

Balmer Farm Property Divestment

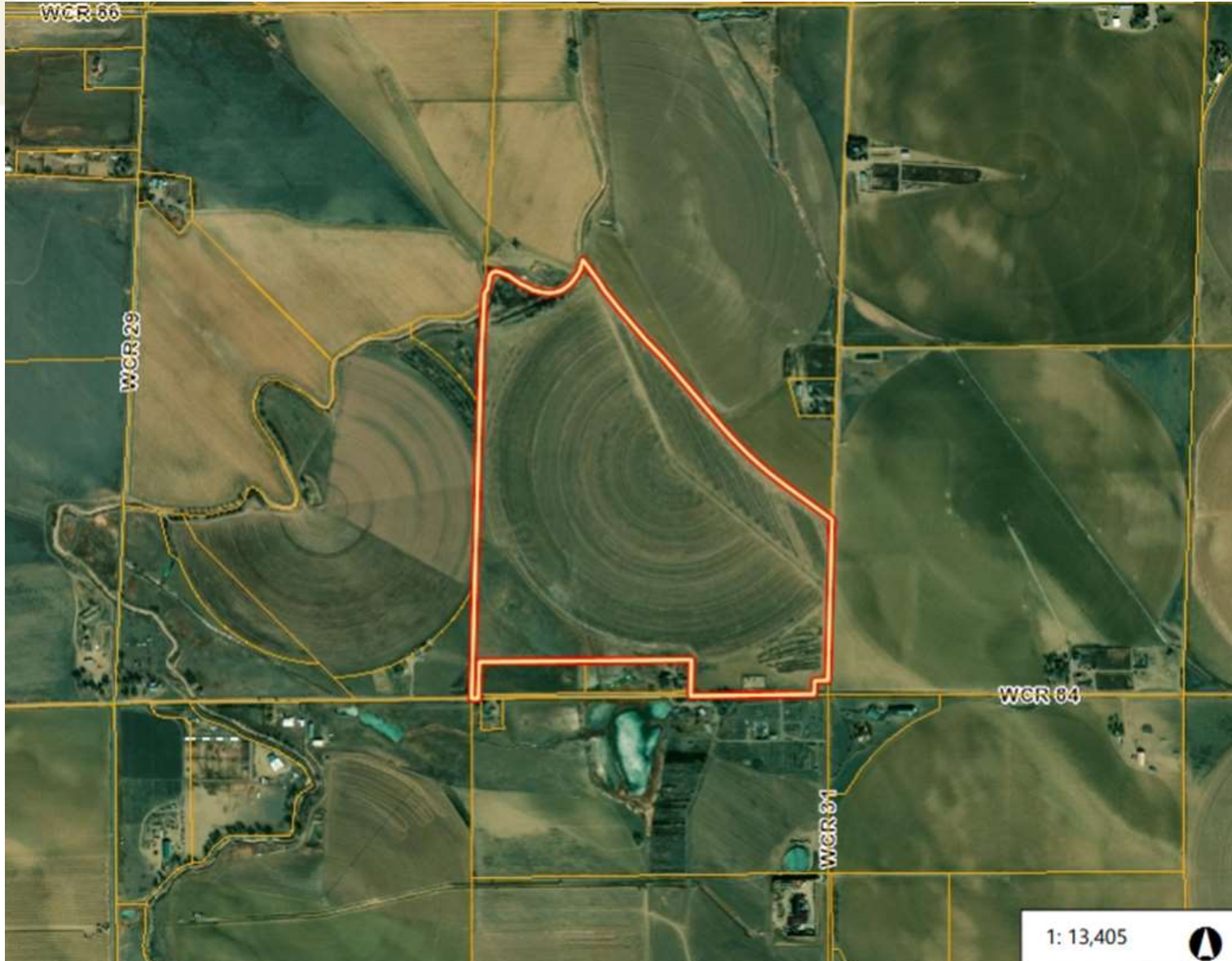
Presented to Greeley City Council

By Greeley Water & Sewer Department

May 17, 2022

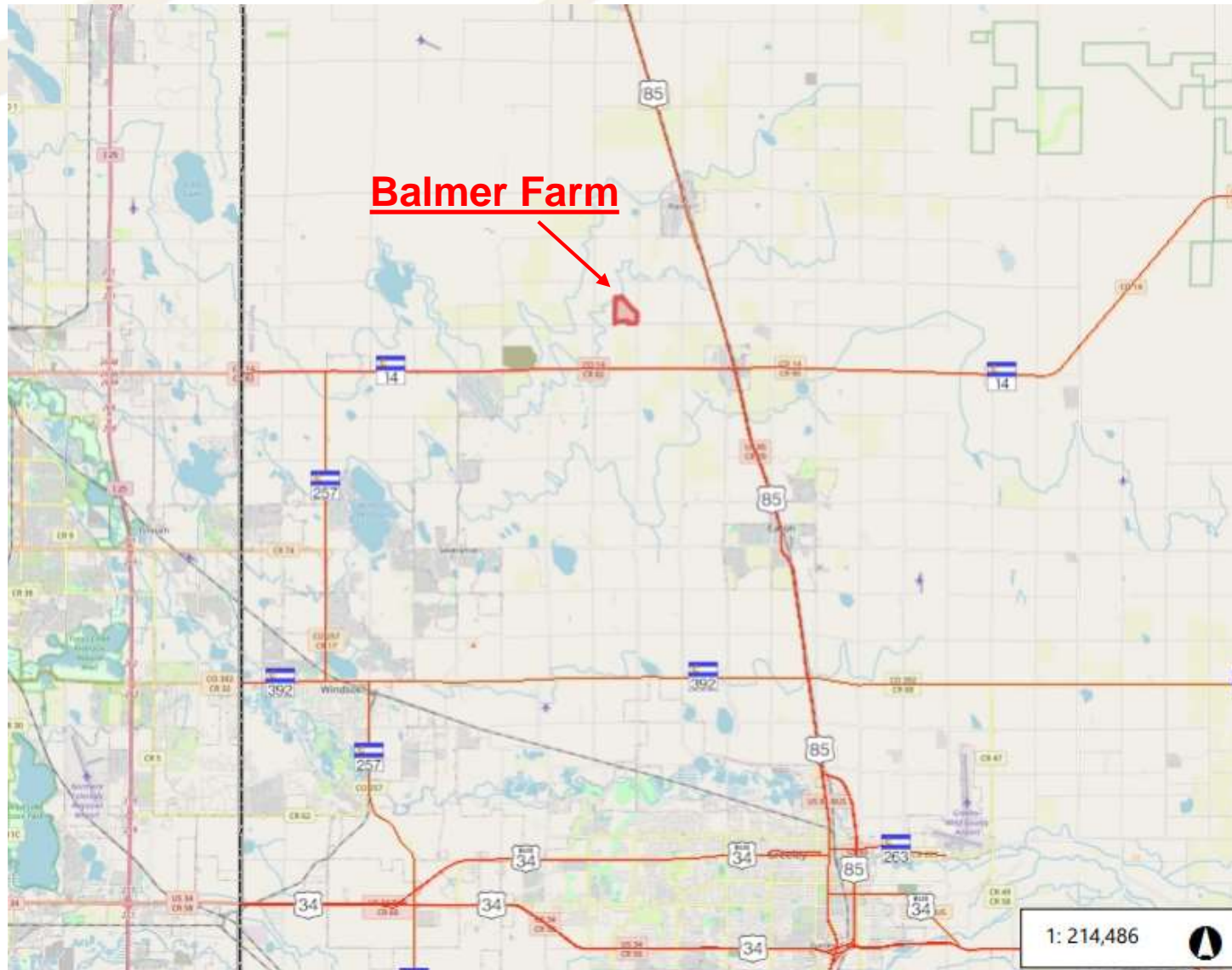


Balmer Farm Farm



- **McWilliams Farm:**
 - 139+/- acres
 - Weld County
 - Sale Price:
 - \$850,000.00

Balmer Farm Property Location



Balmer 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 LTS Performance Horses LLC – \$6,100 per acre
 - Value aligns with comparables
 - \$850,000 for 139 acres



Balmer Farm Property Divestment

- \$10,000 earnest money
- 5% brokerage commission
- Buyer pays for most diligence, Greeley pays for title commitment
- City obtains dry-up and revegetation covenants
- Leaseback (2 shares of WSSC)
 - One year lease, with option to renew annually for four additional years



Benefits

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



Recommendation

Staff recommends introducing the ordinance to divest the Balmer Farm and scheduling a public hearing and final reading for June 7, 2023.

Note: On April 20, 2022, the Greeley Water and Sewer Board approved the sale agreement and recommended to City Council the authorization for the sale of the Balmer Farm Property.





Questions?

