



CITY COUNCIL WORK SESSION
Monday, April 18, 2022 10:00 AM
City Council Chambers, Elks Civic Building - 107 S. Cascade Ave.

Public participation for this meeting will be in person in the City Council Chambers, and the meeting can be viewed via livestream at <https://www.cityofmontrose.org/759/Live-Meetings-Viewer>.

Hearing assistance devices are available for public use. Please let us know if you need accommodation. The City also offers interpretation for Spanish speakers. In order to allow time to book this resource, please email planningmail@ci.montrose.co.us at least three days before the meeting.

1) INTRODUCTION OF NEW CITY EMPLOYEES

- Bill Womack - Parks & Special Projects Worker
- Bob Winters - Parks & Special Projects Worker
- Mike Shelton - Facilities Maintenance Technician
- Elizabeth Teeter - PT Animal Shelter Technician
- Christopher Robertson - PT Animal Shelter Technician

2) DISCUSSION ITEMS

- A) Private Activity Bond Allocation to CHFA (10 minutes)
Staff: Citizen Engagement Specialist Ross Valdez 3-6
- B) 2022 Water Supply Outlook (30 minutes)
Staff: City Engineer Scott Murphy 7-9
- C) Justice Center Right of Way Vacation (5 minutes)
Staff: City Engineer Scott Murphy 10
- D) Amendment of Montrose Municipal Code Section 4.4.24 Planned Development (PD) (15 minutes)
Staff: Deputy City Manager Ann Morgenthaler 11-15

3) GENERAL CITY COUNCIL DISCUSSION

4) STAFF COMMENTS



UPCOMING TOPICS

- New Hotel & Restaurant liquor license for Trattoria Di Sofia - May 3
- Resolution setting hearing date for 6700 Road DeJulio Addition annexation - May 3
- Liquor license transfer application for Kinikin Processing - May 17
- Youth City Council Report to City Council - May 17
- First Quarter Budget Review - May 17



CITY OF MONTROSE

Office of the City Manager

MEMO

TO: City Council
FROM: Ross Valdez, Community Engagement Specialist
DATE: April 18, 2022
RE: Allocating Private Activity Bonds to CHFA
ATTACHMENT: Resolution 2022 - Private Activity Bond Allocation to CHFA

INTRODUCTION

For the past four years, the City of Montrose has assigned our allocation of Private Activity Bonds (PAB) to the Colorado Housing and Finance Authority (CHFA), and CHFA in turn puts the PAB to use in our community. We ask the City Council to consider assigning this year's PAB allocation to CHFA.

BACKGROUND

The IRS allocates a per capita bonding authority annually for housing to each state, also known as PAB Volume Capacity or "Cap". Colorado in turn allocates this authority to statewide authorities and local governments. In 2021 the allocation for the City of Montrose was \$1,091,612. In 2022, the allocation for the City of Montrose is \$1,125,667.

The City of Montrose has not desired to issue bonds directly, as there is risk and administrative burden in doing so. Allocating the PAB directly to CHFA allows our community to benefit from the PAB allocation without the City directly issuing bonds. In 2020, CHFA worked with the City of Montrose to use the City's PAB allocation to support Steele Properties, LLC's rehabilitation of San Juan Apartments, which serves Senior (62+ years old) Section 8 and residents with disabilities. In 2021, CHFA funded 20 loans in their single family tax-exempt program, First Step, for a total of \$5.3 million in the City of Montrose. The median loan amount was \$270,755 and the median gross annual income was \$73,770.

City staff again this year recommends that City Council consider assigning our PAB allocation to CHFA, and request that CHFA use the PAB if there is the opportunity to support first time home ownership investment, a multifamily affordable housing project, and/or use the PAB allocation to support CHFA's homeownership program known as FirstStep. If the City Council allocates PAB to CHFA, CHFA will ensure that the funding is used within the City of Montrose to benefit our community.

RESOLUTION
AUTHORIZING ASSIGNMENT TO THE
COLORADO HOUSING AND FINANCE
AUTHORITY OF A PRIVATE ACTIVITY
BOND ALLOCATION OF THE
CITY OF MONTROSE PURSUANT
TO THE COLORADO PRIVATE ACTIVITY
BOND CEILING ALLOCATION ACT

WHEREAS, the City of Montrose is authorized and empowered under the laws of the State of Colorado (the "State") to issue revenue bonds for the purpose of financing qualified residential rental projects for low- and moderate-income persons and families; and

WHEREAS, the City of Montrose is authorized and empowered under the laws of the State of Colorado (the "State") to issue revenue bonds for the purpose of providing single-family mortgage loans to low- and moderate-income persons and families; and

WHEREAS, the Internal Revenue Code of 1986, as amended (the "Code"), restricts the amount of tax-exempt bonds ("Private Activity Bonds") which may be issued in the State to provide such mortgage loans and for certain other purposes; and

WHEREAS, pursuant to the Code, the Colorado legislature adopted the Colorado Private Activity Bond Ceiling Allocation Act, Part 17 of Article 32 of Title 24, Colorado Revised Statutes (the "Allocation Act"), providing for the allocation of the State Ceiling among the Colorado Housing and Finance Authority (the "Authority") and other governmental units in the State, and further providing for the assignment of such allocations from such other governmental units to the Authority; and

WHEREAS, pursuant to an allocation under Section 24-32-1706 of the Allocation Act, the City of Montrose has an allocation of the 2022 State Ceiling for the issuance of a specified principal amount of Private Activity Bonds prior to September 15, 2022 (the "2022 Allocation"); and

WHEREAS, the City of Montrose has determined that, in order to increase the availability of adequate affordable housing for low- and moderate-income persons and families within the City of Montrose and elsewhere in the State, it is necessary or desirable to provide for the utilization of all or a portion of the 2022 Allocation; and

WHEREAS, the City of Montrose has determined that the 2022 Allocation, or a portion thereof, can be utilized most efficiently by assigning it to the Authority to issue Private Activity Bonds for the purpose of financing one or more multi-family rental housing projects for low- and moderate-income persons and families or to issue Private

Activity Bonds for the purpose of providing single-family mortgage loans to low- and moderate-income persons and families ("Revenue Bonds") or for the issuance of mortgage credit certificates; and

WHEREAS, the City Council of the City of Montrose has determined to assign \$1,125,677 of its 2022 Allocation to the Authority, which assignment is to be evidenced by an Assignment of Allocation between the City of Montrose and the Authority (the "Assignment of Allocation").

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Montrose as follows:

1. The assignment to the Authority of \$1,125,677 of the City of Montrose's 2022 Allocation be and hereby is approved.

2. The form and substance of the Assignment of Allocation be and hereby are approved; provided, however, that the City Council be and hereby are authorized to make such technical variations, additions or deletions in or to such Assignment of Allocation as they shall deem necessary or appropriate and not inconsistent with the approval thereof by this resolution.

3. The City Council of the City of Montrose be and hereby are authorized to execute and deliver the Assignment of Allocation on behalf of City of Montrose and to take such other steps or actions as may be necessary, useful or convenient to effect the aforesaid assignment in accordance with the intent of this resolution.

4. If any section, paragraph, clause, or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this resolution.

5. This resolution shall be in full force and effect upon its passage and approval.

PASSED, ADOPTED AND APPROVED this ____ day of _____, 2022.

Assignor:

Name:

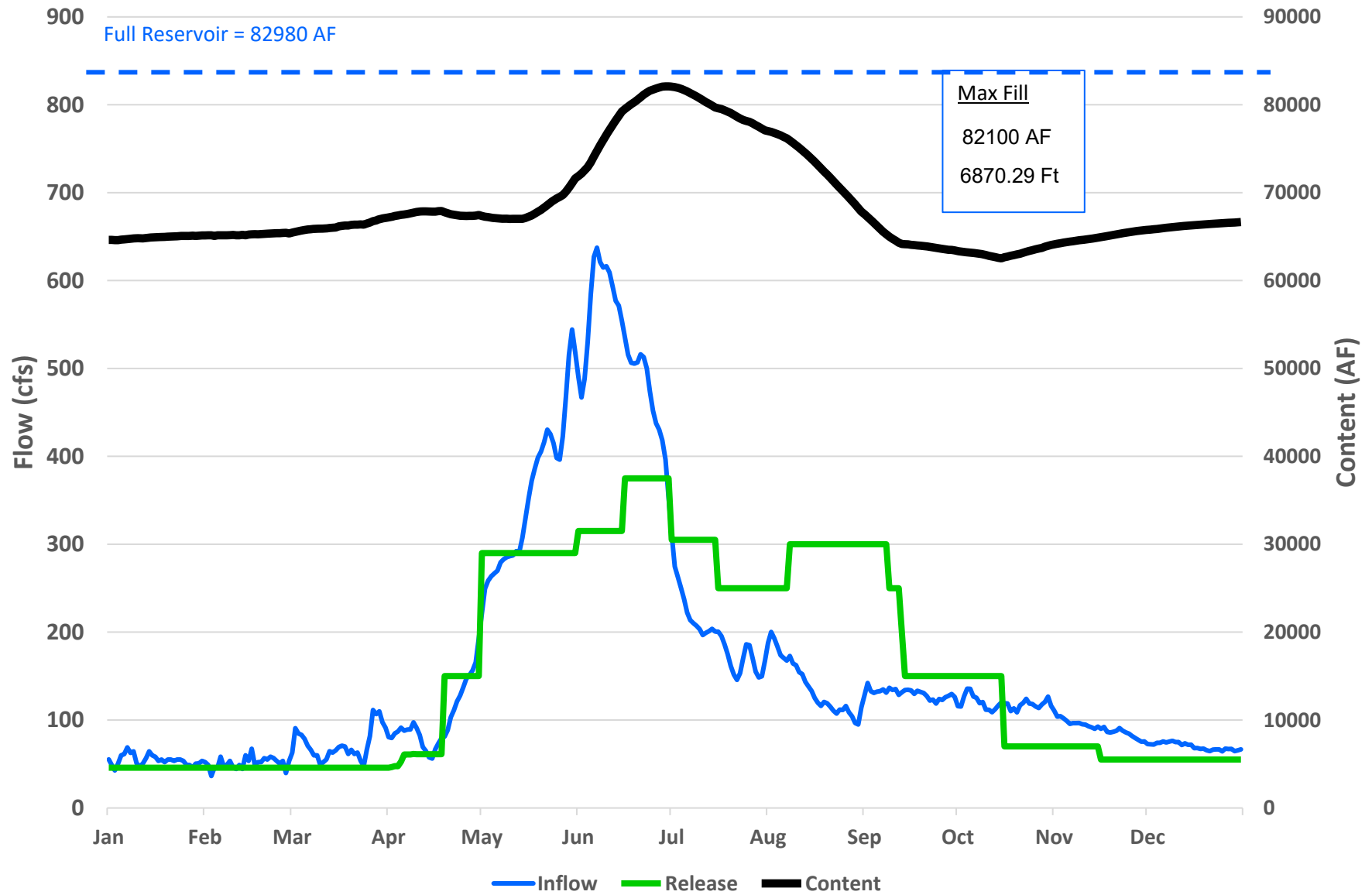
Title: Mayor

ATTEST:

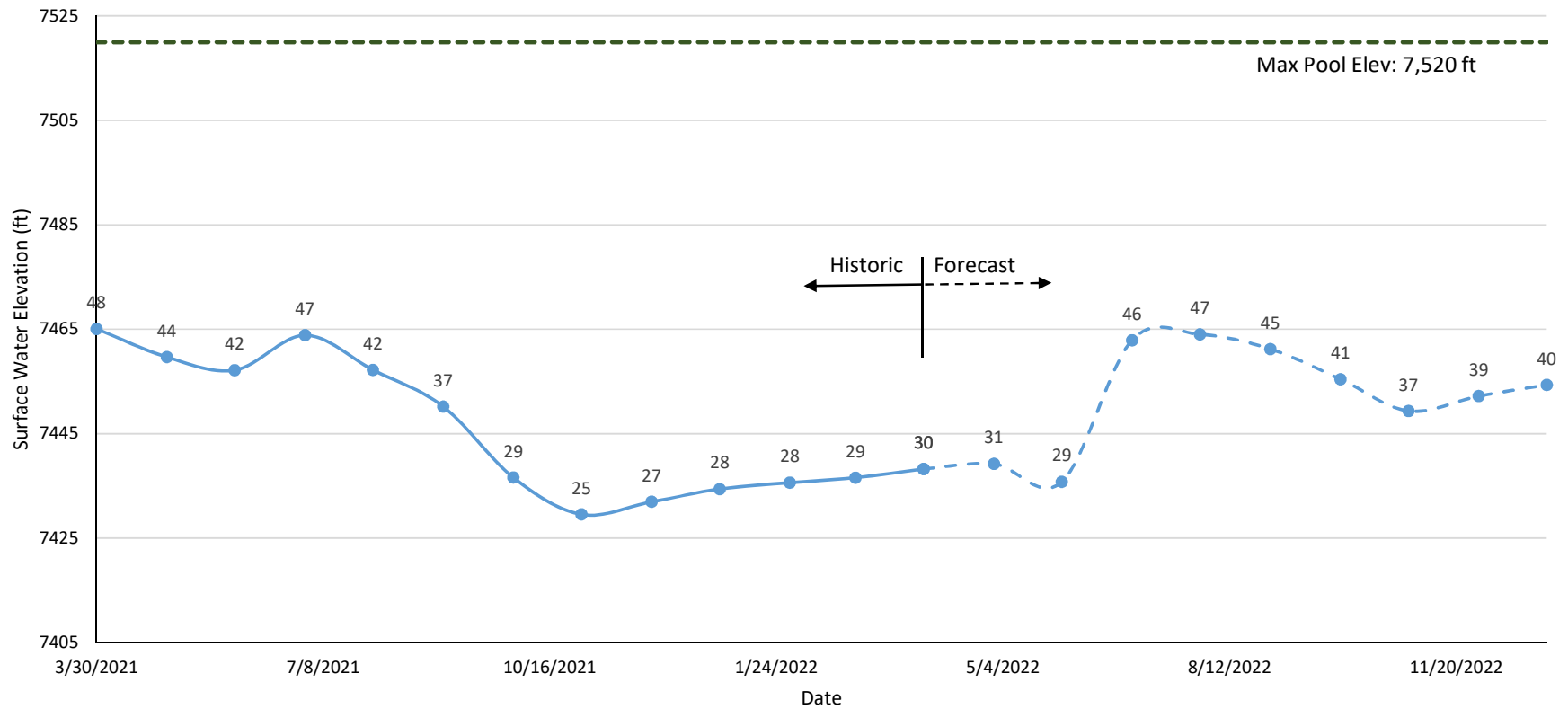
Name: Lisa DelPiccolo

Title: City Clerk

Ridgway Reservoir Operations Plan

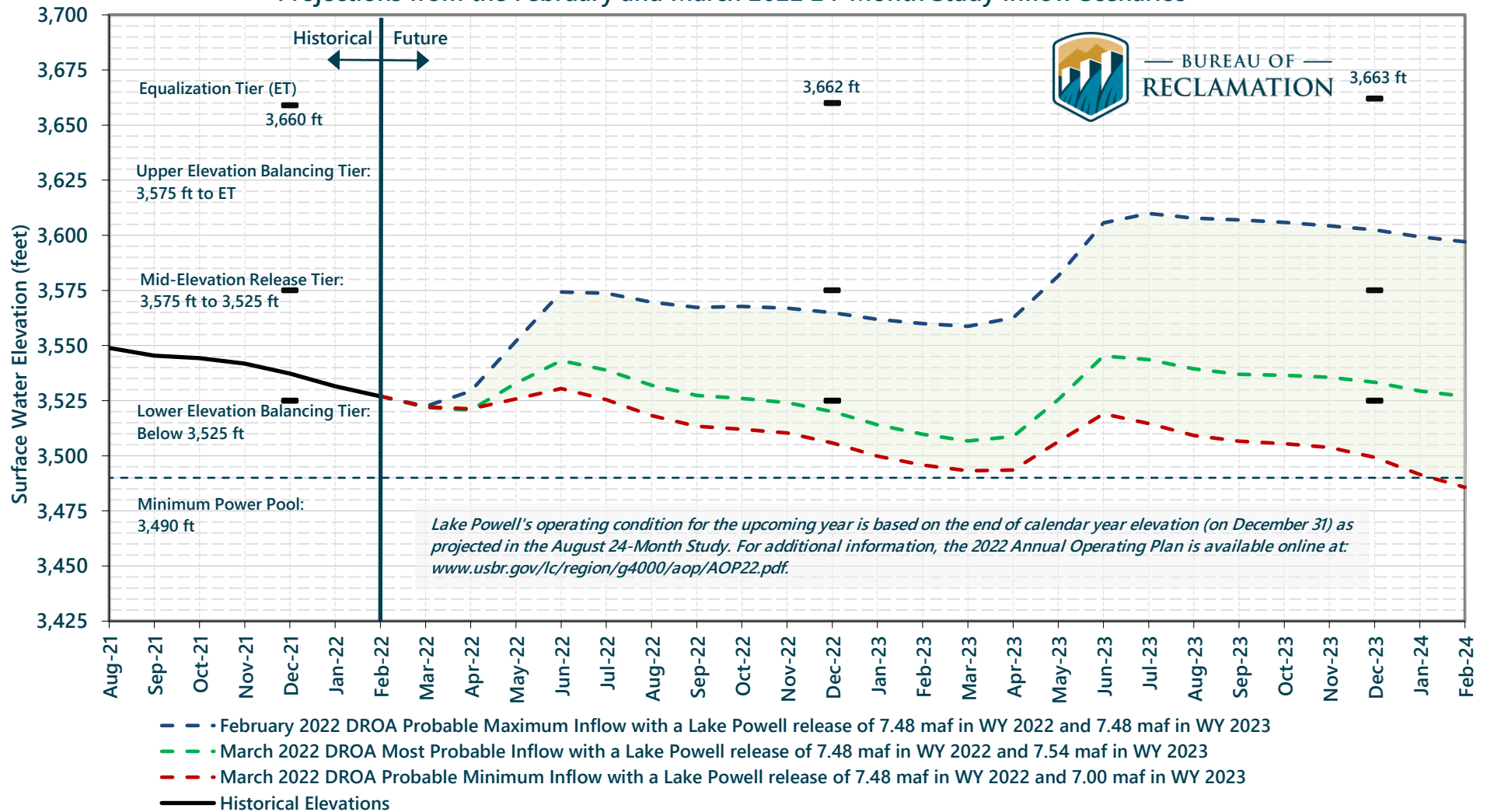


Blue Mesa Reservoir Elevation and Percent Full
Based on BOR March 2022 24 Month Study

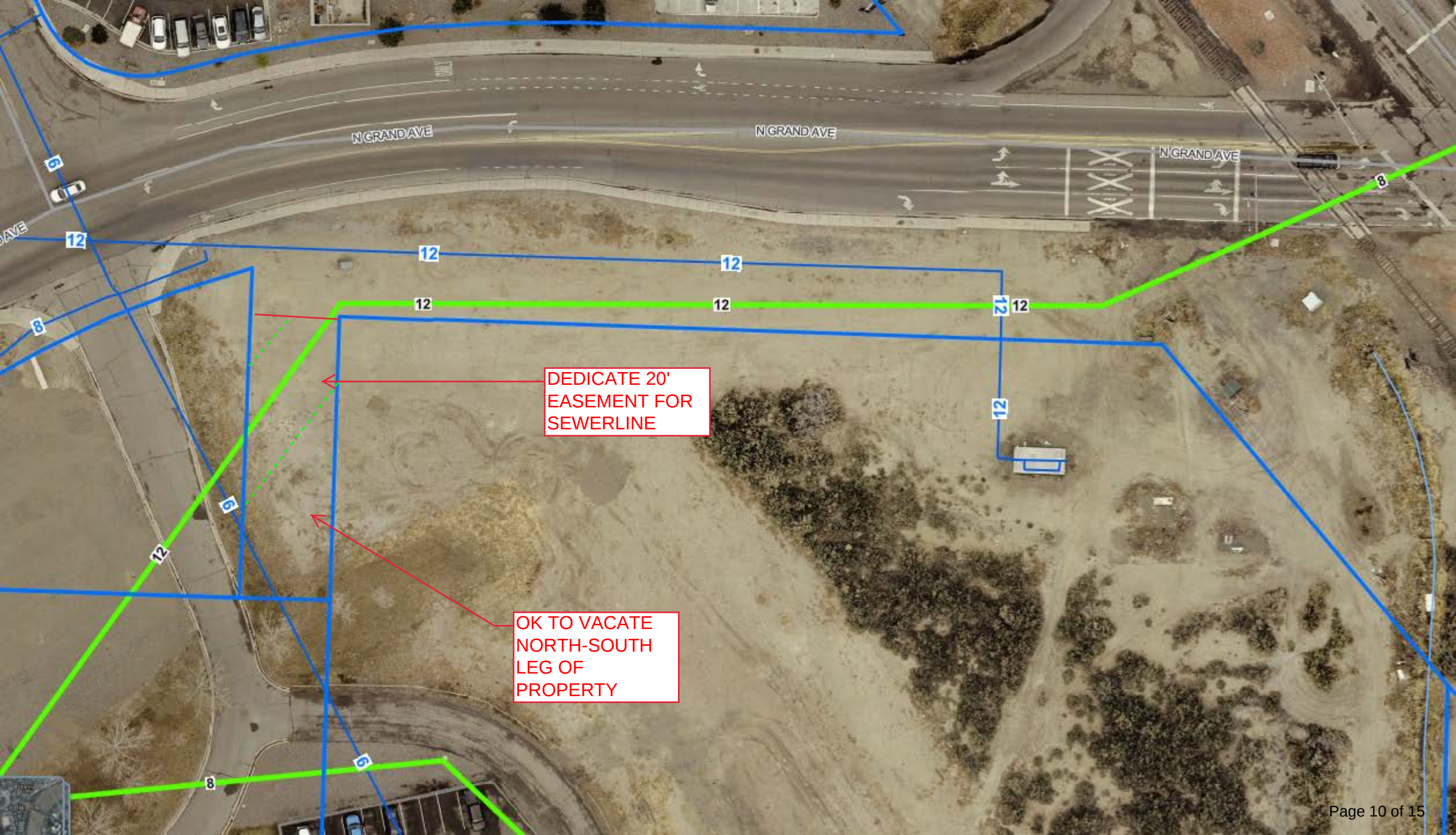


Lake Powell End of Month Elevations

Projections from the February and March 2022 24-Month Study Inflow Scenarios



The Drought Response Operations Agreement (DROA) is available online at: <https://www.usbr.gov/dcp/finaldocs.html>.



DEDICATE 20'
EASEMENT FOR
SEWERLINE

OK TO VACATE
NORTH-SOUTH
LEG OF
PROPERTY



CITY OF MONTROSE
Office of the City Manager

MEMO

TO: City Council
FROM: Ann Morgenthaler, Deputy City Manager
DATE: April 18, 2022
RE: Amendment of Montrose Municipal Code Section 4.4.24 Planned Development (PD)
EXHIBIT: Redline Version of Proposed Amendment

Council is considering amendments to the City of Montrose Municipal Code that will facilitate the amendment of previously approved Planned Development (PD) plans.

The City of Montrose Municipal Code and past practice have allowed amendments of previously approved (PD) plans in a manner that is consistent with Colorado State Statutes, requiring the consent of all property owners within the prior established PD area. In many cases, PD plan areas have not been fully developed since the time of approval and developer, market, and community needs and desires have changed. Obtaining the consent of all property owners within an established PD plan area for a proposed amendment is infeasible and is a barrier to implementing development that will better suit developer, market, and community needs.

The proposed amendment specifies:

- If only a portion of a PD plan area is amended, then only the consent of the property owners within such portion or the PD plan area will be required.
- When public notice of an amendment to a PD plan area is required, it will be sent to all owners within the prior-approved PD plan area in addition to being provided to property owners within 100 feet of proposed amended PD plan area.
- The current City requirement that the creation of a new PD plan area requires the consent of all property owners within the proposed PD plan area.

This will provide more flexibility regarding required consent than provided by State Statute for PDs, which is within the City of Montrose's rights as a Home Rule Municipality. Other municipalities have adopted similar regulations with respect to amendments of PD plans. City staff worked with outside land use legal counsel on this amendment. If Council desires to proceed with this amendment, City staff will present an ordinance for first reading at the May 3 City Council meeting.

Sec. 4-4-24. Planned Development (PD).

- (A) *Intent.* The intent of this Section is to encourage the development of tracts of land in accordance with an overall development plan by providing flexibility with respect to dimensional requirements of residential units and to provide for procedures and requirements for multi-building residential development. The City is authorized to enact and amend regulations for the establishment and control of planned developments pursuant to Article XX of the Colorado constitution and CRS 24-67-101, et. seq.
- (B) *General Provisions.*
- (1) A planned development must be in substantial conformity with the City's Master Plans. No development with more than one building, with one or more dwelling units therein, may be erected on a single lot, tract, parcel or site unless a PD Plan, providing therefore, is approved pursuant to this Section, or unless the property is subdivided pursuant to City Subdivision Regulations. Provided all other applicable municipal Code provisions are satisfied, this Subsection is not intended to prohibit the issuance of building permits for property that has obtained:
 - (a) A PD Plan;
 - (b) A subdivision Preliminary Plat; or
 - (c) An approved final plat.
 - (2) A minimum of 20 percent of the gross area of the planned development must be preserved as parks or open space.
 - (3) The PD Plan must reasonably preserve and protect rural character, open space, scenic views, drainage areas and other valued resources.
 - (4) Approval of a planned development by the City is purely discretionary. If the City and the applicant do not agree on all required conditions and the plan, the City may deny approval, or the City may unilaterally impose conditions. If the developer does not accept all conditions, that development must adhere to standard subdivision and zoning requirements.
- (C) *Permitted Uses in a PD.*
- (1) Parks, open space, growing of agricultural crops, golf courses; and "uses by right" and "conditional uses" in the zone or zones in which the PD is located shall be permitted when approved as part of the planned development.
 - (2) Modular buildings used for single family homes, duplexes or multiple family residences may be allowed in any zoning district, if approved as part of the planned development.
 - (3) Planned developments in the "RL" zoning district must consider and reasonably minimize adverse impacts on existing agricultural uses or other property in the area.
 - (4) Residences may be clustered, including the use of duplexes and multifamily residences.
 - (a) Planned developments containing six or fewer units may be approved by following the administrative procedures set forth in this Subsection (C)(4).
 - (b) The 20 percent open space requirement applicable to planned developments shall be optional for those planned developments meeting the standards set forth in Subsection (C)(4)(a) of this Section.
 - (c) Developments containing airspace units with undivided interests in common areas, shall show and describe said airspace units in three dimensions on the plat thereof. Developments of this type shall be known as "condominiums" and shall be labeled as such on the plat thereof.

-
- (e) Developments having zero lot-line setbacks, but containing non-airspace-only units, may not be required to show said units in three dimensions on the plat thereof, though certain party wall details may be required, in the City's sole discretion. Developments of this type shall be known as "Townhomes" and shall be labeled as such on the plat thereof. Townhomes shall include the underlying real property, and shall typically include yard area not encumbered by limited or general common elements, when applicable.
- (5) Administrative PD Procedures:
- (a) All lots or tracts are adjacent to a dedicated and accepted public street;
 - (b) The lots are part of a subdivision or PD plat that has been previously approved and/or accepted by the City and recorded in the Montrose County Records;
 - (c) All improvements required by applicable City ordinances and regulations, including those related to PD Plans, are already in existence and available to serve each lot, or secured;
 - (d) No part of the Administrative PD has been approved as part of an Administrative PD within three years prior to the date of submission of the Administrative PD plat;
 - (e) No material changes to prior restrictions or easements are proposed; and
 - (f) Provisions of Section 4-7-9(B) through and including (E) shall apply.
 - (g) Approval of an Administrative PD by the City is purely discretionary. If the City and the applicant do not agree on all required conditions and the plan, the City may deny approval, or the City may unilaterally impose conditions. If the applicant does not accept all conditions, that development must adhere to standard subdivision or PD requirements, and proceed through the applicable approval process.
 - (h) Prior to any review of the Administrative PD, the applicant shall provide written consent of all property owners within the proposed Administrative PD plan area. To the extent only a portion of a prior-approved Administrative PD plan area is proposed to be amended by the Administrative PD Plan application, then only the consent of the property owners within such portion shall be required.**

(D) *Dimensional Requirements, Densities.*

- (1) Dimensional requirements, except those relating to overall residential density, which would otherwise be required by the City Zoning Regulations, or other City regulations for the district affected, may be deviated from in accordance with the plan as approved, if the Review Board determines that such deviations will promote the public health, safety and welfare. The Review Board may impose conditions as necessary or appropriate. The total number of residential units shall not exceed the area of the site divided by the minimum lot sizes specified for the zoning districts included.

(E) *Review of Sketch, Preliminary and Final PD Plan.*

- (1) The sketch plan, preliminary plan and final PD plans shall be reviewed pursuant to the procedures and requirements for subdivisions as set out in Chapter 4-7. For the approval of any preliminary PD Plan or a substantial amendment to a PD plan, a hearing shall be held before City Council.
- (2) Prior to any review of the Sketch, Preliminary and Final PD Plan, the applicant shall provide written consent of all property owners within the proposed PD plan area. For the purposes of this Section 4-4-24, "PD plan area" is the entirety of the territory proposed to be included in a PD plan; provided, however, that for applications for PD plan amendments, only the portion of the PD plan area being amended or affected shall constitute the PD plan area for such application.**

-
- (32) Conditions may be imposed as appropriate to assure that the PD plan is consistent with the City's Master Plans and promotes the public health, safety and welfare.
- (43) The plan shall show the location, size, number of dwelling units, and other uses, and shall further set out the location of all parks, open space, parking areas, streets, sidewalks, trails, bike paths and other improvements and structures. All information necessary to show compliance with the requirements of this Section shall be submitted. Where appropriate, in lieu of exact locations, numbers and sizes, parameters or limits may be set out.
- (54) The planned development Plan as approved shall be recorded.
- (65) The final PD plan may be treated as a vested right if and only if the following procedures are met:
- (a) A landowner seeking to have the PD plan vested shall submit a written application to the City requesting that the final PD plan be vested in terms of the rights relative to the type and intensity of usage thereof. The application for review and approval of the PD plan for the purpose of vesting the property may only be submitted and received by the City subsequent to the City approval of the preliminary plat concerning that same subdivision.
 - (b) If the requirements for the PD plan are otherwise met in accordance with all applicable City regulations and specifications, approval of the PD plan shall be deemed to create a vested right in said plan which shall be subject to the provisions and limitations of C.R.S. §§ 24-68-103, 104 and 105, as may be amended from time to time. For the purposes of these provisions, PD plan shall mean the same as a "site specific development plan" as defined in the aforementioned Statutes.
 - (c) Vested rights shall include only the final PD plan as approved, and shall not include the sketch plan or preliminary plat thereof, architectural plans, construction plans, variances, conditional uses, public utility filings and other related documents.

(F) *Required Improvements.*

- (1) All PDs shall provide the same improvements as required for subdivisions in Chapter 4-7, and security therefore shall be provided as set out in Section 4-7-8.
- (2) All improvements shall be constructed in accordance with standard City design and construction specifications and standards, in substantial conformity with the PD plan, and in accordance with subdivision design standards as set out in Chapter 4-7 except as modified by the plan.
- (3) An entity shall be established or provided for ownership and maintenance of all facilities and open spaces, which are approved for common ownership or not dedicated to the City.
- (4) Flexibility in the scope and design of required improvements and design standards may be allowed to provide for innovative urban design which promotes the public health, safety and welfare. A public street shall be dedicated to the City and developed at the Developer's cost to provide direct access to each building with residential units or to the parking lot serving the building.

~~(G) (5)~~ Enforcement and Amendments.

- (1a) The PD plan may be enforced in accordance with or in the same manner as the provisions of the Planned United Development Act of 1972, as amended, C.R.S. 1973, § 24-67-101 et seq., as amended or in any lawful manner. In addition, no occupancy permit shall be issued for any building unless all site improvements to serve that unit and any commonly-owned facilities have been completed and approved unless security for completion is provided substantially similar to the security required for subdivision improvements by Section 4-7-8 of the City's subdivision regulations, except that cash must be placed in the escrow account prior to issuance of the occupancy permit.

-
- (2b) Amended PD plans may be submitted for review and approval in the same manner as the initial PD Plan. An applicant for an Amended PD plan shall submit written consent of the property owners of the portion of the PD plan area to which the application applies, prior to and as a condition of the initiation of review of the application. Written consent from all property owners within the prior- approved PD plan area is not required as part of the Amended PD plan application. Advance notice of any review of an Amended PD plan application by the Planning Commission shall occur pursuant to Chapter 4-7 with the added requirement that advance written notice shall be provided to all property owners of record within the prior-approved PD plan area, in addition to all property owners of record adjoining or within 100 feet of the proposed Amended PD plan area. (Ord. No. 2472 , § 4-4-24, 5-7-2019; Ord. No. 2493 , 2-4-2020)