



Legislation Text

File #: 16-390, **Version:** 2

Town Hall meeting regarding appraisal report issued for the proposed land exchange between the City of Colorado Springs and the Manitou and Pike's Peak Railway Company, COG Land and Development Company, PF LLC, and The Broadmoor Hotel, Inc., collectively referred to as "Broadmoor".

Presenter:

Mayor John Suthers

Summary:

Since the briefing given to City Council at their work session on April 25, 2016, the parties completed a third-party review of all appraisals relating to the proposed land exchange, which were released to the public on May 4, 2016. As a component of the proposed land exchange, each party performed its own independent real estate appraisals on its respective properties to determine property valuation. The City's real estate appraiser is Kyle L. Wigington. The Broadmoor appraiser is Thomas Colon and Associates. The appraisal review was conducted by Muegge and Associates.

The purpose of an appraisal review is to determine the credibility of the appraisal report under review and evaluate its compliance with the Uniform Standards of Professional Appraisal Practice (USPAP). Development of the reviewer's own opinion of value is not part of this appraisal review assignment.

The scope of the appraisal review assignment involved evaluation of the appraisal reports to develop an opinion as to whether the analyses are appropriate within the context of the client's intended use, and to develop the reasons for any disagreement. The appraisal review involved evaluating the content, analysis and valuation methodology stated in the appraisal report.

The appraisal review process included the appraisal reviewer's conversations with both appraisers regarding some points of clarification and questions about the appraisal report. The appraisal review noted areas of potential revisions to such appraisal sections as extraordinary assumptions, assess values and taxes, property sales history, zoning, land shape and form, highest and best use, valuation methodology, sales comparison approach and exposure time. The review concluded only minor revisions to each appraisal report, resulting in a valuation change by the Broadmoor appraiser of \$1,400.

Each appraiser corrected and revised their original appraisal reports, as noted in the review appraisal reports, which resulted in a revised appraisal report as appropriate, reasonable, credible and in compliance with USPAP.

Previous Council Action:

An initial briefing of the proposed land exchange was brought before City Council on January 25,

2016. Before the second briefing, there were multiple opportunities for public comment and questions. A second briefing was brought before City Council on April 11, 2016 to provide an update on the community process and proposed resolution regarding the land exchange. Council will discuss the appraisal process at its work session meeting on May 9, 2016.

Background:

The Parks, Recreation and Cultural Services Department have conducted a comprehensive public process. The following list shows the opportunities to date for public education and comment regarding the proposal:

Jan 14	- Stakeholder Meeting
Jan 25	- City Council Briefing
Jan 28	- Community Meeting - Open House
Feb 11	- Parks and Recreation Advisory Board Meeting
Feb 17	- Media Tour
Feb 24	- Community Meeting
Mar 2	- TOPS Working Committee Meeting
Mar 10	- Parks and Recreation Advisory Board Meeting
Mar 14	- Council Member King's Listening Session
Mar 24	- TOPS Working Committee Meeting and Parks Board Tour
Mar 30	- Community Meeting
Apr 11	- City Council Briefing
Apr 14	- Parks and Recreation Advisory Board Meeting
Apr 20	- Colorado Springs Utility Board Meeting
Apr 25	- City Council Briefing
May 9	- City Council Briefing

Financial Implications:

Except for the costs associated with exchanging properties, such as appraisals, surveys and title work, there are no monetary commitments required. The City has had an independent appraiser evaluate its properties resulting in a total appraised value of \$2,161,000. The Broadmoor has also had an independent appraiser evaluate its properties and easements resulting in a total appraised value of \$3,609,800.

Board/Commission Recommendation:

Staff presented the land exchange proposal to the Parks and Recreation Advisory Board on February 11, 2016 and March 14, 2016 as informational items. Public comment was taken during these meetings. On April 4, 2016, the TOPS Working Committee recommended the Parks and Recreation Advisory Board delay action on the Land Exchange until more information could be provided and considered. On April 14, 2016, the Parks and Recreation Advisory Board voted to recommend that City Council approve the Resolution authorizing a land exchange between the City of Colorado Springs and the Broadmoor. On April 20, 2016, the Colorado Springs Utilities Board of Directors voted to recommend the exchange of the .55 acre parcel located at the base of the Manitou Incline authorizing a land exchange between the City of Colorado Springs and the Broadmoor.

Stakeholder Process:

There has been an extensive public process which began on January 14, 2016, at the onset of the project, when staff sought input from key stakeholders including the City of Manitou Springs,

Colorado Springs Utilities, Canon Conservationist, Council of Neighbors and Organizations, El Paso County, Friends of Bear Creek Regional Park, Friends of Cheyenne Canon, Friends of the Peak, Incline Friends, Medicine Wheel, Parks and Recreation Advisory Board, Pikes Peak Climbers Alliance, Rocky Mountain Field Institute, Trails and Open Space Coalition, TOPS Working Committee, and the U.S. Forest Service.

Since this initial gathering, there have been a total of fifteen meetings and/or property tours to date. Additional outreach efforts through social media outlets, including the City's website, have also been pursued. A resolution approving the exchange is scheduled to appear on a regular City Council agenda on May 24, 2016.

Alternatives:

N/A

Proposed Motion:

N/A

N/A