

**LAKE HAVASU CITY
LEASE AGREEMENT
RIVER CITIES UNITED WAY
Fire Station No. 5**

This Lease Agreement ("Agreement") is entered into by and between Lake Havasu City, an Arizona municipal corporation ("City" or "Lessor") and River Cities United Way ("Lessee"), both individually referenced as the "Party" and collectively referenced as the "Parties." The Parties agree as follows:

1. Property:

City is the owner in fee simple of certain real property located at 145 North Lake Havasu Avenue, Lake Havasu City, Arizona, and legally described as Assessor's Tract: 2324, Block 01, Lot 01 ("Property").

2. Premises:

City agrees to lease to Lessee a 2,050 square foot portion of the Property as shown on the attached Exhibit "A" ("Premises") for Lessee's use for office space purposes.

3. Use:

- 3.1. City agrees that Lessee may use the Premises in accordance with this Agreement. Lessor shall maintain and keep the building, parking area, and common facilities of the Premises in good order condition and repair.
- 3.2. Lessee shall be responsible for its proportional share of utilities to the Premises. Lessee is solely responsible for its telephone expenses and for any costs of displaying its signage on the Property. Signage must be approved by City in writing prior to displaying.
- 3.3. Lessee shall not construct any permanent improvements to the Property without the prior written consent of City and at the end of the Agreement the title to any improvements automatically vests with City. Lessee agrees to keep the Property free and clear of any liens for services, construction, or otherwise.
- 3.4. If requested by City, any improvements installed by Lessee not wanted by the City shall be removed by Lessee upon evacuation of the Property. City shall inspect the Premises after evacuation of Lessee to insure that the Premises has been returned to as good as, or better, condition than existing at the time of execution of this Agreement.
- 3.5. Lessee accepts Premises "as is." City disclaims any warranty, expressed or implied, regarding the condition, use, or fitness of the Premises. City makes no guarantee of the security of Lessee's property.

4. Term:

- 4.1. The terms of this Agreement commence July 1, 2017, and end June 30, 2018, subject to termination as set forth in this Agreement.

5. Rent:

- 5.1 Lessee agrees to remit to City a monthly rent of \$433.37 payable monthly in advance and due on the first day of each month. Rent is calculated at \$0.2114 per square foot (2,050 sq. ft. X \$0.2114).
- 5.2 Rent is payable to "Lake Havasu City, Arizona" submitted to Administrative Services Department, 2330 McCulloch Blvd. N., Lake Havasu City, Arizona 86406.
- 5.3 Delinquent Payment: Payment is delinquent when received ten (10) calendar days or more after the due date. A late fee in the amount of five percent (5%) of the monthly rent will be assessed for each delinquent payment.

6. Termination:

- 6.1 Either party may terminate this Agreement upon sixty (60) days' written notice to the other party without consequence to either party. Lessee, upon written notice of termination of this Agreement by either party, shall discontinue use of Premises at the end of the sixty (60) day notice.
- 6.2 Lessee agrees to vacate Premises promptly upon termination of this Agreement. If Lessee fails to vacate Premises, Lessee authorizes City to remove all personal property from the Premises and in this event Lessee waives any and all claims for damages against City. Nothing herein shall be deemed a waiver of any other rights of City to demand and obtain possession of the Premises in accordance with the law.

7. Default:

In the event of any breach of this Agreement by Lessee, City shall notify Lessee in writing of the breach, and Lessee shall have thirty (30) days in which to cure the breach. If Lessee fails to cure the breach of default within the time limit, then City, in addition to other rights or remedies, has the immediate right of re-entry and may remove all persons and vehicles from the Premises.

8. Right Of Entry Upon Premises:

City and its agents and employees shall have the right to enter the Premises at all reasonable times to inspect and determine if User is performing the terms and conditions required of User under this Agreement and to post reasonable notices as City may desire to protect its rights.

9. Indemnification:

- 9.1 City shall not at any time be liable for injury or damage occurring to any person, property, or vehicle from any cause whatsoever arising out of Lessee's

construction, maintenance, repair, use, operation, condition or dismantling of the Premises.

9.2 To the fullest extent permitted by law, Lessee agrees to indemnify, defend, save, and hold harmless the City, its departments, agencies, boards, commissions, officers, officials, agents, volunteers, and employees (“Indemnatee”) for, from, and against any and all claims, actions, liabilities, damages, costs, losses, or expenses (including, but not limited to, court costs, attorneys’ fees, and costs of claim processing, investigation and litigation) to which any Indemnatee may become subject, under any theory of liability (“Claims”) to the extent that Claims are caused by the negligent acts, recklessness, or intentional misconduct of the Lessee, its officers, employees, agents, or any tier of subcontractor. This Indemnity includes any claim or amount arising out of or recovered under the Workers’ Compensation law or arising out of the failure of Lessee to conform to any federal, state, or local law, statute, ordinance, rule, regulation, or court decree. Lessee agrees it will be responsible for primary loss investigation, defense, and judgement costs where this indemnification is applicable. The amount and type of insurance coverage requirements of this Agreement will in no way be construed as limiting the scope of the indemnity in this Section.

10. Insurance:

10.1 Lessee agrees to procure and maintain, until all obligations under this Agreement are satisfied, insurance against claims for injury to persons or damage to property, which may arise from or in connection with the use of the Premises. These insurance requirements are minimum requirements and in no way limit the indemnity covenant contained in this Agreement. The City in no way warrants that these minimum limits are sufficient to protect the Lessee from liabilities that might arise out of the performance of the services under this Agreement, and Lessee is free to purchase additional insurance.

10.2 Minimum Scope and Limits of Insurance: Lessee shall provide coverage with limits of liability not less than those stated below.

A. Commercial General Liability – Occurrence Form
Policy should include bodily injury, property damage, personal injury, and broad form contractual liability:

General Aggregate	\$2,000,000.00
Each Occurrence	\$1,000,000.00

a. The policy shall be endorsed to include the following additional insured language: “Lake Havasu City, Arizona, its departments, agencies, boards, commissions, officers, officials, agents, volunteers, and employees shall be named as additional insured with respect to liability arising out of the services performed by or on behalf of the Lessee.”

- b. The policy shall contain a waiver of subrogation against the City, its departments, agencies, boards, commissions, officers, officials, agents, volunteers, and employees for losses arising from the services provided by or on behalf of the Lessee.
- 10.3 Lessee's insurance coverage shall be primary insurance with respect to all other available sources. Coverage provided by the Lessee shall not be limited to the liability assumed under the indemnification provisions of this Agreement.
- 10.4 Each insurance policy required by the insurance provisions of this Agreement shall not be suspended, voided, cancelled, reduced in coverage or in limits without ten (10) business days' written notice from the insurer to the City. Notice shall be mailed directly to City [Lake Havasu City, Attention: Community Investment Department, Procurement Division, 2330 McCulloch Blvd. North, Lake Havasu City, AZ 86403] and shall be sent by certified mail, return receipt requested.
- 10.5 Insurance coverage must be provided by an insurance company admitted to do business in Arizona and rated A-VII or better by AM Best's Insurance Rating.
- 10.6 Lessee shall furnish to City certificates of insurance required by this Agreement. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. Certificates shall be mailed directly to City [Lake Havasu City, Attention: Community Investment Department, Procurement Division, 2330 McCulloch Blvd. North, Lake Havasu City, AZ 86403]. If requested, complete copies of insurance policies shall be provided to City. Note Agreement title, date, and purpose on each certificate of insurance. All certificates and endorsements are to be received and approved by the City within ten (10) business days of the effective date of this Agreement. Each insurance policy required by this Agreement must be in effect at or prior to the commencement of the Agreement and must remain in effect for the duration of the Agreement. Failure to maintain the insurance policies as required by this Agreement or to provide timely evidence of renewal will be considered a material breach of the Agreement and the City may terminate this Agreement immediately.
- 10.7 Notice of Cancellation: Each insurance policy required by the insurance provisions of this Agreement shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days prior written notice has been given to City. Such notice shall be sent directly to the address listed in Section 10 "Notice" of this Agreement and shall be sent by certified mail, return receipt requested.
- 10.8 Acceptability of Insurers: Insurance is to be placed with duly licensed or approved non-admitted insurers in the State of Arizona with an "A.M. Best"

rating of not less than A-VII. City in no way warrants that the above-required minimum insurer rating is sufficient to protect Lessee from potential insurer insolvency.

10.9 **Verification of Coverage:** Lessee shall furnish City with certificates of insurance as required by this Agreement. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by City before the lease term commences. Each insurance policy required by this Agreement must be in effect at or prior to the commencement of the Agreement and must remain in effect for the duration of the Agreement. Failure to maintain the insurance policies as required by this Agreement or to provide timely evidence of renewal will be considered a material breach of the Agreement. All certificates required by this Agreement shall be sent directly to City at the address listed in Section 11 "Notice" of this Agreement. The City reserves the right to require complete, certified copies of all insurance policies and endorsements required by this Agreement at any time.

11. Assignment:

Lessee may not assign its rights in this Agreement without the prior, written consent of City; and it shall extend to and be binding upon the heirs, executors, administrators, successors, and assigns of the parties hereto.

12. Notice:

Notices hereunder shall be made in writing and shall be deemed to have been duly given when personally delivered or when deposited in the mail, first class postage prepaid, or delivered to an express carrier, charges prepaid, or sent by facsimile with electronic confirmation, addressed to each party at its address below:

To City/Lessor:

Lake Havasu City
Attn: Office of the City Attorney
2330 McCulloch Blvd. N.
Lake Havasu City, AZ 86403

To Lessee:

River Cities United Way
President/CEO
145 N. Lake Havasu Avenue
Lake Havasu City, AZ 86403

The parties may change their designees by providing written notice to the addressees above.

13. Partial Invalidity:

If any term, covenant, condition, or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

- 14. Integration:**
This Agreement and any attachments referenced herein represent the entire Agreement between the parties hereto and supersede any and all prior negotiations or representations, either written or oral. Amendments or modifications to the Agreement shall be in writing, signed by both parties.
- 15. Governing Law:**
The laws of the State of Arizona shall be applied in interpreting and construing this Agreement.
- 16. Waiver of Performance:**
No failure by City or Lessee to insist upon the strict performance of any term or condition hereof or to exercise any right, power or remedy consequent upon a breach thereof and no submission by Lessee or acceptance by City of full or partial rent during the continuance of any such breach shall constitute a waiver of any such breach or of any such term. No waiver of any breach shall affect or alter this Agreement, which shall constitute in full force and effect, nor the respective rights of Lessee or City with respect to any other then existing or subsequent breach.
- 17. No Partnership, No Third Party Rights:**
Nothing contained in this Agreement shall create any partnership, joint venture or other arrangement between City and Lessee. Except as expressly provided herein, no term or provision of this Agreement is intended to or shall be for the benefit of any person not a party.
- 18. Section Headings:**
The section headings contained in this Agreement are for purposes of convenience and reference only and shall not limit, describe or define the meaning, scope or intent of any of the terms or provisions hereof. All grammatical usage herein shall be deemed to refer to the masculine, feminine, neuter, singular, plural as the contract may require.
- 19. Conflict of Interest:**
This Agreement may be cancelled in accordance with Arizona Revised Statutes ("ARS") § 38-511.
- 20. Lawful Presence/Public Benefit:**
If applicable, User shall comply with ARS §§ 1-501 and 1-502 with regard to demonstrating lawful presence in the United States when applying to receive a public benefit.
- 21. Multiple Originals:**
This Agreement may be signed in duplicate originals for the purpose of providing each party with a completely executed original.

22. Signatures:

Lake Havasu City:

Mark S. Nexsen, Mayor

ATTEST:

Kelly Williams, City Clerk

APPROVED AS TO FORM:

Kelly Garry, City Attorney

River Cities United Way:

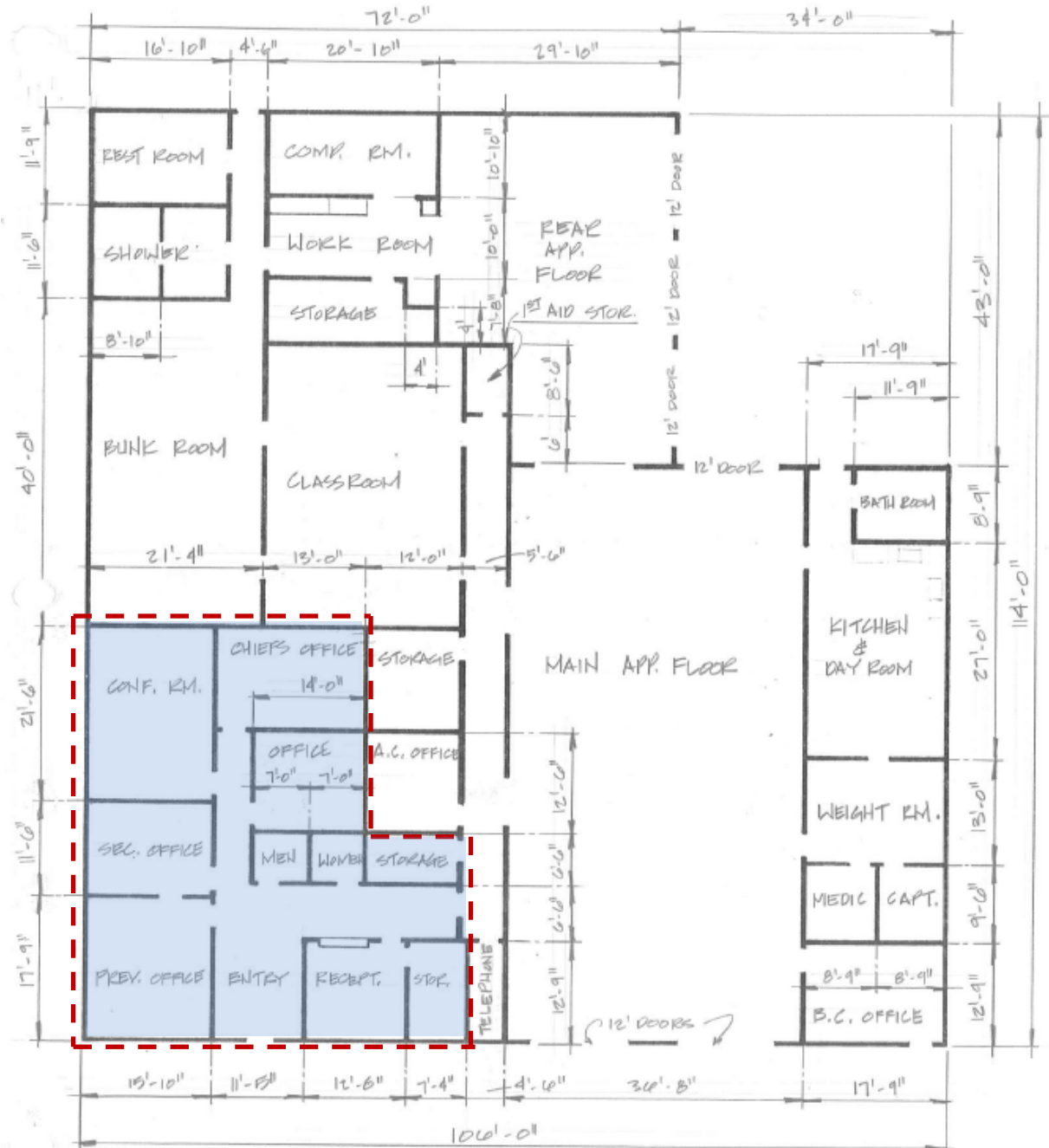
STATE OF ARIZONA)

COUNTY OF MOHAVE)

This instrument was acknowledged before me this ___ day of _____, 2017, by _____
_____ of River Cities United Way.

(Notary Seal) _____
Notary Public

Exhibit A - Leased Area
 Fire Station #5
 145 Lake Havasu Ave. North



Note: The floor plan above is based on when the fire department occupied the entire station.

The shaded area above indicates the area within Fire Station #5 that River City's United Way occupies. The remainder of the station is occupied by the Fire Department.

The total square footage represented within the shaded area equates to approximately 2,050 sq. ft.