

**TOWN OF BRECKENRIDGE  
TOWN COUNCIL REGULAR MEETING  
TUESDAY, AUGUST 23, 2011  
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***CALL TO ORDER and ROLL CALL***

Mayor Warner called the August 23, 2011 town council meeting to order at 7:34 p.m. The following council members answered roll call: Mr. Bergeron, Mr. Dudick, Mr. Mamula, Ms. McAtamney, Mr. Joyce, and Mayor Warner. Mr. Burke was absent.

***APPROVAL OF MINUTES – August 9, 2011 Regular Meeting***

Mr. Dudick corrected his Marketing Committee report - ...72% of the rentals are from Reservations for the Summit (not “non-Vail Resorts”)... He stated they are not community wide statistics.

Mr. Joyce corrected his Summit Combined Housing Authority report – Mr. Joyce reported the county (not SCHA)...because they didn’t have good procedures set up and SCHA (not the county) will probably sell these loans (not these properties).

With those changes to be made to the meeting minutes of August 9, 2011, Mayor Warner declared they would stand approved as corrected.

***APPROVAL OF AGENDA***

Tim Gagen, Town Manager, brought to council’s attention a revised version of Council Bill 34. If there is a motion to approve this council bill, the revised version should be referenced. Under “Other Matters”; F-Lot will be discussed. Depending on how that discussion goes an executive session may be added to the meeting.

***COMMUNICATIONS TO COUNCIL***

**A. Citizen’s Comments - (Non-Agenda Items ONLY; 3 minute limit please)**

Mitch Weiss, Pine Ridge Rentals, was present and read a statement agreed upon by many in the lodging community about the F-Lot situation. His bullet points included: against giving public land to a private company for a questionable financial return and no guaranteed town benefit; Questionable as to whether or not a hotel will draw “new customers”; not against competition, against dilution – he mentioned new inventory that has come on board recently – all but time shares are occupied 45-50% of the year; demand does not nearly exceed supply; reduced rental income negatively reduces property value; mid –high range demographic market has worked for Breckenridge for years, ranked among the best; many complexes have gone to great expense to upgrade within the last couple years; parking lot should be “open space”, hotel will create “clustered” and crowded feel; impede views of ski area, why “kill” the investments made on the Riverwalk.

Chris O’Reilly also commented on F-Lot. He would like to see the area maintained as “open space” in the form of parking. He referenced a moderately shrinking downtown core area referencing potential development of the gondola lot. He would like to see remaining open space maintained in the downtown core area and not closed in by buildings. He closed by referencing recent letters to the editor on this subject. Most were in opposition to giving public land away. The town should continue to bring people to town during the shoulder seasons.

Bob Barto, Beaver Run Resort and Conference Center, clarified a quote that appeared in the paper in reference to branding of a hotel. Beaver Run is not supportive of this proposed use of F-Lot. He agreed with the points brought up by Mr. Weiss.

Michael Colpitts, Steak & Rib Restaurant, summarized an effort to set up a small tent on the Steak & Rib property to sell burgers during very busy weekends, like the one coming up. Chris Neubecker, Senior Planner, stated his read of the code was that this would fall under the vending cart discussion and since there is a moratorium on vending carts this would not be permissible at this time. Mr. Bergeron asked what is the difference between setting up a grill on the Steak & Rib deck verses serving from a tent or gazebo structure located on a privately owned parking lot. Peter Grosshuesch, Community Development Director, stated the most recent similar situation Community Development has addressed was smoking tents outside of restaurant/bars. The previous council was not in favor of allowing this type of structure. Mr. Neubecker stated this will involve a temporary structure permit. Mr. Bergeron stated the upcoming event may negatively impact some local businesses. He would like to see the town try and help these businesses offset some of the inconvenience. Ms. McAtamney would like to see the town make this work for the Steak & Rib. Mr. Dudick commented that currently no one is sure how many people will be in town for the event. The town may not be able to meet the demands of the event with its current infrastructure. He would like to see the town work with the businesses. Mr. Colpitts was asked to work with Mr. Neubecker to work out the details. Council will look at this issue in the future.

David Garrett, Ski Country Resort and Sports, spoke in support of comments made by his colleagues in the lodging community. He would like to see current projects get finalized and parking issues resolved before moving forward with an F-Lot proposal. Cautioned council about jumping on the first attractive offer that comes along.

***CONTINUED BUSINESS***

**A. SECOND READING OF COUNCIL BILL, SERIES 2011 – PUBLIC HEARING**

- 1. Council Bill No. 32, Series 2011 - AN ORDINANCE ANNEXING A PORTION OF SUMMIT COUNTY ROAD 3 TO THE TOWN OF BRECKENRIDGE (0.901 acres, more or less)**

Tim Berry, Town Attorney, stated several months ago the town received an annexation petition from the Board of County Commissioners requesting the town look into annexing the property reference in the council bill title. Town staff went through the procedures to ensure the parcel is eligible for annexation. If approved tonight this small portion of Summit County Road 3 would be annexed into the town. There are no changes from first reading.

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Mayor Warner opened a public hearing. There were no comments from the public. He closed the public hearing.

With no comments or questions from council, Mayor Warner asked for a motion. Mr. Dudick moved to approve on second reading Council Bill No. 32, Series 2011 as previously read into the record. Mr. Mamula seconded the motion.

A roll call vote was taken. The motion passed 6-0.

2. **Council Bill No. 33, Series 2011** - AN ORDINANCE PLACING RECENTLY ANNEXED PROPERTY IN LAND USE DISTRICT 39 (Part of Summit County Road 3 – 0.901 acres, more or less)

Mr. Berry explained the Colorado Municipal Annexation Law requires the town to zone newly annexed property within 90 days after annexation. This council bill would place the property referenced in the title into Land Use District 39. There are no changes from first reading.

Mayor Warner opened a public hearing. There were no comments from the public. He closed the public hearing.

With no comments or questions from council, Mayor Warner asked for a motion. Mr. Bergeron moved to approve on second reading Council Bill No. 33, Series 2011 as previously read into the record. Ms. McAtamney seconded the motion.

A roll call vote was taken. The motion passed 6-0.

3. **Council Bill No. 34, Series 2011** – AN ORDINANCE REPEALING AND READOPTING WITH CHANGES CHAPTER 14 OF TITLE 4 OF THE BRECKENRIDGE TOWN CODE CONCERNING THE LICENSING AND REGULATION OF MEDICAL MARIJUANA FACILITIES

Mr. Berry explained two years ago the State legislature adopted a new licensing program for Medical Marijuana Facilities. That State statute became effective July 1, 2011. The State is now actively processing applications and in some cases issuing licenses. The new legislation calls for dual licensing of Medical Marijuana Facilities, including licensing at the local level as well as the State level. Currently, the town's Medical Marijuana Dispensary Ordinance is out of date. This council bill, if approved, would bring the town's code into compliance with the State's legislation, including changes in terminology, while at the same time maintaining the town's local uniqueness. Mr. Berry mentioned one change to the ordinance. The change was added to the council bill after comments were received during the work session today. The change deals with the limitation on the number of licenses (Mr. Berry refers to this as the "cap provision"). This provision has been replaced with language from the State statute directing the local licensing authority (in this case Mr. Gagen) to consider the number, type and availability of existing facilities before granting additional licenses. Mr. Berry also cited a correction to a misspelling of violation on page 18 of the ordinance. If there is a motion to approve this council bill, the motion should reference the version handed out before the meeting.

Mayor Warner opened a public hearing. There were no comments from the public. He closed the public hearing.

With no comments or questions from council, Mayor Warner asked for a motion. Mr. Bergeron moved to approve on second reading Council Bill No. 34, Series 2011 in the form handed out by the town attorney before the meeting. Mr. Mamula seconded the motion.

A roll call vote was taken. The motion passed 6-0.

**NEW BUSINESS**

- A. **FIRST READING OF COUNCIL BILL, SERIES 2011**

None

- B. **RESOLUTIONS, SERIES 2011**

None

- C. **OTHER**

Liquor Licensing Authority (LLA) Appointments

Mr. Mamula moved the town council appoint Dave Garrett and Dave Blank to four-year terms on the Breckenridge Liquor Licensing Authority. Ms. McAtamney made the second. A roll call vote was taken. All were in favor of the motion.

**PLANNING MATTERS**

- A. **Planning Commission Decisions of August 16, 2011**

Mayor Warner asked for comments or concerns in relation to the Planning Commission Decisions of August 16, 2011. With no request to call an item off the consent calendar, Mayor Warner declared the Planning Commission Decisions of August 16 would stand approved as presented.

**REPORT OF TOWN MANAGER AND STAFF**

As town staff prepares the 2012 budget, Mr. Gagen stated if council would like to consider changes to its compensation package, discussion would need to occur "at or before" the town's April Municipal Election. Discussion can occur at a work session or at the budget retreat. This would address compensation for only new and incoming council members. Mr. Mamula felt the REC benefit the council currently receives is not enough (\$600). He would like to see it increased to \$1200. Council asked Mr. Gagen to have staff consider including these amounts in budget projections.

**REPORT OF MAYOR AND COUNCIL MEMBERS**

- A. **CAST/MMC** (Mayor Warner) – No report

- B. **Breckenridge Open Space Advisory Commission** (Mr. Dudick) – Was not able to attend the most recent BOSAC meeting due to a conflict with another meeting.

- C. **Breckenridge Resort Chamber** (Mr. Burke) – No report

- D. **Marketing Committee** (Mr. Dudick) – Meets on Tuesday, August 30. After that the group will meet on a monthly basis

E. **Summit Combined Housing Authority** (Mr. Joyce) – No meeting

F. **Breckenridge Heritage Alliance** (Mr. Burke) – In Mr. Burke's absence, Mayor Warner reported the BHA is reviewing the scope of work for the cosmetic restoration of the Engine #9 Tender. The board decided to maintain current fees at museums, at least through the fall. They will begin to push group/family tour rates. State Historic Preservation office and the State Historic Fund have renewed interest in the Reiling Dredge. BHA is waiting for those two entities to weigh in on the current stabilization plan. BHA is still hoping to do some of their stabilization work this summer and fall. The board continues its work to get the Reiling Dredge listed on the National Register of Historic Places. The site may be eligible for the highest designation as a National Historic Landmark. There are only 21 such sites in the State of Colorado. BHA will have its Pro Cycling Challenge viewing area on the Barney Ford lawn Saturday. Tickets are going very well. The board is compiling goals for 2012 and will review those with council during the upcoming joint session. Mayor Warner asked about the Reiling Dredge stabilization process. Mr. Gagen reported the question being debated at this time is how far to go with the stabilization. Mr. Grosshuesch commented a national landmark designation would enable the site to be eligible for more grant money. The level of stabilization could be done in phases and will be determined at a later date.

G. **Water Task Force** (Mr. Mamula) – No meeting

#### **OTHER MATTERS**

1. **F-Lot discussion:** Mr. Gagen stated there is an initial question based on the proposals presented: 1) does council want to look further at potential development on F-Lot; 2) does council need more information but does not want developers to do any more work; or 3) is council ready to talk about proposals and ask developer(s) to do more detailed feasibility, design and architectural work.

Ms. McAtamney stated she would like to spend more time at the council level understanding what the town's lodging should look like. She would like to see what the Vail gondola lot development will bring to the town's lodging makeup. Can council help to move the lodging bar higher? Thirty year old properties should be redeveloped. Not ready to go forward with any proposal at this time.

Mr. Dudick feels the town needs a four or five star hotel. The lodging stats are unacceptable. He is willing to wait on F-Lot deal to see what Vail decides to build on the gondola lot. The town has condo properties primarily and not hotel properties, there is a big difference.

Mr. Bergeron believes this question will keep coming back. Right now he is not interested in going forward with any F-Lot development. He would like to wait and see if the economy turns around. Not fair to developers to lead them along.

Mayor Warner wanted to know if the town should study the lodging question on its own. Mr. Dudick would like to see Vail or other developers take on studying the question on their own. Ms. McAtamney says a broader study is needed - does the town's lodging currently match the town's branding? The town has a problem and it should be addressed. Mr. Bergeron agreed.

Mr. Mamula stated he was against this entire question from the beginning. Not interested in giving away land to a new player to create a new playing field because something is lacking. Not the way the town does business. Commented on the term "open space" brought up by Mr. O'Reilly. He took pictures earlier in the day and passed them around for council's review. He questions whether Breckenridge is a four or five star town or is any national chain a fit for this town. Town government should not interfere in the town's commerce or in this case the lodging business within the town.

Mr. Joyce asked if there is an "assist" the town can put together to work towards improving the lodging business. The lodging rating was eye opening for him. Lodging can be an impediment to the success of the town. He agrees with Mr. Dudick that we need a four or five star hotel. Disagrees with Mr. Mamula that Breckenridge is a budget town. He believes there is a strong segment of the population who would pay to have a four or five star hotel experience. Guests come to Breckenridge for the experience. He would like to know how much a study would cost. Council could benefit from learning more about this subject.

Mayor Warner agreed with Mr. Joyce and Mr. Dudick. Maybe the timing is not right for a four or five star hotel. The town would be short sighted to not explore this question. What would a hotel bring to the community? Retention is important – the best guest to have is the one who comes back over and over.

Mayor Warner summarized stating the council would not like to move forward with any of the options. The town should move forward on a study and look at an "assist". Council needs to understand aging condominium properties and should wait and see what Vail Resorts will do with the gondola lot property. Council should be proactive and try to understand some of the lodging questions that have come up.

Mr. Dudick would like to see results of studies that come about from developers rather than spending public money on conducting studies. Mr. Mamula would rather have the town pay for studies so the town gets the information it needs. Mr. Gagen believes studies should be the job of the lodging community. Mr. Dudick suggested bringing this idea up at the Breckenridge Marketing Advisory Committee (BMAC) level. He will bring this up at their next meeting. Mr. Gagen will get numbers on what studies might cost.

2. Mr. Gagen brought up an issue a citizen brought to the town's attention. This issue concerns the carriage operation based on the east side of Main Street in front of the Barney Ford property. It was asked why the town allows this amenity. There is an odor issue. Council felt it was a nice amenity. Perhaps staff could look at a different location to base the operation. Aside from the operation's base location there are issues with traffic congestion. Routes differ based on customer requests, however, there is a permit that outlines the routes they are allowed to take. Council would like staff to look at a different base location, look at routes and operating conditions including yielding to traffic. Clean up after the horse is part of the current conditions as is not leaving the horse unattended. Conditions should be looked at.

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3. Mr. Joyce asked if there was any word on uses for the old CMC building. He would like a status report. Mr. Gagen commented the town is waiting to hear from a potential buyer interested in town hall and other locations in the vicinity of town hall. On another subject, Mr. Joyce stated he would like to help out during the Pro Cycling Challenge but has not received an email update. Kim Dykstra-DiLallo stated she just emailed council on the same subject.

4. Mayor Warner reiterated concerns Mr. Burke had concerning the inclusion of what Mr. Burke felt were non-EIS items mentioned within the Peak 6 points document. In closing, Mayor Warner announced he will be running for re-election during the April, 2012 election.

5. On the subject of the April, 2012 election, Mr. Gagen stated there is a Tabor question on the ballot and as such Pro/Con statements will be accepted. Otherwise, no other staff time or town money is allowed to be spent on promoting the question. Council will be able to write letters to the editor.

***SCHEDULED MEETINGS***

There were no other scheduled meetings other than those listed in the council's packet.

***ADJOURNMENT***

With no further business to discuss, the meeting adjourned at 9:20 p.m.

Submitted by Wanda Creen, Deputy Town Clerk.

ATTEST:

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Mary Jean Loufek, CMC, Town Clerk

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John Warner, Mayor