

**DATE:** March 15, 2011  
**STAFF:** Helen Matson  
Kayla Ballard

**AGENDA ITEM SUMMARY**  
FORT COLLINS CITY COUNCIL

**11**

**SUBJECT**

Second Reading of Ordinance No.026, 2011, Authorizing the Lease of City-owned Property at 222, 224, and 226 West Mountain Avenue for Up to Five Years.

**EXECUTIVE SUMMARY**

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The City has been the owner of the properties located at 222, 224 and 226 West Mountain Avenue since 1985. Moe Kamandy of the Mountain Café has been leasing this space since 1991. This Ordinance, unanimously adopted on First Reading on March 1, 2011, authorizes the lease of this space to Mr. Kamandy for one year with automatic renewal for up to four successive one-year terms.

**STAFF RECOMMENDATION**

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Staff recommends adoption of the Ordinance on Second Reading.

**ATTACHMENTS**

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1. Copy of First Reading Agenda Item Summary - March 1, 2011  
(w/o attachments)

**DATE:** March 1, 2011  
**STAFF:** Helen Matson  
 Kayla Ballard

**AGENDA ITEM SUMMARY**  
 FORT COLLINS CITY COUNCIL

17

**SUBJECT**

First Reading of Ordinance No.026, 2011, Authorizing the Lease of City-owned Property at 222, 224, and 226 West Mountain Avenue for Up to Five Years.

**EXECUTIVE SUMMARY**

The City has been the owner of the properties located at 222, 224, and 226 West Mountain Avenue since 1985. Moe Kamandy of the Mountain Café has been leasing this space since 1991. The total yearly lease payment for these spaces will be at least \$11,200. The term of the lease shall be for one (1) year with automatic renewal for up to four (4) successive one-year terms. With this lease, either party will have the option to terminate at any time upon twelve (12) months advance written notice to the other party. In addition, the tenant is responsible for the following expenses: taxes, all utilities, and janitorial.

**BACKGROUND / DISCUSSION**

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 226 West Mountain since 1991. In 2004, Council authorized the lease of Mountain Café, under Ordinance No. 066, 2004, to include 222 and 224 West Mountain Avenue for a total lease area of 1,370 square feet. 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 improvements.

**FINANCIAL / ECONOMIC IMPACTS**

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

**STAFF RECOMMENDATION**

Staff recommends adoption of the Ordinance on First Reading.

**ATTACHMENTS**

1. Location map

COPY

ORDINANCE NO. 026, 2011  
OF THE COUNCIL OF THE CITY OF FORT COLLINS  
AUTHORIZING THE LEASE OF CITY-OWNED PROPERTY AT  
222, 224 AND 226 WEST MOUNTAIN AVENUE FOR UP TO FIVE YEARS

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

WHEREAS, the Property was purchased in 1985 as part of the Block 31 purchases and has since been occupied by commercial lease tenants as there is not a City need identified for the Property; and

WHEREAS, the Property is currently leased to Moe Kamandy, owner of the Mountain Café; and

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

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

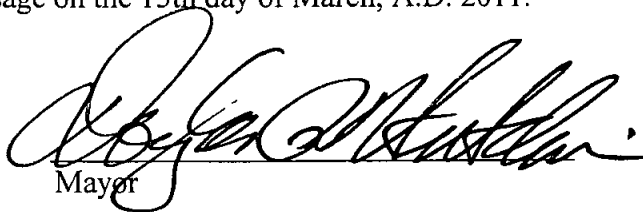
WHEREAS, under Section 23-111(a) of the City Code, the City Council is authorized to sell, convey or otherwise dispose of any and all interests in real property owned in the name of the City, provided that the City Council first finds, by ordinance, that such sale or other disposition is in the best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

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

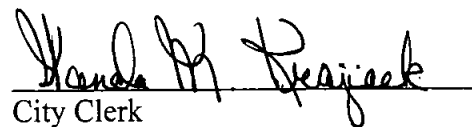
Section 1. That the City Council hereby finds that leasing the Property as provided herein is in the best interests of the City.

Section 2. That the City Manager is hereby authorized to execute a lease agreement for the Property consistent with the terms of this 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 or effectuate the purposes of this Ordinance, including any necessary changes to the legal description of the Property, as long as such changes do not materially increase the size or change the character of the property to be leased.

Introduced, considered favorably on first reading, and ordered published this 1st day of March, A.D. 2011, and to be presented for final passage on the 15th day of March, A.D. 2011.

  
Mayor

ATTEST:

  
City Clerk

Passed and adopted on final reading on the 15th day of March, A.D. 2011.

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Mayor

ATTEST:

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City Clerk