

ORDINANCE NO. 031, 2023
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING PRIOR YEAR RESERVES FOR A CONDITIONAL CAPITAL
CONTRIBUTION OF \$1,000,000 FOR CONSTRUCTION OF A NEW PUBLIC TERMINAL
FACILITY AT THE NORTHERN COLORADO REGIONAL AIRPORT

WHEREAS, the City of Fort Collins (the “City”) and the City of Loveland (“Loveland”) jointly own the Northern Colorado Regional Airport (the “Airport”); and

WHEREAS, the Airport is currently undertaking a project to construct a new public terminal facility (the “Project”) for the purpose of growing multi-modal transportation, charters, and future airline services; and

WHEREAS, the Project is estimated to have a total cost \$25,000,000, with \$21,000,000 from federal funding, of which \$1,590,000 is contingent upon a local match of \$175,000; and

WHEREAS, the Project is dependent upon a local contribution obligation of \$4,000,000, of which \$2,000,000 will come from the Airport’s capital reserves and \$1,000,000 is proposed to be contributed each by the City and Loveland; and

WHEREAS, City Council’s Finance Committee recommended that City staff collaborate with Airport staff to develop a series of performance indicators to be used as conditions for the City’s capital contribution; and

WHEREAS, the staff team is recommending performance indicators as listed below in this Ordinance that if not met would trigger Loveland’s obligation to repay certain amounts to the City or to provide the City a credit against operational costs of the Airport; and

WHEREAS, this Ordinance directs City staff to negotiate and execute an intergovernmental agreement with Loveland for this capital contribution and to include the proposed performance indicators and other terms and conditions that the City Manager, in consultation with the City Attorney, deems necessary or appropriate to protect the interests of the City; and

WHEREAS, in addition to conditionally appropriating the identified funds, this Ordinance is intended to provide a public position of support for the Project to allow for the release of federal funding; and

WHEREAS, this appropriation benefits the public health, safety and welfare of the residents of Fort Collins and serves the public purpose of providing funding for the construction of a new public terminal facility at the Airport with the intent of growing multi-modal transportation, charters, and future airline services that Fort Collins residents will be able to access; and

WHEREAS, 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 such funds for expenditure as may be available from reserves accumulated in prior years, notwithstanding that such reserves were not previously appropriated; and

WHEREAS, the City Manager has recommended the appropriation described herein and determined that this appropriation is available and previously unappropriated from the General Fund and will not cause the total amount appropriated in the General 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.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the City Council hereby makes and adopts the determinations and findings contained in the recitals set forth above.

Section 2. That there is hereby appropriated from prior year reserves in the General Fund the sum of ONE MILLION DOLLARS (\$1,000,000) to be expended in the General Fund for a conditional capital contribution for the Project, the construction of a new public terminal facility at the Northern Colorado Regional Airport.

Section 3. That the City Manager is directed to negotiate an intergovernmental agreement with Loveland for this capital contribution, which shall include the following performance indicators and related terms and conditions:

- No later than March 31, 2025:
 - The Project shall achieve LEED Silver building certification;
 - The Project shall include a public art commitment at 1% of non-federal funding contributions to the Project;
 - The carbon footprint of the building shall be no greater than 198 metric tons of carbon dioxide equivalent; and
 - Enhanced accessibility to the building.
- By year-end 2028, the Airport shall achieve no less than 33,000 bus or air passengers annually that directly utilize the new terminal facility.
- If either of the performance indicators for Silver LEED, and building carbon foot-print metrics are not achieved by March 31, 2025, Loveland shall repay to the City \$150,000 of the capital contribution for each performance indicator not achieved when promised.
- While there will be no specifically designated payback amount for the failure to achieve the public art commitment and enhanced accessibility performance indicators, achievement of these indicators will be required in the intergovernmental agreement.
- If the Airport's annual outbound passengers served by air and bus are not 33,000 or more passengers for the calendar year 2028, Loveland shall repay to the City \$200,000 of the capital contribution.

Section 4. That the City Manager is authorized to enter into and sign on the City's behalf an intergovernmental agreement with Loveland containing the performance indicators and

related terms and conditions set out in Section 3 above. The City Manager may also agree, in consultation with the City Attorney, to modification of such performance indicators and terms and conditions in the agreement so long as those modifications do not remove or significantly change any of the performance indicators and they do not substantially change the timing or amounts of the credit or repayment obligations. The City Manager may further agree to such other terms and conditions in the agreement as she determines, in consultation with the City Attorney, are necessary or appropriate to protect the interests of the City.

Introduced, considered favorably on first reading, and ordered published this 21st day of February 2023, and to be presented for final passage on the 7th day of March 2023.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 7th day of March 2023.

Mayor

ATTEST:

City Clerk