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Town Council Agenda Communication

Agenda Date: October 5, 2026

Subject: Resolution 2026-42: Approving Purchase and Sale Agreement between the Town of Johnstown and Quality Liquid Feeds, Inc.

Attachments:

1. Resolution 2026-42
2. Purchase and Sale Agreement

Presented by: Sarah Crosthwaite, Economic Development Director

Agenda Item Description:

Enclosed for your review and consideration is Resolution 2026-42 approving the Purchase and Sale Agreement by and between the Town of Johnstown and Quality Liquid Feeds, Inc. for the purchase of three parcels of real property located within the downtown area on Charlotte Street and consisting of approximately 1.183 acres altogether.

The property is owned by Quality Liquid Feeds (QLF), which is in the process of relocating its business operations out of state. Below is an overview of the three lots:

Parcel Number	Acreage
105904301003	0.134
105904300032	0.250
105904300033	0.759

Town Staff has been working with QLF for several months to evaluate the feasibility of acquiring the property and its potential for future redevelopment consistent with the Town Council adopted Downtown Master Plan.

As part of this process, a Phase I Environmental Site Assessment (ESA) was completed in July. The assessment identified recognized environmental conditions and recommended additional environmental assessments to determine the extent of any potential contamination and whether remediation may be necessary. The property is currently considered a potential brownfield; however, a final determination regarding environmental conditions and remediation requirements will require additional investigation. Completion of the Phase I ESA prior to acquisition was necessary to preserve the Town's eligibility for potential State and Federal brownfield funding for future environmental assessments and, if necessary, remediation.

Town Staff has also been actively coordinating with the Colorado Department of Public Health and Environment (CDPHE) regarding the property and has submitted a request for a Phase II ESA, which, if approved, would be funded and completed through CDPHE's brownfield program. Staff is also working with Kansas State University Technical Assistance to Brownfields (KSU TAB), which works closely with CDPHE and communities throughout the region on brownfield redevelopment. KSU TAB will assist the Town in developing a conceptual redevelopment approach for the property based on the Downtown Master Plan and its Mixed-Use Downtown (MU-DT) zoning.

Following completion of the Phase I ESA, the Town also obtained an appraisal in August to establish the property's market value.

Acquisition of the property presents an opportunity to advance the goals of the Downtown Master Plan, which calls for the long-term redevelopment of industrial properties within downtown into uses that support a vibrant, walkable, and interconnected downtown. Town ownership would allow the Town to proactively guide the property's future redevelopment toward compatible mixed-use development, improved pedestrian connectivity, and stronger connections to Historic Downtown.

Ownership would also provide greater flexibility to pursue future redevelopment partnerships and funding opportunities, including collaboration with the Johnstown Downtown Development Authority, potential TIF revenues, and State and Federal brownfield assistance.

Town Staff is supportive of acquiring the property as a proactive step toward implementing the Downtown Master Plan and positioning the site for future redevelopment into uses compatible with MU-DT zoning, while continuing to evaluate and address any environmental conditions through the appropriate State and Federal brownfield programs.

Strategic Plan Alignment:

Healthy & Resilient Economy

- Invest in the development of a vibrant and interconnected downtown
- Drive projects and initiatives that promote Johnstown as a premier destination for business

Natural & Built Environment

- Set the expectation and provide support for community-centered design

Legal Advice:

The Town Attorney has drafted and reviewed the Purchase and Sale Agreement and Resolution.

Financial Advice:

The Town through its approved FY2026 Budget has funding available to purchase the 3 parcels.

Recommended Action:

Staff supports approval of Resolution 2026-42: Approving Purchase and Sale Agreement between the Town of Johnstown and Quality Liquid Feeds, Inc.

Suggested Motions:

For Approval: I move to approve Resolution 2026-42: Approving Purchase and Sale Agreement between the Town of Johnstown and Quality Liquid Feeds, Inc. as presented.

For Denial: I move to deny Resolution 2026-42: Approving Purchase and Sale Agreement between the Town of Johnstown and Quality Liquid Feeds, Inc.

Reviewed and Approved for Presentation

A handwritten signature in blue ink, appearing to be 'W. J. C.', is written above a horizontal line.

Town Manager