

When recorded, mail to:
City Clerk
City of Flagstaff
211 West Aspen Avenue
Flagstaff, Arizona 86001

DRAFT 4/4/19

DEVELOPMENT AGREEMENT
between
THE CITY OF FLAGSTAFF
and
CANYON DEL RIO INVESTORS, LLC

THIS DEVELOPMENT AGREEMENT (“Agreement”) is entered into this _____ day of _____, 2019, by and between the City of Flagstaff, an Arizona municipal corporation (“City”) and Canyon del Rio Investors, LLC, an Arizona limited liability company (“CDRI”) on behalf of itself and the below described CDRI Entities. The City and CDRI are sometimes referred to herein collectively as the “Parties.”

RECITALS

A. A.R.S. § 9-500.05 authorizes the City to enter into development agreements with landowners and persons having an interest in real property located in the City.

B. CDRI, through three wholly-owned subsidiaries (“CDR Entities” as defined in Section 2.2, below), is the owner of and/or has an interest in the development of approximately 262 acres of real property (“Property” or “CDRI Property”) generally located at the southwest corner of the intersection of Butler Avenue and Fourth Street (extended), within the corporate limits of Flagstaff, Arizona, more specifically described in *Exhibit A* to this Agreement.

C. The Parties anticipate that the CDRI Property will ultimately be divided into approximately twenty-two (22) parcels (each a “Parcel”), with related roads and open spaces, as generally as depicted in *Exhibit B* to this Agreement. Each Parcel may, in turn, be further subdivided based on a final plat for the Parcel approved by the City and recorded in accordance with this Agreement.

D. The City has an interest in ensuring that the development of the CDRI Property complies with applicable City standards and the City believes that development of the Property pursuant to this Agreement will result in planning, safety, and other benefits to the City and its residents.

E. CDRI acknowledges that development of the CDRI Property pursuant to this Agreement will be beneficial and advantageous to CDRI by providing assurances to CDRI that it and/or its successors and assigns will have the ability to develop the CDRI Property within the City pursuant to this Agreement.

F. The City and CDRI acknowledge that this Agreement is a development agreement pursuant to the provisions of A.R.S. § 9-500.05.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises and agreements set forth herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and in order to fulfill the foregoing objectives, the Parties agree as follows:

1. INCORPORATION OF RECITALS

Each of the Recitals set forth above is incorporated into this Agreement as though fully set forth herein.

2. DEFINITIONS

The following terms shall have the meanings set forth below whenever used in this Agreement, except where the context clearly indicates otherwise:

2.1 “CDRI” or “Owner” shall mean and refer to Canyon del Rio Investors, LLC, an Arizona limited liability company, and any successor-in-interest or assignee of Canyon del Rio Investors, LLC with respect to the CDRI Property, including any portion thereof.

2.2 “CDR Entities” shall mean CDR Land Investors I, LLC, CDR Land Investors II, LLC, and CDR Land Investors III, LLC. The CDR Entities are wholly owned by CDRI.

2.3 “City” shall mean and refer to the City of Flagstaff, an Arizona municipal corporation, and any successor public body or entity.

2.4 “Improvements” shall mean and refer to all the improvements, on-site and off-site, which may be constructed from time to time as part of the Project, including, without limitation, public roads, utilities, water-related improvements, driveways, landscaping, and other improvements of any type or kind to be built by CDRI, any successor-in-interest or assignee in whole or in part of CDRI, and/or any Improvement District or public financing mechanism that is formed to design and/or construct any or all public improvements within or serving the CDRI Property. As is described in Sections 4.7, 4.9 and 4.10 below, “Improvements” also include certain roadway and water improvements that are constructed by the City and/or the Arizona Department of Transportation (“ADOT”) with “in lieu of construction” funds that are provided to the City by CDRI or its successors and assigns.

2.5 “Phase” shall mean and refer to each separate component or portion of the Project which will or may be developed by CDRI pursuant to this Agreement.

2.6 “Project” shall mean and refer to the development of the CDRI Property for the uses, intensities, and densities currently shown in the approved Concept Zoning Plan and any subsequent Concept Zoning Plan, Subdivision Plat and Site Plan that is requested by CDRI and/or its successors or assigns and approved by the City through the City's applicable processes.

2.7 “Property” or “CDRI Property” shall mean and refer to all the approximately 262 acres of real property which is legally described in *Exhibit A*.

2.8 “Re-zoned Parcels” shall mean Parcels E-1, E-2, F, G, H, J-1, J-2, K-1, K-2, N, O and P.

2.9 “Zoned Parcels” shall mean Parcels I, Q-1, Q-2, Q-3, R-1, R-2, R-3, R-4, R-5 and S.

2.10 “Zoning Code” shall mean the version of the Flagstaff Zoning Code in effect at the time any entitlements are requested or plans are submitted for approval, unless application of the then current Zoning Code would be contrary with this Agreement, in which case the terms of this Agreement will control, at CDRI’s election.

3. CONCEPT ZONING PLAN

The City and CDRI hereby acknowledge the Concept Zoning Plan attached as *Exhibit C* to this Agreement (“Concept Zoning Plan”) sets forth the basic land uses and the intensity and density of such uses which have been approved by the City for development within the CDRI Property. Notwithstanding anything contained in the foregoing, however, the City acknowledges that, while CDRI intends the CDRI Property to be developed in general conformance with the Concept Zoning Plan, to make the development of the CDRI Property economically viable and otherwise feasible, as it progresses through detailed Platting, formal Site Plan Review, or other processes or a change in market needs and demands, CDRI and/or its successors and assigns, may request modifications to the Concept Zoning Plan, all subject to the City's applicable reviews and approvals, which may include an amendment of this Agreement approved by the Flagstaff City Council (“Council”). Nothing contained herein shall preclude the City from the exercise of its normal review process and requirements in connection with its approval of such submittals.

4. DEVELOPMENT PROVISIONS

4.1 Development Standards. The development of the Project, as well as the standards for off-site and on-site public improvements, will be governed by the City’s codes (including the Flagstaff Zoning Code), ordinances, regulations, rules, guidelines, and policies controlling permitted uses of the Project, design review guidelines, the density and intensity of uses, the maximum height and size of the buildings within the Project in existence at the time any improvement plans are submitted for approval (collectively, the “Applicable Rules” or “Rules”), unless application of the Rules would be contrary with this Agreement. Under no circumstances will the Applicable Rules alter, modify or increase the required financial contributions that are expressly stated in Sections 4.7 and 4.10 of this Agreement. .

4.2 Permits and Fees. CDRI agrees and understands that all building permit fees, Development Fees enacted under A.R.S. § 9-463.05, and other fees normally applicable to construction within the City at the time of application shall apply to construction of all on-site and off-site improvements related to the development of the Project (collectively, “User Fees”), and that User Fees are subject to change at the discretion of the City Council. All User Fees will be

charged at the rate in effect at the time the application is submitted. Under no circumstances will the applicable User Fees alter, modify or increase the required financial contributions that are expressly stated in Sections 4.7 and 4.10 of this Agreement..

4.3 Density and Zoning. The City and CDRI hereby acknowledge the Density and Zoning Plan attached as ***Exhibit D*** to this Agreement (“Density and Zoning Plan”) sets forth the zoning designations and densities which have been approved by the City for specific Parcels within the CDRI Property. The Density and Zoning Plan sets forth the maximum density and zoning with respect to each Parcel. If the density identified in the Density and Zoning Plan for any specific parcel does not meet the minimum density established in the Zoning Code, the density for that parcel cannot be further reduced. Notwithstanding any maximum density set forth on ***Exhibit D***, CDRI may elect to make minor density transfers between and/or among residential Parcels, provided that any such density transfer by CDRI continues to comply with the applicable zoning, and is reasonably approved by the City. Also, notwithstanding the foregoing, CDRI may elect to seek a change to the zoning of any Parcel from that set forth on ***Exhibit D***, provided that such requested zoning change shall be subject to the City's then-applicable rules and procedures, which may include an amendment of this Agreement approved by the Council.

4.4 Plats & Site Plans. An initial Parcel plat (“Block Plat”) will be obtained for the CDRI Property which will be a “plat” as that term is used in the City, but which will only depict Parcel borders, adjacent roadways, spine infrastructure, and large development tracts for the entire Project and will not be required to include or reflect internal Parcel roadway or utility plans or lot, building, or amenity locations. The Block Plat shall be recorded with respect to the Project prior to the issuance of a Final Plat or Final Site Plan for any individual Parcels. Final Plats and Site Plans for Parcels within the Project will conform with Paragraphs (a) through (e), below, and the City will not unreasonably withhold, delay, or condition approval of a Final Plat or Site Plan with respect to a Parcel that is submitted in substantial compliance with this Agreement and the City's Subdivision Ordinance; provided, however, if there is any conflict or inconsistency between any term or provision of this Agreement and any term or provision of the Zoning Code or the City's Subdivision Ordinance, this Agreement will control. This Agreement covers all off-site improvements that will be required based on the Property’s impact on regional and municipal infrastructure. The only financial assurances required for Final Plats and Site Plans for Parcels within the Project will arise from work required within the interior (or immediate exterior boundary) of the subject Parcel.

(a) Parcels I, Q-1, Q-2, R1-5, and S Final Plat. CDRI may develop Parcels I, Q-1, Q-2, R1-5, and S (“Residential Parcels”) as residential properties with no required attached residential product (i.e., detached single family homes), based upon the zoning designations and densities as set forth in ***Exhibit D***. All single family detached residential within the medium density zoning categories shall either be completed using the PRD option or the R1 development standards. Final Plat approval for any or all of the Residential Parcels, may be requested by CDRI as part of a separate subdivision application.

(b) Parcels G, N, O and P Final Plat. Subject to the exception set forth in Section 4.4(e) below, CDRI may develop Parcels G, N, O and P (“Med Density Parcels”) as attached single-family residential properties, based upon

the zoning designations and densities as set forth in **Exhibit D**. Final Plat approval for any or all of the Med Density Parcels may be requested by CDRI as part of a separate subdivision application.

(c) Parcels J-1 and J-2 Final Plat or Site Plan. CDRI may develop Parcels J-1 and J-2 (“High-Den Reserve Parcels”) as multi-family residential properties (e.g., apartments), based upon the zoning designations and densities as set forth in **Exhibit D**. Final Plat or Site Plan approval for any or all of the High-Den Reserve Parcels may be requested by CDRI as part of a separate subdivision or site plan application.

(d) Parcels E-1, E-2, F, H, K-1, and K-2 Final Plat or Site Plan. CDRI may develop Parcels E-1, E-2, F, H, K-1, and K-2 (“HC Parcels”) as Highway Commercial properties, based upon the zoning designations and densities as set forth in **Exhibit D**. Final Plat or Site Plan approval for any or all of the HC Parcels may be requested by CDRI as part of a separate subdivision or site plan application.

(e) Parcel O and P Sale. Notwithstanding the provisions of Section 4.4(b) above, Parcel O and/or Parcel P may be sold to, and developed as, a church and/or school site, utilizing the City's Conditional Use Permit process (if applicable).

(f) Duration of Preliminary Plat Approvals. Given the size and significance of the Project and related infrastructure, an extended duration for preliminary plat approvals is warranted such that Section 11-20-60.040(B) of the City Code will not apply. Instead, the initial approval for a preliminary plat of any Parcel within the Property will be for a period of three (3) years from the date of the Council’s approval of the preliminary plat. If a complete Final Plat submittal has been made within the third (3rd) year following the preliminary plat approval, the duration of the preliminary plat will be automatically extended for one (1) year from the date of the completeness determination. If the Final Plat has not been recorded before the expiration of the preliminary plat, the plat will expire unless otherwise extended by the Director under Section 11-20-60.040(C) of the City Code.

4.5 PRD Option. All residentially zoned parcels within the Property may elect the Planned Residential Development (“PRD”) option as provided for in Section 10-40.60.270 of the Zoning Ordinance.

4.6 Workforce Affordable Housing. CDRI acknowledges the Council’s policy to dedicate a percentage of developed units within a project as workforce or affordable housing (“AH”) when a zoning map amendment is approved that results in an increase in permitted density on the Property.

(a) AH Parcel Conveyance. Within forty-five (45) days of the recording of the later to be recorded of this Agreement and the applicable

Block Plat, CDRI will convey Parcel Q-3 (“AH Parcel”) to the City by special warranty deed, in a form reasonably acceptable to both Parties. Such conveyance will be at no cost to the City, conditioned upon the City’s use of the AH Parcel for providing AH. CDRI acknowledges the City’s target for receipt of AH incentives is ten percent (10%) of the overall residential density of the Residential component of the Property. The AH Parcel represents approximately five percent (5%) of the overall residential density for the Property, and in the event that CDRI elects to include additional AH (in addition to the AH Parcel), then in recognition of the conveyance of the AH Parcel, the City will credit five percent (5%) or one-half of the ten percent (10%) requirement when making the AH incentive calculations.

(b) AH Parcel Infrastructure. The conveyance of the AH Parcel shall be on an unimproved basis; any improvements to be installed by CDRI or its successor pursuant to this Agreement shall be accomplished as provided in this Agreement. On or before the recording of the Final Plat for Parcel R-4, CDRI will (i) dedicate the portion of the Property designated for the Harold Ranch Road right-of-way, and (ii) at CDRI’s sole expense, cause to be installed the “Parcel Q-3 Utility Infrastructure” (as described on *Exhibit E* to this Agreement) and the “Parcel Q-3 Roadway Improvements” (as also described on *Exhibit E*). Notwithstanding anything to the contrary stated in this Agreement, (iii) the Parcel Q-3 Utility Infrastructure will be installed only to the property boundary of Parcel Q-3, and (iv) the Parcel Q-3 Roadway Improvements shall be limited to one (1) lane of pavement in each direction to meet ten (10) year storm requirements, with no curb or gutter required.

4.7 Butler, Fourth, Butler/Fourth Intersection, and I-40/Butler Interchange Public Improvements and In Lieu of Construction Contributions. Over the course of the buildout of the Project, CDRI will construct or make cash in lieu of construction payments to the City for the regional roadway projects that are described and depicted on *Exhibit F* to this Agreement (“Off-Site Improvements Masterplan and Financial Allocation Exhibit”) and are further described in the below Table of Regional Roadway Projects and subsections (a) through (d).

Table of Regional Roadway Projects			
	Roadway Projects	In Lieu of Construction Payment Timing	CDRI's Obligation
1	Butler Avenue Half Street	See section a below	\$698,295
2	Fourth Street SB Dual Right	See section a below	\$21,927
3	Offsite Butler Avenue - Little A to CDR	See section a below	\$219,893
4	Butler / Fourth Signal	See section a below	\$123,391
5	Butler and Fourth EB Dual Left	See section a below	\$38,092
6	Butler and Fourth WB Left	See section a below	\$35,541
7	Butler Left Turn Lane at Peak Point	See section a below	\$60,177
8	Fourth Street South Half Street	See section a below	\$211,527
9	Fourth Street NB Left Turn Lane	See section a below	\$62,600
10	Fourth Street NB intersection transition	See section a below	\$42,175
11	Butler / Peak Point Signal	See section a below	\$250,000
12	Butler and I 40 Interchange Improvements	See section a below	\$698,112
		Total:	\$2,461,730

(a) Timing and Payments for Butler and 4th Street (South) Roadway Improvements. As shown in the City's FY 2019-23 Capital Improvement Program, the City currently has \$3,824,330 for the roadway and related improvement projects identified in the Table of Regional Roadway Projects above ("Project Table"). Upon the recordation of a Parcel-specific Final Plat within the Project or the City's approval of a Parcel-specific Site Plan within the Project, and the City providing a written statement to CDRI that the City is prepared and committed to proceed with Projects one (1) through ten (10) listed in the Project Table (collectively "Projects 1-10") within six (6) months ("Start Notice"), CDRI shall make a lump sum payment to the City for Projects 1-10 in the amount of \$1,513,618, allocated as shown on the Project Table. The lump sum payment of \$1,513,618 will be made within 30 days of the Start Notice. CDRI's payment to the City will be used by the City for construction of Projects 1-10. The City will move forward with the design, construction and delivery of Projects 1-10 upon receipt of CDRI's in lieu payment of \$1,513,618. If a Parcel-specific Final Plat within the Project has not been approved or a Parcel-specific Site Plan within the Project has not been approved by the City within 33 months after the recordation of this Agreement, and the City is committed to move forward with the design, construction and delivery of Projects 1-10, the City may provide CDRI with written notice of the City's intent to proceed with Projects 1-10 ("Construction Notice"). Within one hundred eighty (180) days following the Construction Notice, CDRI may: (i) pay the cash in lieu obligations for Projects 1-10; or (ii) provide the City with commercially appropriate security for the required payment. For the purpose of this paragraph, the term 'commercially appropriate security' shall mean a first position lien on Parcel(s) within the Project (selected by CDRI) that have a fair market value equal to 150% of the outstanding balance of CDRI's cash in lieu obligation for Projects 1-10. If option (ii) is selected, the outstanding balance will also accrue interest at the rate of five percent (5%) *per annum*, from the expiration

of the 180-day period until paid. If CDRI fails to fulfill either (i) or (ii), or reach an alternative accommodation acceptable to the City, in the City's sole discretion, the City shall maintain the right to construct some or all of the improvements described as Projects 1-10, and may, in its sole discretion, alter the scope of those improvements. CDRI acknowledges that if it fails to fulfill option (i) or (ii) above, or reach an alternative accommodation acceptable to the City, in the City's sole discretion, and the City alters the scope of Projects 1-10 or does not construct all of Projects 1-10, no Final Plats or Site Plans for Parcels within the Project will be approved until such time as the improvements described as Projects 1-10 are constructed in accordance with the requirements of this Agreement.

(b) Timing and Payment for Peak Point Intersection. CDRI shall make an additional cash in lieu of construction payment to the City in the amount of \$250,000 for the Butler/Peak Point Signal (Project 11 in the Project Table) when the City determines (based on appropriate studies) that the 1,000 vehicles per day (VPD) threshold on Peak Point Road at the intersection with Butler Avenue has been exceeded. No new Parcel-specific Final Plats or Site Plans will be approved after the 1,000 VPD threshold has been reached until the \$250,000 cash in lieu of construction payment has been made. The cash in lieu of construction payment for the Butler/Peak Point Signal may be used by the City to construct the Butler/Peak Point Signal, Butler/Peak Point Roundabout or other intersection improvement type at Butler/Peak Point, or for the improvement of the Butler Avenue/Harold Ranch Road intersection as discussed in the approved TIA.

(c) Fourth Street South Improvements. With respect to the Fourth Street roadway south improvements described as Projects 8-10 in the Project Table ("Fourth Street South Improvements"): (i) CDRI may elect to make the lump sum in lieu payment to the City for Projects 8-10 as set forth in the Project Table and described in Paragraph 4.7(a), above; or (ii) CDRI may elect to construct and install the Fourth Street South Improvements, with any costs above the in lieu payment amounts being paid (or reimbursed) by the City using portions of its 2019-23 Capital Improvement Program funding allocation. If CDRI elects to construct and install the Fourth Street South Improvements under (ii), above, Projects 8-10 as listed in the Project Table will not be subject to in lieu payment as described in Paragraph 4.7(a), above. Except for the specific improvements and expenses identified in *Exhibit F/Project Table*, Projects 8 - 10, the City agrees that CDRI will not be required to incur any expense or construction obligation in connection with the Fourth Street South Improvements. If CDRI elects to construct east-half roadway or edge improvements on Fourth Street south from Butler and adjacent to Parcels D, L or M, CDRI shall be free to seek a contribution agreement from the applicable Parcel owner(s).

(d) CDRI Contribution Exemptions. Notwithstanding anything to the contrary in this Agreement, CDRI shall not be responsible for the construction or expense of, nor shall same be included in any calculation to

determine CDRI's Proportionate Share of any in-lieu payment, for any of the following:

- I. Modifying the elevation of (i.e., raise or lower) the existing Butler Avenue and Fourth Street intersection;
- II. Modifying the elevation of the existing Butler Avenue roadway leading to, or following from, the Butler Avenue and Fourth Street intersection;
- III. Modifying the elevation of the existing Fourth Street roadway leading to, or following from, the Butler Avenue and Fourth Street intersection;
- IV. Construction of off-site improvements that are not necessitated by development of the CDRI Property and its anticipated impact on public infrastructure, as determined by the Impact Studies; and
- V. Construction of any drainage features or infrastructure required to convey storm water or other runoff under Butler Avenue and/or the Butler Avenue and Fourth Street intersection.

(e) CDRI'S Contribution to the I-40/Butler Traffic Interchange. Except as provided below, construction of the I-40/Butler Traffic Interchange Left Turn Lanes (Project 12 in the Project Table) must be completed prior to the issuance of a building permit for the 500th Dwelling Unit ("DU") within the CDRI Property. The requirement set forth in the preceding sentence is contingent on the Arizona Department of Transportation ("ADOT") permitting construction of the improvements identified as the "I-40/Butler Traffic Interchange Left Turn Lanes" in the Phasing Plan attached as *Exhibit G* to this Agreement. If ADOT fails to permit construction of the I-40/Butler Traffic Interchange Left Turn Lanes, or requires additional improvements that increase the cost of construction of the I-40/Butler Traffic Interchange Left Turn Lanes by more than 10%, then CDRI shall make a cash in lieu of construction payment to the City for the I-40/Butler Traffic Interchange Left Turn Lanes. The amount of the cash in lieu of construction payment will be: (i) \$698,112, if the funds will not be used by the City to construct the I-40/Butler Traffic Interchange Left Turn Lanes; or (ii) the estimated cost of construction of the I-40/Butler Traffic Interchange Left Turn Lanes at the time CDRI requests

permitting from ADOT, if the funds will be used by the City to construct the I-40/Butler Traffic Interchange Left Turn Lanes (“I-40/Butler Contribution”) in accordance with this Paragraph 4.7(e). The I-40/Butler Contribution, if made, will satisfy the CDRI’s entire obligation relative to the construction of transportation and roadway improvements at the I-40 and Butler Avenue Interchange and, upon payment, CDRI may proceed with approvals for additional Parcel-specific Final Plats and Site Plans. Under alternative (ii), CDRI’s I-40/Butler Contribution shall be provided by the City to ADOT on terms and conditions that are determined by the City and ADOT, which are outside of the scope of this Development Agreement; provided, however, if alternative (i) applies, the City will have the right to use the I-40/Butler Contribution for other area regional traffic improvements, provided that such use does not result in CDRI (or the Property) incurring any future or ongoing obligation or responsibility for the construction of transportation and roadway improvements at the I-40 and Butler Avenue Interchange. If alternative (ii) applies, but the City is unable to reach agreement with ADOT on funding the I-40 and Butler Avenue Interchange improvements or the improvements are not installed for any other reason, then CDRI shall be entitled to receive a refund of any portion of CDRI’s I-40/Butler Contribution that exceeds \$698,112.

(f) Permit Issuance. CDRI’s Regional Roadway Project obligations identified in *Exhibit F* and the Project Table will be fully satisfied upon CDRI: (i) making the required cash in lieu of construction payments to the City for Projects 1-11; and (ii) constructing Project 12 or making a cash in lieu of construction for Project 12 pursuant to section 4.7(e) above. Once CDRI’s obligations related to Regional Roadway Projects are satisfied, CDRI may continue to request Building Permits, and the City shall continue to issue such Permits irrespective of whether the City has completed construction of the roadway improvements for which CDRI has made a cash in lieu of construction payment to the City.

4.8 Internal Spine - Loop Road. In its first phase of construction, CDRI shall install full street improvements as required under the Phasing Plan from the intersection of Butler Avenue through to the intersection of Fourth Street. The full street improvements shall exclude sidewalk and landscape along the easterly and northerly edge of the internal spine loop road as depicted in *Exhibits B and F*. Excluded sidewalk and landscape will be constructed on a Parcel-by-Parcel basis concurrent with the development of each individual Parcel bordering the easterly and northerly edge of the internal spine loop road.

4.9 Drainage Improvements. Attached to this Agreement as *Exhibit G* is the “Phasing Plan” for the Property, which includes applicable requirements for fire access, water and sewer service, and other public facilities. Notwithstanding anything to the contrary in any existing or future rainwater harvesting or low impact development (“LID”) rules or regulations, development of the Property shall comply with the City’s LID requirements up to, but not

exceeding, on-site storm water retention of one-half inch notwithstanding that the City's current ordinances impose a rainwater harvesting regulation and LID regulation of one inch (1") on-site storm water retention. Although the 1984 Plan does not include LID or rainwater harvesting provisions, CDRI has agreed to comply with the City's LID requirements up to (but not exceeding) on-site storm water retention of one-half inch (1/2") and the City hereby reconfirms the City's approval of: (i) an exemption from the rainwater harvesting regulations for the CDRI Property; and (ii) application of a one-half inch (1/2") maximum LID requirement to the CDRI Property. In all cases, CDRI will obtain a Drainage Impact Analysis ("DIA") based on the City's LID/storm water standards at the time of preparation, as part of the Impact Studies. Drainage for the CDRI Property will be handled, and LID calculations will be made, on a master-planned basis, with the use of regional drainage facilities.

4.10 Water Improvements. CDRI shall provide to the City, in accordance with Sub-Sections 4.10 (a, b & c) below, the following real-estate or cash in lieu of construction payments for (a) New Well Site, (b) Water Storage, and (c) Secondary Water Source Improvements to be constructed by the City to supplement the City's existing ability to provide water service to the CDRI Property:

(a) New Well Site. CDRI shall provide to the City and its consultants access for exploration and ultimate development of up to two well sites and their associated delivery infrastructure on the Canyon del Rio property. Well sites are anticipated to be between ten thousand and forty thousand square feet. Sites will generally be in the open space areas as depicted on **Exhibit B** and the Block Plat. Once sites are identified, CDRI will deed the well site property to the City and provide necessary easements for access and water delivery infrastructure at no cost to the City. CDRI will have no further responsibility for design, permitting, or construction of the well sites and delivery system, and CDRI will be deemed to have satisfied any requirement for new water production to the City. The well(s) are to be financed through the capacity fees only.

(b) Water Storage. CDRI is responsible for providing 428,000 gallons of water storage and funding 20-years of O&M expense on the water storage facilities to satisfy its water storage obligations for the Project and the CDRI Property. CDRI will satisfy its water storage and O&M expense obligations with cash in lieu of construction payments to the City at the time of the issuance of a building permit for the 400th DU or equivalent commercial water usage, within the CDRI Property. CDRI's cash in lieu of construction payment obligations will be as follows: (i) \$535,000 for construction of a storage tank; and (ii) \$132,943 for 20 years of O&M expense. The City will design, permit, construct, and maintain the tank and related facilities. CDRI's total cash in lieu of construction payment for water storage will be \$667,943, (428,000 gal. at \$1.25 per gal. or \$535,000 plus \$132,943 O&M expense). CDRI will have no restrictions on building permits due to actual water storage capacity or development after the cash in lieu of construction payments are made.

(c) Secondary Water Supply. Prior to recordation of the first Final Plat or the first Site Plan approval for any individual Parcel within the CDRI Property, CDRI will provide a secondary water source for development of the CDRI Property. To satisfy this obligation, CDRI will provide a cash in lieu of construction payment to the City in the amount of \$1,300,000. The City will design, permit, construct, and maintain the secondary water source infrastructure. As long as the required cash in lieu of construction payment is made, CDRI will have no restriction on building permits due to secondary water source existence or connections.

CDRI's performance of its property transfer and cash in lieu of construction payment obligations pursuant to this Section 4.10 shall fully satisfy CDRI's above-described Well Site, Water Storage, and Secondary Water Supply obligations, whereupon CDRI and its successors may continue to request Building Permits and the City shall continue to issue such Permits irrespective of whether the City has completed construction of the Water Improvements and/or made them operational.

4.11 Vesting of WISA, TIA and Drainage Report. The Water and Sewer Impact Analysis ("WSIA") that was Approved on July 29, 2015 and was extended until [____], the Traffic Impact Analysis ("TIA"), Approved on [____], and the Drainage Impact Analysis ("DIA") that was Approved on [____], shall be deemed vested upon the City's Approval of this Development Agreement. Additional impact analyses will not be required.

4.12 Resource, Open Space and Easement Requirements. The forest and slope resources (collectively, "Resources") previously calculated by Nasser Turk and Shephard Wesnitzer ("NTSW Resource Report") may be used by CDRI as the basis for CDRI's Resource Report. The Resources may exist in two "resource banks" and will be allocated by CDRI within the CDRI Property as Parcels are sold and/or developed. This "banking" will allow Resources within residential areas to be transferred and reallocated to other residential areas and, similarly, Resources within commercial areas to be transferred and reallocated to other commercial areas. Accordingly, while Resource allocations for specific Parcels may vary from applicable zoning requirements, the aggregate Resource allocations for residential and commercial areas within the CDRI Property will be consistent with the City's 1991 Zoning Code or the 2011 Zoning Code, at CDRI's election. CDRI anticipates granting a deed of conservation easement to the Nature Conservancy (or similar non-profit organization) as part of the overall Resource Plan, which may (in CDRI's discretion) include the establishment of a public park, open spaces and/or City's trail system. In addition, CDRI (or CDRI's successors) will grant and/or reconfirm existing and future easements for utilities, drainage, FUTS, etc., which will be included in the final recorded plat for each Parcel within the CDRI Property (each, a "Final Plat").

4.13 Other Improvements. Except as provided in Section 4.8 with respect to Loop Roads, landscaping shall be deferred and addressed in individual plans for development of specific Parcels.

5. PHASING

The Parties acknowledge that development of the Property will be affected by

numerous factors outside the control of CDRI, such as, but not limited to, general economic conditions, interest rates, and market demand. Accordingly, the City acknowledges that CDRI may submit multiple applications from time to time to develop and/or construct portions of the CDRI Property in phases as long as each phase provides for the logical extension of vehicle and pedestrian connectivity, infrastructure, and utilities through the Project, as approved by the City, in compliance with the terms of this Agreement and other applicable provisions of the City's codes, ordinances, regulations, rules, guidelines, and policies. Further, each phase of this development must be designed and constructed to stand alone in perpetuity per Subdivision Regulation 11-20.130.010(B) as well as the approved water and sewer, traffic, and drainage impact analyses. Acknowledging the foregoing, development is currently anticipated to be phased in accordance with the Phasing Plan attached as *Exhibit G*; provided, however, the Parties agree to reasonable flexibility implementing the Phasing Plan.

6. INFRASTRUCTURE ASSURANCE

The parties hereto acknowledge and agree that the City, prior to recording a Final Plat or approving a Final Site Plan for each Parcel or the issuance of a permit for the commencement of construction in connection with non-subdivision development, shall require the owner of the property in question ("Owner") and/or its designees, grantees or buyers under contract, to provide appropriate assurances in such form and amount as required to assure that the installation of Infrastructure Improvements within that subdivision or other Infrastructure Improvements directly related to such building permit or permits will be completed ("Infrastructure Assurance").

In such case, the Owner may elect, with the approval of the City, which approval shall not be unreasonably withheld, any one or combination of the following methods of Infrastructure Assurance. All assurances provided by the Owner shall comply with the applicable provisions of the City's subdivision ordinance relating to such assurances. The options, in forms reasonably acceptable to the City (each, an "Acceptable Assurance"), are as follows:

(a) Owner and/or its assignees, designees, grantees and purchasers under contract is required to file with the City a performance bond; or

(b) Owner and/or its assignees, designees, grantees and purchasers under contract is required to deliver to the City an irrevocable and unconditional letter of credit which, if necessary, will be acknowledged by the City in accordance with the appropriate lenders' requirements; or

(c) A letter of financial assurance from Owner's lender or the lender of Owner's assignees, designees, grantees and purchasers under contract; or

(d) Dual Beneficiary Letter of Credit from a recognized financial institution acceptable to the City; or

(e) Cash or certified check, which may be deposited into an escrow account and administered through an escrow agreement between the parties; or

(f) Trust agreements as approved by the City; or

(g) Such other assurance mechanism as may be approved by the City in the exercise of its sole and absolute discretion.

Once the Owner required Infrastructure Assurances have been complied with, the Owner or, as applicable, the Owner's assignees, designees, grantees and purchasers under contract shall have the right, with the approval of the City, which approval shall not be unreasonably withheld, to replace such initial method of Infrastructure Assurance, either in whole or in part, with any of the other forms of Acceptable Assurance, as set forth above. If a discrete and self-sustaining portion of the Infrastructure Improvements for which an appropriate assurance has been delivered is dedicated to and accepted by the City, the City agrees to release, within twenty (20) days from such acceptance by the City, the portion of the assurance that relates to the Infrastructure Improvement so completed. The City agrees that within twenty (20) days from the City's acceptance of the particular completed Infrastructure Improvements for which the City has required and the Owner has provided Infrastructure Assurance, the City shall release such Infrastructure Assurance, in whole or in part as may be appropriate under the circumstances.

7. INFRASTRUCTURE FINANCING

7.1 Impact Fees. Subject to the provisions of this Agreement and to the extent permitted by law, Owner agrees to pay all current and future enacted impact fees provided such impact fee is generally and uniformly applicable to the City and is consistent with the provisions of A.R.S. § 9-463.05 if such fee is charged by the City at the time of construction permit issuance. The City of Flagstaff does not currently have adopted utility impact fees. Notwithstanding any contrary provision of this Agreement, if Owner provides, dedicates or pays for any public sites or public infrastructure, the value or costs of which are included as a component of an impact fee pursuant to A.R.S. § 9-463.05, Owner shall receive a credit equal to the value or cost of such public site or infrastructure ("Impact Fee Credit"), to be applied in lieu of existing or future impact fees imposed by the City which relate to or otherwise apply to the Property. In no event may the Impact Fee Credits in each category of impact fees exceed the actual impact fees paid or to be paid by or in connection with development on the Property. Wherever this Agreement provides that Owner shall be entitled to an Impact Fee Credit against any impact fee imposed by the City, the Impact Fee Credit shall be credited to Owner in increments equal to one hundred percent (100%) of the particular impact fee otherwise applicable to each building permit issued with respect to a home or building or structure to be constructed on the Property, up to the maximum total credit provided for in this Agreement.

7.2 Reimbursement for Oversizing that Benefits Other Properties. The parties acknowledge that if Owner provides or pays for any dedicated public sites or public infrastructure that will directly benefit property or developments other than the Property and the developments thereon, then Owner may seek reimbursement pursuant to City Code Chapter 7-08.

8. DEVELOPMENT PROCESS

8.1 Diligence in Responding to Approval Requests. The City hereby acknowledges and agrees that development of the Property may occur over a span of a number of years and will require the City's ongoing participation in the review and approval of modifications and amendments to any phasing plans, site plans, infrastructure plans, drainage plans, design plans, building plans, grading permits, building permits, and other plans, permit applications and inspections which are a part of the City's current building and development requirements (hereinafter collectively called "Approval Requests"). The City hereby agrees that, in connection with all such Approval Requests relating to the planning or development of the Property or any portion thereof, and the construction of Improvements thereon, it shall cooperate with CDRI in good faith to process all such Approval Requests.

8.2 Manager's Power to Consent. The City hereby acknowledges and agrees that any unnecessary delay hereunder would adversely affect CDRI and/or the development of the Property. Any disputes between CDRI and the City with respect to engineering matters will be resolved by the City Manager pursuant to City Code § , without further action of Council, except for any actions requiring Council approval as a matter of law.

9. DEFAULT; REMEDIES

9.1 Events Constituting Default. A party hereunder shall be deemed to be in default under this Agreement if such party breaches any obligation required to be performed by the respective party hereunder within any time period required for such performance and such breach or default continues for a period of thirty (30) days after written notice thereof from the party not in default hereunder.

9.2 Dispute Resolution. In the event that there is a dispute hereunder which the Parties cannot resolve between themselves, the Parties agree that there shall be a forty-five (45) day moratorium on litigation during which time the Parties agree to attempt to settle the dispute by nonbinding mediation before the commencement of litigation. The mediation shall be held under the commercial mediation rules of the American Arbitration Association. The mediator selected shall have at least five (5) years' experience in mediating or arbitrating disputes relating to commercial property development. The costs of any such mediation shall be divided equally between the Parties or in such other fashion as the mediator may order. The results of the mediation shall be nonbinding on the parties and any party shall be free to initiate litigation upon the conclusion of mediation.

10. GENERAL PROVISIONS

10.1 Effective Date and Term. This Agreement shall be effective ("Effective Date") upon execution by the Parties hereto and Recordation in accordance with A.R.S. § 9-500.05 (as amended). The term of this Agreement shall extend from the Effective Date of this Agreement and shall automatically terminate upon the earlier to occur of complete build-out of the CDRI Property or on the fortieth (40) anniversary of the Effective Date, unless this Agreement is rescinded or terminated earlier as provided for herein. However, if any of

the CDRI Property still is subject to this Agreement forty (40) years after the Effective Date of this Agreement, this Agreement shall automatically extend without the necessity of any notice, agreement, or recording by or between the parties an additional ten (10) years, for a total of fifty (50) years, at which time this Agreement shall automatically terminate as to the CDRI Property without the necessity of any notice, agreement, or recording by or between the parties.

10.2 Termination as to Lots. The purpose of this Agreement is to provide for development of the CDRI Property in accordance with applicable City standards. Accordingly, although recorded, this Agreement will terminate as to any individual lot, parcel, tract, area, or subdivision (“Lot”) within the CDRI Property without the execution or recordation of any further document or instrument as to any Lot, upon the sale of that Lot by CDRI (including any successor-in-interest with respect to all or any portion of the CDRI Property) to end user(s) that purchase completed structures, after the facilities associated with the Project have been constructed, successfully tested, and then dedicated to, and accepted by, the City. Any title insurer can rely on this paragraph with respect to this Agreement when issuing any commitment to insure or when issuing a title insurance policy in connection with the sale of a particular Lot within the Property. Notwithstanding the foregoing automatic termination, once the Project has been constructed, successfully tested, and then dedicated to, and accepted by, the City, upon the request of any developer, the City and any other developers shall execute and record a notice of termination of this Agreement in a form reasonably specified by the requesting developer.

10.3 Notices. All notices and communications provided for herein, or given in connection herewith, shall be validly made if in writing and delivered personally or sent by registered or certified United States Postal Service mail, return receipt requested, postage prepaid to:

To City:

City Manager
City of Flagstaff
211 West Aspen Avenue
Flagstaff, Arizona 86001

To CDRI:

Canyon del Rio Investors, LLC
Attn: Robert M. Semple
2700 N. Central Ave., 9th Floor
Phoenix, Arizona 85004

With copies to:

City Attorney
211 West Aspen Avenue
Flagstaff, Arizona 86001

David E. Shein
Shein Phanse Adkins, P.C.
6720 North Scottsdale Road
Suite 261
Scottsdale, Arizona 85253

or to such other addresses as either party may from time to time designate in writing and deliver in a like manner. Any such change of address notice shall be given at least ten (10) days before the date on which the change is to become effective. Notices given by mail shall be deemed delivered 72 hours following deposit in the United States Postal Service in the manner set forth above.

10.4 Waiver. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by the parties of the breach of any provision of this Agreement shall be construed as a waiver of any preceding or succeeding breach of the same or of any other provision of this Agreement.

10.5 Headings. The descriptive headings of the paragraphs of this Agreement are inserted for convenience only, and shall not control or affect the meaning or construction of any of the provisions of the Agreement.

10.6 Authority. The undersigned represent to each other that they have full power and authority to enter into this Agreement, and that all necessary actions have been taken to give full force and effect to this Agreement. CDRI represents and warrants that it is duly formed and validly existing under the laws of the State of Arizona, that it is duly qualified to do business in the State of Arizona, and is in good standing under applicable state laws. CDRI and the City warrant to each other that the individual executing this Agreement on behalf of his/her respective party is authorized and empowered to bind the party on whose behalf each individual is signing. CDRI warrants and represents to the City that by entering into this Agreement, CDRI has bound the CDRI Property and all persons and entities having any legal or equitable interest therein to the terms of the Agreement.

10.7 Entire Agreement. This Agreement, including the following Exhibits which are incorporated into this Agreement by reference, constitutes the entire agreement between the Parties and supersedes any prior written or oral understandings or agreements between the Parties. Notwithstanding the foregoing, CDRI may, without requiring any Amendment to this Agreement, request modifications to any Exhibit(s) provided that such modification(s) is subject to the City's then-applicable review process and approvals. This Section 10.7 applies only to the entirety of this Agreement; additional and separate zoning stipulations and agreements with the City may apply to the Property, and this Section 10.7 has no effect on them.

<i>Exhibit A</i>	<i>Legal Description of Property</i>
<i>Exhibit B</i>	<i>Parcel Map</i>
<i>Exhibit C</i>	<i>Concept Zoning Plan</i>
<i>Exhibit D</i>	<i>Density and Zoning Plan</i>
<i>Exhibit E</i>	<i>Parcel Q-3 Utility Infrastructure Improvements</i>
<i>Exhibit F</i>	<i>Off-Site Improvements / Financial Allocations</i>
<i>Exhibit G</i>	<i>Phasing Plan</i>

10.8 Amendment of the Agreement. This Agreement may be amended, in whole or in part and with respect to all or any portion of the CDRI Property, only with the mutual written consent of the parties to this Agreement or by their successors in interest or assigns that own (at the time of the Amendment) the portion(s) of the CDRI Property that is included in the Amendment. Consent is not required from owners of property(ies) within the CDRI Property that are not included in the Amendment. The City shall record the amendment in the official records of the Coconino County Recorder.

10.9 Severability. If any provision or provisions of this Agreement, or the application thereof to any person or circumstance, is determined to be invalid or unenforceable to any extent, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is so determined invalid or unenforceable, will not be affected thereby, and each provision hereof will be valid and will be enforced to the fullest extent permitted by law.

10.10 Controlling Law and Choice of Forum. This Agreement and all questions relating to its validity, interpretation, performance, and inducement shall be governed by and construed, interpreted, and enforced in accordance with the substantive laws of the State of Arizona (without reference to conflict of law principles). Any action pertaining to this Agreement shall be commenced and maintained in the Superior Court of the State of Arizona, in and for the County of Maricopa, and all parties irrevocably consent to exclusive jurisdiction and venue in such court for such purposes.

10.11 Recordation of Agreement and Subsequent Amendment; Cancellation. The City will record this Agreement, and any amendment or cancellation of it, in the official records of the Coconino County Recorder no later than ten (10) days after the City and CDRI execute the Agreement, amendment, or cancellation, as required by A.R.S. § 9-500.05.

10.12 No Partnership; Third-Party. It is not intended by this Agreement to, and nothing contained in this Agreement shall, create any partnership, joint venture or other arrangement between CDRI and the City. No term or provision of this Agreement is intended to, or shall, be for the benefit of any person, firm, organization or corporation not a party hereto, and no such other person, firm, organization or corporation shall have any right or cause of action hereunder.

10.13 Conflict of Interest. Pursuant to Arizona law, rules and regulations, no member, official or employee of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, or employee participate in any decision relating to this Agreement which affects his or her personal interest or the interest of any corporation, partnership, or association in which he or she is, directly or indirectly, interested. This Agreement is subject to the cancellation provisions of A.R.S. § 38-511.

10.14 Compliance with All Laws. CDRI and the City will comply with all applicable Federal, State, and County laws, as well as with all applicable City ordinances, regulations and policies.

10.15 Successors and Assigns. CDRI (including its successors and assigns) shall be entitled to assign its interest in this Agreement, in whole or in part, to any person or entity, provided that the City receives notice of such assignment from the assignor with the name, address, and designated representative of the assignee, accompanied by a written instrument (a true and correct copy of which shall be provided to the City) pursuant to which the assignee has agreed to be bound by this Agreement and assumed all obligations of the assignor with respect to the Parcel or Parcels (which may include the entire CDRI Property), and upon such receipt by the City, and without any action by the City, then with respect to the Parcel or Parcels assigned (which may include the entire CDRI Property), the assignor shall be released from any

obligations or liabilities arising under this Agreement from and after the date of the assignment.

10.16 Vested Rights. Nothing in this Development Agreement shall preclude CDRI (including its successors and assigns) from claiming that CDRI has vested rights to complete the development of the Project in reliance on Rezoning Ordinance No. 2019- [] (“Rezoning Ordinance”).

10.17 Additional Instruments and Acts. Without limiting the provisions of this Agreement, the parties shall promptly execute and deliver all such other instruments and take all such other action as any party may reasonably request from time to time, before or after the execution of this Agreement, in order to effectuate the actions and transactions contemplated by this Agreement.

10.18 Estoppel Certificate. Any Owner may request of the City Manager, and the City Manager or his designee shall, within thirty (30) calendar days, respond and certify by written instrument to the requesting party that (a) the Rezoning Ordinance is unmodified and in full force and effect, or if there have been modifications, that the Rezoning Ordinance is in full force and effect as modified, stating the nature and date of such modifications; (b) there is or is not a default under that Rezoning Ordinance or this Agreement and the scope and nature of the default; and (c) the City has or does not have any existing or pending legal or equitable claims against any party with an ownership interest in the Property. In the event an Owner has not received an estoppel certificate within thirty (30) days from the date of the request, then in such event, that Owner shall be entitled to prepare an estoppel certificate and deliver the certificate to the City Manager, and such estoppel certificate shall be binding upon the City.

10.19 Counterparts. This Agreement may be executed in any number of counterparts, each of which will constitute an original, but all of which will constitute one and the same agreement.

Dated as of the Effective Date, by:

City of Flagstaff

Canyon del Rio Investors, LLC, for itself and the CDR Entities

_____, Mayor

By: _____
Name: _____
Title: _____

Attest:

_____, City Clerk

Approved as to form and authority:

_____, City Attorney

STATE OF ARIZONA)
COUNTY OF _____)

ACKNOWLEDGMENT

On this __ day of _____, 2019, before me, a Notary Public, personally appeared _____, known to be or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument and acknowledged that he executed the same on behalf of Canyon del Rio Investors, LLC, an Arizona limited liability company, for the purposes therein contained.

Notary Public

My Commission Expires: _____

Exhibit A
(Legal Description - Property)

Exhibit B
(Parcel Map)

Exhibit C
(Concept Zoning Plan)

Exhibit D

Density and Zoning Plan¹

Parcel	Zoning	Use	Maximum Density
E-1	HC - Commercial	Office/Retail	N/A
E-2	HC - Commercial	Office/Retail	N/A
F	HC - Commercial	Office/Retail	N/A
G	MR - Med Density	Attached Residential	50
H	HC - Commercial	Office/Retail	N/A
I	RI - SFR	Detached Residential	50
J-1	HR - High Density	Attached Residential/Multi-Family/Apartments	240
J-2	HR - High Density	Attached Residential/Multi-Family/Apartments	432
K-1	HC - Commercial	Retail	N/A
K-2	HC - Commercial	Retail	N/A
N	MR - Med Density	Attached Residential/Duplex Units	42
O	MR - Med Density	Attached Residential/Church or School	49
P	MR - Med Density	Attached Residential/Church or School	40
Q-1	RI - SFR	Detached Residential	41
Q-2	RI - SFR	Detached Residential	21
Q-3	MR - Med Density	Attached Residential/Duplex Units	80
R 1 through R-5	MR - Med Density	Planned Community	367
S	SR -LG Lot Residential	Detached Residential	14

¹ Notwithstanding any maximum density set forth on this *Exhibit D*, CDRI may elect to make minor density transfers between and/or among residential Parcels, provided that any such density transfer by CDRI continues to comply with the applicable zoning.

Exhibit E

Parcel Q-3 Utility Infrastructure and Roadway Improvements

The Q-3 Parcel (a/k/a/ the “AH Parcel”) will be provided to the City on an unimproved basis with the Q-3 Utility Infrastructure (as defined below) brought to the City’s Q-3 Parcel property line. CDRI will also be responsible for dedicating the Harold Ranch Road ROW and for the completion of the Q-3 Roadway Improvements (as defined below). The term “Q-3 Utility Infrastructure” will mean improvements identified by the approved TIA and WSIA that meet the City’s municipal requirement and are of sufficient size and capacity to accommodate the development of Parcel Q-3 for AH purposes and extending these water, sewer, traffic and drainage improvements for that portion of Harold Ranch Road which is located on the CDRI Property. The term “Q-3 Roadway Improvements” will mean the dedication of the Harold Ranch Road ROW (96’ adjacent to Parcel Q-3) and completing the roadway improvements required to improve that portion of Harold Ranch Road which is located on the CDRI Property in a manner consistent with the City’s Engineering Standards, the Impact Studies (TIA and WSIA) and the Final Zoning. The size and scope of the Q-3 Roadway Improvements adjacent to and east of Parcel Q-3 shall be limited to one lane of pavement in each direction installed to meet ten-year storm requirements, with no curb, gutter, landscaping, etc., required. Roadway Improvements adjacent to Parcel Q-3 shall be installed as “half street” improvements with the southern lanes of traffic provided with construction of the Parcel Q-3 Utility Infrastructure and Roadway Improvements adjacent to Parcel Q-3 and the northern lanes of traffic provided with the development of Parcel R-5. Commencement of construction of the Parcel Q-3 Utility Infrastructure and the Q-3 Roadway Improvements will be required within 12 months following the recordation of a Final Plat for Parcel R-4 within the CDRI Property, and such Parcel Q-3 Utility and Roadway construction shall proceed with reasonable diligence to completion.

Exhibit F

Off-Site Improvements Masterplan
and Financial Allocation

Exhibit G

Phasing Plan