



**BOARD OF SUPERVISORS AGENDA ITEM REPORT
CONTRACTS / AWARDS / GRANTS**

Requested Board Meeting Date: November 10, 2015

or Procurement Director Award

Contractor/Vendor Name (DBA): BANK OF AMERICA, NATIONAL ASSOCIATION

Project Title/Description:

Lease Amendment 8, for Bank's branch lease of 33 N. Stone, Suite 100, Tucson (B of A building).

Purpose:

Extend lease for one (1) year, from Nov 1, 2016 to Oct 31, 2017, and add tenant right to terminate early.

Procurement Method:

Exempt.

Program Goals/Predicted Outcomes:

(1) Increased rent revenue. (2) Provides tenant greater long-range planning flexibility.

Public Benefit:

Revenue of \$222,160 for one (1) year, from Nov 1, 2016 through Oct 31, 2017 (an increase of \$37,767 over current rent).

Metrics Available to Measure Performance:

Retroactive:

No.

Original Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____

Effective Date: _____ Termination Date: _____ Prior Contract Number (Synergen/CMS): _____

Expense Amount: \$ _____ Revenue Amount: \$ _____

Funding Source(s): _____

Cost to Pima County General Fund: _____

Contract is fully or partially funded with Federal Funds? Yes No Not Applicable to Grant Awards

Were insurance or indemnity clauses modified? Yes No Not Applicable to Grant Awards

Vendor is using a Social Security Number? Yes No Not Applicable to Grant Awards

If Yes, attach the required form per Administrative Procedure 22-73.

Amendment Information

Document Type: CTN Department Code: FM Contract Number (i.e., 15-123): FM-CMS 140702

Amendment No.: Eight (8) AMS Version No.: 3

Effective Date: November 10, 2015 New Termination Date: Oct 31, 2017

Expense Revenue Increase Decrease Amount This Amendment: \$ 222,160

Funding Source(s): Tenant rent payments.

Cost to Pima County General Fund: \$ 0.00

To: COB. 10-28-15 (3)
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Procure Dept 10/27/15 AM 9:33

Contact: Nina Armstrong

Department: Facilities Management

Telephone: 724-2725

Department Director Signature/Date:

Michael L. Kirk 10/26/15

Deputy County Administrator Signature/Date:

Jim Zuercher 10-26-15

County Administrator Signature/Date:

C. D. Durberry 10/26/15

(Required for Board Agenda/Addendum Items)

CONTRACT	
NO.	<u>CTN-FM-CMS 140702</u>
AMENDMENT NO.	<u>08</u>
This number must appear on all invoices, correspondence and documents pertaining to this contract.	

EIGHTH AMENDMENT
TO
BRANCH LEASE
33 N STONE, TUCSON, AZ
SUITE 100

THIS EIGHTH AMENDMENT TO BRANCH LEASE (the "Eighth Amendment") is made and entered into as of NOVEMBER 10, 2015 (the "Effective Date"), by and between PIMA COUNTY, a political subdivision of the State of Arizona and successor-in-interest to 33 N. Stone Partners (the "Landlord") and BANK OF AMERICA, NATIONAL ASSOCIATION, a national banking association and successor-in-interest to The Arizona Bank ("Tenant"), with reference to the following recitals:

RECITALS:

The predecessors-in-interest to Landlord and Tenant previously entered into a "Branch Lease" dated November 8, 1974 (a memorandum of which was recorded April 17, 1975, in Docket 4998, at page 45, as amended July 1, 1975 and re-recorded July 8, 1975 in Docket 5054, at page 114, records of Pima County, Arizona), and thereafter the Branch Lease was subsequently amended pursuant to that certain First Amendment to Branch Lease dated July 1, 1975 (the "First Amendment"), by that certain Second Amendment to Leases dated September 6, 1977 (the "Second Amendment"), by that certain Third Amendment to Branch Lease of uncertain date, by that certain Third Amendment to Leases dated September 1, 1991, as further amended by that certain Fourth Amendment to Leases and Clarification of Purchase Rights dated January 9, 2002 ("Fourth Amendment"), by that certain Fifth Amendment to Branch Lease made and entered into effective October 31, 2006 (the "Fifth Amendment"), by that certain letter agreement dated September 6, 2005, by that certain Sixth Amendment to Branch Lease made and entered into on May 26, 2009 ("Sixth Amendment"), and by that certain Seventh Amendment to Branch Lease dated July 1, 2015 ("Seventh Amendment") (collectively, the "Branch Lease").

Pursuant to the Branch Lease, Tenant leases from Landlord Suite 100 and a percentage of the common area in the building located at 33 North Stone Avenue, Tucson, Arizona, and known as the Bank of America Plaza (the "Building"), consisting of approximately 11,108 rentable square feet including Tenant's allocated percentage of the common area (the "Leased Premises"), as more particularly described in the Branch Lease.

By this Eighth Amendment, Landlord and Tenant desire to amend, modify and change certain provisions of the Branch Lease in accordance with the terms and conditions as hereinafter set forth:

AGREEMENT:

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord and Tenant, intending to be legally bound, hereby agree to amend, modify and change the Branch Lease as follows:

1. Recitals. The foregoing recitals are hereby affirmed by the parties as true and correct and are incorporated herein by this reference.

2. Defined Terms. The capitalized terms used herein and not otherwise defined herein shall have the meaning assigned to them in the Branch Lease.

3. Extension of Lease. The current Branch Lease term is scheduled to expire on October 31, 2016. Landlord and Tenant hereby agree to renew the term of the Branch Lease for a period of one (1) year, commencing as of November 1, 2016 and ending at 11:59 p.m. on **October 31, 2017** (the "Renewal Term"). The Renewal Term shall be upon the same terms and conditions set forth in the Branch Lease, except as modified by this Amendment.

4. Monthly Rental. Monthly Rental during the Renewal Term shall be as follows:

<u>Renewal Term</u>	<u>Annual Rental</u>	<u>Monthly Rental Installments</u>
November 1, 2016 – October 31, 2017	\$222,160.00	\$18,513.33

5. Additional Option Periods. Pursuant to Section 2.4 of the Branch Lease, as amended by Section 4.3.3 of the Fifth Amendment, Tenant has one (1) remaining option to renew the term of the Branch Lease for a period of ten (10) years (defined in the Fifth Amendment as the "Second Option Period"). Landlord and Tenant hereby agree that the Second Option Period is converted to two (2) extension options of five (5) years each (the "Second Option Period" and "Third Option Period," respectively). The Second Option Period, if exercised by Tenant, shall commence November 1, 2017 and expire October 31, 2022. The Third Option Period, if exercised by Tenant, shall commence November 1, 2022 and expire October 31, 2027. Tenant may exercise the right and option to renew the term of the Branch Lease for the Second Option Period and Third Option Period by giving Landlord written notice thereof at least one (1) year prior to the expiration of the then-current Renewal Term or Second Option Period, as applicable, and in the manner as set forth in the Branch Lease.

6. Option Period Monthly Rental. Monthly Rental during the Second Option Period and Third Option Period, if exercised by Tenant, shall each be determined in accordance with Section 4.3.3 and Section 4.3.4 of the Fifth Amendment, provided, however, that (i) the phrase "November 1, 2016 through October 31, 2026" in Section 4.3.3 shall be deleted and replaced with "November 1, 2017 through October 31, 2022" with respect to the Second Option Period, and "November 1, 2022 through October 31, 2027" with respect to the Third Option Period; and (ii) with respect to the determination of Monthly Rental during the Third Option Period, references therein to the "Second Option Period," the "Second Option Period Monthly Rental," the "second option," and the "Second Option Period Commencement Date" shall be amended to

be the "Third Option Period," the "Third Option Period Monthly Rental," the "third option," and the "Third Option Period Commencement Date" (i.e. November 1, 2022), as context dictates.

7. ACH. Tenant shall have the right to make all payments of Monthly Rental or additional rent hereunder via Automated Clearing House ("ACH"). Landlord agrees to cooperate with Tenant to complete all necessary forms in order to accomplish such method of payment within thirty (30) days of Landlord's receipt of such forms. Tenant shall have the right from time to time during the Term and any extensions or renewals thereof to change its method of rental payment upon not less than thirty (30) days prior written notice to Landlord.

8. Termination Option. Tenant, in Tenant's sole discretion, shall have the continuing right to terminate the Branch Lease without penalty, with an effective termination date any time between November 1, 2016 through October 31, 2017, by giving Landlord written notice thereof not less than one hundred eighty (180) days' prior to the effective termination date. Tenant's termination notice shall specify the effective termination date.

9. Digital Image. The parties hereto agree to accept a digital image of this Eighth Amendment, as executed, as a true and correct original and admissible as best evidence for the purposes of State law, Federal Rules of Evidence 1002, and the like statutes and regulations.

10. Miscellaneous. The parties hereto represent and warrant to the other party that they have full right and authority to execute and perform its obligations under the Branch Lease as amended by this Eighth Amendment, and that such persons are duly authorized to execute this Eighth Amendment on behalf of said party without further consent or approval by anyone. This Eighth Amendment is the entire agreement of the parties regarding modifications of the Branch Lease provided herein, supersedes all prior agreements and understandings regarding such subject matter, may be modified only by a writing executed by the party against whom the modification is sought to be enforced, shall bind and benefit the parties and their respective heirs, legal representatives, successors and assigns, shall be governed by the laws of the State of Arizona, and may be executed in counterparts, each of which shall constitute an original instrument, but all of which shall constitute one and the same agreement. Except as amended hereby, the Branch Lease is ratified and confirmed in full force and effect in accordance with its terms.

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