

Wade Troxell, Chair  
Susan Gutowsky  
Julie Pignataro  
Ken Summers  
Kristin Stephens  
Emily Gorgol  
Ross Cunniff  
Steve Johnson  
Christophe Febvre  
Joe Wise  
Andy Smith

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Fort Collins, Colorado

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and Channel 881 on the Comcast cable system

Carolynne White and Caitlin Quander  
Brownstein Hyatt Farber Shreck

Darin Atteberry  
Executive Director

Delynn Coldiron  
Secretary

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## URBAN RENEWAL AUTHORITY BOARD MEETING July 25, 2019 3:00 PM

### PLEDGE OF ALLEGIANCE

- **CALL MEETING TO ORDER**
- **ROLL CALL**
- **AGENDA REVIEW**
  - Executive Director's Review of Agenda.
- **CITIZEN PARTICIPATION**

Individuals who wish to make comments regarding items not specifically scheduled on the agenda must first be recognized by the Chair or Vice Chair. **Before speaking, please sign in at the table in the back of the room.** The timer will buzz once when there are 30 seconds left and the light will turn yellow. The timer will buzz again at the end of the speaker's time. Each speaker is allowed 3 minutes. If there are more than 6 individuals who wish to speak, the Chairperson may reduce the time allowed for each individual.

- State your name and address for the record.
- Applause, outbursts or other demonstrations by the audience are not allowed
- Keep comments brief; if available, provide a written copy of statement to Secretary
- Address your comments to Council, not the audience

- **CITIZEN PARTICIPATION FOLLOW-UP**

- **STAFF REPORTS**

Mediation with Poudre School District Update (staff: Josh Birks)

- **COMMISSIONER REPORTS**

## Discussion Items

The method of debate for discussion items is as follows:

- Chair introduces the item number and subject; asks if formal presentation will be made by staff
- Staff and/or Applicant presentation (optional)
- Chair requests citizen comment on the item (three-minute limit for each citizen)
- Board questions of staff on the item
- Board motion on the item
- Board discussion
- Final Board comments
- Board vote on the item

**Note:** Time limits for individual agenda items may be revised, at the discretion of the Chair, to ensure all citizens have an opportunity to speak. **Please sign in at the table in the back of the room.** The timer will buzz when there are 30 seconds left and the light will turn yellow. It will buzz again at the end of the speaker's time.

1. Consideration and Approval of the Minutes of the March 28 and April 24, 2019 Urban Renewal Authority Board Meetings.

The purpose of this item is to approve the minutes from the March 28 and April 24, 2019 Urban Renewal Authority Board meetings.

2. Update on the College and Drake Urban Renewal Plan. (staff: Clay Frickey, Josh Birks; 5 minute staff presentation; 10 minute discussion)

The purpose of this item is to update the Board on progress related to the Urban Renewal Plan (URP) for the College and Drake Plan area.

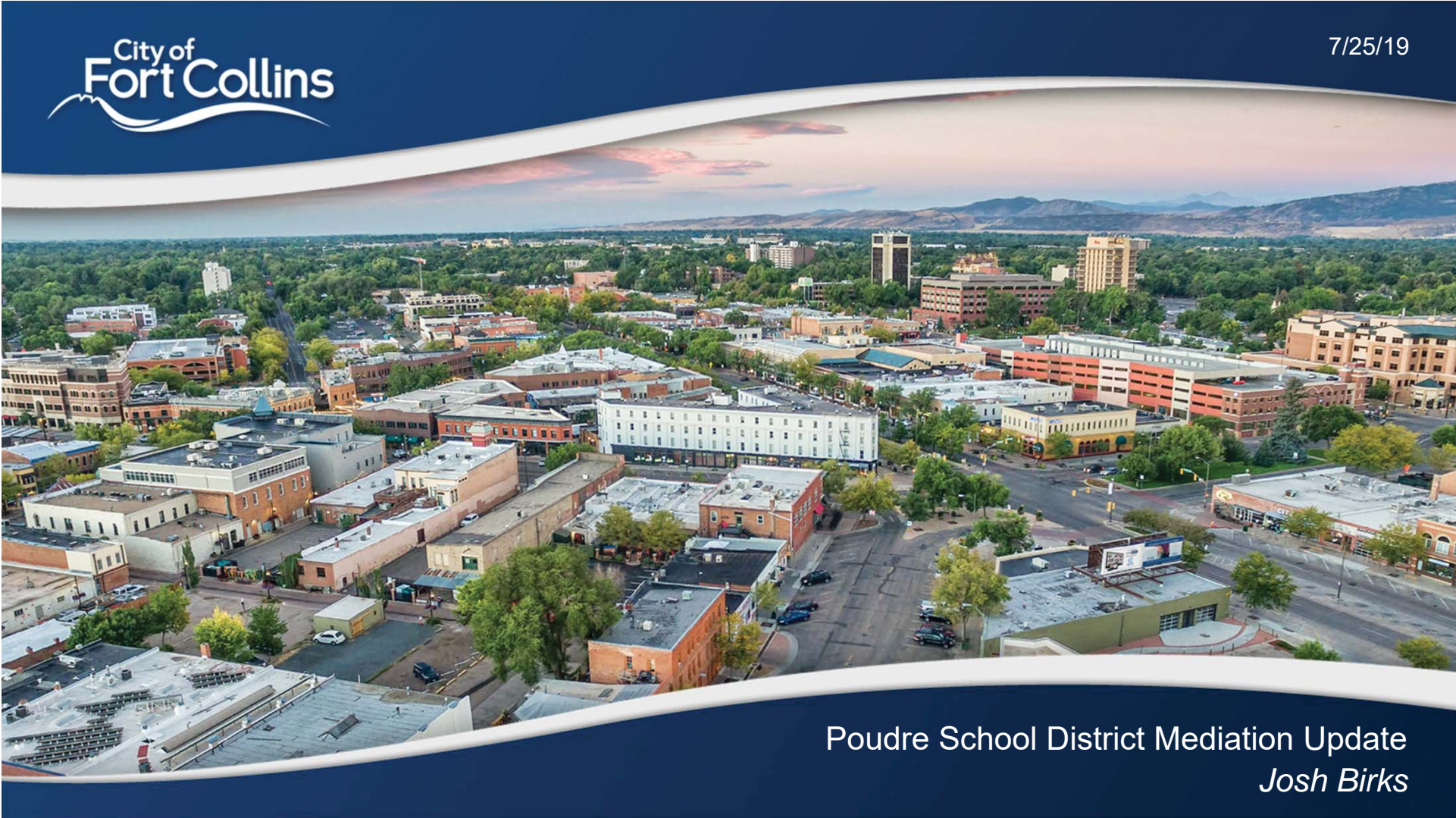
3. Consideration of a motion to adjourn into executive session pursuant to C.R.S. § 24-6-402(4)(e) to Determine Positions Relative to Matters that are Subject to Negotiation, Develop Strategy for Negotiations and Instruct Negotiators Regarding Intergovernmental Agreements.

- **OTHER BUSINESS**

- **ADJOURNMENT**

City of  
Fort Collins

7/25/19



Poudre School District Mediation Update  
*Josh Birks*

Attachment: Poudre School District Mediation Update (8169 : Mediation with Poudre School District



## Mediation Update

- Mediation materials sent to mediators
- Conducted mediation on July 23
- Must render decision within 90 days
  - October 21



## Question for the Board

How would you like to be kept up to date on mediation?





**AGENDA ITEM SUMMARY**

July 25, 2019

Urban Renewal Authority Board

**STAFF**

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Delynn Coldiron, City Clerk

**SUBJECT**

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Consideration and Approval of the Minutes of the March 28 and April 24, 2019 Urban Renewal Authority Board Meetings.

**EXECUTIVE SUMMARY**

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The purpose of this item is to approve the minutes from the March 28 and April 24, 2019 Urban Renewal Authority Board meetings.

**ATTACHMENTS**

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1. March 28, 2019 (PDF)
2. April 24, 2019 (PDF)

## URBAN RENEWAL AUTHORITY BOARD

March 28, 2019

2:00 PM

- **ROLL CALL**

PRESENT: Smith, Troxell, Cunniff, Horak, Stephens, Johnson, Wise, Gutowsky  
 ABSENT: Martinez, Summers, Febvre  
 Staff Present: Atteberry, Coldiron  
 Legal Counsel: Carolynne White and Caitlin Quander, Brownstein Hyatt Farber Shreck

- **AGENDA REVIEW**

Executive Director Atteberry stated there is a correction to the title of Item No. 2.

1. **Consideration and Approval of the Minutes of the February 27, 2019 Urban Renewal Authority Board Meeting. (Adopted)**

*The purpose of this item is to approve the minutes from the February 27, 2019 Urban Renewal Authority Board meeting.*

Vice Chair Horak made a motion, seconded by Commissioner Cunniff, to approve the minutes of the February 27, 2019 meeting.

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Gerry Horak, District 6
<b>SECONDER:</b>	Ross Cunniff, District 5
<b>AYES:</b>	Smith, Troxell, Cunniff, Horak, Stephens, Johnson, Wise, Gutowsky
<b>ABSENT:</b>	Martinez, Summers, Febvre

2. **Resolution No. 095 of the Board of Commissioners of the Fort Collins Urban Renewal Authority Approving the Formation of the Legal Contract Review Committee. (Adopted)**

*The purpose of this item is for the Board of Commissioners to consider creating a new ad hoc committee to evaluate the Fort Collins Urban Renewal Authority's current contract for legal services. This Resolution would appoint the Chair, three Commissioners and the Executive Director to the Committee.*

Counsel Carolynne White recused herself from the discussion of this item.

Josh Birks, Economic Health Director, stated it was suggested at the last meeting that an ad hoc committee be formed to examine the contract with outside legal counsel related to possible conflicts of interest and to provide a recommendation to the Board.

Vice Chair Horak made a motion, seconded by Commissioner Cunniff, to adopt Resolution No. 095, as amended to include Commissioners Cunniff, Wise and Stephens as well as the Executive Director and Chair Troxell as members of the ad hoc committee.

Commissioner Cunniff stated he does not doubt the ethics of Ms. White or her firm; however, there may be an appearance of a conflict related to Ms. White appearing before City Council in another capacity.

Attachment: March 28, 2019 (8113 : Minutes-3/38, 4/24)

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<b>RESULT:</b>	<b>RESOLUTION NO. 095 ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Gerry Horak, District 6
<b>SECONDER:</b>	Ross Cunniff, District 5
<b>AYES:</b>	Smith, Troxell, Cunniff, Horak, Stephens, Johnson, Wise, Gutowsky
<b>ABSENT:</b>	Martinez, Summers, Febvre

3. **City of Fort Collins and Urban Renewal Authority Cooperation Agreement Update. (No Action Taken)**

*The purpose of this item is to review the terms of a proposed Cooperation Agreement with the City of Fort Collins for incremental property and sales tax revenues to be allocated to the proposed College and Drake Urban Renewal Plan.*

Josh Birks, Economic Health Director, stated this item provides information concerning the agreement between the City of Fort Collins and the Urban Renewal Authority for the City's incremental property and sales tax revenues that will be allocated into the College and Drake urban renewal plan. The proposal for the City is to contribute 100% of its property tax increment and 50% of the net new sales revenue generated from the City's general fund tax rate.

Birks discussed the proposed upcoming meetings with the other taxing entities during which they will review intergovernmental agreements for their contributions.

Commissioner Cunniff commended the recommendation.

Chair Troxell noted the URA Finance Board discussed and supported this recommendation.

4. **Tax Entity Allocation Agreement and Schedule Update. (No Action Taken)**

*The purpose of this item is to provide the Fort Collins Urban Renewal Authority an update on the incremental property tax allocation discussions taking place with the impacted tax entities. Authority staff has been engaging with the entities through the Plan Area Review Committee (the PRC) and individually for the past several months. These discussions are beginning to come to a head and staff would like to report on the current status.*

Josh Birks, Economic Health Director, noted these intergovernmental agreements (IGAs) specifically state they will not set a precedent for future intergovernmental agreements and stated there is a requirement to provide annual reporting on how much revenue the URA has collected and remitted back to the other entities. Birks discussed various aspects of each of the IGAs.

Commissioner Wise asked if the list of specific expenses will be submitted to each taxing district with the IGAs. Birks replied that is the intent. Attorney White replied it is an exhibit to each IGA; therefore, it will be legally binding upon signing of the IGAs.

Commissioner Johnson complemented Birks on his work.

5. **Consideration of a motion to adjourn into executive session pursuant to C.R.S. 24-6-402(4)(e) to determine positions relative to matters that are subject to negotiation; develop strategy for negotiations and instruct negotiators regarding intergovernment agreements.**

Vice Chair Horak made a motion, seconded by Commissioner Cunniff, to adjourn into executive session pursuant to Colorado Revised Statute Section 24-6-402(4)(e) to determine positions

Attachment: March 28, 2019 (8113 : Minutes-3/38, 4/24)



March 28, 2019

relative to matters that are subject to negotiation, develop strategy for negotiation, and instruct negotiators regarding intergovernmental agreements.

<b>RESULT:</b>	<b>MOTION ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Gerry Horak, District 6
<b>SECONDER:</b>	Ross Cunniff, District 5
<b>AYES:</b>	Smith, Troxell, Cunniff, Horak, Stephens, Johnson, Wise, Gutowsky
<b>ABSENT:</b>	Martinez, Summers, Febvre

- ADJOURNMENT**

The meeting adjourned at 3:26 PM.

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Chair

ATTEST:

\_\_\_\_\_

Secretary

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## URBAN RENEWAL AUTHORITY BOARD

April 24, 2019

3:00 PM

- **ROLL CALL**

PRESENT: Smith, Troxell, Cunniff, Stephens, Summers, Wise, Febvre, Gutowsky, Pignataro, Gorgol

ABSENT: Johnson

Staff Present: Atteberry, Coldiron

Legal Counsel: Carolynne White, Brownstein Hyatt Farber Shreck

- **AGENDA REVIEW**

Executive Director Atteberry stated there were no changes to the published agenda.

Josh Birks, Economic Health Director, noted next month's regular Board meeting has been cancelled. He introduced Clay Frickey as the new Redevelopment Program Manager.

- **CITIZEN PARTICIPATION**

Eric Sutherland questioned the URA member appointment process and stated the Board does not understand the constitutional implications of diverting money away from other taxing entities.

- **CITIZEN PARTICIPATION FOLLOW-UP**

Chair Troxell requested input from counsel related to the Board being duly constituted to serve as a URA Board. Counselor White replied she is comfortable from a legal analysis perspective that this Board is duly constituted to serve.

- **DISCUSSION ITEMS**

1. **Resolution No. 096 Appointing a Vice Chair. (Adopted)**

*The purpose of this item is to discuss the election of the Fort Collins Urban Renewal Authority Vice Chair and other associated changes.*

Chair Troxell discussed the duties of the Vice Chair and suggested a process for electing a Vice Chair.

Boardmember Cunniff expressed interest in the position.

Boardmember Febvre suggested Boardmember Wise for the position.

Boardmember Wise respectfully declined and supported Boardmember Cunniff for the position.

Boardmember Cunniff discussed his history with the URA and its projects.

Boardmember Gutowsky made a motion, seconded by Boardmember Summers, to nominate Boardmember Cunniff as the Vice Chair.

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<b>RESULT:</b>	<b>RESOLUTION NO. 096 ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Susan Gutowsky, Councilmember
<b>SECONDER:</b>	Ken Summers, District 3
<b>AYES:</b>	Smith, Troxell, Cunniff, Stephens, Summers, Wise, Febvre, Gutowsky, Pignataro, Gorgol
<b>ABSENT:</b>	Johnson

2. **Resolution No. 097 Approving a Cooperation Agreement with the City of Fort Collins Sharing the City's Property and Sales Tax Increment Under the College and Drake Urban Renewal Plan. (Adopted)**

*The purpose of this item is to approve the cooperation agreement with Urban Renewal Authority in support of a Plan Area project at College and Drake Road.*

Josh Birks, Economic Health Director, discussed the need to arrive at an agreement with each of the taxing entities in the form of cooperation agreements and stated this item is the cooperation agreement for the College and Drake Urban Renewal Plan with the City as presented to and approved by Council on April 16, 2019. He provided details of the cooperation agreement.

Eric Sutherland stated the TABOR amendment prohibits the pledge of tax revenue without voter approval. He opposed the way in which the Board operates, stating it is inconsistent with law.

Chair Troxell requested counsel input regarding Mr. Sutherland's comments. Counselor White replied courts have found that incremental revenue designated and created by means of adoption of an urban renewal plan are not the property of the city, but rather the property of the urban renewal authority. Additionally, there are a variety of cases stating that urban renewal authorities are not entities which are subject to TABOR.

Vice Chair Cunniff made a motion, seconded by Boardmember Summers, to adopt Resolution No. 097.

Vice Chair Cunniff stated this action is authorized by the statute and it is a fair allocation.

Boardmember Gutowsky requested clarification on why this is moving forward with cooperation agreements for three of the four entities. Counselor White replied the statute requires the approval of an intergovernmental agreement for each taxing body whose increment is authorized in order for City Council to adopt an urban renewal plan that authorizes the use of tax increment. There is a desire to have agreements in place for those with whom agreements are complete in order to allow for efficient adoption of the urban renewal plan once agreements are reached with all taxing entities.

<b>RESULT:</b>	<b>RESOLUTION NO 097 ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Ross Cunniff, District 5
<b>SECONDER:</b>	Ken Summers, District 3
<b>AYES:</b>	Smith, Troxell, Cunniff, Stephens, Summers, Wise, Febvre, Gutowsky, Pignataro, Gorgol
<b>ABSENT:</b>	Johnson

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3. **Items Relating to Intergovernmental Agreements with Taxing Entities Contributing Towards the Urban Renewal Project at College and Drake Road. (Adopted)**

- A. *Resolution No. 098 Approving a Tax Increment Revenue Agreement with Larimer County Regarding Property Tax Increment Under the College and Drake Urban Renewal Plan.*
- B. *Resolution No. 099 Approving a Tax Increment Revenue Agreement with the Health District of Northern Larimer County Regarding Property Tax Increment Under the College and Drake Urban Renewal Plan.*
- C. *Resolution No. 100 Approving a Tax Increment Revenue Agreement with the Poudre River Public Library District Regarding Property Tax Increment Under the College and Drake Urban Renewal Plan.*

*The purpose of this item is to approve intergovernmental agreements (IGAs) with taxing entities for an Urban Renewal Project located at College and Drake Avenue.*

Josh Birks, Economic Health Director, stated these items are related to the approval of intergovernmental agreements with the Poudre River Library District, the Health District of Northern Larimer County, and Larimer County. He detailed various aspects of the agreements noting they do not set any type of precedent for future intergovernmental agreements. Of the three entities, only the Library District has officially reviewed and approved the agreement.

Counselor White stated this process is much more robust, collaborative, and precise than any she has observed for any other urban renewal authority in the state.

Eric Sutherland stated there is no provision in the urban renewal authority statute to do what the Board is contemplating.

Boardmember Wise requested the Board have the opportunity to review final versions of the agreements with the Health District and Larimer County. Boardmember Gutowsky agreed.

Birks stated the agreement with Larimer County is down to some wording and grammatical changes and noted the agreements would not be able to come back before the Board until July as the May meeting has been cancelled and the June meeting is a retreat.

Counselor White stated there is minimal risk to the Board of approving these agreements as the items that remain open are more technical things and not substantive.

Boardmember Pignataro asked if there are any risks to postponing consideration of the agreements. Counselor White replied bringing these items forward was intended to demonstrate forward momentum and commitment on the part of the Board and the taxing bodies with whom it does have agreement.

Executive Director Atteberry committed to returning before the Board if any type of significant or substantive change is made.

Boardmember Wise stated dealing with these agreements in July would not cause detrimental delays in the process.

Boardmember Febvre stated he is satisfied with the agreements and allowing them to move forward.

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Boardmember Summers agreed and asked what types of changes have yet to be made. Birks and Counselor White replied and clarified the remaining language changes.

Chair Troxell recommended moving forward with motions.

Boardmember Wise stated his concerns are not related to staff competence, just that the Board may consider something substantive that staff does not.

Boardmember Pignataro asked if the changes could be examined by the Chair and Vice Chair. Chair Troxell replied that could be included in a motion.

Boardmember Stephens made a motion, seconded by Boardmember Summers, to adopt Resolution No. 098.

Boardmember Cunniff discussed a possible amendment that would specify allowed language modifications. Counselor White read the language change. Boardmembers Stephens and Summers accepted the change as a friendly amendment.

<b>RESULT:</b>	<b>RESOLUTION NO. 098 ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Kristin Stephens, District 4
<b>SECONDER:</b>	Ken Summers, District 3
<b>AYES:</b>	Smith, Troxell, Cunniff, Stephens, Summers, Wise, Febvre, Gutowsky, Pignataro, Gorgol
<b>ABSENT:</b>	Johnson

Boardmember Stephens made a motion, seconded by Boardmember Cunniff, to adopt Resolution No. 099, as amended to include the same language as recommended for Resolution No. 098.

<b>RESULT:</b>	<b>RESOLUTION NO. 098 ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Kristin Stephens, District 4
<b>SECONDER:</b>	Ross Cunniff, District 5
<b>AYES:</b>	Smith, Troxell, Cunniff, Stephens, Summers, Wise, Febvre, Gutowsky, Pignataro, Gorgol
<b>ABSENT:</b>	Johnson

Boardmember Summers made a motion, seconded by Boardmember Wise, to adopt Resolution No. 100.

Boardmember Cunniff thanked Boardmember Wise and the Library District.

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<b>RESULT:</b>	<b>RESOLUTION NO. 100 ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Ken Summers, District 3
<b>SECONDER:</b>	Joe Wise
<b>AYES:</b>	Smith, Troxell, Cunniff, Stephens, Summers, Wise, Febvre, Gutowsky, Pignataro, Gorgol
<b>ABSENT:</b>	Johnson

- **OTHER BUSINESS**

Counselor White suggested the consideration of any findings from the reformed committee examining the legal services contract at the June retreat.

- **ADJOURNMENT**

The meeting adjourned at 4:20 PM.

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Chair

ATTEST:

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Secretary

Attachment: April 24, 2019 (8113 : Minutes-3/38, 4/24)



**AGENDA ITEM SUMMARY**

July 25, 2019

Urban Renewal Authority Board

**STAFF**

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Clay Frickey, City Planner  
 Josh Birks, Economic Health Director

**SUBJECT**

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Update on the College and Drake Urban Renewal Plan.

**EXECUTIVE SUMMARY**

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The purpose of this item is to update the Board on progress related to the Urban Renewal Plan (URP) for the College and Drake Plan area.

**BACKGROUND / DISCUSSION**

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**Plan Overview**

The College and Drake Urban Renewal Plan (Plan) is an urban renewal plan prepared for the Fort Collins Urban Renewal Authority (Authority) and the City of Fort Collins (City), pursuant to the provisions of the Urban Renewal Law, Colorado Revised Statute § 31-25-101 et seq. (Urban Renewal Law). Unless otherwise stated, terms used in this Plan have the same meaning as in the Urban Renewal Law. Staff is currently working on revisions to the plan document. Staff anticipates the final document will be ready for the Board's consideration at the September 26 meeting.

**Description of the Plan Area**

The Plan Area is approximately 30 acres and contains 13 parcels, including right-of-way. The City of Fort Collins Structure Plan identifies this area as a General Commercial District. The City of Fort Collins Zoning Map indicates this area is zoned as a General Commercial District and is also in the Transit-Oriented Development Overlay Zone.

The boundary of the Plan Area to which this Plan applies generally includes those properties located within the area bounded by:

- South College Avenue to the east;
- West Thunderbird Drive to the south;
- McClelland Drive to the west; and
- The north exterior wall of the vacant K-Mart property to the north.

**Description of the Tax Increment Financing District**

The College and Drake Tax Increment Financing District has the same boundaries as the Plan Area.

**Plan Goals and Objectives**

The overall objective of this Plan is to remediate unfavorable existing conditions and prevent further deterioration by implementation of the relevant provisions contained in the following documents:

- City Plan (City of Fort Collins Comprehensive Plan), 2019
- Transit Master Plan, 2019
- Midtown Plan, 2013
- City of Fort Collins Master Street Plan, 2013

The Plan intends to stimulate private sector development and redevelopment in and around the Plan Area with a combination of private investment, Authority financing, and public investment. The Plan will assist progress toward the following additional objectives:

- To facilitate redevelopment and new development by private enterprise through cooperation among developers and public agencies to plan, design, and build needed improvements.
- To address and remedy conditions in the area that impair or arrest the sound growth of the City, including vacancy, underutilization, and underinvestment.
- To implement the Comprehensive Plan and its related elements.
- To leverage reinvestment and development outcomes to redevelop and rehabilitate the area in a manner that is compatible with and complementary to community goals and objectives for the Plan Area.
- To effectively utilize undeveloped and underdeveloped land.
- To improve pedestrian, bicycle, vehicular and transit-related circulation and safety.
- To encourage the rehabilitation and redevelopment of outmoded buildings, improvements, and conditions.
- To facilitate the enforcement of the laws and regulations applicable to the Plan Area.
- To accommodate project opportunities to eliminate and prevent the further spread of blight, and when such opportunities exist, to take action within the financial, legal, and political limits of the Authority to acquire land, demolish and remove structures, provide relocation benefits, and pursue redevelopment, improvement, and rehabilitation projects.
- To provide a range of financing mechanisms to incent investment, including utilizing incremental taxes derived from within the Plan Area to enable enhanced development outcomes, both public and private.
- To ultimately contribute to increased revenues for all taxing entities.

**Authorized Urban Renewal Powers**

To support progress toward the outlined objectives, the Authority may undertake any of the following renewal activities, as deemed appropriate for the elimination or prevention of blight factors within the Plan Area, pursuant to the Urban Renewal Law:

- Public Improvements and Facilities
- Cooperative Agreements
- Purchase of Property
- Demolition, Clearance, Environmental Remediation, and Site Preparation
- Property Disposition
- Redevelopment Agreements
- Relocation Assistance
- Hiring
- Catalyst and Enhancement Projects

**Anticipated Urban Renewal Activities**

Anticipated activities within the Urban Renewal Plan Area include: (1) redevelopment of the vacant K-Mart property north of Drake Road as a grocery superstore and (2) redevelopment of the Spradley Barr Mazda auto dealership site south of Drake Road as an urban mixed-use development. The Plan also anticipates public

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infrastructure improvements to support these redevelopment activities as well as to support the continued viability of existing commercial uses in the Plan Area as further detailed below.

### **Public Improvement Priorities**

The Authority may, or may not cooperate with others to, install, construct, and reconstruct any public improvements to promote the objectives of the Plan and the Urban Renewal Law. Public projects are intended to stimulate (directly and indirectly) investment in and around the Plan Area. It is the intent of this Plan that the combination of public and private investment that may be necessary to advance the objectives stated herein, assist in the investment and reinvestment of the Plan Area, and thereby contribute to the overall economic wellbeing of the community.

Senior City Planning and Engineering staff identified a preliminary list of eligible public improvements for the Plan Area. To vet the list of public improvements, staff created the Plan Area Review Committee (PRC) comprising representatives of the taxing districts. The PRC provided recommendations on how the URA funds the proposed public improvements. Based on this discussion, staff revised the list of eligible public improvements and presented them to the URA Board on February 27, 2019. Various members of the URA Board recommended that the URA only fund public improvements related to blight remediation. Based on this feedback, staff updated the eligible list of public improvements and organized these improvements into eight categories as follows:

1. Intersection Improvements & Safety
2. Bicycle & Multi-Use Improvements & Safety
3. Traffic Safety Improvements
4. Parking Management
5. Pedestrian & Sidewalk Improvements
6. Landscaping & Streetscape
7. Bus Stop Improvements on Drake Road
8. Other Expenses

### **URBAN RENEWAL PLAN FORMATION PROCESS OVERVIEW**

The formation of a new URP involves the following steps:

1. Existing Conditions Study
2. Draft Urban Renewal Plan
3. Negotiate Tax Increment Allocation Agreement with Underlying Tax Entities
4. URP Review - Planning and Zoning Board
5. Public Hearing and New Plan Area Consideration by City Council

### **Existing Conditions Survey**

State statute requires the Urban Renewal Authority (URA) to perform an Existing Conditions Survey to substantiate the existence of blight conditions within the proposed plan area. Four out of eleven conditions of blight must exist for approval of a new Urban Renewal Plan (URP). Only one blight condition is required if all of the affected property owners' consent to the URP. On July 9, 2018, the URA Board approved a resolution directing URA staff to complete an Existing Conditions Survey for the College and Drake URP. URA staff contracted with Economic Planning Systems (EPS) for completion of the Existing Conditions Survey. The Survey indicated the presence of six blight conditions. Fort Collins City Council passed a resolution agreeing with the findings of the Existing Conditions Survey on November 6, 2018.

### **Draft Urban Renewal Plan**

The previous section of this Agenda Item Summary discussed the draft plan for the Board's consideration.

### **Negotiate Tax Increment Allocation Agreement with Underlying Tax Entities**

State statutes stipulate that the URA will engage with the underlying tax entities within the proposed URP to discuss and address service impacts resultant from new development and the allocation of incremental taxes. To date, the URA has reached agreement on tax increment allocation with:

- City of Fort Collins
- Larimer County, Foothills Gateway and Larimer County Pest Control District
- Poudre River Public Library District

Northern Colorado Water Conservancy District will not contribute their increment to the College and Drake URP. Two other taxing entities have yet to reach agreement with the URA on their tax increment allocation: Poudre School District and the Larimer County Health District. Poudre School District and the URA are currently in the mediation process over the school district's increment. Both parties have negotiated in good faith but have been unable to resolve one issue related to the State backfilling budget gaps for the school district. Poudre School District wants the URA to ensure that the school district always receives this backfill. Staff anticipates resolution on the school district's increment sometime during the fall. The Larimer County Health District is still considering one aspect of the proposed tax increment allocation agreement. Staff expects resolution with the Health District by the end of July.

### **URP Review - Planning and Zoning Board**

The Planning and Zoning Board considered the URP for compliance with City Plan, the City's comprehensive plan, on November 15, 2018. At this meeting, the Board approved a resolution finding the URP complies with City Plan (Attachment 1).

### **Public Hearing and New Plan Area Consideration By City Council**

Prior to consideration by City Council, the URA must finalize negotiations on tax increment allocation with all of the underlying tax entities. Due to ongoing negotiations with Poudre School District and Larimer County Health District, staff has not scheduled a public hearing for City Council to consider this URP. Assuming negotiations conclude as anticipated, City Council will likely hold a public hearing related to this proposed URP sometime in fall 2019.

### **FINANCIAL IMPACTS**

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The proposed College and Drake Urban Renewal Plan will enable the collection of both property and sales tax increment. The current assessed value of all property in the plan area is \$3.5 million. The estimated assessed value of the plan area upon completion of the two redevelopment projects is approximately \$12.8 million. Preliminary estimates of property tax increment total \$20.3 million over the 25-year period.

The estimated sales tax increment breaks down as follows:

**Table 1  
Estimated City Sales Tax Increment**

**City of Fort Collins General Fund (2.25%)**

	<b>Present Value</b>	<b>2021</b>	<b>TOTAL</b>
<b>TOTAL General Fund</b>	<b>\$13,252,906</b>	<b>\$676,654</b>	<b>\$23,334,585</b>
<b>TOTAL City Pledged to Project (50% of King Soopers and Spradley Barr)</b>	<b>\$5,753,078</b>	<b>\$316,716</b>	<b>\$10,144,496</b>

**City of Fort Collins Dedicated Sales Taxes**

	<b>Present Value</b>	<b>2021</b>	<b>TOTAL</b>
Natural Areas Tax (0.25%)	\$980,052	\$52,874	<b>\$1,729,113</b>
Street Maintenance Tax (0.25%)	\$980,052	\$52,874	<b>\$1,729,113</b>
Capital - CCIP (0.25%)	\$980,052	\$52,874	<b>\$1,729,113</b>
KFCG (0.85%)	\$3,332,176	\$179,771	<b>\$5,878,983</b>
<b>Total Other City Sales Tax</b>	<b>\$6,272,331</b>	<b>\$338,393</b>	<b>\$11,066,321</b>
<b>TOTAL CITY SALES TAXES</b>	<b>\$19,525,237</b>	<b>\$1,015,047</b>	<b>\$34,400,906</b>

Total City sales tax increment is estimated to be nearly \$677,000 annually or roughly \$23.3 million over the plan area period. This represents approximately \$13.3 million in time value adjusted dollars (assuming a 4.5 percent discount rate). The current proposal from the Authority pledges 50 percent of the net new increment or approximately \$317,000 annually for a total of \$10.1 million. This represents approximately \$5.8 million in time value adjusted dollars to support the College and Drake Plan.

The City will also receive Lodging Tax revenue, which is split between Visit Fort Collins and Fort Fund grant dollars. It is estimated that approximately \$110,000 annually will be generated from the proposed hotel for a total of \$3.9 million in total or \$2.2 million in present value, as shown in Table 2.

**Table 2  
Estimated City Lodging Tax Increment**

**City of Fort Collins Lodging Tax (3%)**

	<b>Present Value</b>	<b>2021</b>	<b>TOTAL</b>
<b>Hotel Site</b>	<b>\$2,226,648</b>	<b>\$110,192</b>	<b>\$3,939,769</b>

In addition, other taxing entities including the State of Colorado and Larimer County will receive additional sales tax revenue from the project. Using the same assumptions regarding net new revenue the State will received approximately \$560,000 annually for a total of \$18.3 million over the 25-year period, as shown in Table 3. The County will receive approximately \$155,000 annually split across the Base Tax and Mental Health Tax.

**Table 3**  
**Estimated Sales Tax Increment, Other Entities**

**All Other Sales Taxes Generated**

	<b>Present Value</b>	<b>2021</b>	<b>TOTAL</b>
<b>All Parcels</b>			
<b>State of CO (2.9%)</b>	\$10,408,544	\$560,485	<b>\$18,364,826</b>
<b>Larimer County (0.80% total)</b>	<b>\$2,871,323</b>	\$154,616	<b>\$5,066,159</b>
Base Tax (0.55%)	\$1,974,034	\$106,299	\$3,482,984
Mental Health Tax (0.25%)	\$897,288	\$48,318	\$1,583,175

**BOARD / COMMISSION RECOMMENDATION**

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At its November 15, 2018 meeting, the Planning and Zoning Board adopted a resolution finding that the Plan is in conformance with City Plan.

**PUBLIC OUTREACH**

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URA staff convened a public open house on Wednesday, October 10, 2018 from 6:00 to 8:00 pm at the Christ United Methodist Church, 301 E. Drake Road to solicit feedback on the proposed plan area. Comments from this workshop included:

- Ensure easy and safe pedestrian connections to proposed grocery store on northwest corner of Drake and College, Mason Trail, and other amenities
- Mitigate impact of parking structure by making it underground or providing multiple uses (example, a skate park)

Attendees also provided feedback on the proposed public improvements. Staff asked attendees to vote for their preferred public improvements with sticky dots. The results broke down as follows:

College and Drake intersection improvements	24 votes
Improved multi-use trail (grade separation)	19 votes
Parking enhancements (i.e. parking structure)	18 votes
Traffic safety improvements	18 votes
Sidewalk and landscaping enhancements	16 votes
Stormwater improvements	13 votes
Bus stop improvements on Drake near MAX	6 votes

Other outreach associated with establishment of the URP includes:

- Plan Area Review Committee (including staff from Larimer County, Poudre School District, Northern Larimer County Health District, and Poudre River Library District) October 16, 2018
- Fort Collins Area Chamber of Commerce - Local Legislative Affairs Committee - November 9, 2018
- Midtown Business Association (formerly South Fort Collins Business Association) - November 13, 2018.

**ATTACHMENTS**

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1. Planning and Zoning Board Minutes, November 15, 2018 (PDF)



**Public Input on Items Not on the Hearing Agenda:**

Eric Sutherland, 3520 Golden Currant; spoke to a proposed student housing complex South of Creekside Park. Mr. Sutherland provided a date: 11/19/2018, for a decision by the judge for litigation, for failure to follow the Land Use Code alleging abuse to the discretion by City Council. He feels there should have been dedication of right-of-way on the project and adequate definitions provided. He is dissatisfied with the Board.

No comments provided by staff or City attorney.

**Consent Agenda:**

1. Draft Minutes from October 18, 2018, P&Z Hearing
2. Annual Work Plan
3. 2018 Three-Mile Plan Update

**Public Input on Consent Agenda:**

None noted

Chair Schneider did final review of items on consent and reiterated that those items will not have a separate presentation unless pulled from the consent agenda.

**Member Hobbs made a motion that the Planning and Zoning Board approve the Consent agenda for the November 15, 2018 Planning and Zoning Board hearing consisting of the draft minutes from the October 18, 2018 P&Z hearing, the 2019 P&Z work plan and the 2018 Three-Mile plan update. Member Carpenter seconded the motion.** Chair Schneider verified with Board that they had opportunity to see the revised minutes.  
**Vote: 7:0.**

**Discussion Agenda:**

**4. Proposed College and Drake Urban Renewal Plan**

**Project Description:** The purpose of this item is for the Planning & Zoning Board to review the proposed College and Drake Urban Renewal Plan (URP) for conformance with City Plan, the City of Fort Collins adopted comprehensive plan. The proposed URP is still in draft form. However, portions of the plan that must comply with City Plan are complete and will only minor changes, such as grammatical edits. The P&Z Board must review and evaluate the URP before it can be formally adopted by City Council, currently scheduled for January 15, 2019, and make a recommendation related to the URP's conformance with City Plan.

**Recommendation: Approval**

Secretary Gerber reported that there were no citizen emails for this item, and that 1 new attachment had been received: attachment 3, titled "Resolution – Fort Collins Planning Commission – UR Plan confo".

**Staff Presentation**

Josh Birks, Director of Economic Sustainability, gave brief verbal/visual overview of this project.

**Public Input (3 minutes per person)**

Eric Sutherland, 3520 Golden Currant; Wanted to know if there was a representative of the applicant available. Mr. Sutherland offered a few statistics and feels tax dollars should go to the schools. He feels the City is on track with the City Plan and (the City) is in compliance. Mr. Sutherland's question to the Board; Isn't this pledge of sales taxes dollars completely unenforceable and is the applicant not taking a huge chance that some future Council will simply refuse to pay it?

Rory Heath, City Park Dr.; His strong ask is that public safety, different traffic patterns and integration of those traffic patterns, the Mason corridor and the awkward railroad corridor along that area are taken into account. He reiterated the emphasis for public good versus development.

### Staff Response

Director Birks deferred to Caitlin Quander, Council to the Urban Renewal Authority, to respond to the questions asked by the citizens. Ms. Quander responded to Mr. Sutherlands questions. First being that the Urban Renewal Authority is the entity that advances the process. Chair Schneider sought clarification on who the applicant was, Ms. Quander responded that the URA is a sperate entity from the City which is why there is separate legal counsel. As for the question regarding sales tax; within the statutory role, the Board is looking at if this proposed plan is in conformance with the City Comprehensive Plan and that City sales tax is in conversation with the City and the URA at the appropriate time when those allocation agreements come forward before the City Council. Chair Schneider asked if the sales tax dollars are enforceable based on the complaint filed by Mr. Sutherland. Ms. Quander deferred to City Attorney Yatabe. Mr. Yatabe responded that he did not have any information as he has not been involved with the issue.

Member Pardee wanted to know about the legal structure of the URA Board. Ms. Quander replied that it is a quasi-governmental entity much like a metropolitan district or a business improvement district, yet slightly different as it is made up of City Council along with appointees and has different statutory authority.

### Board Questions / Deliberation

Member Hansen commented that this is a complicated plan and that he is glad the Board does not have to be involved in the nuts and bolts other than compliance with the City Plan and the Comprehensive Plan. The parcels can use some help and as for the role of the Board, this is an appropriate check box for approval.

Attorney Yatabe; the Board has been provided with a written resolution where the stature requires that in reviewing conformance with he Comprehensive Plan and the City Plan that the findings that you make the recommendation regarding that issue be put down in writing so that can be communicated to City Council, who will be the ultimate decision maker. The request is for the Board to adopt the Resolution and direct the Chair to sign the Resolution. Chair Schneider; The Board can state the resolution, we do not have to read the whole resolution? Attorney Yatabe, responded that was correct.

**Member Hansen made a motion that the Fort Collins Planning and Zoning Board approve Resolution 012018, a resolution of the Fort Collins Planning and Zoning Board finding that the Drake and College Urban Renewal Plan is in conformance with the City Plan and the Fort Collins Comprehensive Plan.**

**Member Carpenter seconded.** Member Rollins commented that it is not only in compliance, but it is supportive of the plans and is happy to support. Member Whitley supports this item. Chair Schneider; based on the Board's role and what can be done, this does comply with City Plan and the Comprehensive Plan and helps improve the area.

**Vote: 7:0.**

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## 5. Downtown and Transition Area - LUC Updates

**Project Description:** Revisions to Land Use Code Divisions 4.16 (Downtown) and 4.9 (Neighborhood Conservation Buffer) as they relate to development standards governing these two zone districts.

Secretary Gerber reported that there were no citizen emails for this item, but that there were two (2) updated attachments: Division 4.9 NCB and Division 4.16 Downtown District and that Member Rollins recused herself from this item.

### Staff Presentation

Comprehensive Planning Manager Gloss and Planner Wray gave a brief verbal/visual overview of this plan.