AGENDA

MISSION
The City of Durango and our employees provide efficient city services, effectively maintain city assets and manage growth, are accountable, ethical and fiscally responsible, and collaborate with regional partners to improve the quality of life for our entire community.

VISION
Durango is an authentic, diverse, multigenerational, and thriving community. Our residents value and enjoy our unique natural environment and benefit from the management of our city’s resources in a fiscally responsible, environmental, and socially sustainable manner.

VALUES
- Teamwork
- Dependability
- Professionalism
- Service
- Respect
- Innovation
- Well-Being

STRATEGIC GOALS
- Affordability & Economic Opportunity (AEO)
- Diversity, Equity, Inclusion (DEI)
- Effective Infrastructure Network (EIN)
- Enhanced Livability & Sense of Place (ELSP)
- Environmental Sustainability & Resilience (ESR)
- Financial Excellence & High Performing Government (FE)
- Engaged & Collaborative Governance (ECG)
1. CALL TO ORDER AND ROLL CALL  5:30 PM

2. INTRODUCTION OF TRANSLATOR

3. OPENING REMARKS BY MAYOR AND COUNCIL - Information Only

4. PRESENTATIONS/PROCLAMATIONS - Information Only  5:40 PM
   
   4.1. Update Regarding the City of Durango’s Current Marijuana Regulations and Methodology for Measuring Buffer Areas - FEHPG
       Requested by Councilor Yazzie

5. CITY MANAGER UPDATES - Information Only  5:50 PM
   
   5.1. 911 Dispatcher Recognition
   
   5.2. Government Finance Officers Association Award to the City of Durango
   
   5.3. Animas View Drive Update

6. COMMITTEE, BOARD AND LIAISON REPORTS - Information Only
   
   6.1. Business Improvement District Quarterly Report

7. PUBLIC COMMENT ON AGENDA ITEMS ONLY (Items 8, 9 & 11) 6:10 PM

8. CONSENT AGENDA - Action Items without discussion  6:25 PM

   8.1. Approval of Meeting Minutes
       
       8.1.1. Approval of Minutes February 20, 2024 City Council Regular Meeting
   
   8.2. Final Reading of Ordinances
       
       8.2.1. An Ordinance Approving the Elk Grove Annexation Ordinance and Declaring an Effective Date - AEO - Submitted by Community Development
   
   8.3. Adoption of Resolution(s) by Consent - NO ITEMS
   
   8.4. Approval of Other Administrative Items - NO ITEMS

This meeting is being held in a virtual/In Person format (Durango Resolution R 2022-00017 dated 4/5/2022). Link to the virtual meeting at http://durangogov.org/zoom. If this link fails, please copy and paste into your browser.
8.5. Land use and Development Action Items - NO ITEMS

8.6. Request for Public Hearing - NO ITEMS

9. ITEMS PULLED FROM THE CONSENT AGENDA - Action Item with discussion

10. LAND USE AND DEVELOPMENT - Action Items with Discussion 6:30 PM

10.1. Twin Buttes Housing Compliance Agreement and Amendments to the Development Agreement - AEO and FEHPG - Submitted by Community Development

10.1.1. A Public Hearing to Consider the Twin Buttes Housing Compliance Agreement and Amendments to the Twin Buttes Development Agreement

10.1.2. A Resolution Approving the Twin Buttes Housing Compliance Agreement and the First Amendment to the Third Amended And Restated Twin Buttes Development Agreement and Authorizing the Mayor and City Manager to Sign and Execute Documents

11. RESOLUTIONS - CONSIDERATION OF ADOPTION - Action Items with discussion 7:00 PM

11.1. A Resolution Establishing a Policy of the Durango City Council Prohibiting the Consideration of Legislation Concerning Matters of International Political Controversy, Ideological or Religious Beliefs, or Individual Conviction, Matters Directly Impacting the Governance of the City of Durango Excepted (FEHPG) Submitted by City Attorney

11.2. A Resolution to Approve the Settlement of a Case Concerning the Application of Water Rights Filed by G&H, LLC, Specifically 2020CW3004, in La Plata County District Court (FEHPG) Submitted by City Attorney

12. FIRST READING OF ORDINANCES - CONSIDERATION OF ADOPTION AND PUBLIC HEARING - Action items with discussion - NO ITEMS

13. PUBLIC COMMENT ON NON-AGENDA ITEMS - No discussion 7:20 PM

14. INTRODUCTION OF ORDINANCES AND REQUEST FOR PUBLIC HEARING - Action Item with limited discussion - NO ITEMS

15. OTHER NEW BUSINESS - Non-Dispositive with limited discussion

16. REQUESTS FOR EXCUSED ABSENCES

17. EXECUTIVE SESSION 7:35 PM

17.1. A Motion to Convene in Executive Session to Discuss the Purchase, Acquisition, Lease, Sale or Transfer of an Interest in Real Property, Known as Buckley Park That is Currently Owned by the 9R School District, and to Determine Positions Relative to Matters That May Be Subject to Negotiation and Direct Negotiators, as Permitted by C.R.S. 24-6-402 (4)(a) and (e)

17.2. A Motion to Convene in Executive Session to Discuss the Purchase, Acquisition, Lease, Sale or Transfer of an Interest in Real Property Located in Downtown Durango that is Currently Leased to the Durango and Silverton Narrow Gauge Railroad Company for Parking and to Determine Positions Relative to Matters That May Be Subject to Negotiation and Direct Negotiators as Permitted by C.R.S. 24-6-402(4)(a) and (e)

This meeting is being held in a virtual/In Person format (Durango Resolution R 2022-00017 dated 4/5/2022). Link to the virtual meeting at http://durangogov.org/zoom. If this link fails, please copy and paste into your browser.
NOTE THAT ALL TIMES ARE APPROXIMATIONS

The public may view the meeting live on Zoom at durangogov.org/zoom or on YouTube at https://www.youtube.com/@CityofDurango6512. An email link for public comment is located at DurangoGov.org/meetings at the top of the page as well as on the agenda itself under Public Participation. Comments must be submitted no later than noon on the Monday preceding the meeting. Each email should contain the corresponding agenda item in the subject line of the email if there is one. The sender’s full name and address should be included for the record. If comment by email is not possible, comments may also be placed in the drop box located in front of City Hall no later than noon on the Monday preceding the meeting. All written comments will be provided to the Council for review. Written comments may be read into the record and/or attached to the minutes of the meeting at the direction/discretion of Council. Email comments should be directed to: PublicComment@durangogov.org.

Members of the public who wish to provide verbal comments can use the Virtual Meeting Information at the top of this agenda to join the meeting. Please ensure you have the Zoom app installed on your computer or mobile device prior to the meeting (https://zoom.us/download). The mayor will provide additional details during the meeting when public comment is accepted.
RECOMMENDATION
There is no item for approval; this is an update to the City Council regarding the City’s marijuana regulations.

SUMMARY / BACKGROUND
This is a Council-initiated request to review a summary of the City’s marijuana regulations, specifically regarding the measurement methodology for buffer areas between marijuana facilities and schools, addiction recovery facilities, residential child care facility, or public park with playground equipment. The City adopted updates to its marijuana regulations in 2014 (via Ordinance O-2014-26) following statutory changes to the licensing and regulation of retail marijuana establishments. For relevant background in these advancements, Ordinance O-2014-26 summarized the progression of statutes, and the City’s participation, as the following:

- **November 6, 2012**, the voters of Colorado approved Amendment 64, which amended Article XVIII of the Colorado Constitution regarding personal use and regulation of recreational marijuana.
- **May 28, 2013**, the governor signed House Bill 13-1317 into law enacting Title 12, Article 43.4 of the Colorado Revised Statutes (“the Colorado Retail Marijuana Code”) which regulates and creates a licensing framework for Retail Marijuana Facilities.
- **Amendment 64 and the Colorado Retail Marijuana Code authorizes local governments to prohibit or allow the operation of Retail Marijuana Establishments.”**

These statutes and codes measured the defined buffer areas by a point-to-point method, or “as the crow flies” between the perimeter of the parcel containing a marijuana facility, and either a **1,000-foot** (for schools, recovery facility, or residential child care facility) or **250-foot** (for public parks containing a playground) distance to buildings containing these other facilities. Municipalities including Durango followed this measuring methodology when it adopted regulations and licensing policies for retail marijuana. Durango initially adopted this measuring methodology in part because there were significant community concerns of an abundance of street-level marijuana facilities along the historic main avenue downtown corridor.

In 2019, House Bill 19-1230 was passed which updated the policy for measuring these buffer areas to **allow municipalities to opt for a “direct pedestrian access” buffer area distance.** Some jurisdictions have since updated their marijuana regulations to reflect this measuring method. Currently, the Community Development Department is not proposing to update the Land Use and Development Code (LUDC) language to reflect a pedestrian access measuring method.

PUBLIC COMMENTS
Council received public comment regarding the City’s marijuana regulations and measurement methodology during the February 6, 2024 Regular City Council Meeting. This public comment prompted Council’s request for further information and a summary of measurement methodology changes. No further public comment has been received.
ALTERNATIVE ACTIONS:
NA

STRATEGIC PLAN ALIGNMENT
This update for City Council applies primarily to the Financial Excellence & High Performing Government (FEHPG) objective in Council’s Strategic and Operating Plan.

Financial Excellence & High Performing Government
2.0 Continuous Review of Policies & Ethical Practices

FISCAL IMPACT
NA

POTENTIAL ADVERSE IMPACTS
The Police Department does not have an opinion on these buffer area measurements. Other impacts:
NA

NEXT STEPS AND TIMELINE
NA

ATTACHMENTS
The attached memorandum includes the LUDC sections pertaining to these regulations and state-defined buffer areas and a summary of findings.
  1. Memorandum Summarizing the City’s Marijuana Regulations and Measuring Methods
  2. Buffer Method Comparison - Sample Area Map
At Council’s direction at the February 6th Regular City Council meeting, the Community Development staff has drafted a brief memorandum on the City’s marijuana regulations. The City’s current marijuana regulations are generally outlined in **Section 2-2-3-10 Standards for Marijuana Uses** of the Land Use and Development Code (LUDC). Current LUDC excerpts relevant to measured buffer areas between marijuana facilities are included below for Council’s reference:

**§2-2-3-10.D.4 Marijuana Retail Store:** “No Retail Marijuana Establishment license shall be issued for a Retail Marijuana Store at a location within 1,000 feet of any School, addiction recovery facility, or residential child care facility; or within 250 feet of a dedicated public park that contains children’s playground equipment, or to any other facility identified in Municipal Code Division 1 or in state law that requires a distance separation from licensed Retail Marijuana Establishments.”

**§2-2-3-10.D.7 Marijuana Retail Store:** “The measuring of distances for separations required in Municipal Code Division 1 shall be completed by the City utilizing official maps and shall be determined by measuring from the closest point on the perimeter of the Applicant’s property to the closest point of the property of any facility or use requiring a separation pursuant to subsection (d) of this section…”

Since the original laws were enacted in the state and adopted at the local level (i.e. **Amendment 64; House Bill 13-1317; and, Title 12, Article 43.4 of Colorado Revised Statutes**), the state has changed how participating jurisdictions may measure buffers from a property-to-property line to a ‘direct pedestrian access’ methodology (**House Bill 19-1230; CRS § 44-10-311**). These regulations also allow municipalities to opt for more restrictive marijuana establishment regulation requirements than the State. Staff has not pursued updating the LUDC to reflect this newer measurement methodology which may increase the number of retail marijuana facilities within historic, commercial business, light industrial, and mixed-use districts (**see accompanying map**).

It is important to note measuring a buffer area based on ‘direct pedestrian access’ is more difficult to estimate and the direct property line point-to-point is considered a consistent, equitable, and enforceable measurement tool for City staff and administration. Community Development staff recommend maintaining the current measurement methodology to be consistent with City Strategic Plan goals, community character districts, and zoning district purposes.

If an Applicant were to request a variance to these buffer requirements, they may apply for a Variance; however, variance criteria are difficult to meet, and applicants must demonstrate unique, undue hardship circumstances.

*The following Map illustrates the difference between buffer area measurements from the City’s current regulations (direct property line point-to-point) and the State’s updated allowance (direct pedestrian access).*
Legend

- Existing Marijuana Facilities
- Parcels
- 250 ft Parks Buffer
- Not Allowed within 1000 Ft School Buffer
- ESRI Walking Distance Buffers

MAP NOTES

1. The ESRI Walking Distance Buffer tool is approximate and measures distance by following paths and roads that allow pedestrian traffic and finds solutions that optimize travel distance. This tool is most effective in larger cities where more GIS data is input to ESRI.

2. The Marijuana Facilities shown on the map are licensed, existing Retail Marijuana Facilities within the City of Durango.

3. This map is for illustrative purposes only to show the approximate difference in buffer area methods around schools, playgrounds, parks, residential child care facility, or addiction recovery center. The areas within the red or green hashed buffer areas and outside of the purple walking distance buffers are the areas which would enable additional marijuana facilities if the measurement methodology were to be updated.

Date: February 2024
Date: February 20, 2024

Prepared by: Tim Walsworth, Executive Director

Subject: Quarterly Report

Per the request from the City Clerk’s office, below is BID’s 4Q 2023 report.

Board Meeting Highlights

October 12, 2023

The Back the BID issues committee gave a report to the board and staff about their efforts in support of BID’s ballot measure coming up in November. Eligible voters will be asked to continue BID’s 2.0 mill levy through 2041.

BID’s weekly e-newsletter enjoyed an open rate of 56.2% through the end of the third quarter. The open rate for all of 2022 was 52.6%.

BID manages the San Juan Brewfest event, which is a fundraiser for United Way of Southwest Colorado. The Brewfest generated $47,000 for our local United Way. BID will work with United Way to manage the event again in 2024.

BID’s Downtown Balloon Glow will be held on October 20 and 21. Children’s Halloween will be on the day of Halloween, October 31. Singing with Santa will occur on the day after Thanksgiving, Friday November 24, and will include new components designed to encourage local shopping on Black Friday.

Ambassadors created over 2,000 positive interactions with people visiting Downtown in the month of September, and provided nearly 2,900 referrals to local businesses.

The summer flower barrels were removed by the City in September.

Tim is working with Tommy Crosby from the City of Durango and Visit Durango to plan the 2024 Downtown Colorado Inc conference that will be held in Durango.
Tim presented the final version of the 2024 budget for the BID board. Income is budgeted at $325,818, with $295,000 coming from mill levy receipts. Mill levy receipts are budgeted for an increase due to an 11% increase in total value of all BID properties. Expenses are budgeted for a total of $324,808. This total includes small increases in Personnel and Related, Marketing and Communications and Visitor Information and Beautification, and small decreases in Administration and Operations and Events. The 2024 budget produces a net income of just under $3,500. The board unanimously approved the 2024 budget.

BID’s board meetings will be moved to the second Tuesday of the month, 8:30 to 10 am, starting in November.

November 14, 2023

BID’s ballot measure passed with 79% voting in favor of continuing BID’s funding through 2041.

BID’s Holiday Rewards Program will start on December 1 and has 250 rewards to distribute.

Singing With Santa will be held this month on November 24, and includes two new components to spur local shopping. The first is a gift card drawing. Shoppers earn entries by shopping on November 24 at BID retail and food and beverage businesses and submitting their receipts to BID. The other new component is a reindeer scavenger hunt to involve kids and families.

Ambassadors produced just over 750 interactions in October, which is the last month that they will work this year. Shifts were scheduled primarily on weekends only for October. For the entire season, Ambassadors created nearly 11,400 positive interactions with people visiting Downtown, and made over 16,100 referrals to local businesses.

Tim let the board know that the City of Durango did not receive a grant was seeking for new EV charging stations. However, Tesla did receive that grant and they have indicated that they will install state of the art charging stations in Durango at the Transit Center.

December 12, 2023

The board will hold a retreat in late January. The board will elect new officers at its February board meeting.

Tommy Crosby from the City of Durango reported that the City received a large grant that will allow is to repair and upgrade sidewalks in the North Main District from 22nd to 35th Streets over the next two years.
BID’s Holiday Rewards Program is nearly complete, with only 14 rewards remaining.

Singing with Santa was held on November 24 in an all-day snowstorm, which decreased attendance.

The board approved two year-end resolutions – adopting the 2024 budget and appropriating funds for 2024 expenditures. The board also approved proving $2,500 to support the Downtown Colorado Inc. conference being held in Durango in early April.
1. CALL TO ORDER AND ROLL CALL
Mayor Youssef called the meeting to order at 5:31 p.m.

Present for the Durango City Council were Mayor Melissa Youssef, Mayor Pro Tem Jessika Buell, and Councilors Olivier Bosmans, Gilda Yazzie, and David Woodruff.

Staff present on behalf of the City of Durango were City Manager José Madrigal, Deputy City Clerk Ben Florine, and City Attorney Mark Morgan.

2. INTRODUCTION OF TRANSLATOR
Diego Pons and colleague Andrea of Community Language Cooperative provided translation services for Spanish speakers.

3. OPENING REMARKS BY MAYOR AND COUNCIL - Information Only
There were no opening remarks from the Councilors.

Mayor Youssef reminded anyone wishing to speak under Public Participation later in the meeting must sign up.

4. PRESENTATIONS/PROCLAMATIONS - Information Only - NO ITEMS
There were no presentations or proclamations.

5. CITY MANAGER UPDATES - Information Only
   5.1. 2023 Self Insurance Summary
Human Resources Director Bonnie King provided the summary of the City’s 2023 Self-Insurance program. She noted changes that were made to stabilize the fund and efforts to educate employees on how to use their benefits more effectively. She said the results of those changes and efforts were a funding surplus in 2023 compared to a deficit in 2022. She said there was a reduction in claims in 2023 and there were changes in benefit vendors to improve benefits and reduce costs. She said the employee education would also continue into 2024.

6. COMMITTEE, BOARD AND LIAISON REPORTS - Information Only
   6.1. Update from United Way of Southwest Colorado Regarding the 2024 Funding Allocations to Nonprofit Organizations for Community Support Services
Councilor Woodruff reported on meetings and events attended, including the Animas High School Career Fair, the Mayor Youth Advisory Council, and the Community Development Building ribbon cutting.
Mayor Pro Tem Buell reported on meetings and events attended, including the La Plata Economic Alliance meeting, the updated economic outlook presentation, a 9R School District update, and the Fort Lewis College (FLC) Career and Intern Exposition.

Councilor Yazzie reported on meetings and events attended, including the Regional Housing Alliance (RHA), the Community Development building ribbon cutting, and the Urban Renewal Authority (URA) meeting.

Councilor Bosmans reported he attended some of the same meetings but had nothing more to add.

Mayor Youssef noted the update from United Way of Southwest Colorado regarding the 2024 allocations for nonprofit organizations included in the agenda documentation. She said the City funds over $300,000 in community support funding for nonprofits and the City contributed supplemental funding to 26 organizations.

Mayor Youssef reported on meetings and events attended, including the URA meeting which considered a new URA for Durango Crossings, a project under consideration at the light on 32nd Street at Florida Road, the ribbon-cutting ceremony, an Airport Commission meeting, and the status of related airport constructions projects and improvements.

7. PUBLIC COMMENT ON AGENDA ITEMS ONLY (Items 8, 9 & 11)
There were no public comments on Agenda Items 8, 9, or 11.

8. CONSENT AGENDA - Action Items without discussion
8.1. Approval of Meeting Minutes
   8.1.1. Approval of Minutes February 6, 2024 City Council Regular Meeting

8.2. Final Reading of Ordinances
   8.2.1. Final Approval of Ordinance O-2024-0003 Approving the Durango Crossings Partnership Annexation and Declaring an Effective Date, 1480 – 1540 Florida Road - AEO- submitted by Community Development

8.3. Adoption of Resolution(s) by Consent - NO ITEMS
8.4. Approval of Other Administrative Items - NO ITEMS
8.5. Land use and Development Action Items - NO ITEMS
8.6. Request for Public Hearing - NO ITEMS

Deputy City Clerk Ben Florine read the Consent Agenda.

There were no items pulled from Consent Agenda.
Mayor Pro Tem Buell moved to approve the Consent Agenda. Councilor Woodruff seconded the motion.

There was no discussion.

A roll call vote was taken, and the motion passed unanimously.
Passed: For 5; Against: 0; Abstain: 0; Absent: 0

9. ITEMS PULLED FROM THE CONSENT AGENDA - Action Item with discussion
There were no items removed from the Consent Agenda.

10. LAND USE AND DEVELOPMENT - Action Items with Discussion
10.1. ELK GROVE ADDITION 455 and 589 High Llama Lane - AEO
10.1.1. A Public Hearing for the Annexation and Preliminary Plan for the Elk Grove Addition, 455 and 589 High Llama Lane - AEO - Submitted by Community Development
Mayor Pro Tem Buell moved to open the public hearing. Councilor Woodruff seconded the motion.
There was no discussion.

A roll call vote was taken, and the motion passed unanimously.
Passed: For 5; Against: 0; Abstain: 0; Absent: 0

Mark Williams of the Community Development Department provided the staff report. He said the request was the second of three development steps, noting the Council approved the conceptual plan the previous year. He provided a Context Map showing the property’s location west of Mercy Hospital. He said the proposal was for 62 single-family homes, approximately 1,300 square feet, with two bedrooms on 4,000 – 6,000 square-foot lots. He said the applicant would construct internal streets with sidewalks and trees, and there would be open space for the residents. He said water quality detention structures would be constructed and all infrastructure would meet City standards. He said the homes would be built in three phases beginning in May of 20024 and completed in 2026. He reviewed the plans for the three phases and pointed out the locations on an aerial graphic. He noted the project would be assessed at Fair Share fee and the in-lieu amount would be $1.56 million for all three phases. He stated the project is alignment with the City’s adopted Strategic, Comprehensive, and Housing Plans. He said the Planning Commission unanimously recommended approval. He noted there were some neighbors who were concerned about light pollution and road construction. He said there would be no presentation by the applicant, but the applicant was present to answer questions. He noted two separate motions were needed: one for the ordinance and one for the resolution.

Tom Stoltz (City resident), a neighbor to the project, voiced his concerns regarding congestion resulting from the number of homes on fairly small lots. He asked for Council to act with prudence and concern for the future.
VIRTUAL COMMENT:
Erin (Last Name Not Stated), City resident, asked if current residents would gain access to City water and sewer services.

There was no one else who wished to speak, and the Mayor closed the public hearing and opened the floor to a motion.

10.1.2. An Ordinance Approving the Elk Grove Annexation Ordinance and Declaring an Effective Date - AEO - Submitted by Community Development

Mayor Pro Tem Buell moved to the Elk Grove Annexation Ordinance, annexing the Elk Grove Addition with the initial zoning of Planned Development with the findings and conditions as outlined in the staff report and discussed at this public hearing. Councilor Woodruff seconded the motion.

In response to questions from Councilor Woodruff, Mr. Williams commented that the project did not qualify for affordable housing grant funding. He said the fourth 5-acre property was not included in the current proposal but could be developed at a later date.

In response to a question from Councilor Bosmans, the developer said he was not provided with an option of voluntary transfer fees, rather than fee in lieu, by City staff.

Councilor Bosmans expressed his opinion that the Fair Share ordinance was not a solution to the housing crisis; rather it was a part of the problem. He said he was concerned with how the housing innovation funds are being spent. He said the fee in lieu is a one-time payment and not a structured long-term source of revenue. He said a voluntary transfer fee would be a long-term revenue source, without an initial impact to the development cost and asked Council to consider his suggestion.

Mr. Williams said he would run figures to compare the two ways to meet the Fair Share requirements.

Mayor Pro Tem Buell said the City is addressing the concerns about Fair Share, and the updated program would be launched in April. She noted Durango and many other Colorado communities use similar programs to fund affordable housing. She said the program is not perfect, but the City is working to make it better.

Councilor Yazzie thanked the developer for moving forward and taking initiative with the workforce housing project.

Community Development Director Scott Shine agreed with Councilor Yazzie that housing developments in the Three Springs area take a lot of effort. He said Eva Henson and Mark Williams deserve recognition for the time spent on the project details.

Mayor Youssef stated her appreciation for the project. She asked Mr. Williams to comment on the transfer tax agreements for Twin Buttes and Three Springs.
Mr. Williams said the City adopted its Fair Share Ordinance in 2009, and Twin Buttes came online before it was adopted. He said scale of the projects also is considered in Fair Share payments, noting Three Springs was originally proposed as 2,100 units and Twin Buttes was approved for over 650 units.

Councilor Bosmans said the revised Fair Share program has no mention of transfer fees as an option.

Mr. Williams concurred. However, he said, if there were a big development “coming down the pike,” transfer fees could be an option.

A roll call vote was taken, and the motion passed unanimously.
Passed: For 5; Against: 0; Abstain: 0; Absent: 0

10.1.3. A Resolution Approving the Elk Grove Preliminary Plan and Authorizing the Mayor to Sign the Final Plat - AEO - Submitted by Community Development (Resolution R-2024-13)
Mayor Pro Tem Buell moved to approve the Elk Grove Preliminary Plan Resolution with the findings and conditions as outlined in the staff report and discussed at this public hearing, instruct the applicant to submit the Phase I Final Plan for staff review, and authorize the Mayor to sign the final plat mylars at the appropriate time. Councilor Woodruff seconded the motion.

Councilor Bosmans said he would vote in support of the project but would prefer that staff offer the developer the option of transfer fees as a long-term source of revenue for affordable housing and increases the likelihood that everything will go as planned.

A roll call vote was taken, and the motion passed unanimously.
Passed: For 5; Against: 0; Abstain: 0; Absent: 0

11. RESOLUTIONS - CONSIDERATION OF ADOPTION - Action Items with discussion
11.1. A Resolution To Make Amendments To The 2024 Adopted Budget Submitted by Devon Schmidt & Various Departments – FEHPG
Chief Financial Officer Devon Schmidt opened the staff presentation on the resolution amending the 2024 adopted capital budget. She noted there was available funding for each of the capital project requests.

Transportation Director Sarah Hill provided background on the request to amend the SEH Engineering contract to include redesigning the 14th Street alignment for the Mid-Town Safety and Connectivity Improvement Project to allow southbound lefthand turns to 14th Street, survey work, an updated traffic impact study, and redesign of 15th, Third, and Florida to allow northbound lefthand turns. She noted the negative community feedback for the originally proposed traffic circle at “Malfunction Junction.”
Ms. Hill provided commented on the request to decrease the approved 2024 budget for design of the Roosa Connect project, North Main ADA Improvements, and Junction Street Traffic Calming, because more of the budget was spent in 2023 than was estimated during the 2024 budget process.

Ms. Hill commented on the request to decrease the 2024 budget for Downtown’s Next Step Pedestrian Improvement Design, Phase 1, noting less was spent in 2023 than originally anticipated. She said there was no change to the project budget, but the amendment would move the money into the year that it was spent.

Assistant Parks Director Scott McClain commented on the four capital budget amendment requests from the Parks and Recreation Department to reappropriate remaining 2023 funds required to complete the projects in 2024. Projects included Schneider Park improvements (the addition of six pickleball courts, lighting along the Animas River trail, and landscape improvements), the Lake Nighthorse FLAP grant (paving to improve access to federal lands, the Open Space Assessment and Plan, and the ART Santa Rita to CR 210 Design (design and engineering for replacement of 2,300 of Animas River trails from the south end of Santa Rita Park to Nature’s Oasis to include paving, lighting, and bridge replacement).

Aviation Director Tony Vacari of the Durango La Plata County Airport highlighted the requests for amendments to the 2024 Airport budget. Projects included the Terminal Expansion Phase 1A (additional post-screening airline gate and hold room space, public restrooms, concessions, and utilization development), Terminal Expansion Phase 1B (relocation of the TSA checkpoint, expanded post-screening concessions, the addition of two new airline boarding gates, upgrade utility infrastructure, an enhanced passenger experience), replacement of the Aircraft Rescue Firefighting (ARFF) vehicles to meet FAA requirements, and the Commercial Apron Concrete Joint Seal project (preventative maintenance).

Mayor Pro Tem Buell moved to approve Resolution R-2024-0012 appropriating sums of money to the various funds and spending agencies, in the amounts and for the purpose as set forth below, for Capital expenditures for the City of Durango, Colorado for the 2024 budget year. Councilor Woodruff seconded the motion.

Councilor Woodruff asked for clarification on the extra $75,000 for redesigning the intersections of the Mid-Town Safety and Connectivity Improvement Project.

Ms. Hill said the additional funding would provide for engineering and surveying, would provide actual cost of construction and right of way improvements, and determine feasibility. She noted Council would ultimately determine the direction the improvements would take.

Councilor Yazzie asked for clarification on the change to the budget for the Downtown’s Next Steps pedestrian improvements.
Ms. Schmidt said the project addresses safety of all the different road users and the scope of project includes expanding sidewalks, making them more walkable, and reducing pedestrian vulnerability. She said some of the major concerns expressed by downtown business owners have been addressed, and the remaining concern is the impact of construction.

Councilor Bosmans said he was unclear as to the safety issues surrounding the redesign of the Mid-Town Safety and Connectivity Project. He remarked on opposition to the roundabout and the crossover option. He said the left-hand turn design option is easier and has less impact. He said the focus group was also in favor of the left-hand turn. He said that, when serving on the Multimodal Board several years back, he asked staff to give high-level options to board for consideration, before spending any money, but two years later, there have been no changes to the intersection and $150,000 has been spent. He said he would support the general path forward because the money has already been spent, but in the end, Council should do what the community wants.

A roll call vote was taken, and the motion passed unanimously.
Passed: For 5; Against: 0; Abstain: 0; Absent: 0

12. FIRST READING OF ORDINANCES - CONSIDERATION OF ADOPTION AND PUBLIC HEARING - Action items with discussion
   12.1. First Reading of an Ordinance Amending Chapter 18, Parks and Recreation, of the Code of Ordinances of the City of Durango and Declaring an Effective Date – AEO
   Mayor Youssef moved to table the item until a regularly scheduled meeting in April and to request staff to make a more comprehensive review of the proposed ordinance changes. Councilor Woodruff seconded the motion.

Councilor Woodruff agreed with Mayor Youssef’s desire to gather more input and to provide input opportunities for all stakeholders.

Councilor Yazzie supported the motion. She asked if the ordinance would increase the burden of work for those that administer the licenses.

The City Manager said staff would review the changes and would continue to reach out to stakeholders.

A roll call vote was taken, and the motion passed unanimously.
Passed: For 5; Against: 0; Abstain: 0; Absent: 0

13. PUBLIC COMMENT ON NON-AGENDA ITEMS - No discussion
Gina Jannone (City Resident) requested Council support for an immediate and permanent ceasefire in Gaza. She noted Glenwood Springs was the first municipality in Colorado to adopt a resolution against the genocide that is occurring. She said a call for peace should not be controversial, even though “sadly,” it is. She noted that the Durango City Council passed a similar resolution calling for removal of U.S. forces from
Iraq in 2007 by a three-to-one vote and she believed it was Council’s obligation to put a ceasefire on the agenda.

Chris McCarthy (City resident) spoke in support of a ceasefire resolution. He disapproved of using American tax dollars to support the conflict.

Lee Dean (City resident) spoke in support of a ceasefire resolution in order to stop the complicity and the loss of life in the Israeli/Gazan conflict. She commented on American prejudices against Arab Americans who fear for their safety and noted there are Jewish members of the Durango community that also support a ceasefire. She said she believed the community would support a resolution condemning anti-Semitism, Islamophobia, and xenophobia.

Keaton Griffith (City resident) spoke in support of a ceasefire resolution. He commented on the history of violent change in occupied Palestine and his belief that Israel established its new nation on stolen Palestinian lands.

Zachary Lawrence (City resident) asked Council to put a ceasefire resolution on the agenda and his belief that the conflict threatens regional stability and global peace. He said he believed the people and the Council have an obligation to stand up for what is right.

Tiffany Ongtowasruk (part-time City resident, student at FLC and Native American) spoke on behalf of the Durango Palestinian Solidarity Coalition and in support of the ceasefire resolution. She spoke on the historical struggle of the Palestinians and the atrocities they have endured and commented on United States’ and Colorado’s complicity in war efforts.

Antonio Espinoza (City resident) advocated for positive changes to Durango’s housing insecurities and to increase opportunities for safe and stable housing. He said he had been homeless for most of his time in Colorado but was getting back on his feet since working with Project Moxie.

Sweetie Marbury (City resident) supported providing additional funding for the design of reopening of the 14th Street left turn lane. She said that reopening 14th Street would eliminate “malfunction junction.” She also supported holding another public meeting regarding the design changes and the inclusion of a calming feature, rather than appointing a focus group, which only has a limited number of participants. She also suggested reducing the speed limit on Third Avenue Boulevard to 15 mph and following through with enforcement.

Trevor Bird (former City resident and current Durango business owner) spoke regarding City events. He said the City needs to be more involved when it comes to big events. He said he pulls three permits for his Labor Day event and hosts meetings with law enforcement agencies. He said that he spent $25,000 on security in 2023. He said he appreciated that Council tabled the vote on the event ordinance until more information could be gathered from all of the community’s stakeholders. He noted the significant
economic impact that the Four Corners Motorcycle Rally has on the community and its contribution to sustainable tourism.

VIRTUAL COMMENT:
Julie Cooley (City resident) thanked Council for continuing the Zoom meetings. She spoke regarding homelessness and referred to the 2019 Strategic Plan on Homelessness and the 2022 Workforce Housing Investment Strategy. She said the investment strategy is not a substitute for the strategic plan and encouraged Council to look beyond workforce housing. She said many of the unhoused are not eligible for the Best Western conversion and they should be considered, because once chronically unhoused, it becomes even harder to obtain housing. She encouraged Council to consider the topic in its upcoming retreat.

Jodi Underwood (County resident) spoke in support of a ceasefire resolution. She said American tax dollars are being used for genocide and ethnic cleansing. She reviewed some of the atrocities she said have occurred in Gaza.

14. INTRODUCTION OF ORDINANCES AND REQUEST FOR PUBLIC HEARING - Action Item with limited discussion - NO ITEMS

15. OTHER NEW BUSINESS - Non-Dispositive with limited discussion
15.1. Discussion and Possible Action Concerning a Motion to Approve the Settlement of a Case Concerning the Application of Water Rights Filed by Troy Hall, Specifically 2018CW3054, in La Plata County District Court – FEHPG

City Attorney Morgan introduced the item. He said the case must be settled by specific authority from Council and should be considered publicly, not in executive session. He said the recommendation to approve was based on the fact that the settlement would have no significant effect on Durango’s water supply.

Mayor Pro Tem Buell moved to approve the settlement as proposed by Fritz Holleman. Councilor Yazzie seconded the motion.

Mayor Youssef opened a hearing to allow public comments on the water rights filed under the case number. No one wished to speak, and the Mayor closed public testimony and opened the floor to Council discussion.

In response to a question from Councilor Bosmans, City Attorney Morgan said that he brought in outside Council on the case (Counsel Holleman), due to his own lack of experience with Colorado water rights. He said similar cases are unpredictable; he said controversial cases would be handled in executive session and he would provide criteria for those. He said the agenda item under consideration was noncontroversial.

* A roll call vote was taken, and the motion passed unanimously.  
  Passed: For 5; Against: 0; Abstain: 0; Absent: 0
OTHER NEW BUSINESS:
Mayor Youssef moved to direct the City Attorney to draft a policy for Council review that addresses requests for resolutions concerning religion and international politics. Mayor Pro Tem Buell seconded the motion.

There was no discussion.

A roll call vote was taken, and the motion passed unanimously.
Passed: For 5; Against: 0; Abstain: 0; Absent: 0

16. REQUESTS FOR EXCUSED ABSENCES
Councilor Yazzie moved to approve her absence on March 12th. The Mayor seconded the motion.
There was no discussion.

A roll call vote was taken, and the motion passed unanimously.
Passed: For 5; Against: 0; Abstain: 0; Absent: 0

17. ADJOURNMENT
Mayor Pro Tem Buell moved to adjourn. Councilor Woodruff seconded the motion. The motion passed by acclamation.

Mayor Youssef adjourned the meeting at 7:34 p.m.

APPROVED:  
___________________________
Melissa Youssef, Mayor

ATTESTED:
___________________________
Ben Florine, Deputy City Clerk
ORDINANCE NO. O-2024-

AN ORDINANCE APPROVING THE ANNEXATION AND INITIAL ZONING FOR THE ELK GROVE ADDITION TO THE CITY OF DURANGO AND DECLARING AN EFFECTIVE DATE.

WHEREAS, there has heretofore filed with the City a Petition for Annexation to the City of Durango, a tract of land, approximately 25 acres, as further described herein, to be known as the Elk Grove Addition Annexation to the City of Durango; and

WHEREAS, the Petition for Annexation was accompanied by the required plats of said tract of land; and

WHEREAS, the City Council by resolution, has previously found and determined that the subject property is eligible for annexation and that the Petition for Annexation meets the statutory requirements for annexation; and

WHEREAS, said Petition is signed by the owners of one hundred percent (100%) of the property proposed to be annexed; and

WHEREAS, the City Council, by resolution, did accept said Petition; and

WHEREAS, a public hearing was held before the City Council of the City of Durango on April 18, 2023. The Council has determined, subsequent to said public hearing, that the annexation of the property commonly known as the Elk Grove Addition is in the best interests of the citizens of the City of Durango;

NOW, THEREFORE, THE CITY OF DURANGO HEREBY ORDAINS:

Section 1. Subject to and conditioned on the execution and recording of a satisfactory Annexation Agreement and Annexation Plat, the annexation of certain territory to be known as the Elk Grove Addition to the City of Durango, which territory is legally described on Exhibit ‘A’ and as shown on Exhibit ‘B’ hereto attached, the contents of which are incorporated by reference herein, is hereby approved.

Section 2. The annexation of such territory to the City of Durango shall be complete and such territory shall become a part of the City of Durango following the effective date of this ordinance but not until the completion and recording of the Annexation Agreement.
and Annexation Plat for the property. The Property, as described on the attached Exhibit ‘A’, shall be zoned PD (Planned Development).

**Section 3.** This ordinance shall become effective ten (10) days after its passage and final publication as provided by law.

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CITY COUNCIL OF THE CITY OF DURANGO

Attest:

___________________________
Mayor

___________________________
City Clerk

STATE OF COLORADO ) ss.
COUNTY OF LA PLATA ) ss.

I, Faye Harmer, City Clerk of the City of Durango, La Plata County, Colorado, do hereby certify that Ordinance No. O-2024-__ was regularly introduced and read at a regular meeting of the City Council of the City of Durango, Colorado on the ___ day of January 2024, and was ordered published in accordance with the terms and conditions of the statutes in such cases made and provided, in the Durango Herald, a newspaper of general circulation, on the ___ day of February 2024, prior to its final consideration by the City Council.

___________________________
City Clerk

I further certify that said Ordinance No. O-2024-__ was duly adopted by the Durango City Council on the ___ day of February 2024, and that in accordance with instructions received from the Durango City Council, said ordinance was published by title only in the Durango Herald on the ___ day of February 2024.

___________________________
City Clerk
EXHIBIT A

Tract: B Section: 3 Township: 34 Range: 9 EXEMPTION PLAT 84-90 589 HIGH LLAMA LN DURANGO 81301
(the White property)

-AND-

Section: 3 Township: 34 Range: 11 LOT 1 BERZINS BA & CONS PROJ 2010-0003 PER PLT 1012133 455 HIGH LLAMA LN DURANGO 81301
(the Berzins property)
EXHIBIT B

BERZINS & WHITE PROPERTIES

ANNEXATION TO THE CITY OF DURANGO

SW1/4NE1/4 S3 & NE1/4SE1/4 S3, T34N, R9W, N.M.P.M.

LA PLATA COUNTY, COLORADO

City of Durango Approval

The plat shown herein is approved by the City Council of the City of Durango and all right-of-way dedications agreed to by the City of Durango are hereby accepted this _____ day of ________

Mayor, City of Durango

COUNTY OF LA PLATA

City Engineer

Community Development Director

Water Services Director

Lineman Communications

La Plata Electric Association

Charter Communications

CITY OF DURANGO APPROVAL:

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RECOMMENDATION

It is the recommendation of Community Development staff that the City Council, by motion,

1. Move to open the public hearing for the Twin Buttes Housing Compliance Agreement and the Twin Buttes Development Agreement.
2. Move to approve a Resolution Approving the Twin Buttes Housing Compliance Agreement and the First Amendment to the Third Amended and Restated Twin Buttes Development Agreement and Authorizing the Mayor and City Manager to Sign and Execute Documents.

SUMMARY

The City has drafted a Housing Compliance Agreement (HCA) to fulfill Twin Buttes’ affordable housing obligations. This agreement consists of the ongoing collection of a voluntary one percent (1%) real estate transfer fee for sales at Twin Buttes, donation of the former Animas High School site at 271 Twin Buttes Avenue for affordable/attainable housing, and Twin Buttes of Durango, Inc. (“TBDI”) continued collaboration with the City to find an affordable housing developer. Several sections of the Twin Buttes Development Agreement are being amended to implement the HCA, therefore this hearing is for both the adoption of the HCA and for amendments to the Development Agreement.

The HCA is consistent with the Memorandum of Understanding (MOU) between the City and TBDI which was approved by Council on November 1, 2022, and which clarified and stated the Twin Buttes affordable housing obligations. The MOU, in turn, was consistent with direction given to staff and Twin Buttes at Council’s April 5, 2022 study session focused on Twin Buttes housing compliance. Approval of the HCA would confirm that TBDI has met its affordable housing obligations in entirety. The three conditions in the HCA are as follows:

1. Transfer Fee Revenue. TBDI has agreed to provide the revenue generated by the 1% real estate transfer fee to the City, and the City will agree to use those funds for the sole purpose of benefiting affordable and attainable housing, as intended when Twin Buttes received its development approvals. The fee is assessed on most real estate transfer transactions in the Twin Buttes development, with narrow exceptions for situations including inherited property, properties involved in divorce, government acquisitions, and others. Transfer fee collection amounts will steadily increase as the number of units increase, creating an expanding base for collections as the number of sales and resales increases over time. Through January 2024, the City has collected $642,188 in transfer fees (dating to the first home sale in 2017). However, transfer fees can be volatile because they are sensitive to market conditions. Because each transaction is relatively small, it takes many years for the transfer fee collections to grow into significant. This situation is balanced by the fact the Twin Buttes transfer fee has no end date.

TBDI has created a 30-year revenue forecast model for transfer fee collections. City staff has reviewed the forecast model and, while fluctuations will undoubtedly occur, the calculation methodology utilizes common real estate forecasting assumptions. The model has been used since early 2021 and its projections have been fairly accurate, if somewhat conservative. Model projections beginning in 2017 and going through the end of 2023 showed the City would collect $526,334, while actual collections were $634,688. These forecasts are based on positive, incremental development, without slow years. Development is unpredictable on an annual basis, but the model has a collection estimate upwards of 40 million dollars by the early 2050s.

The transfer fee funds, and other revenues such as Three Springs transfer fee, Fair Share fee-in-lieu collections, any general fund appropriations, and funding from state, federal, nonprofit, and private sources are directed to the Housing Innovation Fund. These funds will be utilized to meet the goals of the Housing Plan and Strategic Plan, including but not limited to leverage for other government funding.
purchase of land and units for affordable housing, rent stabilization and support programs, supporting housing partnerships, and other uses.

2. Donation of Land. Twin Buttes will donate a roughly 3.3-acre parcel to the City—with the City to transfer ownership to Elevation Community Land Trust—for an affordable housing location site. This lot, 271 Twin Buttes Avenue, formerly housed Animas High School and can be considered ‘shovel ready’, i.e., it has road and utility connections and has been cleared and graded. The property will be used for the development of 30 deed restricted for-sale townhouses and detached units at affordable and attainable prices. The City plans to reinvest the 1% transfer fees collected to date into the AHS site project, potentially to bridge the disparity between income and sales pricing (as specifically called out in the Strategic Plan).

The housing project will be developed in partnership between the City, ECLT, which will fund the project and manage it after completion, and Fading West, a modular housing developer based in Buena Vista, which will serve as the developer. Development on the parcel will have a target affordability to households making 70% - 120% Area Median Income (AMI). The combination of land and transfer fee funds from the City, ECLT’s ability to raise philanthropic funds for affordable housing, and Fading West’s modular housing systems, which are less expensive and quicker to finish than stick built units, combine to make affordable ownership housing at the AHS site a viable reality.

3. Commitment to Find a Development Partner. The third part of the City’s agreement with TBDI is for them to partner with the City to find the developer for the land. In 2023, TBDI collaborated with the City in drafting the Request for Proposals to find a developer for the AHS site, and to review development proposals. TBDI will continue to work with the City, ECLT and Fading West to address development issues to prepare the site for development and to perform other site development activities, such as construction of Lightner Creek Trail to provide safe access to the city’s sidewalk network.

Twin Buttes received its initial development approvals between 2008 and 2011, during the Great Recession, no activity occurred at Twin Buttes until the economy recovered, with the first house at Twin Buttes sold in 2017. As the City and Twin Buttes began to prepare Twin Buttes for its first houses, they initiated efforts to produce affordable/attainable housing in the project. In mid-2016 the City and TBDI had discussions with Cardinal Housing, an affordable housing developer from Wisconsin, to build a multifamily development on Parcel C in Twin Buttes. The development was discontinued for reasons including site constraints, financing and overall economics related to the project. Subsequent efforts by TBDI were primarily to secure public grant funding to help subsidize revenue shortfalls inherent with affordable projects, eventually leading to an understanding between TBDI and the City to lead to built affordable units and housing funding for the City. A milestone was achieved by TBDI and the City when they executed the “MOU” on November 3, 2022.

Updates to the Development Agreement
To prepare the site for housing, the City has been working with Twin Buttes, ECLT and Fading West on multiple issues. The following items do not need to be achieved prior to the execution of the Housing Compliance Agreement. Rather, they are site improvements and benefits for future residents that are tied to the development of the affordable housing site, and these obligations have been recorded in the Development Agreement (DA). The Development Agreement is a separate document that contains many details related to the operation of Twin Buttes. The amendments to the DA address work to be done on the following:

- Improvements to Lightner Creek Trail. Before residents move into the AHS development TBDI will construct the Lightner Creek Trail, improving it from a dirt single-track to a 10'-wide concrete multiuse path. The improved trail will extend from the west side of the Twin Buttes Avenue intersection with Highway 160 to the west property line of the AHS site, approximately 1,700'. Providing safe pedestrian and bicycle access to future residents is a priority and the upgrade will provide that. The trail will initially be an easement dedicated to the City, which will maintain the trail. When development review and for Twin Buttes Phase II commences the City will take ownership of much of the land underneath the trail. Final routing for the trail will be done as part of the site planning for the AHS site. The trail route east of the AHS site is known, but several possibilities exist for routing the trail through or next to the site.
- Improvement of Twin Buttes Avenue. Road improvements will happen in conjunction with the development of Twin Buttes Phase II, expected to begin in approximately 10 years. Twin Buttes Avenue will be redesigned and rebuilt completely that at time. In the interim, TBDI will place an overlay, to be inspected and accepted by the City, on the road to preserve the driving surface until reconstruction. TBDI has granted an access easement for travel to the residents and visitors to the AHS site—the easement will
expire when Twin Buttes dedicates Twin Buttes Avenue as a public street during Phase II planning.

- Changes to the CDOT access permit for Twin Buttes are possible but are unknown currently. If there are to be any changes to the access permit, the DA reflects that TBDI is responsible for their implementation. This is also true if the trail is routed through floodway, and TBDI will be responsible for documentation and permitting related to work in the Lightner Creek floodway.

Twin Buttes Phase II Development Agreement
The commencement of Twin Buttes Phase II is not yet scheduled and will be based on the absorption rate of houses in Phase I. TBDI estimates that Phase II, planned to have several hundred additional housing units plus commercial space, will begin in approximately 10 years. The complete redesign and reconstruction of Twin Buttes Avenue will happen as part of Phase II, as will the extension of the Lightner Creek Trail from the west edge of the AHS site into Twin Buttes.

ATTACHMENTS
1. Twin Buttes Housing Compliance Agreement
2. First Amendment to the Third Restated and Amended Twin Buttes Development Agreement
3. Twin Buttes Memorandum of Understanding
4. Resolution to Approve the Housing Compliance Agreement and Amendments to the Twin Buttes Development Agreement
5. Vicinity Map
6. Twin Buttes Transfer Fee Generation Model

STRATEGIC PLAN ALIGNMENT
The proposed use is in conformance with the Durango Strategic Plan’s Affordability and Economic Opportunity section: “Create housing to enhance multigenerational community workforce, as well as attainable and affordable housing overall.” It also aligns with the Financial Excellence and High Performing Government goals for creating public-private partnerships.

ALTERNATIVE OPTIONS CONSIDERED
The City and Twin Buttes had initially offered land referred to as Parcel C, an internal lot in Twin Buttes, for multifamily housing. This lot has steep slopes and was ultimately determined to be unsuitable for the proposed development. The designation of Parcel C was originally identified in an affordable housing proposal dating from 2009. This proposal is based on the 16% Fair Share obligation from the Fair Share Ordinance, even though Twin Buttes predates adoption of that ordinance. The 16% obligation amounts to just under 105 units, but because of the multidecade build out of the project it is difficult to project the exact value using Fair Share methodology. The transfer fee method used at Twin Buttes is roughly comparable but will ultimately yield more funds for housing than the Fair Share amount.

FISCAL IMPACTS
The continued collection of the Twin Buttes transfer fee will be an important revenue source for affordable housing for Durango for the foreseeable future. Projections indicate the transfer fee will generate $39,797,000 between 2017 and 2052.

ADVERSE IMPACTS
No adverse impacts to City operations are contemplated. Buyers of real estate at Twin Buttes must pay 1% more for the purchase of a housing unit at Twin Buttes.

NEXT STEPS AND TIMELINE
The City, TBDI, ECLT and Fading West will begin work on the submittal for this housing project. While there is no current schedule for commencement of the project, Fading West has a goal of placing units on site in 2025.
CITY OF DURANGO
HOUSING COMPLIANCE AGREEMENT
for
TWIN BUTTES

This Affordable/Attainable Housing Agreement ("Agreement") is entered into on this ___ day of _____________, 2024 ("Effective Date") by and between Twin Buttes of Durango, Inc., a Colorado corporation ("TBDI"), and the City of Durango, Colorado ("City"). TBDI and the City are sometimes individually referred to as a "Party" and together referred to as the "Parties."

RECITALS:

WHEREAS, TBDI is the owner and developer of the master-planned, mixed-use community located in Durango, Colorado, known as Twin Buttes (the "Development"); and

WHEREAS, the City and TBDI entered into the Twin Buttes Development Agreement on September 19, 2011, which was amended and restated on February 2, 2016, on July 11, 2017, and on March 1, 2018. The current version of the development agreement (the "Development Agreement") is the Third Amended and Restated Development Agreement recorded on April 16, 2018, as Reception Number 1141874, which may be further amended; and

WHEREAS, Recital L and Section 2.04 of the Development Agreement describe the requirements of TBDI to provide affordable and attainable housing units; and

WHEREAS, the City and TBDI are parties to a Memorandum of Understanding for Guidance on Twin Buttes Housing Compliance ("MOU") dated November 3, 2022, and endorsed by City Council on April 5, 2022 (Exhibit A); and

WHEREAS, the Parties have collaboratively and successfully fulfilled the intent of the MOU, which anticipated 100% of TBDI's housing obligation under the Development Agreement being met through:

1. The TBDI donation of property located at 271 Twin Buttes Ave ("Property") for workforce housing purposes, and

2. The use of at least a portion of the TBDI-volunteered perpetual covenant known as the Twin Buttes Transfer Fee ("Transfer Fee") recorded under Reception Number 1107817 (imposing a 1% fee on most real estate transfer activity within the Development) for development of the Property (Exhibit B), and

3. Collaboration and coordination between the Parties to find a developer through a City Request for Proposals selection process to construct housing on the Property to meet the need for workforce housing for City residents; and

WHEREAS, several additional infrastructure and permitting requirements to serve the Property for the future workforce housing development of the Property have been memorialized in...
the Twin Buttes Public Facilities Matrix, an exhibit to the Development Agreement, including US Highway 160 permitting, Lightner Creek Trail design and construction, and Twin Buttes Avenue improvements.

WHEREAS, the City and TBDI are parties to this Agreement, which supersedes and satisfies in all respects Recital L and Section 2.04 of the Development Agreement; and

NOW THEREFORE, in consideration of the mutual covenants set forth in this Agreement, the Parties, for themselves and their heirs, successors, and assigns, hereby agree to be bound by the following, at the completion of which, TBDI's obligations to the City under Recital L and Section 2.04 of the Development Agreement shall be deemed complete:

(1) Land Dedication. TBDI agrees to convey title to the Property to the City, pursuant to the Draft Special Warranty Deed attached as Exhibit C. TBDI and McIntyre Ranch, LLLP will grant access easements appurtenant to the Property pursuant to the Draft Easement Deeds attached as Exhibits D-1 and D-2.

(2) Transfer Fee. The City agrees to use at least a portion of the Transfer Fee to benefit the development of the Property for workforce housing purposes and/or associated improvements thereto.

(3) Enforcement.

   a. Remedies. The City and TBDI may exercise any remedy available under the law to obtain a binding interpretation of their respective rights under this Agreement or to address a breach of this Agreement by the other Party, including, but not limited to, litigation.

   b. Notice. The City agrees to provide written notice to TBDI of any violation or alleged violation of the terms and conditions of this Agreement. TBDI will give the City written notice of any violation or alleged violation of the terms and conditions of this Agreement. A Party to whom a notice of violation has been provided, shall have thirty days following receipt of such notice to cure any violation or alleged violation of this Agreement to the reasonable satisfaction of the Party alleging violation.

(4) Miscellaneous Provisions.

   a. Effect of Agreement. Upon the execution of this Agreement by all Parties, the terms of this Agreement shall supersede and satisfy in all respects the compliance of Recital L and Section 2.04 of the Development Agreement. TBDI's compliance with the terms of this Agreement shall fully satisfy TBDI's obligations with respect to affordable and attainable housing within the Development.
b. **Amendment of the Development Agreement.** To memorialize the effect of this Agreement on the Development Agreement, the Parties shall execute and record the Amendment to Development Agreement attached hereto as Exhibit E.

c. **Recordation.** TBDI agrees to record this Agreement within ten (10) days of execution. An original copy shall be returned to the City within five (5) days of recordation.

d. **Successors and Assigns; Covenants to Run.** This Agreement shall be legally binding on, as the obligations of, the Parties and their respective successors and assigns.

e. **City's Authority Unimpaired.** The City's rights to enforce any and all provisions of the City's Code shall be the same as its rights generally to enforce any other ordinance, which shall in no way be diminished by this Agreement. TBDI acknowledges that this Agreement is included within the land use, zoning, and charter authority of the City, which is, and is hereby, accepted by TBDI as a sufficient but additional basis for this Agreement.

f. **Notices.** Any demand, notice, or request by any Party to any other shall be sufficiently given if personally delivered in writing to the Party intended to receive the same, or if mailed by certified mail, return receipt requested, or delivered to a recognized national courier, or if given in a manner sufficient for legal process. Addresses for notice are as follows:

   **CITY:** José Madrigal, City Manager  
   Mark Morgan, City Attorney  
   City of Durango  
   949 East 2nd Avenue  
   Durango, CO 81301

   **TBDI:** Glenn Pauls, President  
   Twin Buttes of Durango, Inc.  
   690 Twin Buttes Avenue  
   Durango, CO 81301

g. **Public Purpose.** The City declares, and TBDI acknowledges, that this Agreement as well as all restrictions contained in this Agreement are for public purposes.

h. **Sanctions.** The City has the right to impose sanctions or take other actions after notice of violation has been given and not complied with if a violation is determined to have occurred.

i. **Headings Not Part of Agreement.** Section headings have been inserted for convenient reference only and are not to be construed as part of this Agreement.
j. **Severability.** If any provision of this Agreement or the application thereof to any person or circumstances is held to be invalid or unenforceable by any decision of any court of competent jurisdiction, such decision shall not impair or otherwise affect any other provision of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable.

k. **Interpretation.** This Agreement shall be enforceable according to its terms and Colorado law. This Agreement is subject to the general principles of equity, fairness, and reasonableness irrespective of whether such enforcement or interpretation is considered in a proceeding at equity or in law and shall be construed according to its purpose of fostering and preserving affordable housing. Any benefit to private parties arising under this Agreement is purely incidental to the purpose of creating affordable and attainable housing.

l. **No Waiver.** No actions taken by the Parties following a breach of any of the terms contained in this Agreement shall be construed to be a waiver of any claim or consent to any succeeding breach of the same or any other term.

m. **Numbers and Genders.** Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, plural the singular, and the use of any gender shall include all genders.

n. **Agreement.** This Agreement states the entire agreement of the Parties.

o. **Amendments.** This Agreement will not be altered, changed, or amended except by instrument in writing executed by the Parties hereto.

p. **Execution in Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be deemed to be part of one and the same instrument.

---

*Signatures on Following Pages*
IN WITNESS WHEREOF, the Parties have each signed this Agreement effective as of the date first above written.

CITY OF DURANGO

By: ___________________________
Title: __________________________

ACKNOWLEDGEMENTS

STATE OF COLORADO )
) ss.
COUNTY OF LA PLATA )

Subscribed and sworn to before me this _____day of ________________, 2024, by __________________________, the __________________ of the City of Durango, on behalf of the City of Durango.

WITNESS MY HAND AND OFFICIAL SEAL.

My commission expires: __________________________
Notary Public
Address: __________________________

TWIN BUTTES OF DURANGO, INC.

______________________________
By: Glenn Pauls, President
ACKNOWLEDGEMENTS

STATE OF COLORADO  )
 ) ss.
COUNTY OF LA PLATA  )

Subscribed and sworn to before me this ___day of _________________, 2024, by ___________________________, the _________________ of Twin Buttes of Durango, Inc.

WITNESS MY HAND AND OFFICIAL SEAL.

My commission expires:________________________   __________________________

Notary Public
Address:____________________________

___________________________________

MCINTYRE RANCH, LLLP
By:____________________________
Title:____________________________

ACKNOWLEDGEMENTS

STATE OF COLORADO  )
 ) ss.
COUNTY OF LA PLATA  )

Subscribed and sworn to before me this ___day of _________________, 2024, by ___________________________, the _________________ of McIntyre Ranch, LLLP
WITNESS MY HAND AND OFFICIAL SEAL.

My commission expires:________________________

____________________________________

Notary Public

Address:____________________________

___________________________________
List of Exhibits

Exhibit A: Memorandum of Understanding for Guidance on Twin Buttes Housing Compliance dated November 3, 2022

Exhibit B: Twin Buttes Transfer Fee Covenant recorded under Reception Number 1107817

Exhibit C: Draft Special Warranty Deed for 271 Twin Buttes Avenue from TBDI to City

Exhibit D-1 and D-2: Draft Access Easements to Serve 271 Twin Buttes Avenue

Exhibit E: First Amendment to the Twin Buttes Third Amended and Restated Development Agreement
Exhibit A
Memorandum of Understanding for Guidance on Twin Buttes Housing Compliance dated
November 3, 2022
Exhibit B
Twin Buttes Transfer Fee Covenant recorded under Reception Number 1107817
Exhibit C
Draft Special Warranty Deed for 271 Twin Buttes Avenue from TBDI to City
Exhibit D

Draft Access easements dedicated for access to 271 Twin Buttes Avenue
Exhibit D-1: from TBDI
Exhibit D-2: from McIntyre Ranch, LLLP
Exhibit E
First Amendment to the Twin Buttes Third Amended and Restated Development Agreement
FIRST AMENDMENT TO THE TWIN BUTTES THIRD AMENDED AND RESTATED DEVELOPMENT AGREEMENT

THIS FIRST AMENDMENT TO THE TWIN BUTTES THIRD AMENDED AND RESTATED DEVELOPMENT AGREEMENT ("Amendment") is made by and between the City of Durango ("City") and Twin Buttes of Durango, Inc., a Colorado corporation ("TBDI"), and amends the Twin Buttes Third Amended and Restated Development Agreement between the City and TBDI, entered into on March 1, 2018 ("Development Agreement"). The City and TBDI are referred to as the "Parties".

WHEREAS, Recital L and Section 2.04 of the Development Agreement set forth the original obligations of TBDI with respect to affordable and attainable housing;

WHEREAS, TBDI has entered into a City of Durango Housing Compliance Agreement for Twin Buttes dated ______________, 2024 (the "Housing Compliance Agreement").

WHEREAS, In connection with the transaction described in the Housing Compliance Agreement, minor changes to the Public Facilities Matrix ("PFM") and Community Facilities Matrix ("CFM") may be necessary. The City and TBDI agree that the City Community Development Director is authorized to approve amendments to the PFM and to the CFM as may be reasonably necessary to effectuate the parties’ intent.

NOW THEREFORE, the City and TBDI agree as follows:

1. Amendment of the Development Agreement.

   In accordance with Section 9.04 of the Development Agreement, the City and TBDI hereby amend the Development Agreement to incorporate TBDI’s obligations with respect to Affordable and Attainable Housing set forth in the Housing Compliance Agreement, a copy of which is attached hereto as Exhibit A.

2. Termination of Prior Obligations.

   The City and TBDI agree that Recital L and Section 2.04 of the Development Agreement are satisfied, superseded, and replaced in all respects by the Parties’ execution of the Housing Compliance Agreement. The City acknowledges that the Housing Compliance Agreement sets forth the entirety of TBDI's obligations with respect to Affordable and Attainable Housing.

3. Amendment to Section 9.04.

   Section 9.04 of the Development Agreement is amended to add the following language:
The Community Development Director shall have the authority to amend the PFM or CFM and such amendments shall not require City Council approval. Amendments to the PFM and the CFM shall also require TBDI approval. If the City Community Development Director and TBDI cannot agree on an amendment to the PFM or to the CFM, either party may appeal to City Council.

4. Amendment to Section 10.06(A).

Section 10.06(A) of the Development Agreement is amended and restated in its entirety to read as follows:

**A. Affordable/Attainable Housing.** Provided that Developer complies with the terms of the Housing Compliance Agreement, the City agrees that the Project shall be exempt from any existing or future inclusionary zoning, affordable housing program, attainable housing program, impact fee or any other program or fee the principal purpose of which is to address, mandate, encourage, finance or otherwise deal with affordable, attainable, or other similar housing needs in the City.

IN WITNESS WHEREOF, the City and TBDI have executed this Amendment effective as of ______________, 2024.

CITY OF DURANGO, COLORADO

___________________________________
Jose Madrigal, City Manager

Attest:

___________________________________
City Clerk

**ACKNOWLEDGEMENTS**

STATE OF COLORADO )
) ss.
COUNTY OF LA PLATA )
Subscribed and sworn to before me this ____day of ________________, 2024, by 
____________________________, the __________________ of the City of Durango, on behalf 
of the City of Durango.

WITNESS MY HAND AND OFFICIAL SEAL.

My commission expires:________________________                               Notary Public
Address:____________________________________

TWIN BUTTES OF DURANGO, INC.
By:

____________________________________
Glenn Pauls, President

ACKNOWLEDGEMENTS

STATE OF COLORADO     )
COUNTY OF LA PLATA    ) ss.

Subscribed and sworn to before me this ____day of ________________, 2024, by Glenn Pauls, 
the President of Twin Buttes of Durango, Inc.

WITNESS MY HAND AND OFFICIAL SEAL.

My commission expires:________________________

____________________________________
Notary Public
Address:____________________________________
EXHIBIT A

City of Durango Housing Compliance Agreement for Twin Buttes
(“Housing Compliance Agreement”)

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MEMORANDUM OF UNDERSTANDING

BETWEEN THE CITY OF DURANGO AND TWIN BUTTES OF DURANGO INC. FOR GUIDANCE ON TWIN BUTTES HOUSING COMPLIANCE AND THE TWIN BUTTES HOUSING PROJECT ON 271 TWIN BUTTES AVENUE

THIS MEMORANDUM OF UNDERSTANDING (MOU) is made and entered into this 3rd day of November 2022 by and between Twin Buttes of Durango, Inc. ("TBDI") and the City of Durango ("City"), collectively referred to hereinafter as the ""Parties"."

I. RECITAL

WHEREAS, TBDI is the owner and developer of the master-planned, mixed-use community located in Durango, Colorado known as Twin Buttes ("Twin Buttes").

WHEREAS, the City and TBDI entered into the Twin Buttes Development Agreement on September 19, 2011, and as has subsequently been amended on February 2, 2016, March 3, 2017, and April 16, 2018 ("Development Agreement"), and as may be further amended.

WHEREAS, the Parties acknowledge that equitable housing opportunities for the citizens of Durango is critical to the community's social and economic welfare. Several recent projects within the City have been fortunate to receive significant federal and state funding (e.g., LIHTC) to produce housing for low income individuals and families. While gains have been exemplary, housing for the City's "workforce" which does not qualify for "affordable" housing funding remains critically short.

WHEREAS, prior to the City's enactment of its Fair Share Ordinance, TBDI volunteered, via Section I. of the Development Agreement, to provide affordable/attainable housing equal to 16% of the total housing units in the Twin Buttes ("Housing Obligation").

WHEREAS, various proposals to meet the Housing Obligation have been negotiated between the Parties since the establishment of the Housing Obligation including property donations (Parcel C), Transfer Fee use, third party development of donated property, etc., some of which have been accepted by the Parties (albeit not executed), under various regimes at both TBDI and the City.

WHEREAS, notwithstanding the foregoing, beginning in January 2022, constructive discussions between the Parties resumed to meet the voluntary Housing Obligation. At the April 5, 2022 City Council Work Session, Council endorsed the collaborative plan utilizing the Property, Transfer Fee, and to develop workforce housing units in this location.

WHEREAS, TBDI owns a parcel of land of approximately 3.284 acres currently used by Animas High School and served by necessary infrastructure for redevelopment known as Twin Buttes

Page 1 of 4

46
Parcel 1 of the McIntyre Boundary Adjustment Plat, Reception #1043559 and #1043560, also known as 271 Twin Buttes Avenue ("Property").

WHEREAS, a land dedication (particularly land served by established infrastructure) and the use of the Transfer Fee to satisfy the Housing Obligation is consistent with the 2018 City Housing Plan and recent direction and discussions of the City Council in its efforts to mitigate the current workforce housing shortage.

WHEREAS, TBDI volunteered a perpetual covenant known as the Twin Buttes Transfer Fee ("Transfer Fee") imposing a 1% fee on most real estate transfer activity within Twin Buttes. Current models conservatively demonstrate that this fee will generate approximately $41 million over the next 30 years.

WHEREAS, the Transfer Fee was contemplated to directly benefit the Twin Buttes community, and more specifically, at least a portion of the Transfer Fee was contemplated to satisfy the Housing Obligation. Durango City Council has the authority to use all or a portion of the Transfer Fee, including past, current, and future collections, to meet the City's workforce housing needs by supporting workforce housing development at Twin Buttes.

NOW, THEREFORE, in the interest of advancing the community's housing needs, the Parties enter this MOU to address the Housing Obligation and the process for development of the Property ("Project"): 

II. PURPOSE

It is anticipated that 100% of Twin Buttes Housing Obligation will be satisfied through: (1) the TBDI donation of the Property for workforce housing purposes; (2) the use of the Transfer Fee to assist in financing the development of the Property; and (3) collaboration and coordination between the Parties to find a developer to construct housing on the Property to meet the need for workforce housing for City residents.

III. PROJECT OUTCOMES

A workforce housing development located on the Property is anticipated after the tasks within this MOU are complete. The Property is served by infrastructure for housing development, including water, sewer, and access, making this property unique compared to other properties currently under consideration for workforce housing development within Durango. Furthermore, some Project financing will be provided by the Transfer Fee as historically contemplated. For-sale housing is desired, priced to meet the local workforce's buying potential based upon area median income.
IV. THE PARTIES AGREE AS FOLLOWS:

A. Request for Proposal ("RFP")

Following execution of this MOU, the Parties will work collaboratively to draft an RFP. The purpose of the RFP is to find qualified proposals to creatively develop the property to its highest and best potential as a workforce housing project. The RFP will describe the responsibilities of the Project developer.

B. Developer Selection and Agreements

Upon completion of the RFP response period, the Parties will review the responses from prospective Project developers. A developer may or may not be selected from the RFP responses, however, if a developer is selected, an agreement or agreements between the developer, TBDI, and/or the City ("Developer Agreements") will be negotiated, which may include:

- the terms of use of the Transfer Fee by the developer for Project costs (e.g., design and engineering expenses);
- anticipated City and TBDI review processes;
- Property transfer and ownership timelines or benchmarks;
- requests for exceptions to City or TBDI application, fee, code, standard, or guidelines exemptions; and
- any additional terms required to clarify the developer, City, and TBDI Project responsibilities.

The Developer Agreements may be conditional upon the successful negotiation and execution of a Housing Compliance Agreement between the City and TBDI.

C. Housing Compliance Agreement ("HCA")

Upon the execution of Developer Agreements, the Parties will negotiate and execute an HCA. It is anticipated that this agreement will document the completion of 100% of TBDI's Housing Obligations through the voluntary donation of the Property, the Transfer Fee, and TBDI's efforts to collaborate with the City and developer to construct workforce housing on the Property. The execution of the HCA may require amendments to the Development Agreement or other documents that govern the development of TBDI properties for document consistency.

D. Developer Contracting and Construction

Upon execution of the HCA and any additional developer contracting required, construction of the Project may commence through the appropriate procedures. It is anticipated that the HCA will include provisions for the City to direct Transfer Fee Funds to help support the project. The City will work with the selected developer to complete
the City's development review process including building permit review and issuance of Certificates of Occupancy.

V. COSTS

Any costs associated with disseminating the RFP will be at TBDI's expense.

VI. TERMINATION

A. It is understood that neither party to this MOU has the authority to act on behalf of the other party or bind the other party to any obligation. This MOU is not intended to be enforceable in any court of law or dispute resolution forum. The sole remedy for non-performance under this MOU will be termination, with no damages or penalty.

B. The terms of this agreement and the expenditure of any funds in future years by the City is subject to and conditioned on the appropriation of funds for such purpose by the Durango City Council.

NOW THEREFORE, the Parties express our mutual understanding and cooperative relationship as follows:

A. Overall Commitment.
B. Coordination Between Parties.
C. Integration with other efforts.
D. Nonbinding Agreement. The Memorandum of Understanding is only a statement of the Signatories' mutual intentions and is not a legally binding agreement. The Memorandum does not create a contract or other legally binding agreement. This Memorandum does not create a contract or other legally enforceable commitments. It is mutually understood that any Signatory may, at any time at its sole discretion, discontinue participation in this Memorandum or reject or deviate from any proposals therein.

The Parties express mutual understanding and intent for continued collaboration on all of the above proposals.

Glenn Pauls, President
Twin Buttes Development, Inc.

Attest

Jose Madrigal
City Manager, City of Durango

Attest
RESOLUTION NO. R-2024-

A RESOLUTION APPROVING THE TWIN BUTTES HOUSING COMPLIANCE AGREEMENT AND THE FIRST AMENDMENT TO THE THIRD AMENDED AND RESTATED TWIN BUTTES DEVELOPMENT AGREEMENT AND AUTHORIZING THE MAYOR AND CITY MANAGER TO EXECUTE DOCUMENTS

WHEREAS, the City of Durango (the ‘City’) and Twin Buttes of Durango, Inc. (‘TBDI’) have worked cooperatively since 2016 to create a Housing Compliance Agreement; and

WHEREAS, the City and TBDI have negotiated an agreement that complies with direction provided by Council at its April 5, 2022 study session, the terms of which were further clarified in the terms of the Memorandum of Understanding (MOU) recorded November 3, 2022; and

WHEREAS, the MOU stated that Twin Buttes’ housing obligations would be met through the donation of the lot at 271 Twin Buttes Avenue for a housing project, the continued donation of the 1% voluntary real estate transfer fee, and Twin Buttes participation in the selection of a housing developer; and

WHEREAS, the housing project will provide 30 new units at affordable and attainable prices and the transfer fee is projected to provide more than $45 million for funding to be used for affordable housing to the City through the year 2054; and

WHEREAS, Community Development staff have reviewed the proposal and found it to be in general compliance with the intent of the Twin Buttes land use approvals beginning in 2008 and continuing through the present day; and

WHEREAS, these plans have been created in dozens of meetings between City and TBDI staff, with City Council direction, and now with the participation of the Elevation Community Land Trust and Fading West Development, who will develop the 271 Twin Buttes site.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Durango, in regular meeting assembled, that:

Said Housing Compliance Agreement and amendment to the Twin Buttes Development Agreement have been approved by the Durango City Council on the 5th day of March 2024, at the Council Chambers, Durango City Hall, 949 E 2nd Avenue, Durango, Colorado, 81301.

Approved and adopted this ________ day of _____________, 2024.

CITY OF DURANGO,

By__________________________________
Melissa Youssef, Mayor

ATTEST:
By____________________
Faye Harmer, City Clerk
March 5, 2024

TWIN BUTTES HOUSING AGREEMENT AND AMENDED DEVELOPMENT AGREEMENT PUBLIC HEARING

Mark Williams
Community Development

Strategic Plan Goals:
AEO, FEHPG
Mission (Why we exist)
“The City of Durango and our employees provide, efficient city services, effectively maintain city assets and manage growth, are accountable, ethical, fiscally responsible, and collaborate with regional partners to improve the quality of life for our entire community.”

Vision (What we want to be)
“Durango is an authentic, diverse, multigenerational, and thriving community. Our Residents value and enjoy our unique natural environment and benefit from the management of our City’s resources in a fiscally responsible, environmental, and socially sustainable manner.”

Values (What we believe in)
Teamwork | Dependability | Professionalism | Service | Respect | Innovation | Well-Being

A PUBLIC HEARING TO CONSIDER THE TWIN BUTTES HOUSING COMPLIANCE AGREEMENT AND AMENDMENTS TO THE TWIN BUTTES DEVELOPMENT AGREEMENT
STRATEGIC PLAN ALIGNMENT

✓ Strategic Plan - AEO & FEHPG Objectives
Create housing opportunities to support a multigenerational & mixed-income community workforce and increase affordability to bridge the disparity between income and home/rental prices.

✓ Comprehensive Plan
Meets Housing Goals.

✓ Housing Plan
Supports affordable housing development goals.
HOUSING MILESTONES ACHIEVED WITH THIS AGREEMENT

AFFORDABLE HOUSING

1st for-sale housing for family of 4 earning down to $73K

REVENUE STREAM

PARTNERSHIPS
The Housing Compliance Agreement has 3 requirements:

<table>
<thead>
<tr>
<th>Donate</th>
<th>Continue to collect the 1% real estate transfer fee.</th>
<th>Collaborate to find a developer to create affordable housing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donate 271 Twin Buttes Ave, former Animas High site, to City for affordable housing</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The project will have **30 for-sale** units (a first for Durango) affordable to households earning between **70% - 120%** of Area Median Income.

<table>
<thead>
<tr>
<th>AMI 2023</th>
<th>1 person</th>
<th>2 person</th>
<th>3 person</th>
<th>4 person</th>
</tr>
</thead>
<tbody>
<tr>
<td>70%</td>
<td>$50,960</td>
<td>$58,240</td>
<td>$65,520</td>
<td>$72,730</td>
</tr>
<tr>
<td>80%</td>
<td>$58,240</td>
<td>$66,560</td>
<td>$74,880</td>
<td>$83,120</td>
</tr>
<tr>
<td>100%</td>
<td>$72,800</td>
<td>$83,200</td>
<td>$93,600</td>
<td>$103,900</td>
</tr>
<tr>
<td>120%</td>
<td>$87,360</td>
<td>$99,840</td>
<td>$112,320</td>
<td>$124,680</td>
</tr>
</tbody>
</table>
TWIN BUTTES TRANSFER FEE

1% **Transfer Fee** on most real estate transactions and has no expiration date. Through January ‘24 City has collected $642,188.

Twins Buttes transfer fee model projections uses assumptions on frequency of housing sales, initial sales price and annual price increases, based on local data.

The fee will support City programs to create or preserve affordable housing, leveraging funds, buying units or land, partnerships.
FADING WEST SAMPLE PRODUCTS

Shavano  Grays  Torreys
### DEVELOPMENT AGREEMENT AMENDMENTS OVERVIEW

<table>
<thead>
<tr>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction of Lightner Creek Trail for @1,700’—safe trail connection is a City priority.</td>
</tr>
<tr>
<td>Road overlay on Twin Buttes Avenue. Road will not be fully rebuilt until Twin Buttes Phase II comes online, anticipated in about 10 years.</td>
</tr>
<tr>
<td>City will take ownership of land under trail at that point.</td>
</tr>
<tr>
<td>Twin Buttes will work with Colorado Department of Transportation on access permit changes</td>
</tr>
<tr>
<td>Twin Buttes will grant an access easement for future residents of the AHS site</td>
</tr>
</tbody>
</table>
# TWIN BUTTES HOUSING AGREEMENT TIMELINE

<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008-2011</td>
<td>Initial Twin Buttes project approvals</td>
</tr>
<tr>
<td>2011-2016</td>
<td>Great Recession and no vertical development at Twin Buttes</td>
</tr>
<tr>
<td>2017</td>
<td>First sales generating Transfer Fees to be collected</td>
</tr>
<tr>
<td>April 2022</td>
<td>Study Session with Council about Housing Compliance Agreement</td>
</tr>
<tr>
<td>November 2022</td>
<td>Memorandum of Understanding approved by Council (contained the three elements of the Housing Compliance Agreement)</td>
</tr>
<tr>
<td>April 2023</td>
<td>Request for Proposals released</td>
</tr>
<tr>
<td>June 2023</td>
<td>Notice of Award to Elevation Community Land Trust and Fading West</td>
</tr>
<tr>
<td>January 16, 2024</td>
<td>Detached Condominium land use code amendment approved by Council</td>
</tr>
</tbody>
</table>

## Next Steps

<table>
<thead>
<tr>
<th>Year</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2024</td>
<td>Advance development discussions with ECLT and Fading West</td>
</tr>
<tr>
<td>2024-2025</td>
<td>Twin Buttes responsible for trail and road improvements for the project</td>
</tr>
<tr>
<td>2025</td>
<td>Fading West plans to deploy housing units, Twin Buttes trail construction and road overlay to be completed</td>
</tr>
</tbody>
</table>
HEARING PROCEDURES

- There is no Twin Buttes presentation, but they are available to answer questions.
- Council can now take public comments.
- Following public comment, Council can close the public hearing and then take action on Resolution.
- Staff will display the recommended motion at that time.
RECOMMENDATION

Move to approve a Resolution Approving the Twin Buttes Housing Compliance Agreement and the First Amendment to the Third Amended and Restated Twin Buttes Development Agreement and Authorizing the Mayor and City Manager to Sign and Execute Documents.
RESOLUTION NO. R-2024-___

A RESOLUTION APPROVING THE TWIN BUTTES HOUSING COMPLIANCE AGREEMENT AND THE FIRST AMENDMENT TO THE THIRD AMENDED AND RESTATED TWIN BUTTES DEVELOPMENT AGREEMENT AND AUTHORIZING THE MAYOR AND CITY MANAGER TO EXECUTE DOCUMENTS

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NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Durango, in regular meeting assembled, that:

Said Housing Compliance Agreement and amendment to the Twin Buttes Development Agreement have been approved by the Durango City Council on the 5th day of March 2024, at the Council Chambers, Durango City Hall, 949 E 2nd Avenue, Durango, Colorado, 81301.

Approved and adopted this ________ day of ____________, 2024.

CITY OF DURANGO,

By______________________________Melissa Youssef, Mayor

ATTEST:

By______________________________

Faye Harmer, City Clerk
Item 11.1

TO: DURANGO CITY COUNCIL
FROM: MARK MORGAN
CITY ATTORNEY

SUBJECT: A MOTION TO ADOPT A RESOLUTION ESTABLISHING A POLICY OF THE DURANGO CITY COUNCIL PROHIBITING THE CONSIDERATION OF LEGISLATION CONCERNING MATTERS OF INTERNATIONAL POLITICAL CONTROVERSY, IDEOLOGICAL OR RELIGIOUS BELIEFS, OR INDIVIDUAL CONVICTION, MATTERS DIRECTLY IMPACTING THE GOVERNANCE OF THE CITY OF DURANGO EXCEPTED

RECOMMENDATION:

Consider the adoption of Resolution R-2024-xx establishing a policy of the Durango City Council prohibiting the consideration of legislation concerning matters of international political controversy, ideological or religious beliefs, or individual conviction, matters directly impacting the governance of the City of Durango excepted.

BACKGROUND SUMMARY:

There is a need for the City Council consider a policy to limit legislation to matters that directly impact the governance of the City of Durango legislation and preclude the use of city resources for symbolic legislation.

STRATEGIC PLAN ALIGNMENT:

Engaged and Collaborative Governance ECG

ALTERNATIVE OPTIONS CONSIDERED:

None

FISCAL IMPACT:

Unknown at this time

POTENTIAL ADVERSE IMPACTS:

Unknown at this time

NEXT STEPS AND TIMELINE:

Unknown at this time
RESOLUTION R-2024-

A RESOLUTION ESTABLISHING A POLICY OF THE DURANGO CITY COUNCIL PROHIBITING THE CONSIDERATION OF LEGISLATION CONCERNING MATTERS OF INTERNATIONAL POLITICAL CONTROVERSY, IDEOLOGICAL OR RELIGIOUS BELIEFS, OR INDIVIDUAL CONVICTION, MATTERS DIRECTLY IMPACTING THE GOVERNANCE OF THE CITY OF DURANGO EXCEPTED.

WHEREAS, The Durango City Council was elected by the citizens of Durango, Colorado to set policies for conducting the business of the City of Durango; and

WHEREAS, the Durango City Council has no authority over matters involving foreign nations; and

WHEREAS, the Durango City Council is prohibited by the First Amendment of the United States Constitution from making any law respecting the establishment of religion; and

WHEREAS, the Durango City Council functions as the government of a representative democracy where legislation advancing matters of individual conviction is contrary to their elected duty; and

WHEREAS, nothing herein shall be deemed to prohibit the Durango City Council from passing legislation directly related to state and national matters which have a direct impact on the governance of the City of Durango; and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Durango, in the regular meeting assembled March 5, 2024, to establish a policy prohibiting the consideration of legislation concerning matters of international political controversy, ideological or religious beliefs, or individual conviction, matters directly impacting the governance of the City of Durango excepted.

Authorized and adopted this ____ day of _________________, 2024.

CITY OF DURANGO, COLORADO

By: ________________________________

Mayor

ATTEST:

By: ________________________________

Faye Harmer, City Clerk
RECOMMENDATION:

It is recommended that, by motion, City Council:

*Adopt a resolution to approve the settlement of a case concerning the application of water rights filed by G&H, LLC, specifically 2020CW3004, in La Plata County District Court*

BACKGROUND SUMMARY:

The City of Durango previously opposed the application for water rights filed by G&H, LLC due to the claimed rights impacts on the Florida River Water Shed or its tributaries. The City and the applicants' have since developed a proposed decree which outlines parameters that ensure that the City will not incur any injuries in relation to the use of the water rights and the plan for augmentation by the applicants'.

STRATEGIC PLAN ALIGNMENT:

Engaged and Collaborative Government (ECG)

ALTERNATIVE OPTIONS CONSIDERED:

None

FISCAL IMPACT:

Unknown at this time

POTENTIAL ADVERSE IMPACTS:

Unknown at this time

NEXT STEPS AND TIMELINE:

Unknown at this time
G & H, LLC (“Applicant”), and OPPOSER, CITY OF DURANGO (“Durango”) hereby stipulate as follows:

1. Durango consents to the entry of the proposed Findings of Fact, Conclusions of Law, Judgment and Decree of the Court, dated January 11, 2024, and attached hereto as Exhibit A (“Proposed Ruling”). Durango consents to the entry of any modified form of the Proposed Ruling so long as the terms and conditions therein are not less restrictive on the Applicant than those in the Proposed Ruling and are not otherwise inconsistent with this Stipulation.
2. This Stipulation is entered into by way of compromise and settlement of this litigation. Any agreements or terms and conditions herein are due solely to the unique circumstances of this case and the resulting Stipulation. This Stipulation shall not establish any precedent and shall not be construed as a commitment to include any specific findings of fact, conclusions of law, specific engineering methodologies, or administrative practices in future stipulations that do not involve the water rights that are the subject of the Proposed Ruling.

3. This Stipulation shall bind and benefit signatories to the Stipulation and will be binding upon and benefit their heirs, assigns, and successors in interest.

4. Each party hereto shall bear its own costs and attorney fees.

5. Applicant shall file a motion requesting the Court to enter an order approving this Stipulation. Durango does not oppose said motion.

6. This Stipulation shall be enforceable as an agreement between the parties or as an order of the Court.

DATED this ___ day of ______________, 2024.

COLORADO WATER & LAND LAW, LLC   BUSHONG & HOLLEMAN PC

___________________________________  ________________________________________
Amy N. Huff, #34897                  P. Fritz Holleman, #21888
ATTORNEY FOR APPLICANT, TROY         Gunnar Paulsen, #52432
HALL                                ATTORNEYS FOR OBJECTOR, CITY OF
                                    DURANGO
CERTIFICATE OF SERVICE

This is to certify that on this _____ day of February 2024, I caused a true and correct copy of the foregoing STIPULATION BETWEEN APPLICANT AND OPPOSER, CITY OF DURANGO to be served electronically via Colorado Courts E-Filing (CCE) addressed to each party of record in this case.: 

E-filed under C.R.C.P. 121.

/s/ Amy N. Huff
Amy N. Huff
FINDINGS OF FACT

1. Applicant, G & H, LLC (hereinafter “Applicant”), by and through its attorney, Amy N. Huff of COLORADO WATER & LAND LAW, LLC, filed an Application for a Change of Water Right on January 22, 2020.

2. The Application was filed in accordance with C.R.S. § 37-92-302 and the water clerk caused notice of the Application to be published in accordance with subsection 3 of said section. Notice of the Application was published both in the resume for Water Division No. 7 and in the Durango Herald Newspaper, which has general circulation in La Plata County. Applicant filed Proof of Publication with the Court on March 2, 2020.

3. The City of Durango filed a timely Statement of Opposition. No other Statements of Opposition have been filed and the time for filing Statements of Opposition has expired. Applicant and City of Durango have entered into a stipulation, which was approved by the Court on ______________.

5. **Description of Water Rights as Changed:**

5.1 **VISTA MONTANA WELL #1, Permit No. 255079 (Well #1)**

5.1.1 **Original Decree:** Case No. 2006CW15, District Court, Water Division No. 7 entered on September 8, 2006

5.1.2 **Location:** SW/4 SW/4, Section 18, T34N, R8W, NMPM

UTM location: Easting 252,067 Northing 4,122,765 Zone 13, NAD 83

5.1.3 **Source:** Groundwater tributary to the Florida River

5.1.4 **Depth:** 120 feet

5.1.5 **Appropriation Date:** November 15, 2005

5.1.6 **New Amount:** 150 gpm (0.333 cfs), conditional. The individual diversion rate for Well #1 and Well #2 shall be limited to the amounts described in this decree, but shall not exceed a total combined diversion rate of 150 gpm. The total combined annual diversion amount for Well #1 and Well #2 is limited to 62.29 acre feet, and monthly division amounts are limited to the Modeled Pumping Demand for the Mesa Ridge development shown in Table 1 attached.

5.1.7 **New Uses:** Domestic use for 185 single-family residences including in-house potable water and lawn irrigation for approximately 8.49 acres (2000 square feet per unit), and fire protection.

5.2 **VISTA MONTANA WELL #2, Permit No. 64252-F (Well #2)**

5.2.1 **Original Decree:** Case No. 2006CW14, District Court, Water Division No. 7 entered on September 8, 2006

5.2.2 **Location:** NW/4 SW/4, Section 18, T34N, R8W, NMPM
EXHIBIT A TO STIPULATION WITH CITY OF DURANGO
JAN. 11, 2024 Proposed Ruling

UTM location: Easting 252,095 Northing 4,122,831 Zone 13, NAD83

5.2.3 **Source:** Groundwater tributary to the Florida River

5.2.4 **Depth:** 160 feet

5.2.5 **Appropriation Date:** November 20, 2005

5.2.6 **New Amount:** 100 gpm (0.222 cfs), conditional. The individual diversion rate for Well #2 and Well #1 shall be limited to the amounts described in this decree but shall not exceed a total combined diversion rate of 150 gpm. The total combined annual diversion amount for Well #2 and Well #1 is limited to 62.29 acre feet, and monthly division amounts are limited to the Modeled Pumping Demand for the Mesa Ridge development shown in Table 1 attached.

5.2.7 **New Uses:** Domestic use for 185 single-family residences including in-house potable water and lawn irrigation for approximately 8.49 acres (2000 square feet per unit), and fire protection.

6. The Court finds that the Vista Montana Well #1 and Vista Montana Well #2 water rights can be changed, as described above, without enlarging the amount of water originally decreed or injuring any user or owner of a decreed water right, subject to the terms and conditions in this decree.

7. The Court further finds that the change of water right decreed herein is not speculative.

8. The Court finds that using the wells described in paragraph 5 above for the uses described therein may cause out-of-priority depletions to the Florida River below its confluence with Cottonwood Gulch.

**CONCLUSIONS OF LAW**

9. Paragraphs 1-8 are incorporated herein, to the extent that said paragraphs contain conclusions of law.

10. The Application having been published as required by law, the Court has jurisdiction over these proceedings and over all persons and water rights affected thereby, whether they have
appeared or not.

11. Full and adequate notice of these proceedings and the matters adjudicated herein has been given in the matter required by law.

12. The Division Engineer is lawfully required to administer diversions under the water rights that are the subject of this ruling and decree.

13. Applicant has met all burdens of proof and complied with all standards applicable to obtaining a change of water right.

14. Applicant’s change of water right is contemplated and authorized by law and, will not injuriously affect the owners of or persons entitled to use water under vested water rights or decreed conditional water rights, subject to the terms and conditions in this decree.

**IT IS THEREFORE, ADJUDGED AND DECREED** that:

15. The provisions of Paragraphs 1-14 are incorporated herein.

16. Applicant shall comply with the orders of the Division Engineer to install necessary measuring devices and administrative structures and shall keep records and make reports as reasonably requested by the Division Engineer.

17. The water rights changed herein will be subject to administration in priority of the Florida River and its tributaries. Each of the water rights changed herein will only be diverted when in-priority. The wells described in paragraph 5 will not operate and will be shut down if the associated water rights decreed herein are out-of-priority, unless all out-of-priority depletions to the Florida River due to the pumping from the wells are fully replaced pursuant to a substitute water supply plan approved by the State Engineer pursuant to § 37-92-308, C.R.S., or successor statutes, or are covered by a court approved plan for augmentation.

18. All uses originally decreed in Case Nos. 06CW14 and 06CW15 are hereby abandoned. The subject water rights shall only be used for the changed uses described in paragraphs 5.1.7 and 5.2.7.

19. Wastewater return flows from potable in-house use shall be to the Florida River with a minimum of 90% efficiency.
20. Prior to diverting groundwater for the changed uses, a valid well permit must be obtained pursuant to C.R.S. § 37-90-137.

21. This Court shall retain jurisdiction over this case pursuant to C.R.S. § 37-92-304(6) for reconsideration of injury to the vested rights of others from the date of this decree for a period of five (5) years from the date on which Applicant provides written notice to the Division Engineer and the City of Durango that 75% build-out of the first phase of the Mesa Ridge development has been completed. Any person may invoke retained jurisdiction within the time period provided under this decree by filing a petition to do so with this Court. Such petition shall be filed under the caption and case number of this case and shall be served on counsel of record for all parties who have appeared. Any petition to invoke retained jurisdiction shall set forth the factual basis upon which it is asserted that injury has occurred or will occur. The petitioning party shall have the initial burden of going forward to establish the facts alleged in the petition. Applicant shall bear the ultimate burden to show (a) that no injury claimed by the other party has occurred or will occur, or (b) that any modification to this decree sought by the other party is not required, or (c) that any term or condition proposed by Applicant in response to the petition is adequate to avoid injury.

It is so Ordered.

Dated:

BY THE COURT

_______________________________
Jeffrey Wilson, Water Judge
Water Division No. 7
EXHIBIT A TO STIPULATION WITH CITY OF DURANGO
JAN. 11, 2024 Proposed Ruling

APPROVED AS TO FORM:
COLORADO WATER & LAND LAW, LLC
Attorney for the Applicant

CHECKED AS TO FORM AND ADMINISTRABILITY
DIVISION ENGINEER, DIVISION NO. 7

By: Amy Huff, #34897
679 E. 2nd Avenue, Ste 11B
Durango, CO 81301
Telephone: (970) 403 1770
Email: amy@waterland-law.com

Robert Genualdi, Division Engineer
Colorado Division of Water Resources
160 Rock Point Drive, #A
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Facsimile: (970) 259-0944
Email: Robert.genualdi@state.co.us

BUSHONG & HOLLEMAN PC.
Attorneys for City of Durango

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Boulder, CO 80302
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gpaulsen@bh-lawyers.com
## Table 1. Contemplated Draft - Vista Montana vs. Mesa Ridge

*Case No. 20CW3004*  
(all values in acre feet)

<table>
<thead>
<tr>
<th>Month</th>
<th>Modeled Pumping Demand</th>
<th>Delayed Groundwater Impacts (Debits)</th>
<th>Total Return Flows (Credits)</th>
<th>Net Stream Depletions</th>
<th>Modeled Pumping Demand</th>
<th>Delayed Groundwater Impacts (Debits)</th>
<th>Total Return Flows (Credits)</th>
<th>Net Stream Depletions</th>
<th>Difference</th>
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<tr>
<td>January</td>
<td>5.02</td>
<td>5.44</td>
<td>4.62</td>
<td>0.82</td>
<td>3.43</td>
<td>3.68</td>
<td>3.12</td>
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<td>February</td>
<td>4.54</td>
<td>5.03</td>
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<td>3.41</td>
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<td>0.57</td>
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<td>3.52</td>
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<td>5.11</td>
<td>4.63</td>
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<td>May</td>
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<td>6.27</td>
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<td>62.29</td>
<td>40.74</td>
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**Column Notes:**

1) Demands assumed potable demand of 350 gpd per unit for 150 units, irrigation demand of 271 gpd per dwelling unit for 150 units during 180-day growing season. Based on Well Permit App 64252-F, Exhibit C. Pond evaporation demand of 2.5 AF/ac for 6.0 acres for 6 month period. Stock water demand for 20 head of stock at 15 gpd per head of stock. Amounts based on Well Permit Application 64252-F, Exhibit C.

2) Equals the delayed groundwater depletions to Cottonwood Gulch for the contemplated Vista Montana Development. Depletions were delayed using a Glover Analysis.

3) Equals the return flows to Cottonwood Gulch from the contemplated Vista Montana Development. Assumed potable demands were treated at the Loma Linda WWTP with 90% efficiency. Used an irrigation efficiency of 80% with 60% of return flows occurring as surface return flows in the same month of application and 40% as lagged groundwater return flows estimated using a Glover Analysis. 80% irrigation efficiency based on lawn and garden irrigation using sprinkler heads for typical single family homes.

4) Equals Column 2 - Column 3.

5) Demands assumed potable demand of 195 gpd per unit for 185 units, irrigation demand of 210 gpd per dwelling unit for 185 units. Assumes 2,000 sq ft per unit. Based on La Plata County Standard of 210 gpd/unit to irrigate 2,000 sq ft during 180-day growing season.

6) Assumes 2,000 sq ft during 180-day growing season.

7) Assumes 2,000 sq ft during 180-day growing season.

8) Equals Column 6 - Column 7.

9) Equals Column 4 - Column 8.
RESOLUTION R-2024-

A RESOLUTION TO APPROVE THE SETTLEMENT OF A CASE CONCERNING THE APPLICATION OF WATER RIGHTS FILED BY G&H, LLC, SPECIFICALLY, 2020CW3004, IN LA PLATA COUNTY DISTRICT COURT

WHEREAS, The Durango City Council has the authority to settle any legal matters involving the City of Durango; and

WHEREAS, the City of Durango, through its outside legal counsel, has developed a proposed decree that outlines parameters that ensure that the City will not incur any injuries in relation to the use of the water rights and the plan for augmentation by the applicants’; and

WHEREAS, the City Council desires to settle this matter upon the recommendation of the City’s outside legal counsel; and

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Durango, in the regular meeting assembled March 5, 2024, to adopt a resolution to approve the settlement of a case concerning the application of water rights filed by G&H, LLC, specifically, 2020CW3004, in La Plata County District Court

Approved and adopted this ____ day of ____________________, 2024.

CITY OF DURANGO, COLORADO

By: ________________________________

Mayor

ATTEST:

By: ________________________________

Faye Harmer, City Clerk
AGENDA DOCUMENTATION

Item 17.1

Meeting Date: March 5, 2024

TO: DURANGO CITY COUNCIL
FROM: MARK MORGAN
CITY ATTORNEY

SUBJECT
A MOTION TO CONVENE IN EXECUTIVE SESSION TO DISCUSS THE PURCHASE, ACQUISITION, LEASE, SALE, OR TRANSFER OF AN INTEREST IN REAL PROPERTY, KNOWN AS BUCKLEY PARK, THAT IS CURRENTLY OWNED BY THE 9R SCHOOL DISTRICT, AND TO DETERMINE POSITIONS RELATIVE TO MATTERS THAT MAY BE SUBJECT TO NEGOTIATION AND DIRECT NEGOTIATORS, AS PERMITTED BY C.R.S. 24-6-402 (4)(A) AND (E).

RECOMMENDATION:
It is recommended that the City Council, by motion, convene in Executive Session to discuss the purchase, acquisition, lease, sale, or transfer of an interest in real property, known as Buckley Park, that is currently owned by the 9R School District, and to determine positions relative to matters that may be subject to negotiation and direct negotiators, as permitted by C.R.S. 24-6-402 (4)(a) and (e).

BACKGROUND SUMMARY:
There is a need for the City Council to convene in Executive Session to discuss the negotiation strategy for the possible purchase of Buckley Park.

STRATEGIC PLAN ALIGNMENT:
Financial Excellence and High Performing Government

ALTERNATIVE OPTIONS CONSIDERED:
None

FISCAL IMPACT:
Unknown at this time

POTENTIAL ADVERSE IMPACTS:
Unknown at this time

NEXT STEPS AND TIMELINE:
Unknown at this time
AGENDA DOCUMENTATION
Meeting Date: March 5, 2024

TO: DURANGO CITY COUNCIL  FROM: MARK MORGAN
CITY ATTORNEY

| SUBJECT | A MOTION TO CONVENE IN EXECUTIVE SESSION TO DISCUSS THE PURCHASE, ACQUISITION, LEASE, SALE, OR TRANSFER OF AN INTEREST IN REAL PROPERTY LOCATED IN DOWNTOWN DURANGO THAT IS CURRENTLY LEASED TO THE DURANGO AND SILVERTON NARROW GAUGE RAILROAD COMPANY FOR PARKING, AND TO DETERMINE POSITIONS RELATIVE TO MATTERS THAT MAY BE SUBJECT TO NEGOTIATION AND DIRECT NEGOTIATORS, AS PERMITTED BY C.R.S. 24-6-402 (4)(a) AND (e). |

**RECOMMENDATION:**
There is a need for City Council to meet in Executive Session to discuss the lease, transfer, or sale of real property located in downtown Durango that is currently leased to the Durango and Silverton Narrow Gauge Railroad Company for parking, and to determine positions relative to matters that may be subject to negotiation and direct negotiators, as permitted by C.R.S. 24-6-402 (4)(a) and (e).

**BACKGROUND SUMMARY:**
The is a need for the City Council to convene in Executive Session to discuss the negotiation strategy for the possible purchase of Durango and Silverton Narrow Gauge Railroad Company.

**STRATEGIC PLAN ALIGNMENT:**
Financial Excellence and High Performing Government

**ALTERNATIVE OPTIONS CONSIDERED:**
None

**FISCAL IMPACT:**
Unknown at this time

**POTENTIAL ADVERSE IMPACTS:**
Unknown at this time

**NEXT STEPS AND TIMELINE:**
Unknown at this time