



Background Paper for Proposed Ordinance

COUNCIL MEETING DATE: January 24, 2022

TO: President Heather Graham and Members of City Council

CC: Mayor Nicholas A. Gradisar

VIA: Marisa Stoller, City Clerk

FROM: Daniel C. Kogovsek, City Attorney

SUBJECT: AN ORDINANCE APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE AN OPTION TO PURCHASE AGREEMENT BETWEEN THE CITY OF PUEBLO, A COLORADO MUNICIPAL CORPORATION AND THE PUEBLO ECONOMIC DEVELOPMENT CORPORATION, A COLORADO NONPROFIT CORPORATION, RELATING TO A FUTURE JOB CREATING CAPITAL IMPROVEMENT PROJECT

SUMMARY:

Attached is an Ordinance approving and authorizing the Mayor to sign an Option to Purchase Agreement with the Pueblo Economic Development Corporation ("PEDCO") relating to a future job creating capital improvement project.

PREVIOUS COUNCIL ACTION:

Not applicable to this ordinance.

BACKGROUND:

PEDCO is currently in confidential negotiations with an out-of-state corporation which is considering the construction of a large manufacturing facility to be located in the St. Charles Industrial Park. The prospective employer has asked for assurances from PEDCO and the City that if the Pueblo site is selected, 300 acres of land will be available in the St. Charles Industrial Park for construction of the manufacturing facility.

FINANCIAL IMPLICATIONS:

The attached agreement gives PEDCO a 180 day option to purchase 300 acres of land located in the St. Charles Industrial Park for \$10.00, provided that the land is subsequently transferred to an employer who will provide primary jobs to local residents to be set forth in an Employment Agreement acceptable to the Mayor and City Council.

BOARD/COMMISSION RECOMMENDATION:

Not applicable to this ordinance.

STAKEHOLDER PROCESS:

Not applicable to this ordinance.

ALTERNATIVES:

A no-action alternative may cause the prospective employer to select another site for its manufacturing facility.

RECOMMENDATION:

The PEDCO board recommends approval of this Ordinance.

Attachments:

Proposed Ordinance

Proposed Option to Purchase Agreement

ORDINANCE NO. _____

AN ORDINANCE APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE AN OPTION TO PURCHASE AGREEMENT BETWEEN THE CITY OF PUEBLO, A COLORADO MUNICIPAL CORPORATION AND THE PUEBLO ECONOMIC DEVELOPMENT CORPORATION, A COLORADO NONPROFIT CORPORATION, RELATING TO A FUTURE JOB CREATING CAPITAL IMPROVEMENT PROJECT

BE IT ORDAINED BY THE CITY COUNCIL OF PUEBLO, that:

SECTION 1.

The Option to Purchase Agreement (“Agreement”) dated February 14, 2022 between the City of Pueblo and the Pueblo Economic Development Corporation, a copy of which is attached hereto and incorporated herein by this reference, having been approved as to form by the City Attorney, is hereby approved. The Mayor is authorized to execute and deliver said Agreement in the name of the City and the City Clerk is authorized to affix the seal of the City thereto and attest same.

SECTION 2.

The officers and staff of the City are authorized to perform any and all acts consistent with this Ordinance and the attached Agreement which are necessary or appropriate to implement the transactions described therein.

SECTION 3.

This Ordinance shall become effective on the date of final action by the Mayor and City Council.

Action by City Council:

Introduced and initial adoption of Ordinance by City Council on _____.

Final adoption of Ordinance by City Council on _____.

President of City Council

Action by the Mayor:

- Approved on _____.
- Disapproved on _____ based on the following objections:

Mayor

Action by City Council After Disapproval by the Mayor:

- Council did not act to override the Mayor's veto.
- Ordinance re-adopted on a vote of _____, on _____
- Council action on _____ failed to override the Mayor's veto.

President of City Council

ATTEST

City Clerk