

ORDINANCE NO. 080, 2024
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AMENDING ORDINANCE NO. 107, 2023, AND APPROPRIATING
PRIOR YEAR RESERVES DESIGNATED FOR FIRE SERVICES
IN THE FIRE PROTECTION CAPITAL EXPANSION FUND FOR
PAYMENT TO THE POUDBRE FIRE AUTHORITY TO BE USED
FOR A NEW HEADQUARTERS BUILDING

A. The City of Fort Collins has recognized and addressed the issue of requiring future growth and new development to contribute its proportionate share of the cost of providing new capital facilities and infrastructure required to maintain the City's level of services to its residents.

B. The City Council adopted Ordinance No. 051, 1996, on May 21, 1996, amending the City Code by adding a new article pertaining to the imposition of capital expansion fees to be used to fund capital improvements for the library, community parks, police services, fire services, and general government facilities.

C. The City Council adopted Ordinance No. 166, 2018, on December 18, 2018, amending Chapters 7.5, 8 and 24 of the Code of the City of Fort Collins to implement phase II increases of the capital expansion fees.

D. The capital expansion fees imposed under the provisions of the aforementioned article of the City Code, including a Fire Protection Capital Expansion Fee, went into effect on January 1, 2019, and the City has since been receiving such fees as a condition of the issuance of building permits in the City.

E. The administrative headquarters of the Poudre Fire Authority (the "Authority"), located at 102 Remington Street, house Fire Prevention and Community Risk Reduction as well as Operations and those administrative personnel of the Authority whose duties include the management and coordination of public education and emergency services.

F. Additional space or a new, larger building to house administrative headquarters (the "Project") has been a priority of the Authority since 2014 due to shortages of space in meeting both current and future needs at the facility.

G. City Code Section 7.5-30(a) requires that capital expansion fees for fire services be used only for capital improvements related to the provision of fire services, as such improvements may be identified in the capital improvements plan for fire protection services.

H. Such "capital improvements" are defined in Code Section 7.5-17 to include "the purchase or long-term lease or lease-purchase of real property."

I. The Project is included in the Poudre Fire Authority 2023 PFA Long-Range Financial Plan, adopted by the Board of Directors of the Authority on November 15, 2022.

J. On September 5, 2023, City Council adopted on second reading Ordinance No. 107, 2023 (the “2023 Ordinance”), appropriating \$3,511,575 from prior year reserves in the Fire Protection Capital Expansion Fee Account in the Capital Expansion Fee Fund for the Authority to use to purchase a new facility located at 301 Remington Street.

K. After Council adopted the 2023 Ordinance and the City transferred the funds to PFA, the purchase and sale of the facility at 301 Remington Street fell through and PFA found a different facility to purchase. Accordingly, this Ordinance amends the 2023 Ordinance to clarify Council’s intent that the \$3,511,575 is appropriated not just for PFA to purchase 301 Remington Street, but for PFA to use to purchase a facility it chooses.

L. The estimated cost to purchase the Project is \$9,750,000, with \$4,550,000 due at closing and seller financing interest free loan amount of \$5,000,000 with a term of two years from the closing date. Costs to remodel and furnish the new Headquarters will come from a combination of Poudre Fire Authority Reserve and the Capital Expansion Fees requested. The sale of the current Headquarters Facility and the sale of Poudre Fire Authority’s Station 7 in LaPorte will contribute to the outstanding loan payment. Funding sources for the purchase and associated costs are identified as follows:

City of Fort Collins Fire Protection Capital Expansion Fees (received in 2023 per the 2023 Ordinance)	\$3,511,575
City of Fort Collins Fire Protection Capital Expansion Fees (current request)	986,763
Poudre Fire Authority Existing Appropriations	<u>200,000</u>
Total	\$4,698,338

M. The aforementioned request for appropriation of said fees is consistent with the uses of the fees set forth in Chapter 7.5 of the City Code.

N. Funds are available in the Fire Protection Capital Improvement Expansion Fund from prior year reserves in the amount of \$986,763.

O. Article V, Section 9 of the City Charter permits the City Council, upon the recommendation of the City Manager, to make supplemental appropriations by ordinance at any time during the fiscal year from such revenues and funds for expenditure as may be available from reserves accumulated in prior years, notwithstanding that such reserves were not previously appropriated.

P. The City Manager has recommended the appropriation described herein and determined that this appropriation is available and previously unappropriated from the Fire Protection Capital Expansion Account in the Capital Expansion Fund and will not

cause the total amount appropriated in the Capital Expansion Fund to exceed the current estimate of actual and anticipated revenues and all other funds to be received in this Fund during this fiscal year.

In light of the foregoing recitals, which the Council hereby makes and adopts as determinations and findings, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. The ninth Whereas clause of Ordinance No. 107, 2023, is hereby replaced in its entirety to read as follows:

WHEREAS, the Authority's staff has been working with the City's Real Estate Services on options to acquire additional office space and has identified a property and building (the "New Facility"). The Authority has made an offer to purchase the property and the owner has accepted the offer.

Section 2. Section 2 of Ordinance No. 107, 2023, is hereby replaced in its entirety to read as follows:

Section 2. That there is hereby appropriated from prior year reserves in the Fire Protection Capital Expansion Fee Account in the Capital Expansion Fee Fund, the sum of THREE MILLION FIVE HUNDRED ELEVEN THOUSAND FIVE HUNDRED SEVENTY-FIVE DOLLARS (\$3,511,575), to be expended from the CEF Fund for payment to the Authority for it to use in its purchase of the New Facility, or such other real property that the Authority deems to be suitable for its needs, provided such acquisition is consistent with the purposes and intent of this Ordinance.

Section 3. There is hereby appropriated from prior year reserves in the Fire Protection Capital Expansion Fee Account in the Capital Expansion Fee Fund the sum of NINE HUNDRED EIGHTY-SIX THOUSAND SEVEN HUNDRED SIXTY-THREE DOLLARS (\$986,763) to be expended from the Capital Expansion Fund for payment to the Poudre Fire Authority to be used for the purchase of a new administrative headquarters.

Introduced, considered favorably on first reading on June 18, 2024, and approved on second reading for final passage on July 2, 2024.

Mayor

ATTEST:

City Clerk

Effective Date: July 12, 2024
Approving Attorney: Ryan Malarky