

# AGENDA ITEM #18A.

## CITY OF STEAMBOAT SPRINGS

Regular Meeting NO. 2017-33

Tuesday, December 19, 2017

City Council Members present: City Council President Lacy, Council Member Crossan, Council Member Ford City Council President Pro Tem Meyer, Council Member Sloop, Council Member Petis and Council Member Macys.

Staff Members present: Gary Suiter, City Manager; Kim Weber, Director of Financial Services; Julie Franklin, City Clerk; John Overstreet, Director of Parks and Recreation; Dan Foote, City Attorney; Cory Christensen, Chief of Police; Jon Snyder, Public Works Director; Winnie DelliQuadri, Assistant to the City Manager; Mike Lane, Communications Manager; Mel Stewart, Fire Chief; Alan Lind, Director of General Services; Sue Davies, Budget and Tax Supervisor; Rebecca Bessey, Principal Planner; Bob Keenan, City Planner; and Kyrill Kretzschmar, Recreation and Enterprise Supervisor.

### PLEDGE OF ALLEGIANCE

### PROCLAMATIONS, INTRODUCTIONS, RECOGNITIONS:

### CONSENT CALENDAR - PLANNING COMMISSION REFERRALS:

- RESOLUTION:** A resolution of the City Council of the City of Steamboat Springs approving an application for a Preliminary Plat #PP-17-08, Norvell Addition Block 2, Lots 11-14 (221 Hill Street).  
**PETITION:** A Preliminary Plat for a two lot subdivision and variances to minimum lot size, corner lot size, and side setbacks.  
**APPLICANT:** Raymond Gene Heid, c/o Bear Ackerman  
**PLANNING COMMISSION VOTE:** Approved 6-0 on November 16, 2017.

City Council President Lacy read the resolution title into the record.

- FIRST READING OF ORDINANCE:** An ordinance ratifying and adopting the official zone map of the City of Steamboat Springs; repealing all conflicting ordinances; providing for severability; and providing an effective date.

City Council President Lacy read the ordinance title into the record.

**MOTION:** City Council President Pro Tem Meyer moved and Council Member Macys seconded to approve items 1 and 2 of the Planning Consent Calendar.

The motion carried 7/0.

**COMMUNITY REPORTS/CITY COUNCIL DISCUSSION TOPIC:**

**3. Accommodation Tax Trails Committee-Interviews.**

Council Member Sloop disclosed that one of the applicants contributed to her campaign. City Council President Lacy and Meyer stated that was most likely the case for them as well. Council felt it was appropriate for all to remain seated.

Council interviewed Pete Wither, John Wade, Gavin Malia and David Scully. Dan Bonner was not able to attend. By ballot vote Council selected Peter Wither, Gavin Malia, David Scully and Dan Bonner.

**4. Education Fund Board Update.**

Mr. Sam Jones provided background of the Education Fund noting that they will attempt to renew with the voters in November of 2018 for a tax to begin in 2019. Last year record revenues. Make up of board and grants commission. Audit was good. Mission statement. Have a fairly robust campaign on the website. Standards and procedures for the fund. Budget. Administratively under 1%. Looking ahead MOU allows the City to collect 1% fee may ask for .5% and reallocate those funds to the schools.

Discussion took place relative, but not limited to: the need for a cushion in reserves; recovery funds; sales tax on groceries and utilities; and concern with piecemeal taxing.

PUBLIC COMMENT: No one appeared for public comment.

**5. User Fee Committee Recommendation.**

Ms. Weber provided a PowerPoint presentation reviewing the following: where we have been; Clerk's Office and Finance Department; Fire Department; GIS; Planning and Community Development; Police; Public Works; and next steps.

Discussion commenced on the Special Event process.

City Council President Pro Tem Meyer stated that the process she and Council Member Petis went through with the department heads was very informative and thorough. The fees are defensible; this process should be repeated on a more frequent basis and implemented with a phased approach.

Council Member Petis added that they also looked at whether fees were too high. This was a worthwhile, good exercise.

Mr. Suiter noted that these are not based on the consumer price index, rather supply and demand and they will be evaluated every year.

Ms. Weber noted that most fees will not be implemented January 1; there will be an advertisement period.

Council Member Macys voiced concern that the Charter says that the City Manager sets fees and noted the need to be consistent. Mr. Foote clarified that the code says that if a fee is not set in the code then it is set by the City Manager.

City Council President Lacy stated that he is not comfortable with any fee over 100%.

Council Member Sloop would like to see a fee special events this year. Ms. DelliQuadri noted that staff is still in the evaluation process with the Chamber and will be having a worksession with Council soon. A fee will not likely be determined until 2018 with the intent to give event planners notice to plan for their 2019 budgets.

PUBLIC COMMENT:

Ms. Helen Beall, Steamboat Soccer Club, voiced concern with potential field user fees. She stated that the Club provides high quality programs for the community and increased fees could be a hurdle to allowing all kids to play. She also voiced concern with fees for Special Event permits and Community Service Officers.

City Council President Lacy asked if any of the fees seemed out of the ordinary. Ms. Weber stated not much; some municipalities are at 100% cost recovery. She noted that Parks and Recreation fees were not included in the process and will be evaluated as a part of the Master Plan process.

**6. Multi-Purpose Facility Update.**

City Council President Lacy disclosed that his law partner represents The Wranglers hockey team so he will not weigh in on those items.

Ms. DelliQuadri reviewed the following:

- Plan A: Full Multi-use Facility with sports/ice area, operating connections, locker rooms and lobby. (This was the stakeholder group's initial proposal.)
- Plan B: Multi-use Facility with sports/ice area, operating connections, modular locker rooms. (This is a stand-alone first phase of Plan A. It was developed by the stakeholder group to respond to the Accommodation Tax Committee's desire to see a Phase I scaled down version of the project.)

- Plan C: Full Multi-use Facility with sports/ice area, operating connections, locker rooms and lobby and youth programming incorporated into the facility in the area of the lobby. (This is a new plan that would accommodate council's desire to look at the feasibility of adding youth programming spaces to the new facility.)

Items for direction:

1. Is City Council okay with the proposed fundraising sequence? Funds raised through fundraising would complete one item, at actual cost, before funding the next item. Staff developed the fundraising sequence to ensure operation of the Plan B facility in a manner which would meet the financial pro-forma. If this fundraising sequence is acceptable, staff will draft an memorandum of understanding (MOU) with the fundraising committee to cement this understanding.

#### **UNANIMOUS CONSENT**

2. Is City Council okay with the construction timeline for Plan B? Council directed staff to return with a construction timeline. The proposed timeline would meet both the 2A requirement and the major donor requirement for the facility (Plan B) to be built in 2018.

Council Member Sloop voiced concern with construction material.

#### **UNANIMOUS CONSENT**

3. Is City Council okay with moving forward with a fundraising plan, but without the actual donation, in hand? Plan B requires \$300,000 in private fundraising. While the fundraising committee is moving forward strongly on this element and is confident that they will reach this goal, there is risk that they may not reach the \$300,000 needed for Plan B in the next 6 – 9 months.

Council Member Macys voiced concern with this item. She is not comfortable that legal has not had a chance to review the MOU yet.

Council Member Sloop noted that if the City does not get the grant the number would be \$650,000. However, we have a donor willing to do this this year and if we push it out we could lose future donations.

Council Member Macys stated that the contract has real property decisions that typically require two readings of an ordinance like operations and naming things.

### **MAJORITY CONSENT**

Council Member Ford and Macys did not support this.

4. Is City Council okay with guaranteeing that Plan B will be constructed in 2018? This is a requirement of the contract with the major donor and of the 2A Accommodations Tax funds. There are three financial risks associated with this commitment, in that private fundraising dollars and the Great Outdoors Colorado (GOCO) grant are not in hand. In addition, the project budget is based on current project cost estimating. There is the risk that actual costs could be larger than current budget estimates. Staff thinks that the financial risk to the General Fund could be mitigated by future Accommodations Tax dollars – Council could choose to utilize 2018 and, if needed, 2019 2A Accommodations Tax excess funds in order to ensure that these financial risks did not hit the General Fund. Accommodations Tax excess funds are projected to be \$400,000 or more in 2018.

### **UNANIMOUS CONSENT**

5. Is City Council okay with the fundraising committee naming locker rooms, benches, boards, flooring, and other elements of the new facility? Naming rights are proposed in the fundraising committee's fundraising plan – see attached.

Council Member Sloop stated that this is no different than other facilities and is a public/private partnership.

Council Member Macys does not support this because it goes against the City's policy on naming rights. DelliQuadri noted that it is naming an element of the facility, not the whole facility.

### **MAJORITY CONSENT**

6. Is City Council okay with modifying the city's agreement with the Wranglers to make clear that the Wranglers contract (which expires at the end of the 2017-2018 season, but which can be renewed) does not include the new facility and to remove the locker rooms of the current facility from the advertising rights clause of the Wranglers contract for advertising rights within the Ice Arena Facility?

## **UNANIMOUS CONSENT**

7. Is City Council okay with providing a naming opportunity in return for the major donation? The major donor would like a naming opportunity in return for their gift. Staff would propose naming the new multi-modal facility (as part of the overall Howelsen Ice Arena) the Craig-Scheckman Youth Sports facility. This name would go through the City's naming process, and would conform to policy, which is attached.

Ms. DelliQuadri explained that this has not gone through the Parks and Recreation Commission yet so it is out of order in the process. She reviewed the naming rights criteria.

## **UNANIMOUS CONSENT**

8. Is the City okay with guaranteeing increased youth hockey time in the new facility? Youth hockey would be defined broadly to include "learn to" programs as well as youth recreational and competitive teams. Staff feels this is reasonable as staff's analysis, within the project pro-forma, is that the Steamboat Springs Youth Hockey Association would have ice time in the new Multi Use facility from 3 pm to 6:15pm Tuesday through Friday and 6:30pm to 8:30pm on Monday during the Hockey season.

Council Member Crossan would like to review the programming piece after 10 years.

Council Member Macys does not support allowing a donor dictate our operations but the ability to review it frequently helps. Mr. Foote stated that staff could execute the document administratively and bring back a more formal document next year.

City Council President Pro Tem Meyer is concerned with being too specific on things like the youth hours; she would like more flexibility. She suggested having it just say that the intent is to increase youth hockey time.

## **MAJORITY CONSENT**

Council Member Ford asked if the GOCO grant requires us to provide programming. DelliQuadri stated no, we have to maintain the facility but not run programs.

## PUBLIC COMMENT:

Mr. Bill Jameson suggested that the City step back and address this project with more 2A funds. The city should not be bankrolling the operation; what happens if the private fundraising does not come through. Who will step up if they know that the City will bankroll this?

Mr. Kerry Shea stated that they have been in the City process for a number of years and the motivation, commitment and energy are there. There are a number of things to orchestrate and they are working hard to get the fundraising campaign going. However, this step needed to happen before they could engage in that effort. The donor is working with them for additional fundraising opportunities and resources.

Council Member Sloop stated that there has got to be some way to “hold their feet to the fire” via MOU down the road to ensure that the City is footing the bill.

Council Member Crossan asked what happens if we do not get the grant. Mr. Foote stated that we can’t appropriate the funds if we do not get the grant.

Council Member Macys stated that she has full faith in The Scheckman Foundation and that all will do their best to fundraise; her concern is that internally we are foregoing our process and moving too quickly.

## **GENERAL PUBLIC COMMENT**

Ms. Kathy Connell, Steamboat Digs Dogs, noted the need for more signage about poop clean up in the off leash areas and that they are moving forward with the design of Rita Valentine Park Phase 1. With respect to the proposed amphitheater at Spring Creek she noted the need to work together to multi use the sites. Perhaps Spring Creek could be redesigned, as long as they do not lose the off leash right.

Mr. Stuart Handloff, Steamboat Pktnik Theater Art Director, noted that Spring Creek Park is very popular and the City is about to decommission the ponds. He encouraged Council to look at a design worthy of all the amenities that the park offers. He does not feel that there was public input on the plan. He stated that the Theater Board’s proposal for the park offers many amenities but it has not been given the review it deserves. He would like Council to wait to do this even though the failing damn structure makes it urgent.

Mr. Larry Kleman stated that the current performing venues have issues and the Spring Creek spot has acoustical value and would be a permanent structure with low maintenance for the community to gather. He asked that the City step back on the current project.

**CONSENT CALENDAR: MOTIONS, RESOLUTIONS AND ORDINANCES  
FIRST READINGS**

7. **MOTION: A motion to accept the user fee recommendation and allow the City Manager to implement the adjusted user fees.**

City Council President Lacy read the motion into the record.

8. **RESOLUTION: A resolution appointing members to the Golf Management Committee.**

City Council President Lacy read the resolution title into the record.

**MOTION:** Council Member Crossan moved and City Council President Pro Tem Meyer seconded to approve items 7 & 8 of the Consent Calendar.

The motion carried 7/0.

**PUBLIC HEARING: MOTIONS, RESOLUTIONS AND ORDINANCES**

9. **SECOND READING OF ORDINANCE: Fourth supplemental appropriation ordinance (Accommodations Tax Fund).**

City Council President Lacy read the ordinance title into the record.

Ms. Weber noted that the City Attorney added some language that states that the projects serve the purposes of the accommodations tax per the terms of the November 4, 1986 ballot language.

PUBLIC COMMENT: No one appeared for public comment.

**MOTION:** Council Member Crossan moved and Council Member Macys seconded to approve the second reading of the Fourth supplemental appropriation ordinance (Accommodations Tax Fund) as amended.

The motion carried 7/0.

**PARKS AND RECREATION COMMISSION REPORT**

There was no report.

**PLANNING COMMISSION REPORT**

There was no report.

## **PUBLIC HEARING – PLANNING COMMISSION REFERRALS**

- 10. APPEAL: DPF-17-09, Elk River Road Business Park F, L7.**  
**PETITION:** Appeal the denial of a final development plan for two mixed use buildings with variances to urban design standards and conditional use for multi-family on the ground floor.  
**LOCATION:** 2835 & 2850 Downhill Plaza.  
**APPLICANT:** Les Liman c/o Caryn Mielke, SEAD.  
**PLANNING COMMISSION VOTE:** Denied 4-2 on November 16, 2017.

*This item was postponed from the December 5, 2017 meeting.*

Council Members Lacy and Ford stepped down.

City Council President Pro Tem Meyer read the appeal into the record.

Ms. Stauffer stated that the 2 buildings include 10 residential and 10 industrial units with 2 variances and a conditional use. After the denial the applicant removed one variance (parking buffer), the remaining variance is for building orientation and parking. They now have an 8 foot parking buffer. The conditional use is for multi-family on the ground floor. Staff recommends approval of the conditional use with the conditions.

Steve Moore, Steamboat Engineering and Architectural Designs (SEAD), reviewed the changes to the project since the Planning Commission denial.

Ms. Caryn Mielke, SEAD, provided a PowerPoint presentation reviewing the following: response to Planning Commission denial; reasons for variance (building orientation): to meet the Community Development Code (CDC) for single frontage, to most efficiently satisfy other confines and requirement and to harmonize with surrounding properties; alternative site plan; proposed site plan; photo study map; adverse impact mitigation; solution to mitigate adverse impacts; existing versus proposed – Lot 7; existing tree buffer at building 600; reason for conditional use: one accessible dwelling unit required for 1-25 units; solution to mitigate adverse impacts; proposed unit not located along public street or frontage; meets general intent of urban design standards; and verifying the primary use is industrial.

Discussion took place relative, but not limited to: American's with Disabilities Act (ADA) compliance in the live/work units; the updated International Building Code;

### **PUBLIC COMMENT:**

Mr. Bill Jameson urged Council to deny the appeal; there is no argument as to why they can't put the parking in the back.

Mr. Moore noted that the Code requires deciduous trees though they would have preferred to use conifer. The intent of the parking requirement is to screen the parking and there are several developments that have gone in after the design standards were put in place where the parking is visible. The tier proposal maximizes the site and is consistent with the surrounding properties.

Mr. Les Liman, applicant, stated that the problem with putting the building to the front of the lot is that the lab organics would be using intake air where the industrial is.

Council Member Petis stated that the trouble with the conditional use is that there are unanswered questions about ADA requirements.

Council Member Sloop likes the building at the back of the lot and agrees with the parking. She struggles with getting involved in a building department process. Is there a way to approve the project with the ADA unit if the Building Department says it is required? Mr. Foote stated that it could be approved conditioned upon if the unit is required.

Council Member Macys stated that she would be surprised if the Building Department would impose a condition that wasn't required. This is a practical solution.

Council Member Petis stated that the issue is ADA required with live/work units and are they choosing to make this multi-family? This isn't a residential area so is this appropriate on the ground floor?

Council Member Crossan stated that she is okay with the parking and noted that the ADA language can be added to the motion with a condition.

Council Member Macys stated that the appellant has moved in the direction to address the Planning Commission's concerns so it is not worth hanging this up.

City Council President Pro Tem Meyer is okay with changes and agrees that the reasons are well founded. The changes are not dramatic enough to remand this back to the Planning Commission. She is okay with the parking and with a condition to verify the ADA requirement.

CONDITIONS:

1. With approval of the development permit, a Development Agreement shall be recorded that indicates how parking spaces will be coordinated, restricted, and/or allocated to potential tenants or owners. The agreement shall also include restrictions or notice that the area is in the Airport Influence Zone.

2. Drainage for Lot 7 shall be shared with Lot 8 and shall in part be located on Lot 8. Any existing trees on Lot 8 removed by creation of drainage facilities for this project shall be replaced in kind by the owner of Lot 7 placed on Lot 8.
3. All easements and development agreement shall be recorded with development plan approval, prior to building permit issuance.
4. The developer shall pay proportionate share of potential future intersection improvements at Downhill Drive/US40 intersection, calculated at 0.17% of current cost basis for intersection improvements (\$6,440,000) or \$10,948. Payment shall be submitted prior to issuance of a Building Permit.
5. The following items are considered critical improvements and must be constructed prior issuance of CO.
  - Drainage infrastructure and Storm water quality features.
  - Driveway, and parking areas.
  - Establishment of vegetation on the site.
6. Civil construction plans prepared by a civil engineer licensed in the state of Colorado must be submitted to Public Works for review by Public Works, Planning, and City Water and Sewer for review and approval prior to the start of any construction. We recommend submitting the construction plans a minimum of five weeks prior to start of construction.
7. Construction or placement of any improvements within a public utility easement including but not limited to trees, boulders, fences, berms, structures, private utility lines etc. that impairs the use of the easement as intended is precluded.
8. The existing sanitary sewer main that the proposed project intends to tie to is a private sanitary sewer main, maintained by ACZ Laboratories, Inc. (Owner is Les Liman). A connection agreement must be executed prior to City Water and Sewer approval of the sanitary sewer infrastructure.

**MOTION:** Council Member Sloop moved and Council Member Macys seconded to overturn the denial satisfying conditions 1-8 and noting that the proposed conditional use approval for a residential unit on the ground floor will improve the application of other code standards and/or intents relating to accessibility requirements.

The motion carried 5/0. Council Members Lacy and Ford stepped down.

Council Members Lacy and Ford returned to the meeting.

## REPORTS

### 11. City Council

Council Member Macys stated that Ms. Romero Heaney asked her to join in on a meeting on the water fund with the Yampa Valley Community Foundation and The Nature Conservancy. This would be a good opportunity to continue the conversation about water. **UNANIMOUS CONSENT:** Council Member Macys to attend these meetings

Council Member Macys noted that she received a constituent request that the Howelsen Hill free ski days be offered one time during the week. Ms. DelliQuadri stated that it will free with entire week of Winter Carnival with the button. City Council President Lacy also noted that there is no lift operating during the week.

With respect to Spring Creek Council Member Macys stated that she was surprised to hear how senior the City's rights are there and that is okay for now, but if something changed the dog park could be a concern. She asked about Mr. Handloff's proposal. Mr. Overstreet stated that at the last Parks and Recreation Commission meeting the amphitheater was proposed. It is a 200-300 seat venue with a compostable toilet and would require road and trail improvements. Phase 1 would be the dam project that the City is doing now and phase 2 would be the amphitheater. Permitting is ready to be signed now and if the project is pushed back it will cost the City time and money. City Council President Lacy asked if this is a significant situation. Mr. Snyder stated yes; this City has been on the list as needing to do something about the dam situation for several years this year is our deadline.

Council Member Sloop wondered if we informing the public in the right way about what will happen at Spring Creek and if we have vetted is publicly enough (even though it is mandated). Council Member Macys stated that this is different than planning a park; could there be another use in conjunction with the dam project?

Council Member Crossan stated that it did go through the process but now there is a different design proposal that we need to get that out there. However, she does not want to "put the brakes on".

City Council President Pro Tem Meyer noted the need for a bigger discussion on what is being proposed or if it is the right location for an amphitheater.

Mr. Suiter suggested adding a Community Report to the January 9, 2018 agenda. We may be able to preserve options for the future with design.

Council Member Sloop stated that she and Council Member Crossan we notified that the Winter Sports Club is close to providing the proposed revisions to the joint use agreement (JUA).

City Council President Pro Tem Meyer gave thanks to staff for the Continental Cup; Parks and Recreation staff were very helpful, Mr. Nelson was the Chief of Course on his own time and Fleet Maintenance was on standby. It was a community effort and she will provide a report on the economic impacts.

**12. Reports**

**a. Agenda Review:**

- 1.) Regular Meeting, January 9, 2018.
- 2.) Regular Meeting, January 16, 2018.
- 3.) Regular Meeting, January 23, 2018.
- 4.) Regular Meeting, February 6, 2018.
- 5.) Tentative Worksession Schedule.

Council reviewed the above agendas.

**13. Staff Reports**

**a. City Attorney's Update/Report.**

- 1.) Update on Combined Law Enforcement Facility (CLEF) Intergovernmental Agreement.

Mr. Foote reported on the term sheet that guides the intergovernmental agreement (IGA) that will govern construction of the CLEF. The County has looked at it and there does not seem to be any major problems; though there are some details to iron out. There will be a phased guaranteed maximum price. City Council President Pro Tem Meyer explained that the reason for this is that we have applied for a grant and in that process the City can't enter into a contract until the grant is awarded and signed; that could be in June. This would allow a contractor get started on excavation while not "saying go" on the bulk of the building. Council Member Sloop voiced concern with increasing prices while things are on hold; she wants firm numbers. Can we negotiate a unit price without making it contractual? City Council President Pro Tem Meyer suggested doing the excavation and get a firm price on the steel and concrete.

Mr. Foote provided the last section of the Ethics Code. Council had no edits. **DIRECTION:** Bring the Ethics Code back for adoption.

**b. City Manager's Report.**

Mr. Suiter provided a written report. He further spoke to the following:

1. Kudos to Information Technology for the tireless work to fix the network issues.
2. Kudos to staff for their work on the Continental Cup.

3. The Golf Committee has been looking at different management models to bring the pro in-house with not a large budget impact. We have received proposals from golf management companies and will advertise and do a request for qualifications (RFQ). This would require modifying the ordinance that created the committee.
4. Acknowledge Council for the productive retreat.
5. Noted that the new agenda format requires approval by motion. **MOTION:** Council Member Macys moved and Council Member Ford seconded to move Council and the City Manager's Reports to the beginning of the agenda and the Planning Consent Calendar whenever appropriated.

The motion carried 7/0.

6. Provided the 2017 Special Event Funding final report as well as the Free Summer Concert Series report.
7. Provided the 2018-2019 draft goals and working agreements.

Discussion took place relative, but not limited to: Wyndham Resorts' interest in City Hall, and Emergency preparedness.

**c. Planning Department Update.**

Mr. Gibbs provided a PowerPoint presentation reviewing the following: Planning is fully staffed; accomplishments; Code enforcement; policy work plan; planning and development process improvement report; long range planning; and process improvement report recommends three to five year work plan for long range planning.

Discussion took place relative, but not limited to: software improvements; records storage; update of the Base Area Plan; and policy prioritization.

**ADJOURNMENT**

**MOTION:** Council Member Ford moved and Council Member Macys seconded to adjourn at 10:03pm.

The motion carried 7/0.

**MINUTES PREPARED, REVIEWED AND RESPECTFULLY SUBMITTED BY:**

Julie Franklin, CMC  
City Clerk

**APPROVED THIS \_\_\_\_ DAY OF \_\_\_\_, 2018.**