

FIRST READING October 16, 2007

SECOND READING _____

ORDINANCE NO. _____

AN ORDINANCE ENACTING SUPPLEMENTARY BUDGET AND APPROPRIATION NO. 14 FOR THE CITY OF LOVELAND, COLORADO

WHEREAS, Section 3.04.090D. of the Loveland Municipal Code provides that the City Council may appropriate money for all corporate, municipal, and public purposes to the full extent authorized by the Colorado Constitution and the City’s Charter, which public purposes include, without limitation, the acquisition of any interest in real property, including for annexation if the property is located within the City’s growth management area, in order to: (1) provide for the orderly urban planning and development of such land under the city’s comprehensive land use master plan and other development standards; (2) preserve and facilitate the orderly development of the city’s entryway transportation corridors; (3) encourage and facilitate economic development within the city; or (4) accomplish any other corporate, municipal or public purpose; and

WHEREAS, in accordance with Section 3.04.090D., the City Council desires to appropriate money to purchase certain real property located at 1452 South County Road 7, Loveland, Colorado, consisting of approximately 98 acres of predominately undeveloped farm land (but including a single-family residence and water rights) located on the Southwest corner of the Highway 402 and I-25 Interchange (the “Property”) in order to accomplish those corporate, municipal and public purposes specifically set forth below; and

WHEREAS, the City has reserved funds on hand not appropriated at the time of the adoption of the City budget for 2007; and

WHEREAS, the City Council desires to authorize the expenditure of these funds by enacting a supplementary appropriation to the 2007 budget, as authorized by Section 11-6(a) of the Loveland City Charter.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVELAND, COLORADO:

Section 1. That the City Council hereby finds that: (a) the Property is located within the City’s “Growth Management Area” as that term is defined in the Intergovernmental Agreement for Growth Management between the City of Loveland, Colorado and Larimer County, Colorado dated November 18, 2003 (the “IGA”) and in the City’s 2005 Comprehensive Plan (the “Comp Plan”); (b) the City represented in Paragraph 3.3.1 of the IGA that it fully intends to annex all lands in the Growth Management Area at such time as they become eligible for annexation; (c) the

Property is eligible for annexation; and (d) that to date, the City has been unsuccessful in its efforts to negotiate the voluntary annexation of the Property with its current owner.

Section 2. That the City Council further finds that acquisition of the Property is required in order to annex the Property to implement the intent of the IGA for the City to annex properties within the Growth Management Area and to implement the IGA in accordance with Goals 12.2 and 12.3 of Section 3.2 of the Comp Plan.

Section 3. That the City Council also finds that: (a) the acquisition of the Property is required in order to meet additional goals and objectives established by City Council in the Comp Plan, including, without limitation, development of State Highway 402 in a manner that promotes a positive and attractive image and that advances the economic prosperity of the City, as discussed in Comp Plan Sections 4.2 and 4.4; (b) State Highway 402 has a significant impact on the image, appearance, and future economic vitality of the City because of its visibility and role as a focus of commerce as contemplated in Comp Plan Section 4.2; (c) State Highway 402 also has significant commercial, employment, and residential development potential over the next ten to fifteen years, and it is the vital southern gateway into the City; (d) the State Highway 402 corridor and the Property located in that corridor are identified in Land Use Objective 5 of Section 4.2 of the Comp Plan and in Section 4.7 of the Comp Plan to develop as commercial and multi-use, high-quality employment districts thereby providing significant jobs and economic development within the City, including primary jobs; and (e) for these reasons, as the City Council previously concluded in Section 4.5 of the Comp Plan, annexation of the Property is a priority for the City.

Section 4. That for all the reasons and based on all the findings set forth above and hereafter, the City Council hereby finds and declares that this supplemental appropriation for and the City's acquisition of the Property: (a) are in the best interest of the City and its citizens; (b) necessary for the public's health, safety and welfare; (c) serve the City's legitimate corporate, municipal and public purposes as set forth and authorized in City Code Section 3.04.090D., the City's Charter and the Colorado Constitution; and (d) that such corporate, municipal and public purposes served by this supplemental appropriation for the City's acquisition of the Property outweigh all other individual interests.

Section 5. That revenue in the amount of \$1,600,000 in the General Fund 01 and \$4,850,000 in the Capital Expansion Fee Fund 22 from cash on-hand is available. These revenues are appropriated and transferred to the Capital Projects Fund 02 for the purchase of the Property. The funding from the Capital Expansion Fee Fund is transferred as an interfund loan and will be repaid in full, including interest at the average interest rate being earned on the City's investment portfolio for the preceding twelve months, adjusted annually, over ten years, with the first payment due in 2008. Payments for the first five years shall be interest only; payments for the last five years shall be principal and interest payments. The transferred monies from the Capital Expansion Fee Fund are not needed for any capital projects while these monies are being repaid as herein provided and the Capital Expansion Fee Fund will continue to grow at the same rate of return under the interest to be paid as it would have earned as otherwise invested. The spending agencies and funds that shall be spending the monies supplementally budgeted and appropriated are as follows:

**Supplemental Budget # 14
General Fund 01**

Revenues		
Fund Balance		1,600,000
Total Revenue		1,600,000
Appropriations		
001-5502-409-07-02	Transfer to Capital Projects Fund	1,600,000
Total Appropriations		1,600,000

**Supplemental Budget #14
CEF Fund**

Revenues		
Fund Balance		4,850,000
Total Revenue		4,850,000
Appropriations		
022-2202-409-07-02	Fire CEF/Transfer to Capital Projects Fund	2,984,620
022-5101-409-07-01	Recreation CEF/Transfer to Capital Projects Fund	1,865,380
Total Appropriations		4,850,000

**Supplemental Budget #14
Capital Projects Fund 02**

Revenues		
002-0000-373-01-00	Transfer from General Fund	1,600,000
002-0000-373-22-00	Transfer from Capital Expansion Fee Fund	4,850,000
Total Revenue		6,450,000
Appropriations		

Section 6. That the City Manager is hereby directed, in each year during which the interfund loan is in effect, to include in the annual budget all such amounts as may be required to satisfy the terms of the interfund loan.

Section 7. That as provided in City Charter Section 11-5(d), this Ordinance shall be effective upon final adoption.

ADOPTED this ____ day of November, 2007.

Larry D. Walsh, Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney