

RESOLUTION 2020-083  
OF THE COUNCIL OF THE CITY OF FORT COLLINS  
AUTHORIZING A LIVESTOCK GRAZING LEASE AND RESIDENTIAL LEASE ON  
MEADOW SPRINGS RANCH WITH NATURAL FORT GRAZING, LTD.

WHEREAS, in 1990, the City purchased that certain real property located in Larimer and Weld Counties commonly known as Meadow Springs Ranch, which has been expanded in the years since by the acquisition of additional adjacent parcels (collectively, the “Property”); and

WHEREAS, portions of the Property are used by the Wastewater Utility for its biosolids application program; and

WHEREAS, since buying the Property, the City has also leased it for grazing rights; and

WHEREAS, on December 7, 2010, the City Council approved Ordinance No. 118, 2010, authorizing a grazing lease on the Property with Natural Fort Grazing, Ltd. (“Natural Fort”) for up to ten one-year terms; and

WHEREAS, this spring City staff initiated a competitive Request for Proposals process to solicit potential tenants for a new ten-year grazing lease to begin in 2021; and

WHEREAS, through this process, Natural Fort was again selected to be the grazing tenant on the Property; and

WHEREAS, the proposed lease agreement, attached hereto as Exhibit “A” and incorporated herein by reference (the “Lease”), would be for a one-year term and would automatically renew each year for up to nine more years; and

WHEREAS, Natural Fort would pay rent based on upon the formula of \$30.00 for each animal unit grazed each month upon the Property (animal unit month or “AUM”) per year; and

WHEREAS, for the first one-year term of the Lease, Natural Fort would pay rent for 900 AUMs, for a total annual rent of \$162,000, and in each successive year the parties would determine the number of AUM’s as part of the development of an annual grazing plan; and

WHEREAS, Natural Fort would also have the option to enter into a separate residential lease for the Ranch Headquarters house located on the Property (the “Residence”), for a monthly rent of \$1,000, that it could permit an employee ranch manager to live in; and

WHEREAS, the proposed lease agreement for the Residence is attached hereto and incorporated herein by reference as Exhibit “B” (the “Residential Lease”); and

WHEREAS, if Natural Fort chooses not to lease the Residence, the City reserves the right to lease it to a third-party tenant; and

WHEREAS, Sections 23-111 and 23-113 of the City Code authorize the City Council to lease any and all interests in real property owned in the name of the City if the City Council first finds that the lease is in the best interests of the City and, for property that is part of a City utility system, that the lease will not materially impair the viability of the affected utility system as a whole, and that the lease will be for the benefit of the citizens of the City; and

WHEREAS, at its regular meeting on July 16, 2020, the Water Board recommended the City Code authorize the proposed lease to Natural Fort.

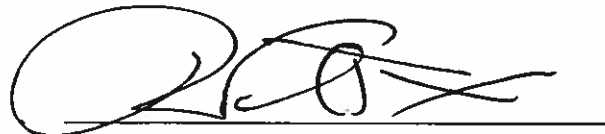
NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the City Council hereby makes and adopts the determinations and findings contained in the recitals set forth above.

Section 2. That the City Council hereby finds that the lease of the Property and the Residence to Natural Fort on the terms described above is in the best interest of the City, that the Lease will not materially impair the viability of the City's Wastewater Utility System as a whole, and that the Lease will be for the benefit of the citizens of the City.

Section 3. That the City Manager is hereby authorized to execute the Lease, the Residential Lease, and such additional documents as are necessary to lease the Property and the Residence to Natural Fort on terms and conditions consistent with this Resolution, together with such additional terms and conditions, or subsequent amendments or corrections, as the City Manager, in consultation with the City Attorney, deems to be necessary or appropriate to protect the interests of the City or effectuate the purposes of this Resolution, including, but not limited to, any necessary changes to the legal description of the property to be leased, as long as such changes do not materially increase the size or change the character of the leased area.

Passed and adopted at a regular meeting of the Council of the City of Fort Collins this 15th day of September, A.D. 2020.



Mayor

ATTEST:

  
City Clerk