

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE CITY MANAGER TO ENTER INTO A FOURTH AMENDMENT TO THE LEASE AGREEMENT WITH OPTION TO PURCHASE WITH BENEDICTINE UNIVERSITY TO INCREASE THE CITY'S FUNDING CAP FOR THE DESIGN AND BUILD-OUT OF APPROXIMATELY 10,000 SQUARE FEET TO SUPPORT THE INNOVATIVE EDUCATIONAL PARTNERSHIP BETWEEN BENEDICTINE UNIVERSITY AND CO+HOOTS FROM \$2,000,000 TO \$2,150,000.

WHEREAS, the City and Benedictine University entered into that certain Lease Agreement with Option to Purchase effective November 5, 2012, a First Amendment to the Lease Agreement with Option to Purchase dated April 17, 2017, adopted by Resolution No. 10944; a Second Amendment dated November 28, 2017, adopted by Resolution No. 11067 and a Third Amendment effective December 18, 2019, adopted by Resolution 11440 (the "Lease Agreement") for real property, what is commonly known as 225 E. Main Street, Mesa, Arizona (APNs: 138-65-015 and 138-65-016).

WHEREAS, Tenant intends to invest additional monies to expand existing programs, develop new programs, and hire new teachers which will attract new students and create more opportunities and jobs for the citizens of the City of Mesa. In order to facilitate the expansion of existing programs, the development of new programs and the hiring of new teachers, Tenant has requested the Lease Agreement be extended 10 years and needs a Premises Rent reduction through Year 15 to invest in such efforts.

WHEREAS, Tenant has entered into a Memorandum of Understanding with CO+HOOTS™ to: (1) develop a certificate in Entrepreneurship and an Entrepreneurial Leadership program; (2) provide internships/scholarships to provide real world experiences for Benedictine students and/or the community, (3) create no fewer than 300 jobs/business over 10 years, and (4) provide weekly public entrepreneurship/community events each year; all with annual reporting to the City.

WHEREAS, The Parties have worked cooperatively and in good faith to complete a design for the New Tenant Improvements that would support the innovative educational partnership and economic development goals intended in the Third Amendment, which capped the total cost of the New Tenant Improvements at Two Million Dollars (\$2,000,000.00). Despite the Parties best efforts, the total cost of the New Tenant Improvements has increased and is estimated to be Two Million One Hundred Fifty Thousand Dollars (\$2,150,000.00).

WHEREAS, the City Council hereby determines it is in the best interest of the City, the students of Benedictine and the citizens of the City of Mesa to enter into the Fourth Amendment to the Lease Agreement (the "Fourth Amendment") under the terms and conditions set forth in the Fourth Amendment

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

Section 1: The City Manager, or his designee, is authorized to enter into the Fourth Amendment to the Lease Agreement. The City Manager may agree to, and enter into, amendments and modifications to the Fourth Amendment so long as such modifications do not materially alter the terms and the intention of the Fourth Amendment.

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 25th day of January, 2021.

APPROVED:

Mayor

ATTEST:

City Clerk