# Action postponed on medical pot rules

#### **By Jeanne Davant**

Manitou Springs City Council extended for the third time on Tuesday a ban on medical marijuana businesses but will consider regulations for medical marijuana centers at a special meeting next Tuesday.

Council had planned to hold a hearing and second reading on the medical marijuana ordinance it passed on first reading at its June 8 meeting. But City Clerk Donna Kast checked the city charter and found that Council is required to wait at least seven days after an ordinance is published before taking it up on second and final reading.

The ordinance was published in the Pikes Peak Bulletin last Thursday.

If the ordinance is passed on the 22nd and published in The Bulletin on June 24, "we have an interpretation from the city attorney that the 29th is the first day" medical marijuana applications could be accepted and processed, Mayor Marc Snyder said.

That would give medical marijuana businesses only two days, since a state law sets a cutoff date of July 1 for such businesses to apply and register with the state.

Planning Director Dan Folke said people who want to apply to open medical marijuana distribution centers in Manitou Springs could begin preparing applications now.

"I've been telling people, here's the draft ordinance, here's our conditional use application," Folke said. "They can start preparing their application" now for submittal on the 29th.

The draft ordinance allows medical marijuana centers to operate in the city's commercial zone but bans, anywhere in the city, growing operations and business that manufacture items such as marijuana-laced edible products or lotions. Medical marijuana center owners must apply for a special medical marijuana license and a city business license and must go through the conditional use approval process.

Council last week set application fees of \$2,000 and annual license fees of \$2,000. Applicants also will have to pay the cost of a background check.

Snyder said Kast's research also showed that all ordinances Council passes are subject to a 30-day period during which citizen petitions can be submitted.

A petition with valid signatures of at least 10 percent of the general electorate could stop an ordinance in its tracks.

# Sales taxes up for year

Sales tax collections through the end of April are running 12 percent ahead of last year, Finance Director Mike Leslie said Tuesday.

Although all in-city sectors of the city's economy showed growth, a drop in sales tax collections in April for utilities and other outside sources was nearly 35 percent below April 2009. Leslie said that was because of a double payment made in the earlier period.

As a result, overall sales tax collections in April were off 2.3 percent.

Motels and B&Bs showed an increase of 20.5 percent for April; food and gas stores were up 11.4 percent; and sales tax revenues from shops increased 15 percent.

## **Good budget news**

Leslie told Council that the city has more reserves in its General Fund than previously thought.

With all budget figures from 2009 reconciled, the General Fund had an ending balance of \$ 111,821, significantly higher than Leslie had projected. That balance is carried over into this year's budget.

Leslie said the higher balance allowed the city to pay for \$13,000 worth of essential items such as basic operating supplies across all departments.

Another \$50,000 — the unreserved balance in the Capital Improvements Fund — could be transferred back into the General Fund thanks to voter approval of a charter amendment last year, Leslie said. That would increase the General Fund balance to \$160,000.

"The position of our General Fund is fairly decent," Leslie said. "It's in better shape than it's been for awhile." The Capital Improvements charter amendment, which released the city from a requirement to transfer a certain percentage of General Fund revenues into the Capital Improvements Fund, made a crucial difference.

"If it hadn't been for that, we would not have gained," Leslie said.

Leslie asked Council to consider a cost-of-living increase of 50 cents per hour for city employees who make less than \$ 17 an hour.

"There's a bit of a morale issue at the lower end of the city pay scale," he said. "We have a lot of \$9 and \$10-an-hour employees, and that's not much to live on."

The raise would affect 31 employees, mostly in public works and clerical positions, and would cost \$17,000 for the rest of this year and twice that next year. The raise, if approved by Council, would be retroactive to June 10. The last cost-of-living increase employees got was in 2008.

Leslie said he would be giving council a monthly budget report starting next month.

## In other business, Council...

- Discussed getting started on a search process for the vacant city administrator position. Funds were allocated in this year's budget for a consultant to help the city craft a job description and facilitate the search. "I'd like us to move forward," Councilman Rick Barry said.
- Passed on second reading an ordinance that adopts the El Paso County Pre-Disaster Mitigation Plan.
- Passed on second reading an ordinance allowing an extra hour for on-street parking by qualified vehicles in spaces specially marked for disabled people. The ordinance also requires all drivers to move their vehicles at least a block away when their time limit expires.
- Passed on second reading an ordinance prohibiting interference with code and parking enforcement officers.
- Passed on second reading an ordinance setting the membership of the Parking Authority Board at seven members, and appointed Jack Elder to fill a vacancy on the board. One vacancy still exists.
- Passed on first reading an ordinance changing language regarding sale of plots in Crystal Valley Cemetery. The ordinance substitutes the term "burial rights" for "lots," "parcels of ground" and "burial spaces" to conform with a recently passed state law.
- Postponed to July 20 first reading of an ordinance adopting the Model Traffic Code for Colorado to give staff and the Parking Authority Board time to study the code and make recommendations.
- Heard a proposal from Gene Montoya, head of the Colorado Springs Housing Authority, to consolidate its 57 Section 8 housing vouchers with those of Colorado Springs and El Paso County. A merger of the three separate operations would give applicants for vouchers more choice and result in operating efficiencies, Montoya said.