

AGENDA ITEM SUMMARY
FORT COLLINS CITY COUNCIL

ITEM NUMBER: 11

DATE: March 4, 2008

STAFF: Patrick Rowe

SUBJECT

Second Reading of Ordinance No. 021, 2008, Authorizing the Lease of City-owned Property at 208 North Howes Street and 230 LaPorte Avenue for up to Five Years.

RECOMMENDATION

Staff recommends adoption of this Ordinance on Second Reading.

EXECUTIVE SUMMARY

This Ordinance, unanimously adopted on First Reading on February 19, 2008, authorizes a lease of city-owned property located at 230 LaPorte Avenue and 208 North Howes Street.

ATTACHMENTS

1. Copy of First Reading Agenda Item Summary - February 19, 2008.
(w/o original attachments)

AGENDA ITEM SUMMARY
FORT COLLINS CITY COUNCIL

ITEM NUMBER: 19

DATE: February 19, 2008

STAFF: Patrick Rowe

COPY

SUBJECT

First Reading of Ordinance No. 021, 2008, Authorizing the Lease of City-owned Property at 208 North Howes Street and 230 LaPorte Avenue for up to Five Years.

RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

FINANCIAL IMPACT

Utilities and tenant finish costs shall be the obligation of the Tenant, and the City shall be responsible for the maintenance costs. The City will receive a minimum of \$22,505 annually in gross rent, which will be used to cover operation expenses and the balance shall go to the general fund.

COPY

EXECUTIVE SUMMARY

Adoption of this ordinance will authorize a lease of city-owned property located at 230 LaPorte Avenue and 208 North Howes Street.

BACKGROUND

On December 18, 2007, City Council adopted Resolution 2007-110, authorizing the lease of City-owned property at 208 North Howes Street for up to two years. Upon further discussions with the potential tenant, staff has identified the garage area of the adjacent property, 230 LaPorte Avenue (formerly the Police Annex) which the City also does not have an immediate use for, and which the tenant desires to lease. Additionally, the potential tenant has also expressed interested in the possibility of a longer term lease (not more than 5 years), which is not counter to City interests, provided the City retains the right to terminate the lease upon one year's notice.

COPY

Staff recommends that 208 North Howes and a portion of the property at 230 Laporte Avenue be leased at current market rates, no less than \$5.00 per square foot (interior space), for a period of up to five years to offset maintenance expenses and generate revenue.

ATTACHMENTS

1. Location map.

ORDINANCE NO. 021, 2008
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AUTHORIZING THE LEASE OF CITY-OWNED PROPERTY AT
208 NORTH HOWES STREET AND 230 LAPORTE AVENUE
FOR UP TO FIVE YEARS

WHEREAS, the City is the owner of properties located at 230 Laporte Avenue and 208 North Howes Street, which two properties together are legally described as Lots 36 and 37, Block 32, Fort Collins, Larimer County, Colorado (collectively, the "Property"); and

WHEREAS, on December 18, 2007, the City Council approved Resolution 2007-110 authorizing the lease of that portion of the Property located at 208 North Howes Street for up to two years; and

WHEREAS, the potential tenant for 208 North Howes Street is now expressing an interest in leasing as one parcel both 208 North Howes Street and the garage space located at the north end of the building at 230 LaPorte Avenue (together, the "Premises") for a period of up to five years; and

WHEREAS, the City has no present use for the Premises, and City staff is therefore recommending that it be leased at a current market rate of no less than \$5.00 per square foot to offset the City's maintenance expenses and generate revenue; and

WHEREAS, the lease of the Premises would be terminable by the City on one year's notice to the tenant; and

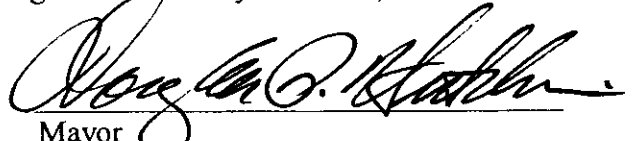
WHEREAS, under Section 23-111(a) of the Code of the City of Fort Collins, the City Council is authorized to sell, convey, or otherwise dispose of any and all interests in real property owned in the name of the City, provided that Council first finds, by ordinance, that such sale or other disposition is in the best interests of the City.

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

Section 1. That the Council hereby finds that leasing the Premises consisting of property located at 208 North Howes Street plus a portion of the property located at 230 Laporte Avenue under the terms listed above is in the best interests of the City.

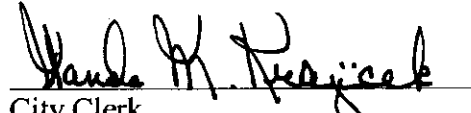
Section 2. That the City Manager is hereby authorized to execute a negotiated lease agreement for the Premises on terms and conditions consistent with this Ordinance, together with such additional terms and conditions as the City Manager, in consultation with the City Attorney, determines to be necessary and appropriate to protect the interests of the City, including any necessary changes to the legal description of the Premises, as long as such changes do not materially increase the size or change the character of the leased premises.

Introduced, considered favorably on first reading, and ordered published this 19th day of February, A.D. 2008, and to be presented for final passage on the 4th day of March, A.D. 2008.



Mayor

ATTEST:



City Clerk

Passed and adopted on final reading on the 4th day of March, A.D. 2008.

Mayor

ATTEST:

City Clerk