

Fort Collins Urban Renewal Authority (URA) Budget Message
Fiscal Year 2026
Budget

Budget Features

The URA's 2026 budget is comprised of the budgets for the URA's current plan areas and associated Tax Increment Finance (TIF) districts, known as the North College District, the Prospect South District, the Foothills District, and the Drake & College District. The budget includes revenues from property and sales tax increment (where applicable), interest earned on investments, and expenses which include general operations, project obligations and debt service payments.

The URA aims to deliver blight mitigation and prevention services which achieve the objectives specified by the individual urban renewal plans for each of the four districts. These include:

- 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 blight conditions in the area that impair or arrest the sound growth of the City
- To implement the City's Comprehensive Plan and its related elements
- To redevelop and rehabilitate the plan area in a manner which is compatible with and complementary to unique circumstances in the area
- To effectively utilize undeveloped and underdeveloped land
- To improve pedestrian, bicycle, and vehicular circulation and safety
- To ultimately contribute to increased revenues for all taxing entities
- To encourage the voluntary rehabilitation of buildings, improvements and conditions
- To facilitate the enforcement of the laws and regulations applicable to the plan area
- To watch for market and/or project opportunities to eliminate blight, and when such opportunities exist, to act within the financial, legal and political limits of the URA to acquire land, demolish and remove structures, provide relocation benefits, and pursue redevelopment, improvement, and rehabilitation projects.

Summary of the Adopted 2026 URA Budgets**• North College URA**

- 1) Tax Increment Collections in 2026 are based on the December 2024 certification of property tax. Collections are expected to increase about 2% from 2025 to 2026.
- 2) The Larimer County Fee 2% of tax collections are remitted to the County. The 2026 budget is based on the December 2025 certification of the 2024 property tax and is expected to increase slightly.
- 3) Operating expenses are budgeted higher in 2026 due to an increase in personnel costs for North College and slight inflationary increases in consulting and legal services. In addition, about \$200k was added to cover temporary maintenance/security costs associated with ownership of new properties.
- 4) The Lyric redevelopment agreement will require an estimated \$21.5k in payments in 2026. Feeders Supply agreement will require an estimated \$6.8k in payments in 2026.
- 5) The Bond repayment schedule was increased & updated to include the new Bonds issued in June 2025.

• Prospect South URA

- 1) Tax Increment Collections in 2026 are based on the December 2024 certification of the 2025 property tax. Collections are estimated to grow about 2% from 2025 to 2026.
- 2) The Larimer County Fee 2% of tax collections are remitted to the County. 2026 budget is based on the December 2024 certification of property tax and expected to grow about 2%.
- 3) The Prospect South General Operations expense is an estimate of staff time and other expenses attributable to the URA which will be reimbursed to the North College URA annually.

• Foothills Mall URA

- 1) Tax Increment Collections in 2026 are based on the December 2024 certification of property tax expected to slightly increase between 2025 to 2026.
- 2) Sales Tax Increment Collections for 2024 were \$484,757. The 2026 Budget is somewhat conservative at \$450,000 due to the Macy's vacancy since 2022 and decreasing revenues noted YTD in 2025.
- 3) The City keeps 1.5% of the Property Tax increment for administrative costs which will be reimbursed to the North College URA annually.

• Drake & College District URA

- 1) Property tax increments collections are forecasted at 0.00 for each year based on December 2024 TIF Warrant. Collections to date are less than \$5k and there are no expenses anticipated for this URA in 2026.

Budgetary Basis of Accounting

The URA budget and fund financial statements are prepared on the modified accrual basis of accounting.