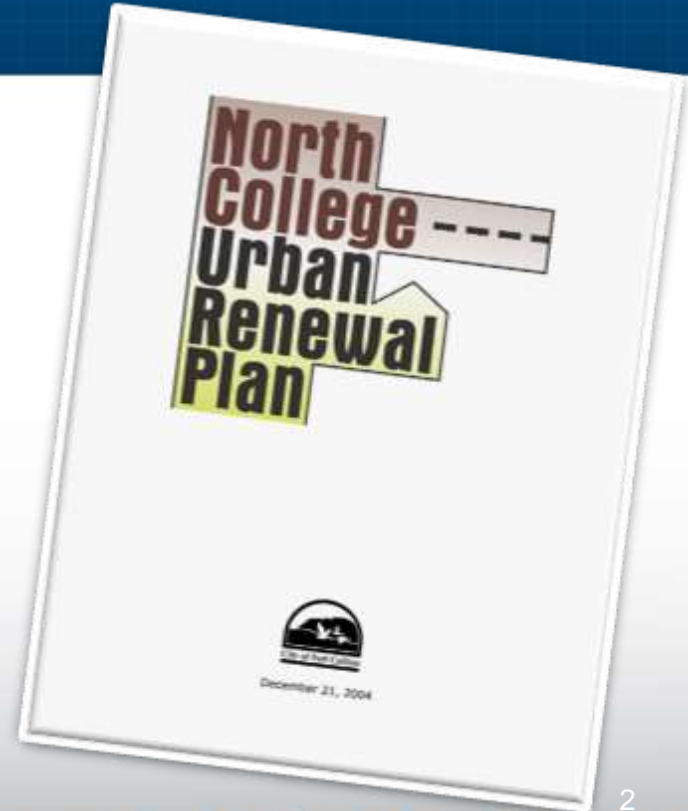


**North College Property Acquisition:  
1220 North College Ave.  
&  
Acquisition of Property  
By Urban Renewal Authorities**

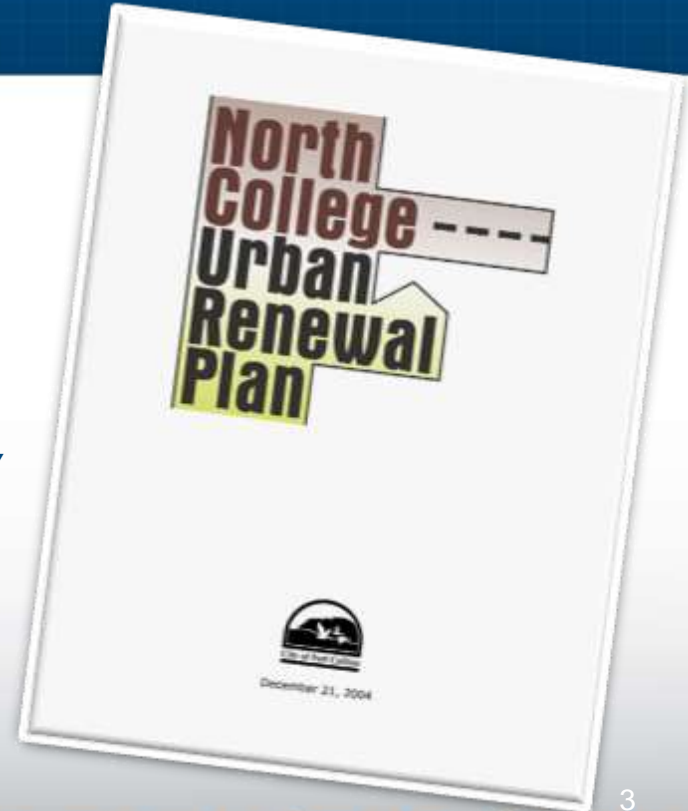


- 2004 Plan found 10 statutory factors of “blight”
- *“...these factors, taken together, substantially impair the sound growth of the City, constitute an economic and social liability, and are a menace to the public health, safety and welfare of the community.”*
- Blight conditions confirmed to remain at 1220 N College in May 2025



## 2004 Plan authorizes URA to:

*“...purchase any real property for an urban renewal project to remedy blight factors pursuant to the Urban Renewal Law and this Plan, the Authority may do so by any legal means available, including the exercise of the power of eminent domain, pursuant to the Urban Renewal Law.”*



## 1220 N College Avenue

- El Palomino Motel
- Six building, 36-room motel on 1.74 acres
- Subject to City of Fort Collins Public Nuisance Ordinance Program
- In past 12 months, 404 “Calls for Service” received by Fort Collins Police Services



- In October 2024, URA Staff began attempts to contact property owner to discuss a sale between “willing” seller and buyer; no response
- Property owner contacted URA Staff on January 24, 2025 indicating potential interest in a sale
- Letter of Intent to purchase was sent to owner on April 21, 2025; price offered above appraisal
- Significant difference persists in price offered/required and other deal terms





## **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
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.

**Questions and comments?**

