

AGENDA ITEM SUMMARY

City Council



STAFF

Tawnya Ernst, Land Conservation Lead Specialist
Julia Feder, Environmental Planning Manager

SUBJECT

Second Reading of Ordinance No. 131, 2024, Authorizing the Conveyance of Property Rights Relating to the Acquisition of Property in the Loveland Community Separator.

EXECUTIVE SUMMARY

This Ordinance, unanimously adopted on First Reading on September 3, 2024, authorizes an Intergovernmental Agreement (IGA) with Larimer County and the City of Loveland for the Prairie Ridge Addition. The Project will conserve 142-acres in fee adjacent to Prairie Ridge Natural Area in the Loveland Community Separator. The Ordinance will authorize the conveyance of a conservation easement on the property and a farming lease over the Prairie Ridge property.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on Second Reading.

BACKGROUND / DISCUSSION

The City of Loveland, in partnership with Fort Collins and the County, acquired the original 785-acre Prairie Ridge Natural Area from the Sauer family in 2000. Fee title ownership is split 75% (Loveland) and 25% (Fort Collins).

There are three entities intend to collaborate on the acquisition of a 142-acre addition to Prairie Ridge Natural Area. Closing is anticipated in October.

Fort Collins, Loveland and Larimer County have collaborated for more than two decades to acquire land that meets shared conservation goals. The proposed transaction between the three agencies would authorize Fort Collins to contribute \$1,702,332.00 toward the \$6.8 million acquisition of the property in exchange for a 25% ownership interest. Loveland will hold the remaining 75% interest. The County would receive a conservation easement on property for their financial contribution to the acquisition. The conservation easement adds an extra layer of protection to the conserved property and ensures it will remain undeveloped and managed for its conservation values.

Loveland and Fort Collins also intend to continue their long-standing lease arrangement with the Sauer family. Since the initial acquisition of Prairie Ridge, the Cities have entered into a series of lease agreements with the Sauers enabling the family to continue dryland farming portions of the natural area as Loveland gradually restores the property. Currently, the Sauers lease 560 acres of Prairie Ridge. As

a condition of the upcoming sale, the Sauers requested a modification to the existing lease to include the 142-acre property and to extend the lease term. To accommodate this request and simplify the lease arrangements, Loveland and Fort Collins will:

- Vacate the existing lease with the Sauers and enter into a new lease that incorporates the new and existing acreage (700 acres total)
- Establish a 10-year term for dryland farming
- Specify how the Sauer family will work with Loveland to restore agreed upon areas of the property, i.e.: north end of Prairie Ridge and drainages

Loveland is also collaborating on this initial restoration work with partners including Wildlands Restoration Volunteers and High Plains Environmental Center to restore existing wetland drainages through Prairie Ridge. The Sauer family will continue living on their adjacent 10-acre property containing a home and several agricultural outbuildings.

The project addresses key criteria noted in the Land Acquisition Partnership Guidelines:

- The project aligns with the goals of the Council-adopted Natural Areas Master Plan for regional conservation and partnerships by conserving lands within the Loveland Community Separator.
- Larimer County, the City of Loveland and the City have a positive track record of partnerships.
- The proposed partnership enhances landscape-scale conservation within the Community Separator.

CITY FINANCIAL IMPACTS

The total cost to acquire this property is \$6,720,000 plus closing and due diligence costs. The purchase price will be split as follows:

<u>Entity</u>	<u>Contribution Amount</u>
City of Loveland	\$3,506,996
City of Fort Collins	\$1,702,332
Larimer County	\$400,000
Great Outdoors Colorado Grant	\$1,100,000
Private Donor	\$40,000
High Plains Foundation	<u>\$60,000</u>
- Total	\$6,809,328

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

At its August 14, 2024, meeting, the Land Conservation and Stewardship Board voted unanimously to recommend that Council approve an Intergovernmental Agreement with Larimer County and the City of Loveland to: 1) partner on the acquisition of a 142-acre addition to Prairie Ridge Natural Area; 2) approve a farming lease with the current landowner; and 3) convey a conservation easement to Larimer County.

PUBLIC OUTREACH

Natural Areas staff presented the proposed partnership to the Land Conservation and Stewardship Board in a public meeting on August 14, 2024. Larimer County Open Lands staff presented the

proposed partnership to the Board of County Commissioners on July 30. Loveland staff presented the proposed partnership to their Open Lands and Trails Advisory Commission on August 14, 2024, and will present the project to their City Council on September 3, 2024.

ATTACHMENTS

First Reading attachments not included.

1. Ordinance for Consideration
2. Exhibit A to Ordinance
3. Exhibit B to Ordinance