

BOARD OF SUPERVISORS AGENDA ITEM REPORT AWARDS / CONTRACTS / GRANTS

C Award C Contract C Grant	Requested Board Meeting Date: 5/3/2022 or Procurement Director Award:	
* = Mandatory, information must be provided		
*Contractor/Vendor Name/Grantor (DBA):		
Arizona Board of Regents		
*Project Title/Description:		
University of Arizona Garden Kitchen –New Lease		
*Purpose:		
New lease agreement between Pima County and Arizona	Board of Regents for and on behalf of University of Arizona ("Tenant") for Premises	

located at 2205 S. 4th Avenue, so the University can continue the Garden Kitchen Program which has been in operation since 2012.

*Procurement Method:

Exempt per Section 11.04.020

*Program Goals/Predicted Outcomes:

The Garden Kitchen will continue to deliver Supplemental Food Assistance Program Education (SNAP-Ed) through teaching participants how to stretch their SNAP dollars and offering activities to help participants lead healthy lives. The Garden Kitchen will continue to meet its goal of serving the community by teaching food preparation skills, gardening, nutrition, food safety, and physical activity classes. The Garden Kitchen will also interact with over 20 Pima County partners, ranging from the Veteran's Administration to Head Start, in the creation of policy, systems, and environmental changes within the community and at partner organizations, making healthier choices easier choices for Pima County residents. The Agent and staff will continue to make vital connections with community members, nonprofits, and agencies to help coordinate and facilitate health and nutrition program delivery in Pima County, including such areas as Tucson, Pascua Yaqui reservation, Marana, and the City of South Tucson. To be responsive to community need during the pandemic, The Garden Kitchen now serves on a variety of Pima County Health Department COVID response committees and has been a testing and vaccination site, was the Pima County distribution site for the Governor's Early Childhood Enrichment program, and stores and coordinates delivery of emergency foods to those in traditionally underserved areas.

*Public Benefit:

Through cooking, gardening, and nutritional instruction, the tenant makes a positive impact on the health and wellness of Pima County residents. Because of grant funding as well as Pima County and University of Arizona investment the site now includes a certified commercial kitchen and teaching kitchen, a demonstration edibles garden for all types of homes, a fruit tree arboretum, and a large, fenced parking lot for activities. It serves as a community center for local residents and successfully brings education, access to resources, and group activities to the area. In 2021, the Garden Kitchen reached approximately 1000 residents, with over 700 program participants and several hundred attendees in meetings, coalition activities, and technical assistance. Throughout the year, Pima County Cooperative Extension agent Jennifer Parlin led and served on more than 10 committees and coalitions to contribute to policy and food systems decision making, to ensure The Garden Kitchen's responsiveness to community needs. Among other highlights, hands-on cooking and gardening classes were taught, 13 community and organizational gardens were implemented, and 70 physical activity/food demonstration/home gardening trainings were taught to help a variety of Pima County residents achieve whole health, including veterans, early childhood youth, families, and seniors. Even more activities are anticipated during coming years as the pandemic eases.

*Metrics Available to Measure Performance:

The Garden Kitchen promotes healthy cooking and nutritional information which coincides with the mission of the Pima County Health Department to ensure the health, safety, and well-being of Pima County through leadership, collaboration, and education. In January 2022, The Garden Kitchen received a thank you letter from the Director of the Pima County Health Department for the role they played in the community's pandemic response. Metrics to measure performance include the number of program participants, the number of collaborations with partners, the diversity of programs offered, and the continued beneficial use of the property to help area residents learn and build future resilience.

*Retroactive:

No TO: COB 4-7-22(1) Vers: 1

04-06 °22 PM04:00

THE APPLICABLE SECTION(S) BELOW MUST BE COMPLETED

Click or tap the boxes to enter text. If not applicable, indicate "N/A". Make sure to complete mandatory (*) fields

Contract / Award Information				
Document Type: <u>CTN</u> Department Code: <u>FM</u>	Contract Number (i.e., 15-123): <u>22-116</u>			
Commencement Date: <u>5/15/2022</u> Termination Date: <u>5/14/202</u>	Prior Contract Number (Synergen/CMS):			
Expense Amount \$*	Revenue Amount: \$ <u>5.00</u>			
*Funding Source(s) required:				
Funding from General Fund? C Yes • No If Yes \$				
Contract is fully or partially funded with Federal Funds? Yes Fig. 16 Yes, is the Contract to a vendor or subrecipient?	No			
Were insurance or indemnity clauses modified?	No			
Vendor is using a Social Security Number? If Yes, attach the required form per Administrative Procedure 22-10.	No No			
Amendment / Revised Award Information				
Document Type: Department Code:	Contract Number (i.e., 15-123):			
Amendment No.:	AMS Version No.:			
Commencement Date:	New Termination Date:			
	Prior Contract No. (Synergen/CMS):			
C Expense C Revenue C Increase C Decrease	Amount This Amendment: \$			
Is there revenue included? C Yes C No If Yes \$	-			
*Funding Source(s) required:				
Funding from General Fund? Yes No If Yes \$				
Grant/Amendment Information (for grants acceptance and awards)	☐ Award ☐ Amendment			
Document Type: Department Code:	Grant Number (i.e., 15-123):			
Commencement Date: Termination Date:	Amendment Number:			
Match Amount: \$				
*All Funding Source(s) required:				
*Match funding from General Fund? Yes No If Yes \$_	<u></u>			
*Match funding from other sources?	%			
*If Federal funds are received, is funding coming directly from the F	ederal government or passed through other organization(s)?			
Contact: Kevin Button				
Department: Facilities Management	Telephone: <u>520-724-8230</u>			
Department Director Signature:	Date: 3/04/22			
Deputy County Administrator Signature:	Date:			
County Administrator Signature:	Date: 4 (0 7002			

Pima County Department of Facilities Management

Project: University of Arizona Garden Kitchen -New Lease

Contractor: Arizona Board of Regents ("Tenant")

Amount: \$5.00

Contract No.: CTN-FM-22-116

LEASE AGREEMENT

This Lease Agreement ("Lease") is entered into by and between ARIZONA BOARD OF REGENTS, a body corporate, for and on behalf of The University of Arizona (hereinafter referred to as the "Tenant" or "University") and PIMA COUNTY, a political subdivision of the State of Arizona (hereinafter referred to as "County").

1. Background and Purpose.

- 1.1. County owns a building, together with an outdoor area and parking lot located at the southeast corner of South 4th Avenue and East 32nd Street with a street address of 2205 South 4th Avenue in Tucson, Arizona (the "Building").
- 1.2. On May 15, 2012, County and Tenant entered into a Lease (known internally to the County as contract # CT-FM-12*2174) for the Building. The Lease had a 5 year term with the option to extend the Lease for an additional 5 year period.
- 1.3. On April 4, 2017, County and Tenant executed Amendment 1 to the Lease exercising Tenant's option to extend the term 5 years from May 15, 2017 to May 14, 2022.
- 1.4. Tenant has established a nutritional teaching kitchen (the Garden Kitchen program) at the leased location. This is a seed-to-table project promoting nutrition, gardening and culinary education for families in the community with a focus on low-income participants (the "Program"). The commercial and demonstration kitchens are used for training educators and volunteers who present nutrition and hands-on culinary demonstrations to schools, community centers, clinics, emergency food distribution centers and other community sites. In addition, a variety of classes are offered in the property's garden on how to install and maintain a home garden regardless of income level and resources available. The garden contains a small composting facility and vermiculture demonstration station which promotes reduced home waste stream while enriching the soil. The garden also provides an interactive playground for children to develop tactile experience and understanding of the natural environment.
- 1.5. County and Tenant now wish to enter into a new Lease for the Building, so Tenant may continue to grow and build the Program.

1.6. This Lease is being entered into pursuant to A.R.S. § 11-256.01, with notice of the Lease published as required by law.

2. Lease/Premises.

- 2.1. Lease. LEASE/PREMISES. In consideration of the rent to be paid and all terms, conditions, covenants, and agreements contained in this Lease, County hereby leases to the Tenant and Tenant hereby leases, takes, and accepts from County, the Building, which is approximately 1,965 sq. ft., as shown on the diagrams attached as Exhibit A. Tenant will also have the right to utilize certain exterior areas associated with the Building in common with County, including an adjacent lot for gardening (the "Gardening Area") as well as an existing asphalt surface parking lot (the "Parking Lot") as shown on Exhibit B. The Building, Gardening Area and Parking Lot will be referred to collectively in this Lease as the "Premises."
- 3. Term. The initial term of this Lease will be for a period of 5 years (the "Initial Term") beginning on May 15, 2022 (the "Commencement Date") and ending on May 14, 2027 (the "Expiration Date").
- 4. Option to Extend. If Tenant is not in default under the Lease, Tenant may extend the Initial Term of the Lease for 1 additional 5 year period (the "Extension Term"), by providing written notice to County of Tenant's election to exercise the option to extend, not more than 9 nor less than 6 months prior to end of the Initial Term. "Term" means the Initial Term and any Extension Term exercised by Tenant.
 - 4.1. If Tenant properly exercises the option to extend the Term, County will prepare an amendment (the "Amendment") to reflect any mutually agreed upon changes in the Base Rent, Term, Expiration Date and other appropriate terms and conditions, and Tenant will execute and return the Amendment to County within 15 days after Tenant's receipt of Amendment. If no changes are mutually agreed upon, the terms and conditions of the Lease, except for the ending date of the Term, will remain the same during the Extension Term.
 - 4.2. Tenant hereby agrees to accept the Premises in its "AS IS" condition during the Initial Term and any Extension Term. County has no obligation to make any improvements, alterations or modifications to the Premises, nor will County provide Tenant with any improvement allowances or other allowances or payments.

5. Rent.

- 5.1. **Initial Term.** The rent ("Base Rent") during the Initial Term will be One Dollar (\$1.00) per year.
- 5.2. Extension Term. Rent for the Extension Term, unless the Tenant and County agree otherwise, will be set at an amount calculated to cover all expenses of County related

CTN-FM-22-116

to this Lease and the Premises. After Tenant notifies County that it is exercising its option to renew the Lease, County will, within the next 10 business days, notify Tenant in writing of the proposed renewal rate based on its estimation of the operating and maintenance expenses to be incurred during the Extension Term. Tenant will, within 10 business days after this notification, notify County in writing if it objects to the proposed rate. If County and Tenant are unable to agree upon the renewal rate, then either party may, with written notice to the other, terminate this Lease as of the end of the Term (or if, at the time of termination, the Initial Term has expired or there are fewer than 30 days left in the Initial Term, then as of the date that is 30 days after the date of the termination notice).

5.3. Payment of Rent. Tenant will pay Rent in a lump sum, within 30 days after Commencement Date. Rent must be delivered to Pima County Government, Finance-Revenue Management Division, 33 N. Stone, 6th floor, Mail Stop DT-BAB6-404, Tucson, Arizona 85701. Tenant will pay 9% per annum simple interest on any late Rent payments or any other sum due under this Lease that is not paid when due, from the date due until paid.

6. Use.

- 6.1. Permitted Use. The Premises may be used by Tenant only for uses such as an instructional nutritional classroom, meal preparation, cooking demonstration kitchens, and garden, and uses reasonably related thereto for the University of Arizona Co-Operative Extension Service faculty, students, staff and guests, as described in the Section 1. All livestock on the Premises will be kept in accordance with the local jurisdiction's rules and regulations. The primary focus of the Program is prevention of diet related diseases and promotion of a healthy lifestyle through sound dietary choices and behaviors.
- 6.2. **Prohibited Activities.** Tenant shall not permit any unlawful activities on the Premises, or any activities that unduly interfere with activities of neighboring property owners/occupants. Tenant may not serve alcohol in the Premises at any time.
- 6.3. 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 employees, students, volunteers, invitees, visitors and guests, without the prior written consent of County, 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 that is caused by Tenant or its employees, students, volunteers, invitees, visitors and guests.

6.4. Rules and Regulations. Tenant and its employees, students, volunteers, invitees, visitors and guests. shall abide by rules and regulations as stated in Exhibit C for the Building, as they may be amended from time to time by County, concerning, among other things, sanitation, handling of trash and debris, loading and unloading of trucks and other vehicles, safety and security. Such rules and regulations shall not unduly limit or impair Tenant's permitted use of the Premises.

7. Tenant Improvements.

- 7.1. County's Approval Required. Tenant may not make or cause to be made any alterations, additions or improvements ("Alterations") to the Premises, including any non-structural cosmetic changes, without first obtaining County's written approval, which shall not be unreasonably withheld. Tenant may not make any change to the exterior of the Building except to provide for signage and security, or for other aesthetic improvements as approved by County.
- 7.2. Plans, Specifications, Permits. Tenant will present to County plans and specifications for any Alteration requiring County's approval, at the time County's approval is sought. County will notify Tenant, within 15 business days after receipt of a set of plans, of any objections County has to the plans. Prior to commencement of the work, Tenant will obtain any necessary County building permits and other governmental approvals needed for the work.
- 7.3. Workmanship. Tenant will construct or install any approved Alterations at its own expense in a good and workmanlike manner, with all work being performed by licensed contractors or Tenant's facilities management personnel, as appropriate.

8. County's Responsibilities.

- 8.1. Repairs. Subject to Section 16 concerning damage resulting from a casualty, during the Initial Term, County will make all repairs in and to the Building and Premises, except as provided in Section 9 below. County's repairs will include the roof, facade, structural portions of the Building, all major Building systems such as HVAC systems (including air conditioning motor and compressor), major plumbing requirements (inwall plumbing and water heater), and in-wall electrical connections other than those necessary for operation of Tenant's computer or office equipment. County is not responsible for maintenance and/or repair of Tenant's installed signage, glass breakage or graffiti removal.
- 8.2. Maintenance. Except as set forth in Section 9 below, County will perform all routine and periodic maintenance of the Building, water heater, annual fire alarm maintenance, certification, and maintenance of a back flow preventer valve installed in the water line going into the Building, and service associated with use of air conditioning compressor and equipment.

8.3. Utilities. County will pay for water, sewer, electricity and gas to the Building up, to but not in excess of, the amounts stated below:

Utility	Maximum amount paid per lease year
Water/Sewer	\$1,800 / year
Electric	\$4,800 / year
Gas	\$2,400 / year

County may provide copies of monthly statements to Tenant quarterly, but not less than annually, and will invoice Tenant annually for all utility costs that exceed the amount paid by County (the "Utility Reimbursement"), as set forth in above.

- 8.4. Repair Notification. In the event of a breakdown or needed repairs to the Premises or equipment associated therewith, Tenant will notify County or its agent of such breakdowns or needed repairs by emailing FM-TenantRequest@Pima.gov and County will, in a timely manner, cause repairs and/or replacements to be made. Notwithstanding the above, Tenant shall have the right to make immediate repairs to correct unsafe or unsanitary conditions or any other condition hazardous to the safety and welfare of Tenant's employees or others, and any repairs that County fails to make within the relevant time period set forth herein, and County shall reimburse Tenant for those repairs that are defined herein as County's responsibility.
- 8.5. Security. County will provide, at its expense, all security systems for the Building
- 8.6. County's Insurance. County will obtain and maintain fire and other property insurance for the Building, and may self-insure for such losses.

9. Tenant's Responsibilities.

- 9.1. Cleaning & Interior/Exterior Maintenance. Tenant will provide and pay for janitorial supplies and services to the Premises. Tenant is also responsible for all maintenance, replacement and minor repair of interior flooring, wall finishes, ceilings, lighting fixtures (including ballasts and bulbs), doors and windows including breakage or etching of any interior or exterior glass, hardware and locks, plumbing fixtures, graffiti removal and any of Tenant's signage. Tenant's cost of repair will not exceed \$1,000.00 per occurrence.
- 9.2. Furnishings. For all furniture, fixtures and equipment Tenant currently owns within the Building and Premises ("FF&E"), or any additional FF&E brought onto the Premises during the Term, Tenant is responsible for the operation, maintenance, repair and replacement of same including, but not limited to, stoves, microwaves, gas grill and propane gas tanks for cooking, refrigerators for food storage, washers, dryers and range hood. Tenant will comply with all Pima County Health Department regulations and codes. Tenant is responsible for any fire extinguishing equipment including, but not limited to, the annual inspection and certification of the range hood by the local fire

department, and annual inspections of any manual, hand held fire extinguishers. Any FF&E paid for and installed in the Premises by Tenant will remain the property of the Tenant and may be removed at any time during the Term provided Tenant restores the Premises to its condition prior to the installation. Upon expiration or early termination of the Lease, with County's advance approval, Tenant may leave said items in place and they will become the property of the County.

- 9.3. Security Shutters. Tenant is responsible for the cost, operation, maintenance, repair and replacement of all rolling security shutters and their associated parts.
- 9.4. Tenant Damage. Tenant will, with County's approval, promptly repair any damage done to the Premises, or the Building caused by any employee, student, volunteer, agent, contractor or invitee of Tenant.
- 9.5. Access to the Premises. Tenant will permit County and County's authorized representatives to enter the Premises, with reasonable prior notice for purposes of inspection, making any repairs and performing any work therein as may be necessary for County to comply with its obligations under this Lease Agreement. County, in the performance of any such work, will cause as little inconvenience, annoyance, disturbance, or damage to Tenant as is reasonably possible under the circumstances, but without being required to incur additional expenses. If necessary, during emergencies, County may access the Premises at any time should County be required to respond to any emergency situation at the Premises. If necessary, Tenant will provide access and/or keys to first responders.
- 9.6. **Keys**. Keys/Key Cards for the Property will be provided by County to designated Tenant staff. Tenant will pay to County a standard charge (\$100.00) for any key that is lost, stolen or damaged and must be replaced by County.
- 9.7. Utilities. Tenant will pay to County annually, the Utility Reimbursement as set forth in Section 8.3. Each year after the first year of the Term, County will provide to Tenant a statement of the actual costs of the utilities paid during the previous year and the calculation of the Utility Reimbursement amount. Tenant will pay the Utility Reimbursement to County within 30 days of receipt of this accounting. Tenant is solely responsible for the set up and payment of all other utilities except those named in Section 8.3 above.
- 9.8. Sustainability Plan. The University of Arizona highly values sustainability in all its endeavors and operations and therefore will use all reasonable efforts to use recycled products for its operations within the Premises, or re-use and recycle materials utilized on the Premises and where possible in the garden.
- 9.9. Telecommunications. Tenant, at its sole cost, will install its own telecommunication systems and equipment including telephone, data and internet, and will be responsible for maintaining the systems and equipment and will directly pay for all such services and equipment. Tenant will obtain internet/data network connectivity from an Internet

Service Provider ("ISP") and will maintain the same at its own expense. Tenant is responsible for all telecommunications, information technology, networks, systems, equipment and infrastructure that is under its control, and for securing the same from intrusion or damage.

- 9.10. Parking. Tenant is responsible for the cost of maintaining the existing Parking Lot and spaces for its employees, students, volunteers, invitees, visitors and guests. Tenant's employees, students, volunteers, invitees, visitors and guests. may park in any unassigned spaces in the Parking Lot. County will not reserve or assign Tenant parking spaces and makes no guarantee of parking availability. All unassigned spaces are available on a first come, first served basis.
- 9.11. **Landscaping.** Tenant is responsible for the planting, maintenance and replacement of all landscaping and vegetation on the Premises.
- 9.12. **Pest Control.** County will provide at its expense pest control services for the Building or as reasonably necessary for protection of the Premises.
- 9.13. Grease Trap. Tenant is responsible for the timely cleaning and servicing of the grease trap and will maintain a record of service dates for same. Anytime grease trap is serviced, Tenant will provide evidence of maintenance or service to County (i.e. paid invoice or other evidence of service) by emailing documentation to FM_Leasing_Services@pima.gov. County may, at any time, request record of service dates from Tenant. If Tenant fails to maintain grease trap and it becomes non-functional, County may have the grease trap serviced or repaired and charge Tenant for County's expenses for service.
- 9.14. Taxes. Tenant is responsible for all applicable taxes related to this Lease and will pay to County, in addition to any other sums due hereunder, any applicable rental taxes for which County is responsible including, if applicable, the government property lease excise tax pursuant to A.R.S. § 42-6201 et seq.

10. Insurance.

During the Term of this Lease, Tenant will at its sole expense maintain in full force and effect the following:

- 10.1. Commercial General Liability (CGL). Occurrence Form with limits of \$2,000,000 Each Occurrence and \$2,000,000 General Aggregate. Policy will include bodily injury, property damage, broad form contractual liability coverage, personal and advertising injury and products completed operations.
- 10.2. Business Automobile Liability Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract with a Combined Single Limit (CSL) of \$1,000,000 each accident.

- 10.3. Workers' Compensation (WC) and Employers' Liability. Statutory requirements and benefits for Workers' Compensation. In Arizona, WC coverage is compulsory for employers of one or more employees. Employer's Liability coverage - \$1,000,000 each accident and each person - disease.
- 10.4. Additional Insured. The General Liability and Business Automobile Liability Policies will each be endorsed to include County, its departments, districts, boards, commissions, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Tenant.
- 10.5. Subrogation. The General Liability, Business Automobile Liability and Workers' Compensation Policies will each contain a waiver of subrogation endorsement in favor of County, and its departments, districts, boards, commissions, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Tenant.
- 10.6. Primary Insurance. The Tenant 's policies will stipulate that the insurance afforded the Tenant will be primary and that any insurance carried by County, its agents, officials, or employees will be excess and not contributory insurance unless County has failed to meet its responsibilities pursuant to this agreement.
- 10.7. Approval and Modifications. Pima County Risk Management reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal contract amendment but may be made by administrative action.
- 11. Option to Purchase. County hereby grants to the Tenant an option to purchase the Premises and all improvements thereon (together the "Real Property"), as described on Exhibit B attached hereto, in "AS IS" condition, and without warranties of any kind, at any time during the Initial Term of this Lease (the "Option") at a price established by the two required appraisals obtained as set forth below.
- 12. Exercise of Option/Appraisal. Tenant will give written notice to County of its intent to exercise the Option. Within 30 days after receipt of such notice, County will send Tenant the names of three licensed real estate appraisers experienced with the appraisal of properties in downtown Tucson, who are acceptable to County. Tenant will have 30 days to review this list and notify the County regarding which of the appraisers Tenant will, at its expense, order an appraisal from. County will then order an appraisal from one of the remaining two appraisers, at County's cost. If Tenant objects to all the names on County's list, then County will propose two additional names for Tenant's approval. If Tenant does not pick one of these appraisers, then Tenant's exercise of the Option will be deemed to have been withdrawn by Tenant. This will not preclude Tenant from exercising the Option again at a later date during the Initial Term. County and Tenant will each share the appraisal report it obtains with the other, and will negotiate in good faith to agree on a price for the conveyance which must comply with A.R.S. § 11-251(9) and take into account the value added by the Tenant Improvements, for which Tenant will receive a credit against the purchase price. If the parties are unable to agree on the price, the Tenant's exercise of the option will be deemed withdrawn.

- 13. Licensure/Permits. Tenant will apply for and obtain any license, registration or permit which will be required during the Term of this Agreement by the State of Arizona or any other governmental or regulatory authority and will maintain such license, registration or permit in good standing throughout the Term of this Agreement. Tenant will immediately notify County in writing if the license, registration or permit is denied or terminated. In the event of such denial or termination County may, in its sole discretion, terminate this Agreement with no further obligation to Tenant.
- 14. Common Areas. The Common Areas will at all times be subject to the control and management of County and County will have the right from time to time to change the area, level, location, appearance and furnishing or landscaping of the Common Areas provided that such activity does not materially interfere with Tenant's operations. County 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 County may enter into agreements with adjacent owners for cross-easements for parking, ingress or egress.
 - 14.1. Liens. Tenant will timely pay all contractors, subcontractors, mechanics, laborers, or materialmen providing materials or services with respect to the Alterations, and will not permit any lien to attach to the Premises or any interest therein, or will bond or insure over the lien, or discharge the lien, and will indemnify and defend County against all legal costs and charges resulting from any such lien. If Tenant fails to discharge the lien, then, in addition to any other right or remedy of County, County may bond or insure over the lien or otherwise discharge the lien. Tenant shall reimburse County for any amount paid by County to bond or insure over the lien or discharge the lien, including, without limitation, reasonable attorneys' fees (if and to the extent permitted by law) within 30 days after receipt of an invoice from County.
- 15. Sublease and Assignment. Tenant may not assign its rights and obligations under this Lease or sublease any portion of the Premises without County's prior written consent, which may be withheld by County in County'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 County 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 180 day Notice to Tenant, of any such intent.
- 16. 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.
- 17. Surrender / Holding Over. On termination of Tenant's occupancy, Tenant shall surrender the Premises in the condition in which Tenant is required to maintain them under this Lease. Tenant will repair any damage done by the removal of Personal Property and be responsible for all associated costs. If Tenant for any reason and with written consent of County 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 shall be as a month-to-month Tenant, subject to all conditions of this Lease except the term hereof,

and the rent for the first 6 months will be 125% of the rent being paid by Tenant's prior to the expiration or termination, and for the next 6 months will be 150% of that amount.

- 18. Rules and Regulations. Tenant and its employees, students, volunteers, invitees, visitors and guests. will abide by the rules and regulations for the Building, which are set forth in Exhibit C attached hereto and incorporated herein. County has the right, from time to time, to modify or make additional reasonable rules and regulations, including but not limited to, reasonable requirements pertaining to sanitation, handling of trash and debris, loading and unloading of trucks and other vehicles, and safety and security against fires, theft, vandalism, personal injury and other hazards, provided that such rules and regulations are applied in a non-discriminatory manner and do not unreasonably impair Tenant's permitted operations.
- 19. Signs. Tenant may, upon obtaining any necessary permits from governmental authorities and with the advance written approval of County, erect, maintain, and repair at Tenant's own expense, signs of such dimensions and materials as it may desire. Tenant is responsible for all costs associated with the design, manufacture, installation, permitting, and connecting of any utilities necessary for any signage on the interior or exterior of the Building or in the Premises. County's consent shall not be unreasonably withheld.
- 20. Indemnification. To the fullest extent permitted by law, each party will indemnify, defend, and hold harmless the other, its officers, employees and agents from and against any and all losses, costs, or expenses (including reasonable attorney fees) incurred or suffered by the indemnified party as a result of any damages to property or injuries to persons (including death), or any suits, actions, legal administrative proceedings, claims or demands and costs attendant thereto, arising out of or directly related to any act, omission, fault or negligence by the indemnifying party, its agents, employees, invitees or anyone under its direction or control or acting on its behalf.

21. Default.

- 21.1. **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 County may terminate this Lease:
 - 21.1.1. Operations of the Premises. The vacating or abandonment of the Premises, or cessation of activities thereon, or any portion thereof, by Tenant, where such abandonment shall continue for a period of 10 calendar days after notice of such default is sent by County to Tenant.
 - 21.1.2. Monetary Obligations. The failure by Tenant to make any payment required to be made by Tenant under this Lease, as and when due, where such failure continues for a period of 21 calendar days after notice from County that the payment is due.

- 21.1.3. 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 aware or, in the exercise of reasonable diligence, should have become aware that such activities are being conducted.
- 21.1.4. Health and Safety Violation. Any action or omission by Tenant that, in the County's reasonable judgment, causes a threat to the health or safety of the general public or the users of the Building, which continues for a period of 3 days after written notice from County. Tenant's failure to obtain and maintain any required license and/or registration for its operations at the Premises is considered a violation under this paragraph.
- 21.1.5. 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 continues for a period of 30 days after written notice from County to Tenant; provided, however, that if the nature of Tenant's default is such that more than 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 30-day period and thereafter diligently prosecutes such cure to completion provided such cure is completed within 120 days of the notice by County.
- 21.2. County Default. County will be deemed to be in default under this Lease if County fails to perform any covenant or condition of this Lease to be performed by County and such failure continues for 30 days after written notice and demand from Tenant (unless the failure is of such a character as to require more than 30 days to cure, in which event County will be in default only if it fails to initiate the cure within 30 days and thereafter diligently pursue the same to completion), provided such cure is completed within 120 days of the notice by Tenant.
- 21.3. Remedies. Either party may pursue any remedies provided by law and in equity for the breach of this Lease, including termination of the Lease.
- 22. **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, electronic transmission or fax, 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 Property Administration

220 W. 6th St.

Tucson, AZ 85721

Email: byaughan@arizona.edu

COUNTY:

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 Street, 3rd Floor

Tucson, Arizona 85701

Email: FM Leasing Services@pima.gov

- 23. Receipt of Notice. Any notice given as indicated in Section 22 will be deemed to have been given on the date of receipt, or if delivery is refused, on the date of such refusal.
- 24. Non-Disturbance. County represents and warrants that there is currently no monetary encumbrance or lien on the Premises. Tenant will subordinate its interest in this Lease to any future encumbrance if Tenant receives a commercially reasonable non-disturbance and attornment agreement from the holder of such encumbrance. Tenant will have 30 days following receipt of a written request from County to execute such agreement so long as the agreement states (a) the lease is unmodified and in full force and effect; (b) the dates to which rent has been paid; (c) whether or not, to Tenant's best knowledge, County or Tenant is in default in the performance of any obligation hereunder and, if so specifying in reasonable detail the nature of such default; (d) that Tenant has accepted the Premises, and (e) that the holder of the encumbrance agrees to be bound by the terms of this Lease.
- 25. Destruction of Premises. If at any time during the Term of the Lease, 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 County cannot or does not fully repair the Premises within 90 days through no fault of Tenant then, Tenant will be relieved of any further obligation, duty or liability under this Lease. If the Premises can be and are repaired fully in 90 days, then the Lease will continue in full force and effect while the repairs are being made, and rent will be abated by the percentage of the total space that is unavailable or not reasonably useful to Tenant.

26. Condemnation.

26.1. Complete Taking. If the whole of the Premises is taken or condemned for any public or quasi-public use or purpose, by right of eminent domain or by purchase in lieu thereof, or if a substantial portion of the Premises is taken or condemned so that the portion or portions remaining is or are insufficient or unsuitable, in the reasonable judgment of Tenant, for the continued operation of the business contemplated by this Lease, so as to effectively render the Premises untenantable, then this Lease will cease and terminate as of the date on which Tenant is required to vacate the Premises as a result of the condemning authority taking possession and all Rent will be paid by Tenant to County up to that date or refunded by County to Tenant if Rent has previously been paid by Tenant beyond that date.

- 26.2. Partial Taking. If a portion of the Premises is taken, and the portion or portions remaining can, in the reasonable judgment of Tenant, be adapted and used for the conduct of Tenant's business operation, then County will promptly restore the remaining portion or portions thereof to a condition comparable to their condition at the time of such taking or condemnation, less the portion or portions lost by the taking, and this Lease will continue in full force and effect except that the Rent payable hereunder will, if necessary, be equitably adjusted to take into account the portion or portions of the Premises lost by the taking.
- 27. Quiet Enjoyment. County warrants that County is seized of the Premises and has the full right to make this Lease. County 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.
- 28. Expenses Advanced by Tenant. If County fails within 30 days (or such lesser time as is appropriate if there is a threat to health or safety) after requested by Tenant to make necessary repairs to the Premises or perform another act required of County under this Lease, Tenant may cause such repairs to be made or such acts to be performed at the expense of County. Tenant may apply such claims against any subsequent installment of Rent.
- 29. Interpretation of Lease. The parties acknowledge that each has had the opportunity to review this Lease with counsel of their choice. This Lease will not be construed more strongly in favor or 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 and their successors and assigns.
- 30. Entire Agreement. This Lease contains the entire agreement between the parties and all previous Leases, amendments, 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.
- 31. **Non-Discrimination**. The parties will comply with all applicable state and federal statutes and regulations governing equal employment opportunity, non-discrimination, and immigration.
- 32. **Arbitration**. The parties agree that any dispute arising under this Agreement involving the sum of fifty thousand (\$50,000) or less in money damages only shall be resolved by arbitration pursuant to the Arizona Uniform Rules of Procedure for Arbitration. The decision of the arbitrator(s) shall be final.
- 33. **State Obligation.** The parties recognize that the performance by both Tenant and County 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 its Board's attention.

- 34. American 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 the Building and use of the Premises. This will not obligate County to make any modifications to the Building or Premises, as a result of any change in the law or regulations, if such repairs are not otherwise legally required.
- 35. Conflict of Interest. This Lease is subject to cancellation pursuant to the provisions of A.R.S. § 38-511 regarding Conflict of Interest.
- 36. Law to Govern. This Lease is made under and will be interpreted according to Arizona law. Any action relating to this Lease will be brought in a court of the State of Arizona in Pima County.
- Sustainability Plan. In accordance with the County's Sustainability Plan, Tenant will use all reasonable efforts to use recycled products or re-use and recycle materials used in the Premises.
- 38. Applicable Law. The parties will comply with all applicable federal, state and local laws, rules, regulations, standards, Executive Orders, and with any applicable Pima County Board of Supervisors' policies, including Policy Number C. 3.18 entitled "Tobacco-Free Environment," a copy of which is attached as Exhibit D.

REMAINDER OF PAGE INTENTIONALLY BLANK SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the day, month and year written below.

	ARIZONA.
Ву:	By: Im
Sharon Bronson	Authorized S
Chair, Board of Supervisors	Authorized 5
Date:	Date: 4/
ATTEST:	
By:	
Melissa Manriquez	
Clerk of the Board of Supervisors	
APPROVED AS TO CONTENT:	
By:	
Lisa Josker, Director	
Pima County Facilities Management	
Date:	
APPROVED AS TO FORM:	
By: Kalin S	
Kathryn Ore	
Deputy County Attorney	
Date: March 23, 2022	

PIMA COUNTY, ARIZONA

ARIZONA BOARD OF REGENTS

FOR THE UNIVERSITY OF

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the day, month and year written below.

PIMA COUNTY, ARIZONA

FOR THE UNIVERSITY OF ARIZONA. By: By: **Sharon Bronson** Authorized Signer Chair, Board of Supervisors Date: Date: ATTEST: By: Melissa Manriquez Clerk of the Board of Supervisors APPROVED AS TO CONTENT: By: Lisa Josker, Director Pima County Facilities Management APPROVED AS TO FORM: Kathryn Ore

Deputy County Attorney

Date: March 23, 2022

ARIZONA BOARD OF REGENTS

EXHIBIT A
BUILDING 2205 S. 4th Ave. FLOOR PLAN

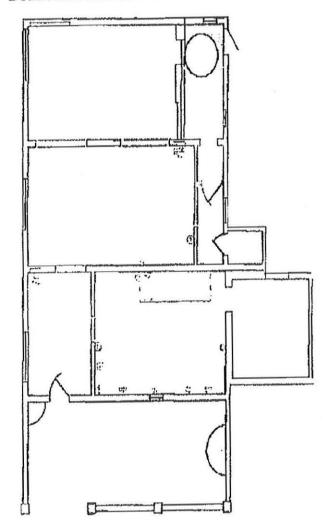


EXHIBIT B Description of Premises

Lots 7, 8 and 9, Block 10 of HOME ADDITION NO.2, a subdivision of Pima County, Arizona, according to the plat of record in the office of the County Recorder in Book 5 of Maps and Plats, page 22.

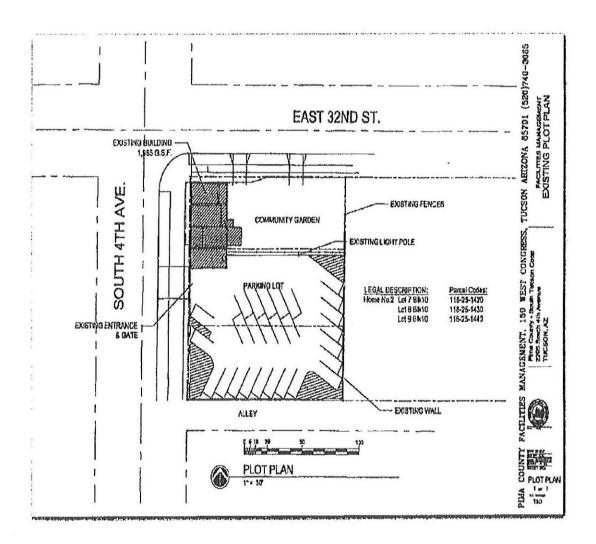


EXHIBIT C

COUNTY'S RULES & REGULATIONS

These Rules & Regulations have been adopted by County 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. County 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 will not be construed to modify or amend any of the terms, covenants, or agreements and conditions of a Tenant's lease. Each Tenant will 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. County may waive compliance with any one or more of these Rules and Regulations for the benefit of a Tenant. Such waiver will not be construed as a waiver for any other Tenant, nor will it prevent County from enforcing the same against any or all other Tenants. These rules may only be enforced by County. The failure of County to enforce any Rule or Regulation will 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 County may designate from time to time.

- No sign, placard, picture, advertisement, name or notice will be inscribed, displayed, printed or affixed on or to any part of the Common Areas without the prior written consent of County. County will have the right to remove any such 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 will be printed, painted, inscribed, affixed or removed at the expense of Tenant by a person approved by County. 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.
- Tenant will 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 will Tenant cause any window in the Premises to be color treated.
- 3. The sidewalks, exits and entrances, will not be obstructed by Tenant or used for any purpose other than for ingress and egress from Tenant's Premises.
- 4. Tenant will 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 County, which will not be unreasonably withheld. County will 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 County. If Tenant needs to have its leased Premises rekeyed for any reason, Tenant will use the County's authorized building locksmith. Any rekeying will keep the applicable lock on the existing building master keyway. Tenant will bear the entire cost of rekeying, unless the rekeying is requested by County. Any installation or repair of specialty locks will 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 will not be used for any purpose other than that for which they were constructed and no foreign substance of any kind whatsoever will be thrown therein. The expense of

- any breakage, stoppage or damage resulting from a violation of this provision will be borne by the Tenant whose employee, agent or invitee will have caused it.
- 6. Tenant will 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 County. County may require design drawings, specifications and/or weight load structural tests prior to granting approval for any rooftop installation. Tenant will bear the entire expense of any drawings or tests to be submitted to County for approval.
- 7. All moving of furniture, freight, equipment or any other items into or out of the Building will be done at such time and in such manner as County will designate and considers the schedule of the other Building occupant. Any damage to the doors, frames, walls or ceilings caused by Tenant or Tenant's invitees or moving contractors will be repaired at Tenant's expense to County's satisfaction.
- 8. Tenant will 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 County or the other occupant of the Building by reason of noise, odors and/or vibrations, or that would interfere in any way with the other Building occupant or those having business therein. With the exception of chickens currently kept on the Premises and service animals, no animals will be brought in or kept in or about the Premises or the Building.
- 9. Tenant will be responsible for the safe and proper handling of propane, flammable fluids or other flammable material kept or used in the Premises or the Building.
- 10. Tenant acknowledges that periodically the Tucson Fire Department or other contractor or representative of the County will inspect the Premises for Fire Code compliance and fire, sprinkler, and alarm testing. Tenant, and its employees, contractors and invitees will comply with any fire safety and handicap procedures and regulations established by the County and/or any governmental agency. Tenant will 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 County and/or any governmental agency. If an audible fire alarm is sounded in the Building or Premises, Tenant must take immediate and prudent actions to evacuate its employees, or guests from the Building or Premises through designated exits as posted by County. Tenant will notify County 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 County in writing of any changes to such assignments. Each Tenant will notify the County of any handicapped occupants or other individuals who may require special assistance in the event of an emergency.
- 11. County 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 County. The location of telephones, call boxes and other office equipment affixed to the Premises will be subject to the approval of County.
- 12. Outside of Business Hours, Tenant and its employees may access the Building or the Premises by using keys assigned by County. The County will in no case be liable for damages with regard to the admission to or exclusion from the Building or Premises of any person. In case of invasion, mob, fire alarm, bomb threat, riot, public excitement, or other commotion, County reserves the right to prevent access to the Building or Premises during the continuance of the same by closing of the

- doors or otherwise, for the safety of the Building or Premises occupants and the protection of the Building or Premises.
- 13. County reserves the right to exclude or expel from the Building any person who, in the judgment of County, will 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 County.
- 14. No machines of any description will be installed, maintained or operated upon the Premises without the written consent of the County except those necessary or useful for the operation of a federally qualified health center.
- Tenant will not disturb, solicit, or canvass any occupant of the Building and will cooperate to prevent same by others.
- 16. County will have the right to control and operate the Common Area(s), and the public facilities, and heating and air conditioning, in such manner as County deems best for the benefit and safety of the Building occupants generally.
- 17. All entrance doors in the Premises will be locked when the Premises are not in use. All emergency fire exit doors must remain free of debris from both the interior and exterior and remain locked when not in use.
- 18. All exterior areas adjacent to the Premises will be kept clean and free from dirt and rubbish by Tenant and Tenant will not place or permit any obstruction or merchandise in such areas.
- 19. There will be no storage, temporary or permanent, of bicycles, refuse containers or other such unsightly materials outside of the Premises except in County approved bike storage racks/ facilities or refuse containers.
- 20. Upon the termination of the tenancy, Tenant will deliver to County all keys to the Premises and security access cards for the Building that have been furnished to Tenant.
- 21. Only County approved, properly installed and maintained cooking appliances will be allowed in the Premises.
- 22. No space heaters, floor fans or floor lamps are allowed at any time in the Premises.

EXHIBIT D TOBACCO FREE POLICY C 3.1.18

Page 1 of 2

PIMA COUNTY, ARIZONA BOARD OF SUPERVISORS POLICY Subject: Tobacco-Free Environment Policy Number C 3.1.18

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:

<u>Tobacco Products</u> include cigarettes, cigars, pipes, smokeless tobacco, water pipes, hookah, ecigarettes, chewing tobacco, snuff and other products containing tobacco.

EXHIBIT D TOBACCO FREE POLICY C 3.1.18

Page 2 of 2

<u>County Facilities, Public Buildings and Adjacent Properties</u> 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 will 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.

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

All vendors doing business with Pima County will be notified of the Tobacco-Free policy and will 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 will 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 will 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://webcms.pima.gov/UserFiles/Servers/Server_6/File/Government/Clerk%20of%20the%20Board/Policie s/C3-18.pdf

91473 / 00973644 / v 1