

**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 07/19/2023 ("Reference Date"), by and between the City Of Grand Junction, a Colorado Home Rule municipality ("City"), and Ana Reitz, the owner of real property ("Owner"), located at 800 Colorado Ave Grand Junction, CO 81501 ("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), Perisgo 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 \$ 7051.18 AK ("PAID Fees") and/or **Not applicable** (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 5 (five) years from the date of 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 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: ANA REITZ
- 800 Colorado Ave 81501

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:

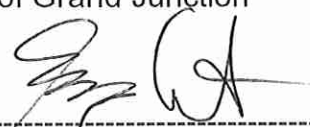
Exhibit A: Legal Description of Property

Exhibit B: Occupancy Certification Form

"CITY"

City of Grand Junction

BY:



Greg Caton, City Manager

"OWNER"

800 Colorado Ave

BY:



ANA REITZ 7/31/23

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

ATTEST:



Amy Phillips, City Clerk

KERRY GRAVES
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20214013283
MY COMMISSION EXPIRES APRIL 7, 2025



7/31/2023

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

Parcel A

The South 93.1 feet of the West 6 feet of Lot 30 and the South 93.1 feet of Lots 31 and 32 in Block 114 of the City of Grand Junction, County of Mesa, State of Colorado,

Parcel B

Easement over, along and across the North 32 feet of the West 6 feet of Lot 30 and the North 32 feet of Lots 31 and 32 in Block 114 of the City of Grand Junction, County of Mesa, State of Colorado

Doc Fee: \$36.00

SPECIAL WARRANTY DEED

This Deed, made August 20, 2020

Between Larry Mella and Mary Mella, of the County Laramie, State of Wyoming, grantor(s) and Ana Lucia Reitz and Randall Reitz, as Joint Tenants, whose legal address is 800 Colorado Ave, Grand Junction, CO 81501-3517 County of Mesa, and State of Colorado, grantee(s)

WITNESSETH, That the grantor(s) for and in the consideration of the sum of THREE HUNDRED SIXTY THOUSAND DOLLARS AND NO/100'S (\$360,000.00) the receipt and sufficiency of which is hereby acknowledged, has granted, bargained, sold and conveyed, and by these presents does grant, bargain, sell, convey and confirm, unto the grantee(s), his heirs and assigns forever, all the real property together with improvements, if any, situate, lying and being in the County of Mesa, State of Colorado described as follows:

See Exhibit A attached hereto and made a part hereof

also known by street and number as 800 Colorado Ave, Grand Junction, CO 81501-3517

TOGETHER with all and singular hereditaments and appurtenances, thereunto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents issues and profits thereof, and all the estate, right, title, interest, claim and demand whatsoever of the grantor, either in law or equity, of, in and to the above bargained premises, with the hereditaments and appurtenances except for taxes for the current year, a lien but not yet due and payable, subject to statutory exceptions as defined in CRS 38-30-113, revised.

TO HAVE AND TO HOLD said premises above bargained and described, with the appurtenances, unto the grantee, their heirs and assigns forever. The grantor(s) for themselves, their heirs and personal representatives or successors, does covenant and agree that they shall and will WARRANT AND FOREVER DEFEND the above-bargained premises in the quiet and peaceable possession of the grantee(s), their heirs and assigns, against all and every person or persons claiming the whole or any part thereof, by, through or under the grantor(s).

The singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.

IN WITNESS WHEREOF, the grantor has executed this on the date set forth above

SELLERS:

Larry Mella
Larry Mella

Mary Mella
Mary Mella

STATE OF Wyoming
COUNTY OF Laramie

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The foregoing instrument was acknowledged before me August 19, 2020 by Larry Mella and Mary Mella

Witness my hand and official seal:

Tetyana Steichen
Notary Public

My Commission expires 07/07/22



HTC