

SUBLEASE AND FACILITY USAGE AGREEMENT

THIS SUBLEASE AND FACILITY USAGE AGREEMENT (“Agreement”) is made and entered into this ____ day of _____, 2022, by and between the City of Maricopa, an Arizona municipal corporation (“Sublessor”), and the City of Maricopa Chamber of Commerce, Inc., an Arizona Nonprofit Corporation (“Sublessee”).

1. **Subleased Property.** Sublessor is the “Tenant” of that certain Lease Agreement dated June 25, 2020 between Estrella Gin Business Park, LLC, an Arizona limited liability company (“Master Lessor”) and Sublessor (the original Lease Agreement and all amendments thereto are collectively referred to herein as the “Master Lease”). Sublessor hereby leases to Sublessee, and Sublessee leases and takes from Sublessor the property, consisting of approximately 500 square feet of the building more specifically described in appendix A (“Property”).

Although not part of the Property, Sublessee shall also have access to the meeting room located in the same building as the Property. The City will control the scheduling and fees related to this meeting room which may include, but are not limited to, fees for use, cleaning or repair. In case of a scheduling conflict related to the meeting room, the City shall have first priority and the Maricopa Economic Development Alliance will have second priority.

2. **Rent.** Sublessee agrees to pay the Sublessor monthly rent in the amounts set forth below (“Rent”):

YEAR	MONTHLY RATE
1	\$200
2	\$400
3	\$700

Sublessor shall be responsible for Base Rent, Percentage Rent, and/or Common Area Expenses (as those terms are defined in the Master Lease).

3. **Good and Valuable Consideration.** The Sublessor agrees to sublease, and the Sublessee agrees to take the Property as is where is, under the following conditions:

- A. In addition to the Rent, Sublessee shall provide the following services beginning within six (6) months of the Lease Commencement Date and continuing throughout the Lease Term:
- Assistance for Entrepreneur/new business/small business, which may include but is not limited to training seminars, coaching clinics, networking opportunities, and resource sharing;
 - Maintaining a business registry (“Registry”), initially developed by the Sublessor. The City of Maricopa will provide an initial copy of the up-to-date Business Registry on the Lease Commencement Date (defined

below). The Sublessee will publish the Registry on its website and send an email annually to the members of the Registry for updated contact and business information. The Sublessee may determine any fees or charges related to maintaining the Registry;

- The Chamber sends a weekly newsletter which may include beneficial business tips or grant opportunities. The City can also provide business updates to be included in the newsletter. Registry businesses can sign up to receive the weekly newsletter.
- Grant the City Platinum membership within the Maricopa Chamber of Commerce;
- A member of the City Council or, at Council's pleasure, a City representative (as assigned by the City Manager) shall be appointed to the Chamber board of directors as a non-voting advisory member or guest as required by the Chamber's bylaws;
- Provide quarterly reviews of business-related information about the City on the Chamber website and correction of any dead link found thereon;
- Facilitate new business ground breakings and ribbon cuttings within the city;
- Create, operate, and maintain a Business Retention Program. A Business Retention Program may consist of an annual survey of members of the Registry;
- Create a business plan for the Chamber including, but not limited to, programs to be provided for business retention and increasing membership and submit such plan to the City Council within 6 months from the Lease Commencement Date;
- Hire and maintain an Executive Director within 12 months from the Lease Commencement Date; and
- Attend a joint meeting with the City Council within six months of the Lease Commencement Date and annually thereafter to discuss growth, programs, successes and challenges in the business community and any topics that are common to both entities; and
- Attend the City Council Planning Session to discuss future shared visions.

B. Sublessee shall maintain, at its sole expense, its leased portion of the interior of the building. Pursuant to the Master Lease, the Owner (as defined in the Master Lease) shall keep the Common Areas in a neat, clean, orderly and safe condition, properly lighted and landscaped, and shall repair any damages to the facilities thereof. In the event that there are any charges related to Sublessee's use of the facility, Sublessee shall be responsible for paying its pro rata share of such charges.

C. Sublessor may request occasional use of the Property. Sublessor shall submit all requests in writing with at least ten (10) days' notice to allow Sublessee sufficient time to process the request. Sublessee shall not unreasonably deny such requests,

and shall not charge Sublessor a fee for such usage.

- D. Sublessee shall prepare a written report, no less than annually, to Sublessor detailing the use of the Property by Sublessee during the previous year.

- 4. **Term.** The initial term of this Agreement shall begin on September 1, 2022 (“Lease Commencement Date”) and shall expire on August 31, 2023, or sooner as provided herein. This Agreement is renewable for two (2) additional one (1) year terms upon mutual written agreement of the parties. Either party may terminate this Agreement by providing written notice to the other party at least ninety (90) days before the expiration of the current annual term.

5. **Major Repairs, Maintenance and Improvements**

- A. Sublessee shall not, without first obtaining the written consent of Sublessor, make any alterations, additions, or improvements, in, to or about the Property.
- B. Damage, beyond what is considered normal wear and tear, caused by, or as a result of, the Sublessee’s use or management of the Property shall be repaired by the Sublessee at the Sublessee’s sole expense in a timely manner.
- C. Damage to the Property resulting from age and/or natural deterioration shall be the responsibility of the Sublessor to repair. Sublessee shall notify Sublessor in writing of any such necessary repairs within ten (10) days of discovery. Sublessor may elect, in its sole discretion, to declare the cost of the needed repairs to be too expensive and terminate this Agreement as a result thereof.

- 6. **Assignment and Subletting.** Sublessee shall not sublet or rent any portion of the Property, without the express written consent of Sublessor.

7. **Insurance and Indemnity**

- A. Sublessee shall maintain throughout the term or renewal terms, if any, of this Agreement, at Sublessee’s’ own expense, liability insurance with respect to Sublessee’s’ use and occupancy of the Property, and property insurance to insure against damage to the Property as a result of the Sublessee’s occupancy thereof. Sublessee shall provide Sublessor certificates of insurance with the Sublessor as a named insured in the minimum amount of One Million Dollars (\$1,000,000) for liability and One Hundred Thousand Dollars (\$100,000) for property damage coverage.
- B. Sublessee agrees that neither Sublessor nor Master Lessor shall be liable for loss

or damage to the personal property of Sublessee, Sublessee's employees or invitees or of any person in or about the Premises, nor shall Sublessor or Master Lessor be liable for liability or damage claims for injury to persons or property from any cause relating to Sublessee's use of the Subleased Premises or for claims arising out of damages or losses occurring on other areas immediately adjacent to the Subleased Premises that may be used by Sublessee during the term of this Sublease or any extension thereof. Sublessee shall defend, indemnify and hold Sublessor and Master Lessor harmless for and against all liabilities, causes of action, claims, damages, demands, costs, penalties and expenses (including reasonable attorney's fees and expenses incurred in the defense thereof) resulting from any injury to person or property or from loss of life sustained in or about the Subleased Premises, unless such damage or injury results from the intentional misconduct or gross negligence of Sublessor and Sublessee agrees to hold Sublessor and Master Lessor harmless from, and indemnify Sublessor and Master Lessor against, any and all injury, loss or damage of whatever nature, to any person or property caused by, or resulting from any act, omission, or negligence of Sublessee or any employee or agent of Sublessee. In addition, Sublessee hereby releases Sublessor and Master Lessor from any and all liability for any loss or damage caused by fire or any of the extended coverage casualties, unless such fire or other casualty shall be brought about by the intentional misconduct or gross negligence of Sublessor.

8. **Utilities.** Sublessee agrees to secure and be solely responsible for the cost of any and all telephone, internet and cable utilities incurred for Sublessee's operations at the Property. Sublessee shall make arrangements to pay these respective utility bills in a timely manner. Sublessor shall be responsibly for any and all electricity, water, sewer and gas utilities at the Property.
9. **Signs.** Upon approval from Master Lessor, Sublessee shall have the right to install and maintain, at its sole cost and expense, a sign or signs advertising Sublessee's location, provided that the signs conform to law and further provided that the sign or signs conform specifically to the written requirements of the appropriate governmental authorities and the Master Lease.
10. **Prohibited Activities.** At anytime during the term of this Agreement or extension thereof, Sublessee shall not allow the property to be used for any unlawful purpose, any purpose for which the Property is not suitable, or any purpose inconsistent with the intent of this Agreement including, but not limited to, the sale of alcoholic beverages for consumption on or off of the premises.
11. **Entry and Inspection.** Sublessee shall permit Sublessor or Sublessor's agents to enter upon the Property at reasonable times and upon reasonable notice, for the purpose of inspecting the same.
12. **Sublessor's Remedies on Default.** Failure of Sublessee to comply with each and every

term and condition of this Agreement shall constitute a breach of this Agreement. In the event of a breach of this Agreement, Sublessor shall provide Sublessee written notice of such breach and ten (10) days' notice to cure all breaches. In the event Sublessee fails to cure the breaches, Sublessor shall have all rights and remedies provided by law.

13. **Sublessee's Remedies on Default.** In the event of a breach of this Sublease by Sublessor, Sublessee's sole and exclusive remedy shall be to terminate this Sublease.
14. **Quiet Enjoyment.** Sublessor covenants that Sublessee, upon providing the services set forth in Section 2 herein and upon the due performance of all the terms, covenants, conditions and agreements herein contained on Sublessee's part to be kept and performed, shall have, hold and enjoy the Property free from molestation, eviction, or disturbance by Sublessor, or by any other person or persons lawfully claiming the same, and that Sublessor has good right to make this Agreement for the full term granted, including renewal periods.
15. **Surrender and Holding Over.** Sublessee shall surrender the Property and remove all of Sublessee's personal property from the Property on termination of this Agreement. Any holding over by Sublessee without the express authorization of Sublessor shall be treated as a tenancy from month-to-month, at a rental rate equal to the monthly rent at current fair market value, payable on the first day of each month, and Sublessor shall retain all remedies under this Agreement and rights under the law for removal of Sublessee from the Property.
16. **Subordination.** This Agreement is and shall be subordinated to all existing and future liens and encumbrances against the Property.
17. **Time of Performance.** Time is of the essence in the performance of the parties' obligations set forth herein.
18. **Heirs, Assigns, Successors.** This Agreement is binding upon and inures to the benefit of the heirs, assigns and successors in interest to the parties.
19. **Notices.** Any notice which either party may or is required to give, shall be given by mailing the same, postage prepaid, as to:

Sublessor: City Manager
City of Maricopa
39700 W Civic Center
Plaza Maricopa, AZ
85138

Sublessee: Maricopa Chamber of
Commerce
44870 W Hathaway Ave Ste 5,
Maricopa, AZ 85139

20. **Binding Effect: Choice of Law.** This Agreement shall be binding upon the parties, their personal representatives, successors and assigns and shall be governed by the laws of the State of Arizona. Any litigation between the Parties hereto concerning this Agreement shall be initiated in Pinal County.
21. **Entire Agreement.** The foregoing constitutes the entire agreement between the parties and supersedes all prior verbal or written agreements between the parties pertaining to this Agreement. This Agreement may be modified only by a writing signed by both parties.
22. **Conflict of Interest.** This Agreement is subject to the provisions of A.R.S. § 38-511.
23. **Termination for Non-Appropriation.** This Agreement shall terminate at the end of the then current fiscal period for non-appropriation of funds if Sublessor's governing body fails to appropriate funds to pay for the obligations required of it by this Agreement or the Master Lease. Such cancellation shall be upon ninety (90) days written notice to the Sublessee. The Sublessor's fiscal period ends June 30 of each year. Funding under this Agreement beyond the current appropriation year is conditional upon the appropriation by the Maricopa City Council of sufficient funds to pay for this Agreement. Should such appropriation not be approved, this Agreement shall terminate at the close of the current appropriation year.
24. **Consent of Master Lessor.** This Agreement shall only become effective upon written consent of Master Lessor to this subletting of the Property. Further, by signing this Agreement, Sublessee expressly consents to be bound by the terms and conditions as outlined in the Master Lease.

Signed this ____ day of _____, 2022.

"Sublessee"

CITY OF MARICOPA CHAMBER OF COMMERCE
an Arizona Nonprofit Corporation

DocuSigned by:
Dr. Yolanda Rodriguez
By: _____
Its: President/Chairwoman

"Sublessor"

City of Maricopa
a municipal corporation,

Ricky A. Horst

City Manager

ATTEST:

APPROVED AS TO FORM:

Vanessa Bueras, MMC
City Clerk

City Attorney

ACKNOWLEDGED AND CONSENTED TO:

“Master Lessor”

Estrella Gin Business Park, LLC,
an Arizona limited liability company

By: _____
Its: _____