

**STUDY SESSION NOTES**  
**CITY OF WHEAT RIDGE, COLORADO**  
**City Council Chambers 7500 W. 29<sup>th</sup> Avenue**  
**August 6, 2018**

Mayor Starker called the Study Session to order at 6:30 p.m.

Councilmembers present: Janeece Hoppe, Tim Fitzgerald, Zachary Urban, Kristi Davis, Larry Mathews, and Leah Dozeman

Absent: George Pond (excused), Monica Duran (excused)

Also present: City Clerk, Janelle Shaver; City Manager, Patrick Goff; Division Chief Jim Lorentz; guests and interested citizens.

**CITIZEN COMMENT ON AGENDA ITEMS**

**Joy Opp** (WR) spoke on behalf of Localworks. She read a letter from Localworks president, Kristine Disney, in support of Localworks. This year's proposal has minimal increases. The letter listed several activities Localworks provides for the community. Council should trust that Localworks is a good steward of City funds. As a board member Ms. Opp also attested to the fantastic work of the Localworks staff. As a citizen she can't imagine not having these spectacular events.

**1. Action Center Update - Pam Brier**

Board members from The Action Center introduced themselves.

**John Covert**, Development Director of The Action Center

**Pam Brier**, Executive Director of The Action Center for two months

**Dave Norwood**, board member, past chair and treasurer

**Cindy Baroway**, board member, past chair

**LaDawn Sperling**, board member

Pam Brier led the presentation explaining several changes that happened to The Action Center in the past year that resulted in a financial shortfall of \$1M.

- Recent attention to a capital campaign likely deterred attention from fundraising for ongoing operations.
- Two key longtime leadership positions became vacant

The board has taken the following actions:

- The Exec Director and Development Director positions have been filled.
- They took a hard look at the budget.
  - The 22-bed family shelter was closed, and there have been staff lay-offs.
  - Services have been restructured by 20% from \$3.9M to \$3.2M, which is in line with their historic fundraising capabilities. This should be sustainable.

They are reaching out to the community to help raise \$1M in the coming year to address immediate cash challenges and rebuild a reserve for the future.

- They are contacting businesses, government, churches and past donors. They have 4,000 volunteers and the level of support has been very heartwarming.
- From the Jefferson County Commissioners they have received \$50K, plus \$200K to match other donations. \$100K of that match has already been raised.
- They are now looking to the municipalities. She noted that over 10% of the people served come from the WR community.

They help with food, clothing, rental and energy assistance to prevent homelessness, plus mental health and other social needs.

Mr. Norwood addressed the issues of “How did we get here?” and “How do we know you won’t be here again asking for money?” He is in banking and he asks those questions too. He listed the history of funds that were raised the last three years, and reported they have cut the budget to match how much they typically raise each year. They plan to match expenses to what we can raise.

Ms. Baroway, a board member for 10 years and volunteer for 27, said the audits have always been good. 90-92 cents of every dollar returns to the community. Their capital campaign of 2015 may have led to donor fatigue. She also explained several things that led to a perfect storm that resulted in financial problems. There was no mismanagement. The board reacted right away. They shut down the shelter right away; they didn’t want to, but they had to.

Mr. Norwood elaborated on how the \$1M would be used to address the immediate operating shortfall and also ensure this doesn’t happen again.

Discussion and questions from Council followed.

- Councilmember Hoppe: Is there a long term plan to re-open the shelter? Right now they are talking to other groups that may be interested in picking up that operation.
- Councilmember Urban: What is your cost per dollar for fundraising and ratio for administration to services? Mr. Covert said he’s only been on board for two weeks and doesn’t know that yet, but he will get that information. Ms. Baroway said it’s low; the board is all volunteers. For administration vs service, she pointed out again that 90-92% goes for services. They have up to 80 volunteers a day.
- Services they provide include:
  - Food and clothing
  - Helping people avoid homelessness by offering rental assistance
  - Helping people connect to education through Red Rocks
  - Working with case managers to build a plan to achieve self-sufficiency.
  - Wrap-around support services are on-going.
  - Extensive help to get back on track. They don’t just serve homeless people; they also serve people who have hit a rough patch and grandparents raising grandchildren.
  - Their three big special projects each year are school supplies (serving 5,000 children), Thanksgiving, and Christmas.

- Councilmember Mathews: How do you fit in with government services? They partner with County government resources to make those resources available. They work hard not to duplicate services, and to connect to other non-government resources like mental health and crisis services. They try to be a “One-stop-shop”. They also help previously incarcerated folks get drivers licenses. They dropped the name “Jeffco” so they wouldn’t be seen as a government entity.
- Councilmember Urban: How much of the budget is food? Ms. Brier didn’t have that figure with her. Much of their food is donated through food recovery programs with grocery stores (saving food from grocery dumpsters) and they pay \$500 annual membership to Foodbank of the Rockies, plus a \$50 monthly fee. It’s a minimal cost relative to the amount of food they bring in every day.
- Councilmember Dozeman asked what cities they are reaching out to.
  - They are reaching out to all cities in Jeffco.
  - They did a presentation to all the city managers already.
  - All elected officials are invited to an open forum at the Action Center on Tuesday, August 14 at 7pm. Council is welcome to come, take a tour and learn more.
- Mr. Norwood added that they are working with businesses and partnering with the Jeffco Economic Development Council (EDC).
- Councilmember Mathews: How much lag time is there between a recovering economy and a softening in demand for services? The biggest problem is affordable housing. Yes, the economy is good, but the cost of housing has hit the Action Center clients hard. Wages aren’t keeping up with the cost of housing, which has risen due to net migration into Colorado. They advise people NOT to stop paying rent, because once they lose their housing that is difficult to replace. The Action Center provides other parts of life so they can continue to pay rent. Additionally, when the economy is strong, there can be a perception by donors that our services are not needed as much, and fundraising can be a challenge.

## 2. Localworks Budget Presentation

Krista Lewis, the Executive Director of Localworks, said the purpose of the organization is “to advance Wheat Ridge as a vibrant and sustainable community”. They “offer programming that connects the community, attracts perspective residents, businesses and visitors, and celebrates our city’s unique charm in order to promote a healthy economy, and ensure the health and vitality of the citizens and community”.

They will host around 50 events this year and reach an estimated 26,000 people with their programs and services. They have a staff of six and rely on volunteers, partners and the City. They believe they are good stewards of City funding.

She gave a power point presentation covering the many events and programs they sponsor.

They are doing a Listening Tour to ensure they are addressing the needs of the community. A report will come early next year. The tour contacts 3 targeted audiences:

elected officials and high level city officials, business owners, and members of the community at large via pop-up events and a survey that is being distributed to all the targeted groups. As of July 31 they have received 138 survey responses. 26 are from business owners and 66% say they already volunteer with Localworks.

She highlighted elements of their proposal for financial support from the City.

- \$217,500 -- Core Localworks Programs
  - \$80K -- Building Up Business Loans (BUBL), increased from last year
  - \$40K -- Live Local (Localworks Active, Harvest and community building events), [Program and volunteer management [\$20K], event costs [\$7.5K], printed materials [\$4.5K], ads, refreshments, supplies [\$5K], Overhead [\$3K]
  - \$40K -- Community Outreach and Education ((Wheaties, Pints & Policy, Partners in Progress, and the NRS Reaffirmation to develop leaders who will work to further Localworks' mission)
  - \$22.5K -- Community Marketing and Positioning tours
  - \$30K TLC Wheat Ridge -- (small grants for block improvement; promote recycling)
  - \$5K -- Facility rental for Localworks programs
- \$103,750 -- Strategic Plan Program Investments and City Priority support
  - \$30K -- HEAL and Active Living (includes implementation of Activate 38)
  - \$13.75K -- NRS Reaffirmation Process (do surveys, district meetings, focus groups for the NRS and suggest changes in the vision for the City); Personnel/management [\$8K], printing/mailing [\$4K], ads, refreshments, supplies [\$1.75K]
  - \$50K -- Community Engagement and Communication (continue event postcards; new Community Engagement Committee for outreach and relationship building; work to retain members, volunteers, sponsors and partnerships, and start a tiered membership program)
  - \$10K -- 50<sup>th</sup> Anniversary of the City Event and Program Planning
- \$160,000 -- Ridge at 38 Events  
City's portion for Criterium/Brewfest [\$61K], Friday Night Live [\$20K], Ridgefest [\$38K], Trunk or Treat [\$7K], Holiday Celebration [\$25K], Overhead [\$9K]
- \$83,000 -- Ridge at 38  
Staffing for Ridge at 38 Leadership Committee priorities, plus banners/lights [\$25K], business outreach/marketing [\$15K], marketing materials/implementation [\$30K], Website, app, social media, online ads [\$10K]), Overhead [\$3K]

Full funding would total \$564,250.

- In-kind support assumptions from the City
  - City staff time to assist in a variety of capacities
  - Waiver of banner fees and event permit fees for Ridge at 38 events
  - Promotion of Local Works in Economic Development advertising and on Channel 8

- Help with set-up, tear down, trash, and picnic tables for the events
- Professional services from Community Development for signage guidelines
- Speed and traffic counts on 38<sup>th</sup> Ave; staff coordination for Activate 38

She added that funds will be used for project management to start a BID. They want to get that going again.

Questions from Council followed.

Councilmember Hoppe received confirmation that funds are program restricted.

Councilmember Fitzgerald asked what the wages are for employees. Ms. Lewis said that is indicated in the detailed narrative of the events. Examples: "Program and volunteer management" is mostly for staff. The percentages of "Overhead" listed as "in-kind" is for staff.

Councilmember Dozeman inquired about the BUBL loans. Ms. Lewis explained they have decided to suspend focus on home improvement loans for now, and focus mainly on business loans. This year they're asking for \$30K more; it will go to businesses, but could go to home improvement if the applications are there. Recipients are selected at the discretion of the Localworks board. She outlined the loan approval process.

Councilmember Mathews is pleased to see the group not being so political. He is bothered that it is still not self-sustaining. In the future he would like to see what other revenues are being brought in for the various events. He asked if they plan to continue charging City-funded boards and commissions \$500 for participation at their events. He also had questions about the 20198 and 2018 budgets.

Ms. Lewis addressed the issues.

- They have only done one major event this year, so there isn't much data. She can provide revenue numbers for past years.
- She said they have been steadily increasing revenue and ROI. She has a strong background in fundraising so they will be increasing partnerships and sponsorship.
- They have already discussed charging City-funded boards for vendor booth spaces. They will be offering those at no cost.
- The reason for the 14% increase in the budget for the Ridge at 38 is the intent to grow and expand those programs to attract more people from inside and outside Wheat Ridge and to offer a better experience. They already have ideas.
- She explained why their 2018 adopted budget of \$528K is now estimated to only spend \$469K. They couldn't do all the tours due to staff transition. The request for NRS activities was cut in half because they haven't been asked to help with that. They found ways to cut costs on the Live Local events. She did add that next year they plan to spend more on those to draw larger crowds.

Councilmember Davis has received positive comments on the postcard. She believes the activity on 38<sup>th</sup> Avenue is improving and drawing people from outside Wheat Ridge. She offered some thoughts on the dilemma of spending priorities.

Ms. Lewis noted that the goal is to be less reliant on City funding.

Councilmember Urban

- How is success measured in the marketing tours? She can send that information. She hopes it draws people to spend money here, move here and attend the events.
- What can be done to ensure that local businesses (that sell alcohol) along 38<sup>th</sup> Ave are benefitting from all the beer ticket sales for Localworks. Ms. Lewis said some businesses have report increased sales during events. Localworks has invited businesses to join in planning. She'd like to track future sales with event coupons.
- The City provides 80% of your budget. What are the plans to lower that? They are working on variety of partnerships and on increasing sponsorship for cash and in-kind. They hope to have a better report next year.

Councilmember Dozeman asked if Localworks is throwing the 50<sup>th</sup> anniversary gala? Mr. Goff said it will be a partnership. Ms. Lewis said three Localworks staff members are on the 50<sup>th</sup> Anniversary steering committee.

Councilmember Dozeman noted the actual cost for Live Local events is low, so why is the ask so large. Ms. Lewis explained the bulk is for staff time to plan, promote and execute the activities. There are also advertising and promotion, and at times, hard costs such as refreshments and give-aways.

Councilmember Urban asked about the in-kind time from city staff. Mr. Goff said they've had a hard time getting enough volunteers for some of the events so the last couple of years they have offered comp time for employees who volunteer; but it's a very small amount. Most of the in-kind is for police or public works for street closures, etc. Mr. Urban asked about the security protocol for events. He's been to movie nights with 1,000 people and no police presence. Ms. Lewis said that decision is left up to the Police Department. Localworks' staff knows to call the police if necessary.

Councilmember Dozeman was told there would be no Wheaties Academy next year.

Councilmember Dozeman pointed to a total of \$130K allocated to communications and marketing and is concerned that attendance has grown beyond the capacity of what we are able to host. Her family has waited in line 1½ hours for a hayride and 3 hours to see Santa. Bringing in people from outside the community is nice, but it makes the waiting lines so long that WR residents don't have the opportunity to enjoy all the things that are available. She was with a group that had a booth at Ridgefest; 50% of the addresses they captured were from outside Wheat Ridge. She wonders if our residents aren't showing up because so many others are. She wonders if Trunk or Treat is sustainable because it draws so many from outside Wheat Ridge. ~ Ms. Lewis said they are asking those same questions too. That is the reason for increased cost for Ridge at 38. They will be buying more candy for Trunk or Treat this year. They have

heard about areas for improvement so they are adjusting their budget to accommodate those improvements.

Councilmember Mathews mentioned to Mr. Goff that he would like to see, in one place in the budget, an itemization of in-kind services from Public Works, Police, City staff, Parks, and comp time for employees for all these events. Without that we don't have a true picture of what these things are costing the City – for Localworks, the Carnation Festival, anything.

Councilmember Hoppe shared her personal experience to illustrate how many of the things WR2020 and Localworks have done are small things that bear larger fruit in the future.

Councilmember Dozeman said the programs and Wheaties Academy have benefitted her personally too.

### 3. Body Worn Camera Grant Update – Division Chief Lorentz

Commander Lorentz noted the trial program began in about 2015. We still have the cameras; traffic officers wear them. He reviewed that the City applied for a federal grant to continue, but was turned down. In April 2017 we applied for a grant with Golden and that was awarded. There are lots of steps to comply with federal grants. This grant had 7 different steps to accomplish. It seems slow, but they are about ready to go. The last step, approving the Memorandum of Understanding, will come to Council for approval next week. Then the cameras can be purchased. It is hoped to get cameras by the end of 2018 or early 2019.

Councilmember Urban asked about the issue of when and where to record. Is the curriculum being prepared on our own or from other agencies? Division Chief Lorentz said it is mostly from other agencies; they are getting material from the 1<sup>st</sup> Judicial District. Some redaction is necessary. There was some discussion.

- Commander Lorentz advised that it would be impractical to have video recordings replace written reports; it would take too long to view all of the video in real time.
- Can officers review the video before they write their reports? Yes. In fact, they should. They want to do it right. Reporting is the way PD files things. Could there be problems with discrepancies? Yes, there could be.

Division Chief Lorentz closed with a reminder that National Night Out is tomorrow at Hayward Park from 4-7pm. There will be food, fun, and crime prevention.

### 4. 2018 Budget Update – Patrick Goff

Mr. Goff highlighted the report that was in the Council packet.

The City is looking good financially right now.

- Total Revenue is up 4.4% -- the biggest area being use tax due to all of the building going on. Plan review fees are also up for that reason.
- Sales tax is down 1.9% compared to last year due to Walmart closing. But if the Walmart closure is factored out, sales tax revenue is up 5.8% compared to 2017, so that is a good sign that our city economy is doing well.
- Expenses are down 86% or \$2.4M below what was budgeted. Much of this is due to salary savings from staffing shortages.
- The Fund Balance that was projected for 1/1/18 was \$10.7 M. The actual Beginning Fund Balance was \$13.8M due to the hailstorm.
- Revenue projections for 2018 were \$34M. Current projections are a little more.
- Expenditure projections for 2018 were \$37.3M; current projections are only \$35.6M. 34M.....projecting 32.24M estimated to spend 35.6M
- 2018 Ending Fund Balance is projected to be \$12.3M total.
  - Restrictions include 3% for our TABOR reserves (\$1+M); \$206K for Channel 8 PEG fee Revenue, and \$1+M for Fruitdale.
  - The Unrestricted year end Fund Balance is projected to be just under \$10M, which is almost a 30% reserve.
  - Council has directed that a portion of that fund balance be spent in 2019 for the 38<sup>th</sup> Avenue Green project.

Council had two minor questions.

Mr. Goff reported that Regency is working to fill the Walmart space. Four national tenants are planned, projected to open in September or October 2019. Revenue from those businesses and a planned business for the pad at 38<sup>th</sup> & Kipling (next to Starbucks) will not be included in the 2019 budget. All of the businesses at the Corners at 38<sup>th</sup> project will be online by next year; that revenue will be included in the 2019 budget.

## 5. Broadband and TABOR Excess Revenue Ballot Questions ~ Patrick Goff

### High Speed Internet

Mr. Goff noted that this issue had been discussed at a recent study session and Council had directed staff to prepare a ballot question.

- SB 152 prohibits local governments from providing cable television services, telecommunication services, or high speed internet services (advanced services), either directly or indirectly, unless approved by the voters.
- SB 152 has been interpreted by some as prohibiting local governments from providing a wide spectrum of services (internet service in libraries, parks and community centers; leveraging government infrastructure and partnering with private businesses to provide affordable and high speed internet services throughout the community; and direct provision of broadband services by municipal government where needed).
- A voter approved exemption from SB 152 would restore local independence and the ability for the City to evaluate all possibilities for next generation broadband services in the City.



- Voters in 92 towns and cities and 23 counties have overwhelmingly approved measures to allow their local government to decide whether to offer broadband services to their residents.

Mr. Goff read the draft resolution that was in the packet.

Councilmember Urban addressed the phrase “based on new technology”. He thinks it is ambiguous. Mr. Goff agreed that could be misleading. It could be removed.

Councilmember Urban addressed the requirements of SB152. The only requirement that *doesn't* seem to be explained is “how does it provide the role government will have in providing these services”. Mr. Goff said we don't know that yet. There was some discussion. Mr. Goff suggested the wording provides options. He thinks the language covers it, but will confirm with Mr. Dahl.

There was consensus to move this forward, and to remove the language Councilmember Urban suggested.

#### TABOR Excess Revenue

Mr. Goff addressed the two options for wording for a second ballot question that would ask the voters if the City can keep \$457,931 is excess 2-E revenue.

- The 2E ballot wording estimated the tax increase would generate \$3.7M in 2017. The actual amount of the new tax revenue in 2017 was \$4,157,931.
- He advised that Buckner, the bond council, suggests using the wording that is *not* percentage-specific for each of the four projects because that would be too restricting and be an extremely burdensome thing to keep track of for accounting purposes. They recommend Option #1 which provides some flexibility.

Discussion indicated there was support for wording that provided flexibility.

Councilmember Urban suggested including wording to let the voters know this does not extend the tax – it just allows the City to keep tax money that has already been collected. Mr. Goff had thought about that and agreed. He suggested adding wording to let voters know the original date for the sales tax would remain as passed by voters.

There was consensus to proceed with the draft version #1.

#### 6. Staff Report(s)

**Mr. Goff** reported having attended an opening event at Lucky's Market with Councilmember Urban earlier in the evening. He remarked that the parking lot was full in 5 minutes so folks should prepare accordingly. This was a soft opening; they will have a Bacon (ribbon) Cutting on Wednesday at 10am.

#### 7. Elected Officials' Report(s)

**Janece Hoppe** encouraged everyone to come to the Carnation Festival this weekend.

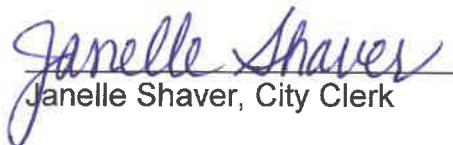
**Leah Dozeman** invited everyone to the Carnation Festival this weekend. There will be fireworks both nights, food and craft vendors, the carnival and the parade is Saturday morning at 9:30. Ms. Hoppe added a reminder of the Pancake Breakfast at the Grange at 7am before the Parade.

**Zach Urban** said he enjoyed touring Lucky's with his daughter. It's quite a place – fully stocked and ready to go. ~ He spoke about Nicole Lindsay, a Wheat Ridge woman who was murdered last week as a result of domestic violence. There is a Go Fund Me Page for support for her family. They are having a hard time. He encouraged people to support the family and to support Family Tree and their work with domestic violence.

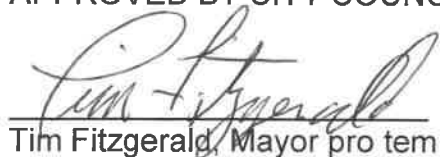
**Clerk Shaver** reported attending a performance of the Music Man last Saturday evening at the Colorado ACTS theater located on the north frontage road just west of Medved. Colorado ACTS is a non-profit children's theater group right here in Wheat Ridge. There will be performances this weekend also. She encouraged folks to check out their website; they offer classes and performances year round for children of all ages and abilities.

**Mayor Starker** put in a good word for the Carnation Festival and the Parade. He also put in a plug for the 4-H and Future Farmers event this coming Sunday morning at 11:00 at the Fairgrounds. The 4H kids will be showing their animals and the Mayor is on the celebrity show team. He suspects he will learn a lot.

**ADJOURNMENT:** The Study Session adjourned at 8:48 p.m.

  
Janelle Shaver, City Clerk

APPROVED BY CITY COUNCIL ON August 27, 2018

  
Tim Fitzgerald, Mayor pro tem