ORDINANCE NO. 065, 2024 OF THE COUNCIL OF THE CITY OF FORT COLLINS AUTHORIZING THE CONVEYANCE OF A PERMANENT NONEXCLUSIVE SEWER EASEMENT ON PROPERTY JOINTLY OWNED BY THE CITY OF FORT COLLINS AND THE CITY OF LOVELAND AT THE NORTHERN COLORADO REGIONAL AIRPORT

- A. The City of Fort Collins ("City") and the City of Loveland ("Loveland") (collectively, the "Cities") jointly own property located in Loveland (the "Property") known as the Northern Colorado Regional Airport (the "Airport").
- B. The Cities currently operate and maintain the Airport pursuant to that certain Amended and Restated Intergovernmental Agreement for the Joint Operation of the Fort Collins-Loveland Airport dated January 22, 2015, as amended (the "IGA").
- C. In connection with the ongoing construction of the new airport terminal facility project, the South Fort Collins Sanitation District (the "District") has requested a permanent non-exclusive easement across Airport property to allow for the installation and maintenance of a sanitary sewer line to serve the terminal (the "Easement") over and across that portion of the Airport property legally described and depicted in the Easement Agreement, attached hereto and incorporated herein by this reference as Exhibit "A."
- D. The Cities desire to grant the Easement on the terms and conditions as substantially set forth in the Easement Agreement, which includes that the District will not pay a specific purchase price for the easement but will instead provide sewer service necessary for the terminal.
- E. City Code Section 23-111(a) authorizes the City Council to sell, convey, or otherwise dispose of any interest in real property owned by the City, provided the City Council first finds, by ordinance, that such sale or other disposition is in the best interest of the City.

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 City Council hereby finds that the City's conveyance of the Easement subject to the terms and conditions substantially set forth in the Easement Agreement for less than fair market value serves a bona fide public purpose and is in the best interests of the City as required by City Code Section 23-114 because:
 - a. The use to which the Easement Property will be put promotes health, safety or general welfare and benefits a significant segment of the citizens of Fort Collins by facilitating public investment in and improvement of the Airport and the users it serves, and will allow for sanitary sewer service for the new public terminal currently being constructed;

- b. The use to which the Easement will be put supports one (1) or more of the City Council's goals, adopted policies, projects or plans, including the Airport Master Plan, which was approved by Council;
- c. The financial support provided by the City through the below-market disposition of the Easement will be leveraged with other funding or assistance enabling the construction and operation of the new terminal facility, which the City has partnered with Loveland to complete;
- d. The sale or lease will not result in any direct financial benefit to any private person or entity, except to the extent such benefit is only an incidental consequence and is not substantial relative to the public purpose being served because it will enable development of the new public terminal facility for the benefit of the Cities and the greater public; and
- e. Granting the Easement for less than fair market value will not interfere with current City projects or work programs, hinder workload schedules, or divert resources needed for primary City functions or responsibilities and will ultimately benefit the Airport and the Cities.
- Section 2. The City Council hereby authorizes the Mayor to execute the Easement Agreement attached hereto as "Exhibit A" with such modifications or additional terms and conditions as the City Manager, in consultation with the City Attorney, determines are necessary or appropriate to protect the interests of the City or effectuate the purposes of this Ordinance.

Introduced, considered favorably on first reading on May 7, 2024, and approved on second reading for final passage on May 21, 2024.

| | Mayor | |
|--------------------|----------|--|
| ATTEST: | | |
| | | |
| Interim City Clerk | <u> </u> | |

Effective Date: May 31, 2024 Approving Attorney: Ryan Malarky