

City of Colorado Springs

City Hall 107 N. Nevada Avenue Colorado Springs, CO 80903

Meeting Minutes

Council Work Session

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Monday, January 13, 2025	9:00 AM	Council Chambers

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Estimated agenda item times are provided for planning purposes and do not constitute notice of a specific time for any item. Items may take more or less time than estimated. City Council may amend the order of items.

1. Call to Order and Roll Call

President Helms called the meeting to order at 9:05 AM.

Present	8 -	Councilmember Yolanda Avila, President Pro Tem Lynette Crow-Iverson,		
		Councilmember Dave Donelson, President Randy Helms, Councilmember Nancy		
		Henjum, Councilmember David Leinweber, Councilmember Brian Risley, and		
		Councilmember Michelle Talarico		

Excused 1 - Councilmember Mike O'Malley

Councilmember Donelson attended the meeting virtually.

Councilmember Risley arrived at approximately 10:00 AM.

2. Changes to Agenda

Kevin Walker, Director, Planning Department, requested Agenda item 8.G. be taken after Agenda item 9.A. Consensus of City Council agreed to this change.

3. Regular Meeting Comments

President Helms stated several Councilmembers have requested that Agenda items 12.C. through 12.P. be postponed to a date certain. Ben Bolinger, Legislative Counsel, City Attorney's Office, stated because the hearing has already been noticed for thirty days, state statute requires a minimum of one hour of testimony before it can be continued. Councilmember Henjum stated she believes the items should be postponed until AnnexCOS is finalized and in order to allow City Council and the public to have more time to review the details of the proposed Karman Line annexation.

Councilmember Leinweber stated they have had the information for over a month and the community is desperate for housing.

Councilmember Donelson stated he supports postponing this item especially since they are not anticipating any development for at least five years.

President Pro Tem Crow-Iverson asked when AnnexCOS will be finished. Kevin Walker, Director, Planning Department, stated their goal is March 2025.

Councilmember Talarico stated she feels it is very disingenuous if Councilmembers who want to postpone the item do not pay attention to the one hour of testimony.

President Helms polled City Council regarding the desire to postpone the hearing after an hour of testimony. A majority of City Council did not agree to postpone.

Councilmember Avila stated she would not support postponing it if it means the upcoming newly seated City Council will make the final decision on it.

Emily Evans, City Council Administrator, stated there are currently forty-six citizens already signed up to speak on this item.

4. Review of Previous Meeting Minutes

4.A. <u>25-002</u> City Council Work Session Meeting Minutes December 9, 2024

Presenter: Sarah B. Johnson, City Clerk

Attachments: 12-9-24 City Council Work Session Meeting Minutes Final

The minutes of the December 9, 2024 Work Session were approved by Consensus of City Council.

5. Presentations for General Information

There were no Presentations for General Information.

6. Staff and Appointee Reports

6.A. <u>25-001</u> Agenda Planner Review

Presenter: Sarah B. Johnson, City Clerk

Attachments: Agenda Planner Review 1-13-25

There were no comments on this item.

7. Executive Session

<u>7A. Open</u>

There was no Open Executive Session.

7B. Closed

7B.A. <u>25-037</u> In accord with City Charter art. III, § 3-60(d) and its incorporated Colorado Open Meetings Act, C.R.S. § 24-6-402(4)(b) the City Council, in Open Session, is to determine whether it will hold a Closed Executive Session. The issue to be discussed involves consultation with the City Attorney for the purpose of receiving legal advice regarding specific legal questions regarding retail marijuana licensing.

> The President of Council shall poll the City Councilmembers, and, upon consent of two-thirds of the members present, may conduct a Closed Executive Session. In the event any City Councilmember is participating electronically or telephonically in the Closed Executive Session, each City Councilmember participating in the Closed Executive Session shall affirmatively state for the record that no other member of the public not authorized to participate in the Closed Executive Session is present or able to hear the matters discussed as part of the Closed Executive Session. If consent to the Closed Executive Session is not given, the item may be discussed in Open Session or withdrawn from consideration.

Presenter: Wynetta Massey, City Attorney

Attachments: Closed Session memo - 1-6-25

Ben Bolinger, Corporate Division Chief, Office of the City Attorney, stated that in accord with City Charter art. III, § 3-60(d) and its incorporated Colorado Open Meetings Act, C.R.S. § 24-6-402(4)(b) and

(e), the City Council, in Open Session, is to determine whether it will hold a Closed Executive Session. The issue to be discussed involves consultation with the City Attorney for the purpose of receiving legal advice regarding specific legal questions regarding retail marijuana licensing.

President Helms polled City Council regarding the desire to proceed with an electronic Closed Executive Session. At least two-thirds of City Council agreed to proceed in a Closed Executive Session.

8. Items for Introduction

8.A. 25-034 Ordinance No. 25-08 amending Article 2 (Marijuana) of Chapter 2 (Business Licensing, Liquor Regulation and Taxation) of the code of the City of Colorado Springs 2001, as amended, pertaining to marijuana licensing Presenter: Sarah B. Johnson, City Clerk Lee McRae, Senior License Enforcement Officer, Office of the City Clerk

<u>Attachments:</u> <u>ORD_RMJ_Final.docx</u>

Lee McRae, Senior License Enforcement Officer, Office of the City Clerk, presented the Ordinance amending City Code pertaining to marijuana licensing to include the initiated Ordinance language allowing retail marijuana without increasing the existing location cap and renames the part to "Marijuana License Code".

There were no comments on this item.

8.B. <u>25-035</u> A Resolution rescinding Resolution No. 87-17 and Resolution No. 78-17 and establishing marijuana business application and license fees and charges

Presenter: Mona Hirjoi, Budget Manager, Budget Office, Finance

<u>Attachments:</u> Resolution - Marijuana Fees (25-035) Resolution - Marijuana Fees EXHIBIT A Marijuana Fees to City Council

Signed Resolution No. 02-25.pdf

Mona Hirjoi, Budget Manager, Budget Office, Finance, presented the Resolution establishing marijuana business application and license fees and charges. She provided an overview of the City User Fee Policy, fee considerations, proposed marijuana fees, and 2025 projected marijuana revenue.

Councilmember Henjum asked if the retail marijuana fees, and medical marijuana fees and process had any overlap or were completely separate. Sarah B. Johnson, City Clerk, stated they were separate.

President Pro Tem Crow Iverson requested additional information regarding transfers. Lee McRae, Senior License Enforcement Officer, Office of the City Clerk, stated the transfer of ownership application is the transfer of ownership from one entity to another.

Councilmember Leinweber stated a large percentage of suicides in El Paso County have marijuana or Tetrahydrocannabinol (THC) in their systems at the time of death and asked if there could be a fee included to help finance the Community Response Team (CRT) within the retail marijuana licensing fee. Charae McDaniel, Chief Financial Officer, stated the fee can only cover the amount of effort for the administration of the fee.

Councilmember Risley asked why the budgeted amount of \$675,000 for medical marijuana is different than the projected \$521,000 being presented now. Ms. Hirjoi stated the medical marijuana revenue was projected back in September 2024 and there is also an increase in application fees. Ms. McDaniel stated it is due to a difference in the assumptions projected for medical marijuana revenue which is lower now. Ms. Johnson stated there have been several medical marijuana establishments which have surrendered their license over the past few months.

8.C. <u>25-036</u> Ordinance No. 25-09 Creating a New Article 13 (Retail Marijuana Sales Tax) of Chapter 2 (Business Licensing, Liquor Regulation and Taxation) of the Code of the City of Colorado Springs 2001, as amended, Pertaining to Retail Marijuana Sales Tax Code

Presenter: Charae McDaniel, Chief Financial Officer

Attachments: SalesTax-Article13RetailMarijuana-ORD-2025-01-08.docx

Statement of Sufficiency - Retail Marijuana Sales Tax

Charae McDaniel, Chief Financial Officer, presented the Ordinance amending City Code pertaining to Retail Marijuana Sales Tax Code to codify the additional five percent sales tax on retail marijuana that was approved by voters in 2022 which provided that the tax revenue from the additional five percent retail marijuana sales tax could only be used for public safety programs, mental health services, and post-traumatic stress disorder treatment programs for veterans. Councilmember Henjum asked if this is a citizen-initiated ordinance from 2022. Ms. McDanel confirmed it is.

Councilmember Henjum asked who will determine how much of the tax revenue will go to each category. Ms. McDaniel stated she recommends that it be handled in the same way that priorities are handled through the budget prioritization process.

Councilmember Henjum asked if the sales tax revenue would be granted to outside organizations or will be used by the City. Ms. McDaniel stated her proposal will be that it is used by the City.

Councilmember Leinweber asked how many Community Response Teams (CRT) there are within the City. Ms. McDaniel stated she does not know the exact number of teams there are, but the cost is approximately \$1 million.

8.D. <u>25-029</u> Ordinance No. 25-10 amending Chapter 7 (Unified Development Code) of the Code of the City of Colorado Springs 2001, as amended, pertaining to Medical and Retail Marijuana. (Quasi-Judicial) (Second Reading and Public Hearing).

Presenter: Kevin Walker, Director, Planning Department

Attachments: UDC-RegulatedMarijuana-ORD_2025-01-16

Ballot Quesion 300

Signed Ordinance No. 24-90

Kevin Walker, Planning Director, Planning Department, presented the Ordinance amending the Unified Development Code (UDC) pertaining to Medical and Retail Marijuana. He provided a brief overview of the history, Ordinance, permitted districts, use-specific standards, Planning Commission recommendations, requested actions, and proposed motions.

Councilmember Henjum asked if the proposed Ordinance included the one-mile distance buffer. Mr. Walker confirmed it does.

Councilmember Donelson asked if the smell mitigation systems were already required for medical marijuana facilities. Mr. Walker confirmed it was, and citizens may report facilities which are in violation.

Councilmember Donelson asked why the violations were not in numerical order. Lee McRae, Senior License Enforcement Officer, Office of the City Clerk, stated only the violations which were changed were included in the Ordinance. Councilmember Donelson requested a full redline copy of the Ordinance. Councilmember Henjum asked if a 1,000-foot buffer would impede the implementation of ballot question 300. Sarah B. Johnson, City Clerk, stated that buffer requirement is already the law.

Councilmember Henjum asked if the City was ready to take applications as of February 10, 2025. Ms. Johnson confirmed they were.

Councilmember Donelson stated he will be requesting the Ordinance be amended to reduce the buffer distance to 1,000-feet since that is what citizens voted for, but he does not believe citizens understood what exactly what they were voting for because of the Charter amendment question which was also on the ballot so he will also be requesting to repeal the ballot measure for the April 1, 2025 election.

Councilmember Henjum asked why the Planning Commission deleted section six of the Ordinance. Mr. Walker stated they felt it was the will of the people that it be a 1,000-feet buffer distance.

Councilmember Henjum stated she supports the 1,000-foot buffer distance, but not a repeal of the ballot question.

8.E. 25-031 An Ordinance Amending Section 203 (Application For License; Fees; Term; Bond And Insurance Requirements; Suspension Or Revocation) Of Part 2 (Excavations) Of Article 3 (Streets And Public Ways) Of Chapter 3 (Public Property And Public Works) Of The Code Of The City Of Colorado Springs 2001, As Amended, Pertaining To Excavator Stop Work Orders.

> Presenter: Gayle Sturdivant, PE, PMP, City Engineer/Deputy Public Works Director Tyra Sandy, PE, Engineering Program Manager/Assistant City Engineer

Attachments: 1_PW-ExcavatorStopWorkOrder-ORD-2024-11-26

2_Presentation

Gayle Sturdivant, City Engineer/Deputy Public Works Director, presented the Ordinance amending City Code pertaining to excavator Stop Work Orders. She provided an overview of the problem of contractors performing work within the Right of Way (ROW) or in Public Utilities Easements (PUE) and their recommendation to allow issuance of a Stop Work Order to contractors for: improper traffic control in work areas, damages to a person or property, performing work without a permit, and noncompliance with permit requirements.

Councilmember Risley asked if this applies to both public and private

property. Ms. Sturdivant stated it applies to the public right-of-way or public utility easements but not access easements.

Councilmember Risley asked if a Stop Work Order could be issued if a service provider installed a line outside of a utility easement. Ms. Sturdivant confirmed it could because it would be a case of trespassing.

8.F. <u>25-030</u> A Resolution authorizing the acquisition of real property, permanent easements and temporary easements using PPRTA funds for the Marksheffel Road - North Carefree to Dublin Project.

Presenter: Gayle Sturdivant, PE, PMP, City Engineer/Deputy Public Works Director Kellie Billingsley, Real Estate Services Manager

Attachments: 1 Oly VanDW - Location Map

- 2_Oly_VanDW Resolution
- 3 Resolution Exhibit A
- 4_Resolution Exhibit B
- 5 Resolution Exhibit C
- 6_Marksheffel Oly_VanDW Presentation

Gayle Sturdivant, City Engineer/Deputy Public Works Director, presented the Resolution authorizing the acquisition of real property, permanent easements and temporary easements using PPRTA funds for the Marksheffel Road - North Carefree to Dublin Project. She provided an overview of the location map, real property, permanent easements, temporary easements, and procedure manual information.

President Helms asked if the temporary permits for right-of-way go back to the property owner. Ms. Sturdivant confirmed it typically takes one to two years and then they are turned over to the property owner.

Councilmember Donelson asked if the property owners were satisfied with the terms of the offer. Ms. Sturdivant confirmed they were.

8.G. CODE-24-00 An Ordinance amending Chapter 7 (Unified Development Code (UDC)) of the Code of the City of Colorado Springs 2001, as amended, as related to accessory dwelling units. (Legislative)

Related Files: CODE-24-0006 Located in All Council District

Presenter: Daniel Sexton, DRE Planning Manager, Planning Department

Kevin Walker, Director, Planning Department

<u>Attachments:</u> Staff Report ADU Ordinance vf

- 1 ADU Ordinance
- 2 Ordinance No. 20-39
- 3 Ordinance No. 20-37
- 4 House Bill 24-1007
- 5 House Bill 24-1152
- 6 Senate Bill 24-174
- 7 Public Comments
- 8 ADU Ordinance Table of Proposed Changes

7.5.702 AMENDMENT TO UDC TEXT

PublicComments_Combined_1262024

PublicComment_Combined_12102024

ADU Ordinance Preliminary Survey Results 1292024

UDC-Accessory Dwelling Units Ord_2024.12.30

ADU Ordinance_CC Work Session_Staff Presentation_Final

ADU Ordinance_CC Public Hearing_Staff Presentation_Final

HNP Topic Papers-Matrix_1122025

Public Comments_1102025

Daniel Sexton, Development Review Enterprise (DRE) Planning Manager, Planning Department, presented the Ordinance amending the Unified Development Code (UDC) pertaining to accessory dwelling units (ADU). He provided an overview of ADUs, permitted ADUs, engagement facts, survey questions, key takeaways, and analysis of survey questions.

Councilmember Henjum asked why this Ordinance is on such a short timeline to be approved. Mr. Sexton stated the legislative bill which speaks to the modification of the definition of family, and how the City regulates occupancy went into effect on July 2024 which make the City's current City Code noncompliant and the next two legislative pieces of it go into effect July 1, 2025.

Councilmember Henjum asked if a sunset clause could be incorporated into the Ordinance. Ben Bolinger, Legislative Counsel, City Attorney's Office, confirmed it is possible, but they need to consider how far the City wants to deviate from the state's laws.

Councilmember Leinweber asked if structures are only permitted to occupy eighty percent of the lot size. Councilmember Risley stated there are restrictions on the footprint depending on the size of the lot and zoning. Mr. Sexton stated there are also compounding dimensional standards.

Councilmember Henjum asked what percentage of existing lots could now be eligible for ADU which was not eligible for an ADU prior. Mr. Sexton stated if a property is permitted with a single-family-detached home, they would be allowed to pursue the development of an ADU.

Councilmember Donelson asked what the state is requiring within sixty days. Mr. Sexton stated the Department of Local Affairs (DOLA) is requesting a report and a copy of the draft Ordinance and to make required changes if necessary. Councilmember Donelson asked what the consequence would be if they did not meet that timeline. Mr. Sexton stated they run the risk of potential litigation for not complying with the state statute. Councilmember Donelson asked if the Ordinance addresses the City's home rule status. Mr. Sexton confirmed it does.

Councilmember Donelson asked if there will be a significant impact on housing affordability. Mr. Sexton stated it will provide options and opportunities for property owners to look at generational housing.

Councilmember Donelson asked if it worth the risk to lose home rule status in this area. Mr. Sexton stated they are not relinquishing their home rule stance. Kevin Walker, Director, Planning Department, stated whether this will have an impact or not is difficult to answer.

Councilmember Risley asked it this item is where the City should flex its home rule control. Ben Bolinger, Legislative Counsel, City Attorney's Office, stated the legislature made findings in their statutes that there were matters of statewide concern, mostly due to housing shortages. He stated land use has traditionally been viewed as a matter of home rule, and because land use as related to home rule is not on the State Constitution's list, it is more implied by the powers and duties of elected officials and the tradition of the state. Mr. Bolinger explained that when they are caught between the tradition and the interpretations of the Constitution versus the legislative finding of the state legislature, the conditions are ripe for litigation.

Councilmember Risley asked how many ADU's have been put into place since 2020. Mr. Sexton stated sixty units.

Councilmember Avila stated she sees this as the City being more aligned with the state to address affordable housing and a step in the right direction.

Councilmember Henjum stated she does not believe they are taking the appropriate amount of time to make such a significant decision and would like a delay to allow neighborhood organizations more time to review this item. Keving Walker, Director, Planning Department, stated they have been working with Dianne Bridges, Chair, Historic Neighborhoods Partnership, and her groups substantially for the past several months and will continue to do so.

9. Items Under Study

9.A. <u>25-025</u> An interactive work session with City Council and the City's annexation plan consultant for collaboration on AnnexCOS.

Presenter: Katie Carleo, Land Use Review Division Manager, Planning Department Bryan English, Development Project Manager, Colorado Springs Utilities Customer Connections Logan Simpson, AnnexCOS consultant

Katie Carleo, Land Use Review Division Manager, Planning Department, introduced the interactive work session with City Council and the City's annexation plan consultant for collaboration on AnnexCOS.

Megan Moore, Senior Associate, Logan Simpson, AnnexCOS consultant, provided an overview of the overall process, committees/teams, focus groups, and plan guidance.

Ben Oesterling, GIS Analysis, Logan Simpson, identified the criteria/mapping, methodology, scoring, weighting, infrastructure, transportation, contiguity, assessor, and annexation suitability.

Councilmember Henjum requested additional information regarding contiguity. Mr. Oesterling stated contiguity is scored based on adjacency to the City.

Councilmember Henjum asked if the parcels to the west, are National Forest property. Mr. Oesterling stated they exclude any federal owned land.

Cameron Gloss, Logan Simpson, went over the annexation goals.

President Pro Tem Crow-Iverson asked if they have been working with Colorado Springs Utilities (CSU) regarding water supply. Brian English, Project Manager, CSU, confirmed they have.

Ms. Moore identified the next steps.

Councilmember Henjum asked what the goal of the public open-house event. Ms. Moore stated they are hoping to get feedback regarding the goals, policies and sustainability zones.

Councilmember Henjum asked how the Karman Line annexation will affect AnnexCOS. Ms. Moore stated they will rerun the analysis to include that property.

Councilmember Donelson asked how public input could be given outside of the open-house event. Ms. Moore stated the materials will be online through January 27, 2025. Councilmember Donelson stated he is concerned about how quickly Council will be required to vote on it.

Councilmember Leinweber asked what resources the City will need to accommodate its anticipated growth. Ms. Moore stated they are working with the CSU Growth Model to get some of those initial results to make sure they are aligned with AnnexCOS. Ms. Carleo reminded City Council that this tool is required by state statute and PlanCOS. Councilmember Risley stated the Karman Line annexation presentation does have an analysis which addresses that projected growth.

Councilmember Henjum requested more time to address the concerns that citizens have raised regarding this item. Mr. Walker stated they will continue to work with the citizens regarding any issues they would like addressed.

9.B.ANEX-24-00
13WSAn informational presentation for the Annexation Policy Checkpoint on
the proposed Southern Colorado Rail Park Addition No. 1 Annexation.

Presenter: Gabe Sevigny, Planning Supervisor, Planning Department

 Attachments:
 Attachment 1 - Land Use Plan

 Attachment 2 - Contiguous Boundaries Exhibit

 Attachment 3 - Enterprise Zone Determination

 Attachment 4 - Annexation Plat

 Attachment 5 - Project Statement

 Southern Colorado Rail Park - Checkpoint - Staff Presentation

Gabe Sevigny, Planning Supervisor, Planning Department, presented the informational presentation for the Annexation Policy Checkpoint on the proposed Southern Colorado Rail Park Addition No. 1 Annexation. He provided an overview of the vicinity map, applications, and guidelines.

Brian English, Planning Manager, Colorado Springs Utilities, (CSU), went over CSU's application of City Code 12.4.305.B./ 7.5.701.A.4., water service, wastewater service, natural gas service, and electric service.

Councilmember Leinweber asked how CSU is getting water to the land they own on the southern part of the property. Mr. English stated there is a series of wells there.

Mr. Sevigny identified the timeline for annexation.

Andrea Barlow, NES, representing the applicant, identified the project team, site location, site context, history of the public/private partnership, project status, annexation status, basis for annexation, Planned Development Zone (PDZ) zoning, land use plan, land uses, land use matrix, and phasing plan.

Councilmember Henjum asked where the primary ingress and egress be located. Ms. Barlow stated Powers Boulevard it anticipated to connect to Interstate 25 and that intersection will be the access for the initial phase.

President Helms stated he and Councilmember Donelson have been involved in this project for almost two years and one of the benefits of the rail coming in at Fort Carson will solve the security issues related to transporting military equipment.

Steve Milliken, NES, representing the applicant, went over the reasons to support the project, creation of jobs, mega-site for manufacturers, specialized training, and senator's support. He identified the City annexation process, requirements, and guidelines.

President Pro Tem Crow-Iverson, Councilmember Henjum, and Councilmember Leinweber stated they support this annexation moving forward.

Councilmember Leinweber stated they need to make sure the City has the housing availability to support this project. Councilmember Risley provided a brief history of how annexations previously came before City Council compared to how they are done now.

Councilmember Leinweber asked why this CSU owned property was not already annexed into the City. Mr. English stated they are looking at City and CSU controlled property regarding AnnexCOS.

10. Councilmember Reports and Open Discussion

Councilmember Leinweber stated the governor expressed support of the Pikes Peak Massive which is an initiative he has been working for the last seven years, the Explore Act will modernize some components of outdoor recreation, and CreekCOS and the Stormwater Enterprise received a grant of \$700,000 to revitalize Fountain Creek and Monument Creek.

Councilmember Avila stated she is saddened by the fires in California and the passing of the honorable President Jimmy Carter. She stated she attended the delegation of Vietnamese women; she was on the panel for Stop the Violence, and met with Janelle, a medical provider, regarding Underserve and the medical needs of the community.

Councilmember Henjum stated she will introduce Nga Vuong-Sandoval, a Vietnamese refugee and founding president of Refugees + Immigrants United (RIU), on Saturday, January 18, 2025 at the Pioneer's Museum's Lunar New Year event.

President Pro Tem Crow- Iverson stated she presented a proclamation to the District 11 School Board.

President Helms stated he will be speaking to a Cub Scout Troop tonight, January 13, 2025 and Peterson Space Force Base will be sending a C-130 to California.

Jamie Fabos, Chief of Staff, stated four members of the Colorado Springs Fire Department have deployed to California to assist with the fires.

Sarah B. Johnson, City Clerk, stated the candidate filing is open until 5:00 PM, January 21, 2025 and if anyone is interested in becoming a candidate for the April 1, 2025, they are welcome to pick up a Candidate Packet at the City Clerk's Office, Monday through Friday, from 8:00 AM

to 5:00 PM

11. Adjourn

There being no further business to come before City Council, President Helms adjourned the meeting at 3:31 PM.

Sarah B. Johnson, City Clerk