



AGENDA

Red Tape Ad Hoc Committee

Thursday, June 16, 2022

12:00 p.m.

VIRTUAL MEETING

City of Aurora, Colorado

15151 E Alameda Parkway

Council Member Dustin Zvonek - Chair

Mayor Pro-Tem Francoise Bergan

Council Member Curtis Gardner

Council Member Juan Marcano

Council Member Danielle Jurinsky

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Pages

1. **Call to Order**

CM Dustin Zvonek, Chair

2. **Approval of June Agenda**

3. **Approval of May Minutes**

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Approval of the May 17, 2022 Minutes

4. **Review of Outstanding Items**

4.a. **Development Review Detail Comment Discussion**

Jason Batchelor, DCM; Laura Perry, DCM

4.b. **Ice Cream Truck Discussion**

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Trevor Vaughn, Manager of Licensing

4.c. **Miscellaneous**

5. **Final Report: Kim Stuart, Director of Communications**
6. **Housekeeping**
7. **Meeting Adjourned**

RED TAPE REDUCTION COMMITTEE

May 17, 2022

Members Present: Council Member Zvonek – Chair, Mayor Pro Tem Bergan, Council Member Gardner

Members Absent: Council Member Marcano, Council Member Jurinsky

Others present: Council Member Steve Sundberg, L. Perry, J. Giddings, M. Bryant, T. Vasquez, D. O’Connor, C. DeWolf, G. Hays, H. Hernandez, J. McNeal, A. Botham, T. Kuntzelman, K. Stuart, P. Varney, C. Colip, M. Clark, D. Milford, M. Kipp, J. Rustad, J. Batchelor, M. Brown, J. Edwards, A. Logan, J. Rodriguez, B. Bell, T. Joyce, T. Vaughn, R. Venegas

1. CALL TO ORDER

Meeting was called to order by Council Member (CM) Zvonek.

2. APPROVAL OF MAY AGENDA

May Agenda was approved with no objections.

3. APPROVAL OF APRIL MINUTES

April 20, 2022 minutes were approved with no objections.

4. ISSUE DISCUSSION

4.a. RESOLUTIONS ADDRESSING DEVELOPMENT REVIEW PROCESS

Summary of Issue and Discussion

Jason Batchelor and Laura Perry discussed this item. The development review starts with an optional pre-application meeting. This is recommended for developers that are going through the process for the first time. Pre-application meetings are not required for subsequent submittals. Master plans are high-level documents that handle large-scale development and sets up infrastructure requirement, timing, and phasing, and defines different planning areas. Under these are site plans that are more detailed which include those needed for full development. Under these are civil plans (CDs) that are engineering documents that include roadway design, utility design and details, grading, drainage, etc. Finally, there are building plans for when developers are ready for vertical construction.

There is a 12.5-week review process for master plans. CDs are allowed to be concurrently reviewed. A higher-level review is done at the beginning of the process.

A development review fund was established to provide a consistent and predictable approval process for development and land use. All development fees associated with the payment for staff that conduct review inspections go into the DRF. There are several factors underlying the delays in meeting projected timelines. Some of these include workload, staffing, and process issues. A handbook will be published that will include all the timelines for the review process. Currently, the staff is meeting the timelines most of the time, but this results in a minority wherein timelines are not met.

In December 2021, the city management formulated a focus of performance for the development review. This encompasses four major areas which are management and leadership oversight, culture and customer service, process improvements and technology, and process documentation, teaching, and training. The goal is to get projects approved while meeting city codes and regulations. To oversee the plan, a Development Review Governance committee was created which includes leadership from all departments involved in the review process. The group is tasked to oversee the implementation of identified improvements and focus initiatives. The department is undertaking a reorganization to build capacity and eliminate bottlenecks in the review process. Department review functions such as inspections, engineering, and plan review will be consolidated. Drainage reviews will be shifted to Aurora Water. The department is also looking to improve partnerships and implement improved quality control at intake. Plan review comment standardizations will be implemented to establish clear expectations and requirements for acceptable levels of quality. Updates will be given regarding issues identified by customers. Improvements will be made to the format and checklists. Code and manual updates will be done. Continuous training will be provided across the organization. These processes will eliminate barriers and improve customer experience.

These action items are being done to address the underlying root causes of the issues raised. The Development Review Governance Committee is complete and has been meeting for several months. The reorganization of Public Works is in progress and will continue for the rest of the year. The expedited review process is in place for pad site-ready developments with infrastructure in place and approved master plans. Digital mylars are in the process of implementation which no longer require developers to print out plans. Guidance and reference manuals will be updated and made consistent across departments. This will ensure that conflicting guidance will not be provided. The department is looking into bringing in outside resources to help with the manual update. Once the manuals are updated, checklists for plan intake, corrections, and re-submittals will also be updated. This is to make sure that the developers know what is required when making submittals. The activity level for the review staff and consultant community is high and they are facing the same challenges in retaining and hiring staff. These improvements will provide clear expectations for the development community.

The department is also planning to implement a multi-department review team to eliminate conflicting guidance given by different departments. This is set to be developed later in the year. Plans would be referred to outside agencies such as CDOT, DEN, Xcel, and MHFD. This will reflect the state model where the obligation is on the development community for compliance with third-party entities. Developers must go to third-party entities to ensure that their requirements are also met. Once manuals are updated, the department will include approvals at defined milestones. To address the issue of late comments, comment tracking and scorecards will be implemented. This is to document, manage, and share comments across departments and divisions with the development community. This will be started in Q2. Timelines will be evaluated based on the scope and complexity of the project. The 3-2-1 review cycle that ensures 3 weeks for the first review, 2 weeks for the second, and 1 week for the third review will be re-evaluated. As long as the city meets the requirement for the review timeline and communicates with the developer, it would be okay to spend more time on the front end. This will meet the goal of providing consistent and predictable timelines and phasing. The department is planning an enhanced development review process for oversight and management of large projects. Regular standing meetings will be done for large complex projects with continuous communication with the developers on their priorities to keep the project on time and on budget.

In-person meetings are available and are being communicated by staff to the development community. Pre-application meetings, review comment workshops, and engineer and planner meetings are all available in person. Staffing and recruiting remain challenging. Outside consultants are used to helping with the workload in different areas. Quarterly development reports will be provided to the City Council. This will include revenue and expenditures, workload and performance measures, and progress updates. The department will be reporting to the PED Committee regularly. Later in the year, a fee comparison will be done for the cost of development in Aurora compared to Denver and other front-range cities.

Committee Discussion

Mayor Pro Tem Bergan expressed appreciation for the department's work. She said that the reorganization of Public Works is oversimplified. She asked how it would work and who would be the boss. Cindy Colip answered that they will hire a new Deputy Director and shift processes with Scott Berg in the building department. The Deputy Director will be responsible for the development review processes which include traffic, real property, civil plan review, and site plan review. Victor Rachael, the Deputy Director of Engineering Services, spends 95% of this time on development review and takes away from other duties. J. Batchelor explained that the reorganization will put all the people involved in the entitlement process under one deputy. The inspections and building plans review will be under Scott Berg.

Mayor Pro Tem Bergan asked if the Deputy Director will have the authority to make a decision or override a comment from a staff member in cases wherein comments are inconsistent. She mentioned that they were supposed to hire an operations manager to stop

silos based on a study from the PED Committee. L. Perry said that the Deputy Director will be responsible for the decisions. She added that the multi-departmental team will work to shepherd the various departments through the process. She mentioned that the operations coordinator will be part of a full organization in developing process improvements and ensuring consistency throughout the process. Mayor Pro Tem Bergan mentioned issues with Amanda or Accela regarding quality control at the intake. J. Batchelor said that software updates are in process. He said that the issues are with Amanda, and they have stabilized the platform and have not had issues in about a year. He mentioned that there are agencies running on Accela. He added that the technology platform is consistently updated. Mayor Pro Tem Bergan mentioned that there were issues with people not being able to see others' comments through the software. She said that maybe IT can look into it. J. Batchelor said that they will look into it. He added that they want the technology to support process improvements. He said that if they need to change the technology to support cross-departmental collaboration, they will address that.

Mayor Pro Tem Bergan asked about the third-party referrals. She asked if a developer goes to Mile High Flood District (MHFD) for approval, then they would not need to go to Aurora Water. J. Batchelor said that there are issues they must address with MHFD given that there are some overlaps between the city's regulatory authority and MHFD. With other agencies, it would be easier to adopt the state model. Mayor Pro Tem Bergan said that developers get confused as to who has the authority. Sarah Young from Aurora Water said that they have had meetings with MHFD to define roles, responsibilities, and expectations. She said that they both have jurisdiction across the same area. Clear documentation and guidance will be provided once the details are sorted out.

CM Zvonek said that for the resolutions, the therefore clauses would be the individual components of the road map and the update on the project. He added that for the whereas clauses, they could simply put 'to have a more business-friendly and streamlined development process.' J. Batchelor said that that would be their intention. CM Zvonek requested a draft to share with stakeholders for more feedback. He stated that the resolution should include the process, what it looks like, and further definitions. CM Zvonek mentioned the cap on the number of residential units and how it affects the Anschutz Medical Campus. He said that they want to limit the footprint but have a higher cap. He added that they can discuss this in the next meeting and if it would be addressed separately. J. Batchelor stated that they will get the resolution drafted and circulated.

Mayor Pro Tem Bergan asked how they will address the specific requests that were brought up. J. Batchelor explained that their proposed improvements will address underlying issues. He said that this does not mean that they do not need to solve individual issues. He mentioned that they could forward individual projects that need addressing to the department. Mayor Pro Tem Bergan mentioned the idea of eliminating preliminary approvals when seeking a final plan approval and eliminating provisions for updating drainage or utility plans. She asked if these are going to be addressed since they were brought up by developers. She mentioned that the developers might say that nobody answered their questions or gave updates on whether or not these can be changed in the

process. J. Batchelor said that these specific comments will be addressed once they update the guidance and reference manuals. L. Perry said that they will mainly come through in the manuals and criteria.

Mayor Pro Tem Bergan asked what the timeline is for the manuals. L. Perry stated that those are already in process and are working to get them finalized in the next couple of months. Mayor Pro Tem Bergan asked if they will hear the changes made to the UDO in the PED Committee then possibly at Study Session. J. Batchelor clarified that if it is an administrative change, they will inform the PED Committee. If it requires a code change, it will be brought to Council. He added that they will highlight comments made and will track those as they make changes to the UDO. Mayor Pro Tem Bergan said that they should also get communication out to developers regarding the changes. J. Batchelor said that CM Zvonek touched on this with his direction to back to the development community.

Mayor Pro Tem Bergan asked if parameters for large complex projects will be highlighted in the resolution. CM Zvonek said that the therefore clauses would have a description of what they will do for large-scale projects and give directions to create a process. From there, updates will be presented to the PED Committee. CM Zvonek suggested asking for stakeholder input on the size and types of projects. The department would then present the comprehensive plan to PED as a result of the direction in the resolution. J. Batchelor confirmed this process. CM Zvonek suggested going to stakeholders and helping them understand that they are not going to address a specific thing with the resolution but a process that will address the underlying cause that created their specific issues.

Mayor Pro Tem Bergan asked if there are thoughts on simplifying the UDO. Jeannine Rustad stated that she has been talking with consultants regarding this. One of the consultants said that it is possible to input your property in their program and it extracts all requirements that apply to it. She mentioned that the first step in doing better processes is to focus on the manuals, the processes, and the checklist. This would make the UDO more user-friendly. Mayor Pro Tem Bergan asked for Jeannine's opinion on the UDO. J. Rustad said that she honestly struggled with it and there is room for improvement. She said that some items are clear but planners, developers, and herself have a list of things that might need amending. She mentioned the building length as an example. She stressed that the UDO is a living document and always needs improving.

Mayor Pro Tem Bergan asked if they are not changing the timeline. She said that they have not been necessarily following it due to staff shortages and project complexities. J. Batchelor said that the goal is to get back to the published timelines 99% of the time. They will be reporting to PED on the progress made compared to the published timeline. Mayor Pro Tem Bergan mentioned third-party inspectors and that Laura said at a round table discussion that they will continue to do that. She asked if an ordinance will be brought back. L. Perry said that they committed to hiring additional firms as paving season is coming up and they are predicting a big inspection caseload. She mentioned that they are on time with inspections and are responsive to the predicted caseload. Mayor Pro Tem Bergan suggested looking at Australian firms since their winter season is Aurora's summer.

J. Batchelor explained that there are two types of inspections. One is improvement inspections that include road and drainage. With these, the department is working on hiring contractors. The other type is building inspections. With these inspections, city staff is meeting standards 99% of the time. Once someone calls for a building inspection, the inspection is done within 24 hours. This is under Scott Berg. Staff did 11,000 building inspections last month.

CM Zvonek requested to have a draft ready to be presented at the June 13th Study Session, engage stakeholders, and get feedback. J. Batchelor agreed to the timeline and stated that they will create a finalized draft resolution to be sent out.

Outcome

The Committee supported moving the item forward to Study Session.

Follow-up Action

The item will move forward to Study Session with the accompanying resolution including stakeholder feedback.

4.b. ADDITIONAL RED TAPE REDUCTION TOPICS

4.b.1. Resolutions Addressing Licensing Items

Amusement Device License

Trevor Vaughn discussed this item. Previously, the city had grey casinos with machines that looked and operated like slot machines but are called skill games. Essentially though, they are gambling and use the element of chance. Those have been eliminated in part due to an existing amusement device ordinance that requires the licensing of amusement devices. However, these facilities are saying that based on state law, they are not gambling because they pay out through cryptocurrency. There are instances wherein criminal activity is associated with these facilities. The code in aurora is older and has language regarding accessing the operator and accessing the cash, coin, or currency that leaves some loopholes open. In Aurora, there are no open facilities like these. These machines need to be licensed and screened. However, the city does not do any good moral character screening for owners of amusement devices. A separate regulation could state that those devices are not permitted and include the requirements to obtain a general business license.

This would eliminate the need to have amusement device distributors licenses; of which there are 7, and vendors licenses; of which there are 600 to 700 at \$35 each. Arcades, bars, and restaurants would be the biggest beneficiaries as they would no longer need to license each machine. The city must also enhance regulations to make sure that there are no illicit operators that would come in but allow existing businesses to benefit from a reduction in licensing requirements. Amusement centers or enterprises such as David Busters could give out cumulative prizes in

coupons where you would not get a prize worth more than what you put into the system. A draft ordinance for consideration is available.

Carnival License

Currently, the city also has a carnival license requirement that deals with midway games. This addresses any unfair games or those that deal with gambling. The city code could be revised and put a provision that carnivals no longer need to obtain a license. Another provision could be added to discuss how games would operate. This would eliminate Chapter 10 in its entirety from the city code.

Committee Discussion

CM Gardner mentioned that he has talked with a police chief and city manager regarding the huge proliferation of gray casinos. State law says that gambling can only take place in the 3 mountain communities. Amending this in the city code would make operations easier and make sure that gambling casinos are prevented from coming to Aurora. CM Zvonek asked if these changes would require an ordinance. T. Vaughn said yes. CM Zvonek asked if these could be drafted and ready for the June 13th Study Session. T. Vaughn said that there is already a draft ordinance ready to go. G. Hays asked if these changes have a significant fiscal impact. T. Vaughn mentioned that the amusement device license change would have a \$23,000 loss in revenue from license fees.

Ice Cream Trucks

The ice cream truck prohibition dates back to 1957 that stemmed from concerns regarding vehicles in residential areas. Noise making that draws people to a vehicle traveling through streets and the sales of frozen confectionery items are prohibited. The city code would be amended to add an exemption and zoning code for the commercial operation within residential areas. There are questions as to whether the exemption would be limited to ice cream trucks and if limits are to be imposed on the noise, kind of street, and operating hours. In other cities, they do background checks and separate licensing for operators to ensure safety.

Committee Discussion

Mayor Pro Tem Bergan said that safety is important and that parents do not want pedophiles running around in ice cream trucks. She added that there should be parameters on operating hours so that they are not operating in the early morning and late nights. CM Zvonek said that other cities regulate ice cream trucks that they could only sell on certain sites on the street. He mentioned that he would like to see options for adequate safety precautions and from there eliminate what needs to be eliminated and create new regulations to ensure safety. CM Gardner mentioned that he likes the idea of having limited guardrails in place. He expressed concern about

whether the city has an enforcement mechanism. He suggested having operating hours from 10:00 AM to 8:00 PM which seems reasonable for the summer months. He asked what would be reasonable for enforcement to not add staff or add workload to existing staff.

T. Vaughn said that with ice cream trucks, it would be like any other licensed business and that operators are being kept track. He mentioned that they would get notified from APD if a truck would 'misbehave.' He added that there would be a specific license for the ice cream trucks that have requirements and a background check of the drivers. He stated that if they were to only require a general business license, they would not have the opportunity to do a background check. They could, however, require the ice cream truck companies to keep records and do background checks and this would not necessarily require a separate license. He added that the trucks can operate within residential areas from 10:00 to sunset and there could be limits on the decibel level of the truck. They could also keep trucks from stopping on busy streets. Mayor Pro Tem Bergan said that they don't want to create more staff for enforcement. She asked if enforcement would be based on reports or monitoring. T. Vaughn said that it would be complaint-driven.

Mayor Pro Tem Bergan said that she liked the idea of the ice cream truck companies doing the background checks. CM Zvonek agreed with this. T. Vaughn said that he would talk to legal and see what options are available. CM Zvonek requested staff to research the types of regulations to ensure safety but not create unnecessary rules and regulations. He added that they could bring this forward to the June 13th Study Session.

Mayor Pro Tem Bergan asked if food trucks are not allowed in the neighborhoods. T. Vaughn confirmed that they are not permitted. He mentioned that they could possibly add a time limit, for example, 15 minutes, for ice cream trucks to be in one spot.

Distance Restrictions

In Aurora's zoning code, new liquor stores must be 2,000 feet from other liquor stores. In the state law, 1,500 feet of separation is required. There is also a two-mile separation requirement between pawnshops in the city. According to the new state tobacco law, tobacco retailers must be 500 feet from schools.

Committee Discussion

Mayor Pro Tem Bergan asked if it would make it easier for operators if the city's liquor store requirements matched the state's requirements. T. Vaughn said it will be easier for new liquor stores and there will be more room for them to open. He added that there is no cause for confusion for other operators that are already open since they are grandfathered in. CM Zvonek said that he supports matching the

state's liquor store distance requirements. He asked if the requirement for pawnshops is consistent with state requirements. T. Vaughn said that there are no requirements from the state, and it is purely local. Mayor Pro Tem Bergan said that she does not want a whole string of pawnshops lining a street since it gives the city a bad look. T. Vaughn said that is also the opinion at the time the regulation was adopted. CM Zvonek confirmed that there will be no change to the pawnshop distance requirements. Mayor Pro Tem Bergan said she likes the tobacco shop requirements. T. Vaughn said that it matches the current state law.

Outcome

The Committee supported moving the item forward to Study Session with respect to the changes discussed.

Follow-up Action

The item will move forward to Study Session with the accompanying resolution.

4.b.2. Resolutions Addressing Tax Items

Summary of Issue and Discussion

Jeff Edwards, Interim Manager of Tax, presented this item. The city currently collects an Occupational Privilege Tax which taxes both employers and employees \$2 a month. Staff is proposing to provide relief to small businesses regarding the Occupational Privilege Tax. One option is to pass an ordinance exempting small businesses with 1 to 2 employees from filing a return. This option has a \$200,000 fiscal impact and will affect 3,000 businesses in the city. Another option is to allow for annual filing instead of quarterly or monthly filing. This option has no significant fiscal impact other than the interest. Another option, which has legal conflicts, is to charge a fee in lieu of the tax on small employers. This fee would be paid either when they're renewing their license or once a year. This option has a very minimal fiscal impact. However, it poses legal conflicts.

Committee Discussion

Mayor Pro Tem Bergan asked how many employees are considered a small business. J. Edwards said that those that will be provided exemptions are businesses that have only 1 to 2 employees. Mayor Pro Tem Bergan and CM Zvonek said that they like the idea of reducing filings. CM Zvonek asked if the one-time fee in lieu of tax would be less. J. Edwards said it would essentially be the same. It would be similar to an annual filing role and does not require taking tax out of paychecks. Mayor Pro Tem Bergan said that this would not be very transparent. J. Edwards said that there are legal concerns with replacing a tax with a fee. CM Zvonek expressed concerns that they could raise the fee without a vote of the people compared to a tax that is protected. J. Edwards mentioned that the tax has not been changed since it was implemented in 1986.

Mayor Pro Tem Bergan asked why the Occupational Privilege Tax was put in place given that the businesses are providing jobs and economic development to the city. J. Edwards explained that the legislative intent was to tax the privilege of working in the city and to pay for roads and police. He added that this is not a widely implemented tax and only 5 cities in Colorado have it. CM Zvonek asked what the overall collected amount is. G. Hays said that it is \$5.7 million.

CM Zvonek said that he is open to removing the Occupational Privilege Tax altogether. He mentioned that reducing the filings would be a straightforward option and that the amount the city loses from the interest would not be a lot. He asked if they would be looking at existing smaller businesses or exploring a way to get rid of the tax altogether. Mayor Pro Tem Bergan said that if they are exempting small businesses, the threshold should be higher. She suggested businesses with 25 or fewer employees. She mentioned that it would be like they are penalizing larger businesses that also bring employment and economic development. CM Gardner said that he has a similar concern. He mentioned that he wants to help small businesses, but he does not want to pick winners and losers from businesses. He asked if there is a way to apply it evenly across the board. He mentioned that this might have a big fiscal impact. CM Zvonek agreed with CM Gardner and said that \$5.7 million is a lot. He asked if there was a way to create a glide path to eventually get the tax to \$0 in a responsible way. He added that he wants to make sure that removing the tax has an economic benefit. He mentioned that reducing the filing would get rid of some administrative burdens for smaller businesses. Mayor Pro Tem Bergan suggested reducing the tax from \$2 to \$1 a month. CM Zvonek asked if there is a way to make it across the board for everybody.

G. Hays said that that would be a \$2.8 million reduction in revenue. CM Gardner suggested phasing it out over time by reducing the tax. CM Zvonek said that there are states that eliminated taxes all at once. But from a responsible fiscal standpoint, it would make more sense to phase it out. He highlighted that in the short term, they could get rid of the multiple filings and make a glide path to eliminate the Occupational Privilege Tax in the long term. J. Edwards mentioned that if they were to lower the tax, compliance with paying tax could cost more than the tax itself. CM Zvonek said that there is a consensus on reducing the filings. He said they could start there and have further discussions because he is interested in doing comprehensive tax reform. He asked if this would require an ordinance or a resolution. J. Edwards said that there is a good possibility that they could accomplish this without an ordinance. Instead, this would just be a direction to the Finance Director to add an annual filing. CM Zvonek asked if this could be brought forward to the June 13th Study Session. J. Edwards agreed.

Outcome

The Committee supported moving the item forward to Study Session with a consensus on reducing the filings of the Occupational Privilege Tax.

Follow-up Action

The item will move forward to Study Session with the accompanying resolution.

4.b.3. Resolutions Addressing Library ItemsSummary of Issue and Discussion

Midori Clark presented this item. Aurora Public Library is planning to no longer charge overdue fines just as other Metro Area libraries are doing. Currently, most checkouts are already overdue fine free but there are still some categories that charge the fees. Should someone lose or damage the item, they would still be covering the cost of a replacement. This proposal would expand the library's reach, improve community engagement, increase checkouts and library visits, and provide accessibility for all residents. Public libraries that have gone fine-free have seen increased usage once this was implemented. Some residents have overdue fines with inactive accounts. These accounts are owned by people that are unable to pay their fines and would no longer visit the library because of them. This then affects households with the lowest income.

This change has a minimal fiscal impact. It shows that if this were implemented in 2021, the Aurora Public Library would have saved money. Currently, a vendor is paid 64 cents per notice to recover items that are not returned. Going fine-free will encourage patrons to bring back the items which allows the library to no longer pay a vendor to send out notices. In 2021, \$8,800 were spent on recovery fees. Implementation of this policy would take 3 months including an outreach effort. The outreach will comprise an educational campaign that will feature new policies and a forgiveness event. During the event, patrons will be invited to bring their stuff back. Contests will also be held.

Committee Discussion

Mayor Pro Tem Bergan said that this is a no-brainer. She mentioned that when this was first mentioned, she was concerned that people are not being penalized for bad behavior. She asked how they would enforce people still being responsible for items that are lost or damaged. M. Clark mentioned that with this new policy, fewer things will be missing. She added that staff will handle the notification instead of a third-party vendor. CM Gardner mentioned that he enjoys using eBooks and audiobooks at the library. He added that he has seen other cities implement a similar policy which resulted in people returning more.

CM Zvonek asked if this would require a resolution or an ordinance. He requested to have it ready for the June 13th Study Session. M. Clark said that they would be including it as a resolution. She added that it would be great publicity for constituents to see that City Council is supporting the policy and that the library is

ready to implement it. CM Zvonek said that they will do what they can to help promote this given that this will be one that the media will pay attention to just like the ice cream truck change. He added that this will also draw attention to other work that the Committee is doing that is not as media-friendly.

Outcome

The Committee supported moving the item forward to Study Session.

Follow-up Action

The item will move forward to Study Session with the accompanying resolution.

4.b.4. Resolutions Addressing Water Billing Items

Summary of Issue and Discussion

Jo Anne Giddings presented this item. Aurora Water currently has different payment options such as online, phone, or credit card payments in-person. They also utilize third parties such as Western Union, Wal-mart pay, and Paypal. Aurora Water has been absorbing fees associated with credit cards, e-checks, and credit card payments made in person. However, it is not able to absorb fees from payments made through third-party vendors. As of 2021, credit card fees have been over \$1 million, and these costs are spread over all rate payors. This constitutes about 1% of an increase in rates.

Currently, about 50% of customers use credit cards regularly. If the fee is made to be paid only by credit card users, this can be added as a service fee and can be implemented by January 1st. The DMV, Xcel, and The Colorado Springs Utility also charge fees to customers using credit cards. Other vendors do this as well with Walmart pay charging \$2.50 and Western Union charging around \$1 per transaction.

In addition to this, Aurora Water is planning to add payment kiosks placed at the Central Library given that the library is open more hours compared to the municipal center. Should the pilot kiosk at the central library be determined as convenient and accessible, kiosks could be placed in other city-owned buildings. This plan would require purchasing process to get a contract in place. An unofficial quote received stated that kiosks would be \$45,000 to implement with an annual maintenance cost of \$8,000. They would charge \$1,500 for the minimum 1,000 transactions and \$1.50 per succeeding transaction. This would take 6 months to implement once a contract is in place. Currently, Aurora Water is in talks with the credit card processor to negotiate lowering costs. This would determine how costs would be handled regarding the fees for the credit card users or if Aurora Water would continue absorbing the fees.

Committee Discussion

Mayor Pro Tem Bergan asked if someone that pays through E-check is not charged a fee. J. Giddings said that they are charged 30 cents. She added that they are willing to continue to absorb that fee since it's small. Mayor Pro Tem Bergan said that it's important to continue not charging that to the customer. She added she understands kiosks would make it easier for people given that the Central Library has extended hours. She asked if there is a dropbox outside of the AM. Clark building for people to drop their checks. J. Giddings said that that option is available. Mayor Pro Tem Bergan expressed concern about the \$45,000 implementation and \$8,000 maintenance fees. She added that it's not fair to have the kiosk only at the Central Library and not in the other wards. J. Giddings said that they are open to other locations as well. CM Gardner said that he does not agree with picking who gets charged a fee. He said that he understands paying additional fees if they pay their bills through a third-party vendor. He stated that credit card fees are the cost of doing business. He added that physical locations are not convenient given that the customer must drive to the location first just to avoid a fee. CM Gardner added that with their transaction volume, they could be able to negotiate or go out to RFP for merchant processing and see what deals they could get. He said that if they can get a good rate, they could possibly encourage more people to pay with a credit card given that the fees merchant processors charge is dependent on the volume. He mentioned that checks are an incredibly manual process. He restated that accepting credit cards is the cost of doing business and it should be built-in as one of the expenses. He added that he would like to see the route of RFP for merchant services to see if they could get better rates. Marshall Brown said that they are negotiating with the merchant to see if they could improve the rates. Per initial information from Paymentus, the vendor would charge less if customers paid directly. However, upon further discussions, they indicated that this might not be true. He added that for checks, they mean electronic transfers from checking or savings accounts. They will process manual or hard copy checks. M. Brown said that they are now primarily seeing electronic transfers which have a 30-cent fee. He added that they are charged different fees by the vendor depending on the type of customer, the type of card, and the amount they pay. He said that they could hold off piloting a kiosk. He explained that they did not want to distribute those widely since they are not sure how much use the kiosks would get and that the cost came back higher than expected.

CM Gardner asked if they are currently under contract with Paymentus and that they can't go out to RFP. M. Brown confirmed that they are under contract and explained that the language in the contract is vague. He mentioned that it was not specifically for water billing and some items are not well defined. He said that if they do not have much luck with negotiations, they will be looking for other options and would possibly go out with an RFP. CM Gardner suggested asking what Paymentus can give and if they are not amenable to lowering the cost, they could issue an RFP that would be effective months from the negotiation date. He stated that he is sympathetic to the costs that the city incurs from the credit card fees, but

credit card payments are the most convenient option. He mentioned that if they implement a fee, people might switch to a less convenient option that would end up being more inefficient for Aurora Water. CM Zvonek said that he agrees with CM Gardner that the fees are the cost of doing business. He mentioned that they should not be passing the fees to the customers. Mayor Pro Tem Bergan agreed as well. She added that she does not like the kiosk idea.

J. Giddings said that the vendor payment is open to negotiations, and they have started these. She added that they are positive that they will get better results. CM Gardner asked if the fee is based on transaction volume. J. Giddings said no. She added that that was also taken into consideration for negotiating the city contract. CM Gardner suggested negotiating a sliding scale wherein more people will pay with credit cards, and they would get a lower rate from the vendor. He mentioned doing marketing efforts on the water bills or newsletters to encourage residents to pay through cards. M. Brown said that they could do the math and see what they can do with the Paymentus contract. He added that they could go with an RFP for another vendor if the negotiations do not work out.

Outcome

The Committee decided to not move this item forward to Study Session.

Follow-up Action

The item will not move forward to Study Session.

4.b.5. Other Non-Red Tape Issue

Summary of Issue and Discussion

CM Zvonek mentioned that there were comments that came through Engage Aurora. He added that they could not create council requests since the comments are anonymous. Greg Hays suggested that the Committee members look at the comments individually and let staff know about ones that need to be looked into for necessary action. Mayor Pro Tem Bergan brought up the public safety items such as the photo vans, enforcement of speeders, and impound lot fees. CM Zvonek said that CM Marcano is coming forward with a proposal to explore the impound lot fees. He added that he is looking at the auto theft issues and will bring it forward to the Public Safety Committee next week. He mentioned that the Red Tape Reduction Committee members could look at the other items and address them if there are things they want to address.

Outcome

Committee members will review the comments and forward items that require action to staff.

Follow-up Action

Staff will send the comments to the Committee members.

5. HOUSEKEEPING

Summary of Issue and Discussion

CM Zvonek stated that the June meeting would be the wrap-up meeting for the Red Tape Reduction Committee. All resolutions and ordinances will come forward to the June 13th Study Session and any additional updates going forward for the development review process would go to the PED Committee.

Next meeting is scheduled for Thursday, June 16, 2022, at 10:00 a.m.

THESE MINUTES WERE APPROVED AS SUBMITTED

Date



MEMORANDUM

TO: Red Tape Reduction Committee

THROUGH: Roberto Venegas, Deputy City Manager
Terri Velasquez, Finance Director

FROM: Trevor Vaughn, Manager of Licensing

DATE: June 9, 2022

SUBJECT: Ice Cream Truck Authorization Ordinance

At the May meeting of the Red Tape Reduction Committee, the committee requested that an ordinance authorizing mobile ice cream vendors be brought back to the committee. The committee held a discussion as to what the framework would look like for the ordinance and feedback was provided to staff. The committee supported some regulation for protection of the health, safety and welfare of the public. The attached ordinance removes the prohibition on mobile ice cream vendors that was originally put in place in 1957 and proposes a set of regulations in its place. The regulations were reviewed with a major metro area operator that found the regulations reasonable.

While some cities such as Denver, Commerce City, and Thornton have a special licensing program for mobile ice cream vendors, most cities that permit ice cream vendors require a basic business license or vendor's license. A special license does allow for prescreening of operators by the city but would require more time and city resources to implement and potentially only small incremental gains to safety. The committee provided an indication to staff that this is not the direction it wanted to go. As a result of that feedback the proposed ordinance requires that businesses are not operated by and do not employ registered sex offenders. The risk of bad actors decreases when individuals are attempting to operate a legitimate business and obtain a general business license. The risk would be higher with an unlicensed operator.

Additionally, the proposed ordinance includes a number of requirements that address good business practices and safety. Mobile ice cream vendors do entice children towards the street. While very rare there are instances in the United States of a mobile ice cream vendor hitting children with their vehicle. While still rare but more common, there are instances of other drivers hitting children when in the area of a mobile ice cream vendor. Despite this risk, many cities including those in Colorado and in the United States permit ice cream vendors even after suffering one of these tragic incidents. It is a question of public policy on the level risk tolerance of the community regarding the permission and level of regulations. The proposed ordinance includes measures addressing safety and codifying good business practices.



Question of the committee?

- Does the committee see any regulatory items to add or remove from the ordinance?
- Is the committee in agreement with having the requirement for a general business license but not a special license sufficient?
- Industry recommended adding a provision for commercial insurance. This is in some ordinances, does the committee want to have a requirement and have the requirement that this be provided on request?
- Is the committee supportive of moving the ordinance forward to study session?

ORDINANCE NO. 2022- ____

A BILL

FOR AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, AMENDING SECTIONS 26-346 AND 26-347 AND REPEALING SECTION 26-348 TO ALLOW MOBILE ICE CREAM VEHICLES WITHIN THE CITY

WHEREAS, the City of Aurora, Colorado, (the “City”), is a home rule municipality, organized and existing under and by virtue of Article XX, Section 6 of the Colorado Constitution, and as such the City has the authority to regulate matters of local concern including taxation and local business licensing; and

WHEREAS, the City has received considerable requests for ice cream vehicles to be allowed within the City. However, mobile ice cream vehicles are currently a prohibited occupation in the City, and the City Council (the “Council”) no longer wishes to forbid mobile ice cream vehicles within the City; and

WHEREAS, jurisdictions such as Denver and Commerce City allow mobile ice cream vehicles within their jurisdictions, and the City Council wishes to assist small businesses that operate mobile ice cream vehicles to be permitted within the City; and

WHEREAS, the Council finds it necessary to amend the City Code to repeal the prohibition against ice cream vehicles, and therefore the Council agrees that new rules and regulations are needed to protect the safety and welfare of the public; and

WHEREAS, the Council wishes to regulate the sale of ice cream products from vehicles on public rights-of-way and to ensure safe pedestrian and vehicular movement within the City; and

WHEREAS, the Council finds these amendments to City Code necessary to the City’s health, safety, and welfare. The City believes that it is necessary and proper to enact this Ordinance to amend the licensing requirements for the business activities of mobile ice cream vehicles.

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

Section 1. That Article VII Subheading and Section 26-346 of the City Code of the City of Aurora, Colorado, are hereby amended to read as follows:

Article VII. ~~Peddlers~~ **Mobile Ice Cream Vehicles**

Sec. 26-346 Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

***Ice cream products* mean ice cream, frozen milk, or any other frozen dairy or ice product or confection.**

***Mobile ice cream vehicle* means any vehicle, whether human-powered, animal-powered or motor-powered, from which ice cream products are sold or offered for sale to the general public, except for any vehicle operated from a stationary location as a mobile food truck as defined under section 146-6.2 (*Mobile Food Truck*).**

***Operator* means any person who drives or is otherwise present on an ice cream truck while the ice cream vehicle is being used, or is available for use, to sell or offer for sale ice cream products.**

~~*Vehicle* includes every device in, upon, or by which any person or property is or may be transported or drawn upon the streets, irrespective of the source from which the power to propel such vehicle may come and irrespective of the number of wheels of such vehicle.~~

Section 2. That Section 26-347 of the City Code of the City of Aurora, Colorado, is hereby amended to read as follows:

Sec. 26-347. ~~Occupations prohibited~~ **Mobile Ice Cream Vehicles**

- (a) Unlawful actions. It shall be unlawful for any person operating or owning an ice cream vehicle to:
- 1) Operate or permit the operation of an ice cream vehicle without first obtaining a city general business license.
 - 2) Operate or permit the operation of an ice cream vehicle without a Colorado retail mobile food service license when one is required due to the nature of food service.
 - 3) Operate or permit operation of an ice cream vehicle by a person that is not licensed by the state of Colorado to operate a motor vehicle when such licensing is required.
 - 4) Operate or knowingly permit the operation of an ice cream vehicle by a person that is a registered sex offender or has ever been convicted of any sex crimes involving children.

- 5) Fail to verify that employees or contractors hired to operate an ice cream vehicle are not registered sex offenders.
- 6) Operate an ice cream vehicle to sell or offer to sell ice cream products, including the playing of music when:
 - a. Driving in excess of ten (10) miles per hour.
 - b. On a street where in the posted speed limit is in excess of twenty-five (25) miles per hour.
 - c. Stationary in excess of fifteen (15) minutes unless otherwise permitted as a mobile food truck by the city's uniform development code.
 - d. Driving the vehicle in reverse.
 - e. Between the hours after sunset and before 10:00 am.
 - f. On private property, school grounds or park property without prior written permission maintained on the vehicle.
- 7) Engage in any transaction or attempted transaction:
 - a. When the ice cream vehicle is not lawfully and safely stopped, and the ice cream vehicle's hazard lights are not in operation.
 - b. From any part of the ice cream vehicle facing traffic.
 - c. When the ice cream vehicle is not as near to the curb or the edge of the roadway as is reasonably possible.
 - d. With any person standing in the traveled portion of the roadway or on any median or other traffic control device.
- 8) Attempt to entice any person not affiliated with the business into the vehicle or to ride on the ice cream vehicle.
- 9) Attempt while operating the ice cream vehicle to entice any children under the age of eighteen (18) years of age to meet at another location or contact the operator for reasons not related to the ice cream business without the consent of a parent or guardian.
- 10) Operate or permit operation of an ice cream vehicle unless such vehicle:
 - a. Is clearly marked and identifiable as an ice cream vehicle.
 - b. Is marked in letters and numbers at least three (3) inches in height, with the name and address of the licensee.
 - c. Has the city general business license and state retail food licenses either posted or available upon request of the operator.
 - d. Is properly licensed and registered by the state of Colorado as required.

- e. Is equipped with safety features including rear and side view mirrors and a convex mirror mounted to the front of the vehicle or a camera so the operator in a normal seating position is capable of seeing the area in front of the vehicle that is obscured by the hood.

11) Operate an ice cream vehicle in any manner that endangers the health, safety or welfare of any person or property.

~~Except as authorized by section 146-1254, the trade, business, occupation, enterprise or operation of selling and distributing or offering for sale or distribution frozen milk, frozen dairy or ice confection products, candy, gum or other confection products from vehicles on the streets, highways, alleys, rights-of-way or public ways in the City is declared a nuisance and is unlawful and prohibited. (Code 1979, § 30-2; Ord. No. 2014-20, § 2, 7-14-2014)~~

Section 3. That Section 26-348 of the City Code of the City of Aurora is hereby repealed in its entirety.

Section 4. Pursuant to Section 5-5 of the Charter of the City of Aurora, Colorado, the second publication of this Ordinance shall be by reference, utilizing the ordinance title. Copies of this Ordinance are available at the Office of the City Clerk.

Section 5. All acts, orders, resolutions, ordinances, or parts thereof, in conflict with this Ordinance or with any of the documents hereby approved, are hereby repealed only to the extent of such conflict. This repealer shall not be construed as reviving any resolution, ordinance, or part thereof, heretofore repealed.

INTRODUCED, READ AND ORDERED PUBLISHED this ____ day of _____, 2022.

PASSED AND ORDERED PUBLISHED BY REFERENCE this ____ day of _____, 2022.

MIKE COFFMAN, Mayor

ATTEST:

KADEE RODRIGUEZ,
City Clerk

APPROVED AS TO FORM:

HANOSKY HERNANDEZ,
Sr. Assistant City Attorney