

**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 5<sup>th</sup> 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 09/15/23 ("Reference Date"), by and between the City Of Grand Junction, a Colorado Home Rule municipality ("City"), and Roman Fulgenzi the owner of real property ("Owner"), located at 2320 Palace Verdes Dr Grand Junction, CO 81507 ("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" ), as "a type of lodging wherein a dwelling unit, either in full or in part, is rented to a temporary occupant(s) for monetary consideration for fewer than 30 consecutive days."

2. Ordinarily certain city Fees, collectively known as Development Impact Fees (Fire, Police, Parks and Transportation), Persigo Wastewater and City Water Plant Investment Fee (PIFs) ("Fees") will be paid by Owner as a condition of the development of an ADU under the Code. Pursuant to this agreement, the Owner may be excused from paying the Fees 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 any Dwelling Unit on the Property as a short-term rental and commits the ADU to long-term rental.

For owner-occupied (living on the Property)) 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 not utilize the and not use any Dwelling Unit on the Property as a short-term rental and commits the ADU to long-term rental.

Owner has reviewed and accepted the terms of this Agreement and has by signing agrees to comply with this Agreement.

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 FEES

The amount of Fees to be waived pursuant to this Agreement, in total, equal to \$ 8655.68 \_\_\_\_\_ ("PAID Fees") and/or \$6344.32 \_\_\_\_\_ (additional Incentive, if applicable).

3. EXECUTION AND RECORDATION OF AGREEMENT

Before the City issues a Planning Clearance for an approved ADU and agrees to pay Fees, the Owner must execute and notarize this Agreement. Following Owner's execution and notarization of this Agreement, the City will sign and record the Covenant Agreement in the office of the Mesa County Clerk and Recorder. The Agreement shall touch, concern and affect the Property as described in Exhibit A and shall be a covenant that runs with the land until released by the City.

4. The Agreement shall begin upon the issuance of a Planning Clearance for the ADU and have a term of 7 (seven) \_\_\_\_\_ years from the date of a Certificate of Occupancy for the ADU ("Commencement Date") and ending on the 7th (seventh) 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 Fees and any additional incentive; plus, (2) an additional 20 percent (20%) of the Paid Fees for each full or partial year left in the Term ("Termination Fee").

The following example illustrates the operation of the preceding paragraph where the paid Fees total \$15,000, and Owner terminates the Agreement with two years left in the original five-year term. In this example, the Termination Fee would be \$9000. The \$9,000 is computed as follows: (1) \$3000 representing 20% of the Waived Fees; and (2) \$6,000 representing: (i) 20% of the paid Impact Fees; multiplied by two full or partial 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 the 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 days/months/years. A Covenant Agreement must be executed by the new Owner and submitted to the City on terms determined by and to the City's satisfaction.

In accordance with City Code the City has a right to be paid all Fees and Extra Incentive disbursed, committed, or paid by the City for or on behalf of the Owner for the ADU, and penalties for Termination/default of any condition of this Covenant Agreement. In the event of Termination, the value of all Fees and Additional Incentive, Termination Fee, all as defined, described and made applicable by this Covenant, the Agreement and/or Ordinance and/or Resolution of the City, 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) a copy of an executed lease for the ADU; 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 occupancy of the ADU in a manner not in compliance with Grand Junction Municipal Code or adopted Building, Fire or other life safety and/or health code.

(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: Roman Fulgenzi  
2320 Palace Verdes Dr  
Grand Junction CO 81507

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"

City of Grand Junction

BY:

  
-----  
Greg Caton, City Manager

"OWNER"

Roman Fulgenzi \_\_\_\_\_

BY:

  
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\_\_\_\_\_

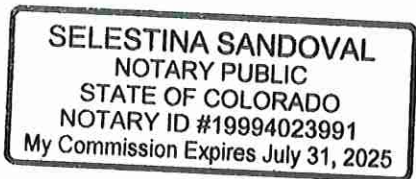
ATTEST:

  
\_\_\_\_\_  
Amy Phillips, City Clerk

State of Colorado)  
  )ss.  
County of Mesa    )

The foregoing Agreement was acknowledged before me this 29th day of January, 2023, by Roman D. Fulgenzi, Greg Caton, Amy Phillips,

My commission expires: July 31, 2025  
Witness my hand and official seal.



  
\_\_\_\_\_  
Notary Public

**EXHIBIT A**

**LEGAL DESCRIPTION OF PROPERTY**

THE LAND REFERRED TO HEREIN IS SITUATED IN THE City of Grand Junction  
COUNTY OF, Mesa AND IS DESCRIBED AS FOLLOWS:



**Exhibit A**

A TRACT OF LAND LOCATED IN A PART OF THE S1/2 SW 1/4 OF SECTION 8, TOWNSHIP 1 SOUTH, RANGE 1 WEST OF THE UTE MERIDIAN, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE SE1/4 SW 1/4 OF SAID SECTION 8 AND CONSIDERING THE NORTH LINE OF THE SE1/4 SW1/4 OF SAID SECTION 8 TO BEAR NORTH 89°46'07" EAST WITH ALL OTHER BEARINGS CONTAINED HEREIN RELATIVE THERETO;

THENCE SOUTH 00°14'46" EAST 130.59 FEET;

THENCE SOUTH 42°56'00" WEST 200.27 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 47°04'00" EAST 275.81 FEET;

THENCE SOUTH 74°53'00" WEST 75.92 FEET;

THENCE SOUTH 47°06'48" WEST 223.08 FEET;

THENCE SOUTH 43°07'00" WEST 50.00 FEET;

THENCE SOUTH 89°54'25" WEST 130.06 FEET;

THENCE NORTH 00°11'55" EAST 182.94;

THENCE NORTH 42° 56'00" EAST 291.26 FEET TO THE TRUE POINT OF BEGINNING;

EXCEPT ANY PART OF THE ABOVE DESCRIBED PROPERTY LYING WITHIN THE FOLLOWING DESCRIBED PARCEL:

BEGINNING AT A POINT THAT BEARS SOUTH 132.0 FEET AND SOUTH 43°00' WEST 495.0 FEET AND SOUTH 155 FEET FROM THE NORTHWEST CORNER OF THE SE 1/4 SW1/4 OF SECTION 8, TOWNSHIP 1 SOUTH, RANGE 1 WEST OF THE UTE MERIDIAN (SAID POINT OF BEGINNING BEING THE SOUTHEAST CORNER OF LOT 14, BLOCK 2, PALACE VERDES ESTATES FILING NO. 1);

THENCE SOUTH 89°58' EAST 86.63 FEET;

THENCE ALONG THE ARC OF A 50.00 RADIUS CURVE TO THE RIGHT 261.8 FEET;

THENCE NORTH 89°58' WEST 86.63 FEET;

THENCE NORTH 50.0 FEET TO THE POINT OF BEGINNING;

TOGETHER WITH THAT PORTION OF VACATED PALACE VERDES DRIVE VACATED BY INSTRUMENT RECORDED AUGUST 8, 1997 IN BOOK 2348 AT PAGE 871, DESCRIBED AS FOLLOWS:

A PARCEL OF LAND SITUATED IN THE SW1/4 OF SECTION 8, TOWNSHIP 1 SOUTH, RANGE 1 WEST OF THE UTE MERIDIAN, CITY OF GRAND JUNCTION, COUNTY OF MESA, STATE OF COLORADO,

PREVIOUSLY DESCRIBED IN BOOK 091 AT PAGE 159 OF THE RECORDS OF THE MESA COUNTY CLERK AND RECORDER, A PORTION OF WHICH BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS : COMMENCING AT THE NORTHEAST CORNER OF LOT 10, BLOCK 3 OF SOUTH RIM FILING NO. 2, AS FOUND RECORDED IN PLAT BOOK 14 AT PAGE 241 OF THE RECORDS OF THE MESA COUNTY CLERK AND RECORDER; THENCE S 47°07'48" W ALONG THE NORTHWESTERLY LINE OF SAID LOT 10, BLOCK 3 A DISTANCE OF 8.93 FEET TO THE TRUE POINT OF BEGINNING OF THE PARCEL DESCRIBED HEREIN; THENCE S 52°34'57" W A DISTANCE OF 101.30 FEET TO A POINT ON THE NORTH LINE OF LOT 11, BLOCK 3 OF SAID SOUTH RIM FILING NO. 2. ; THENCE S 89°55'25" W A DISTANCE OF 83.89 FEET TO THE NORTHWEST CORNER OF SAID LOT 11, BLOCK 3;

THENCE N00°11'58"E A DISTANCE OF 50.00 FEET TOT HE SOUTHEAST CORNER OF LOT 14, BLOCK 2 OF PALACE VERDES ESTATES FILING NO. 1, AS FOUND RECORDED IN PLAT BOOK 10 AT PAGE 19 OF THE RECORDS OF SAID MESA COUNTY CLERK AND RECORDER;

THENCE N89°55'25"E A DISTANCE OF 86.65 FEET;

THENCE 90.07 FEET ALONG THE ARC OF A NON-TANGENT CURVE CONCAVE TO THE SOUTH, HAVING A RADIUS OF 50.00 FEET, A DELTA ANGLE OF 103°12'35" AND A LONG CHORD BEARING N81°31'43"E A DISTANCE 78.97 FEET TO THE POINT OF BEGINNING,

COUNTY OF MESA, STATE OF COLORADO.