# **AGENDA ITEM SUMMARY**

City Council



#### **STAFF**

Marc Virata, Project Manager Dana Hornkohl, Capital Projects Manager Ralph Campano, Real Estate Manager

## **SUBJECT**

First Reading of Ordinance No. 135, 2025, Authorizing the Acquisition by Eminent Domain Proceedings of Certain Lands Necessary to Construct Cordova Road – North of Duff Drive.

## **EXECUTIVE SUMMARY**

The purpose of this item is to authorize the use of eminent domain to acquire right-of-way needed for constructing the Cordova Road – North of Duff Drive project (Project).

### STAFF RECOMMENDATION

Staff recommend adoption of the Ordinance on First Reading.

### **BACKGROUND / DISCUSSION**

Cordova Road is an existing roadway from the roundabout at Lincoln Avenue to Duff Drive, built by the Capstone Cottage development in 2017. The <u>Master Street Plan</u> (adopted November 21, 2023) shows Cordova Road extending northeast from Duff Drive, turning southeast, and eventually connecting to the existing section of International Boulevard. This extension will provide alternative ingress/egress to several neighborhoods and schools in the area. The Project seeks to acquire a section of the right-of-way necessary to ensure construction of Cordova Road, north of Duff Drive. (Attachment 1)

The Landing at Lemay Project Development Plan (PDP) directly north of Capstone Cottages, was approved at Planning Commission on September 21, 2023, and depicted the developer's dedication and construction of Cordova Road from Duff Drive to Link Lane. After Planning Commission approval and prior to entitlement, the developer informed the City that they were unable to acquire property intended for the Cordova Road dedication to the City. The site address of the property in question is 1292 East Lincoln Avenue, Parcel No. 8707200015, per Larimer County records.

Via their development agreement, the Landing at Lemay developer agreed to provide the City with \$500,000 towards securing the property identified for Cordova Road right-of-way. If the City is successful in acquiring the property while the Landing at Lemay is under construction, the developer will construct Cordova Road. If the City is not successful in acquiring the property in this timeframe, the developer has made an additional \$226,564 payment-in-lieu (PIL) for the local portion of Cordova Road associated with the dedication property between Duff Drive and Link Lane. This PIL will be returned to the developer if the property is acquired within the established timeframe. Council appropriated the developer contribution for

the property acquisition with Ordinance No. 116, 2024, and the developer contribution for the PIL with Ordinance No. 034, 2025.

Real Estate Services' (RES) staff contacted the property owner, CCC-Fort Collins LLC, to let them know about the City's intent to acquire the parcel in question and determine the owner's willingness to sell the parcel. After several conversations with the property owner, the property owner has asked and the City has determined to pursue a condemnation process, as the property owner has been unable to negotiate a release from the lender's interest in the property.

Currently, City staff believes the condemnation will be a friendly condemnation (uncontested) and believes that the City and the property owner will be able to come to an agreement on the sale price for the parcel.

The acquisition process will be conducted according to federal and state eminent domain requirements, which must be followed for all property interests throughout the entire acquisition process. These requirements ensure property owners are fairly compensated for their property interests. Staff recommends that City Council authorize the use of eminent domain for this acquisition to provide a fair and equitable process that will allow the City to meet Project goals and construction deadlines.

## **CITY FINANCIAL IMPACTS**

This action will not authorize any new funding for the Project. The action will authorize acquisition of the identified parcel by means of eminent domain. The total fund amount projected for this Project is \$726,564 composed of funds appropriated with prior actions. The development contribution PIL is subject to APP program transfers that were completed with prior appropriation.

Prior Appropriated Funds	
Development Contributions	\$ 726,564
TOTAL PRIOR APPROPRIATIONS	\$ 726,564

### **BOARD / COMMISSION / COMMITTEE RECOMMENDATION**

The Planning Commission approved the Landing at Lemay PDP on September 21, 2023, depicting the dedication and construction of Cordova Road.

## **PUBLIC OUTREACH**

The Landing at Lemay PDP had a neighborhood meeting on October 4, 2021, and was subject to the standard notice to owners of record within 800-feet of the development as prescribed in the Land Use Code.

## **ATTACHMENTS**

- 1. Vicinity Map
- 2. Landing at Lemay Development Agreement (excerpts)
- 3. Ordinance No. 116, 2024 (copy)
- 4. Ordinance No. 034, 2025 (copy)
- 5. Ordinance No. 135, 2025