



**TO:** SOUTHERN NEVADA DISTRICT BOARD OF HEALTH      **DATE:** August 28, 2014

**RE:** *Approval of Interlocal Lease Agreement between the City of Las Vegas and Southern Nevada Health District at the facility owned by the City of Las Vegas known as the Development Services Center located at 333 N. Rancho Drive Suite 430, Las Vegas, NV.*

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**PETITION # 17-14**

**That the Southern Nevada District Board of Health** *approves the attached Interlocal Lease Agreement between the City of Las Vegas and Southern Nevada Health District for the lease of property at City of Las Vegas Development Services Center located at 333 N. Rancho Drive Suite 430, Las Vegas, NV.*

**PETITIONERS:**

**Cadle C. Collins Jr.,** *Materials Management Supervisor* 

**Jerry Boyd,** *Facility Services Manager* 

**Andrew J. Glass,** *Director of Administration* 

**Joseph Iser, M.D.,** *Chief Health Officer* 

**DISCUSSION:**

The Interlocal Contract is for a five year lease of 9,686 square feet of office space located on the fourth floor of the City of Las Vegas Development Services Center (333 N. Rancho Drive). Effective date will be the date that this lease is approved by the Las Vegas City Council. The Commencement Date of the Lease is the date on which Tenant initially occupies the Premises. SNHD intends to consolidate the Environmental Health Plan Review function in collaboration with the City of Las Vegas to enhance the services provided to customers.

**FUNDING:**

The funding for this Lease Agreement is not in the FY15 budget. Pending approval, commencement is estimated to take place on October 1, 2014 at which time SNHD will incur an expense of \$0.90 per square foot or \$8,717.40 per month for a FY15 budget impact of \$78,456.60. On the first and every subsequent anniversary of the Lease Commencement date, rent will be adjusted based on the CPI for Urban Wage Earners and Clerical Workers or 2%, whichever is less.

**INTERLOCAL CONTRACT FOR THE LEASE OF PROPERTY AT  
CITY OF LAS VEGAS DEVELOPMENT SERVICES CENTER BETWEEN THE  
CITY OF LAS VEGAS AND SOUTHERN NEVADA HEALTH DISTRICT**

THIS INTERLOCAL CONTRACT FOR THE LEASE OF PROPERTY ("*Lease*"), made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2014, by and between the CITY OF LAS VEGAS, a municipal corporation in the State of Nevada ("*Landlord*"), and SOUTHERN NEVADA HEALTH DISTRICT, the public health authority for Clark County, Nevada and a political subdivision of the State of Nevada ("*Tenant*").

**RECITALS**

WHEREAS, Landlord owns the real property and improvements located on certain real property commonly known as the City of Las Vegas Development Services Center ("*DSC*"), located at 333 North Rancho Drive, Las Vegas, Nevada 89106; and

WHEREAS, Landlord desires to lease to Tenant, and Tenant desires to lease from Landlord, 9,686 square feet of office space located on the fourth floor of the DSC (the "*Premises*"), which is more specifically depicted on Exhibit "A", attached hereto and incorporated herein by this reference, and commonly referred to as Suite No. 450, for the purpose of providing office space to the Southern Nevada Health District; and

WHEREAS, pursuant to NRS 277.180, the Landlord may enter into contracts with other public agencies for the performance of any government service, activity or undertaking which any of the public agencies entering into the contract is authorized by law to perform; and

WHEREAS, Landlord has determined the lease of the Premises to Tenant for the purposes as hereinafter set forth, will provide a substantial benefit to the residents of the city of Las Vegas; and

WHEREAS, the Landlord agrees to lease the Premises upon the terms and conditions set forth below.

NOW, THEREFORE, for and in consideration of the foregoing and the covenants, terms and conditions herein contained, the parties agree as follows:

**AGREEMENT**

1. **INCORPORATION OF RECITALS AND EXHIBITS.** The foregoing Recitals and attached Exhibits are hereby incorporated and made part of this Lease.
2. **LEASE OF PREMISES.** Subject to the provisions of this Lease, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, the Premises.
3. **TERM OF LEASE.** Unless earlier terminated in accordance with Section 42 hereof, this Lease shall be for a period of five (5) years ("*Primary Term*") beginning on the Commencement Date as defined in Section 4.

At all times during which this Lease is in force and effect, and if Tenant is not in default of this Lease, Tenant may request to extend this Lease for two (2) additional terms of up to three

(3) years each (each an “*Additional Term*”) by giving a written request addressed to the attention of the City’s Real Estate Administrator, and no later than ninety (90) days prior to the expiration of the Primary Term or any the first Additional Term, or thirty (30) days prior to the expiration of any Holdover Term, as defined below, and upon receiving such request Landlord shall provide written notification of approval or denial of the requested Additional Term within thirty (30) days of receipt of the request. Any Additional Term will be subject to the terms and conditions of this Lease unless otherwise agreed to in writing by the Parties.

At the end of the Primary Term or any Additional Term, if Tenant is not in breach of this Lease and elects to remain in the Premises, this Lease will automatically continue on a month-to-month basis (each month and collectively, a “*Holdover Term*”), unless the Landlord provides written notice to Tenant that Landlord does not wish to extend this Lease. Such written notice from Landlord to Tenant must be made thirty (30) days prior to the end of the Primary Term or any Additional or Holdover Term. The Holdover Term created by this paragraph will be subject to the terms and conditions of this Lease unless otherwise agreed to in writing by the Parties.

The Primary Term, any Additional Term and any Holdover Term may each be generally referred to herein as a “*Term*”.

**4. EFFECTIVE DATE AND COMMENCEMENT DATE.** This Lease shall be effective subsequent to the Las Vegas City Council approval and after both parties have fully executed this Lease. The parties agree that the Effective Date will be the date that this Lease was approved by the Las Vegas City Council. The Commencement Date of the Lease is the date on which Tenant initially occupies the Premises. The parties agree to memorialize the Commencement Date in writing by a memorandum to this Lease executed by Landlord and Tenant.

**5. RENT.** Commencing on the Commencement Date, Tenant agrees to pay Ninety Cents (\$0.90) per square foot for the 9,686 square feet of office space for a total of Eight Thousand Seven Hundred Seventeen Dollars and Forty Cents (\$8,717.40) per month as rent to Landlord throughout the Term (“*Rent*”) at such place as Landlord may designate in writing without prior demand and without any deduction or set-off whatsoever, except as provided herein. The Rent shall be due and payable on the first (1<sup>st</sup>) day of each calendar month in advance throughout the Lease term. The base Rent set forth in this Section 5 will be annually adjusted by the Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers – U.S. City Average or by two percent (2%), whichever is lesser, on the first and every anniversary of the Commencement Date. No CPI adjustment shall result in a decrease in Rent. Tenant’s rent payment shall be inclusive of any rents, fees, charges, etc. except as specifically set forth otherwise herein, and Tenant shall not be charged any common area maintenance fees or other charges of any kind.

**6. RIGHT OF FIRST REFUSAL.** In the event that additional space on the fourth floor of the DSC is vacant and Landlord elects to lease that space to a third party (the “*Additional Premises*”), Landlord hereby grants to Tenant the first right to lease the Additional Premises prior to its offer to any third party. In any such event, Landlord shall notify the Tenant in writing of the terms and conditions approved by Landlord of the proposed lease of the Additional Premises, including additional rent which shall be at the same rate per square foot as the adjusted Rent, pursuant to paragraph 5 above, in effect at the time the Additional Premises is offered to Tenant. Upon receiving Landlord’s written notice, Tenant shall have fourteen (14) business days

to exercise said first right by giving Landlord written notice of Tenant's binding commitment to lease the Additional Premises on the terms and conditions approved by Landlord and Tenant, in which event, Landlord and Tenant shall have thirty (30) business days after acceptance to execute an amendment to this Lease, subject to a reasonable extension in good faith if necessary to complete the documentation and execution of said amendment.

If Tenant does not for any reason accept the terms of any such offer, Landlord may then lease the Additional Premises to any third party, under any terms and conditions as solely determined by Landlord and the third party and without any further obligation to Tenant. The Parties agree further that the Right of First Offer herein contained shall in all respects terminate and end and be of no further effect either legal or equitable and shall not be enforceable after the expiration or other termination of this Lease.

**7. UTILITIES AND SERVICES.** Landlord shall be responsible for the cost of heating, cooling, electricity, water, sewer, common area maintenance, janitorial services including for the Premises, security services for the DSC generally, refuse removal and parking. Tenant shall be responsible for all costs of telephone, cable, alarm and other telecommunication services at the Premises. Landlord shall not be liable in the event of any interruption in the supply of any utility services to the Premises or DSC unless caused by the Landlord's negligent acts or willful misconduct. Tenant agrees that it will not install any equipment which will exceed or overload the capacity of any utility facilities and that if any equipment installed by Tenant requires additional utility facilities; the same shall be installed at Tenant's expense in accordance with plans and specifications to be approved in writing by Landlord.

**8. REPAIRS AND MAINTENANCE.**

**A. Landlord's Obligations.** Landlord shall keep the Premises, interior and exterior walls, roof and common areas and the equipment whether used exclusively for the Premises or in common with the other premises, in good condition and repair. In addition, Landlord is responsible for providing heating, cooling, plumbing, water, fire suppression and electrical services to the Premises, and shall keep such systems, equipment, and fixtures in good condition and repair so as to provide reasonably comfortable working conditions in the Premises. Landlord reserves the right at any time to make other non-material changes, alterations or additions to the DSC and licensing of additional commercial office space, in or on the DSC. Landlord will notify Tenant of any changes, alterations or additions to the DSC that materially impact the Tenant's use of the Premises and Landlord will use commercially reasonable efforts to avoid impacting the Tenant's operations. Landlord will make a good faith effort to provide notice to the Tenant of any changes, alterations or additions to the DSC, thirty (30) days prior to any such changes, alterations or additions.

Landlord, at Landlord's sole cost and expense, will clean and repair the carpet to the Premises prior to the Commencement Date.

**B. Tenant's Obligations.**

(1). Notwithstanding Landlord's obligation to keep the Premises in good condition and repair, Tenant shall be responsible for payment of the cost thereof to Landlord as additional rent for that portion of the cost of any maintenance and repair of the Premises, or any

equipment (wherever located) that serves only Tenant, to the extent such cost is attributable to causes beyond normal wear and tear. Landlord may, at its option, upon reasonable notice, elect to have Tenant perform any particular such maintenance or repairs, the cost of which is otherwise Tenant's responsibility hereunder.

(2). On the last day of the term hereof, or earlier termination, Tenant shall surrender the Premises to Landlord in the same condition as received, ordinary wear and tear excepted, clean and free of debris. Tenant shall repair any damage to the Premises occasioned by the installation or removal of Tenant's trade fixtures, alterations, furnishings and equipment.

**9. USE OF PREMISES.** Tenant agrees to use the Premises as office space for the Southern Nevada Health District. Tenant shall not use or permit the Premises to be used for any other purpose, except with the prior written consent of Landlord. Landlord acknowledges that structural limitation of the Premises may limit Landlord's ability to install large filing cabinets or other heavy items, and that Tenant shall obtain prior written consent from Landlord prior to installation of any large filing cabinets or other heavy items.

**10. COMMON AREAS – REVOCABLE LICENSE.** The Tenant will have use privileges to the Common Areas under a revocable license, and if any such license be revoked or if the amount of such areas be changed or diminished, Landlord shall not be subject to any liability nor shall Tenant be entitled to any compensation or diminution or abatement of rent nor shall revocation or diminution of such areas be deemed constructive or actual eviction. All common areas and other facilities in or about the DSC shall be subject to the exclusive control and management of Landlord. The term "Common Areas" consist of the restrooms, lobby, elevators, surface parking and parking garage. Landlord shall operate and maintain the Common Areas in such manner as Landlord in its discretion shall determine, shall have full right and authority to employ and discharge all personnel with respect thereto, and shall have the right through reasonable rules, regulations and/or restrictive covenants promulgated by it from time to time, to control the use and operation of the common areas in order that the same may occur in a proper and orderly fashion, but in no event will Landlord take any action that impedes Tenant's employees' access to or use of the Premises.

**11. CONDITION OF THE PREMISES.** The Premises are leased to Tenant on an "as-is" basis. Except for Landlord's representations with respect to its obligations delineated herein, Landlord makes no other representation or warranty, express or implied, of any kind concerning the Premises and shall have no obligation to construct or provide any improvements other than those that exist at the Commencement Date, unless Landlord and Tenant agree in writing to do so otherwise. Tenant acknowledges and agrees that it is leasing the Premises based solely upon Tenant's inspection and investigation of the Premises and all documents related thereto, or its opportunity to do so, and except for Landlord's covenants, representations and warranties otherwise expressly set forth in this Lease.

**12. PARKING.** During the term of this Lease, Tenant shall have the non-exclusive use of the non-reserved common parking garage, driveways and footways, subject to rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord reserves the right to designate parking areas within the parking garage or in reasonable proximity thereto, for Tenant and Tenant's agents and employees. Tenant shall provide Landlord with a list of the license

numbers for the cars owned by Tenant, its employees and agents that routinely park in the Parking Garage. The Tenant shall direct all other parking users, including its invitees and visitors to use the surface lot and Parking Garage.

13. **LAWS, WASTE, NUISANCE.** Tenant covenants that it:

A. Will not use or suffer or permit any person or persons to use the Premises or any part thereof for conducting thereon any activity not authorized in this Lease;

B. Will comply with all applicable laws, ordinances, regulations and requirements, now in force or which hereafter may be in force, of any lawful governmental body or authority having jurisdiction over the Premises;

C. Will keep the Premises in a clean, neat and orderly condition, and will in all respects and at all times fully comply with all applicable health and police regulations; and

D. Will not suffer, permit or commit any nuisance or waste on the Premises.

14. **ALTERATIONS, ADDITIONS AND IMPROVEMENTS.** At any time during the Term, Tenant, subject to the prior written approval of Landlord and at the expense of Tenant, may make alterations, additions or improvements in and to the interior of the Premises. No alterations, additions or improvements shall be authorized for the exterior of the Premises. Any such alteration, addition or improvement shall be performed in a workmanlike manner, in accordance with all applicable governmental regulations and requirements, and shall not weaken or impair the structural strength or lessen the value of the Premises.

All alterations, additions or improvements that may be erected or installed in or on the interior of the Premises shall become part thereof and the sole property of Landlord, except that all moveable fixtures that may be installed by the Tenant shall be and remain its or their property and shall not become the property of Landlord if it is removed in a timely manner after abandonment or surrender of the Premises.

15. **MECHANIC'S LIENS.** Should any mechanic's or other lien be filed against the Premises by reason of Tenant's acts or omissions or because of a claim against Tenant, Tenant shall cause the same to be canceled and discharged of record by bond or otherwise within thirty (30) days after notice by Landlord.

16. **NOTICE OF NON-RESPONSIBILITY.** Landlord or its representatives shall have the right to go upon and inspect the Premises at all reasonable times and shall have the right to post and keep posted thereon notices of non-responsibility or such other notices which Landlord may deem proper for the protection of Landlord's interest in the Premises. Before commencement of any work which might result in any such lien, Tenant shall give to Landlord written notice of its intention to do so in sufficient time to enable Landlord to post such notices.

17. **SIGNAGE.** Tenant may install directional and suite signage on the Premises and in the DSC, to match the existing signing in the DSC. Signage shall be professionally fabricated and installed at the sole cost of Tenant. Drawings detailing sign(s) and placements of sign(s) shall be submitted by Tenant to Landlord for approval prior to fabrication and installation of any signage. Tenant further agrees to maintain such signing, decoration, lettering, advertising material or

such default or breach within which to remove or cure said default or breach, except that such period in the case of Tenant's failure to pay rent in a timely fashion shall be fifteen (15) days after the date the rent payment is due. If a breach or default on the part of Tenant is not removed or cured within the applicable time limit set forth above, Landlord may, in addition to any other remedy it may have under law or equity at its option, terminate this Lease or re-enter and retake possession, with or without terminating the Lease. In the case of re-entry and retaking of possession, Landlord shall give Tenant a thirty (30) day notification so that arrangements for the removal of property can be made.

The remedies provided for in this Lease shall be cumulative, and the exercise of any remedy by a party shall not be to the exclusion of any other remedy.

31. **NO PARTNERSHIP.** Landlord does not by this Lease, in any way or for any purpose, become a partner or joint venturer of Tenant in the conduct of its business or otherwise.

32. **FORCE MAJEURE.** Landlord and Tenant shall each be excused for the period of any delay in the performance of any obligation hereunder when prevented from doing so by cause or causes beyond that party's control, including labor disputes, civil commotion, war, governmental regulations or controls, fire or other casualty, inability to obtain any material or services, or acts of God.

33. **NO WAIVER.** Failure of either the Landlord or Tenant to insist upon the strict performance of any provision or to exercise any option hereunder in any one or more instances shall not be deemed a waiver or relinquishment of its right to do so in the future. No provision of this Lease shall be deemed to have been waived by Landlord/Tenant unless such waiver is in writing.

34. **BROKER'S COMMISSIONS.** The parties represent and warrant that there are no claims for brokerage commissions or finder's fees in connection with this Lease and each agrees to indemnify the other against and hold it harmless from all liability arising from such claims, including any attorney's fees connected therewith.

35. **PROVISIONS BINDING.** Except as otherwise provided, all provisions herein shall be binding upon and shall inure to the benefit of the parties, their legal representatives, heirs, successors and assigns.

36. **NON-DISCRIMINATION.** Tenant agrees that the Premises will not be segregated with respect to race, color, religion or national origin; that it will not segregate or discriminate on such grounds with respect to public utilization of or access to the Premises; and that it will comply with all applicable federal laws and regulations that prohibit discrimination in connection with federally-funded programs.

37. **ENTIRE AGREEMENT.** This Lease, including any exhibits attached hereto, sets forth the entire agreement between the parties. Any prior conversations or writings concerning the lease of the Premises are merged herein and extinguished.

38. **AMENDMENT OR MODIFICATION.** No amendment to or modification of this Lease shall be binding upon Landlord or Tenant unless it has been reduced to writing.



39. **CAPTIONS AND SECTION NUMBERS.** The captions and section numbers appearing herein are inserted only as a matter of convenience and are not intended to define, limit, construe or describe the scope or intent of any section or paragraph.

40. **ATTORNEY'S FEES.** In the event Tenant/Landlord institutes any judicial proceeding against Tenant/Landlord relating to any default, the prevailing party shall be entitled to seek an award of reasonable attorney's fees as determined by the court.

41. **NOTICES.** Any notice, demand, request, or other instrument which may be or is required to be given under this Lease shall be delivered in person or sent by certified mail, return receipt requested, and shall be sent to the following address or to such other addresses as the parties may from time to time designate in writing:

If to the Landlord:     Attn: Real Estate Administrator  
                                  City of Las Vegas  
                                  333 N. Rancho Drive, 8<sup>th</sup> Floor  
                                  Las Vegas, Nevada 89106

If to the Tenant:        Attn: Chief Health Officer  
                                  Southern Nevada Health District  
                                  P.O. Box 3902  
                                  Las Vegas, Nevada 89127

42. **TERMINATION.** This Lease may be canceled by either party for any reason by providing ninety (90) days written notification. Tenant shall vacate the premises within thirty (30) days of expiration of this Lease.

43. **COUNTERPARTS/ELECTRONIC DELIVERY.** This Lease may be executed in counterparts, all such counterparts will constitute the same contract and the signature of any party to any counterpart will be deemed a signature to, and may be appended to, any other counterpart. Executed copies hereof may be delivered by facsimile or e-mail and upon receipt will be deemed originals and binding upon the parties hereto, regardless of whether originals are delivered thereafter.

*[Signatures on Next Page]*



**INTERLOCAL CONTRACT FOR THE LEASE OF PROPERTY AT  
CITY OF LAS VEGAS DEVELOPMENT SERVICES CENTER BETWEEN THE  
CITY OF LAS VEGAS AND SOUTHERN NEVADA HEALTH DISTRICT**

Signature Page

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the day and year first above written.

**CITY OF LAS VEGAS**

“Landlord”

By: \_\_\_\_\_

Carolyn G. Goodman, Mayor

ATTEST:

By: \_\_\_\_\_

Beverly K. Bridges, MMC

City Clerk

APPROVED AS TO FORM:

By: John S. Ridilla                      7/16/14

Deputy City Attorney

Date

[SIGNATURES CONTINUED ON NEXT PAGE]

INTERLOCAL CONTRACT FOR THE LEASE OF PROPERTY AT  
CITY OF LAS VEGAS DEVELOPMENT SERVICES CENTER BETWEEN  
CITY OF LAS VEGAS AND SOUTHERN NEVADA HEALTH DISTRICT

Signature Page (continued)

SOUTHERN NEVADA HEALTH DISTRICT

“Tenant”

By: Joseph P. Iser

Joseph P. Iser, MD, DrPH, MSc  
Chief Health Officer

APPROVED AS TO FORM:

By: Annette L. Bradley

Annette L. Bradley, Esq.  
General Counsel

**EXHIBIT A**

**Premises**

EXHIBIT "A"

