

DATE: April 29, 2013
STAFF: Josh Birks
Bruce Hendee

AGENDA ITEM SUMMARY
FORT COLLINS CITY COUNCIL

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SUBJECT

Continuance of Items Relating to the Foothills Mall to May 7, 2013.

- A. Public Hearing and Consideration of Amendments to the Midtown Urban Renewal Plan to Authorize the Use of Tax Increment Financing in the Foothills Mall Area of the Plan.
- B. Public Hearing and Consideration of Amendments to the Foothills Metropolitan District Service Plan.

EXECUTIVE SUMMARY

Staff has proposed that the Midtown Urban Renewal Plan be amended to authorize the use of tax increment financing in the Foothills Mall area of the Plan, in connection with the furtherance of a proposed redevelopment of the Foothills Mall for the eradication of blight under the Plan. As required in connection with such an amendment, notice of a public hearing on the Plan amendment for April 29, 2013 was provided to all property owners, residents, and owners of business concerns in the Urban Renewal Area, and to Larimer County, and was published in the Fort Collins Coloradoan.

In addition, amendments to the Service Plan of the Foothills Metropolitan District related to the redevelopment of Foothills Mall have also been proposed. Notice of a public hearing for April 29, 2013 on the proposed amendments was published and mailed, as required by City policy.

Staff is requesting that each of the two public hearings described in the notices and consideration of the related items be continued to May 7, 2013, to allow further time for development of the details of a related redevelopment and reimbursement agreement, as well as a related preliminary agreement with Larimer County.

BACKGROUND / DISCUSSION

Urban Renewal Plan Amendment

The Midtown Urban Renewal Plan (Plan) was adopted by the Urban Renewal Authority (URA) Board in September 2011, and ratified and reaffirmed February 2013. The purpose of the Plan is to provide the URA the opportunity to use tax increment financing (TIF) to remediate blighted conditions through development and redevelopment. In July 2012, Walton Foothills Holdings IV, LLC (Owner), purchased Foothills Mall and adjacent property with the intent to complete a significant redevelopment.

An Agreement to Negotiate was executed between the Owner and the URA in November 2012, and discussions with regard to the public financing package have been occurring since; one component of the package being TIF via the URA. In order to utilize TIF, City Council must first amend the existing Plan and create a TIF District. Once a TIF District is created, the URA is permitted to collect incremental tax revenue for a period of up to 25 years.

Notice was mailed to all property owners, residents, and owners of business concerns in the Urban Renewal Area on March 29, 2013, and published in the Fort Collins Coloradoan on March 29, 2013, that a public hearing would be held by the City Council on April 29, 2013, for the purpose of amending the Plan to authorize the use of tax increment financing in the Foothills Mall area of the Plan, as well as other undertakings and activities in accordance with the Colorado Urban Renewal Law, Sections 31-25-101, et seq., C.R.S. In addition, required notice and an estimation of fiscal impacts was provided to Larimer County on January 25, 2013.

Foothills Metropolitan District Service Plan Amendment

In addition, to allow the use of the Foothills Metropolitan District (District) to raise revenues and incur debt in connection with the Redevelopment and Reimbursement Agreement currently being prepared for City Council consideration on May 7, 2013, amendments to the Service Plan for the District are required. An initial Service Plan for the District was approved by the City Council on September 4, 2012, and the District was subsequently formed after

approval by the voters in the District area. The initial Service Plan did not authorize the District to move forward to fund, build or finance improvements, with the expectation that approval of amendments would be proposed for Council consideration to the extent required to carry out the purposes of the District, in light of the specific redevelopment project plans and the related financing terms.

Procedures for approval and amendment of metropolitan district service plans are set out in the City's metropolitan district policy (adopted by the Council on July 15, 2008). In addition to published notice of a required public hearing, the City's policy also requires that notice be mailed to all owners of property within the District service area. Notice of a public hearing on a proposed amendment to the District Service Plan scheduled for April 29, 2013, was published, and notices have been mailed to all owners of property within the District area as required in the City policy.

Staff is requesting that each of the two public hearings described in the notices, and consideration of the related items, be continued to May 7, 2013, in order to allow further time for development of the details of a related redevelopment and reimbursement agreement, as well as a related preliminary agreement with Larimer County.

FINANCIAL / ECONOMIC IMPACTS

Continuation of the Public Hearings has no direct financial/economic.

ENVIRONMENTAL IMPACTS

Continuation of the Public Hearings has no direct environmental impacts.

STAFF RECOMMENDATION

Staff recommends that the Council continue each of these Public Hearings to May 7, 2013.