

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 18

DATE: April 20, 1999

STAFF: Ron Mills

SUBJECT:

First Reading of Ordinance No. 54, 1999, Authorizing a Ground Lease Agreement of City-Owned Property on a Portion of Block 275, Subdivision of the West Side Addition to the City of Fort Collins, According to the Golding-Dwyre Subdivision Plat.

RECOMMENDATION:

Staff recommends adoption of the Ordinance on First Reading.

FINANCIAL IMPACT:

Rent collected from this lease will result in \$240 annually in unanticipated revenue to Utility Services. There will be no costs to the City resulting from leasing this property.

EXECUTIVE SUMMARY:

In November 1998, the City of Fort Collins purchased approximately 1.7 acres abutting the Utility Service Center site from Burlington Northern & Santa Fe Railway Company to help facilitate the Utility Service Center Master Development Plan. The original Burlington Northern & Santa Fe Real Estate Purchase and Sale Agreement stated that no leases existed on the property. However, shortly after the purchase of the property by the City, a garage encroachment lease between the railway company and the tenant of 525 North Whitcomb was provided to the City by Catellus Management Corporation (property management for BNSF Railway Company). This lease was originally entered into in April 1995. The tenant who signed the lease no longer resides at that address. Therefore, a new ground lease agreement has been agreed upon between the City and Mr. John C. Fischer, the current owner of 525 North Whitcomb. Until the Utility Service Center Master Plan has been established, this lease agreement will continue on a yearly basis with a 30-day cancellation clause.

ORDINANCE NO. 54, 1999
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AUTHORIZING A GROUND LEASE OF CITY-OWNED PROPERTY ON
A PORTION OF BLOCK TWO HUNDRED 275, SUBDIVISION OF
THE WEST SIDE ADDITION TO THE CITY OF FORT COLLINS,
ACCORDING TO THE GOLDING-DWYRE SUBDIVISION PLAT

WHEREAS, the City of Fort Collins (the "City") is the owner of property located on a portion of Block 275, Subdivision of the West Side Addition to the City of Fort Collins, according to the Golding-Dwyre Subdivision Plat (the "Property"); and

WHEREAS, the Property was acquired by the City for Utility Services to help facilitate the Utility Service Center Master Development Plan; and

WHEREAS, the Property is not currently being used for any City or Utility purpose and, therefore, is available at this time; and

WHEREAS, under Sections 23-111 and 23-114 of the City's Code, the Council is authorized to lease any and all interests in real property owned in the name of the City, and used as part of its utility systems, provided that Council first finds by ordinance that the lease is in the best interests of the City, that the lease will not materially impair the viability of the City's utility systems as a whole, and that the lease of the Property will be for the benefit of the citizens of the City.

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

Section 1. That leasing the Property is in the best interests of the City, that it will not materially impair the viability of the City's utility systems as a whole, and that it will be for the benefit of the citizens of the City.

Section 2. That the City Manager be authorized to enter into a ground lease agreement for the Property with John C. Fischer at a rental rate of Two Hundred Forty Dollars (\$240.00) annually with the lease terminating upon either party canceling at will on thirty (30) days prior written notice, and upon such other terms and conditions that in the City Manager's judgment are in the best interests of the City.

Introduced and considered favorably on first reading and ordered published this 20th day of April, A.D. 1999, and to be presented for final passage on the 4th day of May, A.D. 1999.

Mayor

ATTEST:

City Clerk

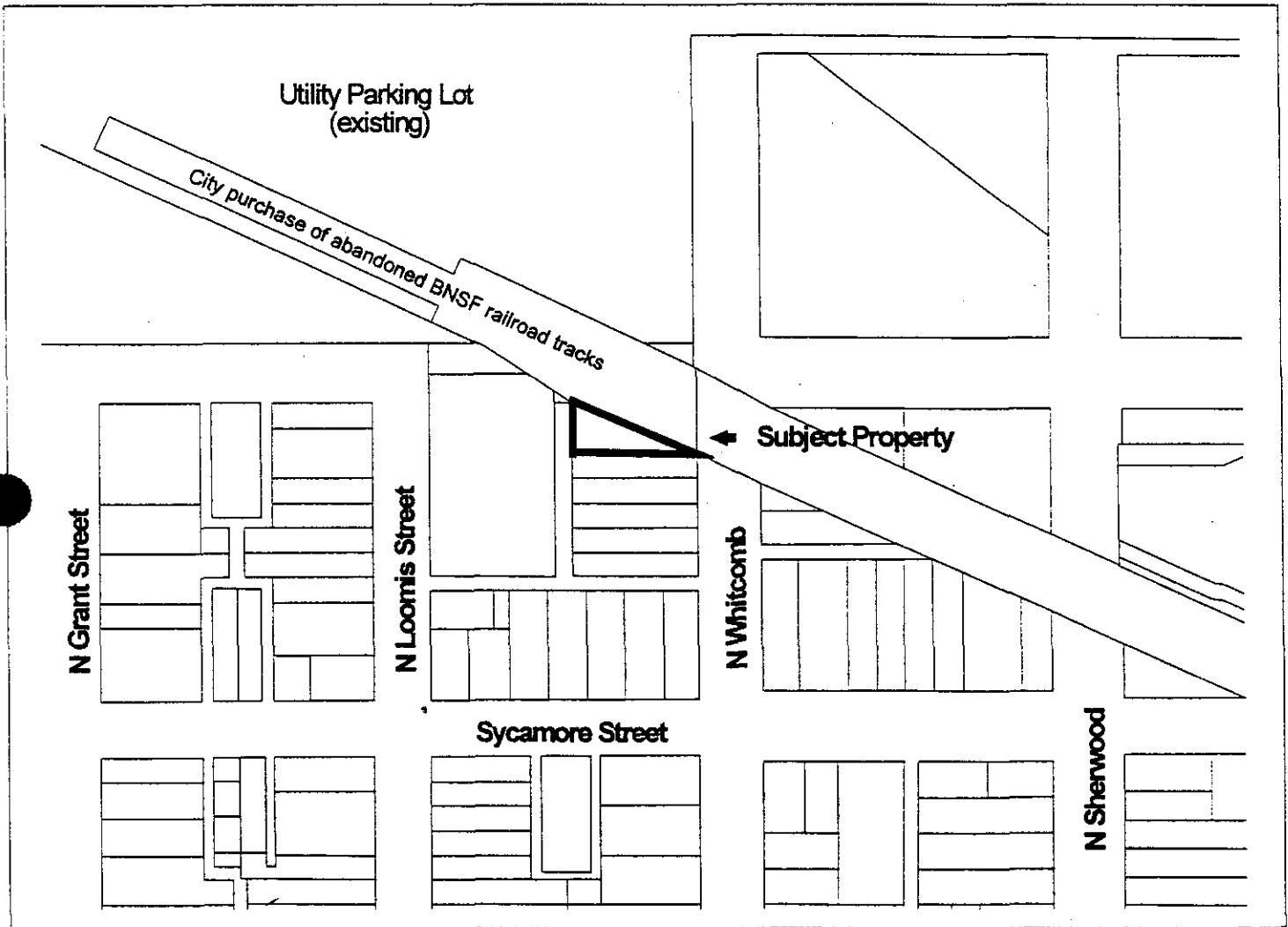
Passed and adopted on final reading this 4th day of May, A.D. 1999.

Mayor

ATTEST:

City Clerk

Utility Services Ground Lease Location Map



300 0 300 600 Feet

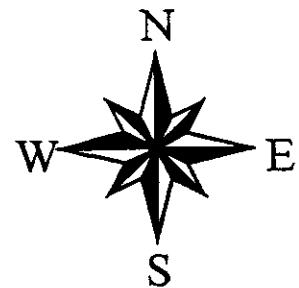


EXHIBIT "A"

SEC 2

VINE ST.

SEC 22 T7N R69W

276

MP 75

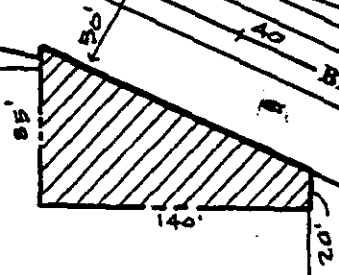
43+61.9

TO WENDOVER

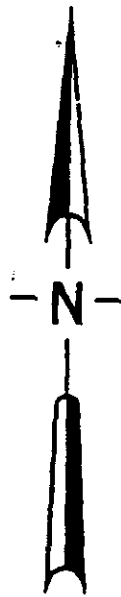
ELM ST.

BN MAIN TRACK

TO DENVER



LOOMIS ST.



275

WHITCOMB ST.

SYCAMORE ST.