



CITY OF LOVELAND
DEVELOPMENT SERVICES DEPARTMENT
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(970) 962-2346 • FAX (970) 962-2945 • TDD (970) 962-2620

AGENDA ITEM: 1
MEETING DATE: 3/22/2011
TO: City Council
FROM: Greg George, Development Services
PRESENTER: Bob Paulsen

TITLE:
Naming of City Facilities

DESCRIPTION:

Staff is proposing two items relating to the naming of City facilities:

1. An Administrative Regulation is proposed that would guide City departments in naming municipal facilities and properties. This policy would establish parameters for determining when the City Council would have final authority for naming major or high-profile facilities. While many departments have developed naming policies and procedures, no overall policy has been established for the City.
2. Amendments to the Street Naming provisions of the Municipal Code are proposed to address the naming of alleys outside of the Downtown alley naming convention area. The impetus for this amendment is a request from a citizen to name an alley after his deceased child.

BUDGET IMPACT:

☐ Yes ☒ No

SUMMARY:

Staff is requesting that City Council discuss and give direction on this item.

LIST OF ATTACHMENTS:

- City staff memorandum
-

RECOMMENDED CITY COUNCIL ACTION:

Consideration and direction to City staff if there is desire to establish a more formalized City policy / code provisions.

REVIEWED BY CITY MANAGER:



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Memorandum

TO: City Council

FROM: Bob Paulsen, Current Planning Manager

DATE: March 22, 2010

SUBJECT: Naming City Properties and Facilities

I. ATTACHMENTS

- A. Natural Areas Division Policy
- B. Policy and Procedures for Library Naming Rights
- C. Redline: Chapter 12.08: Naming and Numbering of Streets
- D. Research Summary: Naming of Municipal Facilities & Property

II. SUMMARY

At the March 22, 2011 study session, staff is seeking City Council direction on two associated proposals:

1. Development of an Administrative Regulation for the naming of City properties and facilities. While City departments have developed their own formal or informal policies and procedures for the naming of various properties or facilities, an overall City policy addressing this issue has not been established. The development of an overall, uniform policy for the naming of city facilities and properties, particularly for the naming of prominent community facilities, would result in clear naming procedures and authorities.
2. Amendments to the City Code to address the naming of alleys located outside of the downtown area. Although the Code was recently amended to address the naming of alleys in downtown, there are no provisions for alley-naming outside of this area. To address this deficiency, proposed code amendments to Chapter 12.08 Naming and Numbering of Streets will be presented. The impetus for this code amendment is a request from a citizen to name an alley in honor of a deceased child.

III. BACKGROUND

A. Naming of City Properties and Facilities

From time to time, various City departments are confronted with the prospect of naming properties or facilities. The City's portfolio of such properties and facilities is quite broad, including conventional municipal infrastructure like pump stations, lift stations, water tanks, maintenance yards, fire stations, natural areas along with minor facilities like various rooms, trails, benches, etc. The City also owns several prominent public facilities like parks, a library, a recreation center and large outdoor gathering spaces; the Foote Lagoon, the Chilson Center and the Police and Courts Building are notable examples thereof. Over a period of time, the departments that build, acquire or otherwise oversee the operations of various public facilities have developed policies and procedures for naming these facilities. The Open Lands Commission and the Library have developed written policies relating to the naming of such facilities; copies of their policies are included for reference. **(See Attachments A and B.)** Commonly, the City's various boards and commissions work with the operating departments to name the facilities. This process typically occurs smoothly and without controversy.

Recently, the City's Management Team discussed the issue of naming City facilities and properties. The conclusion was that the policies and procedures that are in place at the department level are generally working well. However, these procedures are sometimes informal and unwritten; they also vary in form and content from one department to another. Consequently, there is a need, in some instances, to establish procedural clarity, and to establish more consistency between departments. Also, there is the occasional issue of naming major or otherwise prominent City facilities, a responsibility that logically goes beyond the purview of a single department or goes beyond the administrative level. Such facilities might include parks, a library, a performance venue or some other noteworthy or high-profile facility. Currently, the City has no over-arching policy that can be used to guide such a process nor are there provisions for determining where final decision-making authority rests. A proposal for developing an Administrative Regulation to address this shortcoming is provided in Section IV of this memo.

B. Naming of Alleys Outside of Downtown

Early in 2011, the City Council adopted amendments to Chapter 12.08 of the Municipal Code to address the naming of alleys in the downtown area. Previously, the Code did not address alley naming. The naming conventions still do not address alley naming beyond the specified downtown boundaries; therefore, there no current means by which undertake a naming process for alleys that exist outside of the specified boundaries. During the time that City staff was working to develop the downtown alley naming amendment, Mr. Joe Kittel, a Loveland citizen, began inquiring about naming an alley after his deceased son, Aron. Since Mr. Kittel's residence (1244 Garfield) is outside of the downtown alley naming convention boundaries, staff indicated that his request would need to be addressed in a separate effort. As part of the study session materials, staff is proposing to amend the Street Naming provisions of Chapter 12.08 of the Municipal Code that would allow Mr. Kittel to pursue the naming of the alley.

IV. RECOMMENDATION

A. Administrative Regulation

An Administrative Regulation would be developed to address the following:

City Departments would continue to utilize their existing practices for the naming of facilities and property that are within their operational purview. Involvement of the applicable City board or commission in the naming process is strongly encouraged. Each department would specify their policies/procedures in writing for review and approval by the City Manager. The written departmental procedures/policies would become supplements to the Administrative Regulation.

Major Facilities:

The naming or renaming of any major facility after an individual or a family, or the dedication of a facility which involves a significant donation, would require City Council approval. The City Manager, upon receiving the naming recommendation from the pertinent department director and/or City board, would determine what constitutes a major facility and would determine, on a case-by-case basis, when the naming of a facility would be forwarded to the City Council for approval. Generally, major facilities would include the following:

- ❖ Buildings, large rooms or other large gathering places that would incur frequent public use
- ❖ Parks and facilities like amphitheaters

Non-Major Facilities or Property (generally not requiring City Council naming approval):

- fire stations
- utility facilities like pump stations and lift stations
- ball fields, tennis courts, trails and open space areas
- benches, trees, art installations, memorial gardens and other memorials

Recommended Naming Criteria (whether or not City Council approval is required):

Facility or property names should generally relate to one or more of the following:

- Geographic location of the facility
- Historic events associated with the location or with the activity located at the facility
- Significant contribution or tie to the type of facility or area, such as: longtime board member/ supporter/volunteer or advocate for the type of facility
- A family from which the site was acquired
- A prominent Loveland resident with a history of distinguished service to the community*

*Generally, when a facility is named after an individual, the individual should have been deceased for a period of three years or more for a comparative historical perspective to develop.

B. Code Amendment

The proposed code amendment (see **Attachment C**) addresses the naming of alleys outside of the downtown alley naming convention area. The amendment specifies that alley names (outside of downtown) would need to comply with the existing street naming conventions that are specified for geographic areas of the community. Consequently, the amendments would not directly allow Mr. Kittel to name the alley adjacent to his residence “Aron’s Alley;” rather, the proposed provisions would enable Mr. Kittel to pursue an exception to the Street Naming conventions in order to achieve his purpose. An exception could be granted by the Director of Development Services if:

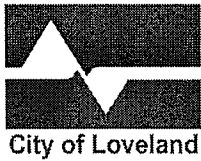
- A. the Loveland Fire Department determines that any such exemption would not create a threat to public safety and welfare and would not likely increase the response time for emergency vehicles;

- B. no addresses are assigned to the street or alley subject to the exemption;
- C. the name of the street or alley subject to the exemption is not a name that would otherwise comply with the street naming standards; and
- D. Such exception would be available to others who might also wish to give an alley or a street a name that is not available under the Street Naming Conventions

At its discretion, the City Council could also grant an exception to a request for the naming of an alley or a street that does not otherwise comply with the Street Naming provisions.

V. SURVEY OF OTHER COMMUNITIES

In preparing for this study session, Current Planning staff contacted several local municipalities and conducted on-line research. A summary of this research is provided in **Attachment D**. The research revealed that there is a wide range of approaches taken by cities relating to this topic: some have fairly simple administrative guidelines for the naming of municipal facilities, others utilize a more structured and detailed approach; the level of detail or sophistication correlates somewhat to community size--with bigger communities having more complex procedures. Many communities don't have an overall municipal policy for the naming of facilities, but their Parks boards have developed policies and procedures for the naming of various parks, ball fields, natural areas, trails and other amenities. Overall, communities seem to have developed policies based on their own needs; nonetheless, the naming criteria commonly includes names relating to geographic location, historic events, prominent citizens or financial donations.



SUBJECT: Policy for Naming Properties Acquired by the City of Loveland for the Natural Areas Program

EFFECTIVE DATE: January 2011

REVIEW SCHEDULE: Annually in January by Natural Areas Staff. Every five years by Open Lands Advisory Commission (OLAC) or more frequently if recommended by staff.

PURPOSE: To establish a policy for naming properties as they are acquired

SCOPE: All properties acquired with Loveland's share of the Larimer County Open Space Sales Tax Fund

RESPONSIBILITY: Natural Areas Staff

BACKGROUND: OLAC adopted a Naming Policy in August of 1999. Staff and OLAC have used the policy set out below to name acquired properties since that time.

POLICY:

I. Process

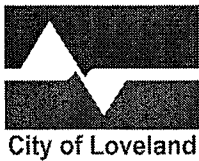
A. Timeliness

To accurately identify natural areas in public discussions, on maps, in brochures, and in other forms of communication, official names should be assigned to natural areas as soon as possible.

For unnamed natural areas in City ownership or under contract, the naming process will begin when this "Naming of Natural Areas" policy is adopted by the Open Lands Advisory Commission and Natural Areas staff. Subsequently, the process will begin when each natural area goes under contract.

B. Public Announcement

When the City signs a contract to purchase a natural area, the public will be invited, via press release, to submit prospective names for that natural area, and the natural area will be put into an appropriate management classification. The press release will acknowledge the fact that this is an in-process acquisition and, while it is unlikely, it is possible that the acquisition will not be finalized. The media, City Council, Open Lands Advisory Commission, and the Parks and Recreation Commission will receive a copy of the press release. When acquisitions are made jointly between other City Departments or jurisdictional entities, those departments/entities also will be included in this notification process. As determined on a case-by-case basis, the press release also may be sent to specific groups or individuals who have exhibited a particular interest in a certain natural area.



Deadline for submission of names will be two weeks from the date of the press release.

The press release will refer to the natural area by description, rather than by any informal name (e.g., the seller's name).

C. Administrative Review and Selection

Within two weeks after the closing date for submissions, the Open Lands Advisory Commission and Natural Areas staff will select a name from the submissions, or if no acceptable submissions have been made, will develop additional proposed names. When the natural area being named is being acquired in conjunction with another City department, staff from that department will be invited to participate in the selection of the name. The selected name will be based on the criteria identified in this document.

Unless the selected name is the name of a person, the name will be provided to the Parks and Recreation Director for feedback before public announcement. Unless a serious problem is identified during this feedback, the name shall become official.

D. Naming After Persons

If the selected name is the name of a person, the proposal will be taken to the Parks and Recreation Director for official designation. The designation process shall include advance review by the Open Lands Advisory Commission and Natural Areas staff.

E. Development Acquisitions

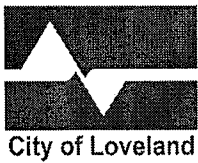
Natural areas obtained through the development process will be named in the development process.

F. Delays

In the unlikely event of a long delay in naming a natural area, the area will be assigned a number by which it will be known until it is officially named. The purpose of this number is to avoid the impression that staff has already decided on a name and to avoid an informal name becoming recognized as an official name. The number will start with the letters 'NA' for Natural Areas, followed by the year we first made contact with the landowner (e.g., '99' represents 1999), with the first two letters of the name of the landowner (e.g., 'SM' for Smith). Thus, the example just given would appear as 'NA99SM.' Preferably, natural areas will be named in a timely fashion, making this numbering seldom, if ever, used.

G. Eligibility

Anyone may submit proposed names for natural areas. Names may be submitted anonymously or with the submitter's identification.



II. Criteria

There are three priority levels. There is very little difference between priorities 1 and 2. They are listed as separate criteria because priority 1 criteria are absolutes – there is no foreseen circumstance in which they would not be adhered to. For priority 2 criteria, while they are equally as desirable as priority 1, there could conceivably be unusual circumstances in which it would be so difficult to apply them that they would result in an inappropriate or less desirable name. Because it is most desirable to focus on natural aspects, priority 3 criteria are the least desirable and can be expected to be seldom used.

A. Priority 1 – These are required criteria.

Donations: Any natural area involving significant charitable donations will automatically be named after the donor or given any other name the donor selects. Such name will be submitted to the Parks and Recreation Director for official designation and will not go through the public process. However, the donor may instead stipulate that a name be selected through the public process with the approval of the Open Lands Advisory Commission and the Natural Areas Program staff.

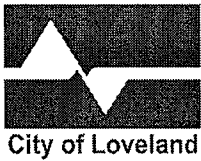
Contiguous Areas: Natural area acquisitions that are contiguous to existing natural areas will not be given new names, but will be known by the name of the existing natural area. Name selection for such contiguous acquisitions will not go through the public process.

B. Priority 2 – These are highly desirable criteria. They should apply unless there is a compelling reason to override them.

Ecological Features: A natural area name should reflect its unique ecological features, such as the wildlife or vegetation species found on the site, geological features, or physical identifying features. If using a wildlife name, only wildlife that frequent a specific natural area should be used. If using a plant name, that plant should be native and predominant to the site or should be a species found on the site and classified as rare, threatened, or a species of concern. This criterion may be overridden in deference to Priority 1 criteria, or when the use of ecological features would create a cumbersome name.

Habitat Type: When feasible, the name should include the type of natural area, e.g., prairie, wetland, forest, upland, savanna, riparian area, shrub land, lake, pond, corridor, marsh, hogback, creek, river, etc. This criterion may be overridden in deference to Priority 1 criteria, when it is difficult to isolate a singular habitat type in an area encompassing several types, when including the habitat type would create an awkward name, or in other rare circumstances when it is not feasible to include the habitat type.

Confusion Avoidance: Attempts should be made to avoid names that create confusion with streets, subdivisions, parks, etc. in other parts of the city. This criterion may be overridden in deference to Priority 1 criteria, when there is only one appropriate name for a specific natural area, or when some other extreme circumstance makes it more appropriate to violate this



criterion than to adhere to it. The main purpose for this criterion is for public safety. Emergency response personnel should not be faced with a natural area name that is easily confused with locations in other parts of the city.

History: Where appropriate, names may be based on historical use of a site, e.g., stagecoach use, settlements of native people, etc. This criterion is the least important of the Priority 2 criteria and should only be used when the historical use is significant.

C. Priority 3 – Less desirable, but acceptable in certain circumstances.

Persons Other than Donors: In some situations (to be determined on a case-by-case basis), it may be appropriate to name a natural area after a person other than a donor. This may include persons of considerable influence whom the community wishes to honor, persons who have been highly influential in the acquisition of specific natural areas, or persons who have significantly strengthened the field of natural area protection. Such names will be submitted during the public process. If such a name is chosen, the recommendation will go to the Parks and Recreation Director for official designation.

Subdivision Names: While not generally desirable, in certain situations (to be determined on a case-by-case basis) it may be appropriate to name a natural area after a subdivision.

III. Platting

After a natural area name becomes official, it will be platted.

IV. Documentation

The name selection process for each natural area will be documented, and any brochure about a specific natural area will include a brief explanation of the natural area's name.

POLICY AND PROCEDURES FOR NAMING RIGHTS WITHIN THE LOVELAND PUBLIC LIBRARY

A. Objective

To set the policy and guidelines for official naming of rooms and the building of the Loveland Public Library.

B. Policy and Priorities

The Loveland City Council may receive recommendations as to the naming of facilities (rooms and/or building) related to the Loveland Public Library from the public, staff and related advisory bodies. The final decision on naming of any City-owned property or facility will be made by the City Council.

C. Guideline

1. Library rooms or building (s) owned by the City of Loveland may be named for individuals, groups or businesses that have made a significant donation of land, money, or facilities to the Library as follows:
 - a. An individual or group (corporate, not-for-profit, family, etc.) that donates a significant amount of money --- twenty five percent (25%) or more of the total land/design/construction/out fitting costs of the entire building may be eligible for building naming rights. Individual donations of fifty thousand dollars (\$50,000.00) or more may be eligible for naming rights of individual rooms, collections or spaces.
 - b. When a facility is named in recognition of an honoree that name will generally be in effect for the useful life of the facility; however, the length of time that a facility is named for a designated individual or group will be determined by the City Council.
 - c. When the proposed facility is in honor of an individual or group, the complete name of the individual or group will be used. The last name of the individual or group so honored may be used in referring informally to the facility.
2. Library rooms or building(s) owned by the City of Loveland may be named for individuals who have made exceptional contributions to the community and/or Library by having met the following specific criteria:
 - a. The individual must have made a contribution over the years to the community and/or the Library which resulted in improving the long-term well-being of the people of Loveland; and

b. The individual's contribution must be of an exceptional quality or significance.

D. Renaming

1. Renaming of a facility may occur when the facility that has been named in honor of a group or an individual has reached the end of its useful life and will be replaced or substantially renovated.
2. The facility or facilities may be renamed when it has or they have been designated for another use and may be named in recognition of a different honoree.
3. Appropriate recognition of earlier honorees may be included in or adjacent to the newly renovated facilities as well as on any redeveloped property.
4. Renaming may occur if any honoree for which a facility has been named causes dishonor to come to him/herself or to the City. The City Council will make the final decision on any renaming for any reason at any time.

E. Nominations

1. Nominations for naming of City of Loveland owned Library facility or facilities may be submitted to the City Clerk and to the City Council in writing, accompanied by a justification for the recommended honoree.
2. All requests will be reviewed by the City Attorney, City Manager and other appropriate staff before being submitted to the City Council
3. The City Council will make the final decision as to the naming or renaming of a Library facility at a regular meeting within 6 months of the original nomination.

Chapter 12.08

NAMING AND NUMBERING OF STREETS*

Sections:

I. NUMBERING

- 12.08.010 Lots and buildings running north and south.
- 12.08.020 Streets running east and west.
- 12.08.030 Streets running north and south.

II. NAMING

- 12.08.040 Definitions.
- 12.08.045 Guidelines for names.
- 12.08.050 Continuity of numbered streets.
- 12.08.060 East and west prefix.
- 12.08.070 North and south suffix.
- 12.08.080 North of Eisenhower Boulevard, east of Taft Avenue and west of Madison Avenue.
- 12.08.090 North of North 14th Street and west of Taft Avenue.
- 12.08.100 South of North 14th Street, north of First Street and west of Douglas Avenue.
- 12.08.110 North-south avenues lying east of Madison Avenue.
- 12.08.120 South of First Street and west of Garfield.
- 12.08.130 East of Railroad Avenue, north of First Street and south of North 14th Street.
- 12.08.140 East of Garfield and south of First Street.
- 12.08.150 East of Boyd Lake, west of I-25 and north of 37th Street (Airport Area), excluding the land within the Myers Group Partnership #949 Addition, which is included in the area described in Section 12.08.160
- 12.08.160 North of Eisenhower Boulevard, east of Madison Avenue, south of County Road No. 30, west of County Road No. 11C continuing south along the east side of Boyd Lake to the east-west projection of 37th Street (County Road No. 24E), south of East 37th Street and its east-west projected line, excluding the area north of the Union Pacific Railroad and west of I-25; the area north of the Union Pacific Railroad, east of I-25, west of Centerra parkway, and south of the east-west projection of 37th Street; and the area north of Eisenhower Boulevard, east of Centerra Parkway, and south of the Union Pacific Railroad.
- 12.08.170 East of I-25 and north of the north boundary of the Millennium Addition
- 12.08.180 North of the Union Pacific Railroad, east of Rocky Mountain Avenue, west of I-25, and south of Crossroads Boulevard (Area A); north of the Union Pacific Railroad, east of I-25, west of Centerra Parkway, and south of the east-west projection of 37th Street (Area B)

- 12.08.190** North of Eisenhower Boulevard, east of Centerra Parkway, and south of the Union Pacific Railroad.
- 12.08.192** **Alley names**
- 12.08.194** Downtown area alley names
- 12.08.200** Council May Grant Exceptions.
- 12.08.210** Director May Grant Exceptions.
- 12.08.220** Minor Corrections to Existing Street Names.

*For statutory provisions authorizing cities and towns to name and change the name of any street, alley, avenue or other public place, see CRS § 31-15-702.

I. NUMBERING

12.08.010 Lots and buildings running north and south.

For the purpose of numbering the lots or buildings on all streets in the city running north and south, First Street shall be used as a base, beginning with one hundred and one on the southeast corner of all blocks on the north side of First Street, thence numbering to the north, the odd numbers on the west side and the even numbers on the east side of all such streets, the numbers continuing regularly until another street is reached, when the number shall commence with another hundred and one, thus continuing numbering the entire length of each street. (Prior code § 20.26(c))

12.08.020 Streets running east and west.

For the purpose of numbering streets running east and west, Railroad Avenue/railroad tracks between Twenty-second Street and Third Street Southeast shall be used as a base. Beyond Twenty-second Street and Third Street Southeast-Garfield Avenue shall be used as a base, beginning on the east side of the railroad track and the east side of Garfield Avenue extended, with one hundred and one on the southwest corner of all blocks immediately east of the track or street, thence numbering east, the odd numbers on the north side and the even numbers on the south side of all streets, the numbers continuing regularly until another street is reached when the numbers shall commence with another hundred and one, thus continuing the numbering the entire length of each street; and on the west side of the railroad track or street, beginning with one hundred and one on the southeast corner of all blocks immediately west of the track, thence numbering west, the odd numbers on the north side of and the even numbers on the south side of all streets, the numbers continuing regularly until another street is reached when the numbers shall commence with another hundred and one, thus continuing the numbering the length of each street. (Ord. 813 § 2, 1963; prior code § 20.26(d); Ord. 4920 § 2, 2004)

12.08.030 Streets running north and south.

All streets running north and south and lying south of First Street shall be numbered consecutively in the same manner as provided in Section 12.08.010, beginning so that the odd numbers south of First Street shall be on the same side of the street as odd numbers on the north side of First Street on the same street or avenue, providing that Garfield Avenue extended south of Third Street Southeast, formerly Mason Street, shall be used as the base dividing line. (Ord. 813 § 5, 1963; prior code § 20.26(j))

II. NAMING

12.08.040 Definitions.

For purposes of naming streets, the following definitions shall be used:

- A. Through streets less than four hundred feet in length shall be designated as "Places." Cul-de-sac streets shall be designated as "Courts."
- B. Streets four hundred feet in length or longer, running north and south, shall be designated as "Avenues." Streets four hundred feet in length or longer, running east and west, shall be designated as "Streets."
- C. Curving streets shall be designated as "Drives" and may be of any length.
- D. A looped street may have only one name if it intersects the same street to form two tee-intersections. Looped streets shall be designated as "Circles." (Ord. 4059 § 2, 1995; prior code § 20.26(e))

12.08.045 Guidelines for names.

The names for streets shall be selected in such a manner so that no repetition shall appear in any of the names given to different streets. The names for streets used in any area shall not be unduly similar to those names used in other areas. The length of the names for streets shall be kept to a reasonable minimum. Anytime that a street makes a directional change of approximately ninety degrees, the street name shall change. A directional change of approximately ninety degrees shall mean a horizontal curve where a reduction in the design speed is required (i.e. a sharp turn vs. a sweeping curve). Street names from each category shall be readily recognizable to the general public. Street names may not reflect any corporate or brand names. Existing street names shall continue across intersections and roundabouts. (Ord. 4557 § 1, 2000; Ord. 4059 § 3, 1995)

12.08.050 Continuity of numbered streets.

All numbered streets which are in the same relative position within the city, although not being connected, shall have the same name as though the numbered street were a continuous street. (Ord. 4059 § 4, 1995; Ord. 813 § 7, 1963; prior code § 29.26(1))

12.08.060 East and west prefix.

The Burlington Northern Railroad running through the city shall divide all streets running east and west so that all that portion of any and all such streets lying east of the railroad track shall be known by their present names or numbers with the word "East" prefixed thereto, and all that portion of any and all streets lying west of the railroad track shall be known by their present names or numbers with the word "West" prefixed thereto. This shall apply to all streets bounded by the railroad track between Twenty-second Street on the north and Mason Street on the south, and beyond these points Garfield Avenue extended north and south will be the dividing line for purposes of naming and numbering in accordance with the provisions of this section. (Ord. 4981 § 1 (part), 2005; Prior code § 20.26(a))

12.08.070 North and south suffix.

First Street shall divide all streets running north and south so that all that portion of any and all such streets lying north of the street shall be known by their present names or numbers

with the word “North” prefixed thereto, and any and all such streets lying south of First Street and east of Garfield shall be known by their present names or numbers with the word “Southeast” suffixed thereto and all such streets lying south of First Street and west of Garfield shall be known by their present names or numbers with the words “Southwest” suffixed thereto. (Ord. 1343 § 1, 1974; Ord. 813 § 1, 1963; prior code § 20.26(b))

12.08.080 North of Eisenhower Boulevard, east of Taft Avenue and west of Madison Avenue.

In the area north of Eisenhower Boulevard, east of Taft Avenue and west of Madison Avenue, all streets shall have the names of evergreen and deciduous trees, national forests, state parks, and winter and Olympic sports. (Ord. 4869 § 1, 2004 (part); Ord. 4778 § 4, 2003; Ord. 4557 § 2, 2000; Ord. 4059 § 5, 1995; Ord. 1084 § 1, 1970; prior code § 20.26(f))

12.08.090 North of Eisenhower Boulevard and west of Taft Avenue.

In the area north of Eisenhower Boulevard and west of Taft Avenue, all streets shall have the names of states, Colorado towns, Colorado counties, famous historical persons (not generals or pilots), agricultural (crops, equipment but not animals) and oceans, seas and bays. (Ord. 4778 § 4, 2003; Ord. 4557 § 3, 2000; Ord. 4059 § 6, 1995; prior code § 20.26(g))

12.08.100 South of Eisenhower Blvd., north of First Street and west of Railroad Avenue.

In the area south of Eisenhower Boulevard and north of First Street and west of Railroad Avenue all streets shall have the names of pioneers of the Loveland area, Loveland Mayors, native Colorado animals, prominent geographical features of the area, golf terms, Native American tribe names and Native American chief names. (Ord. 4778 § 4, 2003; Ord. 4557 § 4, 2000; Ord. 4115 § 1, 1995; Ord. 4059 § 7, 1995; Ord. 813 § 3, 1970; prior code § 20.26(h))

12.08.110 North-south avenues lying east of Madison Avenue.

Except as provided for in Section 12.08.160, all north-south avenues lying east of Madison Avenue shall be named for state capitols and be designated as “Avenues”. All north-south streets lying west of Madison Avenue, shall be named for presidents of the United States, or governors of the state should the supply of names of presidents be exhausted. (Ord. 4981 § 1 (part), 2005; Ord. 4869 § 1, 2004 (part); Ord. 4059 § 8, 1995; Ord. 813 § 4, 1970; prior code § 20.26(i))

12.08.120 South of First Street and west of Garfield.

In the area south of First Street and west of Garfield, all streets shall have the names of flowers, felines, names commonly given to girls, colors and cactus. (Ord. 4557 § 5, 2000; Ord. 4059 § 9, 1995; Ord. 813 § 6, 1970; prior code § 20.26(k))

12.08.130 East of Railroad Avenue, north of First Street and south of Eisenhower Boulevard.

In the area east of Railroad Avenue, north of First Street and south of Eisenhower Boulevard, all streets shall have the names of minerals, gems, stones, constellations, planets and astrological terms. (Ord. 4778 § 4, 2003; Ord. 4557 § 6, 2000; Ord. 4059 § 10, 1995; Ord. 813 § 8, 1970; prior code § 20.26(m))

12.08.140 East of Garfield and south of First Street.

In the area east of Garfield and south of First Street, all streets shall have the names of birds, canines and names commonly given to boys. (Ord. 4059 § 11, 1995; Ord. 813 § 9, 1970; prior code § 20.26(n))

12.08.150 East of Boyd Lake, west of I-25 and north of 37th Street (Airport Area), excluding the area south of Crossroads Boulevard between Rocky Mountain Avenue and I-25.

In the area east of Boyd Lake, west of I-25 and north of 37th Street, known as the Airport Area, excluding the area south of Crossroads Boulevard between Rocky Mountain Avenue and I-25, all streets shall have the names of aircraft, pilots, airports, other names commonly associated with aviation and nautical terms. (Ord. 4869 § 1, 2004 (part); Ord. 4778 § 4, 2003; Ord. 4557 § 7, 2000; Ord. 4059 § 12, 1995; Ord. 4920 § 2, 2004)

12.08.160 North of Eisenhower Boulevard, east of Madison Avenue, south of County Road No. 30, west of County Road No. 11C continuing south along the east side of Boyd Lake to the east-west projection of 37th Street (County Road No. 24E), south of East 37th Street and its east-west projected line, excluding the area north of the Union Pacific Railroad and west of I-25; the area north of the Union Pacific Railroad, east of I-25, west of Centerra parkway, and south of the east-west projection of 37th Street; and the area north of Eisenhower Boulevard, east of Centerra Parkway, and south of the Union Pacific Railroad.

In the area north of Eisenhower Boulevard, east of Madison Avenue, south of County Road No. 30, west of County Road No. 11C continuing south along the east side of Boyd Lake to the east-west projection of 37th Street (County Road No. 24E), south of East 37th Street and its east-west projected line, excluding the area north of the Union Pacific Railroad and west of I-25, the area north of the Union Pacific Railroad, east of I-25, west of Centerra Parkway, and south of the east-west projection of 37th Street and the area north of Eisenhower Boulevard, east of Centerra Parkway, and south of the Union Pacific Railroad, all streets shall have the names of Colorado streams, rivers, lakes, mountain valleys, peaks, and passes, fish, wetlands/water (aquatic) plants and animals (not fish), except that within a PUD General Development Plan containing at least 1,000 acres one street may have the marketing name of the development and one street in this area may be named Kendall Parkway. (Ord. 5208 § 1, 2007; See also Section 12.08.110) (Ord. 5036 § 1, 2005; Ord. 4981 § 1, 2005 (part); Ord. 4869 § 1, 2004 (part); Ord. 4557 § 8, 2000; Ord. 4059 § 13, 1995; Ord. 4920 § 2, 2004)

12.08.170 East of I-25 & north of the east-west projected line of 37th Street.

In the area east of I-25 and north of the east-west projected line of 37th Street, all streets shall have the names of generals, battle sites and equestrian terms (horses). (Ord. 4869 § 1, 2004 (part); Ord. 4778 § 4, 2003; Ord. 4557 § 9, 2000; Ord. 4059 § 14, 1995; Ord. 4920 § 2, 2004)

12.08.180 North of the Union Pacific Railroad, east of Rocky Mountain Avenue, west of I-25, and south of Crossroads Boulevard; and north of the Union Pacific Railroad, east of I-25, west of Centerra Parkway, and south of the east-west projection of 37th Street.

In the area north of the Union Pacific Railroad, east of Rocky Mountain Avenue, west of 1-25, and south of Crossroads Boulevard and in the area north of the Union Pacific Railroad, east of 1-25, west of Centerra Parkway, and south of the east-west projection of 37th Street all streets shall have the names of automotive or technological terms. (Ord. 5208 § 1, 2007; Ord. 4981 § 1, 2005)

12.08.190 North of Eisenhower Boulevard, east of Centerra Parkway, and south of the Union Pacific Railroad.

In the area north of Eisenhower Boulevard, east of Centerra Parkway, and south of the Union Pacific Railroad all streets shall have names of railroads and railroad related terms. (Ord. 5208 § 1, 2007)

12.08.192 Alley Names

The naming of alleys located outside the Downtown alley naming convention area, as set forth in 12.08.194, shall be consistent with the naming conventions for streets, and shall be designated as an "Alley".

12.08.194 Downtown Area Alley Names

In the area north of East 1st Street, east of Railroad Avenue, south of East 7th Street and west of North Washington Avenue, alleys shall have names related to arts and entertainment or to Loveland history, and shall be designated as an "Alley". (Ord. 5553 § 1, 2011)

12.08.200 Council May Grant Exceptions.

The City Council may, in its discretion, grant by resolution exceptions to the provisions of this Chapter 12.08 with respect to the naming of streets **and alleys**. (Ord. 5208 § 1, 2007)

12.08.210 Director May Grant Exceptions.

The Director of Development Services may, in his or her discretion, grant exemptions to the provisions of this Chapter 12.08 with respect to the naming of streets **and alleys** provided that:

- A. the Loveland Fire Department determines that any such exemption would not create a threat to public safety and welfare and would not likely increase the response time for emergency vehicles;
- B. no addresses are assigned to the street **or alley** subject to the exemption;
- C. the name of the street **or alley** subject to the exemption is not a name that would otherwise comply with the street naming standards set forth in Sections 12.08.080 through 12.08.180; and
- D. except for the street naming standards set forth in Sections 12.08.080 through 12.08.180, the name of the street **or alley** subject to the exemption complies with all other requirements set forth in Chapter 12.08. (Ord. 5208 § 1, 2007)

12.08.220 Minor Corrections to Existing Street Names.

The Director of Development Services may authorize minor corrections, such as, but not limited to, suffix, prefix, and spelling errors, to existing street **or alley** names, provided there are no developed properties addressed on the street **or alley** subject to the correction. (Ord. 5208 § 1, 2007)

RESEARCH SUMMARY: Naming Municipal Facilities & Property

Scope: Research what policies other communities developed for naming/renaming municipal facilities, including buildings, rooms, parks, recreation fields/courts/pools/etc., playgrounds and other civic amenities like pavilions, benches and fountains.

Issues/Discussion

Administrative or City Council Authority: in most communities, the City Council has involvement in the naming process, particularly for important or prominent civic facilities. Perhaps a tiered structure would give City Council authority for approval or confirmation of the naming of major civic facilities while maintaining administrative authority for less significant facilities.

Application/Review Process: many communities have a prescribed application and review process; others simply specify criteria that their city councils should consider in the naming process. One or more boards can be given authority for review and recommendation of naming requests (the Parks Commission is the most common choice). Conversely, an interdepartmental committee (e.g. Parks, Public Works, Water & Power) can be established—and convened as needed—to review and make or recommend approvals.

Public Comment/Input: the public is generally invited to participate in the process. Addressing the public input process is desirable, especially if the decision process will be administrative.

Naming Criteria: most communities specify criteria for naming civic facilities. Priority is often given to names that relate to the geographic location of the facility or to historic events and/or exceptional individuals. Complexity varies considerably. When considering naming a facility after an individual, there are often requirements that the individual must have been deceased for a specified period of years.

Installing plaques: often a plaque that provides information about the facility's name is required to be mounted or otherwise displayed at the facility; typically, plaque must be donated by the applicant.

Naming/Renaming based on financial gifts: Many communities address this topic directly, especially the larger communities. They often specify donation level for the naming of buildings, rooms, sports complexes, etc.

Research Findings:

- Most communities grant naming authority to their City Councils at least for major community buildings and amenities
- Naming of civic facilities can be controversial /political
- Fort Collins is drafting a policy that will require City Council approval for naming a facility after a person but will reserve all other naming authority as an administrative function. They would prohibit naming facilities after commercial products or corporations.
- Greeley has no over-arching naming policy. The Parks Dept, however, does have a policy for their facilities, including provisions for the required level of gifting needed to name a Park. In recent years, major public facilities (downtown ice rink) have gone through a public process with final approval by the City Council.

RESEARCH SUMMARY: Naming Municipal Facilities & Property

- Longmont apparently does not have an overall policy for naming of City facilities, but does have Code provisions for naming parks processed through the Parks Dept, the Parks and Recreation Advisory Board with final confirmation by the City Council.
- Policies/Ordinances addressing naming range from the simple to the complex. Generally, complexity increases in relation to the size and sophistication of the community: Glenburn, ME (pop 4,000) has a 1-page policy; Denver has a 10-page policy for naming Parks facilities alone.
- Due to the nature of the facility and amenities involved, Parks and Recreation departments are generally the division charged with administering applications and coordinating reviews.
- Comparable policies generally include the following components: purpose, definitions, policy, naming/dedication criteria, and procedures, including public input/notification where applicable.
- Definitions clarify what can be named. One important clarification is that the facility or amenity be City-owned. Definitions can also be used to limit the scope of what can be named, e.g. trails, but not streets. Additionally definitions are used to help rank or classify the type of dedication that can be made, e.g. to allow a board to approve the naming of a park bench but require City Council to approve the naming of a park. If/when donations are the impetus for a dedication, definitions may help define the amount.
- Policies establish who reviews the application, and how applications are reviewed. A general policy is often stated before the specifics of the procedures are outlined. General policy statements often allude to standard review criteria as well as the City's general position. For instance, the City of Radford includes the need for citizen input, while the Denver Parks Dept. stresses that naming of facilities be reserved for exceptional circumstances.
- Naming/Dedication criteria often require that naming options provide an identifiable reference stipulating that dedications be restricted to noteworthy public figures, geographic locations, events of cultural or historic importance, etc. Exceptions are made for benefactors and restrictions may be placed on corporate dedications. Some dedications are dependent on the donation of "sufficient funds to purchase, install, and/or maintain" either the entire facility or the associated plaque." Naming/dedication criteria may also be definition specific; for example, parks may have geographic requirement, while a park bench would not.
- Example of purpose statement:

"The intent of the City of Eugene naming policy is to guide the naming of City-owned facilities in a fair, objective and consistent manner, and aid in the selection of names that are suitable to the property or facility, respectful of the history of the site or area, useful to the public in locating the facility and reflect prevailing or emerging community culture. For the purposes of this policy, "facility" shall be used to mean any building, park, street, natural area, bridge, or other City- owned structure."

**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: 2

MEETING DATE: 3/22/2011

TO: City Council

FROM: Renee Wheeler, Finance

PRESENTER: Ralph Trenary, Citizens' Finance Advisory Commission Chair

TITLE:

Citizens' Finance Advisory Commission (CFAC) Report on the Financial Sustainability Public Forums

DESCRIPTION:

CFAC hosted three public forums in February as one of the data gathering techniques for the Financial Sustainability Process. Ralph Trenary, CFAC Chairperson, will present the outcomes of the meetings.

BUDGET IMPACT:

☐ Yes ☒ No

SUMMARY:

The Financial Sustainability Public Forums were hosted by CFAC in February to collect feedback relative to budget balancing techniques as the City works toward developing solutions for the \$3.5 million that projected expenditures will exceed projected revenues starting 2012. The data collected through a variety of different exercises over three, two hour sessions has been attached in its entirety to maintain the integrity of the information provided in these sessions. Summary information is also provided in an effort to assist with assimilating all the information.

Ralph Trenary, CFAC Chairperson, will present a report from CFAC that will provide key highlights of the information from the commission's perspective and feedback on the process itself.

LIST OF ATTACHMENTS:

Citizens' Finance Advisory Commission Report

Financial Sustainability Session Results Information

Presentation to Summarize Session Information

Status Report – results based on 112 responses collected through March 9, 2011 from the on-line survey of budget balancing techniques (Open until March 16 8:00AM)

RECOMMENDED CITY COUNCIL ACTION:

REVIEWED BY CITY MANAGER:

Citizens' Finance Advisory Commission - Summary of Feedback on Forums

March 9, 2011

Citizens' Finance Advisory Commission (CFAC) Members:

- | | | |
|--------------------------|----------------|-------------------|
| • Ralph Trenary – Chair | • John Case | • Brad Pierson |
| • Jon Smela – Vice Chair | • Dave Clark | • Jodi Radke |
| • Jim Atkins | • Bruce Finger | • Jennifer Travis |

Prominent ideas from small group discussions at the Financial Sustainability Public Forums

Revenue Generation:

- Increase cost recovery to minimize impact on the General Fund, focusing on services provided by the private sector.
- Maximize existing revenue sources.
- Partner with the private sector to develop new revenue sources and promote Loveland.
- Retention of TABOR revenue should be on the ballot with a restriction of use to Police and Fire.
- Equal the tax rates among all taxed entities.

Cost Savings:

- Focus on delivering services efficiently (i.e., lean 6 Sigma-process re-engineering), focusing on strategic reductions rather than across the board reductions, prioritize services within the departments.
- Incent employee savings ideas.
- Limit capital expansions with operating budget impacts.
- Preservation of infrastructure a priority over social programs.
- Continue to limit wages and benefit increases.

Conclusions drawn from forums

- Invest in public education, regarding the purpose, sources available, not crisis management.
- Target a greater diversity of participation, forum attendees not a cross section of the Loveland citizenry.
- Set ground rules for participation in the public forums.
- Focus on providing public safety and basic necessities, opinions varied based on political biases.
- Examine services provided to ensure no services outside the City Charter are provided.
- Tax increases should not be considered.

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Citizens' Finance Advisory Commission - Summary of Feedback on Forums

Process Evaluation

Valuable:

1. Opportunity for citizens to be involved.
2. City employees demonstrated sincere desire to solicit opinions.
3. Presentation was well thought out and presented. Good facilitation.
4. Voting using both the handheld devices and show of hands was a good mix.
5. Great use of technology.
6. Community engagement.
7. Started a forum for getting better team work among Community shareholders/leaders.
8. Holding the February Forums for Boards and Commissions members and conducting them as open to the public was a strong commitment to citizen participation in City of Loveland government. This is entirely appropriate for a long-term, deliberate planning, strategic programs effort.
9. Feedback and small group sessions.
10. There was definitely appreciation for the openness of the proceedings.
11. Budget Officer as a resource to provide some information on the budgeting process was valuable.

Improvements:

1. Cause and effect analysis on information necessary to assist with developing fiscal policy
2. Report all information from the public forums to City Council in its entirety
3. Emphasize the forums were in context of long-term financial planning as opposed to crisis management
4. Seek more diversity. Identify more diverse inputs to the process.
5. Develop strategies for reaching a broader representation of the community
6. Pre-event context setting.
7. Instead of 3 sessions that were continuous and successive, perhaps multiple sessions which dealt with different topics? This may have been less intimidating as a time-commitment.
8. Continue to engage the public beyond this step.
9. Within the forum setting, increase small, focus group discussions – leverage various areas of expertise.
10. Educate, educate, educate. The questions were confusing and offered without adequate explanation and background of the issue(s), particularly for the ranking exercise. Eliminate of the second set of questions to provide more time for background, discussion of the issue(s), or additional questions.
11. Run a similar process through our other boards/commissions with a focus on their area.
12. Future policy and programs public forum workshops using a sequential format would benefit from recorded attendance, and enforced roles and responsibilities as the forums advance.
13. The design of reliable questions is a specific skill if the metrics generated by responses to those questions are to be interpretable and reliable. Requesting assistance from the Psych Dept. at CSU in the design of the questions might have been valuable.
14. By inviting the various advisory boards and hand-picked nominees of Council, the audience was “stacked” towards better informed and better educated citizens. As a result, the overall feedback is most likely skewed.
15. Moving the meetings to more public venues in different parts of the city as opposed to having them all at City Hall may have resulted in greater general citizenry participation.
16. A backgrounder on the CFAC and their function as well as an invitation for the attendees of the process to attend CFAC meetings.

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Financial Sustainability Forum – February 2nd

Session 1 Results

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What Do You Love about Loveland?

Activity Results

1st Session

Quality	People	Arts
Parks	Friendly	Centerra
Location	Business-friendly	Parks
Natural Spaces	Service (community service)	Parks
Location	Stewardship	
Location	Family	
Location	Homey	
Foresight	Community	
Art	Community	
Art	Family	
Library		

Safe

Safe

Safety

Participation

Volunteers

People

People

Caring (people)

People

Friendliness

2nd Session

Community

Community

People

Size

Atmosphere

Neighbors & Friends

Volunteers

Potential

Arts

2/7/2011

Welcome!

Tonight's Agenda

Welcome – Chair of Citizen Finance Advisory Commission

Introductions – What do you love about Loveland Exercise

Budget Facts – Electronic Device Exercise

Budget Orientation and Problem Definition Presentation
by Budget Officer

Break

Small Group Break Out – Service Prioritization Exercise
("Got to Have It", "Nice to Have It", "Get Out or Pay Up")

Adjourn

Upcoming Meetings

Session 2: Wednesday, February 9, 2011

6:00 – 8:00 PM

Agenda

Welcome – Chair of Citizen Finance Advisory Commission

Service Prioritization for "Nice to Have It"

Priorities and Opinions Survey Exercise –Electronic Voting
Devices

Break

Small Group Break Out – Budget Balancing Ideas

Adjourn

2/7/2011

Upcoming Meetings

Session 3: Wednesday, February 16, 2011

6:00 – 8:00 PM

Agenda

Welcome – Chair of Citizen Finance Advisory Commission

Report out Results from Budget Balancing Ideas – Small
Group Break Out

Break

Summary of Prioritization Activities in Session 1 & 2

Thank You for Service

Adjourn

Financial Sustainability Community Forum

February 2, 2011

2/7/2011

How does this work?

There will be a series of questions you can answer using your handheld device.

Questions will be asked then a list of possible choices will display that you can choose from.

You may change your answer if you choose as long as time has not expired.

You will have _____ to select your answer.

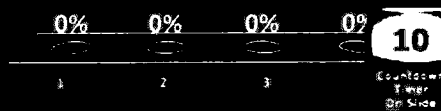
Correct answers will be displayed after time allowed to answer has expired.

Questions? Let's try an example...

Which group of letters completes this word?

B _ D _ E _

★ TUG
OML
UFS
SOB



2/7/2011

Which of the following services are provided by the General Fund?

- 0% Art In Public Places
- 0% Public Transit
- 0% Street Sweeping
- 0% Fire Inspections
- 0% 1 and 2 above
- 0% ★ 2 and 4 above
- 0% All of the above

10
Countdown
Timer
On Slide

Which source of General Fund revenue is the largest source.

- Property Taxes
- ★ Sales and Use Taxes
- Revenue sharing from state and federal governments
- Fees for Services

0% 0% 0% 0%
1 2 3 10
Countdown
Timer
On Slide

2/7/2011

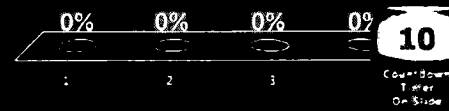
The City targets _____ for unrestricted reserves as a percentage of expenditures.

25%

10%

★ 15%

There is no target



Property tax revenue in 2012 is projected to:

Increase 1.5% from 2011

★ Decrease 2.0% from 2011

Increase 5.0% from 2011

Remain flat to 2011.



2/7/2011

Council changed policy to help address the structural deficit by:

- 0% Increasing the sales tax rate 0.5%
- 0% Increasing all City fees by 25%
- 0% Took no action
- 0% ★ Reduced the Council Reserve set-aside

10

Countdown
Timer
On Slide

Which department has the largest General Fund budget.

- ★ Parks & Recreation
- ★ Police
- Fire & Rescue
- Public Works

0%

0%

0%

0%

10

1

2

3

Countdown
Timer
On Slide

2/7/2011

Sales tax revenues are projected to increase;
however, they are still closest to which past
year of collections?

- 2009
- 2005
- 2001
- ★ 2007

0% 0% 0% 0% 10
1 2 3 Countdown
Timer
On Slide

Which of the following is a service
provided by the General Fund?

- 0% Adult Athletic Programs
- 0% Youth Athletic Programs
- 0% ★ Golf Course Operations
- 0% Winona Swimming Pool
- 0% Viestenz-Smith Mountain Park Operations
- 0% None of the above

10
Countdown
Timer
On Slide

2/7/2011

Fund Balance is the difference between assets and liabilities reported on the balance sheet in a governmental fund. Changes in fund balance each year are primarily related to:

- 0% ★ Total Revenue minus Total Expenditures
- 0% Policy designations by City Council
- 0% Capital purchases
- 0% Cash balance available



The Street Rehabilitation Program is funded by _____.

Sales Taxes

A Transportation
Fee

Highway User Tax
Fee

- ★ 2 and 3 above



2/7/2011

Enterprise Funds are funded by

- Property and Sales taxes
- ★ Rates and fees for use of the Enterprise service
- A combination of General Fund revenue and Enterprise rates and fees
- Federal and State Revenue



Enterprise Funds revenue is transferred to the General Fund to:

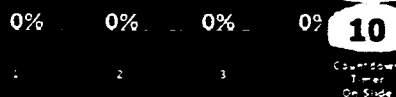
- 0% Keep property tax rates low
- 0% Pay for administrative services
- 0% Cover revenue shortfalls when they occur
- 0% Payment in Lieu of Taxes or Franchise Fees
- 0% 2 and 3 above
- 0% ★ 2 and 4 above
- 0% None of the above



2/7/2011

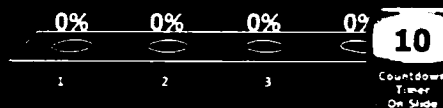
The voters passed a ballot measure to allow the City to keep and spend revenue over the TABOR revenue limit. This measure sunsets in:

- 2015
- 2020
- ★ 2012
- 2018

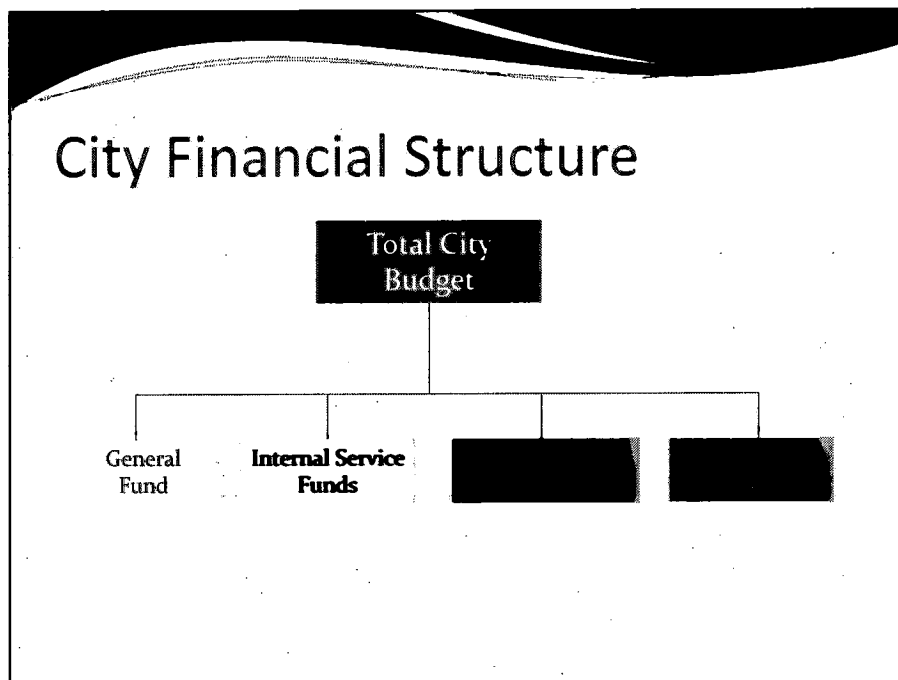
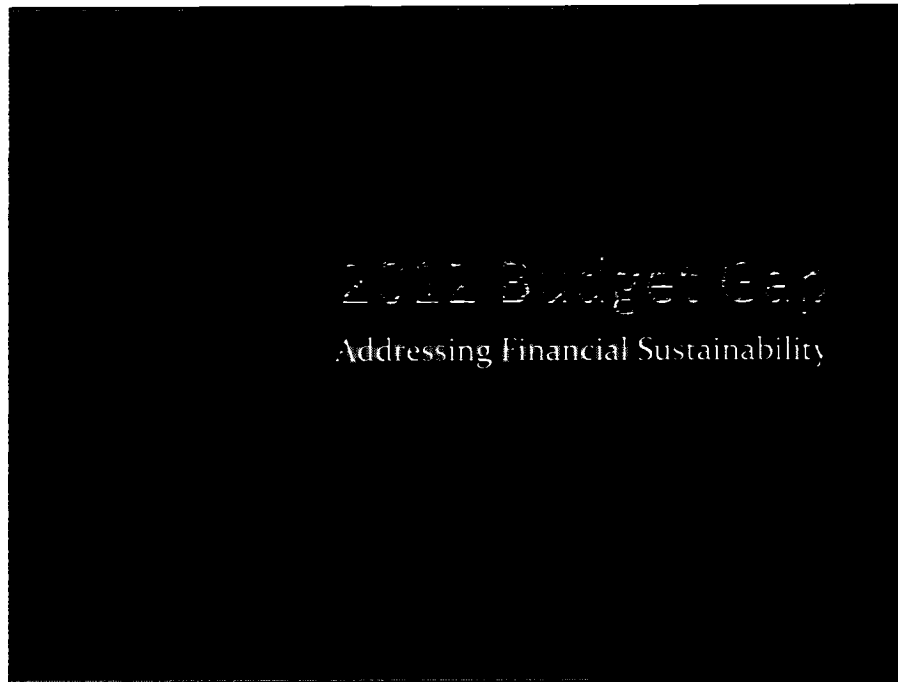


The mill levy for the City of Loveland is:

- 2.856 mills
- 10.328 mills
- 5.794 mills
- ★ 9.564 mills



2/7/2011



2/7/2011

Enterprise Funds

- Provide a single service, i.e. delivery of electricity to homes and businesses; or trash and recycling materials pickup.
- Funded by rates on usage, not tax dollars.
 1. Water Rates
 2. Electric Rates
 3. Golf Fees
- Payments are made to the General Fund.
 1. For administrative and facility services
 2. Payment in Lieu of Taxes (PILT)
- There is a limited ability to transfer funds out of the Enterprise to the General Fund.
- Management and employees are still subject to City-wide policy equity.

Special Revenue Funds

- Expenses generally limited to a specific purpose, i.e. purchase of open space, or capital construction.
- Funded from a dedicated revenue source, not tax dollars.
- Most are capital oriented. Few employees or operating expense.
 1. Recreation Trail
 2. Open Space
 3. Capital Expansion Fee funds
- Management and employees are still subject to City-wide policy equity.
- Most revenues are restricted to a specific purpose by law and cannot be used for General Fund operating purposes.

2/7/2011

Internal Service Funds

- Provides Vehicle Maintenance and Insurance Services to City Departments – all funds.
- Funded by charges or allocations based on historical use to user departments.
- Management and employees are still subject to City-wide policy equity.

General Fund

- Provides most City Services, i.e. City Administration, Cultural Activities, Development Review and Regulation, Information Technology; Parks & Recreation, Police, Fire, Street and Facility Maintenance, and Public Transit.
- Funded primarily by sales and use taxes, although fees, fines, and revenue from other governments are significant sources.
- 54% of all General Fund revenue derived from Sales and Use Tax.
- Solutions to a General Fund funding gap may impact other operations.

2/7/2011

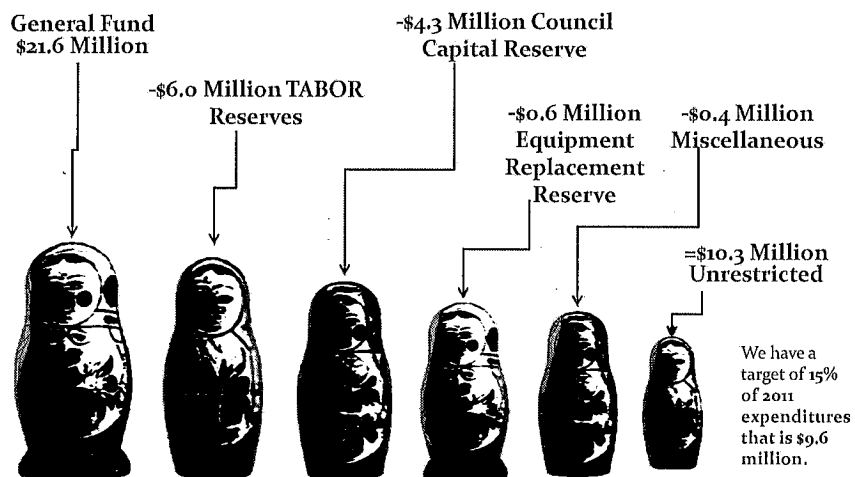
Total City Reserves

Reserve	Amount
Total City Reserves, Projected at the end of 2011	\$133.9M
Construction & Land	\$87.7M
Insurance Claims	\$3.6M
Equipment Replacement	\$8.9M
Unrestricted Non-Gen. Fund	\$10.2M
Gen. Fund Reserves Balance	\$21.6M

Construction and Land	\$87.7M
Insurance Claims	\$3.6M
Equipment Replacement	\$8.9M
Unrestricted Non-Gen. Fund	\$10.2M
Gen. Fund Reserves Balance	\$21.6M

For the budget, 2011 beginning balances assumed all 2010 budgeted expenses including capital projects would be spent and that 2010 revenues would end at the budgeted amount. Revenues have been slightly higher, there are operational savings, and nearly \$30 Million in uncompleted capital.

General Fund Reserves



2/7/2011

The Problem

This is a General Fund problem only, although solutions may impact other funds.

Problem: The City's projected General Fund revenues and expenditures over the next 5-10 years will not allow for the City to continue providing services and programs at the current levels.

The Problem

The goal is to find a permanent durable solution that:

1. Does not use 1-time resources;
2. Does not use gimmicks, such as putting off expenses to a future year;
3. Align expenses with revenues for the foreseeable future.

2/7/2011

The Problem

Challenge: Close the \$3.5 million gap between projected revenues available and cost to provide service.

Top Seven Reasons Why We Are In This Position

1. Drastically reduced construction of new residential and commercial property, with low levels expected to continue.
2. Sales tax revenue reduced to 07 levels, and growth in revenue not expected to pick up soon.
3. Projected Base Budget Increases projected at 3.5%.
4. Property tax assessment values projected to fall, reducing property tax revenue.
5. Property Assessment Growth is not projected to match previous years.
6. Revenue sharing from the State Highway Users Trust Fund projected to stay flat or decrease to meet State Budget Balancing efforts.
7. Additional operating cost for new amenities or infrastructure.

2/7/2011

Myths – Items That Did Not Contribute To This Concern

- Use of one time reserves:
 1. Purchase of the property on 402.
 2. Loveland High School Swimming Pool.
 3. Downtown Improvements.
- VNET – The incentive was paid from saved revenue and was a one-time use.
- Library and Chilson Expansions – Funding for the expansions were from restricted capital funds and the projects were chosen because there was a minimal operating cost impact.

General Fund

The Details

2/7/2011

Background

- Intent of Analysis – to see if on-going revenue can support on-going expense.
- Analysis only looks at revenue and expense.
- Fund Balance is not included as a resource.
- Expenses from fund balance (reserves) are excluded.

Background

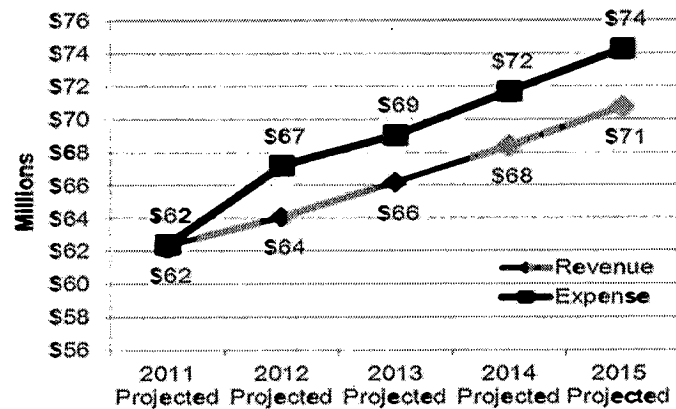
- Revenue assumptions
 1. Sales tax increases 3% in 2012 and 4% in other years through 2015.
 2. Building Use averages a 2% annual increase.
 3. Property tax negative growth in 2012, resumes increases in 2014.
 4. Charges for service increase 3.5% annually.
- Total revenue increase of 2.7% in 2012, around 3.3% in remaining years to 2015.

2/7/2011

Background

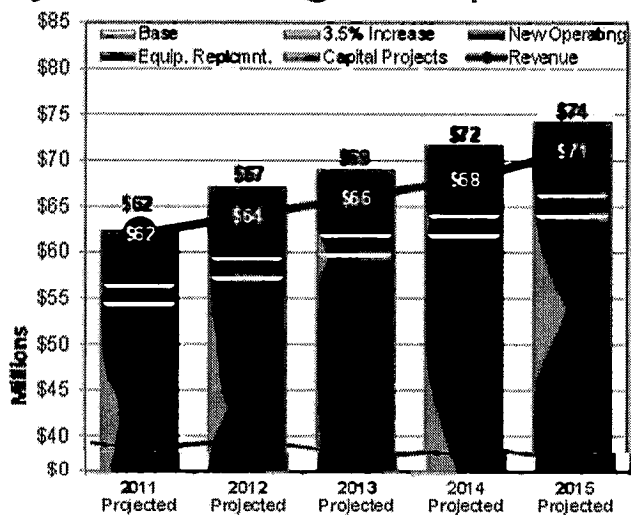
- Expense Assumptions:
 1. Core Budget increases 3.5% annually.
 - a. Compensation
 - b. Health Cost Increases
 - c. Operating Inflation
 2. Capital Program operating impact included.
 3. Equipment Replacement based on the 5-year Equipment Replacement Forms submitted for the 2011 budget.
 4. Capital Costs match Capital Program.

Revenue & Expense Comparison

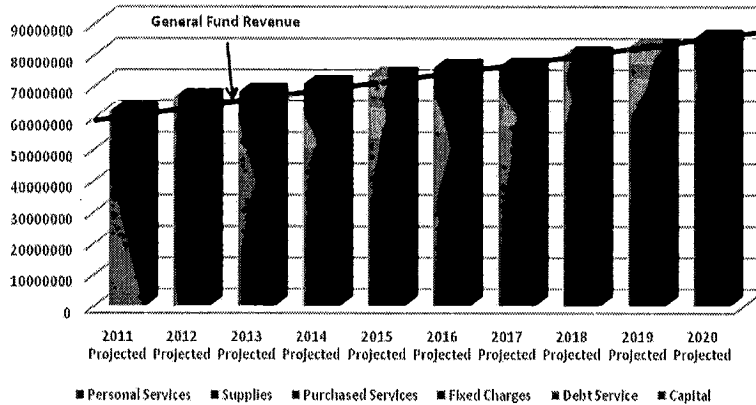


2/7/2011

Projected Budget Gap



General Fund Revenue and Expense Projection



2/7/2011

2012 Summary

- Net Revenue Available - **\$64.0 million**
- Net Expense - **\$67.1 million**

Deficit **\$3.1 million**

While annual amount varies this is close to the amount each year in the next 5 years.

Expense costs do not include those paid from reserves, i.e. the Transportation Program or Council Reserve Projects.

Grows to \$3.5 million by 2015 and is a consistent amount through 2020.

2012 Revenue Available = \$63,993,320

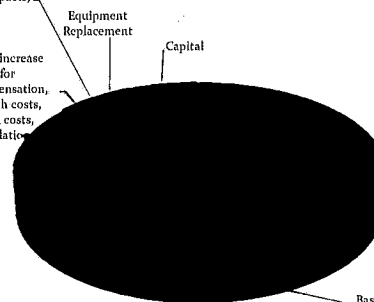
AMOUNT OF CHANGES OTHER THAN BASE AND PERCENT OF TOTAL

3.5% Increase	\$2,094,440	3.1%
New Operating \$	428,720	0.6%
Equip Rplc.	\$2,489,260	3.7%
Capital	\$4,649,300	6.9%

New Operating Capital Project Impacts)

3.5% Increase for Compensation, health costs, fuel costs, inflation

2012 Expenses = \$67,129,850



2/7/2011

Capital Program Components

- Street Rehabilitation.
- Facility Major Maintenance Projects.
- Fire Apparatus Replacement.
- Equipment Replacement for General Fund agencies –
Ranges from \$2.2 million to \$2.8 million in 2012-2015.

There is not much discretion with the first three without degradation of existing infrastructure.

I Don't Work In The General Fund – Why Should I Care?

- This is a General Fund problem only, but.....
 1. Operational changes are likely to be applied City-Wide.
 2. New revenue solutions could include increase payments between funds, limiting revenue for operation growth in the Enterprises if there are not future rate increases.

2/7/2011

We Are One City

- We need to work together.
- We welcome employee participation and ideas.

Financial Sustainability
Process

2/7/2011

Process: Challenge Statement

- Developing a clear understanding of the problem among management, employees, City Council, and the public.
 - Process has begun with management team and will continue throughout the organization with all employees.
 - City Council study session to focus on ensuring clarity.
 - CFAC and process participants.

Process: Principles and Priorities

- Priorities: establishing the relative importance of services and activities.
 - Council survey tool and discussion.
 - Public engagement process.
- Principles: a set of criteria or standards to use as a “yardstick” for evaluating ideas that are generated.
 - Management team to draft and bring before council for consideration in January.

2/7/2011

Process: Public Engagement

- Structured approach to gathering information on service priorities.
 - Survey tool loaded into a voting technology owned by the City (60 devices).
 - Citizen Finance Advisory Commission to serve as public meeting hosts, tabulate results from 2-3 meetings and report back to Council.
 - Participants Proposed:
 - Citizen Finance Advisory Commission (9).
 - Chairperson or their designee from each board and commission (21).
 - 2 invitees from each council member.
 - Any interested public that responds to meeting postings.

Process: Data Gathering

(occurring simultaneously throughout Dec- Feb/Mar)

- Management process steering committee (in the works).
- Management team technical working groups (in the works).
- Employee suggestions (in the works).
- Tiered reductions identified for the ballot measure response (developed earlier in the year).
- Services inventory (in the works).
- Council priorities survey and discussion.
- Public engagement process (as described earlier).

2/7/2011

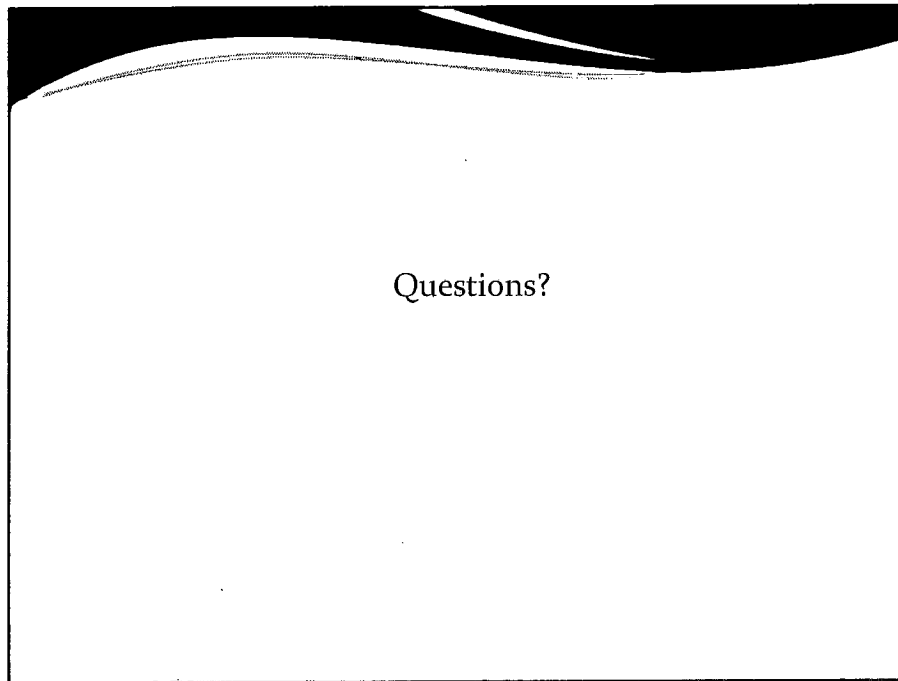
Process: Strategy Development

- Bring options to City Council to meet the challenge.
- Target completion date: early May.

Process Overview

	Dec	Jan	Feb	Mar	Apr	May
Process Development	X					
Data Collection	X	X	X	X		
Principles		X				
Priorities		X	X			
Strategy Development				X	X	
Strategy Approval						X

2/7/2011



Services	Total	Majority
911 Dispatch For So. Larimer Cty	0	Green
Accounting & Budgeting	0	Green
Adaptive & Special Needs Rec Prog.	8	Yellow
Adult Recreation Programs	1	Red
Affordable Housing Administration	7	Yellow
Aquatics Programs & Maintenance	3	Red
Arson Investigations	1	Green
Building Review & Inspection	0	Green
Business Development & Retention	3	Green
Cable Television (Comcast Ch. 16)	6	Yellow
Canine Unit	4	Green
Cemetery Mtn., Repair & Burial Svcs	0	Red
Children/ Adult Prog. & Classes	4	Red
Code Enforcement	2	Green
Community Events	5	Yellow
Community Master Planning	2	Green
Community Park Maintenance	0	Green
Crime Prevention	1	Green
Development Inspection & Compl.	0	Green
Development Planning & Review	0	Green
Development Review	0	Green
Downtown Renovation	6	Yellow
Economic Gardening	4	Yellow/Red
Elections	0	Green
Emergency Management	0	Green
Environmental Compliance	0	Green
Facilities Maintenance	0	Green
Fire Inspections	0	Green
Fire Mutual Aid Resp. to Other Agc.	1	Green

Services	Total	
Fire Response	0	Green
Fixed Route Bus Service	7	Yellow
FlexRoute Bus Service	4	Yellow
Food Sales Tax & Utility Bill Rebate	6	Yellow
Haz. Mat. & Other Spec. Team Resp.	2	Green
Historic Preservation	5	Yellow
Human Services Grants	6	Yellow
Investigations	0	Green
Legal Services	0	Green
Library Children's Programming	9	Yellow
Library Del. of Homebound Patrons	6	Yellow
Library Prog./Schools & Cult. Inst.	6	Yellow
Library Public Computer Availability	7	Yellow
Library Reference Desk & Collection	3	Green
Liquor Licensing	0	Green
Loveland Lake Swim Beach	8	Yellow
Medical Response	2	Green
Mosquito Control	4	Yellow
Museum & Gallery Hist. Exh. & Arch.	6	Yellow
Museum & Gallery Traveling Exh.	4	Red
Neighborhood Park Maintenance	3	Green
North Lake Train	3	Red
Paratransit Bus Service	5	Yellow
Partner in No. Colo. Drug Task Force	4	Green
Police Response to Emergency & Non-Emergency Calls	0	Green
Police/Evidence Collection & Mgmt.	0	Green
Police/Records & Report Support	0	Green
Public Grounds Maintenance	3	Green

Services	Total	
Public Information	4	Green
Recreation Center	5	Yellow
Rialto Theater Productions	4	Red
Risk Management	1	Green
Safety Coordination	3	Green
School Resource Officers	4	Green/Yel
School Zone Safety	0	Green
Signal System Coordination	3	Green
Snow Removal	0	Green
Street Maintenance & Repair	0	Green
Traffic Calming Programs	5	Yellow
Traffic Enforcement	0	Green
Traffic Signals Mtn. & Repair	0	Green
Trees & Horticulture Services	5	Yellow
Vehicle/Fleet Maintenance	0	Green
Viestenz-Smith Mountain Park	5	Yellow
Youth Recreation Programs	6	Yellow

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Financial Sustainability Forum – February 9th

Session 2 Results

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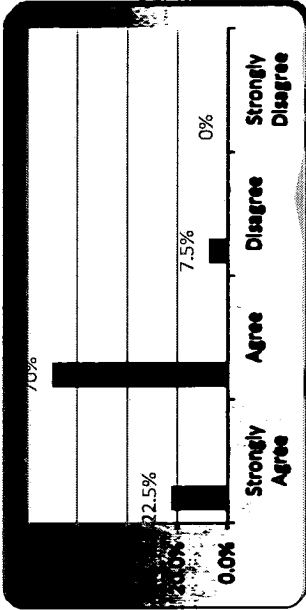
“Nice To Have” Services Further Prioritization

Services
Adaptive & Special Needs Rec Program
Affordable Housing Administration
Cable Television (Comcast Ch. 16)
Community Events
Downtown Renovation
Economic Gardening
Fixed Route Bus Service
FlexRoute Bus Service
Food Sales Tax & Utility Bill Rebate
Historic Preservation
Human Services Grants
Library Children's Programming
Library Del. of Homebound Patrons
Library Program/Schools & Cult. Inst.
Library Public Computer Availability
Loveland Lake Swim Beach
Mosquito Control
Museum & Gallery Hist. Exhibit & Arch.
Para-transit Bus Service
Recreation Center
School Resource Officers
Traffic Calming Programs
Trees & Horticulture Services
Viestenz-Smith Mountain Park
Youth Recreation Programs

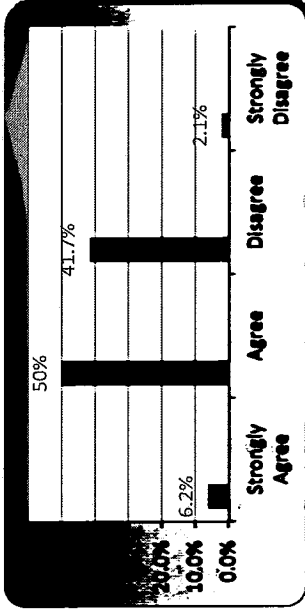
Turning Graphical Results by Question

Session Name: New Session 2-9-2011 7-44 PM
Created: 2/11/2011 1:08 PM

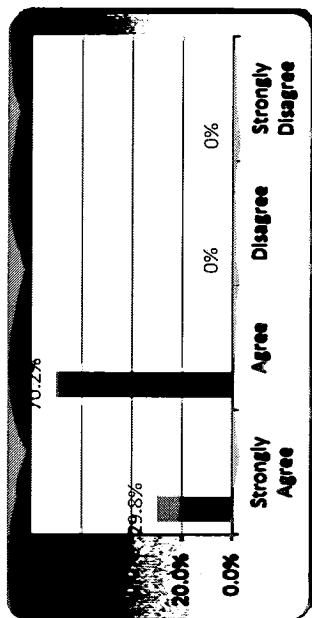
1.) Please Rate The Following Services (multiple choice)	Responses
The City delivers services efficiently.	
Strongly Agree	9 22.50%
Agree	28 70%
Disagree	3 7.50%
Strongly Disagree	0 0%
Totals	40 100%



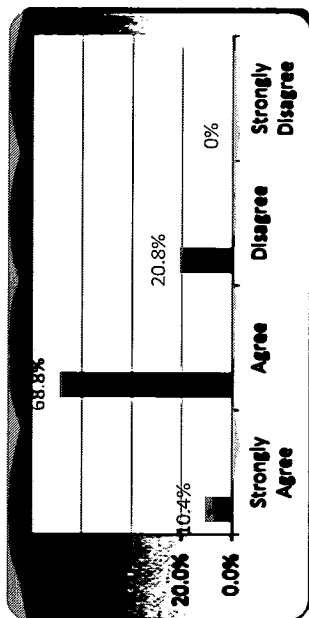
2.) Please Rate The Following Services (multiple choice)	Responses
The City delivers services cost effectively.	
Strongly Agree	3 6.25%
Agree	24 50%
Disagree	20 41.67%
Strongly Disagree	1 2.08%
Totals	48 100%



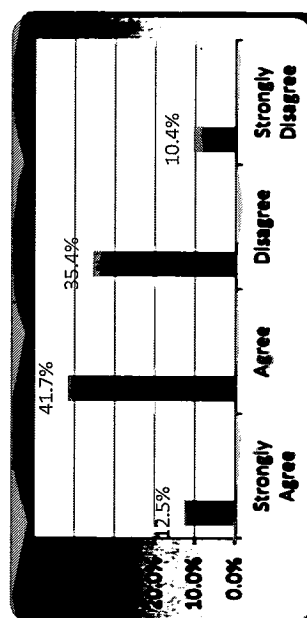
3.) Please Rate The Following Services (multiple choice)	Responses
The City maintains its facilities well.	
Strongly Agree	14 29.79%
Agree	33 70.21%
Disagree	0 0%
Strongly Disagree	0 0%
Totals	47 100%



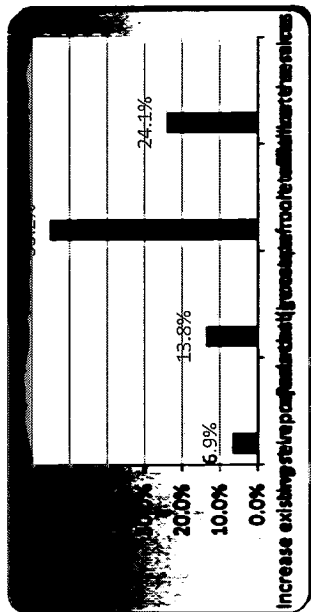
4.) Please Rate The Following Services (multiple choice)	Responses
The City is responsive to citizen needs.	
Strongly Agree	5 10.42%
Agree	33 68.75%
Disagree	10 20.83%
Strongly Disagree	0 0%
Totals	48 100%



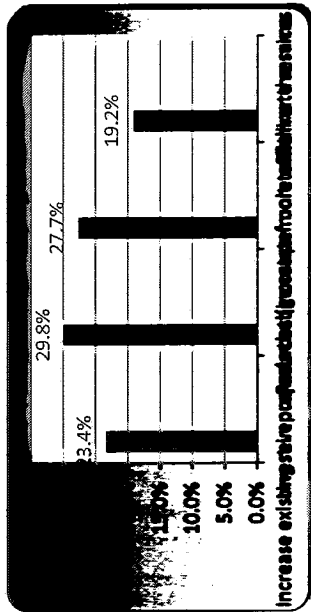
5.) Please Rate The Following Services (multiple choice)	Responses
The City exercises fiscal conservatism.	
Strongly Agree	6 12.50%
Agree	20 41.67%
Disagree	17 35.42%
Strongly Disagree	5 10.42%
Totals	48 100%



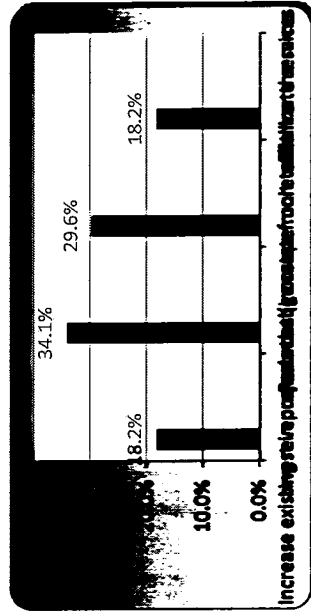
6.) Budget Balancing Techniques (multiple choice)	Responses
1st Priority	
Increase existing revenue sources (increase f...	2 6.90%
Invest in projects that generate more existin...	4 13.79%
Reduce the cost per unit to deliver the same ...	16 55.17%
Eliminate services	7 24.14%
Totals	29 100%



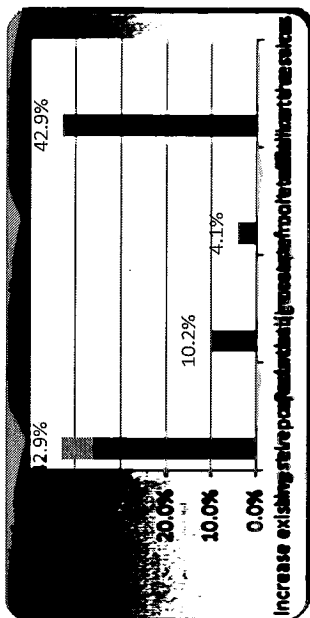
7.) Budget Balancing Techniques (multiple choice)	Responses
2nd Priority	
Increase existing revenue sources (increase f...	11 23.40%
Invest in projects that generate more existin...	14 29.79%
Reduce the cost per unit to deliver the same ...	13 27.66%
Eliminate services	9 19.15%
Totals	47 100%



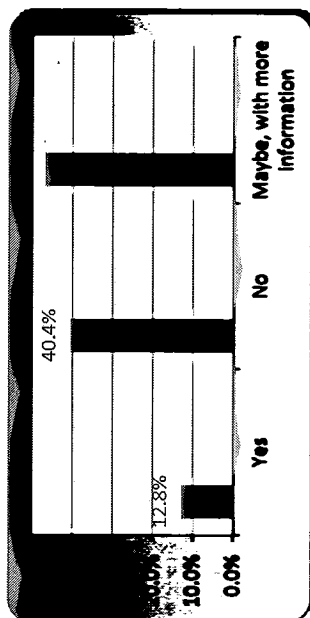
8.) Budget Balancing Techniques (multiple choice)	Responses
3rd Priority	
Increase existing revenue sources (increase f...	8 18.18%
Invest in projects that generate more existin...	15 34.09%
Reduce the cost per unit to deliver the same ...	13 29.55%
Eliminate services	8 18.18%
Totals	44 100%



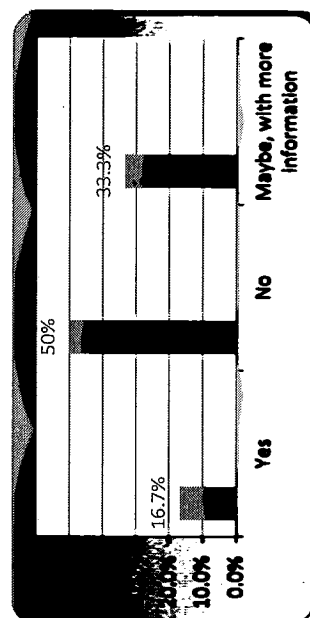
9.) Budget Balancing Techniques (multiple choice)	Least Priority	Responses
Increase existing revenue sources (increase f...	21	42.86%
Invest in projects that generate more existin...	5	10.20%
Reduce the cost per unit to deliver the same ...	2	4.08%
Eliminate services	21	42.86%
Totals	49	100%



10.) Revenue Sources Requiring Voter Approval (multiple choice)	Property Tax Mill Levy Increase	Responses
Yes	6	12.77%
No	19	40.43%
Maybe, with more information	22	46.81%
Totals	47	100%

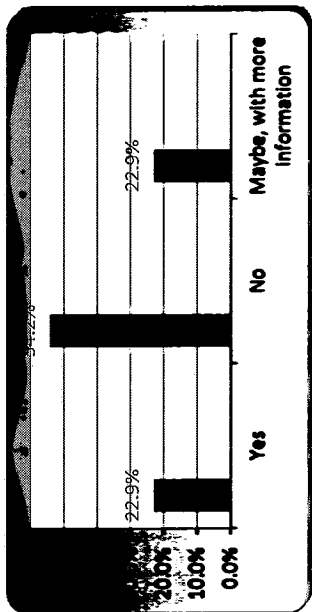


11.) Revenue Sources Requiring Voter Approval (multiple choice)	Sales Tax Increase	Responses
Yes	8	16.67%
No	24	50%
Maybe, with more information	16	33.33%
Totals	48	100%



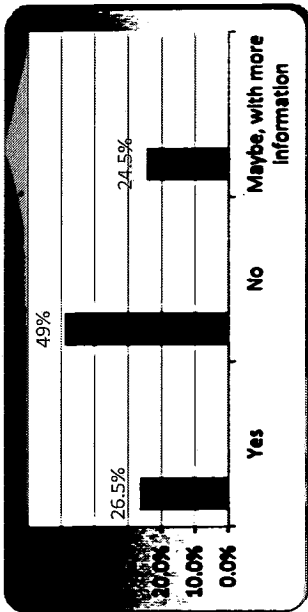
12.) Revenue Sources Requiring Voter Approval (multiple choice)

	Responses	
Use Taxes		
Yes	11	22.92%
No	26	54.17%
Maybe, with more information	11	22.92%
Totals	48	100%



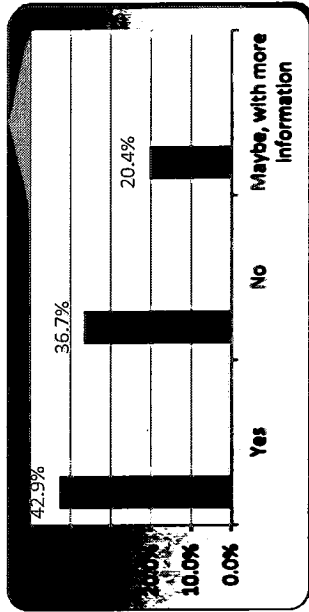
13.) Revenue Sources Requiring Voter Approval (multiple choice)

	Responses	
Excise Tax		
Yes	13	26.53%
No	24	48.98%
Maybe, with more information	12	24.49%
Totals	49	100%



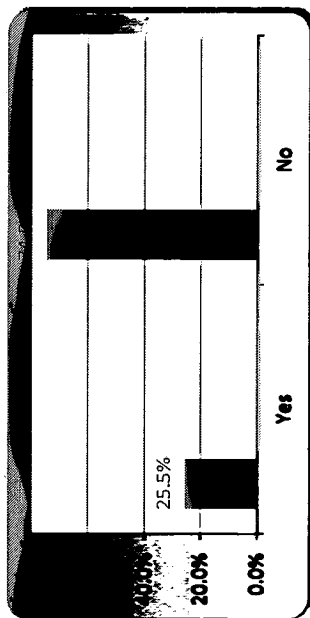
14.) Revenue Sources Requiring Voter Approval (multiple choice)

	Responses	
Should an increase in these revenues be dedicated to a specific purpose.		
Yes	21	42.86%
No	18	36.73%
Maybe, with more information	10	20.41%
Totals	49	100%



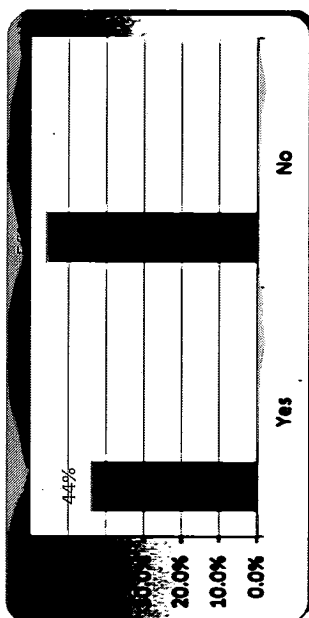
15.) Revenue Sources Requiring Voter Approval (multiple choice)

	Responses	
Economic Development		
Yes	12	25.53%
No	35	74.47%
Totals	47	100%



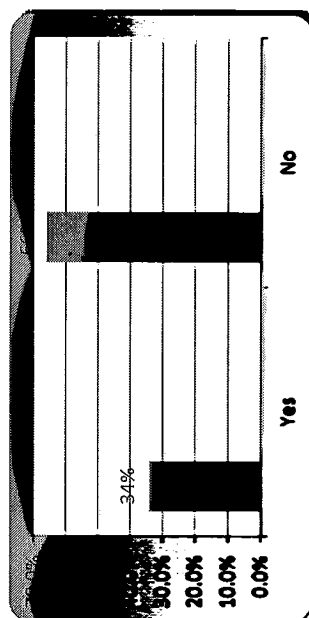
16.) Revenue Sources Requiring Voter Approval (multiple choice)

	Responses	
Fire		
Yes	22	44%
No	28	56%
Totals	50	100%



17.) Revenue Sources Requiring Voter Approval (multiple choice)

	Responses	
Library		
Yes	16	34.04%
No	31	65.96%
Totals	47	100%



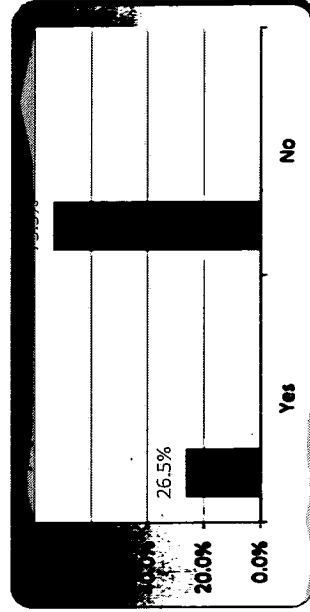
18.) Revenue Sources Requiring Voter Approval (multiple choice)

	Responses	
Museum		
Yes	10	20.83%
No	38	79.17%
Totals	48	100%



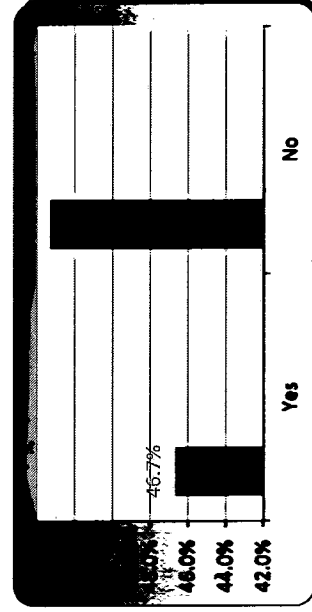
19.) Revenue Sources Requiring Voter Approval (multiple choice)

	Responses	
Parks		
Yes	13	26.53%
No	36	73.47%
Totals	49	100%



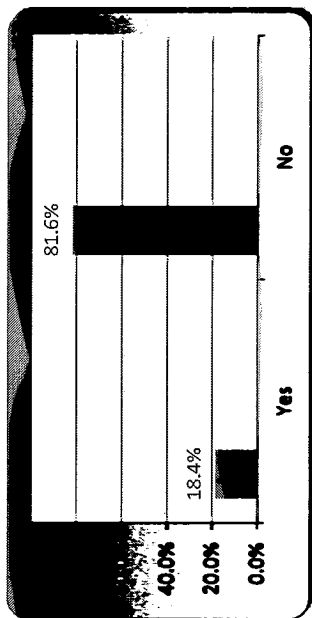
20.) Revenue Sources Requiring Voter Approval (multiple choice)

	Responses	
Police		
Yes	21	46.67%
No	24	53.33%
Totals	45	100%



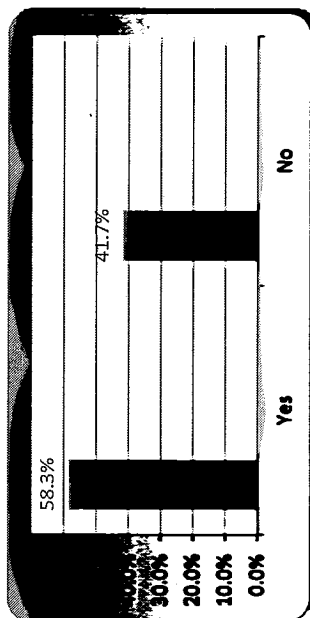
21.) Revenue Sources Requiring Voter Approval (multiple choice)

choice)	Responses
Rialto Theater	
Yes	9 18.37%
No	40 81.63%
Totals	49 100%



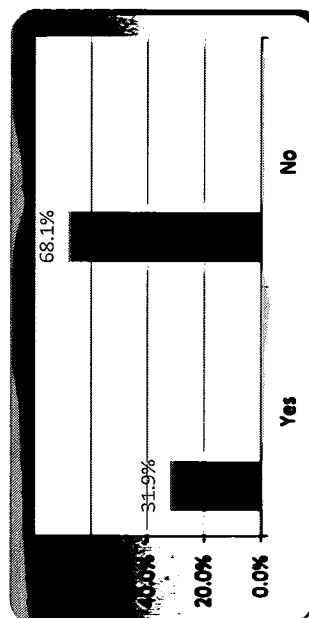
22.) Revenue Sources Requiring Voter Approval (multiple choice)

choice)	Responses
Streets	
Yes	28 58.33%
No	20 41.67%
Totals	48 100%



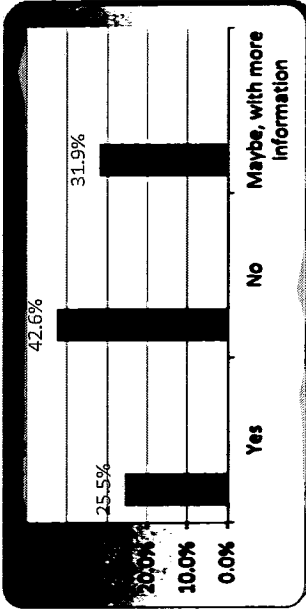
23.) Revenue Sources Requiring Voter Approval (multiple choice)

choice)	Responses
Transit	
Yes	15 31.91%
No	32 68.09%
Totals	47 100%



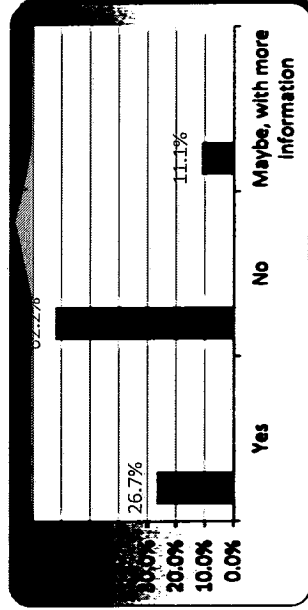
24.) Revenue Sources Requiring Voter Approval (multiple choice)

	Responses
New District - Fire	
Yes	12 25.53%
No	20 42.55%
Maybe, with more information	15 31.91%
Totals	47 100%



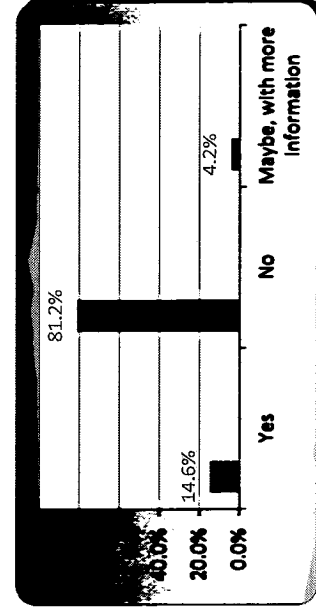
25.) Revenue Sources Requiring Voter Approval (multiple choice)

	Responses
New District - Library	
Yes	12 26.67%
No	28 62.22%
Maybe, with more information	5 11.11%
Totals	45 100%



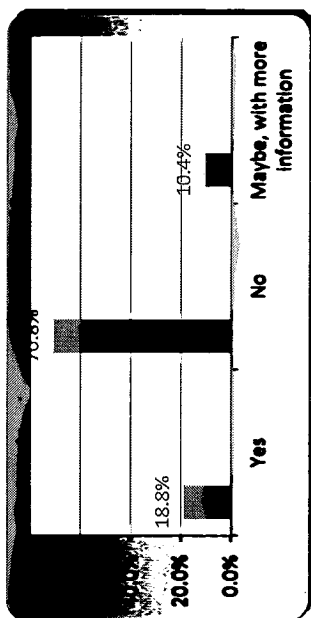
26.) Revenue Sources Requiring Voter Approval (multiple choice)

	Responses
New District - Museum	
Yes	7 14.58%
No	39 81.25%
Maybe, with more information	2 4.17%
Totals	48 100%



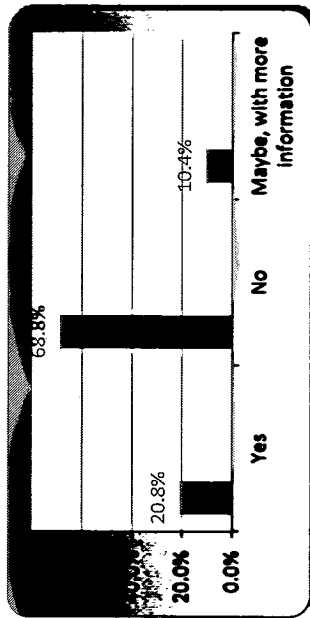
27.) Revenue Sources Requiring Voter Approval (multiple choice)

	Responses
New District - Parks	
Yes	9 18.75%
No	34 70.83%
Maybe, with more information	5 10.42%
Totals	48 100%



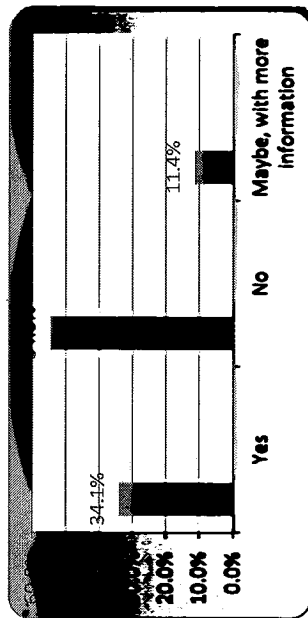
28.) Revenue Sources Requiring Voter Approval (multiple choice)

	Responses
New District - Rialto Theater	
Yes	10 20.83%
No	33 68.75%
Maybe, with more information	5 10.42%
Totals	48 100%



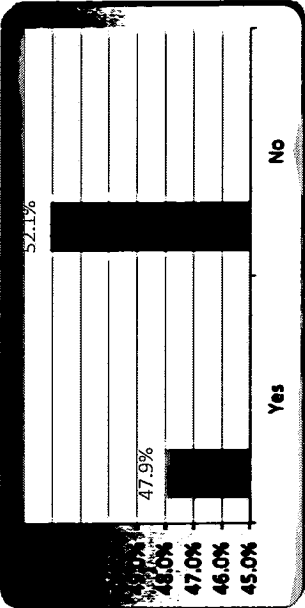
29.) Revenue Sources Requiring Voter Approval (multiple choice)

	Responses
New District - Transit	
Yes	15 34.09%
No	24 54.55%
Maybe, with more information	5 11.36%
Totals	44 100%

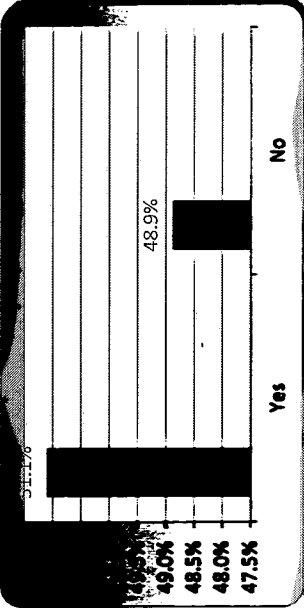


** Charges For Services - Recreation Center Use --- No votes due to technical error.

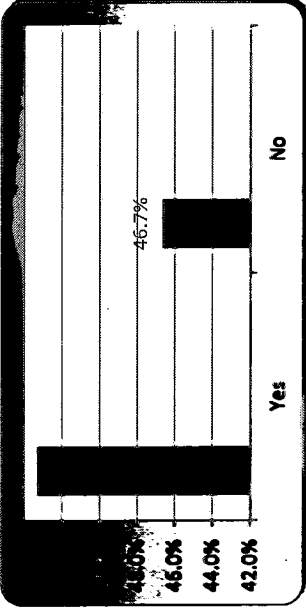
30.) Charges For Service (multiple choice)		Responses
Development Planning & Review		
Yes	23	47.92%
No	25	52.08%
Totals	48	100%



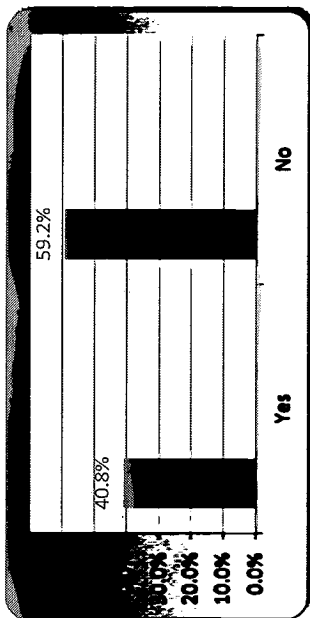
31.) Charges For Service (multiple choice)		Responses
Library Use		
Yes	23	51.11%
No	22	48.89%
Totals	45	100%



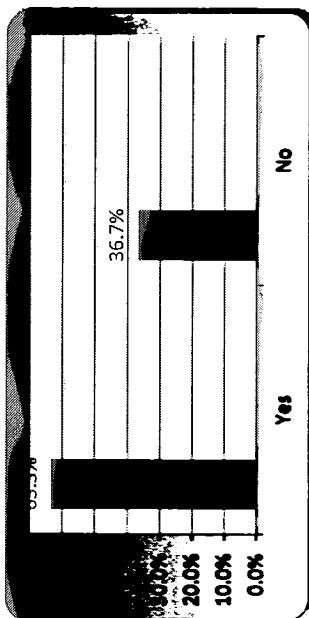
32.) Charges For Service (multiple choice)		Responses
Traffic Enforcement		
Yes	24	53.33%
No	21	46.67%
Totals	45	100%



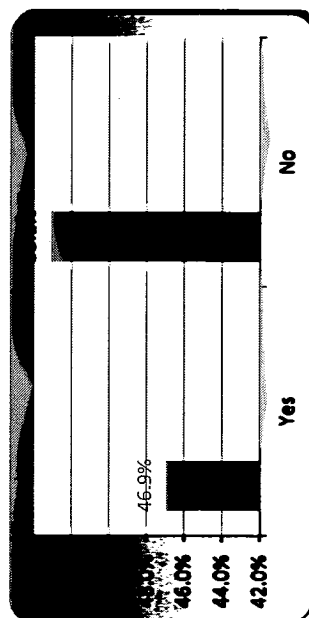
33.) Charges For Service (multiple choice)		Responses
Street Maintenance		
Yes	20	40.82%
No	29	59.18%
Totals	49	100%



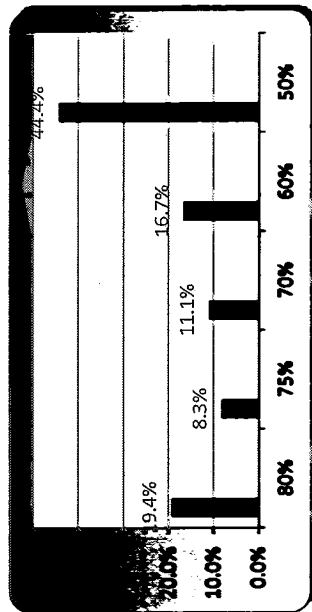
34.) Charges For Service (multiple choice)		Responses
Fixed Route Bus Service		
Yes	31	63.27%
No	18	36.73%
Totals	49	100%



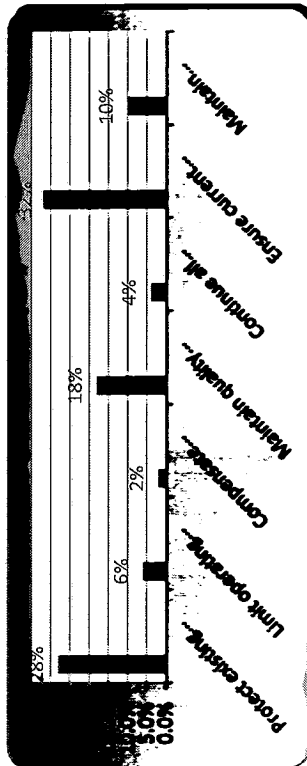
35.) Charges For Service (multiple choice)		Responses
Paratransit Bus Service		
Yes	23	46.94%
No	26	53.06%
Totals	49	100%



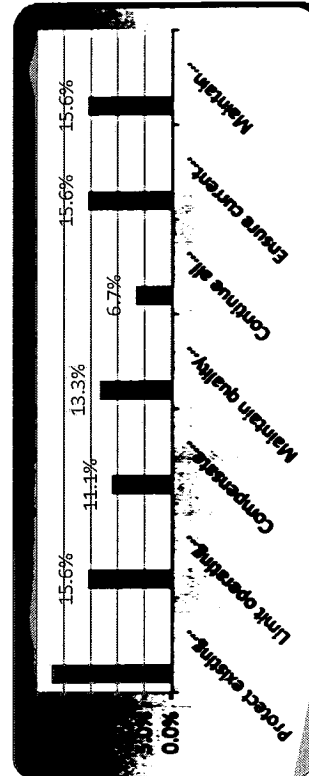
36.) Street Maintenance Fees (multiple choice)	Responses
What % of the street maintenance should be covered with fees?	
80%	7 19.44%
75%	3 8.33%
70%	4 11.11%
60%	6 16.67%
50%	16 44.44%
Totals	36 100%



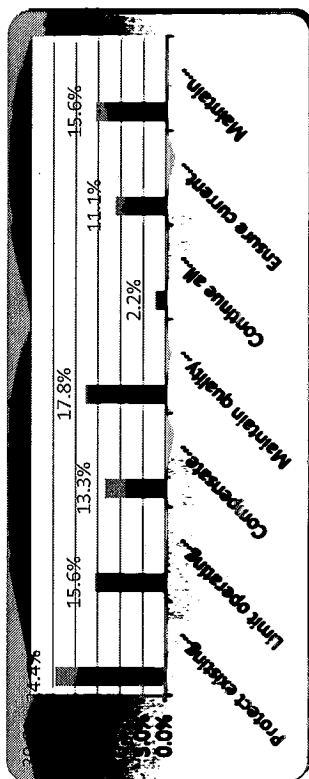
37.) Prioritize These Value Statements (multiple choice)	Responses
1st Priority	
Protect existing infrastructure	14 28%
Limit operating impact of capital projects	3 6%
Compensate (salaries & benefits) employees co...	1 2%
Maintain quality level of services that are p...	9 18%
Continue all services currently provided	2 4%
Ensure current operating revenues and expendi...	16 32%
Maintain efficient reserves	5 10%
Totals	50 100%



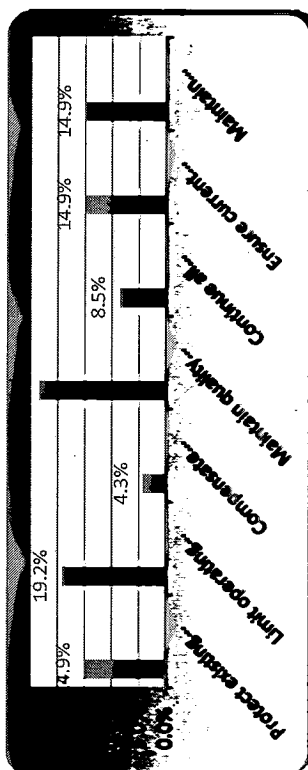
38.) Prioritize These Value Statements (multiple choice)	Responses
2nd Priority	
Protect existing infrastructure	10 22.22%
Limit operating impact of capital projects	7 15.56%
Compensate (salaries & benefits) employees co...	5 11.11%
Maintain quality level of services that are p...	6 13.33%
Continue all services currently provided	3 6.67%
Ensure current operating revenues and expendi...	7 15.56%
Maintain efficient reserves	7 15.56%
Totals	45 100%



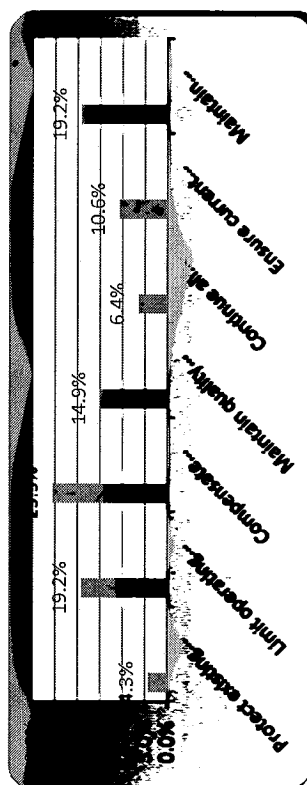
39.) Prioritize These Value Statements (multiple choice)	Responses
3rd Priority	
Protect existing infrastructure	11 24.44%
Limit operating impact of capital projects	7 15.56%
Compensate (salaries & benefits) employees co...	6 13.33%
Maintain quality level of services that are p...	8 17.78%
Continue all services currently provided	1 2.22%
Ensure current operating revenues and expendi...	5 11.11%
Maintain efficient reserves	7 15.56%
Totals	45 100%



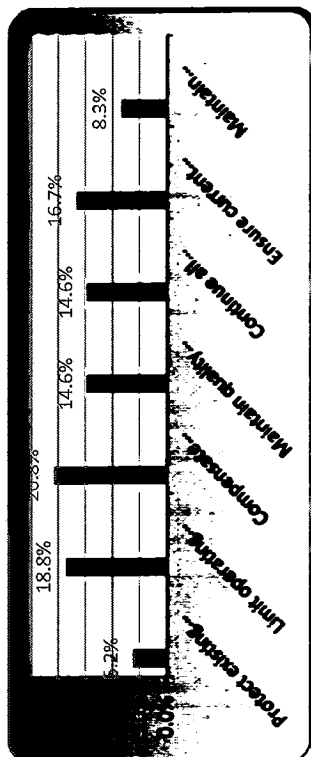
40.) Prioritize These Value Statements (multiple choice)	Responses
4th Priority	
Protect existing infrastructure	7 14.89%
Limit operating impact of capital projects	9 19.15%
Compensate (salaries & benefits) employees co...	2 4.26%
Maintain quality level of services that are p...	11 23.40%
Continue all services currently provided	4 8.51%
Ensure current operating revenues and expendi...	7 14.89%
Maintain efficient reserves	7 14.89%
Totals	47 100%



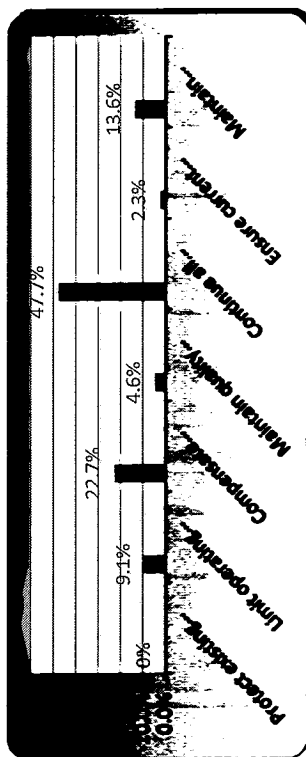
41.) Prioritize These Value Statements (multiple choice)	Responses
5th Priority	
Protect existing infrastructure	2 4.26%
Limit operating impact of capital projects	9 19.15%
Compensate (salaries & benefits) employees co...	12 25.53%
Maintain quality level of services that are p...	7 14.89%
Continue all services currently provided	3 6.38%
Ensure current operating revenues and expendi...	5 10.64%
Maintain efficient reserves	9 19.15%
Totals	47 100%



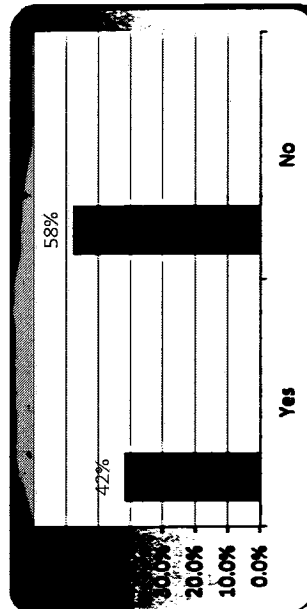
42.) Prioritize These Value Statements (multiple choice)	Responses
6th Priority	
Protect existing infrastructure	3 6.25%
Limit operating impact of capital projects	9 18.75%
Compensate (salaries & benefits) employees co...	10 20.83%
Maintain quality level of services that are p...	7 14.58%
Continue all services currently provided	7 14.58%
Ensure current operating revenues and expendi...	8 16.67%
Maintain efficient reserves	4 8.33%
Totals	48 100%



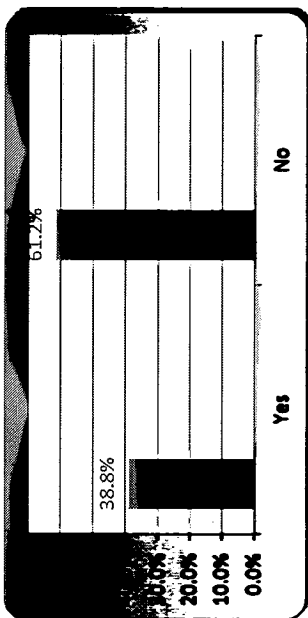
43.) Prioritize These Value Statements (multiple choice)	Responses
Least Priority	
Protect existing infrastructure	0 0%
Limit operating impact of capital projects	4 9.09%
Compensate (salaries & benefits) employees co...	10 22.73%
Maintain quality level of services that are p...	2 4.55%
Continue all services currently provided	21 47.73%
Ensure current operating revenues and expendi...	1 2.27%
Maintain efficient reserves	6 13.64%
Totals	44 100%



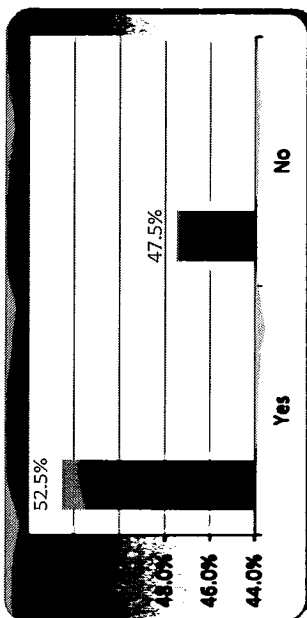
44.) Social Service Programs (multiple choice)	Responses
Human Services Agency Grants	
Yes	21 42%
No	29 58%
Totals	50 100%



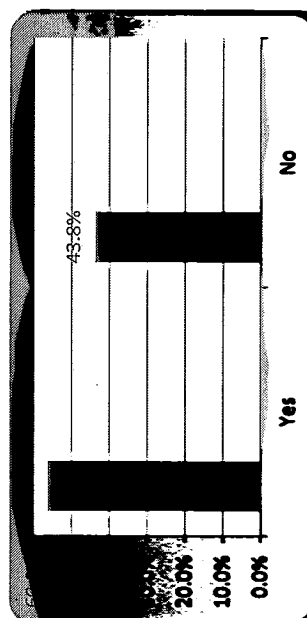
45.) Social Service Programs (multiple choice)		Responses
Food & Utility Sales Tax Rebates for Low Income Qualified Customers		
Yes	19	38.78%
No	30	61.22%
Totals	49	100%



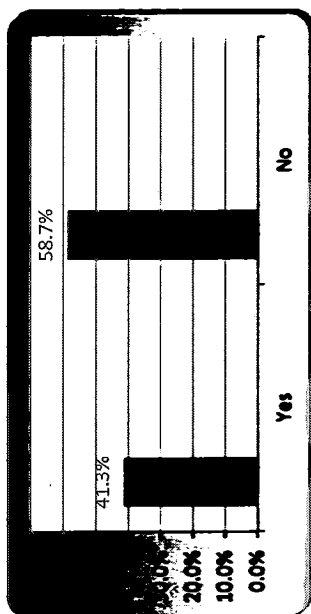
46.) Social Service Programs (multiple choice)		Responses
Affordable Housing Fee Waivers		
Yes	21	52.50%
No	19	47.50%
Totals	40	100%



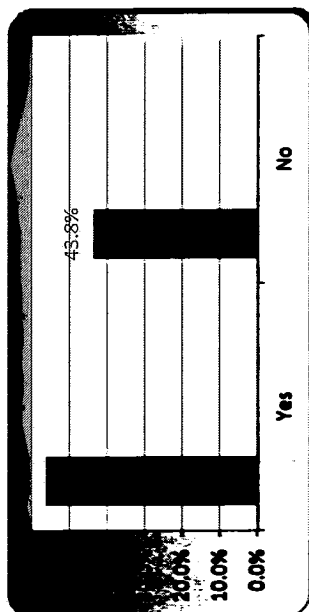
47.) Social Service Programs (multiple choice)		Responses
Building Support for the Homeless Shelter		
Yes	27	56.25%
No	21	43.75%
Totals	48	100%



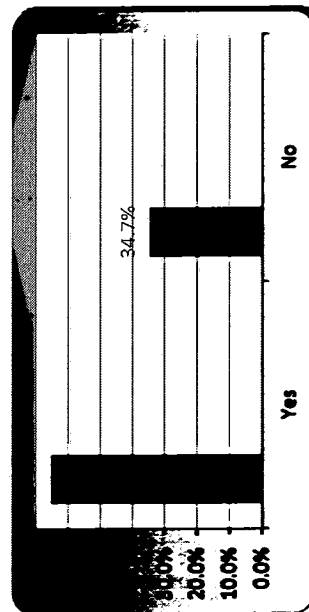
48.) Social Service Programs (multiple choice)		Responses
Recreation Programs Discounted for Low Income Qualified Customers		
Yes	19	41.30%
No	27	58.70%
Totals	46	100%



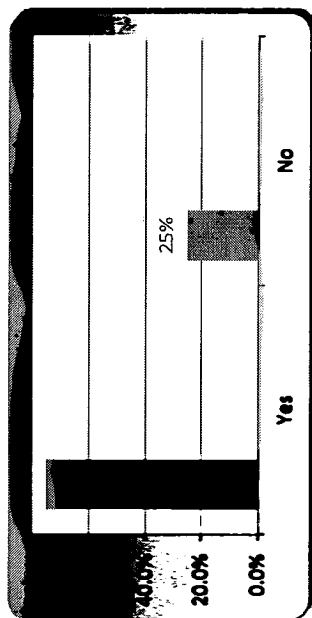
49.) Social Service Programs (multiple choice)		Responses
Transit Services Discounted for Low Income Qualified Customers		
Yes	27	56.25%
No	21	43.75%
Totals	48	100%



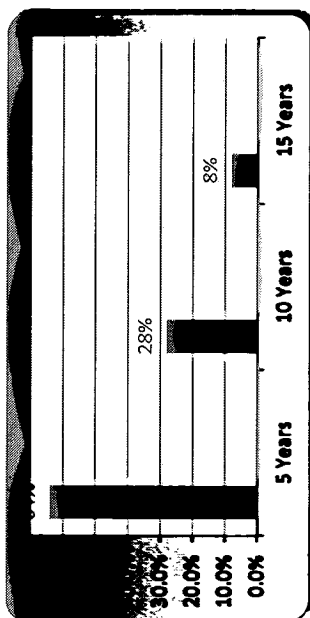
50.) Taxpayers' Bill of Rights (TABOR) (multiple choice)		Responses
Consider referring another ballot question to allow the City to keep and ..		
Yes	32	65.31%
No	17	34.69%
Totals	49	100%



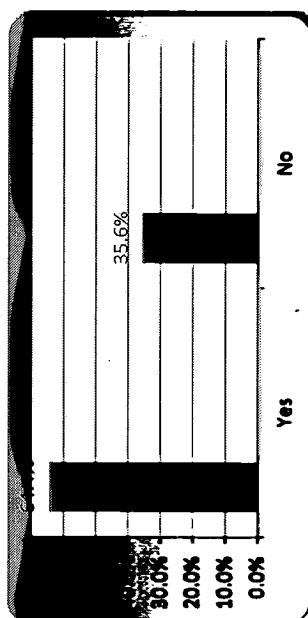
51.) Taxpayers' Bill of Rights (TABOR) (multiple choice)		Responses
If referred, should there be a sunset		
Yes	36	75%
No	12	25%
Totals	48	100%



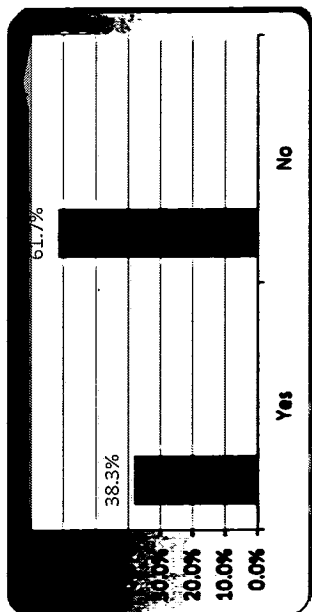
52.) Taxpayers' Bill of Rights (TABOR) (multiple choice)		Responses
If so, how many years		
5 Years	32	64%
10 Years	14	28%
15 Years	4	8%
Totals	50	100%



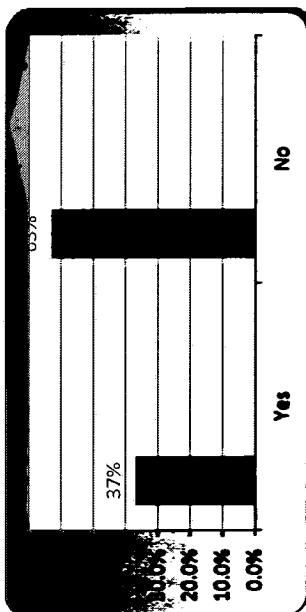
53.) Taxpayers' Bill of Rights (TABOR) (multiple choice)		Responses
Should the restriction include - Police & Fire		
Yes	29	64.44%
No	16	35.56%
Totals	45	100%



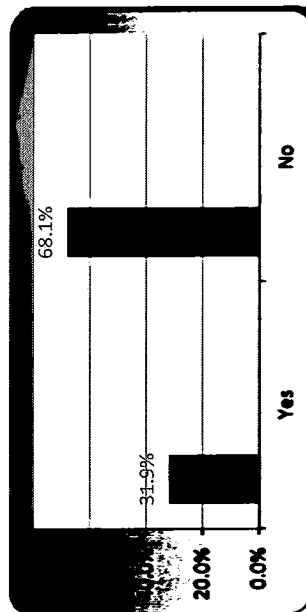
54.) Taxpayers' Bill of Rights (TABOR) (multiple choice)		Responses
Should the restriction include - Police, Fire, Parks		
Yes	18	38.30%
No	29	61.70%
Totals	47	100%



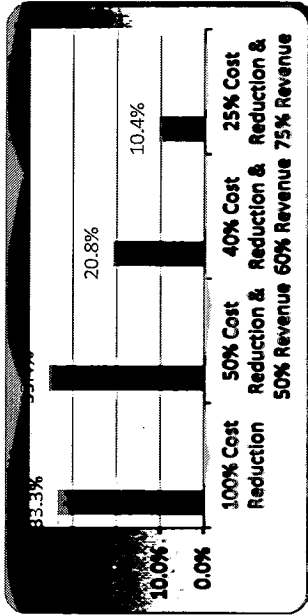
55.) Taxpayers' Bill of Rights (TABOR) (multiple choice)		Responses
Should the restriction include - Police, Fire, Parks, Streets		
Yes	17	36.96%
No	29	63.04%
Totals	46	100%



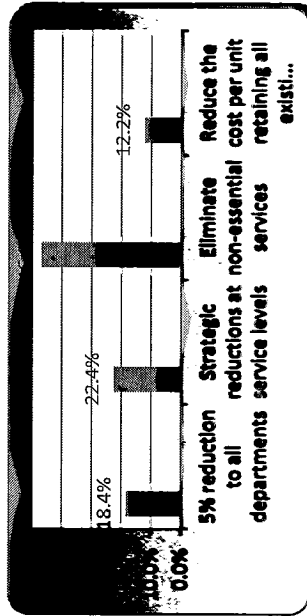
56.) Taxpayers' Bill of Rights (TABOR) (multiple choice)		Responses
Any general purpose		
Yes	15	31.91%
No	32	68.09%
Totals	47	100%



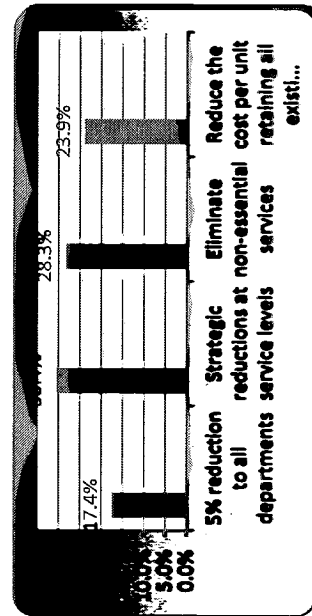
57.) Cost Proportions (multiple choice)		Responses
What proportion of the solution should come from revenue versus expenditures		
100% Cost Reduction	16	33.33%
50% Cost Reduction & 50% Revenue	17	35.42%
40% Cost Reduction & 60% Revenue	10	20.83%
25% Cost Reduction & 75% Revenue	5	10.42%
Totals	48	100%



58.) Variety of Ways to Reduce Expenditures (multiple choice)		Responses
1st Priority		
5% reduction to all departments	9	18.37%
Strategic reductions at service levels	11	22.45%
Eliminate non-essential services	23	46.94%
Reduce the cost per unit retaining all exist...	6	12.24%
Totals	49	100%

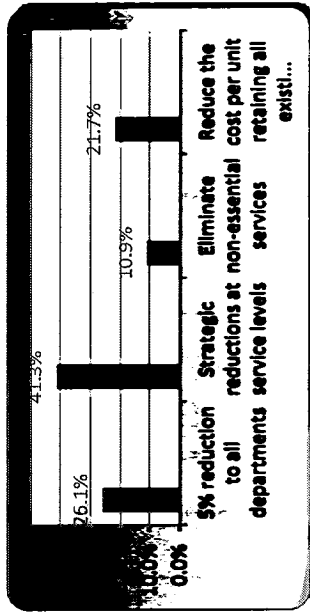


59.) Variety of Ways to Reduce Expenditures (multiple choice)		Responses
2nd Priority		
5% reduction to all departments	8	17.39%
Strategic reductions at service levels	14	30.43%
Eliminate non-essential services	13	28.26%
Reduce the cost per unit retaining all exist...	11	23.91%
Totals	46	100%



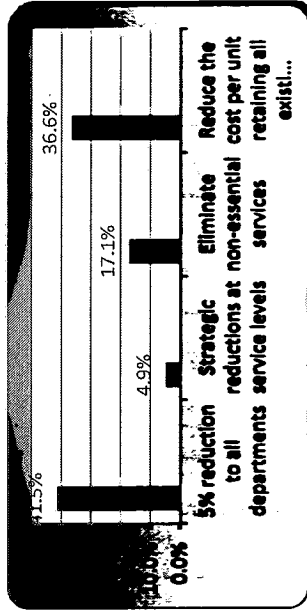
60.) Variety of Ways to Reduce Expenditures (multiple choice)

	Responses
3rd Priority	
5% reduction to all departments	12 26.09%
Strategic reductions at service levels	19 41.30%
Eliminate non-essential services	5 10.87%
Reduce the cost per unit retaining all existi...	10 21.74%
Totals	46 100%



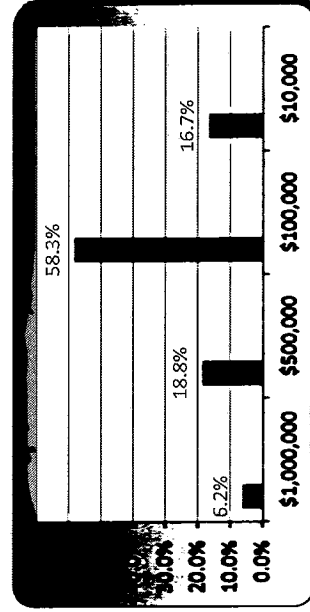
61.) Variety of Ways to Reduce Expenditures (multiple choice)

	Responses
Least Priority	
5% reduction to all departments	17 41.46%
Strategic reductions at service levels	2 4.88%
Eliminate non-essential services	7 17.07%
Reduce the cost per unit retaining all existi...	15 36.59%
Totals	41 100%



62.) Facility Usage (multiple choice)

	Responses
How much money IS generated from facilities rentals	
\$1,000,000	3 6.25%
\$500,000	9 18.75%
\$100,000	28 58.33%
\$10,000	8 16.67%
Totals	48 100%



Group Discussion Activity – Session 2

Light Purple Group

1. Determine legitimate role of municipal government and shed others
 - a. Pro – defines a standard to make decision
 - b. Con – difficulty in doing – who does it practicality
 2. Cost/benefit decision making
 - a. Pro – use to justify and prioritize
 - b. Con – difficult to analyze
 3. Department director review
 - a. Pro – encourage analysis of operations
 - b. Con – will protect turf
- Staggered fee structure (Non-profit/ For Profit)
 - Determine legitimate functions – Shed others
 - Cost Benefit
 - Limit General Fund Services to those that serve whole community and all taxpayers have access to them
 - Do a time study on all departments
 - Get out of recreation and leisure services
 - Encourage volunteerism to provide services
 - Maintain and enhance quality of life

Blue Group

1. Pay for services – identify and quantify
 2. Lean manufacturing – eliminate waste (quality at the RIGHT cost)
 3. Identify services bulk of community does not want to pay for
- If a city service is in competition with private business, it should be self-supporting / pay for itself
 - Evaluate the model for calculating revenues
 - Evaluate service levels, i.e., street maintenance
 - Shared revenues (increase) and fees 40% / cut costs 60%
 - Public discussion of the role of government results in guiding principles

Dark Purple Group

- Centerra does not pay 3% sales tax to city, instead to District. Have Centerra pay 3%.
- Ensure Centerra pays for all services per metro-district agreement
- Look at property tax rebates.
- Evaluate quality improvement programs, like Baldrige, to improve processes and reduce costs. Look at 6 sigma lean programs
- Rialto – self funded.
- Don't loan money to businesses
- Better market Loveland to increase sales tax revenue, lodging tax, etc.
- Attract Fort Collins/Regional Revenue – make Loveland a destination choice
- Fire – Ensure costs are fully recovered – explore district

- Take more risk with money city has in reserve to increase returns
- Evaluate how to lower taxes

Yellow Group

- Across the board cuts – 5%
- Eliminate Council Reserve Fund*
- Bring metro district (Centerra) into sales tax parity (Totally funds \$3.5 million gap)*
- Remove non-essential programs from General Fund and evaluate for:
 - Fees
 - Elimination of program
 - Reduction of scope of program
- Metro-district (downtown and Centerra) property tax increases
- Fees on downtown parking
- City tobacco tax
- City licenses for tobacco retailers
- User “cards”, punch cards, buy X get Y, etc. (Park user fees in general)
- Bid preference for local (Loveland-owned/based)
- Vendors doing business in city (enhances permits & sales taxes)
- Citizen board/commission to develop/monitor/review city department performance metrics

Green Group

1. Public safety should be TOP priority in any strategy with #2 infrastructure & streets
 2. Each department head and employees should rank order cost and importance of service provided / Incent city employees to come up with solutions to gap
 3. Avoid “across the board” cuts (5%) / Council approval for all cuts/create visibility (Council meetings) for all fee increases
- Create a fee for Library users living outside City limits
 - Renegotiate Centerra sales tax for an increase in tax
 - In public response sessions, provide sufficient data to feed opinion
 - Ensure education around district or authority (library/fire) creation for voting
 - Creates benefit by reducing general fund cost
 - Targeted tax increases
 - Determine essential City-run services and programs

Gray Group

- A - Are the inefficiencies eliminated (cut waste) ?
- A - Support strategic cuts based on qualitative analysis
- B - Confirm the cost savings to the City for supporting non-profit services (demonstrate/report return value)
- B - Must know the long-term consequences of cutting a social services programs
- C - What are the Loveland community values?
 - What must we have
 - What must we prevent
 - What can be privatized
- D - Bring in new revenue with economic development (new businesses)

Red Group

- Labor #1 Cost
 - Pay cuts
 - Lower 401K contribution
 - Labor reduction
 - Utilization
 - Insurance/benefits
 - Pros – cost \$, cash flow, labor equalization
 - Cons – publicity, service impact
- Revenue plus
 - Fair tax equity
 - Centerra Tax District - 1.2% retained (\$3.9 million)
 - Service Usage
 - Itemization delivery
 - Pros – cash, budget
 - Cons –litigation
- Revenue equal to cost of rentals plus an uplift
 - Pros – reduce shortfall
 - Cons – local business complaints, Too creative
- Investment Fund Management
 - Risk management
 - Policy
 - Release process of money
 - Pros – less risk, Cash exposure, prove it or lose it
 - Cons – growth business
- Membership and participation
 - ICLEI
 - Other low value organizations

Pink Group

- A - Cost Identification – line item area id
- B - Streamlining – duplicate services
- C - Efficiency - service centralization
- Cover development costs
- Increase sales tax
- Identify local needs
- Regional cooperation
- User fees
- Focus on core functions

Orange Group**Increase revenue**

- Any service that competes with private service should raise fees to cover expenses. (Include compensation return to low – income / disadvantaged)
- Evaluate some kind of sales tax increase

Decrease expenses

- Prioritize services (per category)
 - Lower priority = more cuts
 - Higher priority = less cuts
- Consider full impact of each reduction
- Evaluate largest expense categories first
- Incentivize cost reductions

Brown Group

1. Equalize tax rates for ALL entities
 2. City department cost reductions
 3. Privatize services that can be or used to be private, i.e., Rialto, Chilson
- Cost reduction
 - Cut level of services
 - Increase fees

Financial Sustainability

Budget Balancing Techniques Survey

Results Comparison of Public Forum to On-Line
(March 9, open until March 15)

Perspective on Balancing the Budget

Forum

- Generally the City does a good job with efficiency, facilities maintenance, responsiveness; however, it could be more cost effective and focus more on fiscal conservatism
- Budget Balancing Techniques
 1. Reduce cost per unit
 2. Invest in projects that generate more existing service
 3. ¾ Eliminate services/Increase existing revenue sources

On-Line

- Generally the City does a good job with efficiency, facilities maintenance, responsiveness, cost effectiveness and is fiscally conservative
- Budget Balancing Techniques
 1. Invest in projects that generated more existing revenue
 2. Reduce cost per unit
 3. Increase existing revenue sources
 4. Eliminate services

3/11/2011

Revenue Sources Requiring Voter Approval

Forum

On-Line

Revenue Sources	Yes	Maybe	No	Yes	Maybe	No
Property Tax		X			X	
Sales Tax		X				X
Use Tax			X			X
Excise Tax			X			X

If there were an increase in tax, it should be dedicated to a particular purpose.

If Tax Increase, Should Be Dedicated To...

Forum

On-Line

	Yes	No	Yes	No
Economic Development		X	X	
Fire		X	X	
Library		X	X	X
Museum		X		X
Parks		X	X	
Police		X	X	
Theater		X		X
Streets	X		X	
Transit		X	X	

Willing to Support a New District?

Forum

On-Line

	Yes	Maybe	No	Yes	Maybe	No
Fire			X			X
Library			X			X
Museum			X			X
Parks			X			X
Theater			X			X
Transit			X			X

Increase Fees?

Forum

On-Line

	Yes	No	Yes	No
Recreation Center Use	Technical error	Technical error	X	
Development Planning and Review		X	X	
Library	X			X
Traffic Enforcement	X		X	
Street Maintenance		X	X	
Fixed Route Bus	X		X	
Paratransit Bus		X		X

3/11/2011

Prioritize Budget Balancing Values

Forum

1. Ensure operating revenues and expenditures are equal.
2. Protect existing infrastructure.
3. Maintain quality level of services that are provided.
4. Limit operating impact of capital projects.
5. Compensate (salaries and benefits) employees competitively.
6. Continue all services currently provided.
7. Maintain sufficient reserves.

On-Line

1. Protect existing infrastructure
2. Maintain quality level of services provided
3. Ensure current operating revenues and expenditures are equal
4. Compensate employees competitively
5. Maintain sufficient reserves
6. Continue all services currently provided
7. Limit the operating impact of capital projects

Social Services

Forum

On-Line

	Yes	No	Yes	No
Human Services Grants		X	X	
Food & Utility Sales Tax Rebates		X	X	
Affordable Housing Fee Waivers	X		X	
Building Support for the Homeless Shelter	X		X	
Discounted Rec Programs		X	X	
Discounted Transit	X		X	

TABOR

Forum

- Refer the measure to retain revenue in excess of TABOR limit
- There should be a sunset of 5 years

On-Line

- Refer the measure to retain revenue in excess of TABOR limit
- There should be a sunset of 5 years

	Yes	No	Yes	No
Police & Fire	X			X
Police, Fire & Parks		X		X
Police, Fire, Parks & Streets		X	X	
Any General Purpose		X	X	

Rank Ways to Reduce Expenditures

Forum

1. Eliminate non-essential services.
2. Strategic reductions at service levels.
3. 5% reduction to all departments.
4. Reduce the cost per unit retaining all existing services.

On-Line

1. Strategic reductions at service levels
2. Reduce cost per unit retaining all existing services
3. Eliminate non-essential services
4. 5% reduction to all departments

Cost Recovery Proportions

Forum

- Solutions should be 50% cost reduction and 50% revenue

On-Line

- Solutions should be 50% cost reduction and 50% revenue

Cost Recovery Responses

Forum

- Street maintenance fee 50%.
- \$10k is recovered for facility rentals at Pulliam, Library G. Scott Room, Lagoon, and Civic Center but 100% should be recovered.
- Rialto recovers 35% of operations costs but it should recover 100%.
- Planning Department recovers less than 10% of its costs through application fees but it should recover 80%.

On-Line

- Street maintenance fee 50%.
- \$10k is recovered for facility rentals at Pulliam, Library G. Scott Room, Lagoon, and Civic Center but 50% should be recovered.
- Rialto recovers 35% of operations costs but it should recover 50%.
- Planning Department recovers less than 10% of its costs through application fees but it should recover 50%.

Financial Sustainability Citizen Survey

SurveyMonkey




1. About how long have you lived in Loveland?

		Response Percent	Response Count
less than a year		0.9%	1
1 to 2 years		1.8%	2
3 to 5 years		15.3%	17
6 to 10 years		24.3%	27
more than 10 years		57.7%	64
answered question			111
skipped question			3



2. Using the Intersection of Highway 287 and Highway 34 as the boundaries, in what part of town do you live?

		Response Percent	Response Count
Northwest		34.2%	38
Southwest		35.1%	39
Northeast		14.4%	16
Southeast		16.2%	18
answered question			111
skipped question			3




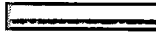

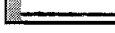

3. Are you employed?

		Response Percent	Response Count
Yes, full-time		65.8%	73
Yes, part-time		11.7%	13
No (retired, student, etc.)		22.5%	25
answered question			111
skipped question			3

4. Do you own or rent your residence?

		Response Percent	Response Count
Own		92.8%	103
Rent		7.2%	8
answered question			111
skipped question			3

5. What category contains your age?

		Response Percent	Response Count
18-24 years		0.9%	1
25-34 years		8.1%	9
35-44 years		27.0%	30
45-54 years		24.3%	27
55-64 years		20.7%	23
65-74 years		18.0%	20
75 years and older		0.9%	1
answered question			111
skipped question			3

6. Please rate the following services.

	Strongly Agree	Agree	Disagree	Strongly Disagree	Response Count
The City delivers services efficiently.	30.6% (33)	67.6% (73)	1.9% (2)	0.0% (0)	108
The City delivers services cost effectively.	24.5% (26)	66.0% (70)	9.4% (10)	0.0% (0)	106
The City maintains its facilities well.	33.6% (36)	64.5% (69)	1.9% (2)	0.0% (0)	107
The City is responsive to citizen needs.	25.0% (27)	62.0% (67)	12.0% (13)	0.9% (1)	108
The City exercises fiscal conservatism.	28.8% (30)	58.7% (61)	9.6% (10)	2.9% (3)	104
Comment					29
answered question					108
skipped question					6



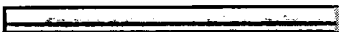
7. Please prioritize each strategy with 1 being your most important priority for budget balancing strategies. You may select each priority level only once and you may only choose one level per strategy.

	Most Important 1	2	3	Least Important 4	Rating Average	Response Count
Increase existing revenue sources (increase fees or taxes).	27.3% (27)	28.3% (28)	24.2% (24)	20.2% (20)	2.37	99
Invest in projects that generate more existing sources.	52.0% (51)	25.5% (25)	18.4% (18)	4.1% (4)	1.74	98
Reduce the cost per unit to deliver the same service level.	21.7% (23)	40.6% (43)	34.0% (36)	3.8% (4)	2.20	106
Eliminate services.	2.9% (3)	5.7% (6)	20.0% (21)	71.4% (75)	3.60	105
					Comment	26
					answered question	108
					skipped question	6

8. Would you support a ballot measure for any of the following revenue sources?

	Yes	No	Maybe, with more information	Response Count
Property Tax Mill Levy Increase	30.1% (31)	31.1% (32)	38.8% (40)	103
Sales Tax Increase	33.3% (35)	39.0% (41)	27.6% (29)	105
Use Tax (other than auto & building materials)	31.4% (33)	25.7% (27)	42.9% (45)	105
Excise Tax (any tax that is not a property tax and that is imposed on a particular act, event, occurrence, occupation or enjoyment of a privilege)	31.1% (32)	24.3% (25)	44.7% (46)	103
			Comment	18
			answered question	105
			skipped question	9

9. Should an increase in these revenues be dedicated to a specific purpose?

		Response Percent	Response Count
Yes		28.6%	30
No		17.1%	18
Maybe, with more information		54.3%	57
	Comment		18
answered question			105
skipped question			9

10. If there is an increase to an existing tax or new tax, should it be dedicated to any of these?

	Yes	No	Response Count
Economic Development	65.6% (63)	34.4% (33)	96
Fire	60.4% (55)	39.6% (36)	91
Library	50.0% (47)	50.0% (47)	94
Museum	37.6% (35)	62.4% (58)	93
Parks	52.7% (49)	47.3% (44)	93
Police	60.2% (56)	39.8% (37)	93
Rialto Theater	39.1% (36)	60.9% (56)	92
Streets	70.0% (70)	30.0% (30)	100
Transit	59.6% (59)	40.4% (40)	99
		Comment	29
answered question			105
skipped question			9





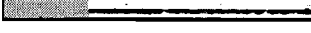
11. Would you be willing to support a ballot measure to create a new district to fund the operations of the following services? (A new district is a separate legal entity.)

	Yes	No	Maybe, with more Information	Response Count
Fire	28.0% (28)	23.0% (23)	49.0% (49)	100
Library	28.3% (28)	34.3% (34)	37.4% (37)	99
Cultural Services (Museum/Rialto Theater)	23.8% (24)	29.7% (30)	46.5% (47)	101
Parks	18.4% (19)	38.8% (40)	42.7% (44)	103
Transit	29.7% (30)	27.7% (28)	42.6% (43)	101
			Comment	13
			answered question	105
			skipped question	9

12. Several of our services are supported by fees. Which of the following services should the City consider increasing the fees to reduce their reliance on General Fund taxes?

	Yes	No	Response Count
Recreation Center Use	54.5% (55)	45.5% (46)	101
Development Planning and Review	72.9% (70)	27.1% (26)	96
Library Use	27.8% (27)	72.2% (70)	97
Traffic Enforcement	66.0% (64)	34.0% (33)	97
Street Maintenance	56.6% (56)	43.4% (43)	99
Fixed Route Bus Service	53.2% (50)	46.8% (44)	94
Paratransit Bus Service	37.9% (36)	62.1% (59)	95
		Comment	12
		answered question	103
		skipped question	11

13. Street Maintenance Fees (street resurfacing) on your monthly utility bill at the 2010 rate are intended to cover 50% of the Street Maintenance Program. What percentage of the street maintenance should be covered with fees?

		Response Percent	Response Count
80%		6.8%	7
75%		6.8%	7
70%		12.6%	13
60%		23.3%	24
50%		50.5%	52
Comment			14
answered question			103
skipped question			11

14. Please prioritize each strategy with 1 being your most important priority for these budget balancing values. You select each priority level only once and you may only choose one level per value.

	Most Important 1	2	3	4	5	6	Least Important 7	Rating Average	Res Co
Protect existing infrastructure.	39.8% (39)	18.4% (18)	14.3% (14)	10.2% (10)	3.1% (3)	11.2% (11)	3.1% (3)	2.64	
Limit operating impact of capital projects.	4.2% (4)	8.3% (8)	12.5% (12)	17.7% (17)	20.8% (20)	18.8% (18)	17.7% (17)	4.70	
Compensate (salaries & benefits) employees competitively.	6.2% (6)	16.5% (16)	16.5% (16)	18.6% (18)	22.7% (22)	4.1% (4)	15.5% (15)	4.09	
Maintain quality level of services that are provided.	16.8% (16)	22.1% (21)	25.3% (24)	20.0% (19)	10.5% (10)	5.3% (5)	0.0% (0)	3.01	
Continue all services currently provided.	7.9% (8)	10.9% (11)	9.9% (10)	16.8% (17)	14.9% (15)	13.9% (14)	25.7% (26)	4.64	
Ensure current operating revenues and expenditures are equal.	17.3% (17)	12.2% (12)	11.2% (11)	10.2% (10)	13.3% (13)	25.5% (25)	10.2% (10)	4.07	
Maintain sufficient reserves.	7.9% (8)	13.9% (14)	13.9% (14)	9.9% (10)	12.9% (13)	17.8% (18)	23.8% (24)	4.54	

Comment

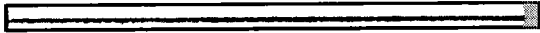

answered question

skipped question


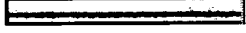
15. While social services programs are traditionally managed at the County level of government, the City contributes to social services. Should the City use tax revenue to support the following programs?

	Yes	No	Response Count
Human Service Agency Grants (grants to non-profit agencies that provide basic services to the community)	77.5% (79)	22.5% (23)	102
Food & Utility Sales Tax Rebates for Low Income Qualified Customers	74.3% (75)	25.7% (26)	101
Affordable Housing Fee Waivers	69.0% (69)	31.0% (31)	100
Building Support for the Homeless Shelter	75.5% (77)	24.5% (25)	102
Recreation Programs for Low Income Qualified Customers	53.5% (54)	46.5% (47)	101
Transit Services Discounted for Low Income Qualified Customers	80.4% (82)	19.6% (20)	102
		Comment	12
		answered question	103
		skipped question	11

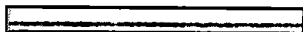
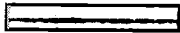
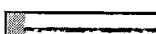
16. The TABOR ballot measure (aka de-Brucing) approved by the voters allowing the City to keep and spend any revenue over the TABOR revenue limit expires at the end of 2012. Would you consider referring another ballot question to allow the City to keep and spend the revenue over the limit?

		Response Percent	Response Count
Yes		86.3%	88
No		13.7%	14
		Comment	12
		answered question	102
		skipped question	12

17. If the ballot measure is referred, should there be a sunset provision (requiring that it come back to the voters)?

		Response Percent	Response Count
Yes		61.8%	63
No		38.2%	39
		Comment	8
		answered question	102
		skipped question	12





18. If the ballot measure should come back to the voters, then in what number of years?

		Response Percent	Response Count
5 Years		48.0%	49
10 Years		27.5%	28
15 Years		24.5%	25
	Comment		8
	answered question		102
	skipped question		12

19. If the ballot measure is referred, should there be restrictions placed on the use of the excess TABOR funds to include these current services?

	Yes	No	Response Count
Police and Fire	38.0% (30)	62.0% (49)	79
Police, Fire, and Parks Maintenance & Construction	39.5% (32)	60.5% (49)	81
Police, Fire, Parks Maintenance & Construction, and Street Maintenance & Construction	55.2% (48)	44.8% (39)	87
Any General Purpose	63.0% (58)	37.0% (34)	92
		Comment	6
	answered question		102
	skipped question		12


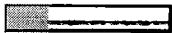


20. The City needs to find \$3.5 million in solutions. What proportion of the solution should come from revenue versus expenditures?

		Response Percent	Response Count
100% cost reduction		7.1%	7
50% cost reduction & 50% revenue		44.4%	44
40% cost reduction & 60% revenue		22.2%	22
25% cost reduction & 75% revenue		26.3%	26
	Comment		11
answered question			99
skipped question			15



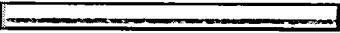
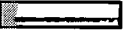
21. Please prioritize each strategy with 1 being your most important priority for cost reduction strategies. You may select each priority level only once and you may only choose one level per strategy.

	Most Important 1	2	3	Least Important 4	Rating Average	Response Count
5% reduction to all departments.	11.6% (11)	24.2% (23)	25.3% (24)	38.9% (37)	2.92	95
Strategic reductions at service levels.	31.9% (30)	35.1% (33)	26.6% (25)	6.4% (6)	2.07	94
Eliminate non-essential services.	37.5% (36)	14.6% (14)	12.5% (12)	35.4% (34)	2.46	96
Reduce the cost per unit retaining all existing services.	22.1% (21)	29.5% (28)	31.6% (30)	16.8% (16)	2.43	95
Comment						12
answered question						99
skipped question						15





22. The City rents the Pulliam Building, Library Gertrude Scott Building, Civic Center and Lagoon to the public for group events generating \$10,000 annually. How much of the cost to provide these facilities should be recovered from facilities rentals?

		Response Percent	Response Count
100%		26.3%	26
75%		26.3%	26
50%		39.4%	39
25%		8.1%	8
Comment			15
answered question			99
skipped question			15

23. The Rialto Theater generates revenue from rental of the theater, a fee on ticket prices on shows by outside productions, ticket sales by shows produced internally, and concession sales. Currently it recovers 35% of its operating costs. How much of the cost to operate the theater should be recovered by these sources?

		Response Percent	Response Count
100%		11.1%	11
85%		15.2%	15
50%		54.5%	54
35%		19.2%	19
Comment			12
answered question			99
skipped question			15

24. The Planning Department generates less than 10% of the cost to provide development services. What percent of these costs should be recovered through fees charged at the development applications?

		Response Percent	Response Count
100%		15.2%	15
80%		13.1%	13
50%		42.4%	42
>10%		29.3%	29
Comment			13
answered question			99
skipped question			15

25. Is there anything else that you would like us to consider?

	Response Count
	24
answered question	24
skipped question	90

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Please rate the following services.

#	Response Date	Comment
1	Feb 23, 2011 8:31 PM	The Development Review and building permit process is still too cumbersome and takes way too long for simple processes.
2	Feb 27, 2011 11:21 AM	I believe the city is very well run and takes the time to be responsive to its citizens.
3	Feb 28, 2011 7:41 PM	Loveland provides tons of services unusual for a city this size (numerous/variety parks, rec/sr center, recycling, trash pickup, Rialto, museum to name a few.) I feel that our property and sales taxes are extremely reasonable.
4	Mar 1, 2011 6:25 PM	Love Loveland
5	Mar 2, 2011 2:11 PM	Can't comment of fiscal conservatism since I don't know the details
6	Mar 2, 2011 2:19 PM	The so-called fiscal conservatives on City Council don't seem to understand the true costs of some of their actions for the long term.
7	Mar 2, 2011 2:34 PM	I'm not sure how fiscally conservative the city is. They have made a few bad investments (subsidising businesses that failed) but utilities seem to be well maintained which is important for the long run and more conservative. Never had need to see how responsive they were.
8	Mar 2, 2011 2:54 PM	I know it's not this council that did it, but when you buy property you don't need to prevent another town from getting it, not to conservative.
9	Mar 2, 2011 3:26 PM	salaries are verh high compared to priv. sector. Judge and city Atty are way above priv. lawyers in Lar.Co. Judgeship could be bid out for 1/3rd what Stark is being pd. Duvall is way to high
10	Mar 2, 2011 3:52 PM	Some citizens are marginalized and we forget them, I think. More social services are needed--mental health, health, housing, food. There is a huge dependency on the volunteer community for money and time to make a difference.
11	Mar 3, 2011 9:23 AM	Zero debt.
12	Mar 3, 2011 10:59 AM	I feel that Police services are not responsive. I feel that all other departments of the City are very responsive. Fiscal conservatism is too strong. The reserves the City has built up over the past years should be tapped during this temporary economic slowdown. Reserves should be used for their intended purpose.
13	Mar 3, 2011 12:15 PM	We are not pleased with the change in the curbside recycle program. We had to return our bin because neither size will fit in our garage. COL should have extended the testing to multiple subdivisions to see if it would benefit all citizens since the new system is not truly benefitting everyone. We were very pleased with the snowplow addition to the waste service trucks. What a blessing it has been to finally have a plowed access street after living here for six years.
14	Mar 3, 2011 12:20 PM	I think there are opportunities to partner with local businesses/employers to deliver services even more cost effectively.
15	Mar 3, 2011 1:15 PM	Question city purchases of land, land assets, water, buildings to the possible muting of creative opportunities for the private sector, or for profitable private sector joint ventures particularly DOL and Northside.
16	Mar 3, 2011 1:22 PM	I think our city has as a good mix of preservation and preparing for the future growth.

Please rate the following services.

#	Response Date	Comment
17	Mar 3, 2011 4:23 PM	I think there is always room for improvement. I believe that the different departments can cooperate more with each other, especially the Parks Department.
18	Mar 3, 2011 5:43 PM	Loveland is quite well run, especially compared to Fort Collins.
19	Mar 4, 2011 11:12 AM	I am not really aware of how effeciently the city operates. There should be a "don't know" choice.
20	Mar 4, 2011 11:24 AM	I see a lot of new City vehicles when I think older vehicles would still have plenty of life in them. I also see police vehicles at private homes and don't think that's a good use of City resources.
21	Mar 4, 2011 2:57 PM	Am not sure what distinction you are making between "efficient" and "cost-effective" service delivery. Regarding "fiscal conservatism", I am somewhat concerned about City Council decisions that grant incentives to encourage economic development. There is a real danger that "potential employers" will take advantage of cities by enticing them into bidding contests to the detriment of their taxpayers. --Fear of losing out can lead to decisions that result in actual losses.
22	Mar 7, 2011 8:55 AM	Too much difference between departments in policy such as department parties. One of the ways the City cut costs was to stop hosting a Christmas luncheon. Some departments then went and had their own event catered for their people. That's pretty selfish, and it should be the same across the board- not some careless departments burning money and others doing nothing. Some departments put on luncheons at no cost to the City, which is great (i.e potluck). That is just one example - policy like that should be the same in all departments with none having the freedom to waste a bunch of money when the rest of the City is struggling.
23	Mar 7, 2011 6:42 PM	Since I often use the city's recreation trails, I appreciate the good maintenance and quick snow removal.
24	Mar 7, 2011 7:52 PM	City may spend a bit beyond its means.
25	Mar 7, 2011 11:02 PM	if the city excercised fiscal conservatism, we would not be taking this survey??
26	Mar 8, 2011 9:20 AM	I would love to see more walk/bike friendliness in the city. Make it safer for residents to walk/bike all over town, right now the rec trail isn't a complete circle, which I understand is political in gaining the rights, but that would be a fantastic asset to our beautiful city and help us conserve natural resources in addition to helping us be healthy!
27	Mar 8, 2011 1:45 PM	I think there have been some mistakes made. Loveland seems to cater to builders and such more than need be.
28	Mar 8, 2011 6:20 PM	The city gave the impression that they were going to add a Mehaffey Park 15 years ago and still has not been built. The city has built other projects that weren't even on the drawing board and Mehaffey Park has still not been built. I am very disappointed.
29	Mar 8, 2011 6:33 PM	I just hope that council continues to excercise fiscal conservatism. As our economic environment changes we need to adjust accordingly. There are several services that the city has historically provided without having to be too fiscally concerned. Although many citizens have grown accustomed to these services, some if not all may have to be

		Please rate the following services.	
#	Response Date	Comment	
		trimmed or even eliminated in order to maintain the city financial stability that it is developed over time.	

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Please prioritize each strategy with 1 being your most important priority for budget balancing strategies. You may select each priority level only once and you may only choose one level per strategy.

#	Response Date	Comment
1	Feb 23, 2011 8:31 PM	Why wouldn't you start with ways to simply be more efficient and eliminate "fluff" in the system in order to deliver the products at a lower cost. We should invest in Economic Development first and foremost in order to increase revenue sources.
2	Feb 24, 2011 2:54 PM	I'm not sure what "Invest in projects that generate more existing sources." means. I'm willing to pay for quality service. I feel the city provides quality services!
3	Feb 24, 2011 3:15 PM	As a business consultant, I would NOT recommend Loveland to a business that is looking to relocate. I do NOT find Loveland to be a business friendly community. You over regulate the business community. The planning commission is useless and only an attempt to make it look like there is community involvement. Eliminate it and speed the process. The planning department, the fire marshal look for ways to hinder business instead of helping businesses get established and be successful. You will give all kinds of concessions to NASA, but the real engine for the economy is small business which you don't seem to understand. Get some real business owner involvement in terms of city oversight. You NEED it.
4	Feb 27, 2011 11:21 AM	Be forward thinking.
5	Feb 28, 2011 10:51 AM	It is doubtful that you can reduce cost and get the same service. Usually when you reduce cost you will have to reduce service as well. Some services may have to go.
6	Feb 28, 2011 7:41 PM	Not sure how you can invest in projects to generate more revenue when we're looking at cutting the budget, but it would be the way to go, assuming it does not increase taxes or fees. Personally, I am ok with paying higher taxes/fees, but I imagine most folks in Loveland are not. Eliminating services doesn't make the cost go away. The need is still there and will likely be dealt with in a more costly, and less efficient manner.
7	Mar 2, 2011 2:19 PM	I don't want to live in slum. I bought in Loveland because it takes care of itself and is a city I'm not ashamed to live in. If we start doing like Colorado Springs does, we will soon look like a slum too. Taxes are not that high. If people can't handle the taxes, they should move to a slummy area where they are lower. To me fiscal conservatism means fixing things when they break and buying quality that will last a long time. Doing projects now rather than later - i.e. long term thinking. Do ROI analysis. Look at hidden costs - sometimes eliminating a cost just makes something else more expensive. Be smart about money.
8	Mar 2, 2011 2:34 PM	Why don't we just collect the taxes that are owed from Centerra, that would generate good income.
9	Mar 2, 2011 2:54 PM	Loveland does not have to pay same as Boulder, Longmont and F/C for salaries. We can get very capable people for less, we are smaller and do not have to keep up with the "Jones"s
10	Mar 2, 2011 3:26 PM	

Please prioritize each strategy with 1 being your most important priority for budget balancing strategies. You may select each priority level only once and you may only choose one level per strategy.

#	Response Date	Comment
11	Mar 2, 2011 3:52 PM	Taxes need to be continually looked at. We need to replace the food tax --period. The purpose of government is to raise money for the COMMON GOOD. Environment, infrastructure, quality of life...
12	Mar 2, 2011 9:54 PM	Quit giving McWhinney huge tax breaks. That alone would balance the budget.
13	Mar 3, 2011 10:59 AM	Again, the use of existing reserves can modify the impact of this projected funding gap.
14	Mar 3, 2011 11:11 AM	I don't understand what "invest in projects that generate more existing sources" means? If you're talking about investing in projects that generate revenue (such as economic development), I agree.
15	Mar 3, 2011 12:00 PM	Efficiency is always the first step - is this project/program being run in the most efficient manner without reducing service?
16	Mar 3, 2011 1:22 PM	Increasing taxes to provide valuable resources to it citizens and eliminating services that are no longer needed or not profitable seems necessary to me. We should also look at ways the City could generate revenue from some (not all) existing programs or "free" services or conveniences in the community.
17	Mar 3, 2011 3:08 PM	Because of the current economic climate and low employment rate it is important to quickly adopt policies that put spending on a more restrained path, while deferring the implementation of large spending cuts until the economy is stronger. While not every dollar of spending is spent optimally for economic growth, much of it is critical. Cutting it can have very significant negative effects now and for long-term growth.
18	Mar 3, 2011 4:23 PM	I believe that this is the time we should be investing in the future. I have been disappointed at the slowness of this city in doing this. Funds are created the advancement of this city only to take forever to implement. The last observation of this has been the revenue generated to market the city. We need to market the city now. I don't care if a mistake is made here and there. Lets get on with it and not be hesitant.
19	Mar 3, 2011 5:43 PM	I believe we can grow our way out of this problem if we're creative. In fact I'm not convinced that the forecast shortfall is actually real. But if it is, it's because employment has been stagnant especially in technology sector.
20	Mar 4, 2011 11:24 AM	Much like State and Federal budgets, we don't just have a spending problem, we also have a revenue problem. The private sector is raising the cost of goods and services too - that's how they stay solvent.
21	Mar 4, 2011 12:03 PM	Eliminate duplication of services
22	Mar 4, 2011 2:57 PM	What does "generate more existing sources" mean? (Maybe "more sources of revenue"?) If it means investing in private projects that you hope will produce taxes, it is gambling with public money and not a reliable or responsible way of balancing a budget. I miss a choice that mentions prioritizing city services and making decisions based on the results.
23	Mar 7, 2011 9:19 PM	The way this is written is confusing

Please prioritize each strategy with 1 being your most important priority for budget balancing strategies. You may select each priority level only once and you may only choose one level per strategy.

#	Response Date	Comment
24Mar 7, 2011 11:02 PM		<p>manage what we have better and we wouldn't have to eliminate or increase anything, everything seems to be increasing expect everyone's salary</p> <p>This "retirement" town needs to get with the times ad far as taxes and community friendly ammenities. There can not be ammenities without taxes.-- However the roads-- exspecially the round abouts are not necessary and they dont alliveate the traffic as much as the guy in charge says they do... There is something to be said for preserving old town and other such areas. And he should not just say at the meetings that people will get over it and adjust. I am tired of people in power who how the got there I am not sure because I dont think they are elected officials pushing off their home state (California) ideas on us. OR what they seem to think is the way things should be.. never mind what the people say. We have gone to meetings and voiced our opinions only to be told by the road man to bad you will adjust people will get over it.. NO we wont and this is POOR service to Loveland.</p> <p>Citizense and businesses are feeling the same financial and economic issues as the city is. It is not reasonable to ask for more taxes and fees. Some services will simply have to be reduced or eliminated. The needs of the many outweigh the needs of the few and the private and non-profit organizations would be better suited for providing some services rather than an increased tax burden on the city residents and businesses.</p>
25Mar 8, 2011 1:45 PM		
26Mar 8, 2011 6:33 PM		

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Would you support a ballot measure for any of the following revenue sources?		
#	Response Date	Comment
1	Feb 23, 2011 8:33 PM	Raising taxes places a larger burden on the cost of doing business and will drive it out of the community. Loveland is competitive based on its proximity to Ft. Collins and relatively cheaper cost of living/doing business. If we increase taxes, we will lose some of that benefit and attractiveness to building. Need to find a way to do more with less and make government more efficient.
2	Feb 24, 2011 3:21 PM	That's always the answer from those from the left. Tax the business and people more. How about cutting our things that are not required by the city or state constitutions.
3	Feb 27, 2011 11:24 AM	It takes a certain amount of revenue to increase the potential of yield. We can't be afraid.
4	Feb 28, 2011 10:54 AM	Property taxes are already too high and have not been reduced even though property values have decreased. Most people cannot afford any more taxes. Taxes on consumption may be better.
5	Mar 2, 2011 2:44 PM	We already pay higher sales tax than Ft. Collins - which probably is sending business their way. I have to go to Thornton to shop at Costco because we don't have one here. I refuse to shop at WalMart or Sam's club or Target.
6	Mar 2, 2011 3:33 PM	Use Bonded indebtedness, our city has no bonded debt, that is a City w/o a vision or goals. How could Americans afford homes w/o debt. this is just fundamental most cities have bonded indebtteness
7	Mar 2, 2011 3:57 PM	Sales tax put a disproportionate burden on low income if the tax is on items they MUST buy to be self-sufficient
8	Mar 2, 2011 9:58 PM	Taxes should first be levied on those who can most afford it like corporations and developers like Marostica and the McWhinneys.
9	Mar 3, 2011 11:04 AM	City Council should be held accountable for putting the City in the role of Real Estate Investor as demonstrated by the purchase of the "Berthoud exit" property. "Borrowing" funds previously dedicated to specific departmental uses should not be allowed.
10	Mar 3, 2011 11:25 AM	The people do not want more taxes or fees. With the cost of living rising so dramatically, but no increase in income to the citizens, they cannot continue to fund all the programs that may not be necessary in down times, no matter how popular they are in good times.
11	Mar 3, 2011 12:04 PM	Since most city function benefit residents, a property tax seems the most fair
12	Mar 3, 2011 3:42 PM	Fort Collins has done this successfully several times; why can't we? Too timid about it and not enough planning/thought has gone into it.
13	Mar 3, 2011 4:28 PM	I believe that developers should continue to pay their way. Each new project brings other expenses and we should not be reducing development fees. We have a very attractive community to develop.
14	Mar 3, 2011 5:48 PM	We need manufacturing jobs. Avoid taxes that would adversely affect manufacturing businesses.
15	Mar 4, 2011 11:19 AM	There is no free lunch. It has become obvious that revenue must increase to maintain schools, roads, etc.

Would you support a ballot measure for any of the following revenue sources?		
#	Response Date	Comment
	16Mar 4, 2011 3:12 PM	First choice should be another request to keep TABOR "excess revenue"--possibly for good, rather than for a specific time period ("deBrucing"). Taxpayer attitudes should determine which route to use.
	17Mar 7, 2011 11:07 PM	budget budget budget, stop the frivolous spending
	18Mar 8, 2011 1:50 PM	I know that to have our library redone we have to have taxes and I am okay with that-- I am not okay with Loveland chintzing out on some things-- for instance the heater in the pool. Who made the decision to keep the same heater in a larger pool when it was already old in the first place?? This is lacking some real life common sense and people arent happy--listen to them.

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Should an increase in these revenues be dedicated to a specific purpose?

#	Response Date	Comment
1	Feb 24, 2011 12:20 PM	Library, Parks, Public Safety, Streets, Transit
2	Feb 24, 2011 2:56 PM	I would imagine all services could be increased. I elect my city officials and have faith that they will be prudent with my tax dollars.
3	Feb 24, 2011 3:21 PM	MY ACTUAL CHOICE IS THE NOT ANSWER THIS BUT I HAD TO MARK SOMETHING TO MOVE TO THE NEX PAGE. I WILL STRONGLY OPPOSE ANY TAX INCREASE. How about reducing taxes to stimulate the economy.
4	Feb 28, 2011 7:48 PM	This is difficult because the public forgets the specific purposes after a while - for instance, the 1% for the arts money some people would like to spend fixing potholes.
5	Mar 2, 2011 2:44 PM	Maybe some of those taxes that are being used to plant annual flowers should be invested in a combinatin of hard-scaping and anuals then the money saved used to beautify some other space.
6	Mar 2, 2011 3:33 PM	parking garages, infrastructure, downtown, Art Space, Rialto Bridge could all be funded with bonded indebtedness, it takes foresight and VISION
7	Mar 2, 2011 9:58 PM	They should be dedicated to services that are used by the majority of the people like streets, utilities, parks and recreation, library, etc.
8	Mar 3, 2011 11:25 AM	If a revenue generating program is necessary for health or safety issues, the public should know about it and would more likely support needs of that nature.
9	Mar 3, 2011 12:04 PM	I think that's the only way it'll get passed - similar to what Fort Collins did in 2010 for police, roads and parks
10	Mar 3, 2011 1:37 PM	I like that idea but am also not sure about restricting the funds to a really narrow or specific purpose in a growing community which may have different goals in the future.
11	Mar 3, 2011 2:44 PM	I would imagine it should be used wherever the budget deficit requires it.
12	Mar 3, 2011 3:40 PM	I think flexibility with the funds would be important
13	Mar 4, 2011 2:00 PM	Cultural services, public safety, parks
14	Mar 4, 2011 3:12 PM	I think you reduce your flexibility to respond to needs by earmarking tax increases--but it may make them more palatable to the voting public.
15	Mar 7, 2011 8:58 AM	Yes, and it sure as hell should not be a consultant.
16	Mar 7, 2011 7:53 PM	Some general increase fine otherwise we all vote for parks and not for streets. Need to maintain both.
17	Mar 7, 2011 9:50 PM	Existing parks are important to maintain and keep updated.
18	Mar 8, 2011 1:50 PM	We have to decide what it is that you want to raise the taxes for and use them there...and only there not other places.

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If there is an increase to an existing tax or new tax, should it be dedicated to any of these?

#	Response Date	Comment
1	Feb 16, 2011 6:11 PM	My preference would be transporation including streets and transit.
2	Feb 17, 2011 1:39 PM	I answered yes, but it really depends on the following: what tax is implemented or increased, how much revenue is obtained, how much would be dedicated/distributed and what specifically would those funds be used for. Much more info would be needed.
3	Feb 24, 2011 3:21 PM	NO NEW TAXES. MY ACTUAL CHOICE IS THE NOT ANSWER THIS BUT I HAD TO MARK SOMETHING TO MOVE TO THE NEX PAGE. I WILL STRONGLY OPPOSE ANY TAX INCREASE. Since Economic Development usually means giving tax money to buddies of the connected so they can make more money while the ordinary citizens suffer, I'm against it. It's been proven again and again that tax breaks etc. for companies don't benefit the community
4	Feb 24, 2011 5:19 PM	economically or create jobs...usually only gives the company bigger profits that it uses to pay the bribes, excuse me, campaign contributions to the politicians who gave the tax breaks. We need more public transit, parks and other things that enhance the quality of life for everyone in Loveland.
5	Feb 25, 2011 6:08 AM	not sure how to answer this one - not as easy as yes or no
6	Feb 27, 2011 11:24 AM	A far more available transit system would spur economic development. Don't undercut fire and police.
7	Feb 28, 2011 10:54 AM	We cannot afford any new or increased taxes. Generally, I've not been in agreement with many of the economic development projects undertaken by the city in the past but feel that the current economic situation may require some new ideas in this area.
8	Feb 28, 2011 7:48 PM	Also, I am a strong supporter of the arts, music, parks, etc. but as long as we maintain the status quo in those areas, for now, I feel there are more pressing needs. I think public transit is especially important - COLT routes are absolutely unusable by anyone in my family to go anywhere - although we keep looking at the bus schedules to see if we can make it work.
9	Mar 2, 2011 2:44 PM	I don't know if we are short on funds for any of these things. Certainly File/Police/Transit/StreetsParks all have to be provided for. The other things can be taken care of with donations/volunteers if things were really bad. Hopefully, our neighboring towns will invest in Economic developement and we will reap the benefits if they are successful (like we do from living close to Ft. Collins and the University)
10	Mar 2, 2011 3:11 PM	I am assuming that any added funds for any of the above would be based on a showing of need and/or benefit to the community.
11	Mar 2, 2011 3:33 PM	our police and fire are way over funded right now. Fire does not have to respond to Ambulance calls. w/o these calls they really respond to very few FIRES. Way too many Police and cruisers & overhead
12	Mar 2, 2011 9:58 PM	Anything but funding the already rich developers.
13	Mar 3, 2011 11:14 AM	Actually, my "yes" answers are more "it depends" answers.
14	Mar 3, 2011 11:25 AM	I love the Rialto, the museum and the library, but they are not necessary enough to have additional taxes or fees just for them at this time.

If there is an increase to an existing tax or new tax, should it be dedicated to any of these?

#	Response Date	Comment
		ONLY programs of direct health and safety should be beneficiaries of any increase in taxes/fees.
15Mar 3, 2011 12:04 PM		Rialto can be run as an enterprise, and everything else, if done correctly and well, will draw economic development in without having to dedicate \$\$ to economic devel.
16Mar 3, 2011 12:22 PM		All of the listed choices are important to being a well rounded and inviting community for current employers and potential businesses.
17Mar 3, 2011 1:37 PM		I'm on the fence about the Library, I wonder what purpose the Library has is in our digital age and with bookstores. I think the Library must have a new goal for how they provide services to the community to stay vital.
18Mar 3, 2011 2:44 PM		Should be used wherever it is needed.
19Mar 3, 2011 4:28 PM		I don't want existing services cut and if need be to save them am willing to have new revenues dedicated to individual services if there is logic behind the dedication.
20Mar 4, 2011 10:18 AM		I don't know enough to comment
21Mar 4, 2011 11:19 AM		SCHOOLS. Our schools should be one of the above categories
22Mar 4, 2011 11:25 AM		Cultural services are important, but don't have to stay as competitive and up-to-the-minute as other services.
23Mar 4, 2011 11:54 AM		No revenue earmarking; where revenues are spent should normally be situational from the general fund.
24Mar 4, 2011 3:12 PM		I have checked "no" on what I consider to be real election "losers". Unmarked items are less undesirable, but I don't believe in earmarking your revenue.
25Mar 7, 2011 8:58 AM		Utilities are somewhat significant - we couldn't live without them. Maybe they should be up there with streets and library.
26Mar 7, 2011 11:07 PM		maybe if all the high school kids and "others" weren't allowed to use our transit system for free that may generate some revenue huh??? Seriously, we pay taxes to the damn school district, they can bus them or they can start paying for the city transit. At some point we need to stop giving.
27Mar 8, 2011 9:01 AM		I strongly feel that the Rialto Bridge Project is an improvement that is not in the realm of City services. While the Rialto itself is a great amenity, the Bridge is an example of why the theater should possibly be a private enterprise, not a City function...plus the architecture is not appropriate to the downtown area!
28Mar 8, 2011 1:50 PM		Again this needs to be looked at.
29Mar 8, 2011 6:38 PM		The Rialto Theater is an excellent example of a venture that the city should not be involved in. The last time I looked at the budget, the Rialto generated over \$300k in annual expenses. This should be sold to a private entity or leased or managed by a professional entertainment firm. Downtown will not turn the corner until the Rialto is utilized to its fullest extent as an entertainment venue rather than a community center.

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Would you be willing to support a ballot measure to create a new district to fund the operations of the following services? (A new district is a separate legal entity.)

#	Response Date	Comment
1	Feb 16, 2011 6:11 PM	Cultural services should be addressed through a county-wide Science and Cultural Facilities District.
2	Feb 24, 2011 3:21 PM	MY ACTUAL CHOICE IS THE NOT ANSWER THIS BUT I HAD TO MARK SOMETHING TO MOVE TO THE NEX PAGE. I WILL STRONGLY OPPOSE ANY TAX INCREASE.
3	Feb 26, 2011 2:01 PM	Districts are just a way to increase taxes. Districts grow into organizations that don't readily answer to voters.
4	Mar 2, 2011 2:44 PM	"A new district is a separate legal entity" does not help me understand what the heck you are asking.
5	Mar 2, 2011 3:33 PM	this will take a lot of education. Library and cultural services makes the most sense, Library is uesd by a lot of County residence who pay nothing for it, same with Museum/rialto
6	Mar 2, 2011 3:57 PM	I am not well enough informed about the merit/demerit of a district
7	Mar 3, 2011 2:44 PM	I don't know enough about these things to comment.
8	Mar 3, 2011 3:10 PM	Loveland should be building upon and investing further into it's creative foundation. We are lucky that art holds such a prominent space in our community. All forms of art...visual, theater, dance, music, culinary and otherwise... are critical to the heart-beat of a community and create a timeline and story about 'us'. This should be utilized to draw more people into the town which will equate to them spending money here; many cities across the nation are working hard to establish this as they see the economic and cultural benefit, we have it, but there are cracks forming in the foundation and the community needs to nurture the galleries, theaters, fine cuisine as well as bring in more options. The arts is a major part of our history and can be the main component of our future if we respect it.
9	Mar 3, 2011 4:28 PM	I believe that the lottery already has given the parks an additional boost.
10	Mar 4, 2011 11:19 AM	It seems to me that adding a new district increases the buracracy that adds more costs for the tax payer.
11	Mar 4, 2011 11:54 AM	Library, Parks, Cultural Services under umbrella similar to Denver's SCFD. Transit: Once the taxpayers have built a public transit system, its users should fund its operation,
12	Mar 4, 2011 3:12 PM	I believe parks are part of your basic service and should be covered by the general fund, especially as many serve local areas rather than the community at large. Fire, library and transit serve everyone and are more suited to the service district concept. Cultural services will be seen as a "frill" and are likely not to get a positive vote in an election.
13	Mar 7, 2011 11:07 PM	Does the cultural services option even generate revenue????

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Several of our services are supported by fees. Which of the following services should the City consider increasing the fees to reduce their reliance on General Fund taxes?

#	Response Date	Comment
1	Feb 23, 2011 8:37 PM	Increasing Fees is not the answer to the question; need to make government more efficient and eliminate unnecessary programs. FEES - TAXES BY ANOTHER NAME. STOP COMPETING WITH COMMERCIAL BUSINESSES. CLOSE THE RECREATION CENTER. There are 14 fitness centers in loveland. You UNFAIRLY
2	Feb 24, 2011 3:29 PM	compete with them by supplementing the rec center with our tax dollars. MY ACTUAL CHOICE IS THE NOT ANSWER THIS BUT I HAD TO MARK SOMETHING TO MOVE TO THE NEX PAGE. I WILL STRONGLY OPPOSE ANY TAX INCREASE. More mass transit would mean less cars on the streets. Traffic enforcement has it's own revenues (c'mon, we know it's not about safety - it's about the money). While the city government is developer owned and operated, it should make development pay it's fair share for the negative impacts they have on the rest of us. Higher fees should be just the beginning of this idea.
3	Feb 24, 2011 5:26 PM	
4	Feb 28, 2011 7:59 PM	Actually, my answer would be "maybe" on both bus services. The city should take care of streets & traffic - you can't charge people to fix these based on what - where they drive? Might as well charge more for the Rec center - I can't afford it as it is, so makes no difference to me.
5	Mar 2, 2011 3:05 PM	Libraries should be free - if not, then call it a "book rental store". If Bus price is too high, only the people who have to use them will. It should be much cheaper than driving your own car. Low income people need access to rec centers and transit, which actually help society overall by reducing crime/youth crime and by reducing
6	Mar 3, 2011 12:10 PM	congestion on the roads and pollutants to the environment. if made too expensive, no one will use them. The library may fall in to this as well, but fees there are so low they might not reduce use if increased.
7	Mar 3, 2011 12:27 PM	Public services are important for people in our community who cannot afford other options, i.e. public transit/bus service, library and rec use.
8	Mar 3, 2011 3:32 PM	I'm not opposed to paying more tax in times of need.
9	Mar 3, 2011 6:03 PM	Please don't turn the police traffic enforcement process into some kind of fund raising activity. People hate that, and rightly so. Development planning & review fees should be based on their cost to the city, neither subsidized nor used as a source of revenue for other purposes. Raising fees for fixed route bus service might reduce usage, leaving you worse off than before; it provides a service that helps low-income people be economically productive and more self-sufficient. (I don't think it can exist without some sort of subsidy, except in very densely populated areas.)
10	Mar 4, 2011 3:39 PM	
11	Mar 7, 2011 9:07 AM	I said yes on fixed route bus service but without knowing what the current rate is, I can't make a proper judgement on that.
12	Mar 8, 2011 1:59 PM	The rec center is already to expensive.. Who ever decided that the classes there should not be less than that of the local buisnesses should be checked for common sense. The center is supposed to be so that people

Several of our services are supported by fees. Which of the following services should the City consider increasing the fees to reduce their reliance on General Fund taxes?

#	Response Date	Comment
		who cant afford the gym or dance classes can go there... not have the same price as them so that there is no alternative. Maybe increase late fees on books for the librarys but there again its a resource that should not be unused due to high fees ect.

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Street Maintenance Fees (street resurfacing) on your monthly utility bill at the 2010 rate are intended to cover 50% of the Street Maintenance Program. What percentage of the street maintenance should be covered with fees?

#	Response Date	Comment
1	Feb 17, 2011 1:45 PM	I'm not comfortable with any of the options because how does street maintenance tie to utilities? I believe in usage taxes.
2	Feb 24, 2011 12:43 PM	These fees should directly correlate to use. Increase (or create) a tax on fuel, tires, oil changes, etc - something that directly correlates the benefit to the cost.
3	Feb 24, 2011 3:29 PM	How about Zero. Fees are suppose to be associated with the service that is being supported. What do utilities have to do with streets. Another example of the city slapping a fee on citizens to use for what ever purpose the government wants. MY ACTUAL CHOICE IS THE NOT ANSWER THIS BUT I HAD TO MARK SOMETHING TO MOVE TO THE NEX PAGE. I WILL STRONGLY OPPOSE ANY TAX INCREASE.
4	Feb 28, 2011 11:02 AM	I was required to answer this, but I have no comment
5	Feb 28, 2011 7:59 PM	I think the streets in my neighborhood (downtown area) and possibly over-maintained.
6	Mar 2, 2011 3:05 PM	My bill says I pay \$1.52 per month for Street Maint. I could pay more.
7	Mar 2, 2011 3:36 PM	BONDED INDEBTEDNESS!!!
8	Mar 2, 2011 4:04 PM	Increases must be done incrementally but those below a certain income level are exempt.
9	Mar 3, 2011 12:10 PM	its not just residents that use them - toruism, out of towners
10	Mar 3, 2011 6:03 PM	Small increases in utility fees would yield a lot of revenue in total.
11	Mar 4, 2011 3:39 PM	Less than 50%. The questionnaire didn't allow me to select this answer.
12	Mar 7, 2011 11:13 PM	Like I need my bill to go up any more! Again, those of us who actually pay are really taking it in the rear to cover those who don't/won't/can't pay and I mostly mean won't pay!!!
13	Mar 8, 2011 1:59 PM	As long as its for resurfacing and not for more of the round abouts and ect the Madison project is a mess-- people cant drive it- Its confusing and things dont always work in real life as well as they do on paper.
14	Mar 8, 2011 6:44 PM	This would just be another form of additional taxation on the residents when much of the street use comes for non-residence.

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Please prioritize each strategy with 1 being your most important priority for these budget balancing values. You may select each priority level only once and you may only choose one level per value.

#	Response Date	Comment
1	Feb 16, 2011 6:18 PM	I think the "Continue all services currently provided." question is too broad. I have no particular interest in cutting services.
2	Feb 28, 2011 11:02 AM	In most cases, the salaries and benefits of government employees are more than the private sector tax payers who support them. This is not right and should be changed.
3	Mar 2, 2011 3:05 PM	What competition? There are no other jobs. These people should feel lucky they work for the government and have fabulous benefits and safe working conditions. Paychecks are just gravy. The cities responsible for the infrastructure - we can't take care of that ourselves. You should not be investing in capital projects unless your ROI comes back with it being a pretty safe investment- there are scammers out there feeding on our tax dollars. I want my tax dollars used to create a clean, safe, beautiful city where everything works well.
4	Mar 3, 2011 11:11 AM	I did not mark the "reserves" option because the word sufficient is a matter of personal, and changing, opinion. What is determined to be sufficient today changes with the political winds of the council.
5	Mar 3, 2011 11:29 AM	Instead of looking at "compensating employees competitively", perhaps it would be better to look at organizational structure and productivity levels? What are, and should be, the core competencies for the city - in terms of services? This could assist with maintaining sufficient reserves.
6	Mar 3, 2011 12:10 PM	Cutting services will have a negative impact on the city overall over time via quality of life, and future privatization of services and associated costs
7	Mar 3, 2011 6:03 PM	A city the size of Loveland doesn't need to operate on a basis of revenues = expenditures. We can use reserves; accumulate capital before commencing projects; and so on. For very long-lived projects, some debt could be appropriate - especially now when interest rates are quite low, provided it is modest and has a lifetime matched to the assets. At present though I see no compelling need to incur debt.
8	Mar 4, 2011 3:39 PM	It is very important to quantify the operating costs of capital projects in advance and use this information in deciding whether to embark upon them and how to fund them. How much impact they should have on the general fund is a separate question whose answer will depend on the nature of the project being considered.
9	Mar 7, 2011 8:38 PM	What does it mean to limit operating impact of capital projects?
10	Mar 8, 2011 6:44 PM	I assumed city salaries and benefits were competitive. If over compensated, then a freeze should be established until such time that they become competitive. If under compensated, now is not the time to make major increases, however, the human asset is the most important one.

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While social services programs are traditionally managed at the County level of government, the City contributes to social services. Should the City use tax revenue to support the following programs?

#	Response Date	Comment
1	Feb 17, 2011 1:45 PM	If funds are available, then I would be support of using tax revenue. However, the City needs to prioritize and these would be towards the bottom of my list for city funded priorities.
2	Feb 24, 2011 5:26 PM	The measure of what kind of government (society) you are is ultimately measured by the way you treat the poorest among you. If you guys don't have the integrity to do that then you're scum.
3	Feb 28, 2011 7:59 PM	The city can probably cut out some of the human services agency grantees.
4	Mar 2, 2011 3:05 PM	I won't say "no" to any of these things because they are all good, if we can afford them. I don't want to see homeless people living in the parks or begging at the grocery store. It's a civilized society that at least provides homeless shelters and food for people in need. Transit discounts can help a poor and/or disabled person get where they need to. These are essential, the rest are would be nice.
5	Mar 2, 2011 4:04 PM	The level that all these things are done are open for discussion. More must be done and those that prosper from the economy have to share more.
6	Mar 2, 2011 10:04 PM	Support those who are in need rather than giving tax breaks to the developers.
7	Mar 3, 2011 11:29 AM	NOTE: Unfair question without more info. All of these are "it depends" answers. Would want to look at percentage of investment, other funding streams, etc.
8	Mar 3, 2011 12:27 PM	All of the programs listed above are important for those who are unable to afford them, however, often, programs are in need of better checks and balances to make sure the resources are going to those people who truly need them.
9	Mar 4, 2011 12:11 PM	In all areas where revenue is used for such support, adjust the level of support and the threshold point.
10	Mar 4, 2011 3:39 PM	I have mixed feelings about the recreation programs for low-income people. They are valuable to those who receive them but seem frivolous as a public service in tough economic times. Could the city administer a trust for this purpose funded with private donations?
11	Mar 7, 2011 9:07 AM	I do support using the Pulliam as a building to house homeless on very cold nights, but not tax dollars to build a structure for this purpose.
12	Mar 7, 2011 11:13 PM	The welfare system is a HUGE drain on society. While there are people who truly need the assistance, a vast majority using is are abusing it. Handouts are easier that actually working! Seriously, how well are these folk screened. Are they really "qualified," do they have a job, have they been drug screened, are they a productive member of society??

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The TABOR ballot measure (aka de-Brucing) approved by the voters allowing the City to keep and spend any revenue over the TABOR revenue limit expires at the end of 2012. Would you consider referring another ballot question to allow the City to keep and spend the revenue over the limit?

#	Response Date	Comment
1	Feb 24, 2011 3:13 PM	REPEAL TABOR ALL TOGETHER!!!! TABOR handcuffs our community. If we don't like the decision making
2	Feb 27, 2011 11:28 AM	Of our representative then let's use the voting process for their replacement.
3	Feb 28, 2011 8:02 PM	Personally, I think TABOR is the worst taxing measure that ever happened to the State. TABOR has a bad reputation in Colorado. I was under the impression
4	Mar 2, 2011 3:18 PM	that it was tried and proved to be a failure. Why would you even consider it again? We need things to get better over time, not worse! I'm not sure how TABOR works, I just know it created some major problems so was not a well thought out plan in the first place.
5	Mar 2, 2011 10:07 PM	Tabor was a horrible bill causing most cities to cut needed services.
6	Mar 3, 2011 9:32 AM	TABOR prevents sensible budgeting and should be repealed altogether.
7	Mar 3, 2011 1:59 PM	Don't know enough about this. Survey should not have this set to require an answer if you want an accurate poll.
8	Mar 3, 2011 3:19 PM	money needs to circulate
9	Mar 3, 2011 6:06 PM	Do it.
10	Mar 4, 2011 11:29 AM	TABOR is terrible!!!! I generally believe in TABOR but it does need some adjustment for
11	Mar 4, 2011 12:15 PM	difficult times. As it is an amendent to the state constitution, the city cannot change it such a measure is the only recourse. This is ESSENTIAL! If people understand what such a request involves
12	Mar 4, 2011 3:51 PM	(no increase in their tax rates, simply lets the city keep what it has collected from existing taxes), most will vote for it. They have in the past. Your success depends on the quality of the campaign in favor.

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If the ballot measure is referred, should there be a sunset provision (requiring that it come back to the voters)?

#	Response Date	Comment
1	Feb 24, 2011 3:13 PM	GET RID OF IT FOREVER!!!
2	Feb 28, 2011 8:02 PM	Again, personally, I'm in favor of total De-Bruicing forever, but am pretty sure most Lovelanders wouldn't go for that.
3	Mar 2, 2011 3:18 PM	Yes, because we already know, from experience, that it will fail. It was a constitutional amendment so unless the amendment is reversed
4	Mar 3, 2011 11:13 AM	voters should address the issue periodically. Personally I would prefer for the amendment to be reversed. We need some long-term dependability in our funding. The Bruce amendment is a really bad idea during recessions, which are events out of
5	Mar 3, 2011 6:06 PM	the City's control. It will be harder to get the de-Bruceing extended at such times, which in fact is exactly when flexibility is most needed. It is a bad law and should be removed from the Colorado constitution.
6	Mar 4, 2011 12:15 PM	All revenue increases should be sunset. That's my personal opinion. The city hasn't chosen to do this in the past they felt because having a sunset provision made people more likely to
7	Mar 4, 2011 3:51 PM	vote for it. Maybe they're right, but the more often it appears on the ballot, the more chances for people to vote against it. (Opponents will say the city is "always" asking for more taxes.)
8	Mar 7, 2011 9:07 AM	Don't know enough about this.

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If the ballot measure should come back to the voters, then in what number of years?

#	Response Date	Comment
1	Feb 16, 2011 6:20 PM	The survey tool needs fixing on this question. I said no to sunsets, so shouldn't be required to choose the number of years. this should be revisited regularly subject to economic conditions of the time. I believe in moderating spending during good times and maintaining a rainy day fund so as not to have to ride the cycles so hard. Tabor is intended to moderate that spending and has a useful purpose related thereto. I would be more in favor of allowing the City to build a larger reserve fund as opposed to simply being able to spend the revenue over the Tabor limitation.
2	Feb 23, 2011 8:40 PM	NEVER
3	Feb 24, 2011 3:13 PM	My preferred answer if it were passed is to come back annually until the people come to their senses.
4	Feb 24, 2011 3:31 PM	The sooner the better.
5	Mar 2, 2011 3:18 PM	but it should not come back
6	Mar 3, 2011 12:11 PM	It worked last time. Maybe it leaves the feeling that people aren't committing themselves forever without causing too frequent elections.
7	Mar 4, 2011 3:51 PM	Can't skip this question so selected answer randomly.
8	Mar 7, 2011 9:07 AM	

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If the ballot measure is referred, should there be restrictions placed on the use of the excess TABOR funds to include these current services?

#	Response Date	Comment
1	Feb 24, 2011 12:25 PM	Add Library to the list
2	Feb 28, 2011 8:02 PM	That's what we elect our city council to do.
3	Mar 2, 2011 3:18 PM	Don't mess with the safety, security, and beauty of our city. I DON'T WANT TO LIVE IN A SLUM.
4	Mar 2, 2011 10:07 PM	Not to give developers tax breaks.
5	Mar 3, 2011 11:13 AM	It should not be used for speculative purposes.
6	Mar 4, 2011 3:51 PM	I prefer the fewest restrictions, but I want the election to succeed. If people feel better about earmarking, choose whatever you think will be most effective in convincing them (police, fire, streets). I know that the Council can shift funds to keep other items from suffering.

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The City needs to find \$3.5 million in solutions. What proportion of the solution should come from revenue versus expenditures?

#	Response Date	Comment
1	Feb 23, 2011 8:45 PM	Not sure how you increase revenue without taxing the populous which I am not in favor of in the current economic environment.
2	Feb 26, 2011 2:05 PM	75 percent cost reduction, 25 percent revenue
3	Feb 28, 2011 11:07 AM	AMI think it should be closer to 75% cost reduction and 25% revenue.
4	Mar 2, 2011 3:43 PM	I don't know what cost reduction is, but if it means losing basic services I'm against them. I DON'T WANT TO LIVE IN A SLUM.
5	Mar 2, 2011 10:14 PM	Discontinue the tax breaks to McWhinney and we wouldn't have a \$3.5 deficit.
6	Mar 3, 2011 11:20 AM	Again, the use of existing reserves should be included as a revenue source to minimize the impact on citizens already struggling in a depressed economy. I suggest that 50% of the shortfall be funded from reserves.
7	Mar 3, 2011 12:18 PM	I think 3.5 mil over the years indicated is not a huge problem, especially since much is based on projections - however cost reduction and efficiency is always a good aim, as is leveraging the tax dollars received. We dont hear much about \$\$'s leveraged, but that could be another revenue source
8	Mar 3, 2011 6:15 PM	Our potential to grow and attract new jobs and thus new revenue is strong. We should concentrate on that.
9	Mar 4, 2011 11:33 AM	Reduction should not include cutting employees or salary - that just makes it harder to work with the City.
10	Mar 4, 2011 4:44 PM	Sounds "balanced".
11	Mar 5, 2011 7:45 PM	budget cuts=job cuts, job cuts=people leaving, people leaving=less revenue, less revenue=budget cuts

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Please prioritize each strategy with 1 being your most important priority for cost reduction strategies. You may select each priority level only once and you may only choose one level per strategy.

#	Response Date	Comment
1	Feb 24, 2011 12:49 PM	Broad brush approaches of "mandatory 5% reduction across the board" is often nonsensical.
2	Feb 24, 2011 3:17 PM	If a service is non-essential, why would we need to keep it? I do not understand: Reduce the cost per unit retaining all existing services....HUH?
3	Feb 28, 2011 8:08 PM	I have a problem with the definition of "non-essential."
4	Mar 2, 2011 3:24 PM	I am assuming that "essential services" include the library, museum, arts, social services. They are essential to me, but I fear this feeling is not one shared by everyone.
5	Mar 2, 2011 3:43 PM	I'm sure there are people not doing a great job that could be eliminated first. Every job I've ever had, had people who didn't add much value. I'd start at some of the management levels - they earn too much and don't add much value.
6	Mar 2, 2011 10:14 PM	What do you consider non-essential services?
7	Mar 3, 2011 11:20 AM	The term non-essential is of concern. Do the political considerations of council determine what services are non-essential? What non-vocal citizens believe is non-essential may not be the same as those who have the ear of council.
8	Mar 3, 2011 11:39 AM	What is meant by "reduce the cost per unit retaining all existing services"? Poorly worded.
9	Mar 3, 2011 3:23 PM	What makes it 'non-essential'? Every perspective would have a subjective opinion.
10	Mar 4, 2011 11:33 AM	Across the board reductions aren't realistic. Why even ask this - it's not like Council will ever approve cutting police and fire. They can't. Any reductions need to be made at the TOP - that means management, not the people who actually DO the work at the City. Do we really need 2 Assistant Managers???
11	Mar 4, 2011 4:44 PM	The same arbitrary cut for all departments is a brainless, inefficient way to make long-term cuts. You need to prioritize their relative importance and base your decisions on that. ALL departments should be run as efficiently as possible (lower cost per unit), but you can do this AND cut non-essential services (not a choice you provided--therefore I couldn't mark the last 2 choices in a sensible way).
12	Mar 8, 2011 2:13 PM	this question as many of them are unfair without examples of what specifically you are saying... Like should the Library be cut instead of Fire Dept. What exactly do you consider non-essential, I consider the Library an essential service.

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The City rents the Pulliam Building, Library Gertrude Scott Building, Civic Center and Lagoon to the public for group events generating \$10,000 annually. How much of the cost to provide these facilities should be recovered from facilities rentals?

#	Response Date	Comment
1	Feb 17, 2011 1:54 PM	I think the percentage varies depending upon what else do the assets provide outside of rental revenue. Are the assets used for other opportunities? If so, do they eliminate an expenditure somewhere else? Do they benefit the public beyond their revenue source?
2	Feb 24, 2011 12:49 PM	What percent does it cover now?
3	Feb 24, 2011 3:40 PM	Users should pay for the services they request.
4	Feb 28, 2011 8:08 PM	100% from anyone outside of Loveland and/or any group that is not a non-profit. Non-profits that provide actual services (human service agencies, scouts, educational, etc.) maybe at 50% Churches should be charged at 100%. (I am a churchgoer, but have issues with their tax-exempt status.)
5	Mar 2, 2011 3:43 PM	This question doesn't make sense to me. Are you talking about the cost to purchase, build and maintain or the cost to hire someone to take care of rental arraignments? I put 50% but I really don't have an answer.
6	Mar 2, 2011 4:10 PM	The costs must be transparent. The renter must have the authority to some work themselves to reduce cost. There should be a sliding fee scale to account for organizations that are non-profit or quasi-city services.
7	Mar 2, 2011 10:14 PM	These are all wonderful facilities for community events that are currently well-managed and fairly priced.
8	Mar 3, 2011 11:39 AM	How much is recovered now?
9	Mar 3, 2011 12:18 PM	They are icons in the city and provide inherent value to all citizens
10	Mar 3, 2011 12:34 PM	Difficult question to answer. Vague. How much of the current cost is recovered from facilities rentals? 10,000 annually doesn't state the current percentage.
11	Mar 3, 2011 6:15 PM	This question is impossible to answer appropriately without knowing what the real costs are.
12	Mar 4, 2011 11:33 AM	Recovered by the city? or recovered by these facilities?
13	Mar 4, 2011 4:44 PM	I don't know how much you currently charge, or whether you include overhead, so my answer is based on ignorance. I would not include overhead in the charge, just direct costs (utilities, custodial services, etc.) and would not like it to be so high that it discourages civic activities. Also, until the Pulliam Building is modernized (handicapped accessible, better HVAC), I would not charge full cost for it.
14	Mar 5, 2011 7:45 PM	I would think that if more people were made aware of these facilities and their availability they could be rented out more often generating revenue to cover the costs
15	Mar 7, 2011 11:25 PM	there are venues around here that generate \$10,000 in two evenings!

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The Rialto Theater generates revenue from rental of the theater, a fee on ticket prices on shows by outside productions, ticket sales by shows produced internally, and concession sales. Currently it recovers 35% of its operating costs. How much of the cost to operate the theater should be recovered by these sources?

#	Response Date	Comment
1	Feb 16, 2011 6:24 PM	With the investment in the Rialto Bridge project, without that investment the current level is all we can expect.
2	Feb 17, 2011 1:54 PM	Again, what percentage depends on other variables. If it is a true economic driver (bringing people, especially visitors, to downtown and leading to sales tax revenue, business growth, job growth, etc...) then 35% is probably good. However, if it does little as an economic driver, then it should be closer to 100%.
3	Feb 23, 2011 8:45 PM	The Rialto is a nice community amenity, but is non-essential. I understand it is not possible to fully recover its' cost and serve the public as it has, but perhaps there are operating efficiencies and modest costs that can be recovered to get to 50%.
4	Feb 24, 2011 12:49 PM	I hesitate here. You have to balance price-elasticity. You need to cover as much cost as you can, without losing the performances entirely.
5	Feb 24, 2011 3:40 PM	If you are going to run a business, then run it. Subsidizing the Rialto, Chilson's and other "business" operations is direct competition to the true business community, an UNFAIR competition at that.
6	Feb 28, 2011 8:08 PM	Aim for 50% average. Again, charge more for outside/profit-making orgs., less for those produced by non-profits or schools, etc. similar to the building rental scenario I described above.
7	Mar 2, 2011 3:40 PM	It helps the core of the City, a city w/o a core is a City lost. No company wants to come to a City that does not show a good face for its downtown.
8	Mar 2, 2011 3:43 PM	Well, it's better than nothing! I would rather see us get 35% back than have it torn down. Could it be rented (very cheap) to a private company that would be obligated to keep it maintained properly. Don't want an eye-sore but if it's not needed, then find a use for it.
9	Mar 3, 2011 6:15 PM	Studies have been done at the instigation of one Council member, which indicated this is actually a good recovery rate and the Rialto is operating effectively; and that it could not be operated more effectively even if it were privatized.
10	Mar 5, 2011 7:45 PM	it would be nice if it was higher but I think it would help to book events daily.
11	Mar 7, 2011 10:03 PM	The theater is an incredible community resource. It helps improve the livability of Loveland and this makes it worthwhile to offer support so that it remains a longterm community asset. At the same time, there are ways to increase revenue for the theater to cover at least 50 percent of costs.
12	Mar 7, 2011 11:25 PM	How else is the cost recovered and if it is not generating any revenue then why do we have it?

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The Planning Department generates less than 10% of the cost to provide development services. What percent of these costs should be recovered through fees charged at the development applications?

#	Response Date	Comment
1	Feb 23, 2011 8:45 PM	This is misleading; the rest of these costs are recovered through development permit fees, etc. Increasing development application fees unreasonably will discourage proper planning of simple projects and potentially deter legitimate projects from looking at the Community. The planning department is one of the greatest hindrances to business growth for Loveland. Reduce the bureaucracy, the paper work, the hoops that businesses have to go through, the unnecessary oversight and Loveland could grow faster.
2	Feb 24, 2011 3:40 PM	
3	Feb 28, 2011 8:08 PM	Gimme a break!
4	Mar 2, 2011 3:43 PM	I'm surprised you get anything for P&D. But, maybe I don't understand what it is. I'm assuming it's the planning of Development for the city. What we will need in the future and how changes an impact. If there are services someone pays for, what are they?
5	Mar 2, 2011 10:14 PM	Not enough choices here.
6	Mar 3, 2011 11:20 AM	The City needs to encourage development. Development will generate Capital Expansion Fees, recovery of the real estate market and economic recovery.
7	Mar 3, 2011 11:39 AM	This department would be one to look to for reducing costs. It should be able to generate a sizeable portion of the operating expenses.
8	Mar 3, 2011 12:18 PM	development needs to pay its way - roads, police, fire, medical, schools etc
9	Mar 3, 2011 6:15 PM	Maybe we over-plan, though.
10	Mar 4, 2011 4:44 PM	The city should consider good long-term planning as an investment in our community quality of life; therefore it should be borne entirely by the public, not by builders and developers. Nor should they be asked to cover the cost of neighborhood meetings, etc. They should pay only charges directly related to the review of their individual projects, construction inspections, etc. Charges for these should not be so high that building in Loveland becomes uneconomical for them to consider. (They would, of course, continue to pay for utility connections, streets, etc. in their development, which I do not consider development services.)
11	Mar 7, 2011 9:11 AM	Why nail the developers more. Keep their costs down, keeping the price of housing down a bit.
12	Mar 8, 2011 2:13 PM	I am not sure that I agree with the planning dept because it seems that if individuals aren't benefited it doesn't get recommended
13	Mar 8, 2011 4:15 PM	Thanks for the opportunity to participate.

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Is there anything else that you would like us to consider?

#	Response Date	Response Text
1	Feb 24, 2011 12:46 PM	We should be funding the Library at a higher level. The hours/staffing/collections/services should increase--especially when the expansion is complete. Also, the city should have never sacrificed the 1.25 percent sales tax credit to the Centerra project. The city's projected \$3.5 million annual deficit would be greatly reduced if the general fund was receiving the full 3.0 percent local sales tax from Centerra. Perhaps the city could amend its agreement with Centerra (reduce the credit to .50 or .75 percent) and, in return, do without future "public" road improvements out at Centerra.
2	Feb 24, 2011 12:49 PM	Think "outside the box". Make Loveland a model of how to balance the budget AND provide a great place to live. Bring in some real business owners to help you reduce government regulations. I don't recall you offering to reduce pension costs, the number of employees, eliminate non-essential services. When the economy got tight, business owners made sacrifices to survive. How about the Loveland government bureaucracy making some sacrifices instead of coming back to the citizens with hands out.
3	Feb 24, 2011 3:40 PM	
4	Feb 27, 2011 11:30 AM	NA
5	Mar 2, 2011 3:43 PM	I think LONG-TERM PLANNING is the smart way to conserve money. I think the city provides the things that make Loveland a nice and safe place to live - but they are not the types of things that bring in revenue. That is why we pay for these things with taxes. Some people want lower taxes - these are the same people who would let their house deteriorate rather than pay to maintain it. When done, they will have nothing but a slum. Whereas those who cherish and take care of their house will not only live in a nice place, it's value will go up and other people will admire it and want to live there too.
6	Mar 2, 2011 10:14 PM	Developers should pay the cost of growth and we should rein in the sprawl. Make sure developers pay the cost of growth as well as their taxes! Don't eliminate or reduce the fees for capital development projects. No
7	Mar 2, 2011 10:19 PM	sweetheart deals for developers. The long-term costs of letting infrastructure and quality of life erode are much higher than the costs of maintaining infrastructure and quality of life now.
8	Mar 3, 2011 11:39 AM	Yes - the wording in these types of surveys. Going to have to operate lean. Cannot cut fire and police OR the economic development, as that is where the answer lies to successfully
9	Mar 3, 2011 11:39 AM	coming out of this dilemma. If we have some industries here that will provide jobs, a lot of the problems will be solved.
10	Mar 3, 2011 12:18 PM	Keep in mind the quality of life of why we live here and dont cut programs and services that provide that for your citizens.
11	Mar 3, 2011 2:16 PM	Simply, do away with old an ineffective programs and procedures that have been grandfathered in, don't work, and need to be revitalized, changed, or cut completely. Look at ways to make money off of things already in place and focus on growth for our community...in a nut shell.

Is there anything else that you would like us to consider?

#	Response Date	Response Text
12Mar 3, 2011 4:36 PM		<p>This city has fortunate to have become one of the art centers of the United States mostly through no effort of its own. It is time the City takes a stronger stand marketing and promoting this asset. It sets us apart from the rest of Colorado and the surrounding states.</p> <p>Nobody has made a clear case to the public that the anticipated revenue shortfall is real and has a very high probability of occurring. That case needs to be made, not just asserted. It would be more appropriate to do some form of scenario planning (see the book, 'The Art of the Long View'). Moreover, any reductions in spending ought to be structured against the possibility that things will actually turn out better than expected. There is too much gloom in the atmosphere nationwide. We need to live within our means, but not impoverish our community by defaulting to a no-growth or very low-growth posture.</p>
13Mar 3, 2011 6:15 PM		<p>I don't know where the City of Loveland puts its funds. I would like the city to consider starting a Credit Union for the City and its residents.</p>
14Mar 5, 2011 7:45 PM		<p>The city could use the revenue from loans and credit cards to bolster its finances. Also the city knows it's own strength and where loans are risky or prudent.</p>
15Mar 6, 2011 3:11 AM		<p>Consider helping the school district!</p>
16Mar 7, 2011 6:56 PM		<p>I live near the water distribution area on the end of Sculpture Drive (North of 5th Street traffic circle). There are water trucks taking potable water from a hydrant most of the time. Hopefully, the city is charging sufficient rates for the companies that take away enumerable tank truck loads of water from our city water system to pump it down recovery wells. ? If not, this should be stopped or the city should be paid sufficiently for this water.</p>
17Mar 7, 2011 7:59 PM		<p>There appears to be room to cut in City operations. Seems to have grown over the good "growth" years to an unsustainable level.</p>
18Mar 7, 2011 8:48 PM		<p>Completing the proposed recreation trails (especially between 57th and Garfield) is very important to our family. We would support an added tax for this reason. And we are anxious for a new recreation center in NW Loveland. We feel the recreation opportunities here make our city such a great place to live. Keep up the good work!</p>
19Mar 7, 2011 9:35 PM		<p>City Council should utilize high reserves in City Funds and the City Coucil Reserve to help address the budget shortfall. Tighting can be done across the board but if reseves are used the budget problem might be minimized as the economy recovers. City budgets seem to be working pretty well and sales tax is tracking well, so as a citizen I'm having a hard time understanding this budget crisis. Don't mess with the great services we have that make Loveland top-notch among Northern Colorado cities.</p>
20Mar 7, 2011 11:25 PM		<p>Everytime I see road construction (city of loveland) I comment on how many people are standing around. Perhaps schedules need to be re-structured. If there is no work for these folks, why are we paying an hourly wage for them just to stand there. Overall we need better hiring, scheduling, pay structuring, maybe more PRN employees. This saves on benefits costs. Do not change current employees benefits, but new/future hires. Don't give out so many city vehicles for personal use,</p>

Is there anything else that you would like us to consider?

#	Response Date	Response Text
		ie police. Seriously, its not necessary for them to use those vehicles for personal use, especially at \$3.30+ per gallon. And it does not create a "safer" appearance or environment in the city having the police cars present, we can all see that they are off duty. Also, why are we taking fire trucks on lunch runs? Do you all know what it costs to fire one of those babies up and run it? A LOT! Commom sense, these are very efficient and easy ways to cut costs and save money.
21Mar 8, 2011 2:13 PM		The city needs to look at down town parking.. One lot went up with rumors of it being a multi level structure this didnt happen--- I would rather invest in parking structures and try to bring down town alive than to invest in round abouts and "traffic flow"" project that cause more confusion and problems. The Library and these types of services need to be valued more by our planners than they are. The are a very important part of education our citizens.
22Mar 8, 2011 3:02 PM		Start marketing this city more toward the younger population instead of seniors or this place is going to shrivel up and become a ghost town for people to die in.
23Mar 8, 2011 4:15 PM		.
24Mar 8, 2011 6:51 PM		We need to reevaluate our level of service and number of services that the city provides so that we can insure that our expenses do not exceed income and tax rates do not increase!!!



CITY OF LOVELAND
PUBLIC WORKS DEPARTMENT
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AGENDA ITEM: 1
MEETING DATE: 03/22/2011
TO: City Council
FROM: Keith Reester, Public Works Director
PRESENTER: Keith Reester, Public Works Director

TITLE:

Resolution Authorizing the City Manager to Execute a Long-Term Airport Access Agreement with Rocky Mountain Airport Investments, LLC and Related Intergovernmental Agreements with Metropolitan Districts at the Fort Collins-Loveland Municipal Airport

DESCRIPTION:

This is an administrative action to consider a resolution authorizing the City Manager to execute a revised Airport Access Agreement with Rocky Mountain Airport Investments, LLC (the "Developer") and one or more Metropolitan Districts to be formed to finance infrastructure improvements.

As part of the overall proposed agreement, the Developer has agreed, as specified in the Access Agreement and Intergovernmental Agreement ("IGA"), both of which are attached to the proposed Resolution, to provide proceeds from one or more Metropolitan Districts (5 mills) to the Airport in exchange for the granting of an access easement to the Airport for aviation related uses. An access easement on the Airport is granted to the Developer from the Developer's real property adjacent to the Airport.

This is an updated agreement from the one approved by both the Loveland and Fort Collins City Councils in September 2008. This update addresses concerns related to sequencing for platting the parcels and creation of the Metropolitan Districts, and establishes a performance deadline of September 30, 2012 for FAA approval of the access easement, creation of the Metropolitan Districts as to both the north and south parcels, and required improvements to the south parcel. The required improvements include infrastructure in both the proposed airpark and on the airport to accommodate the proposed access. The required improvements on the north parcel must be completed by September 30, 2019.

The new agreement is now 50 years, with no 30-year extension as contemplated in the original agreement. The 30-year extension was based on construction of an on-airport Fixed Based Operator (FBO) business, no such investment is planned at this time, so the 30-year extension option is not included in this agreement.

The agreement was approved unanimously by the Airport Steering Committee on March 17, 2011.

BUDGET IMPACT:

☒ Yes ☐ No

SUMMARY:

Beginning in 2007, City staff from Fort Collins and Loveland worked on a proposal by the Developer to develop an airpark located to the southeast and north of the Airport ("the Airpark"), to access the Airport for limited aeronautical purposes through-the-fence. Developer owns 200 acres adjacent to the Fort Collins – Loveland Municipal Airport (Airport), the property is divided into two parcels; one is identified as the north parcel and the other is the southeast parcel.

The Access Agreement grants a 50 year Airport access easement to permit the lot owners in the Airpark to access the Airport from their property for limited aeronautical uses which are defined in detail in the Access Agreement. The granting of such an easement is subject to FAA approval.

In return for the access easement the Developer will create one or more metropolitan districts that include the Airpark properties, and will commit 5 mills of property taxes to the Airport in exchange for access ("the Metro Districts"). The payment from the Metro Districts satisfies the Airpark's need to pay an access fee to the Airport. The revenue projection for the first ten years of the Metro Districts payments beginning in 2012 equals \$2.4 million. Any revenue generated by the Airport is restricted to Airport uses and cannot be returned to the owner cities per FAA regulations.

The proposed Access Agreement provides significant benefits to the Airport and Cities by furthering the goal of increasing revenue to the Airport to eliminate the general subsidy that the Cities provide. This is one of the most significant goals outlined by the Airport Steering Committee and City Councils in the Airport's Adopted Business Plan.

There are two kinds of development that generally impact Airports, development that takes place on the Airport property (or within the fence), and development that happens adjacent to the Airport that accesses the Airport through a fence. The Airport is a significant community asset that has been largely funded through Federal funds coming from the Federal Aviation Administration (FAA). There are advantages and disadvantages to either development on the Airport or adjacent. On-Airport development takes place on publically owned land and improvements (i.e. a hanger) ultimately revert back to the Airport once the long-term lease is completed. The on-Airport lease rate ensures that the user is paying their fair share for accessing the Airport and its benefits.

Off-Airport developments that literally access the Airport “through the fence” (TTF) also have to pay for the privilege of accessing a public facility. The TTF payments to access the Airport typically take the form of an access fee. The fee to be paid to the Airport from an off-site user has to equal what the on-Airport user pays, this is called “parity”.

The core issue in negotiating the Access Agreement and IGA with the Developer has been working to achieve parity. This is done through the formation of the Metro Districts that will pay for the Airpark’s access fees. Properties within the Metro Districts will contribute 5 mills to the Airport as their fee. Periodically, the Airpark and Airport will evaluate the sufficiency of the 5 mills to ensure that parity is being maintained as the Airport increases its on-Airport lease rates and as the Airpark builds out.

Financial Analysis

The Developer will form one or more Metro Districts with a 5 mill rate that will generate property tax revenue for the Airport in exchange for paying an Airport access fee. It is assumed that the Metro Districts will be in place by the beginning of 2012 and will begin making payments in the year after they are formed. The Developer has an aggressive build-out plan for the Airpark that has been shared with City staff. City staff is more comfortable projecting a slower build out rate for the project to ensure that financial projections to the Airport are not over estimated.

Staff projects that in 2012, the Airpark project will contribute \$56,000 in revenue to the Airport, growing to over \$400,000 by 2020. This assumes that approximately 1.5 million square feet are developed over this time period, or around 150,000 sq feet per year. Staff believes this is a reasonable build-out schedule. Should the Developer successfully build out the project faster, the Airport would receive additional revenue growth from the growth in assessed valuation and taxable property.

- **Major Provisions of the Access Agreement and IGA**

Term of the Access Agreement

The Access Agreement and the access easement granted in the Access Agreement will terminate fifty (50) years after the effective date of the IGA.

Use of Metro Districts

The Developer intends to establish and record certain covenants, conditions and restrictions against the real property that makes up the Airpark. The Developer intends to establish one or more Metro Districts (“Districts”) which shall, in part, manage the common areas of the Airpark and enforce the Airpark Covenants, Conditions and Restrictions (CC&R’s).

Access to the Airport is contingent upon the Cities’ prior execution of the IGAs with the Districts for aircraft access and use of the Airport from the Airpark under the terms and conditions stated in the Access Agreement. Prior to approval of the IGA the following conditions must be met:

- The Airpark is under actual construction.
- The construction and improvement of taxilanes connecting the Airpark and the Airport and the taxiway on the Airport are completed and acceptable to the Cities.
- The District(s) are established in good standing and capable of imposing the 5.0 mill levy on the Adjacent Property together with any required adjustments thereto, and further capable of paying the Fee to the Cities and to pay the Cities any additional amount required in the IGA. The District(s) shall also be required to have full voter authorization

to increase the mill levy on the Adjacent Property, without the requirement of any future election, in order to provide any increases in revenue to the Cities as necessary to maintain compliance with the Cities' FAA grant assurances.

- The Developer grants the Cities an access easement on the Airpark taxilane for emergency vehicles, FBO vehicles, maintenance/safety inspections, etc.
- The Airparks CC&R's are recorded and in effect against the Airpark.
- The construction of the Airport Taxiway is completed and deemed acceptable by the Cities.

The Metro Districts for the entirety of the Adjacent Property (north and south parcels) must be formed and the other conditions met as to the south parcel on or before September 30, 2012 or the Agreement and the Access Easement as to both parcels terminates. If this deadline is met, the other conditions must be met as to the north parcel by September 30, 2019 or the Agreement and the Access Easement as to the north parcel terminates.

Payment of Airport Access Fees

In consideration of gaining access to the Airport's facilities, an access fee will be paid to the Cities as follows:

- The Metro Districts will enter into an IGA with the Cities.
- The Districts will pay to the Cities, subject to annual adjustments, an amount equal to 5.0 mills ("Fee") based on the assessed value of all taxable real property and improvements, (excluding personal property) within the Adjacent Property.
- The Fee is intended, with annual adjustments, to provide the Airport with a source of revenue which is equal to, or greater than, the revenue that would otherwise be provided if the Airpark were developed upon Airport property. In addition, the Fee is intended to ensure that the lot owners within the Airpark pay fees and charges to the Cities that are at parity with those paid to the Cities by their on-Airport tenants.
- The Cities shall have the ability to close access to the Airport from the Airpark through the point of ingress/egress in the event of nonpayment of the Fees due from the District(s).

Termination of the Access Agreement

The Access Agreement can be terminated for the following reasons:

- If the Metro Districts for the entirety of the Adjacent Property (north and south parcels) are not formed and the other conditions are not met as to the south parcel on or before September 30, 2012, the Agreement and the Access Easement terminates as to both parcels.
- If the conditions, other than creation of the Metro Districts, are not met as to the north parcel by September 30, 2019, the Agreement and the Access Easement terminates as to the north parcel only.
- The Developer provides written notice of termination to the Cities.
- The Developer does not make payments required under the terms of the Access Agreement and under any IGA.

Litigation Expenses and Attorney's Fees

In the event of the default of any of the provisions of the Access Agreement or the IGA by any party, as determined by a court, the defaulting party shall be liable to the non-defaulting party for

the non-defaulting party's reasonable costs of litigation incurred by reason of the default, including reasonable attorneys' fees.

Most Commercial Aeronautical Services are NOT permitted within the Adjacent Airport Property:

- Uses not allowed are those which are normally provided by the on-Airport FBO(s). The uses not allowed include: aircraft line services; aircraft, airframe and engine repair and maintenance; flight training; aircraft rental; storage of aviation fuels and related other services such as the sale of air charts and miscellaneous pilots' supplies.

Commercial Aeronautical uses that are allowed include the following:

- The construction of hangars/buildings that are used for the storage, servicing and maintenance of aircraft that are used for private corporate or personal use; aircraft research and development; aircraft manufacturing of parts and components; assembly of aircraft parts and components; final assembly of aircraft parts and components into completed aircraft; flight testing associated with assembled aircraft; painting of manufactured aircraft and parts; and airfreight services.
- The Developer may not enter into a contract that prohibits any on-Airport FBO from selling fuel to tenants of the Airpark.
- The Developer shall grant to the Cities an Avigation Easement which grants users of the Airport the right to fly over the Airpark property and make noise, vibrations and emissions associated with aircraft and the Airport's other activities.

Obligations of Developer

- Taxilane construction – the Developer is responsible for constructing and paying for the taxilane improvements that will connect the Airpark site with the Airport property.
- Taxiway construction – the Developer is responsible for constructing and paying for the taxiway improvements that will extend the on-airport taxiway to the off-airport taxiways.
- Security plan – the Developer must ensure there is an Airpark security plan in place that is in full compliance with Transportation Security Administration and FAA rules and regulations.
- Avigation easement on their property – the Developer shall grant the cities an Avigation Easement to ensure that Airport operations adjacent and around the Airpark properties are not compromised.
- Non-compromise of FNL activities – the Developer agrees that nothing in the Access Agreement or IGA will impact ongoing Airport operations or implementation of long-term plans.
- Minimum Standards Compliance – the Developer agrees to abide by the Airport Minimum Standards within the Airpark property as they currently exist or may be amended by the Cities in the future.
- Grant assurances – In the event that the FAA notifies the Cities verbally or in writing of an alleged violation of its grant assurances to the FAA as a result of the Access Agreement, or as a result of the action or inaction of any off-Airport uses, the Developer shall fully cooperate with the Cities to immediately rectify such violation. In the event that the FAA notifies the Cities formally of such a violation, such as, but not limited to, notification by a Director's Determination, the Cities may, in their sole discretion and without being required to appeal any such FAA determination, terminate this Agreement and any access to the Airport granted pursuant to this Agreement. However, if the FAA

grants to the Cities a period of time to cure the violation, the Cities agree, prior to such termination, to allow the Developer that period of time to cure the circumstances causing the grant assurance violation.

FAA Commentary

Throughout the past 36 months the FAA has been consulted by the Cities on numerous occasions, including meeting with local leaders and the Colorado Congressional delegation. The FAA does not offer an opinion on through-the-fence agreements, they only offer advisement. Staff and the Developer have worked to address all the issues raised by the FAA, including language on grant assurances, relief of issues, parity between on and off Airport uses, and security provisions.

In the event a party on the Airport feels discriminated against by the uses off the Airport, there is a formal FAA process, known as a Part 16 complaint, which would be heard within the FAA process to determine if such complaint has merit.

LIST OF ATTACHMENTS:

Resolution with exhibits

1. Flow chart
2. Access Agreement
3. IGA
4. Redlined Access Agreement
5. Redlined IGA

RECOMMENDED CITY COUNCIL ACTION:

Staff recommends adoption of the Resolution.

REVIEWED BY CITY MANAGER:

RESOLUTION #R-20-2011

A RESOLUTION OF THE COUNCIL OF THE CITY OF LOVELAND AUTHORIZING THE CITY MANAGER TO EXECUTE A LONG-TERM AIRPORT ACCESS AGREEMENT WITH ROCKY MOUNTAIN AIRPORT INVESTMENTS, LLC AND RELATED INTERGOVERNMENTAL AGREEMENTS WITH METROPOLITAN DISTRICTS AT THE FORT COLLINS-LOVELAND MUNICIPAL AIRPORT

WHEREAS, the cities of Fort Collins and Loveland (jointly, “the Cities”) jointly own and operate the Fort Collins-Loveland Municipal Airport (“the Airport”); and

WHEREAS, the Cities have previously entered into that certain Intergovernmental Agreement for the Joint Operation of the Fort Collins-Loveland Municipal Airport dated May 16, 2000; and

WHEREAS, Rocky Mountain Airport Investments, LLC, (the “Developer”) is the owner and developer of certain parcels of real property which are immediately adjacent to the Airport (the “Adjacent Property”); and

WHEREAS, the Developer desires to develop the Adjacent Property as an airpark, with the platted lots within the Adjacent Property having aircraft access to the Airport; and

WHEREAS, the Developer intends to establish one or more Metropolitan Districts (“Metro Districts”) within the Adjacent Property to finance construction of improvements, make assessments to pay airport access fees, and to manage the common areas and enforce covenants, conditions, and restrictions against the real property; and

WHEREAS, the Cities believe that allowing the Developer and its successors and assigns access to the Airport pursuant to certain terms and conditions, including the payment to the Cities of a fair and reasonable access fee, will increase public access to the Airport, increase revenues to the Airport, aid in making the Airport more financially self-sufficient, and contribute to improving the economic health of northern Colorado; and

WHEREAS, the staff of the Cities and the Developer have negotiated a proposed long-term airport access agreement a copy of which is attached hereto as Exhibit “A” and incorporated herein by reference (“the Access Agreement”); and

WHEREAS, attached to the Access Agreement as Exhibit “C” is an intergovernmental agreement to be executed by the Cities with the Metro Districts to be formed by the Developer upon development of the Adjacent Property (“IGA”); and

WHEREAS, the proposed Access Agreement and IGA set forth the terms and conditions under which the Developer and its successors and assigns will be allowed access to the Airport and ensure that those terms and conditions are enforced; and

WHEREAS, the Access Agreement and IGA contain the following major provisions:

- a. The Cities grant the Developer and its assignee Metro Districts a 50 year access easement ("Access Easement") onto the Airport from the specified Adjacent Property;
- b. The Developer and the Metro Districts will be responsible for the construction and maintenance costs of all improvements necessary to make the access connection, including fencing and gates;
- c. The Developer and the Metro Districts will not be permitted to have commercial aeronautical activities on the Adjacent Property, except for aircraft manufacturing and assembly, flight testing associated with assembled aircraft, painting of manufactured aircraft and parts, and air freight services;
- d. The Developer and the Metro Districts will pay the Cities a yearly access fee ("Fee") equal to 5 mills on the assessed value of the real property within the Adjacent Property, which mill rate may be adjusted yearly at the request of either party in such a way so as to ensure that the Fee amount provides the Airport with a source of revenue which is not less than the revenue that would otherwise be provided if the Adjacent Property would have been developed on the Airport;
- e. In the event that the organization of the Metro Districts does not take place as contemplated in this Agreement or the Districts otherwise fail to comply, in any way whatsoever, with the terms of the IGA, the Developer agrees to pay annually to the Cities an amount equal to the Fee at all times during the term of this Agreement until such time as the Districts come into full compliance with the Agreement.
- f. A Federal Aviation Administration ("FAA") concern with grant assurance compliance would be cause for such an adjustment of the Fee;
- g. In the event of default by either party as determined by a court, the non-defaulting party will be entitled to attorney fees from the defaulting party; and
- h. The Access Agreement, IGA and Access Easement will terminate, if:
 - (1) the Metro Districts for the entirety of the Adjacent Property (north and south parcels) are not formed and the other specified development conditions are not met as to the south parcel on or before September 30, 2012; in this case, the Agreement and the Access Easement terminate as to both parcels.
 - (2) the specified development conditions, other than creation of the Metro Districts, are not met as to the north parcel by September 30, 2019; in this

case, the Agreement and the Access Easement terminates as to the north parcel only.

- i. The Cities may terminate the Access Agreement if:
 - (1) the Fee is not paid after 60 days notice.
 - (2) the FAA formally notifies the Cities of a grant assurance violation.

WHEREAS, the City Council believes that adoption of the Access Agreement and IGA and grant of the Access Easement are in the best interests of the City.

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

Section 1. That the Access Agreement, IGA, and grant of the Access Easement are hereby approved.

Section 2. That the City Manager is hereby authorized to execute the Access Agreement and IGA in substantially the forms which are attached hereto, subject to such modifications in form or substance as the City Manager, in consultation with the City Attorney, may deem necessary to effectuate the purposes of this Resolution or to protect the interests of the City.

Section 3. That this Resolution shall go into effect as of the date of its adoption.

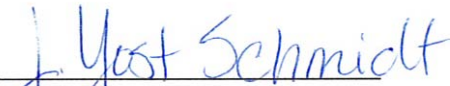
ADOPTED this 22nd day of March, 2011.

Cecil A. Gutierrez, Mayor

ATTEST:

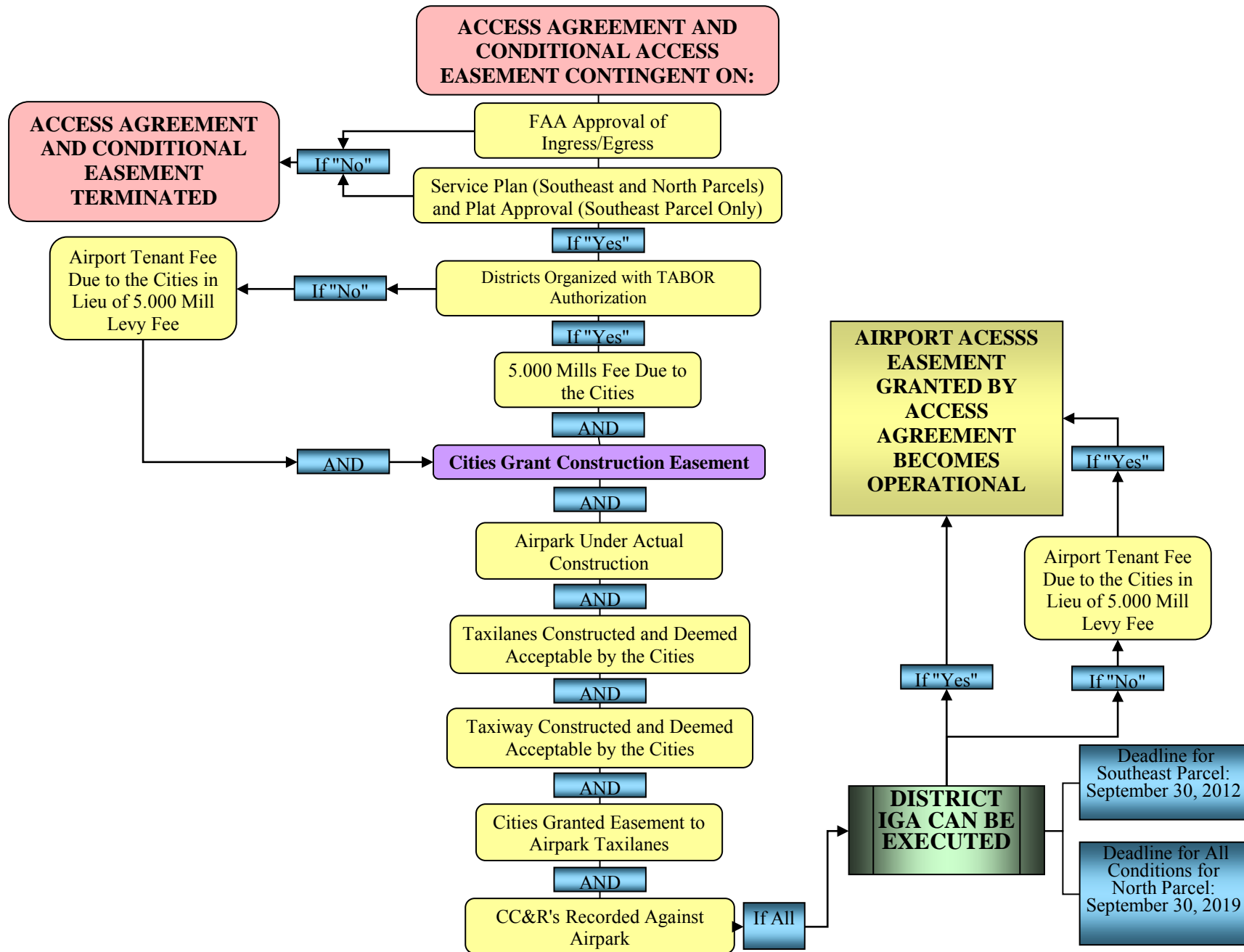
City Clerk

APPROVED AS TO FORM:



Deputy City Attorney

EXHIBIT C-1



**CITIES OF LOVELAND AND FORT COLLINS
AIRPORT ACCESS AGREEMENT**

THIS FORT COLLINS/LOVELAND AIRPORT ACCESS AGREEMENT (the "Agreement") is made and entered into this _____ day of _____, 2011, between and among Rocky Mountain Airport Investments, LLC, a Colorado limited liability company ("Developer") and the Cities of Fort Collins and Loveland, Colorado home rule municipalities, hereinafter jointly the "Cities."

R E C I T A L S

A. Cities operate a municipal airport within the City of Loveland in Larimer County, Colorado, known as the Fort Collins/Loveland Municipal Airport (the "Airport"), which is legally described in **EXHIBIT "A"** attached hereto and incorporated herein by reference, and further described in the Intergovernmental Agreement between the Cities of Fort Collins and Loveland, Colorado, dated May 16, 2000.

B. Developer is the owner and developer of certain parcels of real property which are immediately adjacent to the Airport (the "Adjacent Property") referred to generally as the "north" parcel or the "southeast" parcel. Developer desires to develop portions of the Adjacent Property as an airpark which will be comprised of all the platted lots within the Adjacent Property that border and that have, or are capable of having, aircraft access to the Airport from said individual lots ("the Airpark"). The Adjacent Property, including those parcels generally identified as the "north" parcel and "southeast" parcel, is more particularly identified in the legal description attached hereto and incorporated herein by this reference as **EXHIBIT "B."**

C. Developer intends to establish and record certain covenants, conditions and restrictions (the "Airpark CC&R's") against the real property that makes up the Airpark. Developer intends to establish one or more Metropolitan Districts, hereinafter referred to collectively as "Districts", which shall, in part, manage the common areas of the Airpark and enforce the Airpark CC&R's.

D. Developer desires to have the Cities allow Developer and his successors and assigns, the individual lot owners within the Airpark ("the Lot Owners"), and the Lot Owners' tenants, subtenants, guests and invitees within the Airpark to access the Airport from the Airpark and to access the Airpark from the Airport, subject to the Airpark CC&R's.

E. In consideration for the access to the Airport from the Airpark, the Developer desires for the Cities to enter into intergovernmental agreements with the Districts under which the Districts shall, subject to annual adjustment, pay annually to the Cities an amount equal to 5.000 mills based on the assessed value of all taxable real property and improvements (excluding personal property) within the Adjacent Property. The parties hereto acknowledge that this five mill fee (the "Fee") with annual adjustments, is intended to provide the Airport with a source of revenue which is equal to, or greater than, the revenue that would otherwise be provided if the Airpark were developed upon Airport property. In addition, the Fee is

intended to ensure that the Lot Owner pays fees and charges to the Cities that are at parity with those paid to the Cities by their on-Airport tenants.

F. In the event that the organization of the Districts does not take place as contemplated in this Agreement or the Districts otherwise fail to comply, in any way whatsoever, with the terms of Paragraph 1.6 of this Agreement, the Developer agrees to pay annually to the Cities an amount equal to the Fee until such time as the Districts come into full compliance with Paragraph 1.6 of this Agreement.

G. Cities are willing to enter into such intergovernmental agreements provided that all of the terms and conditions set forth in this Agreement are fully satisfied.

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual promises and agreement set forth herein, the parties agree as follows:

A G R E E M E N T

1. Cities' Grant of Access Easement. Developer presently owns two parcels of land that may be developed at different times and that may comprise the Airpark. Cities and the Developer agree that the Developer and his successors and assigns, the Lot Owners, and the Lot Owners' tenants, subtenants, guests and invitees within the Airpark, shall have, and Cities hereby grant unto Developer, an aircraft access easement to the Airport through the designated Point of Ingress/Egress (defined in Paragraph 3.1 below) for the term hereinafter set forth in Paragraph 11 below (the "Access Easement."). The Access Easement granted by this Agreement shall be further set forth in an easement deed to be recorded after the conditions of this Paragraph 1 and its sub-paragraphs have been satisfied as set forth herein. Subject to the provisions of this Agreement and to the Airpark CC&R's against the property that makes up the Airpark, the Access Easement to the Airport granted herein includes permission to use the airside and public area of the Airport for the purposes stated in Paragraph 3.1 below, and includes both permission to enter upon the Airport from the Airpark and to exit from the Airport to the Airpark. The grant of the Access Easement made herein is contingent upon (i) the execution of intergovernmental agreement(s) with the Districts for aircraft access and use of the Airport from the Airpark under the terms and conditions stated in this Agreement, which said intergovernmental agreements shall be substantially in the form attached hereto as **EXHIBIT "C"**(the "IGA") or (ii) compliance by the Developer with the covenant to pay the Fee as set forth in Paragraph 1.6(b) below, provided that all of the following conditions precedent (the "Conditions") have been fully satisfied prior to execution of the IGA:

1.1 The City of Loveland has approved, in its sole discretion, plats for the north and/or southeast parcels of the Adjacent Property sufficient to allow the construction related activities described in this Paragraph 1 to be completed.

1.2 The Cities have granted to the Developer, on terms and conditions satisfactory to the City in its sole discretion, a temporary construction easement that provides the Developer with the necessary access to complete construction of the Airpark, Airport Taxiway and Airpark taxilanes.

1.3. The Airpark is under actual construction.

1.4. The FAA has approved the exact points along the perimeter of the Airport, which Cities and Developer have mutually determined to be the appropriate location for access between the Airport and the Airpark (the "Point(s) of Ingress/Egress"), so that construction and improvement of taxilanes connecting both the Airpark and the Airport to the Points of Ingress/Egress has been completed and deemed acceptable by the Cities. The taxilanes must meet such additional requirements as may be stated under Paragraph 2 of this Agreement. Acceptance by Cities as used herein means approval by the City Managers of the Cities or designees, and is in addition to any development approvals otherwise required by the Cities' Codes. All construction and improvement of the taxilanes must comply with any applicable local, state or federal laws or regulations.

1.5 The City of Loveland City Council has, in its sole discretion, approved a service plan for the Districts such that the organization of the Districts may be placed on the November 8, 2011 ballot for approval by the eligible electors or the Developer has executed a written amendment to this Agreement confirming that the Developer has waived the right to obtain approval of such service plan and has agreed to be bound by Paragraph 1.6(b) hereof to pay the Fee.

1.6. (a) Unless the Developer has executed a written amendment to this Agreement confirming that the Developer has waived its right to obtain approval of a service plan from the City of Loveland and agreed to be bound by Paragraph 1.6(b) to pay the Fee, the Districts are established in good standing and capable of imposing the 5.000 mill levy on the Adjacent Property together with any required adjustments thereto, and further capable of paying the Fee to the Cities and to pay to the Cities any additional amount required to be paid by the District to the Cities pursuant to Paragraph 3 of the IGA. The Districts shall also be required to have full voter authorization under Article X, Section 20 of the Colorado Constitution ("TABOR") to increase the mill levy on the Adjacent Property, without the requirement of any future election, in order to provide any increases in revenue to the Cities as necessary to maintain compliance with the Cities' grant assurances to the Federal Aviation Administration ("FAA") and to enter into the IGA as a fully enforceable multi-fiscal year financial obligation under TABOR.

(b) In the event that the organization of the Districts does not take place as contemplated in this Agreement or the Districts otherwise fail to comply, in any way whatsoever, with the terms of this Paragraph, the Developer agrees to pay annually to the Cities an amount equal to the Fee and other amounts that would have been required to be paid by the Districts under Paragraph 3 of the IGA until such time as the Districts come into full compliance with this Paragraph of the Agreement. (The provisions of this Paragraph 1.6 shall apply separately to the southeast parcel and to the north parcel of the Adjacent Property, provided that both parcels must be the subject of either an IGA with a District or the Developer's obligation pay the Fee and other amounts as set forth in Paragraph 1.6(b) within the time periods set forth in this Agreement.)

1.7. Developer has granted to the Cities an access easement on the Airpark taxilanes for the purposes described in Paragraph 3 of this Agreement for the term

set forth in Paragraph 11 below.

1.8. The Airpark Declaration of Covenants, Conditions and Restrictions of Record ("CC&R's"), containing provisions which include those listed in Paragraph 10 of this Agreement, have been approved by the Cities and are recorded and in effect against the Airpark.

1.9. The construction of the Airport Taxiway has been completed and deemed acceptable by the Cities as described in Subparagraph 2.2 of this Agreement.

1.10. Developer has submitted and obtained approval by the Cities, TSA and FAA a detailed Airpark Security Plan describing procedures, equipment and methodology to ensure operational compliance with the Airport's Security Plan and TSA regulations.

A flow chart reflecting the foregoing Conditions and the intent of the Parties as to the satisfaction of the Conditions necessary to activation of the Access Easement granted herein is set forth on **EXHIBIT "C-1"** attached hereto and incorporated herein by this reference.

As used herein related to obligations of the Developer to construct improvements, the term "Developer" shall include the Districts. The Districts, once approved, shall have full power and authority to perform Developer obligations of this Agreement.

2. Construction of Taxilanes.

2.1. Airpark Taxilane Construction. Developer shall construct and improve, at Developer's sole expense, the Airpark taxilane. Construction and improvement of the Airpark taxilane shall connect the taxilane, on one end, to the Airport boundary at the Point of Ingress/Egress, and on the other end, to the individual lots of the Airpark. The construction and improvement of the Airpark taxilane shall also include the permanent installation of vehicle barrier fencing and access control gates establishing a perimeter between the public roadway fronting the Adjacent Property and the Aircraft Operating Area ("AOA") on the Airpark and Airport property. The barrier and gates may attach to a building or structure on an individual lot in the Airpark where such building or structure provides the barrier to such access to the AOA. Developer shall construct a fence, to the design designated by the Cities, along the common boundary between the Airport and the Airpark (excluding the Point of Ingress/Egress). This fence and gate shall become the Cities' property and shall be maintained by the Cities. However, the District shall reimburse the Cities for their costs to maintain the fence and gate as provided in Paragraph 3.6 of the IGA. All security related improvements shall be constructed in conformance with the Security Plan as described in Paragraph 17 below.

2.2. Airport Taxiway Construction. The taxiway Alpha A-1 Extension located at the southeast corner of the current ramp has been constructed by the Cities. This construction falls approximately 160 feet short of the Airpark property line. The Developer shall complete construction of this portion of the taxiway, to the design standards designated by the Cities, to the Airpark property line at its sole expense

and without reimbursement from the Cities. In addition, any needed upgrades to any portion of this taxiway necessary to accommodate larger aircraft to be located within the Airpark shall be completed by the Developer at its sole expense and without reimbursement from the Cities. This portion of the taxiway constructed by the Developer shall be dedicated to the Cities after construction is completed and the Developer shall provide to the Cities a two (2) year warranty bond or letter of credit for this improvement. In addition, as provided in Paragraph 3.6 of the IGA, the Districts shall be responsible and liable to the Cities for any and all maintenance costs incurred by the Cities for that portion of the taxiway improvements to be built by the Developer under this Paragraph 2.2. Maintenance costs shall mean all costs incurred by the Cities for snow removal, sweeping, repair, lighting, electricity, resurfacing, and all other expenses necessary to maintain that portion of the taxiway improvements built by the Developer under this Paragraph 2.2.

3. Limitations on Access.

3.1. Access between the Airport and the Airpark granted pursuant to this Agreement, shall be solely for aircraft access, airport service vehicles, emergency vehicles, FBO service vehicles, and vehicles performing maintenance/safety inspections of the taxilane/taxilane clearance areas, through the Points of Ingress/Egress designated by Cities for such purpose, the approximate locations of which are depicted in **EXHIBIT "D"**, which locations (one each for the north parcel and the southeast parcel) must first be approved by the FAA as acknowledged and agreed to in Paragraph 1.4 above, and which shall consist of a minimum one hundred twenty foot (120') wide portion of the boundary of the Airport. This Agreement does not grant entry onto the Airport from any other point of access, or by any method or means of travel other than as set forth in this Paragraph 3.1.

3.2. This Agreement shall not be deemed to grant or authorize the storage of aircraft or any personal property, aviation or non-aviation related, upon the Airport.

3.3. Any person accessing or using the Airport pursuant to this Agreement shall comply, at all times, with all applicable requirements of all statutes, acts, ordinances, regulations, codes, and standards of legally constituted authorities with jurisdiction, including, without limitation and, as applicable, the Loveland City Code, the Airport Rules and Regulations, the Airport Minimum Standards, the Airport Security Plan, the Cities' Federal grant assurances, and any other document that applies to the Cities' on-Airport tenants.

3.4. Access through the Point of Ingress/Egress shall be subject to those controls and restrictions that, from time to time, may be established by the Cities' Airport Director or designee when it is determined to be in the best interest of the Cities to do so, or when such controls and restrictions have been requested by the FAA or Transportation Security Administration ("TSA") or any other federal, state, or local agency. Restrictions may include, the denial, from time to time, of ingress or egress by any person or persons where the Airport Director determines, in good faith, that conditions at the Airport or Airpark are such that ingress or egress poses an immediate threat to the safe and efficient operation of the Airport, creates an aviation safety hazard on either the Airport or the Airpark, or otherwise makes aircraft operations on either the Airport or the Airpark unsafe. Except in the event of an emergency where a cure period is not practical, the Developer shall be allowed a reasonable amount of time to remedy the cause of such conditions or restrictions.

3.5. The Cities shall have the ability to close or limit, temporarily, access through the Point of Ingress/Egress from time to time in order to conduct Airport maintenance activities, and for other airport related activities such as air shows. The Cities shall endeavor to provide at least 48 hours notice of such closure. Notwithstanding the foregoing, the Cities shall reasonably accommodate the needs of the Lot Owners, their tenants, subtenants, guests and invitees within the Airpark in the use of the Airport during any such closure.

3.6. The Cities shall have the ability to close access through the Point of Ingress/Egress in the event of nonpayment of the Fee, as adjusted, or of any additional amount required to be paid pursuant to Paragraph 3 of the IGA after Cities give sixty (60) days written notice to the Districts or Developer of the nonpayment, if within such sixty-day period the nonpayment has not been cured.

4. Relocation. The Cities and the Developer may mutually agree in writing to relocate the Point of Ingress/Egress or establish any additional Point of Ingress/Egress. The party requesting the relocation will be responsible for expenses associated with the relocation and reasonable damages that may be incurred due to that relocation. In addition, the Cities reserve the right to designate additional points of ingress/egress at locations outside of the Airpark and not available to the Developer or otherwise permitted for use under this Agreement, provided that such additional designations shall not prevent access between the Airport and the Airpark through the Point of Ingress/Egress. The designation of additional points of access at locations outside of the Airpark may occur for any reason, including without limitation, the need to accommodate third parties or others to whom Cities may grant permission to ingress or egress from land adjacent to or contiguous to the Airport other than the Airpark.

5. Commercial Aeronautical Services Within the Adjacent Property and Airpark.

5.1 The Parties agree that the following commercial aeronautical activities that FBOs are authorized to conduct and provide to the general public on the Airport, as provided in Section 2.2 of the Airport Minimum Standards attached hereto as **EXHIBIT "F"**, shall not be permitted within the Adjacent Property and the Airpark except as otherwise expressly authorized in Paragraph 5.2 below: all of the Aircraft Line Services described in Section 2.2.1. of the Minimum Standards; aircraft, airframe and engine repair and maintenance; flight training; aircraft rental; and related other services such as the sale of sectional or world aeronautical charts covering the territory within 300 miles of the Airport, flashlight and batteries, and plotters and computers generally used by pilots for flight planning. Notwithstanding the foregoing, fuel and other FBO goods and services may be delivered, provided and sold by any approved on-Airport FBO to customers located within the Airpark.

5.2 Notwithstanding the provisions of Paragraph 5.1 above, the following activities and uses shall be allowed to be conducted within the Adjacent Property and the Airpark: the construction, installation, maintenance and operation of a hangar or building or buildings to be used for the parking, storage, servicing, repair, maintenance, modification and construction of aircraft that are used for private corporate or personal use; aircraft research and development; aircraft manufacturing of parts and components; assembly of aircraft parts and components; final assembly of aircraft parts and components into completed aircraft; flight testing associated with assembled aircraft; painting of manufactured aircraft and parts; and air freight services such as those provided by United Parcel Service and Federal Express.

5.3. The Developer may not enter into a contract with users of the Airpark that prohibits any on-Airport FBO from selling fuel to such users.

5.4 Notwithstanding the provisions of 5.3, all on-Airport FBOs authorized by the Cities or like enterprise entering the Airpark shall provide to Developer or Developer's designee:

5.4.1. A written and executed hold harmless and indemnification agreement reasonably acceptable to Developer or Developer's designee. Such agreement shall provide, but not be limited to, the FBO or like enterprise agreeing to save and hold the Developer and its designees, their officers, employees, agents and representatives free and harmless of and from any loss, liability, expense, attorney fees, costs, suit or claim for damages in connection with any act or omission by the FBO or like enterprise, their officers, employees, agents and representatives.

5.4.2. A written and executed agreement reasonably acceptable to Developer or Developer's designee providing that the FBO or like enterprise shall:

(a) not bring or keep anything which will in any way increase the existing rate of or affect any fire or other insurance upon the Airpark or cause cancellation of any insurance policy covering the Airpark or any part thereof;

(b) not do or permit anything to be done in or about the Airpark which will in any way obstruct or interfere with the rights of other users of the Airpark or injure or annoy them or use or allow the Airpark to be used for any improper, unlawful or objectionable purposes;

(c) not cause, maintain or permit any nuisance in, on, or about the Airpark;

(d) not permit employees, customers, or visitors to smoke inside the Airpark;

(e) not commit or suffer to be committed any waste in or upon the Airpark;

(f) not use the Airpark or permit anything to be done in or about the Airpark which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated; and

(g) at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force, and with the requirements of any

board of fire insurance underwriters or other similar bodies now or hereafter constituted, relating to or affecting the condition, use or occupancy of the Airpark.

5.4.3. Agree to provide insurance and the insurance required hereunder shall be in companies rated A+ Superior or better in "Best's Insurance Guide."

5.4.4. Obtain insurance at its cost and expense and keep in force a policy of commercial general liability insurance insuring Developer or its designee(s) against any liability arising out of the use of the Airpark and all areas appurtenant thereto, in amounts determined from time to time by the Developer or its designee(s) for injury or death and property damage including contractual liability coverage. The limit of said insurance shall not, however, limit the liability of the FBO or like enterprise. Such policies shall contain a provision that the Developer or its designee(s), although named as an insured, shall nevertheless be entitled to recover under said policies for any loss occasion to it, its servants, agents, or employees by reason of negligence of the FBO. Such insurance is to be obtained and other requirements may change from time to time in the sole discretion of the Developer or its designee(s) and by way of illustration may include, but shall not be limited to: (a) general liability - \$5,000,000.00 / aircraft - \$10,000,000.00 per occurrence; (b) mobile equipment coverage (coverage to operate on private property); (c) hangar keepers liability insurance; (d) product liability insurance (i.e., bad fuel pumped into airplanes, etc.); (e) insurance protection for all risk coverage on the Airpark premises to the extent of 100% of the actual placement cost thereof.

5.4.5. Prior to entry to the Airpark and from time to time at the request to the Developer or its designee(s) provide copies of policies of liability insurance required herein or certificates evidencing the existence and amounts of such insurance with loss payable clauses satisfactory to Developer or Developer's designee. No policy shall be cancelable or subject to reduction of coverage except after ten (10) days prior written notice to Developer or Developer's designee. All such policies shall be written as primary policies not contributing with and not in excess of coverage which Developer or Developer's designee may carry.

5.4.6. Provide evidence of Workers' Compensation insurance coverage.

5.4.7. Provide evidence satisfactory to Developer or Developer's designee that anyone entering the Airpark has been properly trained, in Developer or Developer's designee's sole discretion, to properly enter and perform services in the Airpark.

5.4.8. Establish a reasonable process by which the FBO or a like enterprise will periodically check in with the Developer or the Developer's designee to coordinate with and provide reasonable notice to the Developer or the Developer's designee of the FBO's or like enterprise's planned entries into the Airpark to provide services to customers within the Airpark.

5.4.9. Reimburse Developer or Developer's designee(s) for any charges made to the Developer or Developer's designee(s) by the Cities due to any FBO or like enterprise entering the Airpark or providing any services or delivering any fuel, materials or supplies to the Airpark or occupants therein.

5.4.10. In the event of non-compliance with the provisions of this Paragraph 5.4, agree that the FBO or like enterprise, their officers, employees, agents and representatives, may be denied access to the Airpark by the Developer or the Developer's designee.

5.5. The Developer or the Developer's designee shall enforce and apply the requirements of Paragraph 5.4 with respect to all on-Airport FBOs and like enterprises in a reasonable, fair, equal and non-discriminatory manner. However, the Developer or the Developer's designee shall have the authority to waive any of the requirements in Paragraph 5.4 above either on a temporary or permanent basis so long as such waiver does not relate to a requirement of the provisions of the Minimum Standards and provided that any such waived requirement during any such time period is also waived as to all other FBOs and like enterprises serving the Airport and the Airpark.

6. Airpark Conditions.

6.1. No motor vehicle of any kind, except aircraft, airport service vehicles, emergency vehicles, Airport approved FBO service vehicles, airplane tugs, vehicles for towing aircraft, and vehicles performing maintenance/safety inspections of the taxilane/taxilane clearance areas, shall be used on the Airpark taxilane, except in areas specifically designated for motor vehicle use.

6.2. No motor vehicle of any kind or for any reason shall be parked upon, or impede aircraft movement on, the Airpark taxilane or any taxilane safety area except in the course of maintenance/safety inspections or maintenance of the taxilane/taxilane clearance area.

6.3. No person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination in the use of the Airpark taxilane; and the Lot Owners, their tenants, subtenants, guests and invitees, shall use the taxilane subject to the Airpark CC&R's and in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

7. Non-liability.

7.1. Cities shall not be liable to the Developer or to any off-airport user for any acts or omissions of any person, whether or not a person authorized under this Agreement, who enters the Airpark through the Point of Ingress/Egress; or for any conditions occurring on the Airpark or the Adjacent Property resulting from the operations or activities of any such person; or for any loss or damage to any personal property or equipment of the Developer, or any property owner or any tenant, subtenant, guest, invitee or other person with legal possession of any lot within the Airpark or

the Adjacent Property, caused by or resulting from operations or activities of any person entering the Airpark through the Point of Ingress/Egress.

7.2. The Developer and its successors and assigns shall be liable to the Cities for their respective acts and omissions arising under this Agreement as a result of entering on to the Airport through the Point of Ingress/Egress; or for any conditions occurring on the Airport resulting from their respective operations or activities; or for any loss or damage to any personal property or equipment of the Cities caused by or resulting from their respective operations or activities related to entering the Airport through the Point of Ingress/Egress.

7.3. Nothing within this Agreement shall in any way or manner waive any defenses or limitations on damages provided for, under or pursuant to the Colorado Governmental Immunity Act (Sec. 24-10-101, et seq. C.R.S.), the Constitution, or the Charter, or under the common law or the laws of the State of Colorado, or of the United States, including but not limited to Section 42 U.S.C.1983.

8. Withdrawal of permission for any Person to Access or Use Airport. Pursuant to the Airport Rules and Regulations, the Airport Director may summarily deny access and use of the Airport to any person that is otherwise authorized to access and use the Airport pursuant to this Agreement who is in violation hereof or who violates Airport Rules and Regulations and is advised thereof but refuses to comply with such Rules and Regulations; provided, however, that such denial of access and use does not unreasonably impair the ability of the Districts to pay their indebtedness. Any person denied access and use of the Airport shall be given a reasonably opportunity to correct such action as gives rise to such denial of access and use. Notwithstanding the foregoing, any person may be denied access to and use of the Airport, with or without the opportunity to correct the violation, if required by any FAA or TSA rule, regulation or determination or if necessary or appropriate to comply with the Cities' federal grant assurances, regardless of the impact of such a denial on the ability of the District to pay its indebtedness.

9. Grant of Easement to Cities. Developer shall grant to Cities for the term of this Agreement a non-exclusive easement to enter upon the Airpark taxilane for the purpose of: (i) assuring compliance by Developer and/or Districts with the terms of this Agreement and compliance by Districts with the terms and conditions of the IGA; and (ii) allowing access by emergency and city service vehicles. This grant of easement shall be by separate instrument, in form reasonably approved by the Cities' Attorney(s), and shall be consented to and subrogated by the holder of any lien encumbering the underlying fee, and shall be deemed effective when recorded.

10. CC&R Provisions. In order to assure Cities that the Airpark taxilane will be properly operated and maintained so as to meet all local, state and federal standards applicable to Airport and/or aircraft operations, Developer and/or Districts shall adopt and record Airpark CC&R's, or amend current Airpark CC&R's, to provide in language and form including the following:

10.1. A prohibition against any motor vehicle, except aircraft, airport service vehicles, emergency vehicles, vehicles designated by any Airport approved fixed base operator as mobile fueling vehicles, and vehicles performing maintenance/safety inspections of the taxilane and taxilane clearance areas, being used on or accessing thru the Airpark taxilane, except in areas specifically designated for motor vehicle use, and against any motor vehicle, for any reason, being parked on or impeding aircraft movement on the

Airpark taxilane or any taxilane safety area.

10.2 The creation in accordance with State law of an Owners' Association or other common interest ownership entity that would permit the imposition of fees within all of the Adjacent Property.

10.3. The CC&R's shall be subject to prior review and reasonable approval by the Cities. An approved copy of the CC&R's shall be attached as an exhibit to any IGA between the Cities and the District(s).

10.4. The CC&R's shall provide that any on-Airport approved FBO shall have access to conduct business with all users within the Airpark, provided that such on-Airport FBO agrees to comply with the provisions of Paragraph 5.4 of this Agreement.

10.5 The CC&R's shall, in the event the organization of the Districts does not take place as contemplated by this Agreement or the Districts otherwise fail to comply in any way whatsoever, with the terms of the IGA, obligate the Developer and, as a successor to the Developer, an Owner's Association with the power to impose fees within all of the Adjacent Property, to pay annually an amount equal to the Fee, and as adjusted, and other amounts that would have been required to be paid by the Districts under Paragraph 3 of the IGA.

11. Term of Agreement.

11.1 This Agreement and the Access Easement granted herein, shall terminate fifty (50) years after the effective date of the IGA or the date on which the Developer has executed a written amendment to this Agreement confirming that the Developer has waived its right to obtain approval of a service plan under Paragraph 1 of this Agreement.

11.2(a) This Agreement and the Access Easement granted herein shall be deemed to have terminated and shall no longer be of any force or effect as to both the southeast and the north parcels of the Adjacent Property if all of the Conditions stated in Paragraph 1 have not been fully satisfied as to the southeast parcel and/or if the IGA for both the southeast and north parcels (or the amendment referenced in Paragraph 1.6(a) above) has not been entered into on or before September 30, 2012.

(b) This Agreement and the Access Easement granted herein shall be deemed to have terminated and shall no longer be of any force or effect as to only the north parcel of the Adjacent Property if all of the Conditions stated in Paragraph 1 have not been fully satisfied as to the North parcel and/or the IGA for the North parcel (or the amendment referenced in Paragraph 1.6(a) above) is not in full force and effect as of September 30, 2019.

11.3 In addition, this Agreement and the Access Easement granted herein shall be deemed to have terminated and shall no longer be of any force or effect as to either or both the southeast and the north parcels of the Adjacent property if:

11.3.1 Developer provides written notice of termination to the Cities; or

11.3.2 Subject to the cure provisions of Paragraph 12 of this Agreement, if the Cities do not receive the payments required to be paid to it under the terms of this Agreement and under any IGA, in which event the Cities shall have the right to terminate this Agreement and end all access to the Airport under the terms and conditions of this Agreement.

11.4 Nothing herein shall prevent the parties from negotiating and agreeing in writing to an extension of the above deadlines, which extension may be approved by the City Managers of the Cities upon their finding that such extension is in the best interests of the Cities, provided that the City Managers shall only be authorized to approve one extension for a period of time not to exceed five (5) years.

12. Remedies.

12.1. In the event of default by Developer, Cities may: (i) cancel this Agreement sixty (60) days after Cities give written notice to Developer of the default, if within such period the default has not been cured; or (ii) where the default has caused a monetary loss to Cities or may expose Cities to liability for money damages, Cities may, if the default has not been cured within the sixty (60) day period, proceed with whatever steps Cities may deem necessary in order to enforce the rights and remedies available to Cities under this Agreement, at law or in equity, including, without limitation, the right of specific performance of this Agreement or to recover its damages from Developer.

12.2 In the event of default by Cities, Developer may: (i) cancel this Agreement sixty (60) days after Developer gives written notice to Cities of the default, if within such period the default has not been cured; or (ii) where the default has caused a monetary loss to Developer or may expose Developer to liability for money damages, Developer may, if the default has not been cured within the sixty (60) day period, proceed with whatever steps Developer may deem necessary in order to enforce the rights and remedies available to Developer under this Agreement, at law or in equity, including, without limitation, the right of specific performance of this Agreement or to recover its damages from Cities.

13. Notices. All notices required or permitted to be given hereunder to any party to this Agreement shall be in writing and may be given in person or by United States mail or by delivery service. Any notice directed to a party shall become effective upon the earliest of the following: (i) actual receipt by that party; (ii) delivery to the designated address of that party, addressed to that party; (iii) delivery by overnight courier; or (iv) if given by certified United States mail, return receipt requested, forty-eight (48) hours after deposit with the United States Postal Service, postage prepaid, addressed to that party at its designated address. The designated address of a party shall be the address of that party shown below or such other address as that party, from time to time, may specify by written notice to the other party:

Cities: Fort Collins City Clerk
City Hall West
300 LaPorte Avenue
Fort Collins, CO 80521

and

Loveland City Clerk
500 E. 3rd St., Ste. 230
Loveland, CO 8053

With copies to: Fort Collins/Loveland Municipal Airport Director
4900 Earhart Road
Loveland, CO 80538

Developer: Rocky Mountain Airport Investments, LLC
Att'n: Martin Lind
1625 Pelican Lakes Point, Suite 201
Windsor, Colorado 80550

With copies to: Gary R. White
White, Bear & Ankele Professional Corporation
2154 E. Commons Ave, Suite 2000
Centennial, CO 80122

14. Further Assurances. Promptly upon the request of another party to this Agreement, a party shall do such further acts and shall execute, have acknowledged and deliver to the other party, as appropriate, any and all further documents or instruments reasonably requested in order to carry out the intent and purpose of this Agreement.

15. General Provisions.

15.1. Modification and Waiver. Except as expressly provided herein to the contrary, no supplement, modification or amendment of any term of this Agreement shall be deemed binding or effective unless in writing and signed by the parties hereto. No waiver of any of the provisions of this Agreement shall constitute or be deemed a waiver of any other provision, nor shall any waiver be a continuing waiver. Except as otherwise expressly provided herein, no waiver shall be binding unless executed in writing by the party making the waiver.

15.2. Exhibits. The Exhibits referred to herein and attached hereto (the "Exhibits") are incorporated herein by reference.

15.3. Time is of the Essence. Whenever this Agreement sets forth any time for any act to be performed by any of the parties, such time shall be deemed to be of the essence under this Agreement.

15.4. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be valid under applicable law, but if any provision

of this Agreement shall be deemed invalid or prohibited thereunder, such provision shall be deemed severed from this Agreement, and this Agreement shall otherwise remain in full force and effect.

15.5. Entire Agreement. This Agreement, including the Exhibits attached hereto, constitutes the entire agreement among the parties. All terms and conditions contained in any other writings previously executed by the parties and all prior and contemporaneous arrangements and understandings between the parties are superseded hereby. No agreements, statements or promises about the subject matter hereof shall be binding or valid unless they are contained herein.

15.6. Counterparts. This Agreement may be executed by the signing in counterparts. The execution of this instrument by each of the parties signing a counterpart hereof shall constitute a valid execution, and this instrument and all of its counterparts so executed shall be deemed for all purposes to be a single instrument.

15.7. Applicable Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Colorado and venue for any judicial proceedings to enforce this Agreement shall be in Larimer County Court, except that venue for any federal cause of action shall be in the United States District Court for the District of Colorado, Denver Colorado.

15.8. Headings and Construction. The descriptive headings of the paragraphs of this Agreement are inserted only for convenience and shall not define, limit, extend, control or affect the meaning or construction of any provision herein. Where the context requires herein, the singular shall be construed as the plural and neuter pronouns shall be construed as masculine and feminine pronouns, and vice versa. This Agreement shall be construed according to its fair meaning and any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement.

15.9. Non-Discrimination. As part of the consideration hereof, Developer does hereby covenant and agree, as a covenant running with the land, that (i) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination in the use of the Airpark taxilane; (ii) that in the construction of any improvements on, over or under the Airpark taxilane and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and (iii) that the Airpark taxilane shall be used, operated and maintained in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

15.10. Cities' Right to Develop the Airport. Cities reserve their right to further alter,

develop, expand or improve the Airport or, in their sole discretion, to close the Airport. In the event that the Cities permanently close the Airport, this Agreement and any access to the Airport granted pursuant to this Agreement shall immediately terminate, and the Cities shall have no further responsibility or liability to the Developer under this Agreement.

15.11. No Agency. The parties hereto understand and agree that: (i) the requirements imposed on Developer by the terms of this Agreement shall not be construed to make Developer, or any of its officers, employees or agents, an officer, employee or agent of the Cities; and (ii) the requirements imposed on Cities by the terms of this Agreement shall not be construed to make Cities, or any of their officers, employees or agents, an officer, employee or agent of Developer.

15.12. No Partnership; Third Parties. It is not intended by this Agreement to, and nothing contained in this Agreement shall, create any partnership, joint venture or other arrangement between Developer and Cities. No term or provision of this Agreement is intended to, or shall, be for the benefit of any person, firm, organization or corporation not a party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.

15.13. Declaration of Termination; No Warranty of Non-interference by Entities Outside Cities' Control. The parties hereto understand and recognize that the actions of local governmental units, parties holding land or living adjacent to the Airport, and governmental entities not subject to Cities influence and control, may have, in the future, adverse impacts upon the number and character of flight and other operations at the Airport. In such event, Developer has the option of declaring this Agreement terminated on ninety (90) days written notice to Cities and agrees not to seek recovery of any damages from Cities.

15.14. Warranty of Authority. The persons executing this Agreement for City and for Developer warrant that they are authorized by the respective party whom they represent to execute this Agreement.

15.15. Effective Date. The effective date of this Agreement shall be the date first above written.

15.16. Assignment. Except as intended in Paragraph 15.17 below, this Agreement shall not be assigned by Developer without the prior written consent of the Cities, which consent shall not be unreasonably withheld. However, any such assignment shall not relieve the Developer from liability for compliance with this Agreement.

15.17. Binding Effect. It is the intent of the parties that the respective rights and obligations set forth in this Agreement shall constitute covenants and equitable servitudes that run with the land and shall benefit and burden any successors and assigns of the parties.

15.18. **Survival of Terms.** To the extent necessary to carry out all of the financial and performance obligations that may have accrued as of the date of any termination under this Agreement, such financial and performance obligations shall continue to be enforceable under this Agreement beyond the termination date of this Agreement.

15.19. **Third Party Beneficiaries.** No rights created in favor of any party to this Agreement shall be construed as benefiting any other person or entity that is not a party to this Agreement.

15.20. **Recording.** This Agreement shall be recorded by the Cities with the Larimer County Clerk and Recorder at the Developer's expense.

15.21. **Litigation Expenses and Attorneys' Fees.** In the event of the default of any of the provisions hereof by either party, as determined by a court of competent jurisdiction, the defaulting party shall be liable to the non-defaulting party for the non-defaulting party's reasonable costs of litigation incurred by reason of the default, including reasonable attorneys' fees.

16. **Avigation Easement.** The Developer shall grant the Cities an Avigation Easement as further described on **EXHIBIT "E"**. This easement shall be granted at the time of execution of this Agreement and shall burden all of the Adjacent Property.

17. **Airport Security Plan Compliance.** Developer agrees that any access granted to the Airport from any portion of the Adjacent Property shall be contingent upon full compliance with the TSA and the FAA rules, regulations or dictates on Airport security, and upon compliance with the Airport Security Plan, as they currently exist, or as they may be amended in the future. Accordingly, notwithstanding any conflicting provision herein, Airport access from the Adjacent Property shall be terminated by the Cities in the event of such noncompliance with TSA and FAA rules, regulations or dictates, or in the event of noncompliance with the Airport Security Plan or Airport Rules and Regulations. Prior to execution of any IGA with a District the Developer shall submit and obtain approval by the Cities, TSA and FAA a detailed Airpark Security Plan describing procedures, equipment and methodology to ensure operational compliance with the Airport's Security Plan and TSA regulations. The Airpark Security Plan shall provide that it will be modified as necessary in the future to maintain full compliance with any new or amended TSA regulations. The cost of compliance with this Paragraph 17, including any required construction, maintenance, repairs and modifications, shall be the joint and severable obligation of the Developer and of the District, as provided in Paragraph 10 of the IGA. Unless specifically required by law and notwithstanding the foregoing, such compliance shall not be more restrictive than required elsewhere in the Airport under similar conditions and circumstances.

18. **Compliance with the Airport Minimum Standards.** All commercial aeronautical uses within the Adjacent Property shall maintain full compliance with the Airport Minimum Standards as they currently exist, or as they may be amended in the future by public action of the City Councils of each City. Accordingly, Developer agrees that any access granted to the Airport from any portion of the Adjacent Property shall be contingent upon full compliance with the Airport Minimum Standards for the Airport dated September 26, 2008, a copy of which is attached hereto and incorporated herein by this reference as **EXHIBIT "F,"** and as they may be amended in the future by public action of the City Councils of each City or as set forth in the Airport Intergovernmental Agreement between the

Cities. However, based on the Fee to be paid to the Cities as referenced in paragraph E. above, the Cities agree that under this Agreement that the Developer satisfies the financial surety requirements of Section 1.7.4 of the Minimum Standards. In addition, the Parties agree that if any provision of the Minimum Standards is in conflict with a provision of this Agreement, the provisions of the Minimum Standards shall control over the conflicting provision in this Agreement as applied to commercial aeronautical uses on the Adjacent Property unless this Agreement expressly provides that the provision of this Agreement shall control over the conflicting provision of the Minimum Standards.

19. Compliance with Grant Assurances. In the event that the FAA notifies the Cities verbally or in writing of an alleged violation of its grant assurances to the FAA as a result of this Agreement, or as a result of the action or inaction of any off-airport uses, the Developer shall fully cooperate with the Cities to immediately rectify such violation. In the event that the FAA notifies the Cities formally of such a violation, such as but not limited to notification by a Director's Determination, the Cities may, in their sole discretion, and without being required to appeal any such FAA determination, terminate this Agreement and any access to the Airport granted pursuant to this Agreement. However, if the FAA grants to the Cities a period of time to cure the violation, the Cities agree, prior to such termination, to allow the Developer that period of time to cure to the satisfaction of the Cities the circumstances causing the grant assurance violation.

20. Preservation of public health, safety and welfare. Nothing herein shall be construed as a waiver of the Cities' police power to protect the public health, safety and welfare. Accordingly, notwithstanding any conflicting provision herein, the Cities may terminate this Agreement and any access to the Airport granted pursuant to this Agreement as needed to protect the public health, safety and welfare or as required by a federal, state or local agency, providing in the case of termination, the Developer is given the rights to cure set forth in Paragraph 19 of this Agreement. Temporary termination of access may occur without an opportunity to cure in emergency situations as determined by the Airport Director. If the Airport Director temporarily terminates access due to an emergency situation, the Airport Director shall provide the Developer with a written explanation of the reasons for the closure and an estimated opening date.

IN WITNESS WHEREOF the parties hereto have affixed their signatures the date first above written.

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DEVELOPER:

ROCKY MOUNTAIN AIRPORT INVESTMENTS, LLC, a Colorado limited liability company

By: _____
Martin Lind, Manager

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing was acknowledged before me this ____ day of _____, 2011_by
Martin Lind as Manager of Rocky Mountain Airport Investments, LLC, a Colorado limited liability
company.

Witness my hand and official seal.

My Commission Expires _____.

Notary Public

CITY OF FORT COLLINS, a Colorado home rule municipality

By: _____
Darin Atteberry, Fort Collins City Manager

ATTEST:

Fort Collins City Clerk

STATE OF COLORADO)
) ss.
COUNTY OF LARIMER)

The foregoing was acknowledged before me this ____ day of _____, 2011 by
Darin Atteberry, as City Manager of Fort Collins, Colorado.

Witness my hand and official seal.

My Commission Expires _____.

Notary Public

APPROVED AS TO FORM:

Stephen J. Roy, Fort Collins City Attorney

CITY OF LOVELAND, a Colorado home rule municipality

By: _____
William D. Cahill, Loveland City Manager

ATTEST:

Loveland City Clerk

STATE OF COLORADO)
) ss.
COUNTY OF LARIMER)

The foregoing was acknowledged before me this ____ day of _____, 2011 by William D. Cahill as City Manager of Loveland, Colorado.

Witness my hand and official seal.

My Commission Expires _____.

Notary Public

APPROVED AS TO FORM:

John R. Duval, Loveland City Attorney

EXHIBIT “A”
(The "Airport")

Exhibit "A" to the Intergovernmental Agreement

Airport Legal Description

All of the Barnstorm Second Addition to the City of Loveland, Colorado
legally described as follows:

All that portion of Section 28 and Section 33, Township 6 North, Range 68 West, and that portion of Section 4, Township 5 North, Range 68 West of the 6th P.M., Larimer County, Colorado, more particularly described as follows:

Commencing at the Southwest corner of said Section 28, with all bearings relative to the West line of the Southwest Quarter of said Section 28 considered as bearing North 00°30'00" East, thence South 87°28'49" East, 50.00 to the TRUE POINT OF BEGINNING; thence North 00°30'00" East, 2678.39 feet; thence North 00°29'50" East, 2639.76 feet; thence South 86°40'52" East, 795.07 feet; thence South 25°27'52" East, 107.65 feet; thence South 38°35'52" East, 152.85 feet; thence South 03°10'08" West, 157.83 feet; thence South 86°40'52" East, 231.41 feet; thence South 16°10'52" East, 131.00 feet; thence South 11°10'52" East, 150.00 feet; thence 150.48 feet along a tangent curve concave to the East, delta angle 39°44'00", radius 217.00 feet and chord South 31°02'52" East, 147.49 feet; thence along the centerline of the Loudon Ditch for the following eighteen courses and distances: South 50°54'52" East, 115.00 feet; thence 68.45 feet along a tangent curve concave to the North, delta angle 43°06'00", radius 91.00 feet and chord South 72°27'52" East, 66.85 feet; thence North 85°59'08" East, 42.00 feet; thence 85.50 feet along a tangent curve concave to the South, delta angle 53°50'00", radius 91.00 feet and chord South 67°05'52" East, 82.39 feet; thence South 40°10'52" East, 167.00 feet; thence South 47°10'52" East, 170.00 feet; thence South 42°10'52" East, 118.00 feet; thence 109.88 feet along a tangent curve concave to the West, delta angle 16°42'00", radius 377.00 and chord South 33°49'52" East, 109.50 feet; thence 80.52 feet along a tangent reverse curve concave to the East, delta angle 29°12'00", radius 158.00 feet and chord South 40°04'52" East, 79.65 feet; thence 81.95 feet along a tangent reverse curve concave to the West, delta angle 36°24'00", radius 129.00 feet and chord South 36°28'52" East, 80.58 feet; thence South 18°16'52" East, 91.00 feet; thence 68.99 feet along a tangent curve concave to the East, delta angle 18°08'00", radius 218.00 feet and chord South 27°20'52" East, 68.71 feet; thence South 36°24'52" East, 113.00 feet; thence 65.69 feet along a tangent curve concave to the East, delta angle 17°16'00", radius 218.00 feet and chord South 45°02'52" East, 65.45 feet; thence South 53°40'52" East, 256.00 feet; thence 135.14 feet along a tangent curve concave to the West, delta angle 26°42'00", radius 290.00 feet and chord South 40°19'52" East, 133.92 feet; thence 265.00 feet along a compound tangent curve concave to the West, delta angle 17°46'00", radius 82.17 feet and chord South 18°05'52" East, 81.84 feet; thence 90.36 feet along a tangent reverse curve concave to the East, delta angle 43°08'44", radius 120.00 feet and chord South 30°47'14" East, 88.24 feet to the North-South Quarter line of Section 28; thence South 00°39'13" West, 577.38 feet along the North-South Quarter line of Section 28; thence South 87°08'50" East, 2635.80 feet along the East-West Quarter line to the East One-Quarter corner of Section 28; thence South 00°32'09" West, 2647.71 feet to the Southeast corner of Section 28; thence South 00°00'10" West, 2599.29 feet to the East One-Quarter corner of Section 33; thence South 00°00'41" East,

2568.62 feet along the East line of Section 33 to a point whence the Southeast corner of said Section 33 (and the Southwest corner of Section 34) bears South $00^{\circ}00'41''$ East, 30.00 feet; thence North $89^{\circ}59'19''$ East, 30.00 feet; thence South $00^{\circ}00'41''$ East, 30.48 feet to the South line of Section 34 (and the North line of Section 3); thence along the East right-of-way line of County Road No. 7 South $01^{\circ}45'45''$ West, 2456.00 feet to the Northeasterly right-of-way line of Union Pacific Railroad; thence along said right-of-way as follows: North $48^{\circ}56'19''$ West, 3413.73 feet; thence 373.88 feet along a nontangent curve concave to the North, delta angle $5^{\circ}43'13''$, radius 3744.83 feet and chord North $46^{\circ}04'43''$ West, 373.73 feet; thence South $89^{\circ}06'05''$ East, 177.04 feet along the South line of Section 33 to a point whence the South One Quarter corner of said Section 33 bears South $89^{\circ}06'05''$ East, 76.88 feet; thence 794.66 feet along a nontangent curve concave to the North, delta angle $12^{\circ}34'41''$, radius 3619.83 feet and chord North $38^{\circ}52'49''$ West 793.07 feet; thence North $32^{\circ}35'28''$ West, 3737.67 feet to the East right-of-way of County Road No. 9; thence North $00^{\circ}08'21''$ West, 1619.75 feet along said East right-of-way to the TRUE POINT OF BEGINNING.

EXHIBIT "B"

(Adjacent Property, including the southeast parcel and the north parcel, and the Airpark)

EXHIBIT "B"

North Parcel:

Tract B, Airpark North Addition, City of Loveland, County of Larimer, State of Colorado

Southeast Parcel:

Lot 2, Block 1, East Loveland Industrial Seventeenth Subdivision, City of Loveland, County of Larimer, State of Colorado

Lot 1, Block 1, East Loveland Industrial Seventeenth Subdivision, City of Loveland, County of Larimer, State of Colorado

Lot 3, Block 1, East Loveland Industrial Seventeenth Subdivision, City of Loveland, County of Larimer, State of Colorado

Lot 1, Block 2, East Loveland Industrial Seventeenth Subdivision, City of Loveland, County of Larimer, State of Colorado

A tract of land located in the West $\frac{1}{2}$ of Section 34, Township 6 North, Range 68 West of the 6th P.M., in the City of Loveland, County of Larimer, State of Colorado, and being more particularly described as follows:

Considering the West line of the Northwest $\frac{1}{4}$ of said Section 34, as bearing North $00^{\circ}22'13''$ West and with all bearings contained herein relative thereto:

Beginning at the West $\frac{1}{4}$ corner of said Section 34; thence along the West line of the Northwest $\frac{1}{4}$ of said Section 34, North $00^{\circ}22'13''$ West, a distance of 768.30 feet to the South line of that parcel described in Book 1768 at Page 133; thence along said South line and subsequently the South line of that parcel described in Book 2116 at Page 819, North $89^{\circ}26'17''$ East, a distance of 2,436.42 feet to the Westerly right-of-way line of Interstate Highway 25; thence along said Westerly right-of-way line, South $00^{\circ}36'41''$ West, a distance of 1,380.79 feet to the North line of that parcel described at Reception No. 2003013458; thence along said North line, South $89^{\circ}22'13''$ West, a distance of 889.16 feet to the Northwest corner of said parcel; thence along the West line of said parcel, South $00^{\circ}37'47''$ East, a distance of 929.75 feet to the North line of that parcel described in Book 2082 at Page 541; thence along said North line, North $89^{\circ}55'19''$ West, a distance of 1,527.70 feet to the West line of the Southwest $\frac{1}{4}$ of said Section 34; thence along said West line of the Southwest $\frac{1}{4}$ of said Section 34; thence along said West line, North $00^{\circ}22'35''$ West, a distance of 1,525.95 feet to the Point of Beginning.

Excepting therefrom that portion dedicated to the City of Loveland, a Colorado Municipal Corporation by Deed of Dedication for Right-of-Way recorded August 1, 2003, at Reception no. 20030098330.

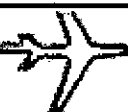
County of Larimer, State of Colorado

EXHIBIT “C”
(Intergovernmental Agreement)

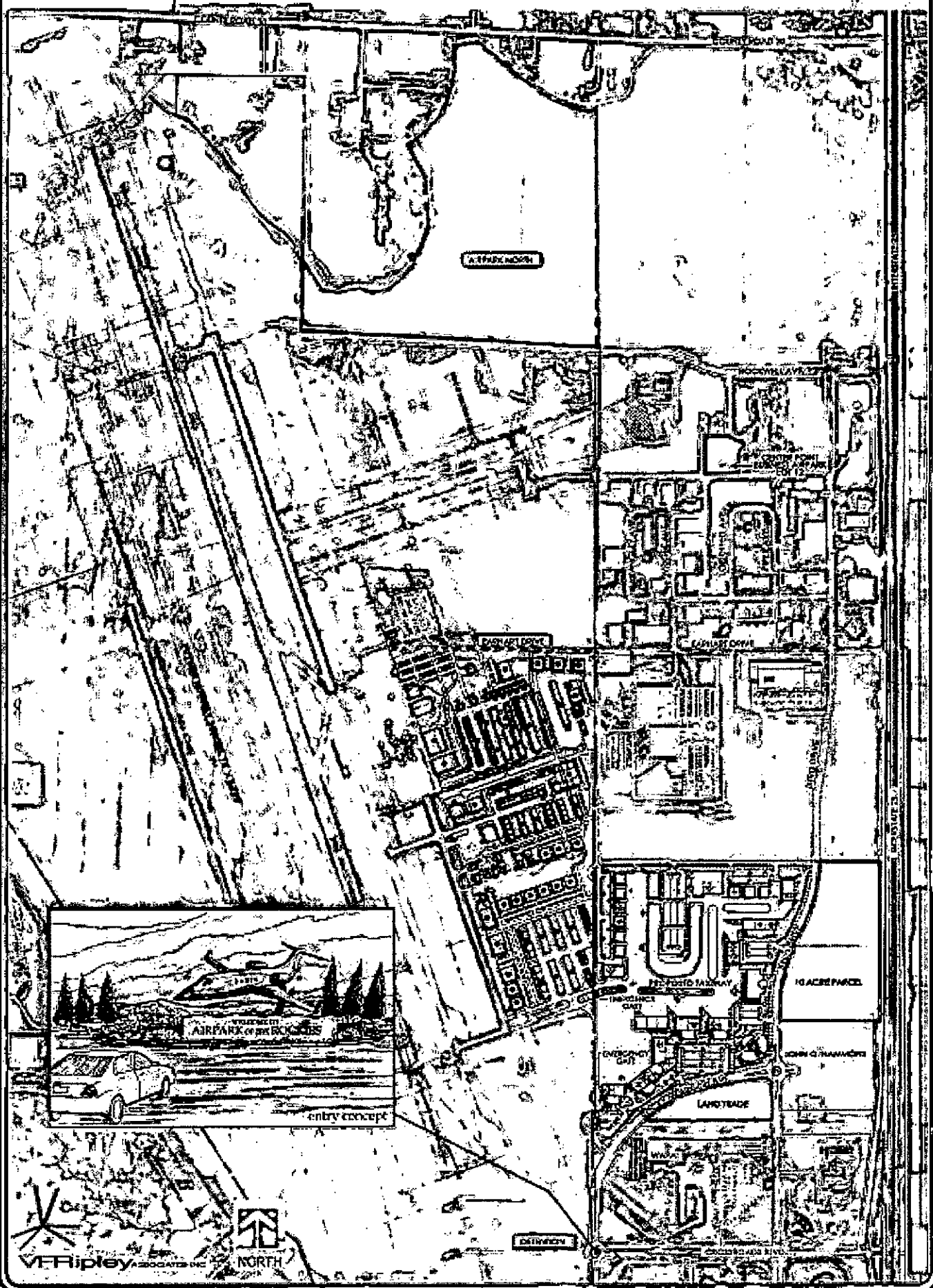
Exhibit C-1
(Flow Chart of Paragraph 1 Conditions)

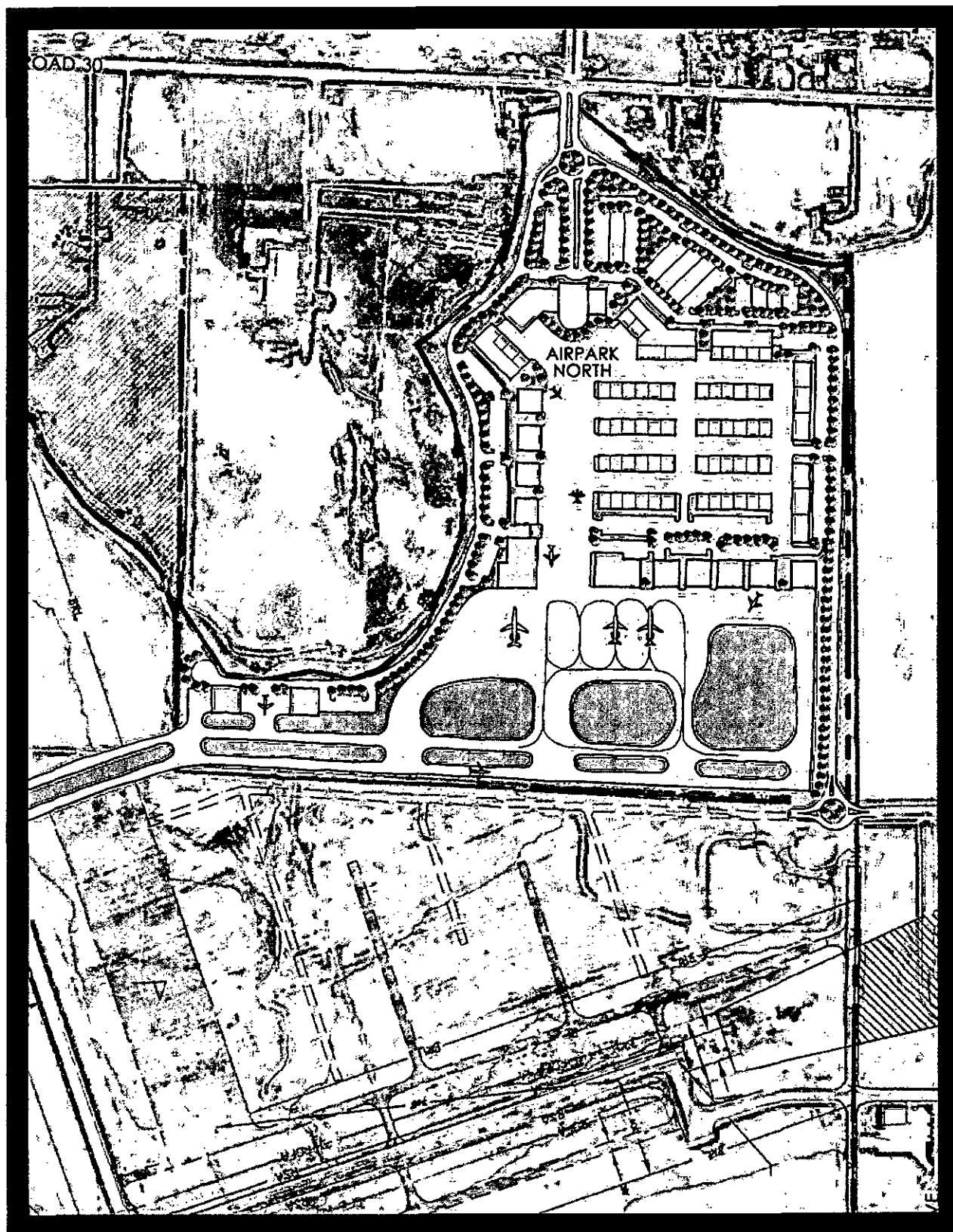
EXHIBIT “D”
(Depiction of Points of Ingress/Egress)

AIRPARK OF THE ROCKIES



FORT COLLINS / LOVELAND AIRPORT - (ENL)





AIRPARK OF THE ROCKIES NORTH

LOVELAND, CO



EXHIBIT “E”
(Avigation Easement)

AVIGATION EASEMENT

WHEREAS, _____
(hereinafter called the “**Grantor**”), is the owner in fee of that certain parcel of land situated in the County of Larimer, State of Colorado, more particularly described and depicted on **Exhibit “A”** attached hereto, herein called (“**Grantor’s Property**”);

WHEREAS, the CITY OF FORT COLLINS, COLORADO, a municipal corporation, and the CITY OF LOVELAND, COLORADO, a municipal corporation, hereinafter jointly called the “**Grantees**”, are owners of the FORT COLLINS-LOVELAND MUNICIPAL AIRPORT, the legal description of which is set forth on **Exhibit “B”** attached hereto and incorporated herein by reference (the “**Airport**”).

NOW THEREFORE, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor, for itself, its heirs, administrators, executors, successors and assigns, does hereby grant, bargain, sell, and convey unto the **Grantees**, their successors and assigns for the use and benefit of the public, as easement and right-of-way, appurtenant to the Airport for the unobstructed use and passage of all Aircraft (as hereinafter defined) in and through the airspace above Grantor’s Property beginning at a height consistent with the Airspace Plan described in the Fort Collins-Loveland Municipal Airport Master Plan Update adopted in 2006 (the “**Airport Master Plan**”), and as further defined by FAA Regulation, Part 77 and as depicted on **Exhibit “C”** attached hereto and incorporated herein by reference.

Said easement and right-of-way shall be appurtenant to the Airport and for the benefit of the Grantees and their successors and assigns, guests, and invitees, including any and all persons, firms or corporations operating Aircraft to or from the Airport.

Said easement and burden shall include all things which may be alleged to be incident to or resulting from the use and enjoyment of said easement, including, but not limited to the right to cause in all air space above or in the vicinity of the surface of Grantor’s Property such noise, vibrations, fume, deposits of dust or other particulate matter, fuel particles (which are incidental to the normal operation of said Aircraft), fear, interference with sleep and communication and any and all other effects that may be alleged to be incident to or caused by the operation of Aircraft over or in the vicinity of Grantor’s Property or in landing at or taking off from, or operation at or on the Airport; and Grantor does hereby fully waive, remise, and release any right or cause of action which it may now have or which it may have in the future against Grantees, their successor and assigns, due to such noise vibrations, fumes, dust, fuel particles and all other effects that may be caused or may have been caused by the usual and customary operation of Aircraft landing at, or taking off from, or operating at or on the Airport, or by Aircraft landing at, taking off from or operating on the Airport as part of an airshow conducted as a special event authorized by Grantees provided that, in connection with any such airshow, the Grantees have developed and implemented a traffic control plan so as to avoid a

material disruption to uses in place on the Grantor's Property, and provided further that no aerobatic flights involved in such an airshow shall operate within the airspace over the Grantor's Property unless the owner thereof or said owner's agent, consents to such aerobatic flights, which consent may be withheld in said owner's sole discretion. For purposes of this Avigation Easement, "aerobatic flight" means an intentional maneuver involving an abrupt change in an aircraft's attitude, an abnormal attitude, or abnormal acceleration, not necessary for normal flight.

The easement and right-of-way hereby granted includes the continuing right in the Grantees to prevent the erection or growth upon Grantor's Property of any building, structure, tree, or other object within the air space easement granted hereby, and to remove from said air space, or at the sole option of the Grantees, as an alternative, to mark and light as obstructions to air navigation, any such building, structure, tree or other objects on upon, or which in the future may be upon Grantor's Property, together with the right of ingress to, egress from, and passage over Grantor's Property for the above purpose.

The provisions of said easement shall apply to the following:

- (1) The current Airport facilities and the present operation of the Airport therein; and
- (2) Any expansion of, or change to, the Airport facilities or operation of the Airport therein which is consistent and in accordance with the City of Loveland 2005 Comprehensive Plan, as amended as of the date of this Avigation Easement (the "Comprehensive Plan") and the Airport Master Plan. "Comprehensive Plan" and "Airport Master Plan" as used herein shall specifically not include any amendments thereto adopted by the City after the date of this Avigation Easement.

As used herein, and to the extent consistent with the Airport Master Plan, the term "Aircraft" shall mean any and all types of aircraft, whether now in existence or hereafter manufactured and developed, to include, but not be limited to, jet aircraft, propeller driven aircraft, civil aircraft, military aircraft, commercial aircraft, helicopters and all types of aircraft or vehicles now in existence or hereinafter developed, regardless of existing or future noise levels, for the purpose of transporting persons or property through the air, by whomsoever owned or operated.

TO HAVE AND TO HOLD said easement and right-of-way, and all rights appertaining thereto unto the Grantees, their successors and assigns, until said Airport shall be abandoned or shall cease to be used for public airport purposes, at which time the easement and right-of-way hereby granted shall automatically revert to Grantor, its successors and assigns.

AND for the consideration hereinabove set forth, the Grantor, for itself, its heirs, administrators, executors, successors, and assigns, does hereby further agree that that the

following covenants shall run with the Grantor's Property for and during the life of said easement and right-of-way:

- (a) All uses shall comply with Table I, Fort Collins-Loveland Municipal Airport Land Use Schedule set forth in Section 4.6 of the Comprehensive Plan, a copy of which Table is attached hereto as **Exhibit "D"** and incorporated herein by reference.
- (b) No building, structure, tree or other object shall extend into restricted air space as defined by FAA Regulation, Part 77, and the Grantee shall comply with all applicable notice requirements of such FAA Regulation.
- (c) No exterior lighting, reflective material, smoke emissions or electronic emissions shall be permitted within the property which would materially lower pilots' visibility or cause material interference with the Airport's navigation and communication systems. For purposes of this condition, "reflective material" is defined as glazing with a reflectivity of 65% or greater.
- (d) Grantor shall not hereafter use or authorize the use of Grantor's Property in such a manner as to make it difficult for flyers to distinguish between Airport lights and others.
- (e) Except to the extent otherwise required by applicable Federal law, all new bodies of water within the property and within a radius of 10,000 feet from the end of any runway of the Airport, shall be prohibited provided that: (1) they are larger than one-quarter acre in size; (2) they are designed to hold or retain water permanently or over extended periods of time; and (3) they are bird attractants. To the extent permitted by Federal law, this prohibition shall not apply to a relocation or expansion of any existing water body or to detention ponds that have outlet structures designed to prevent the permanent containment of water.
- (f) Grantor agrees, that with development of Grantor's Property, or any portion thereof, that all of the Grantor's covenants herein shall, as condition of approval of any subdivision plats by the City of Loveland, be included in development agreement(s) with the City of Loveland for such property as conditions of development and further agrees that all subdivision plats shall contain the following language: "All or a portion of the property being subdivided may be located within the Airport Influence Area of the Fort Collins-Loveland Municipal Airport. Such property may experience noise from low-flying aircraft as a result of 24 hour per day aircraft operations."

- (g) Grantor shall include the following disclosure statement in all of its contracts for the sale of any of Grantor's Property and, further, shall include a provision in such sales contracts that the purchaser thereof shall include the following disclosure statement in all of its subsequent contracts for sale of such property: "The property subject to this contract may be located within the Airport Influence Area of the Fort Collins-Loveland Municipal Airport. Such property may experience noise from low-flying aircraft as a result of 24 hour per day aircraft operations." Each such contract subject to this condition shall expressly provide that the disclosure provision survives closing and is enforceable at law or in equity by the City as a third party beneficiary of such contract.

Grantor furthermore waives any and all damages and claims for damages caused or alleged to be caused by or incidental to the prohibition of the activities described in subparagraphs (a) through (g) above.

It being understood and agreed that all of the aforesaid covenants and agreements shall run with the Grantor's Property and shall be forever binding upon the heirs, administrators, executors, successors and assigns of the Grantor.

IN WITNESS WHEREOF, the Grantor has hereunto set its hand and seal this _____ day of _____, 2008.

GRANTOR:

By: _____

STATE OF COLORADO)
)ss
COUNTY OF LARIMER)

The foregoing Avigation Easement was acknowledged before me this ____ day of _____, 2008 by _____.

WITNESS my hand and official seal.

Commission Expiration

Notary Public

Exhibit “A”

**Grantor’s Property
Legal Description**

Exhibit “B”

Airport Legal Description

All of the Barnstorm Second Addition to the City of Loveland, Colorado
legally described as follows:

All that portion of Section 28 and Section 33, Township 6 North, Range 68 West, and that portion of Section 4, Township 5 North, Range 68 West of the 6th P.M., Larimer County, Colorado, more particularly described as follows:

Commencing at the Southwest corner of said Section 28, with all bearings relative to the West line of the Southwest Quarter of said Section 28 considered as bearing North 00°30'00" East, thence South 87°28'49" East, 50.00 to the TRUE POINT OF BEGINNING; thence North 00°30'00" East, 2678.39 feet; thence North 00°29'50" East, 2639.76 feet; thence South 86°40'52" East, 795.07 feet; thence South 25°27'52" East, 107.65 feet; thence South 38°35'52" East, 152.85 feet; thence South 03°10'08" West, 157.83 feet; thence South 86°40'52" East, 231.41 feet; thence South 16°10'52" East, 131.00 feet; thence South 11°10'52" East, 150.00 feet; thence 150.48 feet along a tangent curve concave to the East, delta angle 39°44'00", radius 217.00 feet and chord South 31°02'52" East, 147.49 feet; thence along the centerline of the Loudon Ditch for the following eighteen courses and distances: South 50°54'52" East, 115.00 feet; thence 68.45 feet along a tangent curve concave to the North, delta angle 43°06'00", radius 91.00 feet and chord South 72°27'52" East, 66.85 feet; thence North 85°59'08" East, 42.00 feet; thence 85.50 feet along a tangent curve concave to the South, delta angle 53°50'00", radius 91.00 feet and chord South 67°05'52" East, 82.39 feet; thence South 40°10'52" East, 167.00 feet; thence South 47°10'52" East, 170.00 feet; thence South 42°10'52" East, 118.00 feet; thence 109.88 feet along a tangent curve concave to the West, delta angle 16°42'00", radius 377.00 and chord South 33°49'52" East, 109.50 feet; thence 80.52 feet along a tangent reverse curve concave to the East, delta angle 29°12'00", radius 158.00 feet and chord South 40°04'52" East, 79.65 feet; thence 81.95 feet along a tangent reverse curve concave to the West, delta angle 36°24'00", radius 129.00 feet and chord South 36°28'52" East, 80.58 feet; thence South 18°16'52" East, 91.00 feet; thence 68.99 feet along a tangent curve concave to the East, delta angle 18°08'00", radius 218.00 feet and chord South 27°20'52" East, 68.71 feet; thence South 36°24'52" East, 113.00 feet; thence 65.69 feet along a tangent curve concave to the East, delta angle 17°16'00", radius 218.00 feet and chord South 45°02'52" East, 65.45 feet; thence South 53°40'52" East, 256.00 feet; thence 135.14 feet along a tangent curve concave to the West, delta angle 26°42'00", radius 290.00 feet and chord South 40°19'52" East, 133.92 feet; thence 265.00 feet along a compound tangent curve concave to the West, delta angle 17°46'00", radius 82.17 feet and chord South 18°05'52" East, 81.84 feet; thence 90.36 feet along a tangent reverse curve concave to the East, delta angle 43°08'44", radius 120.00 feet and chord South 30°47'14" East, 88.24 feet to the North-South Quarter line of Section 28; thence South 00°39'13" West, 577.38 feet along the North-South Quarter line of Section 28; thence South 87°08'50" East, 2635.80 feet along the East-West Quarter line to the East One-Quarter

corner of Section 28; thence South $00^{\circ}32'09''$ West, 2647.71 feet to the Southeast corner of Section 28; thence South $00^{\circ}00'10''$ West, 2599.29 feet to the East One-Quarter corner of Section 33; thence South $00^{\circ}00'41''$ East, 2568.62 feet along the East line of Section 33 to a point whence the Southeast corner of said Section 33 (and the Southwest corner of Section 34) bears South $00^{\circ}00'41''$ East, 30.00 feet; thence North $89^{\circ}59'19''$ East, 30.00 feet; thence South $00^{\circ}00'41''$ East, 30.48 feet to the South line of Section 34 (and the North line of Section 3); thence along the East right-of-way line of County Road No. 7 South $01^{\circ}45'45''$ West, 2456.00 feet to the Northeasterly right-of-way line of Union Pacific Railroad; thence along said right-of-way as follows: North $48^{\circ}56'19''$ West, 3413.73 feet; thence 373.88 feet along a nontangent curve concave to the North, delta angle $5^{\circ}43'13''$, radius 3744.83 feet and chord North $46^{\circ}04'43''$ West, 373.73 feet; thence South $89^{\circ}06'05''$ East, 177.04 feet along the South line of Section 33 to a point whence the South One Quarter corner of said Section 33 bears South $89^{\circ}06'05''$ East, 76.88 feet; thence 794.66 feet along a nontangent curve concave to the North, delta angle $12^{\circ}34'41''$, radius 3619.83 feet and chord North $38^{\circ}52'49''$ West 793.07 feet; thence North $32^{\circ}35'28''$ West, 3737.67 feet to the East right-of-way of County Road No. 9; thence North $00^{\circ}08'21''$ West, 1619.75 feet along said East right-of-way to the TRUE POINT OF BEGINNING.

Exhibit “C”

Depiction of Airspace Plan

Exhibit “D”

Table I – Airport Land Use Schedule

EXHIBIT “F”
(AIRPORT MINIMUM STANDARDS)

EXHIBIT "C"

AIRPORT ACCESS INTERGOVERNMENTAL AGREEMENT

THIS AGREEMENT is entered into this ____ day of _____, 2011, by and between _____, a Colorado Metropolitan District, hereinafter called "District", and the Cities of Fort Collins and Loveland, Colorado, home rule municipalities, jointly hereinafter called "Cities".

RECITALS:

WHEREAS, Cities operate a municipal airport within the City of Loveland in Larimer County, Colorado, known as the Fort Collins/Loveland Municipal Airport (the "Airport"), which is legally described in **EXHIBIT "A"** attached hereto and incorporated herein by reference, and further described in the Intergovernmental Agreement between the Cities of Fort Collins and Loveland, Colorado dated May 16, 2000.

WHEREAS, certain real property which is immediately adjacent to the Airport (the "Adjacent Property"), referred to generally as the "north" parcel or the "southeast" parcel, is being developed into an airpark which will be comprised of all the platted lots within the Adjacent Property that border and have, or are capable of having, aircraft access to the Airport from said individual lots ("the Airpark"). The Adjacent Property, including those parcels generally identified as the "north" parcel and the "southeast" parcel, is more particularly identified in the legal description attached hereto and incorporated herein by this reference as **EXHIBIT "B"**.

WHEREAS, Cities and Rocky Mountain Airport Investments, LLC, a limited liability company ("Developer") entered into a certain "Cities of Loveland and Fort Collins Airport Access Agreement" dated _____ ("Access Agreement"), under which the Cities agreed to enter into this Intergovernmental Agreement with one or more Metropolitan Districts, to be established by Developer, allowing the Developer and his successors and assigns, the owners of individual lots in the Airpark ("Lot Owners"), and the Lot Owners' tenants, subtenants, guests and invitees within the Airpark, to access the Airport from the Airpark and to access the Airpark from the Airport, subject to the provisions of the Access Agreement and the Airpark Declaration of Covenants, Conditions and Restrictions of Record ("CC&R's"), if all of the conditions set forth in Paragraph 1 of the Access Agreement are met.

WHEREAS, as used in the Access Agreement related to obligations of the Developer to construct improvements, the term "Developer" shall include the District. The District shall have full power and authority to perform Developer obligations under the Access Agreement.

WHEREAS, in consideration for the Access Easement to the Airport from the Airpark, the District shall, subject to annual adjustment, pay a fee annually to the Cities in an amount equal to 5.000 mills based on the assessed value of all real property and improvements within the Adjacent Property (the "Fee"). The parties hereto acknowledge that the Fee is intended to provide the Airport with a source of revenue which is equal to, or greater than, the revenue that would otherwise be provided if the Airpark were developed upon Airport property and to ensure that the Lot Owners pay fees and charges to the Cities that are at parity with those paid to the Cities by their on-Airport tenants.

WHEREAS, District is a Metropolitan District organized and in good standing under the laws of the state of Colorado and has authority to enforce the Airpark CC&R's, which are recorded with the Larimer County Recorder at _____.

WHEREAS, Cities and District acknowledge that the Conditions stated in Paragraph 1 of the Access Agreement have been met.

WHEREAS, to further the development of the Adjacent Property, and the Airpark located therein, as a business park, it is in the best interest of Cities to enter into this Intergovernmental Agreement under the terms and conditions set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises contained herein, the parties agree as follows:

1. Definitions.

1.1. Except as provided in Subparagraph 1.2 below or as expressly defined elsewhere in this Intergovernmental Agreement, the terms, phrases, words and their derivatives used in this Intergovernmental Agreement shall have the meanings given in the Fort Collins/Loveland Municipal Airport Rules and Regulations as adopted by the Fort Collins and Loveland City Councils and any subsequent amendments thereto (the "Airport Rules and Regulations").

1.2. The terms "based" and "based location" have the same meaning as indicated in the definitions section of the Airport Rules and Regulations, except that any reference to "airport" or "the Airport" contained in such definitions will also mean the Airpark and aircraft that, by definition, is based at the Airpark shall be deemed to be based at the Fort Collins/Loveland Municipal Airport while this Intergovernmental Agreement is in effect. The terms "Airport Director", "City Manager" and "City Clerk", as used herein, denote those certain officials of the Cities and any designee of each such official.

1.3. Notwithstanding the foregoing, in the event of a conflict between this Intergovernmental Agreement and the Airport Rules and Regulations, and other documents that apply to on-airport tenants, then, for grant assurance purposes, the Airport Rules and Regulations, and other documents that apply to on-airport tenants shall control and govern.

2. Grant of Access.

2.1. Cities and the District agree that the District, the Developer and his successors and assigns, the Lot Owners, and the Lot Owners' tenants, subtenants, guests and invitees within the Airpark, shall have, and Cities hereby grant unto Developer, aircraft access to the Airport from the Airpark through the designated Point of Ingress/Egress (defined in Paragraph 3.1 of the Access Agreement) (the "Access Easement") as provided in and in accordance with the terms and conditions of the Access Agreement, and the Airpark CC&R's against the property that makes up the Airpark. The grant of the Access Easement made in the Access Agreement is contingent upon the prior execution of this Agreement with the District for aircraft access and use of the Airport from the Airpark under the terms and conditions stated in the Access Agreement. All of the other conditions outlined in Paragraph 1 of the Access Agreement, and its sub-paragraphs, have been fully satisfied prior to execution of this Agreement.

3. Compensation.

3.1. The Cities shall be compensated jointly by the District's payment to the City of Loveland or to such other entity as may be designated by the Cities an amount equal to 5.000 mills based on the assessed value of all taxable real property and improvements (excluding personal property) within the Adjacent Property. The parties hereto acknowledge that this five mill fee (the "Fee") with annual and other adjustments set forth herein, is intended to provide the Airport with a source of revenue which is equal to, or greater than, the revenue that would otherwise be provided if the Airpark were developed upon Airport property. In addition, the Fee is intended to ensure that the Lot Owners pay fees and charges to the Cities that are at parity with those paid to the Cities by their on-Airport tenants. Such funds shall be deposited into the Airport Fund and shall be used solely for Airport purposes. The mill levy shall be collected through the Larimer County Treasurer's office, which office shall forward payment to the District. The District shall then make payment of the Fee to the City of Loveland within 10 business days of receipt of any such payment from the Larimer County Treasurer's office. The District has full voter authorization under Article X, Section 20 of the Colorado Constitution ("TABOR") to increase the mill levy on the Adjacent Property, without the requirement of any future election, in order to provide any increases in revenue to the Cities as necessary to maintain compliance with the Cities' grant assurances to the Federal Aviation Administration ("FAA") and to enter into this Agreement as a fully enforceable multi-fiscal year financial obligation under TABOR.

3.2. The amount of the Fee may be adjusted at the written request of either the Cities or the District after each calendar year of the term of this Intergovernmental Agreement providing the party requesting the adjustment makes the request in writing within 120 days after the end of such calendar year. The Fee amount may also be adjusted at any time by the Cities upon written notice from the FAA stating that such adjustment is necessary to ensure continued grant assurances compliance. The adjusted Fee shall be based upon an evaluation of the amount of developed square footage of land within the Adjacent Property. Specifically, the square footage of land within the Adjacent Property shall be assigned a revenue amount that is equal to the ground lease rate the development would pay to the Cities if the development had been

located on Airport property. The Cities' then existing rental rate, including any adjustments for inflation, for unimproved land shall be used for this calculation. If this revenue amount is lower than the revenue that would otherwise be provided to the Cities if located on Airport property, the Fee amount shall be increased accordingly. In this event, the District shall be responsible for providing the additional Fee revenue source to the Cities without regard to approval of an increase in the mill levy assessed on the Adjacent Property. If the revenue amount is higher than the revenue that would otherwise be provided to the Cities if located on Airport property, the Fee amount shall be decreased accordingly. The adjustment is intended to ensure that the Fee amount provides the Airport with a source of revenue which is not less than the revenue that would otherwise be provided if the Airpark were developed upon Airport property and to ensure that the Lot Owners pay fees and charges to the Cities that are at parity with the fees and charges paid to the Cities by their on-Airport tenants. In calculating this comparison revenue, the Cities' "unimproved land" shall be deemed to be those lease properties for which the Cities did not build and provide site infrastructure to serve the leased land, such as utilities, taxiways and streets, but rather such infrastructure was constructed by the Cities' lessee.

3.3. Notwithstanding the provisions of Paragraph 3.2 above, if for any reason in any one year the amount of the Fee to be paid under Paragraph 3.1 above is less than the fees and charges required to be paid to the Cities by the Cities' on-Airport tenants having similar uses to the Lot Owners, the District shall pay to the Cities an amount representing the difference between the amount of the Fee actually paid under Section 3.1 and the greater amount paid by the Cities' said on-Airport tenants. Such amount shall be paid by the District to the Cities within sixty (60) days after the District receives an invoice from the Cities for such additional amount.

3.4. In the event the Cities terminate access in accordance with the Access Agreement for more than two consecutive months the District shall not be liable for the Fee, as adjusted, for the period of closure extending beyond such two month period until the access is reopened, so long as such termination of access is not the fault of the Developer, the District or the Lot Owners.

3.5. The District shall be responsible and liable to the City for any and all maintenance costs incurred by the Cities for the portion of the taxiway improvement to be built by the Developer under Paragraph 2.2 of the Access Agreement including the barrier fence and control gates. Maintenance costs shall mean all costs incurred by the Cities for snow removal, sweeping, repair, lighting, electricity, resurfacing, replacement and all other expenses necessary to maintain that portion of the taxiway improvements and the fence and gates built by the Developers under Paragraph 2.2 of the Access Agreement. The District shall so reimburse the Cities within thirty (30) days of receiving an invoice from the Cities for the costs to be reimbursed. The reimbursement of these costs shall be in addition to the Fee and other amounts to be paid to the Cities pursuant to Paragraph 3. of this Agreement.

3.6. In the event of the District's nonpayment of any of the amounts due to the Cities under this Paragraph 3., the Cities may cancel the Access Agreement sixty (60) days after the Cities give written notice to the District of such nonpayment, if within such sixty (60) day period the nonpayment has not been cured by the District.

4. Duration of Intergovernmental Agreement. The duration of the rights, privileges and

authorizations granted in this Intergovernmental Agreement shall be for the fifty (50) year term of the Access Agreement or as extended as provided in Paragraph 11.1 of the Access Agreement, but subject to earlier termination by either party pursuant to the provisions of this Intergovernmental Agreement and the Access Agreement.

5. Non-Exclusive Rights. This Intergovernmental Agreement is non-exclusive and nothing herein shall prevent the Cities from accessing or using the Airport or shall prohibit the Cities from permitting other persons to access or use the Airport. Nothing herein shall be construed to bar the Cities from further alteration, development, expansion or improvement of the Airport, and the Cities expressly reserve the right to do so.

6. No Assignment. The District shall not sell, assign or otherwise transfer, by operation of law or otherwise, or make any attempt to sell, assign or otherwise transfer, by operation of law or otherwise, this Intergovernmental Agreement, or any rights, privileges or authorizations granted under this Intergovernmental Agreement. Any purported sale, assignment or other transfer of this Intergovernmental Agreement, or any rights, privileges or authorizations granted under this Intergovernmental Agreement, shall be deemed void.

7. Airpark Taxilane Signage. District shall place or post signs on the Airpark property to prohibit use of the Airpark taxilane or access to the Airport from the Airpark by unauthorized persons. Signs shall be placed so as not to interfere with or be an obstruction to taxiing aircraft. Cities may require the District to add, remove or replace signage, where the Airport Director or designee determines existing signage to be inadequate, improper or a safety hazard. The District shall be responsible for the maintenance of such signs.

8. Airpark Conditions.

8.1. No motor vehicle of any kind, except aircraft, airport service vehicles, emergency vehicles, Airport approved FBO service vehicles, airplane tugs, vehicles for towing aircraft, and vehicles performing maintenance/safety inspections of the taxilane/taxilane clearance areas, shall be used on the Airpark taxilane, except in areas specifically designated for motor vehicle use.

8.2. No motor vehicle of any kind or for any reason shall be parked upon, or impede aircraft movement on, the Airpark taxilane or any taxilane safety area except in the course of maintenance/safety inspections or maintenance of the taxilane/taxilane clearance area.

8.3. No person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination in the use of the Airpark taxilane; and the Lot Owners, their tenants, subtenants, guests and invitees, shall use the taxilane subject to the Airpark CC&R's and in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

9. Commercial Aeronautical Services Within the Adjacent Property and Airpark.

9.1 The Parties agree that the following commercial aeronautical activities that FBOs are authorized to conduct and provide to the general public on the Airport, as provided in Section 2.2 of the Airport Minimum Standards attached hereto as **EXHIBIT “C”**, shall not be permitted within the Adjacent Property and the Airpark except as otherwise expressly authorized in Paragraph 9.2 below: all of the Aircraft Line Services described in Section 2.2.1. of the Minimum Standards; aircraft, airframe and engine repair and maintenance; flight training; aircraft rental; and related other services such as the sale of sectional or world aeronautical charts covering the territory within 300 miles of the Airport, flashlight and batteries, and plotters and computers generally used by pilots for flight planning. Notwithstanding the foregoing, fuel and other FBO goods and services may be delivered, provided and sold by any approved on-Airport FBO to customers located within the Airpark.

9.2 Notwithstanding the provisions of Paragraph 9.1 above, the following activities and uses shall be allowed to be conducted within the Adjacent Property and the Airpark: the construction, installation, maintenance and operation of a hangar or building or buildings to be used for the parking, storage, servicing, repair, maintenance, modification and construction of aircraft that are used for private corporate or personal use; aircraft research and development; aircraft manufacturing of parts and components; assembly of aircraft parts and components; final assembly of aircraft parts and components into completed aircraft; flight testing associated with assembled aircraft; painting of manufactured aircraft and parts; and air freight services such as those provided by United Parcel Service and Federal Express.

10. Airport Security Plan Compliance. District agrees that any access granted to the Airport from any portion of the Adjacent Property shall be contingent upon full compliance with any Transportation Security Administration (“TSA”) and FAA rules, regulations or dictates on Airport security, and upon compliance with the Airport Security Plan, as they currently exist, or as they may be amended in the future. Accordingly, notwithstanding any conflicting provision herein, Airport access from the Adjacent Property shall be terminated by the Cities in the event of such noncompliance with TSA and FAA rules, regulations or dictates, or in the event of noncompliance with the Airport Security Plan or Airport Rules and Regulations. Prior to execution of this Intergovernmental Agreement the District shall submit and obtain approval by the Cities, TSA and FAA a detailed Airpark Security Plan describing procedures, equipment and methodology to ensure operational compliance with the Airport’s Security Plan and TSA regulations. The Airpark Security Plan shall provide that it will be modified as necessary in the future to maintain full compliance with any new or amended TSA regulations. The cost of compliance with this Paragraph 10., including any required construction, maintenance, repairs and modifications, shall be the joint and severable obligation of the Developer, as provided in Paragraph 17. of the Access Agreement, and of the District. Unless specifically required by law and notwithstanding the foregoing, such compliance shall not be more restrictive than required elsewhere in the Airport under similar conditions and circumstances.

11. Non-liability.

11.1. Cities shall not be liable to the District or to any off-airport user for any acts or omissions of any person, whether or not a person authorized under this Intergovernmental

Agreement, who enters the Airpark through the Point of Ingress/Egress; or for any conditions occurring on the Airpark or the Adjacent Property resulting from the operations or activities of any such person; or for any loss or damage to any personal property or equipment of the District, or any property owner or any tenant, subtenant, guest, invitee or other person with legal possession of any lot within the Airpark or the Adjacent Property, caused by or resulting from operations or activities of any person entering the Airpark through the Point of Ingress/Egress.

11.2. To the extent allowed by law the District, its successors and assigns, shall be liable to Cities for their respective acts or omissions arising under this Intergovernmental Agreement as a result of entering on to the Airport through the Point of Ingress/Egress; or for any conditions occurring on the Airport resulting from their respective operations or activities; or for any loss or damage to any personal property or equipment of the Cities caused by or resulting from their operations or activities related to entering the Airport through the Point of Ingress/Egress.

11.3. Nothing within this Intergovernmental Agreement shall in any way or manner waive any defenses or limitations on damages provided for, under or pursuant to the Colorado Governmental Immunity Act (Sec. 24-10-101, et seq. C.R.S.), the Constitution, or the Charter, or under the common law or the laws of the State of Colorado, or of the United States, including but not limited to Section 42 U.S.C.1983.

12. Withdrawal of permission for any Person to Access or Use Airport. Pursuant to the Airport Rules and Regulations, the Airport Director may summarily deny access and use of the Airport to any person that is otherwise authorized to access and use the Airport pursuant to this Intergovernmental Agreement who is in violation hereof or who violates Airport Rules and Regulations and is advised thereof but refuses to comply with such Rules and Regulations; provided, however, that such denial of access and use does not unreasonably impair the ability of the Districts to pay their indebtedness. Any person denied access and use of the Airport shall be given a reasonable opportunity to correct such action as gives rise to such denial of access and use. In addition, in the event the Airport Director denies access to any individual or entity, the District agrees to cooperate with the Airport Director and to take action to prevent such access by that individual or entity. Notwithstanding the foregoing, any person may be denied access to and use of the Airport, with or without the opportunity to correct a violation, if required by any FAA or TSA rule, regulation or determination or if necessary or appropriate to comply with the Cities' federal grant assurances, regardless of the impact of such a denial on the ability of the District to pay its indebtedness.

13. Notices. Unless otherwise expressly stated, all notices required or permitted to be given by either Cities or District shall be in writing and may be given in person or by United States mail or by delivery service. Any notice directed by Cities to District or by District to Cities shall become effective upon the earliest of the following: (i) actual receipt by the Cities or the District; (ii) personal delivery to the designated address of the Cities of the District; (iii) delivery by overnight courier; or (iv) if given by certified United States mail, return receipt requested, forty-eight (48) hours after deposit with the United States Postal Service, postage prepaid, addressed to that Cities or District at their respective designated address. The designated address of Cities or District shall be the address indicated below or such other address as Cities or District, from time to time, may specify by written notice to the other:

Cities:

Fort Collins City Clerk
City Hall West
300 LaPorte Avenue
Fort Collins, CO 80521

and

Loveland City Clerk
500 E. 3rd St., Ste. 230
Loveland, CO 8053

With copies to:

Fort Collins/Loveland Municipal Airport Director
4900 Earhart Road
Loveland, CO 80538

District:

With copies to:

Martin Lind
Rocky Mountain Airport Investments, LLC
1625 Pelican Lakes Point, Suite 201
Windsor, Colorado 80550

Gary R. White
White, Bear & Ankele Professional Corporation
2154 East Commons Avenue, Suite 2000
Centennial, CO 80122

14. Miscellaneous Provisions.

14.1. Modification and Waiver. Except as expressly provided herein to the contrary, no supplement, modification or amendment of any term of this Intergovernmental

Agreement shall be deemed binding or effective unless in writing and signed by Cities and accepted by District.

14.2. Exhibits. The Exhibits referred to herein and attached hereto (the "Exhibits") are incorporated herein by reference.

14.3. Time is of the Essence. Whenever this Agreement sets forth any time for any act to be performed by any of the parties, such time shall be deemed to be of the essence under this Intergovernmental Agreement.

14.4. Severability. Whenever possible, each provision of this Intergovernmental Agreement shall be interpreted in such a manner as to be valid under applicable law, but if any provision of this Agreement shall be deemed invalid or prohibited thereunder, such provision shall be deemed severed from this Intergovernmental Agreement, and this Intergovernmental Agreement shall otherwise remain in full force and effect.

14.5. Entire Terms. All terms and conditions contained in any other writings previously executed by the parties and all prior and contemporaneous arrangements and understandings between the parties are superseded hereby. No agreements, statements or promises about the subject matter hereof shall be binding or valid unless they are contained herein.

14.6. No Waiver. District shall not be excused from complying with any of the terms and conditions of this Intergovernmental Agreement by any failure of Cities upon any one or more occasions to insist upon or to seek compliance with any such terms and conditions.

14.7. Applicable Law. This Intergovernmental Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Colorado and venue for any judicial proceedings to enforce this Agreement shall be in Larimer County District Court, except that venue for any federal cause of action shall be in the United States District Court for the District of Colorado, Denver Colorado.

14.8. Headings and Construction. The descriptive headings of the paragraphs of this Intergovernmental Agreement are inserted only for convenience and shall not define, limit, extend, control or affect the meaning of construction of any provision herein. Where the context requires herein, the singular shall be construed as the plural, and neuter pronouns shall be construed as masculine and feminine pronouns, and vice versa. This Intergovernmental Agreement shall be construed according to its fair meaning and any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Intergovernmental Agreement.

14.9. Force Majeure. With respect to any provision of this Intergovernmental Agreement, the violation or noncompliance with which could result in the imposition of revocation or other sanction upon District, such violation or noncompliance shall be excused where such violation or noncompliance is the result of acts of God, war, civil disturbance, strike or other labor unrest, or similar events, the occurrence of which was not reasonably foreseeable by District and is beyond its reasonable control.

14.10. Subordination to Federal and State Agreements. The provisions of this Intergovernmental Agreement shall be subordinate to any existing or future agreement between Cities and the United States Government or the State of Colorado relative to the operation or maintenance of the Ft. Collins/Loveland Municipal Airport, the execution of which has been or may be required as a condition precedent to the receipt of Federal or State funds for the development of the Airport. Failure of the District to comply with and/or to ensure that the Lot Owners comply with any of the requirements of any existing or future agreement between the Cities and the United States Government or the State of Colorado shall be cause for immediate termination of this Intergovernmental Agreement by the Cities. During a time of war or national emergency, Cities shall have the right to lease the landing area or any part thereof to the United States Government for military or other Federal or State Government purposes, and, if such lease is executed, the provisions of this Intergovernmental Agreement, insofar as they are inconsistent with the provisions of the lease to the government, shall be suspended and reinstated at such time as the lease with the Federal or State Government is terminated. Suspended time shall be considered as part of the term of this Intergovernmental Agreement and will not extend the expiration date of this Intergovernmental Agreement. Any fees pertaining to the non-exclusive grant of easement contained within this document will be waived during the suspended time defined within this paragraph.

14.11. No Agency. The provisions of this Intergovernmental Agreement shall not be deemed to make District, or any of its officers, employees or agents, an officer, employee or agent of the Cities; or to make Cities, or any of their officers, employees or agents an officer, employee or agent of District.

14.12. No Partnership; Third Parties. It is not intended by this Intergovernmental Agreement to, and nothing contained in this Intergovernmental Agreement shall, create any partnership, joint venture or other arrangement between District and Cities. No term or provision of this Intergovernmental Agreement is intended to, or shall, be for the benefit of any person, firm, organization or corporation not a party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.

14.13. Effective Date. This Intergovernmental Agreement shall become effective upon its execution by both the Mayor of the Cities of Fort Collins and Loveland and by the authorized agent or officer of the District, and upon the document as fully executed being filed with the Fort Collins/Loveland City Clerk.

14.14. Cities' Right to Develop the Airport. Cities reserve their right to further alter, develop, expand or improve the Airport or, in their sole discretion, to close the Airport. In the event that the Cities close the Airport, this Intergovernmental Agreement and any access to the Airport granted pursuant to this Intergovernmental Agreement shall immediately terminate.

14.15. Survival of Terms. To the extent necessary to carry out all of the financial and performance obligations that may have accrued under this Agreement as of the date of the termination of this Agreement, such financial and performance obligations shall continue to be enforceable under this Agreement beyond that termination date.

14.16. Third Party Beneficiaries. No rights created in favor of any party to this Agreement shall be construed as benefiting any other person or entity that is not a party to this Agreement.

14.17. Litigation Expenses and Attorneys' Fees. In the event of the default of any of the provisions hereof by either party, as determined by a court of competent jurisdiction, the defaulting party shall be liable to the non-defaulting party for the non-defaulting party's reasonable costs of litigation incurred by reason of the default, including reasonable attorneys' fees.

15. Remedies.

15.1. In the event of default by District, Cities may: (i) cancel this Agreement sixty (60) days after Cities give written notice to District of the default, if within such period the default has not been cured; or (ii) where the default has caused a monetary loss to Cities or may expose Cities to liability for money damages, Cities may, if the default has not been cured within the sixty (60) day period, proceed with whatever steps Cities may deem necessary in order to enforce the rights and remedies available to Cities under this Agreement, at law or in equity, including, without limitation, the right of specific performance of this Agreement or to recover its damages from District.

15.2 In the event of default by Cities, District may: (i) cancel this Agreement sixty (60) days after District gives written notice to Cities of the default, if within such period the default has not been cured; or (ii) where the default has caused a monetary loss to District or may expose District to liability for money damages, District may, if the default has not been cured within the sixty (60) day period, proceed with whatever steps District may deem necessary in order to enforce the rights and remedies available to District under this Agreement, at law or in equity, including, without limitation, the right of specific performance of this Agreement or to recover its damages from Cities.

16. Compliance with the Airport Minimum Standards. All commercial aeronautical uses within the Adjacent Property shall maintain full compliance with the Airport Minimum Standards as they currently exist, or as they may be amended in the future by public action of the City Councils of each City. Accordingly, District agrees that any access granted to the Airport from any portion of the Adjacent Property shall be contingent upon full compliance with the Airport Minimum Standards for the Airport dated September 26, 2008, a copy of which is attached hereto and incorporated herein by this reference as **EXHIBIT "C"**, and as they may be amended in the future by public action of the City Councils of each City or as set forth in the Airport Intergovernmental Agreement between the Cities. However, based on the mill levy-based fee set forth in this Agreement, the Cities agree that under this Agreement that the District satisfies the financial surety requirements of Section 1.7.4 of the Minimum Standards. In addition, the Parties agree that if any provision of the Minimum Standards is in conflict with a provision of this Agreement, the provisions of the Minimum Standards shall control over the conflicting provision in this Agreement as applied to commercial aeronautical uses on the Adjacent Property unless this Agreement expressly provides that the provision of this Agreement

shall control over the conflicting provision of the Minimum Standards.

17. Compliance with Grant Assurances. In the event that the FAA notifies the Cities verbally or in writing of an alleged violation of its grant assurances to the FAA as a result of this Agreement, or as a result of the action or inaction of any off-airport uses, the District shall fully cooperate with the Cities to immediately rectify such violation. In the event that the FAA notifies the Cities formally of such a violation, such as but not limited to notification by a Director's Determination, the Cities may, in their sole discretion and without being required to appeal any such FAA determination, terminate this Agreement and any access to the Airport granted pursuant to this Agreement. However, if the FAA grants to the Cities a period of time to cure the violation, the Cities agree, prior to such termination, to allow the District that period of time to cure the circumstances causing the grant assurance violation.

18. Preservation of public health, safety and welfare. Nothing herein shall be construed as a waiver of the Cities' police power to protect the public health, safety and welfare. Accordingly, notwithstanding any conflicting provision herein, the Cities may terminate this Agreement and any access to the Airport granted pursuant to this Agreement as needed to protect the public health, safety and welfare or as required by a federal, state or local agency, providing in the case of termination, the District is given the rights to cure set forth in Paragraph 17 of this Intergovernmental Agreement. Temporary termination of access may occur without an opportunity to cure in emergency situations as determined by the Airport Director. If the Airport Director temporarily terminates access due to an emergency situation, the Airport Director shall provide the District(s) with a written explanation of the reasons for the closure and an estimated opening date.

19. Successor to Developer. For the purpose of ensuring the satisfaction of the Developer's financial obligations under the Access Agreement to the Cities, the District shall be considered a successor in interest to the Developer and the District shall be jointly and severally liable to the Cities for such obligations if for any reason the Developer cannot meet or satisfy its financial obligations to the Cities under the Access Agreement.

CITY OF FORT COLLINS, a Colorado home rule municipality

By: _____
Darin Atteberry, Fort Collins City Manager

ATTEST:

Fort Collins City Clerk

APPROVED AS TO FORM:

_____, Fort Collins City Attorney

CITY OF LOVELAND, a Colorado home rule municipality

By: _____
William D. Cahill, Loveland City Manager

ATTEST:

Loveland City Clerk

APPROVED AS TO FORM:

_____, Loveland City Attorney

METRO DISTRICT:

_____, a Colorado Metro District

By: _____
Its: _____

EXHIBIT “A”
(The “Airport”)

EXHIBIT “B”

(Adjacent Property, including separate legal descriptions and drawings of the “southeast parcel”
and the “north parcel”, and the Airpark)

EXHIBIT “C”
(AIRPORT MINIMUM STANDARDS)

These will be the same Minimum Standards as are attached as Exhibit “F” to the Access Agreement.

**CITIES OF LOVELAND AND FORT COLLINS
AIRPORT ACCESS AGREEMENT**

THIS FORT COLLINS/LOVELAND AIRPORT ACCESS AGREEMENT (the "Agreement") is made and entered into this _____ day of _____, ~~2007~~2011, between and among Rocky Mountain Airport Investments, LLC, a Colorado limited liability company ("Developer") and the Cities of Fort Collins and Loveland, Colorado home rule municipalities, hereinafter jointly the "Cities."

RECITALS

A. Cities operate a municipal airport within ~~their jurisdiction~~the City of Loveland in Larimer County, Colorado, known as the Fort Collins/Loveland Municipal Airport (the "Airport"), which is legally described in **EXHIBIT "A"** attached hereto and incorporated herein by reference, and further described in the Intergovernmental Agreement between the Cities of Fort Collins and Loveland, Colorado, dated May 16, 2000.

B. Developer is the owner and developer of certain parcels of real property which are immediately adjacent to the Airport (the "Adjacent Property") ~~referred to generally as the "north" parcel or the "southeast" parcel.~~ referred to generally as the "north" parcel or the "southeast" parcel. Developer desires to develop portions of the Adjacent Property as an airpark which will be comprised of all the platted lots within the Adjacent Property that border and that have, or are capable of having, aircraft access to the Airport from said individual lots ("the Airpark"). The Adjacent Property, including those parcels generally identified as the "north" parcel and "southeast" parcel, is more particularly identified in the legal description ~~and map depiction~~ attached hereto and incorporated herein by this reference as **EXHIBIT "B."** ~~NOTE THAT EXHIBIT B WILL SEPARATELY IDENTIFY THE NORTH PARCEL AND THE SOUTHEAST PARCEL.~~

C. Developer intends to establish and record certain covenants, conditions and restrictions (the "Airpark CC&R's") against the real property that makes up the Airpark. Developer intends to establish one or more ~~Metro~~Metropolitan Districts, hereinafter referred to collectively as "Districts", which shall, in part, manage the common areas of the Airpark and enforce the Airpark CC&R's.

D. Developer desires to have the Cities allow Developer and his successors and assigns, the individual lot owners within the Airpark ("the Lot Owners"), and the Lot Owners' tenants, subtenants, guests and invitees within the Airpark to access the Airport from the Airpark and to access the Airpark from the Airport, subject to the Airpark CC&R's.

E. In consideration for the access to the Airport from the Airpark, the Developer desires for the Cities to enter into intergovernmental agreements with the Districts under which the Districts shall, subject to annual adjustment, pay annually to the Cities an amount equal to

5.~~0000~~ mills based on the assessed value of all taxable real property and improvements (excluding personal property) within the Adjacent Property. The parties hereto acknowledge that this five mill fee (the "Fee") with annual adjustments, is intended to provide the Airport with a source of revenue which is equal to, or greater than, the revenue that would otherwise be provided if the Airport were developed upon Airport property. In addition, the Fee is intended to ensure that the Lot Owner pays fees and charges to the Cities that are at parity with those paid to the Cities by their on-Airport tenants.

F. In the event that the organization of the Districts does not take place as contemplated in this Agreement or the Districts otherwise fail to comply, in any way whatsoever, with the terms of Paragraph 1.6 of this Agreement, the Developer agrees to pay annually to the Cities an amount equal to the Fee until such time as the Districts come into full compliance with Paragraph 1.6 of this Agreement.

G. Cities are willing to enter into such intergovernmental agreements provided that all of the terms and conditions set forth in this Agreement are fully satisfied.

NOW, THEREFORE, in consideration of the foregoing Recitals and the mutual promises and agreement set forth herein, the parties agree as follows:

A G R E E M E N T

1. Cities' Grant of Access Easement. Developer presently owns two parcels of land that may be developed at different times and that may comprise the Airport. Cities and the Developer agree that the Developer and his successors and assigns, the Lot Owners, and the Lot Owners' tenants, subtenants, guests and invitees within the Airport, shall have, and Cities hereby grant unto Developer, an aircraft access easement to the Airport through the designated Point of Ingress/Egress (defined in Paragraph 3.1 below) for the term hereinafter set forth in Paragraph 11. ~~below.~~ below (the "Access Easement."). The Access Easement granted by this Agreement shall be further set forth in an easement deed to be recorded after the conditions of this Paragraph 1 and its sub-paragraphs have been satisfied as set forth herein. Subject to the provisions of this Agreement and to the Airport CC&R's against the property that makes up the Airport, the ~~access easement~~ Access Easement to the Airport granted herein includes permission to use the airside and public area of the Airport for the purposes stated in Paragraph 3.1 below, and includes both permission to enter upon the Airport from the Airport and to exit from the Airport to the Airport. The ~~access easement granted~~ grant of the Access Easement made herein is contingent upon (i) the ~~prior~~ execution of intergovernmental agreement(s) with the Districts for aircraft access and use of the Airport from the Airport under the terms and conditions stated in this Agreement, which said intergovernmental agreements shall be substantially in the form attached hereto as **EXHIBIT "C"** (the "IGA";²) or (ii) compliance by the Developer with the covenant to pay the Fee as set forth in Paragraph 1.6(b) below, provided that all of the following conditions precedent (the "Conditions") have been fully satisfied prior to execution of the IGA:

1.1 The City of Loveland has approved, in its sole discretion, plats for the north and/or southeast parcels of the Adjacent Property sufficient to allow the construction related activities described in this Paragraph 1 to be completed.

1.2 The Cities have granted to the Developer, on terms and conditions satisfactory to the City in its sole discretion, a temporary construction easement that provides the Developer with the necessary access to complete construction of the Airpark, Airport Taxiway and Airpark taxilanes.

1.3. The Airpark is under actual construction.

~~1.2. The construction and improvement of taxilanes connecting both the Airpark and the Airport to that certain point~~4. The FAA has approved the exact points along the perimeter of the Airport, which Cities and Developer have mutually determined to be the appropriate location for access between the Airport and the Airpark (the "Point(s) of Ingress/Egress"), ~~isso that construction and improvement of taxilanes connecting both the Airpark and the Airport to the Points of Ingress/Egress has been~~ completed and deemed acceptable by the Cities. ~~However, the Cities and the Developer acknowledge and agree that the exact location of the Point of Ingress/Egress must first be approved by the FAA.~~ The taxilanes must meet such additional requirements as may be stated under Paragraph 2- of this Agreement. Acceptance by Cities as used herein means approval by the City Managers of the Cities or designees, and is in addition to any development approvals otherwise required by the Cities' Codes. All construction and improvement of the taxilanes must comply with any applicable local, state or federal laws or regulations.

~~1.3-5~~ The ~~District(s)~~City of Loveland City Council has, in its sole discretion, approved a service plan for the Districts such that the organization of the Districts may be placed on the November 8, 2011 ballot for approval by the eligible electors or the Developer has executed a written amendment to this Agreement confirming that the Developer has waived the right to obtain approval of such service plan and has agreed to be bound by Paragraph 1.6(b) hereof to pay the Fee.

1.6. (a) Unless the Developer has executed a written amendment to this Agreement confirming that the Developer has waived its right to obtain approval of a service plan from the City of Loveland and agreed to be bound by Paragraph 1.6(b) to pay the Fee, the Districts are established in good standing and capable of imposing the ~~5.0000~~ mill levy on the Adjacent Property together with any required adjustments thereto, and further capable of paying the Fee to the Cities and to pay to the Cities any additional amount required to be paid by the District to the Cities pursuant to Paragraph ~~3.3~~ of the IGA. The ~~District(s)~~Districts shall also be required to have full voter authorization under Article X, Section 20 of the Colorado Constitution ("TABOR") to increase the mill levy on the Adjacent Property, without the requirement of any future election, in order to provide any increases in revenue to the Cities as necessary to maintain compliance with the Cities' grant assurances to the Federal Aviation Administration ("FAA") and to enter into the IGA as a fully enforceable multi-fiscal year financial obligation under TABOR. ~~(This provision shall apply separately to the southeast parcel and to the north parcel of the Adjacent Property.)~~

~~1.4.~~

(b) In the event that the organization of the Districts does not take place as contemplated in this Agreement or the Districts otherwise fail to comply, in any way whatsoever, with the terms of this Paragraph, the Developer hereby grants to agrees to

pay annually to the Cities an amount equal to the Fee and other amounts that would have been required to be paid by the Districts under Paragraph 3 of the IGA until such time as the Districts come into full compliance with this Paragraph of the Agreement. (The provisions of this Paragraph 1.6 shall apply separately to the southeast parcel and to the north parcel of the Adjacent Property, provided that both parcels must be the subject of either an IGA with a District or the Developer's obligation pay the Fee and other amounts as set forth in Paragraph 1.6(b) within the time periods set forth in this Agreement.)

1.7. Developer has granted to the Cities an access easement on the Airpark ~~taxilane~~taxilanes for the purposes described in Paragraph 3 of this Agreement for the ~~fifty (50) year~~ term set forth in Paragraph 11: below.

~~1.5-8.~~ The Airpark Declaration of Covenants, Conditions and Restrictions of Record ("CC&R's"), containing provisions which include those listed in Paragraph 10 of this Agreement, have been approved by the Cities and are recorded and in effect against the Airpark.

~~1.69.~~ The construction of the Airport Taxiway ~~is~~has been completed and deemed acceptable by the Cities as described in Subparagraph 2.2 of this Agreement.

1.10. Developer has submitted and obtained approval by the Cities, TSA and FAA a detailed Airpark Security Plan describing procedures, equipment and methodology to ensure operational compliance with the Airport's Security Plan and TSA regulations.

A flow chart reflecting the foregoing Conditions and the intent of the Parties as to the satisfaction of the Conditions necessary to activation of the Access Easement granted herein is set forth on EXHIBIT "C-1" attached hereto and incorporated herein by this reference.

As used herein related to obligations of the Developer to construct improvements, the term "Developer" shall include the Districts. The Districts, once approved, shall have full power and authority to perform Developer obligations of this Agreement.

2. Construction of Taxilanes.

2.1. Airpark Taxilane Construction. Developer shall construct and improve, at Developer's sole expense, the Airpark taxilane. Construction and improvement of the Airpark taxilane shall connect the taxilane, on one end, to the Airport boundary at the Point of Ingress/Egress, and on the other end, to the individual lots of the Airpark. The construction and improvement of the Airpark taxilane shall also include the permanent installation of vehicle barrier fencing and access control gates establishing a perimeter between the public roadway fronting the Adjacent Property and the Aircraft Operating Area ("AOA") on the Airpark and Airport property. The barrier and gates may attach to a building or structure on an individual lot in the Airpark where such building or structure provides the barrier to such access to the AOA. Developer shall construct a fence, to the design designated by the Cities, along the common boundary between the Airport and the Airpark (excluding the Point of Ingress/Egress). This fence and gate shall become the Cities' property and shall be

maintained by the Cities. However, the District shall reimburse the Cities for their costs to maintain the fence and gate as provided in ~~paragraph~~ Paragraph 3.6 of the IGA. All security related improvements shall be constructed in conformance with the Security Plan as described in Paragraph 17 below.

2.2. Airport Taxiway Construction. The taxiway Alpha A-1 Extension located at the southeast corner of the current ramp has been constructed by the Cities. This construction falls approximately 160 feet short of the Airpark property line. The Developer shall complete construction of this portion of the taxiway, to the design standards designated by the Cities, to the Airpark property line at its sole expense and without reimbursement from the Cities. In addition, any needed upgrades to any portion of this taxiway necessary to accommodate larger aircraft to be located within the Airpark shall be completed by the Developer at its sole expense and without reimbursement from the Cities. This portion of the taxiway constructed by the Developer shall be dedicated to the Cities after construction is completed and the Developer shall provide to the Cities a two (2) year warranty bond or letter of credit for this improvement. In addition, as provided in Paragraph 3.6 of the IGA, the Districts shall be responsible and liable to the Cities for any and all maintenance costs incurred by the Cities for that portion of the taxiway improvements to be built by the Developer under this Paragraph 2.2. Maintenance costs shall mean all costs incurred by the Cities for snow removal, sweeping, repair, lighting, electricity, resurfacing, and all other expenses necessary to maintain that portion of the taxiway improvements built by the Developer under this Paragraph 2.2.

3. Limitations on Access.

3.1. Access between the Airport and the Airpark granted pursuant to this Agreement, shall be solely for aircraft access, airport service vehicles, emergency vehicles, FBO service vehicles, and vehicles performing maintenance/safety inspections of the taxiway/taxilane clearance areas, through the ~~Point~~ Points of Ingress/Egress designated by Cities for such purpose, the ~~location~~ approximate locations of which ~~is described or are~~ depicted in EXHIBIT "D", which ~~location~~ locations (one each for the north parcel and the southeast parcel) must first be approved by the FAA as acknowledged and agreed to in Paragraph 1.24 above, and which shall consist of a minimum one hundred twenty foot (120') wide portion of the boundary of the Airport. This Agreement does not grant entry onto the Airport from any other point of access, or by any method or means of travel other than as set forth in this Paragraph 3.1.

3.2. -This Agreement shall not be deemed to grant or authorize the storage of aircraft or any personal property, aviation or non-aviation related, upon the Airport.

3.3. Any person accessing or using the Airport pursuant to this Agreement shall comply, at all times, with all applicable requirements of all statutes, acts, ordinances, regulations, codes, and standards of legally constituted authorities with jurisdiction, including, without limitation and, as applicable, the Loveland City Code, the Airport Rules and Regulations, the Airport Minimum Standards, the Airport Security Plan, the Cities' Federal grant assurances, and any other document that applies to the Cities' on-Airport tenants.

3.4.- Access through the Point of Ingress/Egress shall be subject to those controls and restrictions that, from time to time, may be established by the Cities' Airport ~~Manager~~Director or designee when it is determined to be in the best interest of the Cities to do so, or when such controls and restrictions have been requested by the FAA or Transportation Security Administration ("TSA") or any other federal, state, or local agency. Restrictions may include, the denial, from time to time, of ingress or egress by any person or persons where the Airport ~~Manager~~Director determines, in good faith, that conditions at the Airport or Airpark are such that ingress or egress poses an immediate threat to the safe and efficient operation of the Airport, creates an aviation safety hazard on either the Airport or the Airpark, or otherwise makes aircraft operations on either the Airport or the Airpark unsafe. Except in the event of an emergency where a cure period is not practical, the Developer shall be allowed a reasonable amount of time to remedy the cause of such conditions or restrictions.

3.5. -The Cities shall have the ability to close or limit, temporarily, access through the Point of Ingress/Egress from time to time in order to conduct Airport maintenance activities, and for other airport related activities such as air shows. The Cities shall endeavor to provide at least 48 hours notice of such closure. Notwithstanding the foregoing, the Cities shall reasonably accommodate the needs of the Lot Owners, their tenants, subtenants, guests and invitees within the Airpark in the use of the Airport during any such closure.

3.6. The Cities shall have the ability to close access through the Point of Ingress/Egress in the event of nonpayment of ~~all of the Fee by the District,~~ as adjusted, or of any additional amount required to be paid pursuant to ~~Sections Paragraph 3.3 and 3.5~~ of the IGA after Cities give sixty (60) days written notice to the ~~District(s)~~Districts or Developer of the nonpayment, if within such sixty-day period the nonpayment has not been cured.

4. Relocation. The Cities and the Developer may mutually agree in writing to relocate the Point of Ingress/Egress or establish any additional Point of Ingress/Egress. The party requesting the relocation will be responsible for expenses associated with the relocation and reasonable damages that may be incurred due to that relocation. In addition, the Cities reserve the right to designate additional points of ingress/egress at locations outside of the Airpark and not available to the Developer or otherwise permitted for use under this Agreement, provided that such additional designations shall not prevent access between the Airport and the Airpark through the Point of Ingress/Egress. The designation of additional points of access at locations outside of the Airpark may occur for any reason, including without limitation, the need to accommodate third parties or others to whom Cities may grant permission to ingress or egress from land adjacent to or contiguous to the Airport other than the Airpark.

5. Commercial Aeronautical Services Within the Adjacent Property and Airpark.

5.1- The Parties agree that the following commercial aeronautical activities that FBOs are authorized to conduct and provide to the general public on the Airport, as provided in Section 2.2 of the Airport Minimum Standards attached hereto as **EXHIBIT "F"**, shall not be permitted within the Adjacent Property and the Airpark except as otherwise expressly authorized in Paragraph 5.2 below: all of the Aircraft Line Services described in Section 2.2.1. of the Minimum Standards; aircraft, airframe and engine repair and maintenance; flight training; aircraft rental; and related other services such as the sale of sectional or world aeronautical charts covering the territory within 300 miles of the Airport, flashlight and batteries, and plotters and computers generally used by pilots for flight planning. Notwithstanding the foregoing, fuel and other FBO goods and services may be

delivered, provided and sold by any approved on-Airport FBO to customers located within the Airpark.

5.2 Notwithstanding the provisions of Paragraph 5.1 above, the following activities and uses shall be allowed to be conducted within the Adjacent Property and the Airpark: the construction, installation, maintenance and operation of a hangar or building or buildings to be used for the parking, storage, servicing, repair, maintenance, modification and construction of aircraft that are used for private corporate or personal use; aircraft research and development; aircraft manufacturing of parts and components; assembly of aircraft parts and components; final assembly of aircraft parts and components into completed aircraft; flight testing associated with assembled aircraft; painting of manufactured aircraft and parts; and air freight services such as those provided by United Parcel Service and Federal Express.

5.3. The Developer may not enter into a contract with users of the Airpark that prohibits any on-Airport FBO from selling fuel to such users.

5.4 Notwithstanding the provisions of 5.3, all on-Airport FBOs authorized by the Cities or like enterprise entering the Airpark shall provide to Developer or Developer's designee:

5.4.1. -A written and executed hold harmless and indemnification agreement reasonably acceptable to Developer or Developer's designee. Such agreement shall provide, but not be limited to, the FBO or like enterprise agreeing to save and hold the Developer and its designees, their officers, employees, agents and representatives free and harmless of and from any loss, liability, expense, attorney fees, costs, suit or claim for damages in connection with any act or omission by the FBO or like enterprise, their officers, employees, agents and representatives.

5.4.2. -A written and executed agreement reasonably acceptable to Developer or Developer's designee providing that the FBO or like enterprise shall:

(a) not bring or keep anything which will in any way increase the existing rate of or affect any fire or other insurance upon the Airpark or cause cancellation of any insurance policy covering the Airpark or any part thereof;

(b) not do or permit anything to be done in or about the Airpark which will in any way obstruct or interfere with the rights of other users of the Airpark or injure or annoy them or use or allow the Airpark to be used for any improper, unlawful or objectionable purposes;

(c) not cause, maintain or permit any nuisance in, on, or about the Airpark;

(d) not permit employees, customers, or visitors to smoke inside the

Airpark;

(e) not commit or suffer to be committed any waste in or upon the Airpark;

(f) not use the Airpark or permit anything to be done in or about the Airpark which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated; and

(g) at its sole cost and expense, promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force, and with the requirements of any board of fire insurance underwriters or other similar bodies now or hereafter constituted, relating to or affecting the condition, use or occupancy of the Airpark.

5.4.3. - Agree to provide insurance and the insurance required hereunder shall be in companies rated A+ Superior or better in "Best's Insurance Guide."

5.4.4. - Obtain insurance at its cost and expense and keep in force a policy of commercial general liability insurance insuring Developer or its designee(s) against any liability arising out of the -use of the Airpark and all areas appurtenant thereto, in amounts determined from time to time by the Developer or its designee(s) for injury or death and property damage including contractual liability coverage. The limit of said insurance shall not, however, limit the liability of the -FBO or like enterprise. Such policies shall contain a provision that the Developer or its designee(s), although named as an insured, shall nevertheless be entitled to recover under said policies for any loss occasion to it, its servants, agents, or employees by reason of negligence of the FBO. Such insurance is to be obtained and other requirements may change from time to time in the sole discretion of the Developer or its designee(s) and by way of illustration may include, but shall not be limited to: (a) general liability - \$5,000,000.00 / aircraft - \$10,000,000.00 per occurrence; (b) mobile equipment coverage (coverage to operate on private property); (c) hangar keepers liability insurance; (d) product liability insurance (i.e., bad fuel pumped into airplanes, etc.); (e) insurance protection for all risk coverage on the Airpark premises to the extent of 100% of the actual placement cost thereof.

5.4.5. Prior to entry to the Airpark and from time to time at the request to the Developer or its designee(s) provide copies of policies of liability insurance required herein or certificates evidencing the existence and amounts of such insurance with loss payable clauses satisfactory to Developer or Developer's designee. No policy shall be cancelable or subject to reduction of coverage except after ten (10) days prior written notice to Developer or Developer's designee. All such policies shall be written as primary policies not contributing with and not in excess of coverage which Developer or Developer's designee may carry.

5.4.6. ~~Provide evidence of Workers' Compensation insurance coverage.~~

5.4.7. Provide evidence satisfactory to Developer or Developer's designee that anyone entering the Airpark has been properly trained, in Developer or Developer's designee's sole discretion, to properly enter and perform services in the Airpark.

5.4.8. Establish a reasonable process by which the FBO or a like enterprise will periodically check in with the Developer or the Developer's designee to coordinate with and provide reasonable notice to the Developer or the Developer's designee of the FBO's or like enterprise's planned entries into the Airpark to provide services to customers within the Airpark.

5.4.9. Reimburse Developer or Developer's designee(s) for any charges made to the Developer or Developer's designee(s) by the Cities due to any FBO or like enterprise entering the Airpark or providing any services or delivering any fuel, materials or supplies to the Airpark or occupants therein.

5.4.10. ~~In the event of non-compliance with the provisions of this Paragraph 5.4, agree that the FBO or like enterprise, their officers, employees, agents and representatives, may be denied access to the Airpark by the Developer or the Developer's designee.~~

5.5. ~~The Developer or the Developer's designee shall enforce and apply the requirements of Paragraph 5.4 with respect to all on-Airport FBOs and like enterprises in a reasonable, fair, equal and non-discriminatory manner. However, the Developer or the Developer's designee shall have the authority to waive any of the requirements in Paragraph 5.4 above either on a temporary or permanent basis so long as such waiver does not relate to a requirement of the provisions of the Minimum Standards and provided that any such waived requirement during any such time period is also waived as to all other FBOs and like enterprises serving the Airport and the Airpark.~~

6. Airpark Conditions.

6.1. No motor vehicle of any kind, except aircraft, airport service vehicles, emergency vehicles, Airport approved FBO service vehicles, airplane tugs, vehicles for towing aircraft, and vehicles performing maintenance/safety inspections of the taxilane/taxilane clearance areas, shall be used on the Airpark taxilane, except in areas specifically designated for motor vehicle use.

6.2. No motor vehicle of any kind or for any reason shall be parked upon, or impede aircraft movement on, the Airpark taxilane or any taxilane safety area except in the course of maintenance/safety inspections or maintenance of the taxilane/taxilane clearance area.

6.3. No person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination in the use of the Airpark taxilane; and the Lot Owners, their tenants, subtenants, guests and invitees, shall use the taxilane subject to the Airpark CC&R's and in compliance with all other requirements imposed by or

pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Park 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

7. Non-liability.

7.1. Cities shall not be liable to the Developer or to any off-airport user for any acts or omissions of any person, whether or not a person authorized under this Agreement, who enters the Airpark through the Point of Ingress/Egress; or for any conditions occurring on the Airpark or the Adjacent Property resulting from the operations or activities of any such person; or for any loss or damage to any personal property or equipment of the Developer, or any property owner or any tenant, subtenant, guest, invitee or other person with legal possession of any lot within the Airpark or the Adjacent Property, caused by or resulting from operations or activities of any person entering the Airpark through the Point of Ingress/Egress.

7.2. The Developer and its successors and assigns shall be liable to the Cities for their respective acts and omissions arising under this Agreement as a result of entering on to the Airport through the Point of Ingress/Egress; or for any conditions occurring on the Airport resulting from their respective operations or activities; or for any loss or damage to any personal property or equipment of the Cities caused by or resulting from their respective operations or activities related to entering the Airport through the Point of Ingress/Egress.

7.3. -Nothing within this Agreement shall in any way or manner waive any defenses or limitations on damages provided for, under or pursuant to the Colorado Governmental Immunity Act (Sec. 24-10-101, et seq. C.R.S.), the Constitution, or the Charter, or under the common law or the laws of the State of Colorado, or of the United States, including but not limited to Section 42 U.S.C.1983.

8. Withdrawal of permission for any Person to Access or Use Airport. Pursuant to the Airport Rules and Regulations, the Airport ~~Manager~~Director may summarily deny access and use of the Airport to any person that is otherwise authorized to access and use the Airport pursuant to this Agreement: who is in violation hereof or who violates Airport Rules and Regulations and is advised thereof but refuses to comply with such Rules and Regulations; provided, however, that such denial of access and use does not unreasonably impair the ability of the Districts to pay their indebtedness. Any person denied access and use of the Airport shall be given a reasonably opportunity to correct such action as gives rise to such denial of access and use. Notwithstanding the foregoing, any person may be denied access to and use of the Airport, with or without the opportunity to correct the violation, if required by any FAA or TSA rule, regulation or determination or if necessary or appropriate to comply with the Cities' federal grant assurances, regardless of the impact of such a denial on the ability of the District to pay its indebtedness.

9. Grant of Easement to Cities. Developer shall grant to Cities for the term of this Agreement a non-exclusive easement to enter upon the Airpark taxilane for the purpose of: (i) assuring compliance by Developer and/or ~~District(s)~~Districts with the terms of this Agreement and compliance by ~~District(s)~~Districts with the terms and conditions of the IGA; and (ii) allowing access by emergency and city service vehicles. This grant of easement shall be by separate instrument, in form reasonably approved by the Cities' Attorney(s), and shall be consented to and subrogated by the

holder of any lien encumbering the underlying fee, and shall be deemed effective when recorded.

10. CC&R Provisions. In order to assure Cities that the Airpark taxilane will be properly operated and maintained so as to meet all local, state and federal standards applicable to Airport and/or aircraft operations, Developer and/or ~~Distriet(s)~~Districts shall adopt and record Airpark CC&R's, or amend current Airpark CC&R's, to provide in language and form including the following:

10.1. A prohibition against any motor vehicle, except aircraft, airport service vehicles, emergency vehicles, vehicles designated by any Airport approved fixed base operator as mobile fueling vehicles, and vehicles performing maintenance/safety inspections of the taxilane and taxilane clearance areas, being used on or accessing thru the Airpark taxilane, except in areas specifically designated for motor vehicle use, and against any motor vehicle, for any reason, being parked on or impeding aircraft movement on the Airpark taxilane or any taxilane safety area.

10.2- The creation in accordance with State law of an Owners' Association or other common interest ownership entity that would permit the imposition of fees within all of the Adjacent Property.

10.3. The CC&R's shall be subject to prior review and reasonable approval by the Cities. An approved copy of the CC&R's shall be attached as an exhibit to any IGA between the Cities and the District(s).

10.4. The CC&R's shall provide that any on-Airport approved FBO shall have access to conduct business with all users within the Airpark, provided that such on-Airport FBO agrees to comply with the provisions of ~~paragraph~~Paragraph 5.4 of this Agreement.

10.5 The CC&R's shall, in the event the organization of the Districts does not take place as contemplated by this Agreement or the Districts otherwise fail to comply in any way whatsoever, with the terms of the IGA, obligate the Developer and, as a successor to the Developer, an Owner's Association with the power to impose fees within all of the Adjacent Property, to pay annually an amount equal to the Fee, and as adjusted, and other amounts that would have been required to be paid by the Districts under Paragraph 3 of the IGA.

11. Term of Agreement.

11.1 -This Agreement and the ~~access easement~~Access Easement granted herein, shall terminate fifty (50) years after the effective date of the IGA. ~~Provided, however, in or the event~~date on which the Developer has executed a written amendment to this Agreement confirming that the Developer ~~enters into an on-the Airport fixed base operator ("FBO") lease with the Cities and the Developer timely and substantially satisfies all of has waived its obligations~~right to obtain approval of a service plan under Paragraph 1 of this Agreement.

11.2~~that lease to build on the Airport new FBO buildings, facilities, equipment and~~

~~related infrastructure at a cost to the Developer currently estimated to be approximately seven million dollars, this Agreement and the access easement(a) This Agreement and the Access Easement granted herein shall instead terminate eighty (80) years after the effective date of the IGA.~~

~~11.2~~ In addition, this Agreement shall be deemed to have terminated and shall no longer be of any force or effect if:

~~11.2.1 With regard to both the southeast parcel and the north parcels of the Adjacent Property, if all of the conditions stated in Paragraph 1. have not been fully satisfied and an IGA for this parcel has not been entered into within 36 months of the date of this Agreement; or~~

~~11.2.2 With regard to the remainder of the Adjacent Property (hereinafter, "the north parcel"), all of the conditionsConditions stated in Paragraph 1 have not been fully satisfied as to the southeast parcel and/or if the IGA for this parcel both the southeast and north parcels (or the amendment referenced in Paragraph 1.6(a) above) has not been entered into within 120 months of the date of this Agreement; or on or before September 30, 2012.~~

~~(b) This Agreement and the Access Easement granted herein shall be deemed to have terminated and shall no longer be of any force or effect as to only the north parcel of the Adjacent Property is all of the Conditions stated in Paragraph 1 have not been fully satisfied as to the North parcel and/or the IGA for the North parcel (or the amendment referenced in Paragraph 1.6(a) above)is not in full force and effect as of September 30, 2019.~~

~~11.3 In addition, this Agreement and the Access Easement granted herein shall be deemed to have terminated and shall no longer be of any force or effect as to either or both the southeast and the north parcels of the Adjacent property if:~~

~~11.2.3-1~~ Developer provides written notice of termination to the Cities; or

~~11.2.4-3~~ Subject to the cure provisions of Paragraph 12 of this Agreement, if the Cities do not receive the payments required to be paid to it under the terms of this Agreement and under any IGA, in which event the Cities shall have the right to terminate this Agreement and end all access to the Airport under the terms and conditions of this Agreement.

~~11.3 In addition, Developer agrees and acknowledges that no final plat shall be approved by the City of Loveland for any portion of land within the southeast parcel or within the north parcel of the Adjacent Property until such time as an IGA has first been entered into by the Cities with the District(s) for either the entire southeast parcel or for the entire north parcel respectively. This restriction on the final plat approval shall not survive beyond the expiration of this Agreement.~~

~~11.4-~~ Nothing herein shall prevent the parties from negotiating and agreeing in writing to an extension of the above deadlines, which extension may be approved by the City

Managers of the Cities upon their finding that such extension is in the best interests of the Cities, provided that the City Managers shall only be authorized to approve one extension for a period of time not to exceed five (5) years.

12. Remedies.

12.1. In the event of default by Developer, Cities may: (i) cancel this Agreement sixty (60) days after Cities give written notice to Developer of the default, if within such period the default has not been cured; or (ii) where the default has caused a monetary loss to Cities or may expose Cities to liability for money damages, Cities may, if the default has not been cured within the sixty (60) day period, proceed with whatever steps Cities may deem necessary in order to enforce the rights and remedies available to Cities under this Agreement, at law or in equity, including, without limitation, the right of specific performance of this Agreement or to recover its damages from Developer.

12.2 In the event of default by Cities, Developer may: (i) cancel this Agreement sixty (60) days after Developer gives written notice to Cities of the default, if within such period the default has not been cured; or (ii) where the default has caused a monetary loss to Developer or may expose Developer to liability for money damages, Developer may, if the default has not been cured within the sixty (60) day period, proceed with whatever steps Developer may deem necessary in order to enforce the rights and remedies available to Developer under this Agreement, at law or in equity, including, without limitation, the right of specific performance of this Agreement or to recover its damages from Cities.

13. Notices. All notices required or permitted to be given hereunder to any party to this Agreement shall be in writing and may be given in person or by United States mail or by delivery service. Any notice directed to a party shall become effective upon the earliest of the following: (i) actual receipt by that party; (ii) delivery to the designated address of that party, addressed to that party; (iii) delivery by overnight courier; or (iv) if given by certified United States mail, return receipt requested, forty-eight (48) hours after deposit with the United States Postal Service, postage prepaid, addressed to that party at its designated address. The designated address of a party shall be the address of that party shown below or such other address as that party, from time to time, may specify by written notice to the other party:

Cities: Fort Collins City Clerk
City Hall West
300 LaPorte Avenue
Fort Collins, CO 80521

and

Loveland City Clerk
500 E. 3rd St., Ste. 230
Loveland, CO 8053

With copies to: Fort Collins/Loveland Municipal Airport ~~Manager~~Director

4900 Earhart Road
Loveland, CO 80538

Developer: Rocky Mountain Airport Investments, LLC
Att'n: Martin Lind
1625 Pelican Lakes Point, Suite 201
Windsor, Colorado 80550

With copies to: ~~Ted T. Svitavsky~~
~~Rocky Mountain Airport Investments, LLC~~
~~1625 Pelican Lakes Point, Suite 201~~
~~Windsor, Colorado 80550~~ Gary R. White
White, Bear & Ankele Professional Corporation
2154 E. Commons Ave, Suite 2000
Centennial, CO 80122

14. Further Assurances. Promptly upon the request of another party to this Agreement, a party shall do such further acts and shall execute, have acknowledged and deliver to the other party, as appropriate, any and all further documents or instruments reasonably requested in order to carry out the intent and purpose of this Agreement.

15. General Provisions.

15.1. Modification and Waiver. Except as expressly provided herein to the contrary, no supplement, modification or amendment of any term of this Agreement shall be deemed binding or effective unless in writing and signed by the parties hereto. No waiver of any of the provisions of this Agreement shall constitute or be deemed a waiver of any other provision, nor shall any waiver be a continuing waiver. Except as otherwise expressly provided herein, no waiver shall be binding unless executed in writing by the party making the waiver.

15.2. ~~Exhibits.~~ The Exhibits referred to herein and attached hereto (the "Exhibits") are incorporated herein by reference.

15.3. Time is of the Essence. Whenever this Agreement sets forth any time for any act to be performed by any of the parties, such time shall be deemed to be of the essence under this Agreement.

15.4. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be valid under applicable law, but if any provision of this Agreement shall be deemed invalid or prohibited thereunder, such provision shall be deemed severed from this Agreement, and this Agreement shall otherwise remain in full force and effect.

15.5. Entire Agreement. This Agreement, including the Exhibits attached hereto, constitutes the entire agreement among the parties. All terms and conditions

contained in any other writings previously executed by the parties and all prior and contemporaneous arrangements and understandings between the parties are superseded hereby. No agreements, statements or promises about the subject matter hereof shall be binding or valid unless they are contained herein.

15.6. -Counterparts. This Agreement may be executed by the signing in counterparts. The execution of this instrument by each of the parties signing a counterpart hereof shall constitute a valid execution, and this instrument and all of its counterparts so executed shall be deemed for all purposes to be a single instrument.

15.7. Applicable Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Colorado and venue for any judicial proceedings to enforce this Agreement shall be in Larimer County ~~District~~ Court, except that venue for any federal cause of action shall be in the United States District Court for the District of Colorado, Denver Colorado.

15.8. Headings and Construction. The descriptive headings of the paragraphs of this Agreement are inserted only for convenience and shall not define, limit, extend, control or affect the meaning or construction of any provision herein. Where the context requires herein, the singular shall be construed as the plural and neuter pronouns shall be construed as masculine and feminine pronouns, and vice versa. This Agreement shall be construed according to its fair meaning and any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement.

15.9. Non-Discrimination. As part of the consideration hereof, Developer does hereby covenant and agree, as a covenant running with the land, that (i) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination in the use of the Airpark taxilane; (ii) that in the construction of any improvements on, over or under the Airpark taxilane and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and (iii) that the Airpark taxilane shall be used, operated and maintained in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

15.10. Cities' Right to Develop the Airport. Cities reserve their right to further alter, develop, expand or improve the Airport or, in their sole discretion, to close the Airport. In the event that the Cities permanently close the Airport, this Agreement and any access to the Airport granted pursuant to this Agreement shall immediately terminate, and the Cities shall have no further responsibility or liability to the Developer under this Agreement.

15.11. No Agency. The parties hereto understand and agree that: (i) the requirements imposed on Developer by the terms of this Agreement shall not be construed to make Developer, or any of its officers, employees or agents, an officer, employee or agent of the Cities; and (ii) the requirements imposed on Cities by the terms of this Agreement shall not be construed to make Cities, or any of their officers, employees or agents, an officer, employee or agent of Developer.

15.12. No Partnership; Third Parties. It is not intended by this Agreement to, and nothing contained in this Agreement shall, create any partnership, joint venture or other arrangement between Developer and Cities. No term or provision of this Agreement is intended to, or shall, be for the benefit of any person, firm, organization or corporation not a party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.

15.13. Declaration of Termination; No Warranty of Non-interference by Entities Outside Cities' Control. The parties hereto understand and recognize that the actions of local governmental units, parties holding land or living adjacent to the Airport, and governmental entities not subject to Cities influence and control, may have, in the future, adverse impacts upon the number and character of flight and other operations at the Airport. In such event, Developer has the option of declaring this Agreement terminated on ninety (90) days written notice to Cities and agrees not to seek recovery of any damages from Cities.

15.14. Warranty of Authority. The persons executing this Agreement for City and for Developer warrant that they are authorized by the respective party whom they represent to execute this Agreement.

15.15. ~~Effective Date~~. The effective date of this Agreement shall be the date first above written.

15.16. ~~Assignment~~. Except as intended in ~~paragraph~~Paragraph 15.17 below, this Agreement shall not be assigned by Developer without the prior written consent of the Cities, which consent shall not be unreasonably withheld. However, any such assignment shall not relieve the Developer from liability for compliance with this Agreement.

15.17. Binding Effect. It is the intent of the parties that the respective rights and obligations set forth in this Agreement shall constitute covenants and equitable servitudes that run with the land and shall benefit and burden any successors and assigns of the parties.

15.18. Survival of Terms. To the extent necessary to carry out all of the financial and performance obligations that may have accrued as of the date of any termination under ~~Paragraphs 11 and 12 of~~ this Agreement, such financial and performance obligations shall continue to be enforceable under this Agreement beyond the termination date of this Agreement.

15.19. Third Party Beneficiaries. No rights created in favor of any party to this Agreement shall be construed as benefiting any other person or entity that is not a party to this Agreement.

15.20.- Recording. This Agreement shall be recorded by the Cities with the Larimer County Clerk and Recorder at the Developer's expense.

15.21. Litigation Expenses and Attorneys' Fees. In the event of the default of any of the provisions hereof by either party, as determined by a court of competent jurisdiction, the defaulting party shall be liable to the non-defaulting party for the non-defaulting party's reasonable costs of litigation incurred by reason of the default, including reasonable attorneys' fees.

16. Avigation Easement. The Developer shall grant the Cities an Avigation Easement as further described on **EXHIBIT "E"**. This easement shall be granted at the time of execution of this Agreement and shall burden all of the Adjacent Property.

17. Airport Security Plan Compliance. Developer agrees that any access granted to the Airport from any portion of the Adjacent Property shall be contingent upon full compliance with the TSA and the FAA rules, regulations or dictates on Airport security, and upon compliance with the Airport Security Plan, as they currently exist, or as they may be amended in the future. Accordingly, notwithstanding any conflicting provision herein, Airport access from the Adjacent Property shall be terminated by the Cities in the event of such noncompliance with TSA and FAA rules, regulations or dictates, or in the event of noncompliance with the Airport Security Plan or Airport Rules and Regulations. Prior to execution of any IGA with a District the Developer shall submit and obtain approval by the Cities, TSA and FAA a detailed Airpark Security Plan describing procedures, equipment and methodology to ensure operational compliance with the Airport's Security Plan and TSA regulations. The Airpark Security Plan shall provide that it will be modified as necessary in the future to maintain full compliance with any new or amended TSA regulations. The cost of compliance with this Paragraph 17, including any required construction, maintenance, repairs and modifications, shall be the joint and severable obligation of the Developer and of the District, as provided in Paragraph 10- of the IGA. Unless specifically required by law and notwithstanding the foregoing, such compliance shall not be more restrictive than required elsewhere in the Airport under similar conditions and circumstances.

18. Compliance with the Airport Minimum Standards. All commercial aeronautical uses within the Adjacent Property shall maintain full compliance with the Airport Minimum Standards as they currently exist, or as they may be amended in the future by public action of the City Councils of each City. Accordingly, Developer agrees that any access granted to the Airport from any portion of the Adjacent Property shall be contingent upon full compliance with the Airport Minimum Standards for the Airport dated ~~_____~~, September 26, 2008, a copy of which is attached hereto and incorporated herein by this reference as **EXHIBIT "F,"** and as they may be amended in the future by public action of the City Councils of each City or as set forth in the Airport Intergovernmental Agreement between the Cities. However, based on the Fee to be paid to the Cities as referenced in paragraph E. above, the Cities agree that under this Agreement that the Developer satisfies the financial surety requirements of Section 1.7.4 of the Minimum Standards. In addition, the Parties agree that if any provision of the Minimum Standards is in conflict with a provision of this Agreement, the provisions of the Minimum Standards shall control over the conflicting provision in

this Agreement as applied to commercial aeronautical uses on the Adjacent Property unless this Agreement expressly provides that the provision of this Agreement shall control over the conflicting provision of the Minimum Standards.

19. Compliance with Grant Assurances. In the event that the FAA notifies the Cities verbally or in writing of an alleged violation of its grant assurances to the FAA as a result of this Agreement, or as a result of the action or inaction of any off-airport uses, the Developer shall fully cooperate with the Cities to immediately rectify such violation. In the event that the FAA notifies the Cities formally of such a violation, such as but not limited to notification by a Director's Determination, the Cities may, in their sole discretion, and without being required to appeal any such FAA determination, terminate this Agreement and any access to the Airport granted pursuant to this Agreement. However, if the FAA grants to the Cities a period of time to cure the violation, the Cities agree, prior to such termination, to allow the Developer that period of time to cure to the satisfaction of the Cities the circumstances causing the grant assurance violation.

20. Preservation of public health, safety and welfare. Nothing herein shall be construed as a waiver of the Cities' police power to protect the public health, safety and welfare. Accordingly, notwithstanding any conflicting provision herein, the Cities may terminate this Agreement and any access to the Airport granted pursuant to this Agreement as needed to protect the public health, safety and welfare or as required by a federal, state or local agency, providing in the case of termination, the Developer is given the rights to cure set forth in Paragraph 19 of this Agreement. Temporary termination of access may occur without an opportunity to cure in emergency situations as determined by the Airport ~~Manager~~Director. If the Airport ~~Manager~~Director temporarily terminates access due to an emergency situation, the Airport ~~Manager~~Director shall provide the Developer with a written explanation of the reasons for the closure and an estimated opening date.

IN WITNESS WHEREOF the parties hereto have affixed their signatures the date first above written.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK.]

DEVELOPER:

ROCKY MOUNTAIN AIRPORT INVESTMENTS, LLC
, a Colorado limited liability company

By: _____
Martin Lind, Manager

STATE OF COLORADO _____)
_____) ss.
COUNTY OF _____)

The foregoing was acknowledged before me this _____ day of _____, 2011 by
Martin Lind as Manager of Rocky Mountain Airport Investments, LLC, a Colorado limited liability
company.

Witness my hand and official seal.

My Commission Expires _____.

Notary Public

CITY OF FORT COLLINS, -a Colorado home rule municipality

By: _____
Darin Atteberry, Fort Collins City Manager

ATTEST:

Fort Collins City Clerk

STATE OF COLORADO)
) ss.
COUNTY OF LARIMER)

The foregoing was acknowledged before me this ____ day of _____, 2011 by
Darin Atteberry, as City Manager of Fort Collins, Colorado.

Witness my hand and official seal.

My Commission Expires _____.

Notary Public

APPROVED AS TO FORM:

~~Don F. Williams, Loveland~~

Stephen J. Roy, Fort Collins City ~~Manager~~ Attorney

CITY OF LOVELAND, -a Colorado home rule municipality

By: _____
_____, William D. Cahill, Loveland ~~Mayor~~ City Manager

ATTEST:

Loveland City Clerk

STATE OF COLORADO)
) ss.
COUNTY OF LARIMER)

The foregoing was acknowledged before me this _____ day of _____, 2011 by
William D. Cahill as City Manager of Loveland, Colorado.

Witness my hand and official seal.

My Commission Expires _____.

_____Notary Public

APPROVED AS TO FORM:

John R. Duval, Loveland City Attorney

EXHIBIT “A”
(The "Airport")

EXHIBIT “B”

(Adjacent Property, including separate descriptions and drawings of the “southeast parcel” and the “north parcel,” and the Airpark)

EXHIBIT “C”
(Intergovernmental Agreement)

|

|

Exhibit C-1
(Flow Chart of Paragraph 1 Conditions)

EXHIBIT “D”

(~~Description and depiction~~Depiction of ~~Point~~Points of Ingress/Egress)

EXHIBIT “E”
(Avigation Easement)

EXHIBIT “F”
(AIRPORT MINIMUM STANDARDS)

|

EXHIBIT "C"

**AIRPORT ACCESS
INTERGOVERNMENTAL AGREEMENT**

THIS AGREEMENT is entered into this ____ day of _____, ~~2007~~2011, by and between _____, a Colorado Metropolitan District, hereinafter called "District", and the Cities of Fort Collins and Loveland, Colorado, home rule municipalities, jointly hereinafter called "Cities".

RECITALS:

WHEREAS, Cities operate a municipal airport within ~~their jurisdiction~~the City of Loveland in Larimer County, Colorado, known as the Fort Collins/Loveland Municipal Airport (the "Airport"), which is legally described in **EXHIBIT "A"** attached hereto and incorporated herein by reference, and further described in the Intergovernmental Agreement between the Cities of Fort Collins and Loveland, Colorado dated May 16, 2000.

WHEREAS, certain real property which is immediately adjacent to the Airport (the "Adjacent Property"~~"), referred to generally as the "north" parcel or the "southeast" parcel,~~ is being developed into an airpark which will be comprised of all the platted lots within the Adjacent Property that border and have, or are capable of having, aircraft access to the Airport from said individual lots ("the Airpark"). The Adjacent Property, including those parcels generally identified as the "north" parcel and the "southeast" parcel, is more particularly identified in the legal description ~~and map depiction~~ attached hereto and incorporated herein by this reference as **EXHIBIT "B"**. ~~NOTE THAT EXHIBIT B WILL SEPARATELY IDENTIFY THE NORTH PARCEL AND THE SOUTHEAST PARCEL.~~

WHEREAS, Cities and Rocky Mountain Airport Investments, LLC, a limited liability company ("Developer") entered into a certain "Cities of Loveland and Fort Collins Airport Access Agreement" dated _____ ("Access Agreement"), under which the Cities agreed to enter into this Intergovernmental Agreement with one or more ~~Metro~~Metropolitan Districts, to be established by Developer, allowing the Developer and his successors and assigns, the owners of individual lots in the Airpark ("Lot Owners"), and the Lot Owners' tenants, subtenants, guests and invitees within the Airpark, to access the Airport from the Airpark and to access the Airpark from the Airport, subject to the provisions of the Access Agreement and the Airpark Declaration of Covenants, Conditions and Restrictions of Record ("CC&R's"), if all of the ~~following~~ conditions set forth in Paragraph 1 of the Access Agreement are met~~:~~.

~~1. The Airpark is under actual construction.~~

~~2. The construction and improvement of taxilanes connecting both the Airpark and the Airport to that certain point along the perimeter of the Airport, which Cities and Developer have determined to be the appropriate location for access between the Airport and the Airpark (the "Point of Ingress/Egress"), is completed and deemed acceptable by the Cities. The~~

~~taxilanes must meet such additional requirements as may be stated under Paragraph 2 of the Access Agreement. Acceptance by Cities as used herein means approval by the City Managers of the Cities or designees, and is in addition to any development approvals otherwise required by the Cities' Codes. All construction and improvement of the taxilanes must comply with any applicable local, state or federal laws or regulations.~~

~~3. The District(s) are established in good standing and capable of imposing a 5.0 mill levy on the Adjacent Property as well as any required adjustments to the mill levy, and providing the same to the City as consideration for the above referenced right of access between the Airport and Airpark. The District(s) shall also be required to have full voter authorization under Article X, Section 20 of the Colorado Constitution ("TABOR") to increase the mill levy on the adjacent property, without the requirement of any future election, in order to provide any increases in revenue to the Cities as necessary to maintain compliance with the Cities' grant assurances to the Federal Aviation Administration ("FAA") and to enter into this Intergovernmental Agreement as a fully enforceable multi-fiscal year financial obligation under TABOR.~~

~~4. Developer grants to Cities a valid easement on the Airpark taxilane for the purposes described in Paragraph 3 of the Access Agreement.~~

~~5. The Airpark CC&Rs, containing provisions which include those listed in Paragraph 4 of the Access Agreement, are recorded and in effect against the Airpark.~~

~~6. The construction of the Airport Taxiway is completed and deemed acceptable by the Cities as described in Subparagraph 2.2 of the Access Agreement.~~

~~— **WHEREAS**, in consideration for the access~~

WHEREAS, as used in the Access Agreement related to obligations of the Developer to construct improvements, the term "Developer" shall include the District. The District shall have full power and authority to perform Developer obligations under the Access Agreement.

WHEREAS, in consideration for the Access Easement to the Airport from the Airpark, the District shall, subject to annual adjustment, pay a fee annually to the Cities in an amount equal to 5.~~0000~~ mills based on the assessed value of all real property and improvements within the Adjacent Property (the "Fee"). The parties hereto acknowledge that the Fee is intended to provide the Airport with a source of revenue which is equal to, or greater than, the revenue that would otherwise be provided if the Airpark were developed upon Airport property and to ensure that the Lot Owners pay fees and charges to the Cities that are at parity with those paid to the Cities by their on-Airport tenants.

WHEREAS, District is a Metropolitan District organized and in good standing under the laws of the state of Colorado and has authority to enforce the Airpark CC&R's, which are recorded with the Larimer County Recorder at _____.

WHEREAS, Cities and District acknowledge that ~~all other conditions~~ the Conditions stated ~~above~~ in Paragraph 1 of the Access Agreement have been met.

WHEREAS, to further the development of the Adjacent Property, and the Airpark located therein, as a business park, it is in the best interest of Cities to enter into this Intergovernmental Agreement under the terms and conditions set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises contained herein, the parties agree as follows:

1. Definitions.

1.1. Except as provided in Subparagraph 1.2 below or as expressly defined elsewhere in this Intergovernmental Agreement, the terms, phrases, words and their derivatives used in this Intergovernmental Agreement shall have the meanings given in the Fort Collins/Loveland Municipal Airport Rules and Regulations as adopted by the Fort Collins and Loveland City Councils and any subsequent amendments thereto (the "Airport Rules and Regulations").

1.2. The terms "based" and "based location" have the same meaning as indicated in the definitions section of the Airport Rules and Regulations, except that any reference to "airport" or "the Airport" contained in such definitions will also mean the Airpark and aircraft that, by definition, is based at the Airpark shall be deemed to be based at the Fort Collins/Loveland Municipal Airport while this Intergovernmental Agreement is in effect. The terms "Airport ~~Manager~~Director", "City Manager" and "City Clerk", as used herein, denote those certain officials of the Cities and any designee of each such official.

1.3. Notwithstanding the foregoing, in the event of a conflict between this Intergovernmental Agreement and the Airport Rules and Regulations, and other documents that apply to on-airport tenants, then, for grant assurance purposes, the Airport Rules and Regulations, and other documents that apply to on-airport tenants shall control and govern.

2. Grant of Access.

2.1. Cities and the District agree that the District, the Developer and his successors and assigns, the Lot Owners, and the Lot Owners' tenants, subtenants, guests and invitees within the Airpark, shall have, and Cities hereby grant unto Developer, aircraft access to the Airport from the Airpark through the designated Point of Ingress/Egress (defined in Paragraph 3.1 of the Access Agreement) (the "Access Easement") as provided in and in accordance with the terms and conditions of the Access Agreement, and the Airpark CC&R's against the property that makes up the Airpark. The grant of the Access Easement made in the Access Agreement is contingent upon the prior execution of this Agreement with the District for aircraft access and use of the Airport from the Airpark under the terms and conditions stated in the Access Agreement. All of the other conditions outlined in Paragraph 1 of the Access

Agreement, and its sub-paragraphs, have been fully satisfied prior to execution of this Agreement.

3. Compensation.

3.1. The Cities shall be compensated jointly by the District's payment ~~of the Fee~~ to the City of Loveland or to such other entity as may be designated by the Cities an amount equal to 5.000 mills based on the assessed value of all taxable real property and improvements (excluding personal property) within the Adjacent Property. The parties hereto acknowledge that this five mill fee (the "Fee") with annual and other adjustments set forth herein, is intended to provide the Airport with a source of revenue which is equal to, or greater than, the revenue that would otherwise be provided if the Airpark were developed upon Airport property. In addition, the Fee is intended to ensure that the Lot Owners pay fees and charges to the Cities that are at parity with those paid to the Cities by their on-Airport tenants. Such funds shall be deposited into the Airport Fund and shall be used solely for Airport purposes. The mill levy shall be collected through the Larimer County Treasurer's office, which office shall forward payment to the District. The District shall then make payment of the Fee to the City of Loveland within 10 business days of receipt of any such payment from the Larimer County Treasurer's office. The District has full voter authorization under Article X, Section 20 of the Colorado Constitution ("TABOR") to increase the mill levy on the Adjacent Property, without the requirement of any future election, in order to provide any increases in revenue to the Cities as necessary to maintain compliance with the Cities' grant assurances to the Federal Aviation Administration ("FAA") and to enter into this Agreement as a fully enforceable multi-fiscal year financial obligation under TABOR.

3.2. The amount of the Fee may be adjusted at the written request of either the Cities or the District after each calendar year of the term of this Intergovernmental Agreement providing the party requesting the adjustment makes the request in writing within 120 days after the end of such calendar year. The Fee amount may also be adjusted at any time by the Cities upon written notice from the FAA stating that such adjustment is necessary to ensure continued grant assurances compliance. The adjusted Fee shall be based upon an evaluation of the amount of developed square footage of land within the Adjacent Property. Specifically, the square footage of land within the Adjacent Property shall be assigned a revenue amount that is equal to the ground lease rate the development would pay to the Cities if the development had been located on Airport property. The Cities' then existing rental rate, including any adjustments for inflation, for unimproved land shall be used for this calculation. If this revenue amount is lower than the revenue that would otherwise be provided to the Cities if located on Airport property, the Fee amount shall be increased accordingly. In this event, the District shall be responsible for providing the additional Fee revenue source to the Cities without regard to approval of an increase in the mill levy assessed on the Adjacent Property. If the revenue amount is higher than the revenue that would otherwise be provided to the Cities if located on Airport property, the Fee amount shall be decreased accordingly. The adjustment is intended to ensure that the Fee amount provides the Airport with a source of revenue which is not less than the revenue that would otherwise be provided if the Airpark were developed upon Airport property and to ensure that the Lot Owners pay fees and charges to the Cities that are at parity with the fees and charges paid to the Cities by their on-Airport tenants. In calculating this comparison revenue, the Cities'

“unimproved land” shall be deemed to be those lease properties for which the Cities did not build and provide site infrastructure to serve the leased land, such as utilities, taxiways and streets, but rather such infrastructure was constructed by the Cities’ lessee.

3.3. Notwithstanding the provisions of Paragraph 3.2 above, if for any reason in any one year the amount of the Fee to be paid under Paragraph 3.1 above is less than the fees and charges required to be paid to the Cities by the Cities’ on-Airport tenants having similar uses to the Lot Owners, the District shall pay to the Cities an amount representing the difference between the amount of the Fee actually paid under Section 3.1 and the greater amount paid by the Cities’ said on-Airport tenants. Such amount shall be paid by the District to the Cities within sixty (60) days after the District receives an invoice from the Cities for such additional amount.

3.4. In the event the Cities terminate access in accordance with the Access Agreement for more than two consecutive months the District shall not be liable for the Fee, as adjusted, for the period of closure extending beyond such two month period until the access is reopened, so long as such termination of access is not the fault of the Developer, the District or the Lot Owners.

3.5. The District shall be responsible and liable to the City for any and all maintenance costs incurred by the Cities for the portion of the taxiway improvement to be built by the Developer under Paragraph 2.2 of the Access Agreement including the barrier fence and control gates. Maintenance costs shall mean all costs incurred by the Cities for snow removal, sweeping, repair, lighting, electricity, resurfacing, replacement and all other expenses necessary to maintain that portion of the taxiway improvements and the fence and gates built by the Developers under Paragraph 2.2 of the Access Agreement. The District shall so reimburse the Cities within thirty (30) days of receiving an invoice from the Cities for the costs to be reimbursed. The reimbursement of these costs shall be in addition to the Fee and other amounts to be paid to the Cities pursuant to ~~paragraph~~Paragraph 3. of this Agreement.

3.6. In the event of the District’s nonpayment of any of the amounts due to the Cities under this ~~paragraph~~Paragraph 3., the Cities may cancel the Access Agreement sixty (60) days after the Cities give written notice to the District of such nonpayment, if within such sixty (60) day period the nonpayment has not been cured by the District.

4. Duration of Intergovernmental Agreement. The duration of the rights, privileges and authorizations granted in this Intergovernmental Agreement shall be for the fifty (50) year ~~or the eighty (80) year~~ term of the Access Agreement or as extended as provided in ~~paragraph~~Paragraph 11.1 of the Access Agreement, but subject to earlier termination by either party pursuant to the provisions of this Intergovernmental Agreement and the Access Agreement.

5. Non-Exclusive Rights. This Intergovernmental Agreement is non-exclusive and nothing herein shall prevent the Cities from accessing or using the Airport or shall prohibit the Cities from permitting other persons to access or use the Airport. Nothing herein shall be construed to bar the Cities from further alteration, development, expansion or improvement of the Airport, and the Cities expressly reserve the right to do so.

6. No Assignment. The District shall not sell, assign or otherwise transfer, by operation of law or otherwise, or make any attempt to sell, assign or otherwise transfer, by operation of law or otherwise, this Intergovernmental Agreement, or any rights, privileges or authorizations granted under this Intergovernmental Agreement. Any purported sale, assignment or other transfer of this Intergovernmental Agreement, or any rights, privileges or authorizations granted under this Intergovernmental Agreement, shall be deemed void.

7. Airpark Taxilane Signage. District shall place or post signs on the Airpark property to prohibit use of the Airpark taxilane or access to the Airport from the Airpark by unauthorized persons. Signs shall be placed so as not to interfere with or be an obstruction to taxiing aircraft. Cities may require the District to add, remove or replace signage, where the Airport ~~Manager~~Director or designee determines existing signage to be inadequate, improper or a safety hazard. The District shall be responsible for the maintenance of such signs.

8. Airpark Conditions.

8.1. No motor vehicle of any kind, except aircraft, airport service vehicles, emergency vehicles, Airport approved FBO service vehicles, airplane tugs, vehicles for towing aircraft, and vehicles performing maintenance/safety inspections of the taxilane/taxilane clearance areas, shall be used on the Airpark taxilane, except in areas specifically designated for motor vehicle use.

8.2. No motor vehicle of any kind or for any reason shall be parked upon, or impede aircraft movement on, the Airpark taxilane or any taxilane safety area except in the course of maintenance/safety inspections or maintenance of the taxilane/taxilane clearance area.

8.3. No person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination in the use of the Airpark taxilane; and the Lot Owners, their tenants, subtenants, guests and invitees, shall use the taxilane subject to the Airpark CC&R's and in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

9. Commercial Aeronautical Services Within the Adjacent Property and Airpark.

9.1 The Parties agree that the following commercial aeronautical activities that FBOs are authorized to conduct and provide to the general public on the Airport, as provided in Section 2.2 of the Airport Minimum Standards attached hereto as **EXHIBIT "C"**, shall not be permitted within the Adjacent Property and the Airpark except as otherwise expressly authorized in Paragraph 9.2 below: all of the Aircraft Line Services described in Section 2.2.1. of the Minimum Standards; aircraft, airframe and engine repair and maintenance; flight training; aircraft rental; and related other services such as the sale of sectional or world aeronautical charts covering the territory within 300 miles of the Airport, flashlight and batteries, and plotters and computers generally used by pilots for flight planning. Notwithstanding the foregoing, fuel and

other FBO goods and services may be delivered, provided and sold by any approved on-Airport FBO to customers located within the Airpark.

9.2 Notwithstanding the provisions of Paragraph 9.1 above, the following activities and uses shall be allowed to be conducted within the Adjacent Property and the Airpark: the construction, installation, maintenance and operation of a hangar or building or buildings to be used for the parking, storage, servicing, repair, maintenance, modification and construction of aircraft that are used for private corporate or personal use; aircraft research and development; aircraft manufacturing of parts and components; assembly of aircraft parts and components; final assembly of aircraft parts and components into completed aircraft; flight testing associated with assembled aircraft; painting of manufactured aircraft and parts; and air freight services such as those provided by United Parcel Service and Federal Express.

10. Airport Security Plan Compliance. District agrees that any access granted to the Airport from any portion of the Adjacent Property shall be contingent upon full compliance with any Transportation Security Administration ("TSA") and FAA rules, regulations or dictates on Airport security, and upon compliance with the Airport Security Plan, as they currently exist, or as they may be amended in the future. Accordingly, notwithstanding any conflicting provision herein, Airport access from the Adjacent Property shall be terminated by the Cities in the event of such noncompliance with TSA and FAA rules, regulations or dictates, or in the event of noncompliance with the Airport Security Plan or Airport Rules and Regulations. Prior to execution of this Intergovernmental Agreement the District shall submit and obtain approval by the Cities, TSA and FAA a detailed Airpark Security Plan describing procedures, equipment and methodology to ensure operational compliance with the Airport's Security Plan and TSA regulations. The Airpark Security Plan shall provide that it will be modified as necessary in the future to maintain full compliance with any new or amended TSA regulations. The cost of compliance with this Paragraph 10., including any required construction, maintenance, repairs and modifications, shall be the joint and severable obligation of the Developer, as provided in Paragraph 17. of the Access Agreement, and of the District. Unless specifically required by law and notwithstanding the foregoing, such compliance shall not be more restrictive than required elsewhere in the Airport under similar conditions and circumstances.

11. Non-liability.

11.1. Cities shall not be liable to the District or to any off-airport user for any acts or omissions of any person, whether or not a person authorized under this Intergovernmental Agreement, who enters the Airpark through the Point of Ingress/Egress; or for any conditions occurring on the Airpark or the Adjacent Property resulting from the operations or activities of any such person; or for any loss or damage to any personal property or equipment of the District, or any property owner or any tenant, subtenant, guest, invitee or other person with legal possession of any lot within the Airpark or the Adjacent Property, caused by or resulting from operations or activities of any person entering the Airpark through the Point of Ingress/Egress.

11.2. To the extent allowed by law the District, its successors and assigns, shall be liable to Cities for their respective acts or omissions arising under this Intergovernmental Agreement as a result of entering on to the Airport through the Point of Ingress/Egress; or for any

conditions occurring on the Airport resulting from their respective operations or activities; or for any loss or damage to any personal property or equipment of the Cities caused by or resulting from their operations or activities related to entering the Airport through the Point of Ingress/Egress.

11.3. Nothing within this Intergovernmental Agreement shall in any way or manner waive any defenses or limitations on damages provided for, under or pursuant to the Colorado Governmental Immunity Act (Sec. 24-10-101, et seq. C.R.S.), the Constitution, or the Charter, or under the common law or the laws of the State of Colorado, or of the United States, including but not limited to Section 42 U.S.C.1983.

12. Withdrawal of permission for any Person to Access or Use Airport. Pursuant to the Airport Rules and Regulations, the Airport ~~Manager~~Director may summarily deny access and use of the Airport to any person that is otherwise authorized to access and use the Airport pursuant to this Intergovernmental Agreement: who is in violation hereof or who violates Airport Rules and Regulations and is advised thereof but refuses to comply with such Rules and Regulations; provided, however, that such denial of access and use does not unreasonably impair the ability of the Districts to pay their indebtedness. Any person denied access and use of the Airport shall be given a reasonable opportunity to correct such action as gives rise to such denial of access and use. In addition, in the event the Airport ~~Manager~~Director denies access to any individual or entity, the District agrees to cooperate with the Airport ~~Manager~~Director and to take action to prevent such access by that individual or entity. Notwithstanding the foregoing, any person may be denied access to and use of the Airport, with or without the opportunity to correct a violation, if required by any FAA or TSA rule, regulation or determination or if necessary or appropriate to comply with the Cities' federal grant assurances, regardless of the impact of such a denial on the ability of the District to pay its indebtedness.

13. Notices. Unless otherwise expressly stated, all notices required or permitted to be given by either Cities or District shall be in writing and may be given in person or by United States mail or by delivery service. Any notice directed by Cities to District or by District to Cities shall become effective upon the earliest of the following: (i) actual receipt by the Cities or the District; (ii) personal delivery to the designated address of the Cities of the District; (iii) delivery by overnight courier; or (iv) if given by certified United States mail, return receipt requested, forty-eight (48) hours after deposit with the United States Postal Service, postage prepaid, addressed to that Cities or District at their respective designated address. The designated address of Cities or District shall be the address indicated below or such other address as Cities or District, from time to time, may specify by written notice to the other:

Cities:

Fort Collins City Clerk
City Hall West
300 LaPorte Avenue
Fort Collins, CO 80521

and

Loveland City Clerk
500 E. 3rd St., Ste. 230
Loveland, CO 8053

With copies to:

Fort Collins/Loveland Municipal Airport ~~Manager~~Director
4900 Earhart Road
Loveland, CO 80538

District:

With copies to:

Martin Lind
Rocky Mountain Airport Investments, LLC
1625 Pelican Lakes Point, Suite 201
Windsor, Colorado 80550

~~Ted T. Svitavsky~~Gary R. White
~~Rocky Mountain Airport Investments, LLC~~
~~1625 Pelican Lakes Point~~ White, Bear & Ankele Professional
Corporation
2154 East Commons Avenue, Suite ~~201~~2000
~~Windsor, Colorado 80550~~
Centennial, CO 80122

14. Miscellaneous Provisions.

14.1. Modification and Waiver. Except as expressly provided herein to the contrary, no supplement, modification or amendment of any term of this Intergovernmental Agreement shall be deemed binding or effective unless in writing and signed by Cities and accepted by District.

14.2. Exhibits. The Exhibits referred to herein and attached hereto (the "Exhibits") are incorporated herein by reference.

14.3. Time is of the Essence. Whenever this Agreement sets forth any time for any act to be performed by any of the parties, such time shall be deemed to be of the essence under this Intergovernmental Agreement.

14.4. Severability. Whenever possible, each provision of this Intergovernmental Agreement shall be interpreted in such a manner as to be valid under applicable law, but if any provision of this Agreement shall be deemed invalid or prohibited thereunder, such provision shall be deemed severed from this Intergovernmental Agreement, and this Intergovernmental Agreement shall otherwise remain in full force and effect.

14.5. Entire Terms. All terms and conditions contained in any other writings previously executed by the parties and all prior and contemporaneous arrangements and understandings between the parties are superseded hereby. No agreements, statements or promises about the subject matter hereof shall be binding or valid unless they are contained herein.

14.6. No Waiver. District shall not be excused from complying with any of the terms and conditions of this Intergovernmental Agreement by any failure of Cities upon any one or more occasions to insist upon or to seek compliance with any such terms and conditions.

14.7. Applicable Law. This Intergovernmental Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Colorado and venue for any judicial proceedings to enforce this Agreement shall be in Larimer County District Court, except that venue for any federal cause of action shall be in the United States District Court for the District of Colorado, Denver Colorado.

14.8. Headings and Construction. The descriptive headings of the paragraphs of this Intergovernmental Agreement are inserted only for convenience and shall not define, limit, extend, control or affect the meaning of construction of any provision herein. Where the context requires herein, the singular shall be construed as the plural, and neuter pronouns shall be construed as masculine and feminine pronouns, and vice versa. This Intergovernmental Agreement shall be construed according to its fair meaning and any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Intergovernmental Agreement.

14.9. Force Majeure. With respect to any provision of this Intergovernmental Agreement, the violation or noncompliance with which could result in the imposition of revocation or other sanction upon District, such violation or noncompliance shall be excused where such violation or noncompliance is the result of acts of God, war, civil disturbance, strike or other labor unrest, or similar events, the occurrence of which was not reasonably foreseeable by District and is beyond its reasonable control.

14.10. Subordination to Federal and State Agreements. The provisions of this Intergovernmental Agreement shall be subordinate to any existing or future agreement between Cities and the United States Government or the State of Colorado relative to the operation or maintenance of the Ft. Collins/Loveland Municipal Airport, the execution of which has been or may be required as a condition precedent to the receipt of Federal or State funds for the

development of the Airport. Failure of the District to comply with and/or to ensure that the Lot Owners comply with any of the requirements of any existing or future agreement between the Cities and the United States Government or the State of Colorado shall be cause for immediate termination of this Intergovernmental Agreement by the Cities. During a time of war or national emergency, Cities shall have the right to lease the landing area or any part thereof- to the United States Government for military or other Federal or State Government purposes, and, if such lease is executed, the provisions of this Intergovernmental Agreement, insofar as they are inconsistent with the provisions of the lease to the government, shall be suspended and reinstated at such time as the lease with the Federal or State Government is terminated. Suspended time shall be considered as part of the term of this Intergovernmental Agreement and will not extend the expiration date of this Intergovernmental Agreement. Any fees pertaining to the non-exclusive grant of easement contained within this document will be waived during the suspended time defined within this paragraph.

14.11. No Agency. The provisions of this Intergovernmental Agreement shall not be deemed to make District, or any of its officers, employees or agents, an officer, employee or agent of the Cities; or to make Cities, or any of their officers, employees or agents an officer, employee or agent of District.

14.12. No Partnership; Third Parties. It is not intended by this Intergovernmental Agreement to, and nothing contained in this Intergovernmental Agreement shall, create any partnership, joint venture or other arrangement between District and Cities. No term or provision of this Intergovernmental Agreement is intended to, or shall, be for the benefit of any person, firm, organization or corporation not a party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.

14.13. Effective Date. This Intergovernmental Agreement shall become effective upon its execution by both the Mayor of the Cities of Fort Collins and Loveland and by the authorized agent or officer of the District, and upon the document as fully executed being filed with the Fort Collins/Loveland City Clerk.

14.14. Cities' Right to Develop the Airport. Cities reserve their right to further alter, develop, expand or improve the Airport or, in their sole discretion, to close the Airport. In the event that the Cities close the Airport, this Intergovernmental Agreement and any access to the Airport granted pursuant to this Intergovernmental Agreement shall immediately terminate.

14.15. Survival of Terms. To the extent necessary to carry out all of the financial and performance obligations that may have accrued under this Agreement as of the date of the termination of this Agreement, such financial and performance obligations shall continue to be enforceable under this Agreement beyond that termination date.

14.16. Third Party Beneficiaries. No rights created in favor of any party to this Agreement shall be construed as benefiting any other person or entity that is not a party to this Agreement.

14.17. Litigation Expenses and Attorneys' Fees. In the event of the default of any of the provisions hereof by either party, as determined by a court of competent jurisdiction, the

defaulting party shall be liable to the non-defaulting party for the non-defaulting party's reasonable costs of litigation incurred by reason of the default, including reasonable attorneys' fees.

15. Remedies.

15.1. In the event of default by District, Cities may: (i) cancel this Agreement sixty (60) days after Cities give written notice to District of the default, if within such period the default has not been cured; or (ii) where the default has caused a monetary loss to Cities or may expose Cities to liability for money damages, Cities may, if the default has not been cured within the sixty (60) day period, proceed with whatever steps Cities may deem necessary in order to enforce the rights and remedies available to Cities under this Agreement, at law or in equity, including, without limitation, the right of specific performance of this Agreement or to recover its damages from District.

15.2 In the event of default by Cities, District may: (i) cancel this Agreement sixty (60) days after District gives written notice to Cities of the default, if within such period the default has not been cured; or (ii) where the default has caused a monetary loss to District or may expose District to liability for money damages, District may, if the default has not been cured within the sixty (60) day period, proceed with whatever steps District may deem necessary in order to enforce the rights and remedies available to District under this Agreement, at law or in equity, including, without limitation, the right of specific performance of this Agreement or to recover its damages from Cities.

16. Compliance with the Airport Minimum Standards. All commercial aeronautical uses within the Adjacent Property shall maintain full compliance with the Airport Minimum Standards as they currently exist, or as they may be amended in the future by public action of the City Councils of each City. Accordingly, District agrees that any access granted to the Airport from any portion of the Adjacent Property shall be contingent upon full compliance with the Airport Minimum Standards for the Airport dated ~~_____~~, September 26, 2008, a copy of which is attached hereto and incorporated herein by this reference as **EXHIBIT "C"**, and as they may be amended in the future by public action of the City Councils of each City or as set forth in the Airport Intergovernmental Agreement between the Cities. However, based on the mill levy-based fee set forth in this Agreement, the Cities agree that under this Agreement that the District satisfies the financial surety requirements of Section 1.7.4 of the Minimum Standards. In addition, the Parties agree that if any provision of the Minimum Standards is in conflict with a provision of this Agreement, the provisions of the Minimum Standards shall control over the conflicting provision in this Agreement as applied to commercial aeronautical uses on the Adjacent Property unless this Agreement expressly provides that the provision of this Agreement shall control over the conflicting provision of the Minimum Standards.

17. Compliance with Grant Assurances. In the event that the FAA notifies the Cities verbally or in writing of an alleged violation of its grant assurances to the FAA as a result of this Agreement, or as a result of the action or inaction of any off-airport uses, the District shall fully

cooperate with the Cities to immediately rectify such violation. In the event that the FAA notifies the Cities formally of such a violation, such as but not limited to notification by a Director's Determination, the Cities may, in their sole discretion and without being required to appeal any such FAA determination, terminate this Agreement and any access to the Airport granted pursuant to this Agreement. However, if the FAA grants to the Cities a period of time to cure the violation, the Cities agree, prior to such termination, to allow the District that period of time to cure the circumstances causing the grant assurance violation.

18. Preservation of public health, safety and welfare. Nothing herein shall be construed as a waiver of the Cities' police power to protect the public health, safety and welfare. Accordingly, notwithstanding any conflicting provision herein, the Cities may terminate this Agreement and any access to the Airport granted pursuant to this Agreement as needed to protect the public health, safety and welfare or as required by a federal, state or local agency, providing in the case of termination, the District is given the rights to cure set forth in Paragraph 17 of this Intergovernmental Agreement. Temporary termination of access may occur without an opportunity to cure in emergency situations as determined by the Airport ~~Manager~~Director. If the Airport ~~Manager~~Director temporarily terminates access due to an emergency situation, the Airport ~~Manager~~Director shall provide the District(s) with a written explanation of the reasons for the closure and an estimated opening date.

19. Successor to Developer. For the purpose of ensuring the satisfaction of the Developer's financial obligations under the Access Agreement to the Cities, the District shall be considered a successor in interest to the Developer and the District shall be jointly and severally liable to the Cities for such obligations if for any reason the Developer cannot meet or satisfy its financial obligations to the Cities under the Access Agreement.

CITY OF FORT COLLINS, a Colorado home rule municipality

By: _____
Darin Atteberry, Fort Collins City Manager

ATTEST:

Fort Collins City Clerk

APPROVED AS TO FORM:

_____, Fort Collins City Attorney

CITY OF LOVELAND, a Colorado home rule municipality

By: _____
~~Don F. Williams~~ William D. Cahill, Loveland City Manager

ATTEST:

Loveland City Clerk

APPROVED AS TO FORM:

_____, Loveland City Attorney

METRO DISTRICT:

_____, a Colorado Metro District

By: _____
Its: _____

EXHIBIT “A”
(The “Airport”)

EXHIBIT “B”

(Adjacent Property, including separate legal descriptions and drawings of the “southeast parcel”
and the “north parcel,” and the Airpark)

EXHIBIT “C”
(AIRPORT MINIMUM STANDARDS)

These will be the same Minimum Standards as are attached as Exhibit “F” to the Access Agreement.