

**TOWN OF PRESCOTT VALLEY  
REQUEST FOR COUNCIL ACTION  
Date: June 27, 2013**

**SUBJECT:** NACOG Lease Agreement

**SUBMITTING DEPARTMENT:** Management

**PREPARED BY:** Ryan Judy, Deputy Town Manager

**AGENDA LOCATION:** Comments/Communications , Consent , Work/Study ,  
New Business , Public Hearing , Second Reading

---

**ATTACHMENTS:** a) NACOG Lease Agreement, b) NACOG Cover Letter

---

**SUMMARY/BACKGROUND:** The Town owns a building located at 3045 Tani Road. This building housed the Community Development Department for several years before Town offices were consolidated in the Civic Center in 1999. After 1999, the building was leased to the Prescott Valley Economic Development Foundation before they moved into their current offices on Pav Way. After the departure of PVEDF in 2008, the building stood empty for over a year before the Town entered into a lease agreement with the Northern Arizona Council of Governments for its Head Start program. As part of the lease agreement, NACOG agreed to rehabilitate the building, which was in dire need of repairs.

The Agreement allowed Head Start to use the facility and also provided the Town with valuable improvements to the property that the Town was otherwise unable to fund.

The original Lease Agreement in 2010 was for a three year term and allowed for five one (1) year extensions, providing they gave the Town notice each year. Due to a technical lapse in the lease (failure to provide required renewal notice), NACOG once again desires to lease the building with the same terms, a 3 year lease with five one (1) year extensions, for \$1 per year.

As conditions of the Lease, NACOG will maintain the property, make improvements, pay for all utilities, and provide standard indemnification.

---

**OPTION ANALYSIS:** The Council may vote to:

- 1.) Approve the Lease Agreement, **OR**
- 2.) Not approve the Lease Agreement, **AND/OR**
- 3.) Direct staff to pursue other options

---

**ACTION OPTION:** Motion to approve a Lease Agreement with the Northern Arizona Council of Governments for use of the former Community Development building on Tani Road. **VOTE.**

---

**RECOMMENDATION:** Staff recommends approval of this Lease Agreement.

---

**FISCAL ANALYSIS:** While the Town will not realize lease income from the property, it received valuable improvements to its property and the project benefits children in the area who participate in Head Start.

---

**REVIEWED BY:**

Management Services Director \_\_\_\_\_

Town Clerk \_\_\_\_\_

Town Attorney \_\_\_\_\_

Town Manager \_\_\_\_\_

---

**COUNCIL ACTION:**

Approved  Denied  Tabled/Deferred  Assigned to \_\_\_\_\_