



FRUITA
COLORADO

AGENDA ITEM COVER SHEET

TO: Mayor & City Council

FROM: Mike Bennett, City Manager

DATE: November 7, 2023

AGENDA TEXT: Memorandum of Understanding (MOU) with One Riverfront Foundation

BACKGROUND

The City, One Riverfront Foundation, and Mesa County were formerly parties to a MOU dated June 7, 2010 as part of a land purchase of tax parcel 2697-181-00-095, 2697-184-00-093, 2697-183-00-096, and 2697-184-00-094 with the County as the title holder and the City and the Foundation as beneficial owners as follows: County 55.2%, City 29.9%, and Foundation 14.9%. Pursuant to the 2010 MOU, the City of Fruita constructed the Little Salt Wash section of the Riverfront Trail creating a north-south trail connection under the Railroad, Highway, and Interstate. The City recently purchased the property from Mesa County, closing on September 15, 2023, with the Foundation's consent and the 2010 MOU was terminated. Rather than pay the Foundation for their 14.9% ownership interest, the City and the Foundation desire to continue to work together to develop the property. The purpose would be to leverage grant funds in the development of this property and the 25-acres of City-owned property connected to this 15-acre parcel.

The MOU states the City will hold title to the property and will own beneficial interest the same of 85.1% with the Foundation owning a beneficial interest in the same at 14.9%. The Foundation will consider requests by the City to donate all or a portion of its beneficial interest in the property to future projects of the City and its partners that benefit the Riverfront Trail System through improved access and the addition of new amenities along the Colorado River and the Riverfront Trail System. The City will keep the Foundation updated on progress with the City's public-private partnership and development of the property, and with grants the City pursues for recreational and open space amenities in the development, to enable opportunities to collaborate with grant agencies.

The One Riverfront Foundation Board approved this MOU at its October 26, 2023, board meeting.

FISCAL IMPACT

There is no fiscal impact as this MOU simply recognizes One Riverfront Foundation's financial interest in the property the City owns in title, now that the 2010 MOU is terminated with Mesa County's sale of its portion to the City of Fruita. This partnership sets forth a relationship between the City and the Foundation to work together and leverage the Foundation's ownership toward grants to develop the property.

APPLICABILITY TO CITY GOALS AND OBJECTIVES

This falls within the City's economic development goals and strategic priority to develop the City-owned riverfront property.

OPTIONS AVAILABLE TO THE COUNCIL

1. Approve the MOU with One Riverfront Foundation and the City Manager to sign on behalf of the City.
2. Direct staff to revise the MOU and work with the Foundation to approve an amended version of the MOU.

RECOMMENDATION

Approve the MOU with One Riverfront Foundation and the City Manager to sign on behalf of the City.