

**North College Property Acquisition
1636 North College Avenue**

**Acquisition of Property
By Urban Renewal Authorities**



2018

- Economic Planning Systems analysis

2019

- Economic Planning Systems report
- Community workshop series begins

2020

- Workshop series completed
- Engagement report completed
- Adoption of Community Investment Plan



**COMPLETE & VIBRANT
NEIGHBORHOOD**



COMMUNITY HUB



**INFRASTRUCTURE
IMPROVEMENTS**

- Vacant former Albertsons' store
- Closed in 2014
- 50,907 square feet on 4.68 acres
- Owned by Vereit Real Estate, L.P.
Albertsons' LLC has a lease



- In 2022, URA Staff began discussions with property owner for a sale between “willing” seller and buyer.
- URA Board Resolution Feb 2023 authorized URA staff to undertake negotiations to acquire properties.
- Signed a non-binding Letter of Intent (not a contract) in September 2023.
- Discussions between Owner and Tenant have taken considerably longer than anticipated.
- Blight conditions confirmed June 2024.



Acquisition of Property By Urban Renewal Authorities

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]
- 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; URA staff prepared condition survey update 2024]
- AND, where the Authority proposes to transfer private property acquired by eminent domain for private redevelopment it may only subsequently transfer to a private party upon satisfaction of the following conditions:
 - The urban renewal project for which the property is being acquired shall be commenced no later than seven years from the date the blight determination is made. [City Council should make affirming blight determination based on condition study or updated condition study depending on timing of next step] *C.R.S. § 31-25-105.5(2)(I)*
 - 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)*
 - The Authority must adopt relocation assistance and land acquisition policies to benefit displaced persons. *C.R.S. § 31-25-105.5(4)(a)*. [COMPLETED]

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.