

A regular meeting of the Montrose City Council was held on Tuesday, August 16, 2022, at 6:00 p.m. in the City Council Chambers of the Elks Civic Building. Said meeting was posted in accordance with the Sunshine Law.

PRESENT: Dave Frank, Barbara Bynum, Doug Glaspell, J. David Reed, Ed Ulibarri, Bill Bell, Ben Morris, Ann Morgenthauer, Chris Dowsey, Blaine Hall, Greg Story, Lisa DelPiccolo, Scott Murphy, Shani Wittenberg, Matt Goetsch, Jace Hochwalt, Ross Valdez, William Reis

GUESTS: Steve Stevenson, Matt Miles, Marcie Miles, Jon Kornbluh, Shauna Mikelich, Robert Ross, Darlene Mora, Kathy Cordova, Bud Taylor

CALL TO ORDER

Mayor Dave Frank called the meeting to order at 6:00 p.m.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

CHANGES TO THE AGENDA

No changes were made to the agenda.

MEXICAN AMERICAN DEVELOPMENT ASSOCIATION DAY PROCLAMATION

Mayor Dave Frank and the Montrose City Council proclaimed Saturday, August 20, 2022, as Mexican American Development Association Day in the City of Montrose. The proclamation was presented to Darlene Mora and Kathy Cordova with MADA.

CALL FOR PUBLIC COMMENT

Kathy Cordova, chair of the MADA Board of Directors, invited the community to the MADA 50th Anniversary Fiesta on Saturday, August 20, at the MADA building and in LaRaza Park.

APPROVAL OF MINUTES

City Council considered the minutes of the August 2, 2022, regular City Council meeting.

A motion was made by J. David Reed, seconded by Barbara Bynum, to approve the minutes of the August 2, 2022, regular City Council meeting as presented. All voted yes. Motion passed.

SPECIAL EVENTS ALCOHOL PERMIT

City Council considered the approval of a Special Events Permit to serve alcohol in conjunction with the closure of N. Sixth Street and Ute Avenue for the MADA 50th Anniversary Fiesta on August 20, 2022.

A motion was made by J. David Reed, seconded by Barbara Bynum, to approve a Special Events Permit to serve alcohol in conjunction with the closure of N. Sixth Street and Ute Avenue Saturday, August 20, 2022, as presented. All voted yes. Motion passed.

SPECIAL EVENTS ALCOHOL PERMIT

City Council considered the approval of a Special Events Permit to serve alcohol in conjunction with the closure of N. Uncompahgre Avenue for the Greater Montrose Chamber of Commerce Business After Hours event on August 25, 2022.

A motion was made by J. David Reed, seconded by Barbara Bynum, to approve a Special Events Permit to serve alcohol in conjunction with the closure of N. Uncompahgre Avenue on Thursday, August 25, 2022, as presented. All voted yes. Motion passed.

NEW LODGING AND ENTERTAINMENT LIQUOR LICENSE APPLICATION

City Council considered an application for a new Lodging and Entertainment liquor license at 1842 S. Townsend Avenue for Hand Crafted Light, Inc., d.b.a. Bluecorn Cafe, for consumption on the licensed premises. A hearing was held.

City Attorney Ben Morris reported that the file is in order and the fees have been paid. Mr. Morris read a preliminary findings report into the record.

Mr. Morris stated that the neighborhood is designated as everything within the city limits. Petitions were circulated by the applicant. A total of 188 signatures were submitted with 114 determined to be valid and in support of the license being issued.

Applicant Jon Kornbluh acknowledged that the neighborhood is determined by the city limits and did not object. Mr. Kornbluh said the petitions were circulated at the café with a positive response from customers. Mr. Kornbluh said that he has not previously operated a liquor licensed establishment, but he has read the Colorado Liquor Code. He confirmed that core staff will attend the September 7 alcohol server training, and he committed to all managers and servers attending the class.

Mr. Kornbluh stated that the business is not intended as a late-night venue, and alcohol is not the focus. He said his plan is to host earlier, socially oriented events in the context of other activities.

Mayor Dave Frank opened the hearing.

Public comment was accepted. No comments were received.

Mayor Frank closed the hearing.

A motion was made by Doug Glaspell, seconded by Ed Ulibarri, to approve a new Lodging and Entertainment liquor license at 1842 S. Townsend Avenue for Hand Crafted Light, Inc., d.b.a. Bluecorn Cafe as presented. All voted yes. Motion passed.

BREW PUB LIQUOR LICENSE TRANSFER APPLICATION

City Council considered the transfer of a Brew Pub liquor license at 147 N. First Street from Two Rascals Brewing Company LLC, d.b.a. Two Rascals Brewing Company, to Silver Basin Brewing LLC, d.b.a. Silver Basin Brewing for consumption on the licensed premises and to sell malt liquor beverages manufactured on the licensed premises and packaged in sealed containers for consumption off of the licensed premises.

Assistant City Attorney Chris Dowsey reported that the file is in order and the fees have been paid. Mr. Dowsey reviewed an item on one of the background reports that was eventually deferred and dismissed.

Applicants Shauna Mikelich and Robert Ross were present to answer questions. Ms. Mikelich stated that she was the manager for Colorado Boy Pizzeria, and her husband was a paramedic. When Two Rascals became available for purchase, they decided to take advantage of the opportunity.

Ms. Mikelich stated that she is aware of the restrictions and requirements associated with a Brew Pub license, and a kitchen will be installed for food service.

Ms. Mikelich stated that she has 11 years of experience working in bars and restaurants and is familiar with liquor laws. She said that she is aware of the expectation to attend alcohol server training and committed to all managers and servers attending.

Public comment was accepted. No comments were received.

A motion was made by Barbara Bynum, seconded by J. David Reed, to approve the transfer of a Brew Pub liquor license at 147 N. First Street from Two Rascals Brewing Company LLC, d.b.a. Two Rascals Brewing Company, to Silver Basin Brewing LLC, d.b.a. Silver Basin Brewing as presented. All voted yes. Motion passed.

ORDINANCE 2593 – SECOND READING

City Council considered Ordinance 2593 on second reading, an Ordinance of the City of Montrose, Colorado, delegating authority to the Board of Directors of the Montrose Emergency Telephone Service Authority to set the rate of the charge imposed on service users pursuant to C.R.S. §§ 29-11-102, 102.5 and 103.

City Councilor J. David Reed stated that he serves as general counsel for METSA and the Black Canyon Boys and Girls Club and recused himself from agenda items 10 and 11. Mr. Reed left the City Council Chambers at 6:23 p.m.

City Attorney Ben Morris reported that no changes have been made to Ordinance 2593 since it was passed on first reading at the previous City Council meeting.

Public comment was accepted. No comments were received.

A motion was made by Doug Glaspell, seconded by Ed Ulibarri, to adopt Ordinance 2593 on second reading as presented. All present voted yes. Motion passed.

AMENDMENT OF COMMUNITY DEVELOPMENT BLOCK GRANT CONTRACT FOR BLACK CANYON BOYS & GIRLS CLUB

City Council considered a request to amend the agreement between the City of Montrose and DOLA concerning the Community Development Block Grant award for Black Canyon Boys & Girls Club's construction of a new facility to reflect the revised project.

Community Engagement Specialist Ross Valdez reported that the City applied for and was awarded grant funds for construction of a new Black Canyon Boys & Girls Club facility. The organization would now like to purchase the San Juan Cinema property for renovation as a new facility. Mr. Valdez stated that the local DOLA representative has given assurances that the grant will proceed with an amended agreement.

Black Canyon Boys & Girls Club Executive Director Bud Taylor stated that purchasing and renovating the existing building will result in the organization owning an affordable facility with twice the square footage. He said this will allow the organization to serve more families.

Public comment was accepted. No comments were received.

A motion was made by Barbara Bynum, seconded by Ed Ulibarri, to request an amended agreement with DOLA for the Community Development Block Grant Program award to project 20-508 Montrose Boys & Girls Club Facility Construction. All present voted yes. Motion passed.

Mr. Reed rejoined the meeting at 6:30 p.m.

THE HUB AT MONTROSE CROSSING AMENDED DEVELOPMENT AGREEMENT

City Council considered an amended development agreement with 1890 Homestead, LLC to facilitate development of the Hub at Montrose Crossing's first phase to include 160 market-rate rental apartment units within the City of Montrose.

City Manager Bill Bell reported that the meeting packet contains an updated agreement, a redline version of the proposed changes, and a staff memo from the original recommendation in October of 2021. Mr. Bell said the original agreement imposed a June 1, 2022, deadline for issuance of a building permit. This was extended to July 1, 2022, and another extension is needed. Mr. Bell said the current request is to extend the building permit deadline to August 1, 2023, with construction completed by August 1, 2025. Mr. Bell recommended approval of the extension due to rising interest rates that cause unique financing challenges for a project of this size.

Mr. Bell and City Council discussed the continued need for work force housing in the community as well as the financial incentives included in the development agreement. Mr. Bell said that the funds budgeted in 2022 will carry over into 2023 and 2024, and ARPA funds will be used for the water and sewer infrastructure costs.

Public comment was accepted. No comments were received.

A motion was made by Barbara Bynum, seconded by J. David Reed, to enter into an amended development agreement with 1890 Homestead, LLC to facilitate development of the Hub at Montrose Crossing's first phase to include 160 market-rate rental apartment units within the City of Montrose as presented. Ed Ulibarri voted no. All others voted yes. Motion passed.

Mayor Pro Tem Barbara Bynum left the meeting at 6:43 p.m.

WATERFALL CANYON SUBDIVISION FILING NO. 6 FINAL PLAT

City Council considered the Waterfall Canyon Subdivision Filing No. 6 Final Plat to create 44 residential lots, and associated rights of way and easements.

Planner II William Reis reviewed the location of the 118.83 acres on the west side of the city south of Spring Creek Road. Mr. Reis reported that the final plat will create 44 single-family residential lots, and the property is zoned R-3A, Medium High Density District. Mr. Reis stated that all lots meet minimum lot size, and all streets must be in place and approved by the City Engineer. The Final Plat also includes a 107.2 acre outlot for future development. Mr. Reis recommended approval with the standard condition.

Public comment was accepted. No comments were received.

A motion was made by J. David Reed, seconded by Ed Ulibarri, to approve the Waterfall Canyon Subdivision Filing No. 6 Final Plat expressly conditioned upon City staff ensuring that all policies, regulations, ordinances, and Municipal Code provisions are met, and that the applicant adequately addresses all of staff's concerns prior to the execution of the Final Plat. The City staff is not authorized by this approval to execute the Final Plat prior to all conditions being satisfied. All present voted yes. Motion passed.

STAFF REPORTS

Sales, Use, and Excise Tax Report: Finance Director Shani Wittenberg provided a sales, use, and excise tax report for June 2022. A correction to the first page of the report was noted.

Ms. Wittenberg reported that total sales and use tax collections were up 10.3 percent as compared to June of 2021 with a positive budget variance of 28.5 percent. Year-to-date collections were up 12.1 percent with a positive budget variance of 31.0 percent.

Second Quarter Budget Review: Finance Director Shani Wittenberg reported that with half of the year completed, revenues in every major fund were collected at more than 50 percent of the budgeted amount, and expenditures are at less than 50 percent. Ms. Wittenberg stated that a third-party audit is conducted annually, usually by the end of July. The deadline was extended until September 30 this year due to staffing issues at the audit firm.

CITY COUNCIL COMMENTS

City Councilor Doug Glaspell thanked City staff who contributed to the success of the FUNC Fest event on Saturday, August 13.

Mayor Dave Frank invited the community to attend the MADA 50th Anniversary Fiesta on Saturday, August 20.

MOTION TO ADJOURN

At 6:55 p.m., a motion was made by Doug Glaspell, seconded by Ed Ulibarri, to adjourn the meeting with no further action taken.

ATTEST:



Lisa DelPiccolo, City Clerk



David Frank, Mayor

