

Remington/Oak Parking Lot Update

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1. What questions does Council have regarding the status of the Remington/Oak Parking Lot and its potential disposition?
2. What other feedback do councilmembers have as staff approaches this work moving forward?

- Acquired in 1977 from proceeds of a GID No. 1 bond issuance
- Purchase price ~ \$126,000
- Bonds matured in 1996 and were completely paid off
- Has operated as surface parking for nearly 5 decades

Significant redevelopment interest

e.g., 2008 public/private partnership to redevelop as a hotel





Approved by Council: February 2022

Executed: April 2022

Parties: Housing Catalyst (HC) & City of Fort Collins

Key Aspects:

- Included entirety of the Remington/Oak Parking Lot
- Envisioned a mixed-income redevelopment
- Required a minimum of 50% affordable housing at or below 80% Area Median Income
- Required 1:1 preservation or replacement of all existing and permitted parking spaces (approximately 152 space)
- Allowed for termination if:
 - Housing Catalyst did not apply for funding in 2022
 - Their application for funding was denied
 - The parties were unable to reach agreement on any matter
 - Either party is unable to fulfill its obligations under the MOU

Ongoing Discussion Highlights

- **January 2023** – HC shifts focus to Transformational Affordable Housing Funds after ARPA- & Pandemic-period funding did not materialize (*HC did not ultimately pursue this funding source*)
- **June 2023** – HC and City staff shift towards more traditional Low Income Housing Tax Credit (LIHTC) funding – targeting a 2024 application (*HC later decided not to pursue this funding*)
- **January 2024** – HC shared findings of their efforts including several headwinds:
 - Replacing parking spaces would render the project financially infeasible
 - Construction of the parking garage would require a complicated partnership
 - Public parking is not an eligible expense under LIHTC funding
- **September 2024** – Staff and HC discuss updating the MOU
- **January 2025** – HC presents new approach to the site including a new market rate development partner; Work on a Purchase and Sale Agreement Begins
- **March 2025** – Staff postpones PSA presentation to Finance at HC's request (*HC indicates a desire to do additional engagement*)





Two Primary Concerns:

1. Can the City sell property to private entity purchased with GID No. 1 funds?
 - *Legal review did not reveal any limitations to sell*
 - *All bonds have matured and been paid off*
 - *Property has served intended purpose for 5 decades*
2. Lack of replacement parking will negatively impact downtown parking capacity.
 - *Significant difference of perspective related to utilization*
 - *Parking analysis of evenings, weekends, & late evening reveals a different type of utilization pattern*
 - *Request to consider findings of ongoing Downtown Parking Optimization Study*

Many businesses echo these concerns

Additional Information

- Revised appraisal – significantly higher value
- Refined understanding of parking demand and impacts
- Input from DDA & Business Stakeholders
- Clarification on Parking Study timing and output

Evolved Thinking

- ***Utilization of parking*** different than originally understood
- ***Missed opportunities*** to engage stakeholders and follow common City practices when contemplated major partnerships
- ***Usefulness of Parking Study*** output to understanding both financial and operational health of Downtown Parking
- ***Narrow focus of efforts since 2022*** – myopic approach to redevelopment focusing on the City's affordable housing priority without considering other City/community priorities/goals
- ***Operating in isolation*** – not leveraging downtown partners





Key Reflection:

- Staff should have paused when the project shifted/changed
- Multiple points where we could/should have stepped back

Lesson Learned:

- Commitment and passion can overshadow process
- Need to work to actively avoid “spotlighting”

Next Steps:

1. Review and consider the Parking Study when complete
2. Implement Parking Study recommendations
3. Allow time for recommendations to impact parking demand and operations

In the meantime:

- Continue supporting affordable housing
- Improve disposition/ redevelopment processes for City owned property



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Thank you!