

AGENDA ITEM SUMMARY

City Council



STAFF

Kim Meyer, Principal Planner

SUBJECT

Resolution 2026-110 Approving the Second Amendment to Development Agreement to Secure Public Benefits for Montava Planned Unit Development Master Plan.

EXECUTIVE SUMMARY

The purpose of this item is to consider the Second Amendment to the Development Agreement to Secure Public Benefits for Montava Planned Unit Development (“PUD”) Master Plan (the “Public Benefits Agreement”). The amendment would extend the contingency for closing of the Development’s purchase from the Anheuser-Busch Foundation for up to two additional years.

STAFF RECOMMENDATION

Staff recommends adoption of the Resolution.

BACKGROUND / DISCUSSION

On September 25, 2018, Council approved the Consolidated Service Plan for Montava Metropolitan District Nos. 1-7 (the “Service Plan”) to govern the Montava Metro Districts by Resolution 2018-083. Subsequently, in 2020, Council approved the Montava PUD Master Plan and the PUD Master Plan Development Agreement for the development of approximately 844 acres to be acquired from the Anheuser-Busch Foundation and an additional 108 acres to be obtained via an exchange with the Poudre School District. In connection with the approval of the PUD Master Plan, Council approved by Resolution 2020-007 the Development agreement to Secure Public Benefits for Montava Planned Unit Development Master Plan for the purpose of securing the Developer’s delivery of certain “public benefits” described in the Service Plan as: (1) large-scale comprehensive master planning; (ii) new urbanism; (iii) agri-urban development; (iv) zero energy ready homes; (v) non-potable water system; and (vi) affordable / workforce housing. The Public Benefits Agreement meets both the spirit of the City’s metro district policy and helps the City achieve its strategic objectives.

The Public Benefits Agreement contains a contingency requiring the closing of Montava’s purchase from the Anheuser-Busch Foundation within five years, and the First Amendment to that agreement extended that contingency by two years. To date, Montava has submitted four development applications for phases within the Montava PUD Master plan, with two having received approvals – the recording of those final documents are pending closing on the property.

Montava has encountered numerous complicated issues in finalizing long-term solutions related to ditch crossings and improvements, stormwater management, and potable and non-potable water causing

significant delay and continued erosion of the contingency period stated in the original agreement and first amendment. At this time, Montava is awaiting resolution on a proposed agreement between the City of Fort Collins and the East Larimer County Water District related to the possible sale of water that may impact the Montava land closing and development schedule. (Council held a work session on August 25, 2026, to discuss said agreement.)

Because of the delays Montava has encountered trying to obtain potable and non-potable for the development, the developer is requesting that Council approve a second amendment to further extend the period in which to purchase the property. The developer is requesting that should the water agreements between the City and East Larimer County Water District be approved by or on December 29, 2026, the closing deadline would be extended until the end of day March 25, 2028, to close on the property. If the City does not approve the water agreements by or on December 29, 2026, a longer extension would be granted until the end of day March 25, 2029.

The City and Montava are authorized to amend the Development Agreement without the consent of the Anheuser-Busch Foundation or the Poudre School District, although both entities are advised of this request.

CITY FINANCIAL IMPACTS

None.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

None.

PUBLIC OUTREACH

None.

ATTACHMENTS / LINKS

1. Resolution 2026-110