



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

Requested Board Meeting Date: May 12, 2015

or Procurement Director Award ☐

**Contractor/Vendor Name (DBA):** De La Warr Investment Corporation, a Delaware corporation

**Project Title/Description:**

Lease Amendment No. 4 for lease of space at 33 N. Stone Avenue, #850, Tucson

**Purpose:**

Extend existing lease for an additional three (3) years.

**Procurement Method:**

N/A

**Program Goals/Predicted Outcomes:**

Generation of rent revenue for the County through retention of a long-term tenant at a fair market rental rate.

**Public Benefit:**

\$83,934 additional rent revenue allocable to the County owned building at 33 N. Stone Ave. (the B of A building).

**Metrics Available to Measure Performance:**

Full and timely payment of rent.

**Retroactive:**

No.

**Original Information**

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

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

☐ Expense Amount: \$ \_\_\_\_\_ ☐ Revenue Amount: \$ \_\_\_\_\_

Funding Source(s): \_\_\_\_\_

Cost to Pima County General Fund: \_\_\_\_\_

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

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

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

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

**Amendment Information**

Document Type: CTN Department Code: FM Contract Number (i.e., 15-123): CMS 139839

Amendment No.: Four (4) AMS Version No.: 3

Effective Date: June 1, 2015 New Termination Date: May 31, 2018

☐ Expense ☒ Revenue ☐ Increase ☐ Decrease Amount This Amendment: \$83,934.40

Funding Source(s): Tenant's rent payments.

Cost to Pima County General Fund: None.

To: COB - 4-29-15

Ver. - 3

Vendor - 1

Pgs. 4 (3)

Procure Dept 04/27/15 PM 10:33

Contact: Nina Armstrong

Department: Facilities Management

Telephone: 724-2725

Department Director Signature/Date:

Michael J. Kirk 4/22/15

Deputy County Administrator Signature/Date:

Jonny Gunkle 4-23-15

County Administrator Signature/Date:

(Required for Board Agenda/Addendum Items)

C. R. Dumbauld 4/23/15

<p><b>PIMA COUNTY DEPARTMENT OF: FACILITIES MANAGEMENT</b></p> <p><b>REVENUE CONTRACT</b></p> <p><b>LANDLORD:</b> Pima County, a political subdivision of the State of Arizona</p> <p><b>TENANT:</b> De La Warr Investment Corporation, a Delaware corporation</p> <p><b>LEASE NO.:</b> CTN-FM-CMS 139839</p> <p><b>LEASE AMENDMENT NO.:</b> Four (4)</p>	<table border="1"> <tr> <td data-bbox="966 159 1451 388"></td> <td data-bbox="966 388 1451 720"> <p align="center"><b>CONTRACT</b></p> <p><b>NO</b> <u>CTN-FM-CMS 139839</u></p> <p><b>AMENDMENT NO.</b> <u>04</u></p> <p><small>This number must appear on all invoices, correspondence and documents pertaining to this contract.</small></p> </td> </tr> </table>		<p align="center"><b>CONTRACT</b></p> <p><b>NO</b> <u>CTN-FM-CMS 139839</u></p> <p><b>AMENDMENT NO.</b> <u>04</u></p> <p><small>This number must appear on all invoices, correspondence and documents pertaining to this contract.</small></p>
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**ORIGINAL LEASE TERM:** 06/01/03 – 05/31/06  
**TERMINATION DATE PRIOR AMENDMENT:** 5/31/15  
**TERMINATION THIS AMENDMENT:** 5/31/18

**ORIG. LEASE AMOUNT:** \$ 60,235.44  
**PRIOR AMENDMENTS:** \$221,172.51  
**AMOUNT THIS AMENDMENT:** \$ 83,934.40  
**REVISED LEASE AMOUNT:** \$ 365,342.35

**AMENDMENT NO. 4 TO LEASE  
33 NORTH STONE AVENUE, SUITE 850  
TUCSON, AZ**

**1. DEFINED TERMS.** For purposes of this Amendment, the following terms have the meanings set forth below:

1.1. Landlord. Pima County, a political subdivision of the State of Arizona (hereinafter referred to as "Landlord").

1.2. Tenant. De La Warr Investment Corporation, a Delaware corporation (hereinafter referred to as "Tenant").

1.3. Leased Premises. Suite 850 in the building located at 33 North Stone Ave., Tucson, Arizona 85701, commonly known as the Bank of America Building, consisting of approximately 1,255 rentable square feet.

1.4. Lease. The Lease for the Leased Premises naming Tenant as tenant, dated April 21, 2003 and all amendments thereto.

1.5. Effective Date: June 1, 2015.

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

2.1. Extension of Lease. Effective June 1, 2015 (the "Effective Date"), Landlord and Tenant agree to extend the Lease Term for an additional thirty-six (36) month period (the "Extended Period"). The Lease expiration date will be May 31, 2018.

2.2 Basic Rent. The Basic Rent for the Extended Period is as follows:

Lease Period	Base Rent per Sq. Ft.	Rentable Sq. Ft.	Base Rent / Year	Base Rent/ Month	Annual Increase
6/1/15 - 5/31/16	\$21.71	1255	\$27,246.05	\$2,270.50	2.00%
6/1/16 - 5/31/17	\$22.25	1255	\$27,923.75	\$2,326.98	2.50%
6/1/17 - 5/31/18	\$22.92	1255	\$28,764.60	\$2,397.05	3.00%

2.3 Option to Extend. Provided Tenant is not in default, and subject to Landlord's written approval, Landlord grants to Tenant one (1) option to extend the Lease Term for an additional three (3) years (the "Option Period"). Tenant may exercise the Option Period, if at all, by giving Landlord written notice of Tenant's election to extend the Lease Term on or before March 1, 2018. The Basic Rent during each year of the Option Period will be the rate of the immediately preceding year's Basic Rent plus either three percent (3.0%), or the then-current National CPI index that is not seasonally adjusted, whichever is greater.

2.5 Right to Terminate. This Right to Terminate is personal to Tenant and shall be void in the event of an assignment, transfer or sublease. If Tenant elects to move to a property owned by Tenant, its Principal Officer(s), or an affiliate company substantially owned by Tenant or that substantially owns Tenant, Landlord will grant Tenant the right to terminate this Lease provided all the following minimum conditions are met:


- a. The early termination applies to the entire Leased Premises only, not a portion thereof;
- b. The effective early termination date is after June 1, 2016 and Tenant provides Landlord written notice of its intent to exercise this termination right at least ninety (90) days before the effective early termination date.
- c. Tenant is not in default of the Lease and owes no financial obligations to Landlord at the time of lease termination;

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

4. **EFFECTIVE DATE.** This Amendment is effective as of June 1, 2015.

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

**TENANT: De La Warr Investment Corporation, a Delaware Corporation:**

  
\_\_\_\_\_  
Geoffrey P. Shepard  
President and Director

22 Apr 2015  
\_\_\_\_\_  
Date

**LANDLORD: Pima County, a political subdivision of the State of Arizona:**

\_\_\_\_\_  
Sharon Bronson, Chair, Board of Supervisors

\_\_\_\_\_  
Date

**ATTEST:**

\_\_\_\_\_  
Robin Brigode, Clerk of the Board

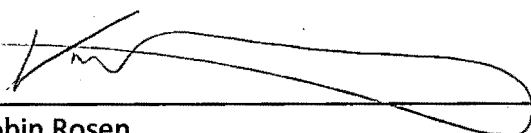
\_\_\_\_\_  
Date

**APPROVED AS TO CONTENT:**

  
\_\_\_\_\_  
Michael L. Kirk  
Director, Facilities Management

4/22/15  
\_\_\_\_\_  
Date

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Tobin Rosen  
Deputy County Attorney

4/21/15  
\_\_\_\_\_  
Date



# CERTIFICATE OF LIABILITY INSURANCE

AZAUT-3

OPID: 1A

DATE (MM/DD/YYYY)

11/21/14

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

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

PRODUCER  
THE MAHONEY GROUP - TUCSON  
5530 N. La Cholla Blvd  
Tucson, AZ 85741-3816  
Jonathan DeBake

Phone: 520-795-8511

Fax: 520-795-8542

CONTACT

NAME

TITLE

E-MAIL

ADDRESS

FAX

(Area, Not)

INSURER'S AFFIDAVIT OF COVERAGE

NAME

INSURER A: Auto-Owners Insurance Company

18586

INSURED  
Arizona Autopark, Inc.  
Attn: Geoffrey Shepard  
33 N. Stone Ave, Ste 560  
Tucson, AZ 85701

AKA: De La Warr Investments, Inc.

INSURER B:

INSURER C:

INSURER D:

INSURER E:

INSURER F:

## COVERAGES

## CERTIFICATE NUMBER:

## REVISION NUMBER:

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

TYPE OF INSURANCE	ADDITIONAL INSURED	POLICY NUMBER	POLICY EFF. DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
<b>GENERAL LIABILITY</b>					
<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY	<input checked="" type="checkbox"/>	6528838515	01/01/15	01/01/16	EACH OCCURRENCE \$ 1,000,000
<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> COMB					DAMAGE TO RENTED PREMISES (PER OCCURRENCE) \$ 300,000
					MED EXP (Any one person) \$ 10,000
					PERSONAL & ADV INJURY \$ 1,000,000
					GENERAL AGGREGATE \$ 2,000,000
					PRODUCTS - COMPOUND \$ 2,000,000
<b>GENERAL AGGREGATE LIMIT APPLIES PER:</b>					
<input type="checkbox"/> POLICY <input type="checkbox"/> PER OCC <input type="checkbox"/> LOC					
<b>AUTOMOBILE LIABILITY</b>					
<input checked="" type="checkbox"/> ANY AUTO		4436556500	01/01/15	01/01/16	COMBINED SINGLE LIMIT (Per accident) \$ 1,000,000
<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS				BODILY INJURY (Per person) \$
<input type="checkbox"/> HIRED AUTOS	<input type="checkbox"/> NON-OWNED AUTOS				BODILY INJURY (Per occurrence) \$
					PROPERTY DAMAGE (Per occurrence) \$
<input checked="" type="checkbox"/> UMBRELLA LIA	<input checked="" type="checkbox"/> COMB CLAIMS-MADE	4428456501	01/01/15	01/01/16	EACH OCCURRENCE \$ 5,000,000
<input type="checkbox"/> EXCESS LIA					AGGREGATE \$ 5,000,000
<input checked="" type="checkbox"/> RETENTION 10000					
<b>WORKERS COMPENSATION AND EMPLOYERS LIABILITY</b>					
<input type="checkbox"/> ANY PROPERTY OR PARTS INVAOLUTIVE OFFICER/EMPLOYEE EXCLUDED? (N/A only to WH)	<input type="checkbox"/> Y/N	N/A			WE STATE: <input type="checkbox"/> OTHER: <input type="checkbox"/>
<input type="checkbox"/> If yes, describe under EXCLUSIONS OF OPERATIONS below:					EL EACH ACCIDENT \$
					EL DISEASE - EACH EMPLOYEE \$
					EL DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Appendix A, or more space is required)

The certificate holder is an additional insured as lessor and property manager, but only if required by written contract between the insured and the certificate holder

## CERTIFICATE HOLDER

## CANCELLATION

PMAC-1

Pima County  
Facilities Management Dept.  
Attn: Delyn Mitchell  
180 W. Congress 5th Floor  
Tucson, AZ 85701

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

AUTHORIZED REPRESENTATIVE

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ACORD 25 (2010/05)

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