



MEMORANDUM

Date: February 6, 2020

To: The Honorable Chairman and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator

A handwritten signature in black ink, appearing to read "C.H. Huckelberry", is written over the printed name and title.

Re: Metropolitan Tucson Convention and Visitors Bureau Tenant Improvements Update

On March 20, 2018, Pima County and the Metropolitan Tucson Convention and Visitors Bureau, dba Visit Tucson, entered into a lease agreement (CTN-FM-18-123) with Pima County for an initial 15-year term with two options to extend the lease for an additional five years each. The monthly lease payments total \$288,600 yearly. Visit Tucson made their first lease payment in February 2019. Rent payments will increase starting with the sixth lease year.

In addition to the lease payments, Visit Tucson was obligated under the lease agreement to reimburse the County for the entire cost of their initial Tenant Improvements on the north side of the second floor and the entire third floor at the Historic Pima County Courthouse. The costs were to be reimbursed monthly in 36 equal payments starting with the first lease payment. The total cost of the improvements were \$975,000 plus interest.

Today, Visit Tucson prepaid the remainder of improvement costs 24 months early. The total reimbursement with interest to Pima County amounted to \$ 994,883.99.

CHH/lab

c: Jan Leshar, Chief Deputy County Administrator
Lisa Josker, Director, Facilities Management
Linda Mayro, Director, Sustainability and Conservation
Diane Frisch, Director, Attractions and Tourism