



# City of Flagstaff

## THIRD AMENDMENT to COMMERCIAL LEASE

This Third Amendment to Commercial Lease is entered into this 19<sup>th</sup> day of June 2018 by and between the City of Flagstaff, a municipal corporation of the State of Arizona ("Lessor"), and Southside Community Association, INC., an Arizona non-profit corporation ("Lessee").

### RECITALS

- A. The parties entered into a Commercial Lease dated July 25, 2007 ("the Lease"), for the Murdoch Building, 203 E. Brannen Avenue, City of Flagstaff, Arizona;
- B. The Lease term was extended by a First Amendment dated June 11, 2012 for five years, and then extended by a Second Amendment dated August 21, 2017 for an additional year expiring July 31, 2018;
- C. Lessor is developing a Southside Neighborhood Plan and options for future use of the Murdoch Building;

NOW, THEREFORE, the parties agree as follows:

### AGREEMENT

The Lease is hereby amended (additions shown in capitalized text, deleted text shown as stricken):

Section 1.3 is amended as follows:

1.3. Term and Commencement Date. The Term of this Lease shall commence on August 1, 2007 ("Commencement Date") and shall end at midnight on-JULY 31, 2020, unless terminated earlier as provided in Section 7 ("Termination of Lease.") The parties may renew this lease for up to one (1) additional year upon written approval of Lessee and City Manager on behalf of Lessor.

Section 1.5 is amended as follows:

1.5 Base Rent. The Lessee shall pay the base monthly rent of \$599.32 ("Base Rent") through July 31, 2018. Commencing August 1, 2018, the monthly rent shall be \$1.00 per year.

Section 2 is amended by replacing Section 2.2 as follows:

~~2.2 Early Possession. If the Lessee occupies the Premises prior to the Commencement Date, then (i) such occupancy shall be subject to all provisions of this Lease, (ii) such occupancy shall not change the termination date and (iii) the Lessee shall pay rent for such occupancy.~~

2.2. Lessor Special Uses. Lessor reserves the right to use the premises for City meeting, Indigenous Circle of Flagstaff meeting and Police Department uses (collectively "Lessor Special Uses") free of charge. City meetings may include any city staff meeting, meeting of a public body, or a use approved by the Flagstaff City Manager.

Section 4.3.1 is added as follows:

4.3.1 Notice and Use of Licensed Contractors. Lessee shall promptly notify Craig Smith, Facilities Superintendent via phone (928) 213-2160 or e-mail [craig.smith@flagstaffaz.gov](mailto:craig.smith@flagstaffaz.gov) of any proposed alterations, improvements, or additions. Lessee shall only use qualified contractors and/or

subcontractors licensed with the Arizona Registrar of Contractors to perform any work. If Lessee fails to obtain written consent of Lessor prior to making any alteration, improvement, or addition, Lessor may issue a stop work order and cause Lessee to pay the costs of restoration.

Section 5.2 is amended as follows:

5.2 Services to be Provided by Lessee. Lessee shall maintain, at its own expense all necessary or desired services for the Premises, including, but not limited to electricity, communication services, janitorial services, garbage disposal and snow removal. The Lessor is not obligated to supply or maintain any service or equipment to the Premises. The Lessee shall put, keep and maintain all portions of the Premises, including sidewalks, curbs and passageways adjoining the same in a clean and orderly condition, free of dirt, rubbish, snow, ice and obstructions.

(a) Lessor Special Uses. Lessee will manage Lessor special uses of the premises, including scheduling, setup, opening and closing the facility. Lessor special users will help clean up after an event, to include stacking chairs and trash removal.

Section 7.1 is amended as follows:

7.1 Events of Termination. The Lease shall terminate upon the occurrence of one or more of the following events: (i) By written agreement between the Lessor and Lessee; (ii) by the Lessor pursuant to this Lease; (iii) by the Lessee pursuant to this Lease; (iv) upon lapse of the Term of the Lease; (v) by reason of Sections 8.6 or 8.7 relating to destruction or condemnation of the Premises; or (vi) upon at least 180 days written notice to Lessee by Lessor for convenience.

Section 8.3.1, Prohibition Without Written Consent, is amended to add the last sentence as follows:

Lessee shall not sublet office space or parking spaces without Lessor's prior written consent. Lessor specifically agrees that Lessee may sublet five (5) parking spaces from November 1 to April 15 on a first come, first serve basis to neighborhood residents. For purposes of this section a sublease means a written fixed lease term versus a revocable license to use facilities.

Section 8.3.3, Assignment and Subletting to Flagstaff Cooperative Preschool, Inc., is hereby deleted.

All other terms of the Original Lease shall remain in full force and effect.

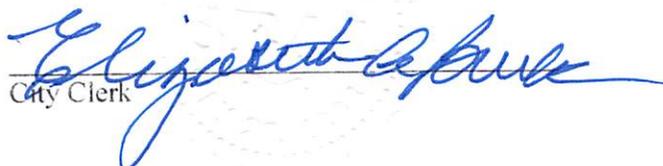
IN WITNESS WHEREOF, the parties have executed this Third Amendment.

LESSOR  
City of Flagstaff

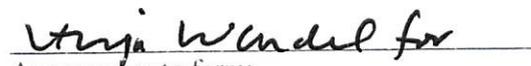
  
Coral Evans, Mayor

LESSEE  
Southside Community Association, INC.

  
Deborah A. Harris, President

  
City Clerk

City Attorney

  
Approved as to form:

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