



Contract Number: CTN-FM-CMS 142168-04
Effective Date: 1-1-2015
Term Date: 12-31-2015
Cost: \$37,436.38
Revenue: _____ NTE: _____
Total: _____
Action: 10-1-2015
Renewal By: _____
Term: 12-31-2015
Reviewed by: WR

BOARD OF SUPERVISORS AGENDA ITEM SUMMARY

Requested Board Meeting Date: Dec. 9, 2014

ITEM SUMMARY, JUSTIFICATION &/or SPECIAL CONSIDERATIONS:

One (1) year extension of long-term tenant's lease of office space at 33 N. Stone Ave., #1460 (the B of A building), from January 1, 2015 through December 31, 2015. No tenant improvements or retrofits were requested or granted.

This extension calls for a 3.0% rent rate increase, from \$21.38/SqFt/Yr to \$ 22.02/SqFt/Yr, which is toward the upper end of fair market rent and results in annual rent revenue to the County of \$37,436.38.

CONTRACT NUMBER (If applicable): **CTN-FM-CMS 142168**

STAFF RECOMMENDATION(S): **Approval of this office lease amendment.**

Procure Dept 11/21/14 PM 10:11

CORPORATE HEADQUARTERS: _____

Page 1 of 2

Ver. 2

Vendor-1

Pgs - 4

To: CoB - 11-26-14
Agenda - 12-9-14
(3)

CLERK OF BOARD USE ONLY: BOS MTG. _____

ITEM NO. _____

PIMA COUNTY COST: _____ and/or REVENUE TO PIMA COUNTY: \$ 37,436.38

FUNDING SOURCE(S): Tenant rent payments

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

Advertised Public Hearing:

		YES	X	NO
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Board of Supervisors District:

1		2		3		4		5		All	XX
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IMPACT:

IF APPROVED: Long term tenant will remain in their office suite and provide additional rent revenue of \$37,436.38 to the County.

IF DENIED: Tenant will be forced to relocate by December 31, 2014 and County will not receive the additional rent revenue.

DEPARTMENT NAME: Facilities Management

CONTACT PERSON: Nina Armstrong TELEPHONE NO.: 724-2725

PIMA COUNTY
Revenue Contract

LANDLORD: PIMA COUNTY

TENANT: LOGAN SIMPSON DESIGN, INC.

LEASE NO.: CTN-FM-CMS 142168

LEASE AMENDMENT NO.: FOUR (4)

CONTRACT

NO. CTN-FM-CMS 142168

AMENDMENT NO. 04

This number must appear on all
invoices, correspondence and
documents pertaining to this
contract.

ORIGINAL LEASE TERM:	08/01/2004 – 07/31/09	ORIG. LEASE AMT:	\$ 16,150.02
TERMINATION DATE PRIOR AMENDMENT:	12/31/14	PRIOR AMENDMENTS:	\$ 187,635.11
TERMINATION THIS AMENDMENT:	12/31/15	THIS AMENDMENT:	\$ 37,436.38
		REVISED LEASE AMT:	\$ 225,071.49

AMENDMENT No. 4
33 N. Stone Ave., Tucson, AZ
Suite 1460

1. **DEFINED TERMS.** For purposes of this Amendment, the following terms have the meanings set forth below and other capitalized terms have the meanings assigned in the Lease:

1.1. **LANDLORD:** PIMA COUNTY, a political subdivision of the State of Arizona.

1.2. **TENANT:** LOGAN SIMPSON DESIGN, INC., an Arizona corporation

1.3. **PREMISES:** Suite 1460, consisting of approximately 1,700 rentable square feet in the building located at 33 N. Stone Avenue, Tucson, Arizona, 85701.

1.4. **LEASE:** The Lease of the Premises between Landlord and Tenant dated July 1, 2009, as previously amended by Lease Amendment No. 1, effective January 10, 2010, and by Lease Amendment No. 2, effective September 14, 2010, and by Lease Amendment No. 3, effective December 20, 2011.

1.5. **EFFECTIVE DATE:** This Amendment shall become binding upon the parties when executed by both parties, but the terms and provisions hereof shall become effective at 00:01 A.M. on January 1, 2015 ("Effective Date").

2. **MODIFICATION OF LEASE.** Landlord and Tenant agree to modify the terms of the Lease as follows:

2.1. **Lease Extension.** Landlord and Tenant agree to extend the Term of the Lease for an additional one (1) year (the "Extended Period"), from January 1, 2015 through December 31, 2015.

2.2. Extended Term. The Extended Term ("Term") shall commence at 00:01 A.M. on January 1, 2015 and terminate at 11:59 P.M. on December 31, 2015, unless the Lease is further extended by the parties in writing.

2.3. Base Rent. The monthly Base Rent for the Premises from January 1, 2015 through December 31, 2015 is:

TERM	MO. RENT	ANNUAL RENT	\$/SF/YR
01/01/15 - 12/31/15	\$ 3,119.70	\$ 37,436.38	\$ 22.02

2.4. Commercial Lease Taxes. In addition to Base Rent, Tenant shall each month continue to pay to Landlord all applicable commercial lease taxes related to this Lease, including but not necessarily limited to the Arizona State Tax of 0.005% (1/2 of 1%) and the Government Property Lease Excise Tax ("GPLET") pursuant to A.R.S. § 42-6202.

2.5. No Renewal Options. Any option to renew or extend the Term that is or may be contained in any previous agreement between Landlord and Tenant is hereby extinguished and of no force or effect.

2.6. 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 "A", without limitation to those designated within this Lease. The laws and regulations of the State of Arizona shall govern the rights of the parties, the performance of this Lease and any disputes hereunder. Any action relating to this Lease shall 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 Term of this Lease shall apply but do not require an amendment.

2.7. Notice. Any notice required or permitted to be given under this Lease shall be in writing and shall be served by personal delivery, United States mail service, electronic transmission, or by fax, upon the other party.

Notice to Landlord shall be addressed and mailed as follows:

Pima County
C/o Facilities Management Department
150 West Congress Street, 3rd Floor
Tucson, AZ 85701-1317

Notice to Tenant shall be addressed and mailed as follows:


Logan Simpson Design, Inc.
C/o Eileen Bailey, Principal & CFO
51 West Third Street, Suite 450
Tempe AZ 85281

3. **REMAINING LEASE TERMS UNCHANGED.** Except as modified as provided in this Amendment, all of the terms and conditions of the Lease shall remain in full force and effect.

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IN WITNESS WHEREOF, the parties hereto have executed this Amendment on the day, month and year written below.

TENANT: LOGAN SIMPSON DESIGN, INC., an Arizona Corporation

 Date 11.19.14
Eileen Bailey
Principal and CEO

LANDLORD: PIMA COUNTY, a political subdivision of the State of Arizona

Sharon Bronson
Chair, Board of Supervisors

ATTEST:

Robin Brigode
Clerk of the Board

APPROVED AS TO CONTENT:

 Date 11/20/14
Michael L. Kirk
Director, Facilities Management Department

APPROVED AS TO FORM:

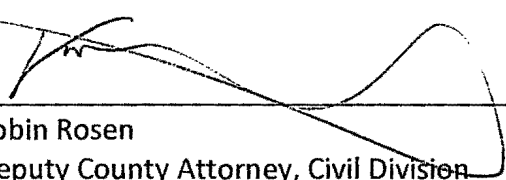
 Date 11/13/14
Tobin Rosen
Deputy County Attorney, Civil Division

EXHIBIT "A"

Page 1 of 2

PIMA COUNTY, ARIZONA
BOARD OF SUPERVISORS POLICY
Subject: Tobacco-Free Environment
Policy Number: C 3.18
Page 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.

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 faculties by said visitor or vendor.

EXHIBIT A

Page 2 of 2

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

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
Adopted Date: November 13, 2012
Effective Date: January 1, 2013

Website: <http://www.pima.gov/cob/POLICY/C3-18.pdf>

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CERTIFICATE OF LIABILITY INSURANCE

LOGAN-2

OP ID: BB

DATE (MM/DD/YYYY)

11/12/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsements.

PRODUCER Stuckey Ins & Assoc Agencies 5343 N. 16th Street, Suite 110 Phoenix, AZ 85016 Larry Stuckey CPCU CLU		CONTACT NAME: Mary Lodwick PHONE (A/C, No. Ext): 602-264-5533 FAX (A/C, No.): 602-279-9336 E-MAIL ADDRESS: mary.lodwick@stuckeyinsurance.com		
INSURED Logan Simpson Design, Inc. 51 W. 3rd St. #450 Tempe, AZ 85281		INSURER(S) AFFORDING COVERAGE		NAIC #
		INSURER A: Phoenix Insurance Company		25623
		INSURER B: Travelers Prop Cas of America		25674
		INSURER C: Travelers Indemnity Company		25658
		INSURER D: Travelers Indemnity Co of CT		25682
		INSURER E: Hudson Specialty Insurance		37079
INSURER F:				

COVERAGES**CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR SLIC	TYPE OF INSURANCE	PROD. SUFF. INSR. END.	POLICY NUMBER	POLICY EFF. (MM/DD/YYYY)	POLICY EXP. (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Contract Liab	<input checked="" type="checkbox"/>	6805693L300	07/01/2014	07/01/2015	EACH OCCURRENCE \$ 2,000,000
	NO DEDUCTIBLE					DAVAGE TO RENTED PREMISES (EA accident) \$ 300,000
	NO DEDUCTIBLE					PROD EXP (Any one person) \$ 5,000
	NO DEDUCTIBLE					PERSONAL & ADV INJURY \$ 2,000,000
GENL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO. <input type="checkbox"/> LOSS						GENERAL AGGREGATE \$ 4,000,000
						PRODUCTS - COMP/PROP AGG \$ 4,000,000
B	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRE AUTOS <input checked="" type="checkbox"/> No Ded	<input checked="" type="checkbox"/>	BA7E687565	07/01/2014	07/01/2015	COMBINED SINGLE LIMIT (EA accident) \$ 1,000,000
	BODILY INJURY (Per person) \$					
	BODILY INJURY (Per accident) \$					
	PROPERTY DAMAGE (Per accident) \$					
C	UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 100,000	<input checked="" type="checkbox"/>	CUP-7322Y868	07/01/2014	07/01/2015	EACH OCCURRENCE \$ 5,000,000
	AGGREGATE \$ 5,000,000					
D	WORKERS COMPENSATION AND EMPLOYERS LIABILITY ANY PROPRIETARY/EXECUTIVE OFFICEMEMBER EXCLUSION? <input type="checkbox"/> Mandatory In NC <input type="checkbox"/> If yes, describe under DESCRIPTION OF OPERATIONS below	<input checked="" type="checkbox"/>	UB7254Y644 AZ UT CO UB3418T122 NV	07/01/2014 07/01/2014	07/01/2015 07/01/2015	<input checked="" type="checkbox"/> NO STATUS <input type="checkbox"/> OTHER
	E.L. EACH ACCIDENT \$ 1,000,000					
	E.L. DISEASE - EA EMPLOYEE \$ 1,000,000					
	E.L. DISEASE - POLICY LIMIT \$ 1,000,000					
E	Professional Liab Deductible \$50,000	<input checked="" type="checkbox"/>	ESB25531S1303	07/01/2014	07/01/2015	Per Claim \$ 2,000,000
	Aggregate \$ 2,000,000					

DESCRIPTION OF OPERATIONS (LOCATIONS/VEHICLES) (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Professional Liability - Claims Made - Retro Date 08/23/90. RE: Tucson Office.
Pima County Facilities is an additional insured per written contract with respect to General Liability. Waiver of subrogation applies to Worker's Compensation.

CERTIFICATE HOLDER

PIMAC-6

Pima County c/o Facilities
Management Department
150 W Congress St, 3rd FL
Tucson, AZ 85701

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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ACORD 25 (2010/05)

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