

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 21

DATE: April 21, 2009

STAFF: Helen Matson

SUBJECT

Resolution 2009-034 Authorizing the Lease of City-owned Property at 222, 224 and 226 West Mountain Avenue to Moe Kamandy for up to Two Years.

RECOMMENDATION

Staff recommends the adoption of the Resolution.

FINANCIAL IMPACT

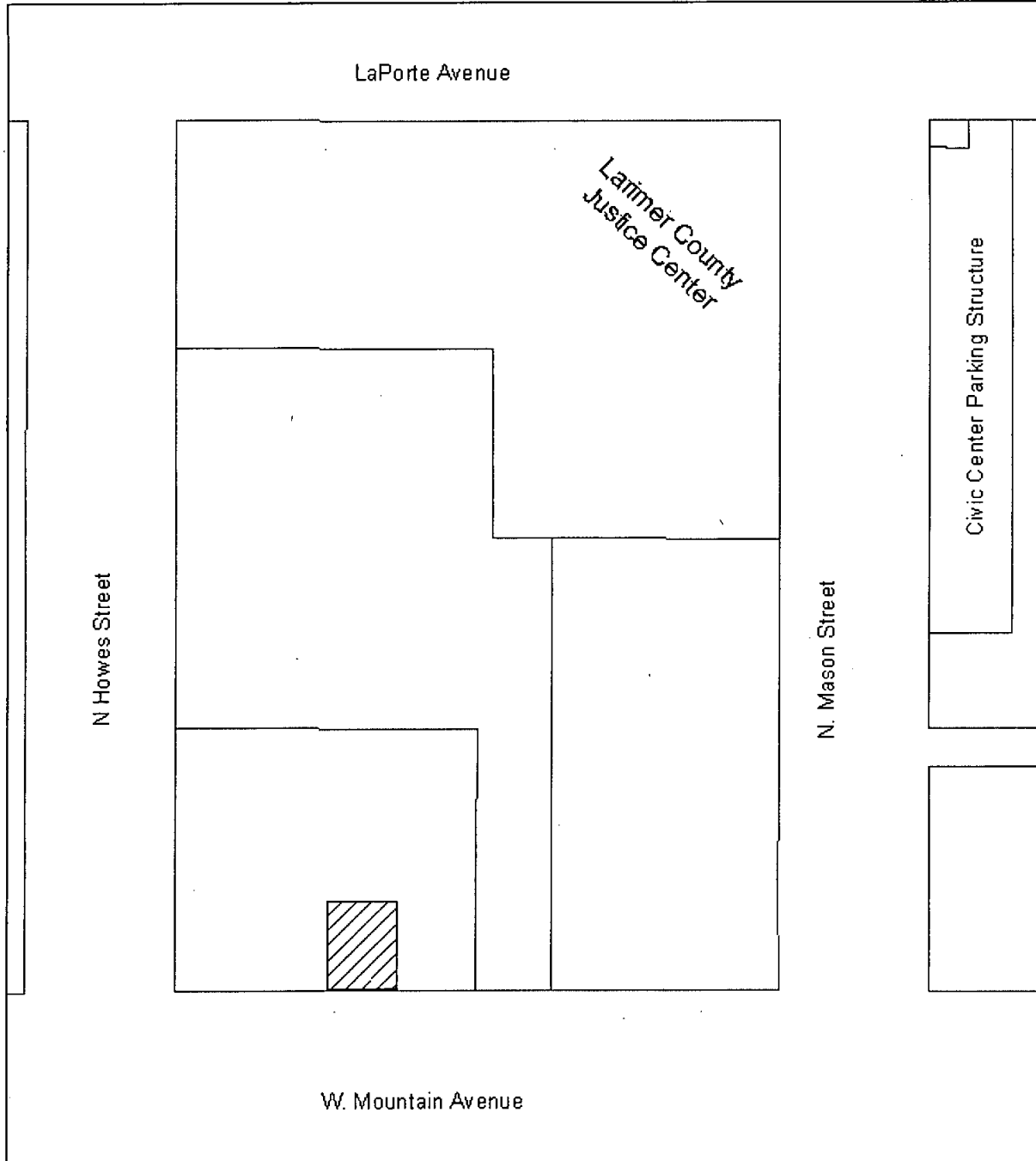
Rent collected from this lease will result in at least \$11,200 each year in unanticipated revenue to Miscellaneous Revenue - General Fund. The tenant will be responsible for all expenses for utilities, janitorial, and taxes.

EXECUTIVE SUMMARY

The City and the County purchased the building at 222, 224 and 226 West Mountain Avenue in 1985 as part of the Block 31 purchases. In the Intergovernmental Agreement dividing Block 31, this property was quit claimed to the City. Since the City and County's purchase of this property, these spaces have been leased to commercial customers. The current tenant of 222, 224 and 226 West Mountain Avenue, Moe Kamandy of the Mountain Café, has leased the 1,370 square feet of space since October 2004. These spaces are not conducive for use by other City users. Staff recommends continuing to lease these spaces to Moe Kamandy of the Mountain Café until this area of Block 31 is needed for the future Performing Arts Center improvements.

The total yearly lease payment for these spaces will be at least \$11,200. In addition, the tenant will be responsible for the following expenses: taxes, all utilities, and janitorial.

222, 224 & 226 W. Mountain Avenue Lease - Mountain Cafe Location Map



222, 224 & 226 W. Mountain Site



RESOLUTION 2009-034
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AUTHORIZING THE LEASE OF CITY-OWNED PROPERTY AT
222, 224 AND 226 WEST MOUNTAIN AVENUE TO MOE KAMANDY
FOR UP TO TWO YEARS

WHEREAS, the City is the owner of the building located at 222, 224 and 226 West Mountain Avenue, Fort Collins, Larimer County, Colorado (the "Property"); and

WHEREAS, the Property was purchased as part of the Block 31 purchases and has been occupied by commercial lease tenants as there is not a current City need identified for the Property; and

WHEREAS, the City desires to lease the Property for a period of up to two years at an annual rate of at least \$11,200; and

WHEREAS, the lease of the Property is beneficial in that it will generate revenue, reduce the City's costs for utilities for the Property and discourage vandalism; and

WHEREAS, under Section 23-114(a) of the City Code, the City Council is authorized to lease, for a definite term of two years or less, any and all interests in real property owned in the name of the City, provided that the City Council first finds, by resolution, 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 leasing the Property at 222, 224 and 226 West Mountain Avenue as provided herein is in the best interests of the City.

Section 2. That the City Manager is hereby authorized to execute a lease agreement for the Property, consistent with the terms of this Resolution, together with such additional terms and conditions as the City Manager, in consultation with the City Attorney, deems necessary and appropriate to protect the interests of the City or to effectuate the purposes of this Resolution, including, but not limited to, any necessary changes to the legal description of the Property, so long as such changes do not materially increase the size or change the character of the property to be leased.

Passed and adopted at a regular meeting of the Council of the City of Fort Collins this 21st day of April A.D. 2009.

Mayor

ATTEST:

City Clerk