



TO: MAYOR & CITY COUNCIL

FROM: CITY MANAGER'S OFFICE

DATE: DECEMBER 17, 2024

AGENDA TEXT: RESOLUTION 2024-44 - A Resolution of the City Council authorizing the Interim City Manager to execute the COOP Tower Facade Lease Agreement and all documents necessary to effectuate the lease. *Ciara Amann, Communications and Engagement Manager.*

BACKGROUND

The purpose of this coversheet is to provide City Council information related to the COOP tower façade lease agreement. Fruita Silo LLC., (Ryan Gaertner and Tim Stanford) recently purchased the former Fruita COOP building located along Highway 6&50. This structure has an abandoned grain tower that is a prominent feature in the skyline of Fruita. The City has historically used the Tower to hang banners promoting the City and local activities. Fruita Silo LLC., and the City would like to enter into a lease of the east and west facades of the tower.

On March 4, 2024, staff presented the same lease agreement to Fruita City Council, but the lease was between Sparks Fly Studios and the City of Fruita. Since then, Sparks Fly Studio decided not to move forward with purchasing the Fruita COOP building. However, Fruita Silo LLC., closed on the purchase of the Fruita COOP building in November 2024. The new owners will seek a similar vision and goal for the building that Sparks Fly Studios showcased which was to revitalize the property with outdoor recreation-based businesses. The property will act as a launchpad for recreation enthusiasts to explore the public lands surrounding Fruita. No changes have been made to the resolution and lease agreement since it was presented to City Council in March 2024.

In addition to the March 4, 2024 presentation, staff presented the potential of entering into a lease agreement at the January 23rd workshop and the February 27th workshop.

FISCAL IMPACT

The City of Fruita shall pay Fruita Silo LLC., the total annual amount of \$24,000.00 (\$2,000.00 a month) to lease the east and west side of the COOP Tower. The lease is for one year, which is automatically renewable for one year up to 50 years and the City can terminate the lease at any time by giving 90 days' written notice. The lease is subject to annual appropriations.

APPLICABILITY TO CITY GOALS AND OBJECTIVES

The COOP Tower has been a landmark in the community and the state since the banners were attached to the Tower. The Tower has also been utilized in local art, promotions, and advertising.

OPTIONS AVAILABLE TO THE COUNCIL

1. Adopt Resolution 2024-44 - A Resolution of the City Council authorizing the City Manager to execute the COOP Tower Façade Lease Agreement and all documents necessary to effectuate the lease.
2. Deny Resolution 2024-44

RECOMMENDATION

**ADOPT RESOLUTION 2024-44 - A RESOLUTION OF THE CITY COUNCIL
AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE THE COOP
TOWER FAÇADE LEASE AGREEMENT AND ALL DOCUMENTS NECESSARY TO
EFFECTUATE THE LEASE.**