



Legislation Text

File #: Ordinance 06-2020, **Version:** 2

Agenda Date: 02/04/2020

Subject:

Ordinance 06-2020: An ordinance on second reading repealing the Columbine Square Urban Renewal Area and abolishing the Littleton Invests for Tomorrow Urban Renewal Authority

Prepared by: Reid Betzing, City Attorney
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PURPOSE:

To approve on second reading repeal of the Columbine Square Urban Renewal Area and abolishing the Littleton Invests for Tomorrow (LIFT) Urban Renewal Authority.

PRESENTATIONS:

Staff Presenter(s): Reid Betzing, City Attorney

Additional Presenter(s): N/A

SUMMARY:

The ordinance would repeal the Columbine Square Urban Renewal Area and abolish LIFT.

PRIOR ACTIONS OR DISCUSSIONS:

Council held a study session on January 7, 2020 to discuss the future of LIFT.

Passed on first reading at the regular meeting of city council on January 21, 2020.

ANALYSIS:

Staff Analysis

On November 4, 2014, city council determined that blight conditions as defined by C.R.S. § 31-25-103(2) existed in the Columbine Square Urban Renewal Area.

On December 16, 2014, the city entered into a Cooperation and Loan Agreement with LIFT that allowed it to borrow up to \$200,000.00 from the city. Over the course of that agreement, LIFT drew down on the line of credit in the amount of \$150,000.

On November 19, 2019, city council amended the terms of the loan agreement to provide an extension of the loan repayment.

On December 12, 2019, LIFT tabled voting on the amended loan agreement wanting further discussion with council and to renegotiate the terms. Payments of that loan were due to be repaid in full by December 16, 2019 and have not been repaid. As such, LIFT is technically in breach of contract and in default.

On January 7, 2020, a study session was held to obtain council direction regarding LIFT and the outstanding repayment of the loan. At the study session, council discussed the challenges of the Columbine Square Urban Renewal Area and gave direction to staff to prepare an ordinance repealing the Columbine Square Urban Renewal Area and abolishing LIFT.

Council Goal, Objective, and/or Guiding Principle

N/A

Fiscal Impacts

The principal amount of the loan is \$150,000, with a total balance of \$154,443.75 as of 12/31/19. This was due in full to the City of Littleton on December 16, 2019.

As of December 31, 2019, LIFT holds \$429,481.23 in its bank accounts.

Alternatives

Approve the ordinance repealing the Columbine Square Urban Renewal Area and abolishing LIFT.

Renegotiate the terms of the cooperation and loan agreement.

STAFF RECOMMENDATION:

Staff makes no recommendation as this is a council policy issue.

PROPOSED MOTION:

I move to approve the ordinance on second reading repealing the Columbine Square Urban Renewal Area and abolishing the Littleton Invests for Tomorrow Urban Renewal Authority.