

# Council Agenda Summary

January 4, 2022

Key Staff Contact: Sean Chambers, Water & Sewer Director, 970-350-9815

## Title:

Public hearing and final reading of an ordinance authorizing the sale of city-owned property located in Section 16, Township 7 North, Range 66 West of the 6th P.M. in Weld County ("McWilliams Farm")

## Summary:

In 2016, the City of Greeley purchased a 133 +/- acre farm in Weld County, (known internally as the "McWilliams Farm"). The land was part of the Danielson Farms acquisition, which included two other farms totaling 332 acres along with three shares of the stock in the Water Supply and Storage Company ("WSSC Water Rights"). Greeley paid a dry land value of \$4,890 per acre for the land in 2016. Since that time, the City has leased the McWilliams Farm, along with the WSSC Water Rights, to a tenant farmer in order to maintain the beneficial use of the WSSC Water Rights on the historically irrigated land. In 2021, the City negotiated a purchase offer for the McWilliams Farm for \$800,000 or \$6,000 per acre. The City will retain the WSSC Water Rights; no water rights are part of the sale. A dry-up covenant, revegetation covenant, and a leaseback of the one-half share of WSSC Water Rights to the buyer are part of the agreement.

The Water and Sewer Board authorized the sale at its November 17, 2021 meeting and recommended that City Council authorize the same.

## Fiscal Impact:

Does this item create a fiscal impact on the City of Greeley?	Yes
If yes, what is the initial, or, onetime impact?	\$800,000
What is the annual impact?	None
What fund of the City will provide Funding?	Water Acquisition Fund – Revenue Received
What is the source of revenue within the fund?	Cash-In-Lieu
Is there grant funding for this item?	No
If yes, does this grant require a match?	
Is this grant onetime or ongoing?	
Additional Comments:	

## Legal Issues:

Pursuant to Section 17-4(c) of the City Charter, City Council must approve the sale or exchange of land authorized by the Water and Sewer Board. The City Council has the authority, by ordinance, to approve the sale of real property that is not being used for governmental purpose.

**Other Issues and Considerations:**

None

**Strategic Work Program Item or Applicable Council Priority and Goal:**

*Infrastructure & Growth:* Establish the capital and human infrastructure to support and maintain a safe, competitive, appealing and successful community.

**Decision Options:**

- 1) Adopt the ordinance as presented; or
- 2) Amend the ordinance and adopt as amended; or
- 3) Deny the ordinance; or
- 4) Continue consideration of the ordinance to a date certain.

**Council's Recommended Action:**

A motion to adopt the ordinance authorizing the sale of city-owned property located in Section 16, Township 7 North, Range 66 West of the 6th P.M. in Weld County ("McWilliams Farm")

**Attachments:**

Ordinance

Purchase Contract and Exhibits A-C thereto