



Urban Renewal Authority Regular Meeting Agenda

February 23, 2023 at 5:00 PM

Jeni Arndt, Chair
Joe Wise, Vice-chair
Susan Gutowsky
Julie Pignataro
Tricia Canonico
Shirley Peel
Kelly Ohlson
Emily Francis
Kristin Stephens
Kristen Draper
Andy Smith

Council Information Center, 300
Laporte Avenue, Fort Collins, & via
Zoom at
<https://zoom.us/j/98687657267>

Cablecast on FCTV
Channel 14 on Connexion
Channel 14 and 881 on Xfinity

Angela Hygh
Brownstein Hyatt Farber Schreck

Kelly DiMartino
Executive Director

Anissa Hollingshead
Secretary

URBAN RENEWAL AUTHORITY BOARD MEETING 5:00 PM

A) CALL MEETING TO ORDER

B) ROLL CALL

C) AGENDA REVIEW

Executive Director's Review of Agenda.

D) PUBLIC PARTICIPATION

E) PUBLIC PARTICIPATION FOLLOW-UP

F) COMMISSIONER REPORTS

G) 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 public comment on the item (three minute limit for each person)
- 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 have an opportunity to speak. **If attending in person, 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 for the January 26, 2023 Urban Renewal Authority Board Meeting

The purpose of this item is to approve the minutes of the January 26, 2023 Urban Renewal Authority Board meeting.

2. Resolution No. 124 of the Board of Commissioners of the Fort Collins Urban Renewal Authority Authorizing Negotiations for the Acquisition of Properties

The purpose of this item is to provide approval to staff to make offers and negotiate to acquire the Albertsons site and two adjoining buildings. At the Board's regular meeting in July 2022, the Board provided direction for staff to pursue three courses of action related to acquiring the former Albertsons site at 1636 N College Avenue:

1. Begin discussions for acquiring the Albertsons site and two adjoining buildings
2. Discuss funding options with City staff and the City Council Finance Committee
3. Conduct a commercial real estate appraisal of the Albertsons site and two adjoining buildings

In January, staff provided an update on progress related to all three action items. Based on January's meeting, staff seeks approval from the Board to make offers and negotiate to acquire the Albertsons site and two adjoining buildings.

H) OTHER BUSINESS

I) ADJOURNMENT

Upon request, the City of Fort Collins will provide language access services for individuals who have limited English proficiency, or auxiliary aids and services for individuals with disabilities, to access City services, programs and activities. Contact 970.221.6515 (V/TDD: Dial 711 for Relay Colorado) for assistance. Please provide advance notice. Requests for interpretation at a meeting should be made by noon the day before.

A solicitud, la Ciudad de Fort Collins proporcionará servicios de acceso a idiomas para personas que no dominan el idioma inglés, o ayudas y servicios auxiliares para personas con discapacidad, para que puedan acceder a los servicios, programas y actividades de la Ciudad. Para asistencia, llame al 970.221.6515 (V/TDD: Marque 711 para Relay Colorado). Por favor proporcione aviso previo cuando sea posible. Las solicitudes de interpretación en una reunión deben realizarse antes del mediodía del día anterior.

URBAN RENEWAL AUTHORITY BOARD

January 26, 2023

5:03 PM

- **ROLL CALL**

PRESENT: Arndt, Wise, Pignataro, Francis, Ohlson (online), Smith, Canonico (online), Stephens

ABSENT: Peel, Gutowsky, Draper

- **AGENDA REVIEW**

Chair Arndt outlined the public participation options.

Interim Executive Director Birks stated there were no changes to the published agenda. One discussion item and no staff reports.

- **PUBLIC PARTICIPATION** - No public in attendance. One online

- Jan Stallones: attending had no comment.

- **COMMISSIONER REPORTS**

Vice Chair Wise made a statement that he will be leaving the board at the end of March 2023. Replacement will be from the library board (Fred C.) with the agreement of special districts. He will be the representative of special districts for the next year. They are hoping to find someone with a business and financial background in selecting with the Library Board.

Chair Arndt stated that he will be missed and was a huge contributor to the board and will miss his service.

1. **Albertsons Update.**

The URA Board gave staff permission to begin conducting due diligence related to potentially acquiring the former Albertsons site in July. Staff have completed the three tasks initially authorized by the Board. Staff requests an Executive Session to share the findings of the appraisals of the three properties along with potential financing options for acquisition.

Clay Frickey, Redevelopment Program Manager, did introduce legal counsel Rich Rodriguez.

Frickey gave a presentation. He stated in July the Board authorized staff to pursue a couple of tasks related to the Albertsons site.

1. Begin discussions for acquiring the Albertsons site and two adjoining buildings
2. Discuss funding options with City staff and the City Council Finance Committee
3. Conduct a commercial real estate appraisal of the Albertsons site and two adjoining buildings

He stated this presentation is to give the Board an overview of the three tasks and where they are at to date with the Albertsons project. A reminder this is the property at the corner of College Ave and Willox.

He provided background on, and a summary of, the community outreach completed in the Plan Area, products of which were the suggestion for the development of a community hub in the North

College area and the identification of the former Albertson's site at Willox and College as a large impediment to achieving many of the goals for the Plan Area.

Summary with property owners. They have been in touch with inline buildings and discussed some redevelopment occurring at Country Club Corners. Both property owners have expressed staying in touch with URA Board and they are curious to see what will happen.

Frickey stated the Urban Renewal Authority made several attempts (i.e. letters to registered agents, talking to listing agents, called Albertsons corporate office) to be in touch with the owner of the Albertson's site, a real estate investment trust. No response and no luck.

Frickey stated that the Board has had good discussions with City staff about potential funding options back in November 2022. They heard the city staff has the willingness to partner on this potential project. Their preference was to seek private financing options first, then go to the city if those options are not looking attractive. Frickey stated he has been in contact with Bond Council, which assisted with the Prospect South area. Frickey stated he will obtain detailed financial options from Bond Council and they are prepared to provide some options in the future to see what those terms will look like.

Last, Frickey presented the appraisals that the Board received for the three sites. CBRE to provide appraisals for all three properties. They have the information and are willing to share it with the Board. Staff proposed discussing finding in Executive Session.

- **PUBLIC PARTICIPATION** - No public in attendance. One online
 - Jan Stallones: stated she understands that the Board will go into Executive Session. Her question: Is it available to the public and if so when.
 - Interim Executive Director Birks stated the Board is taking comments at this time.

Caitlin Quander, a legal counsel, stated the plan is to share in the executive session. There is no action being recommended or being taken by the Board. Tonight is a discussion and update item. Based on the Executive Session's feedback, Quander stated that if there is interest, there will be a more robust discussion about what an acquisition would look like at the March URA meeting. What and if necessary, would eminent domain look like and what that process is? Then what the timeline would be to share with the public? Today was the recap discussion of where the Board was from July 2022, then March will be a follow-up with potential action.

Commissioner Pignataro asked Mr. Frickey to explain the property owners and what they own. Mr. Frickey pulled up his presentation to show Commissioner the north building and Albertsons Property to show the extension of parking. Three different property owners and one tenant selling outdoor goods. In 1630 North College, there are a few tenants such as HR Block, a hair place, unclear on the last tenant space.

Commissioner Ohlson stated he really wants to be there for the discussion and shared he is unclear on how to get to TEAMS for the executive session. Stated he will not be voting to go into Executive Session since he is remote (virtual). Stated he supports the policy. Asked for clarification for Teams.

Commissioner Pignataro gave him some tips.

Caitlin Quander, a legal counsel, stated if you are ready to take the motion to go into Executive Session, and suggested to add to motion complete the meeting to prevent coming back into zoom to adjourn the URA Board Meeting.

Chair Arndt stated that makes for a simpler motion and agreed.

- **OTHER BUSINESS**

- A. **Consideration of a motion to go into executive session to discuss the potential purchase or acquisition of real property interests, including eminent domain, to receive legal advice on specific legal questions, and to determine positions relative to matters that may be subject to negotiations related to the former Albertsons site.**

Vice Chair Wise made a motion to enter into Executive Session and added the meeting be adjourned, seconded by Commissioner Pignataro.

Chair Arndt thanked everyone and said we will enter Executive Session.

RESULT: EXECUTIVE SESSION [UNANIMOUS]

MOVER:	Joe Wise
SECONDER:	Julie Pignataro
AYES:	Wise, Francis, Stephens, Smith, Arndt, Pignataro
EXCUSED:	Peel, Gutowsky, Draper, Canonico (virtual, not able to vote), Ohlson (virtual, not able to vote)

- **ADJOURNMENT**

The meeting adjourned at 5:23 PM.

Chair

ATTEST:

Secretary

AGENDA ITEM SUMMARY

Urban Renewal Authority



STAFF

Clay Frickey, Redevelopment Program Manager

SUBJECT

Acquisition of Property by Urban Renewal Authorities

EXECUTIVE SUMMARY

At the Board's regular meeting in July 2022, the Board provided direction for staff to pursue three courses of action related to acquiring the former Albertsons site at 1636 N College Avenue:

1. Begin discussions for acquiring the Albertsons site and two adjoining buildings
2. Discuss funding options with City staff and the City Council Finance Committee
3. Conduct a commercial real estate appraisal of the Albertsons site and two adjoining buildings

In January, staff provided an update on progress related to all three action items. Based on January's meeting, staff seeks approval from the Board to make offers and negotiate to acquire the Albertsons site and two adjoining buildings.

STAFF RECOMMENDATION

Staff recommends adoption of the resolution.

BACKGROUND / DISCUSSION

At the Board's regular meeting in July 2022, the Board provided direction for staff to pursue three courses of action related to acquiring the former Albertsons site at 1636 N College Avenue:

1. Begin discussions for acquiring the Albertsons site and two adjoining buildings
2. Discuss funding options with City staff and the City Council Finance Committee
3. Conduct a commercial real estate appraisal of the Albertsons site and two adjoining buildings

In January, staff provided an update on progress related to all three action items. Based on January's meeting, staff seeks approval from the Board to make offers and negotiate to acquire the Albertsons site and two adjoining buildings.

Acquisition Process

Staff has had preliminary discussions with the property owners of 1630, 1636, and 1642 N College. Given the nature of these discussions, staff proposes to make three separate fair market offers to

purchase each of the properties. Staff proposes giving the property owners 30 days to respond to this initial offer. Staff would negotiate and respond to any counter offers made by the property owners. If staff can reach an agreed upon price with one or more of the property owners, staff will return to the Authority Board for its review and approval of a purchase and sale agreement.

In the meantime, staff will continue discussing financing options with the City of Fort Collins as well as private bond counsel. Staff would bring these different financing options to the URA Finance Committee for their recommendation. Staff would then bring the Finance Committee's preferred financing option to the URA Board for approval at a future meeting.

ATTACHMENTS

1. Resolution
2. Presentation

RESOLUTION 2023-124

OF THE BOARD OF COMMISSIONERS OF THE FORT COLLINS URBAN RENEWAL
AUTHORITY AUTHORIZING NEGOTIATIONS FOR THE ACQUISITION OF
PROPERTIES

WHEREAS, the Fort Collins Urban Renewal Authority (the “Authority”) was established in 1982 under and in accordance with the Colorado Revised Statutes (“C.R.S.”) § 31-25-101, et seq. (the “Urban Renewal Law”); and

WHEREAS, the City Council of the City of Fort Collins, Colorado, by Resolution No. 2004-152 approved and adopted on December 21, 2004, the “North College Urban Renewal Plan” (the “North College Plan”) as an urban renewal plan under the Urban Renewal Law for the area described therein (the “North College Plan Area”); and

WHEREAS, at the time the North College Plan was adopted, the real property located within North College Plan Area was found, determined and declared to be a blighted area as defined in the Urban Renewal Law; and

WHEREAS, the North College Plan provides for the Authority to exercise all powers authorized under the Act, including the Authority’s acquisition of real property located within the North College Plan Area, as more particularly described therein; and

WHEREAS, based on community feedback, the Authority is exploring the potential acquisition of one or more of the properties located at 1630, 1636 and 1642 N. College Ave. (collectively, the “Properties”), which Properties are located within the North College Plan Area; and

WHEREAS, the Authority has determined that acquisition of the Properties is in the public interest, and there is a need to acquire the Properties for the construction of facilities essential to the North College Plan and for the eradication of blight (the “Project”); and

WHEREAS, the Authority has determined there is an immediate need to acquire the Properties in order to implement the North College Plan and the Project, and that acquisition of the Properties will be in furtherance of a public purpose; and

WHEREAS, the Authority desires to authorize staff to send out offers and engage in negotiations in connection with the potential acquisition of one or more of the Properties.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE FORT COLLINS URBAN RENEWAL AUTHORITY:

Section 1. The foregoing Recitals are incorporated herein by this reference.

Section 2. The Board hereby authorizes Authority staff, consultants, and attorneys to send out offers and engage in negotiations in connection with the acquisition of one or more of the Properties.

Section 3. If one or more of the negotiations is successful, the Board directs Authority staff, consultants, and attorneys to bring back a purchase and sale agreement for its review and consideration.

Section 4. This Resolution shall be effective upon approval by the Authority.

Passed and adopted at a regular meeting of the Board of Commissioners of the City of Fort Collins Urban Renewal Authority this 23rd day of February, A.D. 2023.

Chair

ATTEST:

Secretary

Acquisition of Property By Urban Renewal Authorities



Acquisition of Property

The Urban Renewal Law authorizes an Urban Renewal Authority, as one of its powers “**to acquire any property by purchase**, lease, option, gift, grant, bequest, devise, or otherwise to acquire any interest in property by condemnation, including a fee simple absolute title thereto, in the manner provided by the laws of this state for the exercise of the power of eminent domain by any other public body”. *C.R.S. 31-25-105(1)(e)*.

Most Urban Renewal Authorities will attempt to acquire property initially by utilizing the typical offer, counteroffer, letter of intent, and purchase and sale agreement process that private property owners use to sell or acquire property.

Sometimes, property owners ignore or resist offers to purchase. When that happens, the government may initiate steps to notify the property owner that the property may be acquired without the owner's consent if a consensual sale cannot be accomplished.



When the government initiates steps to allow or authorize condemnation, it is not an actual condemnation. It is merely the first of many steps.

Eminent domain is used as a last resort only, usually in rare and exceptional circumstances where all reasonable efforts to acquire the private property consensually have failed.

By law, the Urban Renewal Authority is required to pay the landowner fair market value for the property.



For an Urban Renewal Authority to exercise eminent domain, generally the following requirements must be met:

- Eminent domain must be approved as part of an urban renewal plan; *C.R.S. § 31-25-105(1)(e)*. [COMPLETED 2004]
- The Authority must adopt relocation assistance and land acquisition policies to benefit displaced persons. *C.R.S. § 31-25-105.5(4)(a)*. [COMPLETED]
- City Council must make a determination that the property is located in a blighted area, or the property itself is blighted. *C.R.S. § 31-25-105.5(2)(a)(I)* [COMPLETED 2004; would make confirming findings]
- Later, at the commencement of the negotiation of an agreement for redevelopment or rehabilitation of the property, the Authority must provide notice and invite proposals for redevelopment or rehabilitation from all property owners, residents, and owners of business concerns located on the property. *C.R.S. § 31-25-105.5(2)(a)(II)*



Steps for Exercising Eminent Domain

1. Authority staff approaches property owner to discuss or negotiate potential consensual acquisition.
2. If efforts for consensual acquisition fail, Authority authorizes acquisition of real property by eminent domain.
3. Notice of Intent to Acquire is sent to all parties with a record interest in the property.
4. Authority obtains appraisal and makes one or more offer(s) to purchase.
5. Notice of relocation eligibility to property owner.

Exercising Eminent Domain Generally

1. Authority files a petition in condemnation with District Court.
2. Usually, an authority requests vesting of title or immediate possession.
 1. If so, a hearing will be held usually within 30 to 90 days.
 2. At the hearing, the government bears the burden to prove certain elements (see next slide)
3. If the authority satisfies its burden, it gets immediate title or possession pending a final determination as to value.
4. A valuation trial is set usually 6 to 18 months after immediate title or possession hearing.



- Resolution authorizes continued negotiations to acquire property
- If negotiations unsuccessful, Board can consider using eminent domain
 - Will require additional resolution and discussion



Staff recommends adoption of the resolution

