



FRUITA
COLORADO

**AGENDA WORKSHOP ITEM
COVER SHEET**

TO: FRUITA CITY COUNCIL AND MAYOR
FROM: CITY MANAGER'S OFFICE
DATE: MARCH 25, 2025
AGENDA TEXT: I-70 Billboard Lease Discussion (6:30 – 7:00 p.m.)

PURPOSE

The City of Fruita owns a billboard with interstate visibility just east of Fruita on I-70. The purpose of this discussion item is for the Council to provide direction to staff on what the Council would like to do with the billboard moving forward.

BACKGROUND

The City of Fruita currently has a lease with the Lower Valley Hospital Association (dba "Family Health West") for a city-owned billboard off of I-70 that is set to expire at the end of March. Family Health West has leased this billboard for the past seven years at an annual cost of \$12,000. The funds generated from this lease are allocated to the Marketing and Promotion fund for tourism-related efforts for Fruita. Historically, each lease has been for a period of two years with an option to renew it for an additional two years. In addition, Family Health West, as the lessee, has paid for other expenses related to the billboard, such as purchasing and installing the wrap, and any maintenance on the wrap.

With the lease set to expire, Family Health West requested that the City enter into another lease agreement for use of the billboard for another two-year term. At the same time, the Fruita Tourism Advisory Council ("FTAC") expressed interest in the city retaining the billboard for tourism efforts. With Family Health West interested in the billboard, staff scheduled a public hearing for the new lease (Ordinance 2025-07, scheduled for public hearing on March 18, 2025) but the Council requested that the ordinance be tabled until the item can be discussed at a workshop.

This agenda item is an opportunity for that discussion, and any formal lease agreement would require additional action from Council through an ordinance process.