

AGENDA ITEM SUMMARY

Urban Renewal Authority



STAFF

Andy Smith, Redevelopment Manager

SUBJECT

Resolution No. 135 Authorizing Negotiations for the Acquisition of Property and the Use of Eminent Domain.

EXECUTIVE SUMMARY

The purpose of this item is to authorize Urban Renewal Authority (URA) staff and legal counsel to use eminent domain to acquire the vacant former Albertsons' store at 1636 North College Avenue.

STAFF RECOMMENDATION

Staff recommends approval and adoption of the resolution.

BACKGROUND / DISCUSSION

Beginning in late 2022, the Fort Collins URA entered discussions with the owner (or, "Seller") of 1636 North College Avenue regarding a potential sale of the property from a willing seller to a willing buyer. In September 2023, a non-binding Letter of Interest (or, "LOI") was signed by both parties, establishing mutually acceptable terms to form a forthcoming Purchase and Sale Agreement (or, "PSA"). The LOI has since expired. A draft PSA was circulated for review by the Fort Collins URA and the Seller, however it has not been mutually agreed upon or signed primarily due to ongoing lease termination discussions between the Seller and Albertsons', the "Tenant".

According to the Seller, their discussions with Tenant have been progressing slowly but positively. No material progress has been reported by the Seller since the LOI was signed in September 2023.

At the Fort Collins URA May 23, 2024, meeting, the URA Board instructed URA Staff to prepare a resolution to authorize the use of eminent domain to acquire the vacant former Albertsons' property and associated interests. It is understood that negotiations between a willing seller and willing buyer are to continue and remain the preferred manner of acquisition by the URA Board, however an alternative process was desired to proceed to ensure timely progress.

Finally, on June 11, 2024, URA Staff conducted a visual survey of the property located at 1636 North College Avenue to determine if blight conditions remain. According to the attached memo ("Condition Survey Update"), blight conditions continue to exist at the property.

FINANCIAL IMPACTS

Undetermined, but believed to be negligible given the scope of ongoing acquisition activities.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

None.

PUBLIC OUTREACH

None.

ATTACHMENTS

1. Resolution for Consideration
2. Condition Survey Update
3. Presentation