

**ORDINANCE NO. O2017.39**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, AUTHORIZING A LEASE OF THE REAL PROPERTY LOCATED WITHIN THE GRADUATE HOTEL PARCEL (225 E. APACHE BOULEVARD), AND THE EXECUTION OF RELATED LEASE DOCUMENTS, INCLUDING A LAND AND IMPROVEMENTS LEASE, MEMORANDUM OF LEASE AND DEED.**

WHEREAS, City of Tempe (“City”) and Graduate Tempe Owner, LLC, a Delaware limited liability company (“Developer”) are parties to that certain Development Agreement dated June 12, 2014, Resolution No. R2014.87 (“Development Agreement”); and

WHEREAS, Section 4 of the Development Agreement contemplates that the Developer shall have the option to use a combination of economic incentives, as outlined in the Development Agreement. Pursuant to Section 4.2, Developer is seeking a ten (10) year Government Property Lease Excise Tax (“GPLET”) Lease; and

WHEREAS The City would accept conveyance of land and improvements, and would lease-back such land and improvements to the owner thereof for a period of ten (10) years pursuant to Section 42-6201, et seq., of the Arizona Revised Statutes, as amended (“ARS”); and

WHEREAS, an approximately one hundred thirty seven (137) room hotel originally constructed in approximately 1970, has been redeveloped with various interior, exterior building and landscaping modifications, a three-story building addition and other changes described on Exhibit A attached hereto (Graduate Hotel Parcel); and

WHEREAS, the City desires to finalize the form and authorize the execution of the lease and other documents, and the party entitled thereto under the terms of the Development Agreement requests that the City enter into the lease.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, as follows:**

Section 1: That the Mayor is authorized to execute a Lease for the Graduate Hotel Parcel for property located at 225 East Apache Boulevard, substantially in the form on file with the City Clerk's Office, and to take such further actions and execute such additional documents as are necessary or appropriate to implement and carry out the transactions authorized in and contemplated by the Development Agreement, the Lease, and this Ordinance, including without limitation, a deed conveying the land and improvements to the City, a Memorandum of Lease giving notice of the existence or termination of the Lease, and a deed or bill of sale reconveying the leased premises to the appropriate party at the expiration or termination of the Lease.

Section 2: Pursuant to City Charter, Part 1, Article II, Section 2.12 (c), ordinances are effective thirty (30) days after adoption.

**PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, this \_\_\_\_ day of \_\_\_\_\_, 2017.**

\_\_\_\_\_  
Mark W. Mitchell, Mayor

ATTEST:

\_\_\_\_\_  
Brigitta M. Kuiper, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Judith R. Baumann, City Attorney

**Exhibit A**  
Graduate Hotel Parcel

Legal Description

**PARCEL NO.1:**

Lots 1 through 8, Block 2, University Park Addition to the City of Tempe, according to Book 30 of Maps, page 37, records of Maricopa County, Arizona.

**PARCELNO.2:**

That portion of Apache Trail shown on a plat of University Park Addition to the City of Tempe, according to Book 30 of Maps, page 37, records of Maricopa County, Arizona, abandoned by Resolution of the City Council of the City of Tempe, a certified copy of which was recorded in Docket 6947, page 528 records of Maricopa County, Arizona, described as follows:

BEGINNING at the Northeast corner of Lot 1 in Block 2 of said University Park Addition to the City of Tempe;

THENCE North along the North prolongation of the East line of Lot 1 a distance of 25 feet;

THENCE West parallel with and 25 feet North of the North line of said Block 2 to the point of intersection with the North prolongation of the West line of Lot 8 in said Block 2;

THENCE South along the North prolongation of the: West line of Lot 8 a distance of 25 feet to the Northwest corner of Lot 8;

THENCE East along the North line of Block 2 to the Northeast corner of Lot 1 and the POINT OF BEGINNING.

COMMON ADDRESS: 225E. Apache Boulevard, Tempe, AZ 85281

PIN: 133-17-0448 3