

***THE MARCH 24, 2020 COUNCIL PACKET MAY BE VIEWED
BY GOING TO THE TOWN OF FRISCO WEBSITE.***

**RECORD OF PROCEEDINGS
REGULAR MEETING AGENDA OF THE
TOWN COUNCIL OF THE TOWN OF FRISCO
MARCH 24, 2020
7:00PM**

**STARTING TIMES INDICATED FOR AGENDA ITEMS ARE ESTIMATES ONLY AND
MAY CHANGE**

Call to Order:

Gary Wilkinson, Mayor

Roll Call:

Gary Wilkinson, Jessica Burley, Daniel Fallon, Rick Ihnken, Hunter Mortensen, Deborah Shaner, and Melissa Sherburne

Public Comments:

Citizens making comments during Public Comments or Public Hearings should state their names and addresses for the record, be topic-specific, and limit comments to no longer than three minutes.

NO COUNCIL ACTION IS TAKEN ON PUBLIC COMMENTS. COUNCIL WILL TAKE ALL COMMENTS UNDER ADVISEMENT AND IF A COUNCIL RESPONSE IS APPROPRIATE THE INDIVIDUAL MAKING THE COMMENT WILL RECEIVE A FORMAL RESPONSE FROM THE TOWN AT A LATER DATE.

Mayor and Council Comments:

Staff Updates:

Consent Agenda:

- Minutes March 10, 2020 Meeting

New Business:

Agenda Item #1: First Reading Ordinance 20-06, an Ordinance Amending Chapter 87 of the Code Ordinances of the Town of Frisco, Concerning Excavation Permit Applications; 87-5, Concerning Fees and Bonds, 87-7, Concerning Performance Requirements; 87-10 Concerning Cuts and Backfill; and 87-14, Concerning the Duty to Inform the Public Works Director of Pipe Locations STAFF: ADDISON CANNINO1) MAYOR OPENS PUBLIC HEARING 2) STAFF REPORT 3) PUBLIC COMMENTS 4) MAYOR CLOSSES

PUBLIC HEARING 5) COUNCIL DISCUSSION 6) MOTION MADE 7) MOTION SECONDED 8) DISCUSSION ON MOTION 9) QUESTION CALLED

Old Business:

Agenda Item #2: Second Reading Ordinance 20-03, an Ordinance Amending Chapters 65 and 180 of the Code of Ordinances of the Town of Frisco, Concerning Building Construction and Housing Standards, and the Unified Development Code, Respectively, by Amending Subsection 180-2.3.2.C, Concerning Development Review Fees, and Section 65-13, Concerning Construction Permit Fees, to Provide a Limited Fee Exemption to Governmental and Quasi-Governmental Entities STAFF: BILL GIBSON 1) MAYOR OPENS PUBLIC HEARING 2) STAFF REPORT 3) PUBLIC COMMENTS 4) MAYOR CLOSSES PUBLIC HEARING 5) COUNCIL DISCUSSION 6) MOTION MADE 7) MOTION SECONDED 8) DISCUSSION ON MOTION 9) QUESTION CALLED

Agenda Item #3: Second Reading Ordinance 20-05, an Ordinance Amending Chapter 110 of the Code of Ordinances of the Town of Frisco, Concerning the Licensing of Businesses, by Amending Subsection 110-39.C, to Simplify the Process for Renewal of a License for Short-Term Rental Property STAFF: DON REIMER 1) MAYOR OPENS PUBLIC HEARING 2) STAFF REPORT 3) PUBLIC COMMENTS 4) MAYOR CLOSSES PUBLIC HEARING 5) COUNCIL DISCUSSION 6) MOTION MADE 7) MOTION SECONDED 8) DISCUSSION ON MOTION 9) QUESTION CALLED

Agenda Item #4: Town of Frisco Financial Impacts from COVID-19, Establishment of Strategic Economic Response Team STAFF: NANCY KERRY 1) MAYOR OPENS PUBLIC HEARING 2) STAFF REPORT 3) PUBLIC COMMENTS 4) MAYOR CLOSSES PUBLIC HEARING 5) COUNCIL DISCUSSION 6) MOTION MADE 7) MOTION SECONDED 8) DISCUSSION ON MOTION 9) QUESTION CALLED

Adjourn:



MEMORANDUM

P.O. Box 4100 ♦ FRISCO, COLORADO 80443

TO: MAYOR AND TOWN COUNCIL
FROM: DON REIMER, DIRECTOR
RE: COMMUNITY DEVELOPMENT DEPARTMENT REPORT
DATE: MARCH 24, 2020

Department Updates: We are pleased to announce that Eva Henson has been hired to fill the Housing Coordinator position that was created as part of the 2020 budget to implement Council's strategic plan goals related to housing. Eva has lived in Summit County since 2003 and in Frisco since 2014, and was most recently employed by Summit County in the Manager's office. Her first day is March 23; please stop by and welcome her.

Progress on Strategic Plan Priority Goals: Community Development continued work on several of the Council's strategic plan goals, including:

- Inclusive Community
 - Granite Street redesign – RFP issued February 12; 7 proposals received by the due date on March 11. Staff is reviewing the proposals and setting up interviews with selected consultant teams, and will present recommendation to Council at the April 28 Town Council meeting.
- Thriving Economy
 - Main Street Master Plan - RFP issued February 12; 11 proposals received by the due date on March 11. Staff is reviewing the proposals and setting up interviews with selected consultant teams, and will present recommendation to Council at the April 28 Town Council meeting.
 - Short-term Rental Regulations – working with Finance on permitting, enforcement, and evaluating regulations. Minor ordinance amendment proposed to streamline renewal process approved on first reading March 10; second reading scheduled for March 24.
 - Public Parking Enforcement – Parking Enforcement began November 1. An update from Community Service Officer Calie Rushton is attached to this staff report.
- Sustainable Environment
 - Climate Action Plan – Sustainable Building Code adoption approved by Town Council at 1st reading on March 10; 2nd reading originally scheduled for March 24 has been postponed.
- Vibrant Recreation
 - Neighborhood Parks – Reviewing design for restrooms at Walter Byron Park. Although the building will be located in the same location as the current facility, since

it is within the wetland setback, it was presented to the Planning Commission on March 19 (see below). Construction is to begin after July 4.

- Quality Core Services
 - Enhance Department core services – continued implementation of Community Core permitting software, and digital archiving of historic files.

Planning Division Summary for the month of February:

Administrative review applications approved: 9

Applicant / Address	Application Type	Description
Heavenly Times Hot Tubs 101 Miners Creek Road	Administrative Site Plan	Install hot tub
The Hotel Frisco/Sutherland Construction 308 E Main Street	Administrative Site Plan	Replace patio doors
The Hotel Frisco/Sutherland Construction 308 E Main Street	Administrative Site Plan	Remodel basement
Rocky Mountain Hot Tub 209 Larson Lane	Administrative Site Plan	Install hot tub
Renewal by Andersen 17 Granite Street	Administrative Site Plan	Replace windows
Due West Construction 401 Frisco Street	Administrative Site Plan	Install roof over utility meters
Due West Construction 401 Frisco Street	Administrative Adjustment	Setback adjustment for a roof over utility meters
Mathison Custom Builders 112 Windflower Lane	Administrative Site Plan	Install windows, door, lighting
Neal Stolz 2 Larson Lane	Minor Site Plan	Remodel basement and bedroom addition

Planning Commission:

The Planning Commission did not hold a meeting on March 5, 2020.

Planning Commission meeting on March 19, 2020:

1. Work Session: Walter Byron Park update. Applicant: Town of Frisco. Work session to discuss the Walter Byron Restroom and Playground Project pursuant to subsection 180-6.7.4.B, Frisco Unified Development Code.

As this was a work session presentation only, the Planning Commission did not take any action.

Building Division Summary for the month of February:

- Permits issued last month included:
 - Building Permits: 8
 - Plumbing & Mechanical Permits: 11
 - Electrical Permits (issued by Summit County): 5
 - Solar Permits: 0
- Valuation of permits issued: \$5,472,949

- Inspections performed: 121
- Rapid Review applications: 20
- Certificates of Completion / Certificates of Occupancy issued: 9
 - Significant COs: Holiday Center Addition and re-model, Estates on Galena Units 4, 5, & 6; Woodhaven Unit 4; Smile Doctors Tenant Finish

Front Desk Activities for the month of February:

Phone calls and walk-in customers served: 423

ATTACHMENT 1

Community Service Officer (CSO) Parking Enforcement- Town of Frisco

02/21/20

The CSO Truck is equipped with a mounted camera on the roof and CSO Mobile Data Computer (MDC) then runs the License Plate Reading (LPR) software by programmed GPS locations. As the CSO truck is driven down both sides of Main Street, the LPR software scans all clear license plates using LIDAR detection and then recognizes characteristics of license plates along with tracking GPS location and time and date the vehicle was detected.

The CSO MDC initially used for the enforcement was one of the oldest vehicle computers within the Frisco Police Department and was so out of date that the computer was unable to be updated any further. This created a big lag/problems between the old computer system and new LPR software. In efforts to fix the issue, the Town of Frisco purchased a new CSO MDC. The MDC and LPR software are valued approximately around \$23,500.

As of November 1, 2019 enforcement of the 3 Hour Parking Limit on Main Street came into effect. Since that time to date, I have written nearly 200 parking warnings on vehicles that have been recognized using the LPR software.

The Town of Frisco asked that the CSO first issue a "Parking Warning" to all first time offenders of the 3 Hour Parking Limit. The LPR system has the capability to store comments on all detected plates, therefore tracking vehicles that have received a "Parking Warning". Due to this courtesy, I have not yet written any 3 Hour Parking Limit- Parking Citations.

I have noticed that there is a good handful of vehicles that seem to keep a good eye out for the parking enforcement. Whether it be moving a vehicle around to various parking spots, so it is not detected in the same GPS location or strictly moving the vehicle before I have a chance to place the warning/ticket on the windshield. So those warnings/tickets then become voided.

As Frisco embraces winter, the LPR system can only read plates that are clear from debris. Vehicles with license plates that are snowed over/covered in dirt are unreadable to the LPR software. For example, the LPR software could read 3 vehicle license plates in a row "that are cleared from debris", but may also pass 5 vehicle license plates that are covered in debris, therefore unreadable. This is the biggest obstacle in keeping consistency with parking enforcement, as I myself cannot remember all vehicles that remain unread and still exceeding the 3 Hour Parking Limit.

I generally start the first loops of 3 Hour Parking Limit around 8:15 a.m. prior to tending the crosswalk at Frisco Elementary School and keep a regular schedule about every hour throughout the day to loop Main Street multiple times in attempt to capture as many vehicles as I can. I run my last loops after again tending the crosswalk when school lets out at the Frisco Elementary School approximately 4:10 p.m.

If there are any further questions, please do not hesitate.

Calie Rushton

Community Service Officer

ACTIVITY REPORT -FEBRUARY, 2020

POLICE

MUNICIPAL COURT

	2020	2019
Property Stolen	\$100	\$12,280
Property Recovered	\$14,475	\$0
Animal Control		
Citations	0	0
Warning	3	3
Bar Checks	13	12
Business Checks	103	151
Assists	18	14
Parking Citations	6	0
Parking Warnings	31	
Traffic Citations	13	14
Traffic Warnings	45	56
Traffic Accidents (Total)	19	15
Public Streets	15	
Private Property	4	
Injury	1	
Open Buildings	2	1
Alarms	15	11
Calls for Service	555	461
Felony Arrests		3
2nd degree assault	1	
Misdemeanor Arrests	4	2
Domestic Violence	1	2
Robbery	1	
Carrying weapon w/o permit	1	
3rd degree assault	1	

	2020	2019
Total number of citations issued for this court date	17	22
Total number of violators due in court	8	4
Total number of violators in court	5	3
Deferred to trial:	0	0
Received Deferred Sentences:	0	1
Dismissed:	3	0
Guilty Pleas:	0	1
Guilty to Amended Charges:	4	1
Guilty from Trial:	0	0
Continued to following month:	0	0
Dismissed Prior to Court	0	0
Handled by Mail		
W/in 20 days for Point Reduction:	3	7
Outside of 20 days:	1	5
No Shows		
Warrants Issued:	0	0
Hold placed on Drivers License:	0	0
Filed Unpaid:	1	0

1. Emily Solverson is attending the Red Rocks Police Academy.
2. Officers Smith and Runge are half way through their police training program with the Frisco PD.
3. Community Service Officer, Brea Kroschel has started with the Frisco PD.
4. Officer Brandon Vail will be joining us after serving 5 years with the Pocatello, Idaho Police Department.

**RECORD OF PROCEEDINGS
MINUTES OF THE REGULAR MEETING
OF THE TOWN COUNCIL OF THE TOWN OF FRISCO
MARCH 10, 2020**

Mayor Wilkinson called the meeting to order at 7:00 p.m. Town Clerk Deborah Wohlmuth called the roll.

Present: Jessica Burley
Dan Fallon
Rick Ihnken
Hunter Mortensen
Deborah Shaner
Melissa Sherburne
Gary Wilkinson

Absent:

Public Comment:

There was no public comment.

Council Comment:

Mayor Wilkinson reminded the audience that the Peninsula Recreation Area Open House takes place tomorrow evening.

Mayor-Pro Tem Mortensen thanked Public Works for their extra hours. He thanked the Marketing Department for keeping the public informed during current events.

Presentation:

Mayor Wilkinson presented the Frisco's Finest Award to Lake Dillon Fire District Chief Jeff Berino.

Consent Agenda:

- Minutes February 25, 2020 Meeting
- Warrant List
- Purchasing Cards

MOTION: COUNCIL MEMBER MORTENSEN MOVED TO APPROVE THE CONSENT AGENDA AS PRESENTED. SECOND, COUNCIL MEMBER BURLEY. VOTE:

BURLEY	YEA	SHANER	YEA
FALLON	YEA	SHERBURNE	YEA
IHNKEN	YEA	WILKINSON	YEA
MORTENSEN	YEA	MOTION CARRIED.	

New Business:

Agenda Item #1: First Reading Ordinance 20-03, an Ordinance Amending Chapters 65 and 180 of the Code of Ordinances of the Town of Frisco, Concerning Building Construction and Housing Standards, and the Unified Development Code, Respectively, by Amending Subsection 180-2.3.2.C, Concerning Development Review Fees, and Section 65-13, Concerning Construction Permit Fees, to Provide a Limited Fee Exemption to Governmental and Quasi-Governmental Entities STAFF: BILL GIBSON 1) MAYOR OPENS PUBLIC HEARING 2) STAFF REPORT 3) PUBLIC COMMENTS 4) MAYOR CLOSING PUBLIC HEARING 5) COUNCIL DISCUSSION 6) MOTION MADE 7) MOTION SECONDED 8) DISCUSSION ON MOTION 9) QUESTION CALLED

Assistant Community Development Director Bill Gibson stated that this ordinance amends the Frisco Unified Development Code (UDC) and the Building Construction and Housing Standards to waive permit fees, not to exceed \$1,000 in value, associated with public projects by other governmental and quasi-governmental agencies. Mayor Wilkinson opened the public hearing at 7:13 p.m. There being no public comment, Mayor Wilkinson closed the public hearing at 7:14 p.m.

MOTION: COUNCIL MEMBER BURLEY MOVED TO APPROVE ON FIRST READING ORDINANCE 20-03, AN ORDINANCE AMENDING CHAPTERS 65 AND 180 OF THE CODE OF ORDINANCES OF THE TOWN OF FRISCO, CONCERNING BUILDING CONSTRUCTION AND HOUSING STANDARDS, AND THE UNIFIED DEVELOPMENT CODE, RESPECTIVELY, BY AMENDING SUBSECTION 180-2.3.2.C, CONCERNING DEVELOPMENT REVIEW FEES, AND SECTION 65-13, CONCERNING CONSTRUCTION PERMIT FEES, TO PROVIDE A LIMITED FEE EXEMPTION TO GOVERNMENTAL AND QUASI-GOVERNMENTAL ENTITIES. SECOND, COUNCIL MEMBER MORTENSEN. VOTE:

BURLEY	YEA	SHANER	YEA
FALLON	YEA	SHERBURNE	YEA
IHNKEN	YEA	WILKINSON	YEA
MORTENSEN	YEA	MOTION CARRIED.	

Agenda Item #2: First Reading Ordinance 20-04, an Ordinance Amending Chapters 65 of the Code of Ordinances of the Town of Frisco, Colorado Concerning Building Construction and Housing Standards by: (1) Repealing Subsections 65-1.M., Concerning the Adoption of Sustainable Building Code Standards, and 65-3(63) and (64), Concerning Radon Mitigation Systems; and (2) Amending Section 65-9, Concerning Amendments to the International Energy Conservation Code, for the Purpose of Enhancing Sustainability Standards for Residential and Commercial Structures STAFF: RICK WEINMAN 1) MAYOR OPENS PUBLIC HEARING 2) STAFF REPORT 3) PUBLIC COMMENTS 4) MAYOR CLOSING PUBLIC HEARING 5) COUNCIL DISCUSSION 6) MOTION MADE 7) MOTION SECONDED 8) DISCUSSION ON MOTION 9) QUESTION CALLED

Building Official Rick Weinman stated that the towns and County have been working collaboratively to prepare for adoption and enforcement of an updated version of the Sustainable Summit Building Code (SSBC) to serve as a new above-building code standard, requiring increased energy savings in new construction that exceeds the 2018 IECC code requirements. High Country Conservation Center (HC3) has been facilitating a collaborative inter-jurisdictional SSBC committee, with representation from the county, towns and building

community, to tackle this effort. Jess Hoover, HC3 provided background on the stakeholder process. Mr. Weinman explained that the intention of the sustainable code is to align with the climate action plan. The main concerns with the SSBC discussed in work sessions are: costs; constructability; feasibility and HERS ratings; and HERS raters. Mayor Wilkinson opened the public hearing at 7:45 p.m. Jenn Shenk, HC3 spoke in support of this ordinance in order to achieve net zero goals by 2030. David Koons, Summit County builder spoke in support of HERS raters. Mark Anderson, Frisco resident, and energy auditor, spoke in support of the amendments, stating that these changes create cost savings to home owners. Dan McCrery, Frisco resident and builder stated that the costs for the path to compliance is prohibitive, and that there will not be enough raters to handle the program, and time consuming. Jeff Flynn, Summit County Building Official, indicated that plan reviews will not be more time consuming. Bobby Craig, Arapahoe Architects spoke in support of the amendments. Kate Berg, Frisco resident and SSBC committee member spoke in support of the ordinance. Michael Petzack, Deeper Green Consulting spoke in support of the new code. Matt Janson, Deeper Green Consulting spoke regarding continuous insulations/ moisture concerns. Tim Sabo, architect spoke regarding life costs that improve efficiency in the long term. Matt Wright, Deeper Green, spoke regarding Energy Star and Net Zero Energy Ready programs. Gregg Hess, Frisco resident and builder spoke in support of the ordinance, but suggested that the grace period be increased from six months to twelve months. Paul Camillo, Summit County Builders Association Vice Presidents stated that the SCBA is not opposed to the amendments, but asks Council to contemplate concerns including lack of inclusion in process, and cost increases. Council asked questions regarding the grace period, work load of the department, potential constrictions in response time. There being no further public comment, Mayor Wilkinson closed the public hearing at 8:25 p.m.

MOTION: COUNCIL MEMBER BURLEY MOVED TO APPROVE ON FIRST READING ORDINANCE 20-04, AN ORDINANCE AMENDING CHAPTERS 65 OF THE CODE OF ORDINANCES OF THE TOWN OF FRISCO, COLORADO CONCERNING BUILDING CONSTRUCTION AND HOUSING STANDARDS BY: (1) REPEALING SUBSECTIONS 65-1.M., CONCERNING THE ADOPTION OF SUSTAINABLE BUILDING CODE STANDARDS, AND 65-3(63) AND (64), CONCERNING RADON MITIGATION SYSTEMS; AND (2) AMENDING SECTION 65-9, CONCERNING AMENDMENTS TO THE INTERNATIONAL ENERGY CONSERVATION CODE, FOR THE PURPOSE OF ENHANCING SUSTAINABILITY STANDARDS FOR RESIDENTIAL AND COMMERCIAL STRUCTURES. SECOND, COUNCIL MEMBER FALLON. VOTE:

BURLEY	YEA	SHANER	ABSENT
FALLON	YEA	SHERBURNE	YEA
IHNKEN	YEA	WILKINSON	YEA
MORTENSEN	YEA	MOTION CARRIED.	

Agenda Item #3: First Reading Ordinance 20-05, an Ordinance Amending Chapter 110 of the Code of Ordinances of the Town of Frisco, Concerning the Licensing of Businesses, by Amending Subsection 110-39.C, to Simplify the Process for Renewal of a License for Short-Term Rental Property STAFF: DON REIMER 1) MAYOR OPENS PUBLIC HEARING 2) STAFF REPORT 3) PUBLIC COMMENTS 4) MAYOR CLOSES PUBLIC HEARING 5) COUNCIL DISCUSSION 6) MOTION MADE 7) MOTION SECONDED 8) DISCUSSION ON MOTION 9) QUESTION CALLED

Community Development Director Don Reimer stated that staff is recommending provisions of the short term rental license renewal process be revised to simplify the process. These regulations have been in place for a sufficient period of time for staff to determine that the current requirements for renewal would prove cumbersome for the Town's short-term rental taxpayers and that the information provided with the original license application could be re-certified by the taxpayer, unless the information provided in those original documents is no longer valid. Only those whose information has changed would be required to submit updated documentation. Not only would this simplify the process for the Town's short-term property owners, this would greatly reduce the amount of time staff needs to process renewals. Mayor Wilkinson opened the public hearing at 8:37 p.m. There being no public comment, Mayor Wilkinson closed the public hearing at 8:38 p.m.

MOTION: COUNCIL MEMBER IHNKEN MOVED TO APPROVE ON FIRST READING ORDINANCE 20-05, AN ORDINANCE AMENDING CHAPTER 110 OF THE CODE OF ORDINANCES OF THE TOWN OF FRISCO, CONCERNING THE LICENSING OF BUSINESSES, BY AMENDING SUBSECTION 110-39.C, TO SIMPLIFY THE PROCESS FOR RENEWAL OF A LICENSE FOR SHORT-TERM RENTAL PROPERTY. SECOND, COUNCIL MEMBER BURLEY. VOTE:

BURLEY	YEA	SHANER	ABSENT
FALLON	YEA	SHERBURNE	YEA
IHNKEN	YEA	WILKINSON	YEA
MORTENSEN	YEA	MOTION CARRIED.	

Adjourn:

There being no further business, the meeting adjourned at 8:40 p.m.

Respectfully Submitted,

Deborah Wohlmuth, CMC
Town Clerk



MEMORANDUM

P.O. BOX 4100 ♦ FRISCO, COLORADO 80443

TO: MAYOR AND TOWN COUNCIL
FROM: ADDISON CANINO, ASSISTANT PUBLIC WORKS DIRECTOR
RE: FIRST READING ORDINANCE 20-06, AMENDING CHAPTER 87, EXCAVATIONS
DATE: MARCH 10, 2020

Summary Statement: To brief Council on the changes and updates made to the Town Code, Chapter 87, Excavations.

Background: Early in 2019, Public Works staff analyzed Chapter 87, Excavations, of Town Code, and decided that it was necessary to change multiple sections of the code. These changes addressed fees and bonding, Town staff in charge of permits (or their designee), construction practices that fall in line with Street Design and Access Criteria, traffic control and other safety measures.

Staff Analysis: After revisiting Chapter 87 in February of 2020, Public Works' staff felt that it was necessary to reanalyze this section of code. While the changes made in 2019 seem to be making this better and more clear to applicants, there is still room for improvement. There have been some experiences with permittees that have led us to want to update other aspects as well. The updates and changes are as follows:

- 87-4. Permit Applications: Permits will no longer be issued after October 15 and all work must be completed and closed by October 31 of the calendar year in which the excavation permit was issued.
- 87-4. Permit Applications: Excavation Permit applications will only be accepted from 9am-12pm and 2pm-4pm, Monday through Friday. Permits will be processed within twenty-four (24) hours of their submittal.
- 87-5. Fees and Bonds: No permit to excavate in any street, alley, sidewalk or other public place within the town shall be issued unless the applicant therefor shall have paid to the Town the required fee and bond, due at the time of application, based on the following schedule.
- 87-7 D. Performance Requirements: If excavated materials are within the roadway, traffic control measures must be taken to protect the traveling public.
- 87-10 C.2. Cuts and Backfill: For further information, please see Frisco Water Department's Water Construction Standards.

- 87-14. Duty to Inform Public Works Director of Locations: ...regarding the location in any street, alley or sidewalk or other public place of the town of any pipe, other structure or utility, maintained or utilized by such person.

Financial Impact: Adoption of the attached amendments will have no financial impact to the Town's budget.

Alignment with Strategic Plan: The proposed changes to Chapter 87 of the Town Code align with the Quality Core Services section of the Town of Frisco Strategic Plan.

Staff Recommendation: IT IS STAFF'S RECOMMENDATION, THAT FRISCO TOWN COUNCIL APPROVE ON FIRST READING ORDINANCE 20-06, AN ORDINANCE AMENDING CHAPTER 87 OF THE CODE OF ORDINANCES OF THE TOWN OF FRISCO, CONCERNING EXCAVATIONS, BY AMENDING SECTIONS 87-4, CONCERNING EXCAVATION PERMIT APPLICATIONS; 87-5, CONCERNING FEES AND BONDS, 87-7, CONCERNING PERFORMANCE REQUIREMENTS; 87-10, CONCERNING CUTS AND BACKFILL; AND 87-14, CONCERNING THE DUTY TO INFORM THE PUBLIC WORKS DIRECTOR OF PIPE LOCATIONS.

Reviewed and Approved: This report has been reviewed and approved by:

Jeff Goble, Public Works Director – APPROVED
Bonnie Moinet, Finance Director – APPROVED
Don Reimer, Community Development Director
Thad Renaud, Town Attorney
Nancy Kerry, Town Manager

**TOWN OF FRISCO
COUNTY OF SUMMIT
STATE OF COLORADO
ORDINANCE 20-06**

AN ORDINANCE AMENDING CHAPTER 87 OF THE CODE OF ORDINANCES OF THE TOWN OF FRISCO, CONCERNING EXCAVATIONS, BY AMENDING SECTIONS 87-4, CONCERNING EXCAVATION PERMIT APPLICATIONS; 87-5, CONCERNING FEES AND BONDS, 87-7, CONCERNING PERFORMANCE REQUIREMENTS; 87-10, CONCERNING CUTS AND BACKFILL; AND 87-14, CONCERNING THE DUTY TO INFORM THE PUBLIC WORKS DIRECTOR OF PIPE LOCATIONS.

WHEREAS, the Town of Frisco, Colorado ("Town") is a home rule municipality, duly organized and existing under Article XX of the Colorado Constitution; and

WHEREAS, this ordinance is adopted pursuant to the Town's home rule authority in order to protect the public health, safety and welfare by regulating the activity of utility excavations within public and private property in the Town.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF FRISCO THAT:

Section 1. Section 87-4 of the Code of Ordinances of the Town of Frisco (the "Code"), concerning excavation permit applications, is hereby amended to read as follows:

§ 87-4. Permit Applications.

Except for permits issued for excavation at a depth of three feet or less for shallow utility installations wholly contained within private property, excavation permits will be issued only on or after April 15 and on or before October 15 of each calendar year. Applications for an excavation permit will not be accepted after October 14, and All excavations must be completed and closed by October 31 of the calendar year in which the excavation permit was issued except excavations on wetlands and waterways where the Town Manager or his designee determines that excavation after October 31 is necessary to preserve the integrity of such wetlands. Except as otherwise expressly provided in this chapter, each and every application for an excavation permit shall be made in writing to the Public Works Office Manager and will be accepted only between 9:00 a.m. and Noon and between 2:00 p.m. and 4:00 p.m., Monday through Friday, or by appointment. An application for an excavation permit shall be made only by the person or entity that will actually perform the excavation work for which the permit is sought.

The permit application form is available at the office of the Public Works Office Manager and the applicant shall provide at least the following information:

- A. The applicant's name, address and telephone number;
- B. The date of application;
- C. The location, size, width, length and depth of the proposed excavation;
- D. The type of surface to be cut;

- E. The purpose of the excavation;
- F. The estimated time schedule, including the date the pavement will be broken, the date the excavation will be backfilled and the date of final repair; and
- G. All streets, alleys, sidewalks and other public property which will be affected by the excavation.

All permits issued shall be kept and maintained by the applicant for two (2) years after the work is performed. Every applicant shall agree, in making the application for a permit, to be bound by all provisions of this chapter. All applications for a permit shall be accompanied by a set of plans showing in detail: (1) the location, size, and type of installation for the excavation; and (2) a traffic control plan.

Section 2. Section 87-5 of the Code, concerning fees and bonds for excavation permits, is hereby amended to read as follows:

§ 87-5. Fees and Bonds.

A. Upon application for an excavation permit, the applicant shall pay to the Town a permit fee in the sum of one hundred dollars (\$100) to cover the cost of administration, initial inspection, locates and final inspection.

B. No permit to excavate in any street, alley, sidewalk or other public place within the town shall be issued unless the applicant therefor shall have paid and provided to the Town, at the time the application is made, the required fee and bond based on the following schedule and complied with the issuance requirements herein. A maintenance bond shall be posted with the office of the Public Works Office Manager in the following amounts:

1. Excavation maintenance bond.

a. In dirt and gravel: fifty dollars (\$50) per square yard or portion thereof [formula used: width times length in feet, divided by nine (9) times the fee equals the bond].

b. In asphalt: one hundred dollars (\$100) per square yard, or portion thereof [formula used: width times length in feet, divided by nine (9) times the fee equals the bond].

c. In concrete: one-hundred fifty dollars (\$150) per square yard, or portion thereof [formula used: width times length in feet, divided by nine (9) times equals the bond].

C. Upon completion of the work, excavation backfill, pavement and cleanup in accordance with this chapter and upon inspection by the Public Works Director or his or her designee and notice that all requirements have been met and subject to the provisions of this Paragraph C and Paragraph F, the holder of the permit shall be refunded, after a two-year warranty period, the full amount of the bond. The Permittee is required to restore any excavation on public rights-of-way to an acceptable condition and

permanently repair such excavation within twenty (20) days of commencing the excavation. Prior to the permanent repair, permittee is required to maintain the excavated area. No asphalt/concrete cut shall be left without a permanent repair after October 31. In the event an asphalt/concrete cut is not repaired by October 31, the permittee shall forfeit the bond to the Town and the Town may perform the repair or cause the repair to be made.

D. All applicants shall submit with the application a certificate of insurance coverage verifying at least ~~six hundred thousand~~ one million dollars (\$~~600~~1,000,000) of personal injury and property damage coverage, if such work requires excavation or other construction activity within public rights-of-way or easements.

E. Other than as set forth herein, there shall be no additional fee for the permit. If the permit is denied, the fee shall not be refunded.

F. The Public Works Director or his or her designee may at any time during the two (2) year warranty period for the work, excavation backfill, pavement, concrete or clean up, require the permittee to perform remedial work if the Public Works Director or his or her designee finds the work, excavation backfill, pavement, concrete or cleanup to be in noncompliance with this chapter. In such instance, the Public Works Director or his or her designee shall give written notice to the permit holder, sent by registered mail, to the address shown on the bond, as to the action required. The permittee shall complete the required action within fifteen (15) days of the date of mailing of the written notice. If the required action is not completed by the fifteenth (15th) day after mailing of the written notice:

1. The Public Works Director or his or her designee may initiate the required action; and

2. The Town is entitled to payment under the bond or any portion thereof and such payment shall be immediately made to the Town upon the request of the Public Works Director or his or her designee.

The Town's right to demand payment under the bond shall not be limited by the fact that the required action for which the payment is demanded cannot, during the fifteen day cure period or at the time of payment, be practically completed due to adverse weather conditions or any other cause. The permittee shall be solely responsible for such repair or replacement and the Town shall not be required to make any demand of permittee's agents, employees, contractors or subcontractors with respect to such required action.

Section 3. Subsection 87-7.D. of the Code, concerning performance requirements for excavations, is hereby amended to read as follows:

D. Excavated material shall be stored in neat, compact piles and erosion control techniques shall be used as necessary to prevent materials from being scattered by wind, rain, traffic or other means. If excavated materials are approved for storage in a roadway, traffic control measures approved by the Public Works Director or his or her designee shall be taken to protect the traveling public.

Section 4. Subsection 87-10.C. of the Code, concerning excavation cuts and backfill, is hereby amended to read as follows:

C. Upon completion of the work, each permittee shall backfill excavations as required in this section.

1. All excavated material shall be removed, and backfill shall be of select material meeting the specifications established in the Town of Frisco Minimum Street Design and Access Criteria.

2. All water pipelines (mains and services) shall have at least six (6) inches of bedding material of washed crushed gravel three fourths (3/4) inch or less in diameter. The first level above any pipeline shall consist of twelve (12) inches of crushed gravel three fourths (3/4) inch or less in diameter. Service lines shall also have frost protection as described in the Town of Frisco Water Construction Standards. Additional requirements are as set forth in the Town of Frisco Water Construction Standards.

3. In streets and alleys paved with asphalt, the permittee shall match existing asphalt depth or a minimum of three (3) inches which shall be made with CDOT grading SX 75 PG 58-28 ½ inch aggregate asphaltic concrete over a minimum of six (6) inches compacted road base. In gravel streets and alleys, the top eight (8) inches of the backfill shall be made with COOT specification Class 6 roadbase.

Section 5. Section 87-14 of the Code, concerning a duty to inform the Town Manager of pipe locations, is hereby amended to read as follows:

§ 87-14. Duty to Inform Public Works Director of Locations.

It shall be the duty of every person or business entity to furnish information, upon request, to the Public Works Director or his or her designee, regarding the location in any street, alley or sidewalk or other public place of the town of any pipe, utility or other structure installed, maintained or utilized by such person.

Section 6. Effective Date. This ordinance shall become effective in accordance with the home-rule Charter of the Town of Frisco, Colorado.

INTRODUCED, PASSED ON FIRST READING AND PUBLICATION AND POSTING
ORDERED THIS 24TH DAY OF MARCH, 2020.

TOWN OF FRISCO, COLORADO:

Gary Wilkinson, Mayor

ATTEST:

Deborah Wohlmuth, CMC, Town Clerk



MEMORANDUM

P.O. Box 4100 ♦ FRISCO, COLORADO 80443

TO: MAYOR AND TOWN COUNCIL
FROM: BILL GIBSON, ASSISTANT COMMUNITY DEVELOPMENT DIRECTOR
RE: ORDINANCE 20-03, AN ORDINANCE AMENDING CHAPTERS 65 AND 180 OF THE CODE OF ORDINANCES OF THE TOWN OF FRISCO, CONCERNING BUILDING CONSTRUCTION AND HOUSING STANDARDS, AND THE UNIFIED DEVELOPMENT CODE, RESPECTIVELY, BY AMENDING SUBSECTION 180-2.3.2.C., CONCERNING DEVELOPMENT REVIEW FEES, AND SECTION 65-13, CONCERNING CONSTRUCTION PERMIT FEES, TO PROVIDE A LIMITED FEE EXEMPTION TO GOVERNMENTAL AND QUASI-GOVERNMENTAL ENTITIES
DATE: MARCH 24, 2020

Summary and Background: This is the second reading of Ordinance 20-03. The proposed ordinance amends the Frisco Unified Development Code (UDC) and the Building Construction and Housing Standards to waive permit fees, not to exceed \$1,000 in value, associated with public projects by other governmental and quasi-governmental agencies.

On February 25, 2020, the Town Council held a work session to discuss a request from Summit Fire & EMS for a waiver of approximately \$350 in building and planning permit fees associated with a recent remodel at the fire station located at 301 South 8th Avenue. The Council generally supported waiving permit fees for this project. Rather than addressing this one fee waiver request in isolation, Council directed Staff to bring forward an ordinance for consideration that would also waive permit fees for future public projects by Summit Fire & EMS and other similar agencies.

On March 10, 2020, the Town Council unanimously approved the first reading of this ordinance. There have been no changes to this ordinance since the first reading.

Analysis: The proposed code text amendments formalize the Town of Frisco's historic practice of waiving permit fees to support public projects by other governmental and quasi-governmental agencies such as Summit Fire & EMS.

Financial Impact: The waiver of permit fees for the recent Summit Fire & EMS project will have a budget cost of \$349.06 in uncollected revenue. The financial impact of waiving future permit fees will be dependent upon the scope and scale of any future construction activities by other entities and cannot be determined at this time.

Alignment with Strategic Plan: The proposed code text amendment aligns with the Town Council's 2019-2020 Town of Frisco Strategic Plan Strategic Priority of Quality Core Services.

Staff Recommendation: Based on the information contained in this report, it is recommended the Town Council pass a motion to approved Ordinance 20-03 on second reading.

Reviews and Approvals:

Bonnie Moinet, Finance Director - Approved
Nancy Kerry, Town Manager

Attachments:

Attachment 1: Ordinance 20-03

**TOWN OF FRISCO
COUNTY OF SUMMIT
STATE OF COLORADO
ORDINANCE 20-03**

AN ORDINANCE AMENDING CHAPTERS 65 AND 180 OF THE CODE OF ORDINANCES OF THE TOWN OF FRISCO, CONCERNING BUILDING CONSTRUCTION AND HOUSING STANDARDS, AND THE UNIFIED DEVELOPMENT CODE, RESPECTIVELY, BY AMENDING SUBSECTION 180-2.3.2.C., CONCERNING DEVELOPMENT REVIEW FEES, AND SECTION 65-13, CONCERNING CONSTRUCTION PERMIT FEES, TO PROVIDE A LIMITED FEE EXEMPTION TO GOVERNMENTAL AND QUASI-GOVERNMENTAL ENTITIES.

WHEREAS, the Town of Frisco, Colorado ("Town") is a home rule municipality, duly organized and existing under Article XX of the Colorado Constitution; and

WHEREAS, in connection with regulations concerning development and construction, the Town has adopted application review fees and/or permit fees; and

WHEREAS, from time to time other governmental and quasi-governmental entities engage in development and construction projects within the Town to serve public purposes; and

WHEREAS, in order to facilitate and not unnecessarily increase the costs of small projects conducted by other public entities within the Town, the Town Council has determined that it is appropriate to provide for a limited waiver of application review and/or construction permit fees for such entities.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF FRISCO THAT:

Section 1. Section 65-13 of Chapter 65 of the Frisco Town Code, concerning construction permit fees, is hereby amended by the addition of a new subsection F to read as follows:

F. FEE EXEMPTION FOR GOVERNMENTAL ENTITIES

A governmental or quasi-governmental entity shall be exempt from any fees imposed under this Section 65-13 to the extent that such fees, when combined with any fees imposed under Chapter 180 of this Code in connection with the same project for which fees are imposed under this Section, are equal to or less than One Thousand Dollars (\$1,000). For purposes of this subsection, a "quasi-governmental entity" shall include and be limited to entities formed under Title 32 of the Colorado Revised Statutes, as amended.

Section 2. Subsection 180-2.3.2.C of Chapter 180 of the Frisco Town Code, concerning construction permit fees, is hereby amended to read as follows:

C. Schedule of Fees

1. Fees for processing and reviewing applications submitted under this Chapter shall be as established by the Town Manager or his or her designee in a fee schedule amended and adopted from time to time.

2. In preparing and adopting the fee schedule, the Town Manager or his or her designee shall determine the cost of performing administrative services under this Chapter, including but not limited to reviews of development proposals, publication and posting costs, inspections of proposed development sites, and subdivision applications, based upon all factors included in the current cost of performing those services.
3. Any schedule of fees promulgated by the Town Manager or his or her designee shall be effective immediately upon filing with the Town Clerk and shall be available for public inspection in the office of the Community Development Department.
4. A governmental or quasi-governmental entity shall be exempt from any fees established under this Subsection 180-2-3-2.C. to the extent that such fees, when combined with any fees imposed under Chapter 65 of this Code in connection with the same project for which fees are imposed under this Subsection, are equal to or less than One Thousand Dollars (\$1,000). For purposes of this subsection, a "quasi-governmental entity" shall include and be limited to entities formed under Title 32 of the Colorado Revised Statutes, as amended.

Section 3. Effective Date. This ordinance shall become effective in accordance with the home-rule Charter of the Town of Frisco, Colorado.

INTRODUCED, PASSED ON FIRST READING AND PUBLICATION AND POSTING ORDERED THIS 10TH DAY OF MARCH, 2020.

ADOPTED ON SECOND AND FINAL READING AND PUBLICATION BY TITLE ORDERED THIS 24TH DAY OF MARCH, 2020.

TOWN OF FRISCO, COLORADO:

Gary Wilkinson, Mayor

ATTEST:

Deborah Wohlmuth, CMC, Town Clerk



Memorandum

P.O. Box 4100 ♦ FRISCO, COLORADO 80443

TO: MAYOR AND TOWN COUNCIL
FROM: DON REIMER, COMMUNITY DEVELOPMENT DIRECTOR
BONNIE MOINET, FINANCE DIRECTOR
SUBJECT: ORDINANCE 20-05, FOR THE PURPOSE OF AMENDING CHAPTER 110 OF THE TOWN'S
CODE OF ORDINANCES TO SIMPLIFY THE RENEWAL OF A LICENSE FOR SHORT-TERM
RENTAL PROPERTIES
DATE: MARCH 24, 2020

Summary and Background: To further the public health, safety and welfare by ensuring that short term rental properties are operated in a manner compatible with the character of the community and consistent with surrounding residential uses, Town Council adopted Ordinance 18-10 in December of 2018 to establish regulations to specifically address the provision of lodging within residential dwelling units. Staff is recommending the provisions of the renewal process from the original ordinance be revised to simplify that process. Ordinance 20-05 is provided for your consideration to make that simplification. The Ordinance was approved on first reading at the March 10, 2020 meeting of Town Council.

Staff Analysis: These regulations have been in place for a sufficient period of time for staff to determine that the current requirements for renewal would prove cumbersome for the Town's short-term rental taxpayers and that the information provided with the original license application could be re-certified by the taxpayer, unless the information provided in those original documents is no longer valid. Only those whose information has changed would be required to submit updated documentation. Not only would this simplify the process for the Town's short-term property owners, this would greatly reduce the amount of time Staff needed to process renewals.

Financial Impact: There is no financial impact associated with the requested revision.

Alignment with Strategic Plan: This revision would continue to meet Council's goal to implement short-term rental regulations and to periodically evaluate those regulations.

Recommendation: Staff recommends Council approve the second reading of Ordinance 20-05 to amend the renewal process for licensing of short-term rental properties by eliminating the existing requirement to provide the same documents required during original application and replacing it with a requirement for property owner to certify there has been no change to the original documents submitted or provide updated information as may be required.

Approvals: This request has been reviewed and approved by the following:

Nancy Kerry, Town Manager

**TOWN OF FRISCO
COUNTY OF SUMMIT
STATE OF COLORADO
ORDINANCE 20-05**

AN ORDINANCE AMENDING CHAPTER 110 OF THE CODE OF ORDINANCES OF THE TOWN OF FRISCO, CONCERNING THE LICENSING OF BUSINESSES, BY AMENDING SUBSECTION 110-39.C, TO SIMPLIFY THE PROCESS FOR RENEWAL OF A LICENSE FOR SHORT-TERM RENTAL PROPERTY.

WHEREAS, the Town of Frisco, Colorado ("Town") is a home rule municipality operating under a charter adopted pursuant to Article XX of the Colorado Constitution and vested with the authority by that article and the Colorado Revised Statutes to enact laws to govern and regulate land use, businesses and occupations within its territory; and

WHEREAS, pursuant to this authority, the Town Council ("Council") previously adopted local land use regulations, codified in Chapter 180 of the Code of Ordinances of the Town of Frisco ("Code"), and business and occupation licensing regulations, codified in Chapter 110 of the Code; and

WHEREAS, the Town Council finds that the regulation of short term rentals in the Town would further the public health, safety and welfare by ensuring that such lodging places are operated in a manner compatible with the character of the community and consistent with surrounding residential uses.

WHEREAS, via Ordinance 18-10, the Town Council adopted regulations related to short-term rental lodging within residential dwelling units; and

WHEREAS, since the regulations have been in effect for almost one year and the initial permits are set to expire April 30, 2020 unless renewed, the Town has identified opportunities to clarify the renewal submittals to make the process more efficient for all parties.

NOW THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF FRISCO, COLORADO THAT:

Section 1. Chapter 110 of the Code of Ordinances of the Town of Frisco is hereby amended by amending Section 110-39.C, to read in its entirety as follows:

ARTICLE III

Licensing of Short Term Rental Property

§ 110-39. License application; term; renewal; non-transferable.

- C. *Term and renewal of license.* Each license issued under this Article shall be valid from the date of issuance until the next subsequent April 30. An application for renewal of a license shall ~~have the same submittal requirements and shall be considered in the same manner as the~~ confirm the information presented in the original application or update such information as may have changed since the original application. An application for renewal of a license issued under this Article shall be made not less than thirty (30) days prior to the expiration of the existing license.

Section 2. Severability. If any provision of this Ordinance should be found by a court of competent jurisdiction to be invalid or preempted, such invalidity or preemption shall not affect the remaining portions or applications of this Ordinance that can be given effect without the invalid or preempted portion, provided that such remaining portions or applications of this ordinance are not determined by the court to be inoperable. The Town Council declares that it would have adopted this Ordinance and each section, subsection, sentence, clause, phrase, or portion thereof, despite the fact that any one or more section, subsection, sentence, clause, phrase, or portion would be declared invalid.

Section 3. Effective Date. This Ordinance shall become effective five (5) days after publication on second reading in accordance with the Charter for the Town of Frisco

INTRODUCED, PASSED ON FIRST READING AND PUBLICATION AND POSTING ORDERED THIS 10TH DAY OF MARCH, 2020.

ADOPTED ON SECOND AND FINAL READING AND PUBLICATION BY TITLE ORDERED THIS 24TH DAY OF MARCH, 2020.

TOWN OF FRISCO, COLORADO:

Gary Wilkinson, Mayor

ATTEST:

Deborah Wohlmuth, CMC,
Town Clerk



MEMORANDUM

P.O. Box 4100 ♦ FRISCO, COLORADO 80443

TO: MAYOR AND TOWN COUNCIL
FROM: NANCY KERRY, TOWN MANAGER
RE: DISCUSSION OF TOWN OF FRISCO FINANCIAL IMPACTS FROM COVID-19
DATE: MARCH 24, 2020

Summary and Background:

On March 11, 2020 the World Health Organization (“WHO”) declared Coronavirus-19 (“COVID-19”) a pandemic effecting the entire globe. On March 23, 2020, Dr. Tedros Adhanom Ghebreyesus, (“Dr. Tedros”) WHO Director-General spoke of COVID outbreak as “heartbreaking,” stating the pandemic is accelerating rapidly and stressed the need to take defensive actions (extreme social distancing) must be coupled with the need to attack the virus with testing and treatment.

As a result of the accelerating pandemic, Governor Polis ordered the closing of all non-essential businesses throughout Colorado, as did Summit County’s Public Health Director, Amy Wineland. On March 23, 2020, Summit County’s Public Health Order was amended to clarify “essential businesses,” and reduce the number of people who can stand in line to five (provided a minimum of six feet of social distancing can be maintained). Hotels, short-term rentals and other tourist accommodations have also been closed to visitors although local workforce employees or full-time residents may stay in those rentals.

As a result of the public health orders, the majority of Frisco’s local businesses have closed to the public and tourists were directed to return home leaving the business community in a completely unexpected position.

Also as a result of the public health orders the Town’s revenues, along with local business revenues, will drop sharply for the foreseeable future.

The information in this report is being provided to the Town Council as a basis for discussion regarding the potential impacts of the pandemic and its economic aftershocks.

/// continued ///

Analysis:

COVID-19 and Potential Town of Frisco Budget Impacts

Sales taxes are a derivative of a thriving economy. As noted on the table below, **63%** of the Town's revenues come from sales taxes, which are collected by local retailers and remitted to the Town each month. Sales taxes combined with marijuana, property and others, is 69% of the Town's total revenue. The Town's popular Tubing Hill generates an approximate \$1.8M per year. Stating the obvious, the Town is highly dependent upon a robust and thriving economy.

With the Governor and Public Health Officials ordering the immediate closure of all non-essential businesses, the Town's bustling economy has come to a sudden and unexpected halt, which will result in the Town losing a significant portion of its annual revenues. However, none of us know how long the closures will last, nor how long it will take to get the economy up and running at full-speed again, therefore, the actual impact of the Town's losses cannot be predicted although we have developed some rough projections.

<u>2020 Budgeted Revenues</u>		
<u>Taxes</u>		
Sales Tax	\$	9,800,000
Marijuana Tax	\$	370,000
Property Tax	\$	158,968
Other Taxes	\$	351,000
Tubing Hill	\$	1,800,000
Service Fees	\$	1,746,100
Licenses	\$	653,800
Intergovernmental	\$	245,000
Investment	\$	150,000
Misc.	\$	52,500
2020 Revenue	\$	15,327,368

Loss Projections – Potentially \$3.4M

While it is completely unknown as to how long local stores and restaurants will be ordered to remain closed to the public, scientists indicate a month would result in "profound positive impact" on COVID-19. For the sake of the following analysis, we presume the revenues in January and February remain solid, the complete loss of revenues in March and April, 50% loss in May and June building a recovery period through October, and a potential recovery in November and December. This presumption is predicated on the flattening of the pandemic's bell curve allowing businesses to reopen sometime within the next few weeks to 30 days. Based on the rough projections below, the Town could expect to lose 30% of annual sales tax, or approximately \$3M. In addition, projected losses at the Tubing Hill could be 20% of the \$1.8M or approximately \$360k-\$400k. These are strictly revenue losses and **are not net losses** as there will be some correlated reduction in operational and seasonal staffing expenses.

<u>SALES TAXES</u>		
<u>Month</u>	<u>2019 % of Budget</u>	<u>2020 % Collected</u>
January	9%	9%
February	9%	9%
March	11%	--
April	6%	--
May	5%	3%
June	8%	5%
July	10%	7%
August	9%	6%
September	8%	6%
October	7%	6%
November	7%	7%
December	12%	12%
Revenue	100%	70%
30% reduction		

<u>TUBING HILL</u>		
<u>Month</u>	<u>% of Total</u>	<u>Projected</u>
November	5%	5%
December	27%	27%
January	23%	23%
February	19%	19%
March	23%	5%
April	3%	0%
	1,800,000	--20% loss

Resolving the Initial Fiscal Challenges Ahead

The Town has available resources for the Town Council to consider in determining best methods to weather this health and economic crisis. First, the Town Manager recommends delaying a variety of capital projects. This decision can be implemented expeditiously as it is early in the fiscal year. Secondly, the Town has established several reserve funds, which can be utilized if so directed by the Town Council through an action at a later meeting properly noticed. Third, the Town could borrow funds from several fund accounts including water, or housing funds. However, the Town has sufficient reserves on hand that borrowing funds is not recommended at this time.

(1) \$5M in Capital Improvements Recommended for Delay

Finance Director, Bonnie Moinet worked with all Department Directors to review the 2020 Budgeted list of Capital Improvement Projects to identify which are “critical to operations” and should proceed and which can wait until the community has entered a period of economic recovery. As noted on the attachment, there are approximately \$5.1M in projects recommended to be delayed at this time. Most notably, are \$2.5M in potential property acquisition and \$1M for a potential project at the PRA/Frisco Adventure Park. The other projects include a variety of items as noted on Attachment 1.

(2) General Fund Reserves and Capital Fund Balances

Although a pandemic of the proportions we are seeing today was not considered, the Town has a fiscally conservative reserve policy directing staff to retain seven months of operating capital. At the beginning of 2020, the General Fund Reserve balance was \$6.6M. This reserve fund can be utilized by the Town Council in times of economic crisis and as otherwise determined by a majority vote of the Town Council.

In addition, the Town retains a fund balance in the Capital Improvement Fund (CIF). The 2020 budget indicates if all Capital projects were expended in 2020, the fund balance in the CIF would be just under \$2M. However, as noted in #1 above, if projects are placed on hold, this fund balance would be \$7M.

Summary:

Therefore, between delaying capital projects (\$5.1M), the General Fund Reserve (\$6.6M) and CIF Fund balance (\$2M), the Town has approximately \$13M in available funds, although at this time, the projected loss is about \$3.5M, and delaying the capital projects for now, would be the most efficient and financially sound method to implement a solution for fiscal stabilization before utilizing reserves.

Lodging Taxes

The Town’s lodging taxes are collected and held in a separate fund. Clearly, there will be significant losses in this fund this year. The annual lodging tax collected is approximately \$600,000 and there is approximately \$600,000 in this account’s fund balance (a year of revenue). However, the Town has stepped up collection of taxes in Short-term-rentals and therefore, perhaps there will be an increase in revenues for the year overall, should the economy show signs of recovery by the end of the year.

Building a Road to Recovery

The Town has established a Strategic Economic Recovery Team (SERT) consisting of three staff members repurposed from their current positions to collect information, disseminate it to the local community, assist residents and businesses in apply for federal and state aid, and to help promote our local business community now, and when Public Health Orders allow for the return of some business and commercial operations.

The Town has received positive support from neighboring Towns and the County to join forces and leverage our collective staff efforts to work collaboratively to seek federal and state financial assistance for our local community as a whole, for residents and businesses.

Resident Assistance - Water Utilities

The Town provides water utility services to the community. During the Town Council special meeting of Friday, March 20th, the Council asked for the financial impacts should Town elect to defer water utility payments from community members.

The Town budgeted the collection of \$1.3M in user charges for 2020. The Town retains approximately \$3M in fund balance (reserves) in the Water Fund.

Therefore, should the Town Council elect to offer residents and business customers the opportunity to defer their payments for one quarter, there are sufficient reserves to maintain the utility and provide service to the public.

Business Assistance

There are a variety of business assistance programs being offered and more being developed by federal and state agencies to assist local businesses. These opportunities are changing very rapidly; it is therefore unknown as to the level of assistance the federal and state agencies will provide. The Town's SERT staff are collecting and assembling all of these programs on behalf of the community. Governor Polis has delayed the collection of all business, corporate and individual, income tax for 90 days (the Governor did not defer sales or property tax collections).

Consumer Sales Taxes

During the Town Council's March 20, 2020 Special Meeting, the Council engaged in discussions about the potential of allowing businesses to effectively borrow the Town's sales taxes, collected from customers on behalf of the Town, by deferring payment for a period of time.

As of March 23, 2020, most businesses have remitted the Town's February sales taxes they collected for the Town during the month of February.

Largest Sales Tax Remittance by Category for 2019:

- Retail-General with \$56M in sales are the largest collector of the Town's sales tax (22%)
- Groceries with \$50M in sales are the second largest collector (20%)
- Restaurants with \$42M in sales are the third highest collector (17%)
- A wide variety of other categories including hotels, STRs, furnishings comprise the remaining 31%

Options:

- The Town Council has the authority to allow businesses to retain the Town's sales tax revenue through a 'deferment' program by which a business could defer remitting the Town's revenue for
 - a period of time (30, 60, or 90 days as an example) or,
 - by category (grocery, restaurants) (see attachment 2) or,
 - by those businesses directly impacted by the public health order (example: those ordered closed to the public).

Financial Impact:

Obviously, the pandemic is having significant financial impact on the whole world, literally. The impact of the loss of revenue for the Town, for businesses, for every sector and most all industries will be significant. And, depending on the length of time it takes to recover, it could have lasting financial and societal impacts.

However, it is very early in this crisis and both the short-and long-term impacts are not known.

Staff Recommendation:

As the Manager of the Town's fiscal resources, the following recommendations are offered for the Town Council's consideration:

- (1) Direct all capital projects not critical to operations to be put on hold.
- (2) Direct staff to offer residents and businesses the opportunity to defer their water utility payments for one quarter without interest or penalties.
- (3) Consider directing staff to work with local business community to develop a business assistance program consisting of a variety of financial, marketing, and promotional support to encourage local shopping once the public health orders allow.

Sales Tax Deferment

In recognition of some interest among Town Council to consider allowing local businesses to retain a portion or all of the Town's sales tax revenues collected by local retailers on the Town's behalf, should the Town Council wish to proceed in that direction,

- (4) Consider offering to local Frisco businesses (non-corporate) who have been ordered closed to the public, the ability to borrow the Town's sales tax without interest, or penalty, by deferring the April 20, and May 20, 2020 payments for up to 90 days. Staff would return to the Council frequently to evaluate the policy decision for expansion or termination. Should the Council wish to proceed in this direction, staff would return with an ordinance requiring two readings of the Town Council.

Reviews and Approvals:

This report was written by Town Manager, Nancy Kerry

Attachments:

Attachment 1: Capital Improvement Project List

Attachment 2: 2019 Business Sales Tax by Gross Revenue and Category

Attachment 1:

Capital Improvement Project List

Attachment 1:
COVID -19 Report to Town Council March 24, 2020

Capital Improvement Fund
2020 Projects for Recommended Delay or Continuance

<u>Delay to Future Year (Post-Recovery)</u>	<u>Budgeted</u>	<u>Amt Deferred</u>	<u>Comments</u>
Property Acquisition	\$2,500,000	\$2,500,000	Delay to future year
PRA Project (TBD)	\$1,000,000	\$1,000,000	Delay to future year
Replace Tymco Sweeper	\$275,000	\$275,000	Could be delayed, but is priority
Replace Cat 420F Backhoe	\$155,000	\$155,000	Could be delayed, but is priority
Police Department Expansion	\$100,000	\$100,000	Delay to future year (under budgeted)
Building Relocation Costs	\$100,000	\$100,000	Delay to future year
Material Screener	\$75,000	\$75,000	Delay to future year
Restain/Paint Public Buildings	\$50,000	\$50,000	Delay to future year
Town Hall Kitchen Remodels	\$50,000	\$50,000	Delay to future year
Town Hall Dumpster Enclosure	\$50,000	\$50,000	Delay to future year
Replace 2014 Ford Interceptor	\$47,000	\$47,000	Delay to future year
Fuel Cell for PRA	\$45,000	\$45,000	Delay to future year
Town Hall Atrium Design	\$40,000	\$40,000	Delay to future year
Impact Analysis for Lake Hill Project	\$30,000	\$30,000	Delay (Placeholder)
Council Chambers Upgrade	\$30,000	\$30,000	Delay to future year
Design Upgrade VIC	\$25,000	\$25,000	Delay to future year
Funding for Public Art	\$25,000	\$25,000	Delay to future year
Water Line Replacement	\$18,000	\$18,000	Delay to future year
Replace Flatbed Trailer	\$18,000	\$18,000	Delay to future year
Replace Sturenburg Clock	\$15,000	\$15,000	Delay to future year
Replace Washbay Pressure Unit	\$12,000	\$12,000	Delay to future year
Ranger Truck	\$10,000	\$10,000	Delay to future year
Ebikes for Trail Maintenance	\$5,500	\$5,500	Delay to future year
<u>Possible Delay or Change</u>			
Marina to Mountains Master Plan	\$100,000	\$100,000	** Delay or proceed to be ready for recovery
Asphalt Resurfacing Preservation	\$300,000	\$300,000	Eliminate - Moving to in-house
Nordic Rental Equipment	\$20,000	\$10,000	Keep \$10,000/delay \$10,000-DM

POTENTIAL BUDGET SAVINGS

\$5,085,500

Attachment 1:
COVID -19 Report to Town Council March 24, 2020

Capital Improvement Fund
2020 Projects for Recommended Delay or Continuance

In-Process or Critical to Operations (no delay recommended)

Audio Upgrade-Day Lodge	\$20,000	In progress
Cloud-based Migration	\$12,200	Critical to operations
Environmental Sustainability Projects	\$100,000	Goal of strategic plan
Unified Development Code Amendments	\$48,000	Critical to operations
Technical consultant for historic preservation	\$25,000	Project is in progress/grant funded/suggest continue-DR
Community Survey	\$25,000	Project complete
Concrete Replacement	\$50,000	Critical to operations
Crackfill Streets/Bike Paths	\$70,000	Contract awarded but not executed
Alley Paving	\$230,000	Contract awarded but not executed
CDOT Gap Project	\$400,000	Contract awarded to SEMA
Storm System Repairs	\$150,000	Critical to operations
Town Hall Elevator Power Unit	\$60,000	Critical to operations
Mary Ruth Place Repairs & Maintenance	\$14,500	Critical to Maintenance
First & Main Building Repairs	\$5,000	Critical to Maintenance
Historic Park Deck/Stair Replacement	\$36,000	Critical to safety
Temporary Office Structure-FAP	\$60,000	Important (not critical)
Trails Construction and Enhancements	\$223,390	Matching grant, committed
Playground/Site Improvements at Town Parks	\$750,000	In design/contract awarded by Council
Replace 2016 Cat 930K Loader	\$265,000	Keep in budget/warranty/trade-in values
Skid Steer	\$40,000	Pending sale of Bobcat/keep in budget for summer ops

BUDGETED CAPITAL IMPROVEMENT FUND **\$7,769,590**

POTENTIAL **\$5,085,500**

Attachment 2:

2019 Businesses Sales Tax Revenues by Category

Town of Frisco
2019 Sales Tax Collections by Category

Category	Amount	% of Total	Gross Sales
Restaurants	\$1,701,091	17%	\$42,527,275
Hotels & Inns	\$504,348	5%	\$12,608,700
Vacation Rentals	\$564,535	6%	\$14,113,375
Grocery	\$2,006,896	20%	\$50,172,400
Retail-General	\$2,254,628	22%	\$56,365,700
Arts/Crafts	\$15,448	0%	\$386,200
Automotive	\$387,153	4%	\$9,678,825
Clothing	\$182,116	2%	\$4,552,900
Furnishings	\$278,586	3%	\$6,964,650
Gifts	\$115,351	1%	\$2,883,775
Home Improvements	\$688,960	7%	\$17,224,000
Liquor	\$371,151	4%	\$9,278,775
Office	\$54,731	1%	\$1,368,275
Health/Beauty	\$78,657	1%	\$1,966,425
Recreation	\$387,147	4%	\$9,678,675
Utility	\$386,902	4%	\$9,672,550
Marijuana	\$258,749	3%	\$6,468,725
	\$10,236,449		\$255,911,225