

City to pay developer \$125,000

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Settlement rides on Denver man dropping suit in store dispute

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The Coloradoan

The city of Fort Collins will pay a Denver developer \$125,000 to

drop a lawsuit against the city that claims City Council actions cost him the chance to build a King Soopers store along Harmony Road.

City Attorney Steve Roy said the city will pay developer Jim Sullivan \$125,000 and return \$1,850 in development application fees that he paid in 1994 to start the process of building a shopping center near the intersection of Harmony Road and Mc-

Murray Avenue.

The city will file a motion today in Larimer District Court to have the suit dismissed, Roy said. Sullivan had sought \$3 million in damages.

The decision to settle rather than fight the suit came after weighing the potential cost of litigation and the city's chances of winning the court battle, Roy said.

"In this case, the city believes

this a reasonable action and in the best interests of the city," Roy said.

City Manager John Fischbach said the decision to settle doesn't necessarily mean that officials thought they could not win in court.

"We estimated it would cost about \$100,000 in legal fees to fight this," he said. "It worked out to be pretty much a straight trade-off."

Council member Bob McCluskey said he liked the city's chances of winning in court. But he said the settlement was "a good financial decision."

"It's no small sum, but with the potential for what this could have cost us going through the process, even if we won, I think this is a good move," he said.

Sullivan had proposed building

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a 160,000-square-foot shopping center anchored by a King Soopers. He filed a development application with city planners June 7, 1994.

A month later, the City Council adopted a six-month moratorium for commercial development along the Harmony Road corridor, effectively shutting down Sullivan's proposal. Sullivan's plans had been sharply criticized by residents of the nearby Golden Meadows subdivision.

The council later adopted a comprehensive development plan for Harmony Road, but made it retroactive to June 1, six days before Sullivan filed the development application.

In his suit, Sullivan claimed the council's actions cost him the chance to buy and develop the property.

He could not be reached for comment.

Safeway has proposed building a store on the same site as part of a 115,000-square-foot shopping center.

The city Planning and Zoning Board has given initial approval to the proposal, and is expected to have a second hearing on the project this summer.