



AGENDA

BOARD OF DIRECTORS SPECIAL MEETING

Monday, September 9, 2024 – 11am

West Center Auditorium / Zoom

*Code of Conduct

Directors: Marge Garneau (President), Bart Hillyer (Vice President), Jim Carden (Secretary), Carol Crothers (Treasurer), Candy English (Assistant Secretary), Nellie Johnson (Assistant Treasurer), Nancy Austin, Kathi Bachelor, Barbara Blake, Beth Dingman, Bev Lawless, Joe Magliola, Scott Somers (non-voting)

AGENDA TOPIC

- 1. Call to Order / Roll Call – Establish Quorum**
- 2. Amend/Adopt Agenda**
- 3. Action Items**
 - A. Approval of Vendor Agreement for Del Sol Clubhouse Café
- 4. Member Comments** - Regarding Consent Agenda and/or Non-Agenda Items. Speakers are asked to provide their name and GVR member number. Please limit comments to two (2) minutes.
- 5. Adjournment**



Green Valley Recreation, Inc.
Board of Directors Special Meeting

Vendor Agreement for Del Sol Clubhouse Café

Prepared By: Nanci Moyo, Admin. Sup.

Meeting Date: September 9, 2024

Presented By: Scott Somers, CEO

<p>Originating Committee / Department: Administrative</p>
<p>Action Requested: Review the Vendor Agreement between GVR and 1989 Bake House.</p>
<p>Strategic Plan Goal: Goal 1: Provide excellent facilities for members to participate in a variety of active and social opportunities</p>
<p>Background Justification: To address the members’ needs for a social gathering space and to meet the goal of GVR to “expand/repurpose facilities to promote and encourage social gathering, including the exploration of opening a coffee shop.” GVR has been seeking a vendor to provide beverages and food for the Café. A vendor, 1989 Bake House, has signed the Vendor Agreement for the approval of the Board.</p>
<p>Board Options:</p> <ol style="list-style-type: none"> 1) Review the Agreement and Approve. 2) Make changes to this agreement.
<p>Staff Recommendation: Option #1</p>
<p>Recommended Motion: Move to approve the Vendor Agreement as presented.</p>
<p>Attachments:</p> <ol style="list-style-type: none"> 1) Signed Vendor Agreement

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (“Agreement”) is entered into this 9th day of September, 2024 between GREEN VALLEY RECREATION, INC., an Arizona nonprofit corporation (“Licensor”) and 1989 BAKE HOUSE LLC (“Licensee”).

WHEREAS, Licensor is the owner of certain real property and improvements located at 3355 South Camino Del Sol, Green Valley, AZ 85622 (“Property”).

WHEREAS, Licensee desires to enter on the Property and operate a counter service food and beverage operation at the Licensor’s Clubhouse, limited to the counter and kitchen areas as identified on Exhibit 1 attached hereto (“Premises”).

WHEREAS, Licensor is willing to grant Licensee a license to enter on the Premises for the use described above and as further set forth in Section 1 below.

THEREFORE, in consideration of the following mutual covenants and conditions, it is hereby agreed as follows:

1. Use of Premises. Licensor grants Licensee a license to use Premises for the operation of a sit down or carry out café, featuring coffee and tea products, pastries, light breakfast and lunch items. Licensee may obtain proper licensing to serve beer and wine on the Premises in accordance with applicable law and preapproval from Licensor in writing. Licensee’s hours of operation are from 6:00 am to 2:00 pm MST, Monday through Saturday, or as agreed otherwise in writing with Licensor. Licensee may allow non-GVR members access to café area only for an agreed upon nominal fee per visitor, the proceeds of which shall be forwarded to the Licensor.

2. Term of License. This license shall commence upon September 9, 2024 and shall continue for three (3) years. Notwithstanding, either party may terminate this license at any time by giving the other party thirty (30) days’ advanced written notice. At the expiration or earlier termination of this Agreement, Licensee shall immediately cease use of the Premises and shall surrender the Premises in as good order and condition as when received, reasonable wear, damage from the elements, fire and acts of God excepted.

3. Option to Renew License Term. Provided Licensee is not in default under this Agreement at the expiration of the initial three (3) year license term, Licensee may elect to renew this Agreement for two (2) successive three (3) year additional terms, subject to such election being made in writing to Licensor no later than one hundred eighty (180) days prior to expiration of the current license term and agreement with Licensor concerning the new amount of Annual Base Rent (defined below) in writing.

4. Annual Base Rent. Annual Base Rent (defined as the annual compensation Licensee pays to Licensor in exchange for the use described herein) is \$0 for the initial three (3) year term. Notwithstanding, this Annual Base Rent is subject to change during renewal terms as described herein.

5. Repairs of Premises. Licensor shall be responsible for the repair of the Premises.

6. Utilities; Property Taxes; and Custodial Cleaning. Licensor shall be responsible for all utility costs, real estate taxes, trash removal, and daily custodial and cleaning for the Premises.

7. Operating Expenses. Except as set forth herein, Licensee shall be solely responsible for all other costs and expenses incurred in furtherance of the use of the license provided herein, including but not limited to all business and sales taxes, taxes or assessments on any property of Licensee, necessary and required licensing and permitting required to operate a café such as to prepare and serve food and beverages, serve beer and wine, if applicable, employee staff, insure Licensee's business concerning personal property and liability, maintain Premises in a clean and working order, busing and straightening tables and chairs, and janitorial when the need arises.

8. Conditions of Premises. Licensee has inspected the Premises, and agrees that the Premises are now in good condition. Licensee is using the Premises "AS IS". Licensee shall take good care of the Premises and shall not alter or repair the Premises without the prior written consent of Licensor, which said consent may be withheld in Licensor's sole and absolute discretion. All alterations and repairs that Licensee may desire shall be done either by or under the direction of Licensor, but at the expense of Licensee, and shall become the property of Licensor and remain on the Premises, except as provided herein. All damage or injury done to the Premises by Licensee or any person who may be in or on the Premises with the consent of Licensee, shall be paid for by Licensee.

9. Improvements to Premises. The parties shall work together in good faith on kitchen and bar design for the Premises. Any and all improvements and/or equipment provided and paid for by Licensor in furtherance of the license described herein shall remain the sole property of Licensor during and after the term of this Agreement. However, Licensee may purchase the equipment provided by the Licensor at the original purchase price.

10. Exclusivity of License. It is agreed between the parties that the license is a non-transferable license.

11. Conditions Applicable to License. Licensee at its own expense shall promptly observe and comply with all present and future laws, orders, regulations, rules, ordinances and requirements of any governmental agency with respect to the use, care and control of the Premises. This license is subject to all existing covenants, conditions, reservations, contracts, leases, licenses, easements, encumbrances, restrictions and rights of way with respect to the Premises, whether or not of record.

12. No Transfer or Assignment. This license is personal to Licensee. Any attempt to transfer or assign this license shall terminate it.

13. Permits and Regulations. Licensee shall be responsible for securing any required approvals, permits and authorizations from any federal, state or local agencies and shall comply with all applicable laws and regulations, including but not limited to all applicable health codes and food regulations.

14. Insurance. Licensee shall maintain at all times during the term of this Agreement, and at its sole cost and expense, comprehensive general liability, business, and property insurance policy(ies) for any and all loss, demand, claim, damage, or liability for injuries or death of any person, or property damage naming Licensor as an additional insured. These policies shall have policy limits of not less than \$1,000,000 per occurrence and not less than \$3,000,000 in the aggregate.

Licensee shall provide Licensor with a Certificate of Insurance showing Licensor as additional insured by [commencement date] September 9, 2024 and each and every anniversary date thereafter. The Certificate shall provide for a ten-day written notice to Licensor in the event of cancellation or material change of coverage. To the maximum extent permitted by insurance policies which may be owned by Licensor or Licensee, Licensee and Licensor, for the benefit of each other, waive any and all rights of subrogation which might otherwise exist.

If the Premises or any other part of the Property is damaged by fire or other casualty resulting from any act of negligence of Licensee or any of Licensee's agents, employees or invitees, Licensee shall be responsible for the costs of repair not covered by insurance.

15. No Interference. Licensee shall not interfere with the normal operation and activities of Licensor, and Licensee shall conduct its activities on the Premises to minimize damage to the Premises and inconvenience to Licensor, its agents, employees and invitees.

16. Accessor by Licensor. Licensor, and its representatives and agents, shall have free access to the Premises at all times for the purposes of examining or exhibiting the same or to make any repairs or alterations on the Premises which Licensor deems convenient for the maintenance or preservation thereof. This paragraph shall not be construed to impose upon Licensor any obligations to repair in addition to those specifically set forth herein.

17. Liens and Encumbrances. Licensee shall keep the leased Premises free and clear of any liens or encumbrances imposed or threatened to be imposed on the Premises by reason of any contract, act or omission of Licensee.

18. Waiver. One or more waivers of any covenant or condition by Licensor shall not be construed as a waiver of a subsequent breach of the same or any other covenant or condition, and the consent or approval by Licensor to or of any act by Licensee requiring consent or approval of Licensor shall not be deemed a consent or approval by Licensor of any subsequent similar act by Licensee.

19. Alteration in Writing. This license supersedes any and all prior understandings and agreements, whether written or oral, between the parties with respect to the subject matter of this license. No alteration or variation of this license shall be valid unless made in writing and signed by Licensor and Licensee.

20. Indemnification. Licensee shall indemnify, defend, and hold harmless Licensor, its officers, directors, agents and employees, from and against any claims, damages, costs, expenses, losses or liabilities (collectively "Claims") arising out of or in

any way connected with this license including, without limitation, Claims for loss or damage to any property, or for death or injury to any person or persons.

21. Notice. Any notice, demand, request, consent, approval, disapproval or certificate (“Notice”) required or desired to be given under this Agreement shall be in writing and given by certified mail, return receipt requested, by personal delivery, by Federal Express or a similar nationwide overnight delivery service providing a receipt for delivery, by facsimile, or by electronic mail. The date of giving any Notice shall be deemed to be the date upon which delivery is actually made by one of the methods described in this paragraph (or attempted if said delivery is refused or rejected). The parties agree to receive Notice at the following address:

To Licensee:

1989 Bake House LLC

Email: 1989bakehouse@gmail.com>

To Licensor:

Green Valley Recreation, Inc.

Attn: Scott Somers, CEO

1070 S. Calle de las Casitas

Green Valley, Arizona 85614

Either party may change its address by giving reasonable advance written Notice of its new address in accordance with the methods described in this paragraph; provided, however, no notice of either party’s change of address shall be effective until five (5) days after the addressee's actual receipt thereof.

22. Severability. If any provisions of this Agreement shall be determined to be unenforceable because the terms are excessive and unreasonable, then such provisions shall be reduced to the maximum reasonable limit, conditions and provisions shall be enforced as if such provisions were not a part hereof.

23. Entire Agreement. This instrument constitutes the entire agreement between the parties and contains all representations made by Licensor. Any additions or deletions or any subsequent modification shall not be valid unless made in writing and signed or initialed by Licensor and Licensee.

24. Governing Law; Choice of Forum. This Agreement shall be deemed to be made under, shall be construed in accordance with, and shall be governed by the internal, substantive laws of the State of Arizona. The parties hereto hereby consent and submit to the personal jurisdiction the state or federal courts located in Pima County, Arizona, and hereby waive any right to dismiss, transfer or change the venue of any action or proceeding because of the inconvenience of the forum. Nothing in this section shall prevent enforcement in another forum of any judgment obtained in a court identified in this section.

25. Litigation Expense. In the event that it is necessary for an action at law or a suit in equity to be brought to establish, obtain or enforce any right by either party under this Agreement, or in the event of any appeal to an appellate court for any purpose in connection with said suit or action, then the prevailing party in such action, suit or appeal

shall be entitled to reasonable attorney's fees, as well as the costs and disbursements of the action, suit or appeal.

26. Jury Waiver. The parties hereby voluntarily, knowingly, irrevocably and unconditionally waive any right to have a jury participate in resolving any dispute (whether based upon contract, tort or otherwise) between or among the parties arising out of or in any way related to this agreement or any relationship between the parties. This provision is a material inducement to each party to enter into this agreement.

27. Execution and Counterparts. This Agreement shall be executed in counterpart, each of which shall be deemed an original for recording, evidentiary and other purposes whatsoever.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

LICENSOR:

GREEN VALLEY RECREATION, INC.,
an Arizona nonprofit corporation

By: _____
Scott Somers, CEO

LICENSEE:

By:  _____
1989 Bake House LLC

Exhibit 1 – Premises

[To be attached by Licensor]