

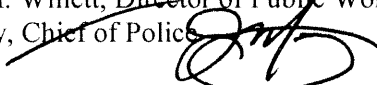


**PUBLIC WORKS DEPARTMENT
MEMORANDUM #2014 – 14**

DATE: February 10, 2014
TO: Honorable Mayor Joyce Downing and City Council Members
FROM: John Pick, City Manager 
David H. Willett, Director of Public Works 
Jim May, Chief of Police 
SUBJECT: CR – 16; Ground Lease Agreement – Ralston House Children’s Advocacy Center

BACKGROUND

In the spring of 2013 the North Metro Children’s Advocacy Center vacated the City-owned building located at 2360 West 112th Avenue creating a service void in the north metro area. Soon after the vacancy, staff began working with the Ralston House Advocacy Center of Arvada as a potential user of the Northglenn building. When Ralston House representatives determined that the building could work for their operations, staff presented this idea to Council for discussion and direction during study session dated August 5, 2013. It was determined by Council that staff should continue to work toward a partnership and vision to reestablish an advocacy center in Northglenn.

Several improvements were discussed at the study session late 2013 that included a minor building improvements or a major improvement that depicted a building floor plan to include a second level.

At the study session January 6, 2014, Council gave direction to staff to complete the minor improvements and to provide four computers for the advocacy center to use.

GROUND LEASE AGREEMENT

The improvements have been completed and Ralston House Children’s Advocacy Center is ready to begin operations pending Council approval of the lease agreement. The ground lease is attached to this memorandum.

BUDGET/TIME IMPLICATIONS

The proposed renovations will have little impact to City funds and staff will seek reimbursement for listed expenditures through the approved Vale Grant.

STAFF REFERENCE

David H. Willett, Director of Public Works
Jim May, Chief of Police

dwillett@northglenn.org or 303.450.8783
jmay@northglenn.org or 303.450.8967

Attachments:

- Ground Lease Agreement

SPONSORED BY: MAYOR DOWNING

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-16
Series of 2014

Series of 2014

A RESOLUTION APPROVING THE GROUND LEASE AGREEMENT BETWEEN THE CITY OF NORTHGLENN AND RALSTON HOUSE

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

Section 1. The Ground Lease Agreement between the City of Northglenn and the Ralston House, attached hereto as **Exhibit 1**, is hereby approved and the Mayor is authorized to execute same on behalf of the City.

DATED at Northglenn, Colorado, this ____ day of _____, 2014.

JOYCE DOWNING
Mayor

ATTEST:

JOHANNA SMALL, CMC
City Clerk

APPROVED AS TO FORM:

COREY Y. HOFFMANN
City Attorney

GROUND LEASE AGREEMENT

The following LEASE is made on this _____ day of _____, 2014, between the City of Northglenn, Colorado, a Colorado home rule municipality (hereinafter referred to as "City" or "Northglenn") and Ralston House, a Colorado Nonprofit Corporation (hereinafter referred to as the "Ralston House" or "Tenant") (either party may be referred to individually as a "Party" or both parties may be collectively referred to as the "Parties") with respect to the following facts:

RECITALS

WHEREAS, the City is the owner of a certain parcel of Property located within the City of Northglenn more specifically described in the attached **Exhibit A** (the "Property"); and

WHEREAS, Ralston House is a child advocacy center which has for many years provided professional and comprehensive services for sexually, physically, and emotionally abused children and their families; and

WHEREAS, Ralston House currently provides these services through its Jefferson County facilities; and

WHEREAS, certain Adams County jurisdictions, along with the City and County of Broomfield, have asked Ralston House to expand into Adams County in order to provide this same type and level of services to Adams County and Broomfield families;

WHEREAS, the Parties desire that Ralston House lease the Property, for the purpose of using the Property as a child advocacy center; and

WHEREAS, the Parties desire that Ralston House shall pay rent to the City.

TERMS

NOW, THEREFORE, in consideration of the paying of rent and the mutual covenants and agreements contained herein, the City and Ralston House hereby agree as follows:

1. **Definitions.**

For the purposes of this Lease, the following terms shall have the following definitions:

Demised Premises shall mean the Property and all easements, rights, rights-of-way, and licenses thereto, and the existing improvements, located at 2360 West 112th Avenue, Northglenn, CO 80234.

Improvements shall mean all buildings, structures, and improvements now existing upon the Property during the term of the Lease, and including landscaping, lighting, fencing, irrigation, and drainage facilities, and any restoration, addition to, or replacement thereof.

The Parties acknowledge and agree that there are two structures on the property as of the effective date of this Lease. One is the primary structure, which was formerly used to conduct the business of the predecessor child advocacy center on the Property. The primary structure is approximately 1250 square feet in size. The other structure is a storage shed.

2. Demised Premises and Term.

- (a) The City leases to Ralston House, and Ralston House leases from the City, the Demised Premises. The lease includes a non-exclusive right to use all appurtenances thereto, including any common areas, sidewalks, walkways, parking areas, and other areas of the Property set forth in **Exhibit A**, which is incorporated herein for all purposes. The Demised Premises consist of a lot that is approximately 20,000 square feet in size.
- (b) The City will deliver the Property, including all floor coverings, window coverings, electrical, plumbing, and HVAC systems in safe, sanitary, and usable condition, and free from any hazardous materials or substances. The City warrants that to the best of its knowledge, the existing primary structure is habitable for use as an office.
- (c) The term of this Lease and Ralston House's obligation to pay rent hereunder will commence upon January 1, 2014. The term will run through and including December 31, 2014 unless sooner terminated as set forth herein. The Lease will be automatically renewable for consecutive one-year terms, unless either party gives 60 days written notice of the intent to terminate this Lease prior to the end of the initial or any subsequent term.
- (d) Notwithstanding the above, the Parties anticipate determining the feasibility of razing of the existing structure at some point in 2015 or 2016. If the razing of the existing structure is determined to be feasible, the Parties contemplate that Ralston House will vacate the Property to allow for the razing of the existing primary structure and construction of a new primary structure on the Property. If such a project is determined to be feasible, the City will be responsible for coordinating and managing construction of the new primary structure. The new primary structure will be at least as large as the existing primary structure. The new primary structure will be owned by the City. The new primary structure will also be used by Ralston House as a child advocacy center. Funding for the new primary structure will be arranged as set forth in agreements between the Parties or other entities that are not a part of this Lease.
- (e) At any time following the issuance of a certificate of occupancy for the new primary structure, Ralston House may occupy and use the new primary structure as a child advocacy center. Such occupancy and use of the new primary structure will be upon the same terms and conditions as set forth herein.

3. Rental.

- (a) Ralston House hereby agrees to pay and City hereby agrees to accept as rent for the Lease rent of \$1.00 per month, payable yearly in advance on or before the 1st day of each calendar year. Checks may be made payable to or payment made to the City of Northglenn at the address listed below.
- (b) Understanding that at some point, the primary structure currently located on the Property may be razed and unavailable for use by Ralston House, the Parties may re-negotiate the amount of rent due and payable to the City from the date Ralston House vacates the existing primary structure through the date the certificate of occupancy is issued for the new primary structure. The Parties agree that rent may be reduced or even suspended during this period of time. Ralston House's rent obligation will resume as set forth in this Lease after the certificate of occupancy is issued.

4. Taxes and Utilities.

- (a) Taxes. During the period of time the City has owned and been the sole occupant of the Property, the Property has been exempt from real estate taxation. As of the date first listed in this Lease, there are no unpaid real estate taxes, assessments, sewer rents, water rents and charges, duties, impositions, license and permit fees, or similar governmental charges relating to the property owned by the City. Both Parties understand and acknowledge that Ralston House is a nonprofit corporation and tax exempt.
- (b) Utilities.
 - (i) Ralston House will at all times during the initial or any subsequent term of this Lease pay for or be responsible for:
 - All telephone and cable costs.
 - All utility services costs including electricity or natural gas,
 - All water and sewer services costs
 - (ii) The City will at all times during the initial or any subsequent term of this Lease pay for or be responsible for:
 - All trash and snow removal.

5. Maintenance and Repairs.

- (a) Maintenance.

- (i) Ralston House will at all times during the initial or any subsequent term of this Lease pay for or be responsible for:

- Performing regular janitorial tasks within the primary structure on the Property;

- Depositing trash, garbage, and rubbish in approved containers and removing it from within either structure on the Property to the curb;

- Any special lighting installations required by Ralston House;

- The replacement of bulbs in all lighting fixtures within or upon both structures on the Property: and

- Maintaining all of Ralston House's furnishings and personal property within the structures upon the Property in good, safe, and sanitary condition, order, and repair.

- (ii) The City will at all times during the initial or any subsequent term of this Lease pay for or be responsible for:

- Removing or having removed from the Property all trash, garbage, and rubbish;

- Painting the exterior of both structures on the Property so as to keep the structures in good condition;

- Painting or otherwise maintaining the surface of any fencing on the Property;

- Maintenance of the plumbing, HVAC, electrical, and other building systems in the primary structure;

- Maintenance of any electrical system in the storage shed;

- Maintenance of any lawn sprinkler system; and

- Mowing and landscaping services for the Property.

- (b) Repairs.

- (i) Ralston House will at all times during the initial or any subsequent term of this Lease pay for or be responsible for; and

- Repairs to or replacement of office equipment or specialized medical or photography equipment owned or leased by Ralston House.

- (ii) The City will at all times during the initial or any subsequent term of this Lease pay for or be responsible for:

Repairs to or replacement of any fencing on the Property;

Repairs to or replacement of the plumbing, HVAC, electrical, and other building systems in the primary structure;

Repairs to or replacement of the electrical system in the storage shed;

Repairs to or replacement of the lawn sprinkler system;

Repairs to or of any structural problems related to the primary structure or the storage shed; and

Otherwise keeping the Demised Premises and the Improvements thereon, and all sidewalks, curbs, vaults, and vault spaces adjoining the Demised Premises, and all appurtenances to the Demised Premises, in good order, condition, and repair, ordinary wear and tear excepted, and in such condition as may be required by law.

6. Alterations.

Ralston House shall have the right, at Ralston House's expense, from time to time during the term of this Lease to make any alteration, addition, or modification to the Demised Premises or the Improvements thereon; provided that, after said alterations, additions, or modifications, the Demised Premises shall be for the same general use, and said alterations, additions, or modifications shall not lessen the market value of the Demised Premises; and provided further, that if any such alteration, addition, or modification shall involve the structure or exterior of the Improvements, and shall cost more than Ten Thousand Dollars (\$10,000), or should Ralston House determine to remove or materially demolish the Improvements, then Ralston House shall obtain City's prior written consent thereto, which consent shall not be unreasonably withheld or delayed. It is expressly understood that City's consent may be conditioned upon the furnishing by Ralston House of waivers of mechanics' and materialman's liens from all persons furnishing materials or labor.

7. Use of Demised Premises.

- (a) Ralston House may use and occupy the Demised Premises and the Improvements thereon solely for use as a children's advocacy center and for providing related charitable and educational services, including but not limited to counseling services and educational programming. The City represents that the Demised Premises are properly zoned for use as a child advocacy center and for providing related charitable and educational services.

- (b) Ralston House will not use or keep or allow the Demised Premises or any portion thereof or any buildings or other improvements thereon or any appurtenances thereto, to be used or occupied for any unlawful purpose or in violation of any certificate of occupancy.
- (c) Ralston House's use of the Demised Premises shall include the ability to use the existing furnishings. A list of existing furnishings is attached in **Exhibit B**, which is incorporated herein for all purposes. Existing furnishings will remain the property of the City. If at any time during the initial or any subsequent term of the Lease, Ralston House decides that it no longer needs any or all of the existing furnishings, Ralston House will contact the City, and the City will promptly remove the unneeded furnishings. If Ralston House desires new or additional furnishings, such furnishings shall be purchased at the sole cost and expense of Ralston House, and shall remain the personal property of Ralston House at the expiration of the term of this Lease.

8. Insurance.

Ralston House will at all times during the term of this Lease maintain insurance on the Demised Premises of the following character:

- (a) Commercial General Liability Insurance. Commercial or comprehensive general liability insurance on an occurrence basis, insuring against any and all claims for damages to person or property or loss of life or of property occurring on or about the Premises arising from any tortuous acts or negligence of Ralston House or any of Ralston House's agents, employees, licensees or contractors, with coverage limits of not less than the limits set forth in the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.*, (currently \$350,000 for bodily injury or death to any one person and \$990,000 for bodily injury or death arising from any one accident or occurrence), with such deductibles as Ralston House may customarily carry in the conduct of its business.
- (b) Property. Insurance on Ralston House's personal property and furnishings against loss or damage by fire and other risks and perils from time to time included under standard extended coverage endorsements in an amount equal to not less than ninety percent (90%) of the replacement value of the personal property and furnishings.
- (c) It is expressly understood and agreed that the City shall maintain commercial general liability and property damage insurance on the Improvement in such forms and amounts as to protect its interests as owner.

9. Casualty.

If the Improvements on the Demised Premises or any part thereof shall be damaged or

destroyed by fire or other casualty, Ralston House shall promptly notify City of such destruction or damage. Rent shall abate in proportion to the amount of damage to or destruction hereunder by reason of any damage to or destruction of the Improvements, except as specifically provided for in this Lease.

10. Indemnity.

Ralston House agrees to indemnify, hold harmless and defend City hereto, its agents, assigns, employees, officers, and officials from and against all claims, demands, liabilities, suits, judgments and decrees, losses and costs and expenses of any kind or nature whatsoever on account of claims made by a third party and which are caused by Ralston House or its agents or personnel.

11. Condemnation.

- (a) *Entire Condemnation.* If at any time during the term of this Lease all or substantially all of the Demised Premises or the Improvements thereon shall be taken in the exercise of the power of eminent domain by any sovereign, municipality, or other public or private authority, then this Lease shall terminate on the date of vesting of title in such taking. Substantially all of the Demised Premises and the Improvements thereon shall be deemed to have been taken if the remaining portion of the Demised Premises shall not be of sufficient size to permit Ralston House to conduct its activities thereon in a manner similar to that prior to such taking.
- (b) Any award for such taking of all or substantially all of the Demised Premises shall be paid entirely to City.
- (c) *Partial Condemnation.* If less than all or substantially all of the Demised Premises or the Improvements thereon shall be taken in the exercise of the power of eminent domain by any sovereign, municipality, or other public or private authority, then Ralston House, at its option, may elect to continue this Lease in full force and effect or terminate this Lease. If Ralston House shall elect to maintain this Lease in full force and effect, the entire award for such partial condemnation shall be paid over to City, and Ralston House shall proceed with reasonable diligence to carry out any necessary repair and restoration so that the remaining Improvements and appurtenances shall constitute a complete structural unit or units which can be operated on an economically feasible basis under the provisions of this Lease. All of such repair and restoration shall be carried out by the Parties in accordance with the provisions of this Lease. In the event Ralston House elects to continue this Lease in full force and effect after a partial condemnation, there shall be no abatement in the Rent Ralston House is required to pay hereunder.
- (d) Should Ralston House elect to terminate this Lease upon a partial condemnation, Ralston House shall provide City with written notice of such election within thirty

(30) days after the date of vesting of title for such taking. Ralston House shall specify in such written notice the date on which this Lease shall terminate, which date shall be no more than 60 days after delivery of such notice to City (the "Termination Date").

12. Assignment and Subletting.

Neither Party may assign this Lease or any interest herein or sublet the Demised Premises at any time, without the other Party's prior written consent, which may be withheld at either Party's sole discretion.

13. Injunction.

Each Party, in addition to any other rights reserved to the Parties, and notwithstanding the concurrent pendency of summary or other dispossession proceedings between City and Ralston House, shall have the right at all times during the term of this Lease to restrain by injunction any violation or attempted violation by the other Party of any of the terms, covenants, conditions, or agreements of this Lease, and to enforce by injunction any of the terms, covenants, conditions, and agreements hereof.

14. Default and Termination.

- (a) The occurrence of any of the following shall constitute a material default and breach of this Lease by Ralston House:
 - (i) Failing to use the Demised Premises for the permitted uses set forth in Section 7, use of the Demised Premises for an unlawful purpose, or failure to comply with any law, regulation, ordinance, or other legal requirement relating to the Demised Premises.
 - (ii) Failure by Ralston House to comply with an material obligation under this Lease or failure to pay the rental required to be paid by Ralston House hereunder where such failure continues for thirty (30) days after written notice thereof by City to Ralston House;
 - (iii) Pursuant to any other default or breach of this Lease by Ralston House, City obtains a money judgment against Ralston House in a court of competent jurisdiction, and such judgment is not paid to City within sixty (60) days after such judgment becomes final.
- (b) In the event of any such default by Ralston House (beyond any applicable cure period), then in addition to any other remedies available to City at law or in equity, City, shall have the immediate option to terminate this Lease and all rights of Ralston House hereunder by giving written notice of such intention to terminate in the manner specified in this section of the Lease.

- (c) In the event of the vacation or abandonment of the Demised Premises by Ralston House, combined with Ralston House's failure to honor its repair and/or maintenance obligations, City shall have the right to re-enter the Demised Premises and take possession of the Demised Premises pursuant to legal proceeding or pursuant to any notice provided by law.
- (d) Upon a default or breach of any term of this Lease by City hereunder, Ralston House shall have all of the rights and remedies provided by law or equity.

15. City's Right to Cure Ralston House's Defaults.

Whenever and as often as Ralston House shall fail or neglect to comply with and perform any term, covenant, condition, or agreement to be complied with or performed by Ralston House hereunder, then, upon thirty (30) days' prior written notice to Ralston House, City at City's option, in addition to all other remedies available to City, may perform, or cause to be performed, such work, labor, services, acts, or things, and take such other steps, including entry onto the Demised Premises and the Improvements thereon, as City may deem advisable, to comply with and perform any such term, covenant, condition, or agreement which is in default, in which event Ralston House shall reimburse City upon demand, and from time to time, for all costs and expenses suffered or incurred by City in so complying with or performing such term, covenant, condition, or agreement. The commencement of any work or the taking of any other steps or performance of any other act by City pursuant to the immediately preceding sentence shall not be deemed to obligate City to complete the curing of any term, covenant, condition, or agreement which is in default.

16. Merger.

In no event shall the leasehold interest, estate, or rights of Ralston House hereunder, or of the holder of any mortgage upon this Lease, merge with any interest, estate, or rights of City in or to the Demised Premises, it being understood that such leasehold interest, estate, and rights of Ralston House hereunder, and of the holder of any mortgage upon this Lease, shall be deemed to be separate and distinct from City's interest, estate, and rights in or to the Demised Premises, notwithstanding that any such interests, estates, or rights shall at any time or times be held by or vested in the same person, corporation, or other entity.

17. Right to Quiet Enjoyment; City's Right of Entry.

- (a) The City covenants and agrees that Ralston House may at all times, peaceably and quietly have, hold, and enjoy the Property during the initial or any subsequent term. The City acknowledges that Ralston House provides services to a specialized clientele consisting of juvenile crime victims, witnesses, and their families.
- (b) The City understands and acknowledges that Ralston House maintains

date of this Lease and those, if any, created by City, without any payment or allowance whatever by City on account of or for any buildings and improvements erected or maintained on the Demised Premises at the time of the surrender, or for the contents thereof or appurtenances thereto.

21. No Partnership.

City shall not be deemed, in any way or for any purpose, to have become, by the execution of this Lease or any action taken under this Lease, a partner of Ralston House, in Ralston House's business or otherwise, or a member of any joint enterprise with Ralston House.

22. No Oral Changes.

This Lease may not be changed or modified orally, but only by an agreement in writing signed by the Party against whom such change or modification is sought to be enforced.

23. Bind and Inure.

The terms, covenants, conditions, and agreements of this Lease shall bind and inure to the benefit of the Parties hereto and their respective successors and assigns. Any waiver of rights by either Party hereto shall be deemed to be a waiver of such rights not only by such Party but shall be deemed to be a waiver of such rights for and on behalf of each and every successor and assignee of such Party. The term Ralston House as used herein shall in each instance be deemed to mean the person or persons, corporation or corporations, or other entity or entities that from time to time shall be primarily obligated under this Lease to perform the obligations of Ralston House hereunder.

24. Force Majeure.

The time within which either Party hereto shall be required to perform any act under this Lease, other than the payment of money, shall be extended by a period of time equal to the number of days during which performance of such act is delayed unavoidably by strikes, lockouts, acts of God, governmental restrictions, failure, or inability to secure materials or labor by reason of priority or similar regulation or order of any governmental or regulatory body, enemy action, civil disturbance, fire, unavoidable casualties, or any other cause beyond the reasonable control of either Party hereto, excluding, however, the inability or failure of either Party to obtain any financing which may be necessary to carry out its obligations. Notwithstanding the foregoing, unless the Party entitled to such extension shall give notice to the other Party hereto (plus concurrent notice by telephone or telegraph if such other Party's telephone number is not readily available) of its claim to such extension within three (3) business days after the event giving rise to such claim shall have occurred, there shall be excluded in computing the number of days by which the time for performance of the act in question shall be extended, the number of days which shall have elapsed between the occurrence of such event and the actual giving of such notice.

25. Hazardous Material.

- (a) Ralston House shall keep and maintain the Demised Premises in compliance with, and shall not cause or permit the Demised Premises to be in violation of, any federal, state, or local laws, ordinances or regulations relating to industrial hygiene or to the environmental conditions ("Hazardous Materials Laws") on, under, about, or affecting the Demised Premises. Ralston House shall not use, generate, manufacture, store, or dispose of on, under or about the Demised Premises or transport to or from the Demised Premises any flammable explosives, radioactive materials, hazardous wastes, asbestos, lead-based paints, toxic substances, or related materials, including without limitation any substances defined as or included in the definition of hazardous substances, hazardous wastes, hazardous materials, or toxic substances under any applicable federal or state laws or regulations (collectively referred to hereinafter as "Hazardous Materials").
- (b) Notwithstanding the above, both Parties understand and agree that Ralston House, in the course of its business activities, may generate biohazardous waste materials due to procedures performed within the primary structure. Ralston House will be solely responsible for the proper storage and removal of these biohazardous waste materials from the property. Ralston House shall be solely responsible for, and shall indemnify and hold harmless the City, its directors, officers, employees, agents, successors, and assigns from and against, any loss, damage, cost, expense, or liability directly or indirectly arising out of or attributable to Ralston House's use, generation, storage, release, threatened release, discharge, disposal, or presence of biohazardous Materials on, under or about the Demised Premises
- (c) Ralston House shall, at its expense, take all necessary remedial action(s) in response to the presence of any biohazardous Materials on, under, or about the Demised Premises created by Ralston House.
- (d) The City warrants and represents that as of the effective date of the Lease, there are no flammable explosives, radioactive materials, hazardous wastes, asbestos, lead-based paints, toxic substances, or related materials, including without limitation any substances defined as or included in the definition of hazardous substances, hazardous wastes, hazardous materials, or toxic substances under any applicable federal or state laws or regulations ("Hazardous Materials") anywhere on, under, or about the Demised Premises or upon or within any of the Improvements, including upon or within either of the structures upon the Demised Premises. No later than the effective date of this lease, the City will provide Ralston House with a written certification signed by a qualified inspector that there are no such Hazardous Materials anywhere on, under, or about the Demised Premises or upon or within any of the Improvements, including upon or within either of the structures upon the Demised Premises as of the effective date of this Lease. This certification is attached as **Exhibit C**, which is incorporated herein

for all purposes.

26. Governmental Immunity. Nothing herein shall be construed as a waiver of any protections or immunities the City of Northglenn or the City of Arvada may have under the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.*, as amended.

IN WITNESS WHEREOF, the Parties hereto have caused this Lease to be executed as of the day and year first above written.

CITY:

CITY OF NORTHGLENN

Joyce Downing, Mayor

ATTEST:

Johanna Small, CMC, City Clerk

APPROVED AS TO FORM:

Corey Y. Hoffmann, City Attorney

RALSTON HOUSE:

RALSTON HOUSE

By: Ann W. DeMers

President

10795 ~~10685~~-West 58th Avenue
AWD Arvada, CO 80002

STATE OF COLORADO)

) ss.

COUNTY OF Jefferson)

The foregoing document was acknowledged before me this 3rd day of February, 2014, by Ann W. DeMers as Board President of Ralston House.

WITNESS my hand and official seal.

My Commission Expires: May 20, 2015

Kathleen A. Pettit
Notary Public

EXHIBIT A
LEGAL DESCRIPTION OF PROPERTY

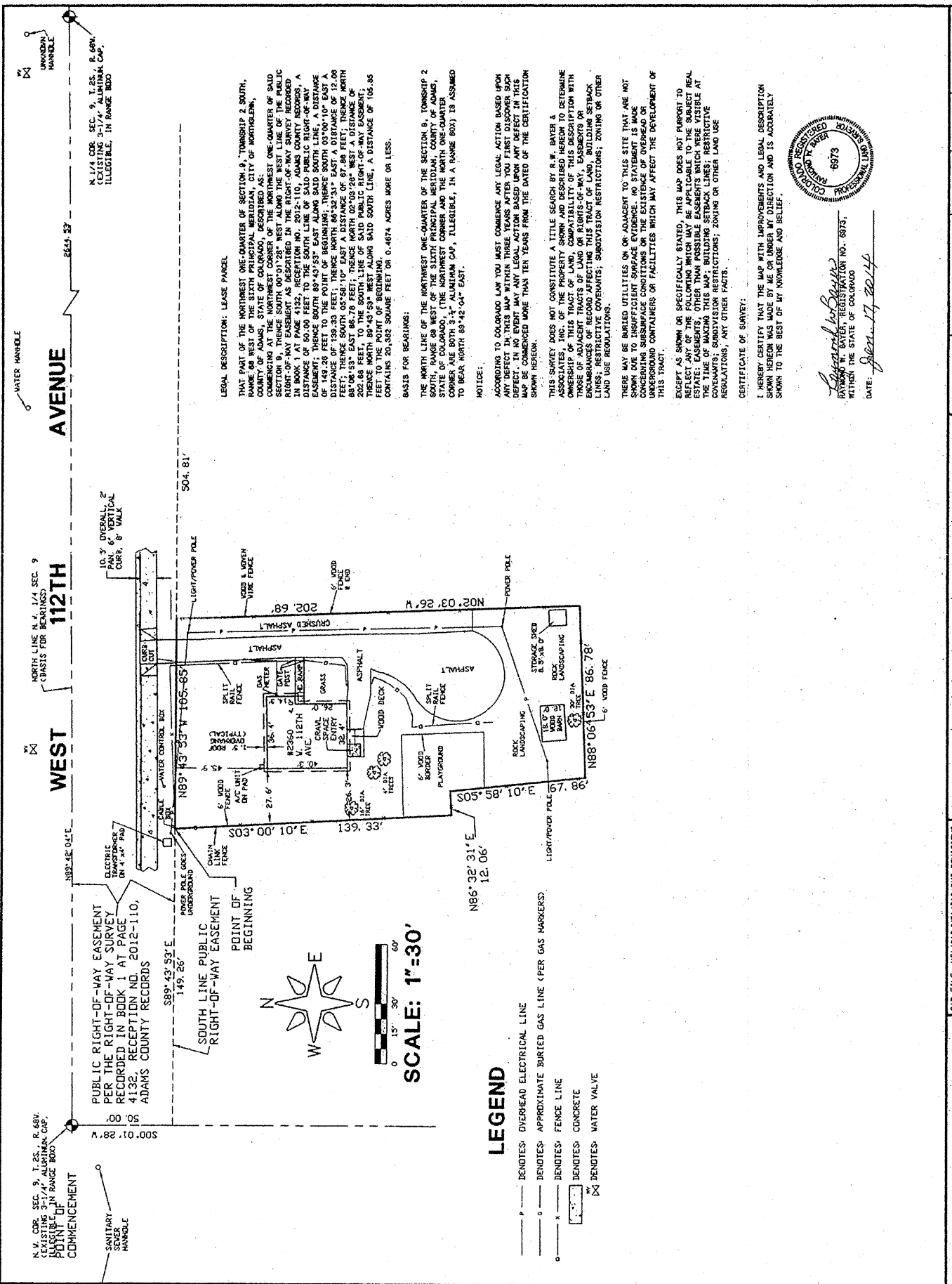
LEGAL DESCRIPTION: LEASE PARCEL

THAT PART OF THE NORTHWEST ONE-QUARTER OF SECTION 9, TOWNSHIP 2 SOUTH, RANGE 68 WEST OF THE SIXTH PRINCIPAL MERIDIAN, CITY OF NORTHGLENN, COUNTY OF ADAMS, STATE OF COLORADO, DESCRIBED AS:

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHWEST ONE-QUARTER OF SAID SECTION 9, THENCE SOUTH 00°01'28" WEST ALONG THE WEST LINE OF THE PUBLIC RIGHT-OF-WAY EASEMENT AS DESCRIBED IN THE RIGHT-OF-WAY SURVEY RECORDED IN BOOK 1 AT PAGE 4132, RECEPTION NO. 2012-110, ADAMS COUNTY RECORDS, A DISTANCE OF 50.00 FEET TO THE SOUTH LINE OF SAID PUBLIC RIGHT-OF-WAY EASEMENT; THENCE SOUTH 89°43'53" EAST ALONG SAID SOUTH LINE, A DISTANCE OF 149.26 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 03°00'10" EAST A DISTANCE OF 139.33 FEET; THENCE NORTH 86°32'31" EAST A DISTANCE OF 12.06 FEET; THENCE SOUTH 05°58'10" EAST A DISTANCE OF 67.86 FEET; THENCE NORTH 88°06'53" EAST 86.78 FEET; THENCE NORTH 02°03'26" WEST A DISTANCE OF 202.68 FEET, TO THE SOUTH LINE OF SAID PUBLIC RIGHT-OF-WAY EASEMENT; THENCE NORTH 89°43'53" WEST ALONG SAID SOUTH LINE, A DISTANCE OF 105.85 FEET TO THE POINT OF BEGINNING.
CONTAINS 20,362 SQUARE FEET OR 0.4674 ACRES MORE OR LESS.

BASIS FOR BEARINGS:

THE NORTH LINE OF THE NORTHWEST ONE-QUARTER OF THE SECTION 9, TOWNSHIP 2 SOUTH, RANGE 68 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO, (THE NORTHWEST CORNER AND THE NORTH ONE-QUARTER CORNER ARE BOTH 3- $\frac{1}{4}$ " ALUMINUM CAP, ILLEGIBLE, IN A RANGE BOX) IS ASSUMED TO BEAR NORTH 89°42'04" EAST.

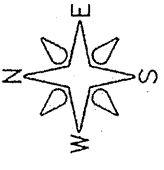


N 1/4 COR. SEC. 9, T. 25, R. 68N. ALLEGIBLE IN RANGE 8000 COMMENT

SANITARY SEWER MANHOLE

PUBLIC RIGHT-OF-WAY EASEMENT PER THE RIGHT-OF-WAY SURVEY RECORDED IN BOOK 1 AT PAGE 4132 ADAMS COUNTY RECORDS

SOUTH LINE PUBLIC RIGHT-OF-WAY EASEMENT POINT OF BEGINNING



SCALE: 1"=30'

LEGEND

- P — DENOTES: OVERHEAD ELECTRICAL LINE
- G — DENOTES: APPROXIMATE BURIED GAS LINE (PER GAS MARKERS)
- X — DENOTES: FENCE LINE
- [] — DENOTES: CONCRETE
- ⊗ DENOTES: WATER VALVE

WATER MANHOLE

WEST 112TH

WEST 112TH

WEST 112TH

WEST 112TH

WEST 112TH

N 1/4 COR. SEC. 9, T. 25, R. 68N. ALLEGIBLE IN RANGE 8000

WATER MANHOLE

AVENUE

LEGAL DESCRIPTION: LEASE PARCEL

THAT PART OF THE NORTHWEST ONE-QUARTER OF SECTION 9, TOWNSHIP 2 SOUTH, RANGE 68 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO, DESCRIBED AS: THE NORTHWEST ONE-QUARTER OF SAID SECTION 9, THENCE SOUTH 80°10'28" WEST ALONG THE WEST LINE OF THE PUBLIC RIGHT-OF-WAY EASEMENT AS DESCRIBED IN THE RIGHT-OF-WAY SURVEY RECORDED IN BOOK 1 AT PAGE 4132, RECEPTION NO. 2012-110, ADAMS COUNTY RECORDS, A DISTANCE OF 50.00 FEET TO THE SOUTH LINE OF SAID PUBLIC RIGHT-OF-WAY EASEMENT; THENCE SOUTH 89°40'55" EAST ALONG SAID SOUTH LINE, A DISTANCE OF 139.33 FEET; THENCE NORTH 84°52'51" EAST A DISTANCE OF 12.08 FEET; THENCE SOUTH 05°58'10" EAST A DISTANCE OF 67.86 FEET; THENCE NORTH 88°04'58" EAST 86.78 FEET; THENCE NORTH 02°03'28" WEST A DISTANCE OF 202.68 FEET TO THE SOUTH LINE OF SAID PUBLIC RIGHT-OF-WAY EASEMENT; THENCE ALONG SAID SOUTH LINE, A DISTANCE OF 105.85 FEET TO THE POINT OF BEGINNING. SAID PARCEL CONTAINS 20,582 SQUARE FEET OR 0.4674 ACRES MORE OR LESS.

BASIS FOR BEARINGS:

THE NORTH LINE OF THE NORTHWEST ONE-QUARTER OF THE SECTION 9, TOWNSHIP 2 SOUTH, RANGE 68 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO, (THE NORTHWEST CORNER AND THE NORTH ONE-QUARTER CORNER ARE BOTH 3.4" ALUMINUM CAP, ILLEGIBLE, IN A RANGE BOX) IS ASSUMED TO BEAR NORTH 89°42'04" EAST.

NOTICE:

ACCORDING TO COLORADO LAW YOU MUST COMMENCE ANY LEGAL ACTION BASED UPON ANY DEFECT IN THIS MAP WITHIN THREE YEARS AFTER YOU FIRST DISCOVER SUCH DEFECT. ANY DEFECT IN THIS MAP MUST BE COMMERCE MORE THAN TEN YEARS FROM THE DATED OF THE CERTIFICATION SHOWN HEREON.

THIS SURVEY DOES NOT CONSTITUTE A TITLE SEARCH BY R.W. BAYER & ASSOCIATES, INC. NOR DOES IT GUARANTEE THE ACCURACY OF THE INFORMATION OR THE OWNERSHIP OF THIS TRACT OF LAND. COMPLETABILITY OF THIS DESCRIPTION WITH THOSE OF ADJACENT TRACTS OF LAND OR RIGHTS-OF-WAY, EASEMENTS OR ENCUMBRANCES OF RECORD AFFECTING THIS TRACT OF LAND, BUILDING SETBACK LINES, RESTRICTIVE COVENANTS, SUBDIVISION RESTRICTIONS, ZONING OR OTHER LAND USE REGULATIONS.

THERE MAY BE BURIED UTILITIES ON OR ADJACENT TO THIS SITE THAT ARE NOT SHOWN DUE TO INSUFFICIENT SURFACE EVIDENCE. NO STATEMENT IS MADE CONCERNING SUBSURFACE CONDITIONS OR THE EXISTENCE OF OVERHEAD OR UNDERGROUND CONTAINERS OR FACILITIES WHICH MAY AFFECT THE DEVELOPMENT OF THIS TRACT.

EXCEPT AS SHOWN OR SPECIFICALLY STATED, THIS MAP DOES NOT PURPORT TO REFLECT ANY OF THE FOLLOWING WHICH MAY BE APPLICABLE TO THE SUBJECT REAL PROPERTY: EASEMENTS, OTHER THAN POSSIBLE EASEMENTS WHICH WERE VISIBLE AT THE TIME OF MAKING THIS MAP, INCLUDING BUT NOT LIMITED TO: RESTRICTIVE COVENANTS; SUBDIVISION RESTRICTIONS; ZONING OR OTHER LAND USE REGULATIONS, ANY OTHER FACTS.

CERTIFICATE OF SURVEY:

I HEREBY CERTIFY THAT THE MAP WITH IMPROVEMENTS AND LEGAL DESCRIPTION SHOWN HEREON WAS MADE BY ME OR UNDER MY DIRECTION AND IS ACCURATELY SHOWN TO THE BEST OF MY KNOWLEDGE AND BELIEF.



R.W. Bayer
REGISTERED PROFESSIONAL ENGINEER
WITHIN THE STATE OF COLORADO
DATE: Jan 17 2014

R.W. BAYER & ASSOCIATES, INC. 2090 EAST 104TH AVENUE, SUITE 200 THORNTON, COLORADO 80233-4316 (303) 452-4433 FAX: (303) 452-4515	CAD FILE: N61401000614010.DWG REVISIONS		SCALE: 1"=30' BOOK: 671	DATE: JAN. 15, 2014 PAGE: 57	DRAW BY: G.A.B. FILE NO: 9-28-37L	PROJ NO: 2014-010 R.B.	SHEET NO: 1 OF 1
	LEASE PARCEL SHOWING IMPROVEMENTS PART OF THE NORTHWEST ONE-QUARTER OF SECTION 9 TOWNSHIP 2 SOUTH, RANGE 68 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO						

EXHIBIT B
LIST OF EXISTING FURNISHINGS IN PRIMARY STRUCTURE

- Refrigerator
- Electric Stove
- Garbage Disposal
- Gas Forced Air Furnace
- Central Air Conditioning

EXHIBIT C
DEMISED PREMISES: HAZARDOUS MATERIALS CERTIFICATION



1852 JASPER ST UNIT E AURORA, CO 80011
PHONE - 303-577-9933 FAX - 303-577-9936
WWW.EXCELCORP.NET

Air Sample Data



Valor Environmental, LLC

January 26, 2014

Mr. Tom Case
Excel Environmental, Inc.
1852 Jasper Street – Unit E
Aurora, Colorado

**RE: Final Air Clearance Monitoring
Former Daycare Facility
2360 W. 112th Avenue
Northglenn, Colorado 80234
Valor Project # V14-1035**

Mr. Case:

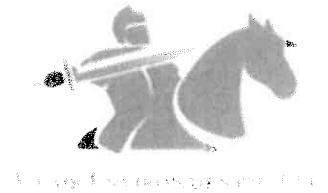
Attached is the report for the final air clearance monitoring report performed on **January 23, 2014 at the Former Daycare Facility, located at 2360 W. 112th Avenue in Northglenn, Colorado.**

If you have any questions regarding the content of this report, do not hesitate to contact us at (720).208.8282. Thanks you for this opportunity to have served you.

Regards,

William A. Godby Jr.
President
Valor Environmental, LLC
CDPH&E Cert # 17749

4833 Front Street – Unit B #220
Castle Rock, Colorado 80104
720.208.8282



Introduction:

On **January 23, 2014**, Valor Environmental, LLC's Air Monitoring Specialist, Tim Godby (AMS license #15662), collected final air clearance samples at the **Former Daycare Facility, located at 2360 W. 112th Avenue in Northglenn, Colorado.**

Prior to testing, a visual inspection was performed to confirm the completeness of asbestos removal and cleanup. The visual inspection was performed in accordance with the American Standard for Testing and Material's, "Standard Practice for Visual Inspection of Asbestos Abatement Projects". All abated asbestos materials, including contaminated dust, debris or residues were satisfactorily determined to have been removed.

Air samples were then collected inside the contained area utilizing aggressive air sampling techniques as directed in 40 CFR Part 763, Appendix A to Subpart E (EPA 1995).

Five (5) air samples and two (2) blanks were analyzed utilizing Phase Contrast Microscopy (PCM) employing the NIOSH 7400 method. The results of the PCM analyses are as follows:

Sample No.	Location	Volume (liters)	Results (fibers/cc)
D-100	Room 1 North Wall	944	0.003 (Pass)
D-101	Room 1 South Wall	944	BRL (Pass)
D-102	Room 2 North Wall	944	BRL (Pass)
D-103	Room 2 South Wall	944	BRL (Pass)
D-104	Room 3 West Wall	944	BRL (Pass)

Discussion:

Samples were analyzed by a trained analyst under the direct control of Reservoirs Environmental, Inc. Reservoirs Environmental, Inc. successfully participates in the American Industrial Hygiene Association's Proficiency Analytical Testing Program (PAT) for determining concentrations of airborne asbestos fibers. (Laboratory I.D. #101533).

Conclusion:

The final clearance air sample results did not exceed the Maximum Allowable Asbestos Level, (MAAL), of 0.01 fibers per cubic centimeters of air (f/cc), therefore complied with the Colorado Department of Public Health and Environment regulations for air quality.



Castle Rock Veterinary Services, LLC

LAB RESULTS

*4833 Front Street -- Unit B #220
Castle Rock, Colorado 80104
720.208.8282*



January 23, 2014

Subcontract Number: NA
Laboratory Report: RES 280295-1
Project # / P.O. # None Given
Project Description: 2360 W. 112th Ave.

BJ Godby
Valor Environmental, LLC.
4833 Front St. Unit B #220
Castle Rock CO 80104

Dear Customer,

Reservoirs Environmental, Inc. is an analytical laboratory accredited for the analysis of Industrial Hygiene and Environmental matrices by the National Voluntary Laboratory Accreditation Program (NVLAP), Lab Code 101896-0 for Transmission Electron Microscopy (TEM) and Polarized Light Microscopy (PLM) analysis and the American Industrial Hygiene Association (AIHA), Lab ID 101533 - Accreditation Certificate #480 for Phase Contrast Microscopy (PCM) analysis. This laboratory is currently proficient in both Proficiency Testing and PAT programs respectively.

Reservoirs Environmental, Inc. has analyzed the following samples for asbestos content as per your request. The analysis has been completed in general accordance with the appropriate methodology as stated in the attached analysis table. The results have been submitted to your office.

RES 280295-1 is the job number assigned to this study. This report is considered highly confidential and the sole property of the customer. Reservoirs Environmental, Inc. will not discuss any part of this study with personnel other than those of the client. The results described in this report only apply to the samples analyzed. This report must not be used to claim endorsement of products or analytical results by NVLAP or any agency of the U.S. Government. This report shall not be reproduced except in full, without written approval from Reservoirs Environmental, Inc. Samples will be disposed of after sixty days unless longer storage is requested. If you have any questions about this report, please feel free to call 303-964-1986.

Sincerely,

A handwritten signature in cursive script that reads "Jeanne Spencer".

Jeanne Spencer
President

RESERVOIRS ENVIRONMENTAL, INC.
AIHA Certificate of Accreditation #486, Lab ID 101533

TABLE : PCM NIOSH 7400 FIBER COUNT ANALYSIS

RES Job Number: RES 280295-1
 Client: Valor Environmental, LLC.
 Client Project Number / P.O.: None Given
 Client Project Description: 2360 W. 112th Ave.
 Date Samples Received: January 23, 2014
 Method: NIOSH 7400A, Air
 Turnaround: 2 Hour
 Date Samples Analyzed: January 23, 2014

Client ID Number	Lab ID Number	Air Volume Sampled (L)	Fields Analyzed	Fiber Count	Fiber Reporting Limit (F/mm ²)	Fiber Density (F/mm ²)	Reporting Limit (F/cc)	Fiber Concentration (F/cc)
D100	EM 1104330	944	100	6	7.01	7.65	0.003	0.003
D101	EM 1104331	944	100	1	7.01	BRL	0.003	BRL
D102	EM 1104332	944	100	3.5	7.01	BRL	0.003	BRL
D103	EM 1104333	944	100	4	7.01	BRL	0.003	BRL
D104	EM 1104334	944	100	0	7.01	BRL	0.003	BRL
D105	EM 1104335	0	100	0	---	BRL	---	---

* Unless otherwise stated sample analyses have been blank corrected.
 ND = None Detected

Laboratory Quarterly Coefficient of Variation (CV) by Fiber Count Range - July 1, 2013 - September 31, 2013
 5-20 CV = 0.27 >20-50 CV = 0.24 >50-100 = 0.15

BRL = Below Reporting Limit
 CBR = Cannot Be Read

Data QA: 
 Julia Jackson

RES 280295

Reservoirs Environmental, Inc.

5801 Logan St., Denver, CO 80218 • Ph: 303-864-1688 • Fax: 303-471-4275 • Toll Free 888-RES-ENV
 After Hours Call Phone: 720-338-9228

Due Date: 1-22-14
 Due Time: 4:30p

CONTACT INFORMATION:
 Contact: **Billy Godby**

Phone: _____
 Fax: _____
 Cell/ Pager: 720-238-4708

CONTACT INFORMATION:
 Contact: **BJ Godby**

Phone: _____
 Fax: _____
 Cell/ Pager: 720-208-8282

INVOICE TO: (IF DIFFERENT)

Company: _____
 Address: _____
 Project Number and/or P.O. #: _____

Company: **Valor Environmental LLC**
 Address: **4833 Front Street Unit B #220**
Castle Rock, CO 80104

Project Description/Location: **3300 W 17th Ave**

Project Description/Location: **3300 W 17th Ave**

Project Description/Location: **3300 W 17th Ave**

Client sample ID number	Sample ID's must be unique	EM Number (Laboratory Use Only)
1	D100 N wall	102320
2	D101 S wall	102320
3	D102 N wall	
4	D103 S wall	
5	D104 N wall	
6	D105 Block	
7		
8		
9		
10		

VALID MATRIX CODES
 Air = A Bulk = B
 Dust = D Paint = P
 Soil = S Wipe = W
 Swab = SW F = Food
 Drinking Water = DW Waste Water = WW
 O = Other
 ASTM E 1792 approved wipe media only

REQUESTED ANALYSIS
 PLM - Short report, Long report, Print Count
 TEM - AHERA Level II, 7402 ISO +/- Quant.
 SEM - quant, Micro-sec, ISO Indirect Prep
 PCM - 7400A, 7400B, OSHA
 DUST - Total, Respirable
 METALS - Analyte(s)
 RCMA, TCLP, YWHing Fume, Metals Scan
 ORGANOCS - METH
 Salmonella +/-
 E. coli O157:H7 +/-
 Listeria +/-
 Aerobic Plate Count +/- or Quantification
 E. coli +/- or Quantification
 Coliforms +/- or Quantification
 Staphylococcus +/- or Quantification
 Y & M +/- or Quantification
 Mold +/- Identification, Quantification
 SAMPLES INITIALS OR OTHER NOTES

ASBESTOS LABORATORY HOURS: Weekdays: 7am - 7pm
PLM / PCM / TEM (Rush PCM = 2hr, TEM = 6hr)
CHEMISTRY LABORATORY HOURS: Weekdays: 8am - 5pm
 Metal(s) / Dust RUSH 24 hr, 3-5 Day
 RCRA 8 / Metals & Welding RUSH 5 day, 10 day
 Fume Scan / TCLP 24 hr, 3 day, 5 Day
MICROBIOLOGY LABORATORY HOURS: Weekdays: 8am - 6pm
 E. coli O157:H7, Coliforms, S aureus 24 hr, 2 Day, 3-5 Day
 Salmonella, Listeria, E. coli, APC, Y & W RUSH 24 hr, 48 hr, 3 Day, 5 Day
 Mold
 Turnaround times establish a laboratory priority, subject to laboratory volume and are not guaranteed. Additional fees apply for afterhours, weekends and holidays.

LAB NOTES:

SPECIAL INSTRUCTIONS: 135

Special Instructions: (Sample ID's must be unique)

Relinquished By: Nicole Castillo Date/Time: 1-23-14 2:30p Carrier: none

Received By: _____ Date/Time: _____

Results: _____

Number of samples received: _____

NOTE: REI will analyze incoming samples based upon information received and will not be responsible for errors or omissions in calculations resulting from the inaccuracy of original data. By signing this company representative agrees that submission of the following samples for requested analysis as indicated on this Chain of Custody shall constitute an analytical services agreement with payment terms of NET 30 days, failure to comply with payment terms may result in a 15% monthly interest surcharge.

Sample Condition: On Ice Yes / No _____ Sealed Yes / No _____ Intact Yes / No _____

Temp. (F): _____

Date: _____ **Time:** _____

Phone: _____ **Email:** _____ **Fax:** _____



NON-HAZARDOUS SPECIAL WASTE & ASBESTOS MANIFEST

1122685

If waste is asbestos waste, complete Sections I, II, III and IV
If waste is NOT asbestos waste, complete Sections I, II and III

I. GENERATOR (Generator completes Ia-r) EX14-019

Form I: Generator information including EPA ID Number, Manifest Document Number, Generator Name and Location, Mailing Address, Owner's Name, and Waste Profile table.

II. TRANSPORTER (Generator completes IIa-b and Transporter completes IIc-e)

Form II: Transporter information including Name and Address, Phone, Driver Name, and Signature.

III. DESTINATION (Generator complete IIIa-c and Destination Site completes III d-g)

Form III: Destination information including Disposal Facility and Site Address, US EPA Number, and Authorized Agent details.

IV. ASBESTOS (Generator completes IVa-f and Operator complete IVg-i)

Form IV: Asbestos handling information including Operator Name and Address, Responsible Agency Name and Address, and Friable/Non-Friable status.