



Contract Number: CTN-FM. 14X 025
Effective Date: 8-19-13
Term Date: 8-18-18
Cost: _____
Revenue: \$1,973,418.45
Total: _____ NTE: _____
Action: _____
Renewal By: 5-1-18
Term: 8-18-18
Reviewed by: [Signature]

BOARD OF SUPERVISORS AGENDA ITEM SUMMARY

Requested Board Meeting Date: August 19, 2013

ITEM SUMMARY, JUSTIFICATION &/or SPECIAL CONSIDERATIONS:

This Lease will allow the University of Arizona faculty and students to conduct clinical assessment and research, and provide nutritional classes to diabetes individuals in Pima County. Pima County will contract for the tenant improvements of the premises whose cost will be repaid by the tenant monthly along with operating expenses and rent.

CONTRACT NUMBER (If applicable) CTN FM 14*25

Procure Dept 07/30/13 PM08:55

STAFF RECOMMENDATION(S):

Approve this Lease to allow the University of Arizona to conduct research and provide nutritional classes that will benefit diabetic individuals who reside in Pima County.

CORPORATE HEADQUARTERS: _____

To: COB - 8.7.13
Agenda - 8.19.13
(2)

CLERK OF BOARD USE ONLY: BOS MTG. _____

ITEM NO. _____

REVENUE TO PIMA COUNTY: \$1,973,418.45

COST TO PIMA COUNTY: \$0.00

FUNDING SOURCE(S): General Fund for Facilities Management Dept. operations and maintenance of the building.

(i.e. General Fund, State Grant Fund, Federal Fund, Stadium D. Fund, etc.)

Advertised Public Hearing:

	<input checked="checked" type="checkbox"/>	YES	<input type="checkbox"/>	NO
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Board of Supervisors District:

1	<input type="checkbox"/>	2	<input checked="checked" type="checkbox"/>	3	<input type="checkbox"/>	4	<input type="checkbox"/>	5	<input type="checkbox"/>	All	<input type="checkbox"/>
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IMPACT:

IF APPROVED: The University of Arizona will provide health related services and nutritional classes to diabetic individuals in Pima County creating a healthier population in the community.

IF DENIED: The University of Arizona will not provide health related services and nutritional classes to diabetic individuals in Pima County.

DEPARTMENT NAME: Facilities Management

CONTACT PERSON: Melissa Loeschen TELEPHONE NO.: 724-8230

CONTRACT	
NO. <u>PTN-FM-14000000000000000025</u>	
AMENDMENT NO. _____	
This number must appear on all invoices, correspondence and documents pertaining to this contract.	

LEASE AGREEMENT

This Lease Agreement (this "Lease") is made and entered into this ____ day of _____, 2013, by and between the ARIZONA BOARD OF REGENTS, a body corporate, for and on behalf of The University of Arizona (the "Tenant") and PIMA COUNTY, a political subdivision of the State of Arizona (the "Landlord").

RECITALS

- A. Landlord owns a building (the "Building") located at 3950 S. Country Club Road in Tucson, Arizona, as shown on the diagram attached as Exhibit A, which it uses as a public health building. The Building has, associated with it, certain interior and exterior areas for the common use of all occupants of the Building, including (but not limited to) streets, parking lots/garage, sidewalks, canopies, roadways, loading platforms, entryways, lobbies, stairways, elevators, hallways, washrooms, break rooms/kitchens, shelters, ramps, landscaped areas and other similar facilities (the "Common Areas"). The Common Areas and the Building are referred to herein collectively, as the "Project."
- B. Tenant has a medical diabetes education residency program that is based, in part, in the hospital adjacent to the land on which the Building is located, known as University Healthcare, Inc. South Campus (the "Hospital"), and needs additional office space for faculty and students near the Hospital.
- C. This Lease is being entered into by Landlord pursuant to A.R.S. § 11-256.01 and notice of the Lease was published as required by law.

AGREEMENT

- 1) LEASE/PREMISES. In consideration of the rent hereinafter received and all terms, conditions, covenants, and agreements hereinafter contained, Landlord hereby leases and demises to the Tenant and Tenant hereby hires, leases and takes from the Landlord, certain premises, approximately 12,743 gross square feet in size, located on the third floor of the Building, as shown on the diagrams attached as Exhibit B (the "Premises"). In addition, Tenant will have the right to use the Common Areas on a non-exclusive basis together with other occupants of the Building.
- 2) TERM. The term of this Lease will be for a period of five (5) years, and will commence on the Commencement Date, as defined in Section 3) below (the "Initial Term"). If Tenant is not in default under this Lease, Tenant will have the right to extend the term upon the same terms and conditions, except there will be no TI Reimbursement, for one additional five (5) year period (the "Extension Term"), by sending written notice of such election to Landlord. This option may be exercised by Tenant not more than nine (9) nor less than six (6) months prior to the end of the Initial Term. Tenant agrees that the option to renew is only for the current Premises and there

will be no increase in the size of the premises into other areas of the Building. The Initial Term, together with the Extension Term if exercised, as sooner terminated or further extended as provided herein will be referred to herein as the "Term."

3) TENANT IMPROVEMENTS; COMMENCEMENT DATE.

- a) Tenant Improvements. Landlord will build out the Premises substantially as shown on the conceptual plans (the "Plans") attached hereto as Exhibit B according to specific plans and specifications to be developed by Landlord and Tenant approved prior to commencement of construction (collectively the "Tenant Improvements"), which includes standard interior signs located adjacent to the Premise entry door, but does not include any other interior or exterior signage. The Tenant Improvements also do not include any IT cabling or improvements except IT backbone and server room in the Premises. Landlord will construct the Tenant Improvements in a good and workmanlike manner. Landlord will not provide any office chairs or other furnishings for Tenant's use in the Premises other than what is currently located in the Premises as shown on the attached Exhibit C.
- b) Move-In. Landlord will notify Tenant in writing when the Tenant Improvements are substantially complete, subject only to minor "punch list" items, such that Tenant can begin moving into the Premises (the "Substantial Completion Notice"). The date Five (5) business days after Tenant receives the Substantial Completion Notice will be the "Commencement Date." Landlord will also, in this notice, advise Tenant of the total rentable square footage of the Premises, the monthly rental amount, and the cost of the Tenant Improvements for purposes of Section 5)b) below. Tenant will be responsible for moving its personal property (including furnishings, fixtures, and equipment) into the Premises, installing any fixtures as necessary, and bearing all expenses associated with move-in. Tenant will coordinate its move-in with other Building occupants so that any disruption is minimized as much as reasonably possible.

4) USE.

- a) Permitted Uses: The Premises will be used by Tenant only for office and clinical space for University of Arizona faculty and students, clinical assessment, and research and education in connection with the diabetes program, public health studies and nutrition programs, and classes conducted by Tenant and other uses reasonably related thereto.
- b) Prohibited Activities: Tenant will not permit any unlawful activities on the Premises, or any activities that unduly interfere with activities of the other occupants of the Building or neighboring property owners/occupants.
- c) Hazardous Materials Prohibited; Clean Air Act. Tenant will not cause or permit any hazardous or toxic materials or substances to be brought upon, kept, or used in or about the Premises by Tenant, its agents, employees, contractors or invitees, without the prior written consent of Landlord, other than such hazardous or toxic materials or substances that are necessary or useful to Tenant's business and will be used, kept and stored in a manner that

complies with all laws regulating any such materials or substances. Tenant's operations on the Premises will comply with all applicable provisions of environmental laws and regulations, including the Clean Air Act, 42 U.S.C. 7401 et seq. and Arizona Revised Statutes, Title 49, Chapter 3. Tenant will remediate and clean up, at its sole cost and expense, any contamination of the Premises occurring during the term of this Lease.

- d) Biological Waste & Material Disposal. Tenant will properly dispose of any medical or biological waste—including but not limited to syringes, vials, prescriptions and any materials containing blood or other biological material used or generated on the Premises. Tenant will provide disposal which may include using appropriate medical waste containers. Tenant will never dispose of any medical or biological supplies or waste outside of the Premises in the Building's Common Areas. Tenant will be responsible for any claims or fines related to disposal of such materials in violation of this Agreement or in violation of applicable law
- e) Common Areas. The Common Areas will at all times be subject to the control and management of Landlord, and Landlord will have the right from time to time to change the area, level, location, appearance and furnishing or landscaping of Common Areas, provided that it does not materially interfere with Tenant's operations. Landlord will have the right at any time to temporarily close any portion of the Common Areas for the purpose of making repairs, changes or additions thereto, and Landlord may enter into agreements with adjacent owners for cross-easements for parking, ingress or egress.
- f) Parking. Tenant will have the right to utilize the parking lot indicated on Exhibit D, on a non-exclusive and non-reserved basis, in common with other Building occupants. If, during the Term, Landlord and Tenant will determine the Tenant's employees use and monthly cost of any new parking garage which Landlord may construct during the term of this Lease after Tenant exercises their option to extend the term for five (5) additional years.
- g) Rules and regulations. Tenant and its employees, agents, contractors and invitees will abide by rules and regulations for the Building that are established and may be revised from time to time by Landlord. The current rules are attached as Exhibit E. These rules and regulations concern, among other things, sanitation, handling of trash and debris, smoking prohibitions, loading and unloading of trucks and other vehicles, safety and security, after hours use and procedures, and use of Common Areas. Such rules and regulations will be applied in a non-discriminatory manner and will not unduly limit or impair Tenant's permitted use of the Premises.
- h) Use of other areas of the Building. It is Landlord's intent to utilize the Building for public health, office, and other related purposes, as stated in the recitals, and may lease space within the Building to other public and/or non-profit organizations and agencies for such use. Landlord will, however, have the right to make any legal use of the Building or portions thereof.
- i) Security. Tenant will comply with Landlord's security system, which may include checking in and out of the Building after hours, and utilizing ID badges or key cards. If Landlord

requires the use of ID badges or key cards, Landlord will furnish them, and Tenant will pay to Landlord the reasonable cost thereof. Tenant will pay to Landlord a standard charge (currently \$50) for each key card that is lost, stolen or damaged and must be replaced by Landlord. Landlord will provide building security personnel 6am to 10pm Monday through Friday, except on County-observed holidays, and on Saturday mornings that the County's WIC office in the Building is open.

5) RENT.

- a) Rental Rate. The base rent ("Base Rent") is Eleven and 84/100 Dollars (\$11.84) per rentable square foot per year for the entire Term.
- b) Tenant Improvement Reimbursement.
 - i) TI Reimbursement. In addition to Base Rent, Tenant will pay, during the Initial Term of this Lease, as part of the Rent due under this Lease, \$5.57 per rentable square foot per year as a reimbursement (the "TI Reimbursement") for the cost of the Tenant Improvements (which includes design, permitting and construction costs, and the cost of moving the Office of Children's Council to another location within the Building, amortized over five years at a 5% interest rate) (the "TI Cost"). The amount of the TI Reimbursement set forth above has been calculated based on an estimated TI Cost of no more than Three Hundred Fifty-Five Thousand Dollars (\$355,000.00) (the "TI Budget"). In no event will the TI Reimbursement exceed the TI Budget. If the estimate of the actual TI Cost exceeds the TI Budget, Tenant and Landlord will work together to identify and utilize cost-saving alternatives in order to bring the cost down. If Tenant and Landlord cannot agree on a design that will enable Landlord to build the Tenant Improvements for the amount of the TI Budget, then Tenant may agree to pay the overage, or the parties will terminate the Lease.
 - ii) Termination during Initial Term. In the event that this Lease is terminated by Tenant, as permitted by the terms of this Lease Agreement--except if such termination is the result of a Landlord default, damage or destruction of the Premises, or condemnation--or if Landlord terminates because of Tenant's default before expiration of the Initial Term, Tenant will pay to Landlord, promptly upon such termination, any unpaid portion of the TI Reimbursement (for the period through the end of the Initial Term). This is not a penalty but a measure of Landlord's financial damages.
- c) Calculation of Square Footage. Currently, the rentable square footage of the Premises is estimated to be 17,378 rentable square feet. The actual square footage will be determined by Landlord at such point during the construction of the Tenant Improvements as the rentable square footage can be calculated with reasonable accuracy. Landlord will, in the notice of substantial completion described in Section 3) above, inform Tenant of the final rentable square footage based on the final architectural plans, the final TI Cost, any cost overrun for which Tenant is responsible under Section 5(b)(i) above, and the monthly rental payment amount. Landlord's calculation of the square footage will be final, absent bad faith.

- d) Payment of Rent. Tenant will pay Rent (including both Base Rent and the TI Reimbursement) in advance, in equal monthly installments, on or before the Commencement Date and the first day of each month thereafter during the Term, except that the first month's Rent will be prorated if necessary to reflect a partial month. Rent will be delivered to Pima County Government, Finance-Revenue Management Division, 33 N. Stone, 6th Floor, Mail Stop DT-BAB6-404, Tucson, Arizona 85701.
- e) Operating Expenses. Tenant will, in addition to the Base Rent and TI Reimbursement set forth above, pay Tenant's Proportionate Share of all Operating Expenses for the Building and all associated Common Areas.
- i) "*Tenant's Proportionate Share*" is the percentage calculated by dividing the total rentable area of the Premises by the total rentable area of the Building. Based on the Plans, Tenant's Proportionate Share is expected to be 9.23% based on the estimated rentable square feet of the Premises set forth above, but the actual percentage will be calculated by Landlord after completion of the Tenant Improvements.
- ii) "*Operating Expenses*" means all direct costs of operation, repair and maintenance of the Building and Common Areas, including (but not necessarily limited to) any applicable real estate taxes or special assessments; utilities (including electrical, water and sewer charges); insurance premiums; elevator maintenance; security guards and security system costs; the cost of repairs to Common Areas; landscaping costs; costs associated with maintaining, painting, repairing or resurfacing the parking area; janitorial supplies and services; Landlord's direct and indirect labor and benefit costs for any work done by Landlord's own labor force including the on-site building manager; and a 10% administrative charge. Operating Expenses shall not include costs for Americans with Disability Act compliance when triggered by another tenant, capital expenditures unless they reduce Operating Expenses and then only to the extent of such reduction, advertising, interest or amortization of loans or other financing, breach of a lease by another tenant, art work, overhead or administrative costs of Landlord not directly incurred in the operation and maintenance of the Project, (except that this will not impact the 10% administrative charge set forth above) leasing commissions, any cost or expense for which Landlord is reimbursed or indemnified, depreciation or amortization of the Project; expenses for the correction of any defect in construction of the Project or for repairs or other work covered by insurance carried, or required to be carried hereunder, by Landlord, expenses incurred for replacement of any item covered under warranty, salaries for officers above the level of building manager, related to Landlord's negligence, nor legal fees relating to ownership, leasing, sale or litigation.
- iii) *Payment of Tenant's Share.* Tenant will pay, on the Commencement Date, and on the first day of each month during the term of this Lease thereafter, Tenant's Proportionate Share of the estimated Operating Expenses for the next month. (If the first and last months are partial months, the amount will be prorated.) Landlord will advise Tenant annually of the amount of the monthly estimated Operating Expenses and Tenant's

Proportionate Share of same, and Tenant will pay that amount on a monthly basis, without demand or offset, until such time as Landlord advises Tenant of any new estimate for the following year. The current monthly estimated Operating Expense is \$5.30 per rentable square foot. Landlord may adjust this rate annually based on the estimated Operating Expense during the term of this Lease.

- iv) *Reconciliation/Audit.* Landlord will, no less often than annually, give to Tenant a reasonably detailed itemized statement reconciling estimated Operating Expenses paid with actual Operating Expenses incurred. In addition, Tenant will be entitled, at any time, to inspect or audit, at Tenant's expense, Landlord's books and records in order to verify the amount of Operating Expenses. If such a reconciliation or audit reveals that Tenant has underpaid, Tenant will pay any additional amounts due within thirty (30) days of receipt of the statement or completion of the audit; if Tenant has overpaid, Tenant will receive a warrant/check in the amount of the overpayment mailed to them.

6) REPAIRS & UTILITIES.

- 7) Repairs. Subject to Section 16) concerning damage resulting from a casualty, and except as provided below, Landlord will make all repairs in and to the Building and Premises. This will include the roof, structural portions of the Building, and major Building systems such as air-conditioning motors or compressors, major plumbing requirements (in-wall plumbing), heating units and in-wall electrical connections.
 - a) Notification to Landlord. In the event of a breakdown or needed repairs to the Premises or equipment associated therewith, Tenant will notify Landlord or its agent of such breakdowns or needed repairs, and Landlord will cause such repairs and/or replacements as are necessary to correct such condition to be done within a reasonable period of time.
 - b) Cleaning & Minor Maintenance. Landlord will provide janitorial services to the Premises, as described on Exhibit F attached hereto. The cost of these services will be included in Operating Expenses.
 - c) Equipment. Tenant will maintain, repair and replace all equipment including but not limited to security cameras, office and medical machines, and laboratory, exercise and scientific equipment, provided and installed by Tenant.
 - d) Tenant Damage. Tenant will promptly repair any damage done to the Premises, the Common Area, or the Building caused by any employee, student, agent, patient, contractor or invitee of Tenant.
 - e) Access to the Premises. Tenant will permit Landlord and Landlord's authorized representatives to enter the Premises at times convenient to Tenant for purposes of inspection, making any repairs and performing any work therein as may be necessary for Landlord to comply with the provisions of this Section 6). Landlord, in the performance of

any such work, will cause as little inconvenience, annoyance, disturbance, or damage to Tenant as may reasonably be possible under the circumstances.

- f) Utilities. Landlord will provide all utilities to the Premises and the Common Areas, including electricity, gas, water, sewer, and trash collection. All utilities other than telecommunications services (which are paid separately, by the Tenant, pursuant to paragraph h) below) will be included in operating Expenses.
- g) HVAC. Heating, ventilation and air conditioning services ("HVAC") will be available to the Premises from 6:00 AM – 6:00 PM Monday-Friday. Any additional HVAC usage must be approved in advance by the Director of Pima County Facilities Management Department at no additional cost to Tenant.
- h) Telephone/Internet/Cabling. Tenant is responsible for supplying, installing, repairing, maintaining and replacing its own telephone equipment, service and internet/data service at Tenant's expense. Any equipment installed by Tenant will remain the property of Tenant and may be removed upon termination or expiration of the Lease. Landlord will provide a dedicated room for Tenant's computer system service.

Tenant is responsible for obtaining a network connection from a local ISP and for supplying its own ISP connection hardware. Landlord will provide entry point for ISP into room 3411 of the building which also contains Landlord's network equipment and a location for the ISP's network hardware to make the external connection. Landlord will permit escorted access to Tenant's network hardware in room 3411 which is located outside of Tenant's secured space during normal business hours. Landlord will provide a data connection to move Tenant internet traffic from the building entry point up to Tenant's closet on 3rd floor.

- 8) TAXES. Tenant will be responsible for all taxes related to this Lease and will pay to Landlord, in addition to any other sums due hereunder, any applicable rental taxes for which Landlord is responsible including, if applicable, the government property lease excise tax pursuant to A.R.S. § 42-6201 et seq.
- 9) INSURANCE. Landlord will be responsible for fire and other property insurance for the Building, and may self-insure for such losses. Tenant will be responsible for insuring its personal property brought to the Premises. Tenant will provide commercial general liability insurance or its equivalent in the amount of \$2,000,000 each occurrence. Landlord acknowledges that it has been informed that Tenant is a participant in the State of Arizona Department of Administration's insurance program under A.R.S. § 41-621 and that coverage under said program will be sufficient and acceptable to fulfill the Tenant's liability insurance obligation under this Lease.

10) DEFAULT.

- a) Tenant Default. The occurrence of any one or more of the following events will constitute a default and breach of this Lease by Tenant for which Landlord may terminate this Lease:

- i) *Operation of Premises.* The vacating or abandonment of the Premises, or cessation of activities thereon, or any portion thereof, by Tenant, where such abandonment will continue for a period of thirty (30) calendar days after notice of such default is sent by Landlord to Tenant.
 - ii) *Monetary Obligations.* The failure by Tenant to make any payment required to be made by Tenant hereunder, as and when due, where such failure will continue for a period of ten (10) calendar days after the receipt by Tenant of written notice from Landlord that such payment is due.
 - iii) *Violation of Law.* Violation of any law by Tenant, or the conduct of any unlawful activities on the Premises that are permitted by Tenant, either tacitly or explicitly, or which Tenant has not taken reasonable means to prevent after Tenant becomes or in the exercise of reasonable diligence should have become aware that such activities are being conducted.
 - iv) *Health and Safety Violation.* Any action or omission by Tenant that, in the Landlord's reasonable judgment, causes a threat to the health or safety of the general public or the users of the Building.
 - v) *Other Covenants.* The failure by Tenant to observe or perform any other of the covenants, conditions or provisions of this Lease to be observed or performed by Tenant, where such failure will continue for a period of thirty (30) days after written notice thereof by Landlord to Tenant; provided, however, that if the nature of Tenant's default is such that more than thirty (30) days are reasonably required for its cure, then Tenant will not be deemed to be in default if Tenant commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion provided such cure is completed within one hundred and twenty (120) days of the notice by Landlord.
- b) Landlord Default. Landlord will be deemed to be in default hereunder if Landlord fails to perform any covenant or condition of this Lease to be performed by Landlord and such failure continues for thirty (30) days after written notice and demand from Tenant (unless the failure is of such a character as to require more than thirty (30) days to cure, in which event Landlord will be in default only if it fails to initiate the cure within thirty days, and thereafter diligently pursue the same to completion provided such cure is completed within one hundred and twenty (120) days of the notice by Tenant).
- c) Remedies. Either party may pursue any remedies provided by law and in equity for the breach of this Lease, including termination of the Lease, except that Tenant, because of the special nature of this below-market-rate Lease, which does not generate net revenues for Landlord, will not be entitled to pursue any monetary damages or penalties.
- 11) NOTICES. All notices to be given under this lease will be in writing and will be either served personally or sent by certified or registered mail, return receipt requested, to the parties as

indicated below or to such other persons, or addressees as either party may designate in writing to the other party:

TENANT: Director
Real Estate Administration
UNIVERSITY OF ARIZONA
1125 N. Vine, Room 103
Tucson, Arizona 85721
Telephone: 520/621-1813

LANDLORD: Clerk of the Board of Supervisors
130 W. Congress St.
Tucson, Arizona 85701

With a copy to:

Director, Pima County Facilities Management
150 W. Congress St., 3rd Floor
Tucson, Arizona 85701

- 12) ASSIGNMENT. Tenant will not have the right to assign this Lease or sublease the Premises in whole or in part without the prior written consent of the Landlord. Because of the special nature of this Lease, such consent may be withheld by Landlord in Landlord's sole and unfettered discretion. Such an assignment or sublease, if permitted, does not constitute a release of any obligations of the Tenant due under this lease. The Landlord agrees that should it desire to sell the Building, it will do so only subject to the terms and conditions of this lease and further agrees to give at least thirty (30) days notice of any such intent to the Tenant.
- 13) MODIFICATIONS. Tenant will make no modifications to the Premises without written approval of Landlord, which approval will not unreasonably be withheld.
- 14) FURNISHINGS. Tenant will have a right to remove from the Premises all furnishings, fixtures, and equipment installed in the Premises by the Tenant. However, in removing any such furnishings, fixtures, or equipment, the Tenant will restore the Premises to its condition prior to the installation of said furnishings, fixtures, or equipment or at Tenant's option and with Landlord's approval, will leave said items in place and they will become the property of the Landlord.
- 15) NO LIENS OR INTERFERENCE. Tenant agrees not to incur or if incurred to promptly remove any obligations, judgments or other actions which result in a lien or encumbrance on the demised Premises.
- 16) DESTRUCTION OF PREMISES. If at any time during the term of the lease or any extension hereof, the Premises becomes partially or totally destroyed by reason of any damage by fire, flood, hurricane, windstorm or other casualty or act of God and the Landlord cannot or does not

fully repair the Premises within ninety (90) days through no fault of the Tenant then the Tenant will be relieved of any further obligation, duty or liability under this lease. If the Premises can be and are repaired fully in ninety (90) days, then the lease will continue in full force and effect while the repairs are being made, and the Tenant's rent will be abated by the percentage of the total space which is unavailable or not reasonably useful to the Tenant.

- 17) **PERSONAL PROPERTY.** All personal property placed or removed in the Premises will be at the risk of the party placing such property on the Premises or moving such property in the Premises.
- 18) **INSPECTION.** Landlord will be given access to Premises to view and inspect its condition and state of repair upon reasonable notice to Tenant.
- 19) **CONDEMNATION.** If all or any part of the Premises are taken under the power of eminent domain or sold under the threat of exercise of that power, this lease may be terminated by the Landlord or the Tenant without further obligation on the part of either party.
- 20) **DAMAGE TO PROPERTY.** The Tenant covenants that it will permit no waste or damage to the lease property; that it will keep all improvements placed upon the Premises in reasonably good order and reasonably good state of repair.
- 21) **QUIET ENJOYMENT.** Landlord warrants that Landlord is seized of the Premises and has the full right to make this lease. Landlord further covenants that Tenant will have quiet and peaceful possession of the Premises during the entire term as against lawful acts of third parties and as against the acts of all parties claiming title to, or a right to possess, the Premises.
- 22) **EXPENSES ADVANCED BY TENANT.** If Landlord fails within thirty days (or such lesser time as is appropriate if there is a threat to health or safety) after requested by Tenant to make such repairs or perform such other act as may be required of Landlord under this Lease, Tenant may cause such repairs to be made or such acts to be performed at the expense of Landlord. Tenant may apply such claims against any subsequent installment of rent.
- 23) **SIGNS.** Tenant may, upon obtaining any necessary permits from governmental authorities, and the advance written approval of Landlord, erect and maintain at Tenant's own expense signs of such dimensions and materials as Landlord approve. Landlord's consent will not be unreasonably withheld. Tenant acknowledges that nothing may be mounted on wood doors or other finished wood surfaces. Tenant is responsible for all costs associated with the design, manufacture and connecting any utilities necessary for any signage in the Premises. Tenant is responsible for repairing any damage caused by the removal of Tenant's signage installed in the Premises or the common areas of the Building.
- 24) **CHANGE IN OWNERSHIP.** If ownership of the Premises or the name or address of the party entitled to rent will be changed, Tenant may, until receipt of written notice of such change, continue to pay rent to the party to whom and in the manner in which the last preceding installment of rent was paid. Tenant will not be subject to double liability for any rent so paid.

- 25) SURRENDER/HOLDING OVER. On termination of Tenant's occupancy, Tenant will surrender the Premises in the condition in which Tenant is required to maintain them under this Lease. If Tenant for any reason and with written consent of Landlord remains in possession after the expiration of this Lease (including any optional extension), or after the date specified in any notice of termination given by either party, such possession will be as a month to month Tenant, subject to all conditions of this Lease other than the term hereof, at a monthly rent equal to that accruing during the last month of the preceding term.
- 26) INTERPRETATION OF LEASE. The parties acknowledge that each has had the opportunity to review this agreement with counsel of its or their choice. This lease will not be construed most strongly in favor nor most strongly against either of the parties but will be interpreted fairly and equitably to effectuate the intent of the parties. All provisions contained in this lease will bind and inure to the benefit of the parties hereto, their successors and assigns.
- 27) ENTIRE AGREEMENT. This agreement contains the entire agreement between the parties and all previous agreements, negotiations, or understandings are superseded by and merged in this lease. This lease may be modified by the parties only by writing executed with the same formalities as this lease.
- 28) NON-DISCRIMINATION. The parties will comply with all applicable state and federal statutes and regulations governing equal employment opportunity, non-discrimination, and immigration.
- 29) NON-DISCRIMINATION IN EMPLOYMENT: Landlord agrees to comply with all provisions and requirements of Arizona Executive Order 75-5, as amended by Executive Order 2009-09, which is hereby incorporated into this contract as if set forth in full herein, including flow down of all provisions and requirements to any subcontractors. During the performance of this contract, Landlord will not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin.
- 30) ARBITRATION. The parties agree that any dispute arising under this Agreement involving the sum of FIFTY THOUSAND DOLLARS (\$50,000) or less in money damages only will be resolved by arbitration pursuant to Rule 72 of the Rules of Civil Procedure. The decision of the arbitrator(s) will be final.
- 31) STATE OBLIGATION. The parties recognize that the performance by both Tenant and Landlord may be dependent upon the appropriation of funds by the State Legislature of Arizona, the Board of Supervisors of the County, or the availability of funding from other sources. Should the relevant governing body fail to appropriate the necessary funds, if either party's appropriation is reduced during the fiscal year, or if funding becomes otherwise not legally available to a party hereunder, that party may reduce the scope of this Agreement if appropriate or cancel the Agreement without further duty or obligation. Each party agrees to notify the other party as soon as reasonably possible after the unavailability of said funds comes to the Board's attention.

- 32) CONFLICT OF INTEREST. This Lease is subject to cancellation pursuant to the provisions of Arizona Revised Statute § 38-511 regarding Conflict of Interest.
- 33) APPLICABLE LAW. The parties will comply with all federal, state and local laws, rules, regulations, standards, Executive Orders, and Pima County Board of Supervisors' policies, including Policy Number C. 3.18 entitled "Tobacco-Free Environment" attached hereto as Exhibit G, without limitation to those designated within this Lease. The laws and regulations of the State of Arizona will govern the rights of the parties, the performance of this Lease and any disputes hereunder. Any action relating to this Lease will be brought in a court of the State of Arizona in Pima County. Any changes in the governing laws, rules, regulations, and Board of Supervisor policies during the terms of this Lease will apply but do not require an amendment.
- 34) AMERICANS WITH DISABILITIES ACT. Both parties will comply with all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and applicable federal regulations under the Act as it pertains to facilities and use of the facilities. This will not obligate Landlord to make any modifications to the Building, as a result of any change in the law or regulations, if such repairs are not otherwise legally required.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

IN WITNESS WHEREOF, we have set our hands and seals on the day and date first written above.

ARIZONA BOARD OF REGENTS
FOR THE UNIVERSITY OF ARIZONA

PIMA COUNTY, a political subdivision
of the State of Arizona

By: _____
Bruce Vaughan
Director, Real Estate Administration

By: _____
Chairman of the Board of Supervisors

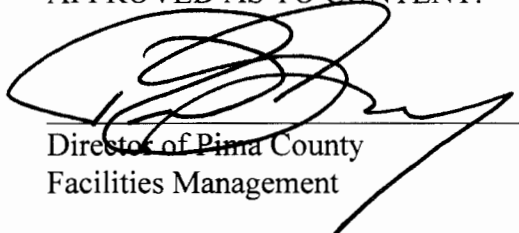
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Date: _____

ATTEST:

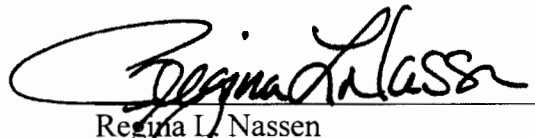
Clerk of the Board of Supervisors

APPROVED AS TO CONTENT:



Director of Pima County
Facilities Management

APPROVED AS TO FORM:



Regina L. Nassen
Deputy County Attorney

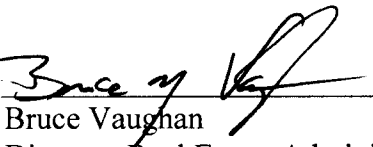
Exhibits:

- A: Exterior diagram showing Building footprint and parking lots.
- B: Premise floor plan and Tenant Improvement description.
- C: Furnishings of Premises provided by Landlord.
- D: Parking lot plan
- E: Rules & Regulations.
- F: Janitorial services.
- G: Tobacco Free Environment Policy C.3.18.

IN WITNESS WHEREOF, we have set our hands and seals on the day and date first written above.

ARIZONA BOARD OF REGENTS
FOR THE UNIVERSITY OF ARIZONA

PIMA COUNTY, a political subdivision
of the State of Arizona

By: 
Bruce Vaughan
Director, Real Estate Administration

By: _____
Chairman of the Board of Supervisors

Date: 7/15/13

Date: _____

ATTEST:

Clerk of the Board of Supervisors

APPROVED AS TO CONTENT:

Director of Pima County Facilities
Management

APPROVED AS TO FORM:

Deputy County Attorney

Exhibits:

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- D: Parking lot plan
- E: Rules & Regulations.
- F: Janitorial services.
- G: Tobacco Free Environment Policy C.3.18.

EXHIBIT A

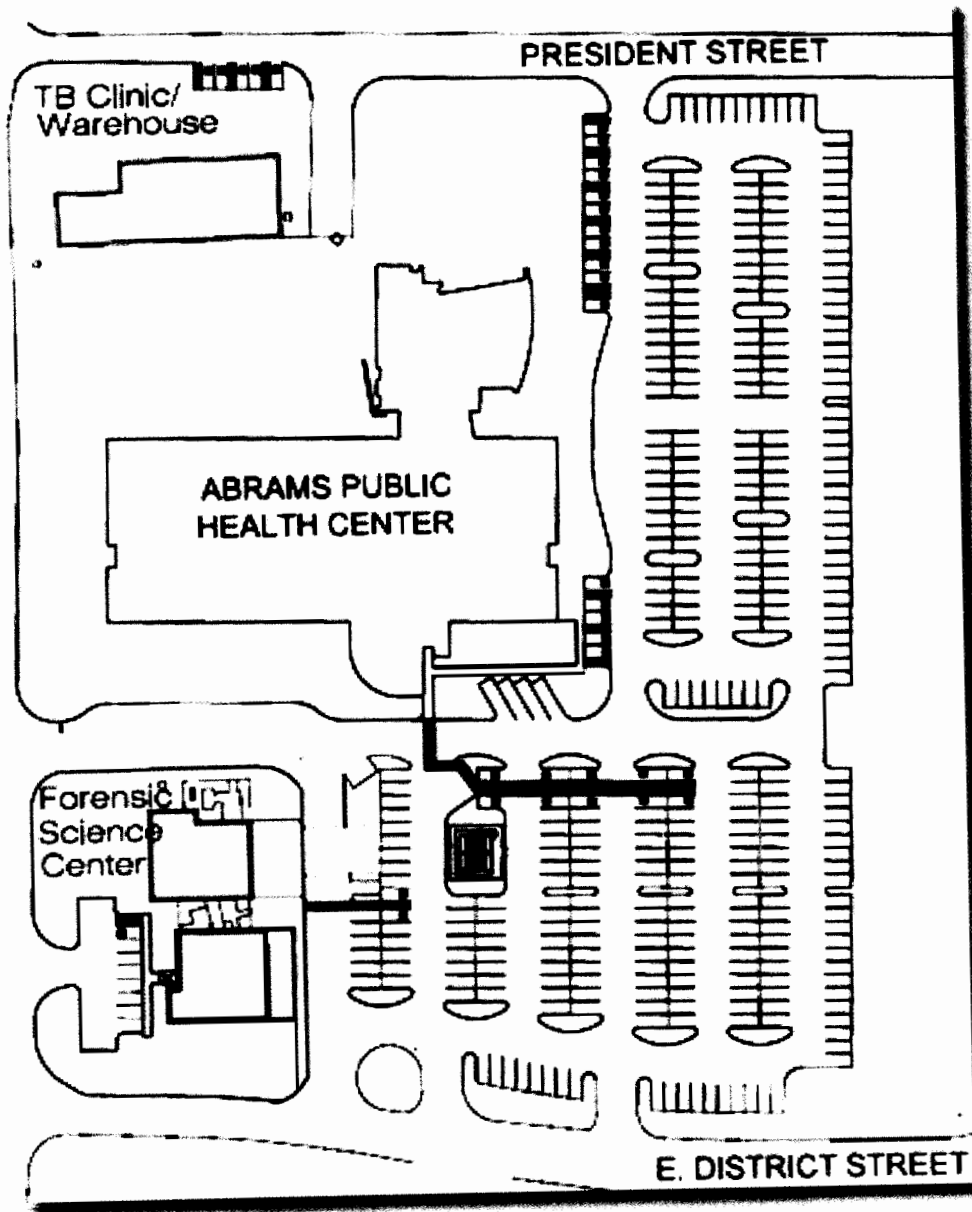
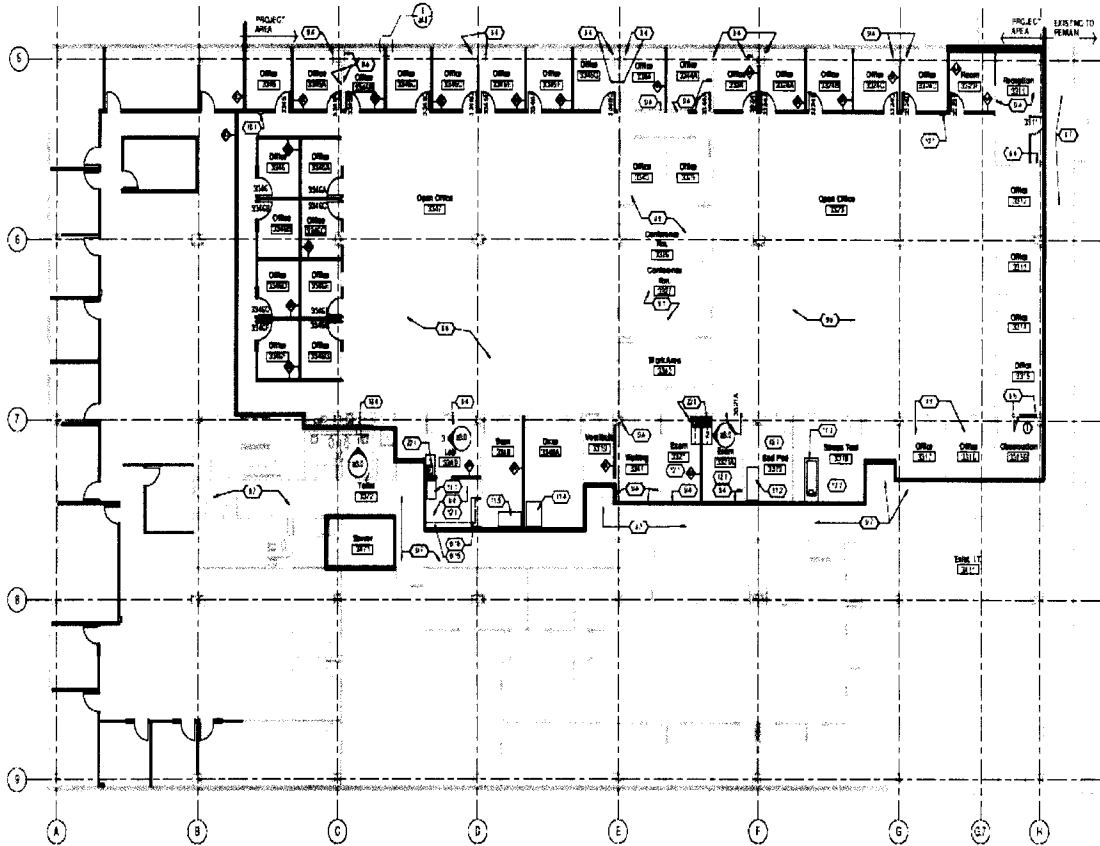


EXHIBIT B



keynotes

general notes

- [illegible]

3rd floor keynote plan

SWAIN
ASSOCIATES LTD
ARCHITECTS & A

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04.25.13

NAME _____

DATE _____

PERIOD _____

1. What is the main idea of the passage?

2. What is the author's purpose in writing this passage?

3. What evidence from the passage supports your answer to question 1?

4. What evidence from the passage supports your answer to question 2?

5. What is the author's tone in this passage?

6. What is the author's point of view in this passage?

7. What is the author's main argument in this passage?

8. What is the author's conclusion in this passage?

9. What is the author's recommendation in this passage?

10. What is the author's final thought in this passage?

Pima County
Third Floor Tenant Improvement
Adams Public Health Building

3rd floor keynote plan

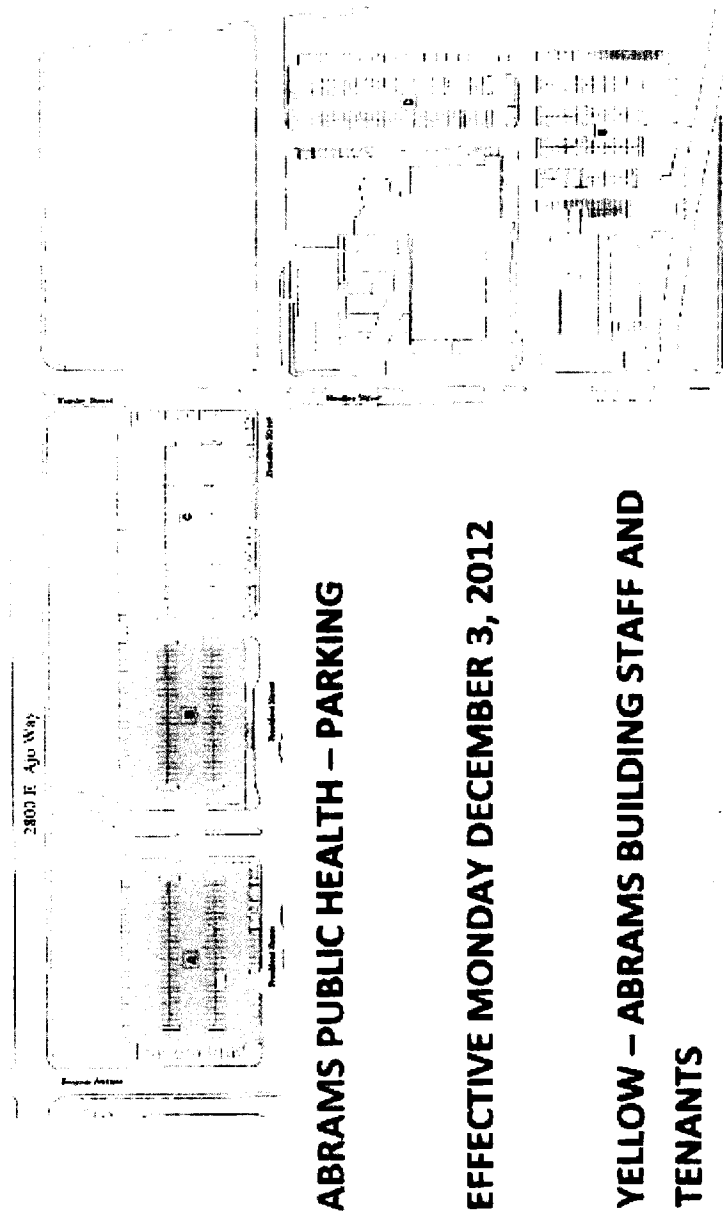
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EXHIBIT C

Existing Product

DESCRIPTION	QUANTITY
67 " H x 24" W panel	121
67 " H x 30" W panel	2
67 " H x 36" W panel	6
67 " H x 42" W panel	28
67 " H x 48" W panel	110
67 - 2 way connector	30
67 - 3 way connector	32
67 - 4 way connector	25
Finished End Trim 67 connector	87
24" D x 36" W work surface	4
24" D x 42" W work surface	15
24" D x 48" W work surface	73
24" D x 55" W special cut work surface	15
24" D x 60" W work surface	18
24" D x 72" W work surface	76
24" D x 84" W work surface	20
Corner Wedge work surface	77
36" Shelf	2
42" Shelf	22
48" Shelf	72
60" Shelf	16
36" Flipper Hanging Cabinet	19
48" Flipper Hanging Cabinet	57
Pedestal Box, Box, File Cabinet	79
2 Drawer Lateral File Cabinet	79
Aeron Desk Chairs	50

EXHIBIT D



ABRAMS PUBLIC HEALTH – PARKING

EFFECTIVE MONDAY DECEMBER 3, 2012

**YELLOW – ABRAMS BUILDING STAFF AND
TENANTS**

ORANGE - VISITORS

GREEN – FORENSICS PARKING (WEST SIDE)

**GREEN – CONTRACTOR PARKING (SOUTH EAST
CORNER)**

EXHIBIT E

RULES AND REGULATIONS

Re: 3950 S. Country Club, Tucson, Arizona

Tenant: University of Arizona

These Rules & Regulations have been adopted by Landlord in order to set forth standards of conduct that will allow all tenants to enjoy a professional working environment that is compatible with the general character of the building. Landlord reserves the right to make amendments and/or additions to these Rules and Regulations from time to time. These Rules and Regulations are in addition to and shall not be construed to modify or amend any of the terms, covenants, or agreements and conditions of a tenant's lease. Each tenant shall be responsible for informing its employees and invitees as to the provisions of these Rules and Regulations and to enforce same with respect to its employees and invitees. Landlord may waive compliance with any one or more of these Rules and Regulations for the benefit of a tenant. Such waiver shall not be construed as a waiver for any other tenant, nor shall it prevent Landlord from enforcing the same against any or all other tenants. These rules may only be enforced by Landlord. The failure of Landlord to enforce any Rule or Regulation shall not give any tenant the right to enforce same against another Building occupant. Any concerns about violations of the Rules and Regulations should be addressed to the Building Manager's office or to such other place as Landlord may designate from time to time.

1. No sign, placard, picture, advertisement, name or notice shall be inscribed, displayed, printed or affixed on or to any part of the inside of the Building without the prior written consent of Landlord. Landlord shall have the right to remove any unapproved sign, placard, picture, advertisement, name or notice without notice to and at the expense of Tenant. All approved signs must be placed or affixed on the wall adjacent to Tenant's entry doors. All approved signs shall be printed, painted, inscribed, affixed or removed at the expense of Tenant by a person approved by Landlord. All walls or other structures where Tenant's signs have been affixed or attached must be restored to their original condition at Tenant's expense after removal of such signs.
2. Tenant shall not place anything or allow anything to be placed near any window, door, partition or wall that may appear unsightly from outside the Premises, nor shall Tenant cause any window in the Premises to be color treated.
3. The sidewalks, halls, passages, exits, entrances, elevators and stairways shall not be obstructed by Tenant or used for any purpose other than for ingress and egress from Tenant's Premises.
4. Tenant shall not alter any lock or install any new or additional locks or any bolts on any doors or windows of the Premises without prior written consent of Landlord, which will not be unreasonably withheld. Landlord shall have no obligation to open Tenant's Premises due to the

loss of keys by Tenant. All requests to open Tenant's Premises to guests or employees must be made by Tenant to Landlord. If Tenant needs to have its leased Premises rekeyed for any reason, Tenant shall use the Landlord's authorized building locksmith. Any rekeying shall keep the applicable lock on the existing building master keyway. Tenant shall bear the entire cost of rekeying, unless the rekeying is requested by Landlord. Any installation or repair of specialty locks shall be at Tenant's expense. Tenant assumes all responsibility for protecting its Premises from theft, robbery, and pilferage, including but not limited to, keeping all means of entry to Premises closed and locked.

5. The plumbing facilities shall not be used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever shall be thrown therein. The expense of any breakage, stoppage or damage resulting from a violation of this provision shall be borne by the Tenant whose employee, agent or invitee shall have caused it.
6. Tenant shall not deface the Premises or any part thereof. Tenant will not install, affix or fasten to the rooftop any signs, satellites, or antennas without the prior written approval of Landlord. Landlord may require design drawings, specifications and/or weight load structural tests prior to granting approval for any rooftop installation. Tenant shall bear the entire expense of any drawings or tests to be submitted to Landlord for approval.
7. No furniture, freight or equipment of any kind shall be brought into the Building without prior notice to Landlord. All moving of items into or out of the Building shall be done at such time and in such manner as Landlord shall designate. Any damage to the elevators, doors, frames, walls or hallway surfaces caused by Tenant or Tenant's invitees or moving contractors shall be repaired at Tenant's expense. Landlord shall have the right to prescribe the weight, size and position of all heavy equipment brought into the Building. Heavy objects, shall, stand on supports of such thickness as is necessary to properly distribute the weight.
8. Tenant shall not use, keep or permit to be used or kept any foul or noxious gas or substance in the Premises, or permit or allow the Premises to be occupied or used in a manner offensive or objectionable to the Landlord or other occupants of the Building by reason of noise, odors and/or vibrations, or that would interfere in any way with other Building occupants or those having business therein. No animals shall be brought in or kept in or about the Premises or the Building except service animals.
9. Tenant shall not use or keep in the Premises or the Building any kerosene, gasoline, or flammable or combustible fluid or material, or use any method of heating or air conditioning other than that supplied by Landlord.
10. Tenant acknowledges that periodically the Tucson Fire Department or other contractor or representative of the Landlord will inspect the Premises for Fire Code compliance and fire, sprinkler, and alarm testing. Tenant, and its employees, contractors and invitees shall comply with any fire safety and handicap procedures and regulations established by the Landlord and/or any governmental agency. Tenant shall distribute to its employees, representatives,

contractors and invitees a copy of these Rules and Regulations and all fire drill safety and handicap material provided to it from time-to-time by Landlord and/or any governmental agency. If an audible fire alarm is sounded in the Building, Tenant must take immediate and prudent actions to evacuate its employees, guests or contractors from the Building through designated exits as posted by Landlord. Tenant shall notify Landlord in writing of the emergency contact information of two on-site employees or representatives who are responsible for emergency evacuations or fire drills for their Premises. Tenant is responsible for notifying the Landlord in writing of any changes to such assignments. Each Tenant will notify the Landlord of any handicapped occupants or other individuals who may require special assistance in the event of an emergency.

11. Pursuant to the Smoke-Free Arizona Act, A.R.S. section 36-601.01, no smoking is allowed in any part of the Building, or within 20' of doors outside the Building. Tenant shall instruct its employees of this regulation.
12. Landlord will direct electricians and/or phone installation employees or contractors as to where and how telephone and computer network cables are to be introduced. No boring or cutting for wires will be allowed without the consent of the Landlord. The location of telephones, call boxes and other office equipment affixed to the Premises shall be subject to the approval of Landlord.
13. Landlord reserves the right, in its sole discretion, to increase security services for the Building. Each Tenant shall be responsible for its share of costs associated with such additional security.
14. Outside of Business Hours, Tenant and its employees may access the Building or halls, elevators or stairways in the Building or to the Premises by using the security access card assigned by Landlord. The Landlord shall in no case be liable for damages with regard to the admission to or exclusion from the Building of any person. In case of invasion, mob, fire alarm, bomb threat, riot, public excitement, or other commotion, Landlord reserves the right to prevent access to the Building during the continuance of the same by closing of the doors or otherwise, for the safety of the Building occupants and the protection of the Building.
15. Landlord reserves the right to exclude or expel from the Building any person who, in the judgment of Landlord, is intoxicated or under the influence of alcohol or drugs, or who shall in any manner do any act in violation of any of the rules and regulations of the Building or impair the safety of any Tenant, employee, or contractor of Landlord.
16. No machines of any description shall be installed, maintained or operated upon the Premises without the written consent of the Landlord.
17. Tenant shall not disturb, solicit, or canvass any occupant of the Building and shall cooperate to prevent same by others.

18. Landlord shall have the right to control and operate the Common Area(s), and the public facilities, and heating and air conditioning, as well as facilities furnished for the common use of the Building occupants, in such manner as Landlord deems best for the benefit and safety of the Building occupants generally.
19. All entrance doors in the Premises shall be locked when the Premises are not in use, and all doors opening to public corridors shall be kept closed except for normal ingress and egress from the Premises. All emergency fire exit doors must remain free of debris from both the interior and exterior and remain locked when not in use.
20. The common hallway immediately adjoining the Premises shall be kept clean and free from dirt and rubbish by Tenant and Tenant shall not place or permit any obstruction or merchandise in such areas.
21. All patio areas shall be utilized solely by the Tenant, its employees, guests or invitees. No unsightly storage shall be placed upon the patios. Tenant agrees to limit the use of the patio to outdoor furniture such as tables and chairs. There shall be no storage, temporary or permanent, of bicycles, refuse containers or other such unsightly materials on any patio.
22. Upon the termination of the tenancy, Tenant shall deliver to Landlord all keys to the Premises and security access cards for the Building that have been furnished to Tenant.
23. No electrical cooking appliances other than microwave ovens and coffee machines are allowed in the Premises.

EXHIBIT F


Janitorial Services

PIMA COUNTY CUSTODIAL SERVICES-REQUIREMENTS CONTRACT THE ABRAMS PUBLIC HEALTH BUILDING

Facility: Herbert K. Abrams Public Health Building

- A. Location: 3950 South Country Club Road, Suite 330
- B.
- C. Approximate Square Footage to be Cleaned: 12,743
- D. Nature of Building: Office Building
- E. Work Schedule: Two (2) times a week general cleaning; restrooms, kitchens/lounges five (5) times a week.
- F. Staff Schedule: During business hours
- G. General cleaning requirements specified herein shall be performed. All floor work, including stripping and waxing, spray buffing, carpet cleaning per manufacturer's specifications is included in the minimum daily required man-hours. Scheduling of these requirements is the responsibility of Tenant. All schedules are to be approved by Landlord's representative.
- H. Facility Specific Requirements: Two (2) times a week general cleaning; restrooms, kitchens/lounges five (5) times a week. If additional service is required, contact Ray Rojas at 740-3626 or by e-mail at ramon.rojas@pima.gov.
- I. Building Keys will be Issued to Tenant. All employees will have uniforms. Supervisor shall perform a visual inspection to ensure nothing is being taken out of the Building that does not belong to the employee.

EXHIBIT G

 PIMA COUNTY, ARIZONA BOARD OF SUPERVISORS POLICY		
<u>Subject:</u> Tobacco-Free Environment	Policy Number	Page
	C 3.18	1 of 2

Purpose:

Smoking and the use of tobacco related products are a major cause of preventable disease and death. As a leading employer and health proponent Pima County is committed to the promotion of health, wellness, and the prevention / treatment of diseases. Pima County also serves as a model for the public influencing attitudes about smoking and the dangers of tobacco products. The purpose of this tobacco-free policy is to create tobacco-free environments for all Pima County facilities, public buildings and adjacent properties, to provide Pima County employees and the public with guidelines for managing and supporting this policy, and to encourage a healthy lifestyle for all personnel and visitors.

Background:

As a major entity involved in the promotion of public health and safety within Pima County, the Board of Supervisors promotes and encourages the establishment of a tobacco-free zone on County facilities, public buildings and adjacent properties. The Board of Supervisors has previously established wellness as a priority for all County employees, by the adoption of the long-range Sustainability Program and employee incentives in the way of premium discounts for health insurance benefits. The establishment of a tobacco-free policy is the natural continuance of those efforts.

Policy:

It is the policy of the Board of Supervisors that to provide a safe and healthy environment for all employees, and the general public.

The Board of Supervisors prohibits the use of tobacco products at all times on County facilities, public buildings and adjacent properties, and in County vehicles. This prohibition applies to all employees, and to all visitors and other persons at any County sponsored activity or event conducted on County facilities, in public buildings or on adjacent properties.

Definitions:

Tobacco Products include cigarettes, cigars, pipes, smokeless tobacco, water pipes, hookah, e-cigarettes, chewing tobacco, snuff and other products containing tobacco.

County Facilities, Public Buildings and Adjacent Properties including County owned or leased properties and a facility occupied or used by any County personnel, visitor, or vendor, and includes but is not limited to buildings, courtyards, walkways, breeze-ways, parking lots, parking structures, County vehicles (owned or leased), loading docks or construction sites.



PIMA COUNTY, ARIZONA BOARD OF SUPERVISORS POLICY

<u>Subject:</u> Tobacco-Free Environment	Policy Number	Page
	C 3.18	2 of 2

Compliance:

County personnel are responsible for compliance with the policy.

Visitors and vendors observed to violate this policy shall be respectfully informed of the Tobacco-Free Environment Policy and asked to comply. If a visitor or vendor neglects to comply, that neglect to comply may be used as grounds for prohibiting access to premises or facilities by said visitor or vendor.

If any individual violating the policy appears agitated or otherwise confrontational regarding compliance, then County personnel shall immediately inform the staff responsible for the facility or security personnel if available and shall engage in no further intervention.

All vendors doing business with Pima County shall be notified of the Tobacco-Free policy and shall be expected to comply with the policy. Organizers and supervisors of public events, conferences, meetings and work activities on County facilities, work sites, public buildings and adjacent properties shall be responsible to communicating the requirements of the Tobacco-Free Policy to such events or conferences for attendees.

All new employees of Pima County will be informed on and educated about the Tobacco-Free Policy and the requirement that employees comply with the policy. Additionally, new employees shall be made aware of the availability of tobacco cessation programs sponsored or funded by Pima County.

References:

Pima County Ordinance, Chapter 2.12
Pima County Code, Section 8.50

Effective Date: January 1, 2013