

LEASE AGREEMENT

THIS LEASE AGREEMENT (“Agreement” or “Lease”) is hereby made and entered into this 15th day of July, 2022, by and between the City of Grand Junction, a Colorado home rule municipality (the “City”), and 1110 Kimball, LLC (“Lessee”), whose legal address is 1315 Mountain View Drive, Aspen, Colorado 81611 (hereinafter collectively referred to as the “Parties”).

RECITALS

A. The City is the owner of that certain real property located in the City of Grand Junction, County of Mesa, State of Colorado described as follows:

A certain parcel of land lying in Section 24, Township 1 South, Range 1 West of the Ute Principal Meridian, State of Colorado County of Mesa, City of Grand Junction, being a portion of City owned lands having as a Parcel Number 2945-231-00-945 and being more particularly described as follows:

ALL of that part of said Parcel Number 2945-231-00-945 lying South of Lot 2, Old Mill Subdivision, as same is recorded in Book 5008, Pages 27 and 28, Public Records of Mesa County, Colorado; North of a line that 5.00 feet North of and parallel with the Northerly Edge of the concrete gutter lying North of the Riverside Parkway; West of an existing concrete wall whose Northerly terminus is located approximately at the Northeast corner of said Lot 2, Old Mill Subdivision.

CONTAINING 41,000 Square Feet, more or less, as described.

And;

A certain parcel of land lying in Section 23, Township 1 South, Range 1 West of the Ute Principal Meridian, State of Colorado, County of Mesa, City of Grand Junction and being more particularly described as follows:

ALL that portion of Parcel Number 2945-231-00-945 owned by the City of Grand Junction, lying South of Lot 1, Old Mill Subdivision, as same is recorded in Book 5008, Pages 27 and 28, Public Records of Mesa County, Colorado and lying North of a line that 5.00 feet North of and parallel with the Northerly edge of the concrete gutter lying North of the Riverside Parkway.

CONTAINING 18,000 Square Feet, more or less, described.

The City acquired the property (now known as “Park Property” or “the Park Property”) which was formerly a uranium mill tail processing site, from the State of Colorado Department of Public Health and Environment (“State”) by quit claim deed (“Deed”) following remediation of the site, as recorded in Book 2320, Pages 884 and 885, Public Records, Mesa County, Colorado. Pursuant to 42 U.S.C. § 7914(e)(1)(B), the State donated such lands to the City for permanent use by the City for park, recreational or other public purposes.

Lessee desires to lease a portion of the Park Property from the City on a short-term basis and use the surface of the property for parking, storage, and other purposes associated with business operations of 1110 Kimball, LLC. Lessee also desires to lease a larger portion of the Park Property on a long-term basis following this short-term lease. Lessee is aware of the conditional uses of the Park Property and by signing this Agreement agrees and warrants that they shall use the property only as specified in this Agreement.

B. The City desires to lease a portion of the Park Property to the Lessee and for the Lessee to use the surface for the Lessee's purposes only as specified in this Agreement.

NOW, THEREFORE, for and in consideration of the payment of rent and the performance of the promises, covenants, conditions, restrictions, duties, and obligations set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Grant and Acceptance of Lease. The City hereby leases a portion of the Park Property to the Lessee, as more particularly described in **Exhibit A**, which is attached hereto and incorporated herein by this reference (the "Property"). Lessee hereby accepts and leases the Property from the City, for the Term (defined in Section 2 below).

2. Term. The term of this short-term Lease shall commence on July 15, 2022, and continue through October 15, 2022 ("Term") at which time this lease shall expire.

3. Rent. Rent for the Property specified in **Exhibit A** during the Term, shall be **two hundred U.S. Dollars (\$200.00)** per month ("Rent"); said amount shall be due and payable, without the City's demand, on or before the fifteenth (15th) day of each month, beginning August 15, 2022. Should payment of Rent not be received by the City on or before the fifteenth (15th) day of the month, Lessee hereby agrees to pay the city a late charge of **\$200.00**, which amount shall be added to the amount of Rent(s) due. Furthermore, should payment of Rent and any late charge not be received by the City on before the twenty-fifth (25th) day of the following month, this Lease shall automatically terminate and either of the Parties shall have any further rights, duties, or obligations under this Agreement.

4. Reservations from Lease. Pursuant to the Deed, the State reserved unto itself any non-tributary groundwater and the right to surface access for groundwater development. This Lease is also subject to the reservation of: (1) any and all oil, gas, coal and other minerals and mineral rights of any person underlying or appurtenant to the Property; (2) all water and water rights, ditches, and ditch rights appurtenant to or connected with the Property, including, but not limited to, any water or water rights which may have been previously used on or in connection with the Property, for whatever purposes; (3) existing rights-of-way for roads, railroads, telephone lines, transmission lines, utilities, ditches, conduits or pipelines on, over, or across said parcel; and the following terms and conditions specified in Section 5 below, so long as such actions will not interfere with the Lessee's use and enjoyment of the Property for the purposes set forth herein.

5. Use and Condition of the Property.

5.1 Lessee covenants and agrees that its use of the Property is strictly limited to the use of the surface of the Property and that it will not use the groundwater from the site for any purpose, construct wells or any means of exposing groundwater to the surface. Lessee also agrees to make application and follow City development requirements, including, but not limited to, prior written approval of construction plans, designs, and specification. Any habitable structures constructed on the Property shall employ a radon ventilation system or other radon mitigation measures, as required by the State of Colorado.

Any use of the Property shall not adversely impact groundwater quality nor interfere with groundwater remediation under State and federal law or regulations.

5.2 Lessee agrees that its use and occupancy of the Property shall be subject to all applicable laws, rules, regulations, codes, rulings, and ordinances of any governmental authority, either now in effect or hereafter enacted, having jurisdiction over the Property and Lessee's use, occupancy, and operations thereon. Lessee agrees that it shall not use nor permit the Property to be used for any other purpose or in any other fashion or manner contrary to the provisions of this Lease or the laws, ordinances, codes, or regulations of any governmental unit or agency exercising jurisdiction over the Property or any use thereon.

5.3 Lessee agrees to maintain, clean, and repair all aspects of the Property at Lessee's sole cost and expense, including, but not limited to, driveways, fences, parking spaces, lights, or gates located or hereafter constructed by Lessee on the Property, and to not cause damage to the Property or the real or personal property of any party. Lessee agrees that the City shall not be obligated nor required to repair damages to any portion or aspect of the Property.

5.4 Lessee has caused for and otherwise inspected the Property, the rights, and privileges appurtenant thereto, and the rules, regulations, codes, and ordinances governing Lessee's use, occupancy, and operations thereon. Lessee agrees that the condition of the Property and such rights, privileges, rules, regulations, codes, and ordinances are sufficient for the Lessee's purposes. The City makes no warranties, promises, or representations, express or implied, oral, or written, that the Property is sufficient for the purposes of the Lessee. If the Property is damaged due to fire, flood, or other casualty, or if the Property or any aspect thereto is damaged or deteriorates to the extent where it is no longer functional for the purposes of the Lessee, the City shall have no obligation to repair the Property nor to otherwise make the Property usable or occupiable, damages shall be at Lessee's own risk.

5.5 Lessee agrees to make a reasonable effort to keep the Property free from noxious weeds. Lessee further agrees that it shall not commit waste nor permit waste, damage, or injury to the Property.

6. Non-Liability of the City for Damage. The City shall not be liable for liability or damage claims for injury to persons or property, including the Lessee's property, from any cause relating to the occupancy and use of the Property by Lessee, including those arising out of damages or losses occurring on areas adjacent to the Property or easements used for the benefit of the Property during the Lease Term or any extension thereof, nor for any injury or damage to any property of the Lessee or any other party, from any cause whatsoever. Lessee hereby agrees to indemnify the City, its officers, employees, and agents, and hold the same harmless from all liability, loss, or other damage claims or obligations resulting from any injuries, including death, or losses of any nature.

Furthermore, the City shall not be liable to Lessee for any damages, or any loss of profits or loss of opportunities claimed by Lessee or for interruption of Lessee's business or operations resulting from fire, the elements, casualty, of any kind or the closure of any public highway providing access to and from the Property.

7. Hazardous Substances.

7.1 The term "Hazardous Substances" as used in this Agreement, shall mean any substance which is; defined as a hazardous substance, hazardous material, hazardous waste, pollutant or contaminant under any Environmental Law enacted by any federal, state and local governmental agency or other governmental authority; a petroleum hydrocarbon, including, but not limited to, crude oil or any

fraction thereof; hazardous, toxic or reproductive toxicant; regulated pursuant to any law; any pesticide or herbicide regulated under state or federal law.

The term "Environmental Law", as used in this Lease Agreement, shall mean each and every federal, state, and local law, statute, ordinance, regulation, rule, judicial or administrative order or decree, permit, license, approval, authorization or similar requirement of each and every federal state and local governmental agency or other governmental authority, pertaining to the protection of human health and safety of the environment, either now in force or hereafter enacted.

7.2 Lessee shall not cause or permit to occur by Lessee or Lessee's agents, guests, invitees, contractors, licensees, or employees the following:

(a) Any violation of any Environmental Law on, under or about the Property or arising from Lessee's use and occupancy of the Property, including, but not limited to, air, soil, and groundwater conditions; or

(b) the use, generation, accidental or uncontrolled release, manufacture, refining, production, processing, storage, or disposal of any Hazardous Substance on, under or about the Property, or the transportation to or from the Property of any Hazardous Substance in violation of any federal state or local law, ordinance, or regulation either now in force or hereafter enacted.

8. Environmental Clean-Up.

8.1 The following provisions shall be applicable to Lessee and to Lessee's agents, guests, invitees, contractors, licensees, and employees:

(a) Lessee shall, at Lessee's sole cost and expense, comply with all Environmental Laws and laws regulating the use, generation, storage, transportation, or disposal of Hazardous Substances;

(b) Lessee shall, at Lessee's sole cost and expense, make all submissions to provide all information required by and/or to comply with all requirements of all governmental authorities (the "Authorities") under Environmental Laws and other applicable laws,

(c) Should any Authority or the City demand that a clean-up plan be prepared and that a clean-up plan be undertaken because of any deposit, spill, discharge or other release of Hazardous Substances on, under or about the Property, Lessee shall, at Lessee's sole cost and expense, prepare and submit the required plan(s) and all related bonds and other financial assurances, and Lessee shall carry out all such clean-up plan(s) in compliance with the Authorities and all Environmental Laws and other applicable laws.

(d) Lessee shall promptly provide all information regarding the use, generation, storage, transportation, or disposal of Hazardous Substances requested by any Authority. If Lessee falls to fulfill any duty imposed hereunder within a reasonable time, the City may do so on Lessee's behalf and, in such case, Lessee shall cooperate with the City in the preparation of all documents the City or any Authority deems necessary or appropriate to determine the applicability of Environmental Laws to the Property and Lessee's use thereof, and for compliance therewith, and Lessee shall execute all documents promptly upon the City's request. No such action by the City and no attempt made by the City to mitigate damages under any Environmental Law or other applicable law shall constitute a waiver of any of Lessee's obligations hereunder.

(e) Lessee's obligations and liabilities hereunder shall survive the expiration or termination of this Lease Agreement.

8.2 Lessee shall indemnify, defend and hold the City, its officers, employees and agents harmless from all fines, suits, procedures, claims and actions of every kind, and all costs associated therewith (including the costs and fees of attorneys, consultants and experts) arising out of or in any way connected with any deposit, spill, discharge or other release of Hazardous Substances and the violation of any Environmental Law and other applicable law by Lessee and/or Lessee's agents, guests, invitees, contractors, licensees and employees that occur during the term of this Lease or any extension thereof, or from Lessee's failure to provide a!! information, make all submissions, and take all actions required by all Authorities under the Environmental Laws and other applicable laws. Lessee's obligations and liabilities hereunder shall survive the expiration or termination of this Lease Agreement.

9. Default; Sublet; Termination; Assignment.

9.1 Should Lessee: (a) default in the performance of Its agreements or obligations herein and any such default continue for a period of thirty (30) days after written notice thereof is given by the City to Lessee; or (b) abandon or vacate the Property; or (c) be declared bankrupt, insolvent, make an assignment for the benefit of creditors, or if a receiver is appointed; the City, at the City's option, may cancel and annul this Lease at once and enter and take possession of the Property immediately without any previous notice of intention to reenter, and such reentry shall not operate as a waiver or satisfaction in whole or in part of any claim or demand arising out of or connected with any breach or violation by Lessee of any covenant or agreement to be performed by Lessee. Upon reentry, the City may remove the property and personnel of Lessee and store Lessee's property in a warehouse or at a place selected by the City, at the expense of Lessee and without liability to the City. Any such reentry shall not work a forfeiture of nor shall it terminate the rent(s) to be paid or the covenants and agreements to be performed by Lessee for the full term of this Lease; and, upon such reentry, the City may thereafter lease or sublease the Property for such rent as the City may reasonably obtain, crediting Lessee with the rent so obtained after deducting the cost reasonably incurred in such reentry, leasing or subleasing, including the costs of necessary repairs, alterations and modifications to the Property. Nothing herein shall prejudice or be to the exclusion of any other rights or remedies which the City may have against Lessee, including, but not limited to, the right of the City to obtain injunctive relief based on the irreparable harm caused to the City's reversionary rights.

9.2 Except as otherwise provided for (automatic and immediate termination), if Lessee is in default in the performance of any term or condition of this Lease Agreement, the City may, at its option, terminate this Lease upon giving thirty (30) days written notice. If Lessee fails within any such thirty (30) day period to remedy each and every default specified in the City's notice, this Lease shall terminate. If Lessee remedies such default, Lessee shall not thereafter have the right of thirty (30) days (to remedy) with respect to a similar subsequent default, but rather, Lessee's rights shall, with respect to a subsequent similar default, terminate upon the giving of notice by the City.

9.3 Lessee shall not assign or sublease the Property, or any right or privilege connected therewith, or allow any other person, except officers, employees, agents, and clientele of Lessee, to occupy the Property or any part thereof without first obtaining the written consent of the City, which consent must be approved and ratified by the City Council of the City. Any attempt to sublet, assign or transfer without the prior written consent of the City shall be void *ab initio*. In the event an assignment of this Lease or a sublease is authorized by the City, lessee shall not be released from Lessee's obligations and duties under this Lease and this Lease shall remain in full force and effect. Any consent by the City shall not be a consent to a subsequent assignment, sublease, or occupation by any other party. Any unauthorized assignment, sublease, or permission to occupy by Lessee shall be void and shaft, at the option of the City, provide

reasonable cause for the City to terminate this Lease. The interest of Lessee in this Lease is not to be assignable by operation of law without the formal approval and ratification by the City Council of the City.

9.4 Lessee shall not engage or allow any contractor, material man or supplier to perform any work or supply any materials or other goods or services on any portion of the Property which could be the subject of a mechanic's lien.

10. Fees or Commissions. The parties to this Lease Agreement warrant that no person or selling agency has been employed or retained to solicit or secure this Lease upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee. The City and Lessee agree to defend, indemnify, and hold the other harmless from any claim for real estate brokerage commissions or finder's fees asserted by any other party claiming to be entitled to brokerage commissions or finder's fees arising out of this Lease.

11. Notices. All notices to be given with respect to this Lease shall be in writing delivered either by United States mail or Express mail, postage prepaid, by email, or by hand or courier service as follows:

To the City:
City of Grand Junction
c/o Parks and Recreation Director
1340 Gunnison Avenue
Grand Junction, CO 81501

With Copies to:
City of Grand Junction
c/o City Attorney
250 North 5th Street
Grand Junction, CO 81501

To the Lessee:
1315 Mountain View Drive
Aspen, CO 81611

With Copies to:
Coleman & Quigley, LLC
c/o Stuart R. Foster
2454 Patterson Road, Suite 200
Grand Junction, CO 81505

All notices shall be deemed given: (1) if sent by mail, when deposited in the mail; (2) if delivered by hand or courier service, when delivered; or (3) if sent via email, when transmitted. The parties may, by notice as provided above, designate a different address to which notice shall be given.

12. Not a Partnership.

13.1 The City, by entering into this Lease Agreement, does not part with its entire possession of the Property, but only so far as it is necessary to enable Lessee to use the Property and carry out the terms and provisions of this Lease. It is expressly agreed between the parties that this Agreement is one of lease and not of partnership and that the City shall not be or become responsible for any debts contracted or incurred by Lessee. Lessee shall save, indemnify and hold the City, its officers, employees and agents harmless against all liability and loss, and against all claims or actions based upon or arising out of any claim, lien, damage or injury (including death), to persons or property caused by Lessee or sustained in connection with Lessee's performance of the terms and conditions of this Agreement or the conditions created thereby, or based upon any violation of any statute, ordinance, code or regulation, either now in force or hereinafter enacted, and the defense of any such claims or actions, including the costs and fees of attorneys, consultants and experts. Lessee shall also save, indemnify, and hold the City, its officers, employees, and agents harmless from and against all liability and loss in connection with, and shall assume full responsibility for the payment of, all federal, state, and local taxes, fees or contributions imposed or required under unemployment insurance, social security, and income tax laws with respect to employees engaged by Lessee.

13.2 The City hereby reserves the right to at all times have its officers, employees and agents enter into and upon the demised premises and every part thereof and to do such acts and things as may be deemed necessary for protection of the City's interests therein.

13. Enforcement; Partial Invalidity; Governing Law.

14.1 If the Parties are required to commence or prosecute any legal action to determine the rights, duties, and obligations hereunder or to otherwise enforce this Agreement, then the prevailing party shall be entitled to the payment of their reasonable attorneys' fees and court costs, including those incurred for any successful appeal.

14.2 In case any one or more of the terms or provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement, and this Agreement shall be construed and given effect as if such invalid or illegal or unenforceable term or provision had never been contained herein. Upon such determination that any term or provision is invalid, illegal or unenforceable, the court or other tribunal making such determination is authorized and instructed to sever the invalid, illegal or unenforceable term or provision and modify this Agreement so as to give effect to the original intent of the Parties as closely as possible so that the transactions, agreements, covenants and obligations contemplated herein are consummated as originally intended to the fullest extent possible.

14.3 This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado. Venue for any action to enforce any covenant or agreement contained in this Agreement shall be in Mesa County, Colorado.

14. Surrender; Holding Over. Lessee shall, upon the expiration or termination of this Lease, surrender the Property to the City in good order, condition and state of repair, reasonable wear and use excepted. In the event Lessee fails, for whatever reason, to vacate and surrender the Property upon the expiration or termination of this Lease and the parties have not reached an agreement which would allow Lessee to continue to occupy any portion of the Property, Lessee agrees that Lessee shall pay to the City the sum of **\$10.00** per day for each and every day thereafter until Lessee has effectively vacated and surrendered the Property. The parties agree that it would be difficult to establish the actual damages to the City in the event Lessee fails to vacate and surrender the Property upon the expiration or termination of this Lease, and that said **\$10.00** daily fee is an appropriate liquidated damages amount.

15. Total Agreement; Applicable to Successors. This Lease contains the entire agreement between the parties and, except for automatic expiration or termination, cannot be changed or modified except by a written instrument subsequently executed by the parties hereto. This Lease and the terms and conditions hereof apply to and are binding upon the successors and authorized assigns of both parties. The parties hereto have each executed and entered into this Lease Agreement as of the day and year first above written.

16. Execution in Counterparts. This Agreement may be executed in one or more counterparts including scanned and emailed counterparts each counterpart to be considered an original portion of this Agreement, and all of which together shall constitute a single instrument. A photocopy of this Agreement may be used in lieu of an original in any action or proceeding brought to enforce or construe this Agreement.

17. Headings Not Part of Agreement. The headings contained in this Agreement are for convenience only, do not constitute part of this Agreement, and shall not limit, affect the interpretation of, or otherwise affect in any way the provisions of this Agreement.

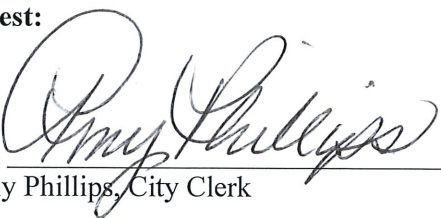
18. Interpretation of the Agreement. This Agreement was drafted jointly by the Parties and shall not construed against any party hereto.

19. Further Assurances. The Parties shall execute such further documents and do any and all such further things as may be necessary to implement and carry out the intent of this Agreement.

IN WITNESS WHEREOF, the Parties have caused for the execution and made this Lease effective as of the date first set forth above.

**THE CITY OF GRAND JUNCTION,
a Colorado Home Rule Municipality:**

By: 
Greg Caton, City Manager

Attest:
By: 
Amy Phillips, City Clerk

LESSEE:

By: _____

(Print Name)

Its: _____

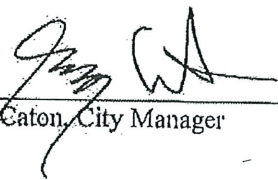


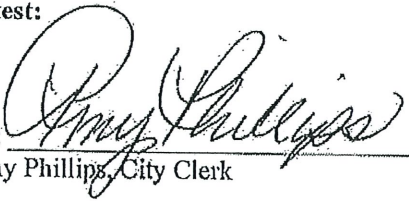
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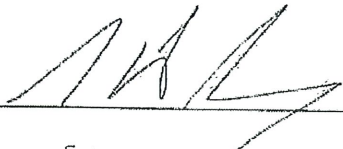
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**THE CITY OF GRAND JUNCTION,
a Colorado Home Rule Municipality:**

By: 
Greg Caton, City Manager

Attest:
By: 
Amy Phillips, City Clerk

LESSEE:

By: 
Shannon Switney
(Print Name)

Its: manager



Exhibit A

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