

**URBAN RENEWAL AUTHORITY BOARD**

**December 15, 2015**

**6:50 PM**

• **ROLL CALL**

PRESENT: Overbeck, Campana, Troxell, Cunniff, Horak, Martinez, Stephens

Staff Present: Atteberry, Daggett, Winkelmann

• **CITIZEN PARTICIPATION**

Eric Sutherland stated obligations made by the Urban Renewal Authority are not compatible with the Urban Renewal Authority statutes.

1. **Consideration and Approval of the Minutes of the September 8 and November 17, 2015 Urban Renewal Authority Meetings. (Adopted)**

*The purpose of this item is to approve the minutes from the September 8 and November 17, 2015 Urban Renewal Authority Board meetings.*

Vice Chair Horak made a motion, seconded by Boardmember Overbeck, to approve the minutes of the September 8 and November 17, 2015 Urban Renewal Authority Board meetings.

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Gerry Horak, District 6
<b>SECONDER:</b>	Gino Campana, District 3
<b>AYES:</b>	Overbeck, Campana, Troxell, Cunniff, Horak, Martinez, Stephens

2. **Resolution No. 079 Approving a Redevelopment Agreement Between the Fort Collins Urban Renewal Authority and Hickory Commons, LLC. (Adopted as Amended)**

*The purpose of this item is to consider a Redevelopment Agreement between the URA and Hickory Commons, LLC for \$136,072 of tax increment financing assistance. This tax increment financing (TIF) assistance is proposed as reimbursement for stormwater facility costs, including a neighborhood drainage outfall, associated with a proposed development consisting of two (2) 11,000 square foot industrial buildings and one (1) 7-unit live/work condo building.*

Patrick Rowe, Interim Redevelopment Program Coordinator, stated the North College Citizens' Advisory Group has recommended support for the Hickory Commons application and the URA Finance Group has recommended the application be presented to the full Board. He discussed the project location, stating the site is currently a vacant property. The proposed project involves the development of two warehouses and one seven-unit live-work building. The project includes an oversized stormwater system which may benefit the neighboring property owners. The application requests reimbursement of the entire stormwater drainage system and outfall, which is estimated to cost \$136,072, of which \$40,000 is estimated to be eligible for repayment, which would be assigned to the URA per the redevelopment agreement.

Larimer County has calculated an annual property tax increment of \$72,000, which extrapolates to \$888,000 over the life of the URA. The return on investment without TIF assistance is 3.3%, and with the URA support, 6.07%. The entire project must be complete prior to the initial TIF payment.

Eric Sutherland stated he does not believe the state has the legal authority to disperse money to the Fort Collins Urban Renewal Authority and stated TIF is debt finance reimbursement only.

Vice Chair Horak made a motion, seconded by Boardmember Cunniff, to adopt Resolution No. 079.

Boardmember Cunniff noted the stormwater system is oversized and asked if that is a primary reason to fund the project. Rowe replied in the affirmative.

Boardmember Cunniff asked if this aspect of the project would occur without URA support. Rowe replied staff is comfortable that the stormwater system would not be the same without the support of the URA.

Boardmember Cunniff stated he would support the motion given the public benefit.

Boardmember Campana commended Rowe on his presentation and stated he is not opposed to the reimbursement through TIF of the installation of the storm drainage facilities; however, the reimbursement should come back for the oversizing and the benefit of the surrounding properties, but not for the property itself. He suggested the possibility of reimbursing the amount which would benefit everything except the subject property, allowing standard engineering practices to calculate that amount.

Vice Chair Horak asked if this situation is different than other URA TIF storm drainage projects. Rowe replied the most peculiar stormwater constraint for this site is that there is no outfall to convey the flows from the site.

Boardmember Campana stated he would support reimbursement for public improvements; however, he does not believe the on-site improvements should be reimbursed.

City Attorney Daggett stated staff can work on language modifications for the Resolution which will make clear the Board's intent.

Boardmember Cunniff stated his understanding was that the \$136,072 was only for the off-site portions. Rowe replied that amount is for the entire stormwater system and a portion of that benefits this particular development.

Jeff Mihelich, Deputy Director, suggested the possibility of including language which states the developer shall only be reimbursed for those stormwater improvement costs that are not on the subject property, other than the lateral into the property from the property to the west. Boardmember Campana stated that would be acceptable to him.

Bob Gowling, Apex Engineering, stated the needs for the project are substantially smaller than the storm drainage proposal and discussed the ways in which the project would be decreased in size were it just to serve the subject property and not involve TIF financing.

Boardmember Campana asked about the additional cost being paid by the developer to accommodate future flows from other properties. Mr. Gowling replied that number could be calculated.

Boardmember Cunniff asked about the timeline for development of this project. Charlie Masserlian, property owner, replied the plan is to start construction in the spring.

Boardmember Cunniff asked if the schedule would be negatively impacted should this item be postponed to January for consideration. Mr. Masserlian replied in the negative.

Boardmember Cunniff made a motion, seconded by Boardmember Overbeck, to postpone this item to January 5, 2016.

City Attorney Daggett suggested taking a short recess in order to evaluate a potential postponement.

(Secretary's Note: The Board took a brief recess at this point in the meeting.)

City Attorney Daggett presented Resolution wording changes which would capture some of the discussion.

Boardmembers Cunniff and Overbeck withdrew the motion to postpone.

Vice Chair Horak and Boardmember Cunniff accepted the proposed language modifications as presented by City Attorney Daggett.

Boardmember Campana commended the language modifications.

Chair Troxell discussed the future need for making clear the difference between public and private benefits in terms of URA projects.

<b>RESULT:</b>	<b>Resolution No. 079 ADOPTED AS AMENDED [UNANIMOUS]</b>
<b>MOVER:</b>	Gerry Horak, District 6
<b>SECONDER:</b>	Ross Cunniff, District 5
<b>AYES:</b>	Overbeck, Campana, Troxell, Cunniff, Horak, Martinez, Stephens

● **OTHER BUSINESS**

Boardmember Cunniff requested information regarding the date at which the new URA Board will be seated. Mihelich replied that date will be included on the six-month planning calendar as soon as possible.

- ADJOURNMENT

The meeting adjourned at 7:41 PM.



Chair

ATTEST:



Secretary

