



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

Requested Board Meeting Date: December 15, 2015

or Procurement Director Award

**Contractor/Vendor Name (DBA):** Arizona Board of Regents for and on behalf of The University of Arizona

**Project Title/Description:**

UA Downtown Roy Place Amended and Restated Lease.

**Purpose:**

Extend the term of the existing lease by twenty-five years to December 31, 2040 with one option to extend the term for an additional twenty-five years. This extension will allow The University of Arizona ("UA") to expand programs which currently consist of the College of Architecture, Planning, and Landscape Architecture and the College of Social and Behavioral Sciences, increase their community outreach and raise funds for specific infrastructure projects and new programs at the UA Downtown building which they have leased since December 7, 2010. The UA will assume responsibility for all repair and maintenance of the interior and exterior of the building and all building systems that is currently the responsibility of Pima County. The UA has the option to purchase the building and land underneath the building in "As Is" condition during the initial term of this Amended & Restated Lease. The sales price which must meet the requirement of Arizona Revised Statue 11-251(9), will be established based on an appraisal ordered by each party that will be shared with the other party. The UA will receive a credit towards the purchase price for the unamortized cost of alterations in excess of \$100,000.00 that have been made to the building utilizing a 5 year depreciation schedule. If both parties are unable to agree on the purchase price, the UA's exercise of the option will be deemed to be withdrawn, but The UA may exercise the option to purchase again at a later date during the initial term.

**Procurement Method:**

Board of Supervisors Contracts Policy D 29.4.

**Program Goals/Predicted Outcomes:**

The Amended and Restated Lease will transfer the responsibility for all of the maintenance and repair of the building, premises and most building systems from Pima County to the UA thereby saving Pima County approximately \$600,000 over the extended term. The leased premises will be expanded to include the basement which The UA accepts in "As Is" condition.

**Public Benefit:**

The continuation of student and faculty presence downtown will be an economic benefit to downtown restaurants, retail stores and entertainment venues. In addition, they will contribute to the community through service, research and social activity. The University of Arizona will continue to offer educational, research and community outreach facilities while increasing new graduate degree and professional certification programs which will benefit Pima County.

**Metrics Available to Measure Performance:**

The reduction of Pima County's repair and maintenance expenses and the long term presence of The University of Arizona Downtown educational and community outreach programs.

**Retroactive:**

no

10: CWB 12-9-15 (2)  
Pys. 29  
Addendum

PROCURE Dept 12/08/15 PM03:32

**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): 12\*560  
Amendment No.: 1 AMS Version No.: 4  
Effective Date: January 1, 2016 New Termination Date: December 31, 2040  
☐ Expense ☒ Revenue ☐ Increase ☐ Decrease Amount This Amendment: \$2,500.00  
Funding Source(s): revenue to general fund

Cost to Pima County General Fund: \$0.00

Contact: Melissa Loeschen  
Department: Facilities Management Telephone: 724-8230  
Department Director Signature/Date: [Signature] 11/29/15  
Deputy County Administrator Signature/Date: [Signature] 12-7-15  
County Administrator Signature/Date: [Signature] 12/8/15  
(Required for Board Agenda/Addendum Items)

**LEASE AGREEMENT****(AMENDED AND RESTATED)**

This Lease Agreement (this "Lease") is made and entered into effective January 1, 2016 (the "Effective Date"), by and between the ARIZONA BOARD OF REGENTS, a body corporate, for and on behalf of The University of Arizona (hereinafter referred to as "Tenant" or "University") and PIMA COUNTY, a political subdivision of the State of Arizona (hereinafter referred to as "County" or "Landlord").

**RECITALS**

- A. Landlord owns a two story historic building located at the southeast corner of North Stone Avenue and Pennington Street with street addresses of 44 N. Stone and 10 E. Pennington Street in Tucson, Arizona (the "Building"). The Building is located near the Modern Streetcar route which connects downtown to the University of Arizona campus.
- B. Tenant and Landlord entered into a Lease (the "Original Lease") which commenced on December 7, 2010 and expires on July 1, 2016. This Lease allowed Tenant to utilize the first and second floors of the Building, but not the basement, to establish a university center in downtown Tucson called UAD (University of Arizona-Downtown). The Leased Premises have been used by Tenant to offer regular and specialized courses in the College of Architecture, Planning, and Landscape Architecture, and the College of Social and Behavioral Sciences, a retail book store, and establish University computer workstations making access to the University research databases and other library resources available to the downtown community. In addition, faculty of both Colleges have designated UAD as their venue for community outreach activities.
- C. In cooperation with Landlord, Tenant has, since the Original Lease commenced, spent more than \$1 million on improvements to the Building.
- D. The increased presence of the University in the Tucson Central Business District and the accompanying increase in downtown student activity and classroom availability has positively affected the community economically and in other ways. For example, the proximity of the College of Architecture, Planning, and Landscape Architecture to the Planning and Development departments of the City of Tucson and Pima County offers significant public planning benefits as well as heightened educational opportunities.
- E. Tenant and Landlord now wish to enter into a new, longer-term Lease with new terms and conditions, which will supersede and replace the Original Lease. Tenant has provided Landlord with a 25-year plan for the Building (the "25-Year Plan"), which is attached to this Lease as Exhibit B.

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

## AGREEMENT

1. **LEASE/PREMISES.** In consideration of the rent to be paid and all terms, conditions, covenants, and agreements contained in this Lease, Landlord hereby leases and demises to Tenant and Tenant hereby hires, leases and takes from Landlord, the entire Building as shown on the diagrams attached as Exhibit A (the "Premises").
  - 1.1. Condition. Tenant has fully inspected the Premises and accepts the Premises in its existing "As Is" condition, without warranty of any kind from Landlord.
  - 1.2. Easements/Licenses. Tenant takes the Premises subject to all existing licenses and easements, including a Communications Facilities License Agreement (Commercial) granted to CoxCom, Inc.
2. **TERM.** This Lease will become effective, and will supersede the Original Lease in its entirety, as of January 1, 2016. The initial term of the Lease will continue through December 31, 2040 (the "Initial Term"). The parties may, by mutual agreement, extend the term for one additional 25-year period (the "Extension Term"). Tenant must notify Landlord, in writing, not more than three years, nor less than one year, prior to the end of the Initial Term if Tenant wishes to so extend the Lease. "Term" as used in this Lease means the Initial Term, plus the Extension Term if appropriate, as sooner terminated or further extended as provided in this Lease.
3. **OPTION TO PURCHASE.**
  - 3.1. Grant of Option. Landlord hereby grants to Tenant an option to purchase the Building, and the land underlying the Building (together the "Real Property"), 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 two appraisals as set forth below.
  - 3.2. Exercise of Option; Price. Tenant will give written notice to Landlord of its intent to exercise the Option. Within thirty days after receipt of such notice, Landlord will send Tenant the names of three licensed real estate appraisers experienced with the appraisal of properties in downtown Tucson, who are acceptable to Landlord. Tenant will have thirty days to decide from which of the listed appraisers Tenant will order an appraisal, and so inform Landlord. Tenant will order an appraisal of the Real Property from the chosen appraiser, at Tenant's expense. Landlord will order an appraisal from one of the remaining two appraisers, at Landlord's expense. If Tenant objects to all the names on Landlord's list, then Landlord 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.

- 3.3. Landlord 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, subject to the requirement that the price meets the requirements of A.R.S. 11-251(9). Tenant will receive a credit against the purchase price for the unamortized cost of Substantial Alterations (as defined in Section 4.2 of this Lease) that it has made to the Premises, utilizing a 5-year depreciation schedule. If the parties are unable to agree on the price, the Tenant's exercise of the option will be deemed withdrawn.
- 3.4. If Tenant's exercise of the option is deemed to be withdrawn, pursuant to Sections 3.2 or 3.3 above, this will not preclude Tenant from exercising the option again at a later date during the Initial Term.
- 3.5. Conveyance will be subject to a façade easement to be reserved by County, in substantially the form attached hereto as Exhibit C, prohibiting changes to the outside of the Building without the County's consent.
4. ALTERATIONS. Tenant may from time to time during the Term make changes, alterations, additions, substitutions or improvements to the Premises (collectively, "Alterations"), at its sole cost and expense, as set forth below:
  - 4.1. Minor Alterations. Tenant may make any non-structural Alterations that it deems necessary or desirable to adapt the Premises for Tenant's use and occupancy, provided the cost is below the dollar threshold set out below. Tenant will make Alterations to the Premises in a manner that is consistent with the 25-Year Plan.
  - 4.2. Substantial Alterations. Tenant may make no Alterations that will (i) cost in excess of \$100,000; or (ii) involve structural work or changes (including removing walls, changing ceilings, constructing new or closing off existing interior door openings, making any changes to the exterior, or installing anything on the roof); or (iii) involve changes to the electrical, plumbing, security, fire sprinkler, or HVAC systems, unless Tenant first obtains County's written approval of plans and specifications for the Alterations. Landlord will not unreasonably withhold, delay or condition its approval.
  - 4.3. Construction. Manner of Construction. Approved Alterations will be carried out by Tenant using licensed contractors and subcontractors in good standing with the Arizona Registrar of Contractors and reasonably acceptable to County. The work will be done in a manner that does not materially interfere with the business of any adjacent land owner or occupant or negatively impact the integrity of abutting structures such as the County's Legal Services Building at 32 North Stone. The work will be completed promptly and in a good and workmanlike manner in compliance with the approved plans and specifications, and with all governmental permits and requirements, including

ABOR's procurement and construction policies and procedures. Tenant will require all of its contractors to name the County as additional insured and additional indemnitee on all insurance policies covering work performed, and will require them to furnish payment and performance bonds.

- 4.4. 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, and will indemnify and defend County against all legal costs and charges resulting from any such lien.
- 4.5. County Inspection. During construction, the Alterations will be subject to inspection by representatives of County who will be permitted access and the opportunity to inspect the Alterations at all reasonable times, but this provision will not in any way whatsoever create any obligation on County to conduct such an inspection.

5. USE.

- 5.1. Permitted Uses; 25 year Plan. Tenant will use the Premises generally for the purposes and in the manner outlined by the 25-Year Plan, which may be modified and updated by Tenant from time to time. In the event Tenant makes any material revisions to the programs or uses included in the 25-Year Plan, Tenant will provide notice to Landlord of the changes, and commits to working collaboratively to address any concerns Landlord may have. Tenant will update and keep Landlord informed regarding Tenant's use of the Building and will work provide Landlord (the County Administrator or his designee) with notice and information regarding, non-credit professional development or similar programming offered in the Building so that County employees can be provided reasonable opportunities to enroll in those programs.
- 5.2. Prohibited Activities. Tenant will not permit any unlawful activities on the Premises, or any activities that unduly interfere with activities of neighboring property owners/occupants.
- 5.3. County Use of Conference Room. Tenant will allow Landlord to use, without charge, the large classroom facility on the first floor of the Building, or a comparable space within the Building, for up to 6 days per calendar year for academic instruction, professional development, and management training for Pima County elected officials, management and staff. Landlord will schedule this use in cooperation with Tenant in order to avoid disrupting Tenant's use.
- 5.4. 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 agents, employees, contractors or invitees, without the prior written consent of Landlord, 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 of this Lease that is caused by Tenant or its agents, employees, contractors or invitees.

## 6. RENT.

- 6.1. Rental Rate. The rent during the Initial Term will be \$100.00 per year. This nominal rental rate is in exchange for Tenant's undertaking of its various obligations under this Lease, and because the County Board of Supervisors has determined that Tenant's use of the Premises, as outlined in the 25-Year Plan, will continue to enhance the economic well-being of the residents of the County and provides various other public benefits. Rent for the Extension Term will be as agreed upon by the parties at that time, but will take into consideration capital improvements and other investment made by Tenant during the Initial Term and the plans for Tenant's continued investment during the Extension Term.
- 6.2. Payment of Rent. Tenant will pay rent in advance annually on the Effective Date and subsequent anniversaries of that date. Rent will be delivered to Pima County Government, Finance-Revenue Management Division, 33 N. Stone, 6<sup>th</sup> Floor, Mail Stop: DT-BAB6-404, Tucson, Arizona 85701 or such other location as Landlord instructs Tenant in writing.

## 7. UTILITIES, MAINTENANCE AND REPAIR.

- 7.1. Maintenance and Repair. Tenant will, at its own cost and expense, keep the Premises (including the Building interior and exterior, and all building systems) in good condition and repair throughout the Term, preserving the historic character of the Building and its facade. This includes but is not limited to:
- 7.1.1. Elevator certification and maintenance and elevator emergency telephone service.
  - 7.1.2. Annual fire alarm maintenance, and fire suppression system maintenance.
  - 7.1.3. Graffiti removal.
  - 7.1.4. Certification and maintenance of 2 back-flow preventer valves installed in the water lines going into the Building, and the monthly water service associated with usage of the air conditioning compressor and chiller.
  - 7.1.5. Janitorial supplies and services.
  - 7.1.6. Maintenance, replacement and repair of interior flooring, wall finishes, ceilings, lighting fixtures (including ballasts and bulbs), doors and windows (including

breakage of any interior or exterior glass, hardware and locks, and plumbing fixtures, and of any Tenant signage).

7.1.7. Pest and termite control services for the Building.

7.1.8. Repair of any damage from fire, flood, hurricane, windstorm or other casualty or act of God, except that if, at any time during the Term of this Lease, the Premises is partially or totally destroyed through no fault of Tenant and the damage is not covered by the insurance that Tenant is required to carry under Section 8 below (regardless of whether the Tenant in fact has the coverage in place), then Tenant may, instead of repairing and restoring the Premises, elect to terminate this Lease and pay to Landlord any available insurance proceeds, including any amounts allocated to the Building under the State self-insurance program.

7.2. Security. Tenant will provide at its expense all security systems and/or personnel for the Building.

7.3. Parking. Tenant is responsible for the cost of obtaining off-site parking spaces for its employees, students and guests. Subject to availability, Tenant may lease spaces from Landlord at market rates in the County Public Service Building parking garage located at 36 W. Alameda.

7.4. Utilities. Tenant will set up and pay for all utilities to the Building and the Premises including but not limited to electricity, gas, water, sewer, trash and recycling services, cable and any telephone/internet services.

7.5. Taxes. Tenant is responsible for all applicable taxes and assessments related to this Lease, or the Building, and will pay to Landlord, in addition to any other sums due hereunder, any applicable rental taxes for which Landlord is responsible.

8. Insurance and Casualty.

8.1. Property Insurance. Tenant will obtain and keep in effect at all times during the Term a policy of insurance covering loss or damage to the Premises in the amount of its full replacement value (as of the Effective Date, \$3,700,200), providing protection against all vandalism, malicious mischief, and special extended perils (all risk), endorsed to include Landlord as a loss payee. Tenant will annually provide Landlord with a certificate of property insurance showing the required coverage. Tenant is responsible for insuring its personal property in the Premises. Tenant will provide or have its contractors provide, builder's risk coverage during construction of any Alterations.

8.2. Liability Insurance. Tenant will provide proof of commercial general liability insurance or its equivalent in the amount of \$2,000,000 each occurrence in addition to worker's

compensation. The policy must be endorsed to include Pima County as an additional insured.

8.3. Self-Insurance Program. Landlord acknowledges that it has been informed that Tenant is a participant in the State of Arizona Department of Administration's insurance program under A.R.S. § 41-621 and that coverage under said program is sufficient and acceptable to fulfill the Tenant's insurance obligations under this lease. The Tenant's liability insurance shall be primary insurance and non-contributory with respect to all other available sources.

9. Access to the Premises. Landlord may access the Premises at any time for the purpose of inspection or other reasonable purposes. Except in case of an emergency, Landlord will provide Tenant with twenty-four (24) hours' advance notice of Landlord's intent to enter the Building by contacting Tenant's Facilities Management Department at 621-3000. Tenant will provide Landlord current keys or access cards to the Building, which Landlord may use to gain access to the Building on an emergency basis or for scheduled access occurring outside of normal Building business hours.

## 10. DEFAULT.

10.1. Tenant Default. The occurrence of any one or more of the following events constitutes a default and breach of this Lease by Tenant for which Landlord may terminate this Lease or exercise any other remedy available at law or equity:

10.1.1. *Non-use of Premises*. The vacating or abandonment of the Premises, or cessation of activities thereon, or any portion thereof, by Tenant, where such abandonment continues for a period of six (6) months, and is not remedied within ten (10) calendar days after notice of such default is sent by Landlord to Tenant.

10.1.2. *Monetary Obligations*. The failure by Tenant to make any payment required to be made by Tenant hereunder, as and when due, where such failure continues for a period of ten (10) calendar days after notice from Landlord that such payment is due.

10.1.3. *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 or in the exercise of reasonable diligence should have become aware that such activities are being conducted.

10.1.4. *Health and Safety Violation*. Any action or omission by Tenant that, in the Landlord's reasonable judgment, causes a material threat to the health or safety of the general public or the users of the Building or adjacent buildings.

10.1.5. *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 thirty (30) days after written notice thereof by Landlord to Tenant; provided, however, that if the nature of Tenant's default is such that more than thirty (30) days are reasonably required for its cure, then Tenant will not be in default if Tenant commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion provided such cure is completed within one hundred twenty (120) days of the notice by Landlord.

10.2. Landlord Default. Landlord will be in default hereunder if Landlord fails to perform any covenant or condition of this Lease to be performed by Landlord and such failure continues for thirty (30) days after written notice and demand from Tenant (unless the failure is of such a character as to require more than thirty (30) days to cure, in which event Landlord will be in default only if it fails to initiate the cure within thirty (30) days, and thereafter diligently pursue the same to completion).

10.3. Remedies. Either party may pursue any remedies provided by law and in equity for the breach of this Lease, including termination of the Lease, except that Tenant, because of the special nature of this nominal-rent Lease, which does not generate net revenues for Landlord, is not entitled to pursue any monetary damages or penalties.

11. **NOTICES**. All notices to be given under this lease must be in writing and be either served personally or sent by certified or registered mail, return receipt requested, 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 Estate Administration  
UNIVERSITY OF ARIZONA  
1125 N. Vine, Room 103  
Tucson, Arizona 85721  
Telephone: 520/621-1813

*With a copy to:*

Office of the General Counsel  
UNIVERSITY OF ARIZONA  
103 Administration Building  
P.O. Box 210066  
Tucson, Arizona 85721

LANDLORD:

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 St., 3<sup>rd</sup> Floor  
Tucson, Arizona 85701

12. ASSIGNMENT & SUBLETTING. Tenant does not have the right to assign its rights under this Lease or sublease the Premises in whole or in part without the prior written consent of the Landlord. Because of the special nature of this Lease, such consent may be withheld by Landlord in Landlord's sole and unfettered discretion. No consent by Landlord to an assignment or subletting will release Tenant from any of its obligations under this Lease.
13. FURNISHINGS. Tenant has the right to remove from the Premises all furnishings, fixtures, and equipment installed in the Premises by the Tenant. However, in removing any such furnishings, fixtures, or equipment, Tenant will make repairs at Tenant's expense so the Premises are left in "rentable" condition, or at Tenant's option and with Landlord's approval, will leave said items in place and they will become the property of Landlord.
14. NO LIENS OR INTERFERENCE. Tenant agrees not to incur, or if incurred to promptly remove, any obligations, judgments or other actions which result in a lien or encumbrance on the Premises, except as to the leasehold improvements to the Premises owned by Tenant.
15. CONDEMNATION. If all or any part of the Premises are taken under the power of eminent domain or sold under the threat of exercise of that power, this lease may be terminated by Landlord or Tenant without further obligation on the part of either party.
16. QUIET ENJOYMENT. Landlord warrants that Landlord owns the Building and has the full right to make this Lease. Landlord 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.
17. SIGNS. Tenant may, upon obtaining any necessary permits from governmental authorities, and the advance written approval of the design and location of the signs by Landlord, install, maintain and repair at Tenant's own expense signage to the Building. Landlord's consent may not be unreasonably withheld.
18. CHANGE IN OWNERSHIP. If ownership of the Building or the name or address of the party entitled to rent under this Lease changes, Tenant may, until receipt of written notice of such change, continue to pay rent to the party to whom and in the manner in which the last

preceding installment of rent was paid. Tenant will not be subject to double liability for any rent so paid. Any sale of the Building by Landlord will be subject to this Lease.

19. SURRENDER/HOLDING OVER. On termination of Tenant's occupancy, Tenant will surrender the Premises in the condition in which Tenant is required to maintain them under this Lease. If Tenant for any reason and with written consent of Landlord 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 will be as a month to month Tenant, subject to all conditions of this Lease other than the term hereof, at a monthly rent equal to that accruing during the last month of the preceding term.
20. INTERPRETATION OF LEASE. The parties acknowledge that each has had the opportunity to review this agreement with counsel of its or their choice. This lease will not be construed most strongly in favor nor most strongly 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 bind and inure to the benefit of the parties hereto, their successors and assigns.
21. ENTIRE AGREEMENT. This agreement contains the entire agreement between the parties with respect to the Building and any previous agreements, negotiations, or understandings regarding the Building 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.
22. NON-DISCRIMINATION. The parties will comply with all applicable state and federal statutes, regulations and executive orders governing equal employment opportunity, non-discrimination, and immigration.
23. NON-DISCRIMINATION IN EMPLOYMENT: The parties will comply with all provisions and requirements of Arizona Executive Order 75-5, as amended by Executive Order 2009-09, which is hereby incorporated into this contract as if set forth in full herein, including flow down of all provisions and requirements to any subcontractors. During the performance of this contract, neither party will 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.
24. ARBITRATION. The parties agree that any dispute arising under this Agreement involving the sum of FIFTY THOUSAND DOLLARS (\$50,000) or less in money damages only will be resolved by arbitration pursuant to the Arizona Uniform Arbitration Act, A.R.S §12-1501 et seq. (the "Act"), whose rules will govern the interpretation, enforcement, and proceedings pursuant to this section. The decision of the arbitrator(s) is final.
25. STATE OBLIGATION. The parties recognize that the performance by both Tenant and Landlord 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.

26. CONFLICT OF INTEREST. This Lease is subject to cancellation pursuant to the provisions of A. R. S. § 38-511 regarding Conflicts of Interest, the pertinent parts of which are incorporated herein by this reference.
27. AMERICANS 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 facilities and use of the facilities. This does not obligate Landlord to make any modifications to the Building, as a result of any change in the law or regulations, if such repairs are not otherwise legally required.
28. APPLICABLE LAW. The parties will comply with all federal, state and local laws, rules, regulations, standards, Executive Orders, and Pima County Board of Supervisors' policies, including Policy Number C. 3.18 entitled "Tobacco-Free Environment", without limitation to those designated within this Lease. The laws and regulations of the State of Arizona will govern the rights of the parties, the performance of this Lease and any disputes hereunder. Any action relating to this Lease must be filed and maintained in a court of the State of Arizona in Pima County. Any changes in the governing laws, rules, and regulations during the terms of this Lease will apply but do not require an amendment.
29. This Lease is subject to approval by the Arizona Board of Regents pursuant to ABOR Policy #7-207.

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IN WITNESS WHEREOF, we have set our hands and seals on the day and date first written above.

ARIZONA BOARD OF REGENTS  
FOR THE UNIVERSITY OF ARIZONA

PIMA COUNTY, a political subdivision  
of the State of Arizona

By: \_\_\_\_\_

By: \_\_\_\_\_  
Chair of the Board of Supervisors

Date: \_\_\_\_\_

Date: \_\_\_\_\_


ATTEST:

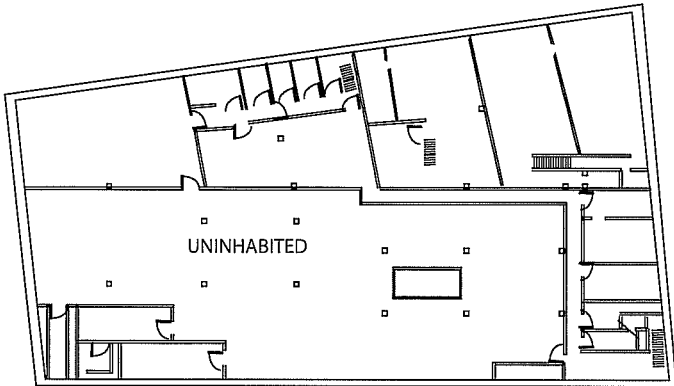
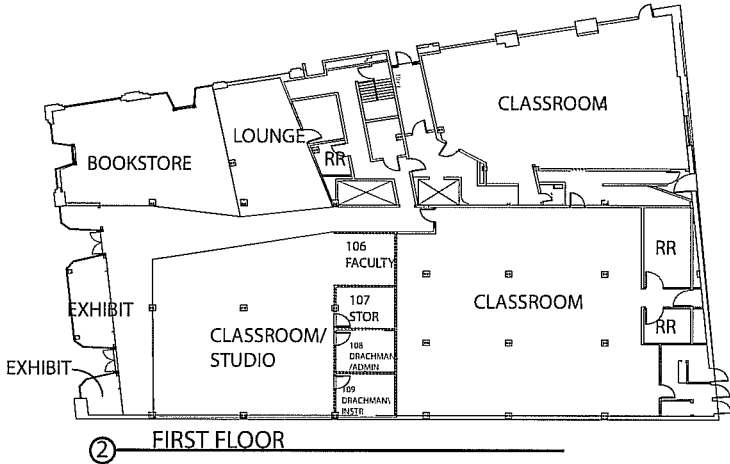
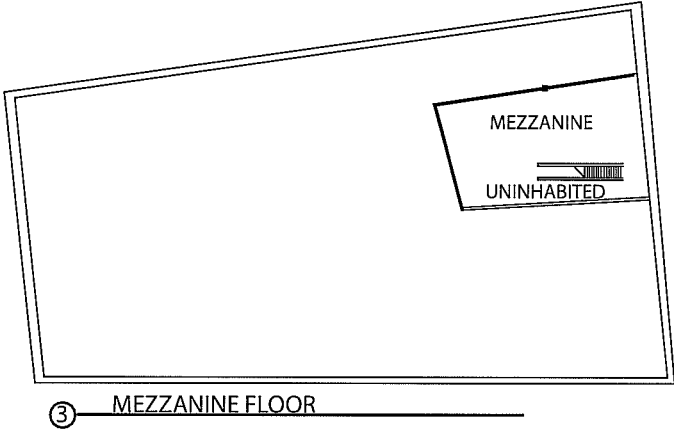
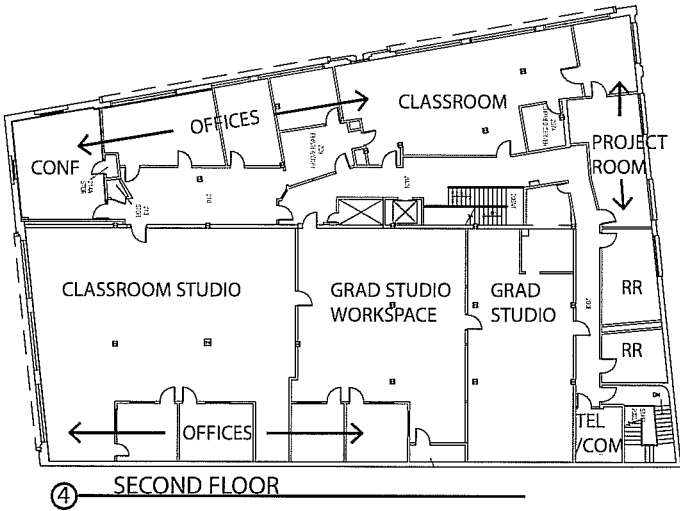
\_\_\_\_\_  
Clerk of the Board of Supervisors

APPROVED AS TO CONTENT:

  
Michael L. Kirk, Director, Pima County  
Facilities Management Department

APPROVED AS TO FORM:

  
Deputy County Attorney



## EXHIBIT B - Roy Place Lease



# University of Arizona Downtown Activity Report Supplement

## 25-Year Plan

For the Optimal Use of the Roy Place Building  
August, 2015

## INTRODUCTION

In July of 2015, the University of Arizona (UA) provided the County with an Activity Report on programs and operations conducted at the downtown Roy Place Building from 2010 to 2015. This report outlined how the UA's College of Architecture, Planning & Landscape Architecture (CAPLA), the College of Social & Behavioral Sciences (SBS), UA Bookstores and the University Library have established thriving graduate and community outreach programs in this building over the past five years, in a very successful partnership with Pima County.

Since 2010, this UA Downtown (UAD) initiative has strengthened UA/community connections, assisted with downtown urban revitalization, served as an incubator for talent, and provided leadership in addressing the region's environmental, social and economic needs. This University/County collaboration has successfully supported cultural and economic growth for the entire downtown community.

This Activity Report Supplement is intended to describe in greater detail how this UA/County partnership will continue to utilize the Roy Place Building to further grow and enhance its community contributions over the next 25 years, in a manner that will mutually support the missions of both the University and County.

This Report Supplement is organized into the following categories of future programs and operations:

- Academic Programs
- Research & Outreach Programs
- Development Initiatives
- Facilities Improvements & Investments

The UA is very thankful for the opportunity to work with the County to develop and grow these important UAD programs, and looks forward to continuing with a successful partnership that will provide benefits to the downtown community far into the future.

## ACADEMIC PROGRAMS

In the next 25 years, the UA plans to maintain and enhance its robust academic programs at the Roy Place/UAD facility, as follows:

- **Solidify existing curricular degree programs:**
  - Masters in Public Administration, currently enrolling 95 graduate/professional students

in the School of Government and Public Policy

- This program prepares men and women for challenging and rewarding careers in the ever changing public and nonprofit arenas
- Program combines curricular structure, physical facilities, and real-world fieldwork to foster managerial skills needed to meet greater demands for accountability and effectiveness
- Masters in Geographic Information Systems and Technology, currently enrolling 20 students in the School of Geography and Development
  - This is a center of an interdisciplinary team specializing in urban and regional planning, design, geographic information systems, and computer science supporting interests of public and private entities to advance knowledge and innovation in the geospatial sciences
  - Masters in Development Practice, currently enrolling 30 students in the School, dedicated to reducing the grinding impacts of global poverty and defining pathways to enhance well-being for the under resourced and socially excluded
  - Program consists of integrating competencies in Public Health, Management, Social and Natural Sciences
- **Develop new degree and certificate programs, including:**
  - Masters in Public Policy, in the School of Government and Public Policy, to train, mentor, and guide leaders committed to public service and public service values
  - Masters and Certificate programs in Sustainable Real Estate Development, in the School of Planning and Landscape Architecture, focusing on sustainable and responsible development, including emphasis on: public/private partnerships, transit-oriented development, sustainable cities, and green building practices.
  - Masters and Certificate programs in Urban Design, a trans-disciplinary program to integrate UA strengths in sustainable cities, public policy, and resource conservation.
  - Create a new Certificate program in Economic Development with AZ Association for Economic Development
- **Create Continuing Education programs for working professionals in government, business and the non-profit sector, utilizing downtime from academic uses.**
  - Economic Development
  - Real Estate Development
  - Non-Profit Management
  - Social Impact Analysis and Program Evaluation
  - Social Media Training

- Business startup/modeling
- Heritage Conservation

- **Resulting growth of new and existing professional programs.**

The following growth is anticipated to occur as a result of the new and enhanced programs described above:

- Grow our programs from 100 current students to over 200
- Increase 19 course offerings per semester to around 30 within the 25 year plan
- Increase from 6 faculty, 4 administrative and 8 Tucson Meet Yourself (TMY) personnel to 12 faculty, 5 administrative and 10 TMY personnel
- Cultivate continuing education and provide training for 100 per year

## **RESEARCH & OUTREACH PROGRAMS**

- **Southwest Folklife Alliance** – working throughout Southern Arizona, this 501c3 with a UA affiliation will be doing in-reach and outreach regarding the region's rich cultural and art heritage and helping non-profits and entrepreneurs develop their capacity in economic development, tourism, and cultural promotion and preservation
  - They have already been successful in bringing in grants from government and private foundations and will continue to strive for more.
  - Build on collaborative efforts with CAPLA's Heritage Conservation program.
- **Sustainable City Project** – will continue to act as a teaching-research-outreach nexus as a partnership between UA's Institute of the Environment, SBS and CAPLA. Based on its initial success in securing outside funding, the Sustainable City Project intends to extend its reach of community partners and impact.
- **Interdisciplinary Urban Design Studio** – will continue to act as a laboratory to address critical urban design challenges in collaboration with rotating resident and invited teaching faculty as well as key community stakeholders. Held each semester, this is the service-learning curricular component of the Sustainable City Project.
- **Drachman Institute** – intends to continue its legacy of funded community outreach projects that provides service-learning opportunities in sustainable community planning, housing and transportation affordability, heritage conservation, public health, and design-build projects.
- **UA Center for Geographic Information Systems and Technology** – to provide training and support for local public and private businesses
- **100% Engagement Initiative** – Continue to use UAD to implement this important element of the UA Never Settle Strategic Plan. Create a 100% Engagement Center to be a hub for all

SBS and CAPLA student engagement activities. This one stop shop will extend current efforts to develop student engagement with a downtown focus, whether in public service, heritage conservation, transportation, planning, or economic development.

- Focus faculty on cultivated engagement opportunities tied directly to downtown area
- Student engagement brings a new vision to companies, many times enhancing or improving their processes, business models/budgeting, and social modeling
- Coordinate with UAD's existing outreach programs – Drachman Institute, Southwest Folklife Alliance, etc. – as venues for community engagement opportunities for other UA colleges.
- **Continue partnerships with local, regional, and national agencies in the development of multidisciplinary projects**
  - Following is a list of current and future partnerships to be pursued:
    - Pima County
    - Pima Association of Governments
    - City of Tucson
    - City of Marana
    - City of Oro Valley
    - Town of Sahaurita
    - TEP
    - Grey Matter Development
    - Lecroy & Milligan
    - Community Food Bank of Southern Arizona
    - Community Foundation of Southern Arizona
    - AZ Humanities
    - City High School
    - Federal, tribal, and state agencies including AZ Dept. of Transportation, National Park Service, Bureau of Land Management, US Forest Service.
  - SFA also works with several other non-profits not listed
- **Funded Projects** – Continue seeking funded projects to develop a self-sustaining business model for UAD research/outreach efforts.
- **Economic Development Strategies** – Continue focus on economic development strategies for City of Tucson and Pima County.

## **DEVELOPMENT INITIATIVES**

A long-term UAD lease extension will help the University to more effectively solicit charitable contributions and grants for the development of long-term academic, research and outreach programs.

- **Corporation & Foundation funding** – Renew efforts to seek external funding from

corporations and foundations to advance the UAD mission and above goals.

- **Acknowledge UA Downtown partners** – Develop strategies to and better disseminate UA Downtown activities to a broader audience, with emphasis on UAD partners.
  - We are looking to generate even more interest and educate public on what UA does downtown by placing digital signage within the window displays

## **CONNECTIONS TO MAIN CAMPUS PROGRAMS**

While UAD programs must operate somewhat independently for their optimal efficiency, they are all integral parts of the College of SBS and CAPLA. The connections and synergies between UAD and Main Campus programs help to further expand the University's engagement with the community and provide added UA program benefits to the downtown area.

- The School of Government & Public Policy are strong at both UAD and the Main Campus. They hold orientations at UAD and continually tie students from the campuses together.
- CAPLA's Interdisciplinary Urban Design Studio brings students and faculty back and forth between UAD and campus creating a vibrant link between the campus and downtown.
- Faculty from all UAD units bring the flavor of main campus to the professional programs delivering the high standards demanded of UA faculty and students.
- Undergraduate students learn what UAD graduate programs hold and the significance of being housed downtown to achieve 100% engagement. They are invited, as well as community leaders, to the Capstone presentations from Grad Students showing how they have integrated and assisted organizations in efficiencies through their projects.
- UAD's other partners, University Library and UA Bookstores, provide access to products and services found on campus and extend them to the community. This extension of the University's mission will be enhanced now that the construction impacting the UAD Library space has been completed, and the Library is committed to furnishing the space to accommodate multiple audiences.

## **ECONOMIC DEVELOPMENT IMPACTS**

The next 25 years of UAD growth and development will also provide economic benefits to the downtown area.

- The UA enterprise at Roy Place will contribute to the economic vitality of the downtown core by bringing students, faculty, staff, and community members into the city center as well as by offering a dynamic educational environment that enriches the quality of life for downtown residents.
- For years, The Colleges of SBS and CAPLA have been committed to the shared vision of making downtown Tucson a desirable place to live, work, play, *and learn*. The College's

investment in Roy Place is one avenue for achieving that goal. We feel confident that the presence of professional programs and community education opportunities enhance downtown's amenities, encouraging more people to visit the downtown core.

- In addition, students, faculty, and staff at Roy Place add to the customer base for downtown businesses as they spend time shopping, dining, and enjoy downtown entertainment options before and after work or class.
- As the community events and degree programs at Roy Place continue to grow over the next 25 years, the economic impact of UA Downtown will be significantly amplified.

## **FACILITIES IMPROVEMENTS & INVESTMENTS**

Existing Facilities Investments - Working collaboratively with the County, the UA has invested over \$1 Million for Tenant Improvements and façade restoration assistance in the previously dilapidated Roy Place Building. This investment, along the County's investment in the restoration of the building facade, has led to the reclamation of one of Tucson's historical architectural treasures.

- **\$1,000,000 spent on 1<sup>st</sup> & 2<sup>nd</sup> Floor Renovations** – With the UA's \$1,015,000 investment in the building's 1<sup>st</sup> & 2<sup>nd</sup> floor interior renovation improvements now completed, this facility currently houses UA programs related to Architecture, Planning, Landscape Architecture, Social & Behavioral Sciences, the UA Library and the UA Bookstore. Future building improvement investments will further allow for the enhanced use of this historic building's as noted in this report.
- **\$392,000 Spent on Past 5 years Operations & Maintenance** – Since the UA occupied the Roy Place Building in 2010, it has spent \$392,000 in routine maintenance and utilities expenses to operate the building. The UA will continue to cover these costs into the future per the negotiated lease extension terms.
- **\$2,000,000 Operations & Maintenance Investment Projection over next 25 Years** – Based on the amount spent for building operations and utilities over the past five years, the UA is anticipated to pay roughly \$2,000,000 for operations over the next 25 years.
- **\$1,137,000 Major Building Maintenance Investment Projected over next 25 Years** – The UA has reviewed the existing building systems at the Roy Place facility, and has found that a number of critical short and long-term HVAC, electrical, elevator, roofing and flooring improvements are needed for the building to be effectively used into the future. The University has prepared a schedule for the completion of these building system improvements and projects that \$1,137,000 will be spent in building maintenance over the next 25 years.
- **Potential Program-Related Interior Improvements** – Additional program-related improvements may also be desired to accommodate future academic, research and

outreach program enhancements within the facility. The scope and costs of these potential improvements will be determined on an as-needed basis.

- **Donor Assistance** – A long-term lease extension will provide the opportunity to request donations in support of our programs to go after many needed renovations to include:
  - New carpet throughout
  - Repair/Extend walls to full ceiling height
  - Rebalance and redistribute HVAC to better serve classrooms and offices
  - Upgrade some electrical components needed
  - Increase the IT speed to support personnel growth and activity
  - Develop more integrated network of UA downtown facilities

EXHIBIT C - Roy Place Lease  
Form of Facade Preservation Easement

**FACADE PRESERVATION EASEMENT**  
**EXEMPT UNDER A.R.S. § 11-1134 (A) (2)**

This FACADE PRESERVATION EASEMENT agreement (the "Agreement") is made by and between the Arizona Board of Regents, a body corporate, for and on behalf of the University of Arizona, ("ABOR"), and Pima County, a political subdivision of the State of Arizona, and existing under the laws of the State of Arizona ("County") (collectively, the "Parties").

**RECITALS**

- A. County is authorized under Arizona's Uniform Conservation Easement Act, Arizona Revised Statutes, Sections 33-271 through 276, inclusive (collectively, as and if amended, the "Act") to hold conservation easements for conservation purposes or to preserve the historical, architectural, archaeological or cultural aspects of real property in Arizona.
- B. County is a political subdivision of the State of Arizona whose responsibilities include the protection of the public interest in preserving historically and architecturally significant structures within Pima County.
- C. County owned and is, concurrently with the grant of this Easement, conveying to ABOR certain property commonly known as the Roy Place Montgomery Ward Building at 44 North Stone Avenue, and 10-18 E. Pennington Street, in Tucson, Pima County, Arizona, which is more particularly described in Exhibit "A" and depicted in Exhibit "A-1" (the "Property").
- D. The building on the Property (the "Building") was designed by prominent Tucson architect, Roy Place. It was constructed in 1928-1929, and was a superb example of the Spanish Colonial Revival style in a commercial building. In 1956, when the Building became a Walgreen's store, the exterior was entirely changed with the addition of ceramic tile sheathing and metal screens.
- E. Utilizing the proceeds of general obligation bonds issued by the County as authorized in a Special Bond Election held in Pima County on May 18, 2004, the County restored the façade of the Building to its 1929 appearance. The Building has been leased to ABOR and utilized by the University of Arizona since 2010. ABOR has exercised its option to purchase the Property under its lease.

- F. The Building may be eligible for listing in the National Register of Historic Places as a contributing property to the Historical and Architectural Resources of Downtown Tucson Multiple Property Documentation Form ("MPDF").
- G. ABOR and County recognize the historical and architectural value and significance of the Building and have the common purpose of conserving and preserving the aforesaid value and significance of the Building.

**NOW, THEREFORE**, the Parties hereto agree as follows:

### **AGREEMENT**

1. **Grant of Easement.** For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, ABOR does hereby irrevocably grant, convey, transfer and assign unto County a façade and preservation and conservation easement (the "Easement"), as defined under the Act, in gross in perpetuity, subject to the terms and conditions of this Agreement, over and upon the Property, including specifically the Building's exterior features (the "Façade").
2. **Purpose.** It is the purpose of this Easement to assure that the defining architectural features of the Façade will be retained and maintained forever, subject to the terms and conditions of this Agreement, substantially in their current or better condition for conservation and preservation purposes and to prevent any use or change of the Façade, except as specifically permitted by this Agreement, that will materially impair or interfere with the Façade's preservation values.
3. **ABOR's Covenants:**
  - 3.1. **Documentation of the Condition of the Building.** The condition of the exterior of the Building, after completion of the County's restoration project, is documented by photographs and files in the Pima County Historic Preservation Office. Those files are deemed to describe the current condition and appearance of the Façade, which is to be maintained.
  - 3.2. **Maintenance of the Site and Facades.** ABOR will maintain the exterior of the Building and its Façade in a good and sound state of repair in accordance with the *Secretary of Interior Standards for the Rehabilitation of Historic Buildings*, and City and SHPO guidelines for the historic district in which the Building is located (the "Standards") so as to prevent the deterioration of the Façade; prevent visual obstruction of the Façade from public viewpoints such as adjacent streets; and prevent the intrusion of new improvements, walls, fences, statues, landscaping or fixtures that substantially modify the public view of the Building and are deemed to be not in accordance with the Standards. ABOR must request and obtain advance approval from the Pima County Historic Preservation Office and SHPO prior to implementing any physical changes to the Building Façade. This provision does not apply to routine maintenance. Subject to

the casualty provisions of Section 10 below, this obligation includes making any replacement, repair and reconstruction, according to the Standards, within a reasonable time whenever necessary to have the external nature of the Building at all times appear to be the same as documented in the County's files.

**3.3. Maintenance of the Structural Elements.** ABOR will maintain and repair the Building as required to ensure the structural soundness and the safety of the Building and the Facade.

**3.4. Inspection.** County may enter the Building periodically to inspect it, at a time mutually agreed upon by ABOR and County.

**3.5. Insurance.** ABOR, at its sole cost and expense, will at all times keep the Building insured at its replacement value on an "all risk" basis to ensure complete restoration of the Facade in the event of loss or physical damage. Said property-coverage policy must contain provisions that ensure that the face amount of the policy is periodically adjusted for inflation, and ABOR will provide a Certificate of Insurance to County evidencing such insurance, including an endorsement naming County as a loss payee as its interest may appear. ABOR may satisfy this requirement through a duly authorized program of self-insurance funded as required by law.

**4. Conditional Rights Subject to Approval by County.** Unless the County provides advance written approval, ABOR may not:

4.1. Increase or decrease the height of, make additions to, change the exterior construction materials or colors of, or move, improve, alter, reconstruct, or change the Facade (including fenestration) of the Building.

4.2. Remove, demolish, or alter any defining historic features of the exterior of the Building that retain significant preservation value.

4.3. Install signage that obstructs the general public view of the Facade.

4.4. Erect satellite receiving dishes or similar electronic frequency receiving or emitting devices on the Building, to the extent they extend above or beyond the parapet of the façade, and would therefore be visible from any adjacent street.

**5. Review of ABOR's Requests for Approval.**

**5.1. Submittal.** If ABOR wishes to do any of the things described in Section 4 above, ABOR must submit a written request for approval to County. The request must include all relevant information, including plans, specifications, and designs where appropriate. ABOR will also provide a timetable for the proposed activity that is sufficient to permit County to monitor the activity. The County Administrator may provide the required approval on behalf of the County, or may in writing designate another official at the

County who is authorized to give the approval.

- 5.2. **County Review.** County reserves the right to consult with governmental agencies, nonprofit preservation and conservation organizations, the SHPO and/or other advisors deemed appropriate by County, concerning the appropriateness of any proposed activity.
- 5.3. **Review Period.** Failure of County to respond to ABOR within 30 days after ABOR's submittal of the approval request will be deemed to constitute approval. A written notice from County, within such 30-day period, that it has received ABOR's request, but will require an additional period of time, up to an additional sixty (60) days, to issue a substantive decision, will constitute a timely response.
- 5.4. **Approval Good for One Year.** In the event that ABOR does not implement an approved activity within one year following approval, the County's approval will be void. ABOR may resubmit the request for approval, but the approval may be given or denied in the County's sole discretion.
6. **Standards for County's Review.** In exercising any authority to inspect the Building, to review any proposed construction, alteration, repair, or maintenance, to review casualty damage or to reconstruct or approve reconstruction of the Building following casualty damage, County will apply the Standards.
7. **ABOR's Reserved Rights Not Requiring Further Approval by County.** ABOR is not required to obtain the County's approval to do the following:
  - 7.1. Engage in any acts and uses that: (i) are permitted by governmental statute or regulation; (ii) do not substantially impair the conservation and preservation values of the Building; and (iii) are not inconsistent with the purpose of this Easement.
  - 7.2. Maintain and repair the Facade according to the Standards, using in-kind materials and colors, applied with workmanship comparable to that of the original County restoration, for the purpose of retaining in good condition the appearance and construction of the Facade.
8. **Runs with the Land.** Except as provided in Section 10, the obligations imposed by this Easement will apply in perpetuity and will be deemed to run as a binding servitude with the Property, binding on all owners of any interest in any portion of the Property.
9. **Recordation.** County will do and promptly record this instrument in the land records of Pima County, Arizona.
10. **Casualty; Application of Insurance Proceeds.**
  - 10.1. In the event of damage or destruction of any portion of the Property or the Building resulting from casualty, ABOR will apply all available insurance proceeds and

donations to repairing that damage.

10.2. If the damage to the Building is of such magnitude and extent that repair and reconstruction of the damage is not financially feasible in light of available insurance proceeds (including self-insurance trust reserves) and other monies available for such repair, ABOR may either (1) raze the damaged Building and remove all debris, slabs, and any other portions and parts of the damaged structure within reasonable time period in order to protect the health, safety and welfare of the public, or (2) propose to the County a partial repair or reconstruction that will, to the extent practicable, preserve historic elements. The County will not unreasonably withhold its consent to a proposed plan. Nothing in this paragraph is intended to supersede or impair the rights to insurance proceeds of a lienholder pursuant to a recorded Deed of Trust or Mortgage applicable to the Site.

11. **Indemnification.** Each party (as Indemnitor) agrees to indemnify, defend and hold harmless the other party (as Indemnitee) from and against any and all claims, losses, liability, costs or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "claims") arising out of bodily injury of any person (including death) or property damage, but only to the extent that such claims, which result in vicarious/derivative liability to the Indemnitee, are caused by the wrongful act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, employees, or volunteers.
12. **Default/Remedy.** If ABOR fails to perform any obligation to which it is subject under this Agreement, County, following prior written notice to ABOR, may institute suit(s) to enjoin such violation and require the restoration of the Building if appropriate; or (ii) correct any such violation itself. ABOR will reimburse the County for any and all costs and expenses incurred in connection with such actions, including all court costs and attorneys' fees.
13. **Waiver.** The exercise by the County of any remedy does not waive or limit the availability of any other remedy under this Agreement, waive or limit the availability of that remedy at any other time.
14. **Amendment.** The Parties may amend this Agreement by mutual consent. Any such amendment must be in writing and must be duly authorized by official action of both Parties.
15. **Notice of Proposed Sale.** ABOR will promptly notify County in writing of any proposed offer to sell the Property or of any listing of the Property for sale and provide the opportunity for County to explain the terms of the Easement to the real estate listing agent and potential new owners prior to sale closing.
16. **Condemnation.** If all or any part of the Property is taken under the power of eminent domain by public, corporate, or other authority, or otherwise acquired by such authority through a purchase in lieu of a taking, ABOR and County will join in appropriate proceedings at the time of such taking to recover the full value of those interests that are subject to the taking and all incidental and direct damages resulting from the taking.

## 17. Effect and Interpretation.

17.1. **Violation of Law.** Nothing contained in this Agreement requires or authorizes ABOR to violate any ordinance or regulation relating to building materials, construction methods or use, and ABOR agrees to comply with all such laws

17.2. **Notices.** Notices must be in writing, delivered personally, by hand delivery to a responsible person, by telephone facsimile, or by deposit in the United States mail, certified mail, return receipt requested, postage prepaid, addressed to ABOR and County at the addresses set forth below or at such other address as a party may designate in writing. A notice is deemed to have been given, received and become effective on the date on which the notice is delivered, if notice is given by personal or air courier service delivery or by telephone facsimile, or 2 days following the date of deposit in the mail, if the notice is sent through the United States mail.

### ABOR:

Director, Real Estate Administration  
UNIVERSITY OF ARIZONA  
1125 N. Vine, Room 103  
Tucson, Arizona 85721  
Telephone: 520/621-1813

### *With a copy to:*

Office of the General Counsel  
UNIVERSITY OF ARIZONA  
103 Administration Building  
P.O. Box 210066  
Tucson, Arizona 85721

### PIMA COUNTY:

Clerk of the Board of Supervisors  
130 West Congress Street, 5<sup>th</sup> Floor  
Tucson, AZ 85701

### *With copies to:*

Pima County Administrator  
130 West Congress Street, 10<sup>th</sup> Floor  
Tucson, AZ 85701  
Attn.: C.H. Huckelberry  
Telecopy: 520-740-8171

*and:*

Chief Civil Deputy Pima County Attorney's Office  
Civil Division  
32 North Stone, 21<sup>st</sup> Floor  
Tucson, Arizona 85701  
Telecopy: 520-620-6556

*and:*

Pima County Cultural Resources Manager  
201 N. Stone Avenue, 6<sup>th</sup> Floor  
Tucson, AZ 85701-1215  
Telecopy: 520-740-6320

- 17.3. **No Liability.** No officer, employee or agent of either Party has any personal obligation under this Agreement.
- 17.4. **Further Documentation.** Each party agrees in good faith to execute such further or additional documents as may be necessary or appropriate to fully carry out the intent and purpose of this Agreement and the Easement.
- 17.5. **Conflict of Interest.** This Agreement is subject to cancellation for conflicts of interest pursuant to A.R.S. Section 38-511.
- 17.6. **Non-Discrimination.** The Parties will comply with all applicable federal and state laws, rules and regulations prohibiting discrimination, including the Americans with Disabilities Act.
- 17.7. **Counterparts.** This Easement may be executed in two counterparts and by each party on a separate counterpart, each of which when so executed and delivered will be an original, but both of which together will constitute one instrument.
- 17.8. **Recitals.** The Recitals at the beginning of this document are incorporated as part of the Parties' Agreement.

**IN WITNESS WHEREOF**, County has caused this Agreement to be executed by the Chairman of its Board of Supervisors, upon resolution of the Board and attested to by the Clerk of the Board, and ABOR has caused this Agreement to be executed by the Chairman of the Board upon resolution of the Board and attested to by its Clerk.

ARIZONA BOARD OF REGENTS

By: \_\_\_\_\_

PIMA COUNTY

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Chairman, Board of Supervisors

\_\_\_\_\_  
Clerk, Board of Supervisors

APPROVED AS TO CONTENT:

By: \_\_\_\_\_  
C.H. Huckelberry  
County Administrator

APPROVED AS TO FORM:

\_\_\_\_\_  
Deputy County Attorney

Exhibits

A: Legal Description

A-1: Depiction Map