

*** * * F O L L O W – U P * * ***

CITY OF STEAMBOAT SPRINGS

AGENDA

REGULAR MEETING NO. 2010-02

TUESDAY, JANUARY 19, 2010

5:05 P.M.

Quinn called the meeting to order at 5:07pm.

A. ROLL CALL

City Council Members present: Meg Bentley, Jim Engelken, Walter Magill, Scott Myller, Kenny Reisman and Jon Quinn. Cari Hermacinski was absent.

Staff Members present: Jon B. Roberts, City Manager; Anthony B. Lettunich, City Attorney; Julie Franklin, City Clerk; Debra Hinsvark, Interim Director of Financial Services; Philo Shelton, Director of Public Works; Ron Lindroth, Fire Chief; Chris Wilson, Director of Parks, Recreation and Open Space; Tom Leeson, Director of Planning Services; Jonathan Spence, City Planner; Bob Litzau, Assistant Director of Financial Services; Bob Robichaud, Facilities Maintenance; Anja Tribble, City Clerk Staff Assistant; Sabrina James, Records Clerk; and Wendy DuBord, Deputy City Manager.

The Follow-Up Agenda is work product only, and is subject to change. For final approved information, please refer to the official City Council minutes. All documents distributed at the City Council meeting are on file in the Office of the City Clerk.

B. COMMUNITY RESPORTS/CITY COUNCIL DISCUSSION TOPIC:

1. Affordable Housing Measurability.

Roger Good provided a background of the group. Mark Anderson, Scott Ford, Steve Hoffman, Doug Labor, Rich Lowe, and Chuck Williamson were present. Mark Scully was not present.

Good provided a PowerPoint presentation highlighting the following: committee members; process; key observations; and recommendations.

Discussion commenced on: the housing program in Breckenridge; the difficulty in measuring due to the changes in the variables; and the definition of means.

Leeson spoke to the City's Inclusionary Zoning ordinance and the since repealed linkage program. Previous to these things, the City had talked affordable housing for about for 20 years and never did anything. The need to target 80-120 AMI was identified; linkage targeted a lower AMI rentals and ownership was targeted by the IZ program. He stated that it was clear who the intended beneficiary was.

Engelken believes that the City needs to reinstate linkage and strengthen the IZ program.

Good clarified that this group was directed to look at revenue generation and measurability.

Quinn added that they were charged with finding a mechanism for evaluating the City's efforts. He asked if the City should be more specific and define the group which we are targeting funds for? And is the YVAH really the agency that should be the standard bearer.

Hoffman stated that both are connected and the resources in the community are finite. The question is how do you have a comprehensive approach? By focusing on the intended beneficiary the demands identify themselves. The group concluded that the community needs a different foundation to build affordable housing, which can be measured and focused around the intended beneficiary.

Lowe stated that Breckenridge could not answer the question "When will you be done and how will you know?". Additionally, they are a different community than us.

Bentley agrees that attempting to define the beneficiaries and reassessing that in a year is a good start. She likes the survey of wages and housing prices and supports going regional.

Hoffman stated that over time the fee levels can vary. The demand may increase significantly and the fees should reflect that.

Engelken stated that the City has a housing needs assessment and asked if these studies answer many of the questions that are being asked?

Lowe stated that these studies are worthwhile, however by the time you get the study the circumstances may have changed and the data is not helpful anymore.

Engelken noted the need to look at AMI and wages.

Ford stated that it is difficult to small businesses and business owner wages and questioned how much of the information is skewed by wealthy people moving in.

Magill asked if it is cost effective to have the City and the YVHA; is there duplication of services?

Leeson stated that there is no duplication; rather the two complimented each other. He stated that this is a regulatory program and the City has to be involved; the Housing Authority is there to facilitate the program. Long term the City may not need a Housing Coordinator, however until YVHA has a funding source they can't take on much more staff.

Mary Alice Page Allen, YVHA, stated that for the last year there has been a good relationship between the two. They figured out where each entity fit. It is in the YVHA strategic plan to be the service provider and the manager of the database; however there needs to be resources in order to do that. She concluded by saying that she believes there is a growing role for YVHA in the community.

Hoffman stated that if there is going to be a different approach housing, then the bureaucratic model is kind of irrelevant. He believes that those models are the wrong foundation and not necessarily the best use of limited resources. He suggested that overtime there could be a trust fund mechanism and those monies could be allocated through an application process.

Page Allen stated that YVHA is implementing a down payment assistance program, and today's report meshes with where they are and where they are going. They need to create a client-base service model and the database.

Quinn noted for the audience that the Ski Time Square agenda item that is later on the agenda will most likely be postponed.

Reisman supports this report if it does not involve "bricks and mortar".

Myller does not think the regionalism topic is that simple. There are people who commute from Oak Creek and spend significant money on gas. He believes that the goal is for people to live within the City. There could be a few extenuating circumstances where the City could be more flexible with the boundary.

Bentley stated that some people want to live in the outlying areas, and they need help also. With respect to having two different entities, she believes that too much money is spent on administration than is necessary. She thinks there has to be a creative way to empower YVHA and to have funds flow through them while still having governmental accountability.

Engelken stated that the City is giving money to YVHA, and the City should continue to do that. The YVHA can't replace the role of the City because the current ordinance requires that the City monitor the funds. The YVHA can apply to the City for funds as a developer.

Bentley asked if that is really the best way. Engelken believes it is the best and only way.

Anderson stated that the Education Fund Board administers money alone, through the City.

Lettunich stated that there is flexibility in the IZ ordinance and the language can be expanded to re-grant to YVHA, or to re-grant to any applicant.

PUBLIC COMMENT:

Catherine Carson stated that the most important point in the study is the difference between AMI and wages and the price of housing. The needs assessment stated that wages would have had to increase by \$65,000 in order to keep up with the price of housing. Even with decline in real estate, we are not keeping up with housing needs. She stated that she spoke with several housing experts, specifically Summit County who has identified who they were trying to serve and it is families. They realized that by only doing down payment assistance they can not keep up. Now they have a 1/8 percent sales tax for affordable housing. They make sure that they target the right population and what they need and they have an "interested list" of what people are looking for, the YVHA can do this with its database. She believes that measurement is a good idea, but we also need to focus on the assessments that we already have.

Steve Lewis stated that he has been involved in this topic through four City Councils and that we may need to adjust the current program, but do not need to start from scratch. He asked why the City would move away from "bricks and mortar" and cautioned that the ownership ratio can be misleading. He believes that making commutes permanent for people who live in the outlying areas is not a sustainable investment.

Carson noted that Summit County is finalizing a report which will say what funds they collected, how they were spent and who was served.

Mike Forney believes that there are two issues: what is done and how do you do it, which is a bifurcation of responsibilities. He stated that successful projects happen when there is a common interest and supports giving all the funds to one entity.

John Spezia stated that having less government and less restrictions has failed for 17 years, as well as relying on the free market. He encouraged Council to look at the 13 recommendations included in the original Community Area Plan and to not think so short term.

Noreen Moore clarified that other communities have a transfer tax and the City does not; and communities have other taxes that help with affordable housing. The voters in the City have denied both of these taxes for affordable housing; we are different and we need to accept that. She stated that the 120-180 AMI range is a group that could bring jobs with them and noted the need to look at this in a whole new fresh way.

Towny Anderson stated that the City's affordable housing program was fairly short lived and this is a philosophical question of whether or not to support affordable housing. He voiced concern with holding affordable housing to a higher standard than the free market and noted that funds will come in as the economy rebounds. He stated that getting measurements in place makes sense but it all comes down to AMI and we have to translate measurements back to AMI if we want to leverage funds. Also, there needs to be an IGA with the YVHA that holds them accountable. If there is to be a regional organization, it needs to be regionally funded. If there is only City money then the City has the right to say how those monies should be spent.

Tony Connell stated that all affordable housing expenses now, and in the future, will be under a microscope need to be accounted for and measured. However he believes that when the community is given good policies and measurements then it will fund a tax for affordable housing.

Shemp Olin spoke to the concept of intended beneficiaries, noting that they are like customers and if you don't know who the customer is you can't provide services to them. Additionally, what gets measured becomes better managed, there just needs to be an agreement on what is the best measurement and how to apply it.

Lowe clarified that what they are proposing does not preclude bricks and mortar. They just want to identify the customer and how they qualify.

Myller supports figuring out who wants help, and putting the focus there instead of putting the burden on developers.

Quinn would like to schedule a worksession with YVHA to look at measurable.

Engelken stated that RALF had an extensive “interested” list for West End Village, but since then that data has not been kept up. He encouraged YVHA to start in-taking this information and contacting employers.

Page Allen stated that she will do her best to get her information compiled before the February 16 joint meeting with Council and the YVHA.

Quinn would also like to look at changes to language and changes to the IGA.

Bentley supports empowering the YVHA. Affordable housing is a crucial economic policy and if we measure it and can say who we are serving, then the community will get behind it.

GENERAL PUBLIC COMMENT

Clara Bradley, Western Security, spoke to a recent situation where they were audited and owed \$69,000 (this fine was subsequently decreased to zero). She voiced concern with the process and noted some things that she thinks should be changed. She stated that the City Manager and Finance Director can change the tax code without going through Council, and these changes do not have to be recorded. She stated that the tax code needs to be accessible to the public and changes to it recorded so there is accountability. She also voiced concern with the fact that a appeal goes to the person who made the original decision so that there is a one person judge and jury. She believes that the City is going after the small businesses and after smaller amounts that people may not fight. She stated that this was a horrifying experience that cost her \$1,000 to make changes to her billing process and was handled poorly.

City Manager to report back on a future agenda with a response and explanation. **UNANIMOUS CONSENT.**

At this time Council heard Agenda Item 10.

2. Iron Horse Redevelopment.

DuBord noted that Dean Vogelaar, Mike Forney and Wade Gebhardt were on the Committee that reviewed this topic. They recommend that redevelopment not be revisited until demand increases, and to review this annually. They also recommend using the \$1 million available for debt service payments.

Vogelaar stated that this project does come with some controversy and that the original intent of the purchase was for workforce housing. He noted the need to put a practical plan in place, remember what it was intended for and revisit it at the appropriate time.

Forney stated that there is real potential that the Iron Horse will meet the original intent, but they do not recommend putting any money in it in the short term; but to reassess it in the future.

Engelken believes that the Iron Horse has potential for a great redevelopment. If there was a qualified, creative developer that has great ideas, how much time would it take to go through the process, and is it in the City's best interest to postpone that process? Redevelopment won't happen until there is a demand for it; if we do not use the \$1million, will we ever see it again?

Forney stated that they believe that redevelopment is not feasible at this time, there is no demand and the property value has dropped. They believe that the window for redevelopment is about 2-3 years out, in the meantime the \$1 million would be "sitting there foul".

Engelken asked about using the money as leverage for grant funds for redevelopment.

Forney stated that they looked at that; however the market for granting now is dried up.

Bentley suggested that the Committee reconvene in a year to reassess the redevelopment potential.

Hinsvark stated that the \$1 million are "remainder funds" and the financing documents dictate what can be done them.

PUBLIC COMMENT:

Bill Moser stated that this property has strategic value, possibly for a route from River Road to Highway 40.

MOTION: To accept the recommendation of the Committee with direction to the City Manager of "status quo" for 1 years; Bentley/Myller; **APPROVED;** Vote 6/0. Hermacinski was absent.

3. Steamboat 700 Draft Attainability Plan.

Bob Weiss, representing Steamboat 700, was present and noted that land and money are needed for affordable housing, which allow flexibility to design a program. The Steamboat 700 program is divided into 2 components: 20% is land and money dedicated to the City, and they also committed to 30% of free market units being committed to providing attainable housing. He stated that this agreement was accepted and approved as a part of the annexation agreement and they committed to the prices for 12 months. If not, the development can't proceed. The attainable units are not deed restricted and the affordable units are.

The final details of the plan are things like publicity and what the target owners will be. He stated that flexibility will allow 700 to fulfill the goals of the WSSAP by providing housing for 30 years into the future.

Bentley asked at what point does the 12 month offering price start? Weiss stated when they offer it; once they offer to sell a house for a certain price the house remains subject to that price for 12 months. There will be some presale and some after built units; the presale units are determined by the lending market, and they need flexibility for that.

Engelken stated that Council was expecting to see the attainable housing plan prior to the election. Leeson stated that the attainability program is a stipulation in the annexation agreement that is required prior to the first final plat. Staff hoped that it could be presented prior to the election so that the electorate could have those details. However, the first plat could be 3 years from now and a lot can change in that time. The basis or "skeleton" of the program is included in the annexation agreement.

Engelken questioned the definition of the attainable units priced for 120-200 of AMI at the time. Could it go up between now and then and are we committed to these numbers?

Quinn stated that the segment represented by under 120% AMI is covered by the affordable units and the attainable units are meant to be for locals to afford. Council will have to agree to the specifics of the attainability program before it happens.

Bentley asked about the "anti-flipping" clause. Weiss stated that there is an anti-speculation section that has a penalty for premature sales and all houses are subject to this.

PUBLIC COMMENT:

Mary Alice Page Allen, YVHA, spoke to attainable housing at 120% and that the YVHA is limited by the IGA to working with housing only 120% and below and workforce housing. She is pleased to see something that deals with above 120% because there are many people who do not qualify for 120 and below, and fills a “nitch” that is needed.

Towny Anderson cautions of unintended consequences of houses going up to 200% of AMI and the fact that the anti-speculation clause is only for 3 years.

John Spezia spoke to the impact of deed restricted houses on residential development, and that 400 units are needed to provide services to Steamboat 700 development (400 units is equivalent to that impact). He voiced concern that there are local restrictions so the units are open to everyone and that the units are not attainable for locals.

Bud Romberg spoke to the earlier discussion about what the City does not have with respect to housing, and that this agreement puts into place measurable parameters.

Steve Lewis suggested that the City revisit the housing issue after second plat to assess if the developer delivered workforce housing.

Catherine Carson noted that the attainability clause was added at the last minute; the parameters were set, but the final details will be hashed out later. However, the Citizens need to see the details before they vote and the annexation agreement does not say what will happen if the developer does not hit the 20% of affordable housing. She believes that it is the developers due diligence to have the attainability plan prior to the election.

Weiss stated that the attainability plan will be specific and there are still a number of unknowns.

Myller is satisfied that the agreement does cover average target ranges and a variety of housing will be produced.

Engelken does not want to take action on this because it is not detailed enough.

Quinn stated that there are so many questions in an agreement of this scope and the attainability language was added at the 11th hour. He does not believe that real estate speculation is a factor these days and the second home market is dead.

C. CONSENT CALENDAR: MOTIONS, RESOLUTIONS AND ORDINANCES FIRST READINGS

- 4. RESOLUTION: A resolution acknowledging appointments to the Golf Management Committee.**

Quinn read the resolution title into the record.

- 5. FIRST READING OF ORDINANCE: An ordinance amending Chapter 26 of the Steamboat Springs Revised Municipal Code, commonly referred to as the Steamboat Springs Community Development Code, to revise Sections 26-68 Final Plat, 26-141 Phasing, and Article VIII Agreements.**

Quinn read the ordinance title into the record.

Shelton spoke to a change that was made so that when a developer asks for an inspection staff is allowed to do the inspection with the engineer.

- 6. FIRST READING OF ORDINANCE: An ordinance amending certain Articles in Chapters 2 and 26 of the Steamboat Springs Revised Municipal Code pertaining to general administration of the City and execution of various documents, and establishing an effective date.**

Quinn read the ordinance title into the record.

Lettunich stated that the signature block will have the City Manager's signature, however it can be changed easily if the City Manager is not available.

PUBLIC COMMENT: No one appeared for public hearing.

MOTION: To approve items 5 and 6 of the Consent Calendar; Magill/Reisman;
APPROVED; Vote 6/0. Hermacinski was absent.

- 7. FIRST READING OF ORDINANCE: An ordinance abolishing the Howelsen Hill Commission and repealing Division 13, Section 2-517, Section 2-518 and Section 2-519 of the Steamboat Springs Revised Municipal Code; repealing all conflicting ordinances; providing for severability; and providing an effective date.**

Quinn read the ordinance title into the record.

8. **FIRST READING OF ORDINANCE:** An ordinance abolishing the Tennis Advisory Committee and repealing Division 14, Section 2-520, Section 2-521 and Section 2-522 of the Steamboat Springs Revised Municipal Code; repealing all conflicting ordinances; providing for severability; and providing an effective date.

Quinn read the ordinance title into the record.

MOTION: To approve 4, 7 and 8 of the Consent Calendar; Engelken/Myller; **APPROVED;** Vote 6/0. Hermacinski was absent.

D. PUBLIC HEARING: ORDINANCE SECOND READINGS

9. **RESOLUTION:** A resolution adopting the Howelsen Hill Rodeo Master Plan.

Quinn read the resolution title into the record.

This item was postponed from the December 15, 2009 Council meeting.

Wilson stated that Brent Romick and Ward van Scoyk are here to answer any questions as well.

Magill asked about long range funding ideas, steps and prioritization. Wilson stated that there is no funding for the Rodeo Master Plan in the 5 year CIP. They are looking into grants and private funding options; and the next step is design development.

Further discussion commenced on chariot races, and the concrete seating area.

MOTION: To approve a resolution adopting the Howelsen Hill Rodeo Master Plan; Engelken/Bentley; **APPROVED;** Vote 6/0. Hermacinski was absent.

E. CONSENT CALENDAR - PLANNING COMMISSION REFERRALS

PLANNING
PROJECTS

There were no items scheduled for this portion of the agenda.

F. PUBLIC HEARING – PLANNING COMMISSION REFERRALS

10. PROJECT: Ski Time Square

PETITION: Development Plan for a mixed use project totaling 680,742 gross square feet in five buildings with associated site improvements.

This item was postponed from the October 20, 2009 City Council meeting.

This item was heard earlier in the meeting.

Quinn read this item into the record and stepped down. He noted that the applicant has requested that this item be postponed to the February 2 agenda.

Bentley chaired the meeting.

Mark Mathews requested that this item be postponed due to the lack of Council representation at tonight's meeting.

PUBLIC COMMENT: There was no public comment.

MOTION: To postpone this item to the February 2, 2010; Magill/Myller;
APPROVED; Vote 4/1. Engelken opposed. Hermacinski was absent.

Quinn returned to the meeting.

11. SECOND READING OF ORDINANCE: An ordinance amending Chapter 26, Article 148 of the Steamboat Springs Revised Municipal Code pertaining to Community Housing, with particular reference to compliance methods; and establishing an effective date.

This item was postponed from the August 4, the August 18, the September 1, 15 and 29, the October 20, the November 17, and the December 15, 2009 City Council meetings.

Quinn read the ordinance title into the record.

Leeson reviewed the changes regarding quality standards, the elimination of incentives, and attainability exemptions (which is not yet included).

Bentley stated that she was surprised by the .2% number. Leeson stated that staff worked closely with the development community. They looked at a 30 year time horizon and found that the .2% fee would equate to PIL.

Bentley asked if the developer is only paying 50% and the rest is on the backs of the buyers, then what does the developer care if number is .2, .5 or 1? She voiced concern that there will not enough money going toward the affordable housing program.

Myller and Engelken support increasing the number to .5%.

Lettunich stated that staff was directed to work with the committee and this number was a collaborative finding. It would be a surprise to this group to see the number changed. He noted that they found that the number was going to generate a return equal to the other 50% PIL after 10 years and provide a cushion in case of a legal challenge.

Roberts stated that the first RET occurs at the first sale, the second occurs at year 5, and third at year 10. At that time, it would be the same net present value as the current PIL.

Reisman does not support raising the number for the sake of raising it since we do not know where affordable housing is heading.

Bentley supports increasing it now and decreasing it later if necessary.

Quinn believes that the higher we make the RET, the bigger “target we paint on it”. The compromise was to acknowledge that the fees do get passed along to homeowners and the balance was to get the same production without putting the burden on one sector of the community and passing the fee along.

Engelken believes that all these changes have come at the request of the developers and they only benefit the developers. He stated that a developer will charge whatever the market will bear.

PUBLIC COMMENT:

Ed MacArthur spoke to an option that includes shared responsibility and generated money; 1% at sale and .5 RET.

Catherine Carson does not support the .2% and would like to increase to .5%.

MOTION: To postpone this item to the February 16, 2010 agenda; Magill/Reisman; **APPROVED;** Vote 6/0. Hermacinski was absent.

12. **SECOND READING OF ORDINANCE:** An ordinance amending Chapter 26 of the Steamboat Springs Revised Municipal Code by amending the term and effect of approval of final development plans by allowing administrative extensions in limited circumstances; providing for severability; providing an effective date; repealing all conflicting ordinances; and setting a hearing date.

Quinn read the ordinance title into the record.

PUBLIC COMMENT: No one appeared for public hearing.

MOTION: To approve the second reading of an ordinance amending Chapter 26 of the Steamboat Springs Revised Municipal Code by amending the term and effect of approval of final development plans by allowing administrative extensions in limited circumstances; providing for severability; providing an effective date; repealing all conflicting ordinances; and setting a hearing date; Myller/Bentley; **APPROVED;** Vote 6/0. Hermacinski was absent.

13. **SECOND READING OF ORDINANCE:** An ordinance of the City of Steamboat Springs, Colorado, extending the vesting period for a site specific development plan originally approved as “Montenero at Steamboat Springs” for an additional time period of three years, repealing all conflicting ordinances; providing for severability; and providing an effective date.

Quinn read the ordinance title into the record.

PUBLIC COMMENT: No one appeared for public hearing.

MOTION: To approve the second reading of an ordinance of the City of Steamboat Springs, Colorado, extending the vesting period for a site specific development plan originally approved as “Montenero at Steamboat Springs” for an additional time period of three years, repealing all conflicting ordinances; providing for severability; and providing an effective date; Bentley/Myller; **APPROVED;** Vote 6/0. Hermacinski was absent.

14. **SECOND READING OF ORDINANCE:** An ordinance of the City of Steamboat Springs, Colorado, extending the vesting period for a site specific development plan originally approved as “Rocky Peak Village” for an additional time period of three years, repealing all conflicting ordinances; providing for severability; and providing an effective date.

Quinn read the ordinance title into the record.

PUBLIC COMMENT: No one appeared for public hearing.

MOTION: To approve the second reading of an ordinance of the City of Steamboat Springs, Colorado, extending the vesting period for a site specific development plan originally approved as “Rocky Peak Village” for an additional time period of three years, repealing all conflicting ordinances; providing for severability; and providing an effective date; Reisman/Magill; **APPEARED**; Vote 6/0. Hermacinski was absent.

15. **SECOND READING OF ORDINANCE:** An ordinance of the City of Steamboat Springs, Colorado, extending the vesting period for a site specific development plan originally approved as “Fulton Ridge” for an additional time period of three years, repealing all conflicting ordinances; providing for severability; and providing an effective date.

Quinn read the ordinance title into the record.

PUBLIC COMMENT: No one appeared for public hearing.

MOTION: To approve the second reading of an ordinance of the City of Steamboat Springs, Colorado, extending the vesting period for a site specific development plan originally approved as “Fulton Ridge” for an additional time period of three years, repealing all conflicting ordinances; providing for severability; and providing an effective date; Magill/Engelken; **APPROVED**; Vote 6/0. Hermacinski was absent.

16. **SECOND READING OF ORDINANCE:** An ordinance of the City of Steamboat Springs, Colorado, extending the vesting period for a site specific development plan originally approved as “Riverfront Park” for an additional time period of three years, repealing all conflicting ordinances; providing for severability; and providing an effective date.

Quinn read the ordinance title into the record.

Magill asked that staff assure that this is graded correctly for long term site stabilization. Leeson stated that there is an active Construction Site Management Plan in place so staff will look into it.

PUBLIC COMMENT: No one appeared for public hearing.

MOTION: To approve the second reading of an ordinance of the City of Steamboat Springs, Colorado, extending the vesting period for a site specific development plan originally approved as “Riverfront Park” for an additional time period of three years, repealing all conflicting ordinances; providing for severability; and providing an effective date; Magill/Reisman; **APPROVED**; Vote 6/0. Hermacinski was absent.

G. REPORTS

17. City Council

Magill:

1. Needs someone to attend the January 28 NWCCOG meeting.
DIRECTION: Staff to attend.
2. Noted the increase in attendance at the Boys and Girls Club and the value of that program.
3. Attended the Music Fest/Ski Jam.
4. Attended a Mainstreet meeting and discussed the Highway 40 construction schedule. He asked if staff can request that CDOT let staff know by May 30 if they will make the June 30 date. Shelton spoke to the opportunity to pay an acceleration fee and noted that the contractor will consider this request.
5. Attended a meeting with Ski Corp. and discussed hosting the NCAA championships at Howelsen Hill.

Reisman:

1. Attended a Grand Futures meeting and noted that he was impressed that 3 Steamboat Springs High School and 2 Soroco students attended this meeting.

Quinn:

1. Attended the Mainstreet annual meeting and discussed the challenges ahead for the community.

18. Reports

a. Agenda Review:

- 1.) City Council agenda for February 2, 2010.**
- 2.) SSRA agenda for February 2, 2010.**

3.) City Council agenda for February 16, 2010.

The above agendas were reviewed.

19. Staff Reports

a. City Attorney's Update/Report.

Lettunich reported on the following:

1. Spoke to the engagement letter and fee agreement with Porzak regarding a fee increase. He noted that Council can either accommodate further discussion or approve the letter and deal with the budget issues it may raise. **DIRECTION:** Staff to provide more information on what the City has paid in the past.

b. Manager's Report: Ongoing Projects.

Roberts reported on the following:

1. Noted that he has met with the businesses that are noted in the packet.
2. Noted that he will be providing a monthly update on the status of Council's goals.
3. Spoke to the preliminary stages of relocating Smartwool.
4. Will meet with Mainstreet to look at a marketing program regarding Highway 40 construction in hopes to lessen the impact.

H. ADJOURNMENT

MOTION: To adjourn Regular Meeting 2010-02 at approximately 9:45pm; Myller/Bentley; **APPROVED;** Vote 6/0. Hermacinski was absent.