

**RESOLUTION NO. 125-00**

**AUTHORIZING THE LEASE BY THE CITY OF CERTAIN REAL PROPERTY  
LOCATED AT 2757 HIGHWAY 50 IN THE  
CITY OF GRAND JUNCTION**

WHEREAS, the Fire Department of the City of Grand Junction demonstrated the need to lease interior heated space, together with an appropriate amount of land area for ingress and egress purposes, to protect fire apparatus and other equipment from the elements of weather; and

WHEREAS, the City Council has determined that leasing that certain land and improvements located at 2757 Highway 50 is desirable and prudent to protect the investments of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION:

1. That the City Manager is hereby authorized and directed to execute the attached Lease Agreement for the lease of the above referenced property from Robert A. Fulcher, Diana S. Fulcher, Allan E. Beavers and Neva Beavers.
2. As provided in said Lease Agreement, the essential terms are as follows:
  - (a) The basic term of said Lease shall be for a period of six (6) months, commencing on December 7, 2000, and expiring on June 7, 2001, with an option to extend said Lease for an additional six (6) month term upon the same terms and conditions of the basic term;
  - (b) Rent shall be \$16,200.00 for the entirety of the basic term and, if extended, \$16,200.00 for the extended term.
  - (c) It is the express intent of the parties to said Lease Agreement that the Premises, so long as the same are used and occupied by the City, be exempt from ad valorem taxation pursuant to C.R. S. 31-15-802.

PASSED and ADOPTED this 6<sup>th</sup> day of December, 2000.

Attest:

/s/ Gene Kinsey  
President of the Council

/s/ Stephanie Nye  
City Clerk

## LEASE AGREEMENT

THIS LEASE AGREEMENT is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2000, by and between Robert A. Fulcher, Diana S. Fulcher, Allan E. Beavers and Neva Beavers, hereinafter collectively referred to as "Lessors", and the City of Grand Junction, a Colorado home rule municipality, hereinafter referred to as "the City".

### Recitals.

A. Lessor represent that they are the owners of that certain real property situate at 2757 South Highway 50 in the County of Mesa, State of Colorado, as identified by Mesa County Tax Schedule Number 2945-254-00-003 and hereinafter referred to as "the Property".

B. The City is desirous of leasing 59,116 square feet of land and 7,360 square feet of building space situate upon the Property as more particularly identified on **Exhibit "A"** attached hereto and incorporated herein by reference and hereinafter referred to as "the Premises", in accordance with the terms and conditions of this Lease Agreement.

NOW, THEREFORE, in consideration of the performance of the covenants and agreements by both parties as hereinafter set forth, the parties hereto agree as follows:

1. Grant of Lease. Lessors hereby lease the Premises to the City, and the City hereby leases the Premises from Lessors, subject to the terms, covenants, conditions, restrictions, duties and obligations as hereinafter set forth.

2. Term. The term of this Lease shall be for a period of six (6) months, commencing on December 7, 2000, and continuing through June 7, 2001 ("basic term"), at which time this Lease shall expire; provided, however, that in the event the City performs as required pursuant to this Lease Agreement and as part of the consideration for the payment of all rentals provided for herein, Lessors hereby give and grant to the City an option to extend the term of this Lease for one (1) additional six (6) month term, commencing on June 7, 2001, and expiring on December 7, 2001 ("extended term"), upon the same terms and conditions of this Lease Agreement. In order to exercise the option to extend the term of this Lease, the City shall give written notice to Lessors of the City's intention to exercise the option to extend no later than May 7, 2001.

3. Rent. Contemporaneous with the execution of this Agreement by both parties, the sum of \$16,200.00 shall be paid by the City to Lessor as full and complete payment for rents due and payable for the basic term of this Lease.

4. Duties and Representations of the City.

4.1 The City will not assign, sublease or otherwise transfer or permit a transfer of the City's rights or obligations under any provision of this Lease without the prior written approval of Lessors, which approval will not be unreasonably withheld.

4.2 The City will comply with all applicable laws relative to the City's use of, activities upon and occupancy of the Premises.

4.3 The City will peaceably surrender possession of the Premises immediately upon the expiration of this Lease in as good or better condition as existed when the City entered the Premises, ordinary wear and use excepted.

4.4 The City shall not commit nor permit waste, damage or injury to the Premises.

4.5 The City shall not make any structural alterations to the Premises or any part thereof without the prior written consent of Lessors, which approval shall not be unreasonably withheld.

4.6 Any approved alterations to the Premises, except moveable furniture, moveable trade fixtures and communications equipment brought onto the Premises by the City, shall become part of the Property and shall become and remain the property of Lessors.

4.7 The City agrees to pay for all services and utilities charges which are attributable to the City's lease and occupancy of the Premises on or before the date the same become due and payable.

4.8 The City shall provide all required fire extinguishing systems which may be necessary to protect the City's personal property from damage or destruction in the event of a fire.

#### 5. Duties and Representations of Lessors.

5.1 Lessors warrant that Lessors have full and complete authority to enter into this Lease Agreement.

5.2 Upon the City paying the required rentals and performing all of the other duties as required under this Agreement to be performed by the City, the City may quietly and peacefully occupy, utilize and enjoy the Premises during the term of this Lease.

5.3 Lessors, at no cost to the City, shall maintain in good condition and repair all structural parts of the Property and all electrical connections, natural gas connections, sewer connections, domestic water connections, roofing, plumbing, heating systems, ventilation systems, wiring and glass.

#### 6. Default, Remedies, Security Interest.

6.1 Lessors, at Lessor's option, shall have the right to terminate this Lease upon the occurrence of any of the following:

(a) failure by the City to pay any of the rentals required by the provisions of this Lease within fifteen (15) days after notice that such payments are delinquent; or

(b) failure by the City to perform any of the other terms, covenants or conditions of this Lease to be performed by the City if such failure shall not be remedied within thirty (30) days after written notice to the City of such condition; provided, however, that if such default cannot be cured by the payment of money and cannot with due diligence be wholly cured within such thirty (30) day period, the City shall have such longer period as shall be necessary to cure the same if the City commences such cure within the thirty (30) day period, prosecutes the cure to completion with due diligence, and advises Lessors from time to time, upon Lessors' request, of the actions which the City is taking and the progress being made.

6.2 At any time while any default by the City exists, and after proper notice has been served to the City by Lessors, Lessors may terminate this Lease by giving written notice of termination to the City. If the City shall fail to correct such default before notice of termination is

received, this Lease shall be fully and finally terminated without further action by or notice to either party.

6.3 If Lessors in any respect fail to perform any covenant required to be performed by Lessors under the terms of this Lease for more than thirty (30) days after notice is given by the City to Lessors, the City may cure such default or terminate this Lease. In the event the City cures any such default, Lessors agree to reimburse the City for actual costs paid by the City required to cure such default.

7. Destruction of the Premises. In the event the Premises or any portion of the Property necessary to the full use and quiet enjoyment of the Premises shall become destroyed or substantially injured by any means, Lessors shall either promptly rebuild and restore the improvements or such portion as may have been injured or destroyed, or clear the damaged or destroyed improvements from the Premises. Rent at the basis of \$2,700.00 per month shall be refunded to the City during the period that the damaged or destroyed improvements affect the City's full use and quiet enjoyment of the Premises. If the Premises become damaged or destroyed to the extent where they are no longer functional for the purposes of the City, and Lessors determine to not repair the improvements or otherwise make the Premises usable or occupiable, the City may terminate this Lease by giving notice to Lessors that this Lease is terminated.

8. Waivers. The failure of either party to insist on a strict performance of any of the terms and conditions hereof shall be deemed a waiver of the rights or remedies either party may have regarding that specific instance only and shall not be deemed a waiver of any subsequent breach or default in any other term and condition.

9. Notice. All notices to be given with respect to this Agreement shall be in writing. Each notice shall be sent by United States Certified Mail, return receipt requested, and shall be deemed served upon the receiving party as of the date of mailing indicated on the postal receipt, as follows:

To Lessors:            Robert A. Fulcher  
                                 2996 Teller Court  
                                 Grand Junction, CO 81504-8691

To the City:            City of Grand Junction  
                                 Attn: Mr. Tim Woodmansee, Real Estate Manager  
                                 250 North 5<sup>th</sup> Street  
                                 Grand Junction, CO 81501

The parties may, by notice as provided above, designate a different address to which notice shall be given.

10. Ad Valorem Taxation. It is the express intent of the parties that the Premises, so long as the same are used and occupied by the City, be exempt from ad valorem taxation pursuant to C.R.S. 31-15-802.

11. Total Agreement; Applicable to Successors. This Agreement contains the entire agreement between the parties and cannot be changed, modified or terminated except by a written instrument subsequently executed by both parties. This Agreement and the terms and conditions hereof apply to and are binding upon the successors and authorized assigns of both parties.

12. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado. Venue for any action shall be considered appropriate in Mesa County, Colorado.

Dated the day and year first above written.

Lessors:

\_\_\_\_\_  
Diana S. Fulcher, Property Manager

The City of Grand Junction,  
a Colorado home rule municipality

Attest:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
City Manager

**Exhibit "A"**  
**Depiction of Leased Premises**

