



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

☐ Award ☒ Contract ☐ Grant

Requested Board Meeting Date: 10/05/2021

* = Mandatory, information must be provided

or Procurement Director Award: ☐

***Contractor/Vendor Name/Grantor (DBA):**

Gus Amado Jr. & Roberta Lehman (the "Tenant")

***Project Title/Description:**

Ground Lease Agreement RPS File: LCP-0106

***Purpose:**

Ground Lease Agreement between Tenant and Pima County Regional Flood Control District (the "District"). Tenant will use 9.57 acres located in Section 29, Township 19 South, Range 13 East, for agricultural use.

***Procurement Method:**

Exempt pursuant to Pima County Code 11.04.020

***Program Goals/Predicted Outcomes:**

Vacant land will be used for agricultural use and produce rental income.

***Public Benefit:**

Collection of rental income on vacant property.

***Metrics Available to Measure Performance:**

The rental rate of \$720.00 per year is supported by the Appraisal Section Real Property.

***Retroactive:**

No

Location Map attached

TO: COB 9-21-2021 (1)
Vers.: 1
Pgs.: 10

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: CTN Department Code: RPS Contract Number (i.e., 15-123): 22*0031
 Commencement Date: 10/5/2021 Termination Date: 10/4/2026 Prior Contract Number (Synergen/CMS): _____
☐ Expense Amount \$ _____ * ☒ Revenue Amount: \$ 3,600.00

***Funding Source(s) required: _____**

Funding from General Fund? ☐ Yes ☒ No If Yes \$ _____ % _____

Contract is fully or partially funded with Federal Funds? ☐ Yes ☒ No

If Yes, is the Contract to a vendor or subrecipient? _____

Were insurance or indemnity clauses modified? ☐ Yes ☒ No

If Yes, attach Risk's approval.

Vendor is using a Social Security Number? ☐ Yes ☒ No

If Yes, attach the required form per Administrative Procedure 22-10.

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): _____

☐ Expense ☐ Revenue ☐ Increase ☐ Decrease

Amount This Amendment: \$ _____

Is there revenue included? ☐ Yes ☐ 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: \$ _____ ☐ Revenue Amount: \$ _____

***All Funding Source(s) required: _____**

***Match funding from General Fund?** ☐ Yes ☐ No If Yes \$ _____ % _____

***Match funding from other sources?** ☐ Yes ☐ No If Yes \$ _____ % _____

***Funding Source:** _____

***If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?**

Contact: Rita Leon

Department: Real Property Services

Telephone: 724-6462

Department Director Signature: _____

Date: 9/16/2021

Deputy County Administrator Signature: _____

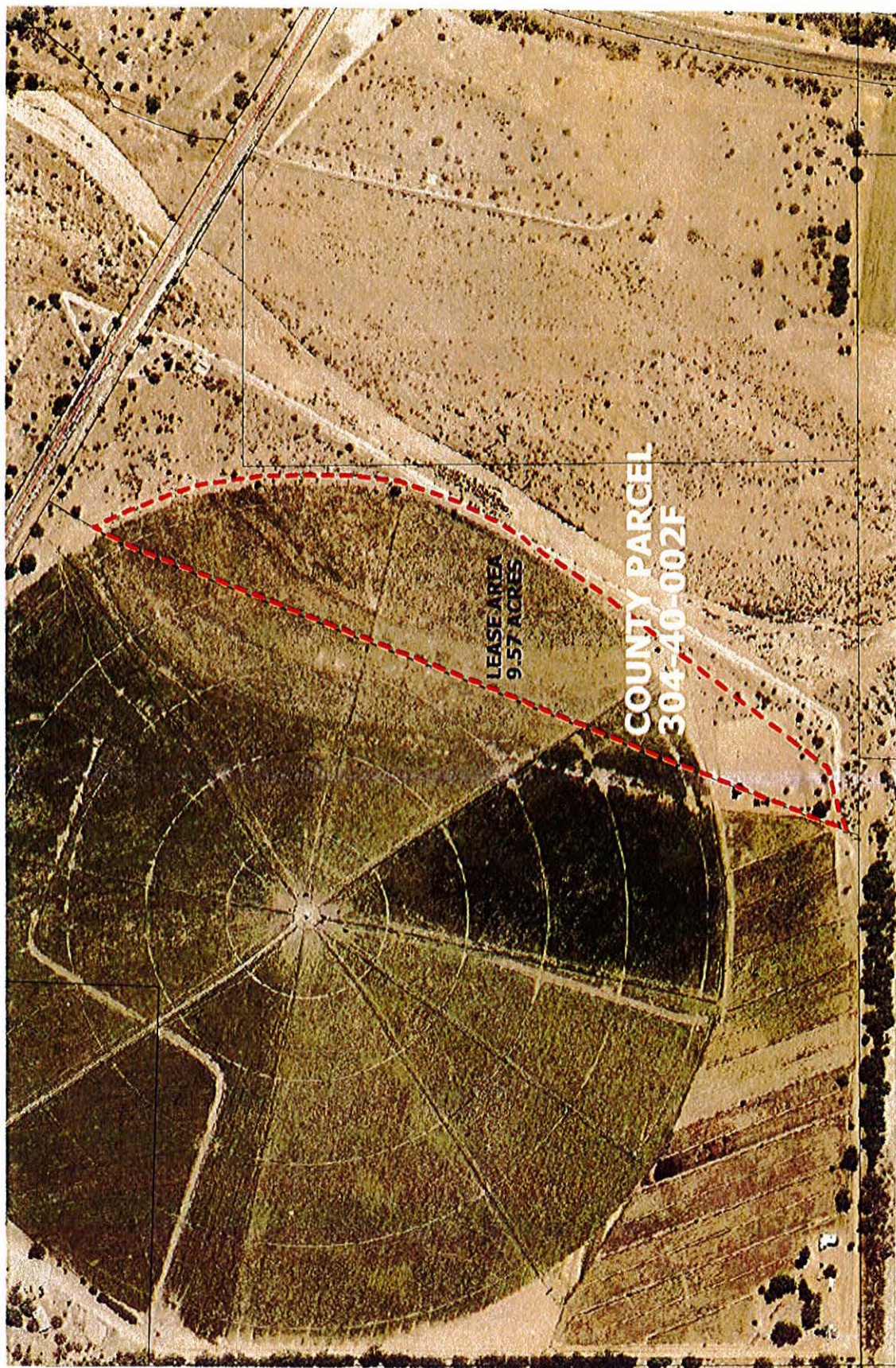
Date: 9/16/2024

County Administrator Signature: _____

Date: 9/16/24

Location Map

ELEPHANT HEAD ROAD LEASE AREA IN RED



<p>DEPARTMENT: Pima County Flood Control</p> <p>TENANT: Gus Amado Jr. & Roberta Lehman</p> <p>DESCRIPTION/ADDRESS OF PROPERTY: Southwest of West Elephant Head Rd. Northwest of Union Pacific Rail Road, south east of I-19, Amado AZ, Section 29, Township 19 South, Range 13 East.</p> <p>REVENUE CONTRACT NO: CTN-RPS-22*0031</p>	<p>(STAMP HERE)</p>
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Ground Lease Agreement

1. PARTIES: This Lease is between Gus Amado Jr. & Roberta Lehman, Husband and Wife (Tenant) and Pima County Regional Flood Control District, a special Taxing District of the State of Arizona (the District). The Effective Date of this Lease is the date on which all parties have signed.

2. BACKGROUND AND PURPOSE:

- 2.1 District owns the real property legally described and depicted on **Exhibit A**, which is a 9.57 acre parcel located in Section 29, Township 19 South, Range 13 East.
- 2.2 District is authorized by A.R.S. §§ 11-256 and 48-3603 to lease the land to Tenant. In compliance with A.R.S. § 48-3603(K), District published notice of the material terms of this lease and the appraised value of the Land as required by A.R.S. § 48-3603.
- 2.3 District hereby leases the land and all improvements currently on the land (together the Premises) to Tenant for Tenant's agricultural use only.
- 2.4 Tenant acknowledges that Premises are in good order and condition and accepts the Premises for lease as is. Tenant's use of the Premises is subject to all existing easements, rights-of-way and setbacks existing as of the date of this Lease.
- 2.5 Tenant may not conduct or permit others to conduct any unlawful activities on the Premises or any activities that unreasonably interfere with activities of neighboring property owners/occupants.

3. TERM: Unless terminated earlier, this Lease will continue for five years from the Effective Date.

4. RENT:

- 4.1 Base Rent: Tenant will pay District Seven Hundred and Twenty dollars (\$720.00) annually for base rent.
- 4.2 Rental Taxes: Tenant is also responsible to pay District any occupancy tax, rent tax, or government property lease excise tax that District is required to pay on account of Tenant's use of the Premises.

5. REPAIR, MAINTENANCE AND UTILITIES:

- 5.1 Maintenance and Repairs: Tenant must keep all improvements on the Premises in good order and repair at Tenant's sole cost and expense, and Tenant must make all repairs and replacements that are necessary to maintain the Premises in its current condition. If Tenant fails to make such repairs, restoration, or replacements, District may make them and Tenant must reimburse District for the costs within ten days after District sends Tenant an invoice.
- 5.2 Entry by District: District reserves the right to enter and inspect the Premises. If District's entry is outside normal business hours, District will give Tenant at least twenty-four (24) hours advance notice. District will make a reasonable effort to not interrupt Tenant's business at the Premises. At all times, District has the right to use any and all means District deems proper and appropriate in the circumstances to access the Premises.
- 5.3 Damage for Casualty: If any improvements on the Premises are damaged or destroyed by any cause whatsoever during this Lease, Tenant must repair and replace such damaged property at its own expense and restore the Premises to its condition immediately prior to the damage or destruction. Tenant's obligations under this Lease are not limited by any insurance available for damage caused by any casualty and will not be terminated or suspended. If the Premises are substantially destroyed by fire or other casualty at any time during the last five (5) years of the Term, then Tenant may terminate this Lease by written notice given to Landlord within sixty (60) days after the date of such destruction, and Tenant will be discharged from responsibility to repair the damage, but Tenant must in that event, at Tenant's sole cost and expense, clean and clear the Land of all debris and repair the Land and install landscaping so that the Land blends in reasonably well with the surroundings.
- 5.4 Utilities: Tenant is solely responsible for all utilities, including electricity, gas, water and sewer, and telecommunication services, fire protection lines and hydrants, that are necessary for its operations on the Premises.

- 6. **ALTERATIONS:** Tenant may not make any changes or improvements to the property except as specifically allowed by this Lease.

7. ENVIRONMENTAL COMPLIANCE:

- 7.1 Hazardous Materials Defined: As used herein, the term "Hazardous Material" means any hazardous or toxic substance, material or waste which is or becomes regulated by any local governmental authority, the State of Arizona, or the United States Government. "Hazardous Material" includes, without limitation, any material or substance that is (i) petroleum or

petroleum products; or (ii) defined as a Hazardous Material under A.R.S. 26-301(8).

- 7.2 Hazardous Materials Prohibited: Tenant may not cause or permit any Hazardous Material to be brought upon, kept, or used in or about the Premises by Tenant, its agents, employees, contractors or invitees, without the District's prior written consent, other than such Hazardous Materials as are customarily necessary or useful to the agricultural use permitted by this Lease. At all times Tenant will comply with all applicable provisions of the Clean Air Act, 42 U.S.C. 7401 *et seq.* and Arizona Revised Statutes, Title 49, Chapter 3 and any other applicable environmental laws or regulations.
- 7.3 Indemnity: If (i) Tenant breaches any obligations in this section (Environmental Compliance), paragraph, (ii) the presence (whether consented to by Landlord or otherwise) of Hazardous Material on the Premises or on or in the soil or ground water under or adjacent to the Premises is caused or permitted by Tenant, its agents, employees, contractors or invitees, (iii) contamination of the Premises or soil or ground water under or adjacent to the Premises by Hazardous Material otherwise occurs for which Tenant is legally liable, or (iv) contamination occurs elsewhere in connection with the transportation by Tenant of Hazardous Material to or from the Premises, then Tenant will indemnify, protect, defend and hold Landlord harmless from any and all claims, judgments, damages, penalties, fines, costs, expenses, liabilities or losses (including, without limitation, diminution in value of the Premises or any part thereof, damages for the loss or restriction on use of usable space or of any amenity of the Premises or any part thereof, damages arising from any adverse impact on marketing of space with respect to the Premises or any part thereof, and sums paid in settlement of claims, attorneys' fees, consultant fees and expert fees) which arose or arises during or after the term of this Agreement as a result of such contamination. The foregoing obligation of Tenant to indemnify, protect, defend and hold Landlord harmless includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal, restoration or other response work required by any federal, state, or local governmental agency or political subdivision because of Hazardous Material present, as a result of any action or inaction on the part of Tenant, its agents, employees, contractors or invitees, in the Premises or the soil or ground water on, under or adjacent to the Premises, or elsewhere in connection with the transportation by Tenant of Hazardous Material to or from the Premises.
- 7.4 Clean-up: Without limiting the foregoing, if the presence of any Hazardous Material on or in the Premises, or the soil or ground water under or adjacent to the Premises caused or permitted by Tenant, or its agents, employees, contractors or invitees results in any suspected contamination of the Premises, the soil or ground water under or adjacent to the Premises, Tenant must promptly notify Landlord in writing and take all actions at its sole expense as are necessary to return the Premises, or such soil or ground water to the condition existing prior to the introduction of any such Hazardous Material to the Premises, or to such soil or ground water; provided that Landlord's approval of such actions is first obtained, which approval may not be unreasonably withheld so long as such actions would

not potentially have any material adverse long-term or short-term effect on the Premises.

- 7.5 Pre-Existing Contamination: Landlord agrees that any Hazardous Materials contaminating the Premises prior to possession of the Premises by Tenant will not result in liability for Tenant under this Paragraph except to the extent such contamination is aggravated by the action or inaction of Tenant.
- 7.6 Notices Regarding Environmental Conditions: Tenant must, within ten (10) business days following receipt thereof, provide Landlord with a copy of (i) any notice from any local, state or federal governmental authority of any violation or administrative or judicial order or complaint having been filed or about to be filed against Tenant or the Premises alleging any violation of any local, state or federal environmental law or regulation or requiring Tenant to take any action with respect to any release on or in the Premises or the soil or ground water under or adjacent to the Premises of Hazardous Material, or (ii) any notices from a federal, state or local governmental agency or private party alleging that Tenant may be liable or responsible for cleanup, remedial, removal, restoration or other response costs in connection with Hazardous Material on or in the Premises or the soil or ground water under or adjacent to the Premises or any damages caused by such release.
- 7.7 Survival: Tenant's obligations under this Section will survive the expiration or earlier termination of this Lease and vacation of the Premises.

8. INSURANCE; INDEMNIFICATION.

- 8.1 Types of Insurance Required: Tenant must procure, prior to beginning any activities on the Premises, and maintain throughout the Term, the following insurance from an insurance company or companies reasonably acceptable to District:
 - 8.1.1 Commercial General Liability insurance with coverage at least as broad as ISO form CG 00 01 in an amount not less than \$2,000,000.00 covering the Premises and all activities thereon, endorsed to include Pima County and the District as additional insureds.
 - 8.1.2 Commercial Automobile Liability insurance with coverage at least as broad as ISO form CA 00 01 in an amount not less than \$1,000,000.00 for vehicles actually used in the operations at the Premises (i.e., not used for simple commuting).
 - 8.1.3 Workers' Compensation insurance with statutory limits, with Employers' Liability coverage in an amount not less than \$1,000,000 per injury, illness, or disease.
 - 8.1.4 Commercial Property, Boiler and Machinery insurance with coverage at least as broad as ISO forms CP 00 01 and BM 00 20, covering the full replacement cost of all improvements on the Premises.
- 8.2 Certificates: Tenant must provide District with copies of certificates of insurance showing the current status of all insurance policies. Tenant must provide full, certified copies of all required insurance policies when requested by District in writing. All certificates of insurance must provide for a guaranteed thirty (30) days

written notice of cancellation, non-renewal, or material change. Any modifying language in a certificate of insurance must be deleted. District and Pima County must be "additional insureds" on all liability insurance policies.

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

8.4 Changes to Insurance Requirements: District may review and alter the coverage, form, and amount of insurance required hereunder at any time. District will notify Tenant in writing of any changes to the aforesaid insurance requirements, and Tenant will have sixty (60) days to comply with the requirements as changed.

8.5 Indemnification: Tenant agrees that, to the fullest extent permitted by law, Tenant will indemnify, defend, and hold harmless District, its officers, employees and agents from and against any and all losses, costs, or expenses (including reasonable attorney fees) incurred or suffered by District 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 Tenant, its agents, employees, invitees, contractors or anyone under its direction or control or acting on its behalf, or anyone permitted by Tenant to conduct any activity on the Premises, or in connection with any use or occupancy of the Premises under the terms of this Lease.

9. DEFAULT/TERMINATION:

9.1 Tenant Default: District may terminate this Lease for any of the following events of default or breach by Tenant.

9.1.1 Ceasing Operation of Premises: Tenant's vacating or abandonment of the Premises, or cessation of activities thereon, or any portion thereof, by Tenant, that continues for a period of ten (10) calendar days after notice of such default is sent by District to Tenant.

9.1.2 Monetary Obligations: Tenant's failure to make any payment required to be made under this Lease when due, which failure continues for a period of ten (10) calendar days after notice from District that such payment is due.

9.1.3 Insurance: Tenant's failure to maintain the required insurance policies for any period of time, in which event Tenant must immediately cease all operations at the Premises until such insurance is obtained. In the event of such a failure, District may in its sole discretion obtain the required insurance coverage and Tenant must reimburse District within five days of District's demand for District's costs to obtain such coverage.

9.1.4 Violation of Law: Tenant's violation of any law, including Tenant's permitting the conduct of any unlawful activities on the Premises.

9.1.5 Health and Safety Violation: Any actions or omissions by Tenant that in District's reasonable judgment, threatens the health or safety of

the general public or the users of the Premises or neighboring properties.

9.1.6 Other Covenants: Tenant's failure to observe or perform any other of the covenants, conditions or provisions required of this Lease, which failure continues for thirty (30) days after written notice thereof by Landlord to Tenant.

9.1.7 District's Option to Cure: If Tenant fails to timely perform any of the covenants or terms required by this Lease. District may, but is not obligated to, perform the required term. In that event, District may charge Tenant for the costs to cure the default, plus interest on the costs at the then statutory rate for interest on judgments until Tenant pays the costs.

10. District's Default: District will be in default if it fails to perform any covenant or condition required of it by this Lease, and such failure continues for thirty (30) days after written notice and demand from Tenant.

11. Remedies: All Remedies Available: Either party may pursue any remedies provided by law and in equity for the breach of this Lease, including termination of the Lease. No right or remedy is intended to be exclusive of any other right or remedy and each will be cumulative and in addition to any other.

12. NOTICES:

12.1 Notices given under this Lease must be in writing and 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:

If to Tenant:	If to District:
Gus Amado, Jr. and Roberta Lehman P.O. Box 73 Amado, Arizona 85645	Director, Pima County Regional Flood Control 201 N. Stone Ave., 9 th Floor Tucson AZ 85701

13. ASSIGNMENT/SUBLETTING: Tenant may not assign, transfer, mortgage, pledge, hypothecate or encumber this Lease or any interest therein and may not sublet the Premises or any part thereof, or allow any other person to occupy or use the Premises, or any portion thereof, without first obtaining the District's written consent. District may withhold consent in its sole discretion.

14. SURRENDER OF PREMISES/HOLDING OVER: On the last day or earlier termination of the Term of this Lease, Tenant will surrender the Premises, together with all Alterations, in good condition and repair, normal wear and tear excepted. Any holding over after the expiration of the Term or earlier termination of the Lease will be construed to be a tenancy from month-to-month tenancy upon the same terms and conditions as this Lease to the extent applicable.

15. SUSTAINABILITY PLAN: In accordance with Pima County's Sustainability Plan, Tenant must use reasonable efforts to use recycled products for its operation within the Premises, and re-use and recycle materials utilized in the Premises to the fullest extent feasible.

16. CANCELLATION FOR CONFLICT OF INTEREST: This Lease may be cancelled for conflict of interest pursuant to A.R.S. § 38-511, the provisions of which are incorporated herein by this reference.

17. TENANT NOT AN AGENT OF LANDLORD: Tenant is not the District's or County's agent for any purpose under this Lease or otherwise. Tenant is solely responsible for control of the activities on the Premises.

18. NON-DISCRIMINATION: Tenant agrees to comply with all provisions and requirements of Arizona Executive Order 2009-09, which is hereby incorporated into this Lease as if set forth in full herein. During the Term of this Lease, Tenant may not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin.

19. NON-APPROPRIATION: Notwithstanding any other provision in this Lease, this Lease may be terminated if for any reason, the County's Board of Supervisors or the District does not appropriate sufficient monies to maintain this Lease. In the event of such termination, District and County will have no further obligations to Tenant.

20. ARBITRATION: The parties agree that any dispute arising under this Lease involving **the sum of fifty dollars (\$50,000) or less in money damages** only will be resolved by arbitration pursuant to the Arizona Uniform Rules of Procedure for Arbitration. The decision of the arbitrator(s) will be final.

21. CHOICE OF LAW: The laws of the State of Arizona will apply to any action relating to this Lease and any court action must be brought in a court in Pima County, Arizona.

22. NON-WAIVER: The failure of either party to insist in any one or more instances upon the full and complete performance of any of the terms and provisions of this Lease to be by the other party, or to take any action permitted as a result thereof, will not be construed as a waiver or relinquishment of the right to insist upon full and complete performance of the same or any other covenant or condition either in the past or in the future. The acceptance by either party of sums less than may be due and owing to it at any time will not be construed as an accord and satisfaction.

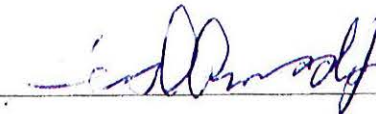
23. INTERPRETATION OF LEASE: This Lease will not be construed in favor or against either of the parties but will be interpreted fairly and equitably to effectuate the intent of the parties. All provisions contained in this Lease will bind and inure to the benefit of the parties hereto, their successors and assigns.

24. ENTIRE AGREEMENT: This Lease contains the entire agreement between the parties and all previous agreements, 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.

25. AMENDMENT: This Lease may not be amended except by a written instrument signed by both parties. Landlord will not enter into any modification of this Lease without the prior written consent of the holder of the Leasehold Deed of Trust provided that Landlord has notice of such secured party's interest in this Lease.

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

TENANT: Gus Amado

By: 

Date: 9/1/21

TENANT: Roberta Lehman

By: 

Date: 9/1/2021

LANDLORD/DISTRICT:

Pima County Regional Flood Control District, a special taxing district of State of Arizona

By: _____
Sharon Bronson, Chair of the Board of Directors

Date: _____

ATTEST:

By: _____
Julie Castañeda, Clerk of the Board of Supervisors

APPROVED AS TO CONTENT:

By: 
Suzanne Shields, Director
Pima County Regional Flood Control District

By: 
Jeffrey Teplitsky, Manager
Real Property Services

APPROVED AS TO FORM:

By: Victoria Buchinger
Victoria Buchinger
Deputy County Attorney

EXHIBIT "A"
(DEPICTION)

ELEPHANT HEAD ROAD LEASE AREA IN RED

