

# Hasbrouck and Varra Farms Property Divestment

**Presented to Greeley City Council**

By Greeley Water & Sewer Dept.

June 15, 2021



# Background

- On May 19, 2021 the Greeley Water and Sewer Board approved a purchase and sale agreement with Longs Peak Dairy for acquisition of 5 1/6 shares of Water Supply and Storage Company (WSSC)
  - WSSC is the number one target for the city's acquisition program
  - Agreement included a land trade



# Background

- Proposed sale of two properties (Hasbrouck and Varra farms) to Longs Peak Dairy
  - Farms are valued at approximately \$2,000,000
  - Sale reduces cash outlay for WSSC purchase
  - Water and Sewer Board recommended to City Council to approve divestment



# Hasbrouck & Varra Farms

- Hasbrouck Farm:
  - 282 +/- acres
  - \$1,100,000
- Varra Farm:
  - 156 +/- acres
  - \$900,000



# Farm Divestment

- Longs Peak Dairy will continue to use the farms for agriculture
- Buyer Pays for diligence, no brokerage
- City obtains dry-up and revegetation covenants
- Leaseback for both farms
  - 10 year primary lease of water rights
  - Lease may be extended for up to 5, 1-year terms



# Recommended Action

Staff recommends introducing the ordinance and scheduling a public hearing and final reading for July 6, 2021





Questions?

