July 23, 2026

AGENDA ITEM SUMMARY
Urban Renewal Authority

STAFF

Josh Birks, Acting URA Executive Director
Andy Smith, Redevelopment Manager

SUBJECT

Resolution No. 168, Authorizing the Authority Executive Director to execute a Purchase and Sale Agreement ("PSA") to purchase property located at 1629 Blue Spruce Drive, Fort Collins, Colorado ("Property"), and a supplemental 2026 budget appropriation for $200,000 to fund for the initial deposit.

EXECUTIVE SUMMARY

The Purpose of this item is for the Authority to consider a resolution authorizing the Authority Executive Director to execute a Purchase and Sale Agreement ("PSA") to purchase property located at 1629 Blue Spruce Drive, Fort Collins, Colorado ("Property"), and a supplemental 2026 budget appropriation for $200,000 to fund for the initial deposit.

Authority staff and legal counsel have negotiated a PSA to acquire the Property subject to several conditions described below. Purchasing the property is not under consideration with this action; only the PSA and earnest money deposit upon which the Authority may begin due diligence. The Property is located adjacent to the east of Authority-owned property located at 1636 North College Ave ("1636") and is the subject of ongoing discussions with community organizations and partners toward the goal of the long-discussed community center/hub in mind. Upon mutual execution of the PSA, the Authority will have 120 days to complete due diligence, inspections, and partnership discussions.

STAFF RECOMMENDATION

Approval of the resolution and supplemental budget Resolution.

BACKGROUND / DISCUSSION

History

In 2019 and 2020, a significant community engagement effort was undertaken by the Authority and several community organizations including La Familia/The Family Center, Mi Voz, The Institute for the Built Environment, the North Fort Collins Business Association, and others. As a result of that effort, a wide variety of potential community-focused investments were identified and recommended for funding from the final ten (10) years of tax increment revenue to be collected by the Authority in the North College Urban Renewal Plan Area. A culturally attuned community center emerged as the community's highest priority.

At the same time, it became increasingly clear that the blighted vacant former grocery store at 1636 North College needed to be remediated. With an eye toward remediating blight while finding a suitable location for the loosely defined community center, the Authority purchased 1636 in July of 2025. Since then, the

Authority and its Neighborhood Revitalization Partner, Urban Land Conservancy, have begun a master-planning process for 1636 and several nearby properties owned by parties that have expressed interest in participating or partnering in the effort. Additionally, ongoing discussions with community organizations, residents, businesses, and others have continued, notably those organizations who may operate some of the uses and programs that could constitute a community center. Through this process, the initial idea that a community center must function as a collection of potential uses under one large roof has evolved to be nimbler and more flexible distributed approach. Specifically, various uses may still be clustered together in a functionally logical manner, yet dispersion of others, while still in proximity around a central plaza, may promote better urban design and mitigate concentration risks.

Understanding that the community center could be developed more like a community hub anchored by several key components or uses, and in recognition of the short amount of time left in the TIF collection period, Authority staff have explored opportunities to activate key components of the community hub sooner rather than later.

The Property

Authority staff became aware that 1629 Blue Spruce (the “Property”) was being marketed for sale. The roughly 30,000 square foot building is adjacent, on the East, to the URA owned property at 1636 N. College. The building is situated on approximately 2.2 acres of land. Authority staff toured the Property accompanied by real estate consultants and were impressed by the functionality, finish, and well-maintained condition. At $150 per square foot, the listed purchase price was very competitive and understood to be considerably less expensive than the cost of new construction (See Attachment 2).

The Property is a large 2 story office building that has been initially determined to be versatile and a good candidate for a variety of non-residential uses, including several that could form a community hub, including event space, office, classrooms, health care, childcare, business incubation, vocational/skills training, food related activities, and more. As such, upon preliminary consultation with several community organizations and construction experts, Authority staff believe the Property may present an opportunity to partner one or more of the identified uses sooner rather than later. Leading to integration of this opportunity into the ongoing master planning efforts.

Partnership Concepts

Authority staff have conducted promising conversations with potential partners exploring arrangements with partners on the purchase. Those conversations are ongoing and will accelerate in earnest when the URA executes a Purchase and Sale Agreement.

Furthering the URA Mission

The fundamental purpose of urban renewal is to remediate blight and prevent its further spread. This potential transaction meets that purpose in the following ways:

1. Securing the asset, which is in good condition, keeps it from becoming blighted in the future.

2. Connecting the use of the asset as community serving and supportive of the master plan taking shape for the area increases the chance of successfully delivering on the remediation of the blighted property at 1636 and similar adjacent conditions.

PSA Terms

- **Purchase Price**: $5,050,000
- **Due Diligence/Inspection**: 120 days
- **Closing**: 150 days
- **Contract**: Assignable
- **Earnest Money**: $200,000, applicable to the purchase price and refundable prior to the expiration of the Due Diligence period.
- **Extension Period**: The Due Diligence period can be extended by 30 days with an additional deposit of $50,000 earnest money which is applicable to the purchase price but not refundable.
- **Leaseback**: The Seller has requested a short amount of time to lease back the property after closing while they purchase and finish a replacement property. A series of below-market leases with escalating rent increases has been included in the PSA as general economic terms to be further negotiated and finalized while in the Due Diligence period.

AUTHORITY FINANCIAL IMPACTS

The $200,000 deposit will be funded with tax increment revenue collected from the North College Urban Renewal Plan Area. The deposit is refundable and applicable to the purchase price if the Authority proceeds with the acquisition. Discussion continues with potential community partners about the cost of acquisition that may ultimately mitigate any cost to the URA. Therefore, the actual financial impact could be $0 and cannot be more than $200,000 regardless of how the transaction progresses.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

The Authority Board discussed the Property in Executive Session at their meeting on May 28, 2026.

PUBLIC OUTREACH

Potential community partners.

ATTACHMENTS

1. Resolution No. 168
2. Staff Presentation