

CITY COUNCIL ACTION FORM

Department	Presented by	Date
Administration	Drew Nelson - City Administrator	August 17, 2021

<u>ITEM</u>

Resolution 2021-30 – A Resolution of the City Council of the City of Salida, Colorado, Authorizing the Purchase of Real Property and Approving a Purchase and Sale Agreement

BACKGROUND

In December of 2020, the Salida City Council received a Facility and Needs Assessment for the Salida Fire Department. The Assessment noted that while the City has taken care of its existing fire station facility, the 120-year-old structure has significant limitations for fire department operations as well as inefficient systems that contribute to increased operating and maintenance costs. Combined with growing pains that cannot be accommodated on the existing site, the Assessment led to the Council concluding that alternate locations should be explored for relocation purposes. The Assessment looked at nine appropriately sized sites around the City that met certain criteria for possible relocation. One of the top three locations was 505 Oak Street, owned by Russell and Tangie Granzella. Following the Council's acceptance of the Assessment, staff began to reach out to property owners to gauge interest in entering into negotiations with the City. At that time, 505 Oak Street was already under contract and was sold; however, the two parties began discussing an adjacent site – 611 Oak Street.

The subject property at 611 Oak Street is approximately 2.44 acres in size, meeting the minimum size threshold for location of a Fire Department facility that would accommodate SFD as well as the South Arkansas Fire Protection District's space needs. There is currently a single-family residence located at the southwest corner of the property; however, it is currently in a state of disrepair due to water damage over the winter. The property has not been annexed into the City of Salida at this time. There is an existing well for water service, and the property is generally vacant with the exception of a commercial grade freezer that is used for wild game processing. The property is generally flat, has no visible drainage issues, and fronts onto State Highway 291/Oak Street. An aerial image of the site is attached.



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As noted in the Assessment, this site is an ideal location for a new fire station due to a variety of factors. It is located on an arterial roadway with easy access to both downtown and US Highway 50. The location is also in the southeastern side of the community where we are seeing a considerable amount of growth (although new construction is not as significant of a fire concern for the Fire Department as compared to older structures in the heart of Salida). The site is larger than the adjacent property that worked well for circulation and site design at 505 Dak Street.

In addition, the adjacent neighbor at 627 Oak Street is the Salida School District (formerly the Don't Go Nuts facility) where they are relocating their district offices as well as the Crest Academy. In discussions with district staff, it is believed that there are few to no impacts or concerns from the district about Fire Department operations that may include noise, late night activity, flashing lights, or other potential issues. The property to the north is currently vacant and it is assumed that the new owners are looking at residential development there in the future. The properties to the east, stretching to the Arkansas River, are also owned by the Granzellas, limiting concerns from the neighborhood with regard to a busy use for the site.

In a general sense, staff believes this is an ideal location and fair price to both parties in consideration of Salida's real estate market. This potential purchase has been reviewed internally in conjunction with the City's Financial Management Plan and staff has determined there to be no adverse impact on the City's fund balance or reserves that cannot be absorbed. A survey, title commitment, and Phase I environmental assessment are currently being ordered for the property.

FISCAL NOTE

The proposed sale price is \$790,000, which was not included in the 2021 Annual Budget and would require a budget amendment in the future to purchase. In looking just at the City's sales tax receipts through June of 2021, revenues exceed budget by approximately \$1,800,000 while expenditures are tracking well below budget. It is staff's opinion that this property acquisition can be accommodated in the 2020 Annual Budget with no impact to projected fund balance and no impact to other City projects.



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STAFF RECOMMENDATION

Staff recommends that the City Council approve the purchase of 2.44 acres located at 611 Oak Street from Russell and Tangie Granzella in the amount of \$790,000 through the approval of Resolution 2021-30.

SUGGESTED MOTION

A City Councilperson should state, "I move to approve Resolution 2021-30, Authorizing the Purchase of Real Property and Approving a Purchase and Sale Agreement for 2.44 Acres Located at 611 Oak Street", followed by a second and a roll call vote.

CITY OF SALIDA, COLORADO RESOLUTION NO. 30 (Series of 2021)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO AUTHORIZING THE PURCHASE OF REAL PROPERTY AND APPROVING A PURCHASE AND SALE AGREEMENT

WHEREAS, the City of Salida, Colorado ("City") is a statutory city, duly organized and existing under the laws of the state of Colorado; and

WHEREAS, City desires to acquire approximately 2.44 acres of certain property located at 611 Oak Street, Salida ("Property"), in the unincorporated Chaffee County, for a fire protection facility and related services, as well as other municipal and administrative uses; and

WHEREAS, the City Council ("Council") authorizes the purchase of said Property; and

WHEREAS, the Council likewise approves the execution of the Contract to Buy and Sell Real Estate, attached hereto as Exhibit A, and authorizes the execution of all necessary documents associated with the purchase and closing of the subject Property.

NOW, THEREFORE, IT IS RESOLVED BY THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO, THAT:

Section 1. The Salida City Council incorporates the foregoing recitals as its conclusions, facts, determinations and findings.

Section 2. The Salida City Council hereby authorizes the City purchase of the subject Property, and therefore authorizes the Mayor to sign the Purchase and Sale Agreement, attached hereto as Exhibit A.

Section 3. The Salida City Council additionally authorizes the Mayor to execute all necessary documents associated with the conveyance and closing of the subject Property pursuant to the Purchase and Sale Agreement, attached hereto as Exhibit A.

RESOLVED, APPROVED, AND ADOPTED this 17th day of August, 2021.

CITY OF SALIDA

By: _

P.T. Wood, Mayor

[SEAL]

ATTEST:

City Clerk/Deputy City Clerk

<u>Exhibit A</u> Contract to Buy and Sell Real Estate

CONTRACT TO BUY AND SELL REAL ESTATE

PARTIES AND PROPERTY.

Buyer:	City of Salida, Colorado, a statutory municipal corporation
	448 E. First Street
	Salida, CO 81201
Sellers:	Russell R. Granzella
	Tangie J. Granzella
	P.O. Box 75
	Salida, CO 81201

Whereas, Buyer desires to acquire Property for a fire protection facility and related services and other municipal and administrative uses; and,

Whereas, Sellers desire to sell Property with an address of 611 Oak Street, Salida in Unincorporated Chaffee County to Buyer; and,

Whereas, Buyer desires to purchase said Property.

Therefore, parties agree as follows:

Buyer agrees to buy and Sellers agree to sell, contingent upon on the terms and conditions set forth in this **Contract**, approximately 2.44 acres of improved real property in the County of Chaffee, State of Colorado as further described in "Exhibit A," attached hereto and incorporated herein.

TOGETHER, with all interest of the Sellers in all applicable vacated streets and alleys adjacent thereto, all applicable easements and appurtenances thereto, all improvements thereon and all attached fixtures thereto, except as herein excluded (collectively referred to hereinafter as the "Property").

1. CONTINGENCIES: Parties acknowledge and agree that the entirety of this **Contract** shall be void and without effect unless and until the successful completion of the following:

(a) Buyer shall have thirty (30) days from the execution of this Contract for a due diligence period, in which Buyer may accept clear title, conduct an environmental assessment pursuant to section 2(e) below, prepare/conduct any feasibility analysis for Buyer's intended use of the property, and prepare mutually agreeable Plans.

(b) In the event that clear title or the results of any environmental assessment are unacceptable to Buyer, in the sole subjective discretion of the Buyer, then Buyer shall have the right to terminate this Contract by delivering written notice to Seller not later than the due diligence period contemplated in 1(a) above. In the event that Buyer terminates the

Contract pursuant to this subparagraph, all payments and things of value received hereunder, including Earnest Money, shall be returned in accordance with Paragraph 18 and the parties shall be relieved of any further obligations hereunder.

2. **INCLUSIONS / EXCLUSIONS.** Sellers certify that property includes one single-family residential structure, one detached garage, and one shed, and therefore, the Purchase Price includes the following items:

(a) if attached to the Property on the date of this **Contract**: one currently uninhabitable single-family residential structure, one detached garage, and one shed, fences, and any ancillary improvements.

(**b**) if on the Property whether attached or not on the date of this **Contract:** Personal Property belonging to Sellers on Property shall be excluded; specifically, one walk-in freezer currently located on the Property.

(c) Water Rights. Transfer of well permit no. 205946.

(d) Reserved.

(e) Environmental Studies. A phase I was not conducted on the property when it was purchased by seller. The Buyer may at its own cost cause a phase I environmental report to be prepared, and must have it completed prior to closing.

The above-described included items (Inclusions) are to be conveyed to Buyer by Sellers by bill of sale, **Warranty Deed** or other applicable legal instrument(s) at the Closing, free and clear of all taxes, liens and encumbrances, except as hereinafter provided. The following attached fixtures are excluded from this sale: **None**

3. **PURCHASE PRICE AND TERMS.** The Purchase Price shall be **Seven Hundred Ninety Thousand Dollars (\$790,000.00**), payable in U.S. dollars by Buyer as follows:

(a) Earnest Money. Earnest money of Fifty Thousand Dollars (\$50,000) shall be required by the Buyer upon the signing of this Contract, to be credited to the total purchase price at Closing.

(b) Consideration at Closing. Remaining amounts due at Closing, which may consist of cash, electronic transfer funds, certified check, or Cashier's Check (Good Funds), as agreed upon by the Parties.

4. **COST OF APPRAISAL.** The Buyer may request an appraisal and/or a survey of the Property. The cost of any appraisal or survey to be obtained after the date of this Contract shall

be ordered and timely paid by the Buyer. Sellers may provide Buyer any previously obtained appraisals or surveys in the possession of Sellers.

5. NOT ASSIGNABLE. This Contract shall not be assignable by either party without prior written consent of both parties. Except as so restricted, this Contract shall inure to the benefit of and be binding upon the heirs, personal representatives, successors and assigns of the parties.

6. EVIDENCE OF TITLE. Buyer will obtain, at Buyer's expense, a current commitment for Owner's Title Insurance Policy in an amount equal to the Purchase Price within fifteen (15) days after the due diligence period pursuant to Section 1 above (Title Deadline). Sellers shall also deliver to Buyer any Abstract(s) of Title in their possession, certified to the last date of any previous certification. The Title Insurance Commitment, together with any copies or abstracts of instruments furnished pursuant to this Section, constitutes the title documents (Title Documents). Buyer, or Buyer's designee, must request Sellers, in writing, to furnish copies or abstracts of instruments in their possession listed in the Schedule of Exception no later than ten (10) calendar days after Title Deadline.

7. TITLE.

(a) **Title Review.** Buyer shall have the right to inspect the Title Documents. Written notice by Buyer of unmerchantability of title or of any other unsatisfactory title condition shown by the Title Documents shall be signed by or on behalf of Buyer and given to Sellers on or before ten (10) calendar days after Buyer's receipt of the Title Insurance Commitment, or within five (5) calendar days after receipt by Buyer of any Title Document(s) or endorsement(s) adding new Exception(s) to the Title Commitment together with a copy of the Title Document adding new Exception(s) to title. If Sellers do not receive Buyer's notice by the date(s) specified above, Buyer accepts the condition of title as disclosed by the Title Documents as satisfactory.

(b) Matters Not Shown by the Public Records. Sellers shall deliver to Buyer, on or before the Title Deadline set forth in Section 6, true copies of all lease(s) and survey(s) in Sellers' possession pertaining to the Property and shall disclose to Buyer all easements, liens or other title matters not shown by the public records of which Sellers have actual knowledge. Buyer shall have the right to inspect the Property to determine if any third party(s) has any right in the Property not shown by the public records (such as an unrecorded easement, unrecorded lease, or boundary line discrepancy). Written notice of any unsatisfactory condition(s) disclosed by Sellers or revealed by such inspection shall be signed by or on behalf of Buyer and given to Sellers on or before Buyer acquires the property. If Sellers do not receive Buyer's notice by said date, Buyer accepts title subject to such rights, if any, of third parties of which Buyer has actual knowledge.

(c) **Right to Cure.** If Sellers receive notice of unmerchantability of title or any other unsatisfactory title condition(s) as provided in subsection (a) or (b) above, Sellers shall use reasonable effort to correct said unsatisfactory title condition(s) prior to the date of closing. If Sellers fail to correct said unsatisfactory title condition(s) on or before the date of closing, this **Contract** shall then terminate; provided, however, Buyer may, by written notice received by Sellers, on or before closing, waive objection to said unsatisfactory title condition(s).

8. **INSPECTION.** Buyer or any designee shall have the right to have inspection(s) of the physical condition of the Property and Inclusions, at Buyer's expense. If written notice of any unsatisfactory condition, signed by or on behalf of Buyer, is not received by Sellers on or before **thirty (30) days** after the effective date of this Contract, the physical condition of the Property and Inclusions shall be deemed to be satisfactory to Buyer. If such notice is received by Sellers as set forth above, and if Buyer and Sellers have not agreed, in writing, to a settlement thereof on or before **ten (10) days** after Sellers' Receipt of the notice (Resolution Deadline), this **Contract** shall terminate three (3) calendar days following Resolution Deadline; unless, within the three (3) calendar days. Sellers receive written notice from Buyer waiving objection to any unsatisfactory condition. Buyer is responsible for and shall pay for any damage which occurs to the Property and Inclusions as a result of such inspection.

9. DATE OF CLOSING. The date of closing shall be within ninety (90) days of this contract, or by mutual agreement at an earlier or later date. The location of the closing shall be at Central Colorado Title & Escrow, 129 E. Hwy 50, Salida, Colorado 81201.

10. TRANSFER OF TITLE. Subject to the terms of payment at, and after, Closing, as required and specified herein, and compliance by Buyer with the other terms and provisions hereof, Sellers shall execute and deliver a good and sufficient **Warranty Deed** to Buyer, on Closing, conveying the Property free and clear of all taxes. Title shall be conveyed free and clear of all liens for special improvements installed as of the date of Buyer's signature hereon, whether assessed or not; except: (i) distribution utility easements (including cable TV); (ii) those matters reflected by the Title Documents accepted by Buyer in accordance with subsection 7(a); (iii) those rights, if any, of third parties in the Property not shown by the public records in accordance with subsection 7(b); and (iv) subject to building and zoning regulations.

11. PAYMENT OF ENCUMBRANCES. Any encumbrance required to be paid shall be paid at or before closing from the proceeds of this transaction or from any other source.

12. CLOSING COSTS, DOCUMENTS AND SERVICES. Buyer and Seller shall pay their respective closing costs and all other items required to be paid at closing, except as otherwise provided herein. Buyer and Seller shall sign and complete all customary or required documents at or before closing. Fees for real estate closing services shall be paid at closing by Seller ($\frac{1}{2}$) and Buyer ($\frac{1}{2}$).

13. PRORATIONS. Buyer shall be solely responsible for and shall pay all of the accrued general property taxes after the date of closing, due in the subsequent year, after the date the property is added from the tax rolls by the Chaffee County Assessor.

14. POSSESSION. Possession of the Property shall be delivered to Buyer immediately upon Closing.

15. CONDITION OF AND DAMAGE TO PROPERTY. Except as otherwise provided in this **Contract**, the Property and Inclusions shall be delivered in the condition existing as the date of this **Contract**, ordinary wear and tear excepted. In the event the Property shall be damaged by fire or other casualty prior to time of closing, in an amount of not more than ten percent of the total Purchase Price, Sellers shall be obligated to repair the same before the date of closing. In the event such damage is not repaired within said time or if the damage exceeds such sum, this **Contract** may be terminated at the option of Buyer. Should Buyer elect to carry out this **Contract** despite such damage, Buyer shall be entitled to credit for all the insurance proceeds resulting from such damage to the Property and Inclusions, not exceeding, however, the total Purchase Price. Should any Inclusion(s) or service(s) fail or be damaged between the date of this **Contract** and the date of closing or the date of possession, whichever shall be earlier, then Sellers shall be liable for the repair or replacement of such Inclusion(s) or service(s) with a unit of similar size, age and quality, or an equivalent credit, less any insurance proceeds received by Sellers covering such repair or replacement.

16. TIME OF ESSENCE / REMEDIES. Time is of the essence hereof. If any note or check received as the Earnest Money Deposit hereunder or any other payment due hereunder is not paid, honored or tendered when due, or if any other obligation hereunder is not performed or waived as herein provided, there shall be the following remedies:

(a) **IF BUYER IS IN DEFAULT:** Sellers may elect to treat this **Contract** as cancelled, in which case all payments and things of value received hereunder shall be forfeited and retained on behalf of Sellers, and Sellers may recover such damages as may be proper, or Sellers may elect to treat this **Contract** as being in full force and effect and Sellers shall have the right to specific performance or damages, or both.

(b) IF SELLERS IN DEFAULT: Buyer may elect to treat this Contract as cancelled, in which case all payments and things of value received hereunder, including Earnest Money, shall be returned and Buyer may recover such damages as may be proper, or Buyer may elect to treat this Contract as being in full force and effect and Buyer shall have the right to specific performance or damages, or both.

(c) COSTS AND EXPENSES: Anything to the contrary herein notwithstanding, in the event of any litigation arising out of this **Contract**, the court shall award to the prevailing party all reasonable costs and expenses, including attorney fees.

17. TERMINATION. In the event this **Contract** is terminated before closing, all payments and things of value received hereunder shall be returned and the parties shall be relieved of all obligations hereunder, subject to Section 16.

18. MODIFICATION OF THIS CONTRACT. No subsequent modification of any of the terms of this **Contract** shall be valid, binding upon the parties, or enforceable unless made in writing and signed by the parties.

19. ENTIRE AGREEMENT. This **Contract** constitutes the entire contact between the parties relating to the subject hereof, and any prior agreements pertaining thereto, whether oral or written, have been merged and integrated into this **Contract**.

20. NOTICE OF ACCEPTANCE; COUNTERPARTS. This offer to sell and enter into this Contract shall expire unless accepted in writing by Buyer, as evidenced by its signatures below, and the Sellers receive notice of such acceptance on or before Sellers' acquisition of the property (Acceptance Deadline). If accepted, this document shall become a contract between Sellers and Buyer. A copy of this document may be executed by each party, separately, and when each party has executed a copy thereof, such copies taken together shall be deemed to be a full and complete contract between the parties.

21. COVENANTS SURVIVING CLOSING. Upon Closing of this contract, the following covenants shall be enforceable until conditions surrounding the covenants are met. Failure to enforce any provision contained herein shall not be considered a waiver to that provision or any other provision contained herein.

a. Section 3 of this Contract, regarding delivery of payment of purchase price.

22. BROKERS, COMMISSIONS, AND OTHER THIRD-PARTY FEES. Buyer and

Seller shall be responsible for their own respective costs and fees for attorney reviews, brokerage arrangements, agent arrangements, or other commissions as the case may be. Such arrangements shall be handled in separate contracts as this Contract is not intended to create any third party rights.

BUYER: CITY OF SALIDA, COLORADO

_____Date:

Attest:

By: _____

Erin Kelley, City Clerk

SELLERS: RUSSELL AND TANGIE GRANZELLA

	By:	
	Russell R. Granzella, Owner	Date:
	By:	
	Tangie J. Granzella, Owner	Date:
STATE OF COLORADO)		
) ss. COUNTY OF CHAFFEE)		
The foregoing instrument wa 2021, by Russell R. Granzella.	as acknowledged before me this day of	f
Witness my hand and official seal:		
[SEAL]		
	Notary Public, State	of Colorado
STATE OF COLORADO)		
) ss. COUNTY OF CHAFFEE)		
The foregoing instrument wa 2021, by Tangie J. Granzella.	as acknowledged before me this day of	f
Witness my hand and official seal:		
[SEAL]		

Notary Public, State of Colorado

EXHIBIT A

LEGAL DESCRIPTION (to be confirmed by survey)

All that part of the Northwest Quarter of the Southwest Quarter (NW¹/₄ SW¹/₄) of Section 4, Township 49 North, Range 9 East of the New Mexico Principal Meridian, Chaffee County, Colorado, described as follows:

Beginning at the Northeast comer of the NW¼ SW¼ of said Section and running thence South 10 rods and 10 feet;

Thence West 406.23 feet to the east line of Oak Street in the City of Salida, Colorado;

Thence running north 10 rods and 10 feet along the east line of said Oak Street to the North line of the NW¹/4 SW¹/4 of said Section;

Thence East along the said North line 406.23 feet, more or less, to the point of beginning.

And

A tract of land located in the North Half of the Southwest Quarter (N¹/₂ SW¹/₄) of Section 4, Township 49 North, Range 9 East of the New Mexico Principal Meridian, being described as follows:

Commencing at the point on the East boundary of State Highway No. 291 and on the north side of a County Road (being an extension of Illinois Avenue of Salida, Colorado) from whence the Southeast comer (brass cap) of said Section 4, bears South 63°36.1' East 4757.8 feet;

Thence North 0°05' East along said Highway boundary 322.0 feet to the point of beginning of the tract herein described;

Thence proceeding around said tract North 0°05' East along Highway boundary I 00.0 feet; Thence South 89°38'East 407.8 feet;

Thence South 0°16' East 100.0 feet;

Thence North 89°38' West 408.5 feet to the point of beginning.

Each of the four comers of the above tract is marked by a 5/8 inch steel reinforcing bar 2 feet long driven in the ground and having a one inch aluminum cap.





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Salida Fire Department Analysis of Site Options

The City of Salida identified nine appropriately-sized sites around the City that met the size requirement. The Neenan Company and PEC reviewed the sites against a list of site criteria to reduce the number of viable options. In the Site Analysis spreadsheet the criteria have been noted as Low, Medium, and High risk. Low risk means the site poses no significant deficiencies. High risk indicates there are significant flaws with the site as it pertains to the criteria.

Salida Fire Department Site Analysis

ACTOR	3	120 & 124 E St	reet (existing)	505 Oak Street		USFS location		Old Town & Co	untry
AND		Cost	Comments	Cost	Comments	Cost	Comments	Cost	Comments
							City owned but may need to		
	Size	0.2	6 Own	2.11		1.34	purchase more land	3.15	
5	Cost per acre/per s.f.			\$284,360	Need to confirm			\$793,651	Need to confirm
	Total Cost			\$ 600,000.00				\$2,500,000.00	
DJUST	MENTS FOR SITE		1				1		1
	C COST FACTORS								
EES									
	Electrical Development Fee		3-phase power not available			_			
		_							
	Planning/Civil Costs	_	Wiil require height variance	-					
	CDOT involvement	_	Maybe		Yes		Maybe		Yes
	Total Addl On-Site Costs								
THER	SSUES:					_			
						_			
		1212					Compatible with surrounding		
	Neighbors/Off Site	High	Pedestrians, Zero lot line	Medium	Proximity to homes	Low	uses	Medium	Proximity to homes
	Access from Site	Medium	Downtown	Low	Access to Oak Street	Low	Access to Highway 50	Low	Access to Highway 50
_	Topography/Soils	Low		Low	Gravelly sandy loam	Low	Sandy loam	Low	Gravelly sandy loam
	ropographyroono								
	Availability of Utilities	Low	In place	Low	Excellent	Low	Excellent	Low	Excellent
	Land Use Compatibility	Low	Commercial (C-1)	Low	Commercial (C-1)	Low	Planned Development	Low	Planned Development
	Size/Functionality for Use	High	No ability to expand	Medium	limited	High	Training options on-site limited	Low	Good size for all needs
	Ownership Timing	Low	Own	Medium	City does not own	Low	City does not own, but ready to	Medium	negotiation
		LOW		mourum		LOW	ony does not own, but ready to	medium	nogonauon
	Location/Ability to Serve	Low	Central location	Low	Central location	Low	Central location	Low	Central location
	Environmental Issues	Low	None known	Low	None known	Low	None known	Low	None known
		-	-				-		

Salida Fire Department Site Analysis

ACTOR	5	Vandaveer Site		The Galleries	New Maintenance	Golf course		Marvin Park	
AND		Cost	Comments	Cost	Comments	Cost	Comments	Cost	Comments
					City owned, part of larger 70.58			No area to	
	Size	87.51	City owned	1.9	5 acreas	5.3	0 Need to work with Golf Course	subdivide	City owned
	Cost per acre/per s.f.		-						
	Total Cost								
DJUSTI	MENTS FOR SITE	1		I					
	C COST FACTORS								1
EES									
	Electrical Development Fee								
	Planning/Civil Costs		May require master plan review		May require annexiation into city. To avoid County fees		Will require zoning change		Will require zoning change
	Flamming/Civil Costs	-	may require master plan review	-	city. To avoid county lees		win require zoning change		Win require zoning change
	CDOT involvement		No		Yes		No		No
	Total Addl On-Site Costs								
THER IS	SSUES:								
			[_				
	Neighbors/Off Site	Low	Isolated from other development	Medium	Proximity to homes	Medium	Proximity to homes	Medium	Proximity to homes
	Access from Site	Medium	Relatively distant from Highway 50	Low	Access to Highway 50	Low	Access to Poncha Blvd	Low	Access to Crestone Ave
	Access nom Sile	Medium	30	LOW	Access to highway 50	LOW	Access to Policila bive	LOW	Access to crestone Ave
	Topography/Soils	Medium	Loam to clay loam	Low	Loam and gravelly sandy loam	Low	Gravelly sandy loam	Low	Gravelly sandy loam
	Availability of Utilities	High	Extend both water & sewer	High	Upgrade sewer, extend water	Low	Excellent	Low	Excellent
	Availability of Otilities	- Ingli		t i git	opgrade serier, externa trater	LOW		LOW	Landonom
	Land Use Compatibility	Low	Planned Development	Low	Outside City limits	Low	Parks	Low	Parks
	Size/Functionality for Use	Low	Good size for all needs	High	Developable land limited	Medium	Good size, odd shape	Low	Good size for all needs
	Ownership Timing	Low	City-owned	Low	City-owned	Low	City owns, vacant	High	Existing use as City park
	Ownership Timing	LOW	City-Owned	LOW	City-owned	LOW	City Owns, Vacant	rugu	Existing use as ony park
			Longer travel time, bridge		West location, longer travel	1		1. AL	
	Location/Ability to Serve	High	flooding potential	Medium	times	Low	Central location	Medium	Longer travel time to south a
	Environmental Issues	Low	None known	Low	None known	Low	None known	Low	None known
								10.000 million	

Salida Fire Department Site Analysis

FACTORS		Site 8 - West of	Golf Course	Site 9 - 627 Oak Street			
		_					
AND		Cost	Comments	Cost	Comments		
					272.203		
	Size	6.22	Unknown	3.00	Unknown		
	Cost per acre/per s.f.	\$80,386	sale price 10/28/2020	\$423,713	Tax value		
	Total Cost	\$ 500,000		\$1,271,140			
DJUST	TMENTS FOR SITE						
PECIF	IC COST FACTORS		1				
EES							
	Electrical Development Fee						
		-	May require annexiation into city				
	Planning/Civil Costs		to avoid County fees				
	CDOT involvement		No		Yes		
	Total Addl On-Site Costs						
THER	ISSUES:	_		<u> </u>			
	Neighbors/Off Site	Medium	Proximity to homes	Medium	Proximity to homes		
	Access from Site	Low	Access to Airport Rd	Low	Access to Oak & Scott Streets		
	Topography/Soils	Low	Gravelly sandy loam	Low	Gravelly sandy loam		
	Availability of Utilities	Low	Excellent	Low	Excellent		
	Land Use Compatibility	Low	Not shown on zoning map	Low	Not shown on zoning map		
	Size/Functionality for Use	Low	Good size for all needs	High	Good size, demo existing		
	Ownership Timing	Medium	City does not own	Medium	City does not own		
		_					
	Location/Ability to Serve	Low	Central location	Low	Central location		
	Environmental Issues	Low	None known	Low	None known		
		-					

Salida Fire Department Map of Sites in Service Area

Salida Fire Facility -**Response Areas and Potential Sites** TOP 4 SITES 1 By USFS 4 mins, 2.1 miles from Columbine Manor 2 Old Town and Country ^{3 mins, 1.5 miles from Columbine Manor} 4 mins, 1.8 miles from Columbine Manor 3 Private Commissioner 4 Golf Course 2 mins, 0.7 miles from Columbine Manor Other Sites 5 The Galleries 7 Marvin Park 8 Site 8 6 Vandeveer 9 Site 9 South Arkansas Fire Protection District Response Area

st St **Current fire** 291 station oort Rd 140 120 Columbine Manor Care Center W Rainbow Blvd 6 City of Salida 50 1,000 ft

1 mile N

Salida Fire Department 505 Oak Street





396655 10/28/2011 1:25 PM 1 of 12 AGREE R\$66.00 D\$0.00 JOYCE M. KENO Chaffee County Clerk

PRE-ANNEXATION AND WATER MAIN EXTENSION AGREEMENT GRANZELLA PROPERTY

THIS AGREEMENT is made and entered into this M_{day} of Octobel, 2011, by and between the CITY OF SALIDA, COLORADO, a municipal corporation (hereinafter "City"), and RUSSELL R. AND TANGIE J. GRANZELLA, as the owners of the real property described hereafter (hereinafter collectively "Owner");

WITNESSETH:

WHEREAS, Owner is the owner of certain real property located at 611 Oak Street, 507 Scott Street, and 547 Scott Street in unincorporated Chaffee County, which property is more particularly described on Exhibit A attached hereto and incorporated herein by this reference (the "Property"); and

WHEREAS, the Property is not an enclave but is presently eligible for annexation to the City of Salida pursuant to C.R.S. §31-12-104 and is currently served by City sewer but not water service; and

WHEREAS, in order to complete a duplex located on the Property, Owner must connect to the City water main located under Scott Street to the north of the Property; and

WHEREAS, the City is willing to extend water service to the Property at Owner's expense and assess water and sewer system development fees to Owner at in-City rates without requiring the immediate annexation of the Property, subject to the terms and conditions described herein; and

WHEREAS, pursuant to C.R.S. §31-12-121, the parties desire to enter into this Agreement to set forth the terms and conditions of water service extension and future annexation of the Property by the City.

NOW THEREFORE, for and in consideration of the mutual promises and covenants herein contained, the parties agree as follows:

1. <u>Service to be Provided</u>. The City agrees to provide Owner with municipal water service on the Property at in-City rates. Except as provided in Paragraph 5 regarding the continued use of the existing wells on the Property, at such time as a building permit or other land use application for the Property is submitted to the City, the Property will be subject to annexation and extension of full municipal utility service in compliance with Salida Municipal Code and Salida Public Works Department standards.

2. <u>Costs</u>. The City will provide water service subject to the rules, regulations, charges, fees, and ordinances of the City as are now in effect, or as they may hereafter be amended. Owner further agrees to reimburse the City for all engineering, legal, and associated fees and costs it incurs in the review and implementation of this Agreement. The cost of extending the City water main to the southern boundary of Tract 1, Parcel A of the Property and the installation of service lines will be



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borne by Owner, as provided in the Salida Municipal Code. Prior to the first delivery of water service pursuant to this Agreement, Owner shall pay water and sewer system development fees for two water taps and one sewer tap at in-City rates. The duplex on the Property shall be assessed in-City rates for water and sewer service. The other two existing structures on the Property shall continue to be assessed out-of-City rates for sewer service. Owner and its agents, employees, and tenants shall be bound by all of the ordinances of the City of Salida insofar as they may pertain to the conditions of pre-annexation herein described.

3. <u>No Precedential Value</u>. Nothing herein shall obligate the City to extend additional service to Owner or to the Property, other than that service described in Paragraph 1, above. There shall be no expansion of such service without the express written consent of the City.

4. <u>Annexation</u>. To the maximum extent permitted by law, the parties agree that this Agreement, pursuant to C.R.S. §31-12-121, constitutes an enforceable obligation upon Owner, its successors, and assigns to annex the Property as required under the terms hereof. At such time as Owner submits a building permit or other land use application, Owner shall submit an annexation petition therewith; provided, however, that a building permit application for expansion of any existing building on the Property by no more than hundred percent (100%) without the creation of additional dwelling units shall not trigger the annexation requirement. Except for in the case of a limited building expansion as described above and the current duplex renovation, no new certificate of occupancy shall be granted for the Property until annexation occurs. Owner shall pay all costs for review of the annexation petition, as required by the Salida Municipal Code. The processing of a building permit or other land use application without the required petition for annexation shall not constitute a waiver of the City's right to enforce, or estop the City from enforcing, the Owner's obligations under this paragraph.

5. <u>Use of Existing Wells</u>. Upon connection to City water, Owner shall be entitled to the continued use of existing wells for all outside irrigation and other customary nondomestic purposes, which uses may continue after annexation of the Property..

6. <u>Payment of Impact Fees</u>. At the time of annexation, Owner agrees to pay all applicable open space dedication and fair contribution to public school sites fees for the Property in the amounts established by the Salida Municipal Code, or as hereafter amended, and any other fees prescribed by Resolution or Ordinance as may apply to annexations.

7. <u>Water Main Extension</u>. As a condition of approval for municipal water service, Owner shall extend the City's Scott Street water main to the southern boundary of Tract 1, Parcel A of the Property. Prior to commencing construction on the water main extension, Owner shall submit plans and specifications for such improvements to the City Administrator, which shall be in compliance the Salida Municipal Code and the current water and wastewater construction standards adopted by City Council and in use by the Public Works Department. Owner shall be responsible for all inspection fees related to the water main extension. Further, in accordance with Chapter 13 of the Salida Municipal Code, all water system improvements shall be warranted (in a form acceptable to the City and in compliance with applicable codes and requirements) by Owner after the date of acceptance by the City.

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8. Completion of Water Main Extension; Approval. Owner shall complete the water main extension no later than November 1, 2012. Upon the Owner's completion of construction of the water main extension, the Owner shall certify in writing that the water main extension has been completed in conformance with the plans and specifications described in Paragraph 7. Thereafter, the City Public Works Director shall inspect the water main extension and certify in writing and with specificity its conformity or lack thereof to the plans and specifications. Owner shall make all corrections necessary to bring the water main extension into conformity with the plans and specifications.

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Once any and all corrections are completed, the City Public Works Director shall certify in writing that the water main extension is in conformity with the plans and specifications, and the date of such certification shall be known as the Acceptance Date. Upon acceptance, Owner shall provide the City with a bill of sale conveying the water main free and clear of all liens and encumbrances, in a form approved by the City.

The City shall be under no obligation to provide any water service to the Property until the water main extension is brought into conformance with the plans and specifications and is certified and approved by the City Public Works Director pursuant to this Agreement. However, upon certification and approval, the City shall be obligated to provide water service to the Property, subject to all provisions of the Salida Municipal Code, and in particular to the availability of water or sewer taps, which shall be on a first-come, first-served basis. The City does not guarantee an adequate number of taps will be available to serve the Property at the time the Owner intends to proceed with development.

9. Warranty. Owner shall warrant the water main extension conveyed to the City pursuant to this Agreement for a period of twelve (12) months from the Acceptance Date. Specifically, but not by way of limitation, Owner shall warrant that:

- A. The title conveyed shall be good and its transfer rightful;
- Any and all facilities conveyed shall be free from any security interest or other lien or Β. encumbrance; and
- Any and all facilities so conveyed shall be free of any defects in materials or С. workmanship for a period of one (1) year, as stated above.

Breach by Owner; City's Remedies. In the event of any default or breach by the 10. Owner of any term, condition, covenant or obligation under this Agreement, the City Council shall be notified immediately. The City may take such action as it deems necessary to protect the public health, safety, and welfare; to protect the Owner and builders; and to protect the users of City facilities from hardship. The City's remedies include:

The refusal to issue to the Owner any building permit or certificate of occupancy; A. provided, however, that this remedy shall not be available to the City until after the



affidavit described below has been recorded;

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B The recording with the Chaffee County Clerk and Recorder of an affidavit, approved in writing by the City Attorney and signed by the City Administrator or his designee, stating that the terms and conditions of this Agreement have been breached by the Owner. At the next regularly scheduled City Council meeting, the City Council shall either approve the filing of said affidavit or direct the City Administrator to file an affidavit stating that the default has been cured. Upon the recording of such an affidavit, no further lots or parcels may be sold within the Property until the default has been cured. An affidavit signed by the City Administrator or his designee and approved by the City Council stating that the default has been cured shall remove this restriction;

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C. The refusal to consider further development plans within the Property; and/or

D. Any other remedy available at law.

Unless necessary to protect the immediate health, safety, and welfare of the City or City residents, the City shall provide the Owner ten (10) days' written notice of its intent to take any action under this paragraph during which ten-day period the Owner may cure the breach described in said notice and prevent further action by the City. Furthermore, unless an affidavit as described above has been recorded with the Chaffee County Clerk and Recorder, any person dealing with the Owner shall be entitled to assume that no default by the Owner has occurred hereunder unless a notice of default has been served upon Owner as described above, in which event Owner shall be expressly responsible for informing any such third party of the claimed default by the City.

11. <u>Easement</u>. Owner shall grant the City a sixty foot (60') wide general utility easement thirty feet (30') on either side of the Parcel A eastern boundary as more particularly described on Exhibit B attached hereto and incorporated herein by reference. Such grant of easement shall be by special warranty deed, conveyed free and clear of all liens and encumbrances which would interfere, as determined by the City, with the City's use of the easement.

12. <u>Termination Upon Annexation</u>. This Agreement shall terminate automatically on the effective date of the annexation to the City of the Property; provided, however, that nothing in this paragraph shall limit any other rights of termination provided in this Agreement. Notwithstanding the foregoing, however, the provisions of Paragraphs 4, 5, and 6 shall be incorporated into an Annexation Agreement, if such an Agreement is necessary, to be entered into by the parties on or before the effective date of the annexation to the City of the Property. Further, the provisions of Paragraphs 7 through 10 shall expressly survive termination of the pre-annexation terms of this Agreement due to annexation and shall be incorporated into the Annexation Agreement, should any of the water main extension obligations still exist.

13. <u>Failure or Refusal to Annex</u>. In the event the Owner fails to annex the Property to the City as required by this Agreement, the City may, at its sole option and without otherwise limiting its legal rights, bring an action at law or equity, including an action for specific performance, to enforce

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the terms of this Agreement or treat this Agreement as a petition for annexation and annex the Property without consent after thirty (30) days' written notice to Owner. The rights and remedies under this paragraph shall be cumulative. To the extent permitted by law, the Owner hereby appoints the City Clerk as their attorney-in-fact to execute and deliver all documents necessary to annex the Property to the City, should Owner fail or refuse to annex as required under this Agreement. If the City proceeds to annex the Property as permitted under this paragraph, it may advance all fees and costs related to the annexation, and shall be entitled to recover the same as a personal obligation of the Owner. Such fees and costs shall also constitute a lien against the Property, which may be foreclosed as provided by law.

14. <u>Lien Rights</u>. The City shall be entitled to prepare and record a lien against the Property for the amount of any costs, fees, and other expenses which it has advanced or which the Owner is required to be pay pursuant to this Agreement and/or the Salida Municipal Code.

15. <u>Assignment</u>. This Agreement may not be assigned by Owner without the prior written consent of the City, which consent shall not be unreasonably withheld. In the event Owner desires to assign its rights and obligations herein, it shall so notify the City in writing together with the proposed assignee's written agreement to be bound by the terms and conditions contained herein.

16. <u>Miscellaneous</u>. The parties agree time is of the essence in the implementation of this Agreement. All of the terms and conditions of this Agreement shall bind the heirs, successors, assigns, or personal representatives of the parties hereto. This Agreement constitutes a covenant which runs with the real property described herein. This Agreement sets forth the entire understanding between the parties, and any previous agreements, promises, or understandings have been included in this Agreement.

17. <u>Recording; Fees</u>. The City shall record this Agreement upon execution. The Owner shall simultaneously with the execution of this Agreement tender to the City the actual amount of recording fees. (Checks shall be payable to the Chaffee County Clerk and Recorder.)

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first written above.

By



CITY OF SALIDA, COLORADO

Mayor



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RUSSELL R. GRANZELLA

TANGIE J. GRANZELLA

STATE OF COLORADO)) ss. COUNTY OF CHAFFEE)

Acknowledged before me this <u>18</u>th day of <u>October</u>, 2011, by <u>Charles Rose</u>, Mayor, and <u>Janelk S. Martinez</u>, City Clerk, on behalf of the City of Salida, Colorado.

WITNESS my hand and official seal.

My Commission expires: <u>April 15, 2013</u>. <u>Kiste H. Auflersm</u> Notary Public



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In Notary Public

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EXHIBIT A

LEGAL DESCRIPTION

Tract Nos. 1, 3 and 4 of the LOWRY/COOPER BOUNDARY LINE ADJUSTMENT per plat recorded June 16, 2003 as Reception No. 335781, Chaffee County, Colorado. And

All that part of the Northwest Quarter of the Southwest Quarter (NW¹/₄ SW¹/₄) of Section 4, Township 49 North, Range 9 East of the New Mexico Principal Meridian, Chaffee County, Colorado, described as follows:

Beginning at the Northeast corner of the NW¹/₄ SW¹/₄ of said Section and running thence South 10 rods and 10 feet;

Thence West 406.23 feet to the east line of Oak Street in the City of Salida, Colorado;

Thence running north 10 rods and 10 feet along the east line of said Oak Street to the North line of the NW¼ SW¼ of said Section;

Thence East along the said North line 406.23 feet, more or less, to the point of beginning. And

A tract of land located in the North Half of the Southwest Quarter $(N\frac{1}{2} SW\frac{1}{4})$ of Section 4, Township 49 North, Range 9 East of the New Mexico Principal Meridian, being described as follows:

Commencing at the point on the East boundary of State Highway No. 291 and on the north side of a County Road (being an extension of Illinois Avenue of Salida, Colorado) from whence the Southeast corner (brass cap) of said Section 4, bears South 63°36.1' East 4757.8 feet;

Thence North 0°05' East along said Highway boundary 322.0 feet to the point of beginning of the tract herein described;

Thence proceeding around said tract North 0°05' East along Highway boundary 100.0 feet; Thence South 89°38'East 407.8 feet;

Thence South 0°16' East 100.0 feet;

Thence North 89°38' West 408.5 feet to the point of beginning.

Each of the four corners of the above tract is marked by a 5/8 inch steel reinforcing bar 2 feet long driven in the ground and having a one inch aluminum cap.

ALL COLLECTIVELY DESCRIBED AS FOLLOWS: (PERIMETER BOUNDARIES OF ANNEXATION):

A tract of land located in the North Half of the Southwest Quarter ($N^{1/2}$ SW^{1/4}) of Section 4, Township 49 North, Range 9 East of the New Mexico Principal Meridian, Chaffee County, Colorado, being more particularly described as follows:

Beginning at the Northwest corner of the Northeast Quarter of the Southwest Quarter (NE¼ SW¼) of said Section 4, also being the Northwest corner of Tract 1 of the LOWRY/COOPER BOUNDARY LINE ADJUSTMENT per plat recorded June 16, 2003 as Reception No. 335781 of the Chaffee County records;

Thence proceeding around said tract, South 89°47'00" East along the north boundary of said Tract 1 a distance of 754.6 feet, more or less, to the westerly boundary of the Denver and Rio Grande Western Railroad Company (now Union Pacific Railroad Company) right-of-way;



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Thence South 03°46' East,, along said westerly railroad right-of-way, 215 feet, more or less, to the center thread of the Arkansas River;

Thence Southwesterly, along the center thread of said river, 260 feet, more or less, to the Southeasterly-most corner of said Tract 1;

Thence South 89°41'00" West 203 feet, more or less, to the Southwesterly-most corner (5/8-inch rebar with 1½-inch aluminum cap) of said Tract 1, also being a point on the east boundary of Tract 4 of said LOWRY/COOPER BOUNDARY LINE ADJUSTMENT;

Thence South 00°13'23" West 24.16 feet to the Southeast corner of said Tract 4;

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Thence North 89°47'00" West 483.70 feet to the Southwest corner of said Tract 4;

Thence North 00°04'03" West 142.0 feet to the Northwest corner of said Tract 4, being common with the Southwest corner of Tract 3 of said LOWRY/COOPER BOUNDARY LINE ADJUSTMENT;

Granzella Annexation, Property description continued:

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Thence continuing North 00°04'03" West 94.0 feet to the Northwest corner of said Tract 3;

Thence North 89°47'00" West 39.0 feet to the west boundary of said NE¼ SW¼;

Thence South 00°04'03" East along said west boundary 16.0 feet;

Thence North 89°46'55" West 407.38 feet to the east right-of-way boundary of Colorado State Highway No. 291 (also known as Oak Street in the City of Salida);

Thence North 00°10'24" East, along said east right-of-way boundary, 99.92 feet to a 5/8-inch rebar; Thence continuing North 00°10'24" East, along said east right-of-way boundary, 174.04 feet to a 5/8inch rebar with a 1-inch aluminum cap on the north boundary of the Northwest Quarter of the Southwest Quarter (NW¼ SW¼) of said Section 4;

Thence South 89°55'41" East, along said north boundary, 406.23 feet to the point of beginning. Containing 10.8 Acres, more or less.

Directions are based on the bearing South 89°47'00" East between the said Northwest corner (3/4inch rebar with 2½-inch aluminum cap) of the NE¼ SW¼ of Section 4 and the Southwest corner (5/8-inch rebar with 1½-inch aluminum cap) of Lot 1 of ARKANSAS RIVER MOBILE HOME ESTATES, a subdivision in the City of Salida.

Property description prepared by: Michael K. Henderson 203 G Street Salida, CO 81201



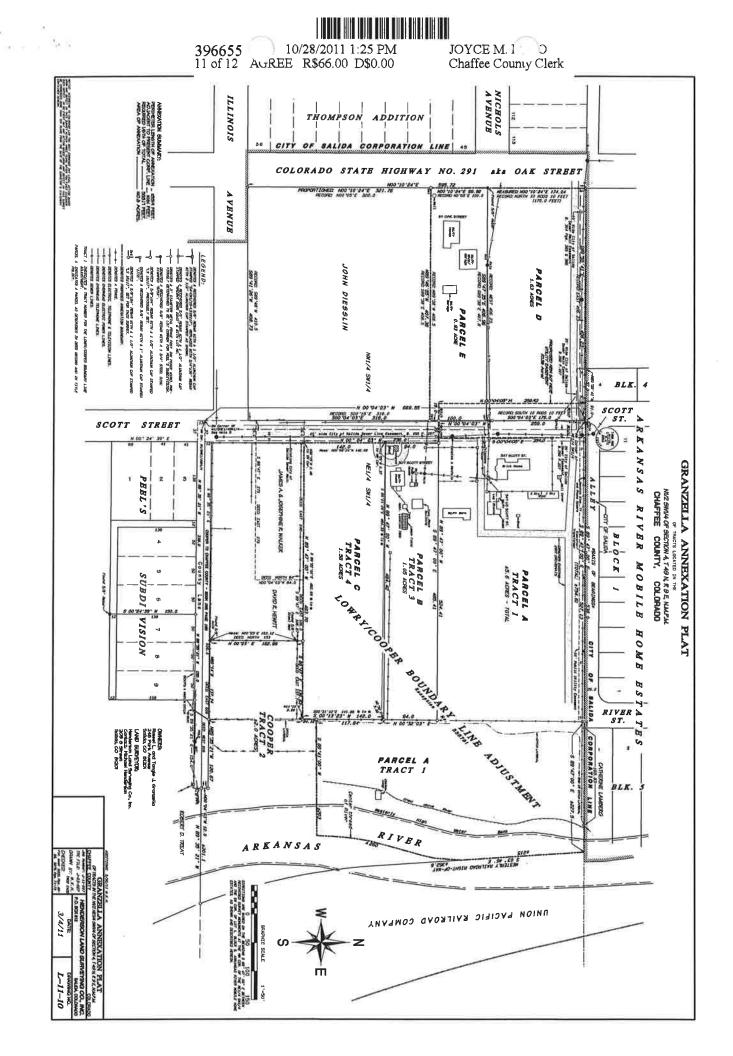
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EXHIBIT B

Public Access and Utility Easement Legal Description







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Exhibit B

Utility Easement Legal Description

March 30, 2011

GRANZELLA TO CITY OF SALIDA SCOTT STREET EXTENDED LEGAL DESCRIPTION:

A strip of land sixty (60.0) feet in width located in the Northeast Quarter of the Southwest Quarter (NE1/4 SW1/4) and the Northwest Quarter of the Southwest Quarter (NW1/4 SW1/4) of Section 4, Township 49 North, Range 9 East of the New Mexico Principal Meridian, Chaffee County, Colorado, being more particularly described as follows:

Beginning at the northwest corner of the said NE1/4 SW1/4;

Thence South 89°47'00" East along the north boundary of said NE1/4 SW1/4, a distance of 30.00 feet;

Thence South 00°04'03" East 259.00 feet;

Thence North 89°47'00" West 60.00 feet;

Thence North 00°04'03" West 258.92 feet to the north boundary of the said NW1/4 SW1/4; Thence South 89°55'41" East along the north boundary of the said NW1/4 SW1/4, a distance 30.00 feet to the point of beginning.

Containing 0.36 Acre.

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Legal description prepared by: Michael K. Henderson 203 G Street Salida, CO 81201

