

AGENDA ITEM SUMMARY
FORT COLLINS CITY COUNCIL

ITEM NUMBER: 7

DATE: January 16, 2007

STAFF: Patrick Rowe

SUBJECT

Second Reading of Ordinance No. 205, 2006, Authorizing the Lease of City-owned Property at 424 Pine Street for up to Twenty Years.

RECOMMENDATION

Staff recommends adoption of the Ordinance on Second Reading.

EXECUTIVE SUMMARY

United Way of Larimer County has held a ground lease on City-owned property, located at 424 Pine Street, since 1985. This Ordinance, unanimously adopted on First Reading on December 19, 2006, renews the lease for up to twenty years.

ATTACHMENTS

1. Copy of First Reading Agenda Item Summary - December 19, 2006.

AGENDA ITEM SUMMARY
FORT COLLINS CITY COUNCIL

ITEM NUMBER: 18

DATE: December 19, 2006

STAFF: Patrick Rowe

SUBJECT

Second Reading of Ordinance No. 205, 2006, Authorizing the Lease of City-owned Property at 424 Pine Street for up to Twenty Years.

RECOMMENDATION

Staff recommends adoption of the Ordinance on Second Reading.

FINANCIAL IMPACT

Facility and operating costs shall be the obligation of the Tenant.

EXECUTIVE SUMMARY

United Way of Larimer County has held a ground lease on City-owned property, located at 424 Pine Street, since 1985. This Ordinance renews the lease for up to twenty years.

BACKGROUND

Beginning in 1985, the City entered into a ground lease with United Way of Larimer County for its operation of a human services facility. The City did not charge a lease payment to United Way in recognition of the important community and social services benefits derived from United Way's operation.

The original lease has expired, and it is the desire of United Way to renew the lease for an additional 20 years time.

United Way continues to be a very important social services provider to the Fort Collins community, and the leased property at 424 Pine Street remains integral to their operation. In addition to United Way administration facilities, the facility at 424 Pine Street is home to numerous United Way Agencies, including Disabled Resource Services, Neighbor to Neighbor, The Women's Resource Center of Larimer County, and United Day Care Center.

Under the terms of the lease, the facility, constructed by United Way, will remain the property of United Way until such time as the lease expires or is terminated by the provisions of the lease.

United Way will continue to be responsible for all costs incurred as a result of operating the facility. As stated, the new lease will be for a period of 20 years, and will be terminable by either party upon 1 year's notice. During this lease term, the City will charge United Way nominal rent of five dollars per year for lease payments.

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ORDINANCE NO. 205, 2006
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AUTHORIZING THE LEASE OF CITY-OWNED PROPERTY
AT 424 PINE STREET FOR UP TO TWENTY YEARS

WHEREAS, the City of Fort Collins is the owner of the property located at 424 Pine Street, Fort Collins, Larimer County, Colorado (the "Property"); and

WHEREAS, in 1985 the City leased the Property to Larimer Community Services Corporation, now United Way of Larimer County, Inc. ("United Way"), to be used for construction and operation of an office building for human services agencies; and

WHEREAS, the 1985 lease has now expired, and United Way desires to continue leasing the Property for human services purposes which will benefit the community at large; and

WHEREAS, the proposed lease agreement provides for a twenty-year lease term in exchange for payment of nominal rent in the amount of \$5.00 per year and compliance with certain terms and conditions including restrictions on the use of the Property and an obligation to maintain the Property; and

WHEREAS, upon termination of the new lease the building constructed by United Way on the Property will become the property of the City; and

WHEREAS, under Section 23-114 of the Code of the City of Fort Collins, the Council is authorized to lease any and all interests in real property owned in the name of the City, provided that Council first finds that the lease is in the best interests of the City.

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

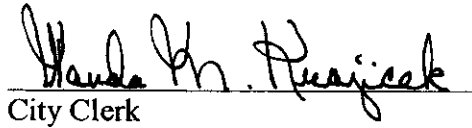
Section 1. That the Council hereby finds that leasing the Property at 424 Pine Street under the terms listed above is in the best interests of the City of Fort Collins.

Section 2. That the City Manager is hereby authorized to execute a negotiated lease agreement consistent with the terms of this Ordinance, together with such additional terms and conditions as the City Manager, in consultation with the City Attorney, determines to be necessary and appropriate to protect the interests of the City.

Introduced, considered favorably on first reading, and ordered published this 19th day of December, A.D. 2006, and to be presented for final passage on the 16th day of January, A.D. 2007.


Mayor

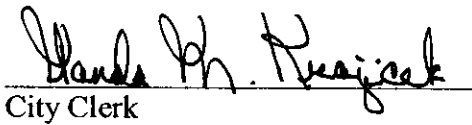
ATTEST:


City Clerk

Passed and adopted on final reading on the 16th day of January, A.D. 2007.

Mayor

ATTEST:


City Clerk