

June 6, 2023

COUNCIL OF THE CITY OF FORT COLLINS, COLORADO

Council-Manager Form of Government

Regular Meeting – 6:00 PM

**PROCLAMATIONS AND PRESENTATIONS
5:00 PM**

A) PROCLAMATIONS AND PRESENTATIONS

PP 1. **Declaring the Week of May 21-27, 2023 as Flood Awareness Week.**

PP 2. **Declaring the Week of June 1-7, 2023 as National CPR and AED Awareness Week.**

PP 3. **Declaring the Week of June 4-10, 2023 as Wildfire Awareness and Prevention Week.**

PP 4. **Declaring June 19, 2023 as Juneteenth Independence Day.**

PP 5. **Declaring June 2023 as LGBTQ+ Pride Month.**

Mayor Jeni Arndt presented the above proclamations at 5:00 p.m.

**REGULAR MEETING
6:00 PM**

B) CALL MEETING TO ORDER

Mayor Jeni Arndt called the regular meeting to order at 6:01 p.m. in the City Council Chambers at 300 Laporte Avenue, Fort Collins, Colorado, with hybrid participation available via the City's Zoom platform.

C) PLEDGE OF ALLEGIANCE

Mayor Jeni Arndt led the Pledge of Allegiance to the American Flag.

D) ROLL CALL

PRESENT

Mayor Jeni Arndt
Councilmember Susan Gutowsky
Councilmember Julie Pignataro
Councilmember Tricia Canonico
Councilmember Shirley Peel
Councilmember Kelly Ohlson

ABSENT

Mayor Pro Tem Emily Francis

STAFF PRESENT

City Manager Kelly DiMartino
City Attorney Carrie Daggett
Deputy City Clerk Heather Walls

E) CITY MANAGER'S AGENDA REVIEW

City Manager Kelly DiMartino provided an overview of the agenda, including:

- Noting Item 15 was pulled from consideration.
- Recommending adoption of the consent calendar minus item 5.
- Noting there is one item for discussion on the agenda.

F) COMMUNITY REPORTS

None.

G) PUBLIC COMMENT ON ANY TOPICS OR ITEMS OR COMMUNITY EVENTS
(Including requests for removal of items from Consent Calendar for individual discussion.)

Patricia Miller, Executive Director for Alianza NORCO, thanked Council for allocating funding to the organization through the City's Human Services Program and discussed the struggles of immigrants.

Kimberly Chambers, Fort Collins resident, thanked Council for the LGBTQ+ proclamation and flying the Pride flag. She encouraged flying it for the full month of June and requested a change in restroom signage at North Aztlan Recreation Center and other recreation facilities.

Connor Flynn, Fort Collins resident and head of the elections committee for the Fort Collins Chapter of the Democratic Socialists of America, thanked the Councilmembers who supported the minimum wage ordinance and discussed the struggles and realities of minimum wage workers.

Matt Beck, Fort Collins resident, spoke in opposition to the rental registration program stating data does not support the need for the program, which seems to be leading to a more intrusive, mandatory inspection program for the future. He requested implementation of a scaled back program to collect data to determine whether a problem exists.

Laura MacWaters, Fort Collins resident, thanked Council for the LGBTQ+ Pride Month proclamation, announced the Fort Collins Pride Fest on July 15th and Transgender Acceptance Month in the fall, concurred with the comments about restroom signage at recreation facilities, and stated discrimination toward the LGBTQ+ community is unacceptable.

Kaori Keyser, Fort Collins resident and co-chair of the Fort Collins Chapter of the Democratic Socialists of America, expressed disappointment in Council's vote against the minimum wage ordinance stating not all numbers are data. She thanked the Councilmembers who voted in support of the ordinance.

Jerry Gavaldon, Fort Collins resident, announced a model boat sailing event at Sheldon Lake on June 24 and offered compliments to JC Ward and Leo Escalante related to rental registration outreach.

Anne Lance, Executive Director of Teaching Tree Early Childhood Center, thanked Council and the City for continued support of the program and its 350 students. She stated the program provides accessible and affordable childcare to the Fort Collins community.

Van Dougherty, Fort Collins resident and representative of Vape Colorado, discussed the flag signage used to identify the business and stated the City is now requiring them to get a temporary sign permit for the 20 days out of the year, or 6 percent, that small businesses are allowed to advertise with flag or banner style signs. He stated the current Land Use Code temporary sign regulations negatively

impact local small businesses and requested the regulations be revisited during the Land Use Code revision process.

Lori Kempter (remote), Executive Director for Crossroads Safe House, thanked Council and the City for continued support of victims of domestic violence.

Joe Sarr, Executive Regional Director for Catholic Charities, thanked Council and the City for funding for their program.

Mark Houdashelt, Fort Collins resident, requested the formation of a committee or panel to assist residents in getting maximum benefit from the federal infrastructure bill and the inflation reduction act which provide significant incentives for both businesses and individuals to electrify buildings and vehicles. He stated he believes this work will be necessary for the City to reach its 2030 climate goals as natural gas and transportation emissions need be cut by 50 percent to reach those goals.

John Sanderson, Fort Collins resident, encouraged Council to continue to work toward securing future water supply with the Halligan plan.

Elizabeth Hudetz, Fort Collins resident, encouraged Council to support the large emitter tax and read parts of an article regarding the negative effects of the oil and natural gas industry. Additionally, she announced a 'phase out fracking' ballot initiative event this weekend and an event on Father's Day at Avogadro's.

Paul Anderson, Fort Collins resident, commented on family homebuyers versus private equity capitalists and stated the playing field needs to be equalized. He opposed the elimination of the 'you plus two' (U+2) ordinance.

Sarah Dentoni, Fort Collins resident and local landlord, discouraged the adoption of the rental registration program stating it will not increase affordability or housing supply. She expressed specific concern with the information requested as part of the implementation plan.

Mara Johnson, Chief Development Officer at Habitat for Humanity, thanked Council and the City for CDBG funding and provided an example of a family that will benefit from the program.

Laurie Pasricha (remote), Fuerza Latina, requested revisions to the rental licensing program, including exemptions or optional registration for owner-occupied rentals and mobile home parks and including equity-based fee waivers or reductions for low- or fixed-income landlords.

Melanie Potyondy (remote), Fort Collins resident, encouraged the City to shift from the use of non-functional turf to more sustainable landscaping projects on City property.

Dolores Williams, Fort Collins resident, expressed disagreement with the rental registration program stating it will not assist those on the verge of homelessness.

Dr. Tim McLemore, Executive Director of Elderhaus, thanked Council and the City for support of the Elderhaus program through the competitive grant process, stated the program is the only adult daycare program for individuals with dementia remaining in the city allowing caregivers to work full-time knowing their loved ones are being well cared for.

Public comment concluded at 6:58 p.m.

H) PUBLIC COMMENT FOLLOW-UP

Mayor Arndt requested input from staff regarding Mark Houdashelt's comments related to the formation of a committee related to the inflation reduction act funding. Travis Storin, Chief Financial Officer, replied that by repurposing existing staff responsibilities a new City Senior Grants Administrator position was created, and it has been determined the City will be eligible for clean energy funding and tax credits. Additionally, the City Utilities are working with consultants to seek grants.

Councilmember Pignataro thanked those who spoke regarding Item No. 16, *Public Hearing and Resolution 2023-050 Approving the Programs and Projects that Will Receive Funds from the Federal Community Development Block Grant Program, the HOME Investment Partnerships Program, the City's Affordable Housing Fund, and the City's Human Services Program* and asked about the restroom signage issue mentioned in public comments. City Manager DiMartino replied staff will ensure that issue is addressed.

Councilmember Peel requested staff follow up with Van Dougherty on signage and asked if there is an existing flag policy for City Hall. City Manager DiMartino replied there is an existing administrative policy and this month two flags were requested to be flown: the Pride flag and the Juneteenth flag.

Councilmember Canonico asked when the next meeting will occur regarding updating the City's landscaping policies. City Manager DiMartino replied she would follow up.

Councilmember Ohlson requested follow up regarding John Sanderson's comments related to the Halligan project. City Manager DiMartino replied staff will do so.

I) COUNCILMEMBER REMOVAL OF ITEMS FROM CONSENT CALENDAR FOR DISCUSSION

Councilmember Peel withdrew Item No. 5, *First Reading of Ordinance No. 076, 2023, Appropriating Prior Year Reserves for the Administration of the Land Use Code Regulations for Designated Areas and Activities of State Interest*, from the Consent Calendar.

J) CONSENT CALENDAR

1. **Consideration and Approval of the Minutes of the May 16, 2023 Regular Meeting and the May 23, 2023 Adjourned Meeting.**

The purpose of this item is to approve the minutes of the May 16, 2023 regular meeting and the May 23, 2023 adjourned meeting.

Approved.

2. **Second Reading of Ordinance No. 072, 2023, Authorizing the Disposition of a Portion of a Shared Parking Easement and the Execution of an Amendment to the Shared Parking and Access Easement Deed and Agreement.**

This Ordinance, unanimously adopted on First Reading on May 16, 2023, approves the reduction of a shared parking and access easement previously dedicated to the City and to authorize the execution of an amendment to the agreement that granted such easement. City Code Section 23-111 requires Council authorization to sell, convey, exchange, or otherwise dispose of any and all interests in real property, including easements, owned in the name of the City. The original agreement was to allow for shared parking and access on the property located at the northwest corner of Drake Road and College Avenue for users of the MAX bus line. The goal for amending the shared parking space is to add an additional area for shared parking and additional parking spaces and to revise the original boundary so that it better conforms with proposed development's parking lot layout.

Adopted on Second Reading.

3. **Second Reading of Ordinance No. 073, 2023, Appropriating Unanticipated Revenue from Larimer County and Authorizing Transfers of Appropriations for the Design and Construction of Connexion into Areas Northwest and Northeast of the Harmony Road and Taft Hill Road Intersection and Related Art in Public Places.**

This Ordinance, unanimously adopted on First Reading on May 16, 2023, appropriates \$3.58 million from Larimer County and authorizes transfers for the design and construction of Connexion in an area near the Harmony Road and Taft Hill Road intersection. At the June 6, 2023 meeting, Council adopted a Resolution to enter into an Intergovernmental Agreement (IGA) to enable the City and Larimer County to collaborate to provide Connexion broadband communication service within unincorporated Larimer County, including within the City's Growth Management Area. The initial project under the IGA to provide service to this area will establish a cost- and revenue-sharing relationship through which the County will provide \$3.58M to fund the design and construction of the expansion of Connexion service on behalf of the County. Upon appropriation of these funds and completion of this work, approximately 1,000 premises will be connected to Connexion service, and Connexion will thereafter share with the County a portion of the service revenue from these areas, subject to annual appropriation. Subsequent projects will be authorized through similar work orders executed pursuant to the IGA.

Adopted on Second Reading.

4. **First Reading of Ordinance No. 075, 2023, Making Supplemental Appropriation of Unanticipated Grant Revenue and Authorizing Transfers for the Development of a Paratransit Mobile Application and Web Portal.**

The purpose of this item is to appropriate unanticipated grant revenue awarded to Transfort by the Colorado Department of Transportation ("CDOT"), together with unencumbered Transit Services Fund amounts that will satisfy the grant's local match requirement.

Transfort has applied for and been awarded a \$50,000 state grant through CDOT's Office of Innovative Mobility, to be used for the development of a paratransit client web portal and mobile application. This grant requires a \$10,000 local match.

This Ordinance appropriates \$50,000 in state grant revenue, and \$10,000 in local match from the Transit Services Fund.

Adopted on First Reading.

5. **First Reading of Ordinance No. 076, 2023, Appropriating Prior Year Reserves for the Administration of the Land Use Code Regulations for Designated Areas and Activities of State Interest.**

The purpose of this Ordinance is to appropriate general fund dollars to administer the recently adopted 1041 regulations. The 1041 regulations represent a new permitting program for designated activities of statewide interest, including major domestic water, sewage treatment and highway projects.

Pulled from Consent. Adopted on First Reading.

6. **First Reading of Ordinance No. 077, 2023, Appropriating Philanthropic Revenue Received Through City Give for the Carnegie Center for Creativity as Designated by the Donor.**

The purpose of this item is to request appropriation of \$200,000 in philanthropic revenue received through City Give for the Carnegie Center for Creativity as designated by the donor.

In 2019, City Give, a formalized enterprise-wide initiative was launched to create a transparent, non-partisan governance structure for the acceptance and appropriations of charitable gifts.

Adopted on First Reading.

7. **First Reading of Ordinance No. 078, 2023, Appropriating Philanthropic Revenue Received through City Give for Various Programs and Services as Designated by the Donors.**

The purpose of this item is to request appropriation of \$65,790 in philanthropic revenue received through City Give. These miscellaneous gifts to various City departments support a variety of programs and services and are aligned with both the City's strategic priorities and the respective donors' designation.

In 2019, City Give, a formalized enterprise-wide initiative was launched to create a transparent, non-partisan governance structure for the acceptance and appropriations of charitable gifts.

Adopted on First Reading.

8. **First Reading of Ordinance No. 079, 2023, Making Supplemental Appropriation from the Colorado Division of Criminal Justice Synthetic Opiate Poisoning Investigation and Distribution Interdiction Grant for the Fort Collins Police Services Forensic Services Unit.**

The purpose of this item is to support Fort Collins Police Services Forensic Services Unit work in prevention and investigation of serious injuries and deaths caused by illegal synthetic opiate poisoning and for disrupting synthetic opiate distribution by appropriating \$255,833 of unanticipated grant revenue from the Colorado Department of Public Safety, Division of Criminal Justice (DCJ).

Adopted on First Reading.

9. **First Reading of Ordinance No. 080, 2023, Authorizing Transfers of Appropriations for the Northside Aztlan Resilience Hub Project.**

The purpose of this item is to appropriate supplemental funds for the Northside Aztlan Community Center Resilience Hub Project. Funding originally provided through Ordinance No. 113, 2020, supported the construction of battery storage and upgraded solar equipment at the Northside Aztlan Community Center. Project cost overruns arising from escalation, building code changes and design modifications requires Utilities to transfer \$60,000 from the Utilities Energy Services budget to supplement the Northside Aztlan Resilience Hub capital project budget. This funding transfer utilizes anticipated underspend of lapsing funds to accomplish an objective consistent with the purpose of the project. The project also received \$200,000 in funding from the Colorado Department of Local Affairs.

Adopted on First Reading.

10. **Items Relating to Sales Tax Code Updates.**

A. First Reading of Ordinance No. 081, 2023, Amending Article VIII, Article XI and Article XIV of Chapter 15 of the Code of the City of Fort Collins Relating to Pawnbrokers, Secondhand Dealers, and Outdoor Vendors.

B. First Reading of Ordinance No. 082, 2023, Amending Article III of Chapter 25 of the Code of the City of Fort Collins Relating to Sales and Use Tax.

The purpose of Ordinance A is to amend Chapter 15 of the City Code to include annual renewal dates for pawnbroker and secondhand dealer licenses, to create exemptions from secondhand dealer regulation for flea markets and secondhand furniture stores, and to restrict mobile food truck vendors and pushcart vendors from operating on the renovated portion of Linden Street.

The purpose of Ordinance B is to amend Chapter 25 of the City Code concerning sales and use tax. The updates to Chapter 25 include clarifying the process for a taxpayer to obtain a refund or credit for overpayment of tax discovered in an audit, updating licensing to align with Senate Bill 22-032, and the time period that a business relocating to Fort Collins will owe use tax on items brought into the City that were purchased while a nonresident.

Both Ordinances Adopted on First Reading.

11. **First Reading of Ordinance No. 083, 2023, Amending Chapter 23.5 of the Code of the City of Fort Collins Regarding Special Events.**

The purpose of this item is to update the City Code regarding special event permitting so that it aligns with current standards and practices. The majority of the changes are related to administrative tasks, such as fees, timelines, and permitting authorities. The amendment also includes allowing most of those changes to be handled at the administrative level, with City Manager approval, without coming back to City Council for every change.

Adopted on First Reading.

12. **First Reading of Ordinance No. 084, 2023, Amending Article IX of Chapter 2 of the Code of the City of Fort Collins Regarding Emergency Management.**

The purpose of this item is to amend the City Code to reflect updates on how emergency management programming is done and where the responsibility for that programming sits. This includes some updated language changes, as well as authorities and roles for staff and elected officials during a critical event.

At Second Reading of the Ordinance, Council will be asked to consider a Resolution to adopt an updated Emergency Operation Plan (EOP) that supports and is consistent with the requested changes in the City Code.

Adopted on First Reading.

13. **First Reading of Ordinance No. 085, 2023, Repealing and Reenacting Article II of Chapter 9 of the City Code Regarding Open Fire and Burning Restrictions.**

The purpose of this item is to update the City Code provisions regarding restrictions on open fires and burning in the City to update references to the International Fire Code, improve defined terms, better describe what activities are or are not permitted during declared Stage 1 and Stage 2 fire restrictions, and provide a mechanism for Poudre Fire Authority to act quickly to postpone previously permitted burns when changes in weather conditions increase the fire danger.

Adopted on First Reading.

14. **Resolution 2023-048 Authorizing the Assignment of the City's 2023 Private Activity Bond Allocation to Housing Catalyst and Colorado Housing and Finance Authority for CARE Housing to Finance the Construction and Rehabilitation of Affordable Homes.**

The purpose of this item is to support the new construction and rehabilitation of affordable housing at several locations in the City by assigning the City's 2023 Allocation of Private Activity Bond (PAB) capacity. PAB capacity is required for development projects using 4% Low-Income Housing Tax Credit financing.

Adopted.

15. Resolution 2023-049 Authorizing the Execution of an Intergovernmental Agreement Between the City of Fort Collins, Colorado, and the Colorado Department of Transportation for the Maintenance of Traffic Signals, Signs, and Pavement Markings Within Fort Collins and Within the Fort Collins Growth Management Area.

The City has a long-standing agreement with the Colorado Department of Transportation (CDOT) to maintain traffic control devices within the City and within the Growth Management Area (GMA). This update increases the amount that CDOT pays to the City for maintenance of signs and pavement markings to more accurately reflect actual costs incurred by the City for this work. Under this new intergovernmental agreement (IGA), the amount paid to the City by CDOT will increase from \$217,568 to \$249,648 annually. The term of this IGA is 5 years.

Withdrawn.

16. Public Hearing and Resolution 2023-050 Approving the Programs and Projects that Will Receive Funds from the Federal Community Development Block Grant Program, the HOME Investment Partnerships Program, the City's Affordable Housing Fund, and the City's Human Services Program.

The purpose of this item is to approve funding recommendations of the 2023 Spring Cycle of the Competitive Process. This Resolution will complete the 2023 Spring Cycle of the Competitive Process for allocating \$4,180,498 in City financial resources to affordable housing and public facility projects, human service programs and administration of the programs.

Adopted.

END OF CONSENT CALENDAR

Councilmember Pignataro moved, seconded by Councilmember Canonico, to approve the recommended actions on items 1-16, minus items 5 and 15, on the Consent Calendar.

The motion carried 6-0.

K) CONSENT CALENDAR FOLLOW-UP

None.

L) STAFF REPORTS

None.

M) COUNCILMEMBER REPORTS

Councilmember Julie Pignataro

- Attended Memorial Day ceremony.
- Attended bird banding event with the Bird Conservancy of the Rocky Mountains.
- Attended Midtown Business District open house.
- Read a proclamation for BeKind FoCo in Old Town Square which kicked off Kindness Week.
- Attended Open Streets event.

Councilmember Shirley Peel

- Graduated from the Water Literate Leaders program and recommended it to others.
- Participated in a ride along with Officer Kilcoyne of the Hope Team which is dedicated to individuals experiencing homelessness.

- Complimented Assistant City Manager Rupa Venkatesh as an initiator of programs related to homelessness.

Councilmember Tricia Canonico

- Thanked those who participated in the Open Streets Event.
- Thanked Zach Elementary for having her to speak with 4th graders.

Mayor Jeni Arndt

- Visited a Friendship City, in Portugal and visited a wastewater treatment plant and a textile factory which was converted to biofuel.
- Reported on a compliment from Ron Simmons, who classified himself as a frequent Transfort critic, about Charles Beaver, a Transfort driver.

Councilmember Susan Gutowsky

- Attended the Memorial Day celebration, complimented Councilmember Pignataro on her presentation, and discussed an emotional veteran presentation.
- Reported on Open Streets event and speaking with Amber Kelly. She commended staff on moving forward with the program as planned despite rainy weather.

Clerk's Note: Mayor Arndt called for a break at 7:19 p.m. The meeting resumed at 7:32 p.m.

N) CONSIDERATION OF ITEMS REMOVED FROM THE CONSENT CALENDAR FOR INDIVIDUAL DISCUSSION

5. First Reading of Ordinance No. 076, 2023, Appropriating Prior Year Reserves for the Administration of the Land Use Code Regulations for Designated Areas and Activities of State Interest.

The purpose of this Ordinance is to appropriate general fund dollars to administer the recently adopted 1041 regulations. The 1041 regulations represent a new permitting program for designated activities of statewide interest, including major domestic water, sewage treatment and highway projects.

Councilmember Peel requested clarification on the purpose of the funding. Deputy Planning, Development, and Transportation Director Paul Sizemore explained that a large portion of the appropriation will be reimbursed via billing applicants, and it will be used to fund the third-party consultants who will be completing the reviews. He clarified the \$80,000 is not recoverable and will be used for mapping and additional data improvements for the program.

Councilmember Peel requested clarification on why third-party consultants are being used instead of City staff. Sizemore replied staff does not have the expertise nor bandwidth to complete the reviews given their technical nature and the variable number of projects.

Councilmember Peel stated she will not support the item.

Councilmember Pignataro moved, seconded by Councilmember Canonico, to adopt on first reading Ordinance No. 076, 2023, Appropriating Prior Year Reserves for the Administration of the Land Use Code Regulations for Designated Areas and Activities of State Interest.

Motion carried 5-1.

Ayes: Councilmembers Ohlson, Canonico, Pignataro, Gutowsky and Mayor Arndt.

Nay: Councilmember Peel.

O) CONSIDERATION OF ITEMS PLANNED FOR DISCUSSION

17. Items Relating to Housing Strategic Plan Implementation: Rental Housing Registration Program.

A. First Reading of Ordinance No. 086, 2023, Amending Chapter 5 of the Code of the City of Fort Collins to adopt a Rental Housing Registration Program as an Implementation Action of the Housing Strategic Plan and the Our Climate Future Plan.

B. First Reading of Ordinance No. 087, 2023, Appropriating Prior Year Reserves in the General Fund for the Startup Phase of the Rental Housing Registration Program.

The purpose of this item is to consider the adoption of a Rental Housing Registration Program that includes rental registration, improvements to the complaint-based inspection system and software, enhanced mediation, education and outreach, and incentives for voluntary compliance. Additionally, this item asks the Council to consider an off-cycle General Fund appropriation in the amount of \$461,375 (with an anticipated two-year total for 2023-2024 of \$1.1 million) to support the startup and implementation phases of the program. The development of a Rental Housing Registration Program implements policy direction in both the Housing Strategic Plan (2021) and the Our Climate Future Plan (2021):

- *Housing Strategic Plan, Strategy 20 - Explore the option of a mandated rental license/registry program for long-term rentals and pair with best practice rental regulations.*
- *Our Climate Future Plan, Strategy HAH6 - Explore the option of mandated rental licensing/rental registry with minimum standards for health, safety, stability, and efficiency.*

If adopted by the Council, staff anticipates the phased rollout of registration will begin in Q3 2024. The period between adoption and implementation will be used to hire and train staff, implement new software, implement improvements to the complaint-based inspection system and mediation program, and conduct education and outreach with landlords, tenants, property managers, and others impacted by the Rental Housing Registration Program. Because the timelines for hiring processes, educational outreach, and software upgrades will impact the overall program implementation timeline, staff will keep City Council updated on the progress of the rollout as milestones are achieved.

The proposed Ordinance and supporting AIS before the Council incorporates the components that a consensus of Councilmembers expressed support for bringing forward at April 18, 2023, Council meeting discussion of rental housing. The components of the proposed program include: (1) rental registration; (2) improvements to the existing complaint-based system, including software; (3) enhanced mediation services; and (4) public education and outreach programs.

Planning, Development and Transportation Director Caryn Champine stated these ordinances would create a rental registration program and provide the necessary appropriation for staffing and other resources to implement the program if approved. She noted the proactive inspection component has been removed per Council's direction.

Housing Manager Meaghan Overton outlined the adopted plans and policies that would be met with the rental registration program, including the Housing Strategic Plan and the Our Climate Future Plan. She noted that while the City maintains a complaint-based rental inspection system to promote safe and healthy housing for renters, feedback from both landlords and tenants has shown that the system needs to be improved to ensure consistency, efficiency, and overall awareness of rental housing minimum standards.

Overton provided an overview of the current state of rental housing and discussed how each of the components of the program function today. She noted more than 40 percent of Fort Collins'

housing units are renter occupied and the rental vacancy rate has been below 5 percent for many years. She discussed the flaws with the current complaint-based system and noted enhancements to mediation services are an element of the proposed program as is improved outreach and education.

Overton outlined the public engagement process that has occurred over the past two years.

Neighborhood Services Director Marcy Yoder stated the goal of the program is to improve living conditions for renters without displacement. She outlined the program components that were developed through a community-centered approach that includes input from previous engagement efforts, public comments, guidance from Council, and updated input from non-profit partners, renters, and landlords. She detailed the program components and implementation strategies and provided examples of questions that could be asked as part of the rental registration application, including some that will be voluntary. Additionally, Yoder outlined the improvements to the mediation component of the program and detailed its implementation strategies, timeline, and budget structure.

PUBLIC COMMENT

Jolianne (no last name given), District 3 resident, stated no data has been presented to support the need for this program and the money it will cost to implement it. She stated the software should first be updated and data should be collected prior to the implementation of an entire new program. She suggested improving the current complaint-based system by allowing the public to access complaint records and results.

Amber Kelley, Fort Collins landlord, suggested this is more like a licensing program than a registration program and stated any program should allow for ongoing collaboration between all parties.

Kaori Keyser spoke in support of the program and stated the education component will be very important to advance the program.

COUNCIL DISCUSSION

Councilmember Canonico thanked staff for considering Council's requests. She asked if there is a possibility of excluding mobile home parks or owner-occupied rentals and how that would impact the program financially. Yoder replied, it would be Council's prerogative to allow exceptions. She noted the number of owner-occupied rentals is unknown, but the number of mobile home rentals is low; therefore, there would not likely be a significant financial impact.

Councilmember Pignataro asked how often reports would be provided to Council. Yoder replied that quarterly reports will be provided.

Councilmember Pignataro asked about the purpose of some of the requested information that is optional. Yoder replied staff was seeking some comparative data and the plan was to begin with individuals voluntarily providing some information to see if it adds value.

Councilmember Pignataro asked how data will be protected. Staff replied the software platform will protect the data.

Councilmember Pignataro asked why the property representative must be within 70 miles. Yoder replied staff had the goal of an hour response time; however, the mileage number is easier to quantify.

Councilmember Pignataro asked what would need to happen if the City opted to start mandating upgrades that go beyond minimum habitability into a space of more environmentally-friendly upgrades, for example. Yoder replied additional Council action would be required.

Councilmember Pignataro asked if the mediation program could also be used for landlords with problem tenants. Yoder replied in the affirmative.

Councilmember Pignataro asked if an equity-based fee or fee reduction would be included in the program. Yoder replied that would take an amendment to what is written, and general fund dollars could be used to offset some of those fees. City Attorney Daggett noted provisions allow the City Manager to set fees and provide for fee reductions based on policies in place to promote City objectives.

Mayor Arndt expressed concern about the homeowner rental issue and data collection. She concurred with the exclusion of mobile home parks at the start of the program.

Councilmember Gutowsky requested clarification on registration versus licensing. Holly Coulehan, City Attorney's Office, replied a license would require an applicant to take additional or affirmative steps for issuance; however, a registration may not. She stated there is a great deal of overlap between the two with the way this program is set up, but it would only require an administrative registration with the City.

Councilmember Gutowsky asked about the potential for denial. Coulehan replied the registration language requires that the director shall register the long-term residential dwelling unit if it complies with the minimum rental requirements and there are very few circumstances under which the registration would be denied, including fraud, material misrepresentation, false statements, and failure to comply with the requirements as established in the Code. She noted the failure to register would be a civil infraction which is a \$100 fine for a first offense. Yoder noted landlords will first be contacted with two opportunities to comply with the registration prior to moving to the civil infraction.

Councilmember Gutowsky asked how it is known that 40,000 rentals exist and why registration would be necessary if that number is already known. Yoder replied determining that number was convoluted and may not be accurate, and this program provides a straightforward opportunity to identify rentals.

Councilmember Ohlson concurred with having voluntary compliance. He stated he would like staff to provide some pros and cons for excluding mobile home park rentals and owner-occupied rentals prior to Second Reading.

Councilmember Peel asked if move out inspections are voluntary. Yoder replied a move out inspection would give tenants the opportunity to provide evidence that the home they just vacated did not meet minimum health and safety standards, after which the property owner would be contacted to either present opposing evidence or allow for an inspection. Coulehan stated probably cause that there are Code violations would be needed to present to the Municipal Court judge for authorizing a warrant to inspect a property. Councilmember Peel suggested photo or video evidence should be required.

Councilmember Peel asked how the data would be used. Coulehan replied public facing data would be aligned with what the Building Department already provides in terms of the Colorado Open Records Act (CORA) available data related to violations. Yoder replied the data will fall under CORA guidelines because it is publicly held; however, people would need to go through the CORA process to access the data.

Councilmember Peel asked about the reasons for denial. Overton replied examples of reasons for denial might be a commercial property that a landlord is attempting to register as a residential rental or lack of compliance with Codes that already exist. She stated habitability would only be addressed on a complaint basis given the proactive inspection component was removed from the program.

Councilmember Peel requested clarification regarding the Building Official's right to inspect a property. Coulehan replied the language indicates the Building Official has the right to inspect a property per the International Property Maintenance Code and Building Code and this program expands that right through the complaint process.

Councilmember Gutowsky asked about the period of time during which the 148 complaints were received and how many were solved through mediation. Overton replied the number was actually the number of inspections over the last seven years that resulted in a violation ranging from one to 44 different violations that needed to be corrected. She noted the mediation process is not used for habitability issues but for conflicts.

Councilmember Gutowsky asked if the City has any rental properties. Overton replied there are a small number of City-owned rentals and those would be required to participate in the program if within City limits.

Councilmember Pignataro asked about the options for exempting mobile home parks and owner-occupied rentals and including a registration fee sliding scale. City Attorney Daggett outlined options.

Councilmember Pignataro moved, seconded by Councilmember Canonico, to adopt on first reading Ordinance No. 086, 2023, Amending Chapter 5 of the Code of the City of Fort Collins to adopt a Rental Housing Registration Program as an Implementation Action of the Housing Strategic Plan and the Our Climate Future Plan, modifying Code Section 5-283 in the Ordinance to exclude mobile home parks and owner-occupied rentals from the registration requirement.

Councilmember Peel expressed concerns related to the information that is required to be provided, the legal boiler plate language in the Ordinance related to imprisonment being a consequence, and the two-week post move out allowance for reporting concerns. Mayor Arndt suggested Councilmember Peel work with staff to come back with amendments for second reading.

Yoder clarified the two-week piece is not in the Code but is a suggestion for implementation.

Councilmember Peel stated she will not support the item on first reading but will look for some compromises on second reading.

Councilmember Ohlson complimented staff on the thoroughness of the presentation. He supported allowing for a period of time after a tenant moves out to file a complaint and concurred photo or video evidence should be required. He requested staff provide pros and cons of the mobile home rental exclusion prior to second reading.

Councilmembers Gutowsky and Canonico also supported allowing for a period of time after move-out for an individual to file a complaint.

Mayor Arndt commended staff and Council for work on this item.

Motion passed 5-1.

Ayes: Councilmembers Canonico, Pignataro, Gutowsky, Ohlson, and Mayor Arndt.
Nay: Councilmember Peel

Councilmember Pignataro moved, seconded by Councilmember Canonico, to adopt on first reading Ordinance No. 087, 2023, Appropriating Prior Year Reserves in the General Fund for the Startup Phase of the Rental Housing Registration Program.

Motion passed 6-0.

P) OTHER BUSINESS

- OB 1. **Possible consideration of the initiation of new ordinances and/or resolutions by Councilmembers.**

(Three or more individual Councilmembers may direct the City Manager and City Attorney to initiate and move forward with development and preparation of resolutions and ordinances not originating from the Council's Policy Agenda or initiated by staff.)

- OB 2. **Consideration of a motion to call a Special Meeting to be held immediately following the Council Work Session scheduled for June 13, 2023, to conduct mid-year reviews for Council's direct report employees.**

Councilmember Pignataro moved, seconded by Councilmember Gutowsky, pursuant to Section 2-29(a) of the City Code, that the Council call a special meeting of the Council to take place on Tuesday, June 13, 2023, to be held immediately following the 6:00 p.m. Council Work Session, in the Colorado River Room at 222 Laporte Avenue, Fort Collins, for the purpose of considering a motion to go into Executive Session to conduct the mid-year reviews of the three Council direct-report employees.

The motion carried 6-0.

- OB 3. **Consideration of a motion to cancel the Tuesday, July 4, 2023, Regular Council meeting:**

Councilmember Pignataro moved, seconded by Councilmember Canonico, pursuant to City Code Section 2-28(a), that Council cancel its regular meeting of July 4, 2023, in light of the Fourth of July holiday.

The motion carried 6-0.

Q) ADJOURNMENT

There being no further business before the Council, the meeting was adjourned at 9:13 p.m.

Mayor

ATTEST:

Chief Deputy City Clerk