

MEMORANDUM

Date: June 2, 2025

To: The Honorable Chair and Members

Pima County Board of Supervisors

From: Jan Lesher

County Administrator

Re: Board of Supervisors, June 3, 2025 Addendum Item No. 10 Termination of Lease

Agreement PO 2400004442 at 3000 E. Valencia Road, Suite 190 - Valencia Tech

Park LLC

Background

On November 19, 2024, the Board of Supervisors approved a five-year lease agreement through December 31, 2029, with Valencia Tech Park ("Landlord") for space within 3000 E. Valencia Road for the Pima County Recorder's Office. For increased efficiencies and security, the lease was needed to house the Recorder's Office closer to the Elections Department, located in a County-owned facility at 6550 S. Country Club Road (across the parking lot) during election cycles, instead of traveling across town during these times. This leased facility would have required an estimated \$1 million in tenant improvements to bring this rented location up to mandated and security standards.

Lease Termination

The purpose of this first amendment is to terminate the lease agreement with the Landlord for 3000 E. Valencia Road, Suite 190, and provide a lease termination fee payment to the Landlord in the amount of \$200,000.00 for this early termination.

This early lease termination is due to the current economic environment, including pauses of, and changes to, federal funding and reduced revenues. These fiscal challenges require Pima County to assume a more defensive strategy that includes overall expenditure reductions and department consolidations.

Drexel Facility and Consolidation

The County-owned Drexel Facility at 1150 W. Drexel Road, previously used for asylum seeker efforts, is vacant. In lieu of leasing another facility, we will be consolidating the Recorder's Office and the Elections Department into this facility enables the County to reduce lease expenses and utilize County-owned assets efficiently while fulfilling the initial objective to increase security and efficiency during the processing of ballots. The facility will still need to be remodeled to meet mandated and security standards. Funding for this remodel is part of the recommended supplemental budget request from the Recorder's Office.

The Honorable Chair and Members, Pima County Board of Supervisors

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Additionally, relocating the Elections Department to the Drexel Facility enables opportunities to consolidate other County departments to use the 6550 S. Country Club facility.

JKL/anc

c: Carmine DeBonis, Deputy County Administrator Steve Holmes, Deputy County Administrator