

AGENDA ITEM SUMMARY

Urban Renewal Authority



STAFF

Josh Birks, URA Executive Director
Andy Smith, Redevelopment Manager

SUBJECT

Public Hearing and Resolution No. 169 to Approve a Supplemental Budget Resolution to Provide Funds for an Existing Conditions Study of an Area Around the Drake and College Intersection, Commission the Existing Conditions Study and Direct Authority Staff to Prepare an Amendment to the Existing College and Drake Urban Renewal Plan

EXECUTIVE SUMMARY

The purpose of this item is to consider a Resolution appropriating funds for an Existing Conditions Study (Study) of an area around the Drake and College Intersection. In addition, the resolution commissions the Existing Conditions Study and directs the Fort Collins Urban Renewal Authority (Authority) staff to prepare an amendment to the existing College and Drake Urban Renewal Plan (Plan). Due to changing conditions and development plans, the original intent of the Plan no longer remains viable. The Study will evaluate amending the Plan to include additional properties to achieve a similar public purpose.

STAFF RECOMMENDATION

Approval of the resolution and supplemental budget resolution.

BACKGROUND / DISCUSSION

HISTORY

On January 21, 2020, the Fort Collins City Council adopted the College and Drake Urban Renewal Plan (Plan), which is an urban renewal plan prepared for the Fort Collins Urban Renewal Authority (Authority) and the City, pursuant to the provisions of the Urban Renewal Law, Colo. Rev. Stat. § 31-25-101 et seq. (Urban Renewal Law).

DESCRIPTION OF THE EXISTING PLAN AREA

The existing area defined by the Plan (Plan Area) is approximately 30 acres and contains 13 parcels, including right-of-way. The boundary of the Plan Area 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.

PLAN GOALS & OBJECTIVES

The overall objective of the 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 is intended to stimulate private sector development and redevelopment in and around the Plan Area with a combination of private investment, Authority financing, and public investment. A major aspect of the Plan was to support the redevelopment of the property at the southwest corner of College Avenue and Drake Road, also known as the Spradley Barr property and site of a former Mazda Car dealership.

CURRENT CONDITIONS

Since adoption in 2020, the development plans within the Plan Area have shifted significantly. The previous plan for mixed-use development, to include residential (both market rate and affordable housing), a hotel, and retail, at the Spradley Barr property has morphed into a planned gas station and utility substation. Both uses are allowed by zoning and are anticipated to begin construction soon. The anticipated outcome of investing Tax Increment Financing (TIF) to support the remediation and prevention of blight has shifted because of the change in development plans.

PROPOSED STUDY & AREA

The proposed Study will evaluate the area surrounding the existing Plan Area for similar unfavorable existing conditions to those found within the original area. If the study finds such conditions, an amendment to the Plan will be prepared for review by the Authority and presentation to City Council for consideration. The intent of the amended Plan will be to honor the original objectives, through an expanded footprint. Additionally, the potentially expanded footprint will be able to support several community goals and objectives that have emerged or grown in importance since adoption of the Plan. These include:

- Potential development of multifamily residential, both market rate and deed restricted, to address the growing demand for housing in the community;
- To support and improve the pedestrian, bicycle, vehicular, and transit-related circulation and safety of the broader community through key east-west connections; and
- Support the planned investment in a Front Range Passenger Rail stop.

DESCRIPTION OF THE STUDY AREA

The proposed Study Area is approximately 150 acres containing publicly owned (primarily by Colorado State University) and privately owned properties, and right-of-way. The boundary generally includes the properties located within the area bounded by (See also **Exhibit A** of the attached Resolution):

- South College Avenue and Remington Street to the east;
- Del Clair Road and a private drive aisle south of the Lion Home Service (Parcel 9726143002) and Glass Doctor (Parcels 9726139001 and 9726100022) businesses to the south;
- McClelland Drive, the Larimer County Canal Two, Research Boulevard, Gillette Drive, Tietz Drive, Booth Road, and Bay Road to the west; and
- The northern extent of the parcel on which the Whole Foods retailer resides (Parcel 9723441001), or approximately the southern boundary of the existing Prospect South Tax Increment District within the Midtown Urban Renewal Plan Area.

AUTHORITY FINANCIAL IMPACTS

The \$100,000 expense will be funded with tax increment revenue collected from the existing College and Drake Urban Renewal Plan Area. The net impact to both will be minor (See **Table 1**).

Table 1
Estimated Financial Impact

	College & Drake
2025 Balance	\$4,600
2026 Estimated Revenue	~\$250-500k
2026 Expense Budget	\$25k
2026 Budgeted Balance	~\$225-475k
Less: <i>Additional Expense</i>	-\$100k
Revised 2026 Balance	~\$125-375k

The revenue anticipated in the College & Drake Plan Area will come from Sales Tax increment collections.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

None.

PUBLIC OUTREACH

None.

ATTACHMENTS

1. Resolution
2. Staff Presentation