

RESOLUTION NO. 12543

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESA, ARIZONA, APPROVING AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A LEASE AGREEMENT WITH LOCAL FIRST FOR BUSINESS, AN ARIZONA NONPROFIT CORPORATION, FOR THE CITY-OWNED PROPERTY LOCATED AT 111 W. MAIN STREET, MESA, ARIZONA.

RECITALS

- A. City of Mesa (“City”) owns the real property located at 111 W. Main Street, Mesa, Arizona, APN 138-42-048 (the “Property”).
- B. Local First for Business (“Local First”), an Arizona nonprofit corporation, desires, and City is willing, to lease the Property to Local First to operate a restaurant and food service business incubator and associated food court as further described in the lease (“Program”).
- C. The Program will support the creation of new Mesa businesses as well as sustain and grow existing Mesa businesses many of which were impacted by the COVID-19 pandemic.
- D. City is a “Government Lessor” under Arizona Revised Statutes (“A.R.S.”) § 42-6201(1) and Local First is a “Prime Lessee” under A.R.S. § 42-6201(4).
- E. The lease between City and Local First for the Program is subject to the Government Property Lease Excise Tax (“GPLET”) provisions of A.R.S. §§ 42-6201, *et seq.*
- F. Local First has represented to City that the tax under the GPLET does not apply because Local First is a chamber of commerce recognized under section 501(c)(6) of the United States internal revenue code and the Property will be used predominately for those federal tax-exempt purposes under A.R.S. § 42-6208(12).
- G. The City Council hereby finds and determines that leasing the Property to Local First will benefit downtown Mesa, its residents, and visitors, and will support the creation of new Mesa businesses, bring new jobs to downtown Mesa, and improve and enhance the economic welfare of the inhabitants of the City of Mesa in accordance with A.R.S. § 9-500.11.
- H. The City Council has determined that it is appropriate for the City to enter into a lease agreement and other agreements and documents contemplated herein related to the Property.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MESA:

Section 1. The City Council approves the lease agreement for the Property in the form provided to City Council (the “Lease”).

Section 2. The City Manager, or his designated representative, is hereby authorized,

on behalf of the City of Mesa, to enter into the Lease and is further authorized to execute any necessary documents related to the Lease, as well as any amendments, modifications, renewals, or extensions of the Lease or such related documents so long as they do not materially alter the terms or purpose of the Lease presented to City Council or as contemplated in this Resolution.

Passed and adopted by the City Council of the City of Mesa on June 8, 2026.

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Mark Freeman, Mayor