

**AGENDA ITEM SUMMARY**  
**FORT COLLINS CITY COUNCIL**

**ITEM NUMBER: 8**

**DATE: April 17, 2007**

**STAFF: Matt Baker**

**SUBJECT**

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Second Reading of Ordinance No. 047, 2007, Appropriating Funds for the Harmony and Ziegler Roads Front Range Village Improvements Project.

**RECOMMENDATION**

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Staff recommends adoption of this Ordinance on Second Reading.

**EXECUTIVE SUMMARY**

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This Ordinance, unanimously adopted on First Reading on March 20, 2007, appropriates funds for arterial street improvements to support the development of the Front Range Village. There are extensive improvements planned for Harmony Road to widen it to a 6-lane arterial from Timberline to Ziegler, including the construction of a new signalized intersection at Harmony and Corbett. There are also extensive improvements planned for the Ziegler/Harmony intersection, including widening it to a 4-lane arterial between Harmony and Horsetooth.

**ATTACHMENTS**

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1. Copy of First Reading Agenda Item Summary - March 20, 2007.

## AGENDA ITEM SUMMARY

### FORT COLLINS CITY COUNCIL

ITEM NUMBER: 16

DATE: March 20, 2007

STAFF: Matt Baker

COPY

#### SUBJECT

First Reading of Ordinance No. 047, 2007, Appropriating Funds for the Harmony and Ziegler Roads Front Range Village Improvements Project.

#### RECOMMENDATION

Staff recommends adoption of this Ordinance on First Reading.

#### FINANCIAL IMPACT

This Ordinance appropriates \$2,872,500 in unanticipated revenue from Contributions-in-Aid-of-Construction in the Street Oversizing Fund (received from the Front Range Village Retail Company and the Financial Assistance Agreement Pertaining to Development of the Front Range Village), and transfers an additional \$2,050,000 from existing appropriations in the Street Oversizing Fund into the Capital Projects Fund, in order to construct arterial roadway improvements for Harmony Road and Ziegler Road. In conjunction with this project, the intersection of Harmony/Ziegler will be upgraded with concrete paving using \$750,000 in funds transferred from the Harmony Maintenance Fund. In addition, \$1,400,000 from the Harmony Maintenance Fund will be transferred into the Street Oversizing Fund for the deferment of Street Oversizing Fees due with Lot 11 and Lot 15 of this development. Upon payment of the fees by the developer, these funds will be returned to the Harmony Maintenance Fund. This project will go to bid as soon as funds are available.

#### EXECUTIVE SUMMARY

Arterial street improvements are necessary to support the development of the Front Range Village. There are extensive improvements to Harmony Road to widen it to a 6-lane arterial from Timberline to Ziegler, including the construction of a new signalized intersection at Harmony and Corbett. There are also extensive improvements to the Ziegler/Harmony intersection. The widening of Ziegler to a 4-lane arterial between Harmony and Horsetooth will be completed, along with intersection improvements to Ziegler/Horsetooth, proposed to be a modern roundabout. Roadway improvements include the installation of curb-and-gutter, asphalt paving, bike lanes, landscaped medians, and storm and sanitary sewers.

The construction is planned to begin in June 2007 and be completed on May 15, 2008.

**BACKGROUND**

The Front Range Village will begin construction in March of this year. Extensive roadway improvements to both Harmony Road and Ziegler Road are required to support this intensity of traffic volumes on the surrounding roadway network. The developer has requested and received from the City financial assistance as specified in the "Financial Assistance Agreement Pertaining to the Development of the Front Range Village" and approved by City Council by Resolution 2006-126. Because of the level of improvements needed to major City arterials and the impact to surrounding businesses and industries, the City Street Oversizing Program will manage the complex construction of the adjacent roadways, allowing the developer to concentrate on site improvements to support the opening of this important retail center.

Funding of the roadway improvements will be accomplished by the following contributions:

Street Oversizing Fund	\$2,050,000
Harmony Maintenance Fund	
(Harmony/Ziegler Concrete Intersection)	\$ 750,000
Developer ROW Acquisition	\$ 172,500
Developer Contribution in Aid of Construction	<u>\$2,700,000</u>
Total Project Cost	\$5,672,500

Of the \$2,700,000 contributed by the developer, \$2,000,000 is derived from the financial incentive package agreement between the City and developer (Section 4 of the "Financial Assistance Agreement Pertaining to Development of the Front Range Village Agreement"), and represents the amount originally pledged to the developer as a reimbursement for off site improvements. This amount will now be used by the City's Street Oversizing Program for the design and construction of the off site improvements.

In Section II.D.3. of the Development Agreement, the City has agreed to make the payment of Street Oversizing Capital Expansion Fees from the issuance of building permit for Lots 11 and 15. This City will pre-pay these fees (required by City Code at building permit) from funds transferred from the Harmony Maintenance Fund. These monies would then be reimbursed to the Harmony Maintenance Fund upon the earlier of the issuance of a certificate of occupancy for these two lots or August 1, 2008. The amount of deferred fees for these two lots is \$1,400,000. Only these two lots are eligible for this deferment, all other lots will pay their respective fees prior to the issuance of each building permit as required by Code.

The developer will provide the remaining \$700,000 cash deposit by April 15, 2007.

The developer will also provide an additional \$172,500 for acquisition of rights-of-way necessary for this project. Right-of-way has not been acquired through normal development dedications. In addition, the proposed roundabout at Zeigler and Horsetooth will require additional right-of-way purchases. Temporary construction easements will also be needed for the project. In order to complete the roadway improvements prior to the opening of the retail center, staff will request authorization for eminent domain proceedings for all acquisitions necessary for the project as soon as legal descriptions are completed, which are anticipated next month. Good faith negotiations with property owners will begin immediately.

ORDINANCE NO. 047, 2007  
OF THE COUNCIL OF THE CITY OF FORT COLLINS  
APPROPRIATING FUNDS FOR THE HARMONY AND ZIEGLER ROADS  
FRONT RANGE VILLAGE IMPROVEMENTS PROJECT

WHEREAS, extensive roadway improvements to both Harmony Road and Ziegler Road are required to support the anticipated increase in traffic volumes to the City's roadway network surrounding the site of the Front Range Village Retail Center ("Front Range Village"), to be constructed beginning in March of this year; and

WHEREAS, due to the level of improvements needed to the major City arterials and the impact to surrounding businesses and industries, the City's Street Oversizing Program will manage construction of the adjacent roadways, allowing Front Range Retail Company LLC (the "Developer") of Front Range Village to focus on site improvements to support opening of the retail center; and

WHEREAS, the scope of the arterial street improvements include the widening of Harmony Road to a six-lane arterial from Timberline Road to Ziegler Road, including the construction of a new signalized intersection at Harmony and Corbett; improvements to the Ziegler and Harmony intersection; widening of Ziegler Road to a four-lane arterial between Harmony and Horsetooth Roads; and, intersection improvements at Ziegler and Horsetooth Roads (the "Project"); and

WHEREAS, the arterial roadway improvements include installation of curb-and-gutter, asphalt paving, bike lanes, landscaped medians, and storm and sanitary sewers; and

WHEREAS, the Developer has requested and received financial assistance from the City as specified in the Financial Assistance Agreement Pertaining to the Development of the Front Range Village (the "Agreement"), approved by the City Council, on December 5, 2006, by the adoption of Resolution 2006-126; and

WHEREAS, in accordance with Section 4.2 of the Agreement, the City has agreed to remit \$2,000,000 to the Developer to offset a portion of the cost of the Developer's share of significant transportation improvements related to the Front Range Village project, upon approval of the work by the City Engineer; and

WHEREAS, the Development Agreement between the City and the Developer for the Front Range Village states that the City will prepay, on the Developer's behalf, the City's Street Oversizing Capital Expansion Fees in the amount of \$1,400,000 for Lots 11 and 15 of the Front Range Village prior to the issuance of building permits for the Lots, and that the Developer will then reimburse the City for such payment upon the issuance of certificates of occupancy for the Lots or by August 1, 2008, whichever occurs first; and

WHEREAS, staff has determined that the \$1,400,000 needed for this repayment should be appropriated from Transportation Services Fund for prior year reserves for Harmony Road Maintenance and transferred to the Street Oversizing Fund for appropriation; and

WHEREAS, in addition, the Developer agrees to pay to the City \$700,000 in contributions-in-aid of construction for arterial roadway improvements and \$172,500 for acquisition of right-of-way necessary for development of the Front Range Village; and

WHEREAS, the estimated cost of the arterial roadway improvements surrounding the area of the Front Range Village project is \$5,672,500; and

WHEREAS, Staff has identified funding sources for the Project as follows:

Transportation Services Fund – Prior Year Reserves for Harmony Road Maintenance	\$2,750,000
Street Oversizing Fund – Existing Appropriations	\$2,050,000
Developer Contributions – Front Range Village Retail Company LLC	<u>\$ 872,500</u>
Total	\$5,672,500

WHEREAS, Article V, Section 9, of the Charter of the City of Fort Collins (the “Charter”) permits the City Council to make supplemental appropriations by ordinance at any time during the fiscal year, provided that the total amount of such supplemental appropriations, in combination with all previous appropriations for that fiscal year, does not exceed the current estimate of actual and anticipated revenues to be received during the fiscal year; and

WHEREAS, City staff has determined that the appropriation of transferred funds (\$2,750,000) from the Transportation Services Fund prior year reserves for Harmony Road Maintenance, and the Developer contributions (\$872,500) from Front Range Village Retail Company LLC will not cause the total amount appropriated in the Capital Projects Fund – Harmony Road and Ziegler Road Improvements – Front Range Village Development capital project to exceed the current estimate of actual and anticipated revenues to be received during the fiscal year; and

WHEREAS, Article V, Section 10, of the Charter authorizes the City Council to transfer by ordinance any unexpended and unencumbered amount or portion thereof from one fund or capital project to another fund or capital project, provided that the purpose for which the transferred funds are to be expended remains unchanged; and

WHEREAS, it is the desire of the Council to appropriate the sum of \$3,622,500 in transferred funds from the Transportation Services Fund (\$2,750,000) and Developer contributions (\$872,500), in the Capital Projects Fund – Harmony Road and Ziegler Road Improvements – Front Range Village Development capital project, authorize the transfer of appropriations, totaling \$2,050,000, from the Street Oversizing Fund to the Capital Projects Fund – Harmony Road and Ziegler Road Improvements – Front Range Village Development capital project to be used to construct arterial roadway improvements to Harmony and Ziegler Roads, and appropriate \$1,400,000 from prior year reserves in the Transportation Services Fund for transfer to the Street Oversizing Fund to be used to further street oversizing purposes.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

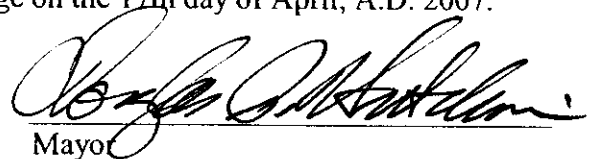
Section 1. That there is hereby appropriated for expenditure from prior year reserves in the Transportation Services Fund, the sum of TWO MILLION SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$2,750,000) for transfer to the Capital Projects Fund - Harmony Road and Ziegler Road Improvements – Front Range Village Development capital project, and appropriated therein, to be used to construct arterial roadway improvements to Harmony and Ziegler Roads.

Section 2. That there is hereby appropriated for expenditure from unanticipated revenue in the Capital Projects Fund - Harmony Road and Ziegler Road Improvements – Front Range Village Development capital project, the sum of EIGHT HUNDRED SEVENTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$872,500), representing developer contributions from Front Range Village Retail Company LLC, to be used to construct arterial roadway improvements to Harmony and Ziegler Roads.

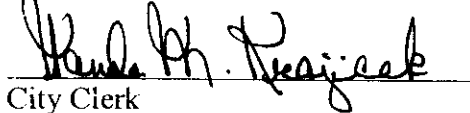
Section 3. That the unexpended appropriated amount of TWO MILLION FIFTY THOUSAND DOLLARS (\$2,050,000) is hereby authorized for transfer from the Street Oversizing Fund to the Capital Projects Fund - Harmony Road and Ziegler Road Improvements – Front Range Village Development capital project, to be used to construct arterial roadway improvements to Harmony and Ziegler Roads.

Section 4. That there is hereby appropriated for expenditure from prior year reserves in the Transportation Services Fund, the sum of ONE MILLION FOUR HUNDRED THOUSAND DOLLARS (\$1,400,000) for transfer to the Street Oversizing Fund and appropriated therein for street oversizing purposes.

Introduced, considered favorably on first reading, and ordered published this 20th day of March, A.D. 2007, and to be presented for final passage on the 17th day of April, A.D. 2007.

  
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Mayor

ATTEST:

  
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City Clerk

Passed and adopted on final reading on the 17th day of April, A.D. 2007.

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Mayor

ATTEST:

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City Clerk