

McWilliams Farm Property Divestment

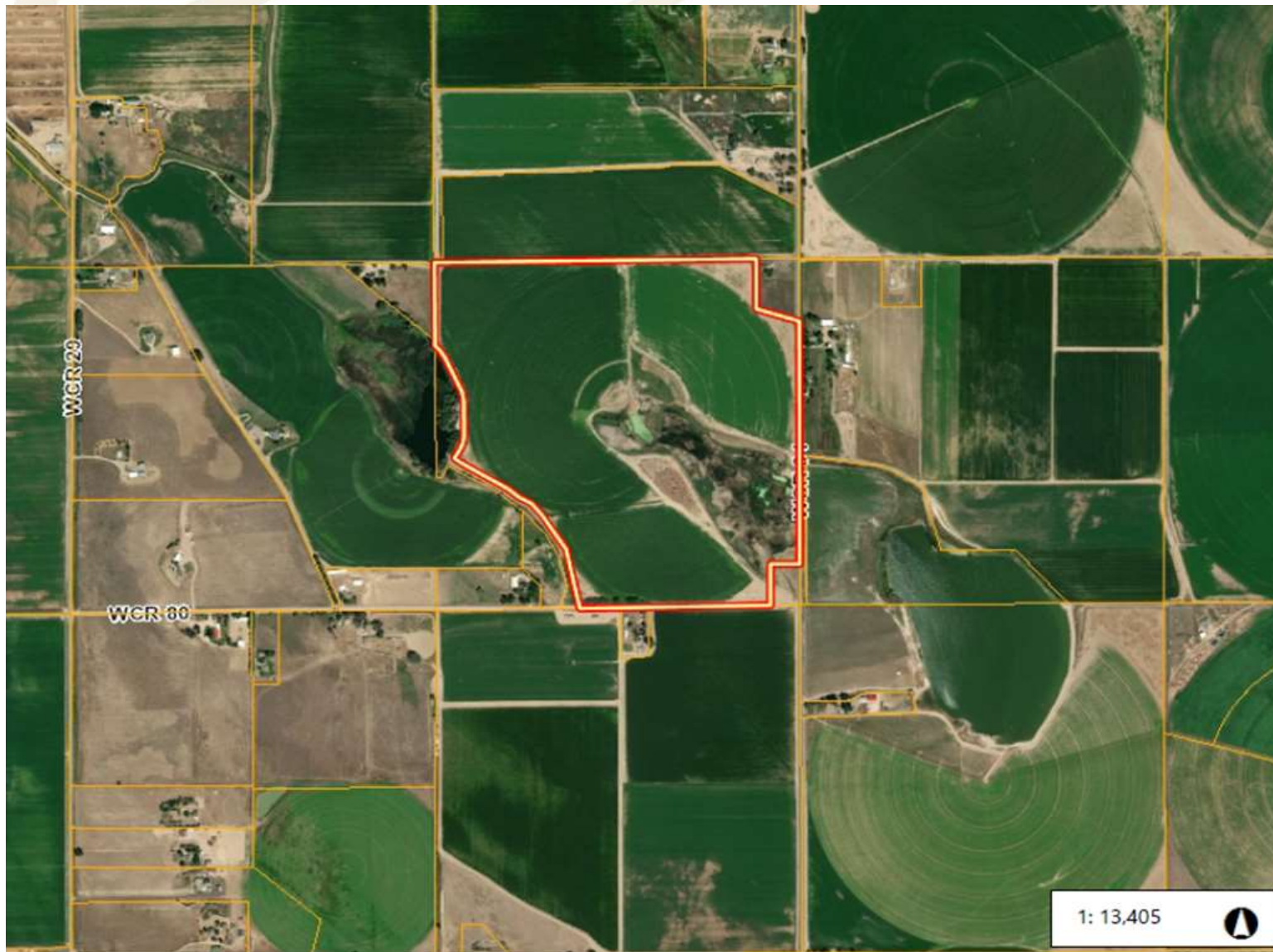
Presented to Greeley City Council

By Greeley Water & Sewer Department

January 4, 2022

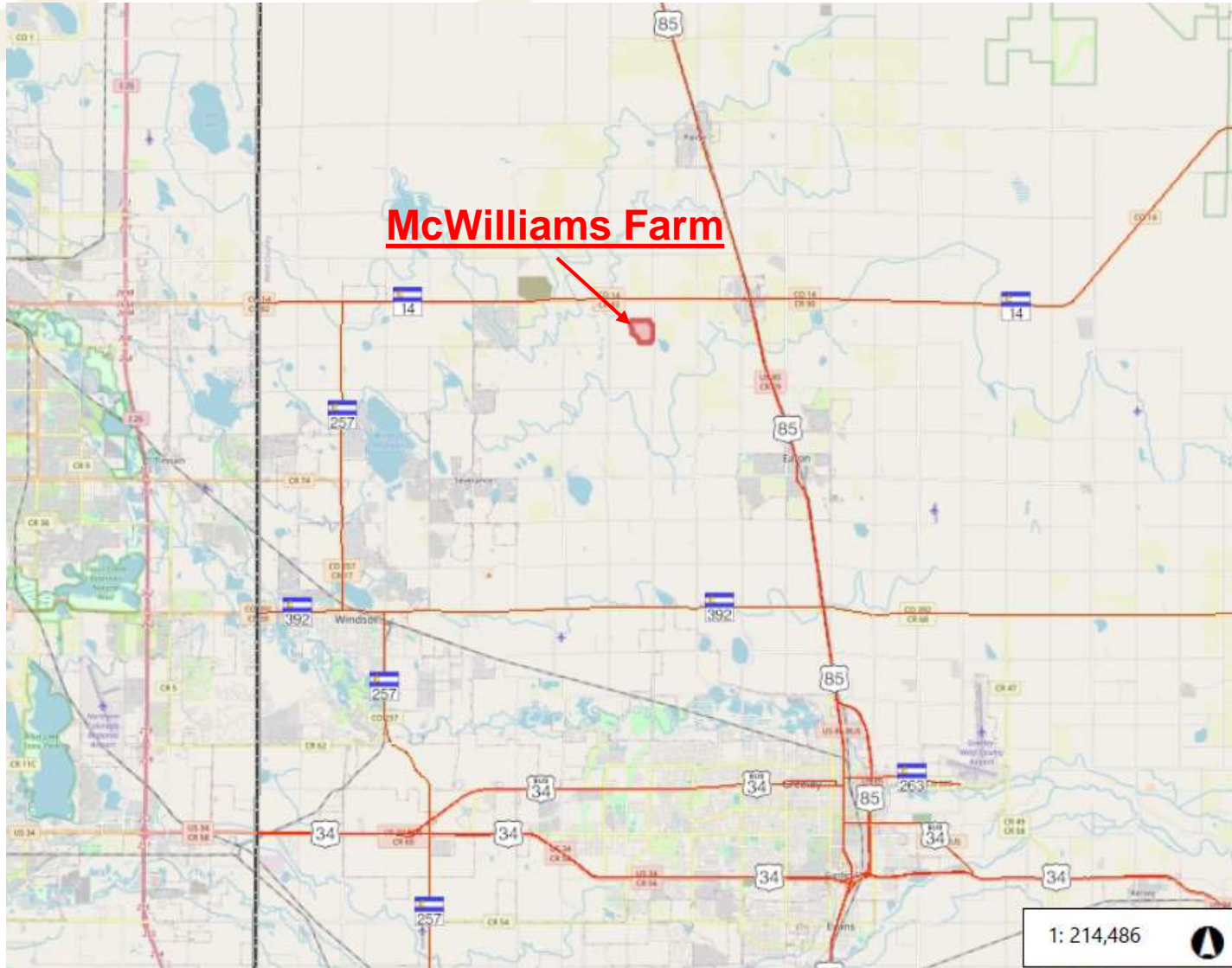


McWilliams Farm



- **McWilliams Farm:**
 - 133+/- acres
 - Weld County
 - Sale Price:
 - \$800,000.00

McWilliams Farm Property Location



McWilliams Farm Property Divestment

- Purchased in 2016 as part of a water rights acquisition
 - Three shares of Water Supply and Storage (WSSC)
- Proposed divestment of dry land (water retained)
- 2016 purchase price – \$4,890 per acre
- Current offer from 3T, LLC – \$6,000 per acre
 - Value aligns with comparable
 - \$800,000 for 133 acres



McWilliams Farm Property Divestment

- \$15,000 earnest money
- 5% brokerage commission
- Buyer pays for most diligence, Greeley pays for title commitment
- City obtains dry-up and revegetation covenants
- Leaseback (0.5 share of WSSC)
 - Two year lease, with option to renew for one additional year



Benefits

- Benefits of divestment:
 - Water rights retained
 - Reduces maintenance overhead
 - Could seek to re-appropriate sale proceeds for additional water acquisition



Recommendation

Staff recommends a motion to adopt the ordinance as presented for the divestment of the McWilliams Farm Property.

Note: On November 17, 2021, the Greeley Water and Sewer Board approved the sale agreement and recommended to City Council the authorization for the sale of the McWilliams Farm Property.





Questions?

