

AGENDA ITEM SUMMARY

City Council



STAFF

Tracy Ochsner, Operation Services Director
Ralph Campano, Real Estate Services Manager
Will Flowers, Senior Specialist, Real Estate Services

SUBJECT

First Reading of Ordinance No. 207, 2025, Authorizing an Intergovernmental Agreement with Larimer County Relating to an Exchange of Real Property on East Vine Drive and Real Property on Mountain Avenue and Allow for Construction of a Municipal Court or Payment.

EXECUTIVE SUMMARY

The purpose of this item is to authorize an intergovernmental agreement to exchange real property with Larimer County and allow for construction of a municipal court.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

BACKGROUND / DISCUSSION

City staff has negotiated an agreement with Larimer County to exchange the City's two parcels on Mountain Avenue between Mason and Howes Streets (the "Mountain Avenue Properties") for the County's property at 614 East Vine Drive.

As part of the Agreement, the City will receive title to the parcel located at 614 East Vine Drive, which is approximately 8.74 acres. The City has identified this site as the preferred location for a future downtown Parks maintenance facility, as well as a north Transit maintenance and storage facility. The City and County have agreed the Vine Drive property is worth \$4,660,000. The County currently has a fueling site on the property. As part of the Agreement, the County will 1) close up the fueling site through the Colorado Division of Oil and Public Safety, and 2) if permitted by the State of Colorado, leave the cleaned fuel tanks of which the City may take possession.

Larimer County has identified the City's Mountain Avenue Properties as the preferred future site of a Larimer County Justice Center expansion. Under the Agreement, the County will receive a total of 1.83 acres, comprised of two parcels and housing the following six buildings:

117 N. Mason Street – City flex space & winter overflow shelter for the Fort Collins Rescue Mission

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200 W. Mountain Avenue – FC Moves and Global Village Museum

212 W. Mountain Avenue – Center for Family Outreach and TAC 212

256 W. Mountain Avenue – Mountain Café

257 W. Mountain Avenue – City Safe Occupational Health Clinic

112-113 N. Howes Street – Restorative Justice

The City and County have agreed that the Mountain Avenue Properties are worth \$5,650,000. As part of the Agreement, the City would have the option through 2028 to receive \$990,000 by mid-2029 or receive a \$990,000 credit from the County towards a partnership with the County to construct a 25,000-30,000 square foot Municipal Court as part of a larger Justice Center expansion. If the City decides to partner with the County to build the expanded Justice Center, the City and County would have to negotiate a joint facility agreement and the City would be responsible for its proportional costs to build and maintain the building. The City would be able to house the Municipal Court and ancillary operations there until at least through 2056, at which time the County could require the City to move out. If the County requires the City to move out, the County would have to pay the City fair market value for the City-funded space.

The City will maintain possession of the Mountain Avenue Properties through 2028. All leases that are currently in place for the Mountain Avenue Properties will terminate, and all City departments and tenants located therein will vacate, no later than December 31, 2028.

CITY FINANCIAL IMPACTS

The City's financial impacts for the land exchange are as discussed above, with the City either 1) receiving a \$990,000 credit toward the construction of Municipal Court space in the expanded Larimer County Justice Center, or 2) receiving a payment of \$990,000 by mid-2029.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

None.

PUBLIC OUTREACH

None.

ATTACHMENTS

1. Ordinance No. 207, 2025