

CITY COUNCIL COMMUNICATION



MEETING DATE: May 06, 2025

ITEM NUMBER: 9.{{item.number}}

SECOND READING:

{{customfields.ResoOrdNumber}}

TYPE OF ITEM: Consent

PRESENTED BY:

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SUBJECT/AGENDA TITLE:

A Resolution Of The Longmont City Council Authorizing Agreements Between The City Of Longmont And 1st Avenue Storage, LLC For The Purchase Of Real Property At 613 1st Avenue And 740 Boston Avenue For The 1st And Main Transit Station Facilities Project

EXECUTIVE SUMMARY:

The City of Longmont is working in partnership with RTD to construct a transit facility at 1st and Main that involves the construction of a public parking structure, incorporating a bus station and the extension of Coffman Street, along with supporting infrastructure. The property owned by 1st Avenue Storage, LLC, located at 613 1st Avenue and 740 Boston Avenue, needs to be acquired to construct the Coffman Street extension. The parties have negotiated a mutually agreeable price of \$2,600,000.00 for the property. A resolution approving the purchase and sale agreement is attached for City Council consideration.

COUNCIL OPTIONS:

1. Approve the Resolution approving acquisition of 1st Avenue Storage, LLC properties.
2. Do not approve Resolution

RECOMMENDED OPTIONS:

Approve the Resolution

FISCAL IMPACT & FUND SOURCE FOR RECOMMENDED ACTION:

Purchase price is \$2,600,000.00. This project is funded in the 1st and Main Transit Station Area Improvements CIP, Project No. TRP131.

BACKGROUND AND ISSUE ANALYSIS:

As part of RTD's FasTracks transit project, RTD identified a future transit station for Longmont that would eventually provide for commuter rail service between Longmont and Denver via Boulder. In November 2017, the City and RTD executed a Memorandum of Understanding (MOU) whereby the parties agreed to move forward in partnership to construct a transit facility in the vicinity of 1st Avenue and Main Street (U.S.287) intended to more immediately provide bus rapid transit (BRT) service between Boulder and Longmont. The MOU provides

for the City and RTD to work in partnership to plan for and construct the transit facility, and to initiate and finalize land acquisitions needed to implement the improvements. The MOU also specifies funding whereby RTD confirmed a pledge of \$17.0 million towards the project. Upon execution of the MOU, City and RTD staff proceeded to work collectively on the preparation of an Infrastructure Master Plan (IMP) that identified the required land acquisitions needed to implement the improvements. In 2023, the City and RTD entered into an Intergovernmental Agreement (IGA) stipulating the City's responsibility to acquire seven (7) parcels of land as shown in the attached map. Given this responsibility, the City has set aside funding in the CIP for these land acquisitions.

The City has already purchased five (5) of the parcels of land. The 1st Avenue Storage, LLC parcels represent the last acquisitions needed for the Transit Facility Project and required by RTD under the IGA. An appraisal of the parcels, prepared on behalf of the City, established a valuation of \$1,960,000.00. An appraisal prepared for the property owner set the valuation at \$2,600,000.00. City staff have been attempting to negotiate a sales transaction for the better part of two years, but the property owner has held to a sales price equal to their appraisal of \$2.6 M. Given the remaining short timeframe to secure and clear the property (building remediation and demolition) for construction of Coffman Street (1st Qtr. 2026) and advisement from legal counsel regarding potential litigation timeframes and costs, City staff made an offer of \$2,600,000.00 as required and accepted by the seller. The Purchase and Sale Agreement (PSA) as presented provides for a closing on July 31, 2025, or August 31, 2025, at the latest, if needed to give time for tenants to remove stored personal property.

The purchase of this parcel of land is critical to be able to construct the extension of Coffman Street, between 1st Avenue and Boston Avenue, that is essential to the operation of bus service from the planned bus facility and parking garage.

ATTACHMENTS:

1. Resolution
2. Purchase and Sale Agreement
3. 1st and Main Land Acquisition Map