

AGENDA ITEM SUMMARY

City Council



STAFF

Tyler Marr, Deputy City Manager
Derek Bergsten, Poudre Fire Authority Fire Chief
Kirsten Howard, Poudre Fire Authority Budget and Administration Manager

SUBJECT

First Reading of Ordinance No. 080, 2024, 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 Poudre Fire Authority to be Used to Pay for a New Headquarters Building.

EXECUTIVE SUMMARY

The purpose of this item is to appropriate and reappropriate funds from the Fire Protection Capital Expansion Fund and transfer funds to Poudre Fire Authority (PFA) for purchase of a new Headquarters Building.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

BACKGROUND / DISCUSSION

Replacement or expansion of the PFA Administrative Building (102 Remington Street) has been included in PFA's Long-Range Financial Plan since 2016 and has been on the unfunded priorities list within PFA budget documents since 2014. PFA staff have been in discussions with the PFA Board during the past year and a half regarding several options including a rental option at a separate location that required a lease of several years prior to purchase as well as tenant finish expenses, and the purchase a new facility to house all PFA administrative and support staff. PFA made an offer to purchase a new facility located at 301 Remington Street; however, that offer fell through. The current option to purchase a new Headquarters Facility has been identified and an offer has been accepted.

PFA staff have been working on options for additional administrative office space with City of Fort Collins Real Estate Services, and the property located in the Old Town area meets the criteria for PFA needs. The Property is 55,888 square feet on an entire block consisting of 1.28 acres and will provide sufficient space for PFA Administrative and Support staff for the long-term future. The property is in Old Town on the southwest corner of Oak and Howes Streets, near PFA's current location and convenient for collaboration with City and County partners. The facility features on-site parking, an outside courtyard, generator, computer server room, kitchen and eating area, one garage bay, several conference rooms, entry vestibule, and plenty of space for current and future PFA staff. An offer of \$9,750,000 has been made by PFA staff and accepted by the seller.

In anticipation of the purchase of 301 Remington Street, PFA requested that Council appropriate funds from the City's Fire Protection Capital Expansion Fee Account in Capital Expansion Fee Fund. Council appropriated \$3,511,575 by adopting Ordinance No. 107, 2023 (the "2023 Ordinance"). The 2023 Ordinance specifically stated that \$3,500,000 was appropriated for the purchase of a new facility located at 301 Remington Street. After adoption of the 2023 Ordinance and after the City transferred \$3,500,000 to PFA, the purchase of 301 Remington fell through. Rather than the City and PFA incur the administrative burden of returning the \$3,500,000, PFA staff and City staff propose that Council amend the 2023 Ordinance to remove reference to 301 Remington. Doing so would be consistent with Council's original intent of funding PFA's new facility while also removing any restriction on which building PFA may choose to purchase. While PFA has identified a new location and is under contract to purchase it, this amendment would allow PFA the flexibility to pursue another location if this most recent one were also to fall through. The City has majority representation on the PFA Board of Directors, which provides a level of oversight on the property that PFA decides to purchase.

CITY FINANCIAL IMPACTS

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.

The amount of \$986,763 will be appropriated from reserves in this Ordinance.

The amount of \$3,511,575 will be reappropriated from the Fire Protection Capital Expansion Fee Account in the Capital Expansion Fee Fund, and which funds have already been transferred to PFA.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

None.

PUBLIC OUTREACH

None.

ATTACHMENTS

1. Ordinance for Consideration