning has been prepared by the Environmental Protection Agency and HUD, and made is available to organizations.

- **Notification Requirements:** Landlords renting units in structures built before 1978 must utilize the pamphlet entitled “Protect Your Family from Lead in Your Home” to notify their tenants of the potential hazards of lead-based paint (copies of this pamphlet are available from the CPO). The same pamphlet must also be used to notify buyers of homes built before 1978 of the hazards of lead-based paint. The landlord/seller must document that the tenant/buyer was provided with the pamphlet.
- **Identification of Defective Paint Surfaces:** Subrecipients must complete visual inspections for defective surfaces in all property constructed prior to 1978. All interior and exterior surfaces, including those in common areas must be examined. Subrecipients must contact the CPO CDBG Coordinator if defective paint surfaces are detected. Surfaces identified as being defective shall require further analysis and shall require interim controls. The presence of lead based paint may ultimately require lead based paint abatement, including abating bare soils.
- **Lead Hazard Evaluations:** Federal regulations require that Lead Hazard Evaluations be performed by EPA-certified inspectors on all pre-1978 homes receiving over \$5,000 in federal funds. The “chewable surfaces” of any home occupied by a child under seven years old who has an identified blood lead level must be tested for lead content using an approved lead detection method. Subrecipients should keep the CPO CDBG Coordinator informed of the status/results of lead based paint testing.

Lead evaluation and hazard reduction treatment depends on the level of assistance: up to and including \$5,000 = paint testing, more than \$5,000 and up to \$25,000 = risk assessment, more than \$25,000 = abate lead paint hazards. Addressing units that have the presence of lead-based paint also depends upon the amount of assistance received: up to \$5,000 = repair surfaces to be disturbed using safe work practices and using a certified renovation firm, more than \$5,000 and up to \$25,000 = interim controls of lead hazards using safe work practices and trained workers of a certified renovation firm, more than \$25,000 = abatement of all lead hazards using a certified abatement firm. Clearance must be passed before work areas can be reoccupied. A *Notice of Lead Hazard Reduction* notice must also be given to the property owner within 15 days of the clearance test.

The following programs are subject to the Lead Safe Housing Rule (LSHR): down payment assistance, closing cost assistance, loan guarantees, PMI assistance, subsidized interest rates, and finance acquisition. A visual assessment for deteriorated paint in assisted units built prior to 1978 must be conducted by trained personnel. Exceptions to the LSHR are: units built after 1977, if the rehabilitation does not disturb a painted surface, demolition of unoccupied units, housing designated specifically for the elderly or disabled, units with no bedrooms, properties where lead-based paint has already been removed or is not present.



## MONITORING

Sub-recipients of Community Development Block Grant (CDBG) funds must enter into a legal agreement with the City of Loveland specifying how and when grant funds will be spent. The city does not disburse payment to grant recipients until a contract has been executed.

To further describe the City of Loveland monitoring plan and to comply with monitoring responsibilities of sub-recipient projects, the following will be applied:

- Each recipient must submit a final report when grant year funds have been fully expended and/or at the end of the grant year. The report must contain information on activities for which program funds were used, number of people served, demographics of people served, and the source and amount of other program funds. This information is entered into the IDIS system to begin project monitoring.
- Annually, the city selects grant recipients for a full monitoring to ensure that CDBG funds are used to assist low to moderate income persons, and that funding used to provide low-income housing is specific to homes that are occupied by low and moderate income households. A check list is completed during the site visit to address program regulations and requirements. This monitoring process includes ensuring that administrative, programmatic, and financial performance is in compliance, and that the project is adequately documented.
- If it is determined that the sub-recipient has not met a requirement of the CDBG program, the City of Loveland will provide written notice of this determination and give the sub-recipient an opportunity to demonstrate within a stated time frame that it has done so. If the sub-recipient is unable to demonstrate compliance, the City of Loveland will begin by providing technical assistance. If the sub-recipient is still unable to resolve any compliance issues, the City of Loveland will take corrective or remedial action. Said action will be designed to prevent a continuation of the deficiency, or mitigate to the extent possible, any adverse effects or consequences, and prevent any reoccurrence.

The City of Loveland provides the U.S. Department of Housing and Urban Development with monitoring information to ensure program compliance with 24 CFR 91.520, to include the following:

- Quarterly and final reports received from sub-recipients are thoroughly reviewed for completeness and to ensure that the grant serves low to moderate income residents. Project documentation includes the racial and ethnic status of persons assisted and actions that affirmatively further fair housing.
- Subrecipients are required, by contract, to complete projects by July 31<sup>st</sup> of the program year. If the subrecipient is unable to meet this deadline, grant funding may be reallocated to an agency with a project ready to be completed within the end of the current grant year.
- Progress toward the City of Loveland annual strategic plan is documented, including resources made available to the project.
- Project information is submitted to HUD within 90 days after the close of the program year, and includes progress toward the City's objective of providing affordable housing, including the number and types of families served based on income level.
- The use of CDBG funds during any program year are assessed against priorities and specific objectives identified in the Consolidated and Annual Action Plans.



## FAIR HOUSING AND ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING

As described in the City of Loveland 2010-2015 Consolidated Plan, and as part of the City of Loveland's certification to affirmatively further fair housing, the City assumes the responsibility of fair housing by conducting an Analysis of Impediments to Fair Housing Choice (AI) and by taking appropriate actions to overcome the effects of any impediments identified by the analysis. The City of Loveland updated the Analysis of Impediments to Fair Housing Choice in 2012. A copy of the current analysis is available online at: <http://www.cityofloveland.org/index.aspx?page=901>

The following actions were taken after the City of Loveland CAPER was submitted in December 2013.

- The Community Partnership Office (CPO) attended a meeting of residents of the Lago Vista mobile home park and the Colorado Civil Rights Commission so that residents would have a local person to contact should they wish to discuss issues while the CCRC was working on a discrimination case. The mobile home park is located in the County, not the City of Loveland.
- The CPO worked with a member of the Colorado Civil Rights Commission and the Long Term (flood) Recovery Center to ensure that case managers received Fair Housing training, including addressing questions about providing services and housing to undocumented flood survivors.
- Fair housing posters were placed at the Long Term Recovery Center and one non-profit.
- The CPO created an "If you don't speak English well" card that was distributed to 18 non-profits, including information about two translation services and the use of 2-1-1 for no-cost translation of Spanish during business hours.
- The CPO monitors quarterly reports to understand whether or not subrecipients are marketing to clients Lease Likely to Apply. Currently, one grantee has not met the measure for race or female-headed households. Overall, the measures have been met to date.
- The CPO is working to have membership of the Affordable Housing (AHC) and Human Services Commissions (HSC) reflect the current demographic attributes of Loveland. The HSC meets the measure for people with disabilities and non-Caucasian. The AHC currently does not. The CPO is looking for resources to assist in producing this result and has reached out to other communities.
- The CPO received information from a local non-profit that two local property management companies were requiring a deposit of double the amount if the applicant was low-income. The office will try to determine if this is occurring and understand the circumstances.
- The CPO was informed of alleged discrimination against two men with HIV/AIDS and asked that Northern Colorado AIDS Project contact the Office of Fair Housing to receive assistance with a resolution and/or to file a complaint.
- The CPO is engaging in on-going discussions with City of Loveland Code Enforcement, Larimer County Health, and the City of Fort Collins Office of Neighborhood Services to better understand how to assist Loveland community members living in inexpensive housing that is unsafe and/or unsanitary. Most of these residents would be homeless if their housing was condemned.
- The CPO reviewed the Public Works/City of Loveland Transportation LEP plan to determine if it would be useful as a plan for this office to adopt.
- The CPO is continuing to request the expertise of the Disabilities Advisory Commission to look at multi-family housing and true accessibility of these projects.
- The City of Loveland Community Partnership Office investigates all suggestions of discrimination or barriers to fair housing. In 2014 to date, no fair housing violations have been filed as a result of these conversations.

The City of Loveland hired a consultant to advise and provide technical assistance to the Community Partnership Office to ensure Fair Housing Compliance. Consultation is expected to begin \_\_\_\_\_



## **APPENDICES**

A: 2014 AREA MEDIAN INCOME CHART

B: AFFIDAVIT OF PUBLICATION

C: CITY COUNCIL RESOLUTION

D: CERTIFICATIONS

E: APPLICATION FOR FEDERAL ASSISTANCE SF-424

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## APPENDIX A

### 2013 AREA MEDIAN INCOME CHART

#### 2014 HUD Income Guidelines

#### Loveland - Ft Collins Metropolitan Statistical Area

Issued December 2013

# persons in house- hold	1	2	3	4	5	6	7	8
100% Area Median Income	\$51,500	\$58,800	\$66,200	\$73,500	\$79,400	\$85,300	\$91,200	\$97,100
80%	\$41,200	\$47,050	\$52,950	\$58,800	\$63,550	\$68,250	\$72,950	\$77,650
75%	\$38,625	\$44,100	\$49,650	\$55,125	\$59,550	\$63,975	\$68,400	\$72,825
70%	\$36,050	\$41,160	\$46,340	\$51,450	\$55,580	\$59,710	\$63,840	\$67,970
60%	\$30,900	\$35,280	\$39,720	\$44,100	\$47,640	\$51,180	\$54,720	\$58,260
50%	\$25,750	\$29,400	\$33,100	\$36,750	\$39,700	\$42,650	\$45,600	\$48,550
40%	\$20,600	\$23,520	\$26,480	\$29,400	\$31,760	\$34,120	\$36,480	\$38,840
30%	\$15,450	\$17,650	\$19,850	\$22,050	\$23,850	\$25,600	\$27,350	\$29,150





## **APPENDIX B**

### **AFFIDAVIT OF PUBLICATION**

See Following Page

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## AFFIDAVIT OF PUBLICATION

# REPORTER-HERALD

State of Colorado  
County of Larimer

I, the undersigned agent, do solemnly swear that the LOVELAND REPORTER-HERALD is a daily newspaper printed, in whole or in part, and published in the City of Loveland, County of Larimer, State of Colorado, and which has general circulation therein and in parts of Larimer and Weld counties; that said newspaper has been continuously and uninterruptedly published for a period of more than six months next prior to the first publication of the annexed legal notice of advertisement, that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879, or any amendments thereof, and that said newspaper is a daily newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado; that a copy of each number of said newspaper, in which said notice of advertisement was published, was transmitted by mail or carrier to each of the subscribers of said newspaper, according to the accustomed mode of business in this office.

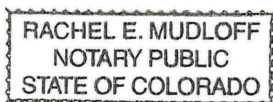
The annexed legal notice or advertisement was published in the regular and entire edition of said daily newspaper once; and that one publication of said notice was in the issue of said newspaper dated July 16, 2014.

  
Agent

Subscribed and sworn to before me this 16th day of July, 2014, in the County of Larimer, State of Colorado.

  
Notary Public

Account #222255  
Ad #5623980  
Fee \$32.60



### TO ALL LOVELAND CITIZENS AND INTERESTED PARTIES: NOTICE OF PUBLIC HEARING & AVAILABILITY OF DOCUMENT FOR REVIEW

The City of Loveland has completed the 2014 Annual Action Plan for use of federal Community Development Block Grant (CDBG) funds.

It is anticipated that \$301,648 in FY2014 CDBG funds will be received by the City of Loveland from the U.S. Department of Housing and Urban Development (HUD). The City has continued its commitment to assist low and moderate income individuals and families by utilizing 100% of the block grant funds to serve low and moderate income households and individuals through housing and public services. Funds will be used to address three goals as identified in the 2010-2015 Consolidated Plan:

- 1) Provide services to homeless and nearly homeless persons including shelter, case management, transitional and permanent housing.
- 2) Create and maintain housing for households with low income, giving funding priority to activities that serve households with income below 50% of the area median income.
- 3) Decrease poverty in the community by financially supporting services and facilities that meet basic needs and provide self-sufficiency opportunities.

A public hearing on the 2014 Annual Action Plan will be held on Tuesday, August 5, 2014 at 6:30 p.m. in the Loveland City Council Chambers located at 500 East Third Street. Special accommodations for persons with disabilities will be provided upon request by contacting Bettie Greenberg at [bettie.greenberg@cityofloveland.org](mailto:bettie.greenberg@cityofloveland.org) or 962-3319.

Loveland's 2014 Annual Action Plan is available to the public for examination from July 16, 2014 through August 14, 2014 at the City of Loveland Community Partnership Office, 500 E. Third Street or at [www.cityofloveland.org/communitypartnership](http://www.cityofloveland.org/communitypartnership). Any comments or questions regarding the plan should be directed in writing to the City of Loveland Community Partnership Office, 500 E. Third Street, 962-2517, 8:00 a.m. to 5:00 p.m., Monday - Friday, or via e-mail at [alison.hade@cityofloveland.org](mailto:alison.hade@cityofloveland.org).

Published: Loveland Reporter-Herald on July 16, 2014. Ad #5623980



## **APPENDIX C**

### **CITY COUNCIL RESOLUTION**

See Following Page

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**RESOLUTION #R-37-2014**

**A RESOLUTION APPROVING THE 2014 GRANT FUNDING  
RECOMMENDATIONS OF THE LOVELAND HUMAN SERVICES  
COMMISSION AND THE LOVELAND AFFORDABLE HOUSING  
COMMISSION**

**WHEREAS**, the City of Loveland, Colorado recognizes the valuable services provided by human services agencies in the Loveland community; and

**WHEREAS**, the City Council of the City of Loveland recognizes the need to provide opportunities for the well-being of less fortunate citizens; and

**WHEREAS**, the City has established the Human Services Grant Program to provide financial assistance to agencies meeting the human services needs in the community; and

**WHEREAS**, the City has budgeted \$500,000 in the 2014 City of Loveland budget for the Human Services Grant Program; and

**WHEREAS**, in addition to said funds, the City has received \$18,699 in Human Services Grant Program funds that were allocated in 2013, but were unspent and returned to the City, resulting in a combined total of \$518,699 in 2014 Human Services Grant Program funds; and

**WHEREAS**, the City receives federal Community Development Block Grant ("CDBG") Program funds through the U.S. Department of Housing and Urban Development ("HUD") to assist in meeting the housing needs of Loveland citizens with low incomes; and

**WHEREAS**, the City anticipates receiving \$301,648 in CDBG Program funds for the 2014-2015 federal fiscal year; and

**WHEREAS**, in addition to said funds, the City has \$270 in CDBG Program funds that were not allocated in 2013, resulting in a combined total of \$301,918 in 2014-2015 CDBG Program funds; and

**WHEREAS**, the City Council has charged the Human Services Commission with the task of reviewing all grant applications made to the City for Human Services Grant Program funds and for CDBG Program funds, except for "bricks and mortar" applications that are housing related, and making a funding recommendation to the City Council regarding such grant funds distribution; and

**WHEREAS**, the City Council has charged the Affordable Housing Commission with the task of reviewing all "bricks and mortar" grant applications made to the City for CDBG Program funds related to housing and making a recommendation to the City Council regarding such grant funds distribution; and

**WHEREAS**, the Human Services Commission and the Affordable Housing Commission have reviewed all grant applications made to the City for Human Services Grant Program funds and CDBG Program funds, and have made a recommendation to the City Council regarding distribution of said funds; and

**WHEREAS**, the City Council desires to approve the grant funding recommendations of the Human Services Commission and the Affordable Housing Commission.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:**

**Section 1.** That the 2014 grant funding recommendations of the Human Services Commission regarding the distribution of Human Services Grant Program funds are hereby approved in the following amounts to the following agencies, subject to execution of a recipient contract with the City of Loveland by the agency on or before August 31, 2014:

<b>Agency</b>	<b>Total Grant Amount</b>
Alternatives to Violence	\$7,685
Audio Information Network	\$1,400
Boys & Girls Club	\$33,250
Care-A-Van/Senior Alternatives in Transportation	\$7,600
Center for Adult Learning	\$26,154
Center for Family Outreach	\$5,200
Community Kitchen	\$6,000
Court Appointed Special Advocates – CASA Program	\$14,025
Court Appointed Special Advocates – Harmony House	\$11,375
Disabled Resource Services	\$14,450
Easter Seals Colorado/WINGS	\$9,750
Elderhaus – Transportation	\$10,384
Elderhaus – Mindset Program	\$14,723
Food Bank for Larimer County – Food Share	\$29,750
Food Bank for Larimer County – Kids Café	\$7,830
GoodHealthwill	\$9,600
Hearts & Horses	\$6,075
House of Neighborly Service – Food Program	\$26,250
House of Neighborly Service – Basic Needs Program	\$24,500
Larimer County Child Advocacy Program	\$22,400
Loveland Youth Gardeners	\$2,450
Matthews House	\$18,346
McKee Medical Center Foundation/Stepping Stones	\$16,250
Meals on Wheels	\$33,250
Neighbor to Neighbor	\$22,500
Partners Mentoring Youth	\$6,500

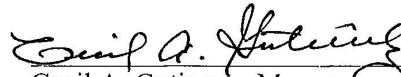
Project Self-Sufficiency	\$20,400
Rehab and Visiting Nurses Association	\$18,750
Respite Care	\$11,050
Thompson Valley Preschool	\$9,375
Touchstone Health Partners	\$28,000
Turning Point Center	\$20,000
United Day Care Center/Teaching Tree	\$16,397
Volunteers of America	\$7,000
Total Grant Amount	<u>\$518,669</u>

**Section 2.** That the 2014 grant funding recommendations of the Human Services Commission and the Affordable Housing Commission regarding the distribution of CDBG Program funds are hereby approved in the following amounts to the following agencies, subject to: (a) the approval of HUD and the allocation to and receipt of CDBG funds by the City of Loveland in 2014; (b) City Council budget and appropriation of such allocated federal funding; and (c) execution of a subrecipient contract with the City of Loveland by the agency or project owner on or before December 31, 2014:

Agency	Total Grant Amount
Alternatives to Violence	\$15,065
Alternatives to Violence - Safehouse	\$100,000
Colorado Health Network/No. Colorado AIDS Project	\$7,432
Crossroads Safehouse	\$22,750
Habitat for Humanity	\$75,000
Loveland Housing Authority	\$16,342
Volunteers of America	\$5,000
City of Loveland Program Administration	<u>\$60,329</u>
Total Grant Amount	\$301,918

**Section 3.** That this Resolution shall take effect as of the date of its adoption.

**ADOPTED** this 3<sup>rd</sup> day of June, 2014.

  
Cecil A. Gutierrez, Mayor

ATTEST:

  
City Clerk



APPROVED AS TO FORM:

Shawn L. Oltus  
Assistant City Attorney

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2014-2015 Annual Action Plan

## **APPENDIX D CERTIFICATIONS**

See Following Pages

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### LOCAL GOVERNMENT CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

**Affirmatively Further Fair Housing** -- The jurisdiction will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

**Anti-displacement and Relocation Plan** -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential antidisplacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

**Drug Free Workplace** -- It will or will continue to provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
2. Establishing an ongoing drug-free awareness program to inform employees about -
  - (a) The dangers of drug abuse in the workplace;
  - (b) The grantee's policy of maintaining a drug-free workplace;
  - (c) Any available drug counseling, rehabilitation, and employee assistance programs; and
  - (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;
4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will -
  - (a) Abide by the terms of the statement; and
  - (b) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted -
  - (a) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or



## 2014-2015 Annual Action Plan

enforcement, or other appropriate agency;

7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.


**Anti-Lobbying --** To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

**Authority of Jurisdiction --** The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

**Consistency with plan --** The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

**Section 3 --** It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.

  
Signature/Authorized Official

7/21/14  
Date

City Manager (Acting)

Title





## 2014-2015 Annual Action Plan

The Entitlement Community certifies that:

**Citizen Participation --** It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

**Community Development Plan --** Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that provide decent housing, expand economic opportunities primarily for persons of low and moderate income. (See CFR 24 570.2 and CFR 24 part 570)

**Following a Plan --** It is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

**Use of Funds --** It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);
2. Overall Benefit. The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) 2012-2013, (a period specified by the grantee consisting of: (1) one, (2) two, or (3) three (circle # of year(s) specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;
3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.


The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.



2014-2015 Annual Action Plan

**Lead-Based Paint** -- Its activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K and R, of title 24;

**Compliance with Laws** -- It will comply with applicable laws.

  
\_\_\_\_\_  
Signature/Authorized Official

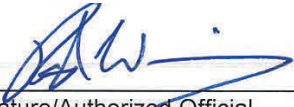
7/21/14  
\_\_\_\_\_  
Date

City Manager *(Acting)*  
\_\_\_\_\_  
Title

DRAFT



2014-2015 Annual Action Plan

  
Signature/Authorized Official  
City Manager (Acting)  
Title

7/21/14  
Date

DRAFT



## APPENDIX TO CERTIFICATIONS

### INSTRUCTIONS CONCERNING LOBBYING AND DRUG-FREE WORKPLACE REQUIREMENTS:

#### A. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

#### B. Drug-Free Workplace Certification

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification.
2. The certification is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. For grantees other than individuals, Alternate I applies. (This is the information to which jurisdictions certify).
4. For grantees who are individuals, Alternate II applies. (Not applicable jurisdictions.)
5. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
6. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio stations).
7. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph five).
8. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)





## 2014-2015 Annual Action Plan

common rule and drug-free workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

"Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C.812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

"Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

"Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

"Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All "direct charge" employees; (ii) all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).



## **APPENDIX E**

### **APPLICATION FOR FEDERAL ASSISTANCE SF-424**

See Following Pages

DRAFT





## 2014-2015 Annual Action Plan

OMB Number: 4040-0004  
Expiration Date: 04/31/2012

**Application for Federal Assistance SF-424**

Version 02

*1. Type of Submission		*2. Type of Application		*If Revision, select appropriate letter(s):	
<input type="checkbox"/> Preapplication		<input checked="" type="checkbox"/> New			
<input checked="" type="checkbox"/> Application		<input type="checkbox"/> Continuation		* Other (Specify)	
<input type="checkbox"/> Changed/Corrected Application		<input type="checkbox"/> Revision			
*3. Date Received:		4. Application Identifier: B-13-MC-08-0012			
5a. Federal Entity Identifier:			*5b. Federal Award Identifier:		
<b>State Use Only:</b>					
6. Date Received by State:			7. State Application Identifier:		
<b>8. APPLICANT INFORMATION:</b>					
* a. Legal Name: City of Loveland					
* b. Employer/Taxpayer Identification Number (EIN/TIN): 84-6000609			*c. Organizational DUNS: 076481407		
<b>d. Address:</b>					
*Street1: 500 E. Third Street					
Street 2:					
*City: Loveland					
County: Larimer					
*State: Colorado					
Province:					
Country: USA					
*Zip/ Postal Code: 80537					
<b>e. Organizational Unit:</b>					
Department Name: Development Services			Division Name: Community Partnership Office		
<b>f. Name and contact information of person to be contacted on matters involving this application:</b>					
Prefix: Ms.		First Name: Alison			
Middle Name:					
*Last Name: Hade					
Suffix:					
Title: Administrator					
Organizational Affiliation: City of Loveland					
*Telephone Number: (970) 962-2517			Fax Number: (970) 962-2903		
*Email: alison.hade@cityofloveland.co					



## 2014-2015 Annual Action Plan

OMB Number: 4040-0004  
Expiration Date: 04/31/2012

**Application for Federal Assistance SF-424**

Version 02

<p>9. Type of Applicant 1: Select Applicant Type: <b>C. City or Township Government</b></p> <p>Type of Applicant 2: Select Applicant Type: - Select One -</p> <p>Type of Applicant 3: Select Applicant Type: - Select One -</p> <p>*Other (specify):</p>
<p>*10. Name of Federal Agency: <b>U.S. Department of Housing and Urban Development</b></p>
<p>11. Catalog of Federal Domestic Assistance Number: <b>14.218</b></p> <p>CFDA Title: <b>Community Development Block Grant</b></p>
<p>*12. Funding Opportunity Number:</p> <p>*Title:</p>
<p>13. Competition Identification Number:</p> <p>Title:</p>
<p>14. Areas Affected by Project (Cities, Counties, States, etc.): <b>City of Loveland</b></p>
<p>*15. Descriptive Title of Applicant's Project: <b>2013 Annual Action Plan</b></p>
<p><b>Attach supporting documents as specified in agency instructions.</b></p>



## 2014-2015 Annual Action Plan

OMB Number: 4040-0004  
Expiration Date: 04/31/2012

<b>Application for Federal Assistance SF-424</b>		Version 02
16. Congressional Districts Of:		
*a. Applicant CO-004	*b. Program/Project: CO-004	
Attach an additional list of Program/Project Congressional Districts if needed.		
17. Proposed Project:		
*a. Start Date: 10/1/13	*b. End Date: 9/30/14	
<b>18. Estimated Funding (\$):</b>		
*a. Federal	\$291,697.00	
*b. Applicant		
*c. State		
*d. Local		
*e. Other		
*f. Program Income		
*g. TOTAL	\$291,697.00	
<b>*19. Is Application Subject to Review By State Under Executive Order 12372 Process?</b>		
<input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on <input type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review. <input checked="" type="checkbox"/> c. Program is not covered by E.O. 12372		
<b>*20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)</b>		
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)		
<input checked="" type="checkbox"/> **I AGREE		
** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.		
<b>Authorized Representative:</b>		
Prefix: Mr.	*First Name: William	
Middle Name: D.		
*Last Name: Cahill		
Suffix:		
*Title: City Manager		
*Telephone Number: (970) 962-2306		Fax Number:
*Email: bill.cahill@cityofloveland.org		
*Signature of Authorized Representative: <i>William Cahill</i>		Date Signed: 6/28/13



**CITY OF LOVELAND**  
WATER & POWER DEPARTMENT  
200 North Wilson • Loveland, Colorado 80537  
(970) 962-3000 • FAX (970) 962-3400 • TDD (970) 962-2620

---

**AGENDA ITEM:** 10  
**MEETING DATE:** 8/5/2014  
**TO:** City Council  
**FROM:** Gretchen Stanford, Water and Power  
**PRESENTER:** Gretchen Stanford, Customer Relations Manager

---

**TITLE:**

A Resolution Approving an Intergovernmental Agreement Among the Town of Estes Park, the City of Fort Collins, the City of Longmont, the City of Loveland, and Platte River Power Authority for Demand Side Management Program Partnership

**RECOMMENDED CITY COUNCIL ACTION:**

Adopt the resolution.

**OPTIONS:**

1. Adopt the action as recommended
  2. Deny the action
  3. Adopt a modified action (specify in the motion)
  4. Refer back to staff for further development and consideration
  5. Adopt a motion continuing the item to a future Council meeting
- 

**SUMMARY:**

This is an administrative action to approve an agreement under which Platte River Power Authority will contract for Demand Side Management ("DSM") programs to be offered to Loveland's water and power customers. These programs are designed to reduce our customers' water and electric consumption, which will benefit the utilities, its customers, and the community as a whole.

**BUDGET IMPACT:**

- ☐ Positive  
☐ Negative  
☒ Neutral or negligible

DSM programs are currently budgeted in the Water and Power budget. The IGA does not necessarily increase DSM program costs, but it does provide a mechanism for increasing DSM programming (thereby increasing costs). No DSM programs would be contracted for in excess of funds appropriated and budgeted in the Water and Power Budget.

---

**BACKGROUND:**

Each year, Platte River contracts for DSM programs to be provided to all four of its member cities' customers (Common Programs). Costs for Common Programs are allocated between the cities based on each city's equity share in Platte River. Common Programs have been popular with Loveland's customers, and demand has exceeded Loveland's allocation. The proposed IGA would provide a mechanism for staff to request that Platte River, through its contractors, provide additional Common Programs to Loveland above and beyond its cost allocation so long as Loveland pays for those programs. In addition, the proposed IGA would provide Loveland with the opportunity to request that Platte River contract for additional DSM programming specific to Loveland, so long as Loveland pays for those programs. Staff supports this centralized approach to DSM programming as a means to increase efficiencies, reduce costs, and minimize contractor confusion regarding DSM programming available to customers of the member cities.

The Loveland Utilities Commission considered the proposed IGA at its July 16, 2014 meeting and unanimously voted to recommend that Council approve the IGA.

---

**REVIEWED BY CITY MANAGER:**

---

**LIST OF ATTACHMENTS:**

1. Resolution
2. Intergovernmental Agreement (Exhibit A to Resolution)

## RESOLUTION #R-50-2014

### A RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT AMONG THE TOWN OF ESTES PARK, THE CITY OF FORT COLLINS, THE CITY OF LONGMONT, THE CITY OF LOVELAND, AND PLATTE RIVER POWER AUTHORITY FOR DEMAND SIDE MANAGEMENT PROGRAM PARTNERSHIP

**WHEREAS**, the Town of Estes Park, the City of Fort Collins, the City of Longmont, and the City of Loveland (the “Municipalities”) contracted with one another to establish Platte River Power Authority (“Platte River”) as a separate legal entity and multi-purpose intergovernmental authority to provide the electric power and energy requirements of the Municipalities and to engage in related business activities, including demand side management (“DSM”); and

**WHEREAS**, periodically Platte River develops Integrated Resource Plans that detail Platte River’s plans and programs in the areas of generation and transmission, renewable energy, and energy efficiency, including DSM; and

**WHEREAS**, Platte River’s DSM programs include those offered to the utility customers of the Municipalities, which programs are contracted for and funded by Platte River; and

**WHEREAS**, Platte River seeks to maintain an equitable distribution of DSM funds among the Municipalities; and

**WHEREAS**, Platte River and the Municipalities desire to expand the scope of Platte River’s current DSM programs and define certain terms and conditions related to DSM program management as set forth in the “Intergovernmental Agreement for Demand Side Management Program Partnership” attached hereto as Exhibit A and incorporated herein by reference (the “Intergovernmental Agreement”); and

**WHEREAS**, governmental entities are authorized, pursuant to C.R.S. § 29-1-203, to cooperate or contract with one another to provide any function, service, or facility lawfully authorized to each; and

**WHEREAS**, Council desires to approve the Intergovernmental Agreement on behalf of the City.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:**

**Section 1.** That the Intergovernmental Agreement is hereby approved.

**Section 2.** That the City Manager is hereby authorized, following consultation with the City Attorney, to modify the Intergovernmental Agreement in form or substance as deemed necessary to effectuate the purposes of this Resolution or to protect the interests of the City.

**Section 3.** That the City Manager and the City Clerk are hereby authorized and directed to execute the Intergovernmental Agreement on behalf of the City.

**Section 4.** That the City Manager is hereby authorized to issue purchase orders under the Intergovernmental Agreement so long as said purchase orders do not exceed those amounts appropriated and available in the Water and Power Department budget.

**Section 5.** That this Resolution shall take effect as of the date of its adoption.

**ADOPTED** this 5<sup>th</sup> day of August, 2014.

---

Cecil A. Gutierrez, Mayor

ATTEST:

---

City Clerk

APPROVED AS TO FORM:

  
Assistant City Attorney



**INTERGOVERNMENTAL AGREEMENT FOR DEMAND SIDE  
MANAGEMENT PROGRAM PARTNERSHIP**

**This Intergovernmental Agreement ("Agreement")** is made this \_\_\_\_\_ day of \_\_\_\_\_, 2014 by and between the TOWN OF ESTES PARK, a Colorado municipal corporation ("Estes Park"), the CITY OF FORT COLLINS, a Colorado municipal corporation ("Fort Collins"), the CITY OF LONGMONT, a Colorado municipal corporation ("Longmont"), the CITY OF LOVELAND, a Colorado municipal corporation ("Loveland"), and PLATTE RIVER POWER AUTHORITY, a political subdivision of the State of Colorado ("Platte River"), collectively referred to herein as the "Parties." When specificity is not required, the municipal corporations which are parties hereto will hereinafter be individually referred to as "Municipality," and collectively as "Municipalities."

WHEREAS, the Municipalities contracted with one another to establish Platte River as a separate legal entity and multi-purpose intergovernmental authority to provide the electric power and energy requirements of the Municipalities and to engage in related business activities including demand side management ("DSM"); and

WHEREAS, periodically Platte River develops Integrated Resource Plans that detail Platte River's plans and programs in the areas of generation and transmission, renewable energy, and energy efficiency, including DSM; and

WHEREAS, Platte River's DSM programs include those offered to the utility customers of the Municipalities, which programs are contracted for and funded by Platte River; and

WHEREAS, Platte River seeks to maintain an equitable distribution of DSM funds among the Municipalities; and

WHEREAS, the Parties intend to expand the scope of Platte River's current DSM programs, and desire to define certain terms and conditions related to program management as set forth in this Agreement; and

WHEREAS, the Parties are authorized, pursuant to C.R.S. § 29-1-203, to cooperate or contract with one another to provide any function, service, or facility lawfully authorized to each.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:



1. **Definitions.**

“Common Programs” shall mean DSM programs and related services which are developed by, contracted for, and funded by Platte River. Common Programs are offered by Platte River to the utility customers of the Municipalities, up to an amount equal to each Municipality’s Equity Share of Platte River’s DSM budget.

“Directive Funding” shall mean funding that is provided by a Municipality to procure DSM services that fall outside of those DSM services provided through the Common Programs.

“Equity Share” shall mean the pro rata share that each Municipality would receive of Platte River’s assets upon dissolution as provided in Section 2.8 of the Platte River Power Authority Organic Contract.

“Fiscal Year” shall mean with reference to any Municipality, the applicable fiscal year for such Municipality, in accordance with its individual budget and accounting practices.

“Supplemental Funding” shall mean funding that is provided by a Municipality to procure Common Programs services in excess of those provided by Platte River based upon the Municipality’s Equity Share.

2. **Supplemental Funding.** During any calendar year demand for Common Program services within a Municipality may result in the full commitment of its Equity Share of Platte River’s DSM budget. Upon the request of a Municipality whose Equity Share of the DSM budget has been fully committed, Platte River shall continue to offer Common Programs within that Municipality; provided, however, that before Platte River commits such additional funding, the Municipality must issue a purchase order authorizing Supplemental Funding in the necessary amount. Supplemental Funding shall be from funds that have been appropriated and are available in the Municipality’s budget. Platte River shall invoice the Municipality under such purchase order when expenditures have exceeded its Equity Share of Platte River’s DSM budget. The Municipality shall pay Platte River within thirty days of invoice.
3. **Directive Funding.** Platte River or a Municipality may identify additional DSM programs or services not contemplated within the scope of the Common Programs. Platte River and the interested Municipality may decide to collaborate in offering these programs or services when they determine that such collaboration would result in the effective delivery of the programs or services to the Municipality’s utility customers. In these cases, Platte River will work closely with the Municipality’s designated staff to

establish a scope of work for the program or service as well as a budget containing sufficient funding to complete the scope of work. Prior to Platte River undertaking any Directive Funding activity, the Municipality must issue a purchase order authorizing an amount of expenditure from funds that have been appropriated and are available in the Municipality's budget. Platte River shall invoice the Municipality on a monthly basis, or at another agreed upon interval. The Municipality shall pay Platte River within thirty days of invoice.

4. **Term.** This Agreement will be effective upon execution by the Parties and will remain in effect until terminated.
5. **Termination.** A Municipality or Platte River may terminate its participation in this Agreement upon sixty (60) days written notice to the other Parties; provided, however, that any work commenced by Platte River under a purchase order issued by a Municipality prior to receipt of the written notice of termination will be completed by Platte River and reimbursed by the Municipality.
6. **Appropriation Required.** The financial obligations of the Municipalities under this Agreement are from year to year only and shall not constitute a multiple-fiscal year debt or other financial obligation or fiscal obligation of any kind payable in any Fiscal Year beyond the Fiscal Year for which funds are so appropriated for the payment of current expenditures.
7. **Designated Representatives.** The designated representatives for each of the Parties are as follows:

Platte River:

Paul Davis, Customer Services Manager  
 Platte River Power Authority  
 2000 East Horsetooth Road  
 Fort Collins, CO 80525  
 970-229-5370  
 Davisp@prpa.org

Estes Park:

Reuben Bergsten, Utility Director  
 Estes Park Light & Power  
 Estes Park Municipal Building  
 P.O. Box 1200  
 170 MacGregor Ave  
 Estes Park, Colorado 80517

Fort Collins:

John Phelan, Energy Services Manager

Fort Collins Utilities  
700 Wood St  
Fort Collins, CO 80522

Longmont: Energy Services Manager  
Longmont Power & Communications  
1100 S. Sherman St.  
Longmont, CO 80501  
303-651-8727  
Anne.Lutz@ci.longmont.co.us

Loveland: Gretchen Stanford, Customer Relations Manager  
Loveland Water & Power  
200 North Wilson Avenue  
Loveland, CO 80537  
970-962-3550  
Gretchen.Stanford@cityofloveland.org

A Municipality or Platte River must notify the other Parties in writing of any subsequent changes in appointed representative.

8. **Notices.** Any notice, demand, request, consent, approval, or communication that a Municipality or Platte River is required to give shall be in writing and either served personally or sent by first class mail, postage prepaid, or by fax or email, to the designated representative of the recipient at the address designated as set forth above, or as subsequently provided in writing.
9. **Confidential Customer Information.** To the extent required by Platte River (as an agent of the Municipalities) to perform the work required under this Agreement, a Municipality may provide Platte River with confidential utility customer information. Platte River agrees to keep such information confidential and shall not disclose such information, including to the other Municipalities, except as required by law. Platte River shall notify the Municipality prior to any such disclosure so that the Municipality may have an opportunity to take such legal action as it deems necessary to prevent the disclosure.
10. **Liability.** Each of the Parties hereto agrees to assume responsibility and liability associated with its own acts and the acts of its employees in the performance of this Agreement in accordance with Colorado law. By agreeing to this provision, neither Platte River or the Municipalities waives or intends to waive, the limitations on liability

which are provided to them under the Colorado Governmental Immunity Act, § 24-10-101 et seq., C.R.S., as amended.

11. **Entire Agreement.** This Agreement contains the entire agreement of the Parties relating to the subject matter hereof and, except as provided herein, may not be modified or amended except by written agreement of the Parties.
12. **No Third Party Beneficiaries.** The Parties acknowledge and agree that this Agreement is intended to only document the relative rights and obligations between the Parties to one another, and that no third party beneficiaries are intended.
13. **Governing Law and Venue.** This Agreement shall be governed by the laws of the State of Colorado, and venue shall be in the County of Larimer, State of Colorado.
14. **Authority.** The Parties recognize the legal constraints imposed upon them by the constitutions, statutes, and regulations of the State of Colorado and of the United States, and imposed upon the Municipalities by their Charter or Municipal Code, and, subject to such constraints, the Parties intend to carry out the terms and conditions of this Agreement. Notwithstanding any other provision in this Agreement to the contrary, in no event shall the Parties exercise any power or take any action which shall be prohibited by applicable law. This Agreement may be executed in separate counterparts, and the counterparts taken together shall constitute the whole of this Agreement.
15. **Superseded Agreements.** This Agreement supersedes and replaces the following agreements which are hereby terminated:

“Intergovernmental Agreement for Demand Side Management Program Funding” between the City of Loveland and Platte River, dated December 18, 2012.

“Intergovernmental Agreement between the City of Longmont and the Platte River Power Authority Concerning Use of Longmont’s Electric Utility Customer Data,” dated January 10, 1995.

“Intergovernmental Agreement between the City of Longmont and the Platte River Power Authority Concerning Use of Longmont’s Electric Utility Customer Data,” dated May 30, 2002.

“Agreement” between Platte River Power Authority and the City of Longmont, dated April 8, 2005.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

TOWN OF ESTES PARK, COLORADO

ATTEST:

By: \_\_\_\_\_  
[Title]

By: \_\_\_\_\_  
Town Clerk

CITY OF FORT COLLINS, COLORADO

ATTEST:

By: \_\_\_\_\_  
[Title]

By: \_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Assistant City Attorney

CITY OF LOVELAND, COLORADO

ATTEST:

By: \_\_\_\_\_  
[Title]

By: \_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Assistant City Attorney

CITY OF LONGMONT, COLORADO

ATTEST:

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
City Clerk

APPROVED AS TO FORM AND SUBSTANCE:

By: \_\_\_\_\_  
General Manager of Longmont Power & Communications

PROOFREAD:

APPROVED AS TO FORM:

\_\_\_\_\_

\_\_\_\_\_  
Assistant City Attorney

PLATTE RIVER POWER AUTHORITY

ATTEST:

By:\_\_\_\_\_  
Jackie Sargent, Chief Executive Officer

By:\_\_\_\_\_  
Secretary

APPROVED AS TO FORM:

By:\_\_\_\_\_  
General Counsel

PROOFREAD:

\_\_\_\_\_

**CITY OF LOVELAND****FINANCE DEPARTMENT**

Civic Center • 500 East Third • Loveland, Colorado 80537  
(970) 962-2695 • FAX (970) 962-2900 • TDD (970) 962-2620

---

**AGENDA ITEM:** 11  
**MEETING DATE:** 8/5/2014  
**TO:** City Council  
**FROM:** Brent Worthington, Finance  
**PRESENTER:** Brent Worthington, Finance Director

---

**TITLE:**

June 2014 Financial Report

**RECOMMENDED CITY COUNCIL ACTION:**

This is an information only item.

---

**SUMMARY:**

The Snapshot Report includes the City's preliminary revenue and expenditures including detailed reports on tax revenue and health claims year to date, ending June 30, 2014.

---

**BACKGROUND:**

The Snapshot Report is submitted for Council review and includes the reporting of the City's revenue and expenditures, including detailed reports on tax revenue and health claims as of June 30, 2014. Citywide Revenue (excluding internal transfers) of \$121,666,846 is 105.5% of year to date (YTD) budget or \$6,348,484 over the budget. Sales Tax collections are 102.3% of the YTD budget or \$433,840 over budget. Building Material Use Tax is 110.4% of YTD budget, or \$94,464 over budget. Sales and Use Tax collections combined were 104.4% of YTD budget or \$908,827 over budget. When the combined sales and use tax for the current year are compared to 2013 for the same period last year, they are higher by 7.0% or \$2,057,965.

Citywide total expenditures of \$120,981,877 (excluding internal transfers) are 79.1% of the YTD budget or \$31,910,664 under the budget.

---

**REVIEWED BY CITY MANAGER:****LIST OF ATTACHMENTS:**

1. June Snapshot Presentation
  2. Snapshot Report for June 2014
-

# Snapshot




June  
2014

**Brent Worthington**  
Finance Director

**Presented**  
August 5, 2014



# June 2014 Snapshot

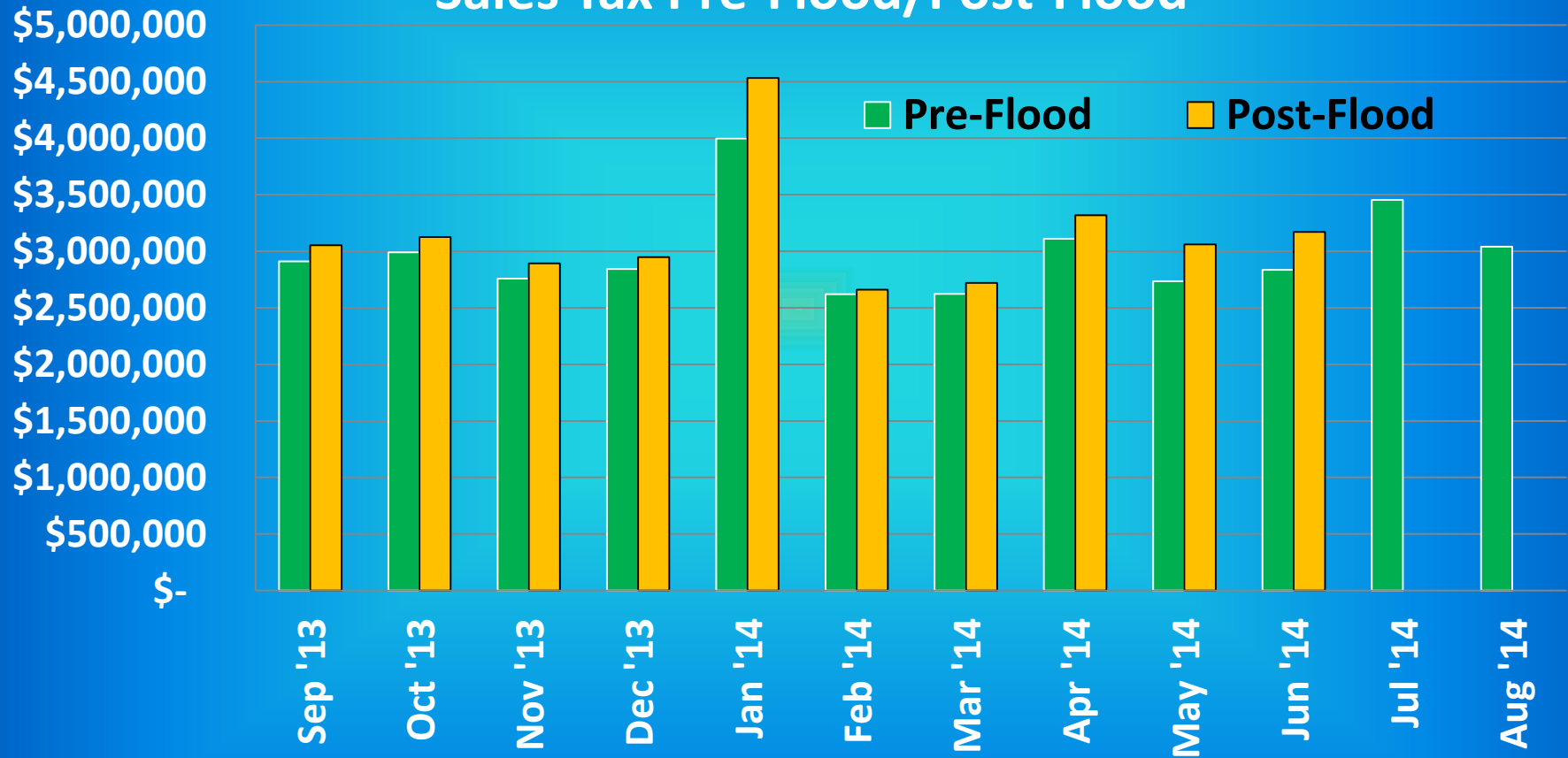
- Citywide Revenue
  - \$121.7 million, excluding transfers
  - 5.5% above budget projections
- Citywide Expenditures 
  - \$121 million, excluding transfers
  - 20.9% below budget projections
- Citywide revenues exceed expenditures by \$700 thousand.

# June 2014 Snapshot

- General Fund Revenue
  - \$44.2 million YTD, excluding transfers
  - 9.4% above YTD Budget
  - 13.8% above same period last year
- Sales and Use Tax Revenue
  - \$21.8 million YTD
  - 4.4% above budget projections
  - 8.3% above same period as last year
- Sales Tax only
  - \$19.5 million YTD
  - 2.3% above budget projections
  - 8.6% above same period last year

# June 2014 Snapshot

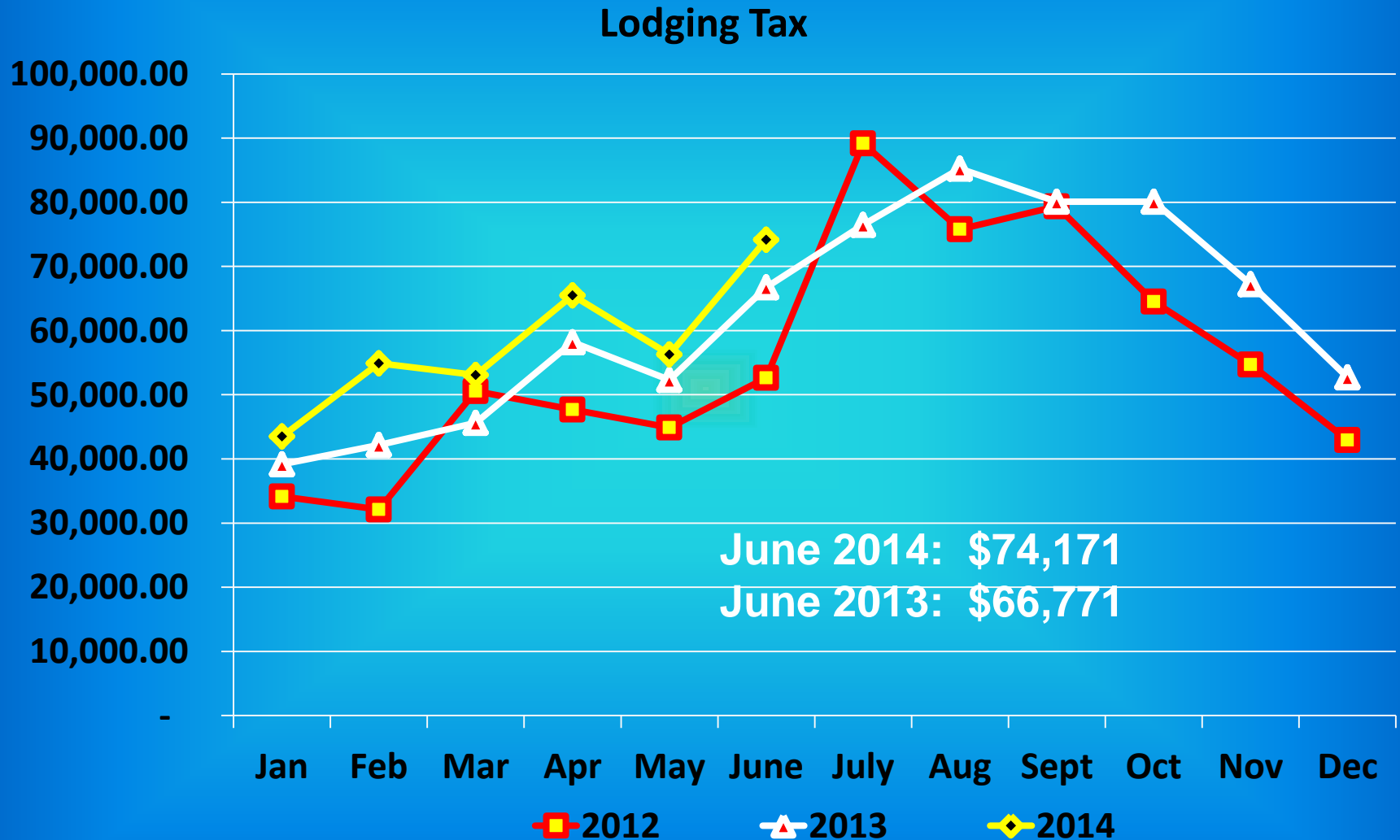
## Sales Tax Pre-Flood/Post-Flood



# June 2014 Snapshot

- General Fund Expenditures
  - \$32.2 million YTD, excluding transfers
  - 9.5% below budget projections
- General Fund Revenues Exceed Expenditures by \$10.7 million
- Health Claims
  - June Claims \$972k
  - 2014 YTD increased from \$4.2 mil to \$5.6 mil from same time as last year (34.7%)

# Lodging Tax Comparison



➤ Lodging tax YTD is \$273,264 (15% higher than 2013 YTD).

# Flood Report

## Cost Estimates

Emergency Response	\$2,000,000
Business Assistance	600,000
Capital	23,100,000
<b>Total</b>	<b>\$25,700,000</b>

## Actual Expenditures

	<u>June</u>	<u>To Date</u>
<b>Total</b>	<b>1,323,795</b>	<b>13,546,468</b>

## Reimbursements Applied For

	<u>June</u>	<u>To Date</u>
FEMA	\$ 1,770,674	\$ 4,058,727
CIRSA	325,146	5,469,160
Other	-	247,471
<b>Total</b>	<b>\$ 2,095,820</b>	<b>\$ 9,775,359</b>

## Reimbursements Received

	<u>June</u>	<u>To Date</u>
FEMA	\$ 15,985	\$ 132,170
CIRSA	403,829	5,134,917
Other	-	247,471
<b>Total</b>	<b>\$ 419,813</b>	<b>\$ 5,514,558</b>



# June 2014 Snapshot

## Questions?

**Brent Worthington**  
Finance Director

**Presented**  
August 5, 2014

June

# SnapShot

Monthly Financial Report

2014

## A Snapshot In Time

Citywide Revenues & Expenditures	2-3
General Fund Revenues & Expenditures	4-5
Capital Projects	5
Tax Totals & Comparison	6-7
Flood Update	8-9
Geo Codes & Sales Tax SIC	10-12
Health Care Claims	13
Activity Measures	14
Rialto Quarterly Report	14

- ◇ Citywide Revenue, excluding transfers between funds, \$121.7 million (5.5% above budget projections)
- ◇ Sales & Use Tax Collection, \$21.8 million (4.4% above budget projections)
- ◇ Citywide Expenditures, excluding transfers between funds, \$121.0 million (20.9% below budget projections)
- ◇ Citywide Year-To-Date Revenues exceed Year-To-Date Expenditures by \$700 thousand
- ◇ General Fund Revenue, excluding transfers between funds, \$44.2 million (9.4% above budget projections)
- ◇ General Fund Expenditures, excluding transfers between funds, \$32.2 million, (9.5% below budget projections)
- ◇ General Fund Revenues exceed Expenditures by \$10.7 million

## The Sales / Use Tax Basics



June 2014	Sales Tax	Motor Vehicle Use Tax	Building Materials Use Tax	Combined
Budget 2014	\$ 19,023,310	\$ 946,550	\$ 904,650	\$ 20,874,510
Actual 2014	19,457,151	1,327,072	999,114	21,783,337
% of Budget	102.3%	140.2%	110.4%	104.4%
Actual 2013	\$ 17,916,310	\$ 1,245,380	\$ 956,354	\$ 20,118,044
Change from prior year	8.6%	6.6%	4.5%	8.3%

## 2013 Flood:

The 2013 Flood resulted in some businesses being closed during the clean-up/restoration process. In addition, reduced traffic on U.S. 34 due to the closure at the canyon may have reduced sales in businesses along the 34 Corridor. Tracking the impact of the flood on retail sales will provide important information related to the sustainability of City finances due to the flood event. Pre-flood to post flood tracking on a monthly basis began in the September 2013 Snapshot. Sales tax revenue for the ten months included is above the previous year by \$2.1 million or 7.0%.



# Citywide Revenues & Expenditures

P. 133

Combined Statement of Revenues and Expenditures June 2014				
REVENUE	Current Month	YTD Actual	YTD Revised Budget	% of Budget
<b>General Governmental</b>				
1 General Fund	\$ 7,088,385	\$ 44,220,506	\$ 40,402,944	109.4%
2 Special Revenue	534,993	3,316,202	3,553,844	93.3% <sup>1</sup>
3 Other Entities	1,768,756	15,488,442	14,088,765	109.9%
4 Internal Service	1,376,540	8,434,504	8,252,284	102.2%
5 <i>Subtotal General Govt Operations</i>	<i>10,768,673</i>	<i>71,459,654</i>	<i>66,297,837</i>	<i>107.8%</i>
6 Capital Projects	659,619	4,059,904	3,958,185	102.6%
<b>Enterprise Fund</b>				
7 Water & Power	7,673,615	39,072,194	37,544,850	104.1%
8 Stormwater	389,673	2,355,221	2,422,470	97.2%
9 Golf	570,340	1,700,585	1,904,220	89.3% <sup>2</sup>
10 Solid Waste	576,284	3,019,288	3,190,800	94.6% <sup>3</sup>
11 <i>Subtotal Enterprise</i>	<i>9,209,913</i>	<i>46,147,288</i>	<i>45,062,340</i>	<i>102.4%</i>
12 <b>Total Revenue</b>	<b>\$ 20,638,205</b>	<b>\$ 121,666,846</b>	<b>\$ 115,318,362</b>	<b>105.5%</b>
<i>Prior Year External Revenue</i>		<i>113,906,418</i>		
<i>Increase From Prior Year</i>		<i>6.8%</i>		
13 Internal Transfers	153,514	1,505,119	19,189,750	7.8%
14 <b>Grand Total Revenues</b>	<b>\$ 20,791,719</b>	<b>\$ 123,171,965</b>	<b>\$ 134,508,112</b>	<b>91.6%</b>
<b>EXPENDITURES</b>				
<b>General Governmental</b>				
15 General Fund	4,968,941	30,179,676	32,759,749	92.1%
16 Special Revenue	1,754,495	5,654,150	6,298,235	89.8%
17 Other Entities	1,795,209	13,918,122	16,224,707	85.8%
18 Internal Services	1,388,554	8,114,710	9,319,143	87.1%
19 <i>Subtotal General Gov't Operations</i>	<i>9,907,199</i>	<i>57,866,658</i>	<i>64,601,833</i>	<i>89.6%</i>
20 Capital	7,226,563	27,172,588	48,229,389	56.3%
<b>Enterprise Fund</b>				
21 Water & Power	5,843,620	31,042,756	34,700,119	89.5%
22 Stormwater	232,160	1,426,686	1,362,839	104.7% <sup>4</sup>
23 Golf	295,235	1,325,238	1,481,764	89.4%
24 Solid Waste	382,479	2,147,951	2,516,597	85.4%
25 <i>Subtotal Enterprise</i>	<i>6,753,493</i>	<i>35,942,631</i>	<i>40,061,319</i>	<i>89.7%</i>
26 <b>Total Expenditures</b>	<b>\$ 23,887,255</b>	<b>\$ 120,981,877</b>	<b>\$ 152,892,541</b>	<b>79.1%</b>
<i>Prior Year External Expenditures</i>		<i>98,888,738</i>		
<i>Increase (-Decrease) From Prior Year</i>		<i>22.3%</i>		
27 Internal Transfers	153,514	1,505,119	28,354,990	5.3%
28 <b>Grand Total Expenditures</b>	<b>\$ 24,040,768</b>	<b>\$ 122,486,997</b>	<b>\$ 181,247,531</b>	<b>67.6%</b>

<sup>1</sup> Lower than anticipated Revenue due to timing of transfers.

<sup>2</sup> Lower than projected revenue due to lower revenue generated from green fees due to weather.

<sup>3</sup> Lower than projected revenue due to timing of sale of assets.

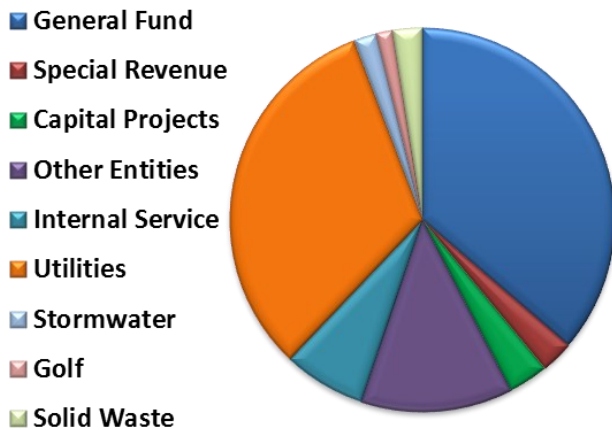
<sup>4</sup> Higher than anticipated expenditures due to repair and maintenance costs.

**Special Revenue Funds:** Community Development Block Grant, Cemetery, Local Improvement District, Lodging Tax, Affordable Housing, Seizure & Forfeitures, Transit, Transportation.

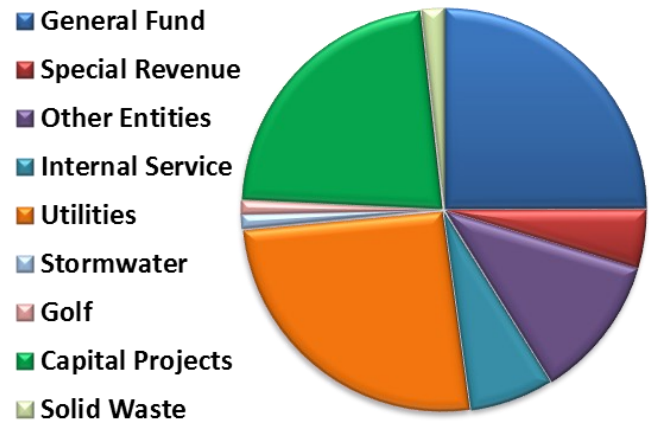
**Other Entities Fund:** Special Improvement District #1, Airport, General Improvement District #1, Loveland Urban Renewal Authority, Loveland/Larimer Building Authority, Loveland Fire and Rescue Authority.

**Internal Service Funds:** Risk/Insurance, Fleet, Employee Benefits.

## YTD Operating Revenues of \$121.7 Million

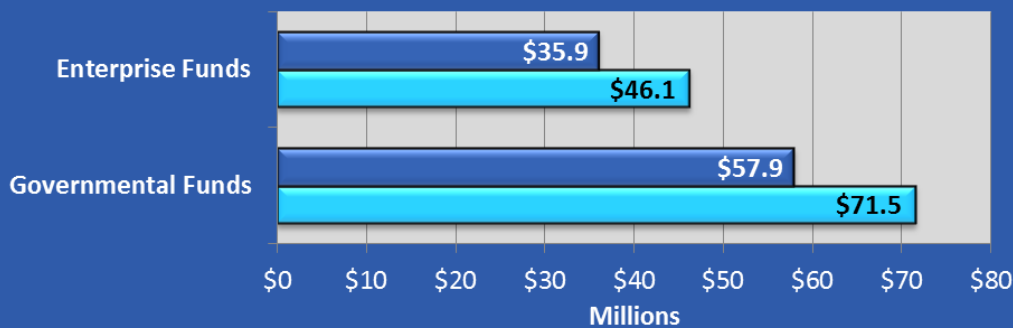


## YTD Operating Expenditures of \$121 Million



### By Comparison, Excluding Transfers

Expenditure Actual      Revenue Actual



- ◆ General Fund Revenue, excluding transfers between funds, \$44.2 million (9.4% above budget projections)  
\* 13.8% above 2013 YTD
- ◆ General Fund Expenditures, excluding capital and transfers between funds, \$30.2 million (7.9% below budget projections)  
\* 14.2% above 2013 YTD
- ◆ Water & Power Revenue, excluding transfers between funds, \$39.1 million (4.1% above budget projections)  
\* 5.9% above 2013 YTD
- ◆ Water & Power Expenditures, excluding transfers between funds, \$31 million (10.5% below budget projections)  
\* 3.9% above 2013 YTD
- ◆ Other Entities Fund Revenue, excluding transfers between funds, \$15.5 million (9.9% above budget projections)  
\* 6.4% above 2013 YTD
- ◆ Other Entities Expenditures, excluding capital and transfers between funds, \$13.9 million (14.2% below budget projections)  
\* 5.0% above 2013 YTD

# General Fund Revenues & Expenditures

P. 135

General Fund Revenue & Expenditures June 2014				
REVENUES	Current Month	YTD Actual	YTD Revised Budget	% of Budget
1 Taxes				
2 Property tax	\$ 773,090	\$ 5,581,137	\$ 5,255,790	106.2%
3 Sales tax	3,170,467	19,457,150	19,023,310	102.3%
4 Building use tax	136,432	999,114	904,650	110.4%
5 Auto use tax	218,637	1,327,073	946,550	140.2%
6 Other taxes	264,554	1,803,106	1,471,490	122.5%
7 Intergovernmental	501,472	617,419	130,410	473.4% <sup>2</sup>
8 License & Permits				
9 Building Permits	160,249	906,791	904,000	100.3%
10 Other Permits	8,121	121,791	91,480	133.1%
11 Charges for Services	1,233,883	7,720,972	7,721,807	100.0%
12 Fines & Forfeitures	73,910	453,361	493,380	91.9% <sup>1</sup>
13 Interest Income	48,126	202,323	166,500	121.5%
14 Miscellaneous	499,444	5,030,270	3,293,577	152.7% <sup>2</sup>
15 Subtotal	7,088,385	44,220,506	40,402,944	109.4%
16 Interfund Transfers	6,560	64,400	65,780	97.9%
17 Total Revenue	\$ 7,094,945	\$ 44,284,906	\$ 40,468,724	109.4%
EXPENDITURES				
Operating Expenditures				
18 Legislative	15,084	67,897	77,598	87.5%
19 Executive & Legal	142,656	912,802	937,200	97.4%
20 City Clerk & Court Admin	76,873	508,430	573,526	88.6%
21 Economic Development	63,794	937,331	1,284,350	73.0%
22 Cultural Services	146,041	872,584	1,050,946	83.0%
23 Development Services	306,882	1,590,066	1,996,173	79.7%
24 Finance	442,036	2,243,212	2,393,790	93.7%
25 Fire & Rescue	5	6,502	7,500	0.0%
26 Human Resources	88,228	509,310	580,633	87.7%
27 Information Technology	299,165	1,929,636	2,251,151	85.7%
28 Library	249,055	1,451,652	1,617,084	89.8%
29 Parks & Recreation	1,278,506	5,613,449	6,905,706	81.3%
30 Police	1,484,358	8,811,156	9,157,535	96.2%
31 Public Works	410,343	2,640,875	2,678,077	98.6%
32 Water/ Waste Operations	-	-	100,350	0.0%
33 Non-Departmental	585,824	4,109,573	3,991,140	103.0% <sup>3</sup>
34 Subtotal Operating	5,588,851	32,204,475	35,602,759	90.5%
35 Internal Transfers	141,007	1,414,271	14,081,110	10.0%
36 Total Expenditures	\$ 5,729,857	\$ 33,618,746	\$ 49,683,869	67.7%

<sup>1</sup> Lower than projected revenue generated from traffic fines & lower volume of Municipal Court Cases.

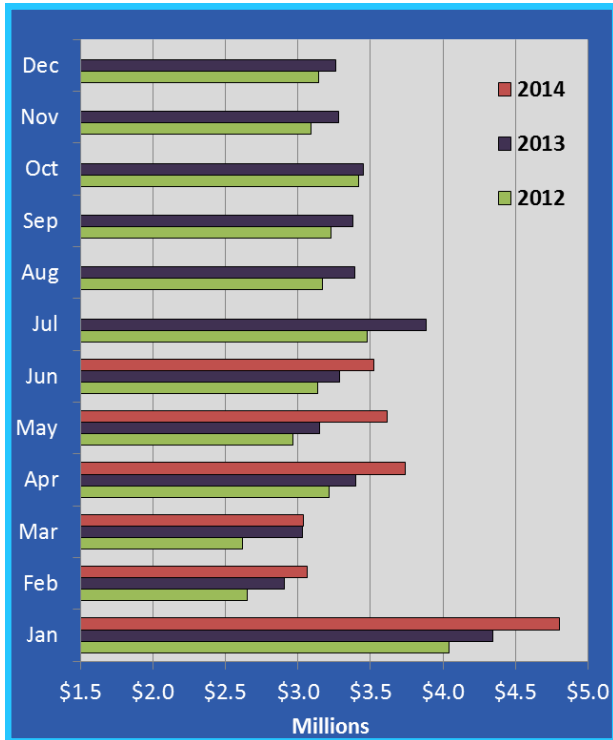
<sup>2</sup> Higher than projected revenue due to FEMA reimbursements for small project and insurance reimbursements.

<sup>3</sup> Higher Than anticipated expenditures due to timing of payments.

## Capital Projects \$500,000+

Project Title	2014 Budget	2014 Expenditures	Remaining 2014 Budget	% of 2014 Budget (Exp/Bud)
<b>Water Capital</b>				
Water Treatment Plant Phase II Expansion (38 MGD)	\$10,487,410	\$ 709,268	\$ 9,778,142	6.76%
2014 Water Line Replacements- Phase 1	1,514,960	64,996	1,449,964	4.29%
2014 Water Line Replacements- Phase 2	775,130	29,330	745,800	3.78%
2013 Flood-48" Water Trans Line-WTP to Hwy 34 Capl	4,255,240	4,083,594	\$ 171,646	95.97%
2013 Small Diameter Waterline Replacement	973,590	834,680	138,910	85.73%
Water Line Replacements Project	687,750	617,305	70,445	89.76%
Water General Plant	504,940	172,577	\$ 332,363	34.18%
<b>Raw Water Capital</b>				
Windy Gap Firming Project	1,886,770	190,451	1,696,319	10.09%
Purchase CBT Water	1,120,090	-	1,120,090	0.00%
<b>Wastewater Utility Capital</b>				
Gas Conditioning at WWTP	1,010,000	-	1,010,000	0.00%
WWTP Digester System Improvements	3,104,790	830,286	2,274,504	26.74%
Southside Lift Station	529,000	-	529,000	0.00%
Digester Building Code Compliance	555,000	-	555,000	0.00%
2014 CIPP Sewer Rehabilitation	656,500	-	656,500	0.00%
<b>Power Capital</b>				
Idylwilde Dam	2,875,000	-	2,875,000	0.00%
Horseshoe Substation Replace H1 Transformer	750,000	302,581	447,419	40.34%
Colorado Renewable Energy Standard Compliance	500,000	-	500,000	0.00%
Callisto (vault 2716) East along 5th, North on Boyd Lake to railroad xing	570,000	-	570,000	0.00%
OH to UG Conversion (Circuit 314) from 42nd along Garfield to 57th	890,000	1,588	888,412	0.18%
Horseshoe Substation - purchase new transformer H4	650,000	-	650,000	0.00%
Horseshoe Substation - new switgear & transformer	500,000	371,866	128,134	74.37%
Extend new feeders from Horseshoe H4 into system	1,000,000	-	1,000,000	0.00%
<b>Stormwater Capital</b>				
Airport Regional Detention Pond	1,300,000	-	1,300,000	0.00%
29th & Monroe Outfall (Phase II- Dry Creek)	1,000,000	-	1,000,000	0.00%
MeHaffey Park Regional Detention Pond	616,700	15,000	601,700	2.43%
<b>Streets Transportation Program</b>				
2014 Street Rehabilitation	5,320,000	3,287,996	2,032,004	61.80%
<b>All Other</b>				
Facilities Maintenance Capital Projects	687,500	166,279	521,221	24.19%
Open Lands Acquisition	2,371,000	-	2,371,000	0.00%
Fire Station 2 Relocation	3,797,290	-	3,797,290	0.00%
Police RMS (Communications)	3,000,000	-	3,000,000	0.00%
Barnes Park Field Lighting	4,021,160	1,351,312	2,669,848	33.61%
Telephone Switch Replacement	750,000	-	750,000	0.00%
Transportation Program	\$ 7,132,850	\$ 1,075,700	\$ 6,057,150	15.08%

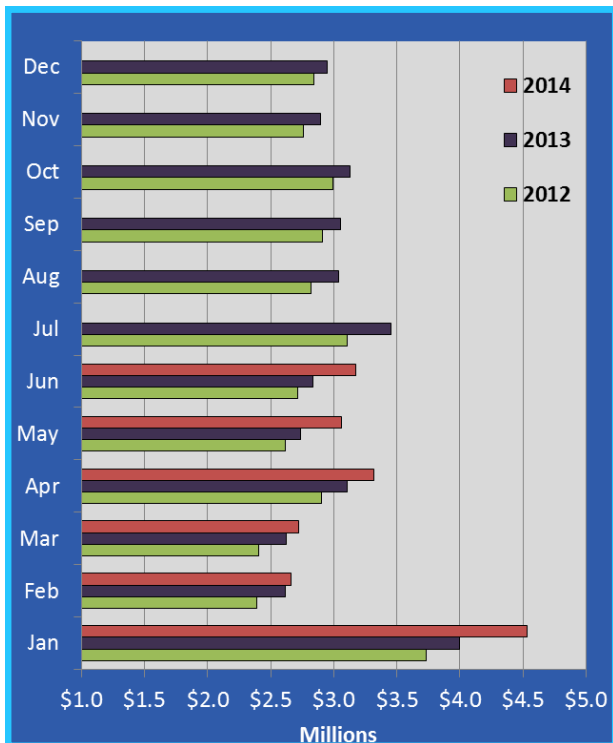




## Sales & Use Tax

	2012	2013	2014	2014 Budget	+ / - Budget
Jan	\$ 4,039,678	\$ 4,345,835	\$ 4,801,433	\$ 4,459,360	7.7%
Feb	2,649,229	2,906,780	3,066,965	2,973,250	3.2%
Mar	2,618,052	3,033,347	3,037,688	3,074,180	-1.2%
Apr	3,215,437	3,397,074	3,737,255	3,633,800	2.8%
May	2,966,032	3,150,201	3,614,460	3,298,790	9.6%
Jun	3,136,015	3,284,808	3,525,536	3,435,130	2.6%
Jul	3,480,123	3,882,561		3,832,510	
Aug	3,171,055	3,392,757		3,550,120	
Sep	3,225,155	3,379,303		3,576,270	
Oct	3,421,098	3,452,052		3,757,520	
Nov	3,092,095	3,280,666		3,436,030	
Dec	3,142,793	3,259,189		3,728,460	
	\$38,156,762	\$ 40,764,573	\$21,783,337	\$42,755,420	

YTD \$18,624,443 \$ 20,118,045 \$21,783,337 \$20,874,510 4.4%



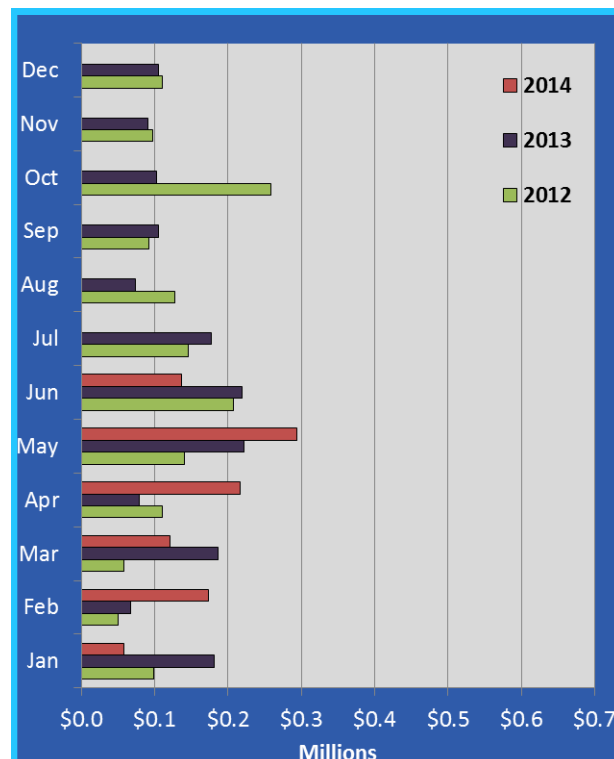
## Retail Sales Tax

	2012	2013	2014	2014 Budget	+ / - Budget
Jan	\$ 3,733,309	\$ 3,995,194	\$ 4,531,650	\$ 4,192,160	8.1%
Feb	2,390,409	2,619,453	2,658,798	2,698,090	-1.5%
Mar	2,403,380	2,622,808	2,719,254	2,737,490	-0.7%
Apr	2,905,558	3,109,701	3,317,905	3,309,560	0.3%
May	2,614,500	2,733,983	3,059,077	2,966,740	3.1%
Jun	2,711,906	2,835,171	3,170,467	3,119,270	1.6%
Jul	3,105,564	3,453,149		3,492,520	
Aug	2,823,319	3,039,219		3,214,360	
Sep	2,909,008	3,051,797		3,236,980	
Oct	2,991,033	3,125,566		3,402,460	
Nov	2,757,932	2,892,986		3,123,880	
Dec	2,841,959	2,946,709		3,413,130	
	\$34,187,877	\$ 36,425,736	\$19,457,151	\$38,906,640	

YTD \$16,759,062 \$ 17,916,310 \$19,457,151 \$19,023,310 2.3%

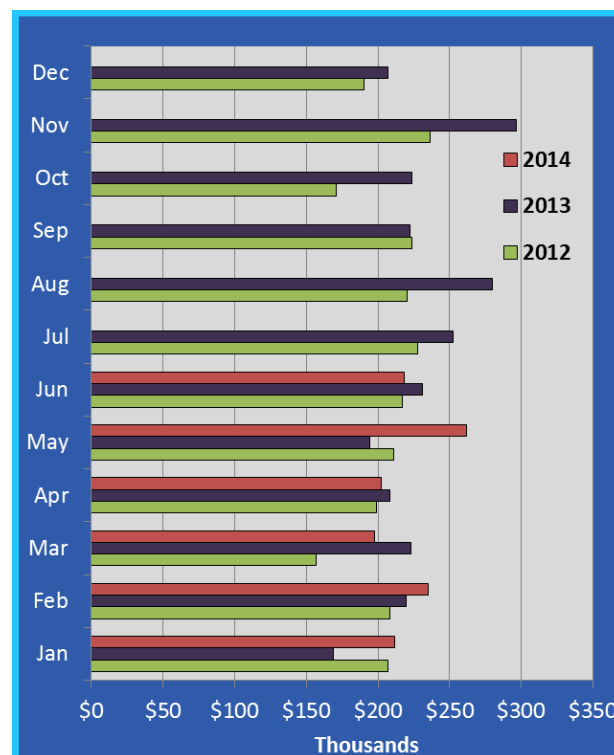
## Building Materials Use Tax

	2012	2013	2014	2014 Budget	+ / - Budget
Jan	\$ 99,108	\$ 181,907	\$ 57,942	\$ 120,610	-52.0%
Feb	50,703	67,440	173,295	114,230	51.7%
Mar	57,845	187,222	120,768	192,970	-37.4%
Apr	111,197	79,229	217,134	158,210	37.2%
May	140,470	221,834	293,543	156,550	87.5%
Jun	207,024	218,722	136,432	162,080	-15.8%
Jul	146,570	176,829		161,510	
Aug	127,261	73,524		153,690	
Sep	92,415	105,174		155,700	
Oct	259,279	102,584		170,910	
Nov	97,778	91,453		140,530	
Dec	110,414	105,740		161,790	
	\$1,500,063	\$1,611,658	\$ 999,114	\$1,848,780	
YTD	\$ 666,347	\$ 956,354	\$ 999,114	\$ 904,650	10.4%

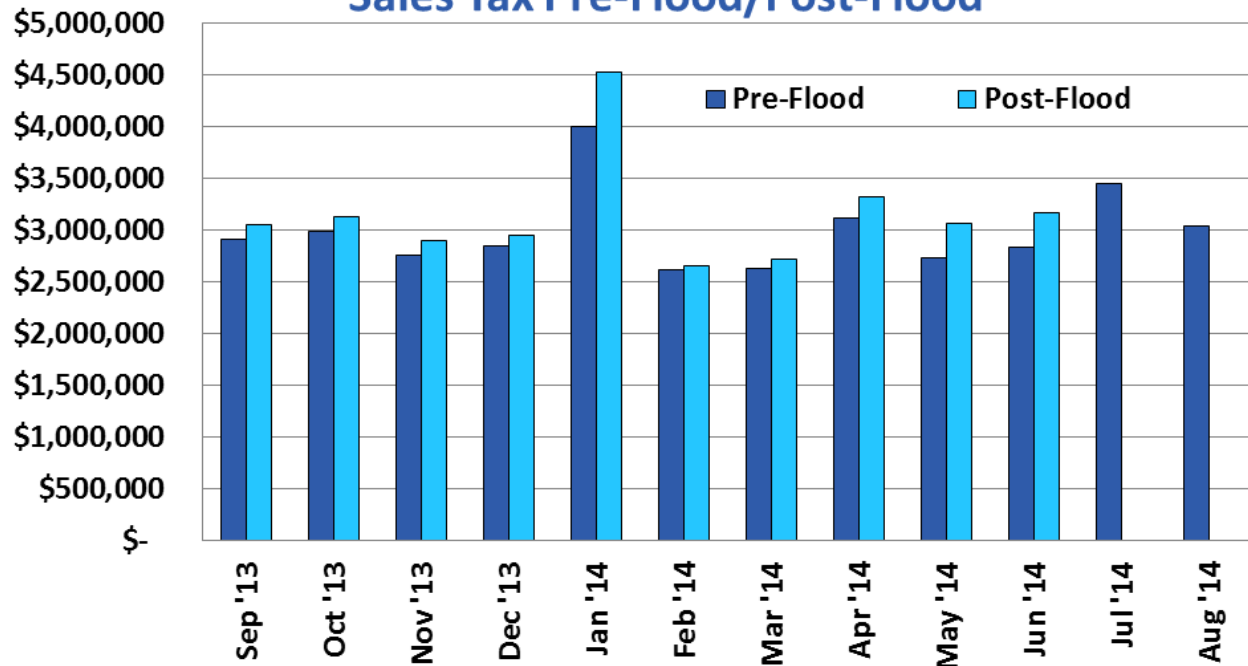


## Motor Vehicle Use Tax

	2012	2013	2014	2014 Budget	+ / - Budget
Jan	\$ 207,261	\$ 168,734	\$ 211,841	\$ 146,590	44.5%
Feb	208,117	219,886	234,872	160,930	45.9%
Mar	156,828	223,317	197,666	143,720	37.5%
Apr	198,682	208,144	202,216	166,030	21.8%
May	211,062	194,384	261,840	175,500	49.2%
Jun	217,084	230,915	218,637	153,780	42.2%
Jul	227,989	252,583		178,480	
Aug	220,475	280,014		182,070	
Sep	223,732	222,332		183,590	
Oct	170,786	223,902		184,150	
Nov	236,385	296,227		171,620	
Dec	190,420	206,740		153,540	
	\$2,468,822	\$2,727,178	\$1,327,072	\$2,000,000	
YTD	\$1,199,034	\$1,245,380	\$1,327,072	\$ 946,550	40.2%



## Sales Tax Pre-Flood/Post-Flood



	Pre-Flood	Post-Flood
Sep '13	\$ 2,909,008	\$ 3,051,797
Oct '13	2,991,034	3,125,566
Nov '13	2,757,932	2,892,986
Dec '13	2,841,959	2,946,709
Jan '14	3,995,194	4,531,650
Feb '14	2,619,453	2,658,798
Mar '14	2,622,808	2,719,254
Apr '14	3,109,701	3,317,905
May '14	2,733,983	3,059,076
Jun '14	2,835,171	3,170,467
Jul '14	3,452,149	
Aug '14	3,040,219	
YTD	\$ 35,908,611	\$ 31,474,208

## Cost Estimates

Emergency Response	\$ 2,000,000
Business Assistance	600,000
Capital	23,100,000
<b>Total</b>	<b>\$ 25,700,000</b>

## Actual Expenditures

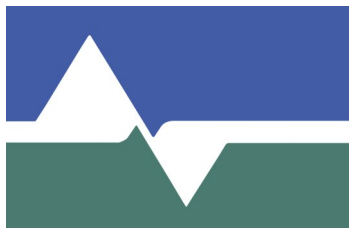
	June	To Date
<b>Total</b>	<b>1,323,795</b>	<b>13,546,468</b>

## Reimbursements Applied For

	June	To Date
FEMA	\$ 1,770,674	\$ 4,058,727
CIRSA	325,146	5,469,160
Other	-	247,471
<b>Total</b>	<b>\$ 2,095,820</b>	<b>\$ 9,775,359</b>

## Reimbursements Received

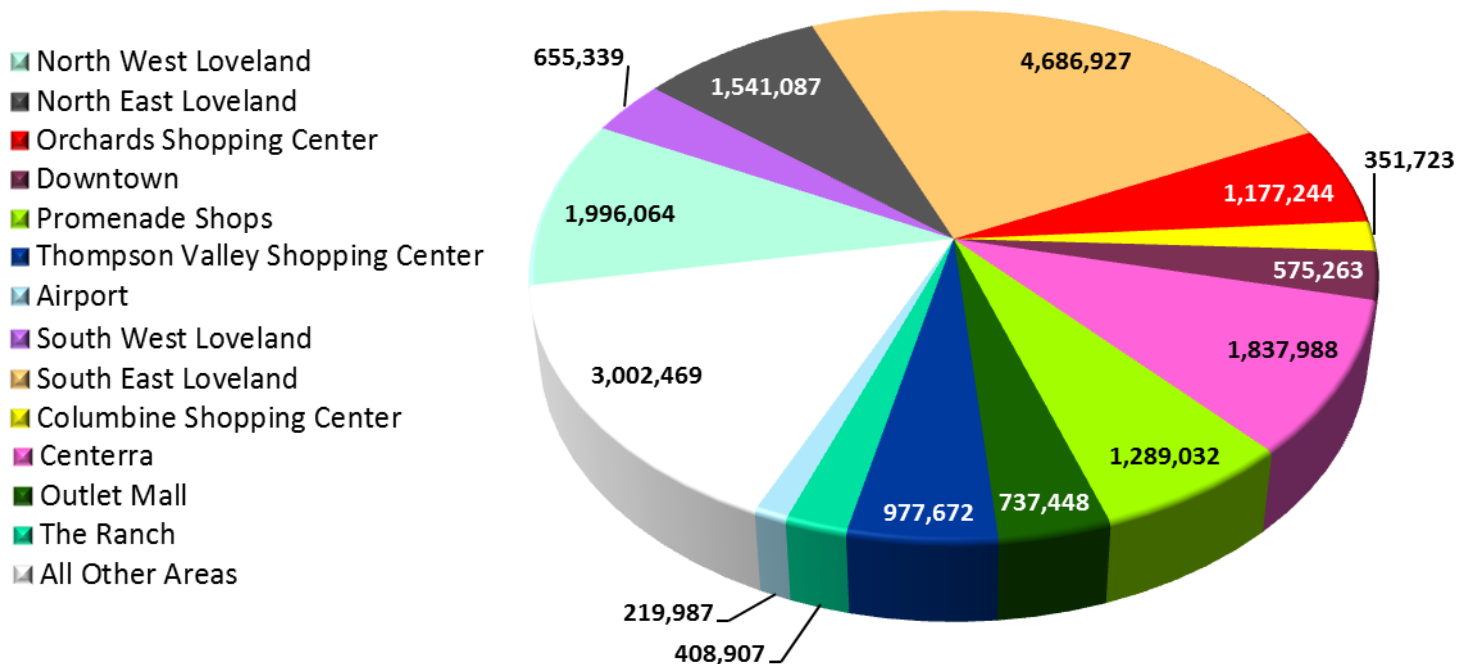
	June	To Date
FEMA	\$ 15,985	\$ 132,170
CIRSA	403,829	5,134,917
Other	-	247,471
<b>Total</b>	<b>\$ 419,813</b>	<b>\$ 5,514,558</b>



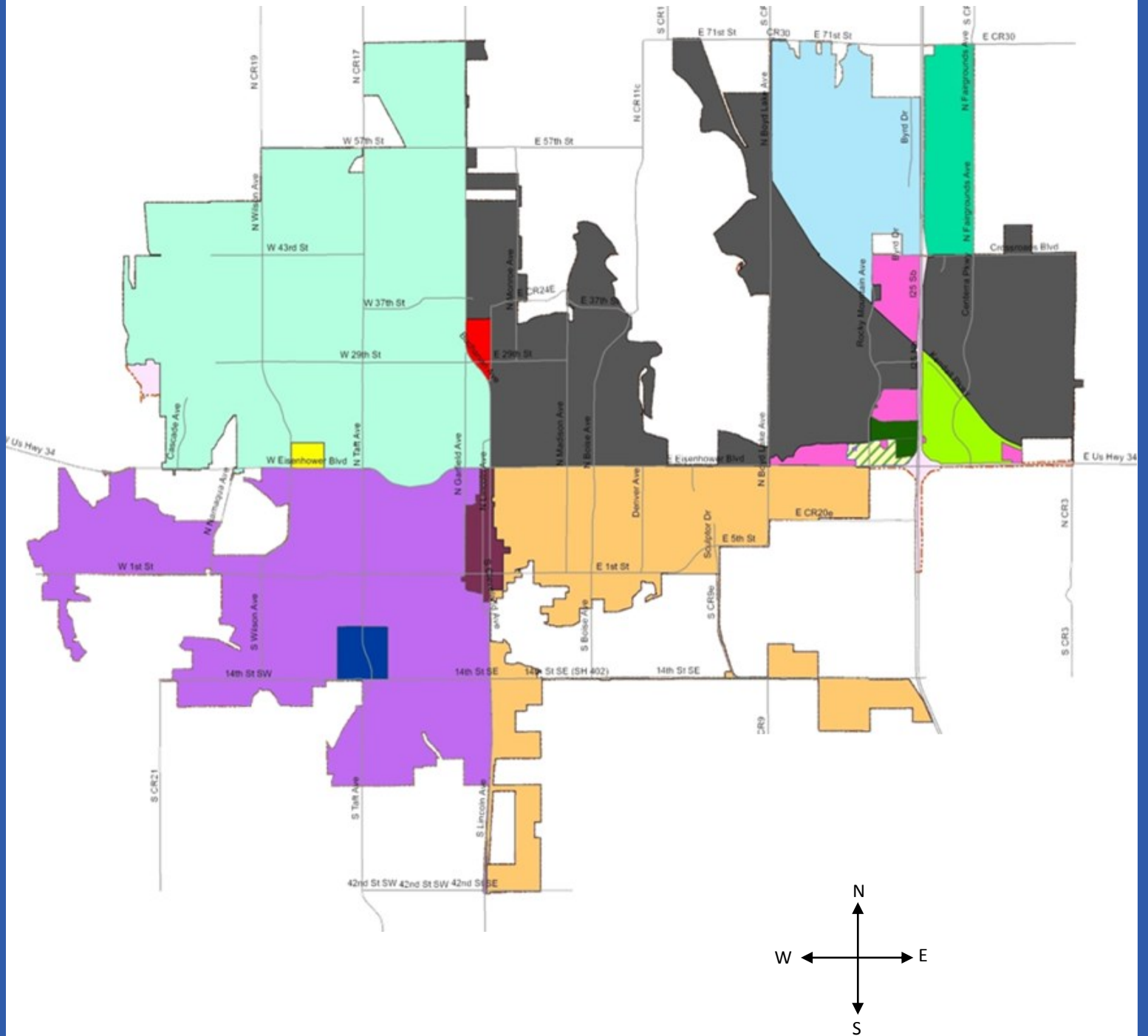


Geographical Area		YTD 2014	YTD 2013	Change
South East Loveland		4,686,927	4,453,107	5.3%
North West Loveland		1,996,064	1,987,765	0.4%
Centerra		1,837,988	1,848,224	-0.6%
North East Loveland		1,541,087	1,297,749	18.8%
Promenade Shops		1,289,032	1,135,315	13.5%
Orchards Shopping Center		1,177,244	1,157,782	1.7%
Thompson Valley Shopping Center		977,672	806,373	21.2%
Outlet Mall		737,448	685,652	7.6%
South West Loveland		655,339	554,935	18.1%
Downtown		575,263	534,024	7.7%
The Ranch		408,907	334,964	22.1%
Columbine Shopping Center		351,723	338,510	3.9%
Airport		219,987	178,485	23.3%
All Other Areas (1)		3,002,469	2,603,425	15.3%
<b>Total</b>		<b>\$19,457,150</b>	<b>\$17,916,310</b>	<b>8.6%</b>

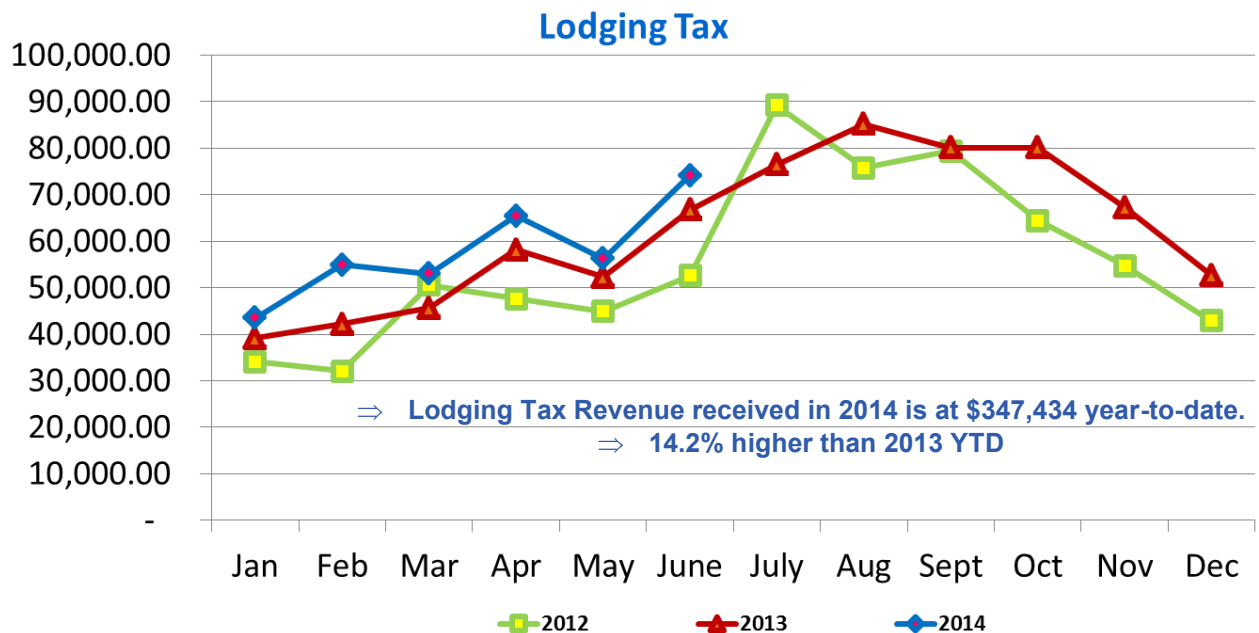
(1) Refers to sales tax remitted by vendors who are located outside of the City but make sales to customers within Loveland.



Map →



Description	YTD 2014	YTD 2013	\$ Change	% Change	% of Total	Total %
Department Stores & General Merchandise	\$ 3,967,658	\$ 3,976,968	\$ (9,310)	-0.2%	20.4%	20.4%
Restaurants & Bars	2,475,749	2,277,707	198,042	8.7%	12.7%	33.1%
Grocery Stores & Specialty Foods	1,968,002	1,678,107	289,895	17.3%	10.1%	43.2%
Clothing & Clothing Accessories Stores	1,393,313	1,290,090	103,223	8.0%	7.2%	50.4%
Motor Vehicle Dealers, Auto Parts & Leasing	1,391,346	1,207,457	183,889	15.2%	7.2%	57.5%
Building Material & Lawn & Garden Supplies	1,383,359	1,196,915	186,444	15.6%	7.1%	64.7%
Utilities	1,088,163	1,010,544	77,619	7.7%	5.6%	70.2%
Sporting Goods, Hobby, Book & Music Stores	873,821	1,050,801	(176,980)	-16.8%	4.5%	74.7%
Broadcasting & Telecommunications	717,271	658,090	59,181	9.0%	3.7%	78.4%
Used Merchandise Stores	705,788	573,915	131,873	23.0%	3.6%	82.0%
Beer, Wine & Liquor Stores	453,101	420,705	32,396	7.7%	2.3%	84.4%
Hotels, Motels & Other Accommodations	427,860	356,695	71,165	20.0%	2.2%	86.6%
Consumer Goods & Commercial Equipment Rental	373,140	364,637	8,503	2.3%	1.9%	88.5%
Electronic Shopping & Mail-Order Houses	334,772	255,565	79,207	31.0%	1.7%	90.2%
Health & Personal Care Stores	323,177	310,757	12,420	4.0%	1.7%	91.9%
Electronics & Appliance Stores	288,907	198,705	90,202	45.4%	1.5%	93.4%
Furniture & Home Furnishing Stores	256,803	231,754	25,049	10.8%	1.3%	94.7%
Office Supplies, Stationery & Gift Stores	190,220	166,874	23,346	14.0%	1.0%	95.7%
Gasoline Stations with Convenience Stores	170,118	132,962	37,156	27.9%	0.9%	96.5%
All Other Categories	674,582	557,062	117,520	21.1%	3.5%	100.0%
<b>Total</b>	<b>\$ 19,457,150</b>	<b>\$ 17,916,310</b>	<b>\$ 1,540,840</b>	<b>8.6%</b>	<b>100.0%</b>	



## Claims Incurred

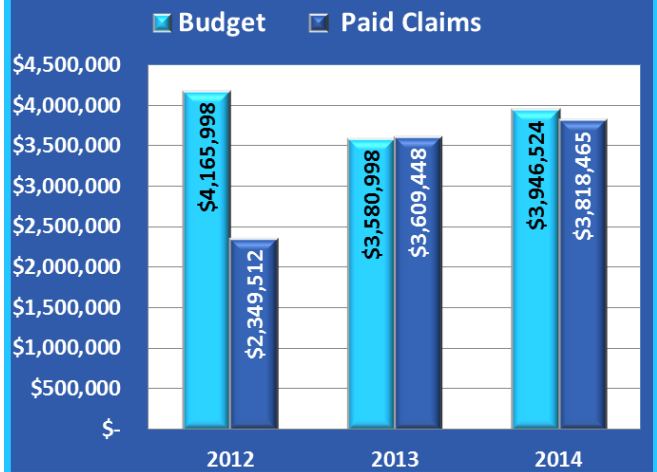
Change		OAP	HRA	Total
2014	Jun	842,305	129,419	971,724
	YTD	4,357,745	1,270,860	5,628,605
2013	Jun	485,613	121,053	606,666
	YTD	3,293,564	884,523	4,178,087
2012	Jun	356,692	8,366	365,058
	% Jun	73.5%	6.9%	60.2%
	YTD	1,064,181	386,337	1,450,518
	% YTD	32.3%	43.7%	34.7%

⇒ HRA—Health Reimbursement Arrangement

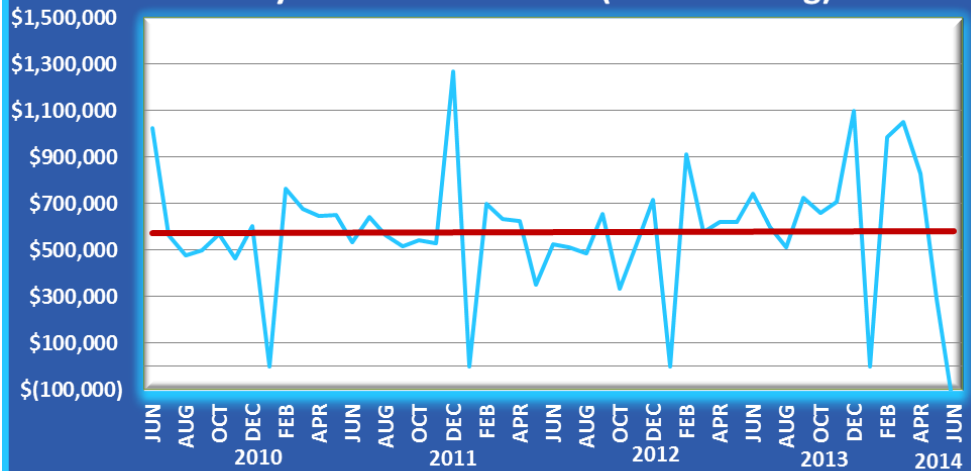
⇒ OAP—Open Access Plan

Incurred claims are total expenses the City is obligated to pay for claims, including claims paid and unpaid. Paid claims are those claims that have been paid and reconciled through the bank to-date, which may not reflect Stop Loss reimbursements or other refunds.

## YTD Paid Claims vs Budget



## Monthly Health Claims Paid (4 Year Rolling)

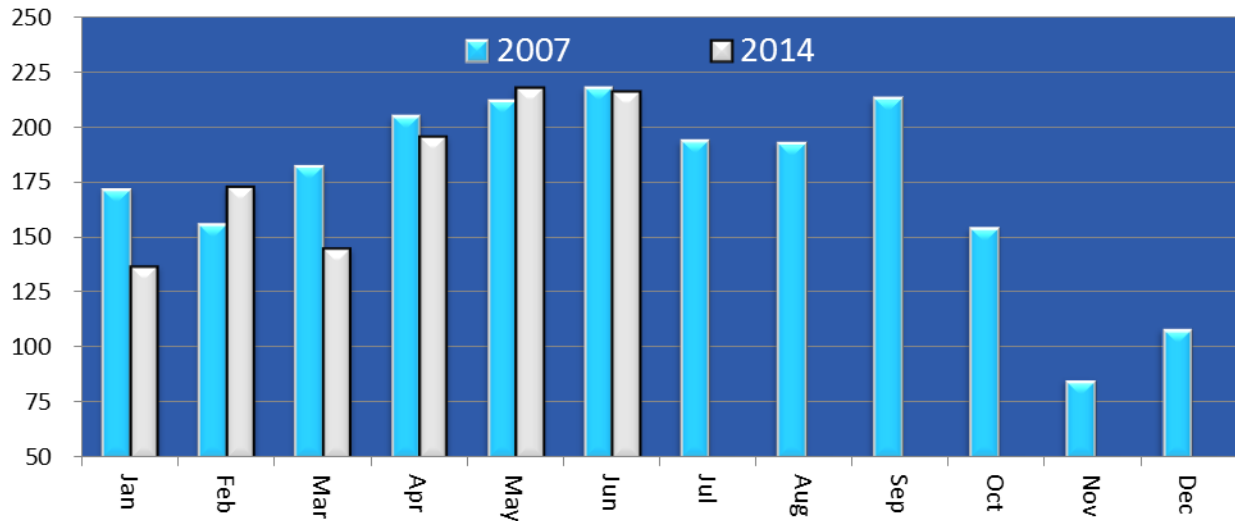


## Comparison of YTD Claims Over \$25k

June	2011	2012	2013	2014
# of claims	25	28	32	36
YTD Cost of high claims	\$1,413,548	\$1,302,666	\$1,703,735	\$3,340,125

⇒ 2014 # of StopLoss claims: 4  
(claims over \$150k paid by StopLoss Carrier)

## Building Permit Comparison History



Measures	Jun 2012	Jun 2013	Jun 2014	2012 YTD	2013 YTD	2014 YTD
# of Building Permits	218	185	216	1,079	1,048	1,085
Building Permit Valuations	\$14,333,103	\$21,028,764	\$26,281,281	\$ 63,852,213	\$ 86,590,772	\$ 103,151,300
# of Certified Occupancies	27	35	21	148	173	103
Net # of Sales Tax Licenses	10	15	34	(132)	(334)	(114)
New Residential Electric Meter Sets	29	35	14	98	149	168
# of Utility Bills Sent	36,079	36,550	36,795	216,036	218,972	220,757
Rounds of Golf	18,012	18,791	17,814	54,836	46,266	46,368
\$ Average Health Claim Costs/Emp.	\$ 905	\$ 928	\$ 1,470	\$ 893	\$ 1,072	\$ 1,427
KWH Demand (kH)	148,086	144,090	123,388	609,473	614,731	606,195
KWH Purchased (kwh)	70,054,508	66,689,675	63,340,677	358,880,527	358,120,984	303,071,516
Gallons of Water Sold	535,849,380	435,609,839	417,383,294	1,546,010,613	1,151,167,430	1,292,752,441
# of Workers' Comp Claims 2014	5	11	11	52	49	46
\$ of Workers' Comp Claims Paid 2014	\$ 21,076	\$ 23,228	\$ 79,981	\$ 284,052	\$ 138,136	\$ 362,089
# of Total Open Claims	14	15	22	Not Cumulative		
\$ of Total Open Claims	81,708	290,602	426,052	Not Cumulative		
\$ of Lodging Tax Collected	\$ 52,645	\$ 66,771	\$ 74,171	\$ 262,059	\$ 304,259	\$ 347,434

# Quarterly Rialto Report

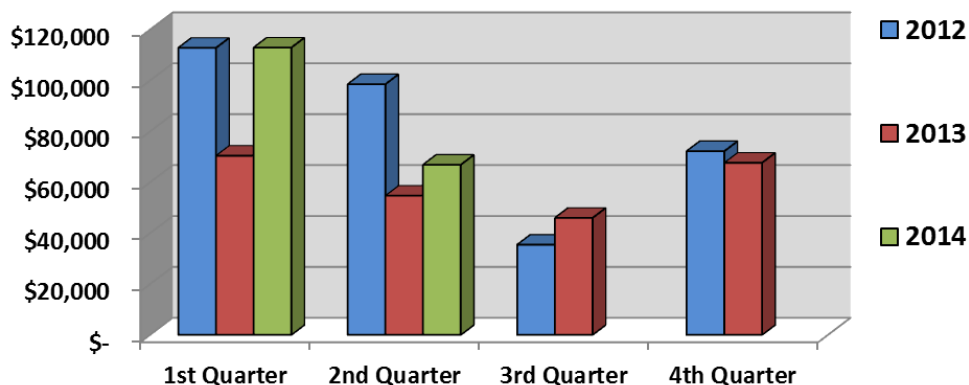
P. 146

## City of Loveland Statement of Results of Operations for Rialto Theatre Center For Quarter Ending 06/30/2014

	YTD Amount	YTD Budget	% of Budget	2013 YTD	Change from Prior Year
<b>Rialto Theatre</b>					
<b>Rialto Theatre Revenues</b>					
Revenues from Operations	116,536	189,548	61.48%	88,073	32.32%
Gifts/Donations	22,000	28,500	77.19%	-	0.00%
Transfers from Lodging Tax Fund	25,000	25,000	100.00%	25,000	0.00%
<b>Total Rialto Theatre Revenues</b>	<b>163,536</b>	<b>243,048</b>	<b>67.29%</b>	<b>113,073</b>	<b>44.63%</b>
<b>Rialto Theatre Expenses</b>					
Personnel Costs	111,840	176,640	63.32%	110,933	0.82%
Supplies	9,225	12,790	72.12%	14,612	-36.87%
Purchased Services	77,030	81,419	94.61%	55,526	38.73%
Capital Outlay	-	21,000	0.00%	-	-
<b>Total Direct Costs</b>	<b>198,094</b>	<b>291,849</b>	<b>67.88%</b>	<b>181,072</b>	<b>9.40%</b>
Administrative Allocations	73,070	73,070	100.00%	74,650	0.00%
<b>Total Rialto Theatre Expenses</b>	<b>271,164</b>	<b>364,919</b>	<b>74.31%</b>	<b>255,722</b>	<b>6.04%</b>
<b>Rialto Theatre Net Income (Loss)</b>	<b>(107,628)</b>	<b>(121,871)</b>	<b>88.31%</b>	<b>(142,649)</b>	<b>-24.55%</b>
<b>Rialto Event Center</b>					
<b>Rialto Event Center Revenues</b>					
Revenues from Operations	9,238	13,760	67.14%	12,038	-23.26%
Gifts/Donations	-	2,000	0.00%	-	0.00%
<b>Total Event Center Revenues</b>	<b>9,238</b>	<b>15,760</b>	<b>58.62%</b>	<b>12,038</b>	<b>-23.26%</b>
<b>Rialto Event Center Expenses</b>					
Personal Services	18,060	(12,460)	-144.94%	19,995	-9.68%
Supplies	215	280	76.89%	2,186	-90.15%
Purchased Services	100	26,160	0.00%	1,972	-94.93%
Capital Outlay	-	-	-	1,132	0.00%
<b>Total Rialto Event Center Expenses</b>	<b>18,375</b>	<b>13,980</b>	<b>131.44%</b>	<b>25,285</b>	<b>-27.33%</b>
<b>Rialto Event Center Net Income (Loss)</b>	<b>(9,137)</b>	<b>1,780</b>	<b>-513.31%</b>	<b>(13,247)</b>	<b>-31.02%</b>
<b>Grand Total Rialto Theatre Center Revenues</b>	<b>172,774</b>	<b>258,808</b>	<b>66.76%</b>	<b>125,111</b>	<b>38.10%</b>
<b>Grand Total Rialto Theatre Center Expenses</b>	<b>289,539</b>	<b>378,899</b>	<b>76.42%</b>	<b>281,006</b>	<b>3.04%</b>
<b>Rialto Theatre Center Net Income (Loss)</b>	<b>(116,765)</b>	<b>(120,091)</b>	<b>97.23%</b>	<b>(155,895)</b>	<b>-25.10%</b>

<sup>1</sup>Rialto Event Center 2013 Net Income/(Loss), NET OF \$105,000 donation = (13,247)

**Rialto Theater Center Quarterly Revenue Comparison**



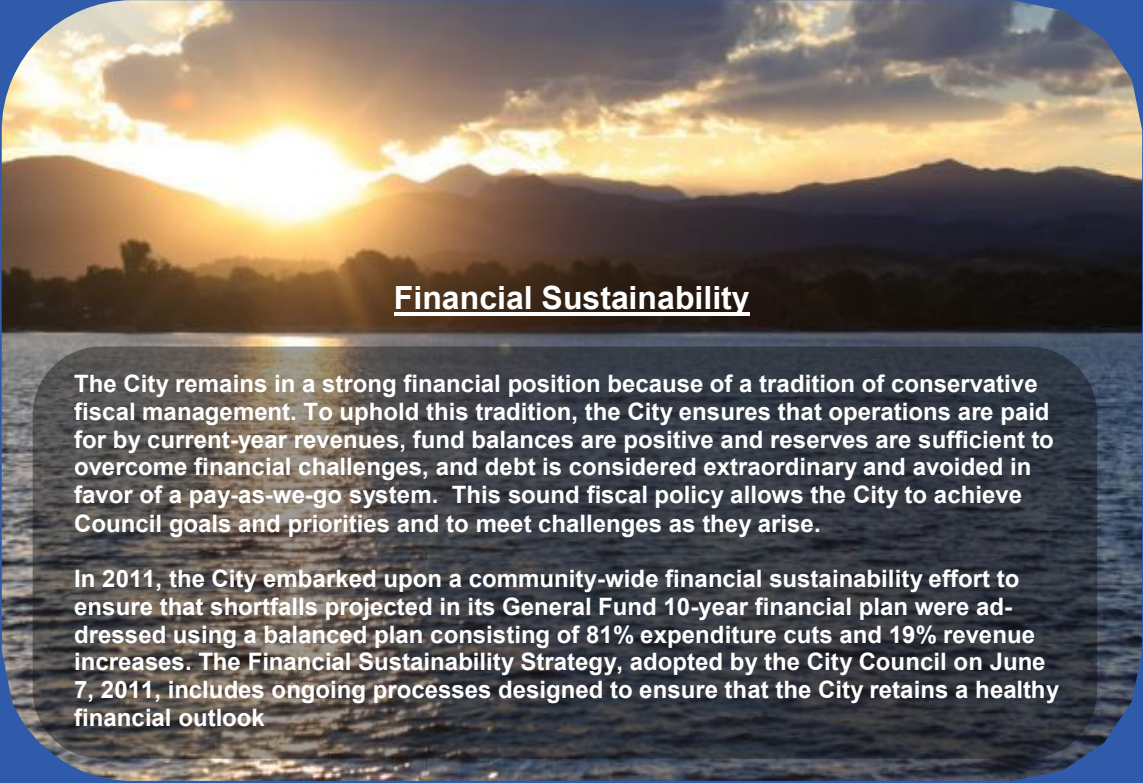


March

# SnapShot

Monthly Financial Report

2014



## Financial Sustainability

The City remains in a strong financial position because of a tradition of conservative fiscal management. To uphold this tradition, the City ensures that operations are paid for by current-year revenues, fund balances are positive and reserves are sufficient to overcome financial challenges, and debt is considered extraordinary and avoided in favor of a pay-as-we-go system. This sound fiscal policy allows the City to achieve Council goals and priorities and to meet challenges as they arise.

In 2011, the City embarked upon a community-wide financial sustainability effort to ensure that shortfalls projected in its General Fund 10-year financial plan were addressed using a balanced plan consisting of 81% expenditure cuts and 19% revenue increases. The Financial Sustainability Strategy, adopted by the City Council on June 7, 2011, includes ongoing processes designed to ensure that the City retains a healthy financial outlook





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---

**AGENDA ITEM:** 12  
**MEETING DATE:** 8/5/2014  
**TO:** City Council  
**FROM:** Alan Krcmarik, Executive Fiscal Advisor  
**PRESENTER:** Alan Krcmarik, Executive Fiscal Advisor

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**TITLE:**

Investment Report for June 2014

**RECOMMENDED CITY COUNCIL ACTION:**

This is an information only item.

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**SUMMARY:**

The 2014 budget projection for investment earnings for 2014 is \$2,025,920 which equates to an annual interest rate of 0.94%. For June, the amount posted to the investment account is \$219,024. For the year-to-date, the amount posted is \$982,941. Actual earnings are now below the year-to-date budget projection by \$56,758. Based on the monthly statement, the estimated annualized yield in June on the securities held by US Bank was 0.99%, 0.03% lower than May. Due to the demands for draws from the fund balances to pay for the cost of flood response and project repair, the portfolio has a significantly lower fund balance than it would otherwise.

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**BACKGROUND:**

At the end of June, the City's portfolio had an estimated market value of \$213.1 million, about \$700,000 less than a month ago. Of this amount, US Bank held (including accrued interest) \$187.9 million in trust accounts; other funds are held in local government investment pools, in operating accounts at First National Bank, and a few miscellaneous accounts. Interest rates trended to all-time record lows in 2012 – 2013 before rising in the second half of last year. Short-term rates are projected to rise but still remain historically low through 2014 and into 2015. Investments are in US Treasury Notes, high-rated US Agency Bonds, highly-rated corporate bonds, money market accounts, and local government investment pools. The City's investment strategy emphasizes safety of principal, then sufficient liquidity to meet cash needs, and finally, return on investment. Each percent of earnings on the portfolio equates to about \$2.1 million annually.

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**REVIEWED BY CITY MANAGER:**



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**LIST OF ATTACHMENTS:**

1. Investment Focus June 2014



# Investment Focus

## Monthly Investment Report

June 2014

### What's in here?

Focal Points	1
Gain / Loss	
Rate Trends	2
Cash Statement	3
Portfolio size	4
Investment types	
Transactions /	5
Maturity	
Future Scan	6
Labor Data	7-8

### Focal Points

- \* 2014 targets for the City's portfolio: 1) the interest rate target is **0.94%**; 2) the earnings goal = **\$2,025,920**.
- \* City investments are in high quality, low risk securities, in compliance with state law and the adopted investment policy.
- \* Interest earnings posted for the month totaled \$219,024. Revenue posted to accounts YTD = \$763,917: **94.5% of the target**.
- \* Each 1% of the market value amounts to nearly \$2.1 million.
- \* The month end market value shows the unrealized loss was about the same, estimated to be **\$1,063,429** at the end of June.

### Impact of FOMC minutes and secondary market demand

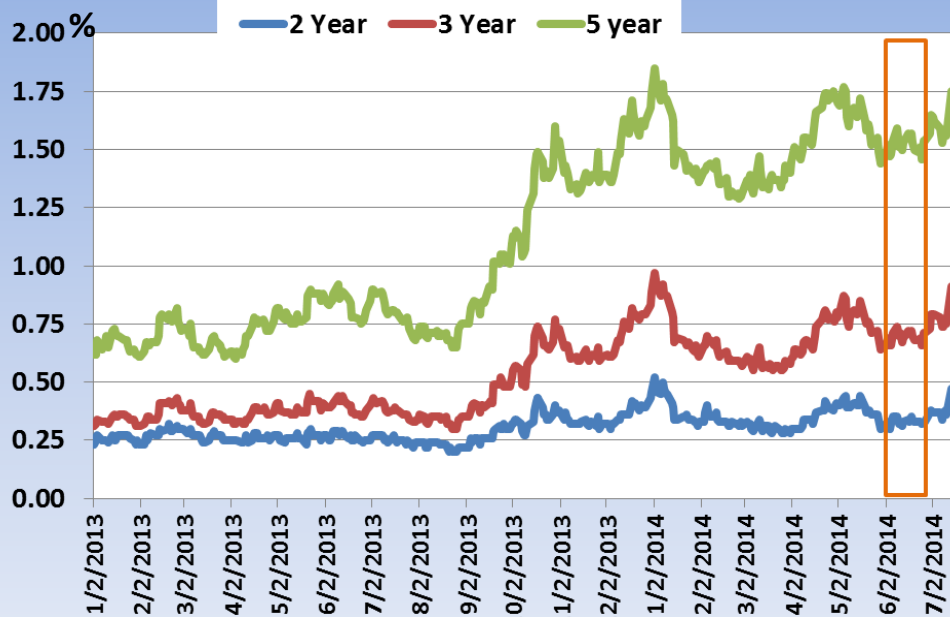
"The release of the Fed's June Federal Open Market Committee meeting minutes was one of the key highlights for financings markets... While there weren't surprises in the expected \$10 billion tapering announcement, a date for curtailing monthly asset purchases in October was discussed, with the last reduction of \$15 billion coming in October. Besides the discussion on tapering, the Fed reiterated its stance on an accommodative monetary policy."

*continued on page 2*

Type of Investment	Purchase Price	Market Price	Unrealized Gain or Loss
Checking Accounts	\$ 15,683,639	\$ 15,683,639	-
Investment Pools	\$ 9,516,579	\$ 9,516,579	-
Money Markets	\$ 18,356,168	\$ 18,356,168	-
Subtotal	\$ 43,556,386	\$ 43,556,386	-
Notes, Bonds, and CDs	\$ 170,638,018	\$169,574,589	\$ (1,063,429)
Total Portfolio	\$ 214,194,404	\$213,130,975	\$ (1,063,429)
Data sources	(Morgan Stanley)	(US Bank)	

Due to rounding, column and row totals may not add exactly.

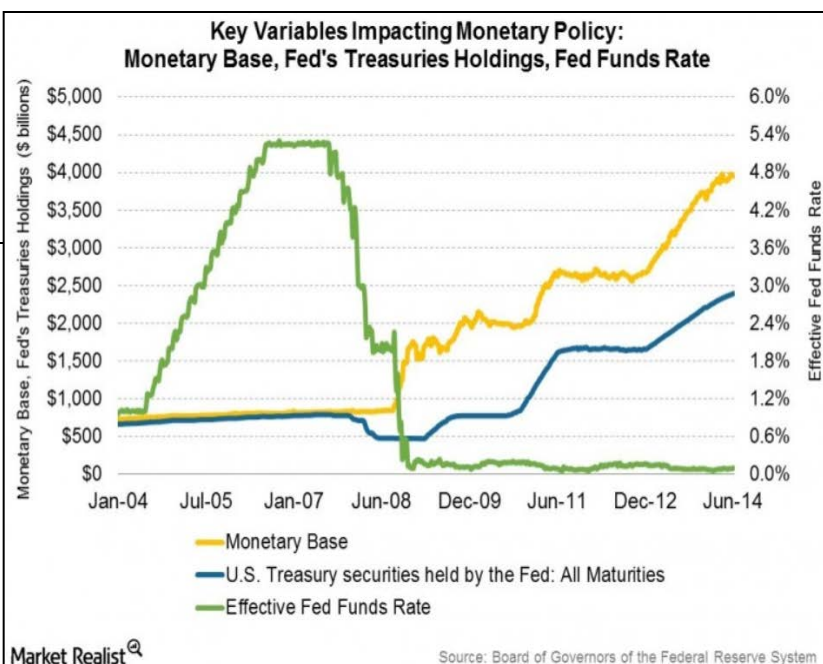
## Treasury rate trends / Monetary policy variables



Interest rates on U.S. Treasuries **rose** in June. The 2-year was up 10 basis points, the 3-year was up 9, and the 5-year treasury by 8 basis points.

When rates rise, the price of securities held in the portfolio decreases, usually resulting in a larger unrealized loss at month end.

Subsequent to the release of the FOMC minutes, interest rates moved lower. "The U.S. Treasury Department held the monthly auction for the three-year, ten-year and 30-year maturity Treasury securities. Overall, the demand for these was lower compared to June's auctions, with the bid-to-cover ratio lower for all three." Bids from foreign sovereigns and Central banks were higher. "Political unrest in the Middle East has been a key factor spiking the demand for Treasuries – a safe haven in time of political and economic stress." Lower market demand by domestic bidders is seen as a sign of an 'improving economy', which lowers bond prices.



"If investors believe that yields on bonds are too low and bond prices too high, they will refrain from bidding. . . . Treasury auctions are also of great interest to stock markets because yields on Treasury securities like ten-year notes are often used as benchmarks for determining the required rates of return on other investments as well." Source: Phalguni Soni in the **Market Realist** online, July 15, 2014.

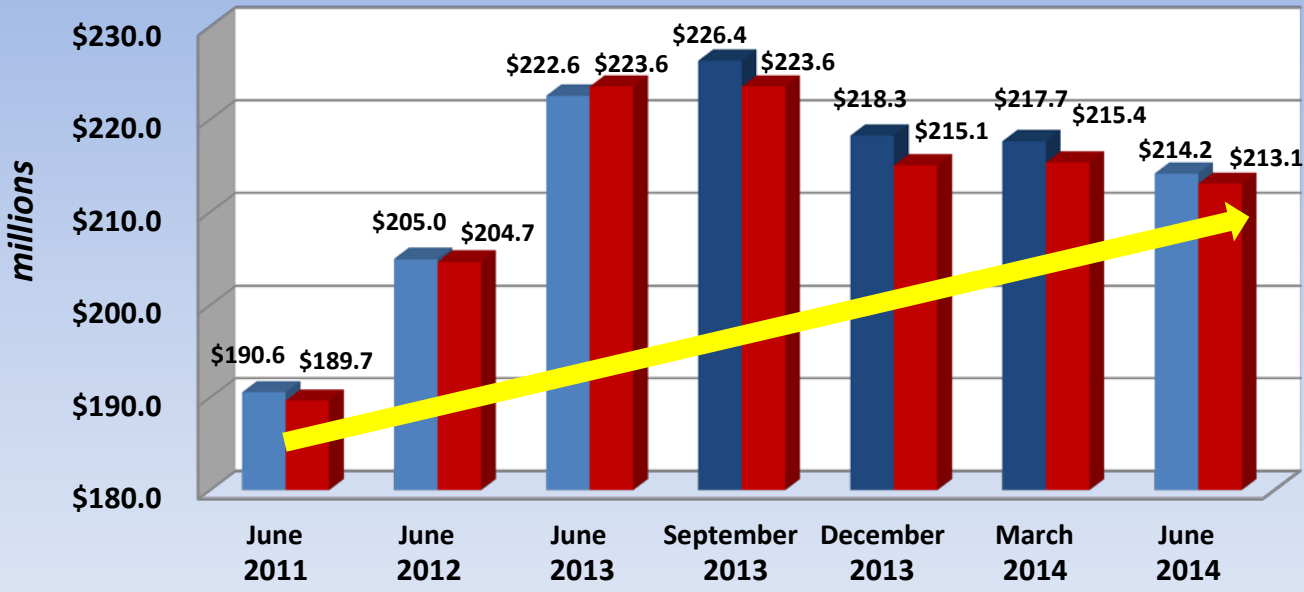
*Bottom line: within 2% of beginning balance*

		2014 Beginning	YTD Activity	Month End Total
	<b>Restricted Reserves</b>			
1	Capital Expansion Fees	\$ 34,039,809	\$ 1,975,715	\$ 36,015,524
2	Water System Improvement Fees	8,688,911	(771,703)	7,917,208
3	Raw Water Revenue - Windy Gap	22,950,353	(350,594)	22,599,760
4	Wastewater System Imp. Fees	5,585,617	258,012	5,843,629
5	Storm Drainage System Imp. Fees	1,322,008	93,739	1,415,747
6	Power Plant Investment Fees	3,649,774	349,233	3,999,006
7	Cemetery Perpetual Care	2,717,271	35,748	2,753,019
8	Other Restricted	34,992,332	(11,454,459)	23,537,872
9	<b>Total Restricted</b>	<b>\$ 113,946,075</b>	<b>\$ (9,864,310)</b>	<b>\$ 104,081,765</b>
	<b>Committed / Assigned</b>			
10	General Fund	\$ 11,224,908	\$ 1,377	\$ 11,226,285
11	Enterprise Funds	5,378,529	(129,791)	5,248,738
12	Internal Service Funds	19,704,008	(600,723)	19,103,285
13	<b>Total Committed / Assigned</b>	<b>\$ 36,307,445</b>	<b>\$ (729,137)</b>	<b>\$ 35,578,308</b>
14	<b>Total Restricted/Committed/Assigned</b>	<b>\$ 150,253,520</b>	<b>\$ (10,593,447)</b>	<b>\$ 139,660,073</b>
	<b>Unassigned Balance</b>			
15	General Fund	\$ 29,263,846	\$ 6,043,451	\$ 35,307,297
16	Airport	1,200,770	342,979	1,543,750
17	Internal Service - Vehicle Maint.	77,200	(77,200)	-
18	Enterprise Funds	36,636,506	108,080	36,744,586
19	<b>Total Unassigned</b>	<b>\$ 67,178,322</b>	<b>\$ 6,417,311</b>	<b>\$ 73,595,634</b>
20	<b>TOTAL FUND BALANCE</b>	<b>\$ 217,431,842</b>	<b>\$ (4,176,136)</b>	<b>\$ 213,255,707</b>

Due to rounding, column and row totals may not add exactly.

Portfolio Growth Trend / Types of Investments

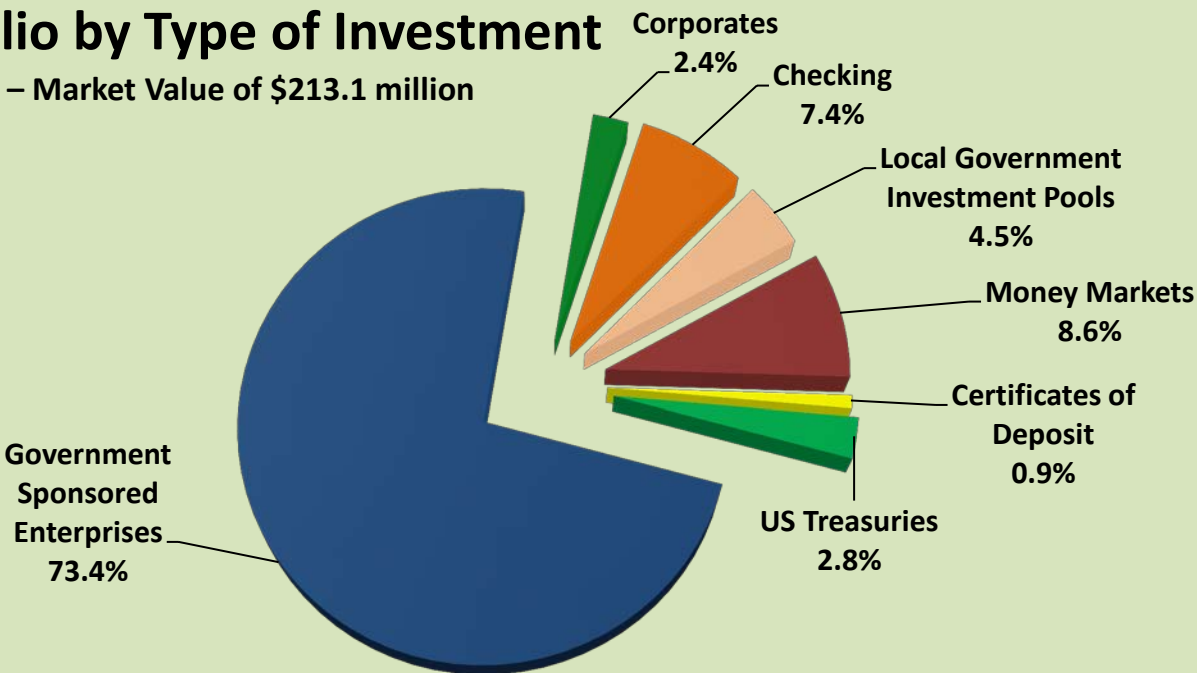
Portfolio Size since June 2011



Blue bars show Purchase value; red or green bars show Market value (red = loss and green = gain).

Portfolio by Type of Investment

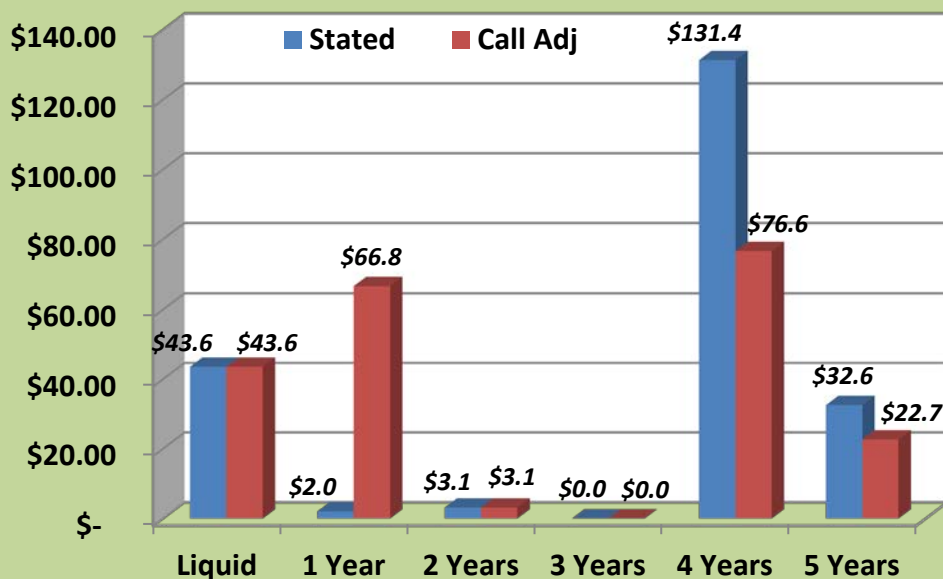
June 2014 – Market Value of \$213.1 million



# Transactions / Portfolio by Maturity

	Maturity Date	Face Value	Purchase \$	Stated Rate
<b><u>Purchases</u></b>				
Federal Home Loan Bank	06/28/2018	\$ 2,000,000.00	\$ 2,000,000.00	1.375%
<b><u>Matured</u></b> none this month				
<b><u>Called</u></b>				
Federal Home Loan Bank	06/19/2018	\$ 5,000,000.00	<u>Call Value \$</u> \$ 5,000,000.00	1.625%
<b><u>Sales</u></b> none this month			<u>Gain \$</u>	

**Portfolio by Estimated Maturity Term**  
(in millions - Total = \$213.1 at the end of June)



The target interest earnings rate for 2014 is 0.94%. Rates are now up from near record lows. For the year-to-date, the portfolio earnings are below the earnings target level for 2014.

To support earnings, or to reposition the portfolio, bonds may be sold. No sales have been completed so far.

The blue bars show the stated term; red bars show the calls. Due to the recent drop in interest rates, many of the five year bonds may be called early.





## Future Scan: Fed's to remove stimulus and set a plan for higher rates

❖ On July 9th, the **Federal Open Market Committee** meeting minutes were released.

- "Federal Reserve officials agreed at June's policy meeting to end their bond-buying program in October, putting an explicit end date on the experiment for the first time and closing a controversial chapter in central-banking annals with results still the subject of immense debate."
- "The jobless rate has fallen from 7.8% when the Fed announced a round of purchases in September 2012 to 6.1% in June. However, economic growth has continually disappointed. Official measures of inflation have run below the Fed's 2% goal for two years but show signs of picking up of late."
- "Critics have long argued the programs risk causing a financial bubble or excessive inflation, without giving an obvious boost to hiring. . . . Others say all the programs have been crucial in supporting the economy. . . . 'If you look at it in the arc of the 2008 to 2013 period it's been a very important complementary force to help the Fed keep interest rates low, to anchor inflation expectations and to support the recovery,' said Bruce Kasman, economist at J.P. Morgan Chase & Co."
- "Officials also are carefully trying to manage the public's expectations about their next moves. For several years, they tried to offer assurances that rates would stay exceptionally low. Now, they are expressing more uncertainty about how long they will stay low."

(Source: *Fed Sets October End for Bond Buying*, Jon Hilsenrath & Pedro Nicolaci Da Costa, in **THE WALL STREET JOURNAL**, July 9, 2014)

❖ **Morgan Stanley Fixed Income Strategy – "If I Should Fall Behind"**

- "The collective market began to discount the potential for the first rate hike coming sooner than expected, perhaps spring of 2015. Since then [March], the collective market has let the 'Fed lift-off' date drift back with a June/September 2015 timetable representing more of a consensus." On the Morgan Stanley team, "more than 1 in 4 see rate hikes coming after 2015."
- "Clearly, the US economy has dug an even deeper hole than the one we wrote about last month. Even with a solid rebound in the GDP for the rest of the year, growth for the entire year won't be much better than last year's +1.9%."
- The tipping point for higher rates will not be unemployment or inflation. "The answer could very well lie in the trend for wages. We believe the Yellen-led Fed will place more of a priority on improving wages."

(Source: Morgan Stanley **Basis Points** Fixed Income Strategy, Kevin Flanagan & Jon Mackay, July 8, 2014.)

❖ **The Colorado Employment Situation June 2014** was released July 18. Colorado added 7,700 jobs since May. The Labor Force was lower by 1,600. The latest data show Loveland's unemployment rate to be 4.8%, slightly lower than May. Across the state, the unemployment rate was stable to slightly lower. The chart with comparable cities and counties is on the next page.

(Source: Colorado Department of Labor and Employment **Colorado Employment Situation June 2014**, July 18, 2014.)

❖ **Recession Outlook:** Four indicators (Industrial Production, Nonfarm Employment, Real Personal Income, and Real Retail Sales) are the basis for determining a recession. Based on June data, Industrial Production rose 0.22%; Real Retail Sales fell by 0.01%; and Employment continued on its bland 0.21% growth trend. Real Income was up 0.17% in May. "The overall picture of the US economy had been one of a ploddingly slow recovery from the Great Recession, and the Winter data documented a sharp contraction. The early Spring appeared to support the general view that severe winter weather was responsible for the contraction – that it was **not** the beginning of a business cycle decline. But the June Real Retail Sales suggest that our consumer based economy remains a bit fragile." (Source: **Advisor Perspectives**, Doug Short, July 22, 2014.)

For more information regarding this report, please contact:

**Alan Krcmarik, Executive Fiscal Advisor**

**970.962.2625 or [Alan.Krcmarik@cityofloveland.org](mailto:Alan.Krcmarik@cityofloveland.org)**

Monthly Investment Report

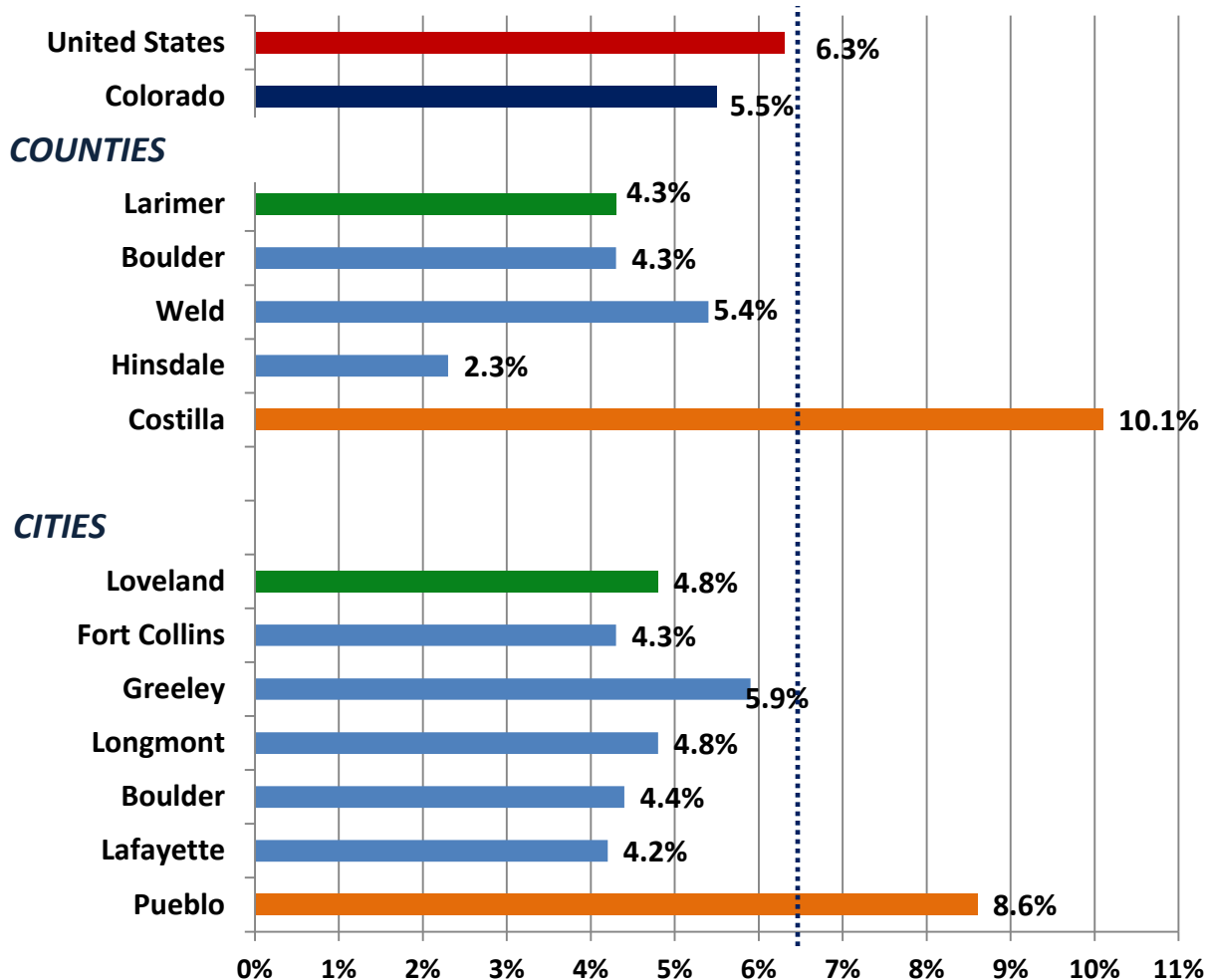
June 2014

## Updated Colorado Labor Data

- ❑ Loveland's employed workforce expanded in June, up 204 jobs from May.
- ❑ Compared to June of 2013, there are now **1,033 more** jobs reported by Loveland residents.

### Unemployment Rates

Data not adjusted for seasonality





## Current “missing worker” estimates at a glance

*Updated July 20, 2014, based on most current data available*

Total missing workers, June 2014: <b>5,980,000</b>	Unemployment rate if missing workers were looking for work: <b>9.6%</b>	Official unemployment rate: <b>6.1%</b> <i>seasonally adjusted rate</i>
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In today’s labor market, the unemployment rate drastically understates the weakness of job opportunities. This is due to the existence of a large pool of *“missing workers”* – potential workers who, because of weak job opportunities, are neither employed nor actively seeking a job. In other words, these are people who would be either working or looking for work if job opportunities were significantly stronger. Because jobless workers are only counted as unemployed if they are actively seeking work, these “missing workers” are not reflected in the unemployment rate. See website below for more information. When persons marginally attached to the labor force and those plus total employed part time for economic reasons are added to the official unemployment rate (the 6.3% above right), the rate rises to **12.1% (the U-6 number)**.

<http://www.epi.org/publication/missing-workers/>



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**AGENDA ITEM:** 13  
**MEETING DATE:** 8/5/2014  
**TO:** City Council  
**FROM:** City Manager's Office  
**PRESENTER:** Bill Cahill, City Manager

**TITLE:**

Appointment of a Nominated Member to the Senior Advisory Board

**RECOMMENDED CITY COUNCIL ACTION:**

A motion to reappoint Donita Fogle as the Housing Authority of the City of Loveland representative on the Senior Advisory Board for a term effective until August 5, 2016.

**OPTIONS:**

1. Adopt the action as recommended
2. Deny the action

**SUMMARY:**

This is administrative action recommending the appointment of a Senior Advisory Board nominated member.

**BUDGET IMPACT:**

- ☐ Positive  
☐ Negative  
☒ Neutral or negligible

**BACKGROUND:**

Section 2.60.240 of the Loveland Municipal Code states:

**2.60.240 Senior Advisory Board.**

A. There is established a senior advisory board consisting of fifteen members. Nine members shall be appointed by the city council to serve terms of three years. Six members shall be nominated by the senior advisory board, and approved by the city council, to serve terms of two years. These six members shall consist of one at large member, and one member from each of the following organizations: Chilson Senior Advisory Committee, Housing Authority of the City of Loveland, Colorado, McKee Senior Services, the UCH Aspen Club/Senior Services, and the McKee Medical Center Seasons Club.

The term has expired for the representative from the Housing Authority of the City of Loveland. At the July 2, 2014 meeting, the **Senior Advisory Board** considered a letter recommending the reappointment

of Donita Fogle as the Housing Authority representative. If approved, Ms. Fogle will serve a term effective until August 5, 2016.

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**REVIEWED BY CITY MANAGER:**



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**LIST OF ATTACHMENTS:**

None



**CITY OF LOVELAND**  
WATER & POWER DEPARTMENT  
200 North Wilson • Loveland, Colorado 80537  
(970) 962-3000 • FAX (970) 962-3400 • TDD (970) 962-2620

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**AGENDA ITEM:** 14  
**MEETING DATE:** 8/5/2014  
**TO:** City Council  
**FROM:** Chris Matkins, Water Utilities Manager  
Jim Lees, Utility Accounting Manager  
Roger Berg, Senior Civil Engineer  
Alan Krcmarik, Executive Fiscal Advisor  
Steve Adams, Water and Power Director  
**PRESENTER:** Jim Lees, Utility Accounting Manager

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**TITLE:**

An Ordinance on Second Reading Enacting a Supplemental Budget and Appropriation to the 2014 City of Loveland Budget for the Water Treatment Plant Expansion Project and Repair of Water Lines Damaged in the 2013 Flood

**RECOMMENDED CITY COUNCIL ACTION:**

Adopt the ordinance on second reading.

**OPTIONS:**

1. Adopt the action as recommended
  2. Deny the action
  3. Adopt a modified action (specify in the motion)
  4. Refer back to staff for further development and consideration
  5. Adopt a motion continuing the item to a future Council meeting
- 

**SUMMARY:**

This is an administrative action. Because of construction bids coming in higher than expected for the WTP expansion project and because of uncertainty regarding when the Water Utility will be reimbursed by FEMA and the State for costs associated with the Flood of 2013, there is a need to appropriate more funding in order to award the contracts for construction and services during construction for the WTP expansion project. Staff is proposing to add to the \$9.865 million fund balance included in the 2014 budget by appropriating additional revenue from three sources: a) the available balance on the previously authorized \$10 million loan from Wells Fargo (approximately \$9.9 million); b) an internal loan from the Raw Water Utility in the amount of \$13 million; and c) a new external borrowing sufficient to provide net loan proceeds that range from zero to \$3 million. This ordinance was approved 8-1 on first reading by Council at the July 15, 2014 regular meeting.

**BUDGET IMPACT:**

- ☐ Positive
- ☒ Negative
- ☐ Neutral or negligible

Part of this supplemental appropriation is simply to move expenditures forward from 2015 and 2016 into 2014 in order to award the construction and services during construction contracts for the water treatment plant (WTP) expansion project. The supplemental appropriation addresses an increase in the cost of this project and the need to acquire additional funds while the City awaits funding from FEMA.

**BACKGROUND:****UPDATE AFTER JULY 15, 2014 CITY COUNCIL MEETING:**

City Council adopted Resolution #R-45-2014 by a vote of 8-1. This resolution directs the City Manager to secure a twenty-year amortized loan from an external source on the most advantageous terms to achieve loan proceeds of \$3 million and bring back this loan to City Council for approval at a later date.

Council also voted 8-1 to preliminarily adopt this ordinance, which adds the Soda Ash alternate to the scope of the project and was referred to that evening as Option 1A. The cost of the Soda Ash alternate is \$660,213. For purposes of modifying the ordinance and resolution, the increase in the supplemental appropriation both for revenue and capital expenditures as a result of adding the Soda Ash alternate was rounded to \$700,000. The specific changes to the revenue and capital expenditure appropriations as a result of adding the Soda Ash alternate are as follows:

- 1) The additional external loan, which functions like a line of credit and will only be drawn upon if needed, will increase from \$2.3 million to \$3 million
- 2) Additional construction expenditures will increase from \$14,649,000 to \$15,349,000. This will be added to the \$9,165,000 that is already budgeted for construction expenditures for this project in 2014.

In response to City Council questions at the meeting, this \$700,000 increase in the external loan and the resulting increase in debt service can be accommodated within the framework of the current series of rate increases that was approved by Council as part of the Water Financing Program in March of 2013.

City staff considered the proposal by City Council to eliminate the external loan and, instead, decrease the percentage held in the operating fund balance from 15%. This was suggested as a strategy to possibly avoid having to execute the additional \$3 million of external borrowing. The reasons to secure the additional \$3 million external loan are twofold: 1) \$3 million of additional revenue needs to be appropriated in order to have enough in fund balance to award the full amount of the WTP expansion construction contract; and 2) staff shared that the 10-year

financial projection for the Water Utility is showing that in 2017, the fund balance is projected to fall below the 15% target by \$3 million.

In looking at the 10-year financial projection, if the \$3 million external loan is not included in the operating fund balance, the projected operating fund balance in 2017 would be approximately \$165,000, or less than 1% of the operating expenses, which is the equivalent of a safety net of four days of operations. In contrast, 15% of operating expenses provides about two months of operations. With net assets of nearly \$170 million, a \$165,000 safety net is insufficient and not advised by staff.

Staff recommends completing the process to make the \$3 million loan available, and revisiting the question about waiving the 15% target for a period of time as we get closer to 2017.

Staff also clarified that a line of credit means loan funds will only be drawn upon if needed, and no interest will be charged until funds are drawn.

### **Water Treatment Plant Expansion Project**

To increase water treatment production capacity from 30 million gallons per day (MGD) to 38 MGD, Water Utility staff has managed the design and bid of an expansion project. This project will also provide a significant increase in reliability for key treatment processes including chemical dosing and storage, sedimentation, filtration, and solids handling. During design, the City secured the services of an independent contractor to perform continuous constructability review on the design. It is estimated that the City saved several hundred thousand dollars during this review process. It is anticipated that Council will be awarding the construction contract for expansion of the WTP at its regular meeting on August 5, 2014. In order to be in compliance with the City Charter and Code, there must be adequate fund balance available in the Water Utility Fund (both the Unrestricted Fund and the System Impact Fee (SIF) Fund) to cover the full amount of the contract. In the 2014 budget, a total of \$9.165 million had been budgeted for the construction portion of the WTP expansion project and \$700,000 has been budgeted for services during construction. The construction bids for the project were opened on June 12, 2014, and the bids came in at \$4.655 million higher than the most recent engineer estimate. This is due largely to market forces and resulting increases in construction costs in the region. Staff believes the most significant drivers include:

1. General construction activities in Colorado have increased significantly, which pressures the general construction labor market. This includes increased home building, post-2013 Flood recovery construction, and oil and gas construction. These activities have resulted in demands for construction labor that appear to be putting pressure on available resources, and driving costs higher.
2. Materials used in construction, including concrete, have increased significantly in cost.
3. Contractors are busy, and becoming more selective in the bidding on work. Despite prequalifying six firms, the City received bids from only two firms (Hydro Construction and Moltz Construction) on this large project.

This project was bid as a lump sum, with a bid alternate. The bid alternate (“Soda Ash System”) features an improvement to the post-treatment chemical dosing system that doesn’t affect the scope of the project. However, it offers a higher degree of chlorine residual reliability. This was incorporated into the design, under the assumption that favorable bids would allow this work to be added within the original budget. Because the bids exceed the original budget, the Soda Ash alternate is not recommended by staff and does not appear in any of the three options discussed below.

To further mitigate the impact of the higher-than-expected project bids (and attempt to reduce the project cost to approach the budget), staff has worked with the design engineer (CH2MHill) and the apparent low bidder (Moltz Construction) to develop three options for Council’s consideration. Each option offers a reduction in the project cost, with a corresponding reduction in the project scope. Option 1 (recommended) offers a modest reduction in cost, but preserves the integrity and scope of the project. Options 2 and 3 further reduce the cost, but greatly reduce the integrity and scope of the project. While Options 2 and 3 upgrade most unit processes to 38 MGD, overall WTP is limited to 30 MGD until 2021, when revenues will allow for completion of the solids handling improvements. These improvements will enable the overall WTP capacity to reach 38 MGD.

It is worth noting that the series of rate increases adopted by Council as a part of the Water Utility Financing Program in March, 2013 is projected to generate sufficient revenue to fund all three of these options.

**NOTE: All of the information shown below for Options and under the External Loan Financing Options sections are unchanged from first reading to provide consistent information for both readings. The new information for Option 1A is included above under the Summary section.**

**Option 1:** Award base bid, reject Soda Ash alternate, incorporate sensible value engineering deducts, but maintain goal of 38 MGD capacity. Expected construction costs would be as follows:

Total Bid Amount	\$ 24,374,213
Delete Soda Ash Alternate	(\$ 660,213)
Value Engineering Deducts	(\$ 400,000) preliminary estimate
Subtotal	\$ 23,314,000
Contingency	\$ 500,000
<b>Total Construction Cost</b>	<b>\$ 23,814,000</b>

With a total construction budget of \$23.814 million, a supplemental budget appropriation of \$14.649 million (\$23.814 million less \$9.165 million) will be needed to cover the full construction contract. With this option, the Unrestricted Fund Balance for the Water Utility is projected to fall short of the target of 15% of operating expenses by \$2.3 million in 2017. A

potential way to address that shortfall would be to increase the loan amount from Wells Fargo from \$10 million to \$12.3 million.

The Pros for Option 1 (additional external loan of \$2.3 million) are:

- 1) Achieves goal of increasing plant capacity from 30 to 38 MGD
- 2) Allows City to meet future peak demands without imposing watering restrictions
- 3) Maintains quality and intent of the original design

The Cons for Option 1 are:

- 1) Rejecting the Soda Ash alternate will require that we continue to invest money into the existing 32-year-old system to keep it in service. The existing system is near the end of its useful life.
- 2) Installing a new Soda Ash system will be required at some point in the future and it will likely cost more than the current bid price (\$660,213). Water-related construction costs are expected to increase by 5 or 6% per year, while the current cost of borrowing is approximately 3%.
- 3) Highest interest payments of the three options.

**Option 2:** Award reduced base bid scope by deleting sand filter drying beds and polymer building (solids handling facilities), reject Soda Ash alternate, and incorporate all reasonable value engineering deducts. This option will maintain the goal of 38 MGD of water production capacity, but will leave the solids handling facility as-is, which will not allow a full re-rating of the WTP to 38 MGD (overall rating will remain at 30 MGD until funding is available to construct the solids handling facility). Expected construction costs would be as follows:

Total Bid Amount	\$ 24,374,213
Delete Soda Ash Alternate	(\$ 660,213)
Delete Sand Filter/Polymer Bldg.	(\$ 1,000,000)
<u>Value Engineering Deducts</u>	<u>(\$ 500,000) preliminary estimate</u>
Subtotal	\$ 22,214,000
<u>Contingency</u>	<u>\$ 500,000</u>
<b>Total Construction Cost</b>	<b>\$ 22,714,000</b>

With a total construction budget of \$22.714 million, a supplemental budget appropriation of \$13.549 million (\$22.714 million less \$9.165 million) will be needed to cover the full construction contract. With this option, the Unrestricted Fund balance for the Water Utility is projected to fall short of the target of 15% of operating expenses by \$1.2 million in 2017. A potential way to address that shortfall would be to increase the loan amount from Wells Fargo from \$10 million to \$11.2 million.

The Pros for Option 2 (additional external loan of \$1.2 million) are:



- 1) Reduces interest payments from Option 1.
- 2) Includes major facilities needed to achieve water production capacity of 38 MGD (but overall WTP rating will remain at 30 MGD).

The Cons for Option 2 are:

- 1) Does not achieve the goal of increasing overall WTP capacity to 38 MGD due to deletion of sand filter drying beds and polymer building.
- 2) WTP staff will continue to struggle with solids handling or have to find alternative ways of dealing with solids.
- 3) Reduces the quality of certain items to save cost (hollow metal doors instead of fiber reinforced plastic (FRP), recycled asphalt surface instead of hot mix pavement, etc.).
- 4) Delaying items to a future date will likely result in a higher cost for those items (Soda Ash system, sand drying beds, polymer building).
- 5) Does not allow the City to meet future peak demands without imposing watering restrictions, until the solids handling facilities are constructed.

**Option 3:** Award reduced base bid scope by deleting the sand filter drying beds and polymer building, reduce the size of the West Chemical Building (redesign), reject Soda Ash alternate, and incorporate all reasonable value engineering deducts. This option could result in water production capacity of 38 MGD, but will leave the solids handling facility as is, which will effectively keep the overall WTP rating at 30 MGD. Expected construction related costs would be as follows:

Total Bid Amount	\$ 24,374,213
Delete Soda Ash Alternate	(\$ 660,213)
Delete Sand Filter/Polymer Bldg.	(\$ 1,000,000)
Reduce Chemical Building	(\$ 1,700,000) target reduction
Value Engineering Deducts	(\$ 500,000) preliminary estimate
Subtotal	\$ 20,514,000
Contingency	\$ 500,000
<b>Total Construction Cost</b>	<b>\$ 21,014,000</b>

With a total construction budget of \$21.014 million, a supplemental budget appropriation of \$11.849 million (\$21.014 million less \$9.165 million) will be needed to cover the full construction contract. With this option, the Unrestricted Fund Balance for the Water Utility is projected to stay above the target of 15% of operating expenses through 2017. Therefore, there would be no need to increase the loan amount from Wells Fargo from \$10 million.

The Pros for Option 3 (no additional loan necessary) are:

- 1) No additional borrowing required (lowest interest payments).
- 2) Might be able to increase water production capacity to 38 MGD (but overall plant rating will remain at 30 MGD).

The Cons for Option 3 are:

- 1) Does not achieve the goal of increasing overall plant capacity to 38 MGD due to deletion of sand filter drying beds and polymer building.
- 2) WTP staff will continue to struggle with solids handling or have to find alternative ways of dealing with solids.
- 3) Reduces quality of certain items to save cost (hollow metal doors instead of fiber reinforced plastic, recycled asphalt surface instead of hot mix pavement, etc.).
- 4) Delaying items to a future date will likely result in a higher cost for those items.
- 5) Reducing the chemical building size will require a significant redesign effort (which will cost at least \$50,000), and could require the City to rebid the project. This could significantly delay the project and possibly drive the price up even more due to the very competitive bidding climate.
- 6) Does not allow the City to meet future peak demands without imposing watering restrictions, until the solids handling facilities are constructed.

### **External Loan Financing Options**

In March of 2013, City Council approved a financing plan for the Water Utility that included a series of rate increases over a 10-year period, a \$6 million internal loan from the Power Utility and a \$10 million external loan, which has since been secured from Wells Fargo. The two major projects that were to be funded from this financing plan were \$6 million of water line replacements or rehabilitation and the expansion of the WTP, which, at that time, was projected to cost \$21 million. It was anticipated that the existing Water Utility fund balance plus rate increase revenue plus the \$6 million and \$10 million loans would provide sufficient revenue to complete the projects.

A fair question to pose is: since March of 2013, what has transpired that has generated the need for an additional \$13 million internal loan from Raw Water and up to an additional \$2.3 million from an external loan? The answer is two-fold: the WTP expansion project is now carrying a total project cost of \$26.8 million for Option 1 (\$23.8 million for construction, \$1.7 million for design and \$1.3 million for services during construction), for a difference of \$5.8 million. The 2013 Flood expenses are projected to be \$9-\$10 million for the Water Utility this year with no reimbursements from FEMA and the state expected until 2015. This combined \$14.8-\$15.8 million hit to fund balance is what is creating the need for the \$13 million and \$2.3 million loans. Both of these loans are designed to be available immediately to allow for contract award and then to function like lines of credit where they would only be drawn upon when needed based upon actual cash flow needs. The existing rate track will support the \$15.3 million of borrowing that is proposed here. Looking at this another way, if the bids had come in more in line with the \$21 million estimate and if the 2013 Flood had not occurred, it is possible that no additional borrowing would be necessary at this time.

In July of 2013, the City and the Water Enterprise secured \$10 million of external financing through an agreement with Wells Fargo Bank. Wells Fargo was selected through an extensive competitive process that took several weeks. The terms of the financing were

very favorable to the City and the Water Enterprise. The interest rate was set at 3.19% over a 20-year term. Other banks were unable to reach the desired 20-year term. The City negotiated a unique structure for the financing. The \$10 million of proceeds is structured to work like a line of credit. When the proceeds of the financing are needed they can be drawn up. Until they are drawn, no interest will be due to Wells Fargo. The Water Utility engineering staff plans to draw the external financing money at the final stages of the construction of the WTP expansion project. This line of credit and delayed draw strategy is projected to save interest costs of two years, or approximately \$630,000.

Staff members have been in contact with Wells Fargo, which has indicated that it would be willing to provide additional funding for the project on similar "line of credit" terms. Wells Fargo indicated that the documents for the external financing should be in the same format as the transaction completed in 2013, which should lead to a quick turnaround for legal review and perhaps some issuance cost savings. While interest rates are not final, the early indications are that the additional money from Wells Fargo would carry a lower interest rate than the 2013 transaction. For purposes of illustration, the interest rate for Options 1 and 2 has been estimated at 3.0%. This rate is subject to changes in the bond markets.

**Option 1:** An additional \$2.3 million from Wells Fargo Bank through a line of credit loan

Amount of funds needed for the Expansion Project:	\$2,300,000
Issuance Costs:	53,250
Total Amount of External Financing:	\$2,353,250
Annual Payment:	\$171,105
Total Interest Cost over 20-year payment period:	\$726,585

Based on a review of the Water Utility 10-year financial plan and projected rate increases approved by Council, there is sufficient projected revenue each year to meet the repayment requirements of the \$2,353,250 million external financing.

**Option 2:** An additional \$1.2 million from Wells Fargo Bank through a line of credit loan

Amount of funds needed for the Expansion Project:	\$1,200,000
Issuance Costs:	50,500
Total Amount of External Financing:	\$1,250,500
Annual Payment:	\$90,925
Total Interest Cost over 20-year payment period:	\$386,100

Similar to the findings for Option 1 and based on a review of the Water Utility 10-year financial plan and projected rate increases approved by Council, there is sufficient projected revenue each year to meet the repayment requirements of the \$1,250,500 external financing.

Staff recommends using Wells Fargo for the source of external financing proceeds for three reasons:

1. The line of credit structure provides considerable flexibility to the project manager and Water Utility financial staff to use the proceeds of the external loan to minimize interest costs of the financing. This structure was not offered by other banks.
2. The time to market and access to external proceeds is efficient as the legal documents for the 2013 \$10 million loan can be adapted for the supplementary loan funding.
3. Wells Fargo construction management staff will be exercising some project monitoring as the project progresses; having an additional external source (another bank) would likely entail additional monitoring and increase administrative cost.

In conjunction with the supplemental budget appropriation for construction, for services during construction, there is \$700,000 budgeted in 2014 and another \$700,000 was projected to be spent in 2015. The anticipated contract amount is for \$1.3 million, therefore, a supplemental budget appropriation of \$600,000 of 2015 expenditures to be moved forward to 2014 is requested to cover the award of the full services during construction contract.

### **Recently Discovered Flood Damage**

In addition to the supplemental budget appropriation for the WTP expansion project, staff is requesting a supplemental budget appropriation of \$1.5 million to repair some water lines that were damaged in the 2013 Flood, which damage was recently discovered. Several months after the 2013 Flood (after the river levels receded), the Water Utility exposed the existing 20" and 36" water transmission lines adjacent to the river in several locations west of Glade Road to determine if they were damaged by the Flood and to see if they still had adequate cover over the top of the pipes. Staff determined that two 20" and two 36" river crossings were left with a minimal amount of cover (6" to 18"). This is well below the current design standard of 5' and leaves our transmission lines susceptible to future high flow events and channel scouring. Also, it appears that excessive flows during the Flood eroded all of the cover off of the 36" steel pipe in one location and allowed sand and rocks to "sandblast" the exterior of the pipe which removed the protective coating. Without a coating, this pipe will quickly rust, develop leaks, and eventually fail. The proposed project includes installing new pipe at all four locations in a concrete encasement, with at least 5' of cover to protect it from future flood events. The total estimated project cost is \$1.5 million. While this work is eligible for typical FEMA reimbursement, the Utility must provide funding for the project upfront, until such time that the FEMA payments are delivered to the City.

### **FEMA Reimbursement Delay**

The fund balance in the Water Utility is also being challenged by the fact that \$4.8 million has been spent on projects related to Flood recovery. However, to this point, no reimbursements from FEMA or the state have been received. It is projected that these expenses will be \$9-\$10 million by the end of 2014, with no reimbursements expected this year. The Water Utility is or will be eligible to receive approximately \$8 million of reimbursements.

### **Raw Water Loan Repayment**

It is critical that the \$13 million loan from the Raw Water Utility be paid back by 2017, because that is the year where construction on the Chimney Hollow Reservoir is scheduled to be awarded and begin. The \$13 million will be needed in the Raw Water fund balance in order to

commit a projected \$22.0 million for Loveland's share of the total construction cost. The \$13 million loan is projected to be paid back to the Raw Water Utility from the following three sources:

- 1) \$8 million from FEMA and the state for 2013 Flood reimbursements
- 2) \$2.3 million from the additional external loan, which is needed to show as committed in 2014 to award the contract, but projected to actually be drawn in 2017. This loan will be paid back over 20 years out of revenues generated by rates
- 3) \$2.7 million from Water SIF revenues and fund balance in excess of expenditures through 2017

The combined impact of the WTP expansion project cost increase, the hole created by the delay in Flood of 2013 reimbursements and the recently discovered flood damage is proposed to be addressed from a funding standpoint with three solutions:

- 1) A supplemental budget appropriation for revenue from the Water Utility loan proceeds from Wells Fargo in the amount of \$9.9 million. The total loan amount is \$10 million, and \$100,000 of the loan was drawn in 2013.
- 2) A supplemental budget appropriation for revenue from a short-term loan from the Raw Water Utility to the Water Unrestricted Fund of \$5 million and to the Water SIF Fund of \$8 million, for a total loan of \$13 million. This loan will be paid back in 2017, when the Raw Water Utility will need the funds to pay for the construction portion of the Chimney Hollow Reservoir. The loan will also be structured so that funds will only be drawn from the Raw Water Utility if they are needed.
- 3) A supplemental budget appropriation for revenue from an additional loan (line of credit) from Wells Fargo for \$2.3 million (Option 1) or \$1.2 million (Option 2). Option 3 does not require any additional borrowing.

On the expense side, the necessary actions would be:

- 1) A supplemental budget appropriation for the WTP expansion project construction of \$5,859,600 or \$5,419,600 or \$4,739,600 in Water Unrestricted capital expenditures and \$8,789,400 or \$8,129,400 or \$7,109,400 in Water SIF capital expenditures, depending on whether option 1, 2 or 3, respectively, is selected
- 2) A supplemental budget appropriation for the WTP expansion project services during construction of \$240,000 in Water Unrestricted capital expenditures and \$360,000 in Water SIF capital expenditures
- 3) A supplemental budget appropriation for repairs of the recently discovered 2013 Flood damage of \$1.5 million in Water Unrestricted capital expenditures.

Staff recommends Option 1, despite the additional loan money necessary to award. While Options 2 and 3 will increase the WTP's reliability and increase the capacity of key treatment processes, these options will not immediately increase the overall regulatory rated capacity of the WTP. Subsequent construction projects would be required for both Options 2 and 3 to fully

gain rated treatment capacity. For the additional \$2.3 million of borrowing required by Option 1, the WTP's rated overall capacity would increase from 30 MGD to 38 MGD by 2016.

Attached for Council's consideration is an ordinance that provides the supplemental appropriations of both revenue and expense associated with the Water Treatment Plant expansion project and the recently discovered 2013 Flood damage according to direction given by Council at first reading. The PowerPoint presentation that Staff will be presenting at the meeting is also attached.

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**REVIEWED BY CITY MANAGER:**



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**LIST OF ATTACHMENTS:**

1. Ordinance
2. PowerPoint Presentation

**FIRST READING** July 15, 2014

**SECOND READING** August 5, 2014

**ORDINANCE NO.** \_\_\_\_\_

**AN ORDINANCE ENACTING A SUPPLEMENTAL BUDGET AND APPROPRIATION TO THE 2014 CITY OF LOVELAND BUDGET FOR THE WATER TREATMENT PLANT EXPANSION PROJECT AND REPAIR OF WATER LINES DAMAGED IN THE 2013 FLOOD**

**WHEREAS**, the City has received and/or reserved funds not anticipated or appropriated at the time of the adoption of the City budget for 2014; and

**WHEREAS**, the City Council desires to authorize the expenditure of these funds by enacting a supplemental budget and appropriation to the City budget for 2014, as authorized by Section 11-6(a) of the Loveland City Charter.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:**

**Section 1.** That \$13,000,000 in the Raw Water Enterprise Fund 302 is available for appropriation and hereby appropriated from the undesignated fund balance as an intrafund loan in the amount of \$5,000,000 to the Water Enterprise Fund 300 and \$8,000,000 to the Water System Impact Fee Enterprise Fund 301 (“Intrafund Loan”).

**Section 2.** That revenues and/or reserves in the amount of \$17,900,000 comprised of loan proceeds and \$5,000,000 of the Intrafund Loan in the Water Enterprise Fund 300 and \$9,149,400 comprised of the fund balance and \$8,000,000 of the Intrafund Loan in the Water System Impact Fee Enterprise Fund 301 are available for appropriation. Such revenue and reserves in the total amount of \$17,449,000 are hereby appropriated for the water treatment plant expansion project and repair of water lines damaged in the 2013 Flood as follows: \$8,299,600 from the Water Enterprise Fund 300; and \$9,149,400 from the Water System Impact Fee Enterprise Fund 301.

The spending agencies and funds that shall be spending the monies supplementally budgeted and appropriated are as follows:

**Water Enterprise Fund 300****Revenues**

300-45-301-2900-33019	Loan proceeds	12,900,000
300-00-000-0000-37302	Transfer from Raw Water	5,000,000

<b>Total Revenue</b>		<b>17,900,000</b>
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**Appropriations**

300-46-318-2902-49360-W1300D	Construction	6,559,600
300-46-318-2902-49352-W1300D	Engineering	240,000
300-46-310-2903-49360	Construction	1,500,000

<b>Total Appropriations</b>		<b>8,299,600</b>
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**Supplemental Budget**  
**Water SIF Enterprise Fund 301**

**Revenues**

Fund Balance		1,149,400
300-00-000-0000-37302	Transfer from Raw Water	8,000,000

<b>Total Revenue</b>		<b>9,149,400</b>
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**Appropriations**

301-46-318-2902-49360-W1300D	Construction	8,789,400
301-46-318-2902-49352-W1300D	Engineering	360,000

<b>Total Appropriations</b>		<b>9,149,400</b>
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**Supplemental Budget**  
**Raw Water Enterprise Fund 302**

**Revenues**

Fund Balance		13,000,000
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<b>Total Revenue</b>		<b>13,000,000</b>
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**Appropriations**

302-45-301-0000-47300	Transfer to Water Enterprise Fund	5,000,000
302-45-301-0000-47301	Transfer to Water SIF Fund	8,000,000

<b>Total Appropriations</b>		<b>13,000,000</b>
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**Section 3.** That as provided in City Charter Section 4-9(a)(7), this Ordinance shall be published by title only by the City Clerk after adoption on second reading unless the Ordinance has been amended since first reading in which case the Ordinance shall be published in full or the amendments shall be published in full. This Ordinance shall be in full force and effect upon final adoption, as provided in City Charter Section 11-5(d).

ADOPTED this \_\_\_\_ day of August, 2014.

\_\_\_\_\_  
Cecil A. Gutierrez, Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Assistant City Attorney

# Water Treatment Plant Expansion Funding Options

*Jim Lees, Utility Accounting Manager*

*City Council Meeting • August 5, 2014*

# Requested Council Action

1

Appropriations

2

How Funding Needs Have Changed

3

Council Direction

# 1

# Appropriations

## Revenue Appropriation

1. Wells Fargo loan: \$9.9 M
2. Raw Water loan: \$13 M  
(line of credit)
3. Additional external loan:  
(line of credit)
  - Option 1a: \$3.0 M
  - ~~Option 1: \$2.3 M~~
  - ~~Option 2: \$1.2 M~~
  - ~~Option 3: None~~

## Capital Expenditure Supplemental Appropriation

1. Waterline replacements (flood): \$1.5 M
2. Construction Services: \$600 K
3. WTP Expansion Construction:
  - Option 1a: \$15.3 M
  - ~~Option 1: \$14.6 M~~
  - ~~Option 2: \$13.5 M~~
  - ~~Option 3: \$11.8 M~~

Additional loans: Due to WTP Expansion bids and FEMA/State Flood reimbursement delays



# 2

## How Funding Needs Have Changed

### March 2013, Council Approved:

- Series of rate increases
- \$6 M Power loan
- \$10 M external loan

### Purpose:

- \$21 M WTP Expansion
- \$6 M Waterlines

### Now:

- Additional \$13 M Raw Water loan
- Additional \$3.0 M ~~\$2.3 M~~ external loan

### Purpose:

- \$27.5 M ~~\$26.8 M~~ WTP Expansion
- \$9-\$10 M of 2013 Flood expenses (2015 reimbursements)

# 3 Council Direction

## Option 1a

- Increase WTP capacity to 38 MGD by 2016
- Does not delay key improvements
- Increases reliability of key treatment processes
- Completes soda ash improvement

## Funding

### Revenue Appropriation

1. Wells Fargo loan: \$9.9 M
2. Raw Water loan (line of credit): \$13 M
3. Additional external loan (line of credit): \$3 M

### Capital Expenditure Supplemental Appropriation

1. Waterline replacements (flood): \$1.5 M
2. Construction Services: \$600 K
3. WTP Expansion Construction Option 1a: \$15.349 M (\$24.514 M -\$9.165 M)

The background is a dark, almost black, gradient. On the right side, there are several bright, white, diagonal lines that fan out towards the left, creating a sense of light rays or a spotlight effect. These lines are most prominent on the right and fade into the dark background towards the left.

**Questions?**



**CITY OF LOVELAND**  
WATER & POWER DEPARTMENT  
200 North Wilson • Loveland, Colorado 80537  
(970) 962-3000 • FAX (970) 962-3400 • TDD (970) 962-2620

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**AGENDA ITEM:** 15  
**MEETING DATE:** 8/5/2014  
**TO:** City Council  
**FROM:** Chris Matkins, Water Utilities Manager  
Roger Berg, Senior Civil Engineer  
**PRESENTER:** Chris Matkins, Water Utilities Manager

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**TITLE:**

An Emergency Ordinance of the Loveland City Council by and Through the Water Enterprise Board Approving and Authorizing the Execution of a Multi-Fiscal Year Contract with Moltz Construction, Inc. for Phase 2 of the Water Treatment Plant Expansion Project

**RECOMMENDED CITY COUNCIL ACTION:**

Convene as the Water Enterprise Board and adopt the Emergency Ordinance on first and only reading.

**OPTIONS:**

1. Adopt the action as recommended
  2. Deny the action
  3. Adopt a modified action (specify in the motion)
  4. Refer back to staff for further development and consideration
  5. Adopt a motion continuing the item to a future Council meeting
- 

**SUMMARY:**

This is an administrative item to adopt an Emergency Ordinance awarding a construction contract to Moltz Construction, Inc. for the Chasteen Grove (Phase 2) water treatment plant expansion project. The Water Enterprise will authorize and execute the contract because it is a multi-year fiscal contract. The contract is for \$24,374,213, including the Soda Ash Alternate and will have a concurrently executed deductive change order for approximately \$400,000 in staff recommended value engineering Contract changes. The Contractor is obligated to hold his bid for 60 days after the bid opening (June 12, 2014). The Emergency Ordinance on first and only reading requires an affirmative vote of 2/3 of the entire Council (6 votes) under Charter Section 4-10.

**BUDGET IMPACT:**

- ☐ Positive  
☒ Negative  
☐ Neutral or negligible
-



Bids received were unexpectedly high and the uncertain timing of FEMA reimbursement has required staff to seek City Council approval of a supplemental appropriation to make sure adequate funds are available to support the award of this construction contract.

## BACKGROUND:

The primary drivers for expanding the Water Treatment Plant (WTP) are to:

- 1) **Increase Capacity:** Increase from 30 million gallons per day (MGD) to 38 MGD.
- 2) **Improve Reliability:** Improves reliability of key treatment processes including chemical dosing and storage, sedimentation, filtration, and solids handling.

**Estimated Costs:** After 95% of the engineering design work was completed on the WTP Expansion project, the City's engineer (CH2M HILL) provided a detailed cost estimate of the overall project costs. Costs were based on detailed quantity takeoffs for all facility processes and systems affected by the project. Below is a summary of the overall cost estimate provided.

Engineer's Opinion of Probable Costs			
	Low Range	Estimated Costs	High Range
<b>Base Project</b>	\$16,913,000 to \$18,228,000	\$18,792,000	\$19,356,000 to \$21,611,000
<b>Soda Ash Additive Alternate</b>	\$835,000 to \$900,000	\$927,000	\$955,000 to \$1,066,000
<b>Totals</b>	<b>\$17,748,000 to \$19,128,000</b>	<b>\$19,719,000</b>	<b>\$20,311,000 to \$22,677,000</b>
<b>Note:</b> The expected accuracy ranges -3% to -10% on the low range side and +3% to +15% on the high range side.			

**Bidding Process:** In February 2014, staff published a *Request for Qualifications* through the Rocky Mountain E-Purchasing System in order to prequalify bidders prior to issuing the Phase 2 WTP Expansion bid documents. Six regional construction firms submitted their qualifications and all six were prequalified to bid the project. Bids were opened on June 12, 2014 and only two bids were received:

Contractor	Base Bid	Soda Ash Alternate	Total Bid Amount
Moltz Construction, Inc.	\$23,714,000	\$660,213	\$24,374,213
Hydro Construction Co.	\$26,800,000	\$672,000	\$27,472,000

On June 25, 2014, the LUC unanimously adopted a motion directing staff to work with the apparent low bidder (Moltz Construction) to reduce costs through value engineering and develop alternatives for City Council to consider.

**Driving Factors in Cost Overruns:** The low bid came in \$4.655 million higher than the estimated costs due to the following market forces:

1. **Increase in Material Costs:** Costs for construction materials, including concrete, have significantly increased.
2. **Surge in General Construction Activities in Colorado:** Colorado construction activity has increased. This includes home building, post-2013 Flood recovery, and oil

and gas construction. This increased demand for construction resources has driven labor costs up.

3. **Scarce Bidders:** Contractors are busy and selective in choosing projects to bid.

**Funding Sources & Purposes:** In March of 2013, City Council approved a series of rate increases to the Water Utility along with a \$6 million internal loan from the Power Fund and a \$10 million external loan to help fund the costs for a WTP expansion project and to fund waterline replacement projects.

On July 15, 2014, City Council approved the first reading of a supplemental budget appropriation to fund this project with the Soda Ash Alternate included and a deductive change order for approximately \$400,000 in value engineering items. The anticipated construction contract, upon execution of the deductive change order, will be as follows:

Total Bid Amount	\$ 24,374,213
Value Engineering Deducts	(\$ 400,000)
<b>Estimated Contract Amount</b>	<b>\$ 23,974,213</b>

To be compliant with City Charter and Code, the full contract amount must be appropriated in the Water Utility Fund balance. The supplemental appropriation requested at the July 15, 2014 City Council meeting (\$13 million Raw Water loan and an additional \$3 million external loan) is to help fund the Water Treatment Plant Expansion project and flood-damaged water lines. This is primarily due to delays in receiving approximately \$10 million in FEMA reimbursements through the State. City Council will consider the second reading of the supplemental budget appropriation at the August 5, 2014 regular meeting. Prior approval of the supplemental ordinance is necessary prior to awarding this construction contract.

**Supports Existing Rate Track:** The previously approved schedule of rate increases, internal and external funding sources approved by City Council in March of 2013, along with the additional funding requests from the July 15, 2014 and August 5, 2014 meetings, are sufficient to fund the award of this contract.

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**REVIEWED BY CITY MANAGER:**



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**LIST OF ATTACHMENTS:**

1. Emergency Ordinance
2. PowerPoint Presentation-Contract

**FIRST READING**  
**SECOND READING**

August 5, 2014  
N/A

**ORDINANCE NO. \_\_\_\_\_**

**AN EMERGENCY ORDINANCE OF THE LOVELAND CITY COUNCIL  
 BY AND THROUGH THE WATER ENTERPRISE BOARD APPROVING  
 AND AUTHORIZING THE EXECUTION OF A MULTI-FISCAL YEAR  
 CONTRACT WITH MOLTZ CONSTRUCTION, INC. FOR PHASE 2 OF  
 THE WATER TREATMENT PLANT EXPANSION PROJECT**

**WHEREAS**, pursuant to Ordinance No. 4454 adopted by the City Council of the City of Loveland (the “City”) on August 4, 1999, City Council ratified the establishment of the City Water Enterprise (the “Enterprise”) pursuant to Article X, Section 20 of the Colorado Constitution and conferred certain powers on the Enterprise; and

**WHEREAS**, the Enterprise is authorized by Ordinance No. 4454 and City Code Section 3.12.050 to enter into multi-year fiscal obligations on behalf of the City relating to the City’s water utility facilities and services; and

**WHEREAS**, City Council adopted Ordinance No. 5875 to appropriate \$17,449,000 for phase 2 of the water treatment plant expansion project and for repair of water lines damaged in the 2013 flood to supplement the current Water & Power budget appropriated to cover the costs of such expansion and repair; and

**WHEREAS**, City Council, by and through the Enterprise, desires to approve a multi-year fiscal contract for such expansion and repair with Moltz Construction, Inc. in the amount of \$24,374,213, including the Soda Ash Alternate, which contract will substantially follow the City’s standard bid contract documents (the “Contract”), and to authorize the Mayor, as President of the Enterprise Board, and the City Clerk as Secretary of the Enterprise Board, to execute the Contract concurrently with a deductive change order for approximately \$400,000 in staff recommended value engineering Contract changes, which change order will substantially follow the City’s standard change order (the “Change Order”); and

**WHEREAS**, pursuant to City Charter Section 4-10(b), City Council is authorized to adopt emergency ordinances by an affirmative vote of at least two-thirds (2/3) of the entire City Council; and

**WHEREAS**, City Council finds and determines that an emergency exists requiring immediate adoption of this Ordinance in order to timely accept the bid by Moltz Construction, Inc. which is valid for 60 days from June 12, 2014 and would expire prior to a second reading of this Ordinance.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:**

**Section 1.** The Contract and Change Order are approved and the President and Secretary of the Enterprise Board are authorized to execute and enter into the Contract and Change Order on behalf of the Enterprise.

**Section 2.** That the President of the Enterprise Board is hereby authorized, following consultation with the City Manager and City Attorney, to modify the Contract and Change Order in form or substance as deemed necessary to effectuate the purposes of this Ordinance or to protect the interests of the City.

**Section 3.** That the Enterprise hereby agrees to be obligated to the payment of the multi-year fiscal obligation provided for and required of the City and the Enterprise under the terms and conditions of the Contract.

**Section 4.** That pursuant to City Charter Section 4-10(b), this Ordinance shall become effective immediately upon its adoption. The City Clerk shall publish this Ordinance in full after its adoption.

ADOPTED this \_\_\_\_ day of August, 2014.

\_\_\_\_\_  
Cecil A. Gutierrez, Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Assistant City Attorney

# Contract Award of the Water Treatment Plant Expansion Project

*Chris Matkins, Water Utilities Manager*

*City Council Meeting • August 5, 2014*

## Project Results

- + Achieves capacity goal
- + Achieves reliability goal
- + Achieves soda ash secondary feed
- + Supports future growth
- + Eliminates chlorine gas

## Other Benefits

- + Current low interest rates
- + Construction inflation exceeds current borrowing rates
- + Lowest cost (time value of money)

# Contract Award on the Water Treatment Plant Expansion Project (38 MGD)

**Contractor:** Moltz Construction

Base Bid Amount	\$23,714,000
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+ Soda Ash Alternate	+ \$ 660,213
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- Value Engineering	~ \$ 400,000
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<b>Contract Award Amount:</b>	<b>\$24,374,213</b>
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The background is a dark, almost black, gradient. On the right side, there is a bright light source that creates several distinct, curved rays of light that fan out towards the left. These rays are in shades of gray, with the closest to the source being the brightest and gradually darkening as they move across the frame. The overall effect is dramatic and high-contrast.

**Questions?**





**CITY OF LOVELAND**  
CITY ATTORNEY'S OFFICE

Civic Center • 500 East Third • Loveland, Colorado 80537  
(970) 962-2540 • FAX (970) 962-2900 • TDD (970) 962-2620

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**AGENDA ITEM:** 16  
**MEETING DATE:** 8/5/2014  
**TO:** City Council  
**FROM:** Judy Schmidt, City Attorney's Office  
**PRESENTER:** Judy Schmidt, Acting City Attorney

---

**TITLE:**

A Resolution Approving a Material Modification to the Consolidated Service Plan for Centerra Metropolitan Districts Nos. 1 through 4 Permitting the Inclusion of Additional Real Property into Centerra Metropolitan District No. 1

**RECOMMENDED CITY COUNCIL ACTION:**

Conduct a public hearing and adopt the resolution.

**OPTIONS:**

1. Adopt the action as recommended
  2. Deny the action
  3. Adopt a modified action (specify in the motion)
  4. Refer back to staff for further development and consideration
  5. Adopt a motion continuing the item to a future Council meeting
- 

**SUMMARY:**

This is an administrative matter. The Internal Revenue Service ("IRS") recently announced a policy change that requires political subdivisions, including metropolitan districts, to include residential property in their boundaries in order to be considered a good issuer of tax-exempt debt. As a result, Centerra Metropolitan District No. 1 (the "District") desires to include property into its boundaries that will have future residents in order for it to be considered a good issuer of tax-exempt debt. This is a time-sensitive issue, as the District desires to complete its next financing this summer so that it may complete the infrastructure for Parcel 505, which includes, among other uses, the Bass Pro Outdoor World store.

**BUDGET IMPACT:**

- ☐ Positive  
☐ Negative  
☒ Neutral or negligible

This item has no impact on the City's budget.

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**BACKGROUND:**

On May 9, 2013, the IRS made a change in policy with respect to the issuance of tax-exempt debt by political subdivisions such as the District. As a result of this change, the District must now include property into its boundaries that will have future residents in order for the District to continue to issue tax-exempt debt as it historically has done.

The District plans to initially include a multi-family site located at the north end of The Lakes at Centerra residential development. It is anticipated that The Lakes multi-family site will be developed and will have residents within the next 3 to 4 years. As an alternative and in the event The Lakes multi-family site does not develop as quickly as planned, the District will wish to include an additional parcel to serve as a “backup parcel.” The backup parcel is an existing multi-family development located within the Centerra development. The backup parcel would be included into the District if The Lakes multi-family site does not have an adequate number of residents to satisfy the tax policy change, should it not be revised, by late 2018. The Lakes multi-family site and the backup parcel are identified on the attached map for informational purposes.

Pursuant to Section I.A.4. of the Consolidated Service Plan for Centerra Metropolitan Districts Nos. 1-4, boundary adjustments which add to or subtract from the total acreage of the districts, shall be considered a material modification of this Service Plan and shall require the approval of City Council. Therefore the District is seeking City Council approval to adjust its boundaries to include the two residential properties into its boundaries so that it may satisfy the requirements of the tax policy change and continue to issue tax-exempt debt, as it historically has, in the future.

The District requests Council approval to include The Lakes multi-family site and the backup parcel. The Lakes multi-family site would be included immediately, and the inclusion of the backup parcel would be processed, but the court order of inclusion for the backup parcel would not be recorded, if at all, until late 2018 when it is known whether The Lakes multi-family site includes an adequate number of residents to satisfy the requirements of the tax policy change. If The Lakes multi-family site does not include an adequate number of residents by late 2018, the inclusion of the backup parcel will be completed by recording the court order of inclusion for that parcel.

The proposed Resolution approving the requested material modification to the Service Plan includes a condition that the District will not exercise its power to impose a mill levy without the prior consent of City Council. This condition is to ensure that the included residential property will not be subject to additional taxes to repay District debt beyond any such taxes the residential property is currently obligated to pay for such debt.

As required by law, the District gave notice of the public hearing before City Council by publication in the *Loveland Reporter-Herald* and by mail to interested persons. Copies of the notices are attached to the Resolution as Exhibits C and D. To date, only Thompson Valley Health Services District (“TVHSD”) has responded with questions or concerns. TVHSD’s

concerns have been addressed by the District, which has agreed to meet with TVHSD in the future to review the impacts of all development at Centerra on TVHSD's ability to provide emergency services, and the costs associated with providing those services.

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**REVIEWED BY CITY MANAGER:**



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**LIST OF ATTACHMENTS:**

1. Site/Vicinity Map
2. Resolution



## CENTERRA METROPOLITAN DISTRICTS CENTERRA DISTRICT MAP

SECTIONS 3, 4, 9, 10, 11, TOWNSHIP 5 NORTH,  
RANGE 68 WEST,  
CITY OF LOVELAND,  
COUNTY OF LARIMER,  
STATE OF COLORADO

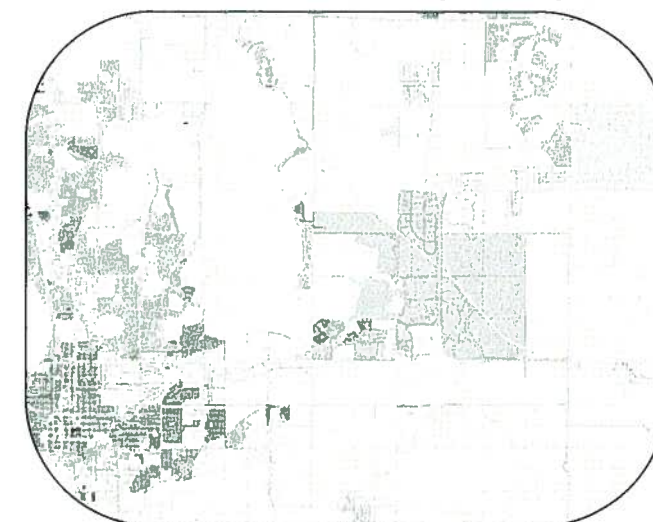
### Legend

- Section Corner
- Centerra Metro District No. 1
- Centerra Metro District No. 2 and Regional Improvement District No. 4
- Centerra Metro District No. 3
- Centerra Metro District No. 5

### CENTERRA METRO DISTRICT LAND DISTRIBUTION TABLE

PARCEL No.	SF	AC	% of TOTAL
METRO DISTRICT No. 1	610,885	14.0	0.7%
METRO DISTRICT No. 2, AND REGIONAL IMPROVEMENT DISTRICT No. 4	61,594,306	1414.0	74.5%
METRO DISTRICT No. 3	14,585,689	334.8	17.6%
METRO DISTRICT No. 5	5,869,065	134.7	7.1%
SUM =	82,659,945	1897.6	100.0%

### VICINITY MAP (N.T.S)



Prepared For:



**McWHINNEY**  
www.mcwhinney.com  
970-962-9990

Prepared By:



Date: April 28, 2010



**RESOLUTION #R- 51-2014****A RESOLUTION APPROVING A MATERIAL MODIFICATION TO THE CONSOLIDATED SERVICE PLAN FOR CENTERRA METROPOLITAN DISTRICTS NOS. 1 THROUGH 4 PERMITTING THE INCLUSION OF ADDITIONAL REAL PROPERTY INTO CENTERRA METROPOLITAN DISTRICT NO. 1**

**WHEREAS**, the City of Loveland (the "City") City Council approved a Consolidated Service Plan for Centerra Metropolitan Districts Nos. 1 through 4 ("Service Plan") on January 20, 2004, as evidenced by City Council Resolution #R-7-0004; and

**WHEREAS**, pursuant to Section I.A.4. of the Service Plan, any boundary adjustment which adds to or subtracts from the total acreage of the Centerra Metropolitan Districts Nos. 1 through 4 is considered a material modification of the Service Plan and shall require approval of the City Council (Centerra Metropolitan Districts Nos. 1-4 are referred to collectively as the "Districts"); and

**WHEREAS**, recent federal tax policy changes may impact the structure of tax-exempt financings issued by metropolitan districts in Colorado; and

**WHEREAS**, as a result of the recent federal tax policy changes, to permit Centerra Metropolitan District No. 1 ("District 1") to continue to issue tax-exempt debt to finance public infrastructure improvements, it is necessary to include property that contains or will contain residential units within District 1's boundaries; and

**WHEREAS**, District 1 desires to include within its boundaries a future multi-family site located at the north end of The Lakes at Centerra residential development, as more particularly described and depicted in Exhibit A, attached hereto and incorporated herein by reference ("Initial Inclusion Property"); and

**WHEREAS**, District 1 also seeks Service Plan modification authority to include within its boundaries an existing multi-family site located with the Centerra development ("Additional Inclusion Property"), as more particularly described in Exhibit B, attached hereto and incorporated herein by reference, to serve as a backup parcel, in the event the Initial Inclusion Property is not developed as quickly as planned; and

**WHEREAS**, District 1 intends to obtain an order for inclusion of the Additional Inclusion Property from the Larimer County District Court and will hold such order in escrow until such time that it is determined by District 1 that the inclusion of the Additional Inclusion Property is necessary to address the recent tax policy changes, at which time the order would be released from escrow and recorded in the Larimer County Clerk and Recorder's Office, making the inclusion effective as of the date of such recording; and

**WHEREAS**, District 1 requests City Council approval of the material modification to the Service Plan to permit the inclusion of the Initial Inclusion Property into the District 1 boundaries and, if the Initial Inclusion Property fails to develop as quickly as planned, to include the Additional Inclusion Property into the District 1 boundaries through the release and recording of the order of inclusion for the Additional Inclusion Property that will be held in escrow; and

**WHEREAS**, the City Council is willing to approve the material modification to the Service Plan to permit the inclusion of the Initial Inclusion Property and the Additional Inclusion Property, subject to the conditions set forth herein; and

**WHEREAS**, in the event the federal tax policy changes are modified or amended such that District 1 may issue tax-exempt debt as it did prior to the federal tax policy changes, without the existence of residential property within its boundaries, District 1 intends to exclude the Initial Inclusion Property and/or Additional Inclusion Property, as applicable, from its boundaries; and

**WHEREAS**, all inclusions and exclusions of real property contemplated herein also must be approved by the Board of Directors of the District and the Larimer County District Court, pursuant to Section 32-1-401, C.R.S. and Section 32-1-501, C.R.S., respectively; and

**WHEREAS**, notice of a public hearing before the City Council for its consideration and approval of the material modification to the Service Plan was duly published in the *Loveland Reporter-Herald* on July 16, 2014 as required by law; and

**WHEREAS**, a copy of the publisher's affidavit reflecting publication of notice of the public hearing is attached hereto as Exhibit C and incorporated herein by reference; and

**WHEREAS**, notice of the public hearing before the City Council was also duly mailed by first class mail on July 16, 2014 to interested persons, defined as follows: (1) the owners of record of all property within the Districts as such owners of record are listed on the records of the Larimer County Assessor; (2) the division of local government; and (3) the governing body of any municipality or special district which has levied an ad valorem tax within the next preceding tax year, and which has boundaries within a radius of three miles of the Districts' boundaries; and

**WHEREAS**, a copy of the notice of public hearing mailed to interested persons and District 1's affidavit of mailing are attached hereto as Exhibit D and incorporated herein by reference; and

**WHEREAS**, pursuant to the provisions of Title 32, Article 1, C.R.S., the City Council opened and conducted a public hearing on the material modification of the Service Plan on August 5, 2014; and

**WHEREAS**, the City Council has considered the material modification to the Service Plan and all other testimony and evidence presented at the hearing.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:**

**Section 1.** That the hearing before the City Council was open to the public; that all interested parties were heard or had the opportunity to be heard; and that all relevant testimony and evidence submitted to the City Council was considered.

**Section 2.** That the City Council does hereby determine that the requirements of Sections 32-1-207 (2), C.R.S., relating to the approval of a material modification to the Service Plan for the Districts; the requirements of Sections 32-1-204 (1) and (1.5), C.R.S., relating to the notice of the hearing before the City Council; and the requirements of Section 32-1-204.5, C.R.S., relating to the approval by the City Council have been fulfilled in a timely manner.

**Section 3.** That the City Council does hereby find that the material modification to the Service Plan is in the best interests of the Initial Inclusion Property, the Additional Inclusion Property, the City, and the Districts.

**Section 4.** That the City Council does hereby approve the material modification to the Service Plan as follows:

a. District 1 is permitted to include within its boundaries the Initial Inclusion Property and the Additional Inclusion Property upon compliance with all state law requirements for the inclusion of such property.

b. It is anticipated that District 1 will cause the inclusion of the Initial Inclusion Property to be consummated as soon as practicable following the adoption of this Resolution. It is further anticipated that the order of the Larimer County District Court including the Additional Inclusion Property will be obtained as soon as practicable following adoption of this Resolution, and will be held in escrow until District 1 determines that recording said order is necessary to comply with current or future federal tax policy changes. In the event District 1 causes the order of the Larimer County District Court including the Additional Inclusion Property to be recorded, and thus effective, District 1 shall provide notice of the same to the City.

c. In the event the recent federal tax policy changes are modified or amended such that District 1 may issue tax-exempt debt as it did prior to the federal tax policy changes, without the existence of residential property within its boundaries, District 1 is permitted to exclude any residential property upon compliance with all state law requirements for the exclusion of such property, and upon providing notice of such exclusion to the City, together with an opinion from the District 1's legal counsel to the City Attorney that such exclusion will not adversely impact District 1's ability to issue tax-exempt debt.

**Section 5.** That at all times while any portion of the Initial Inclusion Property or the Additional Inclusion Property is included within the boundaries of District 1, District 1 shall not exercise its power to certify the imposition of any mill levy on any property located within its boundaries without the prior consent of the City Council.

**Section 6.** That nothing herein limits the City's powers with respect to the Districts, the properties within the Districts, or the improvements to be constructed by the Districts.

**Section 7.** That the City Council's findings are based solely on the evidence presented at the public hearing and that the City has not conducted any independent investigation of the evidence.

**Section 8.** That this Resolution shall take effect as of the date of its adoption.

**ADOPTED** this 5<sup>th</sup> day of August, 2014.

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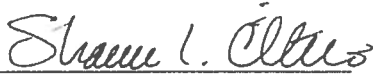
Cecil A. Gutierrez, Mayor

ATTEST:

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City Clerk

APPROVED AS TO FORM:

  
Assistant City Attorney



**EXHIBIT “A”**

**INITIAL INCLUSION PROPERTY**



**NORTHERN  
ENGINEERING**

**ADDRESS:**  
200 S. College Ave. Suite 10  
Fort Collins, CO 80524

**PHONE:** 970.221.4158

**FAX:** 970.221.4159

**WEBSITE:**  
[www.northernengineering.com](http://www.northernengineering.com)

## DESCRIPTION

A parcel of land being a portion of East 37<sup>th</sup> Street and a portion of Outlot B of the Amended Plat of Lot 2 and Outlot B, Millennium Northwest Third Subdivision, located in the Southeast Quarter of Section 4, Township 5 North, Range 68 West of the 6th P.M., City of Loveland, County of Larimer, State of Colorado being more particularly described as follows:

Considering the North line of the Southeast Quarter of Section 4 as bearing South 89° 17' 52" East and with all bearings contained herein relative thereto:

**BEGINNING** at the Center Quarter Corner of Section 4; thence along said North line, South 89° 17' 52" East, 202.64 feet; thence, South 78° 35' 20" East, 127.00 feet; thence, South 58° 48' 54" East, 55.90 feet; thence, South 35° 19' 45" East, 683.31 feet; thence, South 30° 34' 45" East, 160.78 feet; thence, South 06° 30' 07" West, 101.79 feet to a point on the southerly line of said Outlot B; thence along said southerly line, North 63° 53' 48" West, 361.17 feet; thence, North 75° 46' 11" West, 384.42 feet; thence, North 37° 29' 32" West, 192.86 feet; thence, North 01° 09' 07" East, 44.89 feet; thence, North 88° 50' 53" West, 35.00 feet to the West line of the Southwest Quarter of said Section 4; thence along said West line, North 01° 09' 07" East, 401.66 feet to the POINT OF BEGINNING, containing 382,596 square feet, more or less.

The above described parcel is subject to all easements and rights-of-way now existing or of record.

LMS

January 14, 2014

S:\Survey Jobs\700-1119\Dwg\Exhibits\700-1119 DESCRIPTION 1-14-14.doc

# EXHIBIT

A PARCEL OF LAND BEING A PORTION OF EAST 37TH STREET AND A PORTION OF OUTLOT B, AMENDED PLAT OF LOT 2 AND OUTLOT B, MILLENNIUM NORTHWEST THIRD SUBDIVISION, LOCATED IN THE SOUTHEAST QUARTER OF SECTION 4, TOWNSHIP 5 NORTH, RANGE 68 WEST OF THE 6TH P.M., CITY OF LOVELAND, COUNTY OF LARIMER, STATE OF COLORADO

POINT OF BEGINNING  
CENTER 1/4 CORNER  
SECTION 4-5-68

SAVANNA ADDITION  
NORTH LINE OF THE SE 1/4  
SECTION 4-5-68

EAST 37th ST.

OUTLOT A  
MILLENNIUM NORTHWEST  
SECOND SUBDIVISION

OUTLOT B  
AMENDED PLAT OF LOT 2  
AND OUTLOT B,  
MILLENNIUM NORTHWEST  
THIRD SUBDIVISION

AREA  
382,596 sq. ft.  
8.783 ac.

OUTLOT B  
MILLENNIUM NORTHWEST  
SECOND SUBDIVISION

OUTLOT D  
MILLENNIUM NORTHWEST  
SECOND SUBDIVISION

HOUTS  
RESERVIOR

LINE TABLE		
LINE	LENGTH	BEARING
L1	202.64'	S89°17'52"E
L2	127.00'	S78°35'20"E
L3	55.90'	S58°48'54"E
L4	683.31'	S35°19'45"E
L5	160.78'	S30°34'45"E
L6	101.79'	S06°30'07"W
L7	361.17'	N63°53'48"W
L8	384.42'	N75°46'11"W
L9	192.86'	N37°29'32"W
L10	44.89'	N01°09'07"E
L11	35.00'	N88°50'53"W
L12	401.66'	N01°09'07"E



NORTH  
SCALE  
1" = 200'



NORTHERN  
ENGINEERING

200 South College Avenue, Suite 010  
Fort Collins, Colorado 80524

PHONE: 970.221.4158 FAX: 970.221.4159  
www.northernengineering.com

**PROPERTY DESCRIPTION**

A parcel of land being a portion of Tract G of the Millennium Northwest Fourth Subdivision recorded January 15, 2014 as Reception No. 20140002625 of the Records of Larimer County, situate in the Southwest Quarter of Section Four (4), Township Five North (T.5N.), Range Sixty-eight West (R.68W.) of the Sixth Principal Meridian (6th P.M.), City of Loveland, County of Larimer, State of Colorado.

**COMMENCING** at the West Quarter corner of said Section 4 and assuming the West line of the Southwest Quarter of said Section 4 as bearing North 01°03'12" East, being a grid bearing of the Colorado State Plane Coordinate System, North Zone, North American Datum 1983/92, a distance of 2641.99 feet with all bearings herein relative thereto:

THENCE South 89°18'02" East along the North line of the Southwest Quarter of said Section 4 a distance of 1898.19 feet;

THENCE South 00°41'58" West a distance of 30.00 feet to a line parallel with and 30.00 feet Southerly of, as measured at a right angle to the North line of the Southwest Quarter of said Section 4 and said line being the North line of said Tract G and to the **POINT OF BEGINNING**;

The following Nine (9) courses are along the North, East and Southerly lines of said Tract G. THENCE South 89°18'02" East along said parallel line a distance of 726.42 feet to the East line of the Southwest Quarter of said Section 4;

THENCE South 01°09'09" West along the East line of the Southwest Quarter of said Section 4 a distance of 589.78 feet;

THENCE South 45°10'31" West a distance of 161.73 feet;

THENCE South 30°24'20" West a distance of 128.48 feet;

THENCE South 47°11'40" West a distance of 125.92 feet;

THENCE North 75°25'13" West a distance of 115.32 feet;

THENCE South 53°35'04" West a distance of 77.92 feet;

THENCE North 62°25'12" West a distance of 141.58 feet;

THENCE North 72°35'12" West a distance of 136.15 feet to a point of departure from the Southerly lines of said Tract G;

THENCE North 11°53'00" East a distance of 135.43 feet;

THENCE North 26°43'26" East a distance of 114.06 feet;

THENCE North 08°28'18" East a distance of 114.06 feet;

THENCE North 09°46'51" West a distance of 114.06 feet;

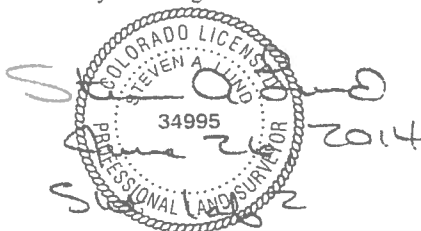
THENCE North 28°01'59" West a distance of 125.97 feet;

THENCE North 06°53'06" West a distance of 250.85 feet to the **POINT OF BEGINNING**.

Said described parcel of land contains 12.639 Acres, more or less (±).

**SURVEYORS STATEMENT**

I, Steven A. Lund, a Colorado Registered Professional Land Surveyor do hereby state that this Property Description was prepared under my personal supervision and checking, and that it is true and correct to the best of my knowledge and belief.



Steven A. Lund - on behalf of King Surveyors, Inc.  
Colorado Registered Professional  
Land Surveyor #34995

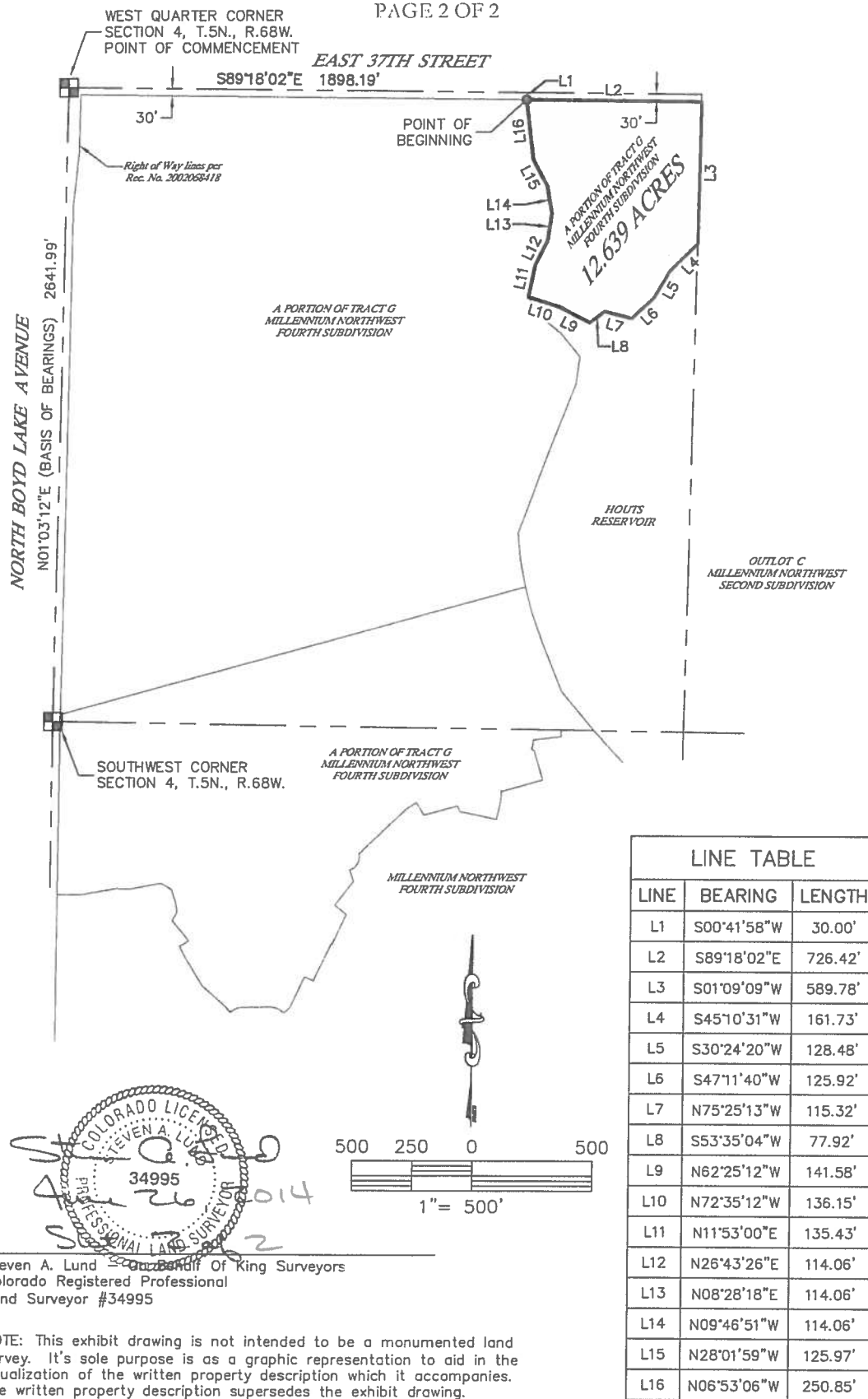
**KING SURVEYORS, INC.**  
650 Garden Drive  
Windsor, Colorado 80550  
(970) 686-5011

NORTHEAST - TRACT G

## EXHIBIT

SOUTHWEST QUARTER  
SECTION 4, T.5N., R.68W.

PAGE 2 OF 2



## KING SURVEYORS

650 E. Garden Drive | Windsor, Colorado 80550  
 phone: (970) 686-5011 | fax: (970) 686-5821  
 www.kingsurveyors.com

PROJECT NO: 2013001-A  
 DATE: 6/25/2014  
 CLIENT: J3 ENGINEERING  
 DWG: EXH-NORTHEAST-TRACT G  
 DRAWN: CSK CHECKED: SAL

**EXHIBIT “B”**

**ADDITIONAL INCLUSION PROPERTY**

Lot 1, Block 1, Range View 3<sup>rd</sup> Subdivision, City of Loveland, Colorado  
Lot 2, Block 1, Range View 3<sup>rd</sup> Subdivision, City of Loveland, Colorado  
Lot 3, Block 1, Range View 3<sup>rd</sup> Subdivision, City of Loveland, Colorado  
Lot 4, Block 1, Range View 3<sup>rd</sup> Subdivision, City of Loveland, Colorado

**EXHIBIT C**  
**AFFIDAVIT/NOTICE OF PUBLICATION**

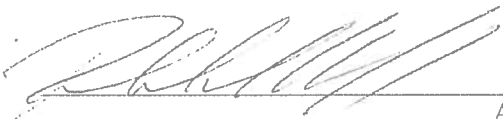
# AFFIDAVIT OF PUBLICATION

# REPORTER-HERALD

State of Colorado  
County of Larimer


I, the undersigned agent, do solemnly swear that the LOVELAND REPORTER-HERALD is a daily newspaper printed, in whole or in part, and published in the City of Loveland, County of Larimer, State of Colorado, and which has general circulation therein and in parts of Larimer and Weld counties; that said newspaper has been continuously and uninterruptedly published for a period of more than six months next prior to the first publication of the annexed legal notice of advertisement, that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879, or any, amendments thereof, and that said newspaper is a daily newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado; that a copy of each number of said newspaper, in which said notice of advertisement was published, was transmitted by mail or carrier to each of the subscribers of said newspaper, according to the accustomed mode of business in this office.

The annexed legal notice or advertisement was published in the regular and entire edition of said daily newspaper once; and that one publication of said notice was in the issue of said newspaper dated July 16, 2014.



Agent

Subscribed and sworn to before me this 21st day of July, 2014, in the County of Larimer, State of Colorado.



Notary Public

Account #222605  
Ad #5624200  
Fee \$29.17

DEBRA K RYSAVY  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID # 19934006283  
MY COMMISSION EXPIRES APRIL 30, 2017

## NOTICE OF PUBLIC HEARING

IN RE REQUEST FOR MATERIAL  
MODIFICATION TO SERVICE PLAN FOR  
CENTERRA METROPOLITAN DISTRICTS  
NOS. 1 - 4, CITY OF LOVELAND, COUNTY OF  
LARIMER, STATE OF COLORADO

PUBLIC NOTICE IS HEREBY GIVEN that there has been filed with the Loveland City Council, State of Colorado, a request for a material modification to the Service Plan for Centerra Metropolitan Districts Nos. 1 - 4 (the "Districts"). Pursuant to Section I.A.4. of the Service Plan, boundary adjustments which add to or subtract from the total acreage of the Districts, shall be considered a material modification of the Service Plan and shall require the approval of the City Council. Centerra Metropolitan District No. 1 has received or anticipates receiving petitions to include certain real property into its boundaries. Such real property subject to inclusion is generally located north of U.S. Highway 34, east of Boyd Lake Avenue, and west of I-25 in the Centerra and The Lakes at Centerra developments in the City of Loveland, Colorado. No mill levy will be imposed on the property included into Centerra Metropolitan District No. 1 without Loveland City Council consent.

NOTICE IS HEREBY FURTHER GIVEN that the Loveland City Council will hold a public hearing at 6:30 p.m. on August 5, 2014, at the City Council Chambers, Loveland Civic Center, 500 East Third Street, Loveland, Colorado, for the purpose of considering the request for a material modification to the Service Plan and to form a basis for adopting a Resolution approving, disapproving or conditionally approving the request for a material modification to the Service Plan. All protests and objections must be submitted in writing to the Loveland City Council at or prior to the public hearing or any continuance or postponement thereof in order to be considered.

BY ORDER OF THE LOVELAND CITY COUNCIL

Published in the Loveland Reporter-Herald  
on July 16, 2014. Ad #5624200



**EXHIBIT D**  
**AFFIDAVIT/NOTICE OF MAILING**

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STATE OF COLORADO, CITY OF LOVELAND, COUNTY OF LARIMER

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**CERTIFICATION OF MAILING NOTICE OF HEARING AND PUBLICATION**

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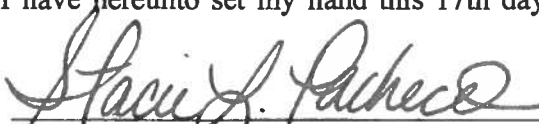
IN RE REQUEST FOR MATERIAL MODIFICATION TO SERVICE PLAN FOR  
CENTERRA METROPOLITAN DISTRICTS NOS. 1 – 5, CITY OF LOVELAND, COUNTY  
OF LARIMER, STATE OF COLORADO

---

IT IS HEREBY CERTIFIED by the undersigned, as follows:

1. That, the City Council of Loveland, Larimer County, Colorado, set a public hearing for Tuesday, the 5th day of August, 2014, at 6:30 p.m., at 500 East Third Street, Loveland, Colorado 80537, considering the Modification to Service Plan and related documents for Centerra Metropolitan Districts Nos. 1 – 5 (the "Districts").
2. That, as a part of said action, directions were given that copies of the Notice of Public Hearing be mailed, by first class mail, not more than thirty days nor less than twenty days prior to said hearing, to interested persons, defined as follows: (1) the owners of record of all property within the Title 32 special districts as such owners of record are listed in the Larimer County Assessor's records; (2) the Division of Local Government; (3) the governing body of any municipality or special district which has levied an ad valorem tax within the next preceding tax year, and which has boundaries within a radius of three (3) miles of the Districts' boundaries.
3. That, in compliance with said directions, a copy of the Notice of Public Hearing, attached as Exhibit A, was deposited in the United States first class mail on July 16, 2014 to owners of record of all property within the Title 32 special districts; the Division of Local Government; and the governing body of any municipalities and special district which has levied an ad valorem tax within the next preceding tax year and which has boundaries within a three (3) mile radius of the Districts' boundaries, as per the listings attached as Exhibit B.
4. That, as a part of said action, directions were given that the Notice of Public Hearing be published one time in a newspaper of general circulation within the Districts. In compliance with said directions, a copy of the Notice of Public Hearing, attached as Exhibit A, was published on July 16, 2014 in *The Loveland Reporter-Herald*, an Affidavit of Publication is attached as Exhibit C.

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of July,  
2014.

  
\_\_\_\_\_  
Stacie L. Pacheco, Paralegal

**EXHIBIT A**

**NOTICE OF PUBLIC HEARING**

STATE OF COLORADO, CITY OF LOVELAND, COUNTY OF LARIMER

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**NOTICE OF PUBLIC HEARING**

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IN RE REQUEST FOR MATERIAL MODIFICATION TO SERVICE PLAN FOR  
CENTERRA METROPOLITAN DISTRICTS NOS. 1 – 4, CITY OF LOVELAND, COUNTY  
OF LARIMER, STATE OF COLORADO

---

**PUBLIC NOTICE IS HEREBY GIVEN** that there has been filed with the Loveland City Council, State of Colorado, a request for a material modification to the Service Plan for Centerra Metropolitan Districts Nos. 1 – 4 (the “Districts”). Pursuant to Section I.A.4. of the Service Plan, boundary adjustments which add to or subtract from the total acreage of the Districts, shall be considered a material modification of the Service Plan and shall require the approval of the City Council. Centerra Metropolitan District No. 1 has received or anticipates receiving petitions to include certain real property into its boundaries. Such real property subject to inclusion is generally located north of U.S. Highway 34, east of Boyd Lake Avenue, and west of I-25 in the Centerra and The Lakes at Centerra developments in the City of Loveland, Colorado. No mill levy will be imposed on the property included into Centerra Metropolitan District No. 1 without Loveland City Council consent.

**NOTICE IS HEREBY FURTHER GIVEN** that the Loveland City Council will hold a public hearing at 6:30 p.m. on August 5, 2014, at the City Council Chambers, Loveland Civic Center, 500 East Third Street, Loveland, Colorado, for the purpose of considering the request for a material modification to the Service Plan and to form a basis for adopting a Resolution approving, disapproving or conditionally approving the request for a material modification to the Service Plan. All protests and objections must be submitted in writing to the Loveland City Council at or prior to the public hearing or any continuance or postponement thereof in order to be considered.

**BY ORDER OF THE LOVELAND CITY COUNCIL**

Published In: Loveland Reporter Herald  
Published On: July 16, 2014

**EXHIBIT B**

Property Owners within the Boundaries of the Districts  
Division of Local Government  
Taxing Entities within a 3-mile radius of the Boundaries of the Districts

**CENTERRA METROPOLITAN DISTRICTS NOS. 1 - 4**

PROPERTY OWNERS

FCP FLEX I LLC  
PO BOX 270070  
FORT COLLINS, CO 80527

G AND I VI PROMENADE LAND LLC  
C/O DRA ADVISORS LLC  
220 E 42ND ST  
NEW YORK, NY 10017

SKY POND BUSINESS PARK LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

AMERICAN MORTGAGE CORPORATION  
3855 PRECISION DR STE 150  
LOVELAND, CO 80538

SPECIALTYCARE INC  
DBA SPECIALTYCARE CARDIOVASCULAR RESOURC  
3100 W END AVE STE 400  
NASHVILLE, TN 37203

MCWHINNEY REAL ESTATE SERVICES INC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

EA RAE LLC  
3051 BARN SWALLOW DR  
FORT COLLINS, CO 80524

AMADO PROPERTIES LLC  
1542 WEST SHORE DR  
LOVELAND, CO 80538

FCP FLEX I LLC  
PO BOX 270070  
FORT COLLINS, CO 80527

AMERICAN MORTGAGE CORPORATION  
3855 PRECISION DR STE 150  
LOVELAND, CO 80538

CENTERRA PROPERTIES WEST LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

CHG MERIDAN USA CORP  
7303 SE LAKE RD  
PORTLAND, OR 97267

CIP 401 INVESTMENTS LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

CENTERRA GROUND LEASES LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

BTT LLC  
2313 W 17TH ST  
GREELEY, CO 80634

SMP4 INVESTMENTS INC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

FRONT RANGE FROZEN YOGURT LLC  
DBA MENCHIES FROZEN YOGURT  
36 BUCKTHRON DR  
LITTLETON, CO 80127

SMP5 INVESTMENTS LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

CENTERRA GROUND LEASES LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

CENTERRA FLEX TWO LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

CGM HOLDINGS LLC  
PO BOX 148  
LOVELAND, CO 80539

AUTOMOTIVE PROPERTIES AT CROSSROADS LLC  
4175 BYRD DR  
LOVELAND, CO 805387100

CENTERRA PROPERTIES WEST LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

CENTERRA FLEX ONE LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

TJX COMPANIES INC  
DBA MARSHALLS NO 328  
ATTN: INTL APPRAISALS/DOLORES  
110 PLEASANT AVE  
UPPER SADDLE RIVER, NJ 07458

POUDRE VALLEY HEALTH CARE INC  
DBA POUDRE VALLEY HEALTH SYSTEM  
2315 E HARMONY RD STE 200  
FORT COLLINS, CO 80528

CENTERRA OFFICE PARTNERS LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

BEEMER INVESTMENTS LLC  
4150 BYRD DR  
LOVELAND, CO 80538

MOUNTAIN VISTA PROPERTIES LLC  
155 BOARDWALK DR STE 400  
FORT COLLINS, CO 80525

BOYD LAKE LODGING LLC  
9100 E PANORAMA DR STE 300  
ENGLEWOOD, CO 80112

ETCHART JOSEPH O/JOHN N DBA THE N3  
COMPANY AKA N3 PARTNERSHIP  
PO BOX 429  
GLASGOW, MT 59230

CENTERRA RETAIL SHOPS LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

CENTERRA 502 SOUTH LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

ROCKY MOUNTAIN VILLAGE II LLLP  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 805388717

CENTERRA PROPERTIES WEST LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

409 CCR LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

CENTERRA OFFICE PARTNERS LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

BEEMER INVESTMENTS LLC  
4150 BYRD DR  
LOVELAND, CO 80538

CENTERRA GROUND LEASES LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

MOUNTAIN VISTA PROPERTIES LLC  
155 BOARDWALK DR STE 400  
FORT COLLINS, CO 80525



G AND I VI PROMENADE LLC  
C/O DRA ADVISORS LLC  
220 E 42ND ST  
NEW YORK, NY 10017

MEDICAL CENTER OF THE ROCKIES  
ATTN: ACCOUNTS PAYABLE  
2315 E HARMONY RD STE 200  
FORT COLLINS, CO 805288620

CITY OF LOVELAND  
500 E 3RD ST  
LOVELAND, CO 80537

CENTERRA OFFICE TECH I LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

ROCKY MOUNTAIN VILLAGE II LLLP  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 805388717

CENTERRA 502 LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

SAGE INVESTMENT PROPERTIES LLC  
ATTN: CHRISTINE WILSON  
C/O DUNN HENRITZE AND DIEHL  
148 REMINGTON ST  
FORT COLLINS, CO 80524

HOLLING FAMILY LLC/THE  
1625 FOXTRAIL DR UNIT 100  
LOVELAND, CO 805389089

SMP4 INVESTMENTS INC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

G AND I VI PROMENADE LLC  
C/O DRA ADVISORS LLC  
220 E 42ND ST  
NEW YORK, NY 10017

POUDRE VALLEY HEALTH CARE INC  
ATTN: ACCOUNTS PAYABLE  
2315 E HARMONY RD STE 200  
FORT COLLINS, CO 805288620

RMVFNB LLC  
C/O FIRST NATIONAL BUILDINGS  
1620 DODGE ST STOP 1150  
OMAHA, NE 681971150

ROCKY MOUNTAIN PLASTIC AND  
RECONSTRUCTIVE SURGERY PC  
2500 ROCKY MOUNTAIN AVE STE 2130  
LOVELAND, CO 80538

CENTERRA FLEX ONE LLC  
2725 ROCKY MOUNTIAN AVE STE 200  
LOVELAND, CO 80538

MOUNTAIN VISTA PROPERTIES LLC  
155 BOARDWALK DR STE 400  
FORT COLLINS, CO 80525

FDC OFFICE IV LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

COLORADO RETINA ASSOCIATES PC  
8101 E LOWRY BLVD STE 210  
DENVER, CO 80230

CENTERRA GROUND LEASES LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

HALLMARK RETAIL INC  
DBA AMYS HALLMARK NO 332  
ATTN: TAX DEPT TAX 407  
PO BOX 419479  
KANSAS CITY, MO 641416479

GREELEY AND LOVELAND IRRIGATION CO  
808 23RD AVE  
GREELEY, CO 80634

NMP3 INVESTMENTS LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

SKY POND BUSINESS PARK LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

CENTERRA OFFICE PARTNERS LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

HR ASSETS LLC  
C/O ALTUS GROUP  
PO BOX 92129  
SOUTHLAKE, TX 760920102

CROP PRODUCTION SERVICES INC  
3005 ROCKY MOUNTAIN AVE  
LOVELAND, CO 80538

GREELEY AND LOVELAND IRRIGATION CO  
828 23RD AVE  
GREELEY, CO 806345922

MCWHINNEY CHAD C TRUST(.8235)  
MCWHINNEY TROY C (.1765)  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 805388717

MILLBRAE SQUARE COMPANY  
717 BROADWAY  
MILLBRAE, CA 94030

MSS IV LLC  
8205 W 20TH ST  
GREELEY, CO 80634

FLATIRONS SPORTS MEDICINE LLC  
C/O TRACY FOX  
1615 FOXTRAIL DR UNIT A3  
LOVELAND, CO 80538

MAY DEPARTMENT STORES CO THE  
ATTN: PROPERTY/REAL ESTATE TAX  
7 W 7TH ST  
CINCINNATI, OH 45202

KOBE SUSHI INC  
C/O TAX ACCOUNTING SERVICE OFFICE  
333 S FEDERAL BLVD STE 207  
DENVER, CO 802192950

MCWHINNEY HOLDING COMPANY LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

GRAVICAL REAL ESTATE HOLDINGS LLC  
5101 FLORA ST  
GOLDEN, CO 80403

MOUNTAIN VISTA PROPERTIES LLC  
155 BOARDWALK DR STE 400  
FORT COLLINS, CO 80525

MEISMER ROBERT W/M CECILIA (.58)  
MAIN H AND L PROPERTY LLC (.42)  
3396 NEDERLAND DR  
LOVELAND, CO 80538

OB-GYN INVESTMENTS LLP  
PO BOX 92129  
SOUTHLAKE, TX 760920102

CARDIOVASCULAR AND THORACIC GROUP PLLC  
2500 ROCKY MOUNTAIN AVE STE 360  
LOVELAND, CO 80538

OTB ACQUISITION LLC  
DBA ON THE BORDER NO 187  
C/O MARVIN F POER & CO  
PO BOX 802206  
DALLAS, TX 753802206

GE JOHNSON CONSTRUCTION CO  
C/O DENNIS SINN  
25 N CASCADE AVE STE 400  
COLORADO SPRINGS, CO 80903

MONTAGNE DI GELATO INC  
DBA PACIUGO GELATO AND CAFFE  
8311 S LOUDEN CROSSING CT  
WINDSOR, CO 80528

INTERNATIONAL ENVIRONMENTAL MANAGEMENT  
C/O MARVIN F POER & CO  
PO BOX 802206  
DALLAS, TX 753802206

SELECT COMFORT RETAIL CORP  
NO 504  
9800 59TH AVE N  
MINNEAPOLIS, MN 55442

KENNEDY AND COE LLC  
PO BOX 1100  
SALINA, KS 674021100

MJB RV2 LLC/TWO M BUILDING PARTNERSHIP  
BROWNING RV2 LLC  
C/O MICHAEL J BROWNING  
PO BOX 458  
MIDDLETOWN, CA 95461

VOGUE LASER CLINIC LLC  
1625 FOXTRAIL DR STE 260  
LOVELAND, CO 80538

CHG MERIDIAN USA CORP  
C/O PROPERTY TAX DEPT  
7303 SE LAKE RD  
PORTLAND, OR 97267

D AND S LLC  
5524 E COUNTY ROAD 56  
FORT COLLINS, CO 80524

CENTERRA GROUND LEASES LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

DYNAMIC MORTGAGE CONCEPTS INC  
PO BOX 273228  
FORT COLLINS, CO 805273228

MEDICAL CENTER OF THE ROCKIES  
C/O PAM JOHNSON/PVHS  
2315 E HARMONY RD STE 200  
FORT COLLINS, CO 80528

NATIONAL CINEMEDIA INC  
NO 8589  
9110 E NICHOLS AVE STE 200  
CENTENNIAL, CO 80112

SCARF OF ROCKY INC  
3501 STOVER ST APT 189  
FORT COLLINS, CO 80525

HAT WORLD INC  
DBA LIDS NO 5835  
ATTN: PROPERTY TAX DEPT  
7555 WOODLAND DR  
INDIANAPOLIS, IN 46278

MEDICAL CENTER OF THE ROCKIES  
2500 ROCKY MOUNTAIN AVE  
LOVELAND, CO 80538

REGIS UNIVERSITY  
FKA REGIS COLLEGE  
C/O FINANCIAL SERVICES  
3333 REGIS BLVD  
DENVER, CO 80221

UNIVERSAL PROTECTION SERVICE  
5971 SKY POND DR STE OFC  
LOVELAND, CO 805380000

CNR HOT GRILLED SUBS INC  
DBA CHARLEYS GRILLED SUB  
993 READING ST  
BARTLETT, IL 601034558

MACYS WEST STORES INC  
SHOPS AT CENTERRA  
PROPERTY TAX DEPT  
7 W 7TH ST  
CINCINNATI, OH 45202

AIR LIQUIDE INDUSTRIAL US LP  
PO BOX 460149  
HOUSTON, TX 770568149

BARNES AND NOBLE BOOKSELLERS INC  
DBA BARNES AND NOBLE CENTERRA NO 2231  
TAX DEPT  
120 MOUNTAIN VIEW BLVD  
BASKING RIDGE, NJ 07920

COLORADO SLEEP CENTER OF THE  
ROCKIES PLLC  
2500 ROCKY MOUNTAIN AVE STE 310  
LOVELAND, CO 80538

STAFFING SOLUTIONS SOUTHWEST INC  
ATTN: TAX DEPT  
222 W LAS COLINAS BLVD STE 250E  
IRVING, TX 75039

FARNAM STREET FINANCIAL INC  
5850 OPUS PKWY STE 240  
MINNETONKA, MN 55343

SERENITY FINE CLOTHING  
6055 SKY POND DR P130  
LOVELAND, CO 80538

SERENITY FINE CLOTHING  
6055 SKY POND DR P130  
LOVELAND, CO 80538

BED BATH AND BEYOND INC  
NO 1147  
ATTN: TAX DEPT  
650 LIBERTY AVE  
UNION, NJ 07083

ANN TAYLOR RETAIL INC  
DBA ANN TAYLOR LOFT NO 1488  
PO BOX 52307  
ATLANTA, GA 303550307

CHICOS FAS INC  
DBA WHITE HOUSE BLACK MARKET NO 3292  
IND TAX SOLUTIONS  
PO BOX 159  
PICKERINGTON, OH 43147

FINDING SERENITY LLC  
DBA MASSAGE HEIGHTS  
5865 SKY POND DR STE G112  
LOVELAND, CO 80538

AEROPOSTALE INC  
DBA AEROPOSTALE NO 956  
ATTN: ACCOUNTING DEPT  
125 CHUBB AVE FL 5  
LYNDHURST, NJ 070713504

GYMBOREE RETAIL STORES INC  
NO 01606  
C/O TAX DEPT  
500 HOWARD ST  
SAN FRANCISCO, CA 941053000

CHARLOTTE RUSSE HOLDINGS INC  
DBA CHARLOTTE RUSSE NO 368  
C/O OUTSOURCING SOLUTIONS GROUP  
630 N CENTRAL EXPY STE A  
PLANO, TX 750746897

OLD WORLD FOODS LLC  
DBA CAFÉ ATHENS  
1601 EIGER RD  
LIVERMORE, CO 80536

MCWHINNEY HOLDING COMPANY LLLP (55960)  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

CHILDRENS PLACE RETAIL STORES INC/THE  
CHILDRENS PLACE NO 1835/THE  
PO BOX 59365  
SCHAUMBURG, IL 601590365

MAURICES INC  
NO 1621  
105 W SUPERIOR ST  
DULUTH, MN 55802

P F CHANGS CHINA BISTRO INC  
NO 9981  
ATTN: TAX DEPT/JACKIE  
7676 E PINNACLE PEAK RD  
SCOTTSDALE, AZ 85255

DOGS DOG OWNERS GENERAL STORE LLC  
5971 SKY POND DR STE C100  
LOVELAND, CO 80538

ENCOMPASS MEDICAL PARTNERS LLC  
PO BOX 271430  
FORT COLLINS, CO 805271430

MEDICINE BOW LOG AND LODGE FURNITURE  
DBA MEDICINE BOW FURNISHINGS  
5406 CHAPARRAL DR  
LARAMIE, WY 82070

YANKEE CANDLE COMPANY INC/THE  
NO 360  
PO BOX 54467  
LEXINGTON, KY 40555

HR ASSETS LLC  
C/O ALTUS GROUP  
PO BOX 92129  
SOUTHLAKE, TX 760920102

HARMONY IMAGING CENTER LLC  
DBA IMAGING CENTER AT CENTERRA/THE  
C/O PROPERTY VALUATION SERVICES  
14400 METCALF AVE  
OVERLAND PARK, KS 66223

POUDRE VALLEY MEDICAL GROUP LLC  
C/O PAM JOHNSON/PVHS  
2315 E HARMONY RD STE 200  
FORT COLLINS, CO 805283144

CENTERRA FLEX TWO LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

MEYER NATURAL ANGUS LLC  
C/O ACCOUNTS PAYABLE  
4850 HAHNS PEAK DR UNIT 240  
LOVELAND, CO 805386010

SUNGLASS HUT TRADING CORP  
DBA SUNGLASS HUT TRADING NO 5040  
C/O MARVIN F POER & CO  
PO BOX 802206  
DALLAS, TX 753802206

POUDRE VALLEY HEALTH CARE INC  
ATTN: ACCOUNTS PAYABLE  
2315 E HARMONY RD STE 200  
FORT COLLINS, CO 805288620

SWH/MIMIS CAFE LLC  
DBA MIMIS CAFE NO 95  
LE DUFF AMERICA  
12201 MERIT DR STE 800  
DALLAS, TX 75251

TT OF FORT COLLINS INC  
4040 BYRD DR  
LOVELAND, CO 80538

MASSAGE ENVY SPA  
1657 ROCKY MOUNTAIN AVE  
LOVELAND, CO 80538

VISTACARE USA LLC  
ATTN: TAX DEPT  
3350 RIVERWOOD PKWY STE 1400  
ATLANTA, GA 30339

CHARMING SHOPS INC  
DBA LANE BRYANT LLC NO 6490  
C/O NEW HORIZONS PTG LLC  
840 N MOSELEY RD  
COLCORD, OK 74338

KAIYUN LLC  
DBA SPORTCLIPS HAIRCUTS  
5213 MAYWOOD CT  
WINDSOR, CO 80550

SAMSUNG TELECOM AMERICA LLC  
1300 SW 5TH AVE STE 3800  
PORTLAND, OR 97201

IDEXX DISTRIBUTION INC  
C/O RYAN LLC  
PO BOX 4900 DEPT 602  
SCOTTSDALE, AZ 852614900

EDDIE BAUER LLC  
NO 938  
C/O MARVIN F POER & CO  
PO BOX 802206  
DALLAS, TX 753802206

BEST BUY STORES LP  
BEST BUY NO 693  
C/O MARVIN F POER & CO  
PO BOX 802206  
DALLAS, TX 753802206

NUMERICA CORPORATION  
C/O AUBREY & JENNIFER POORE  
4850 HAHNS PEAK DR UNIT 200  
LOVELAND, CO 80538

BUILD A BEAR WORKSHOP INC  
NO 207  
1954 INNERBELT BUSINESS CENTER DR  
SAINT LOUIS, MO 63114

CPR OF LOVELAND LLC  
C/O KATHY BURKS  
2511 AMBER DR  
LOVELAND, CO 80537

G AND I VI PROMENADE LLC  
DBA PROMENADE SHOPS AT CENTERRA/THE  
C/O POAG LIFESTYLE CENTERS LLC  
2650 THOUSAND OAKS BLVD STE 3150  
MEMPHIS, TN 38118

GRAVICAL REAL ESTATE HOLDINGS LLC  
5101 FLORA ST  
GOLDEN, CO 80403

CHICK FIL A INC  
NO 1888  
ATTN: TAX DEPT  
5200 BUFFINGTON RD  
ATLANTA, GA 30349

HEALTHCARE REALTY SERVICES INC  
3310 W END AVE STE 700  
NASHVILLE, TN 37203

MERCEDES BENZ USA LLC  
NO 8119  
ONE MERCEDES DR  
MONTVALE, NJ 07645

ETCHART JOSEPH O/JOHN N DBA THE N3  
COMPANY AKA N3 PARTNERSHIP  
PO BOX 429  
GLASGOW, MT 59230

FOUNDATIONS COUNSELING LLC  
1635 FOXTRAIL DR  
LOVELAND, CO 80538

PACIFIC SUNWEAR STORES CORP  
DBA PACSUN NO 802  
3450 E MIRALOMA AVE  
ANAHEIM, CA 928062101

CHARLOTTE RUSSE HOLDINGS INC  
DBA CHARLOTTE RUSSE NO 368  
C/O OUTSOURCING SOLUTIONS GROUP  
630 N CENTRAL EXPY STE A  
PLANO, TX 750746897

CHRISTOPHER AND BANKS INC  
NO 656  
2400 XENIUM LN N  
PLYMOUTH, MN 55441



THE FINISH LINE INC  
NO 696  
ATTN: TAX DEPT  
3308 N MITTHOEFFER RD  
INDIANAPOLIS, IN 46235

TOWN AND COUNTRY DEVELOPMENT  
CORPORATION  
DBA KEY PEOPLE COMPANY/THE  
777 S WADSWORTH BLVD STE 3-102  
LAKEWOOD, CO 80226

PORTRAIT INNOVATIONS INC  
NO 52  
2016 AYRSLEY TOWN BLVD STE 200  
CHARLOTTE, NC 28273

PAYLESS SHOESOURCE INC  
NO 200151  
ATTN: CHERYL FALK/TAX DEPT  
PO BOX 1249  
TOPEKA, KS 666011249

MORGAN STANLEY SMITH BARNEY LLC  
DBA MORGAN STANLEY SMITH BARNEY  
ATTN: HETAL DHARIA  
750 SEVENTH AVE 20TH FLR  
NEW YORK, NY 10019

YOUNGS ELECTRIC SIGN CO  
2401 FOOTHILL DR  
SALT LAKE CITY, UT 84109

ANDERSON LOVELAND LLC  
C/O JAMES E ANDERSON  
6876 COUNTY ROAD 5  
ERIE, CO 805169215

GAMESTOP INC  
NO 2876  
C/O MARVIN F POER & CO  
PO BOX 802206  
DALLAS, TX 753802206

ALCON  
C/O RYAN LLC  
13155 NOEL RD STE 100 LB 73  
DALLAS, TX 75240

NEW YORK AND COMPANY  
NO 807  
C/O SMART AND ASSOCIATES LLP  
PO BOX 59365  
SCHAUMBURG, IL 601590365

THRIVENT FINANCIAL FOR LUTHERANS  
MAIL STOP 1370  
625 4TH AVE S  
MINNEAPOLIS, MN 55415

SEES CANDIES INC  
NO C0003  
210 EL CAMINO REAL  
SOUTH SAN FRANCISCO, CA 94080

AGRIUM ADVANCED TECHNOLOGIES US INC  
2915 ROCKY MOUNTAIN AVE STE 400  
LOVELAND, CO 80538

CROWN POINT SOLUTIONS LC  
DBA CROWN POINT SOLUTIONS  
ATTN: MICHAEL BREN  
2913 SOUTHMOOR DR  
FORT COLLINS, CO 80525

NICK DAVIDSON INC  
DBA DAVIDSON GEBHARDT CHEVROLET/SUBARU  
PO BOX 148  
LOVELAND, CO 80539

FORMAL SPECIALISTS LTD  
DBA ALS FORMAL WEAR NO 603  
C/O BURNITT PROPERTY TAX ADVISORS  
16840 BARKER SPRINGS RD STE 301  
HOUSTON, TX 77084

GEORGE HOLLING DDS MS PC  
1625 FOXTRAIL DR STE 100  
LOVELAND, CO 80538

SALLY BEAUTY SUPPLY LLC  
DBA SALLY BEAUTY SUPPLY NO 3602  
ATTN: TAX DEPT  
PO BOX 90220  
DENTON, TX 76202

SHOE CARNIVAL INC  
NO 382  
ATTN: TAX DEPT  
7500 E COLUMBIA ST  
EVANSVILLE, IN 47715

WADSWORTH OLD CHICAGO INC  
DBA OLD CHICAGO NO 70  
C/O ROCK BOTTOM RESTAURANTS INC  
8001 ARISTA PL STE 500  
BROOMFIELD, CO 80021

HESKA CORPORATION  
3760 ROCKY MOUNTAIN AVE  
LOVELAND, CO 80538

D AND M AUTOMOTIVE INC  
DBA CROSSROADS HYUNDAI  
3835 S COLLEGE AVE  
FORT COLLINS, CO 80525

ZUMIEZ INC  
NO 156  
4001 204TH ST SW  
LYNNWOOD, WA 980366864

J JILL LLC  
NO 188  
C/O ALTUS GROUP US INC  
930 W 1ST ST STE 303  
FORT WORTH, TX 76102

LUXOTTICA RETAIL NORTH AMERICA INC  
DBA LENSRAFTERS NO 2766  
C/O MARVIN F POER & CO  
PO BOX 802206  
DALLAS, TX 753802206

ROSS DRESS FOR LESS INC  
DBA ROSS DRESS FOR LESS NO 1056  
5130 HACIENDA DR FL 3  
DUBLIN, CA 945687598

BROWN GROUP RETAIL INC  
DBA FAMOUS FOOTWEAR NO 62457  
C/O CORP TAX DEPT  
PO BOX 360  
SAINT LOUIS, MO 63166

WALNUT BREWERY INC  
DBA ROCK BOTTOM BREWERY NO 1092  
C/O ROCK BOTTOM RESTAURANTS INC  
8001 ARISTA PL STE 500  
BROOMFIELD, CO 80021

GENERAL NUTRITION CENTER  
NO 8431  
PO BOX 548  
GLEN ROCK, NJ 07452

TEN ENTERPRISES LLC  
DBA TEN SALON AND SPA  
C/O GIL MERME  
2009 STOVER ST  
FORT COLLINS, CO 80525

PERFECT TEETH CENTERRA PC  
1777 S HARRISON ST STE 1400  
DENVER, CO 802103937

MERRICK AND COMPANY  
ATTN: LORETTA ADAMS  
5970 GREENWOOD PLAZA BLVD  
GREENWOOD VILLAGE, CO 80111

VEROXITY TECHNOLOGY PARTNERS LLC  
C/O LIGHTTOWER FIBER NETWORKS  
ATTN: TAX  
80 CENTRAL AVE  
BOXBOROUGH, MA 017191245

FORT COLLINS WOMENS CLINIC PC  
DBA WOMENS CLINIC OF NORTHERN COLORADO  
1107 S LEMAY AVE STE 300  
FORT COLLINS, CO 80524

MINNESOTA REGIS CORP  
DBA REGIS SALON NO 1163  
ATTN: TAX DEPT  
7201 METRO BLVD  
MINNEAPOLIS, MN 55439

FRANCESCAS COLLECTION NO 45  
8760 CLAY RD  
HOUSTON, TX 77080

LIMITED BRANDS  
DBA BATH AND BODY WORKS NO 4532  
C/O GRANT THORNTON LLP  
PO BOX 59365  
SCHAUMBURG, IL 601590365

PVHS HOME MEDICAL SUPPLY INC  
1420 RIVERSIDE AVE STE 108  
FORT COLLINS, CO 80524

VICTORIAS SECRET STORES LLC  
DBA: VICTORIA'S SECRET STORES  
C/O GRANT THORNTON LLP  
PO BOX 59365  
SCHAUMBURG, IL 601590365

HELZBERG DIAMOND SHOPS INC  
DBA HELZBERG DIAMONDS NO 307  
C/O SMART  
PO BOX 59365  
SCHAUMBURG, IL 601590365

BIAGGIS RISTORANTE ITALIANO LLC  
1705 CLEARWATER AVE  
BLOOMINGTON, IL 61704

TT OF FORT COLLINS INC  
DBA MERCEDES BENZ OF LOVELAND  
ATTN: TAMI MENK  
4040 BYRD DR  
LOVELAND, CO 80538

JAZZ BASKETBALL INVESTORS INC  
DBA FANZZ  
3775 W CALIFORNIA AVE STE 100  
SALT LAKE CITY, UT 841046599

A CARING DOCTOR MINNESOTA  
DBA BANFIELD PET HOSPITAL NO 1309  
ATTN: TAX AND LICENSING  
PO BOX 13998  
PORTLAND, OR 97213

THRIVENT FINANCIAL FOR LUTHERANS  
MAIL STOP 1370  
625 4TH AVE S  
MINNEAPOLIS, MN 55415

AIRGAS USA LLC  
CENTRAL DIVISION  
C/O AIRGAS INC CORPORATE TAX DEPT  
PO BOX 6675  
RADNOR, PA 190878675

FRONT RANGE BUSINESS CENTERS LLC  
1635 FOXTRAIL DR  
LOVELAND, CO 80538

CHRISTOPHER AND BANKS INC  
DBA CJ BANKS  
2400 XENTUM LN N  
PLYMOUTH, MN 55441

CROP PRODUCTION SERVICES INC  
CPS CORP ADMIN  
ATTN: TAX DEPT  
3005 ROCKY MOUNTAIN AVE  
LOVELAND, CO 80538

BOYD LAKE LODGING LLC  
DBA RESIDENCE INN BY MARRIOT  
9100 E PANORAMA DR STE 300  
ENGLEWOOD, CO 801127207

5STAR SALON DEVELOPMENT LLC  
DBA 5STAR NAILS AND SPA  
1550 FALL RIVER DR STE 150  
LOVELAND, CO 80538

BEANS TALK LTD  
DBA COLORADO COFFEE COMPANY  
3700 GULL WAY  
FORT COLLINS, CO 80525

ZALE DELAWARE INC  
TAX DEPT  
PO BOX 152777  
IRVING, TX 750152777

C AND J CLARK RETAIL INC  
DBA CLARKS SHOES NO 575  
ATTN: TAX DEPT  
156 OAK ST  
NEWTON UPPER FALLS, MA 02464

CLAIRES BOUTIQUES INC  
DBA CLAIRES NO 6413  
ATTN: TAX DEPT  
3 SW 129TH AVE  
PEMBROKE PINES, FL 33027

GYMBOREE RETAIL STORES INC  
DBA CRAZY 8 NO 86257  
ATTN: TAX DEPT  
500 HOWARD ST  
SAN FRANCISCO, CA 94105

KFHP OF CO  
2500 S HAVANA ST  
AURORA, CO 80014

LOVELAND DENTAL GROUP LLP  
ATTN: TAX DEPT PDS  
PO BOX 6107  
NORCO, CA 92860

JOS A BANK NO 573  
ATTN: TAX DEPT  
500 HANOVER PIKE  
HAMPSTEAD, MD 21074

FRONT RANGE BUSINESS CENTERS LLC  
1635 FOXTRAIL DR  
LOVELAND, CO 80538

MINI OF LOVELAND  
4150 BYRD DR  
LOVELAND, CO 805389044

CHIPOTLE MEXICAN GRILL INC  
NO 0780  
C/O MARVIN F POER & CO PP DEPT  
PO BOX 802206  
DALLAS, TX 753802206

KING FOGLE INC  
DBA KING BUICK PONTIAC GMC  
4175 BYRD DR  
LOVELAND, CO 80538

PROFESSIONAL PHARMACY SERVICES INC  
DBA GOOD DAY PHARMACY MCR  
3780 E 15TH ST STE 102  
LOVELAND, CO 80538

METROPOLITAN THEATRES CORPORATION  
DBA METROLUX THEATRES  
8727 W 3RD ST  
LOS ANGELES, CA 90048

METROPOLITAN THEATRES CORPORATION  
DBA METROLUX THEATRES  
8727 W 3RD ST  
LOS ANGELES, CA 90048

BMW OF NORTH AMERICA LLC  
ATTN: TAX DEPT  
PO BOX 1227  
WESTWOOD, NJ 076751227

FORT COLLINS YOUTH CLINIC PC  
1200 E ELIZABETH ST  
FORT COLLINS, CO 80524

CONSTANT CONTACT INC  
RESERVOIR PLACE  
1601 TRAPELO RD STE 329  
WALTHAM, MA 02451

CC SERVICES INC  
DBA COUNTRY FINANCIAL  
1711 GE RD FL 3  
BLOOMINGTON, IL 61704

VSM SEWING INC  
NO 628  
1224 HEIL QUAKER BLVD  
LA VERGNE, TN 37086

STAPLES THE OFFICE SUPERSTORE LLC  
NO 1422  
ATTN: TAX DEPT  
PO BOX 9275  
FRAMINGHAM, MA 01702

EYE CENTER OF NORTHERN COLORADO  
6125 SKY POND DR  
LOVELAND, CO 80538

SPENCER GIFTS LLC  
C/O GRANT THORNTON LLC  
PO BOX 59365  
SCHAUMBURG, IL 60159

AE RETAIL WEST LLC  
DBA AMERICAN EAGLE OUTFITTERS NO 2082  
C/O MARVIN F POER & CO  
PO BOX 802206  
DALLAS, TX 753802206

CENTERRA COMMERCIAL LLC/NORTHERN CO FITN  
DBA MIRAMONT LIFESTYLE FITNESS CENTERRA  
3755 PRECISION DR STE 1  
LOVELAND, CO 80538

BEEMER INVESTMENTS LLC  
4150 BYRD DR  
LOVELAND, CO 80538

DMP PROPERTIES LLC  
4524 ROARING FORK CT  
LOVELAND, CO 80538

EAGLEMED LLC  
DBA AIR LINK AT MEDICAL CNTR OF THE RCKS  
209 STATE HWY 121 BYPASS STE 11  
LEWISVILLE, TX 75067

THE BINDING SITE INC  
C/O KPMG LLP  
1300 SW 5TH AVE STE 3800  
PORTLAND, OR 97201

COS BMW CENTER  
4150 BYRD DR  
LOVELAND, CO 80538

SIEMENS HEALTHCARE DIAGNOSTICS INC  
C/O DUCHARME MCMILLEN AND ASSOC  
PO BOX 80615  
INDIANAPOLIS, IN 46280

COLORADO HEALTH MEDICAL GROUP  
PULMONOLOGY  
C/O PAM JOHNSON  
2315 E HARMONY RD STE 200  
FORT COLLINS, CO 805283144

BREADS OF THE WORLD  
DBA PANERA BREAD NO 3081  
2433 S HANLEY RD  
SAINT LOUIS, MO 63144

EAGLEMED LLC  
DBA AIR LINK AT MEDICAL CNTR OF THE RCKS  
209 STATE HWY 121 BYPASS STE 11  
LEWISVILLE, TX 75067

WELLS FARGO BANK NA  
DBA WELLS FARGO HOME MORTGAGE INC  
C/O RYAN LLC  
PO BOX 2609  
CARLSBAD, CA 920182609

DL PETERSON TRUST  
PO BOX 13085  
BALTIMORE, MD 21203

WELLS FARGO EQUIPMENT FINANCE INC  
733 MARQUETTE AVE STE 700  
MINNEAPOLIS, MN 55402

TWEEN BRANDS INC  
DBA JUSTICE STORES NO 972  
GRANT THORNTON LLP  
PO BOX 59365  
SCHAUMBURG, IL 601590365

BECKMAN COULTER INC  
11800 SW 147 AVE M/C 32B05  
MIAMI, FL 33196

WELLS FARGO BANK NA  
NO 102482  
C/O RYAN LLC  
PO BOX 2609  
CARLSBAD, CA 920182609

NOODLES AND CO  
NO 133  
C/O KE ANDREWS  
1900 DALROCK RD  
ROWLETT, TX 75088

HR ASSETS LLC  
C/O ALTUS GROUP  
PO BOX 92129  
SOUTHLAKE, TX 760920102

PRESIDENTIAL BROKERAGE INC  
DBA AMERICAS RETIREMENT STORE  
5445 DTC PKWAY STE 110G  
GREENWOOD VILLAGE, CO 80111

JUMPIN INC  
6055 SKY POND DR P100  
LOVELAND, CO 80538

TWEEN BRANDS INC  
DBA: JUSTICE STORES  
GRANT THORNTON LLP  
PO BOX 59365  
SCHAUMBURG, IL 601590365

ORTHOHELIX SURGICAL DESIGNS INC  
10801 NESBITT AVE  
BLOOMINGTON, MN 55437

DMP PROPERTIES LLC  
4524 ROARING FORK CT  
LOVELAND, CO 80538

HR ASSETS LLC  
C/O ALTUS GROUP  
PO BOX 92129  
SOUTHLAKE, TX 760920102

KENNEDY AND COE WEALTH MANAGEMENT LLC  
PO BOX 1100  
SALINA, KS 674021100

MARYS MOUNTAIN COOKIES  
6055 SKY POND DR STE P160  
LOVELAND, CO 80538

PHILIPS MEDICAL CAPITAL LLC  
1111 OLD EAGLE SCHOOL RD  
WAYNE, PA 19087

ETCHART JOSEPH O/JOHN N DBA THE N3  
COMPANY AKA N3 PARTNERSHIP  
PO BOX 429  
GLASGOW, MT 59230

FIRST NATIONAL BANK  
1620 DODGE ST STE 1150  
OMAHA, NE 681970003

THE HOLLING FAMILY LLC  
1625 FOXTRAIL DR STE 100  
LOVELAND, CO 80538

EYE CENTER OF NORTHERN COLORADO  
LEASING PARTNERSHIP  
6125 SKY POND DR  
LOVELAND, CO 80538

NEC FINANCIAL SERVICES LLC  
C/O RYAN TAX COMPLIANCE SERVICES LLC  
PO BOX 4900 DEPT 345  
SCOTTSDALE, AZ 852614900

RED ROBIN INTERNATIONAL INC  
DBA RED ROBIN GOURMET BURGERS NO 419  
ATTN: TAX DEPT  
6312 S FIDDLERS GREEN CIR STE 200N  
GREENWOOD VILLAGE, CO 80111

MAXIMUM BOUTIQUE LLC  
5855 SKY POND DR F106  
LOVELAND, CO 80538

HR ASSETS LLC  
C/O ALTUS GROUP  
PO BOX 92129  
SOUTHLAKE, TX 760920102

NAMCO ENTERTAINMENT INC  
712 N CENTRAL AVE NO B  
WOOD DALE, IL 60191

KENNEDY AND COE WEALTH MANAGEMENT LLC  
PO BOX 1100  
SALINA, KS 674021100



THE BUCKLE INC  
NO 355  
ATTN: CAMI  
PO BOX 1480  
KEARNEY, NE 68848

OLYMPUS AMERICA INC  
C/O GRANT THORNTON LLP  
PO BOX 59365  
SCHAUMBURG, IL 601590365

ETCHART J O/J N (.50)FRONTIER GRP(.1850)  
LUCAS R J/D L (.1575) HAHN C (.1575)  
C/O PETER PAGE FRONTIER GROUP LLC  
PO BOX 988  
LAMAR, CO 81052

EXPRESS FASHION OPERATIONS LLC  
DBA EXPRESS FASHION 660  
IN TAX SOLUTIONS  
PO BOX 159  
PICKERINGTON, OH 43147

PETSMART INC  
NO 1309  
C/O RYAN LLC  
PO BOX 4900  
SCOTTSDALE, AZ 852614900

GAP INC AND SUBS  
DBA BANANA REPUBLIC NO 08308  
ATTN: PROPERTY TAX DEPT  
PO BOX 27809  
ALBUQUERQUE, NM 87102

JOANN STORES LLC  
DBA JOANN FABRIC AND CRAFT STORE NO 2124  
ATTN: TAX DEPT  
5555 DARROW RD  
HUDSON, OH 44236

331 1/3 LLC  
DBA BENT FORK GRILL  
5971 SKY POND DR  
LOVELAND, CO 80538

GAP INC AND SUBS  
DBA GAP NO 00848  
ATTN: PROPERTY TAX DEPT  
PO BOX 27809  
ALBUQUERQUE, NM 87125

FRONT RANGE CENTER FOR BRAIN AND  
SPINE SURGERY PC  
2500 ROCKY MOUNTAIN AVE STE 350  
LOVELAND, CO 80538

STARBUCKS CORPORATION  
DBA STARBUCKS COFFEE NO 17663  
PO BOX 34442 M/S S-TAX3  
SEATTLE, WA 981241442

GAP INC AND SUBS  
DBA OLD NAVY NO 05066  
ATTN: PROPERTY TAX DEPT  
PO BOX 27809  
ALBUQUERQUE, NM 87125

STERLING JEWELERS INC  
DBA KAY JEWELERS NO 2637  
375 GHENT RD  
AKRON, OH 44333

DICKS SPORTING GOODS INC  
NO 258  
ATTN: TAX DEPT  
345 COURT ST  
CORAOPOLIS, PA 151083817

PETSMART INC  
NO 1309  
C/O RYAN LLC  
PO BOX 4900  
SCOTTSDALE, AZ 852614900

PIER ONE IMPORTS US INC  
DBA PIER ONE IMPORTS 1468  
12720 HILLCREST RD 1010  
DALLAS, TX 75230

ASSOCIATES INVESTMENTS LLC  
3702 AUTOMATION WAY STE 103  
FORT COLLINS, CO 80525

BEEMER INVESTMENTS LLC  
4150 BYRD DR  
LOVELAND, CO 80538

DOWNSMORE LLC  
1655 E LAYTON DR  
ENGLEWOOD, CO 80113

HOSPIRA WORLDWIDE INC  
C/O DUCHARME MCMILLEN AND ASSOC  
PO BOX 80615  
INDIANAPOLIS, IN 462800615

CIP 401 INVESTMENTS LLC  
2725 ROCKY MOUNTAIN AVE STE 200  
LOVELAND, CO 80538

STERLING JEWELERS INC  
DBA JARED GALLERIA OF JEWELRY NO 2473  
375 GHENT RD  
AKRON, OH 44333

GREENTREE ENTERPRISES LLLP  
3301 SHORE RD  
FORT COLLINS, CO 80524

### Three Mile Radius

City of Loveland  
500 East Third Street  
Loveland, Co 80537

Larimer County  
P. O. Box 1190  
Fort Collins, CO 80522

Larimer County Pest Control  
P. O. Box 1190  
C/O Larimer County  
Fort Collins, CO 80521

Northern Colorado Water Conservancy District  
Mr. Eric Wilkinson  
220 Water Avenue  
Berthoud, CO 80513-9245

Thompson R-2J School District  
2890 N. Monroe Avenue  
Loveland, CO 80537

Thompson Valley Health Services District  
4480 Clydesdale Parkway  
Loveland, CO 80538

US 34/Crossroads Corridor Renewal Plan  
City of Loveland-Long Range Plng.  
500 East Third  
Loveland, CO 80537

Little Thompson Water District  
835 East Highway 56  
Drawer G  
Berthoud, CO 80513

Poudre River Public Library District  
c/o Seter & Vander Wall P.C.  
7400 E. Orchard Rd., Ste. 3300  
Greenwood Village, CO 80111

Health District of Northern Larimer County  
120 Bristlecone Drive  
Fort Collins, CO 80524

Poudre R-1 School District  
2407 La Porte Avenue  
Fort Collins, CO 80521-2297

Poudre Valley Fire Protection District  
102 Remington Street  
Fort Collins, CO 80524

Fort Collins - Loveland Water District  
5150 Snead Drive  
Fort Collins, CO 80525-3764

Larimer County P.I.D. No. 26  
Larimer County Engineering Dept.  
P.O. Box 1190  
Fort Collins, CO 80522

Thompson Crossing Metropolitan Districts Nos. 1 & 2  
C/O Gregory A. White, Esq.  
North Park Place  
1423 West 29<sup>th</sup> Street  
Loveland, CO 80538

Town Of Johnstown  
P. O. Box 609  
Johnstown, CO 80534

Fort Collins Regional Library District  
201 Peterson Street  
Fort Collins, CO 80524

Thompson Crossing Metropolitan Districts Nos. 3 – 6  
C/O T. Edward Icenogle, Esq.  
Icenogle, Norton, Smith, Gilida & Pogue, P.C.  
1331 17<sup>th</sup> Street, Suite 500  
Denver, CO 80202

Larimer County P.I.D. No. 34  
C/O Larimer County Engineering Dept.  
P.O. Box 1190  
Fort Collins, CO 80522

Larimer County P.I.D. No. 27  
C/O Larimer County Engineering Dept.  
P.O. Box 1190  
Fort Collins, CO 80522

Highpointe Vista Metropolitan Districts Nos. 1 & 2  
C/O Alan D. Pogue, Esq.  
Icenogle, Norton, Smith, Gilida & Pogue, P.C.  
1331 17<sup>th</sup> Street, Suite 500  
Denver, CO 80202

Thompson Rivers Park and Recreation District  
110 South Centennial Drive, Suite A  
Milliken, CO 80534

Johnstown North Metropolitan Districts Nos. 1 – 3  
C/O Alan D. Pogue, Esq.  
Icenogle, Norton, Smith, Gilida & Pogue, P.C.  
1331 17<sup>th</sup> Street, Suite 500  
Denver, CO 80202

Johnstown Fire Protection District  
1013 North Second Street  
Johnstown, CO 80534

Aims Community College  
P.O. Box 69  
Greeley, CO 80532

Johnstown – Milliken RE5-J School District  
110 South Centennial Drive, Suite A  
Milliken, CO 80534

Division of Local Government  
1313 Sherman Street  
Room 521  
Denver, CO 80203

**EXHIBIT C**  
**AFFIDAVIT OF PUBLICATION**

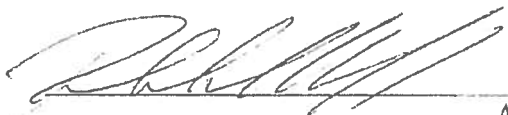
# AFFIDAVIT OF PUBLICATION

# REPORTER-HERALD

State of Colorado  
County of Larimer

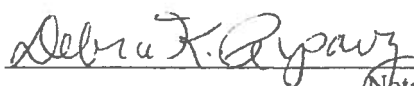
I, the undersigned agent, do solemnly swear that the LOVELAND REPORTER-HERALD is a daily newspaper printed, in whole or in part, and published in the City of Loveland, County of Larimer, State of Colorado, and which has general circulation therein and in parts of Larimer and Weld counties; that said newspaper has been continuously and uninterruptedly published for a period of more than six months next prior to the first publication of the annexed legal notice of advertisement, that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879, or any, amendments thereof, and that said newspaper is a daily newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado; that a copy of each number of said newspaper, in which said notice of advertisement was published, was transmitted by mail or carrier to each of the subscribers of said newspaper, according to the accustomed mode of business in this office.

The annexed legal notice or advertisement was published in the regular and entire edition of said daily newspaper once; and that one publication of said notice was in the issue of said newspaper dated July 16, 2014.



Agent

Subscribed and sworn to before me this 21st day of July, 2014, in the County of Larimer, State of Colorado.



Notary Public

Account #222605  
Ad #5624200  
Fee \$29.17

DEBRA K RYSAVY  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID # 18934008283  
MY COMMISSION EXPIRES APRIL 30, 2017

## NOTICE OF PUBLIC HEARING

IN RE REQUEST FOR MATERIAL  
MODIFICATION TO SERVICE PLAN FOR  
CENTERRA METROPOLITAN DISTRICTS  
NOS. 1 - 4, CITY OF LOVELAND, COUNTY OF  
LARIMER, STATE OF COLORADO

PUBLIC NOTICE IS HEREBY GIVEN that there has been filed with the Loveland City Council, State of Colorado, a request for a material modification to the Service Plan for Centerra Metropolitan Districts Nos. 1 - 4 (the "Districts"). Pursuant to Section 1A.4. of the Service Plan, boundary adjustments which add to or subtract from the total acreage of the Districts, shall be considered a material modification of the Service Plan and shall require the approval of the City Council. Centerra Metropolitan District No. 1 has received or anticipates receiving petitions to include certain real property into its boundaries. Such real property subject to inclusion is generally located north of U.S. Highway 34, east of Boyd Lake Avenue, and west of I-25 in the Centerra and The Lakes at Centerra developments in the City of Loveland, Colorado. No mill levy will be imposed on the property included into Centerra Metropolitan District No. 1 without Loveland City Council consent.

NOTICE IS HEREBY FURTHER GIVEN that the Loveland City Council will hold a public hearing at 8:30 p.m. on August 6, 2014, at the City Council Chambers, Loveland Civic Center, 500 East Third Street, Loveland, Colorado, for the purpose of considering the request for a material modification to the Service Plan and to form a basis for adopting a Resolution approving, disapproving or conditionally approving the request for a material modification to the Service Plan. All protests and objections must be submitted in writing to the Loveland City Council at or prior to the public hearing or any continuance or postponement thereof in order to be considered.

BY ORDER OF THE LOVELAND CITY COUNCIL

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**CITY OF LOVELAND**  
CITY ATTORNEY'S OFFICE

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**AGENDA ITEM:** 17  
**MEETING DATE:** 8/5/2014  
**TO:** City Council  
**FROM:** Judy Schmidt, City Attorney's Office  
**PRESENTERS:** Judy Schmidt, Acting City Attorney  
William P. Ankele, Jr., Attorney, White Bear Ankele Tanaka & Waldron

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**TITLE:**

Proposed Eagle Crossing-Loveland Metropolitan Districts Nos. 1-4

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**SUMMARY:**

This is an information only item. Eagle Crossing Development, Inc., as Developer, is proposing to create four new metropolitan districts to provide all or part of the activities necessary for the development of Eagle Crossing, which consists of approximately 56 acres located at the northwest intersection of Fairgrounds Avenue and Crossroads Boulevard. The Developer has requested an opportunity to present information regarding metropolitan districts generally, and the need for these four metropolitan districts in particular, to City Council prior to bringing forward the Service Plan to City Council for approval.

**BUDGET IMPACT:**

- ☐ Positive  
☐ Negative  
☒ Neutral or negligible
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**BACKGROUND:**

Eagle Crossing Development, Inc. is developing a project known as Eagle Crossing, which consists of approximately 56 acres located at the northwest intersection of Fairgrounds Avenue and Crossroads Boulevard (the "Project"). The Project is commercial in nature, and the underlying property is currently zoned for developing industrial.

The Developer is proposing to organize four new metropolitan districts, Eagle Crossing-Loveland Metropolitan District Nos. 1-4 (the "Districts"), to provide all or part of the activities necessary for development of the Project. The Districts' activities will be provided for the use and benefit of all anticipated inhabitants and taxpayers of the Districts and the general public. A primary purpose of the Districts will be to finance the construction of public improvements through the issuance of debt to be repaid from tax revenues collected from a mill levy. The mill levy will not exceed the maximum debt mill levy and other legally-available revenues of the

Districts. Where necessary, the Districts would also be authorized to provide ongoing operation and maintenance services.

Title 32 of the Colorado Revised Statutes provides for the organization and existence of special districts within the State of Colorado. New special districts must be approved by the municipality or county in which the proposed special district sits. The proposed Districts will be independent units of local government, separate and distinct from the City, except as otherwise may be provided for by state or local law or the Service Plan.

On July 21, 2014, the Developer submitted to the City a draft Service Plan for the Districts. The Developer will be seeking City Council approval of the Service Plan after City staff and the City's outside legal counsel complete their review.

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**REVIEWED BY CITY MANAGER:**



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**LIST OF ATTACHMENTS:**

1. PowerPoint Presentation
2. Vicinity Map with District Boundaries



# EAGLE CROSSING LOVELAND METROPOLITAN DISTRICT NOS. 1-4

- William P. Ankele, Jr., Esq.
- WHITE BEAR ANKELE TANAKA & WALDRON
  - 2154 E. Commons Ave., Suite 2000
  - Centennial, Colorado
  - (303) 858-1800

# What is a Special District?

- A special district is a quasi-municipal corporation and political subdivision of the State of Colorado.
- Formed under Title 32 of the Colorado Revised Statutes.
- It is a tax-exempt financing mechanism used to finance a portion of the total cost of public infrastructure and may further own, operate and maintain public improvements and facilities

# What Can a Special District Finance?

- Street Improvements (Drainage)
- Safety Protection Improvements
- Parks and Recreation Improvements
- Water Improvements
- Sanitary Sewer Improvements (Drainage)
- Transportation Improvements
- Mosquito Control Improvements
- Television Relay and Translation Improvements
- Fire Protection Improvements
- Covenant Enforcement and Design Review
- Security Services

# How are Special District Improvements Financed?

- By the issuance of tax-exempt bonds, to be repaid from special district revenues.
- The approving jurisdiction is not obligated for the special district's debt.

# Procedure for Forming a Special District

- Submittal of a service plan to the jurisdiction in which the property is located. The Service Plan is similar to a city charter or constitution.
- Upon approval of the service plan, a petition for organization is filed with the district court.
- Pursuant to a court hearing, the court orders the organizational election.
- After the election, the order and decree must be recorded for the organization to be effective.



# Governing Body of the Special District

- A special district is governed by a board of directors.
- Must be registered to vote in Colorado.
- Directors are elected by a majority vote of the eligible electors.
- Governmental immunity for district and directors acting within the scope of their duty.

# How Does a Special District Function After Organization?

- Special districts are governments.
- Special district boards of directors meet on a regular basis to handle the business of the special district.
- Many special districts engage professional management companies, general counsel and an accountant experienced with governmental accounting.

# Functions After Organization (continued)

- District board is publicly accountable
  - Must hold open meetings with due notice to members of the public.
  - Must maintain minutes of all meetings and other records for public inspection.
  - Must adopt annual budgets at a public hearing, held by the board of directors of the district.
  - Must submit to annual financial audits if financial activities meet certain thresholds.



# Benefits to Approving Jurisdiction

- It provides a mechanism for financing the construction and the maintenance of improvements within a specific area in order to facilitate and sustain the aesthetics of the area.
- It addresses local infrastructure needs while allocating the costs of the solution to those directly benefiting.
- It limits the presentation of election questions addressing revenue and spending limits to taxpayers directly impacted by the outcome of the election.

# Benefits to Approving Jurisdiction, continued

- It facilitates growth in the market value of property within such district, which improves the overall financial condition of the area.
- These benefits can be realized without putting the property owners at risk of unreasonably high mill levies.
- Maintains a competitive market with other jurisdictions using special districts.

# Service Plan Summary

- Provide for public improvements (e.g. streets, water, sewer, park and rec, etc.)
- May maintain improvements not otherwise dedicated to other governments
- Debt Cap = \$10 Million
- Mill Levy Cap = 50 mills for debt service until debt is below 50% of AV
- Max term of bonds = 40 years
- No operating mill levy cap

# Other Elements

- Multiple District Structure
- Anticipated that developer advances will fund initial public infrastructure costs
- Must give disclosure to purchasers
- Annual Report to City



