



Legislation Details (With Text)

File #: Res 2020-32 **Version:** 1 **Name:**
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On agenda: 5/4/2020 **Final action:** 5/4/2020
Title: RESOLUTION APPROVING AN AMENDMENT TO THE PURCHASE AND SALE AGREEMENT FOR THE PROPERTY AT 7111 E. 56TH AVENUE

Sponsors:

Indexes:

Code sections:

Attachments: 1. Resolution, 2. Exhibit A, 3. Honnen Building Purchase and Sale Agreement (Executed)

Date	Ver.	Action By	Action	Result
5/4/2020	1	City Council	adopted	Pass

RESOLUTION APPROVING AN AMENDMENT TO THE PURCHASE AND SALE AGREEMENT FOR THE PROPERTY AT 7111 E. 56TH AVENUE

Summary and Background Information:

Council signed a Purchase and Sale Agreement with Adams County for the Honnen Building (7111 E 56th Ave.) on November 4th, 2019. The County signed the agreement on December 10th, 2019. Per the PSA, the inspection period ends on June 17th, 2020. The COVID-19 outbreak and resulting closures of government facilities and work disruptions require an amendment to various timelines.

The amendment extends the title objection deadline by 20 days and the inspection period by 60 days. Adams County requested an additional lease year for the Head Start program to account for the time between initial discussions regarding this transaction and the potential closing date. The amendment provides a 1 year lease (free of rent) for the county's Head Start program through July 2021 and a second optional lease year (at a reduced rent) through July 2022. The existing agreement allowed for a rent-free lease for Head Start through July 2020 and an option second year at a reduced rent.

The building also would remain subject to a lease to the Food Bank of the Rockies through December 31, 2024, subject to its current lease.

Proposed Resolution: The resolution authorizes the execution of the amendment.

Action Options:

- 1) Approve or reject the resolution.
- 2) Postpone action on the resolution.

Recommended Motions for Approval:

I move to approve Resolution 2020-32.

Staff Responsible (Department Head): Troy Smith, Deputy City Manager/Robert Sheesley, City Attorney

Staff Member Presenting: Robert Sheesley, City Attorney

Financial Impact: The amendment of lease provisions potentially reduces the available use of space through 2022 and eliminates rent revenue 2020-2021 lease term under the existing PSA.

Funding Source: n/a

Staff Recommendation: N/A.