CITY CLERK
ORIGINAL

C-7874
12/13/2011

When recorded, return to:

City Clerk
CITY OF GLENDALE
5850 West Glendale Avenue
Glendale, AZ 85301

Food Bank Lease Agreement

This Food Bank Lease Agreement ("Lease") is executed to be effective December 13, 2011, 2011, between the City of Glendale, an Arizona municipal corporation ("City"), and Hope For Hunger Corporation, an Arizona non-profit corporation ("Lessee").

RECITALS

A. The City is the owner of the real property, a 4,700 square foot building and certain equipment, located at 5605 North 55th Avenue, Glendale, Arizona 85301, as described in **Exhibit A** ("Premises");

B. Lessee desires to enter into a Lease with the City for the Premises; and

C. The City recognizes the importance of the use of the Premises for the distribution of food to low and moderate income persons as described in **Exhibit A**.

AGREEMENT

In consideration of the following mutual covenants and conditions, the parties agree as follows:

1. **Leases; Privileges; Restrictions.** The Premises will be used by the Lessee for the operation of a food bank distribution center and a referral office for social service activities to low and moderate income persons residing in the City, which purposes are consistent with the nature of the facility and its location.

2. **Term.** The term of the Lease shall be for a period of three (3) years commencing December 13, 2011, and expiring on December 13, 2014, unless terminated sooner under these Lease provisions. The City grants to Lessee an option to renew this Lease for one (1) two-year period, subject to the same terms and conditions as are contained in this Lease, so long as Lessee is not in default of any of its obligations under this Lease at the time of renewal. To exercise the renewal option, Lessee must deliver to the City a thirty (30) days written notice prior to the expiration of the original term and receive the City's written concurrence.

3. **Rent.** The Lessee shall pay the City rent in the amount of one dollar and no cents ($1.00) per year during the term of this Lease for the Premises.

4. **Utilities.** The Lessee shall pay, before delinquency, all charges for water, gas, electric, telephone, and any other utility service used on or serving the premises during the Lease term. The failure to maintain all utilities on the Premises shall constitute a breach of the Lease and will place Lessee in default.

5. **Operation.** The Lessee agrees to provide and pay for all the operations of the Premises, including all programs, supervision, supplies, maintenance, and insurance.

6. Services to Be Rendered.

6.1 Management: The Lessee agrees to operate and manage the services provided on the Premises effectively and efficiently and agrees to provide adequate supervision during open hours.

6.2 Hours of Operation: The Lessee agrees to conduct activities on the Premises to conform with the hours and days of operation identified in **Exhibit A**. The hours may be modified with prior notice to the City. Any reduction in total hours per week must be approved by the City.

6.3 Employees of Lessee: The Lessee will ensure that its paid and unpaid staff shall conduct themselves in a professional manner. The Lessee shall make every effort to maintain staffing adequate to administer the operations specified above and to provide adequate supervision for all activities that take place on the Premises. The Lessee will ensure that the Premises is adequately staffed to provide on-site referral services to any first-time clients who come to the Premises without a referral.

6.4 Continue Occupancy: The Lessee agrees to continuously and uninterruptedly, during the term of the Lease, occupy and use the Premises for the purposes specified above, unless the Premises are untenable by reason of fire, flood, or unavoidable casualty.

6.5 Inspections: City reserves the right to make inspections of the Premises. Except in unusual circumstances, these inspections will be made after notification and during normal business hours.

7. Insurance.

7.1 Lessee shall procure and at all times maintain the following types and amounts of insurance for its operations on the Premises.

a. Commercial general liability insurance in the amount of $1,000,000 single limit per occurrence. Such insurance must include broad form contractual coverage, property damage, and personal injury coverage, products/completed operations coverage, premises/operations coverage, and personal/advertising injury coverage. The general aggregate limit shall be twice the occurrence limit.

b. Workers' compensation and employer's liability coverage in the amounts required by law.

c. Insurance must be in a form satisfactory to and from a company acceptable to the City's Risk Manager, name the City as an additional insured and require thirty (30) days written notice to the City before modification or termination. The insurance must also include contractual liability coverage for the obligation of indemnity assumed in this Lease.

d. Property coverage for all improvements and fixtures on the property in an amount not less than the full replacement value thereof, to the extent such coverage is available to Lessee.

e. Commercial automobile liability insurance for all owned, non-owned, and hired vehicles in the amount of $1,000,000 combined single limit for bodily injury and property damage per occurrence.

7.2 The City shall provide property insurance for the building(s) on the Premises only.

7.3 Lessee must provide proof of insurance as required above within thirty (30) days after the commencement of any renewal period.

8. **Quiet Enjoyment.** So long as Lessee timely pays the rent required under this Lease and performs all other obligations under this Lease, Lessee may peaceably have and enjoy the exclusive use of the Premises and all the privileges granted under this Lease.

9. **Repairs and Maintenance.**

9.1 The City agrees to maintain and repair all major exterior or external portions and systems of the Premises, including the roof, electrical service panel, any external electrical system issues, HVAC units and systems, evaporative cooler, and plumbing. Upon request the City agrees to respond to any problems within two (2) working days. The Lessee agrees to maintain and repair all other portions and systems in the Premises, including plumbing, heating, and air conditioning ducts, walls, windows, doors, floors, and cabinets. The Lessee also agrees to maintain exterior walls, trim and paint, sidewalks, exterior landscaping, and will also maintain the refrigeration and freezer units. More specifically, the Lessee agrees to paint and to replace broken glass within forty-eight hours after receipt of notice of each occurrence in order to maintain an attractive Premises.

9.2 Except as herein provided, the Lessee acknowledges that it is leasing the Premises and equipment solely in reliance on its own investigation thereof, that no representations, warranties, or statements have been made by the City concerning the condition or fitness thereof, and that by taking possession of the Premises and equipment, the Lessee accepts the same in their present conditions "as is."

9.3 Should the Lessee fail to make repairs to keep the facility in a sanitary and safe condition, the City reserves the right to enter the Premises for the purpose of making emergency repairs and to charge the cost of repairs to the Lessee.

10. **Additions and Alterations.** The Lessee shall not permit or install any sign on the Premises without prior written approval of the City. The Lessee shall not make additions or alterations to the Premises without prior written approval of the City. Any alterations which become a fixed part of the Premises will be considered part of the real property and shall not be removed when the Lease is terminated, unless prior written approval is received from the City. Such permanent alterations would include, but not be limited to, attached recreational equipment, carpeting, wall-hung cabinets, draperies, porches, and awnings.

11. **Termination of the Lease.** Within thirty (30) days of expiration of the term of this Lease, the Lessee will transfer to the City all real property in the same condition as it was received, excepting normal wear and tear.

12. **Default.** If the Lessee fails to perform any act required herein, the Lessee shall have a period of fifteen (15) days after receipt of notice thereof from the City to cure such default, provided that if the nature of a nonmonetary default is such that it cannot be fully cured within said fifteen (15) days period. Lessee shall request in writing such additional time as may be reasonably necessary to cure such default and the City may honor such request so long as the Lessee proceeds promptly after service of the City notice and proceeds diligently at all times to complete said cure. If the Lessee fails to comply with any provisions of this Lease, Lessee shall be deemed to be in breach of this Lease with or without further notice or demand of any kind may terminate the Lessee's right to the possession of the Premises because of such breach and recover from the Lessee all damages which

may have accrued to the premises. Notice of default shall be deemed received by the Lessee when actually received or three (3) days after such notice is mailed to the Lessee, whichever occurs first.

13. Notice.

13.1 All rents or other sums, notices, demands, or requests required or permitted to be given under this Lease may be personally delivered or mailed by certified mail, return receipt requested, postage prepaid, to the following addresses:

TO THE CITY:	City of Glendale Attention: Community Revitalization Administrator 5850 West Glendale Avenue Glendale, Arizona 85301
WITH A COPY TO:	City of Glendale Attention: City Attorney 5850 West Glendale Avenue Glendale, Arizona 85301
TO THE LESSEE:	Hope for Hunger Corporation Attention: Randy Rodriquez, President 5605 North 55th Avenue Glendale, Arizona 85301

13.2 Each party shall have the right from time to time to designate a different address by notice given in conformity with this section.

14. Severability. If any provision of this Lease is declared invalid by a court of competent jurisdiction, the remaining terms shall remain effective, provided that elimination of the invalid provision does not materially prejudice either party with regard to respective rights and obligations.

15. Litigation. This Lease is governed by the laws of the state of Arizona. If litigation or arbitration between the City and Lessee arises under this Lease, the successful party is entitled to recover its reasonable attorney's fees and expert witness fees and other costs incurred in connection with any claim, litigation, arbitration, or mediation. Both parties waive any right to a jury trial and consent to a trial to the court.

16. Alcoholic Beverages. The Lessee shall not provide, or allow to be provided, any alcoholic beverages on this facility throughout the course of this Lease.

17. Discrimination. The Lessee shall not discriminate against any employee or volunteer applicant for employment, or applicant for service because of race, color, religion, sex, national origin, or handicap. The Lessee will take affirmative action to ensure that applicants and employees are treated without discrimination without regard to race, color, religion, sex, national origin, or handicap.

18. Requirements Made by the U.S. Department of Housing and Urban Development ("HUD"). The Premises has been rehabilitated with Community Development Block Grant funds from HUD. Lessee agrees to comply with any requirements made by HUD to the City concerning the premises.

19. Assignment. This Lease is not assignable by Lessee without written permission of the City.

20. Conflicts. This lease is subject to cancellation for conflicts of interest under the provisions of A.R.S. § 38-511.

21. Immigration Law Compliance.

21.1 The Lessee, and on behalf of any sub-contractor, warrants, to the extent applicable under A.R.S. § 41-4401, compliance with all federal immigration laws and regulations that relate to their employees as well as compliance with A.R.S. § 23-214(A) which requires registration and participation with the E-Verify Program.

21.2 Any breach of warranty under this Section is considered a material breach of this Lease and is subject to penalties up to and including termination of this Lease.

21.3 The City retains the legal right to inspect the papers of any Lessee or sub-contractor employee who performs work under this Lease to ensure that the Lessee or any sub-contractor is compliant with the warranty under this Section.

21.4 The City may conduct random inspections, and upon request of the City, the Lessee will provide copies of papers and records of the Lessee demonstrating continued compliance with the warranty under this Section. The Lessee agrees to keep papers and records available for inspection by the City during normal business hours and will cooperate with the City in exercise of its statutory duties and not deny access to its business premises or applicable papers or records for the purposes of enforcement of this Section.

21.5 The Lessee agrees to incorporate into any subcontracts under this Lease the same obligations imposed upon the Lessee and expressly accrue those obligations directly to the benefit of the City. The Lessee also agrees to require any sub-contractor to incorporate into each of its own subcontracts under this Lease the same obligations above and expressly accrue those obligations to the benefit of the City.

21.6 The Lessee's warranty and obligations under this Section to the City is continuing throughout the term of this Lease or until such time as the City determines, in its sole discretion, that Arizona law has been modified in that compliance with this Section is no longer a requirement.

21.7 The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program.

22. Prohibitions. The Agency certifies under A.R.S. §§ 35-391 *et seq.* and 35-393 *et seq.*, that it does not have, and during the term of this Lease will not have, "scrutinized" business operations, as defined in the preceding statutory sections, in the countries of Sudan or Iran.

(Remainder of this page is intentionally left blank)

EXECUTED to be effective as of the date stated above.

CITY OF GLENDALE, an Arizona municipal corporation

Horatio Skeete for

By: Ed Beasley
Its: City Manager

ATTEST:

Pamela Hanna, City Clerk (SEAL)

APPROVED AS TO FORM:

Craig Tindall, City Attorney

12/20/2011

Randy Rodriguez
President

HOPE FOR HUNGER CORPORATION, an Arizona non-profit corporation

By: Randy Rodriguez

Its: President

State of Arizona)
) ss.
County of Maricopa)

On this the 20th day of December, 2011, before me, the undersigned Notary Public, personally appeared Randy Rodriguez, who acknowledged himself/herself to be the President of Hope for Hunger Corporation, and that he as such official, being authorized to do so, executed the foregoing Lease for and on behalf of said corporation for the purpose and consideration therein expressed.

IN WITNESS WHEREOF, I hereunderto set my hand and official seal.

Summer Steinke
Notary Public

My commission Expires:

1/9/2015

OFFICIAL SEAL
SUMMER STEINKE
Notary Public - State of Arizona
MARICOPA COUNTY
My Comm. Expires Jan. 9, 2015

EXHIBIT A
Food Bank Facility and Operating Information

1. Facility Information and Description

1.1 The City of Glendale ("City") is the owner of the real property located at 5605 North 55th Avenue, Glendale, Arizona 85301, legally described as the South 320 feet of the West 136.125 feet of the Northwest quarter of the Southwest quarter of the Northeast quarter of Section 17, Township 2 North, Range 2 East of the Gila and Salt River Base and Meridian, EXCEPT the East 50 feet of the North 50 feet thereof ("Premises").

1.2 A 4,700 square foot building located on the Premises contains the following rooms:

a. Lobby and reception area, 18' x 23' with a 11' x 30" countertop

b. Front office near lobby, 14' x 10' with four desk units

c. Lobby restroom, ADA compliant

d. Administrative/Storage area, 19' x 37', includes a staff kitchen with refrigerator and cabinets, two ADA-compliant restrooms and storage closet

e. Main food storage area, 70' x 29', with five metal shelving units that measure 3' x 10' and bay door truck access

f. Refrigeration room, 22' x 12' with large track door

g. Freezer room, 22' x 12' with large track door

h. Rear storage area, 21' x 10'

i. Two rear offices, 12' x 7' each

j. Parking lot is paved and striped

2. Hope for Hunger Operating Information

2.1 Hope for Hunger Corporation, an Arizona non-profit corporation ("Lessee"), will be responsible for the operations of the Premises. Initially, only dry foods distribution will be offered at the location. At such time that Lessee has the capacity to handle refrigerated or frozen foods, such food services will be added. As the Lessee for the Premises, Lessee will determine the days and hours of operation for food distribution. At a minimum, Lessee will be open and distribute dry food two (2) days per week during regular working hours, from 8:00 am until 5:00 pm. Operating hours will be posted on the Premises and on-line as reasonably possible.

2.2 In order to ensure the successful distribution of dry food goods, Lessee has partnered with St. Mary's Food Bank, who has agreed to provide the dry food goods needed for distribution. Lessee will offer food distribution based on capacity and available resources to successfully do so. At a minimum, Lessee will provide 200 dry food boxes per week.

2.3 Food distribution services at the Premises will be referral based. Lessee has also partnered with the Glendale Community Action Program and several faith-based organizations to give referrals for individuals in need for food services, as well as from St. Mary's Food Bank. Eligibility requirements will be determined by the referring agency using guidelines from St. Mary's Food Bank for their food services. If individuals in need come to the food bank seeking food services without a referral, Lessee will, based on capacity and resources, provide one time assistance and refer those individuals to the partners for further assistance.

2.4 Lessee will coordinate all staffing needs for the food bank through volunteers from Lessee, faith-based organizations, and other members and groups in the community.

Recorded by:
City Clerk's Office
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301

OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
HELEN PURCELL
ELECTRONIC RECORDING
20111056280,12/22/2011 03:12,
C7874-9-1-1--,N

CITY OF GLENDALE, ARIZONA

AGREEMENT C- 7874

(Food Bank Lease Agreement)

(PLEASE DO NOT REMOVE ~ THIS IS PART OF THE OFFICIAL DOCUMENT)