

**ADU Production Program
COVENANT AGREEMENT FORM**

RECORDING REQUESTED BY:

City of Grand Junction

AFTER RECORDING, PLEASE MAIL THIS INSTRUMENT TO:

City of Grand Junction 250

North 5th Street

Grand Junction, CO 81501 ATTN:

CITY CLERK

**COVENANT AGREEMENT RESTRICTING
OCCUPANCY FOR AN ACCESSORY DWELLING UNIT
AND PROVIDING FOR ENFORCEMENT CERTAIN
TERMS AND CONDITIONS**

This Covenant Agreement Restricting Occupancy for an Accessory Dwelling Unit ("Agreement") is made and entered in to as of 5/15/2023 ("Reference Date"), by and between the City Of Grand Junction, a Colorado Home Rule municipality ("City"), and Alba Bingham, the owner of real property ("Owner"), located at 1403 N.26th Ct Grand Junction ("Property"). Collectively the City and the Owner may be referred to as Parties.

RECITALS

1. Owner owns the Property, which is currently developed with, or will be developed with, a single-family residence. Owner has been approved by the City to construct on the Property an accessory dwelling unit ("ADU") as that term is defined in 21.04.040(f) of Grand Junction Zoning and Development Code ("Code" or "ADU Code").

2. Ordinarily certain Fees, known as Development Impact Fees, Sewer Plant Investment Fee (PIF) ("Fees") and Transportation Capacity Payment ("TCP") will be paid by Owner as a condition of the development of an ADU under the Code, and pursuant to this agreement, the Owner may be excused from paying the Fees and TCP if the Owner, for a period of five (5) years, agrees to limit occupancy of the ADU per the terms of this Agreement and not use the Property as a short-term rental (either the ADU or the principal structure) and commits the ADU to long term rental (rental periods longer than 30 days) only.

For owner-occupied (living on the Property in either unit) properties, an additional incentive of up to \$15,000 total including Fee waiver may be included for an additional two (2) year commitment (7 years total) to long term rental (30 days or more) and a commitment to not use any structure on the Property (either the ADU or the principal structure) as a short-term rental.

Owner/Developer has reviewed and accepted the terms of this Agreement and has by his/her/its signature agreed to comply with this Agreement and to obtain authorization to develop an ADU on the Property without being required to pay the Fees and TCP and/or qualified for the additional incentive.

NOW, THEREFORE, in consideration of these recitals and the mutual covenants contained herein, the Parties agree as follows:

1. The City agrees to pay as consideration for the Owner's commitments, and the Owner agrees that the consideration is adequate to support the making and enforcement of the Agreement.

2. AMOUNT OF PAID IMPACT FEES

The amount of Impact Fees to be waived pursuant to this Agreement, in total, equal ~~\$8507.68~~ \$7814.68 ("PAID Impact Fees") and/or ~~\$6492.32~~ \$7185.32 (additional Incentive, if applicable).

3. EXECUTION AND RECORDATION OF AGREEMENT

Before the City agrees to issue a planning clearance for the ADU without requiring Owner to pay Fees and the TCP, the Owner must execute and notarize this Agreement. Following Owner's execution and notarization of this Agreement, the City will promptly countersign and record the Agreement or a Memorandum of the Agreement at the City's option in the Mesa County, Colorado land title records. The recordation shall touch and concern the Property as described in Exhibit A and shall run with the land until released by the City.

4. The Agreement shall have a term of 7 (seven) years commencing on the date the County issues a certificate of occupancy for the ADU ("Commencement Date") and ending on the 5th (fifth) anniversary of the Commencement Date, unless the Parties hereto mutually terminate the Agreement earlier as provided in Section 8 ("Term").

5. EARLY TERMINATION OF THIS AGREEMENT

Owner may terminate this Agreement at any time by providing a signed written termination notice to the City and pay a termination fee in the following amounts: (1) twenty percent (20%) of the Total Paid Impact Fees and/or additional incentive; plus, (2) an additional 20 percent (20%) of the Paid Impact Fees for each full or incomplete year left in the Term ("Termination Fee").

Alba Bingham 8/18/23

The following example illustrates the operation of the preceding paragraph where the paid Impact Fees total \$10,000, and Owner terminates the Agreement with two years left in the original five-year term. In this example, the Termination Fee would be \$6000. The \$6,000 is computed as follows: (1) \$2000 representing 20% of the Waived Impact Fees; and (2) \$4,000 representing: (i) 20% of the paid Impact Fees; multiplied by two full or incomplete years left on the original five-year term.

6. SALE OR TRANSFER OF TITLE

If the Property is voluntarily or involuntarily transferred or sold, the Owner must pay an early termination fee at time of transfer or sale closing or the successor to the Owner must execute and record to the City's satisfaction a new Covenant Agreement for the remaining years must be submitted for the new owner. In accordance with Code the City has a right to be paid all Fees, the TCP and Extra Incentive disbursed, committed or paid by the City for or on behalf of the Owner for the ADU, together with all interest thereon and penalties for early termination/default of any condition of this Covenant Agreement. In the event of default, the value of all Fees, TCP, Additional Incentive, Termination Fee and Penalty, together with costs of collection, shall constitute a perpetual real estate lien equivalent to general property taxes.

7. DELIVERY OF OCCUPANCY CERTIFICATION FORMS AND LEASE MATERIALS TO CITY; ADDITIONAL REPORTS

(A) Within ten (10) calendar days of the date of having an initial occupant, the Owner shall provide the City (1) a fully executed long-term lease, and (2) the Occupancy Certification Forms executed by the Owner, along with any documentation provided in conjunction with the forms; and,

(B) Within ten (10) calendar days of an Annual Certification Date following an initial occupancy, the owner shall provide the City with the following (1) if a NEW lease for the ADU has been executed, a copy of that newly executed lease; and (2) the complete Occupancy Certification Forms executed by the Owner, along with any certification documentation provided in conjunction with those forms.

(C) The City shall keep the Occupancy Certification Forms in confidence to the extent permitted by law.

8. VIOLATIONS AND REMEDIES

(A) The Parties agree that each remedy allowed by this Agreement and the Code is a cumulative remedy and is not exclusive of any other remedy available pursuant to this Agreement, the Code or other legal authority.

(B) Owner agrees that: (1) a violation of this Agreement also constitutes both a permit violation and a Code violation for purposes of the Grand Junction Municipal Code; and (2) any violation of this Agreement may also be enforced through

the issuance of administrative citation(s) in accordance with the Grand Junction Municipal Code.

(C) For purposes of this paragraph an "Event of Default" occurs if the City notifies the Owner of a violation of this Agreement and the Owner does not fully cure the violation within ten (10) calendar days following the date of the notice, or if such a cure cannot be accomplished with diligent action within ten (10) days, within no more than sixty (60) days. If an Event of Default occurs, the City may provide written notice to the Owner that the City is terminating the Agreement and requiring the Owner to pay the City the full termination fee provided in Section 5, with a penalty of twenty percent (20%) of the paid Impact Fees ("Termination Fee and Penalty"). Until the Termination Fee and Penalty are fully paid, no use of the ADU may occur. Each day on which a use of the ADU is made, prior to payment of the Termination Fee and Penalty shall also constitute both a permit violation and a code violation.

9. ADDITIONAL TERMS

(A) The Owner shall not permit a household to occupy the ADU in a manner not compliant with Grand Junction or Mesa County zoning and development and/or building codes.

(8) The Owner shall assure that any occupancy of the ADU occurs in a manner that satisfies all applicable laws.

10. NOTICES

Any notices pursuant to this Agreement shall be in writing and sent (i) by an established express delivery service which maintains delivery records, (ii) by hand delivery, by United States Post first class mail, postage prepaid; or (iii) by certified or registered mail, postage prepaid, return receipt requested, to the following addresses:

To City: City of Grand Junction
Attn: Housing Manager
250 N 5th Street
Grand Junction, Co. 81501

To Owner: Alba Bingham
1406 N. 26th Ct
Grand Junction, CO

City and Owner hereby declare their express intent that the covenants and restrictions set forth in this Agreement shall run with the land and shall bind all successors in title to the property. Each and every contract, deed, or other instrument hereafter executed covering or conveying the Property or any covenants or restrictions contained in this Agreement whether such covenants or restrictions are set forth in such contract, or deed.

(A) No waiver of any nature, whether by conduct or otherwise, in any one or more instances, shall be deemed to be, or construed as, a further or continuing waiver of such condition or of any breach, or a waiver of any other condition or breach of any other term of this Agreement.

(B) The following Exhibits are attached and incorporated herein by this reference:


- Exhibit A: Legal Description of Property
- Exhibit B: Occupancy Certification Form

"CITY"

"OWNER"

City of Grand Junction

BY:



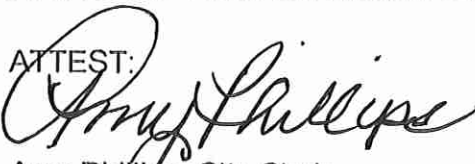
Greg Caton, City Manager

BY:

Alba A. Bingham

NOTE: A COLORADO ALL PURPOSE NOTARY ACKNOWLEDGEMENT MUST BE ATTACHED FOR ALL SIGNATURES ABOVE THIS LINE OF TEXT.

ATTEST:


Amy Phillips, City Clerk

State of Colorado, County of Mesa

Before me, Sonya Rasmussen
on this 21 day of June, 2025, personally
appeared Alba A Bingham whom I have:

Personal Knowledge or

Identified with this identifying documentation:

CO DL 0362


Notary Public

11/27/2026
My Commission Exp. Date

SONYA RASMUSSEN
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID# 20064048119
MY COMMISSION EXPIRES 11/27/2026

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

Lot 3 in block 3 of second
Houlton Re-Subdivision,
County of Mesa
State of Colorado