

COB - BOSAIR FORM

11/25/2025 2:11 PM (MST)

Submitted by Jeffrey.Tepplitsky@pima.gov



BOARD OF SUPERVISORS AGENDA ITEM REPORT (BOSAIR)

All fields are required. Enter N/A if not applicable. For number fields, enter 0 if not applicable.

Record Number: CT RPS CT2500000083

Award Type: Contract

Is a Board Meeting Date Requested? Yes

Requested Board Meeting Date: 12/16/2025

Signature Only:

NO

Procurement Director Award / Delegated Award: • N/A

Supplier / Customer / Grantor / Subrecipient: Therapeutic Ranch for Animals and Kids, Inc.

Project Title / Description: Lease to Therapeutic Ranch for Animals and Kids, Inc. a non-profit corporation

Purpose: Pima County will lease the property located at 3605 E. Edith Road, Tucson, Arizona 85718 to Therapeutic Ranch for Animals and Kids, Inc. (TRAK). TRAK will use the Property for activities in furtherance of its nonprofit mission of providing animal and equine-assisted programs that promote the physical, emotional, social, and educational development of children, adults, and families. The lease will be for a term of 5-years, with 3 5-year renewal options that can be exercised by mutual agreement, for a total of 20 years maximum. RPS File #: Lic-0246 (TRAK)

Procurement Method: Real Property Agreements, land Titles, Appraisals, Relocation, Property Management: Exempt per Section 11.04.020

Procurement Method Additional Info: N/A

Program Goals/Predicted Outcomes: The County will lease property to TRAK at a lease rate that was established by a market rate appraisal and adjusted by Parks and Recreation to reflect the non-profit status of TRAK. TRAK will maintain the interior of the improvements and the property grounds and provide high-quality programming to members of the public. Pima County Parks and Recreation will receive income to further other park interests, and to maintain those portions of the property for which the department is responsible.

Public Benefit and Impact: The public benefit includes the collection of rent over a 5-year period, and for up to 20 years if all renewals are exercised, as well as the ensured availability of

TO: COB, 12/2/2025 (1)

VERSION: 0

PAGES: 22

DEC02'25AM1005PO
RECEIVED

therapeutic and recreational riding, youth and volunteer programs, educational and community service activities, and related nonprofit operations.

Budget Pillar

- Improve the quality of life

Support of Prosperity Initiative:

- 6. Increase Access to Quality Early Childcare and Education

Provide information that explains how this activity supports the selected Prosperity Initiatives

This lease supports Prosperity Initiative Policy #6, Increase Access to Quality Early Childcare and Education, by expanding access to high-quality early childhood programming, including TRAK's structured developmental program for children ages 18 months to 5 years. These programs promote early learning, social-emotional development, and school readiness through hands-on, evidence-informed activities. By enabling TRAK to operate at this location, the County helps increase affordable early-education opportunities for families who may otherwise face barriers to access.

Metrics Available to Measure Performance:

Pima County will collect rent in the amount of \$1,400.00 per month. The lease rate will escalate at the rate of 3% per year. This reflects total income of \$89,193.48 over the first 5-year term. If mutually agreed upon, total rent for years 6-10 will be \$103,399.32, 11-15 will be \$119,867.64, and 16-20 will be \$138,960.00. This represents a total of \$451,420.44 over 20 years.

Retroactive:

NO

Contract / Award Information

Record Number: CT RPS CT2500000083

Document Type: CT

Department Code: RPS

Contract Number: CT2500000083

Commencement Date: 12/16/2025

Termination Date: 12/15/2030

Total Expense Amount:

\$0.00

Total Revenue Amount:

\$89,193.48

Funding Source Name(s) Required: PR - Miscellaneous Revenue Fund

Funding from General Fund?

NO

Contract is fully or partially funded with Federal Funds?

NO

Were insurance or indemnity clauses modified?

NO

Vendor is using a Social Security Number?

NO

Department: Real Property Services

Name: George Andros

Telephone: (520) 724-6308

Add Procurement Department Signatures

No

Add GMI Department Signatures

No

Department Director Signature:

Date:

4/25/2025

Deputy County Administrator Signature:

Date:

11/24/2025

County Administrator Signature:

Date:

11/29/2025



**LEASE TO THERAPEUTIC RANCH FOR ANIMALS AND KIDS, INC,
A NON-PROFIT CORPORATION**

1. **Parties.** This lease ("**Lease**," or "**Agreement**") is entered into by and between Pima County, a political subdivision of the State of Arizona ("**County**") and Therapeutic Ranch for Animals and Kids, Inc., an Arizona nonprofit corporation (hereinafter "**Tenant**"). This Lease shall be effective (the "**Effective Date**") on the date it is fully executed by County and Tenant.

2. **Background & Purpose.**

2.1. County owns the real property described on **Exhibit "A"** and depicted on **Exhibit "A-1"** attached hereto (the "**Property**"). The address for the Property is 3605 E. Edith Road, Tucson, Arizona 85718. The Property contains 2.47 acres and has improvements which include a 1,705 sq. ft. main house (the "**Building**"), and a freestanding garage/workshop (the "**Garage**").

2.2. Tenant will use the Property for activities in furtherance of its nonprofit mission of providing animal and equine-assisted programs that promote the physical, emotional, social, and educational development of children, adults, and families. Such uses may include therapeutic and recreational riding, youth and volunteer programs, educational and community service activities, and related nonprofit operations consistent with Tenant's mission.

2.3. Tenant will take possession of the Property in as-is condition. Tenant hereby acknowledges that the well water being served to the property is from a private exempt well and there is no guarantee of the water quality. The well is not a public water system and is not subject to rigorous testing requirements of a public water supply well. Therefore, detailed water quality data is not available, and no expressed or implied guarantee of water quality acceptability is made. Use of such water should be limited to meet non-potable needs.

2.4. County has the authority under A.R.S. § 11-256.01 to lease real property to a nonprofit corporation at less than fair market value. County previously published notice of its intent to enter into this Lease as required by law. County desires for Tenant to use the Property, and to maintain and improve the Property.

3. **Lease of Property.**

3.1. Lease. County hereby leases the Property to Tenant, and Tenant hereby leases the Property from County, under the terms and conditions and for the purposes set forth herein.

4. **Term.** The term of this Lease shall commence on the Effective Date and shall terminate 5 years after the Effective Date (the "**Initial Term**") unless earlier terminated or extended in accordance with the terms set forth herein. This Agreement may be renewed for 3 additional 5-year terms upon mutual written agreement executed by both parties.

5. **Possession.** From and after the Effective Date, Tenant will have possession of the Property.

6. **Rent; Utilities.** Tenant shall pay as rent to County the sum of \$1,400.00 per month, payable on the 1st of each month. Beginning on the first anniversary of the Effective Date, and on each anniversary thereafter during the Term, the monthly rent shall automatically increase by three percent (3%) over the monthly rent payable during the immediately preceding year, as more particularly set forth on the rent schedule attached hereto as **Exhibit "B"** and incorporated herein by reference. Tenant will pay all utility costs associated with the Property.

7. **Non-Profit Status**

7.1. Tenant will at all times during the term of this Lease be a non-profit organization exempt from taxation under the United States Internal Revenue Code (26 USC § 501(c)(3)). Tenant will provide County a copy of Tenant's letter of exemption from the Internal Revenue Service granting Tenant such tax exempt status and any analogous ruling from the Arizona Department of Revenue. Tenant will notify County in writing and provide County with a copy of any ruling or inquiry from any governmental authority affecting or potentially affecting such status.

7.2. Because this Lease is a lease to a non-profit entity, Tenant agrees that any compensation paid by Tenant to its members, officers, employees, or any related entity is reasonable for the services rendered. Reasonableness shall be determined in accordance with generally accepted nonprofit governance practices and the standards applied by the Internal Revenue Service for tax-exempt organizations.

Upon reasonable notice, Tenant will make available documentation supporting its compensation determinations. If the County raises a concern regarding compensation levels, the parties will confer in good faith to resolve the issue. Tenant will adjust compensation as necessary within sixty (60) days of written notice if compensation is determined to be excessive. Failure to remedy such excessive compensation within the sixty (60)-day period shall constitute a default under this Lease and shall entitle County

to exercise any remedies available under this Lease.

8. Tenant's Obligations. Tenant will comply with the following obligations during the term of this Lease:

8.1. Permitted Activities. Tenant will conduct programs and activities on the Property consistent with its nonprofit mission and the uses described in Section 2.2. All permitted activities will be conducted on the Property, including parking; except that parking outside the Property for Special Events, as described in section 8.8, will be allowed by obtaining a special events permit. Limited residential occupancy may be permitted solely to the extent necessary for the care of animals or caretaking of the Property, provided that (i) any such occupancy is directly tied to Tenant's business operations, (ii) the occupant is an employee of Tenant, and (iii) Tenant obtains the prior written consent of County, which consent shall not be unreasonably withheld, conditioned, or delayed, and (iv) Tenant complies with Section 8.1.1. Any such occupancy shall be deemed part of the employment relationship between Tenant and the occupant and shall not create or constitute a residential lease or tenancy with the County.

8.1.1. Tenant understands and acknowledges that this Lease is a commercial agreement and is not subject to the Arizona Residential Landlord and Tenant Act, A.R.S. §§ 33-1301 et seq. The County makes no representation or warranty that the Property, or any improvements thereon, complies with the standards for residential occupancy set forth in A.R.S. § 33-1324. In the event Tenant desires to permit limited residential occupancy pursuant to Section 8.1, Tenant will, at Tenant's sole cost and expense, cause the portion of the Property intended for such occupancy to be brought to the standards detailed in A.R.S. § 33-1324 prior to such occupancy, and will provide the County with evidence of such compliance. Any alterations, additions, or improvements made in connection with bringing the Property into such compliance will be undertaken in accordance with Section 10 of this Lease.

8.2. Furnishings and Equipment. Tenant will provide all furnishings and equipment necessary for Tenant's intended use of the Property.

8.3 Resource Protection. Tenant agrees to:

8.3.1 Discharge no waste or byproducts or materials onto any property nor into any water channels that might possibly result in harm to human water supplies.

8.3.2 Take all reasonable measures to protect the scenic, aesthetic values of the area; prevent soil erosion and gullyng that might be cause by construction or improper utilization of resources; and discourage vandalism or disorderly conduct, including the calling in of appropriate law enforcement officers when necessary and assisting in subsequent prosecution;

8.3.3 Take appropriate action to prevent fire damage to improvements and natural resources by complying with all applicable codes imposed by state, city or county

laws, ordinances or regulations, including applicable building and electrical codes, and making available as needed spark arresters and fire extinguishers.

8.4 Compliance with Laws. Tenant will comply with all applicable federal, state, and local laws, statutes, ordinances, rules, regulations, standards, policies, and executive orders with respect to its operations on the Property.

8.5 Signage. Tenant will instruct its members, invitees and guests to enter the Property at the Property gate on Edith Road. Any and all signs placed by Tenant on the Property will be immediately removed by Tenant upon termination of this Lease for any reason, and any damage resulting from such removal shall be repaired immediately by Tenant at its sole cost. Tenant shall pay all costs for construction, erection, installation, maintenance, and repair of any sign either currently in existence or to be erected or installed or otherwise placed on the Property. All signs will comply with all applicable sign codes and ordinances.

8.6 Traffic. Tenant will take reasonable steps to ensure that no traffic moves on the Property in excess of 10 miles per hour and will make all reasonable attempts to mitigate dust caused by the use of the Property.

8.7 Special Events.

8.7.1 *Defined.* For purposes of this Agreement, a “**Special Event**” on the Property is an event which is beyond the normal scope of the operation of the Property, including any event which (i) is open to the general public; or (ii) is designed to attract larger numbers of people; or (iii) involves a cash bar or other sales of alcohol; or (iv) may increase risk of injury to persons at the Property. Special Events do not include routine meetings and functions.

8.7.2 *Notice of Special Event.* Should Tenant desire to conduct a Special Event on the Property, Tenant shall give County’s Parks and Recreation Department (“**PR**”) special events program manager a 45 day advance written request, with a description of the Special Event, together with proposed dates and times of event operation, and the name, phone, and email address of a single contact person, with whom PR may coordinate the event proposal. PR will promptly respond to Tenant with additional questions, approval, denial, or proposed modifications to the event. PR may designate approved parking areas for Special Events. Tenant shall submit a written Special Event general plan to the City of Tucson for additional approval of traffic control, safety, security, and noise restrictions with a copy to County.

8.8 Special Events or other uses of the Brandi Fenton Park. Tenant acknowledges and understands that the Property is located adjacent to the Brandi Fenton Park (“**Park**”) and that the Property can be accessed through the Park and that the Park is open to the public. Tenant shall follow any and all standard processes developed by PR in the event that Tenant desires to utilize any part of the Park for a Special Event, placement of Tenant’s activities, or any other use or modification of the Park. Tenant will

pay special event fees that have been adopted through the Pima County Board of Supervisors fee schedule, as well as any other fees required for use of Park facilities.

8.9 Serving of Liquor. Tenant may not serve liquor on the Property unless it is in conjunction with an approved Special Event permit that holds a "Beer and Wine" permit therein. Furthermore, pursuant to Arizona State Law, Tenant may not serve or sell liquor for a profit to anyone unless they hold a currently valid Arizona State Liquor License for the date, time, and specific venue location. In addition, Tenant must hold adequate liquor liability insurance in compliance with section 15 of this Lease for any event with beer, wine, or spirits. Tenant also must comply with Pima County procedures for hosting a bar on its property and Pima County must be listed as "additionally insured".

8.10 Expenses of Tenant. Tenant will conduct all of its operations on the Property at its own expense and without contribution from County. Tenant will not suggest, state, or imply that County will participate, guarantee or otherwise assist in any financial obligation undertaken by Tenant with respect to its operations on the Property.

9 Prohibited Activities

9.1 Use of Property. Tenant will not use the Property for any purpose nor engage in or permit any other business activity on the Property except as expressly permitted by this Lease.

9.2 Third Party Contract. Tenant may not contract with a third party to conduct the permitted activities without County's prior written consent, which shall be at County's sole discretion, not to be unreasonably withheld. Any such contractor must be a non-profit, tax-exempt organization and must comply with all provisions of this Lease. County's consent to a third-party contract shall not relieve Tenant of any of its obligations, responsibilities, or liabilities hereunder, and Tenant agrees that it shall be fully liable for, and hereby agrees to indemnify County from and against any liability, losses, or expenses suffered or incurred by County as a result of Tenant's contractor's operations on the Property.

9.3 Outside speakers. No outside loudspeakers will be installed or used from which sound travels beyond the boundaries of the Property.

9.4 No Commercial or Residential Use. Except for the permitted activities, Tenant will allow no commercial or residential use of the Property or use by any other person or organization without the County's consent.

9.5 Lighting. Tenant may not install any lighting which intrudes on the existing lifestyle and land use of surrounding residential neighborhoods, except as reasonably necessary for the safe use of and security of the Property and improvements thereon. Any additional lighting installation must comply with section 10, and may be constructed only after notification of the specific intent and submission of specific plans for additional lighting to County and to surrounding neighborhood groups for comment.

10 **Alterations and Improvements to Property.**

10.1 Consent Required. Tenant may not make any improvements, alterations, additions, or changes to the Property (collectively the “**Alterations**”) without complying with all of the provisions of this section 10.

10.2 County Consent. Tenant may not make any Alterations without obtaining prior written consent from County’s Parks and Recreation Department Director or designee. Tenant must obtain County approval before proceeding to comply with the remainder of this section 10. Tenant will provide gate code to County for access to County property.

10.3 Plan Review. All Alterations will be subject to the County’s Development Plan review process. All Alterations must comply with all applicable Pima County building codes.

10.4 Plan and Specifications. Tenant shall provide PR and Pima County Real Property Services (“RPS”) with plans and specifications developed by an Arizona registered architect or engineer (the “**Notice of Alterations**”) for review prior to initiating any work. PR and RPS will have 45 days after receipt of the Notice of Alterations to approve or reject the proposed Alterations. Failure to respond to the Notice of Alterations within 45 days after receipt of the Notice of Alterations shall be deemed approval.

10.5 Consent Withheld. County will not unreasonably withhold consent to proposed Alterations; provided, however, it shall be reasonable for County to withhold consent if, among other reasons, the Alterations:

10.5.1 Adversely affect the integrity of any structural, mechanical, or electrical system of any portion of the Property or affect the integrity of the Property or the Property features or its infrastructure;

10.5.2 Result in County being required to perform any work that County could otherwise avoid or defer;

10.5.3 Result in an increase in the premiums for any hazard or liability insurance carried by County or result in an increased risk of liability or pose a safety hazard; or

10.5.4 Result in an increase in the demand for utilities or services (including wastewater treatment) that County provides to the Property.

10.6 No County Liability for Approval of Alterations. County’s review of the plans and specifications shall be solely for County’s purposes and shall not imply that County have reviewed the plans and specifications for quality, design, laws, compliance or other like matters. Accordingly, notwithstanding that any construction drawings are reviewed

by any County architects, engineers, or consultants, County will have no liability whatsoever in connection therewith and shall not be responsible for any omissions or errors contained in any construction drawings, and Tenant's indemnity set forth in the Indemnification Clause of this Lease shall specifically apply to the construction drawings. County's review shall be to determine that the proposed Alterations are consistent with the purposes of this Lease.

10.7 Construction of Alterations.

10.7.1 *Compliance with Law.* All Alterations shall comply with all applicable federal, state and local statutes, codes, ordinances, rules and regulations, including but not limited to floodway and floodplain laws and regulations.

10.7.2 *Licensed Contractors.* All Alterations undertaken by Tenant shall be performed by contractors duly licensed to do business in the State of Arizona.

10.7.3 *Indemnification.* All construction contracts shall include an indemnification provision requiring the contractor to indemnify, defend and hold harmless County from all losses, claims, suits, demands, expenses, attorney's fees or actions of any kind or nature arising from contractor's negligent or intentional acts, errors or omissions.

10.7.4 *Insurance.* Tenant shall cause said contractors to obtain insurance coverage of a type and amount acceptable to County and to name Tenant and County as additional insureds with respect to liability arising out of the performance of said contracts. Within 30 days after completion of any buildings or improvements, Tenant shall deliver to County a complete and reproducible set of the plans and specifications of the Alterations as built.

10.8 Indemnification by Tenant. Tenant shall indemnify, hold County harmless, and defend County against liability for any damage to property or injury to persons occasioned by any construction by Tenant at the Property.

10.9 Property of County. Except as otherwise provided herein, all Alterations placed upon the Property shall become the property of County at the time they are placed thereon, and shall be surrendered to County upon the termination of this Lease, free and clear of all liens and encumbrances of every kind, and in good and operable condition, excluding reasonable wear and tear.

Notwithstanding the foregoing, Tenant's trade fixtures shall remain the property of Tenant. For purposes of this Lease, "**Trade Fixtures**" mean equipment, furnishings, or other items installed by Tenant at its sole cost that (i) are readily removable without material damage to the Property; (ii) are used in connection with Tenant's nonprofit operations or programs authorized under this Lease; and (iii) are not intended to become permanent improvements to the Property.

Tenant may remove its trade fixtures at any time prior to the expiration or earlier termination of this Lease, provided that Tenant repairs any damage to the Property caused by such removal. Any trade fixtures not removed by Tenant within thirty (30) days after the expiration or termination of this Lease shall, at County's option, be deemed abandoned and may be retained or disposed of by County without obligation to Tenant.

10.10 Reimbursement by County for Breach. In the event of a termination of this Lease by Tenant as a result of a material breach by County, County will compensate Tenant for Alterations made by Tenant in compliance with this section 10 in an amount equal to (i) the total cost of the Alterations as evidenced by invoices to Tenant, less (ii) depreciation in an amount equal to straight line depreciation over the life of the improvement through the termination date. Such compensation will be paid by County within 90 days after termination, receipt of invoices evidencing the cost of Alterations, and Tenant having vacated the Property.

11 Maintenance & Repairs.

11.1 Maintenance and Repairs by Tenant. Except as provided in section 11.2, Tenant will at all times maintain the Property in a good, clean, safe and sanitary condition, at its sole cost and expense, including making any necessary repairs or replacements of improvements thereon, interior fixtures, appliances, furnishings, and building systems, including the furnace and air conditioning system on the Property. Tenant will, at Tenant's sole cost and expense, maintain the trees, shrubs, plants, and other landscaping on the Property in a clean, safe, healthy, and attractive condition. Tenant shall not remove or substantially alter any trees, shrubs, or other landscaping without Landlord's prior written consent. **Tenant accepts the Property and all improvements thereon in "AS-IS" condition with no warrants of any sort being expressed or implied by County.**

11.2 Landlord Repairs. Landlord will maintain and repair the exterior portion of the Property, including the roof, exterior walls, septic system, well and electrical lines outside of the existing buildings.

11.3 Tenant Failure to Maintain. If Tenant fails, after 30 days written notice, to comply, or to take reasonable steps towards compliance with section 11.1 if compliance would take more than 30 days, County may, but are not required to, make such repairs as they deem necessary and Tenant will reimburse the costs of such repairs on demand.

12 Environmental.

12.1 Hazardous Material. As used herein, the term "**Hazardous Material**" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of Arizona or the United States Government. The term Hazardous Material includes, without limitation, any material or substance that is (i) defined as a "hazardous waste" under NRS 459.400 *et seq.*, (ii) petroleum, (iii) asbestos, (iv) designated as a "hazardous substance" pursuant to Section

311 of the Federal Water Pollution Control Act (33 U.S.C. 1321), (v) defined as a "hazardous waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. 6901 *et seq.* (42 U.S.C. 6903), (vi) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 *et seq.* (42 U.S.C. 9601) or (vii) defined as a "regulated substance" pursuant to Subchapter IX, Solid Waste Disposal Act (Regulation of Underground Storage Tanks), 42 U.S.C. 6991 *et seq.*

12.2 Hazardous Materials Prohibited; Clean Air Act. Tenant shall not cause or permit any Hazardous Material to be brought upon, kept, or used in or about the Property by Tenant, its agents, employees, contractors or invitees, without the prior written consent of County, other than such Hazardous Materials which 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 Hazardous Materials. Tenant's operations on the Property shall comply with applicable provisions of the Clean Air Act, 42 U.S.C. 7401 *et seq.* and Arizona Revised Statutes, Title 49, Chapter 3.

12.3 Indemnity. In the event an Environmental Act occurs, Tenant shall indemnify, protect, defend and hold County harmless from any and all claims, judgments, damages, penalties, fines, costs, expenses, liabilities or losses (including, without limitation, diminution in value of the Property or any part thereof, damages for the loss or restriction on use of usable space or of any amenity of the Property or any part thereof, damages arising from any adverse impact on marketing of space with respect to the Property or any part thereof, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arose or arises during or after the term of this Agreement as a result of such contamination. The foregoing obligation of Tenant to indemnify, protect, defend and hold County harmless includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal, restoration or other response work required by any federal, state, or local governmental agency or political subdivision because of Hazardous Material present, as a result of any action or inaction on the part of Tenant, its agents, employees, contractors or invitees, in the Property or the soil or ground water on, under or adjacent to the Property, or elsewhere in connection with the transportation by Tenant of Hazardous Material to or from the Property. For purposes of this section 12.3, an Environmental Act shall mean:

12.3.1 Tenant breaches the obligations stated in Section 12.2;

12.3.2 The presence (whether consented to by County or otherwise) of Hazardous Material on the Property or on or in the soil or ground water under or adjacent to the Property caused or permitted by Tenant, its agents, employees, contractors or invitees, results in contamination of the Property or such soil or ground water;

12.3.3 Contamination of the Property or such soil or ground water by Hazardous Material otherwise occurs for which Tenant is legally liable to County for damage resulting therefrom; or

12.3.4 Contamination occurs elsewhere in connection with the transportation by Tenant of Hazardous Material to or from the Property.

12.4 Clean-Up. Without limiting the foregoing, if the presence of any Hazardous Material on or in the Property, soil or ground water under or adjacent to the Property caused or permitted by Tenant, or its agents, employees, contractors or invitees results in any suspected contamination of the Property, soil or ground water under or adjacent to the Property, Tenant shall promptly notify County in writing and take all actions, at Tenant's sole cost and expense, as are necessary to return the Property, soil or ground water to the condition existing prior to the introduction of any such Hazardous Material to the Property, soil or ground water; provided that County's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such actions would not potentially have any material adverse long-term or short-term effect on the Property.

12.5 Pre-Existing Contamination. County agrees that any Hazardous Materials contaminating the Property prior to possession of the Property by Tenant shall not result in liability for Tenant under this Section 12 except to the extent such contamination is aggravated by the action or inaction of Tenant.

12.6 Notices Regarding Environmental Conditions. Tenant shall, within 10 business days following receipt thereof, provide County with a copy of (i) any notice from any local, state or federal governmental authority of any violation or administrative or judicial order or complaint having been filed or about to be filed against Tenant or the Property alleging any violation of any local, state or federal environmental law or regulation or requiring Tenant to take any action with respect to any release on or in the Property or the soil or ground water under or adjacent to the Property of Hazardous Material, or (ii) any notices from a federal, state or local governmental agency or private party alleging that Tenant may be liable or responsible for cleanup, remedial, removal, restoration or other response costs in connection with Hazardous Material on or in the Property or the soil or ground water under or adjacent to the Property or any damages caused by such release.

12.7 Survival. Tenant's and County's obligations under this Section 12 shall survive the expiration or earlier termination of this Agreement and vacation of the Property.

13 **Entry by County**. County reserve the right to enter upon the Property at reasonable times to inspect, make repairs, or for any other reason deemed necessary. County will provide Tenant with reasonable notice of their intent to enter upon the Property.

14 **Security**. Tenant shall be responsible for the securing the Property and preventing any unlawful or unauthorized use thereof. Tenant shall contact law enforcement authorities when it appears necessary to protect the Property and any persons or property

thereon, and it shall assist in any resulting prosecution.

15 Insurance.

15.1 Coverage. Tenant shall maintain at its expense the following insurance during the term of this Lease:

15.1.1 *Commercial General Liability.* Coverage shall be at least as broad as ISO form CG 00 01 in an amount not less than \$5,000,000.00, covering the Property, endorsed to include Pima County as an additional insured with coverage at least as broad as ISO form CG 20 10.

15.1.2 *Commercial General Automobile Liability.* Coverage shall be at least as broad as ISO form CA 00 01 in an amount not less than \$1,000,000.00 for vehicles actually used in the operations at the Property (as compared to use for simple commuting).

15.1.3 *Workers' Compensation.* Statutory limits, with Employers' Liability coverage in an amount not less than \$1,000,000.00 per injury, illness, or disease.

15.1.4 *Commercial Property.* Extended coverage against loss or damage by fire or other casualty including earthquake and flood damage, covering the full replacement cost of real property, including tenant improvements, and personal property located on the Property, endorsed to include Pima County as an additional insured.

15.1.5 *Liquor Liability.* Liquor liability if alcohol is being served on the Property in an amount not less than \$5,000,000.00 per occurrence, endorsed to include Pima County as an additional insured.

15.1.6 *Special Events.* Special Events insurance in an amount acceptable to the County Risk Manager for any event held on the Property not covered by other insurance provided as required above.

15.2 Injury Reports. By the 15th of each month, Tenant shall provide to County a report listing any incident involving injury to persons or damage to property occurring at the Property. If any such injury to persons requires emergency medical treatment, Tenant shall contact County within 1 business day of such incident. County will have the right to investigate any incident involving injury to persons or property occurring at the Property and Tenant shall provide County with all information available to Tenant about such incident.

15.3 Insurance Certificates. Tenant shall provide County with current certificates of insurance at least annually which shall show County as an additional insured. All certificates of insurance must provide for guaranteed 30 days written notice of cancellation, non-renewal or material change.

15.4 Waiver of Subrogation. Each party waives its claims and subrogation rights against the other for losses typically covered by property insurance coverage.

15.5 Changes to Insurance Requirements. County retains the right to reasonably increase the limits or types of coverage from time to time as determined in the best interests of County by Pima County Risk Management.

16 Damage or Destruction.

16.1 Casualty not Rendering Property Unusable. In the event any portion of the Property is damaged by fire or other perils (by any cause whatsoever) not rendering the Property untenable, Tenant will repair and restore the Property to the condition in which it existed prior to the casualty, using the insurance proceeds. All such repairs will comply with section 10 of this Lease, to the extent they constitute Alterations. Tenant's obligation to restore the Property is limited to the proceeds of insurance.

16.2 Casualty Rendering Property Untenable. In case of the total destruction of a building or structure on the Property by any cause whatsoever, or in case of such partial destruction thereof as to render the building or structure unfit for Tenant's occupancy, then in any such event any insurance proceeds will be spent to improve the Property in a manner agreed to by Tenant and County, and any improvements that constitute Alterations must comply with section 10 of this Lease.

17 Indemnification.

17.1 To the fullest extent permitted by law, Tenant shall defend, indemnify, and hold harmless County, their officers, agents, and employees, from and against any and all claims, liabilities, losses, damage, cost and expense, including but not limited to reasonable attorney's fees and/or litigation expenses, arising out of or resulting from the conduct or management of the Property, or any accident, injury, damage, or violation of law whatsoever occurring in or at the Property, directly or indirectly caused in whole or in part by any act or omission of Tenant or anyone directly or indirectly employed by it, its agents, representatives, contractors, subcontractors, licensees, or anyone for whose acts it may be liable, except that the indemnity will not be applicable if arising solely from any negligent act or omission of County or any of their officers, agents, or employees. This agreement to defend, indemnify and hold harmless will survive the expiration of the termination of this Lease.

17.2 Tenant acknowledges and understands that the Property abuts the Brandi Fenton Park, and the park is open to the public. Tenant holds County, and their officers, employees, and agents, harmless from any claim, damages, liability or expense suffered or incurred in connection with any use of the Property by Tenant, its invitees or guests, as a consequence of the Property abutting the park.

18 Tenant Not an Agent of County. Tenant is not an agent of County for any

purpose under this Lease or otherwise. Tenant shall control activities on the Property, and County shall not control those activities. Tenant's employees and servants shall not be under the control of County.

19 Notices.

19.1 Writing. All notices required or permitted to be given hereunder must be in writing and mailed by first class, registered, certified or overnight mail, return receipt requested, postage prepaid, or transmitted by electronic mail, facsimile, or hand delivered, addressed to County's or Tenant's address.

19.2 Receipt. If mailed, all such notices, demands, requests, or other communications are deemed received upon the expiration of 72 hours after deposit in the U.S. mail as aforesaid. Notice served personally or by electronic mail or facsimile is deemed served upon delivery thereof to the addressee. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given is deemed to be receipt of the notice, demand or request sent. Any party entitled to notices hereunder may from time to time designate to the other parties, in writing and given in accordance with this Section, a different address for service of notice.

19.3 Any notices required hereunder shall be directed as follows:

County:

Director, Real Property Services
201 N. Stone Ave., 6th floor
Tucson, Arizona 85702
Phone: (520) 724-6582

And

Director, Parks and Recreation
3500 W. River Road
Tucson, Arizona 85741
Phone: (520) 724-5000

If to Tenant:

Therapeutic Ranch for Animals and Kids
Scott Tilley
3605 N. Edith Blvd
Tucson, AZ 85741
Phone: 520-298-9808

20 **Conflict of Interest.** This Lease is subject to cancellation within 3 years after its execution pursuant to A.R.S. §38-511 if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Lease on behalf of County is, at any time

while this Lease or any extension of the Lease is in effect, an employee or agent of any other party to the Lease with respect to the subject matter of the Lease.

21 Non-Discrimination. Tenant agrees that during the performance of this Lease, Tenant shall 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. Tenant shall comply with the provisions of Arizona Executive Order 75-5, as amended by Executive Order 99-4 and 2009-09 issued by the Governor of the State of Arizona, which is incorporated into this Lease as if set forth in full herein.

22 Default/Termination.

22.1 Termination by County Without Notice. This Lease may be terminated immediately by County for any of the following:

22.1.1 failure of Tenant to pay rent or other sums required under this Lease when due;

22.1.2 failure of Tenant to carry the required insurance;

22.1.3 loss by Tenant of its tax-exempt status or an action by the IRS challenging that status;

22.1.4 violation of any law by Tenant, or any unlawful activities carried out on the Property;

22.1.5 any action or omission by Tenant that, in County's sole judgment, causes a threat to the health or safety of the general public or the users of the facility;

22.1.6 any actions or omissions by Tenant that unduly interfere with activities of County, or which unduly disturb the quiet enjoyment of neighboring property owners/occupants;

22.1.7 Tenant creates or permits any waste or nuisance on the Property;

22.1.8 Tenant commits 3 defaults in a 12-month period, regardless of whether or not Tenant timely cured such defaults as provided below;

22.1.9 Tenant permits the consumption of alcohol on the Property without County's approval and insurance; or

22.1.10 Any other activity or omission that in County's reasonable judgment is not a condition subject to "cure".

22.2 Breach and Opportunity to Cure. Either party may present written notice of default or non-performance to the other party. For any default other than those listed in

section 22.1, the non-breaching party may terminate the Lease only if the breaching party fails to cure the default within 30 days of receiving the notice from the non-breaching party, unless the failure is of such a character as to require more than 30 days to cure, in which event the breaching party will be in default only if it fails to initiate the cure within 30 days, and thereafter diligently pursue the same to completion.

22.3 Other Remedies. Both parties may pursue any other remedies provided by law for the breach of this Lease. No right or remedy conferred or reserved is intended to be exclusive of any other right or remedy, and each shall be cumulative and in addition to any other right or remedy conferred or reserved in this Lease.

23 **Consent of County.** Except as otherwise provided in this Lease, wherever the consent of County is required in this Lease, the consent may be given in writing by the County Administrator, or a department Director to whom they have delegated their authority, provided that any modification to this Lease requires approval of the County Board of Supervisors.

24 **Personal Property.** Tenant shall maintain a current inventory of all items of personal property owned by Tenant and placed or kept on the Property by Tenant. Any items of personal property left on the Property upon expiration or earlier termination of this Lease shall become the property of County and may be sold or otherwise disposed of by County without liability to Tenant.

25 **Liens.** Tenant shall timely pay all contractors, subcontractors, mechanics, laborers, or materialmen providing materials or services with respect to the Property, and shall not permit any lien to attach to the Property or any interest therein, and shall indemnify and defend County against all legal costs and charges resulting from any such lien.

26 **Non-Waiver.** The failure of either party to insist in any one or more instances upon the full and complete performance of any of the terms and provisions of this Lease to be performed by the other party, or to take any action permitted as a result thereof, shall not be construed as a waiver or relinquishment of the right to insist upon full and complete performance of the same or any other covenant or condition either in the past or in the future.

27 **Assignment/Subletting.** Any attempted assignment of this Lease by Tenant without prior written consent from County's Board of Supervisors shall be void. This Lease shall be binding on any and all successors and permitted assigns. Tenant shall not sublet any portion of the Property without the prior written consent of County, which consent shall be at County's sole discretion.

28 **Account Records; Audits; Unaudited Financial Records.**

28.1 **Accounting Records.** In connection with the operation of the Property, Tenant shall keep and maintain accounting records on a tax basis consistently applied and the same shall be open for inspection and audit by duly authorized representatives of County at all reasonable times.

28.2 **Audits.** County may require Tenant to provide a financial audit at any time by providing written notice to Tenant. Such notice shall specify the reason for the request, the period to be covered by the audit, the type of audit and the time for completion and submission of the audit.

28.3 **Annual Unaudited Financial Reports.** In addition to any required audited statements, Tenant shall provide the County Administrator or his designee on an annual basis within 45 days after Tenant's fiscal year ending December 31, with a year-end balance sheet and a year-end statement of income and expenses prepared in accordance with generally accepted accounting principles. The financial statements must show all revenues from operation of the Property and all expenses incurred in connection with the operation of the Property for the applicable fiscal year.

29 **Entire Agreement.** This Lease shall constitute the entire contract between County and Tenant with respect to the Property and no modification hereof shall be binding unless in writing and signed by all parties.

30 **Days.** Unless otherwise expressly stated, any reference in this Lease to "days" shall mean calendar days. If the final day of any period falls on a Saturday, Sunday, or legal holiday, the period shall extend to the next day that is not a Saturday, Sunday, or legal holiday.

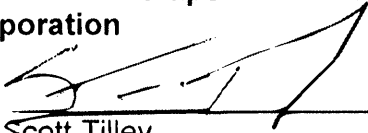
31 **Exhibits.** The following exhibits to this Lease are fully incorporated herein as if set forth at length:

<u>Exhibit A</u>	Description of the Property
<u>Exhibit A-1</u>	Depiction of the Property
<u>Exhibit-B</u>	Rent Schedule

The parties hereto have executed this Lease on the day, month and year written below.

TENANT: Therapeutic Ranch for Animals and Kids, Inc., an Arizona nonprofit corporation

By: _____

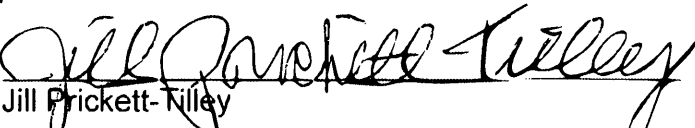

Scott Tilley

11/24/2025
Date

Its: Chief Executive Officer

And

By: _____


Jill Prickett-Tilley

11/24/2025
Date

Its: Chairman of the Board of Directors

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

Rex Scott, Chairman, Board of Supervisors

Date

ATTEST:

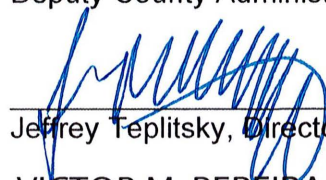
Melissa Manriquez, Clerk of Board

Date

APPROVED AS TO CONTENT

 11/20/2025

Carmine DeBonis
Deputy County Administrator-Public Works



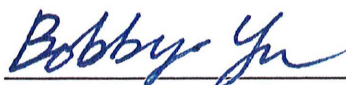
Jeffrey Teplitsky, Director, Real Property Services

VICTOR M. PEREIRA

Digitally signed by VICTOR M. PEREIRA
DN: cn=VICTOR M. PEREIRA, o=PIMA COUNTY,
ou=PARKS AND RECREATION,
email=VICTOR.PEREIRA2@PIMA.GOV, c=US
Date: 2025.11.25 08:54:22 -07'00'

Victor Pereira, Director, Parks and Recreation

APPROVED AS TO FORM:



Bobby Yu, Deputy County Attorney, Civil Division

18 September, 2025

EXHIBIT "A"
LEGAL DESCRIPTION

All that real property as described in Docket 12488 at Page 4067, recorded in the Office of the Pima County Recorder, and located in the southwest quarter of Section 28, Township 13 South, Range 14 East, Gila and Salt River Meridian, Pima County, Arizona.

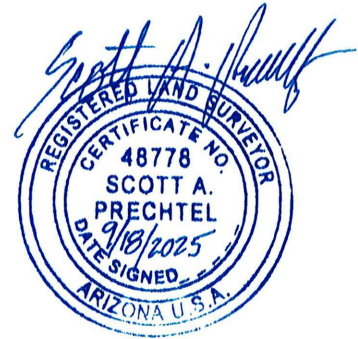
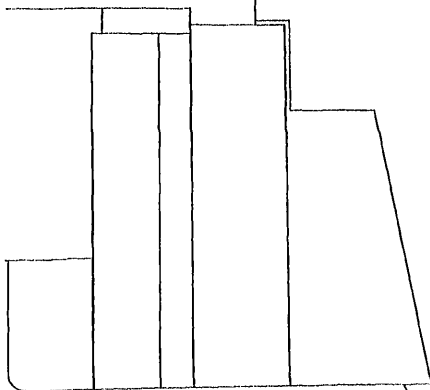
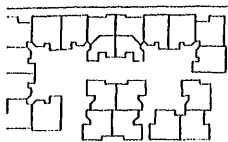
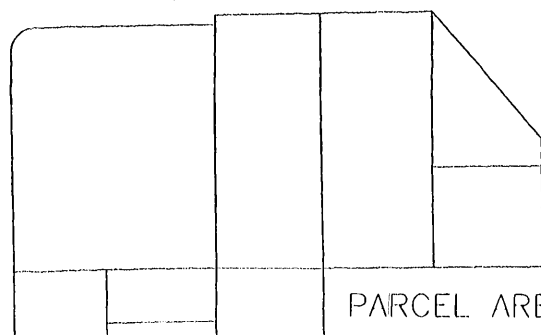


Exhibit "A-1" - Depiction of Property



PRINCE ROAD



RILLITO

PARCEL

RIVER

PARCEL AREA = 2.395 ACRES +/-

EDITH BLVD



PIMA COUNTY SURVEY

DOCKET 12488 AT PAGE 4067
LOCATED IN SECTION 28, TOWNSHIP 13 SOUTH, RANGE 14 EAST,
GILA AND SALT RIVER MERIDIAN, PIMA COUNTY, ARIZONA

Scale: 1" = 200'

Date: 18 Sept, 2025

Drawn By: SAP

Sheet 2 of 2

EXHIBIT "B"**RENT SCHEDULE**

Pursuant to Section 6 of the Lease Agreement, monthly rent shall increase by 3% annually on each anniversary of the Effective Date, as shown below.

Initial Term (Years 1–5)

Lease Year	Monthly Rent	Annual Rent
Year 1	\$1,400.00	\$16,800.00
Year 2	\$1,442.00	\$17,304.00
Year 3	\$1,485.26	\$17,823.12
Year 4	\$1,529.82	\$18,357.84
Year 5	\$1,575.71	\$18,908.52

Renewal Option 1 (Years 6–10)

Lease Year	Monthly Rent	Annual Rent
Year 6	\$1,622.98	\$19,475.76
Year 7	\$1,671.67	\$20,060.04
Year 8	\$1,721.82	\$20,661.84
Year 9	\$1,773.47	\$21,281.64
Year 10	\$1,826.67	\$21,920.04

Renewal Option 2 (Years 11–15)

Lease Year	Monthly Rent	Annual Rent
Year 11	\$1,881.47	\$22,577.64
Year 12	\$1,937.91	\$23,254.92
Year 13	\$1,996.05	\$23,952.60
Year 14	\$2,055.93	\$24,671.16
Year 15	\$2,117.61	\$25,411.32

Renewal Option 3 (Years 16–20)

Lease Year	Monthly Rent	Annual Rent
Year 16	\$2,181.14	\$26,173.68
Year 17	\$2,246.57	\$26,959.32
Year 18	\$2,313.97	\$27,767.64
Year 19	\$2,383.39	\$28,600.68
Year 20	\$2,454.89	\$29,458.68

Note: Renewal rents shown above apply only in the event Tenant and County exercise the applicable renewal option(s) as required under the Lease. Nothing in this Exhibit shall be construed as granting Tenant an automatic right of renewal.