



City of Maricopa

Legislation Text

File #: CON 15-36, **Version:** 1

The Mayor and City Council shall discuss and possibly take action on approval of an amendment to the existing lease agreement with Revilo, L.L.C. to address the increased taxes between July 1, 2014 and February, 2015. Discussion and Action.

On March 20, 2012, the Maricopa City Council approved a Lease Agreement with Revilo, L.L.C. for the leasing of approximately 5.43 acres of vacant property located at 45145 W. Madison Avenue. Pursuant to Section 21 of the Lease, the Lease may be modified by written agreement signed by both parties. Additionally, Section 8.0 of the lease states, "(i)f during the period of this Lease, the Premises are reclassified for tax purposes, the Tenant and Landlord agree to renegotiate the terms of this Lease." Effective July, 2014, Pinal County reclassified the property causing an increase in rent of \$12,094.08 per year.

On February 3, 2015, Council authorized a budgetary transfer in the amount of \$12,094.84 and approved an amendment to the existing lease agreement, authorizing an increase in the monthly payment and coverage of the increase in rent. The amendment only covered the increased rent from February, 2015 to the end of the fiscal year. This additional modification will authorize payment of the increased rent covering the period between July 1, 2014 to February, 2015.

The modification is necessary, due to the Public Works facility and Police Volunteer building still remaining on the property. Both operations are expected to remain on the property until the Public Works/City and Fire Department Fleet building is constructed.

This item will be presented by Public Works Director/City Engineer William P. Fay.

Staff recommends the Mayor and City Council approve an amendment to the existing lease agreement with Revilo, L.L.C. to address the increased taxes between July 1, 2014 and February, 2015.