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15 September 2020

Mr. Peter Brixius
City Manager
City of Craig
300 West 4th Street
Craig, CO 81625

RE: Proposal to Provide Urban Renewal Products and Resources

Dear Mr. Brixius,

On behalf of Ricker | Cunningham (RC), Real Estate Economists and Community Strategists, we are pleased to submit this proposal to assist the City of Craig (herein referred to as the "City") with advancing its intentions to create and urban renewal authority and establish one or more urban renewal plan areas. As we understand the situation, you have identified several parcels of land located in the downtown core of the community, as well as along major transportation routes and other locations that could support a variety of community development initiatives. Services described in this submittal generally include the preparation of documents required by the Colorado Urban Renewal Statute (herein referred to as the "Law" or "Act") prior to the adoption of one or more urban renewal plans and collection of incremental revenues by the City's urban renewal entity. Additional tasks involving education of stakeholders, residents, city leaders, and staff; notification of property and business owners as required by the urban renewal law; and negotiations with taxing entities regarding allocation of incremental resources to the urban renewal authority, have also been added. Note: While the work tasks presented are in sequential order, many will be completed in parallel with each other.

Approach

Work Element: Creation of Urban Renewal Authority | Preparation of Conditions Survey Report

Task 1: Authority Board Petition

RC will assist with preparation of a petition to form an urban renewal authority for the City. We will also be available to guide city officials through identification of appropriate (and qualified)

potential petitioners. If requested to do so, we can also assist with preparing documentation regarding the basis for this effort, along with certain attributes of urban renewal as a municipal financing mechanism.

Task 2: Survey Boundary Discussion

RC will facilitate a meeting with representatives of the City and project team regarding the inclusion or exclusion of parcels in the survey area, as well as possible factors that might dictate preparation of more than one condition survey report. RC will synthesize notes from the meeting so that there is a record of decisions.

During this same meeting, RC will be prepared to guide discussions regarding the potential make-up of the authority board (i.e., City Council or appointed), as well as strategies to work with relevant taxing entities in identifying their board representatives.

Task 3: Property Owner Notification

RC will work with City staff and legal counsel to identify individuals, businesses, and other special interests requiring notification that a survey is commencing and a public hearing is scheduled to consider formation of an urban renewal authority. In addition, we will be available to assist with drafting the notice language, placing it in statutorily-required publications, and distributing it to appropriate individuals and organizations.

Task 4: Informational Meetings

RC will prepare and present information related to the assignment and urban renewal in general, to different public and stakeholder audiences. Meeting materials will be available for distribution and publication on the City's website and other locations deemed appropriate. If requested to do so, we will be prepared to meet with select property and/or business owner interests on an individual basis, but would request that these be scheduled to coincide with other project meetings.

Task 5: Data Gathering and Field Investigation

RC will collect information including: electronic GIS base map files and aerial photography that shows the location of streets, parcel boundaries, and other features; as well as, relevant physical, regulatory, and political data. In addition, we will physically investigate parcels in the survey area or areas, and document conditions within real properties, public spaces, and supporting infrastructure that suggest the presence of "blight" as defined in the Act. Representatives of RC do not inspect the interiors of structures unless specifically requested to do so, and only after access has been arranged for by the City or representative of properties. Rather, all observations will be made from rights-of-way or other locations that are commonly accessible to the general public.

Conditions such as building code violations, traffic accident data, street capacity, and design deficiencies which cannot be observed through photography or visual examination, will be identified through discussions with appropriate individuals in various departments of the City or other public agencies. Regarding the statutory blight factor “g” related to “defective or unusual conditions of title,” due to the cost and time-consuming nature of real property title searches, RC will only consider conditions related to this factor if verifiable information is provided by the City or agent of relevant properties.

Task 6: Base Mapping

RC will prepare base and supporting maps, along with other exhibits illustrating the location and severity of relevant conditions, using information gathered through completion of Work Task 5.

Task 7: Draft and Final Conditions Survey Report

RC will prepare a draft report describing and illustrating conditions in the survey area, along with an explanation of whether or not they are consistent with requirements set out in the Act, and transmit it to representatives of the City and Project Team in electronic (PDF) format for review. Upon receipt of comments, we will make any revisions and issue a final report formatted in a manner suitable as either a single or multiple stand-alone documents or attachments to subsequent urban renewal documents.

Task 8: City Council Presentation

Once the final survey report is complete, representatives of RC will present the findings at a publicly-noticed hearing of City Council, along with the completed petition and any other information deemed necessary and beneficial to the process and project objectives.

Work Element 2: Preparation of Urban Renewal Plan and Impact Reports

Task 9: Plan Boundary Discussion

RC will participate in a discussion with representatives of the City and Project Team to consider the inclusion or exclusion of parcels from the survey area for the proposed plan area or areas (herein referred to as the “Plan Area”). RC will share relevant information from completion of previous tasks that may inform these decisions, as well as potential impacts on business and property interests, and the community at-large.

Task 10: Market Analysis

RC will conduct an analysis of existing and projected market conditions in an effort to quantify support for land uses and product types proposed within the Plan Area, potential rates of absorption, and project cost and revenue thresholds. Conclusions derived from this work will be used to inform underlying assumptions necessary to estimate potential impacts to partner taxing entities.

Task 11: Plan Components

RC will review relevant policy, regulating, and budgetary documents which will inform future investment in the Plan Area. With an understanding of market forces, the community's vision, and prevailing controls and standards, RC will define public and private initiatives necessary to advance urban renewal development projects in the area, along with related undertakings of the Authority. Supporting illustrations will be taken from existing City documents (comprehensive and related planning resources) and any development and redevelopment proposals (as available), to ensure consistency with the same.

Task 12: Draft and Final Urban Renewal Plan Report

RC will prepare a draft urban renewal plan report or reports, incorporating discussions about anticipated urban renewal projects and authority undertakings, development goals, priority initiatives, plan and authority powers and resources, and intended approach to remedying "blight" and advancing community objectives. Supporting illustrations that communicate desired outcomes and ensure consistency among the City's existing policy resources will either be prepared or reproduced.

As per the Act, legal descriptions of the Plan Area or Areas, and Tax Increment Financing (TIF) district (if the boundaries of latter are not coterminous with the former), prepared and certified by a licensed surveyor, must be incorporated into the Plan document and appear with the public notice. This work will need to be contracted for by the City under a separate agreement. Fees associated with preparation of any legal description(s) are not included in the estimate of fees presented here.

RC will transmit a draft Urban Renewal Plan report to the City in electronic (PDF) format for review. Upon receipt of comments, we will make any revisions and issue a final Plan report for consideration and adoption by the Craig City Council.

Task 13: Tax Increment Analysis and Impact Reports

RC will estimate potential incremental revenues resulting from proposed development and redevelopment activity in the Plan Area. Impacts associated with the cost to service resulting improvements will also be quantified, and collectively this information will be documented in separate reports to relevant taxing entities in the Plan Area. If requested to do so, RC will be available to assist with presentation of this information to these and other audiences.

Task 14: Property Owner and Business Interest Notification

As per C.R.S.A. § 31-25-107 (1) (b) and (3) (a) of the Act, RC will identify business interests in the Plan Area, and supplement the property owner mailing list compiled during completion of Work Task 3, requiring notification of the public hearing to consider adoption of the Plan or Plans. RC

will assist with drafting the notice language, placing it in statutorily-required publications, and distributing it to appropriate individuals and organizations.

Task 15: Commission and Board Presentations (Public Hearing Process)

RC will present the contents of these documents to the Authority Board, Planning Commission, and Craig City Council. Any additional presentations beyond those required by the Act and identified here, will be billed to you at-cost, along with any associated fees and expenses.

Work Products

Work products to be delivered to the City include:

- Oral Communications in Conference to Discuss our Progress
- Authority Creation Petition
- Draft and Final Conditions Survey and Supporting Base Maps
- Language and Illustrations for Public Notices
- Conditions Survey Public Notice Mailing List
- Meeting and Public Hearing Presentation Materials
- Informational Materials (as requested)
- Draft and Final Urban Renewal Plan(s) and Supporting Illustrations
- Incremental Tax Revenue Forecasts
- Proposed Urban Renewal Project Cost and Revenue Assumptions (and Evaluation)
- Taxing Entity Impact Reports
- Materials for Negotiations with Taxing Entities
- Language and Illustrations for Public Hearing Notices
- Meeting and Hearing Presentation Materials
- Council, Planning Commission and Urban Renewal Authority Board Presentations

Budget and Timing

The estimated time to complete the work tasks identified here will be approximately 10 to 12 weeks. Total professional fees associated with this work is based on the hourly rates for the individuals involved (see below) including all out-of-pocket expenses except those related to travel, data purchases, and reproduction of meeting and presentation materials. Total project expenses are not anticipated to exceed 10% of professional fees and will be billed at-cost. Ricker | Cunningham staff assigned to this project include Anne Ricker who will serve as the Principal Client Contact and Bill Cunningham, who will be the Technical Project Manager.



Fees by Major Work Elements

Urban Renewal Authority Creation	\$3,500 ¹
Conditions Survey Report	\$3,700 – \$7,200 ²
Urban Renewal Plan	\$10,600 - \$14,100 ³
Moffat County Impact Reports	\$6,250
Additional Taxing Entity Impact Reports (\$750 each)	\$3,750
City of Craig	
Moffat County School District RE #1	
Craig Fire District	
Colorado Northwestern Community College	
Colorado River Water District	
Notifications	<u>\$1,500</u>
Total	<u>\$29,300 - \$36,300</u>
 Anne Ricker, Principal	 \$185
Bill Cunningham, Principal	\$185
GIS/Associate	\$100

Terms of Payment and Other Conditions

Billings will be issued monthly as the work progresses, and the final invoice will be due and payable upon delivery of all final work products.

Summary

If you would like to discuss the proposed approach or deliverables prior to finalizing an agreement, we would welcome the opportunity to do so. Any questions should be directed to either Anne Ricker or Bill Cunningham at 303.458.5800. Both of these individuals are authorized to execute an agreement on behalf of Ricker | Cunningham. If, however, this proposal and approach adequately addresses your needs, please initiate our services by signing below and returning a signed copy to the address on the cover page.

RC has a significant portfolio of project experience specifically related to all aspects of urban renewal from creation of the authority through project financing. A list of these assignments is attached to this submittal.

¹ Fees for work other than preparation of the conditions survey report.

² Price range reflects cost of one versus two conditions survey reports.

³ Price range reflects cost of one versus two urban renewal plan reports.



Thank you again for this opportunity.

Sincerely,

Ricker | Cunningham

A handwritten signature in blue ink, appearing to read "Anne B. Ricker".

Anne B. Ricker
Principal
303.458.5800 p
anne@rickercunningham.com

A handwritten signature in blue ink, appearing to read "Bill J. Cunningham".

Bill J. Cunningham
Principal
303.458.5800 p
bill@rickercunningham.com

Accepted By:

Mr. Peter Brixius
City Manager, City of Craig, CO

Date