

CITY OF GRAND JUNCTION, COLORADO

RESOLUTION NO. 35-00

**A RESOLUTION ADOPTING THE
LEASE AGREEMENT BETWEEN
ASSEMBLY OF GOD CHURCH
AND
CITY OF GRAND JUNCTION
FOR OFFSITE PARKING FOR CITY HALL EMPLOYEES**

RECITALS:

The City of Grand Junction, in cooperation with the First Assembly of God Church at 5th and Grand Avenue, have agreed upon a lease agreement for offsite parking for City Hall employees.

The City recognizes the need to provide employee parking when the new City Hall is opened in July 2000.

The lease would be a three and one-half year lease between the City and First Assembly of God Church with renewal at the City's option.

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

That the City Council authorizes the City Manager to sign a Lease Agreement with First Assembly of God Church at 5th and Grand Avenue for City Hall employee parking in the form to be attached.

PASSED AND ADOPTED this 19th day of April, 2000.

/s/ Gene Kinsey
President of the Council

Attest:

/s/ Stephanie Nye
City Clerk

THIS LEASE AGREEMENT is made and entered into as of the 25th day of April, 2000, by and between FIRST ASSEMBLY OF GOD CHURCH, by and through the Board of Directors, hereinafter referred to as "the Lessor" or "the Church", and the CITY OF GRAND JUNCTION, a Colorado home rule municipality and hereinafter referred to as "the City" collectively referred to as the Parties.

In consideration of the mutual covenants contained herein, the Parties agree as follows:

Section One
Description of Premises

1.1 Lessor leases to the City and the City leases from Lessor, under the terms and conditions of this Lease, the following described real property in the City of Grand Junction, County of Mesa, State of Colorado, to wit:

Lots 17, 18, 19 and 20 in Block 74 of the City of Grand Junction, also known as the south east corner of 402 Grand Avenue, hereinafter referred to as "the Property". It is the intent of the parties to provide the City no less than 60 parking spaces at this location, and approximate vicinity.

Section Two
Term

2.1 The term of this Lease shall be for three and one-half (3&1/2) years (First Term), commencing on midnight July 27, 2000 and expiring on midnight January 27, 2004. If the City performs as required pursuant to this Lease and as part of the consideration for this agreement, Lessor hereby gives and grants to the City an option to extend this Lease for an additional three and one-half (3&1/2) years, (Extended Term) commencing upon the expiration of the prior term, upon the terms and conditions as herein set forth. In order to exercise an option for an Extended Term, the City shall give written notice to Lessor of its intention to exercise the option not less than thirty (30) days prior to the expiration of the First Term and any Extended Term of this Lease.

2.2 The Extended Terms of this Lease are at the option of the City, as long as the property is still owned by the Church. It is the intent of the parties to pursue the sale of the entire block to the City during the First Term or any Extended Terms of the Lease as more fully spelled out in Section Ten. The Church Board of Directors is currently restricted from entering into any lease longer than seven (7) years at this time. The Board of Directors agrees to recommend to the full congregation at their next annual meeting in February, 2001, to approve the extension of this current lease with the City of Grand Junction for multiple three and one-half year periods as long as the Church owns the property, at the City's option, under the same terms and conditions as herein set forth.

2.3 The City agrees that during the initial term of this agreement or any extended terms of this agreement, that the Church has a right to move the location of the City parking area to the closest available area to the current site, if the Church needs this initial location for additional Church building or rebuilding.

Section Three Consideration

3.1 The Lessor agrees to lease the Property to the City, during the First Term and any Extended Term or Terms, for the sole and exclusive consideration of \$25.00 per space per month for the first three and one-half years or \$63,000, payable in advance at the time of the execution of this lease, to assist the Church with the cost of necessary improvements to the Property.

3.2 The cost to the City for the renewal for subsequent three and one-half year periods shall be no less than \$25.00 per space inflated at the annual rate of 3%, i.e. \$27.73 per space per month for the second three and one-half year period. If the Church believes the market value of the leased spaces exceeds the calculated rate for any renewal period, they may present information to the City that indicates a different value for the spaces, as determined by a survey of available rental spaces within a two block radius of the Property. The City will verify the market survey results, and the Church and City will negotiate a fair and equitable rate for the renewal period.

Section Four Use of the Property

4.1 The City agrees to use the Property for a parking lot and the Church agrees to construct and maintain a parking lot in accordance with the City's design and specifications for the site. The parking lot shall be exclusively for City use during the hours of 0700 to 1800 Monday through Friday. The Lessor may use the parking lot for its purposes at all other times; however, the Lessor may not lease, rent or otherwise charge for or receive compensation for parking.

4.2 The City may enforce applicable parking laws, rules and regulations Monday through Friday, exclusive of legal holidays recognized by the City. The City shall use its own forces and the cost of enforcement shall be exclusive borne by the City. The City shall receive and keep any and all revenue derived from enforcement. The Lessor is authorized to enforce only those laws, rules or regulations that are incident to ownership.

4.3 The City shall not use nor permit the Property to be used in any other fashion or in any manner contrary to the laws, ordinances or regulations of any governmental unit or agency exercising jurisdiction over the property if other than the City. With the approval of the Lessor, which approval shall not be unreasonably withheld and so long as the signs conform to ordinances and

zoning laws imposed by the City, the City and/or the Lessor may install and maintain appropriate signs on the Property associated with the operation that it conducts thereon.

Section Five
Improvements, Repairs and Maintenance

5.1 The City shall design and prepare necessary construction specifications to improve that portion of the Property necessary to accommodate 60 parking spaces. The improvements shall be to City standards in existence at the time of this Lease. The improvements shall include but not be limited to design, engineering, construction, paving, lighting and landscaping (hereinafter referred to as "Improvements" or "the Improvements").

5.2 The City shall conduct the design and engineering work and obtain any and all required development permits at no cost to the Lessor. If the City is not able to obtain a permit and/or the Church is unable to construct the 60 spaces in accordance with the design on the Property, this Lease shall be deemed null, void and of no effect. Any monies previously paid by the City to the Church shall be refunded to the City.

5.3 The City shall maintain during the First Term and any Extended Term or Terms all aspects of the Property, including but not limited to the appearance and integrity of the Improvements; specifically the landscaping, irrigation systems and signs shall be maintained in good order, good appearance and condition similar to that of other City property. As a part of its maintenance of the Property the City shall keep the Property clean and in a safe condition in accordance with all applicable laws, ordinances and regulations of the City.

5.4 The Church and its successor(s) shall pay the cost of utilities used on and for the benefit of the Property, which include but are not limited to water and electricity.

5.5 If the City refuses or neglects to perform maintenance work required under the terms hereof within forty-five (45) days after written demand or the City fails to complete such repairs or perform maintenance within a reasonable time thereafter, Lessor may, without any obligation or requirement to do so, enter on the Property and make such repairs or perform maintenance without liability to the City's operations by reason thereof and if the Lessor makes such repairs or performs such maintenance, the City shall pay to Lessor, on demand, the cost thereof with interest at the rate of fifteen percent (15%) per annum from the date of payment by the Lessor for such repairs until paid by the City.

Section Six
Lessor Liability

6.1 The Lessor shall not be liable for liability or damage claims for injury to persons or property from any cause relating to the occupancy of the Property by the City, including those arising out of damages or losses occurring on sidewalks and other areas adjacent to the Property during the term of this Lease or any extension thereof nor for any injury or damage to any property of the City from any cause.

6.2 The City shall indemnify, to the extent authorized or provided by law, the Lessor from premises liability, loss or damage claims or obligations resulting from any injuries or losses of any nature described in paragraph 6.1.

Section Seven Insurance

7.1 The City is self-insured up to \$150,000 per claim with excess coverage through Lloyd's of London. It is a member in the Colorado Intergovernmental Risk Sharing Agency (CIRSA) pool. In addition to these protections the City will avail itself of the protections of the Colorado Governmental Immunity Act (C.R.S. 24-10-101 *et seq.*). The law limits liability to up to \$150,000 per person and up to \$600,000 per occurrence, based on current statutory limits. So long as the City is insured through CIRSA or an equivalent organization, the City shall have no obligation to purchase public liability insurance and other coverage for protection against liability for damage claims through public use of, or arising out of accidents occurring in and around the Property.

7.2 The City shall designate the Lessor as an additional insured under the terms of the City's insurance for the purpose of this Lease.

Section Eight Pledges and Assignments

8.1 The City shall not pledge or attempt to pledge or grant or attempt to grant as collateral or security its interest in any of the Property without the prior written consent of the Lessor.

8.2 The Lessor shall not assign the terms, benefits or obligations, of this lease without the prior written consent of the City which consent shall not be unreasonably withheld.

Section Nine Improvements

9.1 Unless otherwise agreed by the parties, all Improvements placed on or attached to the Property by the City shall be and become part of the Property and shall be the sole and separate property of the Lessor.

9.2 The Improvements shall (other than by exercise of the first right of refusal to purchase) of this Lease as set forth in paragraph 10.1 below, belong to the Church or its successor(s) only as provided for herein.

Section Ten
First Right of Refusal

10.1 During the First Term of this Lease or any Extended Terms hereof, the City (or group of entities of which the City is a part) shall be entitled to a first right of refusal, until July 27, 2005, to purchase the entire block from 4th to 5th streets and from Ouray to Grand, under the same terms and conditions contained in any bona fide offer to purchase, which is acceptable to the Lessor. The Lessor shall notify the City in writing of the terms and conditions of any such bona fide offer and the City shall have thirty (30) days from the Lessor's mailing of such notice to exercise its first right of refusal as described in this Lease.

10.2 The City's first right of refusal to purchase the entire block as described in 10.1 is not intended to, and shall in no way, preclude the Lessor from actively marketing the entire block for sale, whether through the efforts of the Lessor, a real estate broker, or any other person; nor shall such provision and first right of refusal prevent the Lessor from selling the entire block to any other party in the event the City determines to not exercise its first right of refusal as set forth under the terms and conditions of Section 10.1 above.

Section Eleven
Destruction of the Property

11.1 In the event the improvements on the Property become destroyed or substantially injured by any means, the Church 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 Property. If the improvements on the Property become damaged to the extent where they are no longer functional for the purposes of the City, the Lessor shall have no obligation to repair the improvements nor otherwise make the Property useable or occupiable; damages shall be at the City's own risk. If the Lessor or the City determine not to perform repairs or to otherwise make the premises useable or occupiable, the City may terminate this Lease by giving its notice to the Lessor that this Lease is terminated.

Section Twelve
Sublease and Assignment

12.1 The City shall not assign or sublease the Property without first obtaining the written consent of the Lessor, which consent shall not be unreasonably withheld. Any consent to assign or sublease by the Lessor shall not be consent to a subsequent assignment or sublease. The Lessor reserves the right to reject

sublessees or assignees, depending on whether the proposed sublessee or assignee is an entity of a type similar to the City.

Section Thirteen

Total Agreement; Applicable to Successors

13.1 This Lease contains the entire agreement between the parties and cannot be changed or terminated 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 heirs, successors and authorized assigns of both parties.

Section Fourteen

Applicable Law

14.1 This Agreement shall be governed by and construed in accordance with the laws of the City of Grand Junction, State of Colorado.

DATED: April 25, 2000

LESSOR:

/s/ R. B. Ingelhart

FIRST ASSEMBLY OF GOD CHURCH

LESSEE:

The City of Grand Junction, a
Colorado home rule municipality

/s/ Mark Achen

City Manager

LEASE AGREEMENT AMENDMENT

This is an amendment to the Lease Agreement entered into on April 25, 2000, between the First Assembly of God Church and the City of Grand Junction.

1.1 Section Two, Term (2.1) of the Lease Agreement; the first sentence is amended as follows:

The term of this Lease shall be for a three and one-half (3 1/2) year term beginning on midnight ~~October 27, 2000~~ and expiring on midnight ~~April 27, 2004~~.

RB
KA

SEPT 10, 2000 MARCH 10, 2004 RB KA

The remainder of paragraph 2.1 remains the same.

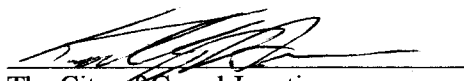
DATED: DEC 13, 2000

LEESOR:



FIRST ASSEMBLY OF GOD CHURCH

LESSEE:



The City of Grand Junction, a
Colorado home rule municipality