

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE CITY MANAGER TO ENTER INTO A LEASE AGREEMENT WITH DOWNTOWN MESA ASSOCIATION, AN ARIZONA NON-PROFIT, TO LEASE CITY OWNED REAL PROPERTY AND IMPROVEMENTS LOCATED AT 100 NORTH CENTER STREET, MESA, ARIZONA, AND TO EXECUTE ANY NECESSARY DOCUMENTS.

WHEREAS, the City of Mesa ("City") owns the real property and improvements located at 100 North Center, Mesa, Arizona (APN: 138-33-001A) ("Property").

WHEREAS, Downtown Mesa Association ("DMA") desires, and City is willing, to lease the Property to serve as office, administrative, and storage space and other ancillary uses to support the functions of DMA, including, but not limited to, the economic growth and business development of downtown Mesa through policy development, advocacy, and program management functions conducted on behalf of downtown property and business owners, and in cooperation with public and private-sector partners, as set forth in the Lease Agreement.

WHEREAS, City is a "Government Lessor" under Arizona Revised Statutes ("A.R.S.") § 42-6201(1) and DMA is a "Prime Lessee" under A.R.S. § 42-6201(4).

WHEREAS, DMA as a Prime Lessee of the Property will be subject to the Government Property Lease Excise Tax as provided under A.R.S. § 42-6201, *et seq.* ("GPLET Tax") unless an exemption applies. It is DMA's sole responsibility to determine the applicability of the GPLET Tax and whether DMA falls within an exemption.

WHEREAS, DMA has represented to City that DMA is not subject to the GPLET Tax pursuant to an exemption under A.R.S. § 42-6208 because the Property will be used exclusively by DMA and DMA is an organization exempt from taxation under section 501(c)(3) of the internal revenue code.

WHEREAS, the City Council hereby finds and determines that leasing the Property to DMA will support the functions of DMA benefiting downtown Mesa, its residents and visitors, and will assist in the creation or retention of jobs and will improve or enhance the economic welfare of the inhabitants of the City of Mesa in accordance with A.R.S. § 9-500.11.

WHEREAS, the City Council hereby determines it is appropriate to enter into the Lease Agreement and other agreements and documents as contemplated therein.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA, AS FOLLOWS:

Section 1: The City Council approves the Lease Agreement and other agreements, documents, and amendments as contemplated therein, and authorizes the execution of future documents and agreements as necessary to carry out the provisions of these agreements (all the foregoing, collectively, "Lease Documents"). The City Manager, or his designee, is authorized to execute the Lease Documents. Further, the City Manager, or his designee, may agree to and enter into, and make, amendments and modifications the Lease Documents as necessary to carry out the intent of the Lease Documents that do not materially alter the terms of the Lease Documents.

Section 2: That the City Clerk is authorized and directed to attest to the signature of the City Manager, or his designee, on all such documents.

PASSED AND ADOPTED by the Council of the City of Mesa, Maricopa County, Arizona this 8th day of December, 2022.

APPROVED:

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Mayor

ATTEST:

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City Clerk