

## WORK SESSION AGENDA

CITY COUNCIL WORK SESSION  
TUESDAY  
SEPTEMBER 12, 2023

COUNCIL CHAMBERS  
211 WEST ASPEN AVENUE  
3:00 P.M.

All City Council Meetings are live streamed on the city's website  
(<https://www.flagstaff.az.gov/1461/Streaming-City-Council-Meetings>)

### \*\*\*PUBLIC COMMENT\*\*\*

Verbal public comments may be given through a virtual public comment platform or in-person

If you want to provide a verbal comment during the Council Meeting, use the link below to join the virtual public comment room.

### VIRTUAL PUBLIC COMMENT WAITING ROOM

Written comments may be submitted to [publiccomment@flagstaffaz.gov](mailto:publiccomment@flagstaffaz.gov). All comments submitted via email will be considered written comments and will be documented into the record as such.

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#### 1. Call to Order

#### NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

*Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this work session, the City Council may vote to go into executive session, which will not be open to the public, for discussion and consultation with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).*

#### 2. ROLL CALL

*NOTE: One or more Councilmembers may be in attendance through other technological means.*

MAYOR DAGGETT  
VICE MAYOR ASLAN  
COUNCILMEMBER HARRIS  
COUNCILMEMBER HOUSE

COUNCILMEMBER MATTHEWS  
COUNCILMEMBER MCCARTHY  
COUNCILMEMBER SWEET

#### 3. Pledge of Allegiance, Mission Statement, and Land Acknowledgement

#### MISSION STATEMENT

*The mission of the City of Flagstaff is to protect and enhance the quality of life for all.*

## LAND ACKNOWLEDGEMENT

*The Flagstaff City Council humbly acknowledges the ancestral homelands of this area's Indigenous nations and original stewards. These lands, still inhabited by Native descendants, border mountains sacred to Indigenous peoples. We honor them, their legacies, their traditions, and their continued contributions. We celebrate their past, present, and future generations who will forever know this place as home.*

### 4. **Public Participation**

*Public Participation enables the public to address the council about items that are not on the prepared agenda. Public Participation appears on the agenda twice, at the beginning and at the end of the work session. You may speak at one or the other, but not both. Anyone wishing to comment at the meeting is asked to fill out a speaker card and submit it to the recording clerk. When the item comes up on the agenda, your name will be called. You may address the Council up to three times throughout the meeting, including comments made during Public Participation. Please limit your remarks to three minutes per item to allow everyone to have an opportunity to speak. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.*

### 5. **Review of Draft Agenda for the September 19, 2023 City Council Meeting**

*Citizens wishing to speak on agenda items not specifically called out by the City Council may submit a speaker card for their items of interest to the recording clerk.*

### 6. **City Manager Report**

Information Only

### 7. **Roundabout Workshop and Discussion**

Facilitate council discussion concerning modern roundabout design, operational considerations and public outreach.

### 8. **City of Flagstaff Advertising Policy**

Discuss with the Mayor, Vice Mayor and Councilmembers the revisions we are making to our advertising standards to form a facility-wide policy that acts as a guideline for businesses, groups, events, and more when advertising with the City of Flagstaff (COF).

### 9. **Request for information on the history of the Timber Sky Development Agreement and amendments**

Discussion and Direction

### 10. **Public Participation**

### 11. **Informational Items To/From Mayor, Council, and City Manager; future agenda item requests**

**12. Adjournment**

CERTIFICATE OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Flagstaff City Hall on \_\_\_\_\_, at \_\_\_\_\_ a.m./p.m. in accordance with the statement filed by the City Council with the City Clerk.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
Stacy Saltzburg, MMC, City Clerk

THE CITY OF FLAGSTAFF ENDEAVORS TO MAKE ALL PUBLIC MEETINGS ACCESSIBLE TO PERSONS WITH DISABILITIES. With 48-hour advance notice, reasonable accommodations will be made upon request for persons with disabilities or non-English speaking residents. Please call the City Clerk (928) 213-2076 or email at [stacy.saltzburg@flagstaffaz.gov](mailto:stacy.saltzburg@flagstaffaz.gov) to request an accommodation to participate in this public meeting.

NOTICE TO PARENTS AND LEGAL GUARDIANS: Parents and legal guardians have the right to consent before the City of Flagstaff makes a video or voice recording of a minor child, pursuant to A.R.S. § 1-602(A)(9). The Flagstaff City Council meetings are live-streamed and recorded and may be viewed on the City of Flagstaff's website. If you permit your child to attend/participate in a televised Council meeting, a recording will be made. You may exercise your right not to consent by no allowing your child to attend/participate in the meeting.

**CITY OF FLAGSTAFF  
STAFF SUMMARY REPORT**

**To:** The Honorable Mayor and Council  
**From:** Stacy Saltzburg, City Clerk  
**Date:** 09/06/2023  
**Meeting Date:** 09/12/2023



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**TITLE:**

**City Manager Report**

**DESIRED OUTCOME:**

Information Only

**EXECUTIVE SUMMARY:**

These reports will be included in the City Council packet for regularly scheduled Work Session meetings. The reports are intended to be informational, covering miscellaneous events and topics involving the City organization.

**INFORMATION:**

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**Attachments:** [City Manager Report](#)  
[Community Development Summer Update](#)  
[IT Summer Update](#)  
[PROSE August Report](#)

# City Manager's Report

Sept 7, 2023

Council and Colleagues, greetings. These reports will be included in the City Council packet for Council Work Sessions. The reports are intended to be informational, covering miscellaneous events and topics involving the city organization. This Report will include, as attachments, the summer update from Community Development, the summer update from Information Technology, and the August PROSE update.

In no particular order ...

## Water Services

We regularly see updates from our Water Services Division, but here are a couple of items that need to be brought to the Council's attention at this time.

### 2024 Water Resources Development Act (WRDA).

The City of Flagstaff received an invitation from Senators Kelly and Sinema to submit project requests to be included WRDA. This biennial bill is the primary authorizing legislation for civil work studies, projects, and programs carried out by the U.S. Army Corps of Engineers. Due to a tight deadline, City staff considered the opportunity and submitted the following request for the 2024 WRDA process:

1. **Request Title:** Advanced Wastewater Treatment Facility (AWTF) - Infrastructure and water resources resiliency project - \$4,800,000
2. **Description of Request:** The request is to work with the Army Corps of Engineers (ACE) to advance a basis for the design and project layout for an advanced wastewater treatment facility. The facility will treat wastewater through an advanced treatment process ahead of a potable reuse project. Preparing water for indirect or direct potable reuse is a significant step toward groundwater resource resiliency. The City also requests authorization through ACE to construct the project.

Flagstaff, a population of 80,000, is a regional hub for commerce, tourism, and higher learning and is about halfway to build out. About two-thirds of the City's treated effluent, from 3,000 to 4,000 acre-feet per year, is discharged to the Rio de Flag wash as uncommitted wastewater effluent. This substantial volume totals about half the water delivered as potable water annually. Therefore, the City of Flagstaff desires to construct an advanced water treatment facility that provides a water source for reuse. This water management benefit would significantly reduce or augment groundwater pumping from the C-aquifer. The cost to build an AWTF is estimated at roughly \$300 million.

3. **Does this request modify a program or authority included in a previous WRDA bill? If so, please explain.** No
4. **Supporting Organizations:** The City is working on letters of support from anticipated community partners, including Friends of Flagstaff's Future and the Flagstaff Water Group.

#### Advance Water Purification Technical Advisory Group

The City of Flagstaff, Water Services Division, has been approached by the City of Phoenix and City of Scottsdale to sign on in support of the attached letter providing comments on some of the recommendations coming from the Advance Water Purification Technical Advisory Group (created by ADEQ to review potential rulemaking considerations). Director Shannon Jones is circulating a draft for review internally and by our outside legal counsel. Stay tuned.

#### Bureau of Reclamation Proposed Project

"City staff are working on a letter to Congressman Crane's office about a Bureau of Reclamation project and the details will be included in the September 19<sup>th</sup> agenda for Council consideration." This will give us time to update the staff summary to reflect any feedback we receive from the Bureau of Reclamation next week.

#### Watershed Alliance for the Rio De Flag

Ed Schenck and I met with a couple members of the proposed Watershed Alliance for the Rio de Flag (WARF) on Sept 6 to discuss the formative documents that will soon be going back to the Water Commission and eventually to the City Council. It was a very productive meeting and things are moving forward.

#### **Fire Department**

- Fire personnel were able to participate in a rare training opportunity with Guardian ground, Guardian air, DPS, FUSD and Coconino County is an extrication of a school bus drill. A big shout out to Chief Callander and Engineer Denham for the countless hours developing and planning the drill. Approximately 300 people joined to observe the drill. (photo below)



- A few personnel changes over the summer break, Captain Seth Gregar has been newly assigned to the CARE/EMS Captain position, Mark Adams joined the team as the new Wildland Community Risk Reduction Specialist and Casey Gonzales was promoted to Fire Captain, we had 2 new Firefighters graduate from the academy – Silas Spencer and Jacob Sansone, Bryor Nittmann is a new Wildland Fire Engineer.
- Flagstaff Fire Department participated in the ChildHelp Flagstaff fundraiser with Captain Felts as the celebrity chef and the even raised over \$100,000 for the charity. They also participated in the recent Climb to Conquer cancer raising money to help those fighting cancer.
- Chief Gaillard and Battalion Chief Oltrogge attended a roundtable discussion on Strengthening Arizona’s Wildfire Response and Protecting Wildland Firefighter Pay with Senator Kyrsten Sinema (see picture that follows ... please note that the City Manager is the only one sporting a necktie and sports jacket).



### Human Resources

- The team is working on rolling out an updated in-person new employee orientation to welcome new City staff. The new format is anticipated in mid to late September.
- Human Resources & Risk Management are in the process of updating the website pages including the landing page for prospective applicants.
- The classification and compensation team have been busy analyzing the City’s pay structure and policies to bring forward recommendations to positively impact the City’s ability to recruit and retain talented personnel.

## Police Department

- The Police Department had some exciting personnel changes over the summer break, Tammy Truman was promoted to a Lead Police Records position hired five Police Aides – Andre Easter, Dylan Larson, Trevor Beaver, Kaleb Baughn, and Illiana Draper, and 7 new Officers – Kyle Sabo, Connor Twomey, John Long, Connor Simmons, Carson Knott, Andre Martin, and Logan Kane.
- Lt Hernandez attend the Arizona Association Chief of Police Law Enforcement Summit where he was recognized as an Accredited Command Executive.
- Flagstaff Police Department hosted a multi-agency training on Human Trafficking presented by the Arizona Anti-Trafficking Network.
- FPD attended the County Fair to conduct outreach and recruit new Officers.
- The High Country Training Academy Graduation of Class 2 was conducted on August 24<sup>th</sup>. It was well attended. Congratulations to the many new graduates, who will be assisting the City PD, the County SO, the NAU PD, White Mountain Apache Tribal Police, and Yavapai County SO.



## Public Works

- The solid waste team is working with key partners downtown on collections infrastructure in the area.
- Distributed smaller planter boxes in the Aspen Alley this week to promote pedestrian use in the area.
- Public Works has used this summer weather well by completing signs and paint markings projects, concrete repairs and replacements, asphalt patches, and light repairs with new LED infrastructure. You can see the completion of many of these projects around town – thank you Public Works!

- Solid waste is continuing to see bagged recyclables, plastic bags, and styrofoam contaminants in the recycling. The team has been partnering with Sustainability and Public Affairs to get the word out to the community and ask for their help in reducing contaminants.
- Public Works, FFD and Water Services worked together to provide a tour to Congressman Crane’s office on the City’s efforts to maintain forest health and mitigate the risk of post-wildfire flooding. (picture on right).
- The traffic signal crew installed a speed sign on Linda Vista. This was done primarily as a preemptive measure as the City Clerk has recently moved into this neighborhood.



### **Rural Transportation Advisory Council**

City staff are working with MetroPlan to submit a funding request as part of a bill that will be put forward by the Rural Transportation Advisory Council (RTAC) to the state legislature during the 2024 session. Staff have formulated a request for \$15M for the Lone Tree Corridor Improvements. The Lone Tree Overpass (LTO) and Corridor Improvements will create a new north-south widened roadway connection extending Lone Tree Road between Butler Avenue to the south and Route 66 to the north. The roadway will be on a grade-separated bridge that will go over the BNSF Railway main line corridor and the United States Army Corps of Engineers’ future Rio de Flag Channel. This new overpass and corridor improvements will provide connectivity, traffic congestion relief on streets like Milton Road, San Francisco Street, and Beaver Street, and improved mobility to surrounding neighborhoods.

The LTO Project will be the first community project to implement the City’s newly adopted Active Transportation Master Plan. The overpass connection will also complement the community’s need for multi-model options with bicycle and pedestrian access points connecting to the Flagstaff Urban Trail System (FUTS). City staff will continue collaborating with MetroPlan to support this request throughout the 2024 state legislative session.

### **Neighborhood Liaison Position**

I'd like to provide you with a brief update regarding the Neighborhood Liaison position. In 2016 the City entered into an IGA with NAU for the creation of a Neighborhood Liaison position to foster relationships in Flagstaff at the neighborhood level. Since that time, both NAU and the City have significantly grown and expanded their outreach programs, and the City has established a variety of engagement efforts designed to meet the ever-evolving needs of the community.

The City has notified NAU that it will be concluding its participation in the IGA for the Neighborhood Liaison position at the end of the 2024 fiscal year (June 30, 2024). NAU has communicated that this does not affect the future of the Neighborhood Liaison position and that

the position will continue to function within NAU's Office of External Affairs. Furthermore, NAU and the City will continue to maintain our close working relationship through open and frequent communication. The City will continue its neighborhood outreach and engagement efforts through a variety of channels and stands ready to assist Northern Arizona University and the Office of External Affairs in this area as available.

We remain grateful to Northern Arizona University and its leadership and staff for a fruitful partnership throughout the duration of this IGA.

That's a Wrap! Thank you.

# Flagstaff Community Development 2023 Summer Update



Mission: We build community together, we provide service with integrity, and we honor the diverse heritage of Flagstaff.

## Staffing Updates

- Building Safety & Code Compliance welcomed new team members this summer:
  - Robert Solomon – Code Compliance Officer started May 25
  - Courtney West – Building Permit Technician started July 24.
  - Tiffany Thomas – Plans Examiner started August 7.
  - Brad Lawry – Building Inspector will start October 30.
  - Continue to contract for 1 full time Building Inspector
- The Housing Section continues to fill important positions and welcomed new team members:
  - Skyler Bilagody – Maintenance Worker 1 started May 1.
  - Francis Huck – Maintenance Worker 1 started on July 24.
  - Jaelen Silas – Maintenance Worker 1 started on August 21.
  - Housing Planner – new position conducting interviews!
- Planning & Development Services welcomed new team member:
  - Bethan Heng – Planner started on May 30.
  - Associate Planner – conducting interviews!
- Open Recruitments [Job Opportunities | Sorted by Job Title ascending | . \(governmentjobs.com\)](#)
  - Administrative Specialist – Planning & Development Services
  - Administrative Specialist – Community Development Administration
  - Building Plans Examiner – Building Safety & Code Compliance
  - Development Services Specialist – Planning & Development Services

## Housing Section

- Prop 442 Bond Funds
  - Private Sector Affordable Rental Units - The Housing Commission working group met several times over the summer to prepare program guidelines for the \$5 million designated to incentivize the creation of affordable rental units in new developments. The full Housing Commission will consider the guidelines and make a recommendation to City Council at their September meeting.

- Homebuyer Assistance - Staff and current program administrator Housing Solutions of Northern Arizona have reviewed the existing downpayment assistance program and developed recommendations to tailor the program to meet current market conditions. City Council will begin to consider the recommendations in September; Prop 442 identified \$7 million for homeownership assistance in the form of downpayment and closing costs assistance.
- The Housing Section will provide an update on Prop 442 Bond Fund programming at the September 5, City Council meeting.
- Staff is actively working on the strategies in the 18-Month Housing Implementation Plan.
- Housing staff solicited public comment from housing stakeholders during the month of August on the “Limited English Proficiency Language Access Plan” in conjunction with the Community Development Block Grant (CDBG) program.
- City Council appointed 6 residents to the Housing Commission on August 28. Appointments included 3 re-appointments of existing members and 3 new members. Thank you Housing Commissioners for volunteering your time!
- Affordable Home Sale - The Housing Section is facilitating the closing of an affordable Rio townhome. The home was appraised at \$448,684 but sold for \$245,171 through the Community Land Trust program. The property is scheduled to close Wednesday, August 30<sup>th</sup>.
- Arizona Housing Forum - Three Housing Section team members attended the Arizona Housing Forum in Tucson from August 23<sup>rd</sup> through August 25<sup>th</sup>. The forum, hosted by the Arizona Department of Housing, offered insightful panels, inspiring conversations, and plenty of opportunities to collaborate and connect with other housing professionals across the state. Housing Director Sarah Darr presented on a panel with housing directors from Phoenix, Tucson, and Glendale to share the successes and advice in creating and sustaining affordable housing, and Mayor Becky Daggett was awarded the Housing Hero Award for her dedication to housing in Flagstaff.





- Learn more about the work of the Housing Section in the August newsletter, which is ready for viewing [here](#). Highlights include:
  - Housing Commission update
  - 10-Year Housing Plan progress
  - Townsite CLT (Community Land Trust) home relocation
  - Arizona Department of Housing (ADOH) funding for homeless services
  - CDBG 2022 Annual Report

## Planning & Development Services Section

### Comprehensive Planning

#### Flagstaff Regional Plan 2045 – Scenario Planning

- Completed 13 Workshops to identify Growth Ideas (Spring 2023) turned into Scenario Themes
- Scenario Planning Spring Webinar held on June 15 [Regional Plan Webinar - 6-15-23 - YouTube](#)
- Scenario Planning Open House held on June 26.
- Technical Advisory Group (TAG) held 4<sup>th</sup> meeting on June 12 and their 5th meeting on August 1 [TAG Meeting Videos | Flagstaff Regional Plan 2045 \(arcgis.com\)](#)
  - Growth Ideas Discussion
  - Developing Scenarios Discussion
- Growth Modeling of the Alternative Scenarios is ongoing and will be presented at a future public meeting.
- To get on the Regional Plan Email List: [Regional Plan Update \(mailchi.mp\)](#)
- To find out more about the project: [Flagstaff Regional Plan 2045 \(arcgis.com\)](#)

## Current Planning

- On June 14, the Planning & Zoning Commission recommended approval to rezone 1.17 acres located at 1899 S. Woodlands Village Boulevard from Light Industrial Open (LI-O) to Highway Commercial (HC) to allow the expansion of a car wash. The property is within the Resource Protection Overlay. City Council approved the request at 2<sup>nd</sup> reading on July 3.
- On August 9, the Planning & Zoning Commission recommended approval to annex 1.56 acres located at 2445 S. Woody Mountain Road into the jurisdictional boundary of the City of Flagstaff, in conjunction with the request to rezone the property.
- Also on August 9, the Planning & Zoning Commission recommended approval to rezone 13.01 acres located at 2445 S. Woody Mountain Road from Rural Residential (RR) to High Density Residential (HR) to allow a 214 rental unit multiple-family development. The property is within the Resource Protection Overlay.
- On August 9, the Planning & Zoning Commission approved a Conditional Use Permit to allow a single-family High Occupancy Housing Development in the Single Family Residential (R1) district located at 3699 S. Woodland Hills Drive. The CUP is required due to the number of bedrooms (5) and bathrooms (5.5).
- For a list of projects in review and their status: [Development Status Reports | City of Flagstaff Official Website \(az.gov\)](#)
- Have a zoning or development question – ask our Planner of the Day: [POD \(az.gov\)](#)

## Zoning Code

The following amendments are currently being drafted and will begin the adoption process in the upcoming months (not a complete list):

- PZ-23-00130 Open Space Designations – this amendment is meant to separate out terms that relate to open or amenity areas included within a development project and open space areas such as McMillan Mesa. Staff reached out to the Open Space Commission to get feedback on preferred terminology. The amendment is running with Common Space and Private Space for development projects. This amendment also removes the requirement for civic space and common space on residential projects over 50 units.
- PZ-23-00134 Sign Standards – this is full scale overhaul and diet similar to the Outdoor Lighting Standards
- PZ-23-00137 Manufactured Housing Zone Lot Development Standards – the code right now requires five acres for a lot which is not feasible. This goes back to the former LDC standards of 4,000 square feet per lot and matches existing development patterns in the zone.

- PZ-22-00223 Planned Residential Development – simplification of this technical tool. Separates the tool from the Form Based Code standards. Applies only to the creation of a subdivision.

#### Land Availability and Suitability, and Development Code Analysis

- On July 3 City Council approved a contract with DOWL, LLC to complete the Land Availability and Suitability Analysis and the Development Code and Process Analysis. This analysis will identify and recommend amendments to our development codes that can advance goals of the 10-year Housing Plan and Climate Action Plan, as well as an analysis of zoning and land use to reach the goals. A project website will be developed and updates will be provided as we reach project milestones.

#### Property Care Standards

- An update on the Building and Property Care Standards was provided at the June 13, City Council work session. The new standards are complete and staff is working on amendments to the Littering, Nuisances and Abandoned Vehicle code sections. Staff will take the draft amendments to the Housing Commission and the Commission on Inclusion and Adaptive Living before coming back to City Council for consideration this fall. The latest information on Property Care can be found here: [Agenda - View Meetings \(flagstaffaz.gov\)](https://www.flagstaffaz.gov/agenda).

#### **Building Safety & Code Compliance Section**

- Permit and inspection activity remains high with 1,386 permits issued through July, compared to 1,303 permits in 2022.
- Valuation of construction is also ahead of last year, totaling \$132,468,735 through July, up \$31 million from 2022.
- For complete reports and a list of permits issued go here: [Monthly Construction Permit Statistics | City of Flagstaff Official Website \(az.gov\)](https://www.flagstaffaz.gov/monthly-construction-permit-statistics)
- Code Compliance assisted a multidisciplinary team that drafted and presented the Short-Term Rental license program, which will begin in November.
- Code Compliance has had a busy summer, focusing on sidewalk encroachments, temporary signs, lighting and graffiti abatement. Report a concern here: [RequestTracker • Flagstaff • CivicEngage \(az.gov\)](https://www.flagstaffaz.gov/request-tracker)
- More information on Code Compliance efforts: [Community Code Compliance | City of Flagstaff Official Website \(az.gov\)](https://www.flagstaffaz.gov/community-code-compliance)

#### **Real Estate Program**

- Continued to complete a large number of property acquisitions in support of Capital Improvement projects including Rio De Flag Flood Control, Switzer Water Main, Lone

Tree Overpass, Downtown Mile, University Realignment/Beulah Extension, Fourth Street Roundabout and others. Construction has begun on University/Beulah Extension and the Switzer Water Main Phase IV.

- On May 10, presented to the Planning & Zoning Commission a request to abandon 5,140 square feet of public right-of-way at 1400 W. Route 66 in conjunction with construction of a new hotel. City Council approved the request at 2<sup>nd</sup> reading on July 3 with the reservation of a public utility easement.



# QUARTERLY REPORT

Summer 2023

*“Our purpose is to provide you the secure tools to make your job easier tomorrow than it was today.”*

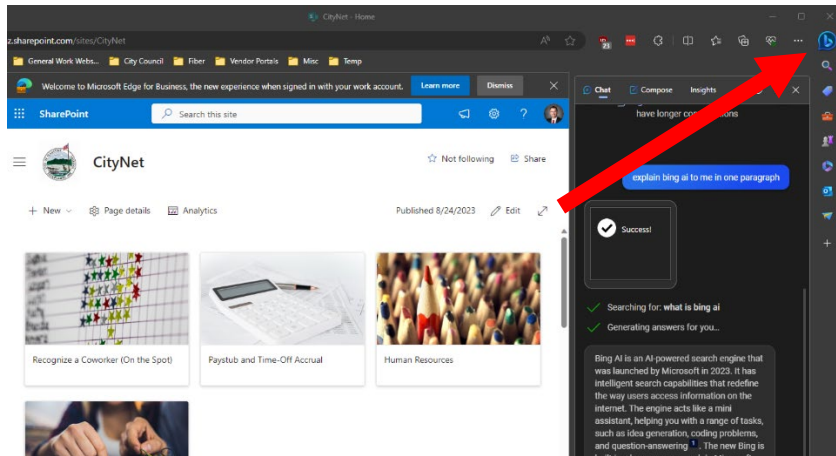
*Division of IT Mission*



# Tips and Tricks

## What is this AI stuff?

The most well known AI system is ChatGPT. ChatGPT is a large language AI model. More simply, it has scanned the internet for all the text it could find and then uses that data to “autocomplete” a response based off of your input. It’s similar to autocomplete on your smartphone but way more complex.



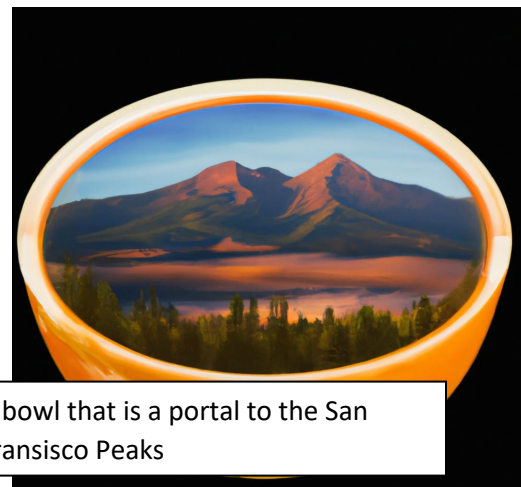
There are several other AI systems. Microsoft incorporates Bing AI right into Edge. To access this click on the Bing logo in the top right of Edge. Then you can chat with it similar to a human.

You can also use Bing AI’s “Compose” feature to write emails, staff summaries, policies, or just about anything.

There are other AI systems that do image creation such as DALL-E 2 and Midjourney to create images based on a prompt. See the following examples based on their prompts:



A painting of downtown Flagstaff, AZ



A bowl that is a portal to the San Francisco Peaks

## Use wisely!

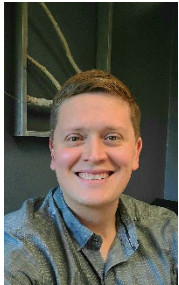
While City IT generally supports the use of these systems due to their productivity enhancing nature, most of them require input. Please be aware that any input you give becomes completely public. Please be careful not to input sensitive information into any of these systems. Once they are out there, it’s for the entire world to see.



# IT Program Spotlight

## Help Desk Program

### Paul Santana – Deputy IT Director



#### **How do I make your job easier?**

I oversee the Help Desk team, so most of the time it's not *me* making your jobs easier, it's my team..... but, I do strive to make every interaction I have with City Staff a positive, helpful, and learning experience. Whether it's a simple password reset or I'm involved in a large city project, *everything I do..... I do it for you.* :)

#### **What project am I working on now?**

Conference room upgrades, Council Chambers camera upgrades, new City Hall Security cameras and door access system, and our Applications Portfolio review.

#### **Get to know me a bit more.**

When I'm not working or sleeping, I enjoy spending time with my family, hiking, riding things with 2 wheels, and exploring the 4x4 trails of AZ.

### Brandon Ross – Help Desk Analyst



#### **How do I make your job easier?**

I work hard to keep our imaging systems up to date which speeds up the preparing of devices as well as repairing of those devices.

#### **What project am I working on now?**

Physical inventory of all computers and printers and uploading the information into a new database.

#### **Get to know me a bit more.**

I'm the head coach for both the Ladysharks Rugby Club and Landshark Rugby Club, affiliated with NAU and USA Rugby.



## Geneva Dawson – Help Desk Specialist



### How do I make your job easier?

I make others job easier, by assisting them with the help they need and a smile.

### What project am I working on now?

Currently, I have been working at the LEAF for our public safety team. Supporting our Police Department transition, making sure we have appropriate Help Desk coverage, imaging and prepping Police and Fire laptops to be on domain, and any other tech assistance I can provide.

### Get to know me a bit more.

I enjoy going to baseball and football games. Whether it's youth club or professional, thank goodness for nephews and nieces. So very proud of my son at college.

## Jace Hansen – Help Desk Technician



### How do I make your job easier?

I make peoples job easier by being friendly and approachable at the Help Desk whenever someone runs into an issue. Whether it be a walk up or a ticket, I try my best to resolve their issue in a timely manner so they can get back to doing their job.

### What project am I working on now?

I have been working on getting new devices out to various employees around the city as well as creating documentation for certain deployments such as Apple devices.

### Get to know me a bit more.

I am a very active person who enjoys going to the gym, hiking, mountain biking and just spending time with family in my free time.



# Major Project Updates

## Fiber and Broadband

The City of Flagstaff released an RFI in order to get more information prior to releasing an RSOQ or RFP. We received 9 responses and a lot of great information regarding potential options for building fiber in the City.

The next step is to go out for a procurement to get the ISP partner. IT will be meeting with Purchasing soon to strategize that next step.



# IT Problems This Quarter

## Statistics

IT has had 7 documented problems over the past 3 months. Below are some highlights of issues we worked on this quarter:

### 911 phone systems down

There was damage to a Lumen internet/phone pedestal by a car accident that brought down the 911 and non-emergency phone lines. Lumen was able to fix the damaged pedestal and restored connectivity.

### Fire Truck Connectivity failure

There was a conflict between two pieces of technology within the Fire apparatuses that resulted in them losing connectivity in the field. City staff were able to work with the vendor to identify a workaround and restore connectivity to the network equipment.

### 911 Dispatch Center Power Outage

Coconino County Sheriff Facilities was performing maintenance on the electrical systems at the Police Stations. During the maintenance, power was temporarily lost which brought down the entire Dispatch Center and all of the server infrastructure. Once power was restored, the primary backup systems went into a failure state. City staff worked with the backup vendor to replace the damaged parts and restore partial backup functionality. More repairs are needed for the remaining functionality to be restored.

### Continued dispatching issues for Fire

IT continues to work with our dispatching software vendor to work through several long-standing issues with the software. In particular they have been focusing on issues with dispatching the correct Fire units for a call. This issue has resulted in Fire staff having to manually listen to all dispatch calls to send the correct units. This issue has been our top priority for the past several weeks.

We are currently exploring long-term solutions which may include procuring a new dispatch system. The current system was developed 30 years ago and is beginning to show its age.

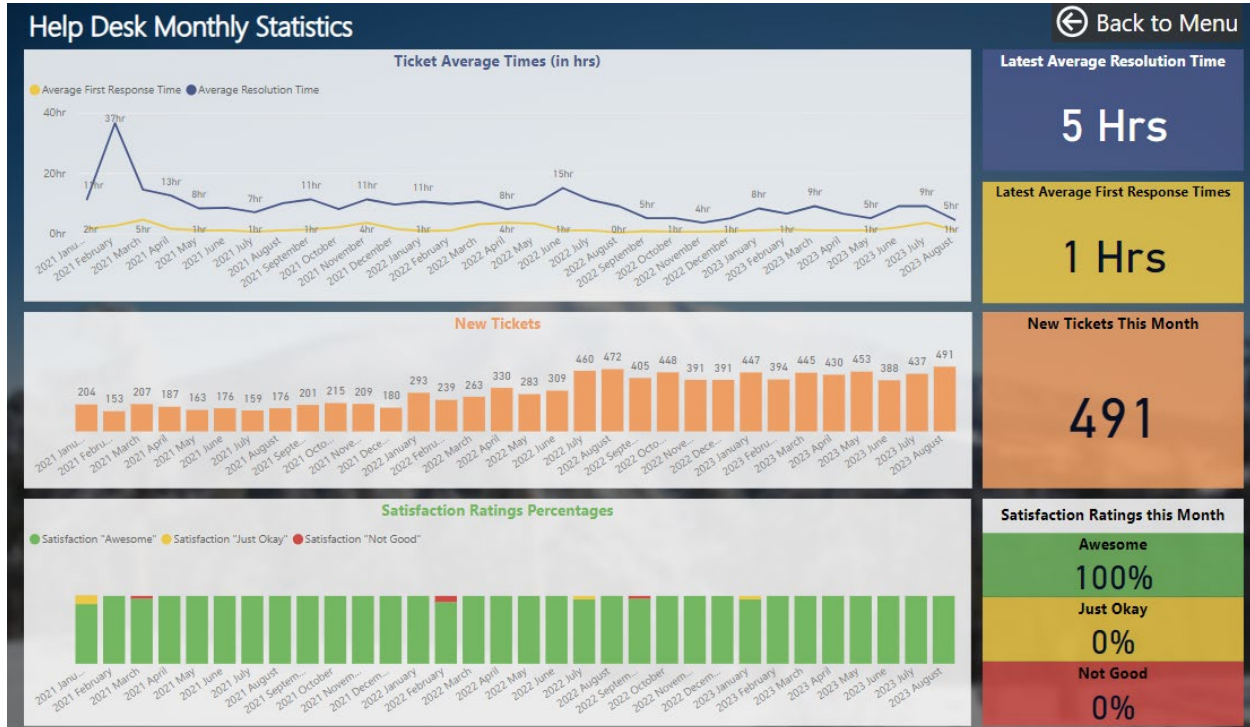


# Program Accomplishments

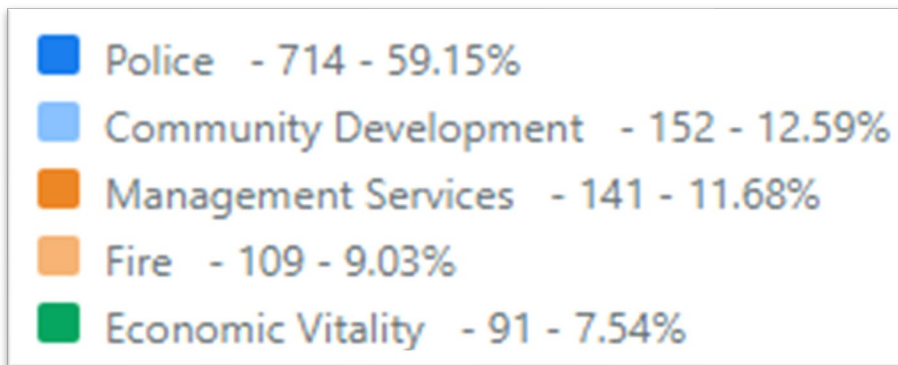
## Help Desk

In the months of June, July, and August the IT Help Desk *received* over 1,300 tickets, *resolved* more than 1,280 of those tickets, achieved an average first response time of just over 2 hours, and an average resolution time of just 7-1/2 hours.

Satisfaction ratings for this period came in at 100% Awesome!



## Ticket breakdown by Division



# Program Accomplishments

## Applications

### New Staff Member: Alex Stevenson

We'd like to welcome Alex Stevenson as the newest member of the Applications Team. Alex is joining Alan Church over at the Police Station to support our public safety systems and employees. We are excited to have Alex on board.

If you stop by the IT office at Police, make sure to welcome Alex to the team.



## Fire Department

The entire Applications Team has been hard at work trying to improve the lives and safety of our Fire Professionals. We have put new maps into production in both Dispatch and the MDCs. Unfortunately, we have encountered challenges and learning curves through the process and are facing perplexing issues with the software since. We are learning, documenting, working with Hexagon to fix all the current issues with locations and automatic vehicle location (AVL). We are currently visiting every Fire



Station in order to update every single MDC with new fonts while simultaneously getting them on a new VPN client, which will end up saving the City a substantial amount of money on licensing. If you have not heard from us yet, you will be hearing from us soon in the next couple weeks.

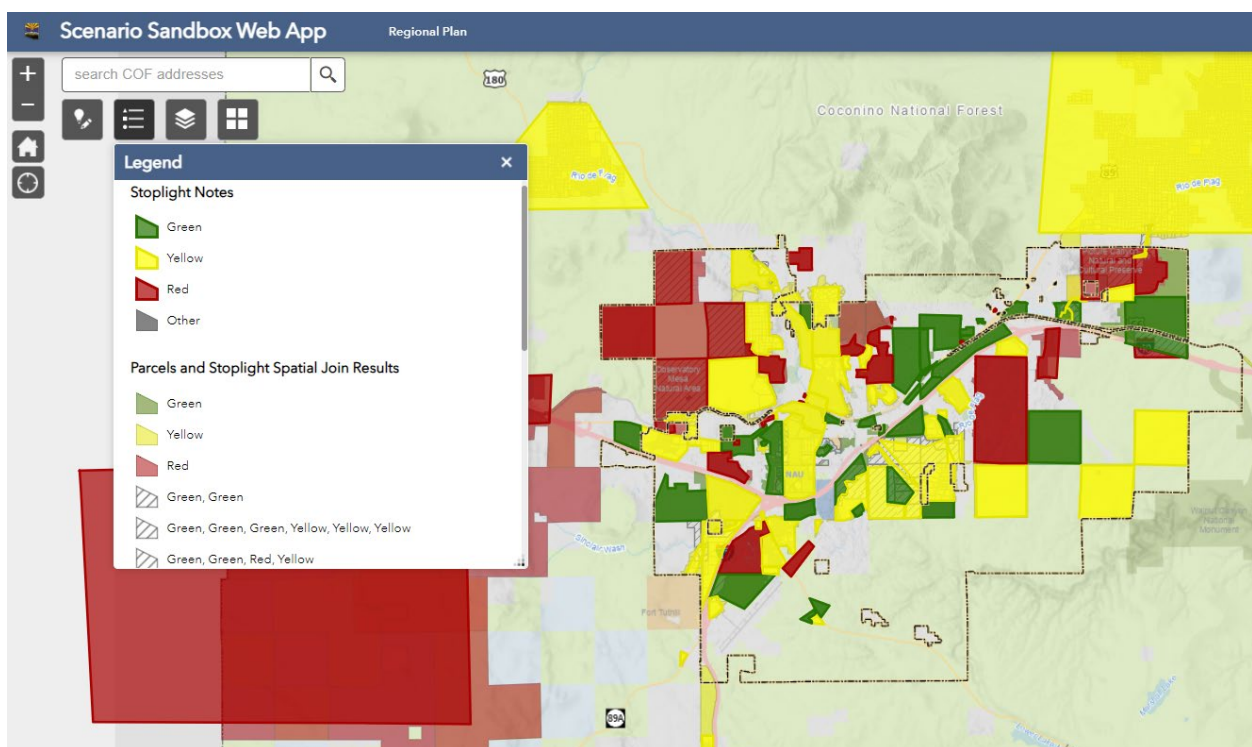


# Program Accomplishments

## GIS

Kelsea has been supporting the Regional Plan effort by creating maps and web applications for City/County staff and the Regional Plan consultant, Cascadia. The editing application was used during the "Regional Plan Staff Workshop" to begin delineating areas with infrastructure or redevelopment potential (green), areas that are likely to develop in a specific way due to development agreements (yellow), or unlikely to develop in any scenario due to environmental or ownership constraints (red).

The app was able to be edited online to make asynchronous collaboration easier – the last regional plan efforts required scheduled in-person design charrettes. This process allows for remote users to participate on their own time.



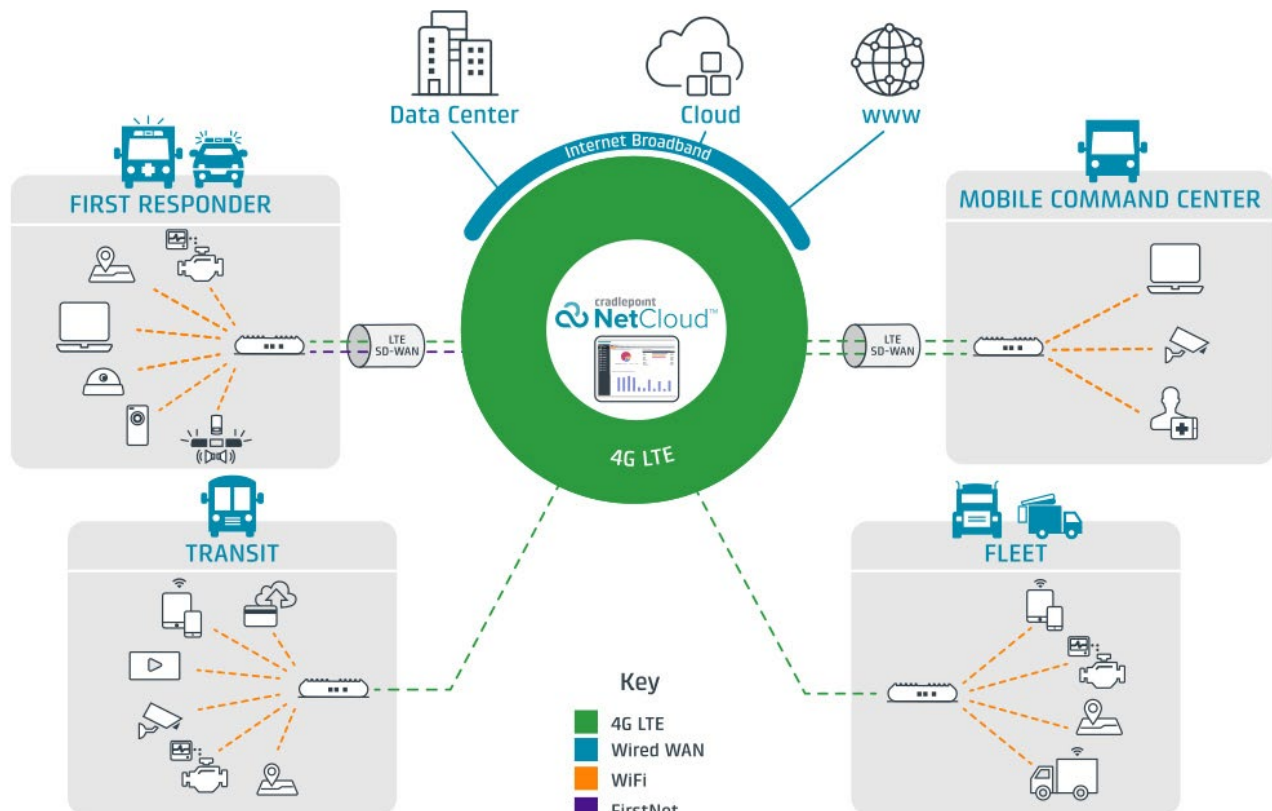
# Program Accomplishments

## Operations

The team has been hard at work on numerous projects that are aiming at adding functionality to systems employed by many of our staff. However, one project has really come to the top of both importance and impact: connectivity for our frontline workers at both Flagstaff Police and Flagstaff Fire departments.

Connectivity has been an issue for a while now for these teams out in the field. Now that COF IT department is supporting both departments from start to finish, we are tackling new methods of connectivity while in the field. Namely, we'll be using CradlePoint routers to provide vehicle wide Wi-Fi connectivity to go with their new MDCs, as our Applications team mentioned above. We have rolled out the new devices to around 20 FPD vehicles so far, with FFD coming in September, then the rest of the FPD fleet. We are very excited for this upgrade for them!

This will also pave the way for providing more connectivity for other departments in need of it, such as fleet and water services.



# PROSE

## PARKS, RECREATION, OPEN SPACE, AND EVENTS

August 2023

### **New Position for a Growing Division**

A Park Ranger? Yes! PROSE will be growing with a new position to the City of Flagstaff Parks Section. The position will oversee the trash team and will be boots on the ground for education efforts related to park rules.

Recruitment closed this month with over 30 applicants, making the first Flagstaff Park Ranger recruitment highly competitive.



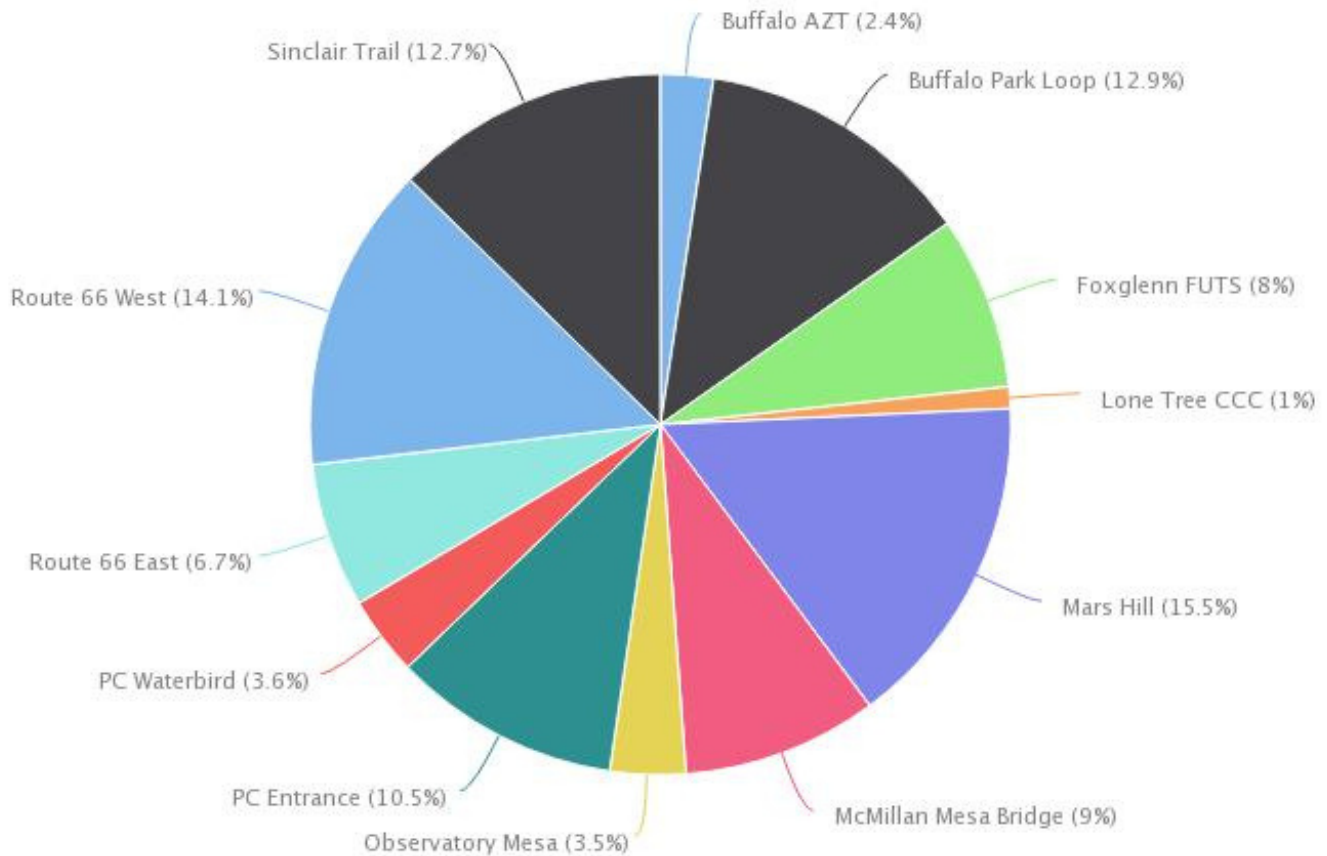
Above: Andrew Edwards,  
Recreation Coordinator 1  
located at Hal Jensen

### **Welcome to the Team!**

Recreation held a successful recruitment for the Recreation Coordinator 1 role with the top candidate being Andrew Edwards. Andrew is a Flagstaff native who enjoys baseball, basketball, and the great outdoors. Andrew started at Hal Jensen as a Recreation Assistant 15 years ago which has led to his passion for building relationships with the community.

# Compare Sites

2023-07-01 to 2023-07-31



Site Name	Daily Average
Buffalo AZT	33.7 (2.4%)
Buffalo Park Loop	178.4 (12.9%)
Foxglenn FUTS	111.2 (8.0%)
Lone Tree CCC	13.9 (1.0%)
Mars Hill	215.6 (15.5%)
McMillan Mesa Bridge	125.1 (9.0%)
Observatory Mesa	48.4 (3.5%)
PC Entrance	146 (10.5%)
PC Waterbird	50.7 (3.6%)
Route 66 East	93 (6.7%)
Route 66 West	196.4 (14.1%)
Sinclair Trail	176 (12.7%)

## The FUTS and Commuting

The excessive heat may have played a role as the month of July traced less than normal passersby at all trail counter locations. Mars Hill followed by Route 66 West locations were the highest counts! The FUTS continues to be a method for the community to travel even during hot temperatures!

## Parks Projects

With a handful of projects ongoing, the Buffalo Park Accessibility Trail project is 95% complete with a trailhead map/kiosk left to complete! Look for a celebration invitation during September to come check out the trail, parking spaces, walkway, trail signage and universal exercise equipment.

Below: ADA parking spaces at Buffalo Park



The Thorpe Park Restroom project is nearing completion with the building delivered and set in August. As soon as the restroom is ready to be occupied, the portable units will be removed that are located along N. Thorpe Road. Expect a soft opening of the feature to this portion of the park.

Hal Jensen Recreation Center celebrated the end of summer as with an End of Summer Bash as kids prepared to go back to school this month. Attendees enjoyed giant lawn games, corn hole, and snacks.

The Community Garden at HJRC has been flourishing! A new shed that will hold tools and supplies for the Community Garden was installed on site next to the garden beds.



Above: 1) vegetables growing in the garden, 2) new shed, 3) vegetables growing in the garden

Flagstaff Figure Skating Club hosted its annual Ice in the Pines Figure Skating Competition at the Jay Lively Activity Center. Flagstaff Youth Hockey Association and the high school hockey club team, Flagstaff Avalanche, have both started practicing for the 2023-24 school year. NAU Hockey started back up this month with conditioning camp.

Coconino County Health and Human Services held its annual cookout where many seniors who enjoy the Congregate Meals at the Joe C. Montoya Community and Senior Center partook in the day's festivities.

The Aquaplex is gearing up for its annual Anniversary Membership Drive taking place September 7-9. All regular memberships will be discounted at 20% and business pass memberships at 25%.

Below: Councilmember Harris, Robert Wallace, and Sarah Holditch touring Open Space.



On Friday, 8/11 Open Space provided a tour of the Open Spaces for Councilmember Deborah Harris. They visited each Open Space property and provided information about the community and educational and volunteer programs they provide, and discussed future planning and visions for Open Space. They ended the tour at Picture Canyon where they took a short hike to view the waterfall at Picture Canyon.

Wednesday Weed Pulls have been very successful for the number of volunteers we have seen. Those that do attend Wednesday Weed Pulls have been very consistent and ambitious. In one week we removed roughly 25 bags of Scotch Thistle, Knapweed, Star Thistle, and some other invasive weeds from Picture Canyon.

Right: bags of weeds from Wednesday Weed Pulls





**Adult Fall Volleyball  
registration has begun!  
Secure your spot by  
September 14!**

**Click here to register!**

**League play begins  
September 24.**

# Upcoming Events in Flagstaff

**First Friday Art Walk  
September 1  
Heritage Square**

**Movies on the Square  
September 2  
Heritage Square**

**Flagstaff Art in the Park  
September 2-5  
Wheeler Park**

**FUSD Cross Country  
September 2 & 16  
Buffalo Park**

**Jack Welch Walk  
September 7  
Buffalo Park**

**9/11 Service Day/Trail Restoration  
September 8  
Picture Canyon**

**Invasive Weed Pull  
September 13  
Picture Canyon**

**Friday Night Concert Series  
Friday evenings  
Heritage Square**

**Flagstaff Community Market  
Sunday Morning  
City Hall Parking Lot**

**Star Party  
September 21-23  
Buffalo Park**

**Music on the Square  
Sunday Afternoon  
Heritage Square**

**Plein Air in Open Space  
September 22  
Buffalo Park Ramada**

**Festival of Science  
September 23  
Wheeler Park**

**Cornucopia  
September 23-24  
Thorpe Park Softball  
Complex**

**Family Guided Hike  
September 26  
McMillan Mesa**

**Community Guided Hike  
September 28  
McMillan Mesa**

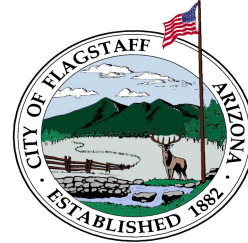
**Full Moon Hike  
September 29  
Observatory Mesa/Railroad  
Springs entrance**



[flagstaff.az.gov/prose](http://flagstaff.az.gov/prose)

## CITY OF FLAGSTAFF STAFF SUMMARY REPORT

**To:** The Honorable Mayor and Council  
**From:** Jeremy DeGeyter, Project Manager  
**Co-Submitter:** Jeff Bauman, Transportation Engineer  
**Date:** 08/30/2023  
**Meeting Date:** 09/12/2023




---

**TITLE:**  
**Roundabout Workshop and Discussion**

### DESIRED OUTCOME:

Facilitate council discussion concerning modern roundabout design, operational considerations and public outreach.

### EXECUTIVE SUMMARY:

Roundabout design must address many design issues, including the context, minimizing adverse impacts, addressing business access and economic viability, ensuring adherence to proven design principles, and ensuring safety for all modes while addressing truck/ freight accommodations. This workshop will discuss how well-designed roundabout applications can meet the challenging and competing needs within our transportation systems and while adhering to council goals.

### INFORMATION:

#### LEARNING OUTCOMES

- Keys to successful roundabout implementation
- Design optimization to ensure safety for all modes
- Achieve Complete Streets objectives
- Performance-based Planning with Roundabouts

### INSTRUCTOR

**Mark T. Johnson, PE**  
 MTJ Roundabout Engineering

Learn from a true subject matter expert with 25 years of experience with roundabout applications. Mark is focused on the integration of roundabouts into our transportation systems through collaboration on project teams to ensure successful projects.

Mark is an experienced presenter and instructor, having developed and presented more than 20 roundabout training seminars across North America, authoring published practice-ready research on roundabouts and participating in the ongoing development of national, state, and local roundabout design guidance.

---

**Attachments:** [Presentation](#)

# Overview of Modern Roundabouts

**Benefits, Opportunities, and Challenges**



Mark T. Johnson, PE

608.238.5000

[www.mtjengineering.com](http://www.mtjengineering.com)

Study Session

# Presentation Outline

- Development of Modern Roundabouts
- Variety of Applications
  - Implementation in many different conditions
- Safety
- Pedestrians and bikes
- Emergency Response / Trucks/freight,
- Traffic Planning Opportunities/Benefits
  - Reduced Impacts and Costs
  - Improved business access and circulation
- Public Involvement
  - Case Studies



# INTRODUCTION

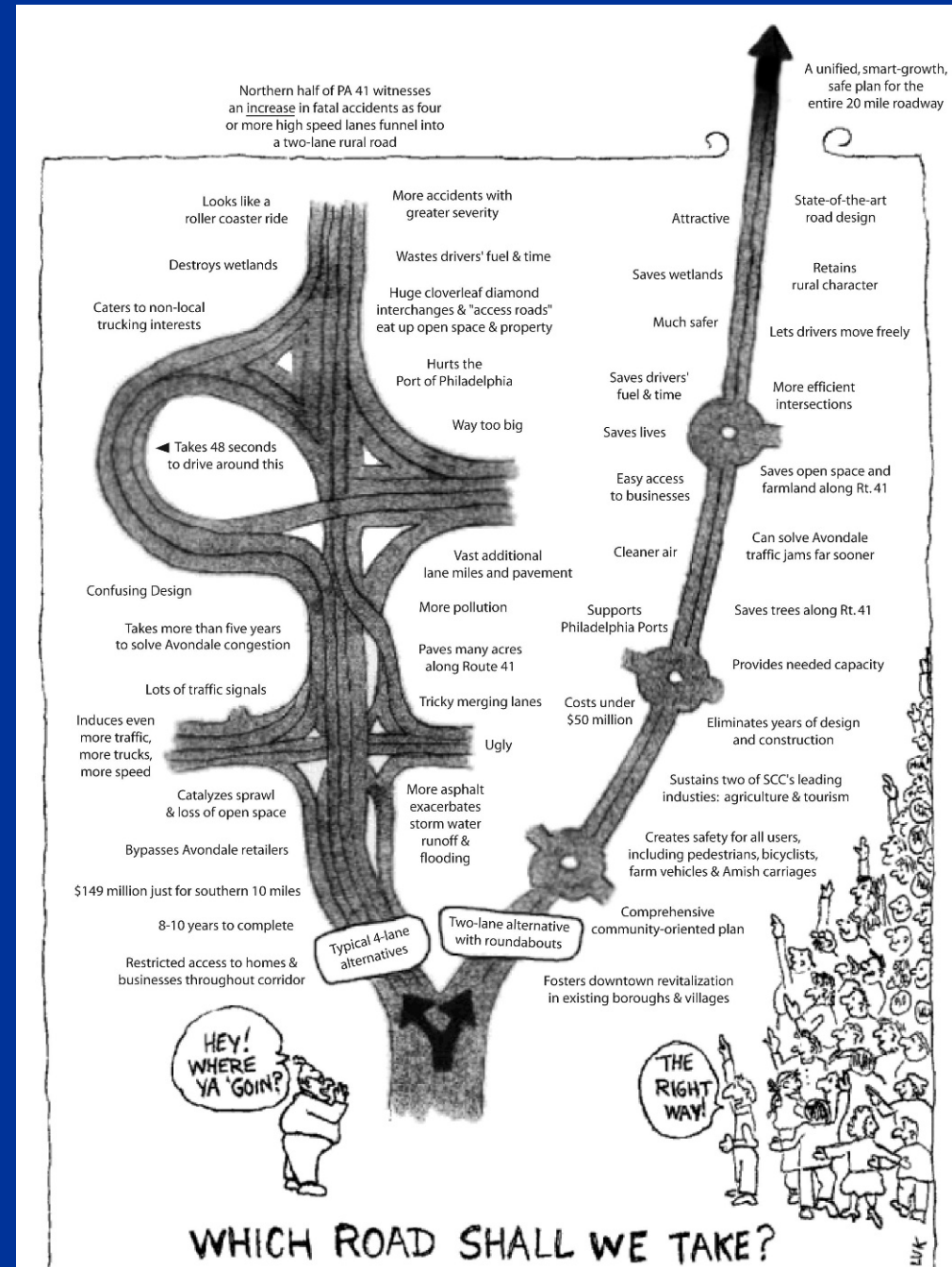
## Roundabout vs Signals?

- Evaluate Alternatives

- Costs
- Impacts
- Operational (all modes)

- Benefits / Costs Analysis

- Achieve Community Objectives



# Development of Modern Roundabout

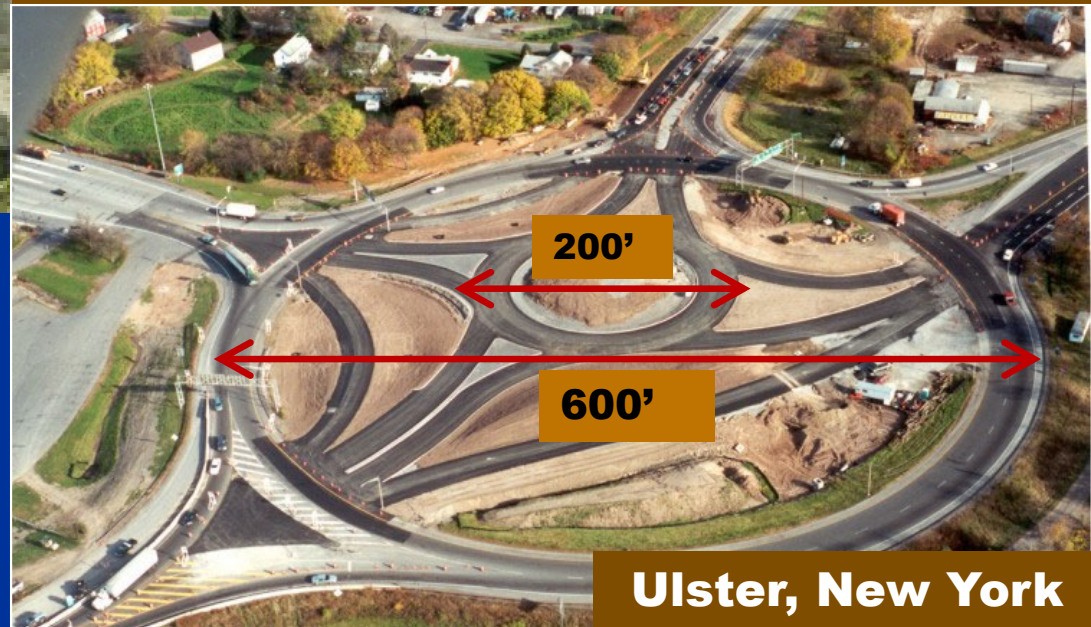


# Development of Modern Roundabout



**L'Arc de Triomphe**

**U.S. Built 'Rotaries' 1930's-1950's**



**Ulster, New York**

# Development of Modern Roundabout

**1960-70s congestion relief was a national imperative in the UK**

**U.K. did not abandon...70 million**

**All sizes and shapes...  
many “Grid Locked”**

**1966 – “Yield at Entry Rule”  
Eliminated “Locking”  
First Step to “Modern”**

**UK Continued Research...**



# Development of Modern Roundabout

## UK Research

Significant design research and experimentation was conducted

## Track Experiments



## Track Experiments

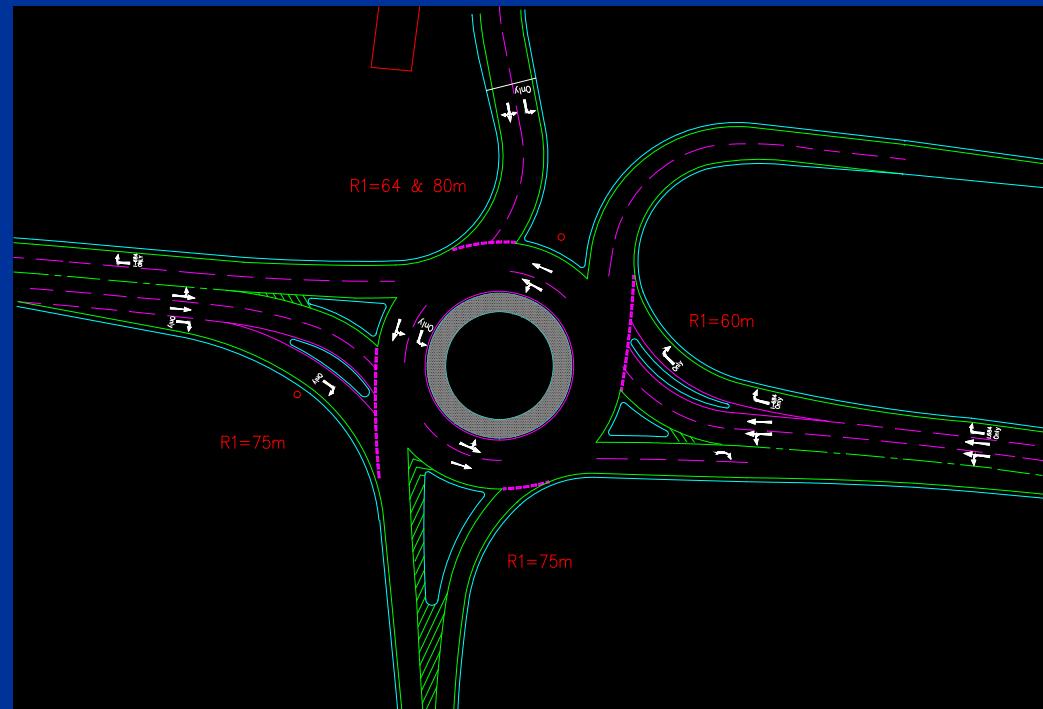


Modifications to large congested roundabouts

# Development of Modern Roundabout

**1980 Published Improved Roundabout Design Methodology**

**Other countries began implementing M.Rndbts in 1980's  
First U.S. "Modern" Roundabouts 1990's...**



# Wide Variety of Applications



# Roundabout Applications



Cultural / Public Art



Historic Districts



Economic Development

# Roundabout Applications



Campus Revitalization Southern Main University, Portland Maine

# Roundabout Applications

Transitional



High Speed 4 Lane Divided



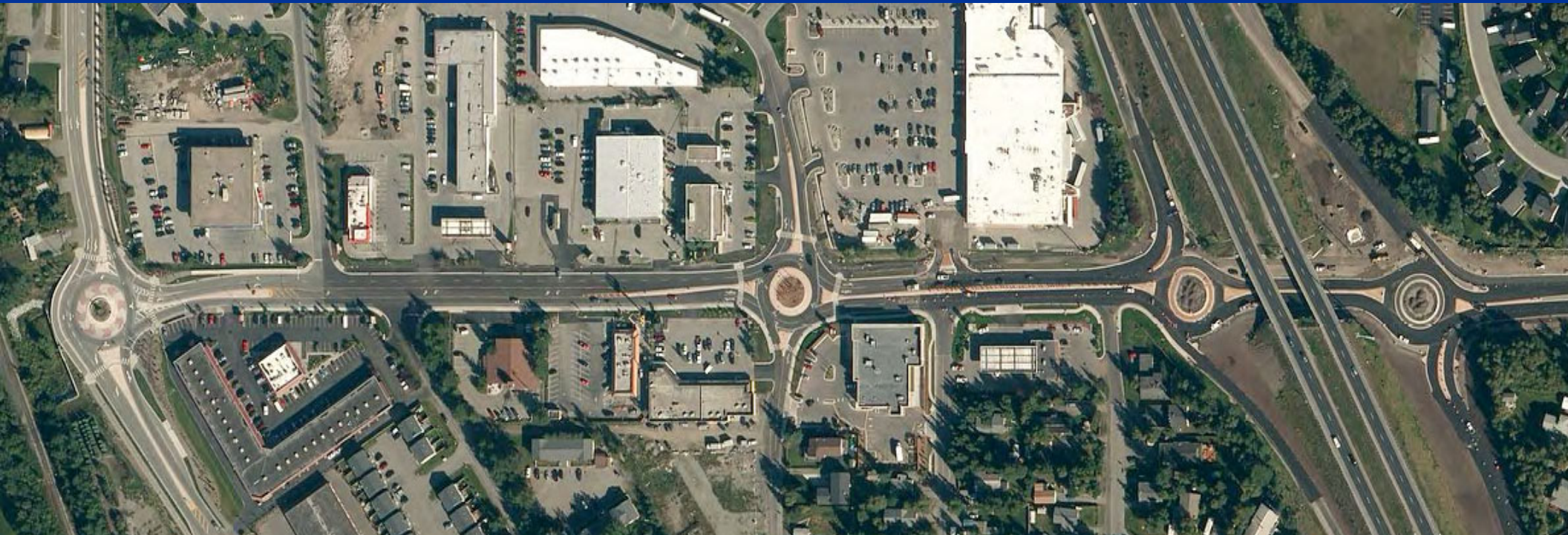
High Speed Approach

# Roundabout Applications

Interchange



# Roundabout Applications



Huffman Road Corridor, Anchorage, AK - No Roadway Widening (3 Lanes)

# Safety



# Annual US Intersection Safety Statistics

8-9,000 fatalities

1.5 million people injured

Pedestrian fatal = 1,131, 24%

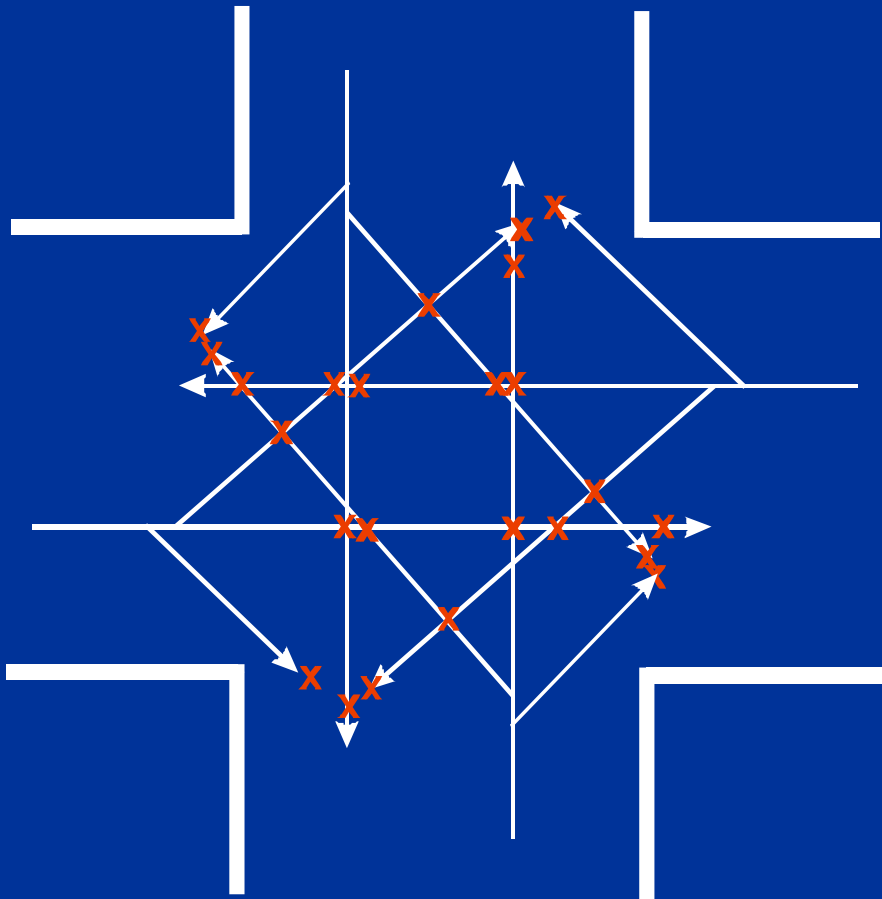
30,000 Ped injury



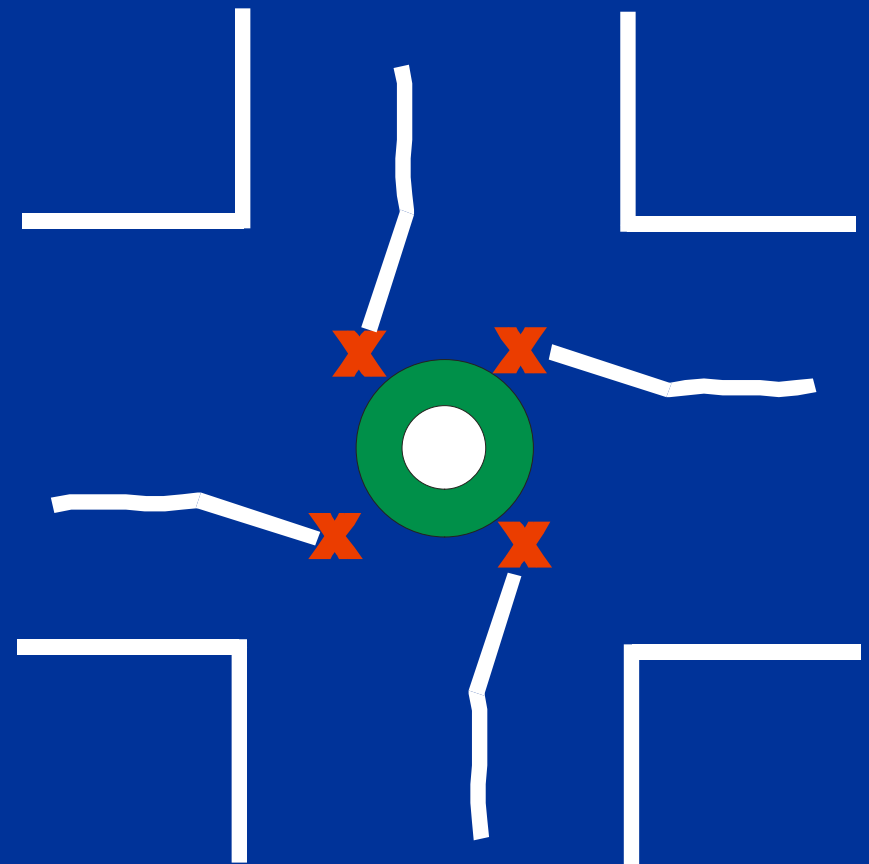
Angle Crashes Avoided

# Reduced Conflict Points

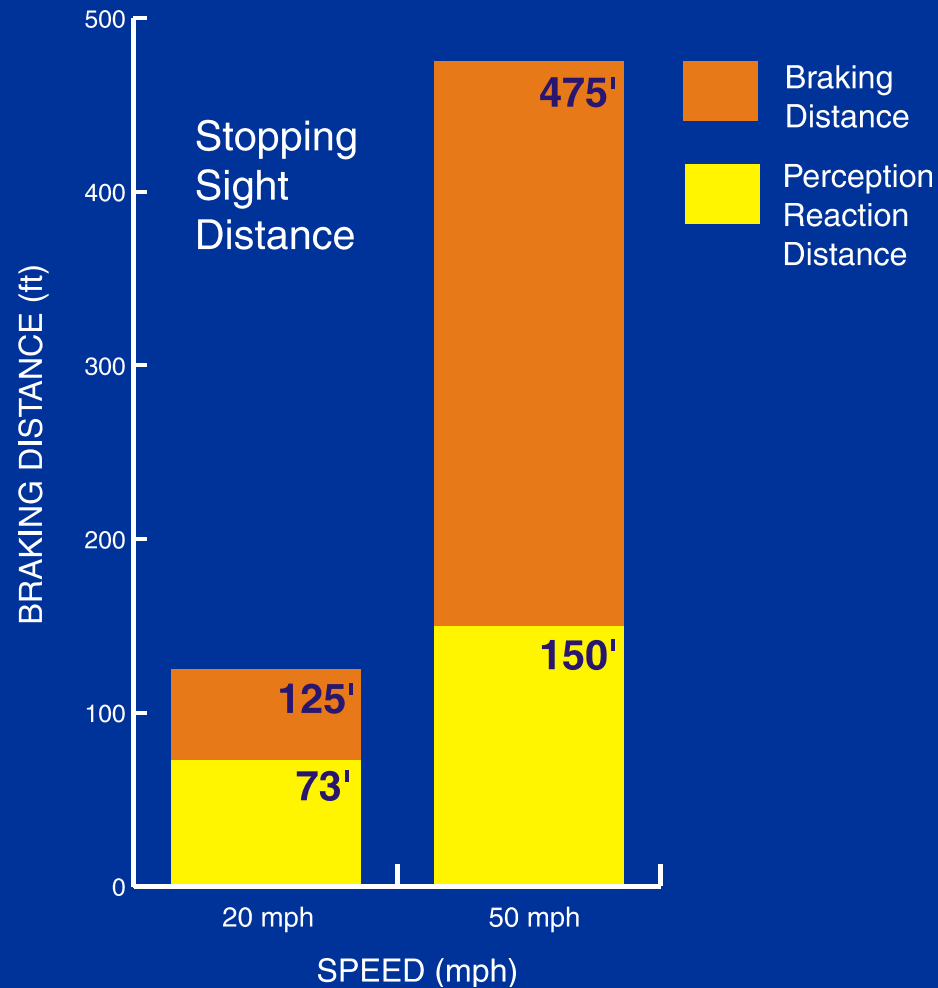
32 Conflict Points



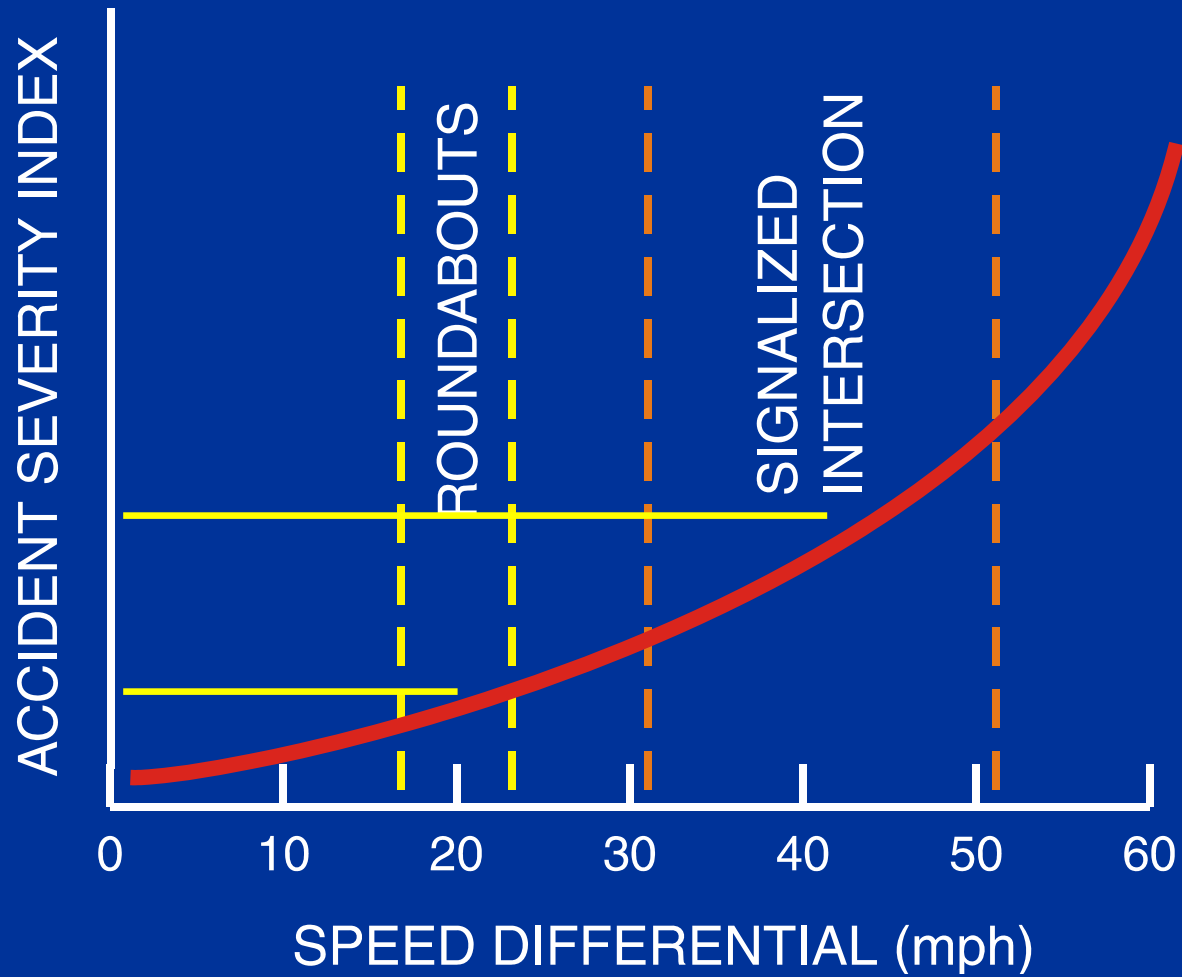
4 Conflict Points



# Lower Speeds = Shorter Braking Distance

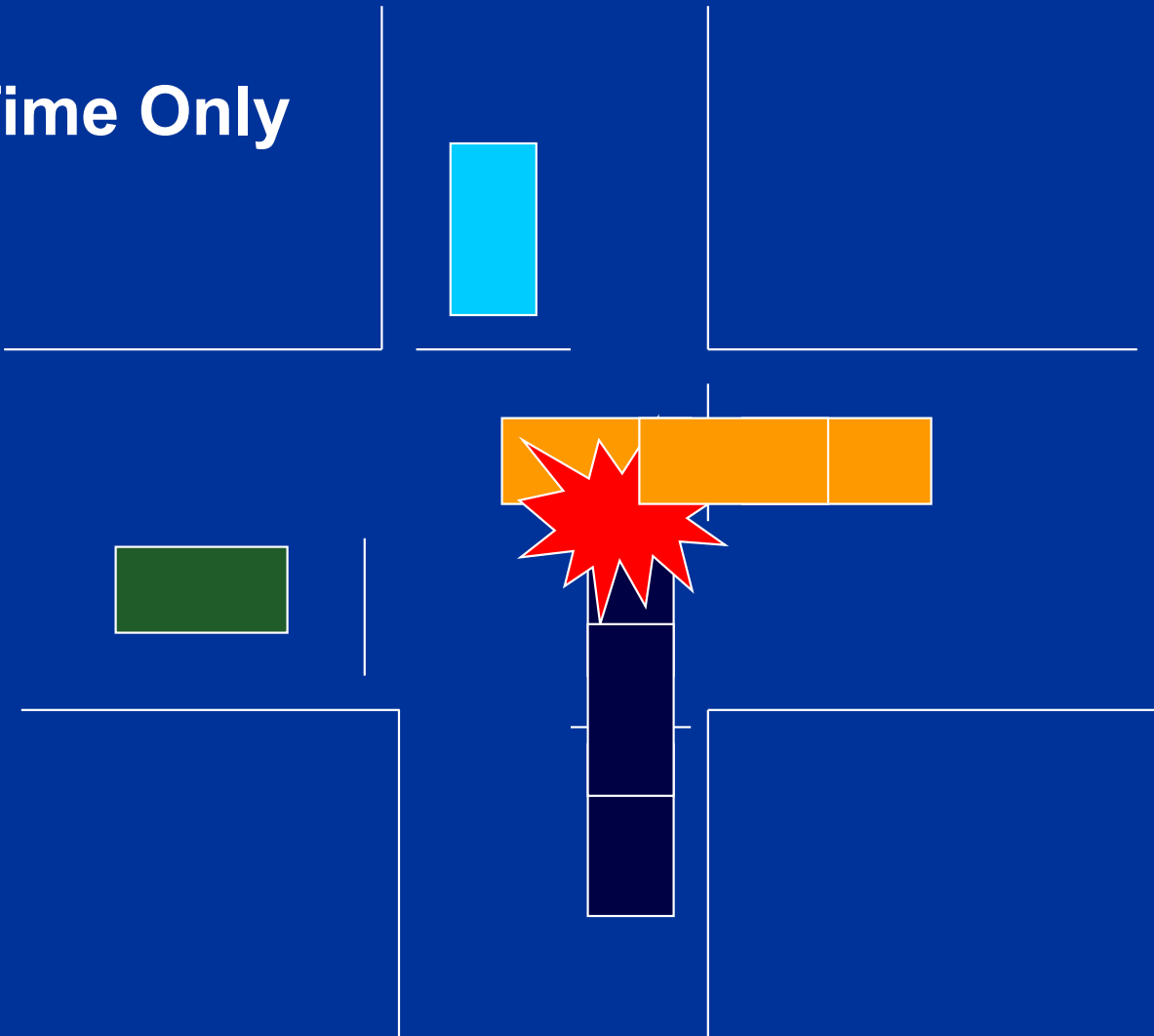


# Accident Severity



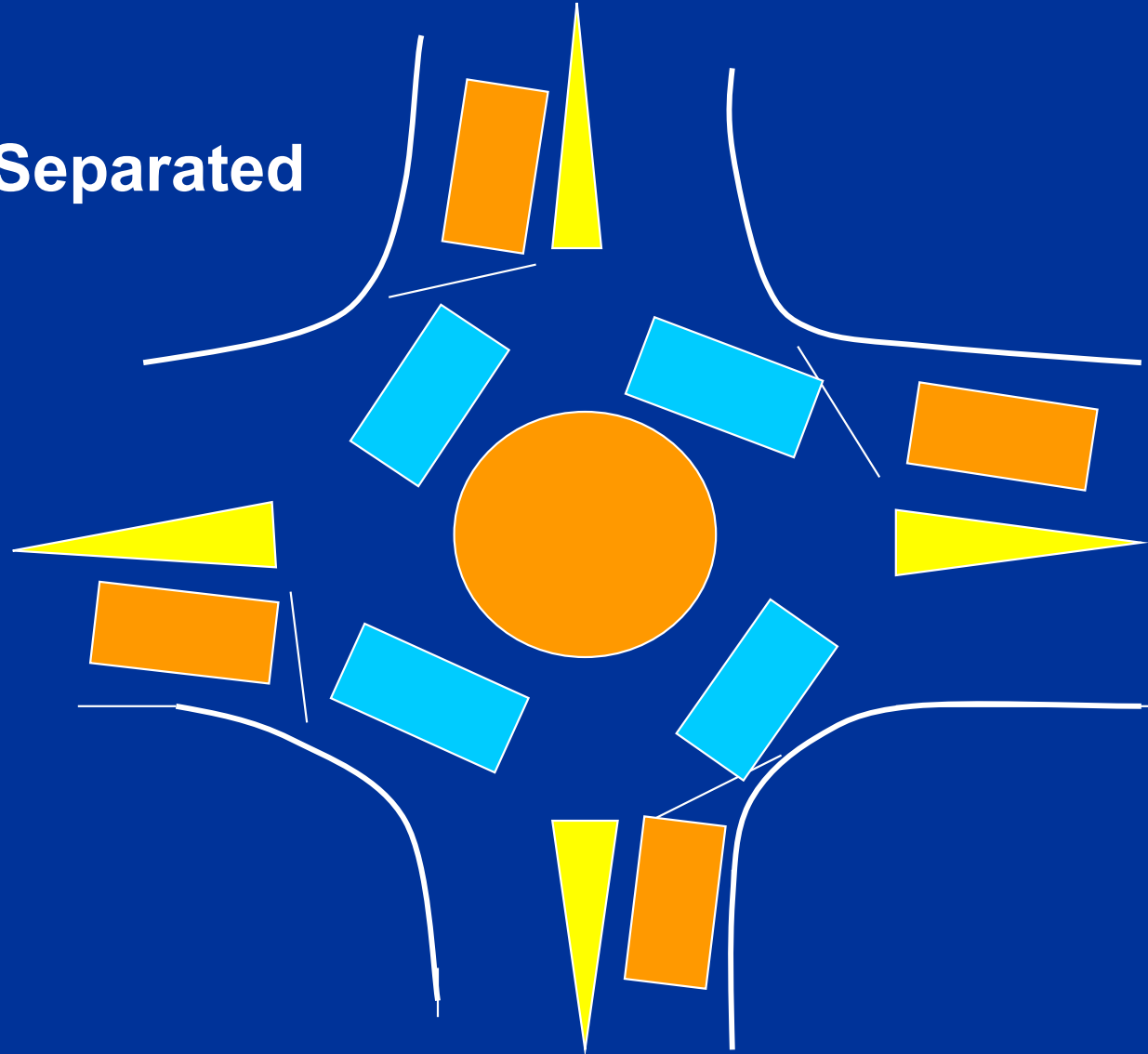
# Implementing Roundabouts -Safety

Separated in Time Only



# Implementing Roundabouts -Safety

Physically Separated





# Pedestrians/Bike/ADA

# Safety Design Principles for Slower Safer Roundabouts

Exhibit 4.5. Types of bicyclists.



Source: Kittelson & Associates, Inc., adapted from Dill and McNell (23).

# Pedestrians

**NCHRP**  
REPORT 674

NATIONAL  
COOPERATIVE  
HIGHWAY  
RESEARCH  
PROGRAM

**Crossing Solutions at Roundabouts  
and Channelized Turn Lanes for  
Pedestrians with Vision Disabilities**



TRANSPORTATION RESEARCH BOARD  
OF THE NATIONAL ACADEMIES



*All Research Shows Exceptional Pedestrian Safety  
Benefits can be Achieved with Roundabouts*

# **Pedestrian Safety:**

- Speed Control Foundational**
- Design & Enhancements Promote:**
  - **Visual awareness**
  - **Way finding**
  - **Inviting environment**
  - **Safety and Comfort**



# Pedestrians

- » Low speeds
- » Shorter crossing distances
- » Cross only one direction of travel at a time
- » Less Delay



# Pedestrians

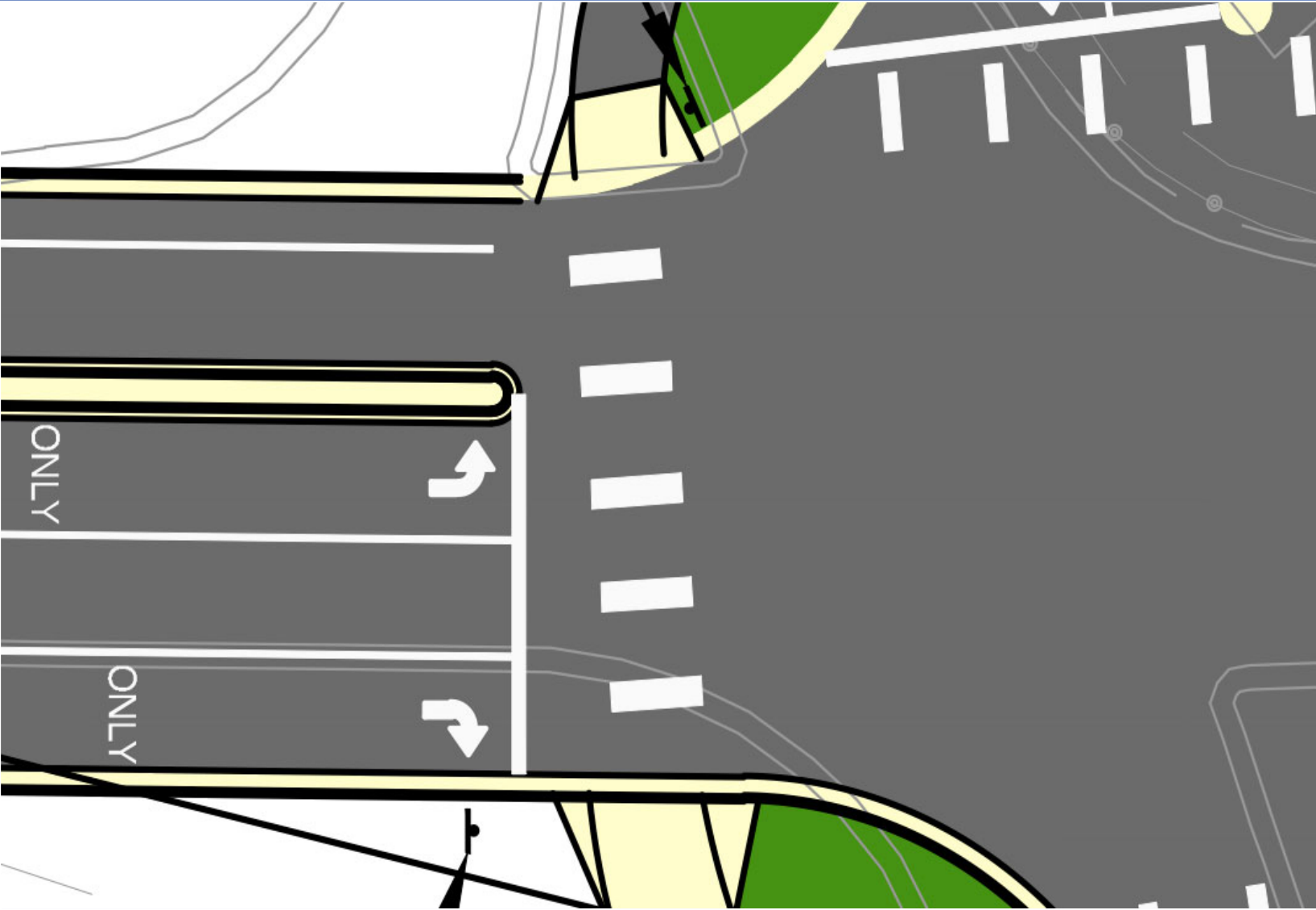
## Signalized Alternative



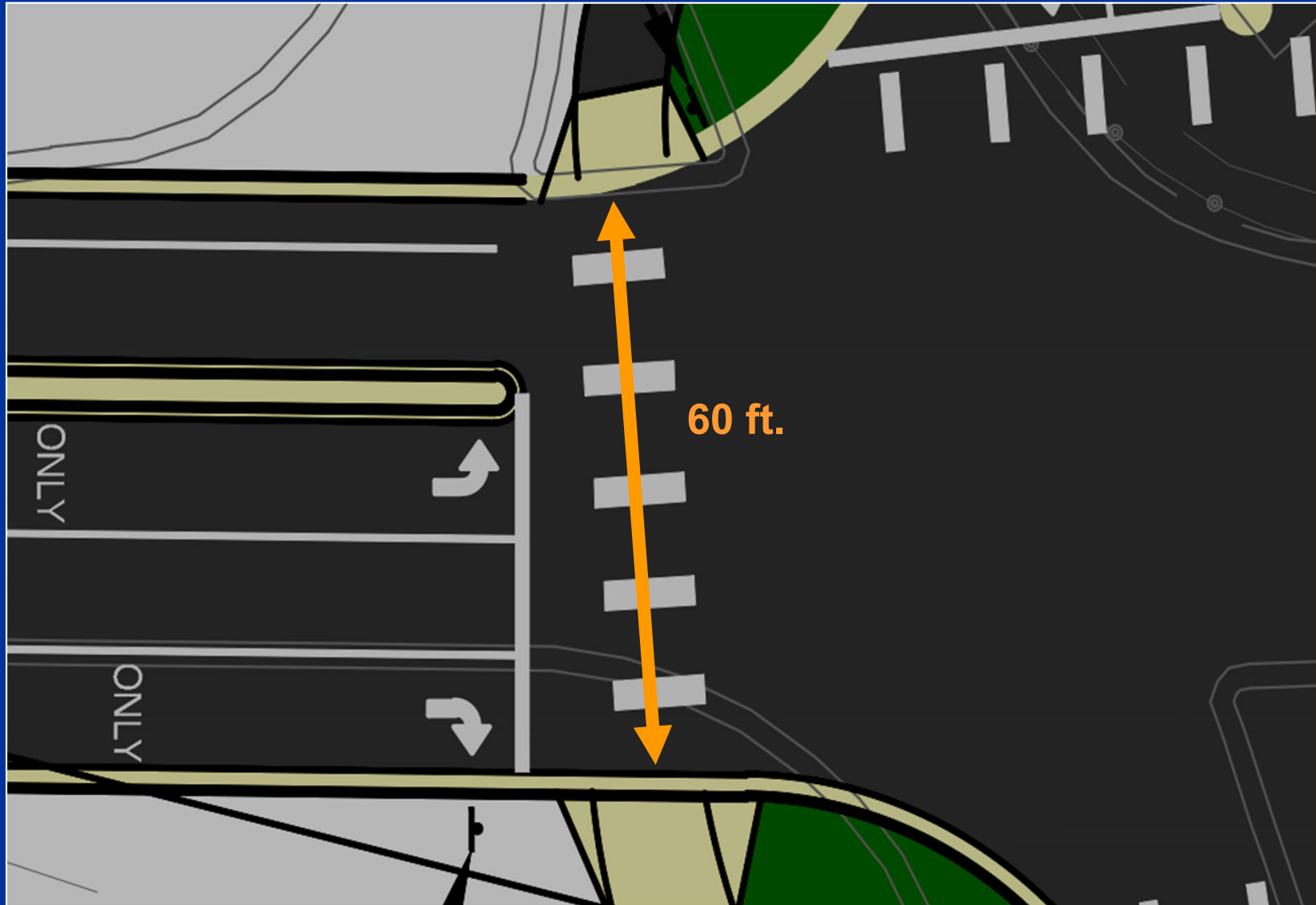
## Roundabout Alt



**Pedestrians/Bike/ADA**

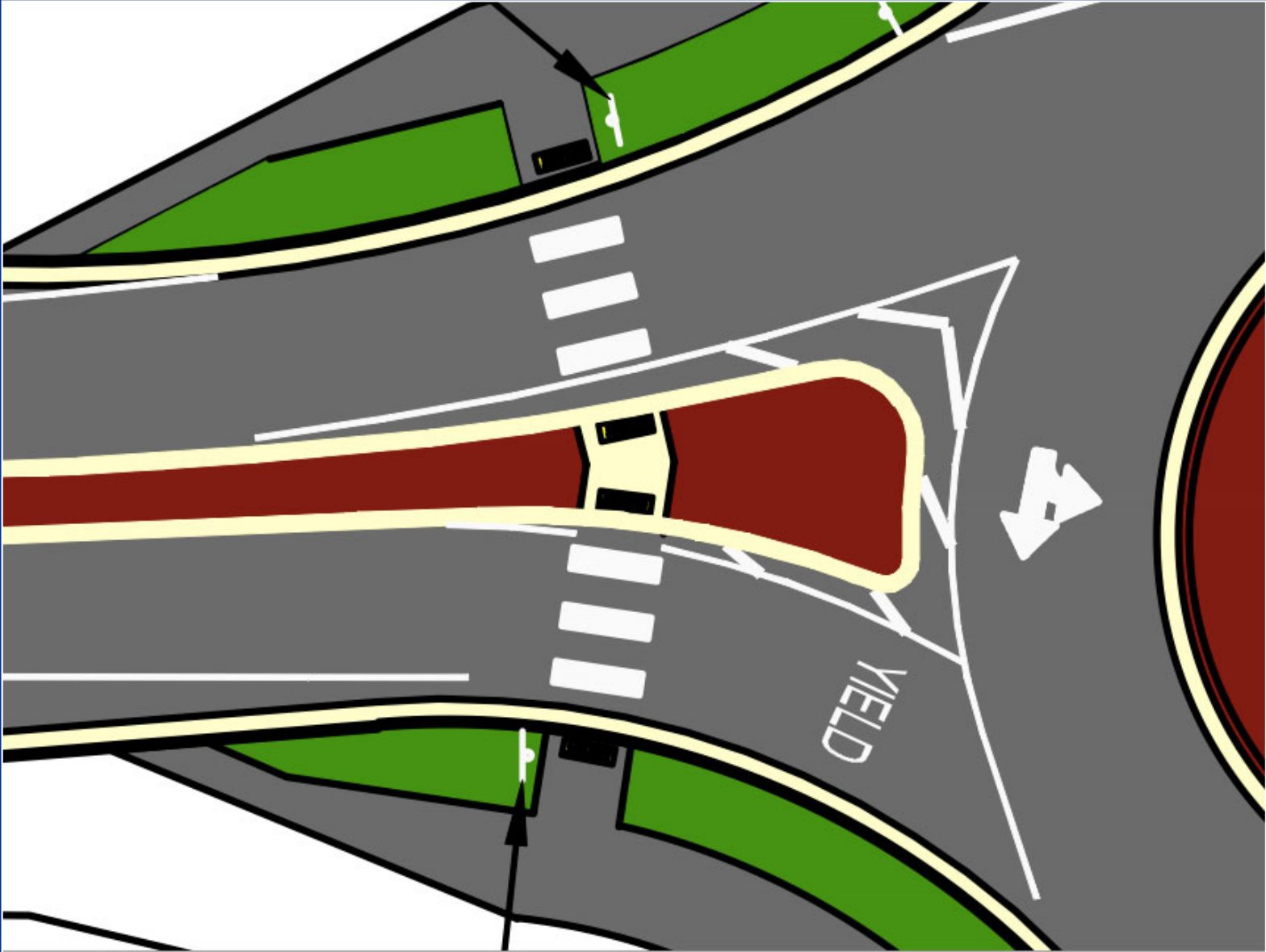


## Pedestrians/Bike/ADA

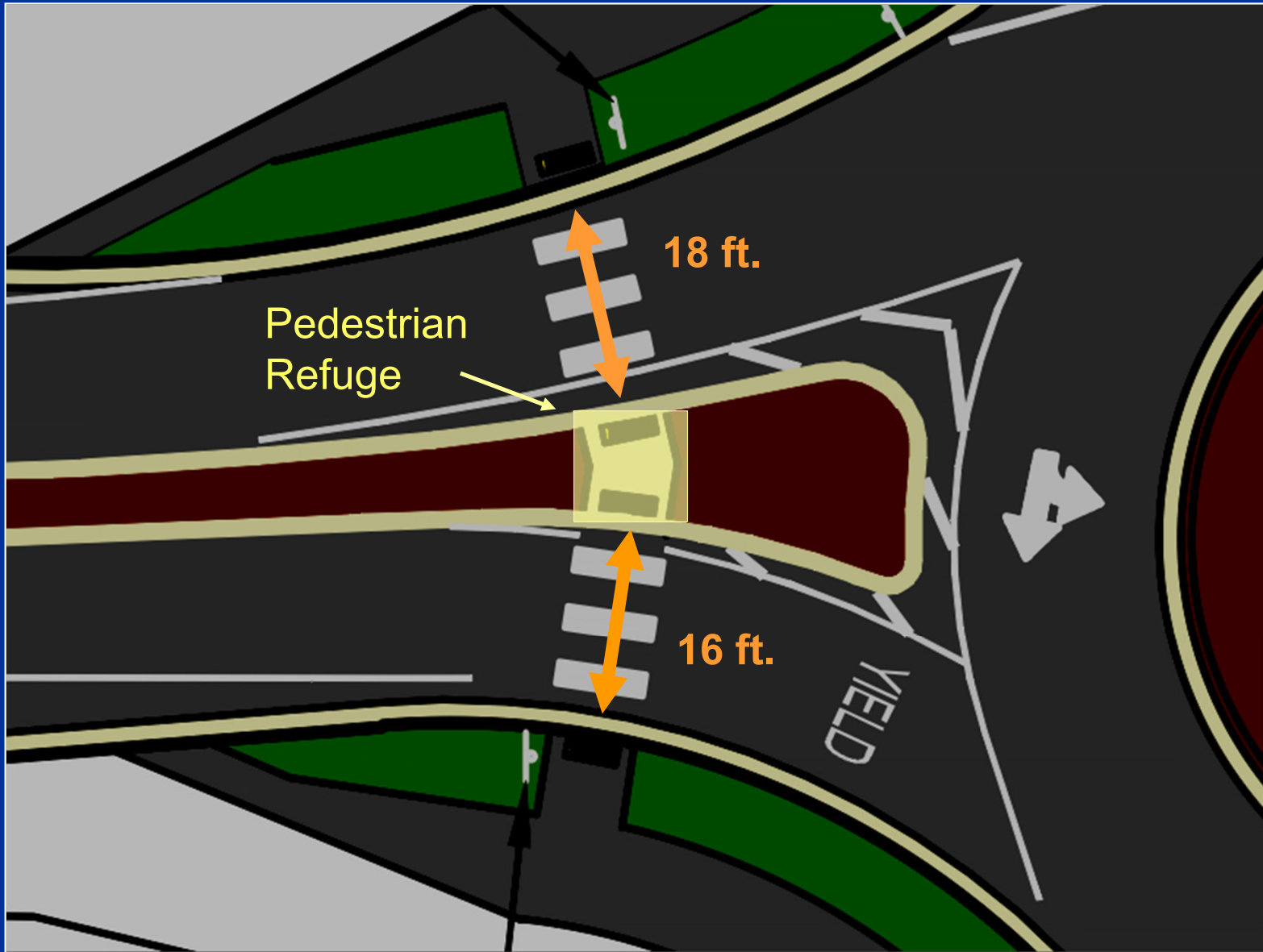


**More Exposure**

**Pedestrians/Bike/ADA**



## Pedestrians/Bike/ADA



Less Exposure

# Pedestrians

**Roundabout (~3,800 vph)**  
Michigan State University, MI



**Signal (4,200 vph)**  
Loveland CO



**Pedestrians/Bike/ADA**

**STH 119/ Main Street  
Village of Waunakee, WI  
160' ICD  
Opened 2014**

# Pedestrians



# Pedestrians/Bike/ADA



Opened 2006

135' ICD



South Town Dr/Industrial Dr  
City of Monona, WI

# Pedestrians



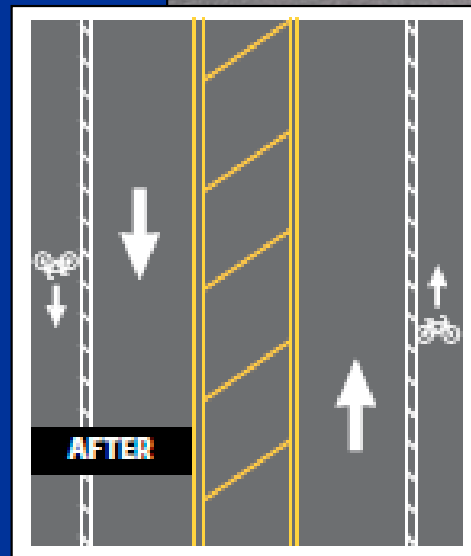
Rectangular Rapid Flashing Beacon (RRFB)

# Pedestrians/Bike/ADA



## Pedestrians/Bike/ADA

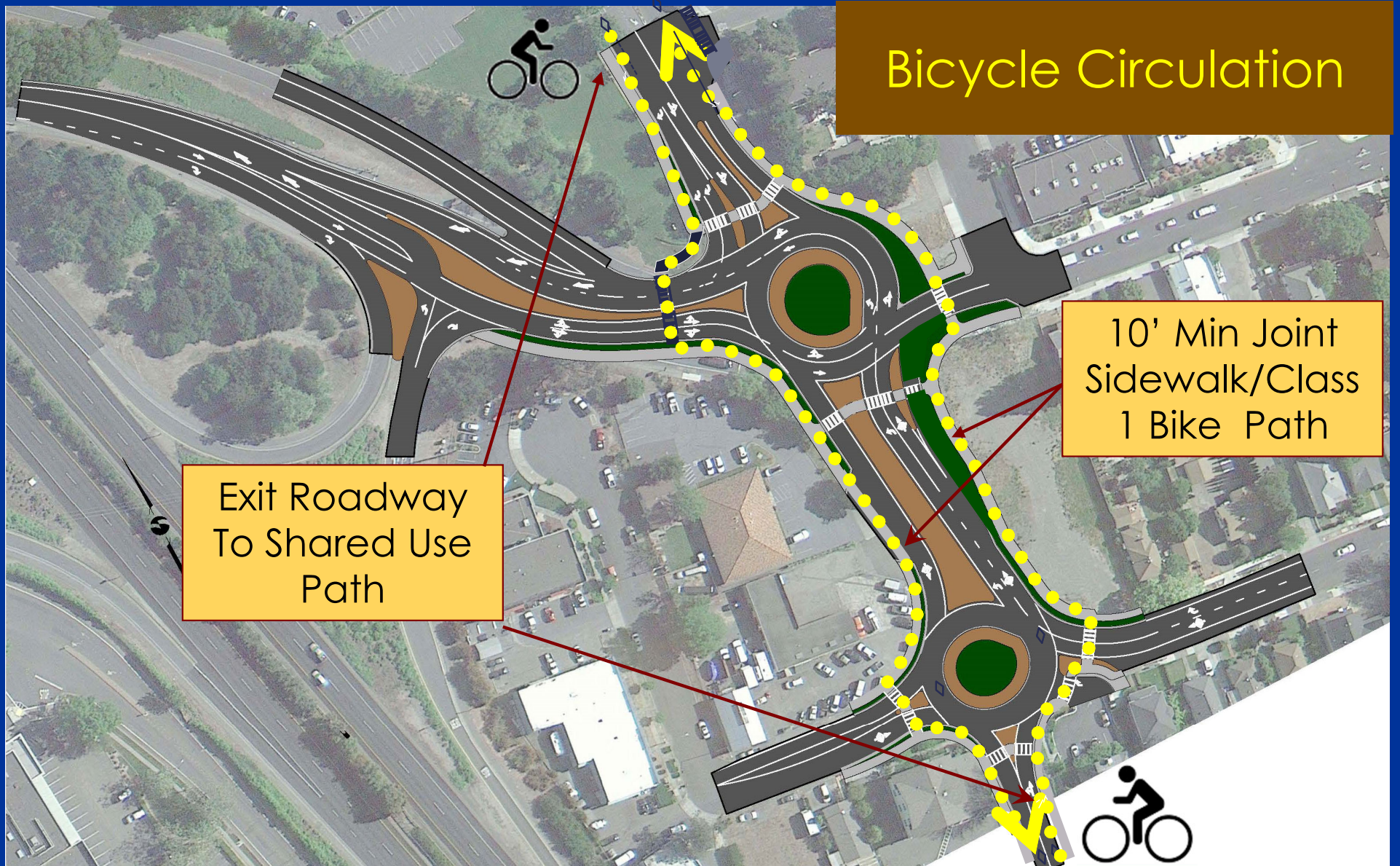
# BIKES



# Bike Design Issues



# Bike Design Issues

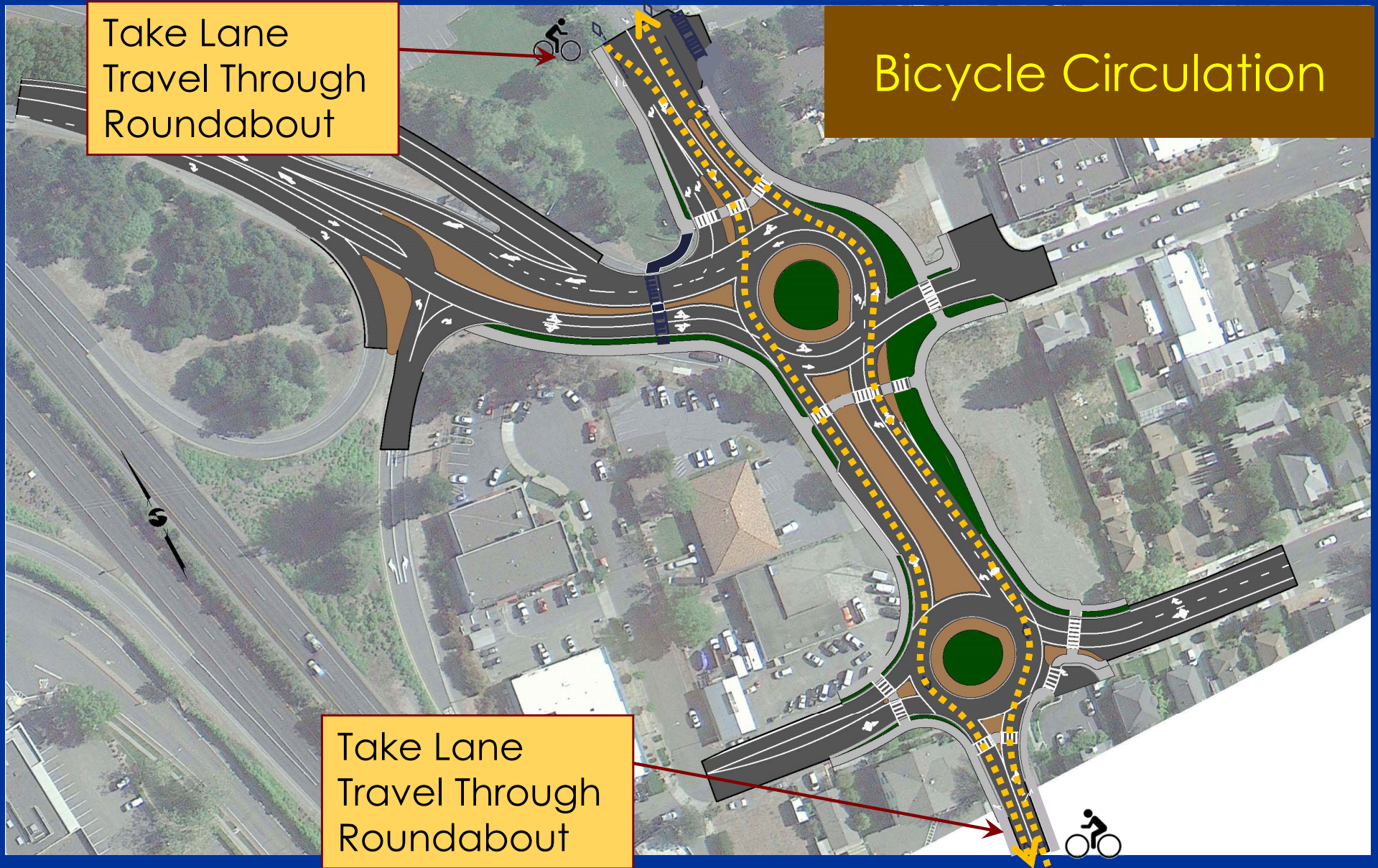


Bicycle Circulation

10' Min Joint  
Sidewalk/Class  
1 Bike Path

Exit Roadway  
To Shared Use  
Path

# Bike Design Issues



Take Lane  
Travel Through  
Roundabout

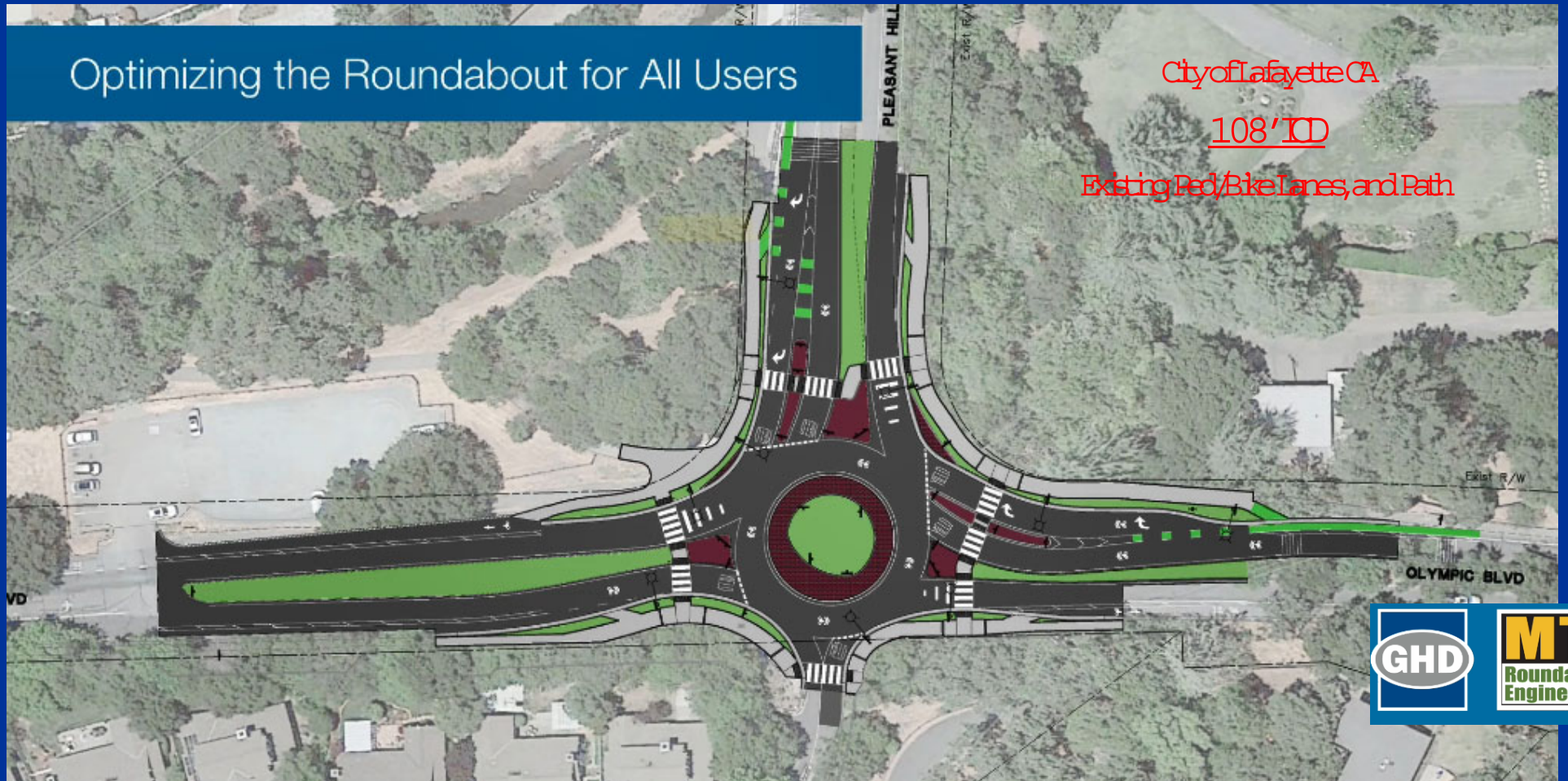
Bicycle Circulation

Take Lane  
Travel Through  
Roundabout



# Lafayette, CA

## Optimizing the Roundabout for All Users



BICYCLES - EASTBOUND ON OLYMPIC BOULEVARD  
WITH PEDESTRIAN



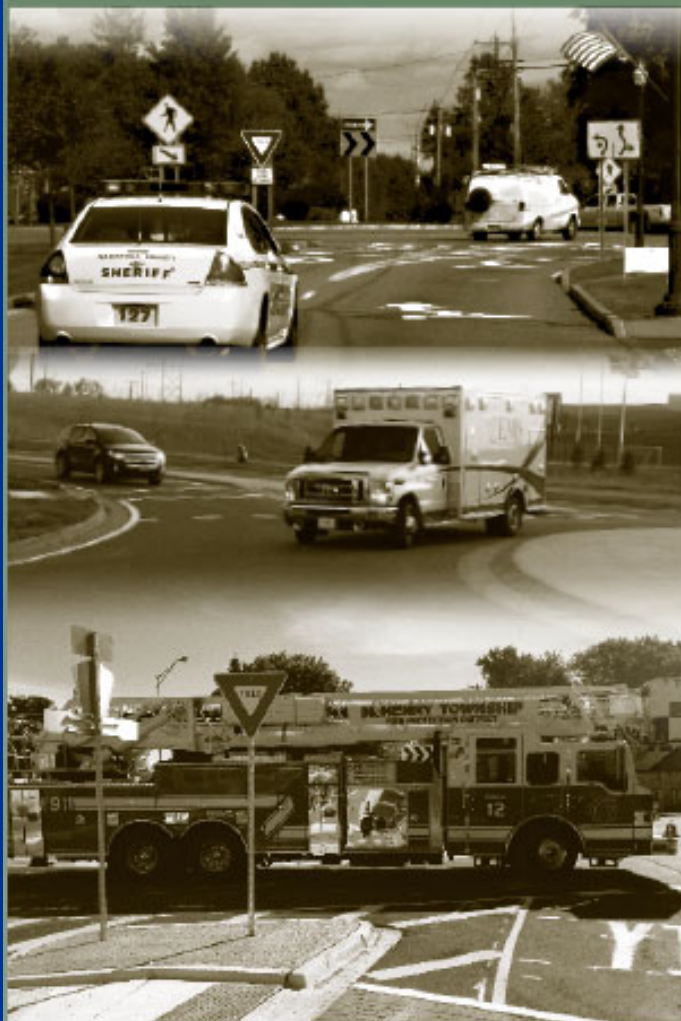


# Emergency Response, Freight, Trucks



U.S. Department of Transportation  
Federal Highway Administration

## ROUNDABOUTS & First Responders Saving Lives Together



## Designing for First Responders



Source: Jeff Young, McHenry County Highway Department

Roundabouts are not designed to inhibit traffic. Rather, they are optimized for the safety and efficiency of all users. Roundabouts can be designed for large trucks, including a special purpose apparatus such as a ladder truck. This is accomplished by using features such as:

- Wider entry and exit lanes for efficient movement of traffic through the roundabout.
- Mountable aprons and curbs intended for use by vehicles with a wide and/or long wheelbase.
- Curvature and radii that allow for easy turning movements, including u-turns.



Source: Brad Estochen, MNDOT

**“Before the first roundabout was constructed in our city, our station arranged to visit one nearby so that we could experience it firsthand. That answered a lot of questions and helped build confidence in roundabouts.”**

- Brad Estochen  
Minnesota DOT Safety Engineer &  
Firefighter and EMT for the City of Woodbury

# Emergency Response

- » Will our trucks get thru?
  - » Yes
- » What about response time?
  - » Improved
- » Driver reaction
  - » No different than other intersections,
  - » Drivers must clear
- » Safer for All

## Frequently Asked Questions

When the first roundabout in a community is proposed, it is natural for first responders to have questions and concerns. Several of the most common questions are addressed below:

**Q: Will all our vehicles be able to maneuver through a roundabout?**

A: Roundabouts work for many types of large vehicles. Partnering with the road agency to conduct a "test drive" (laying out the roundabout in a large open area using cones and temporary devices) can help evaluate and influence the design.

**Q: What about emergency response times?**

A: At any intersection, traffic conditions vary throughout the day. Roundabouts can actually improve travel times by eliminating unnecessary stops and delays. Furthermore, the IAFF and other public health and safety organizations recognize that small differences in travel times rarely, if ever, impact incident or patient outcomes.<sup>34</sup>

**Q: How will drivers in our community know how to react to approaching emergency vehicles?**

A: In this way, roundabouts are no different from other intersections – drivers must clear the intersection, pull off to the right, and let the emergency vehicle pass. To help educate drivers, there are many excellent resources available from states and cities where roundabouts are common. First responders can contribute to general roundabout education and outreach in a community by helping explain to the public how to react when an emergency vehicle approaches.

**Q: Why consider roundabouts when we have traffic signal preemption in our city?**

A: The use of preemption devices at signalized intersections remains a worthwhile option. However, in addition to being safer, roundabouts are viable in many places where traffic signals are not. Furthermore, even where signal preemption is used, first responders must obey state laws and department policies, and proceed cautiously – likely at speeds comparable to a roundabout.

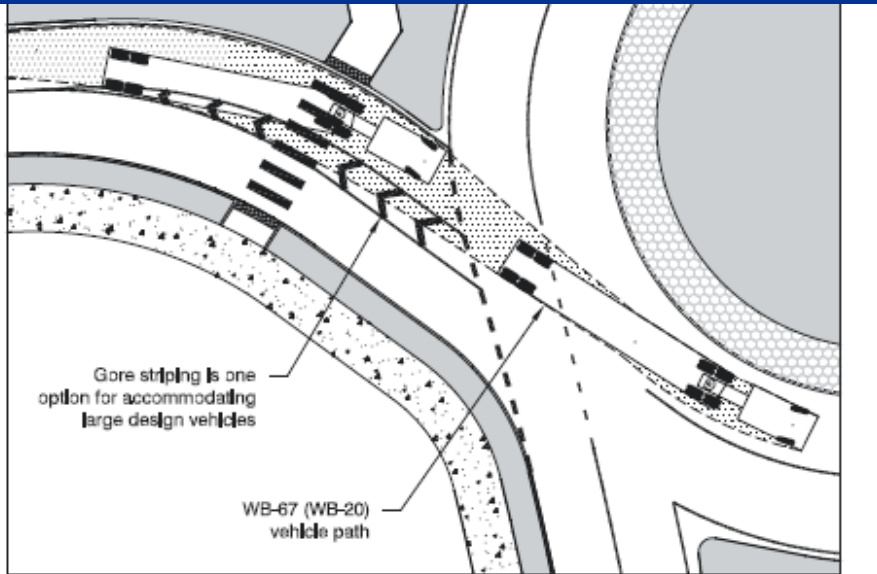
Freight, Trucks, Design Vehicles,

# Design Vehicles

1 Ton Dually Crew Cab with Goose Neck Horse Trailer



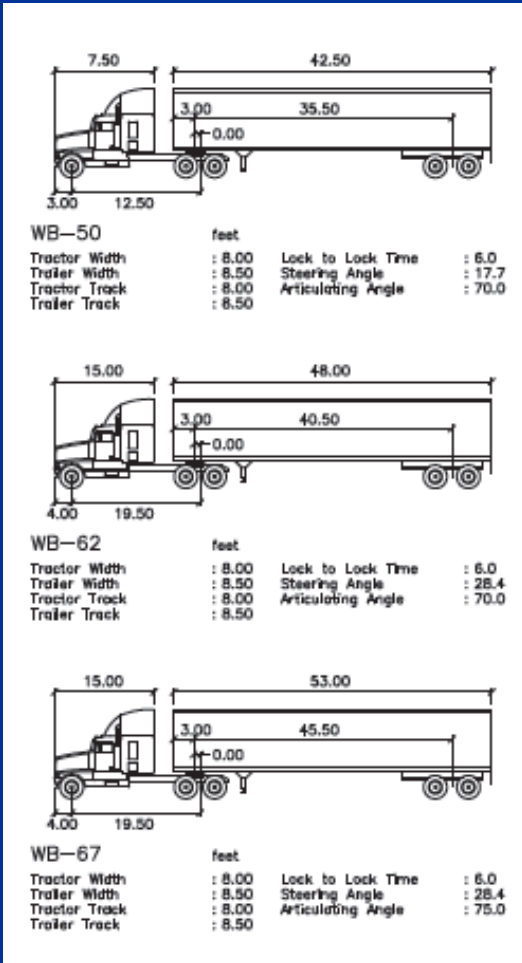
# Freight / Trucks



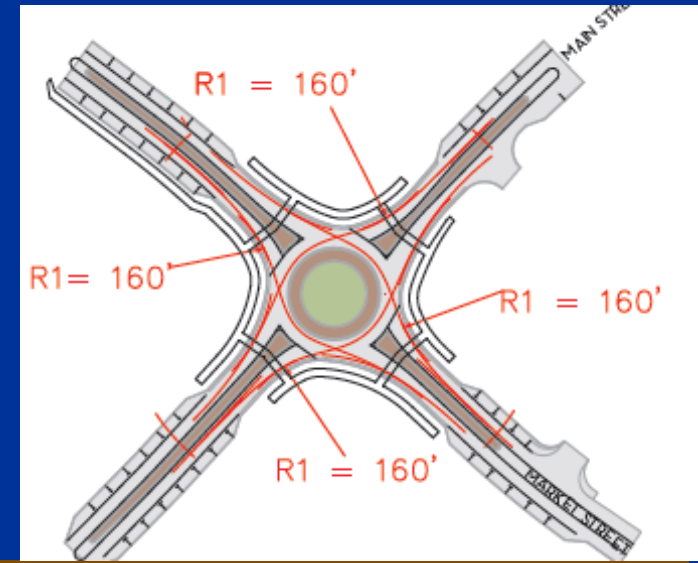
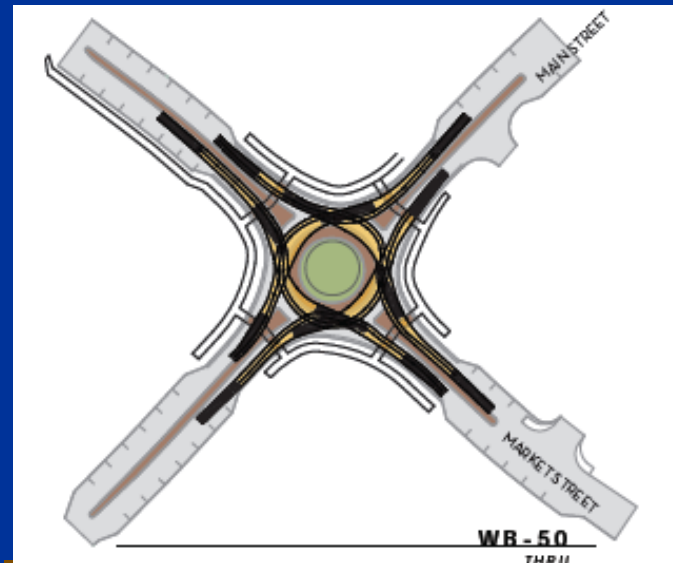
Source: New York State Department of Transportation (11)



# Freight / Trucks



- Accommodate Design Vehicles
- Pedestrian Friendly



# Roadway Planning Opportunities and Benefits



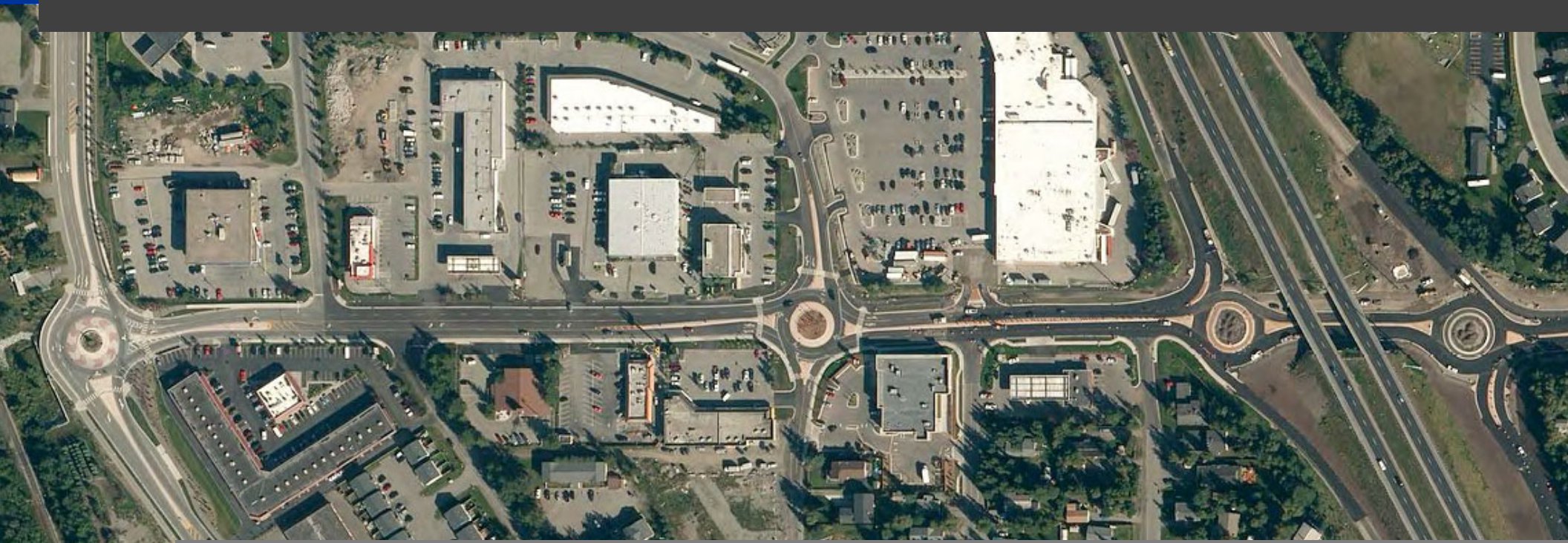
# Congestion Occurs at Intersections



**Signalized intersections dictate the layout and planning of our roadway network**

### **Roundabout Operational Characteristics Allow for:**

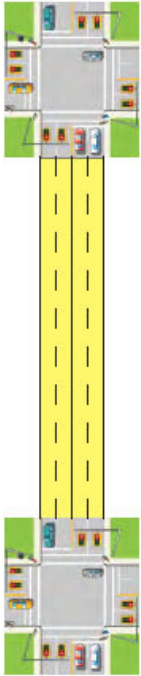
- Capacity at Intersection = Less Roadway Widths
- Roadway Geometric Flexibility
- Intersection Spacing Versatility
- Different Access Control Opportunities (speeds, decisions, u-turns)



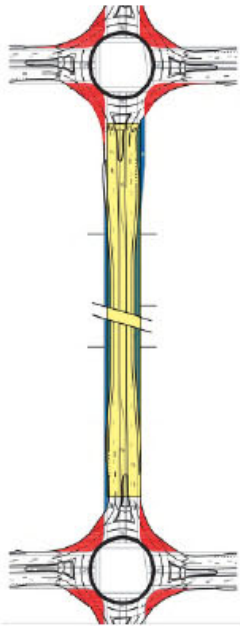
**Huffman Road Corridor, Anchorage, AK - No Roadway Widening (3 Lanes)**

# Traffic Planning & Economic Development

Cross Section with Signals



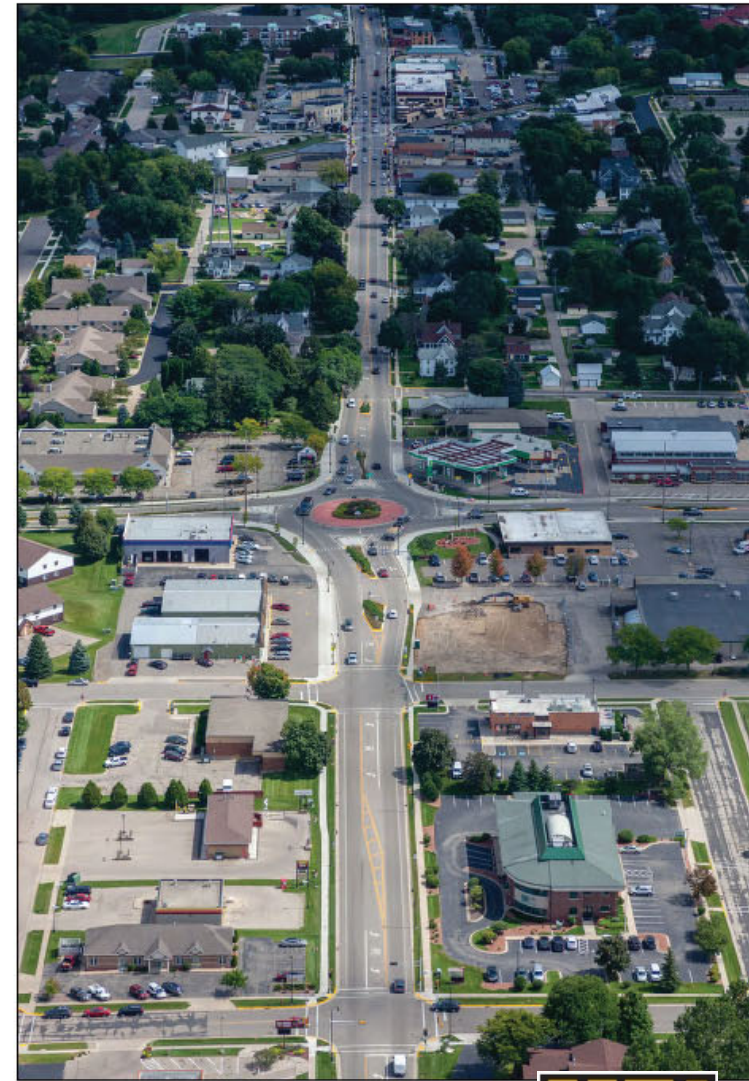
Cross Section with Roundabouts



Traditional 4-lane widening with signals



2-lane cross section with flared entry roundabout



Flared Entries  
Provide Capacity  
at Intersection

Roadway widening cross section is dictated by signals

# Traffic Planning with Roundabouts

- Benefits – Business vitality maintain on-street parking, reduced impacts

**Show  
Video**

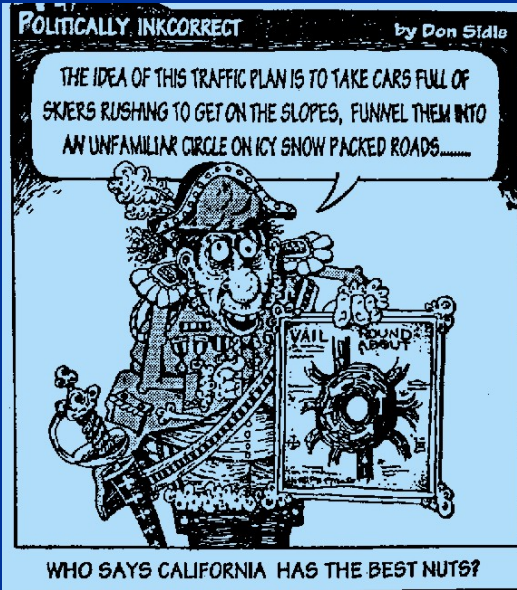


# Public Involvement



# Public Involvement

## Community Acceptance



The Vail Trail - January 5, 1996

### Editorial

## Shocker: Maybe the roundabout isn't so bad after all

We at the Trail have had a lot of fun in the past year taking stabs at Vail's roundabout, projecting all manner of doomsday scenarios for the project.

...Our primary concern was the combination of slick roads, rental cars, and an unfamiliar driving concept. However, people seem to have figured out the contraption. What's more, gridlock appears to be gone.

Voted Best Public Works Project 5 Years Straight



Video Courtesy of: Peter Doctor

# Public Involvement Case Study #1

## Testimonial

As a resident of the neighborhood for 55 years, Earl Keding, 82, figures the roundabout will control traffic flow.

*"They've got it marked well and it'll help, because people will have to slow down some," said Keding, who took his turn around the intersection Tuesday.*

*"I went around it. It's not any worse than any other street."*



# Public Involvement Case Study #2



**First on State Highway**

## GUEST COLUMN

# Beware the scourge of traffic circles

By Robert A. Hall

**T**he Wisconsin State Journal tried to disguise the bad news by using a British word to make it sound quaint. But the headline Saturday — “Mount Horeb to get first roundabout in the county” struck ice in our hearts.

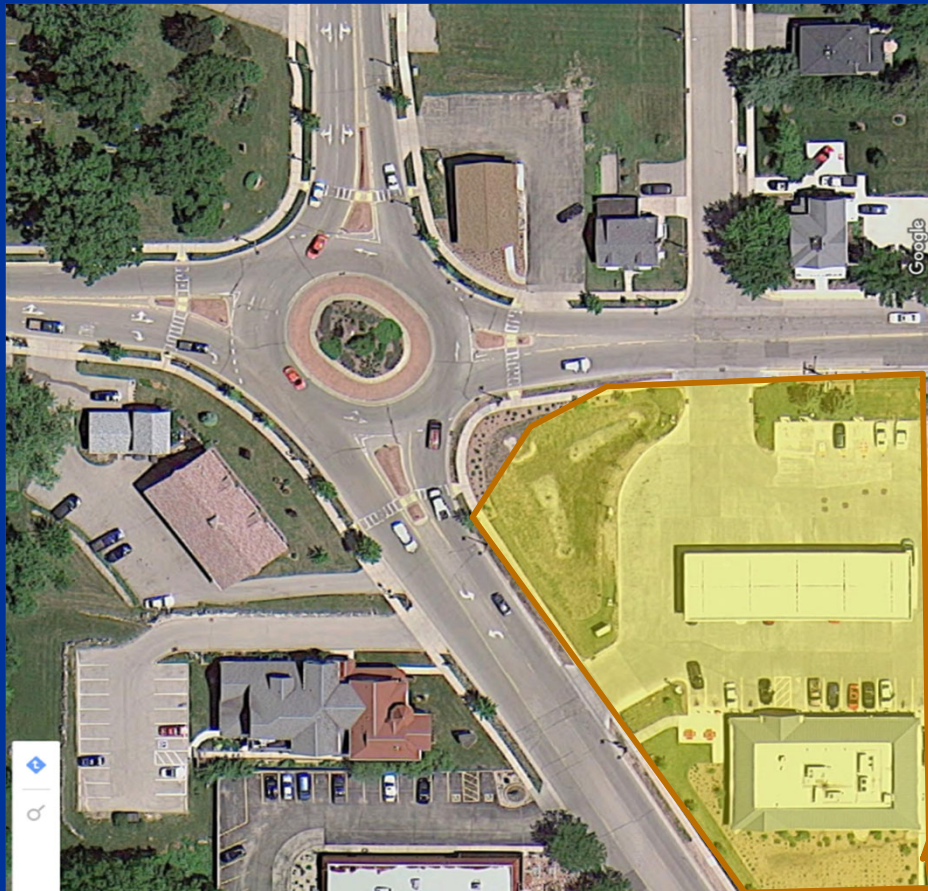
We are refugees from that quintessential East Coast state, New Jersey. And trust me, it's not the Sopranos that make the Garden State frightening — it's the traffic circles.

# Public Involvement Case Study #2



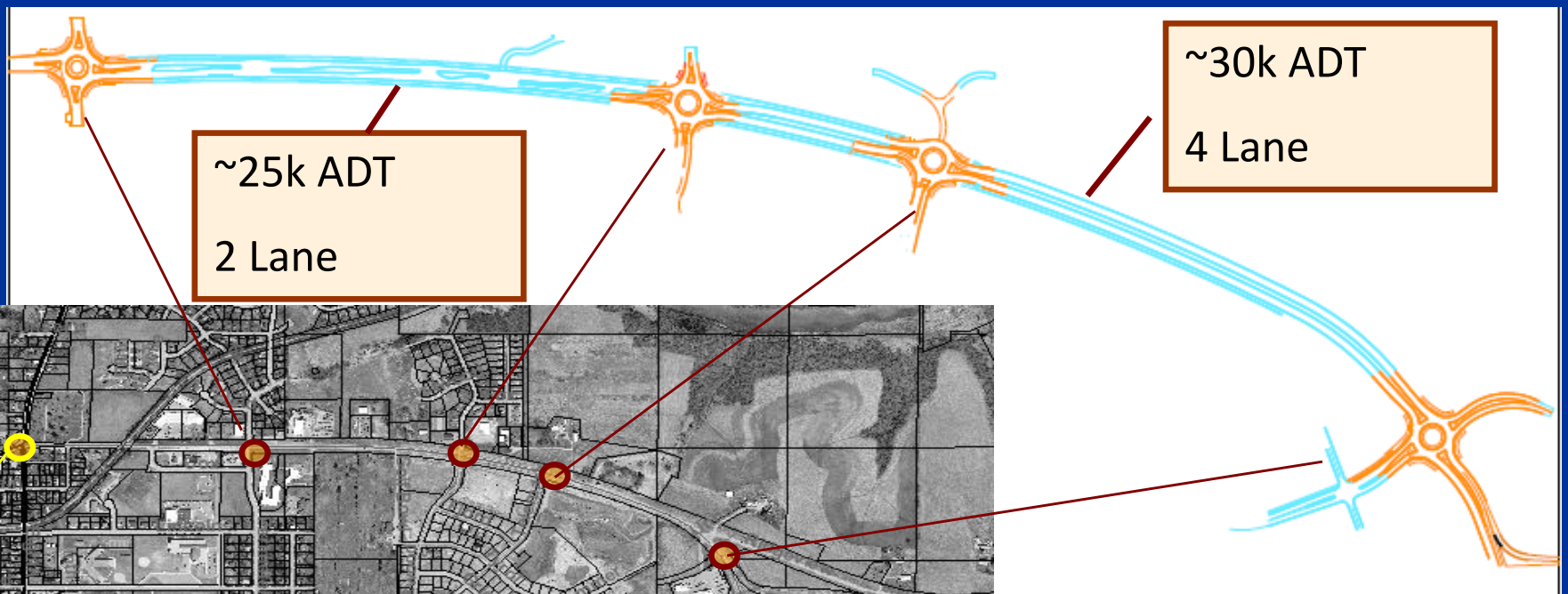
\* Business Access

# Public Involvement Case Study #2



**OPERATIONAL CHARACTERISTICS  
PROMOTE  
SAFE & EFFICIENT ACCESS.**

# Public Involvement Case Study #2

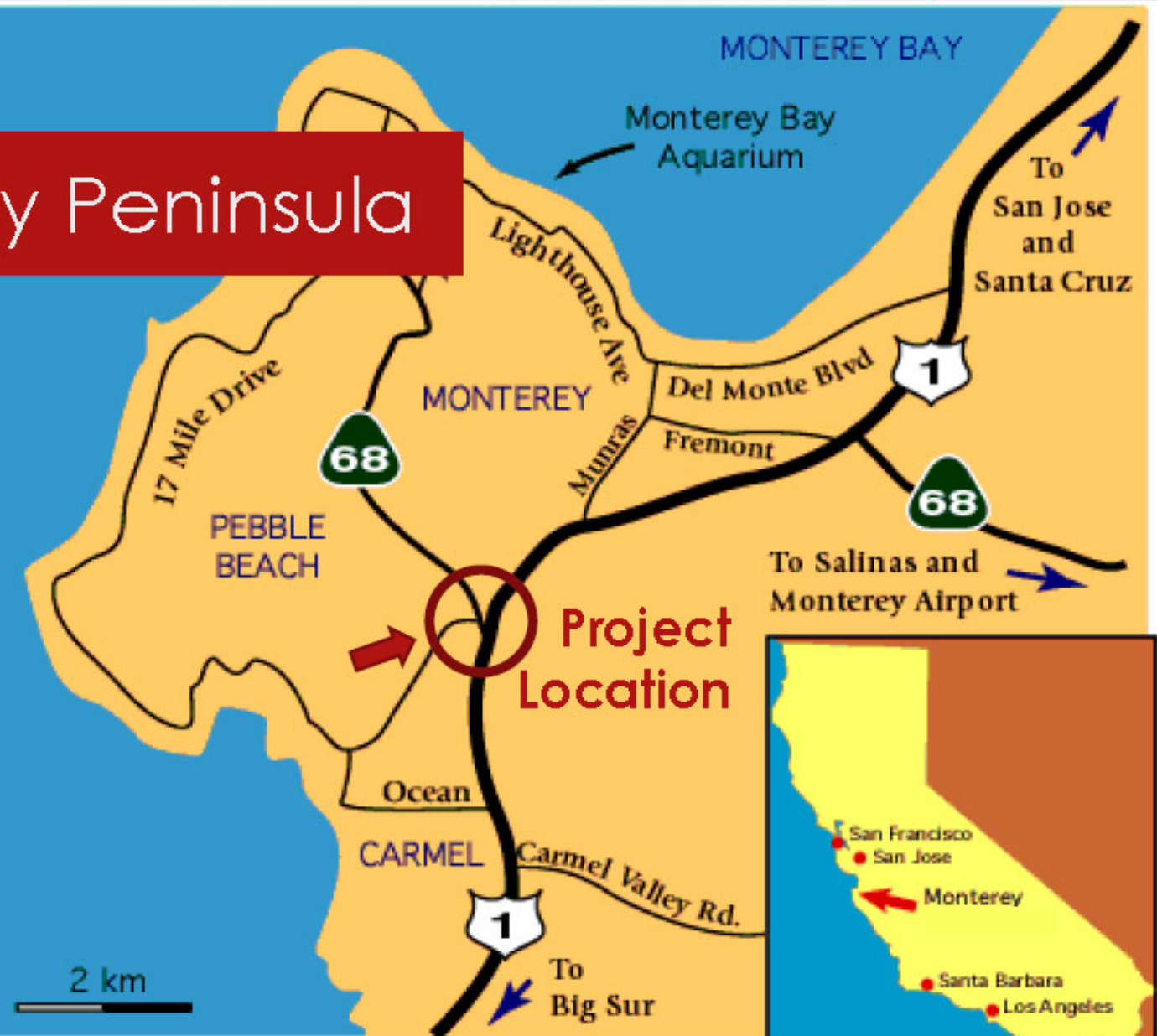


# Public Involvement Case Study #3

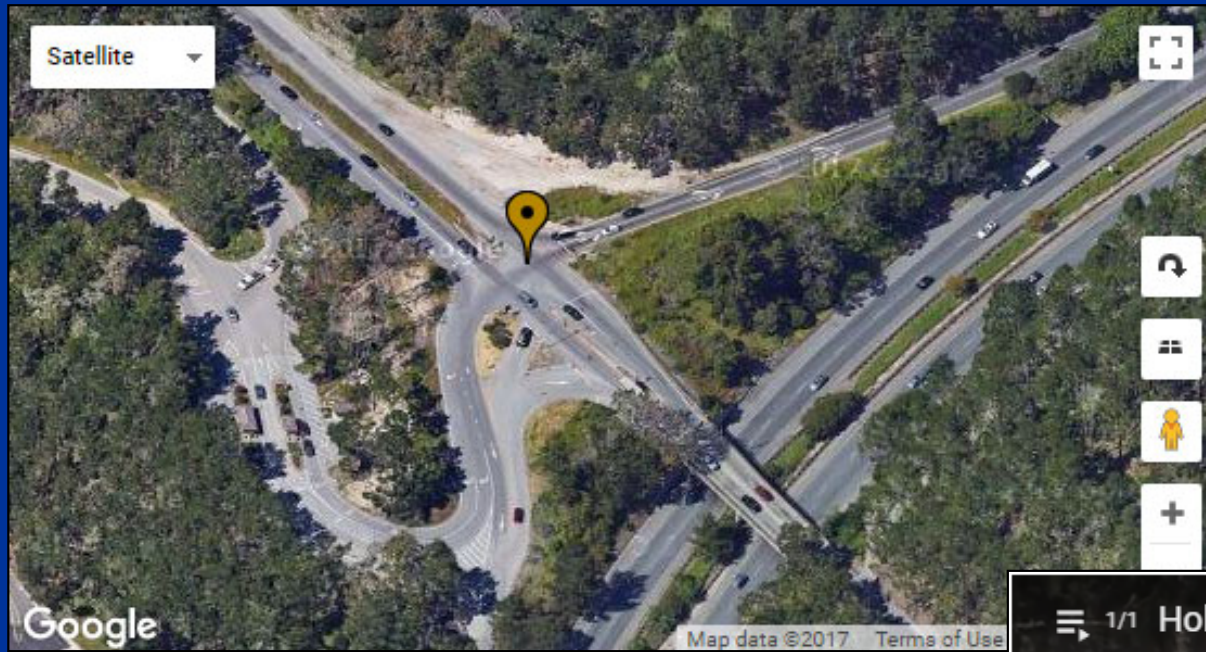
## Monterey Peninsula



**HOLMAN HIGHWAY**  
ROUNDBABOUT



# Public Involvement Case Study #3



## Holman Hwy

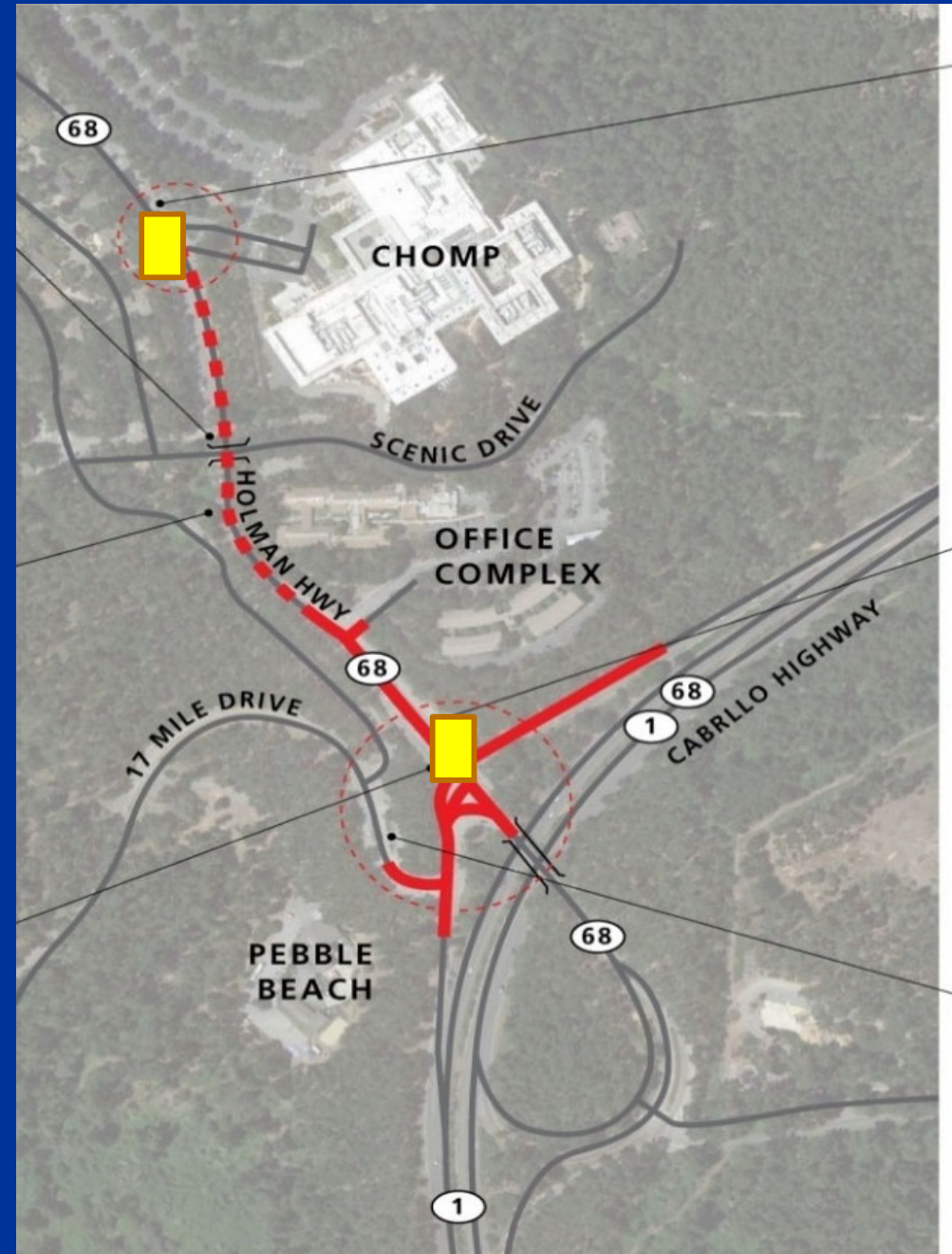
- Highly Constrained
- Congestion
- Emergency Response Issues
- Primary Access to the Monterey Peninsula



# Public Involvement Case Study #3

Traffic Signals & 4 Lanes

TOTAL ESTIMATED COST EST.  
= \$27M



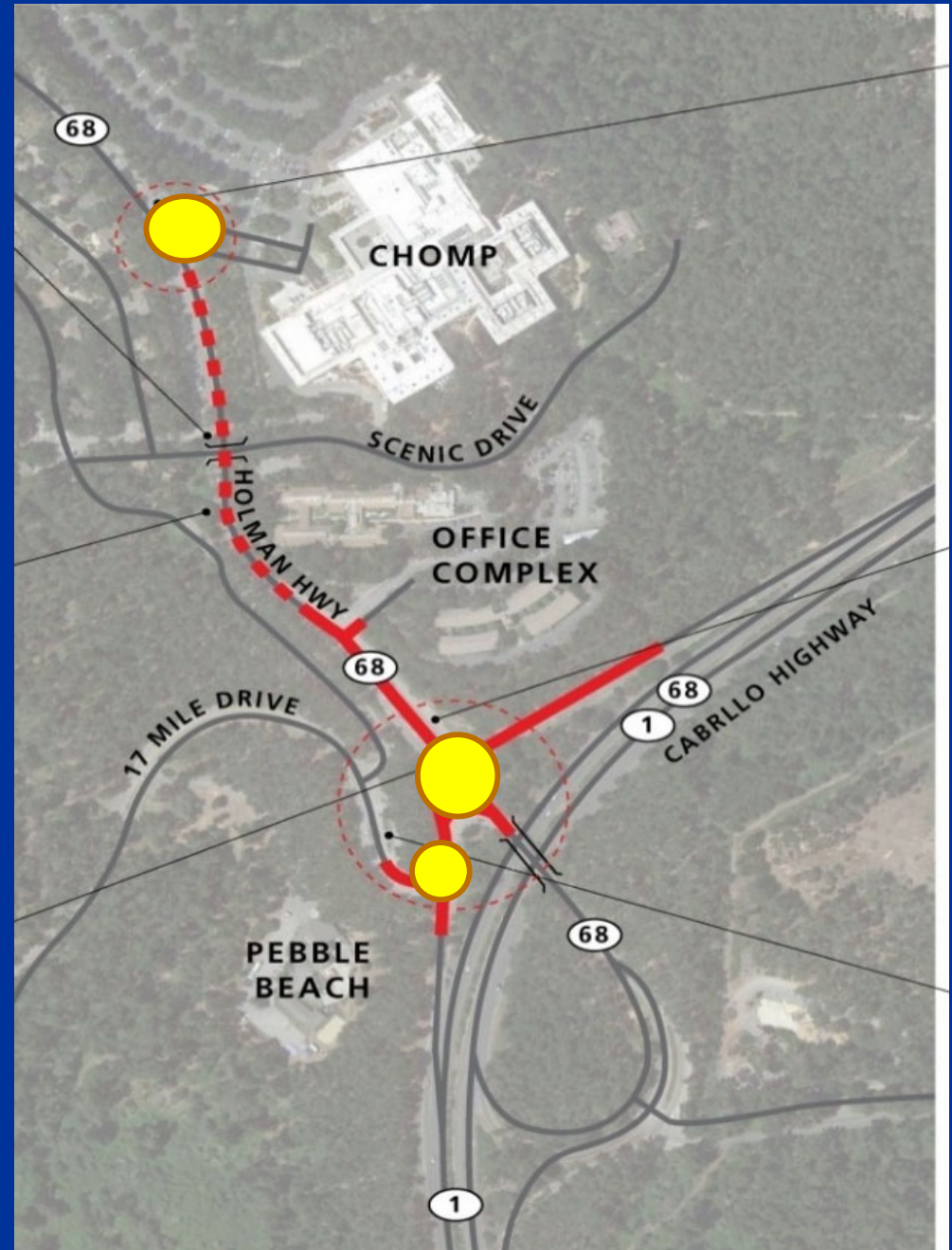
# Public Involvement Case Study #3

Roundabout Design

TOTAL ESTIMATED COST EST.  
= \$12M

ROUNDAOBOUTS –  
NOW IDENTIFYING NECESSARY

Savings of \$15M



# Public Involvement Case Study #3



Photo Courtesy of Rich Deal, City of Monterey Traffic Engineer

# Public Involvement Case Study



EDITORS AT THE MONTREY COUNTY  
WEEKLY  
NAMED HOLMAN HIGHWAY  
ROUNDAABOUT AS THEIR COUNTY'S  
"BEST USE OF GOVERNMENT FUNDS" IN  
2017



Successful Car Week Loading

# Public Involvement Case Study

**Show 4.5 min Video  
from MTJ Website**

**Holman Highway 68/Highway 1  
Roundabout**  
Monterey Peninsula, CA



<https://youtu.be/50sFiqRrQqc>



**END**  
**Questions?**



Mark T. Johnson, P.E.  
*MTJ Roundabout Engineering*

## CITY OF FLAGSTAFF STAFF SUMMARY REPORT

**To:** The Honorable Mayor and Council  
**From:** Heidi Hansen, Economic Vitality Director  
**Co-Submitter:** Kevin Fincel  
**Date:** 09/05/2023  
**Meeting Date:** 09/12/2023



### TITLE:

**City of Flagstaff Advertising Policy**

### DESIRED OUTCOME:

Discuss with the Mayor, Vice Mayor and Councilmembers the revisions we are making to our advertising standards to form a facility-wide policy that acts as a guideline for businesses, groups, events, and more when advertising with the City of Flagstaff (COF).

### EXECUTIVE SUMMARY:

The City of Flagstaff has permitted advertising to be placed in certain City of Flagstaff facilities for a number of years. The facilities that accept advertising currently are Joe C. Montoya Community and Senior Center, Jay Lively Activity Center, Flagstaff Aquaplex, Hal Jensen Recreation Center and the Flagstaff Pulliam Airport. We also have Athletics and Events programs that include advertising as well.

Up until this time, we have only had a small portion of advertising standards outlined on the advertising agreement a business would sign before placing their advertising up in our facility. What we have found are the standards we have been following are not broad enough compared to other recreation facilities and airports similar in nature to the COF and a more formal policy is needed.

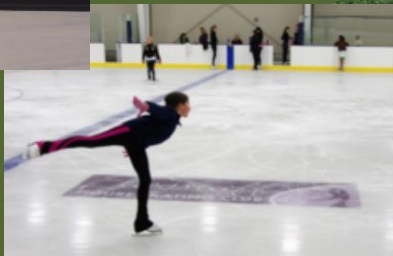
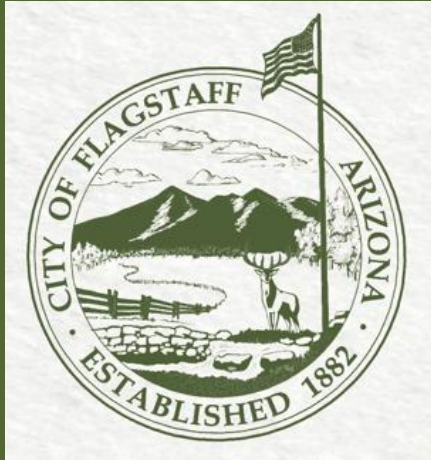
### INFORMATION:

During our research of other airports we looked at the following and their policies to help guide us in creating ours: Blue Grass Airport, Charleston International Airport, Mesa/Gateway, Phoenix Sky Harbor, Sonoma County Airport, Tucson International, and Waco Regional Airport.

The staff will walk you through the current standards we have and the suggested changes/edits we are proposing for the formal advertising policy. This policy will be offered to all businesses, events planners, and more who inquire about advertising at any of our COF facilities as well as create a consistency among all our facilities.

**Attachments:** [Presentation](#)  
[Draft Facility Advertising Policy](#)

# City of Flagstaff Advertising Policy





# City of Flagstaff Advertising Policy



## Discussion for today:

For each of our City of Flagstaff facilities that accept advertising from the public, we have advertising standards that are outlined in our advertising agreements.

We are here today to discuss a formal advertising policy for all our city facilities.

This policy will help ensure that all facilities are running their programs the same.



# City of Flagstaff Advertising Policy



## **Researched other airport advertising policies:**

Blue Grass Airport

Charleston International Airport

Mesa/Gateway

Phoenix Sky Harbor

Sonoma County Airport

Tucson International

Waco Regional Airport



# City of Flagstaff Advertising Policy



## Purpose:

This policy establishes criteria for advertisements at City of Flagstaff (“City”) facilities and provides guidelines for the sale of advertising space within those facilities. The City facilities where advertising is allowed are considered nonpublic forums, including the Flagstaff Pulliam Airport, recreation centers, and outfield fencing at athletic fields.

The City’s objective in managing its advertising at City facilities is to generate revenue by offering opportunities to promote activities and brand businesses while providing facility users with a welcoming and comfortable environment.



# City of Flagstaff Advertising Policy



## Permitted Types of Advertising:

Proposing a commercial transaction.

Encouraging patronage of a commercial business.

Promoting a particular industry.

Promoting tourism.

Promoting economic development.

This policy does not apply to public service announcements from the City of Flagstaff or partner agencies.



# City of Flagstaff Advertising Policy



## **Advertising Content Restrictions:**

Here is where we are getting more specific on our current 'Advertising Standards' and looking to Council on the suggested changes and/or edits.



# City of Flagstaff Advertising Policy



## **Current Advertising Standards as stated on contract:**

Advertising Standards: All advertising materials must be commercial advertising (i.e., a commercial transaction must be proposed) or provide information regarding the Facility. Advertising materials shall not:

- a. Be false, misleading, or deceptive.
- b. Relate to an illegal activity.
- c. Violate a copyright, trademark, or other intellectual property right.
- d. Advertise or depict the use of tobacco or smoking products.
- e. Advertise or depict the use of spirituous liquor as that term is defined in Section 4-101 of the Arizona Revised Statutes.
- f. Represent, by language or graphics, violence, or antisocial behavior.
- g. Advertise or depict language, gestures, conduct, or graphical representations that are obscene, pornographic, vulgar, profane, or scatological.
- h. Represent, by language or graphics, nude or seminude people as those terms are defined in Arizona Revised Statutes § 11-811, or the exposed buttocks of any person.
- i. Depict, relate to, or reference a website or other medium that relates to specific sexual activities or specific anatomical areas as those terms are defined in Arizona Revised Statutes § 11-811.
- j. Advertise any political or noncommercial message.



# City of Flagstaff Advertising Policy



## Current Standard:

- a. Be false, misleading, or deceptive.
- b. Relate to an illegal activity.
- c. Violate a copyright, trademark, or other intellectual property right.

## Changes/Edits:

- a. Advertising is false, misleading, or deceptive.
- b. Advertising promotes or encourages the use or possession of illegal goods or services under local, state, or federal laws
- c. Advertising that is libelous or defamatory.
- d. Advertising that infringes on any copyright, trademark, or service mark.

## Council Discussion...



# City of Flagstaff Advertising Policy



## Current Standard:

d. Advertise or depict the use of tobacco or smoking.

e. Advertise or depict the use of spirituous liquor as that term is defined in Section 4-101 of the Arizona Revised Statutes.

## Changes/Edits:

Now 'e'. Advertising that promotes, solicits, depicts, or markets the sale or use of cigarettes or electronic cigarettes, tobacco, marijuana, or related goods or services.

Now 'f'. Advertising that promotes, solicits, depicts, or markets the sale or use of spirituous liquor as that term is determined in Arizona Revised Statutes 4-101. *This prohibition does not apply to advertising at the Flagstaff Pulliam Airport.*

## Council Discussion...



# City of Flagstaff Advertising Policy



## Current Standard:

f. Represent, by language or graphics, violence, or antisocial behavior.

g. Advertise or depict language, gestures, conduct, or graphical representations that are pornographic, vulgar, profane, or scatological.

## Changes/Edits:

Now 'g'. Advertising that promotes, solicits, depicts, or markets the sale, use, rental, distribution, or availability of firearms, ammunition, or related goods or services.

Now 'h'. Advertising that contains any threat, implied or direct, to harm a particular individual or group of individuals.

Now 'i'. Advertising that depicts language, gestures, conduct, or graphical representations that are obscene, pornographic, vulgar, profane, or scatological.

## Council Discussion...



# City of Flagstaff Advertising Policy



## Current Standard:

h. Represent, by language or graphics, nude or seminude people as those terms are defined in Arizona Revised Statutes 11-811, or the exposed buttocks of any person.

i. Depict, relate to, or reference a website or other medium that relates to specific sexual activities or specific anatomical areas as those defined in Arizona Revised Statutes 11-811.

## Changes/Edits:

Now 'j'. Advertising that represents, by language or graphics, nude or seminude people as those terms are defined in Arizona Revised Statutes 11-811.

Now 'k'. Advertising that depicts, relates to, or references a website or other medium that relates to specific sexual activities or specific anatomical areas as those terms are defined in Arizona State Statutes 11-811.

## Council Discussion...



# City of Flagstaff Advertising Policy



## Current Standard:

j. Advertise any political or noncommercial message.

## Changes/Edits:

Now 'l'. Advertising that is political in nature or contains political messages, including advertising that refers to a specific ballot question, initiative, petition, or referendum, refers to a political party, or supports a candidate for public office. This prohibition does not apply to advertorials made by local elected officials promoting the City of Flagstaff or local tourism.

## Council Discussion...



# City of Flagstaff Advertising Policy



## **Advertising Locations:**

The City of Flagstaff reserves the sole right to determine the locations available in its advertising programs and to change such locations as needed.



# City of Flagstaff Advertising Policy



## **Application and Review Process:**

- All proposed advertising must be submitted in writing.
- City's department or division designee will review.
- If no changes needed, advertising will be accepted for display.
- If it does not comply with the policy, they will inform the advertiser in writing that's it not accepted.
- The decision of the department or division designee may be appealed in writing to the Division Director, whose formal determination shall be final.

**THANK YOU!**





# CITY OF FLAGSTAFF

## CITY OF FLAGSTAFF FACILITY ADVERTISING POLICY

### 1. PURPOSE

This policy establishes criteria for advertisements at City of Flagstaff (“City”) facilities and provides guidelines for the sale of advertising space within those facilities. The City facilities where advertising is allowed are considered nonpublic forums, including the Flagstaff Pulliam Airport, recreation centers, and outfield fencing at athletic fields.

The City's objective in managing its advertising at City facilities is to generate revenue by offering opportunities to promote activities and brand businesses while providing facility users with a welcoming and comfortable environment.

### 2. PERMITTED TYPES OF ADVERTISING

The permitted subject matter of advertisements shall be limited to content falling within one or more of the following permissible areas:

- Proposing a commercial transaction.
- Encouraging patronage of a commercial business.
- Promoting a particular industry.
- Promoting tourism.
- Promoting economic development.

This policy does not apply to public service announcements from the City of Flagstaff or partner agencies.

### 3. ADVERTISING CONTENT RESTRICTIONS

The following types of advertising are prohibited:

- a. Advertising that is false, misleading, or deceptive.
- b. Advertising that promotes or encourages the use or possession of illegal goods or services under local, state, or federal laws.
- c. Advertising that is libelous or defamatory.
- d. Advertising that infringes on any copyright, trademark, or service mark.
- e. Advertising that promotes, solicits, depicts, or markets the sale or use of cigarettes or electronic cigarettes, tobacco, marijuana, or related goods or services.



# CITY OF FLAGSTAFF

- f. Advertising that promotes, solicits, depicts, or markets the sale or use of spirituous liquor as that term is defined in Arizona Revised Statutes § 4-101. This prohibition does not apply to advertising at the Flagstaff Pulliam Airport.
- g. Advertising that promotes, solicits, depicts, or markets the sale, use, rental, distribution, or availability of firearms, ammunition, or related goods or services.
- h. Advertising that contains any threat, implied or direct, to harm a particular individual or group of individuals.
- i. Advertising that depicts language, gestures, conduct, or graphical representations that are obscene, pornographic, vulgar, profane, or scatological.
- j. Advertising that represents, by language or graphics, nude or seminude people as those terms are defined in Arizona Revised Statutes § 11-811.
- k. Advertising that depicts, relates to, or references a website or other medium that relates to specific sexual activities or specific anatomical areas as those terms are defined in Arizona Revised Statutes § 11-811.
- l. Advertising that is political in nature or contains political messages, such as advertising that refers to a specific ballot question, initiative, petition, or referendum, refers to a political party, or supports a candidate for public office. This prohibition does not apply to advertorials made by local elected officials promoting the City of Flagstaff or local tourism.

#### **4. ADVERTISING LOCATIONS**

The City of Flagstaff reserves the sole right to determine the locations available in its facilities for advertising programs and to change such locations as needed.

#### **5. APPLICATION AND REVIEW PROCESS**

All proposed advertising must be submitted in writing. The advertising proposal must include the advertiser's name, creative file, and the desired format of the presentation. The City's department or division designee will review the creative file for compliance with this policy and determine if any changes are required to bring the proposed advertisement into compliance. If no changes are needed, or if the advertiser makes the necessary changes to the advertisement content or presentation, the advertisement will be accepted for display.

If the City's department or division designee finds that the proposed advertisement does not comply with this policy, the City will inform the advertiser in writing that the proposed advertisement will



# CITY OF FLAGSTAFF

not be accepted and will cite the reason(s). The decision of the department or division designee may be appealed in writing to the Division Director, whose formal determination shall be final.

DRAFT

## CITY OF FLAGSTAFF STAFF SUMMARY REPORT

**To:** The Honorable Mayor and Council  
**From:** Alaxandra Pucciarelli, Current Planning Manager  
**Date:** 09/05/2023  
**Meeting Date:** 09/12/2023




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### TITLE:

**Request for information on the history of the Timber Sky Development Agreement and amendments**

### DESIRED OUTCOME:

Discussion and Direction

### EXECUTIVE SUMMARY:

The voluntary contribution toward affordable housing within the Timber Sky development is currently proposed to be met by two projects. The first project is the Woody Mountain Apartments, a 221-unit, 100% affordable rental development. The Site Plan application was conditionally approved by Staff on May 18, 2023. The development as proposed by the developer requires a request for modifications to the property development standards which must be approved by Council. Staff has not received an application for the modifications to date. The second project is a partnership with Habitat for Humanity. The Concept Plat application was approved by Staff on May 8, 2023. Staff has not received an application for Preliminary Plat or Site Plan to date.

### INFORMATION:

VP 66 & Woody Mountain LLC, which is managed by Vintage Partners, LLC, is the developer of the Timber Sky project generally located at 3425 West Route 66. In late 2016, the City and VP 66 & Woody Mountain, LLC entered into a development agreement pertaining to the Timber Sky project.

The original development agreement included City obligations to reimburse the developer for upsizing and extending water and sewer infrastructure adjacent to and extending beyond the boundaries of the Subject Property. Owner obligations included the provision of on-site and off-site water and sewer improvements per the approved Water Sewer Impact Analysis, the provision of a sewer line easement through the property at the time of Phase 1 Final Block Plat, traffic mitigation, increased outdoor lighting mitigation, the provision of 100 for-sale affordable housing units, stormwater mitigation as well as maintenance of on-site improvements.

**First Amendment:** In the original development agreement the Owner agreed to replace the existing 8" sewer line with an 18" diameter pipe the reach of 3,100 feet along Thomson Street and West Kaibab. The first amendment had the Owner agreeing to replace this section of sewer with a combination of an 18", 21", and 24" diameter pipe as well as the extension of the 24" line in the Clay Avenue Wash. These improvements were a planned City project and as a result, the City agreed to reimburse the Owner for the cost of the project. The original development agreement also required all off-site sewer improvements completed prior to the issuance of the first building permit. The City agreed that there is capacity in the

current sewer system for 125 single-family dwelling units and the City agreed to issue permits for those units in advance of the completion of the above referenced sewer improvement. Additional units may be permitted depending upon the completion of the sewer improvement plans.

**Second Amendment:** In August 2017, representatives from Vintage approached the City Manager with the concern that the increase in Engineering Fees would derail the Timber Sky project. Vintage estimated that the new Engineering Fees would add \$1.6 million in costs to the project, which the developer could not sustain. Over the next few months, Staff worked with Vintage on a proposed Second Amendment to the Timber Sky Development Agreement that would waive or forgive the estimated \$1.6 million in increased Engineering Fees. After a series of back-and-forth negotiations with Vintage, a proposed Second Amendment was finalized for Council consideration. An overview of the Second Amendment is provided below.

- **Locked-in Fees:** Engineering Fees and cost recovery schedule that were in place when Development Agreement was adopted by City Council will apply to the project for the term of the Development Agreement as an incentive for Vintage delivering one hundred (100) permanently affordable housing units within the development.
- **75% Target for Affordable Units:** Amendment establishes 75% target for sale of affordable housing units prior to plat recordation within Phase 4. If 75% of the affordable units have not been sold and transferred to the City's Community Land Trust (CLT) prior to developer requesting plat approval for Phase 4, the City will withhold plat recordation within Phase 4 until the target is met, or until Vintage pays \$16K for each undelivered affordable unit.
- **Flexibility to go to 125% AMI:** If the affordable units are not selling at 100% of Area Median Income (AMI), the amendment allows for the Affordability Plan to be amended to adjust the AMI for qualified buyers to 125% of the AMI affordability level.
- **Affordable Unit Delivery Requirements Unchanged:** The Development Agreement still requires delivery of 100 permanently affordable housing units.

**Third Amendment:** The original Development Agreement pertaining to the Timber Sky project required the developer to construct certain off-site sewer improvements. These off-site sewer infrastructure improvements were part of a larger Westside Sewer Improvement Phase I and Phase II, contained in the City's five-year CIP plan. The First Amendment to the Development Agreement dated September 18, 2017, designated Vintage Partners, LLC to construct both phases of the downstream sewer improvements and outlined a schedule for the City to provide reimbursement. Since that time Vintage Partners' construction schedule had been delayed and the City elected to proceed with construction of Phase I of the Westside Sewer Improvements along Clay Avenue Wash ahead of Vintage's schedule, as reflected in the Third Amendment to the DA. Vintage constructed Phase II, completing the Westside Sewer Interceptor project.

Overview of Proposed Third Amendment to the Timber Sky Development Agreement:

- The City will complete Phase I construction of the Westside Sewer Interceptor.
- Vintage agrees to publicly procure and construct Phase II of the Westside Sewer Interceptor.
- The City agrees to reimburse Vintage for all costs associated with the construction of Westside Sewer Interceptor, Phase II (Thompson-Kaibab portion), including permit fees and reasonable project management expenses to be approved by the City.

**Fourth Amendment:** The fourth amendment to the development agreement was in response to the developer requesting to substitute affordable rental units for the commitment of 100 permanently-affordable single-family ownership units. As agreed upon, the Fourth Amendment exchanged 40 ownership units with Habitat for Humanity and 190 rental units serving 60% area median income or less for the 100 ownership units. The amendment also allowed for the transferring of density within the project, removed the \$16,000 per unit monetary penalty for failure to deliver 75 of the 100 affordable units prior to the Phase 4, and provided that the developer would pay current engineering fees for Phase 4.

- Section 5.1.3 Densities: This new addition allows the density of the project to be transferred between development parcels regardless of zoning category. This provision will not increase the overall maximum density for the project, nor will it permit the density of any individual development parcel to exceed the maximum density for that parcel.
  - Section 5.2 Workforce Housing: This section of the original Development Agreement—requiring 100 residential ownership units—was replaced with the following provisions:
    - Affordable Rental Units: First, Block One will be deed-restricted, requiring the development of at least 190 affordable residential units that will be rented to lessees with an average household income of 60% or less of the Area Median Income (AMI) for a period of no less than 30 years. Vintage is under contract with Roers for the development of these units. The Vintage obligation is met once a rough grading certificate is received for the property and the deed restriction is recorded.
    - Affordable Ownership Units: Vintage will donate no less than three acres to Habitat for Humanity to develop no less than 40 homes for permanent affordability through the City Community Land Trust program. The specific land and proposed layout will be attached to the proposed Development Agreement Amendment. The units will be part of the Timber Sky Homeowners Association and therefore subject to the same design standards in order to maintain consistency in the community. The property will revert to the City of Flagstaff if development is not complete within five years of Agreement. The City and Habitat shall enter into an agreement regarding the specifics of the housing development.
  - Sections 8.4.1.1 and 8.4.1.2 Water Fees: These sections will be deleted because advance payment of water fees are no longer necessary.
- 

**Attachments:**     Timber Sky DA  
                          First Amendment  
                          Second Amendment  
                          Third Amendment  
                          Fourth Amendment  
                          presentation

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

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**TIMBER SKY ANNEXATION AND DEVELOPMENT AGREEMENT**

**AMONG**

**CITY OF FLAGSTAFF**

**AND**

**VP 66 & WOODY MOUNTAIN, LLC**

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## ANNEXATION AND DEVELOPMENT AGREEMENT

THIS ANNEXATION AND DEVELOPMENT AGREEMENT ("Agreement") is made as of this 15th day of November, 2016, among the City of Flagstaff, a municipal corporation organized and existing under the laws of the State of Arizona ("City"), and VP 66 & Woody Mountain, LLC, an Arizona limited liability company ("Owner").

### RECITALS

- A. The Owner owns approximately 197.58 acres of real property situated south and west of the intersection of Route 66 and Wood Mountain Road within Coconino County, Arizona, and partially within the incorporated boundaries of the City of Flagstaff, Arizona, as described legally in **Exhibit A** (the "Property" or "Project"), attached to this Agreement.
- B. The Owner and City desire that the portion of the Property currently within Coconino County be annexed into the corporate limits of the City and be developed as part of the City. The Property to be annexed is depicted generally and described legally in **Exhibit B** (the "Annexation Property"), attached to this Agreement.
- C. The annexation and development of the Property pursuant to this Agreement and the Concept Zoning Plan, dated August 9, 2016 and attached as **Exhibit C** (the "CZP") is acknowledged by the parties to be consistent with the City's General Plan, will operate to the benefit of the City, the Owner and the general public. The annexation of the Property would allow the City to provide for high-quality development in the area and ensure orderly, controlled and quality growth in the City, including enhanced citizen pedestrian and vehicular mobility by widening US Route 66 at the western part of the City and creating connections to the Flagstaff Urban Trail System and the City Loop Trail.
- D. The CZP contains exhibits and conceptual renderings that convey a scope and direction for the phasing of the parcels, which will be individually developed pursuant to the terms and conditions of this Agreement and subject to all applicable City ordinances, regulations, and resolutions, as provided in this Agreement, including requirements for conditional use permits. Subject to the terms of this Agreement, the Timber Sky community will provide a mix of new housing options, including a minimum of 100 housing units that will be sold at 100% of the Area Median Income ("AMI").
- E. The City and the Owner are entering into this Agreement pursuant to the provisions of Arizona Revised Statutes ("A.R.S.") § 9-500.05 (pertaining to development agreements) in order to facilitate the proper municipal zoning designation and development of the Property by providing for, among other things: conditions, terms, restrictions, and requirements for the permitted uses of the Property, the density and intensity of such uses, and other matters related to development of the Property as depicted on the CZP. This Agreement will also provide for a mechanism to establish dark skies measures beyond current city standards that will govern future development on the Property.

- F. A blank annexation petition was filed on October 11, 2016 with Coconino County and a public hearing was held on November 1, 2016, in connection with the annexation of the Annexation Property into the City.
- G. The City desires to annex the Annexation Property into the incorporated limits of the City and intends to rezone the Annexation Property and Property to zoning classifications consistent with the Flagstaff Region Plan 2030 (FRP2030) and CZP, and provide for a maximum overall residential unit count of 1300 (the "CZP Ordinance").
- H. The City has an interest in ensuring that the development of the Property complies with City standards for development and engineering improvements, 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 as enumerated in these Recitals and this Agreement.
- I. The Owner acknowledges that development of the Property pursuant to this Agreement will be beneficial and advantageous to the Owner by providing assurances to the Owner that they will have the ability to develop the Property within the City pursuant to this Agreement under the zoning described in the CZP.
- J. The public services/infrastructure improvements to be provided by Owner, which are necessary to serve development within the Property, will also, in certain instances, facilitate and support the development of other projects in the region.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

### **AGREEMENT**

1. Annexation, Effective Date and Term.

1.1 Annexation. Concurrently with the execution of this Agreement by the City and Owner, Owner will deliver to the City an appropriate Petition for Annexation duly executed by all necessary property owners and satisfying the applicable statutory requirements (the "Annexation Petition"). Upon receipt of the Annexation Petition, the City Council will consider the petition and, if determined to be in the best interest of the City, adopt a final ordinance annexing the Property into the corporate limits of the City (the "Annexation Ordinance"). The Annexation Ordinance will contain a provision requiring, upon Owner's written request made prior to the effective date, the immediate rescission and termination of the Annexation Ordinance by the City if the City does not approve the CZP Ordinance at the same meeting, or if any person or entity, other than a party to this Agreement, files (i) a valid petition appearing (A) to be in proper form and (B) to have the requisite number of valid signatures to cause a referendum challenging this Agreement, the CZP Ordinance, and/or the Annexation Ordinance, (ii) litigation in a court of proper jurisdiction concerning this Agreement or the annexation or (iii) petition pursuant to A.R.S. § 9-471(C) challenging the validity or approval of the Annexation Ordinance.

The City agrees to use its best efforts to accomplish the intent of this Section 1.1, even if a special meeting of the City Council must be called for the purpose of repealing the Annexation Ordinance. The City will schedule and advertise a Council Meeting for this purpose at the latest date reasonably possible prior to the Annexation Ordinance becoming final and effective and shall use its best efforts to perform in accordance with this Section. The City and Owner hereby acknowledge and agree that this Agreement will automatically terminate and be of no force or effect if the City's annexation of the Property does not become effective and final pursuant to A.R.S. § 9-471(D) on or before December 31, 2017. The City and Owner further agree that this Agreement satisfies the requirements under A.R.S. § 9-471(O).

1.2 Effective Date. This Agreement will not become effective, and no party will have any obligation under this Agreement unless each of the following occurs: (1) this Agreement is executed by all parties; (2) this Agreement is recorded as required by A.R.S. § 9-500.05(D), and (3) the Annexation Ordinance becomes final and effective. The date on which all of the foregoing items have been completed is the "Effective Date" of this Agreement. If a challenge is properly made to the Agreement, this Agreement will become effective after resolution of such challenge in favor of the City.

1.3 No Default. Any delay relative to the Effective Date of this Agreement by judicial challenge, referendum, or injunction filed by parties acting independently of and not under the control of the City will not be deemed a default by the City.

1.4 Duration. This Agreement will automatically terminate on the twenty-fifth (25th) anniversary of the Effective Date, unless this Agreement is rescinded or terminated earlier as provided for herein. However, if any of the Property still is subject to this Agreement twenty-five (25) 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 thirty-five (35) years, at which time this Agreement shall automatically terminate as to the Property without the necessity of any notice, agreement, or recording by or between the parties.

1.5 Release of Public Lots. In order to alleviate any possible concern as to the effect of this Agreement on the status of title to any of the Property, so long as not prohibited by law, the provisions of this Agreement will not apply to any lot which has been finally subdivided and individually (and not in "bulk") leased (for a period of longer than one year) or sold to third party residential end purchasers or users thereof (a "Public Lot") and thereupon such Public Lot will be released from and no longer be subject to or burdened by the provisions of this Agreement.

2. Zoning and Vested Rights. Owner hereby agrees to be subject to all the terms, conditions, and stipulations of the CZP Ordinance (City Ordinance No. 2016-39) approving the CZP, attached as **Exhibit D** and incorporated by this reference. The City acknowledges and agrees that the zoning approved and adopted for the Property through the CZP Ordinance is vested for the term of this Agreement (the "Vested Rights") and that the Owner shall have a right to develop the Property consistent with the Vested Rights and the Concept Zoning Plan, subject to the Applicable Rules (as defined in Section 3, below) and any changes to the Rules as permitted by this Agreement. The City agrees not to initiate any changes or modifications to the

zoning of the Property as of the Effective Date of this Agreement, except at the request of the owner of that portion of the Property for which such zoning change is sought, or except pursuant to the provisions of A.R.S. § 9-462.01(E). Owner acknowledges that they are still required to satisfy any remaining conditions of development of the Property as set forth in this Agreement and the CZP Ordinance.

3. Development Standards. Development of the Property will be governed by the City's codes, ordinances, regulations, rules, guidelines and policies controlling permitted uses of the Property, design review guidelines, the density and intensity of uses, the maximum height and size of the buildings within the Property, as well as the standards for off-site and on-site public improvements in existence as of the Effective Date of this Agreement, except as modified herein or otherwise agreed to, in writing, by Owner and the City (collectively, the "Applicable Rules" or "Rules"). Specifically, with regard to Title 10 of the Flagstaff City Code, the version in place as of January 1, 2016 shall apply to the Property ("Zoning Ordinance" or "Zoning Code").

4. Guiding Principles. The parties acknowledge that development activities for the Property may extend over several years and that many of the requirements and procedures provided for in this Agreement contemplate that use of the Property in the future may be subject to procedures, requirements, regulations and ordinances not presently in effect, as well as actions and decisions by City staff and officials which cannot be provided for with particularity at the time the Agreement was executed.

5. Project Description, Site Layout, and Design Considerations.

5.1 Development Allocations. As depicted on the CZP, the overall maximum number of residential units to be developed on the Property is 1,300.

5.1.1 Open Space. The Parties agree that any residential development within MR and HR zoned portions of the Property requires a minimum of 15% gross lot area to be set aside as open space. This open space may include resource protection area, active and passive recreation uses, landscape areas, community gardens, roof decks and courtyards. Any phase of the project may develop with less than 15% open space, provided that an accounting of the Project open space is documented with each plat or site plan, subject to reallocations from civic space as provided in Section 5.1.2 below. Owner agrees that non-vehicular connectivity between adjacent development parcels will be provided for as set forth in the CZP Ordinance to achieve cross-community access to the Project neighborhoods and open space areas. Additionally, under the CZP Ordinance, all FUTS trails are required to be dedicated to the public.

5.1.2 Civic Space. The Parties agree that a total of 5% of the gross site shall be designated as civic space. If the Community Center is not included within the first developing phase, Owner may provide for the requisite 5% civic space within the first phase(s) through various interim civic space amenities such as trails with benches or other seating or gathering areas. Upon the completion of the Community Center, any previously allocated civic space elements may be converted to satisfy open space requirements.

5.1.3 Densities. The Zoning Ordinance reflects minimum and maximum densities for each non-transect residential zoning category. Due to the topography of the Property and the Resource Protection Overlay requirements, minimum densities are based on the total gross acreage for the zoning category and not on a per parcel basis. Maximum density is based on maximum allowable density in the total gross acreage for the zoning category within the Resource Protection Overlay District (RPO) and not on a per parcel basis.

5.1.4 Residential Character. The character of the residential units will be guided by the reference materials contained in the CZP.

5.1.5 PRD Option. All residential development within the Property may elect the Planned Residential Development ("PRD") option as provided for in Section 10-40.60.270 of the Zoning Ordinance.

5.1.6 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 the Property will be for a period of five years from the date of the City Council approval. If a complete final plat submittal has been made within the fifth year of the preliminary plat approval, the duration of the preliminary plat will be automatically extended for one 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).

5.2 Workforce Housing. The Project will deliver 100 residential ownership units with a minimum of 2 bedrooms and 2 bathrooms that will be sold at or below 100% of the AMI affordability level (which as of the date of this Agreement, would be approximately \$220,000 based on an income of \$60,200) ("AMI-accessible units"). To ensure that the AMI-accessible units remain affordable after the initial sale, Owner will work with the City to develop a program ("Affordability Plan") to make the AMI-accessible units consistent with the Permanent Affordability definition in the Zoning Code through a community land trust program administered by the City of Flagstaff and subject to any necessary City Council approvals. The Affordability Plan must be in place prior to the first final plat that contains residential uses. The parties acknowledge that restrictions on lending and market conditions could require that the terms of the Affordability Plan evolve over time. Further, this Agreement may require amendment if "permanently affordable" AMI-accessible units remain unsold or unoccupied after an extended period of time due to market, financing or other external conditions.

The location of the units will be determined as the parcels are platted, and it is intended that they be located within the MR and HR zoning districts and disbursed throughout the first three phases of development, the final location of which is subject to the Owner's sole and absolute discretion. The intent of this program is for the units to blend in with the surrounding lots and the Owner does not plan to identify the units involved, nor cluster them. Rather, Owner intends

to keep them distributed throughout the blocks they fall within to the extent feasible. Once designated, the Owner will work with the City to implement the Affordability Plan to ensure that the buyers meet ownership and income eligibility requirements within reasonable time frames established by Owner to coincide with the development of the balance of the parcel.

5.3 Commercial Development. The Commercial Services may be converted to residential development, subject to both a PRD option and Conditional Use Permit under Table 10-40.30.040B of the Zoning Ordinance. If the property is developed residentially the Resource Preservation requirements will be changed to comply with the residential development standard requirement of 47.5% or as otherwise provided for in the Zoning Ordinance. Any commercial buildings within the Commercial Services parcel will have four-sided architecture, including display windows or other exterior wall treatments along the street frontage(s) designed to provide street-level visual interest and provide compatibility with the surrounding residential development.

5.4 Outdoor Lighting Plan. Upon completion of the incorporation of the Annexed Property into the City's municipal boundaries, Owner acknowledges that the City's requirements within Zone 1, per Section 10-50.70 of the Zoning Ordinance, included as **Exhibit E** will impose certain restrictions related to lighting on the Property ("Zone 1 Requirements"). The Owner has built upon the Zoning Ordinance requirements to prepare a unique set of Dark Sky Standards that will apply to all development on the Property through the implementation of Conditions, Covenants & Restrictions ("CC&Rs"), as provided for in Section 5.5 below. A complete list of the standards and concepts that the Owner will record against the Property to supplement the Zone 1 requirements are provided in **Exhibit F** (the "Project Lighting CC&Rs"). The Project Lighting CC&Rs will be administered by the HOA for the Property and included in the master CC&Rs. Further, the CC&Rs will have special amendment criteria that limit the future Homeowners' Association's ("HOA") ability to process amendments to the Project Lighting CC&Rs without City Council approval.

5.4.1 Lumen Caps. Single family homes will be limited to a total of 1350 lumens and can only be exceeded with the use of motion sensors on fixtures such that the non-motion sensor light fixtures do not exceed the 1350 lumen limit. These additional limits set shall not be interpreted to allow the current limits of the City of Flagstaff Zoning Code, Division 10.50.70 to be exceeded for multi-family residential development in any zone.

5.4.2 Fully Shielded Fixtures. Exterior lighting on all residential structures shall be fully shielded fixtures to be installed a minimum of five feet from the nearest edge of a canopy or overhang. Where not feasible or practical a fully shielded fixture with a motion sensor shall be utilized.

5.4.3 Lighting Source. All outdoor lighting will use either low-pressure sodium (LPS) or narrow-spectrum amber LED except for lighted entry monuments or other Class 1 lighting applications.

5.4.4 Lighting Curfews. For any commercial development within Block 12, lighting fixtures exempted from the existing curfews imposed by the City of Flagstaff Zoning Code shall only be motion sensor fixtures.

5.5 Community Identification Signs. Owner may construct and maintain community identification signs in accordance with the Division 10-50.100 of the Flagstaff Zoning Code. Owner may not lease any community identification signs to third parties or use the signs for any purpose other than community identification.

5.6 Homeowners' Association. Prior to the submittal of the first application for a residential building permit to the City and pursuant to a declaration of CC&Rs by the Owner, the Owner shall form a master Homeowners' Association ("HOA") that governs the single-family residential portion of the Property.

5.6.1 Homeowners' Association Responsibilities. The CC&Rs will incorporate the requirements of this Agreement and further provide that either the HOA, a sub-association, or the Owner (until such time as Owner, as "Declarant," relinquishes control of the HOA to the property owners, as provided in the CC&Rs) shall maintain the private trails, drainage facilities, landscaping within rights-of-way, medians, bridge abutment fascia, and private open spaces, and private common areas within the Property. The HOA will require homeowners to maintain the individual on-lot LID features through the CC&Rs.

6. Resource Protection Plan. The Property contains natural resources that warrant its inclusion within the City's Resource Protection Overlay as provided for in the CZP Ordinance. In connection with the Preliminary Block Plat submittal for the Property, a Natural Resource Protection Plan was prepared by Woodson Engineering & Survey dated July 13, 2016 that contains the approved resource protection strategy for the Property (the "NRPP"). The City agrees that the NRPP and Preliminary Block Plat will govern future plat submittals for the individual development parcels. The relocated 50-foot wide APS corridor, located in McAllister Ranch Road, will be excluded from the resource protection calculations as a regional utility corridor.

7. Infrastructure Plan. The City and Owner acknowledge that the Project will include certain infrastructure improvements, including drainage, water, sewer, and traffic circulation plans for the infrastructure (such infrastructure improvements hereinafter collectively referred to as the "Infrastructure Plan"), and that the following impact analyses are approved in connection with the CZP and applicable to the Project:

- Water and Sewer Impact Analysis, dated November 3, 2015 ("WSIA")
- Traffic Impact Analysis, dated June 24, 2016 ("Traffic Study")
- Preliminary Drainage Report and Drainage Impact Analysis, dated March 10, 2016, and its addendum, dated August 16, 2016 (collectively the "DIA")

Except as otherwise provided in this Agreement and subject to the Rules and any changes to the Rules permitted by Section 3, so long as Owner proceeds with the development of the Property,

Owner may implement and phase the infrastructure improvements to the Property in conformance with the Preliminary Block Plat, including the Infrastructure Phasing Plan provided as Appendix 5 to the CZP, and City agrees that the required infrastructure improvements for the Project are limited to those detailed in this Agreement and the Preliminary Block Plat.

7.1 Infrastructure Plan Amendment. The City and the Owner acknowledge that amendments to the approved Infrastructure Plan and/or Infrastructure Phasing Plan may be necessary from time to time to adapt to the actual number of units platted within the Property and identified uses. The Owner and the City agree that any such amendments shall be incorporated by this reference into this Agreement with the same force and effect as if set forth herein and shall not require corresponding amendment to this Agreement.

7.2 Construction. The parties hereto acknowledge and agree that to the extent the Owner develops the Property, the Owner shall have the right and the obligation, at any time after the execution of this Agreement, to construct or cause to be constructed and installed, in accordance with the Rules and all other applicable rules, regulations, construction standards, and governmental review processes, all portions of the Infrastructure Improvements that relate to the phase or portion of the Property to be developed by Owner at any given time subject to approved civil plans. Owner shall cause the Infrastructure Improvements to be constructed and installed in a good and workmanlike manner and in compliance with the Rules and all other applicable requirements, standards, codes, rules or regulations of the City.

7.2.1 Owner, its agents, and employees, shall have the additional right, upon receipt from the City of an appropriate encroachment permit, to enter and remain upon and cross over any City easements or rights-of-way to the extent reasonably necessary to facilitate such construction, or to perform necessary maintenance or repairs of such public Infrastructure Improvements. Owner's use of such easements and rights-of-way, pursuant to an encroachment permit, shall not impede or adversely affect the City's use and enjoyment thereof.

7.2.2 Owner shall restore such City easements and rights-of-way, used pursuant to the encroachment permit, to their condition prior to Owner's entry upon completion of such construction, repairs, or maintenance. Owner, its agent, and employees, also shall have the right, upon receipt from the City of an appropriate encroachment permit, to enter and remain upon and cross over any City easements or rights-of-way to the extent reasonably necessary to install and maintain landscaping material within the portion of the City right-of-way not used for vehicular travel.

7.3 Infrastructure Assurance. The parties hereto acknowledge and agree that the City, prior to recording the final plat for each subdivision or issuance of a permit for the commencement of construction in connection with non-subdivision development, shall require the Owner and/or its designees, grantees or buyers under contract, to provide appropriate assurances in such form and amount as required by the Rules 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"), except for infrastructure improvements detailed below in Sections 8.5.1.1 and

8.5.1.2. 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:

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

7.3.2 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 lender's requirements; or

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

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

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

7.3.6 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 form 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 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, in the manner provided in the Rules.

7.4 Necessary Easements. It shall be a condition precedent to the obligation of Owner to construct the Public Infrastructure herein specified or otherwise required to service the Property, that Owner shall have obtained any and all easements, rights of entry, and/or other use rights on or about all real property other than the Property upon, through or under which will be installed all or any portion of said Public Infrastructure, as useful or necessary for Owner to enter and to properly perform all activities incident to Owner's construction obligations hereunder

(collectively, the "Easements"). Owner shall use reasonable efforts to obtain the Easements; provided, however, that if despite the exercise of such reasonable efforts, Owner is unable to obtain any necessary Easements, the City upon request by Owner shall obtain said necessary Easements through the City's power of condemnation and the obtaining of immediate possession, all in accordance with applicable law. Such costs of obtaining the Easements (including, without limitation, the costs of condemnation including legal fees and court costs) shall be paid by Owner and shall be included in the costs of any and all Public Infrastructure for which Owner is entitled to a reimbursement, as hereinafter specified.

7.5 Rights-of-Way Dedication. All right-of-way dedications required within the developing phase of the Property will be completed in conjunction with the Final Plat or Block Plat, whichever comes first

7.5.1 Right-of-Way Acquisition. Owner shall be responsible for acquiring the right(s)-of-way necessary for all required public improvements through good-faith negotiation with the property owner. Owner shall follow the requirements in Title 12 of the Arizona Revised Statutes for acquisition of the property as if the Owner was a government entity obtaining property by eminent domain. Owner will work with the City's Real Estate Manager from the beginning of the negotiation process to ensure compliance with statute and to expedite the process. If the Owner is unable to acquire the right(s)-of-way within a reasonable timeframe and after the exercise of reasonable diligence, then Owner shall request in writing that the City initiate eminent-domain proceedings to acquire the right(s)-of-way. The City shall be the arbiter of whether or not the Owner has exhausted its ability to negotiate with the property owner, but shall be reasonable in its judgment. Once the City has determined that the Owner has exhausted its ability to negotiate with the property owner, the City shall promptly proceed in accordance with the state's eminent domain laws, (ARS 12-1111, et. Seq.) and use its best efforts to expedite acquisition. Owner must provide funding for all costs of such acquisition, including the fair-market value of the subject property, severance damage, cost to cure, appraisal costs, expert witnesses, legal costs including attorney's fees, and City staff and administrative costs, as the City may deem necessary and appropriate.

## 8. Water & Sewer Improvement Requirements

8.1 Water & Sewer Impact Analysis. Owner shall adhere to all of the requirements of the WSIA dated November 3, 2015, prepared by Civil Design & Engineering, Inc. for City of Flagstaff Utilities Department except as modified herein.

8.2 On-Site Water & Sewer Improvements Phasing. As identified in the WSIA and Preliminary Block Plat, construction of On-Site Water and Sewer Improvements shall be phased appropriately as provided for in this Agreement to ensure stand-alone water and sewer availability within each Phase. All phased on-site water and sewer infrastructure shall be designed and built in accordance with the City of Flagstaff Engineering Standards and Arizona Department of Environmental Quality. The Owner is required to dedicate the entire sewer line easement through the Property with the final plat of Phase 1. Owner will not be required to post assurances for sewer infrastructure beyond Phase 1, with the dedication of the entire easement.

8.3 On-Site Water & Sewer Improvements Requirements. Owner agrees to provide all on-site water and sewer systems required to support the overall development plan, including a 12" diameter looped water system from W Route 66 to Woody Mountain Road. Each of the development blocks will be connected to the water main within the collector roadway. The water system will be extended in coordination with the phasing and as needed for individual parcels. Owner agrees to provide a new 8" PVC waterline connection to the eastern boundary as part of the development of Block 2 as shown on the Preliminary Block Plat. All required improvements must be completed and accepted by the City prior to the issuance of any certificates of occupancy for the Project.

8.4 Water System Improvement Requirements.

8.4.1 Upfront Water Production Payment. The City has allocated water supply up to 480 units for the development. In order to exceed the City's water allocation of 480 units, Owner shall, provide the City with an advance payment of the Project's expected capacity fees related to water production per the terms defined in 8.4.1.3 of this Agreement ("Upfront Water Production Payment"). As defined in the City's Water, Sewer and Stormwater Rate and Capacity Fee Study, Final Report, June 20, 2016, page 41, the current Water Production portion of the total Water Capacity Fee is 38.5%. The Upfront Water Production Payment will be used by the City to construct a new well for the development in order to ensure that the City's water system has enough capacity for the development as it progresses. At the request of Owner, City agrees that Owner can make the Upfront Water Production Payment in two installments: (a) the first installment must be at least 50% of the total Upfront Water Production Payment, and (b) the second installment must be for the remaining portion of the Upfront Water Production Payment and must be received no later than nine (9) months after payment of the first installment ("Payment Schedule"). City estimates that the new well can be sited, constructed, and operable within eighteen (18) months after receipt of the first installment of the Upfront Water Production Payment. So long as Owner pays the first and second installments of the Upfront Water Production Payment according to the Payment Schedule, building permits for the construction of units in excess of 480 may be issued eighteen (18) months after receipt of the first installment of the Upfront Water Production Payment. If the Payment Schedule is not followed (e.g., if the first installment is made but the remainder of the Upfront Water Production Payment is not received within nine months after payment of the first installment) no building permits for construction of any units in excess of 480 will be issued until the new well is drilled, constructed, and connected to the City's existing water system. If the Owner changes its plans for development such that more water is required than currently forecast, Owner must update the WSIA and amend this Agreement accordingly. The City may withhold any and all building permits until the Owner complies with this provision.

The Parties further agree as follows:

8.4.1.1 Calculation of Upfront Water Production Payment. The parties acknowledge that water capacity fees will be collected for the Project as

development progresses, pursuant to City Code Section 7-03-001-0011. The Upfront Water Production Payment will be based on the anticipated capacity fees for 1,000 single family residential units. At the time Owner requests to make the first installment of the Upfront Water Production Payment pursuant to the Payment Schedule described in Section 8.4.1, the amount due for the entire Upfront Water Production Payment will be calculated by multiplying the prevailing Water Production portion of the capacity fee (currently 38.5%) by the difference between 1,000 units and the number of units for which a capacity fee has already been collected as of that time. The table below provides an example of the calculation:

**Example Upfront Water Production Payment:**

Water Capacity Fee (¾" Single Family)	\$5,728
Water Production portion (currently 38.5%)	\$2,205
Total Capacity Fee obligation with 1000 SF units	\$5,728,000 (\$5,728*1000 units)
Total Water Production portion (38.5%)	\$2,205,000 (\$2,205*1000 units)

Assume development of 200 SF units prior to funding the Upfront Water Production Payment:

Total Water Capacity Fee paid	\$1,145,600 (\$5,728*200 units)
Total Water Production portion paid	\$441,000 (\$2,205*200 units)

Therefore, the **Upfront Water Production Payment**: \$2,205,000 - \$441,000 = **\$1,764,000**

**8.4.1.2 Reimbursement of the Upfront Water Production Payment.** The City will reimburse the Owner the Water Production portion of each capacity fee collected by the City after receipt of the Upfront Water Production Payment until the Upfront Water Production Payment made by the Owner is paid back in full. The amount reimbursed from each capacity fee will be based on the Water Production portion of the capacity fee that was used at the time the Upfront Water Production Payment was calculated. Reimbursement payments will be determined and made on a quarterly basis by calculating the Water Production portion of all capacity fees collected in relation to the Project during that preceding quarter ("Reimbursement Payment"). The Reimbursement Payment will be paid by the City to Owner within thirty (30) days of the end of the quarter for which the Reimbursement Payment was calculated. The City will only reimburse owner the Water Production portion of the capacity fees collected up to 1,000 units. If the Project results in less than 1,000 units being constructed, City will reimburse Owner the portion of the Upfront Water Production Payment collected for any units between the actual number of units constructed and 1,000.

**8.4.1.3 Well System Sites.** The Owner will allow the City access to its property to conduct a geophysical survey to determine whether a desirable well site may exist on the Owner's property. If the City determines that a desirable well site exists on Owner's property, Owner agrees to dedicate the parcel of land required for the well and any necessary easements for construction of the well and to connect the well to the City's existing water system. Each well site shall be

located on a parcel of land no smaller than 150' x 150'. The City will work with Owner to locate the well on the property so as to have the least amount of impact on the proposed Project. If a desirable well site does not exist on Owner's property, Owner agrees to work with the City to obtain any necessary land and easements for the purposes of constructing the well and connecting it to the existing City infrastructure, at no additional cost to Owner.

## 8.5 Off-Site Sewer Improvement Requirements.

8.5.1 Increased Sewer Capacity. The Parties agree that pursuant to the WSIA, the Project will create the need for Off-Site Sewer Improvements, specially identified below. Owner acknowledges that modifications to the existing sewer collection system are required as part of this project as the existing downstream sewer collector system is not adequate for the proposed development. Prior to the issuance of the first building permit, the following off-site sewer modifications must be completed and accepted by the City.

8.5.1.1 The replacement of the 8" sewer line connecting manholes 2A-422 and 2A-360 with an 18" diameter pipe. This reach is approximately 3,100 feet in length and runs along Thompson Street and West Kaibab. This is a planned City project that is budgeted for fiscal year 2021. The City agrees to reimburse the Owner for the cost of the design and construction of this sewer improvement. Owner has requested that the City move the project to fiscal year 2020 (reimbursement available July 1, 2019) subject to approval by the Flagstaff City Council.

8.5.1.2 The installation of approximately 5,170 feet of sewer line to connect MH 2A-472 at the existing Adirondack Avenue 18" sewer interceptor line for this drainage basin through manhole #18, which is approximately 300 feet north of W Route 66. The line must be upsized to an 18" sewer line as the result of the additional load and to accommodate future load. Infrastructure improvements shall include the sewer line, manholes and any other incidental utility improvements necessary for construction. The City is scheduled to construct this sewer extension in fiscal year 2017. Should the Owners construct the sewer line in advance of the City, the City agrees to reimburse the Owner the cost of the improvements unless the City's Core Facilities project is terminated, in which case the Owner will only receive upsizing contributions for the difference between an 8" and an 18" sewer line.

8.5.2 Sewer Line Design and Construction Standards. Owner agrees to construct all of the Off-site sewer Improvements in accordance with all applicable City, State, and Federal rules, regulations, and design standards, including the City's procurement requirements.

## 9. Stormwater Drainage Impact Analysis.

9.1 Drainage Mitigation. Owner agrees to mitigate the Project's identified drainage impacts in accordance with the DIA and ensure maintenance of individual on-lot LID features.

9.2 New Impact Analysis. Pursuant to the conditions of the Concept Zoning Map Amendment a new Drainage Impact Analysis must be submitted and approved for the eastern side of the property if all drainage flows cannot be directed towards the westerly drainage corridor.

## 10. Road Improvement Requirements.

10.1 General Off-Site Roadway Improvements. The Owner provided a Traffic Impact Analysis ("Traffic Study") to determine the necessary traffic mitigation for the Project. The Parties agree that the Owner's traffic mitigation will be accomplished in two ways: 1. Owner will be solely responsible for the design and construction of certain Off-site Roadway Improvements in Phase 1 as identified below; 2. Owner may make a cash contribution to the City toward additional Off-site Roadway Improvements in Phase 3 as described in Section 10.4 below.

10.1.1 Construction Standards. Owner agrees to construct all of the On-site and Off-site Roadway Improvements in accordance with all applicable City, State, and Federal rules, regulation, and design standards.

10.1.2 Construction Timing. All Phase 1 On-site Roadway Improvements shall be substantially completed in accordance with the Section 13-10-013-001 of the Engineering Design and Construction Standards and Specifications prior to issuance of the first building permit in Phase 1. To obtain building permits in Phases 2, 3, and 4, the remaining improvements for each individual phase must be constructed and accepted. All Phase 1 Off-site Roadway Improvements shall be completed prior to the issuance of the first certificate of occupancy.

10.2 On-site Roadway Improvements. On-site Roadway Improvements shall consist of all internal roadway construction including but not limited to curb, gutter, sidewalks, pedestrian ways, FUTS trails, bicycle ways, medians, and turn lanes. On-site Roadway Improvements include all property frontage improvements along West Route 66 and Woody Mountain Road.

10.3 Phase 1 Off-site Roadway Improvements. The Parties agree that the Traffic Study has identified the Phase 1 need for improvements at two City intersections, as described below.

10.3.1 Woodlands Village Boulevard and W. Route 66. Phase 1 Improvements include the modification of the northbound Woodlands Village left turn lane/median to 250 feet or more of storage, final storage length to be worked out at final design.

10.3.2. Woodlands Village Boulevard & University Avenue. Phase 1 Improvements include the addition of an exclusive/permitted left turn phasing to both eastbound and westbound approaches.

10.4 Additional Contributions for Future Roadway Improvements. As provided in the September 9, 2016 letter from ADOT, ADOT and the Owner has agreed to certain phasing and improvements, as well as a mechanism by which a cash contribution may be paid to the City prior to the acceptance of the Phase 3 block plat infrastructure improvements. This contribution is subject to the financial assurance under Section 7.3 required for the recordation of the final block plat for Phase 3. The cash contribution will be \$1.5 million (Owner's approximate proportional share for all off-site roadway improvements) minus the amount of the Owner's actual cost (costs actually paid or incurred for design, surveying, mapping, historical clearance from the State Historic Preservation Office, engineering, materials, labor, testing, inspection, construction management, permit fees and other reasonably related cost necessary to complete the improvements to the point of final acceptance by ADOT, the City, the Arizona Department of Environmental Quality or any other agency and any other cost as approved by the City Engineer) of the off-site roadway improvements for Phase 1 in relation to Route 66 transportation corridor (excluding the improvements referenced above in section 10.3.2 of this Agreement). The Owner and City Engineer will work together to arrive at a mutually acceptable list of final costs allocated toward the \$1.5 million prior to the final block plat approval for Phase 3. Should the Phase 1 improvements exceed \$1.5 million, no cash contribution will be given to the City and Owner will not make any additional contributions to future roadway improvements and Owner shall be solely responsible for all costs exceeding the \$1.5 million. The City intends to utilize this cash contribution in partnership with ADOT to improve the West Route 66 corridor between Flagstaff Ranch Road and Milton Road.

11. Additional Conduit. Owner has agreed at the time of Phase 1 infrastructure construction to install an additional conduit so that APS can provide three-phased power to the north side of Route 66 at Alvin Clark Way to support the Core Facilities Project and installation of a new well pump.

12. Infrastructure Financing.

12.1 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 (the "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.

12.2 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, and Owner may seek reimbursement pursuant to City Code Chapter 7-08.

13. City Services. Upon the Effective Date for the Annexation Property, City shall include the Property in the City's municipal service area and, upon completion of the construction and installation of the necessary Infrastructure Improvements by Owner as provided in or as required by this Agreement and the Rules, the City shall provide to the Property such utility and other services in a manner that is similar to that by which the City provides such utilities and services generally to the residents of similarly situated property in the City, including sewer, water, garbage, fire and police, provided that Owner has constructed and installed the necessary Infrastructure Improvements as provided in or as required by the Rules and the Infrastructure Improvement Schedule. The City agrees to assess and collect user fees or rates for each municipal utility service provided by the City consistent with the fees or rates established by the City and applied for other similarly-situated property and projects (residential property and projects greater than five acres) in areas of the City receiving similar municipal services. Failure by the Owner to promptly pay any amount owed, including but not limited to the obligations set forth in this Section 9, will constitute a breach of this Agreement and the City may collect such amounts owing by utilizing the remedies set forth this Agreement, and further may withhold the issuance of building permits for improvements on the Property until such amount is paid.

14. Notices. Any notice or other communication required or permitted to be given under this Agreement will be in writing and will be deemed to have been given if (1) delivered to the party at the address set forth below during normal business hours, (2) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below, with sufficient postage, or (3) given to a recognized and reputable overnight delivery service, to the address set forth below, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day or at such other address, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this Section.

To City:

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

To Owners:

Walter Crutchfield  
VP 66 & Woody Mountain, LLC  
2502 E. Camelback Road, Suite 214  
Phoenix, AZ 85016

Notices will be deemed received (1) when delivered to the party, (2) three business days after being sent by U.S. mail, certified and return receipt requested, properly addressed, with sufficient postage, or (3) the following business day after being given to a recognized and reputable overnight delivery service.

15. General Provisions.

15.1 Further Assurances. Each party, promptly upon the request of the other, will take such further actions and will execute, acknowledge and deliver to the other any and all further instruments as may be necessary or proper to carry out the purpose and intent of this Agreement.

15.2 Successors and Assigns. All of the provisions hereof will inure to the benefit of and be binding upon the successors and assigns of the parties hereto pursuant to A.R.S. § 9-500.05(D), except as provided below. Owner's rights and obligations hereunder may only be assigned to a person or entity that has acquired the Property or a portion thereof and only by a written instrument, recorded in the official records of Coconino County, Arizona, expressly assigning such rights and obligations. All rights and obligations of the Owner under this Agreement will constitute covenants that run with the land and will be binding on all of the Owner's respective successors and assigns, except as provided in Section 1.5.

15.2.1 Notwithstanding the foregoing, the City agrees that each Owner's ownership, operation, and maintenance obligations provided by this Agreement may be assigned to HOA(s) to be established by the respective Owner. Owner individually agrees to provide the City with written notice of any assignment of an Owner's rights or obligations within a reasonable period of time following such assignment.

15.2.2 Notwithstanding any other provisions of this Agreement, any Owner may assign all or part of its rights and duties under this Agreement to any financial institution from which such Owner has borrowed funds for developing the Property or a portion thereof.

15.3 Entire Agreement. This Agreement contains the entire understanding and agreement between the parties with respect to the subject matter hereof and supersedes any prior written or oral understandings or agreements between the parties.

15.4 Modification of Agreement. This Agreement may be amended at any time by written amendment executed by and between the City and the Owner of the portion of the Property which is the subject of any such amendment. The balance of the Owners need not execute any such amendment for any such amendment to be effective, so long as such amendment does not alter the Applicable Rules for any portion of the Property owned by others. Where the amendment alters the Applicable Rules for Property owned by another party, that Owner must be a party to that amendment. All amendments to this Agreement must be recorded in the official records of Coconino County, Arizona, within ten (10) days following execution, as required by A.R.S. § 9-500.05(D).

15.5 Default. Failure of a party to perform a material obligation of this Agreement shall constitute a breach by that party of this Agreement and, if the breach is not cured within thirty (30) days after written notice thereof from the other party (the "Cure Period"), shall constitute a default under this Agreement provided; however, that if the failure is such that more than thirty (30) days would be reasonably required to perform such action or comply with any

term or provision thereof then the breaching party shall have such additional time as may be necessary to perform or comply so long as the party commences performance or compliance within said 30 day period and diligently proceeds to complete such performance or fulfill such obligation. In the event a breach is not cured within the Cure Period, the non-defaulting party shall have all the rights and remedies that may be available under law or equity, including the right to institute an action for damages. Any Owner not in default shall not be liable under this Section for the default of any other Owner.

15.6 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 any other provision of this Agreement. Nothing in this Agreement shall constitute or be deemed to be a waiver by an Owner of its right to request future rezonings or changes in development standards for all or any portion(s) of the Property pursuant to City procedures and requirements existing at the time of the request. Nothing in this Agreement shall be deemed to be a waiver by the City of the right to act, by approval or denial, on such rezoning or change. Further, nothing in this Agreement shall constitute or be deemed to be a waiver or relinquishment by an Owner of its rights to continue nonconforming uses of all or any portion(s) of the Property which may exist, or have existed, as of the date of this Agreement, subject to legal principles applicable to such non-conforming uses.

15.7 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.

15.8 Terms. Common nouns and pronouns will be deemed to refer to the masculine, feminine, neuter, singular, and plural, as the identity of the person may in the context require; and the word "person" or "party" will include a corporation, limited liability company, firm, partnership, proprietorship, or other form of association.

15.9 Descriptive Headings. The descriptive headings throughout this Agreement are for convenience and reference only, and the words contained therein will in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Agreement.

15.10 Construction of Agreement. This Agreement has been arrived at by negotiation and will not be construed against either party or against the party who prepared the last draft.

15.11 Recordation and Effect. This Agreement will be recorded by the City in its entirety, inclusive of all exhibits, in the official records of Coconino County, Arizona, as required by A.R.S. § 9-500.05(D).

15.12 Governing Law. This Agreement and the rights of the parties shall be governed by and construed in accordance with the laws of the State of Arizona.

15.13 Cancellation for Conflict of Interest. This Agreement is subject to the cancellation provisions of A.R.S. § 38-511.

15.14 Time of the Essence. Time is of the essence in implementing the terms of this Agreement.

15.15 Authorization. The execution and performance of this Agreement has been duly authorized by all necessary laws, resolutions, or corporate actions of the respective parties. The parties to this Agreement represent and warrant that the persons executing this Agreement have full authority to bind the respective parties.

15.16 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.

15.17 Exhibits. All exhibits attached hereto are incorporated herein by reference as though fully set forth herein.

15.18 Dispute Resolution. If a dispute arises out of or relates to this Agreement and if the dispute cannot be settled through negotiation, the parties agree first to try in good faith to resolve the dispute by mediation before resorting to litigation or some other dispute resolution procedure.

15.18.1 Mediation Procedure. Mediation will take place in Flagstaff, Arizona, be self-administered and be conducted under the CPR Mediation Procedures established by the CPR Institute for Dispute Resolution, 366 Madison Avenue, New York, New York 10017, (212) 949-6490, [www.cpradr.org](http://www.cpradr.org), with the exception of the mediator selection provisions, unless other procedures are agreed upon by the parties.

15.18.1.1 Commencement of Mediation. Either party may refer the dispute to mediation by sending by U.S. mail, certified and return receipt requested, to the other party or parties a written notice (the "Mediation Notice") calling on the other party or parties to proceed to mediation. The party or parties who have received a Mediation Notice will contact the party calling for mediation 7 days from receipt of the Mediation Notice to confirm receipt of the Mediation Notice and to begin the mediator selection process.

15.18.1.2 Mediator Selection. Unless the parties agree otherwise, the parties will select the mediator(s) from the roster of attorney mediators trained under the Alternative Dispute Resolution Program of the Coconino County Superior Court. If the parties are unable to agree upon a mediator within 10 business days of the confirmation of receipt of Mediation Notice, each party will independently inform the Director of the Alternative Dispute Resolution Program of the Coconino County Superior Court (the "Director") of three attorney mediators from that roster that are acceptable to the party, and further,

inform the Director of any preference as to matters such as whether co-mediation is preferable, mediation style, subject matter expertise, or other factors pertinent to the case. The Director will then select one or more attorney mediators from the parties' lists or such other attorney mediator(s) from the above noted roster as the Director may deem, in the Director's sole discretion, appropriate under the circumstances.

15.18.1.3 Fees and Costs. Each party agrees to bear its own fees and costs in mediation. The parties will enter into a written agreement with the mediator(s) regarding the mediator(s)' fees and expenses before the first mediation session. The parties will share equally the mediators' fees and mediation expenses.

15.18.1.4 Subsequent or Contemporaneous Contracts. The parties will include this provision in all subsequent or contemporaneous contracts relative to this matter, absent specific written agreement of the parties otherwise.

15.18.1.5 Participation in Mediation. The parties agree to encourage participation in mediation by all relevant parties. The parties will not be obligated to mediate if an indispensable party is unwilling to join the mediation.

15.18.1.6 Waiver. This section does not constitute a waiver of the parties' rights to arbitrate or initiate legal action if a dispute is not resolved through good faith negotiation or mediation, or if provisional relief is required under the Arizona Rules of Civil Procedure.

15.19 Venue and Attorneys Fees. Except as otherwise agreed by the parties, any litigation brought by either party against the other to enforce the provisions of this Agreement must be filed in the Coconino County Superior Court or in the United States District Court for the District of Arizona, if appropriate under 28 U.S.C. § 1331. In the event any action at law or in equity is instituted between the parties in connection with this Agreement, the prevailing party in the action will be entitled to its costs including reasonable attorneys' fees and court costs from the non-prevailing party, as well as expenses incurred in connection with the prosecution or defense of such action. For purposes of this Agreement, the term "attorneys' fees" or "attorneys' fees and costs" will mean the reasonable fees and expenses of in-house and outside counsel to the parties hereto, which may include reasonable printing, photocopying, duplicating and other expenses, air freight charges, and fees billed for law clerks, paralegals and other persons performing services under the supervision of an attorney, and the reasonable costs and fees incurred in connection with the enforcement or collection of any judgment obtained in any such proceeding. The provisions of this Section will survive the entry of any judgment, and will not merge, or be deemed to have merged, into any judgment.

15.20 Negation of Partnership. The parties specifically acknowledge that the Project will be developed as private property, that no party is acting as the agent of any other party in any respect, and that each party is an independent contracting entity with respect to the terms,

covenants, and conditions contained in this Agreement. None of the terms or provisions of this Agreement are intended to create a partnership or other joint enterprise between the parties.

15.21 No Obligation to Develop Property. Except as expressly set forth in this Agreement, neither the City nor any Owner will be required to complete any part or all of the development of the Property.

15.22 No Third Party Beneficiaries. The City and Owner acknowledges and agree that the terms, provisions, and conditions of this Agreement are for the sole benefit of, and may be enforced solely by, the City and Owner, and none of the terms, provisions, conditions, and obligations are for the benefit of or may be enforced by any third party.

15.23 Compliance with All Laws. Owner will comply with all applicable Federal, State, County and City laws, regulations and policies.

15.24 Recitals. The Recitals set forth above are incorporated in this Agreement by reference as though fully restated.

16. Waiver of Claim for Diminution in Value. Each Owner hereby waives and fully releases any and all financial loss, injury, claims and causes of action that the Owner may have, now or in the future, for any "diminution in value" and for any "just compensation" under the Private Property Rights Protection Act, codified in A.R.S. §§ 12-1131 through 12-1138, (the "Act") in connection with the application of the City's existing land use laws and including Ordinance No. 2016-39 regarding the Property (collectively, the "Laws"). This waiver constitutes a complete release of any and all claims and causes of action that may arise or may be asserted under the Laws with regard to the subject Property. Owner agrees to indemnify, hold harmless and defend City, its officers, employees and agents, from any and all claims, causes of actions, demands, losses and expenses, including attorney's fees and litigation costs, that may be asserted by or may result from any of the present or future owners of any interest in the Property seeking potential compensation, damages, attorney's fees or costs under the Act that they may have, as a result of the application of the Laws upon the Property.

17. Estoppel Certificate. Any Owner may request of the City Manager, and the City Manager shall, within thirty (30) calendar days, respond and certify by written instrument to the requesting party that (a) the CZP Ordinance is unmodified and in full force and effect, or if there have been modifications, that the CZP is in full force and effect as modified, stating the nature and date of such modification; (b) there is or is not a default under the CZP 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 City.

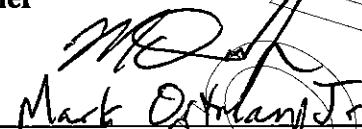
[Signature page follows.]

IN WITNESS WHEREOF, the City has caused this Agreement to be executed by its duly authorized representatives, and the other Owner has signed the same on or as of the day and year first above written.


**City of Flagstaff,  
an Arizona municipal corporation  
"City"**

**VP 66 & Woody Mountain, L.L.C.,  
an Arizona limited liability company  
"Owner"**


  
\_\_\_\_\_  
Jerry Nabours, Mayor

By:   
\_\_\_\_\_  
Its: Authorized Agent

Attest:

  
\_\_\_\_\_  
City Clerk

Approved as to form:

  
\_\_\_\_\_  
City Attorney

Unofficial Copy

STATE OF ARIZONA )  
COUNTY OF COCONINO )

ACKNOWLEDGMENT

On this \_\_\_\_\_ day of \_\_\_\_\_, 2016, before me, a Notary Public, personally appeared Jerry Nabours, Mayor of the City Flagstaff, 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 the City of Flagstaff, for the purposes therein contained.

\_\_\_\_\_  
Notary Public  
My Commission Expires: \_\_\_\_\_

STATE OF ARIZONA )  
COUNTY OF Maricopa )

ACKNOWLEDGMENT

On this 17<sup>th</sup> day of November, 2016, before me, a Notary Public, personally appeared MARK E. ORTMAN, Jr., 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 VP 66& Woody Mountain, L.L.C., an Arizona limited liability company, for the purposes therein contained.



Cara LCP  
\_\_\_\_\_  
Notary Public  
My Commission Expires:  
April 24, 2020

**LIST OF EXHIBITS**

- Exhibit A     Legal Description of Property
- Exhibit B     Legal Description of Annexation Property
- Exhibit C     Concept Zone Plan
- Exhibit D     Concept Zone Plan Ordinance
- Exhibit E     Zone 1 Requirements
- Exhibit F     Project Lighting CC&Rs/Lighting Mitigation Standards

Unofficial Copy

**Exhibit A**

Unofficial Copy

## LEGAL DESCRIPTION FOR THE PROPERTY

A PARCEL OF LAND BEING A PORTION OF THE "PRESIDIO WEST TRACT" AS SAID TRACT IS DESCRIBED IN THAT CERTAIN WARRANTY DEED (DEED) RECORDED AS INSTRUMENT NO. 3229602, RECORDS OF COCONINO COUNTY, ARIZONA, WHEREIN SAID "PRESIDIO WEST TRACT" IS COMPRISED OF PARCEL NOS. 1D, 3, 4, 5B, 8 AND 9, WHICH ARE SITUATED IN THE EAST HALF OF SECTION 24, TOWNSHIP 21 NORTH, RANGE 6 EAST AND IN SECTION 19, TOWNSHIP 21 NORTH, RANGE 7 EAST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, COCONINO COUNTY, ARIZONA, SAID PARCEL OF LAND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 24 AS DESCRIBED IN SAID DEED FROM WHICH THE NORTH QUARTER CORNER OF SAID SECTION 19, AS DESCRIBED IN SAID DEED, LIES NORTH  $89^{\circ} 31' 49''$  EAST, A DISTANCE OF 2,634.20 FEET;

THENCE FROM SAID NORTHEAST CORNER OF SECTION 24, SOUTH  $01^{\circ} 56' 25''$  EAST, A DISTANCE OF 1,718.05 FEET ALONG THE LINE COMMON TO SAID SECTIONS 24 AND 19, TO A POINT ON THE NORTH BOUNDARY OF SAID "PRESIDIO WEST TRACT" FROM WHICH THE WEST QUARTER CORNER OF SAID SECTION 19, AS DESCRIBED IN SAID DEED, LIES SOUTH  $01^{\circ} 54' 02''$  EAST, A DISTANCE OF 916.63 FEET, SAID POINT BEING THE POINT OF BEGINNING;

THENCE ALONG SAID NORTH BOUNDARY, SOUTH  $72^{\circ} 44' 49''$  EAST, A DISTANCE OF 1,413.86 FEET TO THE BEGINNING OF AN OFFSET SPIRAL;

THENCE ALONG SAID NORTH BOUNDARY, BEING A LINE CURVED TO THE LEFT THAT IS OFFSET 66.00 FEET SOUTHERLY FROM THE CENTERLINE OF THE RIGHT OF WAY OF SAID U.S. HIGHWAY 66, SAID CENTERLINE BEING A CLOTHOID SPIRAL DEFINED BY THE ELEMENTS  $\theta = 3^{\circ} 00' 00''$ ,  $XS = 299.92$  FEET,  $YS = 5.23$  FEET AND  $LS = 300.00$  FEET, THE LONG CHORD BEARING AND LENGTH OF SAID CURVED LINE OF THE NORTH BOUNDARY ARE SOUTH  $73^{\circ} 47' 13''$  EAST  $\sim 303.42$  FEET, AND SAID CURVED LINE OF THE NORTH BOUNDARY RUNS TO AN OFFSET POINT OF SPIRAL TO CURVE;

THENCE ALONG SAID NORTH BOUNDARY, BEING A SIMPLE CURVE TO THE LEFT THAT IS OFFSET 66.00 FEET SOUTHERLY FROM SAID CENTERLINE OF THE RIGHT OF WAY OF U.S. HIGHWAY 66, SAID SIMPLE CURVE HAVING A RADIUS OF 2,930.79 FEET, CHORD BEARING AND LENGTH OF SOUTH  $79^{\circ} 01' 53''$  EAST  $\sim 332.31$  FEET AND CENTRAL ANGLE OF  $6^{\circ} 30' 00''$ , AN ARC DISTANCE OF 332.49 FEET TO AN OFFSET POINT OF CURVE TO SPIRAL;

THENCE ALONG SAID NORTH BOUNDARY, BEING A LINE CURVED TO THE LEFT THAT IS OFFSET 66.00 FEET SOUTHERLY FROM SAID CENTERLINE OF THE RIGHT OF WAY OF U.S. HIGHWAY 66, SAID CENTERLINE BEING A CLOTHOID SPIRAL DEFINED BY THE ELEMENTS  $\theta = 3^{\circ} 00' 00''$ ,  $XS = 299.92$  FEET,  $YS = 5.23$  FEET AND  $LS = 300.00$  FEET, THE LONG CHORD BEARING AND LENGTH OF SAID CURVED LINE OF THE NORTH BOUNDARY ARE SOUTH  $84^{\circ} 16' 33''$  EAST  $\sim 303.42$  FEET, AND SAID CURVED LINE OF THE NORTH BOUNDARY RUNS TO THE END OF SAID OFFSET SPIRAL;

THENCE ALONG SAID NORTH BOUNDARY, SOUTH  $85^{\circ} 16' 49''$  EAST, A DISTANCE OF 203.51 FEET TO A  $\frac{1}{2}$ " REBAR WITH PLASTIC CAP STAMPED "LS 14184" (SET);

THENCE DEPARTING SAID NORTH BOUNDARY OF THE "PRESIDIO WEST TRACT", SOUTH  $00^{\circ} 42' 05''$  WEST, A DISTANCE OF 1,107.36 FEET TO A  $\frac{1}{2}$ " REBAR WITH PLASTIC CAP STAMPED "LS 14184" (SET);

THENCE SOUTH  $43^{\circ} 42' 33''$  WEST, A DISTANCE OF 785.53 FEET TO A  $\frac{1}{2}$ " REBAR WITH PLASTIC CAP STAMPED "LS 14184" (SET);

THENCE SOUTH 54° 55' 29" EAST, A DISTANCE OF 708.84 FEET TO A 1/2" REBAR WITH PLASTIC CAP STAMPED "LS 14184" SET ON THE WEST BOUNDARY OF THAT CERTAIN PARCEL OF LAND GRANTED TO THE CITY OF FLAGSTAFF FOR PUBLIC RIGHT OF WAY PER INSTRUMENT NUMBER 3337514, RECORDS OF COCONINO COUNTY, ARIZONA;

THENCE SOUTHERLY ALONG SAID WEST BOUNDARY, BEING A NONTANGENT CURVE TO THE LEFT, HAVING A RADIUS OF 93.00 FEET, CHORD BEARING AND LENGTH OF SOUTH 09° 45' 40" WEST ~ 79.53 FEET AND CENTRAL ANGLE OF 50° 37' 42", AN ARC DISTANCE OF 82.18 FEET TO A 1/2" REBAR WITH PLASTIC CAP STAMPED "LS 14184" SET AT THE BEGINNING OF A NONTANGENT CURVE ON SAID EAST BOUNDARY OF THE "PRESIDIO WEST TRACT";

THENCE SOUTHWESTERLY ALONG SAID EAST BOUNDARY, BEING A NONTANGENT CURVE TO THE RIGHT, HAVING A RADIUS OF 5,679.58 FEET, CHORD BEARING AND LENGTH OF SOUTH 43° 20' 50" WEST ~ 181.19 FEET AND CENTRAL ANGLE OF 1° 49' 41", AN ARC DISTANCE OF 181.20 FEET TO A POINT OF NONTANGENCY;

THENCE ALONG SAID EAST BOUNDARY, SOUTH 44° 18' 09" WEST, A DISTANCE OF 213.50 FEET TO THE SOUTHEAST CORNER OF SAID "PRESIDIO WEST TRACT";

THENCE ALONG THE SOUTH BOUNDARY OF SAID "PRESIDIO WEST TRACT", NORTH 75° 51' 05" WEST, A DISTANCE OF 2,083.39 FEET TO THE BEGINNING OF A POINT OF CURVATURE;

THENCE NORTHWESTERLY ALONG SAID SOUTH BOUNDARY, BEING A TANGENT CURVE TO THE RIGHT, HAVING A RADIUS OF 9,798.23 FEET, CHORD BEARING AND LENGTH OF NORTH 72° 53' 07" WEST ~ 1,014.17 FEET AND CENTRAL ANGLE OF 5° 55' 59", AN ARC DISTANCE OF 1,014.63 FEET TO A POINT OF NONTANGENT COMPOUND CURVATURE;

THENCE NORTHWESTERLY ALONG SAID SOUTH BOUNDARY, BEING A NONTANGENT CURVE TO THE RIGHT, HAVING A RADIUS OF 11,103.47 FEET, CHORD BEARING AND LENGTH OF NORTH 69° 54' 18" WEST ~ 280.62 FEET AND CENTRAL ANGLE OF 1° 26' 53", AN ARC DISTANCE OF 280.63 FEET TO A POINT OF TANGENCY;

THENCE ALONG SAID SOUTH BOUNDARY OF THE "PRESIDIO WEST TRACT", NORTH 69° 10' 52" WEST, A DISTANCE OF 293.87 FEET TO THE SOUTHWEST CORNER OF SAID "PRESIDIO WEST TRACT";

THENCE ALONG THE WEST BOUNDARY OF SAID "PRESIDIO WEST TRACT", NORTH 00° 7' 17" EAST, A DISTANCE OF 1,132.68 FEET;

THENCE ALONG SAID WEST BOUNDARY OF THE "PRESIDIO WEST TRACT", NORTH 01° 00' 29" WEST, A DISTANCE OF 707.93 FEET TO A 1/2" REBAR WITH PLASTIC CAP STAMPED "LS 14184" (SET);

THENCE DEPARTING SAID WEST BOUNDARY OF THE "PRESIDIO WEST TRACT", SOUTH 72° 48' 09" EAST, A DISTANCE OF 631.50 FEET TO A 1/2" REBAR WITH PLASTIC CAP STAMPED "LS 14184" (SET);

THENCE NORTH 18° 08' 11" EAST, A DISTANCE OF 594.01 FEET TO A 1/2" REBAR WITH PLASTIC CAP STAMPED "LS 14184" SET ON THE NORTH BOUNDARY OF THE "PRESIDIO WEST TRACT";

THENCE ALONG SAID NORTH BOUNDARY OF THE "PRESIDIO WEST TRACT", SOUTH 72° 48' 09" EAST, A DISTANCE OF 565.49 FEET TO THE POINT OF BEGINNING;

EXCEPT ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES, HELIUM OR OTHER SUBSTANCES OF A GASEOUS NATURE, COAL, METALS, MINERALS, FOSSILS, FERTILIZER OF EVERY NAME AND DESCRIPTION, AND EXCEPT ALL MATERIALS WHICH MAY BE ESSENTIAL TO THE PRODUCTION OF FISSIONABLE MATERIAL AS RESERVED IN ARIZONA REVISED STATUTES.

**Exhibit B**

Unofficial Copy

**PROPERTY BOUNDARY DESCRIPTION**

A portion of that parcel of land described in Instrument No. 3700862, Records of Coconino County, Arizona (RCC), herein after referred to as Parcel A, situated in the west half of Section 19, Township 21 North, Range 7 East, and the east half of Section 24, Township 21 North, Range 6 East, Gila and Salt River Meridian, Coconino County, Arizona, described as follows:

COMMENCING for reference at a found United States Department of Agriculture brass cap at the quarter common to said sections;

Thence South  $00^{\circ}19'17''$  West, 662.98 feet along the line common to said sections to a found 1" iron pipe on the existing corporate boundary of the City of Flagstaff, Arizona, and the POINT OF BEGINNING;

Thence South  $00^{\circ}18'19''$  West, 663.18 feet along said common section line and said corporate boundary to a found 1" iron pipe;

Thence South  $00^{\circ}12'37''$  West, 264.56 feet along said common section line and said corporate boundary to a found 1/2" rebar with cap marked "RLS 18215 at a point of non-tangency on the southerly line of said Parcel A and the northerly line of U.S. Interstate Highway 40 at a point of non-tangency through which a radial line bears South  $15^{\circ}10'12''$  West;

Thence northwesterly, 842.38 feet along said southerly and northerly lines along the arc of a 9,798.23 foot radius curve, concave to the northeast, having a central angle of  $04^{\circ}55'33''$  to a found 1-1/2" aluminum cap marked "ARENCO PE 971 LS 4321" at a point of compound curvature through which the back radial bearing bears South  $20^{\circ}05'45''$  West and the forward radial bearing bears South  $19^{\circ}23'57''$  West;

Thence northwesterly, 280.77 feet along said southerly and northerly lines along the arc of a 11,103.47 foot radius curve, concave to the northeast, having a central angle of  $01^{\circ}26'56''$  to a found brass cap marked "AZ HWY DEPT 1966 ELEV 7076.133";

Thence North  $69^{\circ}11'00''$  West, 293.93 feet along said southerly and northerly lines to a found cap marked "LS 21061 at the southwest corner of said Parcel A and southeast corner of an Arizona Public Service Company parcel;

Thence North  $00^{\circ}08'31''$  East, 351.95 feet along the east line of said Arizona Public Service Company parcel and the west line of said Parcel A to a found 5/8" rebar at the northeast corner of said Arizona Public Service Company parcel and the southeast corner of that parcel described in Instrument No. 3423804, RCC;

Thence North  $00^{\circ}08'31''$  East, 676.53 feet along the east line of said parcel described in Instrument No. 3423804 and the west line of said parcel A to a found 2" aluminum cap

marked "NES LS 14671" at the northeast corner of said parcel described in Instrument No. 3423804 and the southeast corner of Lot 11, Flagstaff Ranch Business Park Unit Two, Instrument No. 3457467, RCC;

Thence North 00°01'00" East, 103.98 feet along the east line of said Lot 11 and said west line of Parcel A to a found 1-1/2" aluminum cap marked ARENCO PE 971 LS 4321;

Thence North 00°51'16" West, 132.89 feet along said east and west lines to a found 2" aluminum cap marked "NES LS 14671 at the northeast corner of said Lot 11 and the southeast corner of Lot 10 of said Flagstaff Ranch Business Park

Thence North 01°03'29" West, 237.96 feet along the east line of said Lot 10 and said west line of parcel A to a found 1/2" rebar and cap marked "RLS 18215" at the northeast corner of said Lot 10 and the southeast corner of that parcel described in Instrument No. 3445762, RCC;

Thence North 00°59'31" West, 278.78 feet along the east line of said parcel and the west line of said Parcel A to a found cap marked "RLS 25083 at the northeast corner of said parcel described in Instrument No. 3445762 and the southeast corner of that parcel described in Instrument No. 3075167, RCC;

Thence North 01°00'03" West, 58.30 feet along the east line of said parcel described in Instrument No. 3075167, RCC to a found 1/2" rebar with cap marked "LS 16630 RLS 18215" at a corner of said Parcel A and the southwest corner of that parcel described in Instrument No. 3485184, RCC;

Thence South 72°48'08" East, 631.20 feet along the southerly line of said parcel and the northerly line of said Parcel A to a found 1/2" rebar with cap marked "LS 16630 RLS 18215" at a corner of said Parcel A and the southeast corner of that parcel described in Instrument No. 3485184, RCC;

Thence North 18°08'54" East, 593.97 feet along the east line of said parcel and the west line of said Parcel A to a found 2" aluminum cap marked "NES LS 14671 on the southerly line of U.S. Highway 66;

Thence South 72°48'03" East, 565.62 feet along said southerly line and the northerly line of said Parcel A to a found 1-1/2" aluminum cap marked "ARENCO PE 971 LS 4321" on the line common to said Sections 19 and 24, from which said quarter corner common to both Sections bears South 01°53'27" East, 916.78 feet;

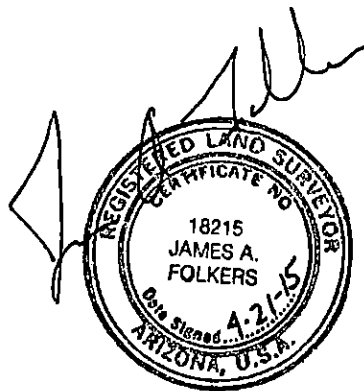
Thence South 72°43'58" East, 1,353.69 feet along said southerly line and the northerly line of said Parcel A to a found 1-1/2" aluminum cap marked "ARENCO PE 971 LS 4321" on said existing corporate boundary of the City of Flagstaff, Arizona, and the northeast corner of said Parcel A;

Thence South 00°25'10" East, 1,172.77 feet along said existing corporate boundary of the City of Flagstaff, Arizona;

Thence South 89°47'20" West, 1,274.74 feet along said existing corporate boundary of the City of Flagstaff, Arizona to the POINT OF BEGINNING.

CONTAINING 4,667,956 square feet (107.16 acres), more or less, as shown on the Exhibit A drawing which is attached hereto and made a part hereof.

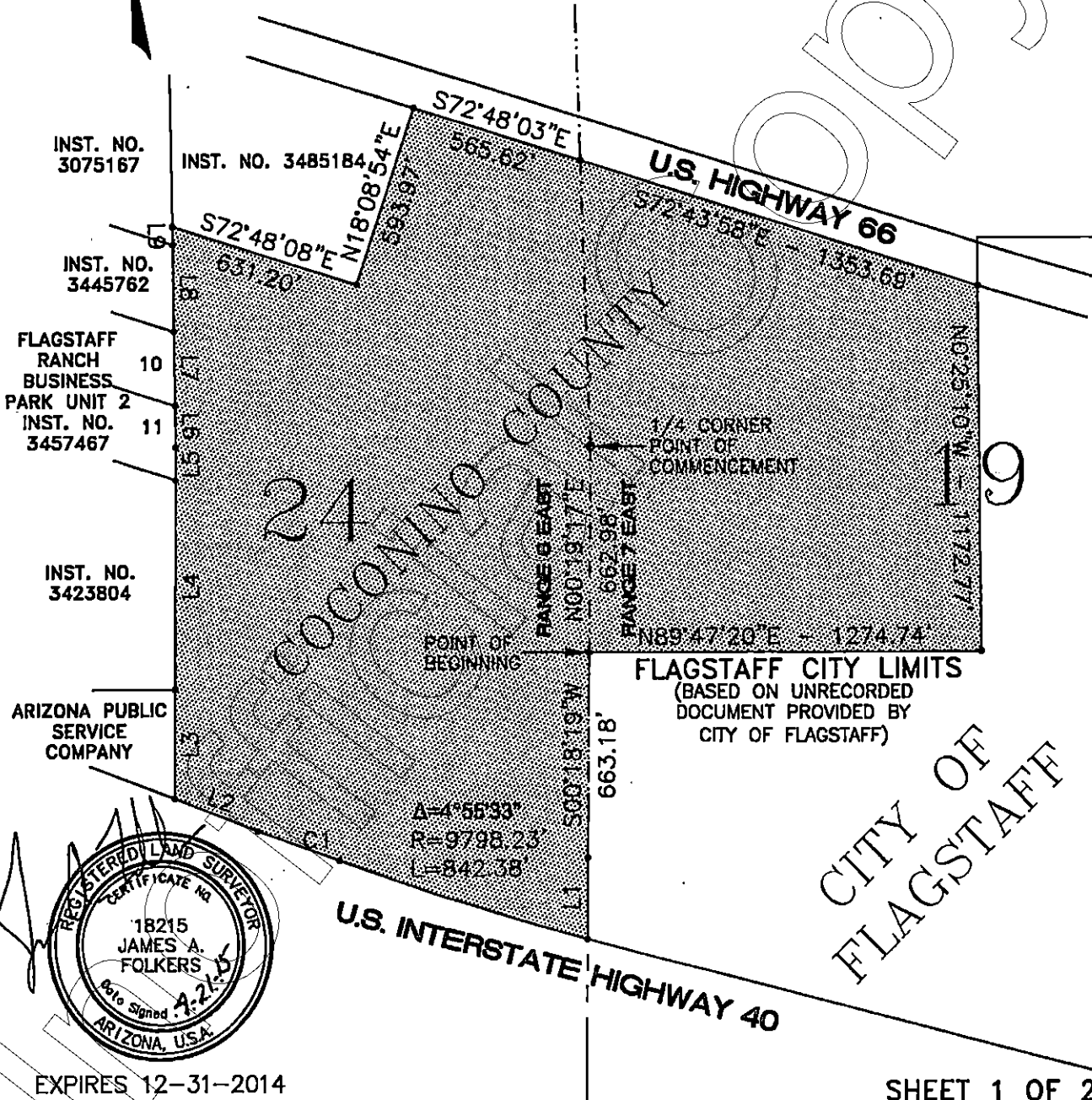
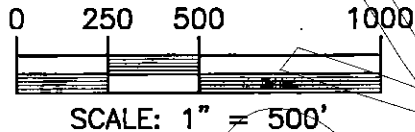
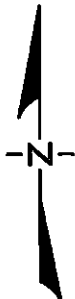
Prepared by:  
James A. Folkers, RLS  
Woodson Engineering & Surveying, Inc.  
124 N. Elden Street  
Flagstaff, Arizona 86001  
Project No. 114050



EXPIRES 12-31-2017

# EXHIBIT "A"

PORTIONS OF SECTION 24, TOWNSHIP 21 NORTH, RANGE 6 EAST,  
 AND SECTION 19. TOWNSHIP 21 NORTH, RANGE 7 EAST,  
 GILA AND SALT RIVER MERIDIAN,  
 CITY OF FLAGSTAFF & COCONINO COUNTY, ARIZONA,  
 CONTAINING 4,667,956 FT. (±107.16 ACRES)



INST. NO.  
3075167

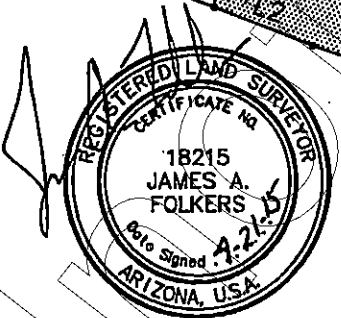
INST. NO. 3485184

INST. NO.  
3445762

FLAGSTAFF  
RANCH  
BUSINESS  
PARK UNIT 2  
INST. NO.  
3457467

INST. NO.  
3423804

ARIZONA PUBLIC  
SERVICE  
COMPANY



EXPIRES 12-31-2014

DRAWN BY: JAF  
 DATE: 4-2015  
 FN: ANNEX EX  
 PROJECT NO.: 114050

**WOODSON**  
 ENGINEERING AND SURVEYING, INC.  
 124 N. ELDEN ST.  
 FLAGSTAFF, AZ 86001  
 PHONE: (928) 774-4636 FAX: (928) 774-4646

PROPOSED ANNEXATION

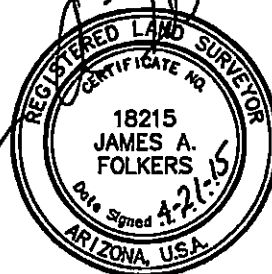
SHEET 1 OF 2

FOR LOCATION PURPOSES ONLY

# EXHIBIT "A"

LINE TABLE		
LINE NO.	BEARING	LENGTH
L1	S00° 12' 37"W	264.56'
L2	N69° 11' 00"W	293.93'
L3	N00° 08' 31"E	351.95'
L4	N00° 08' 31"E	676.53'
L5	N00° 08' 31"E	103.98'
L6	N00° 51' 16"W	132.89'
L7	N01° 03' 29"W	237.96'
L8	N00° 59' 31"W	278.78'
L9	N01° 00' 03"W	58.30'

CURVE TABLE			
CURVE NO.	DELTA	RADIUS	LENGTH
C1	01°26'56"	11,103.47'	280.77'



EXPIRES 12-31-2014

SHEET 2 OF 2

DRAWN BY: JAF DATE: 4-2015 FN: ANNEX EX PROJECT NO.: 114050	<b>WOODSON</b> ENGINEERING AND SURVEYING, INC. 124 N. ELDEN ST. FLAGSTAFF, AZ 86001 PHONE: (928) 774-4636 FAX: (928) 774-4646	PROPOSED ANNEXATION
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FOR LOCATION PURPOSES ONLY

**Exhibit C**

Unofficial Copy



**TIMBER SKY**  
Concept Zoning Plan

August 12, 2016

Case #PZ-15-00115



### Administrative Data

<b>Administrative Data</b>	Administrative Data 10000 100th Ave NE Suite 100 Redmond, WA 98073 Phone: (206) 881-1111 Fax: (206) 881-1112
<b>Administrative Data</b>	Administrative Data 10000 100th Ave NE Suite 100 Redmond, WA 98073 Phone: (206) 881-1111 Fax: (206) 881-1112
<b>Administrative Data</b>	Administrative Data 10000 100th Ave NE Suite 100 Redmond, WA 98073 Phone: (206) 881-1111 Fax: (206) 881-1112

### Property Data

<b>Property Data</b>	Property Data 10000 100th Ave NE Suite 100 Redmond, WA 98073 Phone: (206) 881-1111 Fax: (206) 881-1112
<b>Property Data</b>	Property Data 10000 100th Ave NE Suite 100 Redmond, WA 98073 Phone: (206) 881-1111 Fax: (206) 881-1112
<b>Property Data</b>	Property Data 10000 100th Ave NE Suite 100 Redmond, WA 98073 Phone: (206) 881-1111 Fax: (206) 881-1112

### Required Open Space

Category	Zone	Area (sq ft)	Percentage
Required Open Space	Zone 1	100,000	10%
	Zone 2	200,000	20%
<b>Required Civic Space</b>			
Category	Zone	Area (sq ft)	Percentage
Required Civic Space	Zone 1	50,000	5%
	Zone 2	100,000	10%

### Conceptual Civic Space Allocations

Category	Zone	Area (sq ft)	Percentage
Conceptual Civic Space Allocations	Zone 1	50,000	5%
	Zone 2	100,000	10%

### Conceptual Open Space and Civic Space Allocation / Allocation

Category	Zone	Area (sq ft)	Percentage
Conceptual Open Space and Civic Space Allocation / Allocation	Zone 1	50,000	5%
	Zone 2	100,000	10%

### Site Data Chart

Parcel	Area (sq ft)	Volume (cu ft)	Height (ft)	Use
1	100,000	1,000,000	10	Residential
2	200,000	2,000,000	10	Residential
3	300,000	3,000,000	10	Residential
4	400,000	4,000,000	10	Residential
5	500,000	5,000,000	10	Residential

### Zoning District Site Data

Parcel	Area (sq ft)	Volume (cu ft)	Height (ft)	Use
1	100,000	1,000,000	10	Residential
2	200,000	2,000,000	10	Residential
3	300,000	3,000,000	10	Residential
4	400,000	4,000,000	10	Residential
5	500,000	5,000,000	10	Residential

### Residential Zones Allowed Uses

Zone	Use	Allowed
Residential Zones Allowed Uses	Single-Family Residential	Yes
	Multi-Family Residential	No
Residential Zones Allowed Uses	Commercial	No
	Industrial	No

### Public Open Space Allowed Uses

Zone	Use	Allowed
Public Open Space Allowed Uses	Park	Yes
	Playground	Yes
Public Open Space Allowed Uses	Community Center	No
	Library	No

**TIMBER SKY**  
COVER SHEET

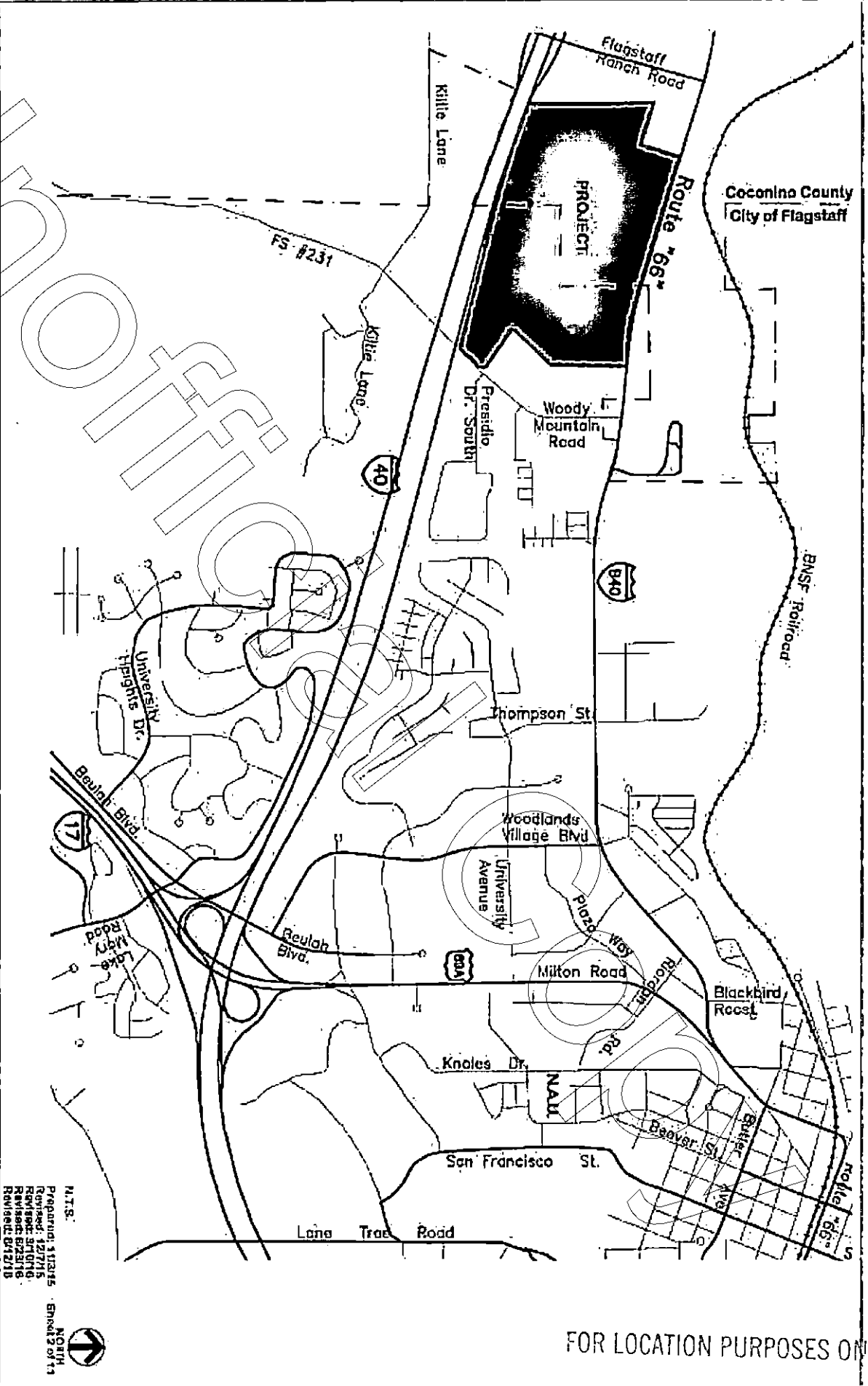
Prepared: 1/20/15  
 Revised: 12/27/15  
 Revised: 11/01/16  
 Revised: 02/23/16  
 Revised: 03/21/16

**VINYAGH**

WOODSON  
ENGINEERING & SURVEYING  
VINTAGE

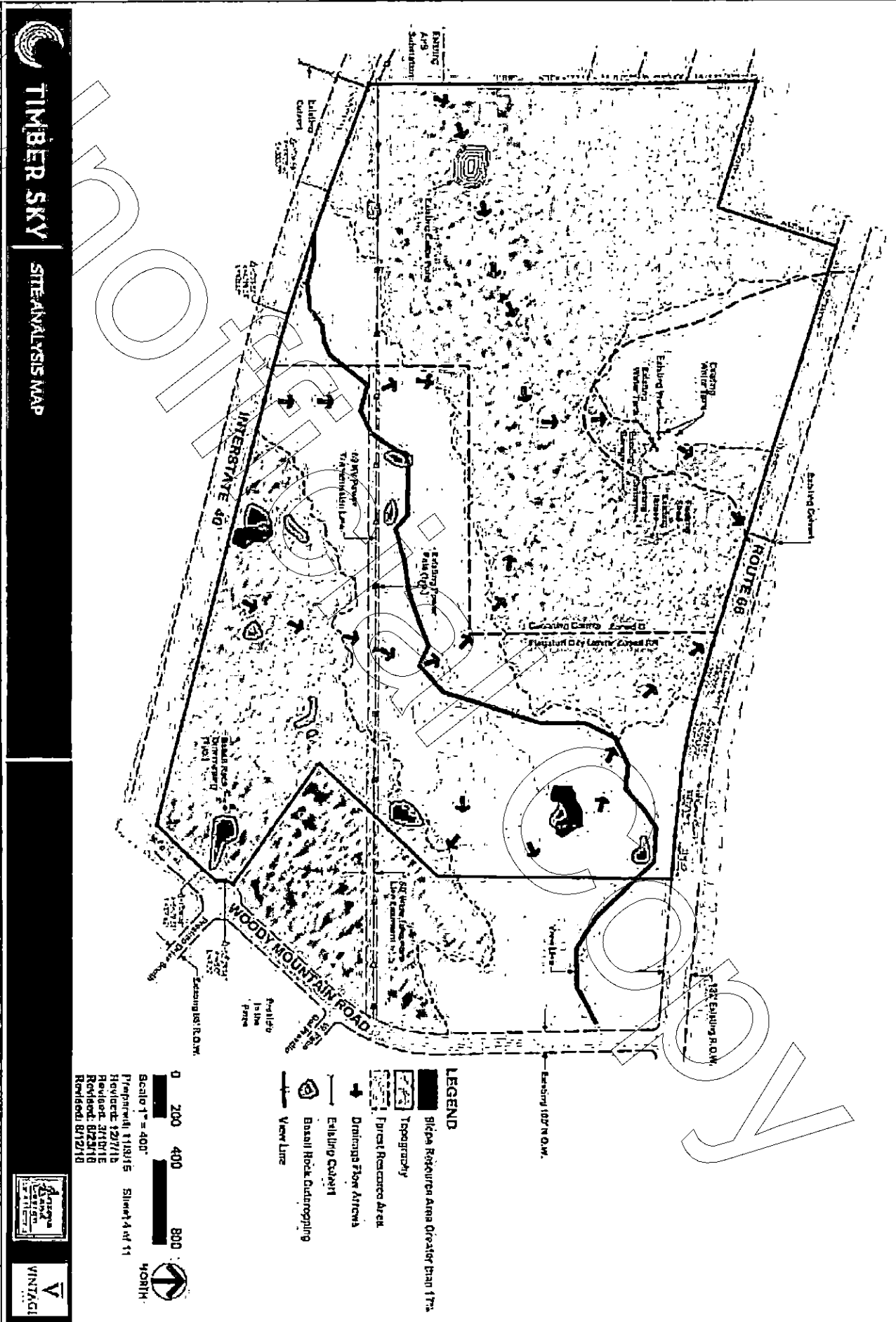
PROPOSED: 12/15/15  
REVISED: 01/27/16  
REVISED: 02/23/16  
REVISED: 04/27/16

N.T.S.  
NORTH



FOR LOCATION PURPOSES ONLY





**TIMBER SKY** | SITE ANALYSIS MAP



**LEGEND**

- Slope Steeper than 17%
- Topography
- Forest Resources Area
- Drainage Flow Arrows
- Existing Column
- Baseball Field
- View Line

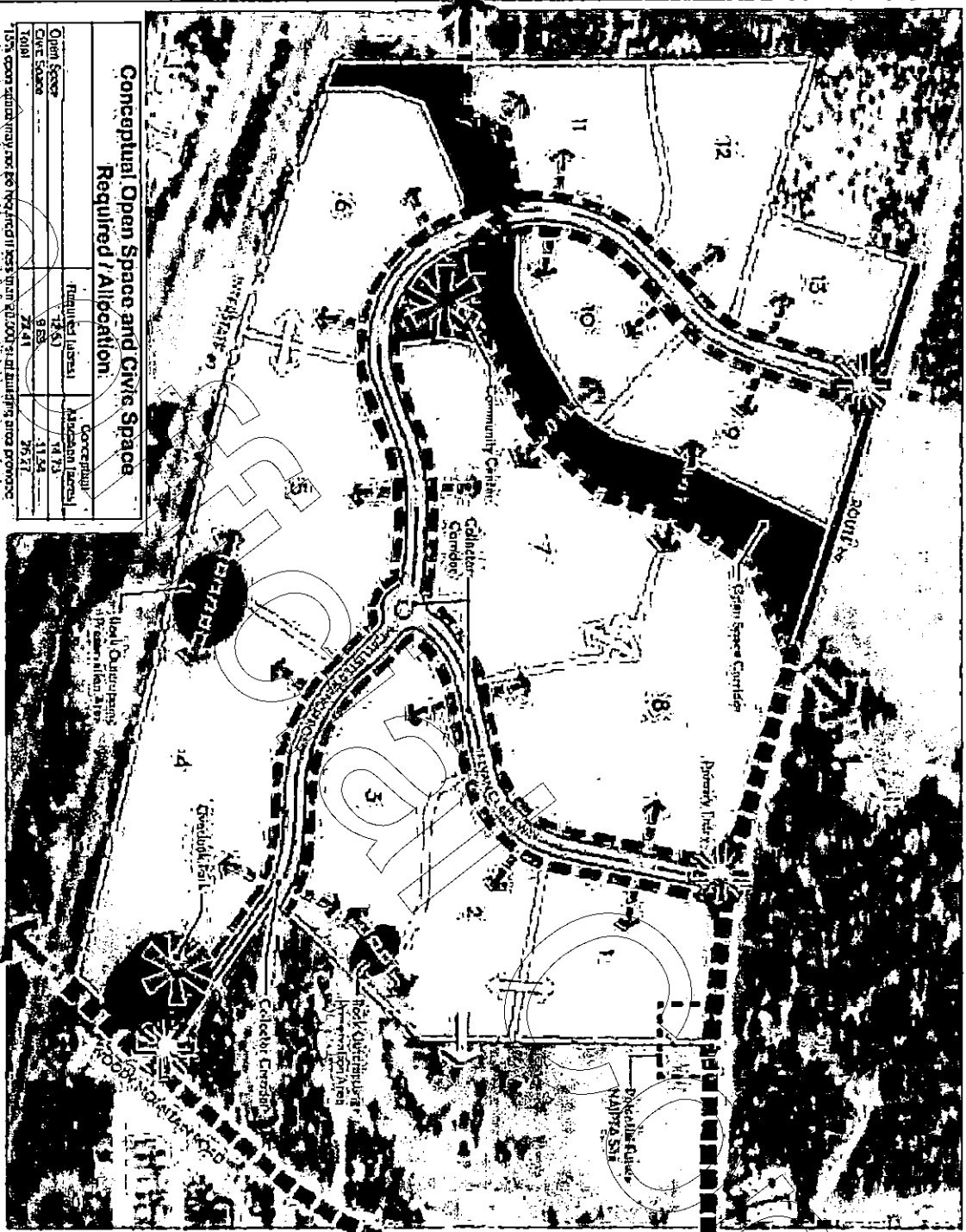
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0 200 400 800

North

Prepared: 11/23/15 Sheet 4 of 11  
 Revised: 12/21/16  
 Reviewed: 3/15/16  
 Rechecked: 6/23/16  
 Finalized: 8/12/16





**Conceptual Open Space and Civic Space  
Required / Allocation:**

	Required (Acres)	Conceptual Allocation (Acres)
Open Space	12.50	11.54
Civic Space	8.88	7.67
<b>Total</b>	<b>21.38</b>	<b>19.21</b>

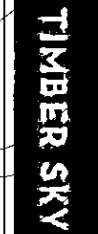
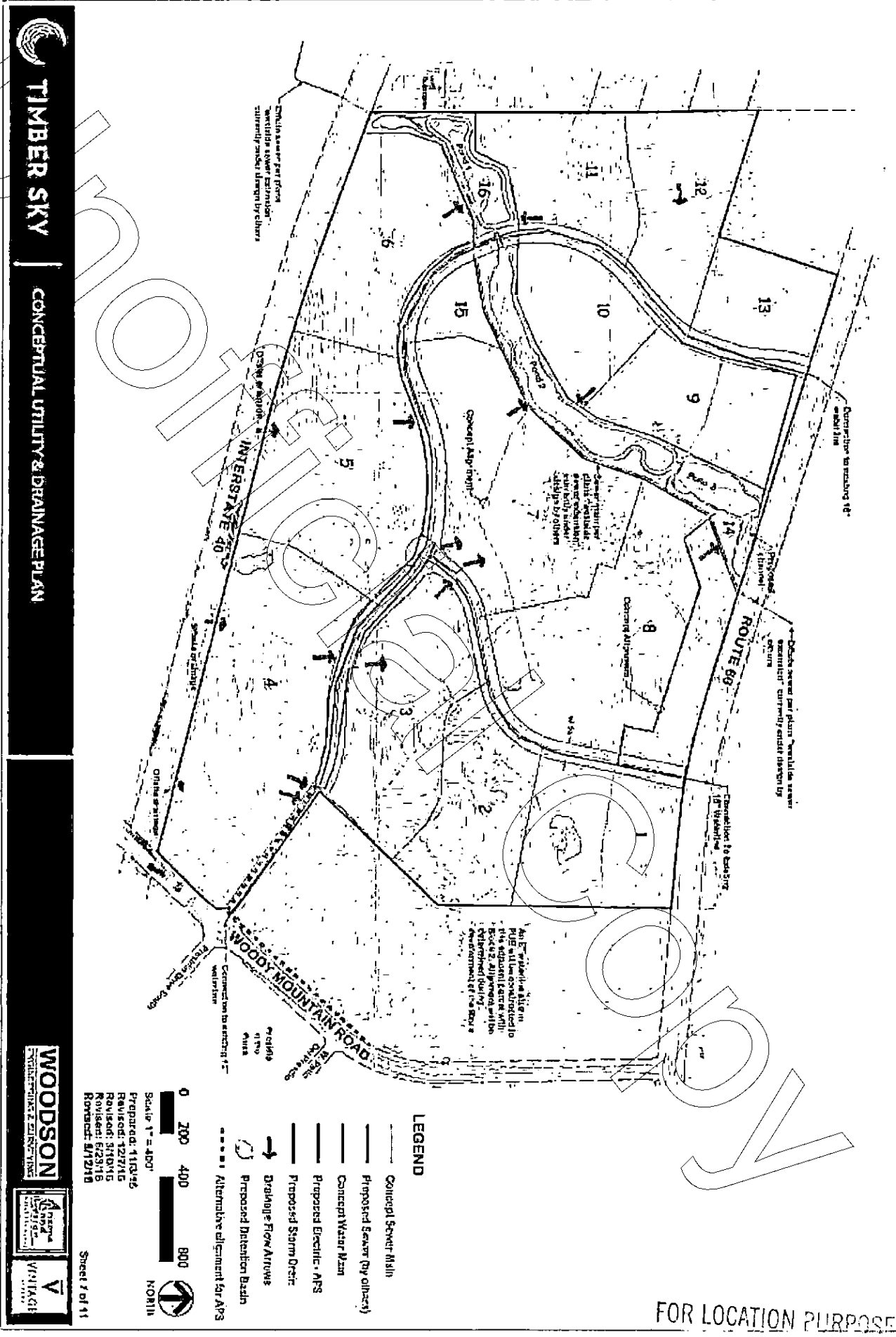
15% open space (may not be required) less than 20,000 sq. ft. of building area promote within the Commercial Service (CS) zone.

**TIMBER SKY** | CONCEPTUAL OVERALL COMMUNITY CONNECTIVITY, CIVIC SPACE AND OPEN SPACE PLAN

**LEGEND**

- Entry Interconnection, See Entry General
  - Public Amenities, See Entry General
  - Local Open Space
  - General Open Space
  - 3' Detached Concrete Walk
  - 3' Detached Concrete Walk
  - Internal Pedestrian Connection
  - EITS Loop Trail - Proposed (for Membership)
  - Proposed EITS Trail - Proposed (for Membership)
  - EITS Trail By Choice
  - Internal Vehicular and Pedestrian Connection
  - Possible Pedestrian Connection
- \*Internal connectivity will be addressed at time of subdivision platting or site plan as applicable. Internal vehicular and pedestrian connectivity illustrated on plan is conceptual only.
- Approved: NIKH'S  
Project: EITS  
Date: 12/21/16  
Sheet: 00P-01

**NORRIS DESIGN** | **VINTAGE**



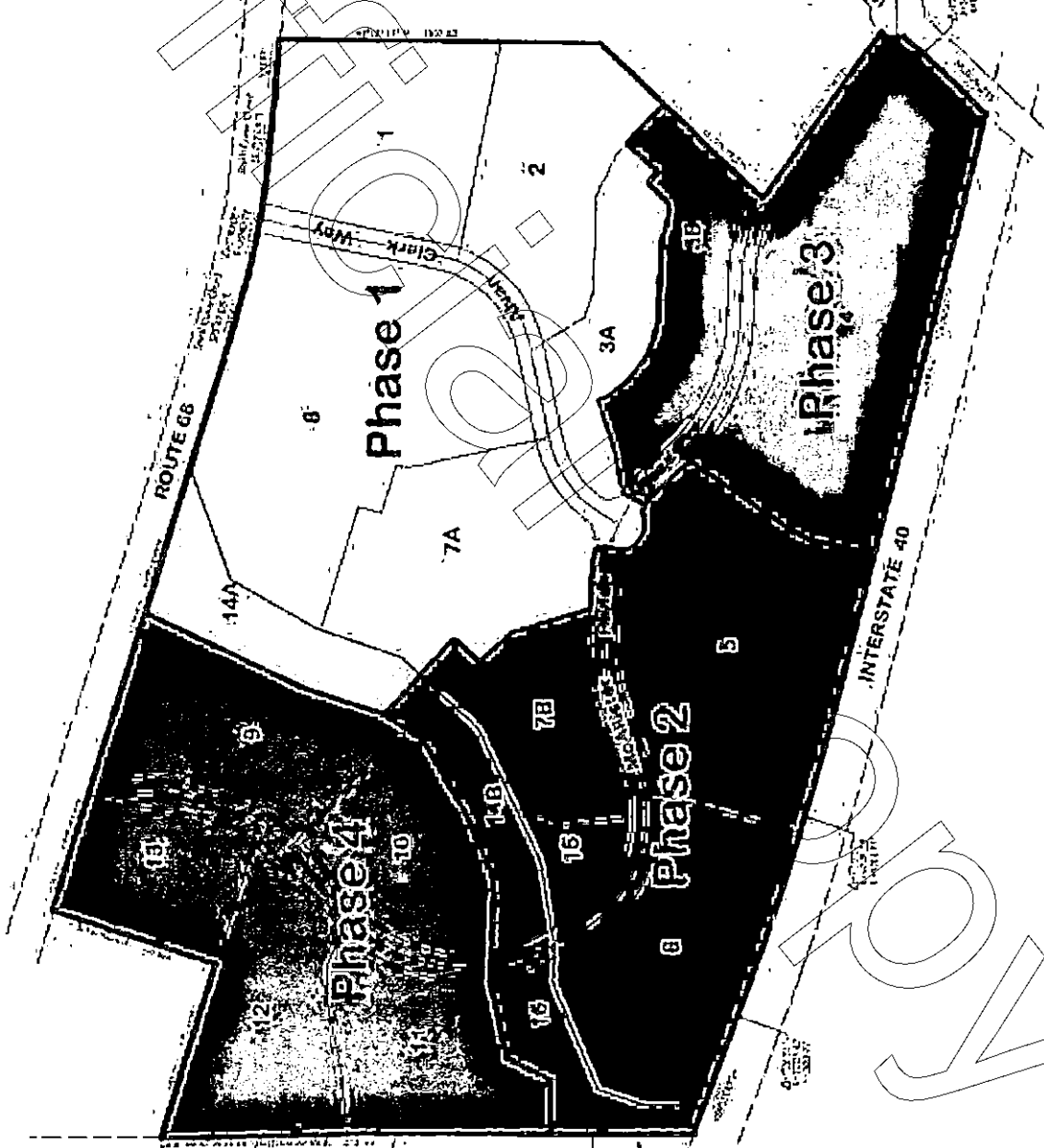
CONCEPTUAL UTILITY & DRAINAGE PLAN



FOR LOCATION PURPOSES ONLY

**Preliminary Development Phasing Site Data**

Phase	Area (Acres)	Volume (MG)	Flow (MGD)	Flow (MGD)	Flow (MGD)	Flow (MGD)	Flow (MGD)
1	11.17	11.17	11.17	11.17	11.17	11.17	11.17
2	11.17	11.17	11.17	11.17	11.17	11.17	11.17
3	11.17	11.17	11.17	11.17	11.17	11.17	11.17
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92	11.17	11.17	11.17	11.17	11.17	11.17	11.17
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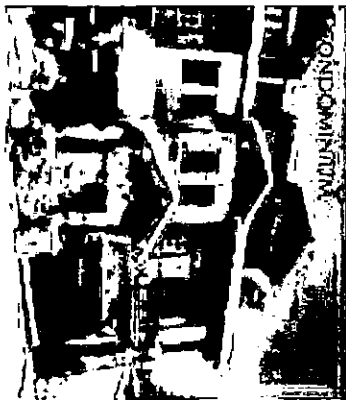
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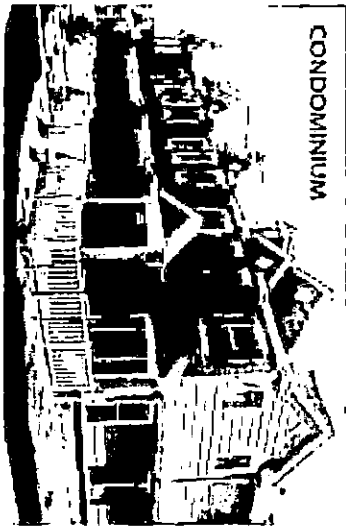
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Prepared: 12/2015  
 Revised: 12/2015  
 Revised: 3/15/16  
 Revised: 6/23/16  
 Revised: 8/12/16





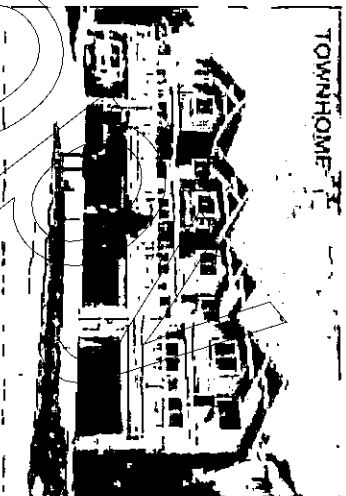
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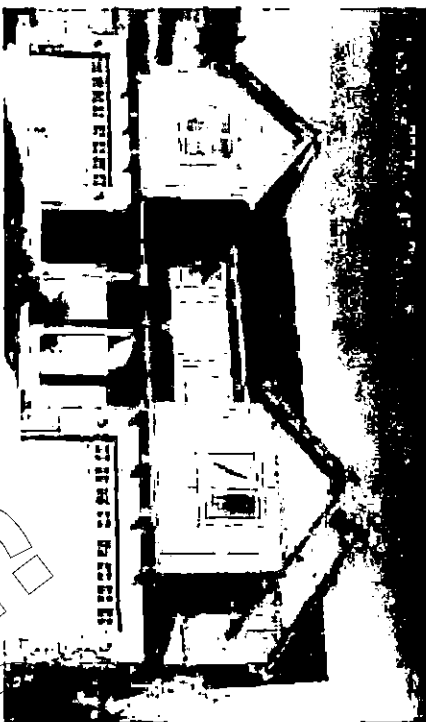


TOWNHOME



TOWNHOME

HIGH DENSITY RESIDENTIAL



MEDIUM DENSITY RESIDENTIAL

SINGLE FAMILY DETACHED



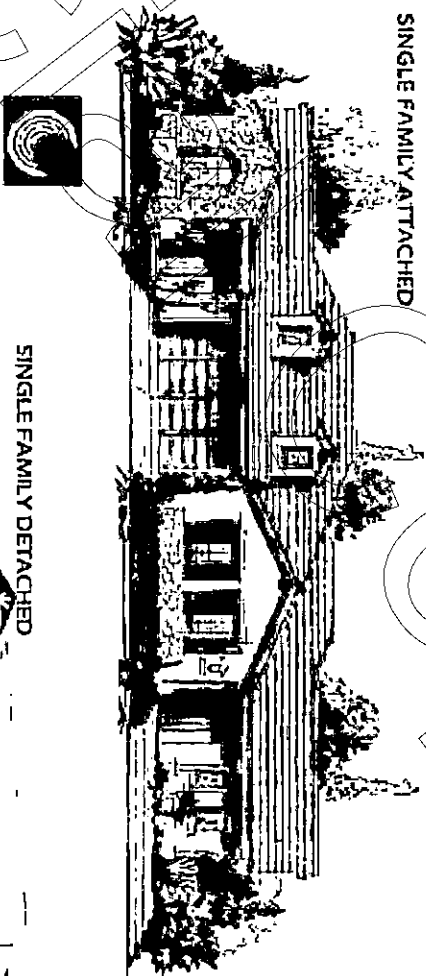
SINGLE FAMILY RESIDENTIAL



SINGLE FAMILY DETACHED



SINGLE FAMILY DETACHED



SINGLE FAMILY ATTACHED

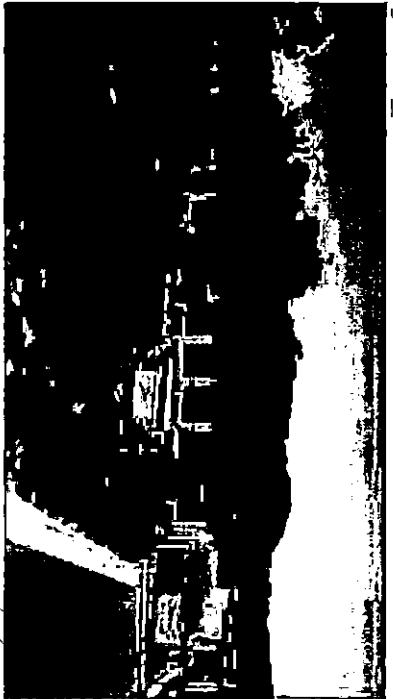
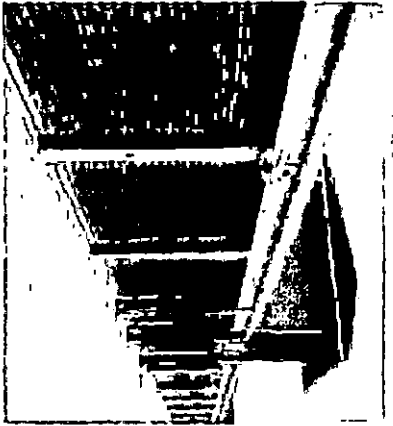


CONCEPTUAL RESIDENTIAL ILLUSTRATIONS

Prepared: 12/7/15  
Revised: 3/7/16  
Revised: 6/23/16  
Revised: 8/12/16

Sheet 9 of 11





Prepared: 12/7/15  
Reviewed: 1/10/16  
Revised: 02/23/16  
Revised: 01/27/16

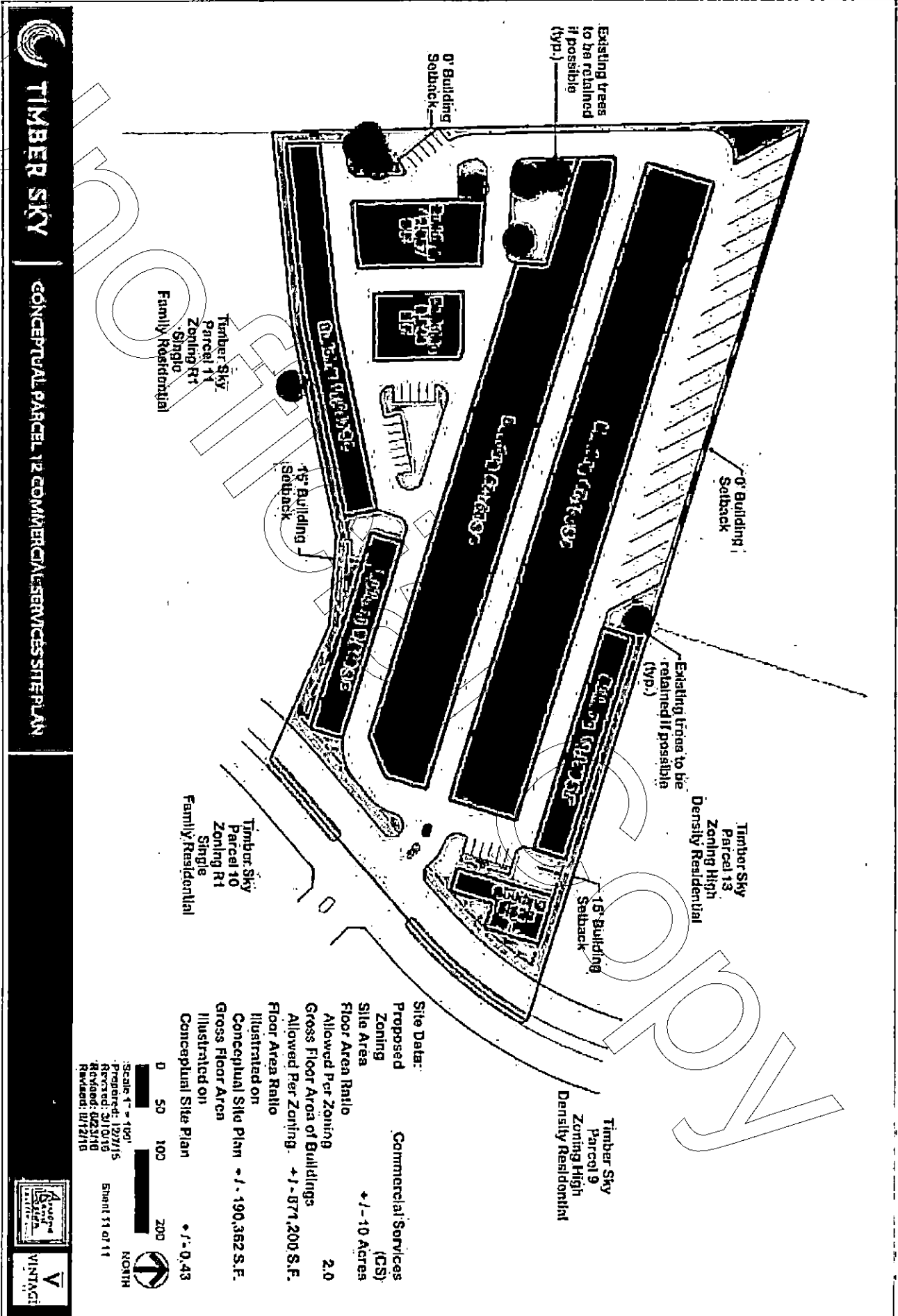
Sheet 10 of 11



TIMBER SKY

CONCEPTUAL COMMERCIAL SERVICES ILLUSTRATIONS





**TIMBER SKY**

CONCEPTUAL PARCEL 12 COMMERCIAL SERVICES SITE PLAN



**Site Data:**

Proposed Zoning	Commercial Services (CS)
Site Area	+/- 10 Acres
Floor Area Ratio	2.0
Allowed Per Zoning	
Gross Floor Area of Buildings	+/- 871,200 S.F.
Allowed Per Zoning	+/- 871,200 S.F.
Floor Area Ratio	
Illustrated on	
Conceptual Site Plan	+/- 0.43

Scale: 1" = 100'  
 Prepared: 12/1/15  
 Revised: 3/10/16  
 Revised: 02/1/16  
 Revised: 11/21/16

0 50 100 200

North Arrow

Sheet 11 of 11

**Exhibit D**

Unofficial Copy

**ORDINANCE NO. 2016-39**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FLAGSTAFF, AMENDING THE FLAGSTAFF ZONING MAP TO REZONE APPROXIMATELY 197.58 ACRES OF REAL PROPERTY GENERALLY LOCATED AT 3425 WEST ROUTE 66 ON PARCEL NUMBERS 112-01-020 AND 112-02-021 FROM THE RURAL RESIDENTIAL (RR) ZONE TO THE SINGLE-FAMILY RESIDENTIAL (R1) ZONE FOR 100.48 ACRES, THE MEDIUM DENSITY RESIDENTIAL (MR) ZONE FOR 34.6 ACRES, THE HIGH DENSITY RESIDENTIAL (HR) ZONE FOR 38.97 ACRES, THE COMMERCIAL SERVICES (CS) ZONE FOR 10.02 ACRES AND THE PUBLIC OPEN SPACE (POS) ZONE FOR 13.51 ACRES AND APPLYING THE RESOURCE PROTECTION OVERLAY (RPO) ZONE TO 107.73 ACRES (APN 112-01-021) WITH CONDITIONS; PROVIDING FOR SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE**

**RECITALS:**

WHEREAS, VP 66 & Woody Mountain, LLC (the "Applicant") applied for a Zoning Map Amendment to rezone approximately 197.58 acres of land generally located at 3425 West Route 66, Coconino County, Arizona, a legal description of which is provided in Exhibit "A" attached hereto ("the Property"), in order to construct a 1300 residential dwelling unit development known as Timber Sky, including a mix of housing types with supporting commercial services and open space areas; and

WHEREAS, approximately 107.73 acres of the Property (APN 112-01-021) is located within Coconino County, Arizona and Applicant has petitioned to have the parcel annexed by the City through Annexation Ordinance No. 2016-38, which is being considered by the City Council concurrently with this Ordinance; and

WHEREAS, if Council adopts Annexation Ordinance 2016-38, the entirety of the Property will be zoned Rural Residential (RR); and

WHEREAS, the Applicant proposes to develop the Property pursuant to the terms and conditions of this Ordinance and a Development Agreement between Applicant and the City ("Agreement"), which will be presented to the City Council through a proposed resolution at the second reading of this Ordinance; and

WHEREAS, in furtherance of the Applicant's development plans, the Applicant has applied to the City of Flagstaff to amend the zoning of the Property from the Rural Residential (RR) zone to the Single-family Residential (R1) Zone for 100.48 acres, the Medium Density (MR) Zone for 34.6 acres, the High Density Residential (HR) Zone for 38.97 acres, the Commercial Services (CS) Zone for 10.02 acres and Public Open Space (POS) Zone for 13.51 acres and apply the Resource Protection Overlay (RPO) zone to 107.73 acres (APN 112-01-021); and

WHEREAS, the Applicant conducted neighborhood meetings on December 8, 2015 and January 11, 2016, to discuss the proposed Zoning Map Amendment with the surrounding community, as required by Section 10-20.50.040 of the Flagstaff Zoning Code; and

WHEREAS, the Planning and Zoning Commission has formally considered the present Zoning Map Amendment application following proper notice and public hearings on September 28, 2016

and October 12, 2016, and has recommended approval of the requested zoning application, subject to the Applicant's compliance with certain conditions set forth below; and

WHEREAS, the Council finds that the Applicant has complied with all application requirements set forth in Chapter 10-20 of the Flagstaff Zoning Code; and

WHEREAS, staff have recommended approval of the Zoning Map Amendment application, subject to the conditions proposed by the Planning and Zoning Commission, as augmented by staff, as set forth below, and the Council has considered each of the conditions and has found each condition to be appropriate for the Property and necessary for the proposed development; and

WHEREAS, the Council has read and considered the staff reports prepared by the Planning Division and all attachments to those reports, the Applicant's application, the narrative provided by the Applicant, and all statements made by the Applicant during the presentation to Council, and the Council finds that the proposed Zoning Map Amendment, subject to the conditions set forth below, meets the findings required by Section 10-20.50.040(F)(1)(a) of the Flagstaff Zoning Code.

**ENACTMENTS:**

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:**

SECTION 1. The foregoing recitals are incorporated as if fully set forth herein.

SECTION 2. The amendment requested in the application is consistent with and conforms to the goals of the General Plan.

SECTION 3. The amendment requested in the application will not be detrimental to the public interest, health, safety, convenience or welfare of the City and will add to the public good as described in the General Plan.

SECTION 4. The affected site is physically suitable in terms of design, location, shape, size, operating characteristics, and the provision of public and emergency vehicle access and public services and utilities to ensure that the amendment requested in the application will not endanger, jeopardize or otherwise constitute a hazard to the property or improvements in the vicinity in which the property is located.

SECTION 5. The Zoning Map designation for the Property is hereby amended from the Rural Residential (RR) zone to the Single-family Residential (R1) Zone for 100.48 acres, the Medium Density (MR) Zone for 34.6 acres, the High Density Residential (HR) Zone for 38.97 acres, the Commercial Services (CS) Zone for 10.02 acres and Public Open Space (POS) Zone for 13.51, as depicted in Exhibit "B", and applying the Resource Protection Overlay (RPO) zone to 107.73 acres (APN 112-01-021) through the approval of the application and all other documents attached to the staff summary submitted in support of this ordinance.

SECTION 6. The City is specifically relying on all assertions made by the Applicant, or the applicant's representatives, whether authorized or not, made at the public hearing on the zone

change application unless the assertions were withdrawn on the record. Those assertions are hereby incorporated into this ordinance.

SECTION 7. That the Zoning Map Amendment be conditioned on compliance with that Agreement between the City of Flagstaff and the Applicant, approved by the City Council in Resolution No. 2016-35 on November 15, 2016.

SECTION 8. That the Zoning Map Amendment be further conditioned upon the Applicant's satisfaction of the following conditions proposed by the Planning and Zoning Commission, as augmented by staff:

CONDITIONS:

1. The subject property must be developed in accordance with the concept zoning plan and narrative dated August 12, 2016 for "Timber Sky" as presented with this rezoning request. The development of Timber Sky shall not exceed 1,300 dwelling units and shall have no less than 910 dwelling units within the residential zones. Allowed uses are limited to those included in the above referenced concept zoning plan.
2. If any use(s) within the concept zoning plan are proposed but were not modeled in the approved Traffic Impact Study or Water and Sewer Impact Analysis, a revised impact analysis must be prepared, approved and mitigated.
3. All other requirements of the Zoning Code and other City codes, ordinances and regulations, are met by the proposed development.
4. Applicant must install at their expense, with no financial obligation to the County, a left turn lane on Route 66 at Flagstaff Ranch Road in the County right-of-way in accordance with the recommendations of the approved Traffic Impact Analysis. Improvements must be designed to ADOT standards and installed prior to the issuance of the first building permit in Phase 1.
5. The public utility easement for the portion of the Westside Sewer Line Extension (Route 66 to I-40) across the subject property shall be provided as a dedication on the final plat for Phase 1.
6. Internal connections between Blocks must be provided to the greatest extent feasible with special attention to connections from each block to the designated open space/civic space areas as well as adjacent activity centers.
7. Each phase of the Timber Sky development must meet all requirements independently.
8. Applicant must grant permanent public pedestrian easements on all trails within the development of Timber Sky. Such easements must be shown on final plats.
9. A new Drainage Impact Analysis must be submitted and approved for the eastern side of the property if all drainage flows cannot be directed towards the westerly drainage corridor.
10. All terms, conditions, and restrictions detailed within the "Timber Sky Annexation and Development Agreement" must be fully satisfied.

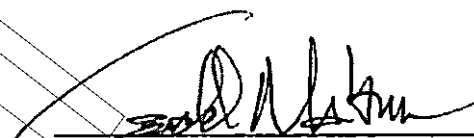
11. If the applicant fails to obtain final plat approval for Phase 1 of Timber Sky, or obtain an extension of zoning within five (5) years of the effective date of the rezoning ordinance, the City Council may take action to revert the zoning back to the former classification of RR, Rural Residential District, per Section 10-20.50.060 of the *Zoning Code*.

SECTION 9. That City staff is hereby authorized to take such other and further measures and actions as are necessary and appropriate to carry out the terms, provisions and intents of this Ordinance.

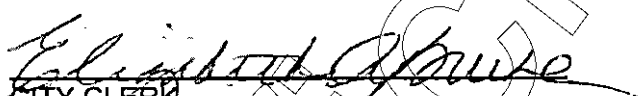
SECTION 10. If any section, subsection, sentence, clause, phrase or portion of this ordinance or any part of the code adopted herein by reference is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

SECTION 11. This ordinance shall become effective thirty (30) days following the effective date of Ordinance No. 2016-38.


PASSED AND ADOPTED by the City Council of the City of Flagstaff this 15th day of November, 2016.

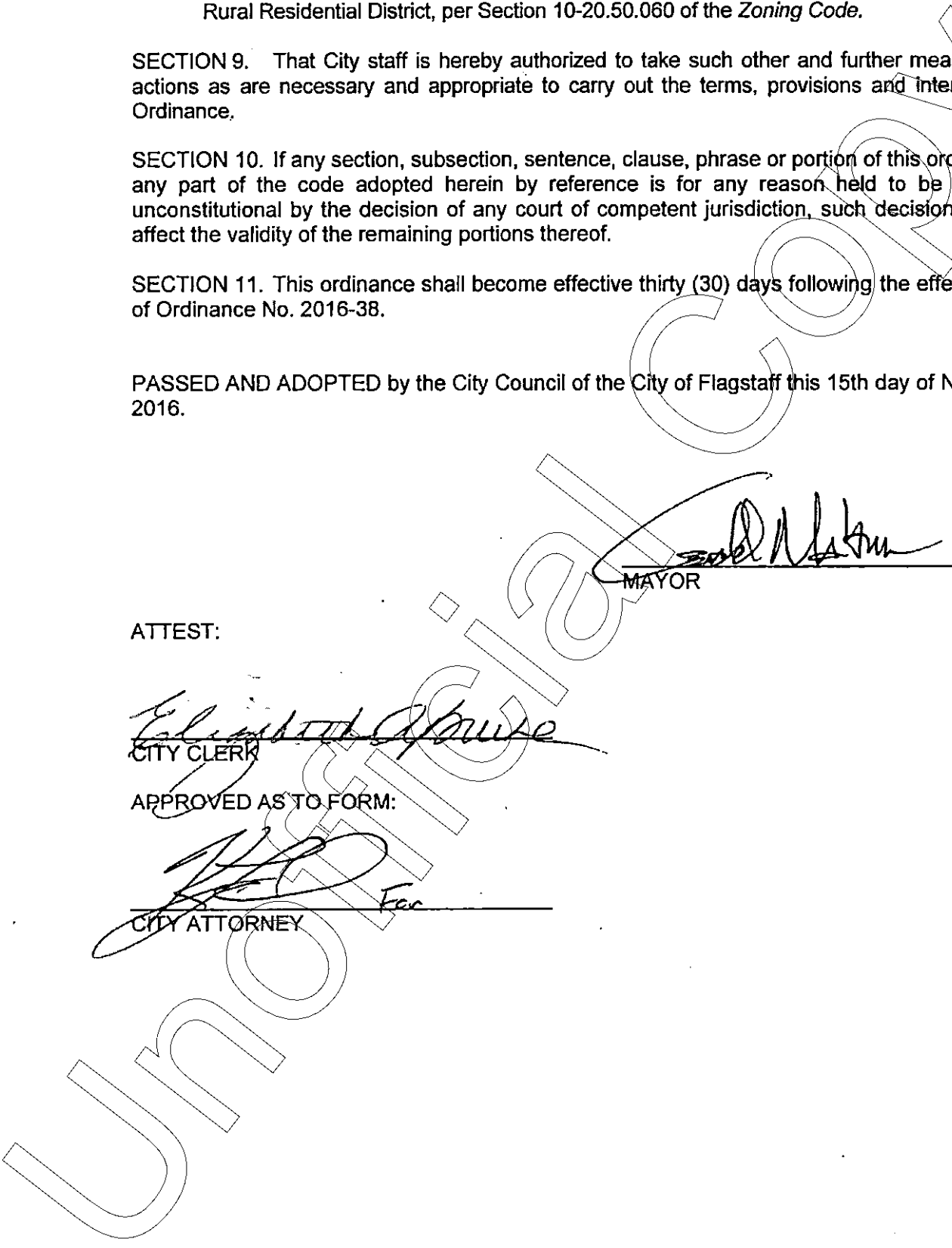
  
\_\_\_\_\_  
MAYOR

ATTEST:

  
\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

  
\_\_\_\_\_  
CITY ATTORNEY



**Exhibit "A"**

**Legal Description of Property**

Unofficial Copy

## PROPERTY BOUNDARY DESCRIPTION

A portion of that parcel of land described in Instrument No. 3700862, Records of Coconino County, Arizona (RCC), herein after referred to as Parcel A, situated in the west half of Section 19, Township 21 North, Range 7 East, and the east half of Section 24, Township 21 North, Range 6 East, Gila and Salt River Meridian, Coconino County, Arizona, described as follows:

COMMENCING for reference at a found United States Department of Agriculture brass cap at the quarter common to said sections;

Thence South  $00^{\circ}19'17''$  West, 662.98 feet along the line common to said sections to a found 1" iron pipe on the existing corporate boundary of the City of Flagstaff, Arizona, and the POINT OF BEGINNING;

Thence South  $00^{\circ}18'19''$  West, 663.18 feet along said common section line and said corporate boundary to a found 1" iron pipe;

Thence South  $00^{\circ}12'37''$  West, 264.56 feet along said common section line and said corporate boundary to a found 1/2" rebar with cap marked "RLS 18215 at a point of non-tangency on the southerly line of said Parcel A and the northerly line of U.S. Interstate Highway 40 at a point of non-tangency through which a radial line bears South  $15^{\circ}10'12''$  West;

Thence northwesterly, 842.38 feet along said southerly and northerly lines along the arc of a 9,798.23 foot radius curve, concave to the northeast, having a central angle of  $04^{\circ}55'33''$  to a found 1-1/2" aluminum cap marked "ARENCO PE 971 LS 4321" at a point of compound curvature through which the back radial bearing bears South  $20^{\circ}05'45''$  West and the forward radial bearing bears South  $19^{\circ}23'57''$  West;

Thence northwesterly, 280.77 feet along said southerly and northerly lines along the arc of a 11,103.47 foot radius curve, concave to the northeast, having a central angle of  $01^{\circ}26'56''$  to a found brass cap marked "AZ HWY DEPT 1966 ELEV 7076.133";

Thence North  $69^{\circ}11'00''$  West, 293.93 feet along said southerly and northerly lines to a found cap marked "LS 21061 at the southwest corner of said Parcel A and southeast corner of an Arizona Public Service Company parcel;

Thence North  $00^{\circ}08'31''$  East, 351.95 feet along the east line of said Arizona Public Service Company parcel and the west line of said Parcel A to a found 5/8" rebar at the northeast corner of said Arizona Public Service Company parcel and the southeast corner of that parcel described in Instrument No. 3423804, RCC;

Thence North  $00^{\circ}08'31''$  East, 676.53 feet along the east line of said parcel described in Instrument No. 3423804 and the west line of said parcel A to a found 2" aluminum cap

marked "NES LS 14671" at the northeast corner of said parcel described in Instrument No. 3423804 and the southeast corner of Lot 11, Flagstaff Ranch Business Park Unit Two, Instrument No. 3457467, RCC;

Thence North 00°01'00" East, 103.98 feet along the east line of said Lot 11 and said west line of Parcel A to a found 1-1/2" aluminum cap marked ARENCO PE 971 LS 4321;

Thence North 00°51'16" West, 132.89 feet along said east and west lines to a found 2" aluminum cap marked "NES LS 14671 at the northeast corner of said Lot 11 and the southeast corner of Lot 10 of said Flagstaff Ranch Business Park

Thence North 01°03'29" West, 237.96 feet along the east line of said Lot 10 and said west line of parcel A to a found 1/2" rebar and cap marked "RLS 18215" at the northeast corner of said Lot 10 and the southeast corner of that parcel described in Instrument No. 3445762, RCC;

Thence North 00°59'31" West, 278.78 feet along the east line of said parcel and the west line of said Parcel A to a found cap marked "RLS 25083 at the northeast corner of said parcel described in Instrument No. 3445762 and the southeast corner of that parcel described in Instrument No. 3075167, RCC;

Thence North 01°00'03" West, 58.30 feet along the east line of said parcel described in Instrument No. 3075167, RCC to a found 1/2" rebar with cap marked "LS 16630 RLS 18215" at a corner of said Parcel A and the southwest corner of that parcel described in Instrument No. 3485184, RCC;

Thence South 72°48'08" East, 631.20 feet along the southerly line of said parcel and the northerly line of said Parcel A to a found 1/2" rebar with cap marked "LS 16630 RLS 18215" at a corner of said Parcel A and the southeast corner of that parcel described in Instrument No. 3485184, RCC;

Thence North 18°08'54" East, 593.97 feet along the east line of said parcel and the west line of said Parcel A to a found 2" aluminum cap marked "NES LS 14671 on the southerly line of U.S. Highway 66;

Thence South 72°48'03" East, 565.62 feet along said southerly line and the northerly line of said Parcel A to a found 1-1/2" aluminum cap marked "ARENCO PE 971 LS 4321" on the line common to said Sections 19 and 24, from which said quarter corner common to both Sections bears South 01°53'27" East, 916.78 feet;

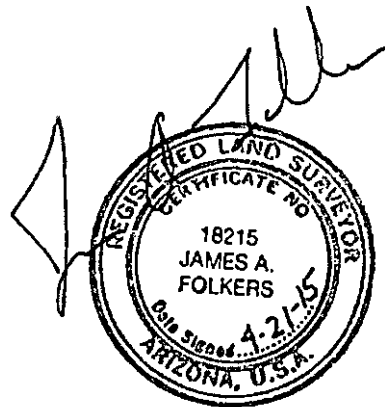
Thence South 72°43'58" East, 1,353.69 feet along said southerly line and the northerly line of said Parcel A to a found 1-1/2" aluminum cap marked "ARENCO PE 971 LS 4321" on said existing corporate boundary of the City of Flagstaff, Arizona, and the northeast corner of said Parcel A;

Thence South 00°25'10" East, 1,172.77 feet along said existing corporate boundary of the City of Flagstaff, Arizona;

Thence South 89°47'20" West, 1,274.74 feet along said existing corporate boundary of the City of Flagstaff, Arizona to the POINT OF BEGINNING.

CONTAINING 4,667,956 square feet (107.16 acres), more or less, as shown on the Exhibit A drawing which is attached hereto and made a part hereof.

Prepared by:  
James A. Folkers, RLS  
Woodson Engineering & Surveying, Inc.  
124 N. Elden Street  
Flagstaff, Arizona 86001  
Project No. 114050



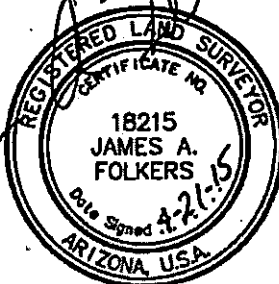
EXPIRES 12-31-2017



**EXHIBIT "A"**

LINE TABLE		
LINE NO.	BEARING	LENGTH
L1	S00° 12' 37"W	264.56'
L2	N69° 11' 00"W	293.93'
L3	N00° 08' 31"E	351.95'
L4	N00° 08' 31"E	676.53'
L5	N00° 08' 31"E	103.98'
L6	N00° 51' 16"W	132.89'
L7	N01° 03' 29"W	237.96'
L8	N00° 59' 31"W	278.78'
L9	N01° 00' 03"W	58.30'

CURVE TABLE			
CURVE NO.	DELTA	RADIUS	LENGTH
C1	01°26'56"	11,103.47'	280.77'



EXPIRES 12-31-2014

SHEET 2 OF 2

DRAWN BY: JAF  
 DATE: 4-2015  
 FN: ANNEX EX  
 PROJECT NO.: 114050

**WOODSON**  
 ENGINEERING AND SURVEYING, INC.  
 124 N. ELDEN ST.  
 FLAGSTAFF, AZ 86001  
 PHONE: (928) 774-4636 FAX: (928) 774-4646

PROPOSED ANNEXATION

**Exhibit E**

Unofficial Copy

## Division 10-50.70: Outdoor Lighting Standards

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### Sections:

10-50.70.010	Purpose
10-50.70.020	Conformance with Applicable Codes
10-50.70.030	Applicability
10-50.70.040	Establishment of Lighting Zones
10-50.70.050	General Requirements - All Lighting Zones
10-50.70.060	Special Uses
10-50.70.070	Prohibited Outdoor Lighting
10-50.70.080	Exceptions
10-50.70.090	Nonconforming Outdoor Lighting
10-50.70.100	Violations and Enforcement

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### 10-50.70.010 Purpose

- A. The City was recognized as the world's first International Dark Sky City on October 24, 2001 for its pioneering work in the development and implementation of lighting codes that balance the need to preserve Flagstaff's dark sky resource with the need for safe lighting practices. The purpose of this Division is to help assure that dark skies remain a resource to be enjoyed by the Flagstaff community and its visitors, and to provide safe and efficient outdoor lighting regulations that protect Flagstaff's dark skies from careless and wasteful lighting practices. Dark starry nights, like natural landscapes, forests, clean water, wildlife, and clear unpolluted air, are valued in many ways by the residents of this community, and they provide the natural resource upon which our world-renowned astronomical industry depends.
- B. The use of outdoor lighting is often necessary for adequate nighttime safety and utility, but common lighting practices can also interfere with other legitimate public concerns. Principle among these concerns is:
1. The degradation of the nighttime visual environment by production of unsightly and dangerous glare;
  2. Lighting practices that produce excessive glare and brightness that interferes with the health and safety of Flagstaff's citizens and visitors;
  3. Unnecessary waste of energy and resources in the production of too much light or wasted light;
  4. Interference in the use or enjoyment of property that is not intended to be illuminated at night by light trespass, and the loss of the scenic view of the night sky due to increased urban sky-glow; and

5. The impact of inappropriately designed outdoor lighting that disrupts nocturnal animal behavior, particularly migrating birds and other species.
- C. The concerns of safety, utility, dark sky protection and aesthetic appearance need not compete. Good modern lighting practices can provide adequate light for safety and utility without excessive glare or light pollution. Careful attention to when, where, and how much night-time lighting is needed results in better lighting practices, darker skies and reduced energy use and costs.
- D. It is therefore the intent of this Division to encourage lighting practices and systems which will:
1. Minimize light pollution, glare, and light trespass;
  2. Conserve energy and resources while maintaining night time safety, utility, security, and productivity; and
  3. Curtail the degradation of the night time visual environment.
- E. It is recognized that since topographic and atmospheric conditions surrounding the City are uniquely suited for astronomical observation and since observatories have been established in the City's vicinity, the City promotes the reduction of light pollution which interferes with the successful operation of these observatories.
- F. The sensitivity of different areas to the different obtrusive impacts of outdoor lighting use depends on many factors, including the dominant use of the area (e.g. residential, industrial or commercial). Further, the effect of outdoor lighting on light pollution to the observatories is strongly dependent on the distance of those lights from the observatories. Therefore, three Lighting Zones are established, with varying standards designed to address the principal issues associated with the different areas.

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#### 10-50.70.020 Conformance with Applicable Codes

All outdoor lighting fixtures shall be installed in conformance with the provisions of this Division and the applicable Building Codes currently in effect in the City under appropriate permit and inspection.

---

#### 10-50.70.030 Applicability

##### A. Existing Buildings and Uses

Any new outdoor lighting installed on a building or parcel shall meet the requirements of this Division with regard to shielding and lamp type. The total outdoor light output after the new outdoor lights are installed shall not

exceed that legally nonconforming or pre-approved on the site before the modification, or as permitted by this Division, whichever is larger.

**B. New Uses, Buildings, and Major Additions or Modifications**

1. The requirements of this Division apply to any and all new and major additions to land uses, developments, buildings, or structures.
2. If a major addition occurs on a property, the entire property shall comply with the requirements of this Code. For purposes of this section, the following are considered to be major additions:
  - a. Additions of 25 percent or more in terms of additional dwelling units, gross floor area, seating capacity, or parking spaces, either with a single addition or with cumulative additions subsequent to the effective date of this provision; or
  - b. Single or cumulative modification or replacement of outdoor legally installed lighting fixtures constituting 25 percent or more of the lumens that would be permitted under this Division for the property, no matter the actual amount of lighting already on a non-conforming site, constitutes a major addition for purposes of this Section.

**C. Minor Additions or Modifications**

Additions or modifications of less than 25 percent in terms of additional dwelling units, gross floor area, seating capacity, or parking spaces to existing uses shall require the submission of a complete inventory and site plan detailing all existing and any proposed new or modified outdoor lighting. Any new or modified outdoor lighting on the site shall meet the requirements of this Division with regard to shielding and lamp type; the total amount of lighting after the modifications are complete shall not exceed that on the site before the modification, or that permitted by this Division, whichever is larger.

**D. Change of Use**

1. Except as provided in Section 10-20.60.080 (Nonconforming Outdoor Lighting), whenever the use of any existing building, structure or premises is intensified through the incorporation of additional dwelling units, gross floor area, seating capacity, or other units of measurement which create a need for an increase in the total number of parking spaces of 25 percent or more either with a single change or cumulative changes subsequent to the effective date of this Zoning Code, then all outdoor lighting shall be reviewed and brought into compliance with the requirements of this Division before the use is resumed to the maximum extent feasible as determined by the Director.
2. For changes of use or intensity which require an increase in parking of less than 25 percent cumulative, the applicant shall only have to meet the requirements of this Division for any new outdoor lighting provided.

**E. Public Rights-of-Way Exempt**

The provisions of this Division shall not apply to streetlights installed in public rights-of-way.

- F. In accordance with A.R.S. § 49-1101, all outdoor light fixtures on property or buildings that are owned and operated by the City of Flagstaff shall be fully shielded.

(Section 10-50.70.030 amended by Ord. 2016-07, adopted Feb. 16, 2016)

**10-50.70.040 Establishment of Lighting Zones****A. Establishment of Lighting Zones**

Three Lighting Zones are established, with varying development standards specific to their location within the City. Lighting Zones are shown in Section 10-90.40.020 (Lighting Zone Map).

**B. Lighting Zone Boundaries**

The boundaries of the Lighting Zones are illustrated in Section 10-90.40.020 (Lighting Zone Map).

**C. Split Parcels**

A parcel located in more than one of the described zones shall be considered to be only in the more restrictive Lighting Zone.

**10-50.70.050 General Requirements – All Lighting Zones****A. Preferred Source – Low-Pressure Sodium (LPS) lamps and Narrow-Spectrum Amber LEDs**

Due to their high energy efficiency, long life, and spectral characteristics, Low-Pressure Sodium (LPS) lamps are the preferred illumination source throughout the City. Their use is encouraged, when not required, for outdoor illumination whenever their use would not be detrimental to the use of the property. In all applications where LPS lighting is required or preferred, an acceptable alternative is Narrow-Spectrum Amber LEDs.

**B. Lighting Classes**

1. Class 1 Lighting is lighting used for applications where color rendition is required to preserve the effectiveness of an activity. Recognized Class 1 Lighting applications include only the following. Application of Class 1 Lighting standards for uses not included in this list requires a finding by the Director of the essential nature of color rendition to preserve the effectiveness of the activity.

- a. Outdoor sales areas, including service station canopies;

- b. Primary customer building entry/exit areas (does not include service or emergency entry/exits);
  - c. Outdoor seating areas at restaurants;
  - d. Outdoor assembly or repair areas where assembly or repair work occurs at night on a regularly scheduled basis;
  - e. Outdoor recreational field/track/arena areas; and
  - f. External and internal lighting for signs.
2. Class 2 Lighting is lighting used for applications where general illumination for safety or security is the primary concern.
- a. Examples of Class 2 Lighting applications include the following:
    - (1) Pedestrian walkways, driveways, and roadways;
    - (2) Parking lots;
    - (3) Equipment yards; and
    - (4) Outdoor security.
  - b. Low-Pressure Sodium (LPS) lamps or Narrow-Spectrum Amber LEDs are required in all Class 2 Lighting applications, except that up to 10 percent of all Class 2 lighting may be non-LPS lighting as noted in Table A (Maximum Total Outdoor Light Output Standards).
3. Class 3 Lighting is outdoor lighting used for decorative purposes.
- a. Examples of Class 3 Lighting applications include the following:
    - (1) Architectural illumination;
    - (2) Flag and monument lighting; and
    - (3) Landscape lighting and the illumination of trees, shrubs, or other vegetation.
  - b. Class 3 lighting Fixtures shall be included in the total lumen calculations for the site. If decorative lighting is applied to the exterior wall of a building using LED lights or similar technologies that allow for the color of the light to change, only one color change every two minutes is permitted.
4. The use of solar powered light systems as a light source in all Lighting Classes is appropriate.

### C. Total Outdoor Light Output

1. Total Outdoor Light Output, excluding streetlights and pedestrian lighting used to illuminate public rights-of-way and any interior lighting shall not exceed the following limits averaged over the entire development (values listed are total initial lamp lumens per acre and per residence).

<b>Table 10-50.70.050.A: Maximum Total Outdoor Light Output Standards</b>			
<b>Land Use</b>	<b>Zone 1</b>	<b>Zone 2</b>	<b>Zone 3</b>
<b>Commercial, Industrial, and Multi-family Residential (lumens per net acre)</b>			
Total (Fully Shielded and Partially Shielded)	25,000	50,000	100,000
Partially Shielded only	0	5,500	5,500
Non-LPS and non-narrow spectrum amber LED	2,500	5,000	10,000
<b>Single-family Residential (lumens per parcel inclusive of accessory structures)</b>			
Total (Fully Shielded and Partially Shielded)	10,000	10,000	10,000
Partially Shielded only	0	4,000	4,000

2. For determining compliance with this Section, light emitted from outdoor lighting is to be included in the Total Outdoor Light Output as follows (see Figure A):

- a. Light fixtures installed as described below shall be included in the Total Outdoor Light Output by adding 100 percent of the initial lumen outputs of the lamps used:

- (1) All unshielded or partially shielded fixtures, regardless of location;
- (2) Light fixtures installed on poles (such as parking lot light fixtures);
- (3) Light fixtures installed on the side of buildings or other structures but not located as described in paragraphs b. or c. below; and
- (4) Light fixtures installed within open parking garages, or under canopies, building overhangs, or roof eaves that are not fully shielded or are fully shielded but not located as described in paragraphs b. or c. below.

- b. Fully shielded light fixtures installed as described below shall be included in the Total Outdoor Light Output by adding only 25 percent of the initial lumen outputs of the lamps used:

- (1) Fully shielded light fixtures located within open parking garages, or located under canopies, building overhangs, or roof eaves, where all parts of the light fixture are located at least five feet but less than 10 feet from the nearest outdoor opening, canopy, or overhang edge.
- c. Fully shielded light fixtures installed as described below shall be included in the Total Outdoor Light Output by adding only 10 percent of the initial lumen outputs of the lamps used:
- (1) Fully shielded light fixtures located within open parking garages, or located under canopies, building overhangs, or roof eaves, where all parts of the light fixture are located 10 feet or more from the nearest outdoor opening, canopy, or overhang edge.

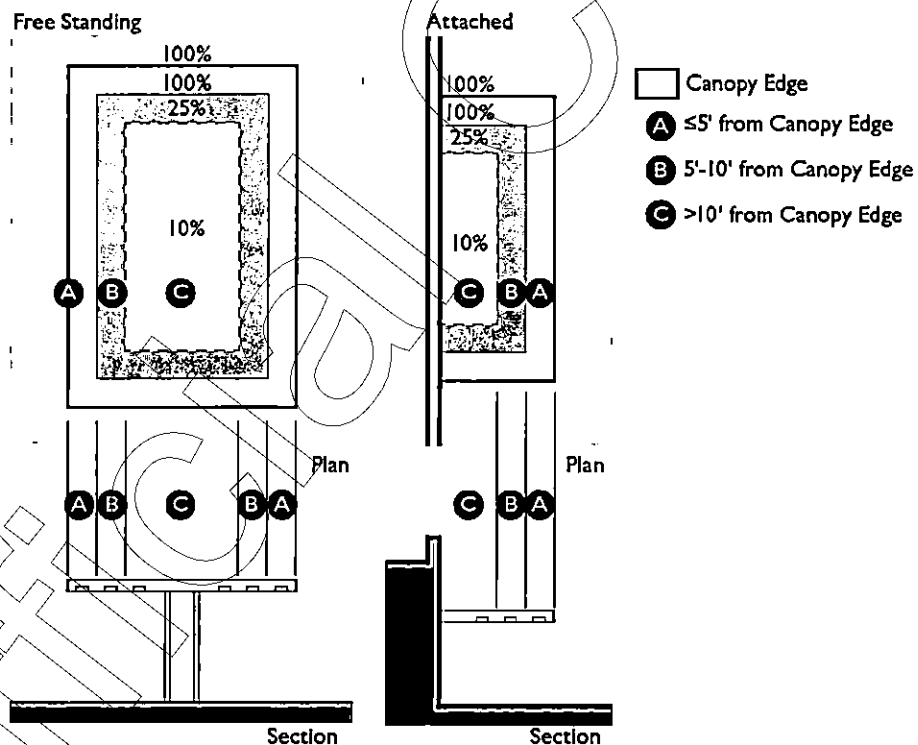


Figure A. Elevation and section views of a freestanding and attached canopy or overhang, showing fixture location and initial lamp output percentage counted toward total outdoor light output

- D. **Lamp Source and Shielding:**  
The standards provided in Table B (Lamp Type and Shielding Standards) shall apply:

<b>Table 10-50.70.050.B: Lamp Type and Shielding Standards</b>			
<b>Lamp Type and Lighting Class</b>	<b>Zone 1</b>	<b>Zone 2</b>	<b>Zone 3</b>
<b>Non-Residential<sup>2</sup> Outdoor Lighting</b>			
Class 1 Lighting (Color Rendition):			
All lamp types and outputs	FS	FS	FS
Class 2 Lighting (General Illumination):			
All lamp types and outputs	FS	FS	FS
Class 3 Lighting (Decorative):			
All lamp types 2,500 lumens <sup>1</sup> or above per Fixture	X	X	FS
All lamp types below 2,500 lumens <sup>1</sup> per Fixture	FS	A <sup>3</sup>	A <sup>3</sup>
<b>Residential<sup>2</sup> Outdoor Lighting</b>			
Class 1-3 Lighting			
Lighting (Color Rendition):			
All lamp types 1,000 lumens <sup>1</sup> or above per Fixture	FS	FS	FS
All lamp types below 1,000 lumens <sup>1</sup> per Fixture	FS	A <sup>3</sup>	A <sup>3</sup>
<b>Key:</b>			

FS = Allowed; Only Fully Shield Fixtures permitted

A = Allowed; Fully Shielded Fixtures preferred, and Partially Shielded Fixtures permitted subject to the amounts listed in Table A (Maximum Total Outdoor Light Output Standards).

X = Prohibited

#### End Notes

<sup>1</sup>Examples of lamp types of 2,500 and 1,000 lumens and below for commercial and residential applications respectively are provided in Table C (Lamp Type and Wattage with Outputs below 2,500 and 1,000 lumens). The acceptability of a particular lamp is decided by lumen output, not wattage. The values listed are approximate, and the manufacturer's specifications for a particular lamp must be checked.

<sup>2</sup>For purposes of this subsection, residential refers to property developed primarily for residential purposes, including single-family residences, manufactured homes, duplexes, and triplexes as well as multi-family (i.e. apartment, condominium, townhome) uses. Non-residential uses include all other uses.

<sup>3</sup>For purposes of determining total light output from a light fixture, lighting assemblies which include multiple unshielded or partially shielded fixtures or lamps on a single pole shall be considered as a single fixture (see Figure B). Partially shielded lighting is limited to the amounts listed in Table A (Maximum Total Outdoor Light Output Standards).

**Table 10-50.70.050.C: Lamp Type and Wattage  
with outputs below 2,500 and 1,000 lumens**

Lamp Type	2500 lm (Commercial and Industrial)	1000 lm (Residential)
Standard incandescent and less	100 watt	60 watt
Tungsten-halogen (quartz) and less	100 watt	60 watt
Fluorescent and less	25 watt	15 watt
Compact Fluorescent and less	26 watt	13 watt
No available data for High-Pressure Sodium or Metal Halide lamps		

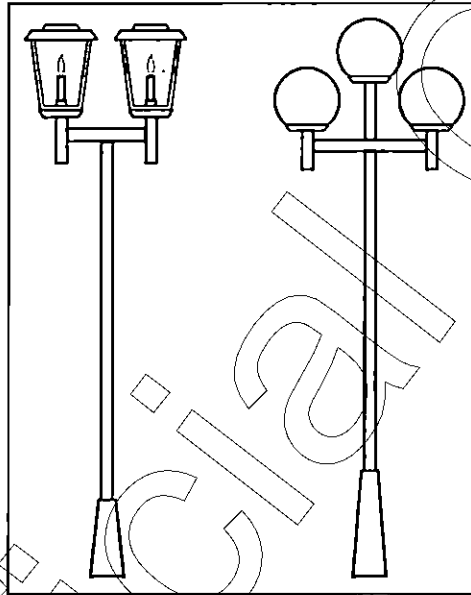


Figure B. Light Fixture with Multiple Unshielded Fixtures or Lamps

#### E. Effective Shielding

All light fixtures that are required to be fully shielded shall be installed in such a manner that the shielding satisfies the definition of a fully shielded fixture.

#### F. Light Trespass Standard

1. All light fixtures, including security lighting, shall be located, aimed and shielded so that the direct illumination from the fixture shall be confined to the property boundaries of the source.
2. Any privately or publicly owned outdoor light fixture with a lamp of initial output over 10,000 lumens located within 50 feet of any residential (including multi-family residential) property or public right-of-way shall utilize an internal or external shield, with the light fixture and shield

oriented to minimize light trespass over the adjacent property or right-of-way line. If an external shield is used, its surface must be painted black to minimize reflections (Figure C).

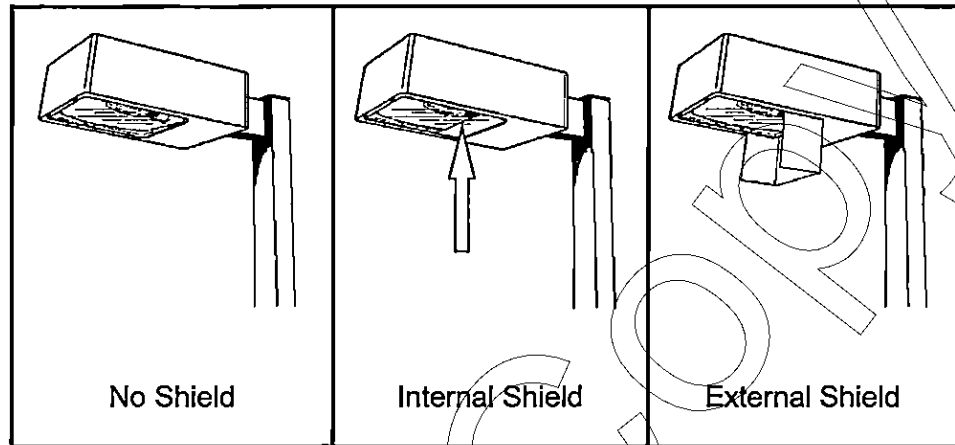


Figure C. Shielding Configurations

**G. Motion Sensing Light Fixtures**

Motion sensing light fixtures shall be fully shielded.

**H. Time Limits for Outdoor Lighting**

All outdoor Class 1 and Class 3 lighting, and outdoor Class 2 lighting located more than 50 feet from any building or outdoor product display or storage area shall be turned off at the times listed in Table D (Time Limits for Outdoor Lighting), or no later than 30 minutes after the business closes, whichever is later, and remain off for the remainder of the night or until the business reopens. Decorative holiday lights are exempt in accordance with Section 10-50.70.080.D, and outdoor recreation facilities are exempt in accordance with Section 10-50.70.060. B.

**Table 10-50.70.050.D: Time Limits for Outdoor Lighting**

	Zone 1	Zone 2	Zone 3
Time limit when outdoor lights must be turned off	9:00 p.m.	11:00 p.m.	11:00 p.m.

**I. Sign Illumination**

Standards for external and internal sign illumination are provided in Division 10-50.100 (Sign Standards). Lighting used for the external illumination of signs is included toward the Total Outdoor Light Output standards of Subsection C.

**J. Neon Building Lighting**

Neon building lighting is included in the Total Outdoor Light Output calculations for the site. Lumens for neon lighting are calculated on a per foot basis, rather than per "fixture." Unshielded neon lighting is not permitted.

**K. Multi-class Lighting**

Multi-class lighting must either conform to the lamp-type and shielding requirements of the strictest included class as shown in Table A (Maximum Total Outdoor Light Output Standards) and Table B (Lamp Type and Shielding Standards), or conform to the time limitations of the least restrictive included class as shown in Table D (Time Limits for Outdoor Lighting).

**L. Internally Illuminated Architectural Elements**

Any architectural element including walls or portions of buildings that are internally illuminated and that is not a sign or fenestration (windows or doors) shall have 100 percent of the initial lamp output of all lamps used to provide such illumination counted toward partially lighting for the purposes of calculating Total Outdoor Light Output for the site and is subject to the standards of Subsection C.

**M. Architectural/Landscape Lighting**

Architectural lighting used to illuminate the wall of a building or landscape lighting used to illuminate trees or other landscape elements is permitted subject to the following:

1. Architectural and landscape lighting that is directed downward onto a wall, tree or other landscape feature shall be included in the Total Outdoor Light Output Standards provided in Table A (Maximum Total Outdoor Light Output Standards), based on whether a fully shielded or partially shielded light fixture is used; and
2. Architectural and landscape lighting that is directed upward onto a wall, tree or other landscape feature is not permitted.

**N. Emergency Lighting**

Emergency lighting that is only turned on in the event of a power failure or when an alarm is activated is permitted in all lighting zones and is excluded from the total lumen calculations for the site.

**O. Use of Mercury Vapor Light Fixtures**

1. No new mercury vapor outdoor light fixtures shall be installed after the effective date of this Zoning Code. No replacement equipment other than bulbs for mercury vapor lighting fixtures shall be sold in the State after January 1, 1991 and the use of mercury vapor light fixtures is prohibited after January 1, 2011.
2. The provisions of this section shall not apply to outdoor light systems erected prior to 1950.

(Section 10-50.70.050 amended by Ord. 2016-07, adopted Feb. 16, 2016)

**10-50.70.060 Special Uses****A. Service Station Canopy Lighting****1. Lighting Class**

Lighting for service station canopies shall be considered Class 1 Lighting.

**2. Shielding**

All light fixtures mounted on or recessed into the lower surface of service station canopies shall be fully shielded and utilize flat lenses. Such shielding must be provided by the fixture itself; shielding by surrounding structures such as canopy edges is not permitted.

**3. Total Under-Canopy Output**

The total light output used under service station canopies, defined as the sum of all under-canopy initial lamp outputs in lumens, shall not exceed 40 lumens per square foot of canopy in Lighting Zone 2 and 3, and shall not exceed 20 lumens per square foot in Lighting Zone 1 (note: these values are not foot-candle illuminances).

**4. All lighting mounted under the canopy, including but not limited to light fixtures mounted on or recessed into the lower surface of the canopy and any lighting within signage (but not including any lamps mounted within the pumps and used to illuminate information indicating the total cost of such items as fuel pumped and price per gallon), shall be included in the Total Outdoor Light Output for the site and is subject to the standards of Section 10-50.70.050.C.****B. Outdoor Recreation Facilities****1. Lighting Class**

Lighting for field/track/arena areas only shall be considered Class 1.

**2. Lumen Cap Exemption**

- a. In Lighting Zone 1, lighting for field/track/arena areas is subject to the lumens per acre limit set in Section 10-50.70.050.C;
- b. In Lighting Zones 2 and 3, lighting for field/track/arena areas is not subject to the lumens per acre limit set in Section 10-50.70.050.C; and,
- c. Illumination levels for the field/track/arena shall be designed to be no higher than recommended for Class IV play, as defined by the Illuminating Engineering Society of North America publication IESNA RP-06-01.

**3. Shielding**

Fixtures used for field/track/arena areas shall be fully shielded.

**4. Time Limits**

No illuminated sports facility shall be illuminated after the time limits listed in Table 10-50.70.050.D (Time Limits for Outdoor Lighting), except to conclude a scheduled recreational or sporting event in progress prior to the time limitation.

**5. Certification**

Lighting systems for outdoor recreational facilities shall be designed and certified by an engineer registered in Arizona as conforming to all applicable restrictions of this Code before construction commences. Further, after installation is complete, the system shall be again certified by a registered engineer to verify that the installation is consistent with the certified design.

**C. Street Lighting**

1. Standards for street lighting installed on public rights-of-way are found in the City Engineering Standards, Title 12 (Street Lighting).
2. Street lighting installed on private rights-of-way shall be included within the Total Outdoor Light Output for the development.

**D. Parking Garages****1. Lighting Class**

Lighting installed for general illumination of parking areas within parking garages, where the parking areas are open to the outside, shall be considered Class 2.

**2. Inclusion Toward Total Outdoor Light Output**

The lumen output of light fixtures mounted 15 feet or more from the nearest opening to the outdoors and within open parking garages shall not be included toward the Total Outdoor Light Output standards in Section 10-50.70.050.C. All light fixtures mounted less than 15 feet from the nearest opening to the outdoors shall comply with the total outdoor light output standards established in Section 10-50.70.050.C.

**3. Shielding**

All light fixtures used on or within open parking garages, including those mounted to the ceilings over the parking decks, shall be fully shielded.

**E. Outdoor Display Lots****1. Lighting Class**

Outdoor lighting for outdoor display lots shall be considered Class 1 lighting, and shall conform to applicable lumens per net acre limits applied to the entire parcel.

**2. Lighting Time Limitations**

Outdoor display lot lighting shall conform to the hours of operation as

established under Class 1 Lighting Standards. Any lighting on after the time limitations shall be considered Class 2 lighting and shall conform to all restrictions of this Division applicable to this class.

**3. Shielding**

All light fixtures used in outdoor display lots shall be fully shielded and be aimed so that the direct illumination shall be confined to the property boundaries of the source.

**F. Temporary Lighting**

Temporary lighting which does not conform to the provisions of this Division may be approved by the Director subject to the approval of an Outdoor Lighting Permit in accordance with the provisions of Section 10-20.40.100 (Outdoor Lighting Permits). Temporary lighting is intended for uses which by their nature are of limited duration, including for example, holiday decorations, civic events or construction projects.

(Section 10-50.70.060 amended by Ord. 2016-07, adopted Feb. 16, 2016)

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**10-50.70.070 Prohibited Outdoor Lighting**

The following types of outdoor lighting are prohibited:

- A. Outdoor floodlighting by flood light projection above the horizontal plane.
- B. Search lights, flood lights, laser source lights, or any similar high intensity light, except in emergencies by police, fire, or medical personnel or at their direction; or for meteorological data gathering purposes.
- C. Any lighting device located on the exterior of a building or on the inside of a window which is visible beyond the boundaries of the lot or parcel with intermittent fading, flashing, blinking, rotating or strobe light illumination.

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**10-50.70.080 Exceptions**

**A. Airport Lighting**

Required navigational lighting systems at airports for the safe and efficient movement of aircraft during flight, take off, landing and taxiing is exempt from the provisions of this Division. Lighting used for illumination of aircraft loading, unloading, and servicing areas is exempt from the lumens per acre limits provided in Section 10-50.70.050.C, although it must conform to all other requirements of this Division. All other outdoor lighting at airport facilities shall comply with the provisions of this Division.

**B. Infrared Security Lighting**

Lights emitting infrared radiation used for remote security surveillance systems is permitted in all zones with the following restrictions:

1. Fixed lights must be fully shielded; and
  2. Movable lights, such as spot lights attached to infrared sensitive cameras, must be mounted such that the lights cannot be directed higher than 20 degrees below the horizontal, measured from the center of the light beam.
- C. Emergency Lighting by Emergency Services**  
Searchlights, floodlights, laser source lights, strobe or flashing lights, or any similar high intensity lights are permitted when used in emergencies by police, fire, medical, or utility personnel or at their direction.
- D. Holiday Decorations**  
In all lighting zones low voltage holiday decorations may be unshielded and remain on all night from November 15 to January 15.
- E. Solar-powered Lighting**  
Solar-powered lights of 5 watts or less per fixture used in residential landscaping applications and to illuminate walkways are exempt from applicable lamp type and shielding standards and are excluded from the total lumen calculations for the site.
- F. Construction and Renovation of Municipal Facilities**  
All outdoor lighting used for construction or major renovation of municipal buildings, structures and facilities is exempt from the provisions of this Division.

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**10-50.70.090 Nonconforming Outdoor Lighting**

Section 10-20.60.080 (Nonconforming Outdoor Lighting) provides the standards and regulations for nonconforming outdoor lighting.

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**10-50.70.100 Violations and Enforcement**

- A. It shall be unlawful to install or operate an outdoor light fixture in violation of this Division. Any person violating any provisions of this Division shall be guilty of a misdemeanor. Each and every day during which the illegal erection, maintenance, and use continues shall be considered a separate offense.
- B. The requirements of this Division shall be enforced in compliance with the enforcement provisions of Division 10-20.110 (Enforcement).

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**Exhibit F**

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# TIMBER SKY

## LIGHTING MITIGATION STANDARDS

- 1) The purpose of these standards is to establish a set of mitigation strategies to be incorporated into the Codes, Covenants & Restrictions (CC&Rs) for the Timber Sky Development with significant thresholds required to revise these standards. The Intent of these standards is that all private development within the project will not only meet the City of Flagstaff lighting code but will exceed them. The Pre-Annexation Development Agreement between the developers of Timber Sky and the City of Flagstaff will include these mitigation strategies as requirements of the CC&Rs. For the term of the Development Agreement, the Timber Sky developers will not initiate any lighting-related amendment without the inclusion of the U.S. Naval Observatory Flagstaff Station in the discussion. In connection with the project platting, the CC&Rs will be recorded against the property to pick up any gap between the application of the Development Agreement and the CC&Rs, and the CC&Rs will have special amendment criteria limiting the future homeowners' association's ability to process amendments related to these standards such that amendments to the lighting mitigation standards will require approval by the City of Flagstaff City Council.
- 2) Section 1—50.70.030 E. Public Rights-of-Way Exempt, of the City of Flagstaff Outdoor Lighting Standards contained in Division 10-50.70 of the City code states *"The provisions of this Division shall not apply to streetlights installed in public rights-of-way."* The developers of Timber Sky, the City of Flagstaff (City) and the U.S Naval Observatory Flagstaff Station (NOFS) all agree that measures to limit and or reduce the light output of the streetlights and pedestrian lighting used to illuminate public rights-of-way in Zone 1 including those within the Timber Sky development beyond the City's current standards is not the responsibility of the Timber Sky Development nor should revising these standards be a condition of zoning approval. The developers of Timber Sky commit to work hand in hand with the City and NOFS to develop revised standards for lighting of the streetlights and pedestrian lighting used to illuminate public rights-of-way going forward, and will incorporate the revised standards into the design of said lighting at the City's request.
- 3) Lighting for each single family home developed within the R1, MR and HR zoning categories will be limited to a total of 1350 externally installed lumens, whether attached to the dwelling structure or installed elsewhere on the lot. This limit can be exceeded with the use of motion sensors on fixtures such that the non-motion sensor light fixtures do not exceed the 1350 lumens limit. These additional limits should no way be interpreted to allow the current limits set forth in the City of Flagstaff lighting code be exceeded for multi-family residential development in the HR category.



## TIMBER SKY

- 4) Exterior Lighting on single family and multi-family residential structures will be fully shielded fixtures to be installed under canopies or overhangs a minimum of five (5) feet from the nearest edge not attached to the structure. In situations where an overhang is not feasible or practical, a fully shielded fixture with motion sensor will be utilized.
- 5) All common area property owned or managed by the master homeowner's association, or one of the sub-associations within a residential block, will be limited to security lighting and lighted entry monuments. For purpose of applying the City of Flagstaff lighting code, lighted entry monuments will be considered Class 1 Lighting, and security lighting will be considered Class 2 Lighting. Care must be given to minimize lumens and to direct light downward or be completely shielded for these applications.
- 6) With the exception of lighting for single family residential, and lighting for multi-family residential that meets Section 4; all outdoor lighting will use "low-pressure sodium (LPS), narrow-spectrum amber LED, PC ("phosphor-converted") amber LED, or amber compact fluorescent or equivalent. An exception to this requirement will be for lighted entry monuments or other Class 1 lighting applications where color rendition is required.
- 7) Care should be given to selecting building colors and materials where external lighting will be installed to minimize reflectivity. Wall surfaces located below and within ten (10) feet laterally of any external light fixture will have a "light reflectance value" (LRV) of 15 or less.
- 8) For commercial development within Block 12, Table 10-50.70.050.D of the City's lighting code requires outdoor lighting in Zone 1 to be turned off at 9:00 pm or no later than 30 minutes after the business closes, whichever is later. For any lighting fixtures exempted from this requirement in the lighting code, motion sensors will be utilized after 9:00 pm.

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**DEV-2016-188-AG1-AM1**

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

**FIRST AMENDMENT  
To The  
TIMBER SKY ANNEXATION AND DEVELOPMENT AGREEMENT**

The following First Amendment to the Timber Sky Annexation and Development Agreement (this "Amendment") is made this 18 day of September, 2017 and is incorporated into and made a part of that certain Timber Sky Annexation and Development Agreement dated November 15, 2016, and recorded in the Coconino County Records as Document No. 3772624 (the "Development Agreement"). Capitalized terms not defined herein shall have the meaning assigned to them in the Development Agreement. This Amendment is made pursuant to Section 15.4, of the Development Agreement, which permits the City and the Owner to amend the Development Agreement. Accordingly, this Amendment is made by the City of Flagstaff ("City") and VP 66 & Woody Mountain, L.L.C., an Arizona limited liability company ("Owner").

**NOW, THEREFORE**, in consideration of the foregoing and the mutual promises and covenants contained in this Amendment, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Amendments. The parties amend the Development Agreement as follows:

**A. Section 7.3, Infrastructure Assurance, is revised to revise 7.3.6 to add a third party trust as an Acceptable Assurance:**

7.3.6 Such other assurance mechanism as may be approved by the City in the exercise of its sole and absolute discretion including third party trust agreements.

**B. Section 8.5.1, Increased Sewer Capacity, and its subsections are deleted in their entirety and replaced with the following to address the revisions requested by the City related to the new Off-Site Sewer Improvements:**

8.5.1 Increased Sewer Capacity. The Parties agree that pursuant to the WSIA, the Project will create the need for Off-site Sewer Improvements specifically identified in the WSIA. Owner acknowledges that the modifications identified in the WSIA to the

existing sewer collection system are required as part of this project as the existing downstream sewer collector system is not adequate for the proposed development. The City has also requested that Owner construct off-site sewer improvements beyond those provided for in the WSIA, and Owner has agreed to construct the oversized improvements subject to the conditions of this Agreement and as detailed in Sections 8.5.1.1 and 8.5.1.2 below (collectively, the "Off-Site Sewer Improvements"). Except as provided in Section 8.5.1.1, the Off-Site Sewer Improvements must be completed and accepted by the City prior to the issuance of the first building permit for Phase I. However, plans for the design of the Offsite-Sewer Improvements may be completed after the recordation of the Phase 1 final block plat and the Phase 1 final subdivision plats for Blocks 3A, 7A and 8.

8.5.1.1 Westside Sewer Interceptor. The installation of sewer line connecting manholes 2A-422 and 2A-360 with a combination of an 18", 21" and 24" diameter pipe will be completed by Owner pursuant to this Agreement (the "Westside Sewer Interceptor"). The Westside Sewer Interceptor includes the addition of a 24" line in the Clay Avenue Wash (the "Clay Avenue Wash Extension"). The Westside Sewer Interceptor, inclusive of the Clay Avenue Wash Extension, is a planned City project and as a result, the City agrees to reimburse the Owner for the cost of the construction of this sewer improvement pursuant to Section 8.5.3 below.

The City has commenced designing and engineering the Westside Sewer Interceptor, inclusive of the sewer line, manholes and any other incidental utility improvements necessary for construction, and agrees to provide plans (the "Plans") to Owner by September 30, 2017 ("Westside Sewer Interceptor Plan Deadline"). To the extent that the Plans require the acquisition of additional right-of-way or easements by the City to facilitate construction, the City agrees that any additional rights must be acquired by March 1, 2018 for the Owner to complete the construction of the Westside Sewer Interceptor (the "Easement Deadline"). The parties agree that any necessary easements to complete the Plans are not the responsibility of the Owner as provided for under Section 7.4 of the Agreement. The City further agrees that any final plat for Phase I may be recorded in advance of the Deadlines, and confirms that no assurances under Section 7.3 of this Agreement are required for the Westside Sewer Interceptor. Until the Westside Sewer Interceptor is completed, the City agrees that there is capacity in the current system for 125 single family dwelling units or an equivalent number of condominium/townhome units (the "Initial Units") to be developed within the Property and consequently, the City will issue such permits on the Property in advance of the completion of the Westside Sewer Interceptor for the Initial Units. Owner agrees to complete the Westside Sewer Interceptor within one year from the date of permit issuance for the improvement project, provided that the Easement Deadline has been met.

In the event that the plans are not provided to Owner by the Sewer Plan Deadline, or the Easement Deadline has not been met by the City, the City agrees that Owner may continue Phase I construction and obtain an additional 25 single-family or equivalent number of condominium or townhome unit building permits beyond the Initial Units for every 30 days after September 30, 2017 until the Plans are available or for every 30 days after the Easement Deadline until the necessary easements, if any, are obtained. By way of example, if the Plans are available to Owner on October 15<sup>th</sup>, 2017, then only the Initial Units may be permitted. However, if the Sewer Plans are not available until November 15, 2017, Owner may be issued permits for the Initial Units, plus an additional 25 equivalent units. In no event will Owner be entitled to obtain permits for 50 units beyond the Initial Units if the City determines that there is no available capacity.

8.5.1.2 Core Facilities Sewer. The installation of approximately 5,170 feet of sewer line to connect MH 2A-472 at the existing Adirondack Avenue 18" sewer interceptor line for this drainage basin through manhole #18, which is approximately 300 feet north of W Route 66 (the "Core Facilities Sewer"). Infrastructure improvements will include the sewer line, manholes and any other incidental utility improvements necessary for construction. The City was scheduled to construct this sewer extension in fiscal year 2017. Should the Owner construct the sewer line in advance of the City, the City agrees to reimburse the Owner the cost of the Improvements unless the City's Core Facilities project is terminated, in which case, the Owner will only receive upsizing contributions for the difference between an 8" and 18" sewer line.

**C. A new Section 8.5.3 is added as follows to provide for reimbursement to the Owner for the Westside Sewer Interceptor:**

8.5.3 Reimbursement to Owner. It is estimated that the total cost of the Westside Sewer Interceptor will be \$1,650,000.00 (the "Sewer Cost"). The City agrees to reimburse the Owner for all costs associated with the construction of the Westside Sewer Interceptor, including permit fees and reasonable project management expenses to be approved by the City. Based on the City's current Utilities 5-Year Plan, it is anticipated that payments for reimbursement will be made in accordance with the following schedule:

- 1) Three hundred thousand and 00/100 dollars (\$300,000.00) to be paid within 30 days of the completion of the Clay Avenue Wash Extension;
- 2) Five hundred thousand and 00/100 dollars (\$500,000.00) to be paid by August 31, 2018; and

- 3) The remaining Sewer Cost balance to be paid by August 31, 2020 or sooner if the funds are accelerated in the City's budget. If the remaining Sewer Cost balance is not paid by August 31, 2020, interest on the remaining balance will accrue at an annual rate of eight percent (8%).

**D. Section 10, Road Improvement Requirements, is hereby amended to add Section 10.1.3 to clarify timing of plan approvals for certain Roadway Improvements.**

10.1.3 Plan Approval Timing. Improvement plans for Phase I Onsite Roadway Improvements within the City's jurisdiction must be approved by the City before the recordation of any final plat for Phase I. For On-site Roadway Improvements and Off-site Roadway Improvements not within the City's jurisdictions, plans must be substantially complete before plat recordation.


2. Effect of Amendment. In all other respects, the Development Agreement is affirmed and ratified and, except as expressly modified herein, all terms and conditions of the Development Agreement shall remain in full force and effect.

3. Conflict of Interest. This Amendment and the Development Agreement may be cancelled by the City pursuant to A.R.S. § 38-511.

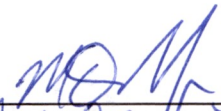
**[SIGNATURES ON FOLLOWING PAGE]**

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed by their duly authorized representatives as of the day and year first above written.

**City of Flagstaff, a municipal corporation "City"**

  
Coral Evans, Mayor

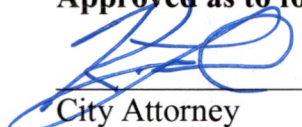
**VP 66 & Woody Mountain, L.L.C., an Arizona limited liability company "Owner"**

By:   
Name: Mark Orfanos Jr  
Its: Authorized Agent

**Attest:**

  
City Clerk

**Approved as to form:**

 For  
City Attorney

STATE OF ARIZONA )  
COUNTY OF COCONINO)

ACKNOWLEDGMENT

On this 18<sup>th</sup> day of September, 2017, before me, a Notary Public, personally appeared Coral Evans, Mayor of the City of Flagstaff, 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 the City of Flagstaff, for the purposes therein contained.



*Jason Cook*

Notary Public

My Commission Expires: 8/8/2018

STATE OF ARIZONA )  
COUNTY OF Maricopa )

ACKNOWLEDGMENT

On this 7<sup>th</sup> day of August, 2017, before me, a Notary Public, personally appeared Mark E. O'Malley, Jr., known to be or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument and acknowledged that he/she executed the same on behalf of VP LLC + Rocky Mountain, LLC, its OWNER, for the purposes therein contained.



*Cara Cook*

Notary Public

My Commission Expires: April 24, 2020

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

**SECOND AMENDMENT  
To The  
TIMBER SKY ANNEXATION AND DEVELOPMENT AGREEMENT**

The following Second Amendment to the Timber Sky Annexation and Development Agreement (this "Amendment") is made this 14 day of March, 2018 and is incorporated into and made a part of that certain Timber Sky Annexation and Development Agreement dated November 15, 2016, and recorded in the Coconino County Records as Document No. 3772624 (the "Original Agreement"), and the First Amendment to the Timber Sky Annexation and Development Agreement dated September 18, 2017, and recorded in the Coconino County Records as Document No. 3796196 (the "First Amendment") (the Original Agreement and the First Amendment, collectively, the "Development Agreement"). Capitalized terms not defined herein shall have the meaning assigned to them in the Development Agreement. This Amendment is made pursuant to Section 15.4, of the Development Agreement, which permits the City and the Owner to amend the Development Agreement. Accordingly, this Amendment is made by the City of Flagstaff ("City") and VP 66 & Woody Mountain, L.L.C., an Arizona limited liability company ("Owner").

WHEREAS, the Development Agreement provides that Owner will deliver 100 AMI-accessible units as part of the Project;

WHEREAS, after the Original Agreement was executed, the City's engineering fees, which are codified in City Code, Section 3-10-001-0002 ("Engineering Fees"), were amended by Ordinance 2017-16, effective August 1, 2017 ("2017 Engineering Fees"), attached hereto as Exhibit 1 and incorporated herein by reference;

WHEREAS, prior to the adoption of the 2017 Fees, the Engineering Fees were charged pursuant to the schedule in Ordinance 2013-17 ("2013 Engineering Fees"), attached hereto as Exhibit 2 and incorporated herein by reference;

WHEREAS, the 2017 Engineering Fees will result in additional, unexpected costs to Owner;

WHEREAS, the parties desire to amend the Development Agreement to apply the 2013 Engineering Fee schedule to the Project for phases that include AMI-accessible units.

**NOW, THEREFORE**, in consideration of the foregoing and the mutual promises and covenants contained in this Amendment, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Amendments. The Development Agreement is amended as follows:

**A. Section 5.2, Workforce Housing, is amended to delete the last sentence of the first paragraph and replace it with the following:**

Further, if “permanently affordable” AMI-accessible units remain unsold after an extended period of time due to market, financing or other external conditions, the Affordability Plan may be amended to adjust the AMI for qualified buyers to 125% of the AMI affordability level.

**B. Section 13, City Services, is deleted in its entirety and replaced with the following Section 13, City Services and User Fees, and Section 13.1, Alternate Payment Schedule for Engineering Fees, City Code Section 3-10-001-0002:**

13. City Services and User Fees. The City has annexed the Property and included the Property in the City’s municipal service area and, upon completion of the construction and installation of the necessary Infrastructure Improvements by Owner as provided in or as required by this Agreement and the Rules, the City shall provide to the Property such utility and other services in a manner that is similar to that by which the City provides such utilities and services generally to the residents of similarly situated property in the City, including sewer, water, garbage, fire and police. Except as otherwise provided in this Agreement, the City agrees to assess and collect user fees or rates for each municipal utility service provided by the City consistent with the fees or rates established by the City and applied for other similarly-situated property and projects (residential property and projects greater than five acres) in areas of the City receiving similar municipal services. Failure by the Owner to promptly pay any amount owed will constitute a breach of this Agreement and the City may collect such amounts owing by utilizing the remedies set forth this Agreement, and further may withhold the issuance of building permits for improvements on the Property until such amount is paid.

13.1 Alternate Payment Schedule for Engineering Fees. The City agrees that the 2013 Engineering Fees apply for the term of the Agreement as an incentive for the provision of the 100 AMI-accessible units described in Section 5.2. The maximum incentive permitted under this Agreement is one million six hundred thousand dollars (\$1,600,000.00). In the event that the difference between the 2013 Engineering Fees and current Engineering Fees (i.e., engineering fees in place at time building permit applications are submitted) reaches one million six hundred thousand dollars (\$1,600,000.00), Owner will receive no further reduction in fees and current Engineering Fees will be applied to the development going forward. Additionally, if at the time of the first final plat approval within Phase 4, 75% of the AMI-accessible units have not been sold to a qualified purchaser and transferred to the community land trust program administered by the

City, no plat for any block within Phase 4 shall be recorded until payment has been made to the City in the amount of \$16,000 per remaining AMI-accessible unit. By way of example, if only 68 of the 100 AMI-accessible units have been sold at the time of the first plat within Phase 4, \$512,000.00 is due to the City prior to recordation of that plat. This amount is a penalty and will not be credited to Owner at a future date, even if all 100 AMI-accessible units are delivered prior to project completion. Payment of this penalty does not modify Owner's obligation to develop and sell all 100 AMI-accessible units.

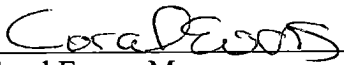
2. Effect of Amendment. In all other respects, the Development Agreement is affirmed and ratified and, except as expressly modified herein, all terms and conditions of the Development Agreement and First Amendment shall remain in full force and effect.

3. Conflict of Interest. This Amendment and the Development Agreement may be cancelled by the City pursuant to A.R.S. § 38-511.


**[SIGNATURES ON FOLLOWING PAGE]**

**IN WITNESS WHEREOF**, the parties have caused this Amendment to be executed by their duly authorized representatives as of the day and year first above written.

**City of Flagstaff, a municipal corporation "City"**

  
Coral Evans, Mayor

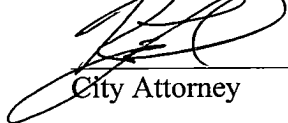
**VP 66 & Woody Mountain, L.L.C.,  
an Arizona limited liability company  
"Owner"**

By:   
Name: Mark D. Orthen Jr.  
Its: Manager

**Attest:**

  
City Clerk

**Approved as to form:**

 For  
City Attorney

Unofficial Copy

STATE OF ARIZONA )  
COUNTY OF COCONINO)

ACKNOWLEDGMENT

On this 14 day of March, 2018, before me, a Notary Public, personally appeared Coral Evans, Mayor of the City of Flagstaff, 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 the City of Flagstaff, for the purposes therein contained.



Stacy Saltzburg  
Notary Public  
My Commission Expires: 01/24/2022

STATE OF ARIZONA )  
COUNTY OF Maricopa )

ACKNOWLEDGMENT

On this 13<sup>th</sup> day of March, 2018, before me, a Notary Public, personally appeared Mark E. Varman, Jr. known to be or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument and acknowledged that he ~~she~~ executed the same on behalf of VP LLC + Wendy Mountain, LLC, its Manager, for the purposes therein contained.



Cara Cook  
Notary Public  
My Commission Expires: April 24, 2020

Unoffi... (Large diagonal watermark text across the page)

**EXHIBIT 1**

Unofficial Copy

**3-10-001-0002 Engineering****Engineering Fees**

Soils Report Review	\$	59
Public Improvement Plan Review	\$	513
Inspections (Private Development)		8.00 %
Inspections (Right-of-Way Permit)	\$	547
Traffic Impact Analysis Level 1	\$	1,128
Traffic Impact Analysis Levels 2 & 3	\$	3,785
Traffic Impact Analysis Levels 4 & 5	\$	10,280
Materials Testing (Private & Capital)		3.00 %
Inspections (Capital Improvements)		7.00 %
Parking Lot Maintenance Permit	\$	186
Chip Seal Fee	\$	4.50 Unit
Stormwater-1st – Construction & Grading – Drainage Report	\$	266
Stormwater-1st – Construction & Grading – Engineering Review, per Sheet	\$	166

(Ord. 2017-16, Rep&amp;ReEn, 06/20/2017)

**EXHIBIT 2**

Unofficial Copy

**3-10-001-0002 Engineering****Engineering Fees**

1st – Constr. & Grading – Drainage Report	\$266
1st – Constr. & Grading – Engineering Review, per Sheet	\$166
Public Improvement Plan Check - Road/Drainage/Water/Sewer	\$395
Public Improvement Inspection – Road	1.55%
Public Improvement Inspection – Drainage	4.71%
Public Improvement Inspection – Water	2.57%
Public Improvement Inspection – Sewer	3.31%
As Builts – Revisions to Original Plans	0.24%
General ROW Permit	\$275
Traffic Impact Analysis – 0 and 1	\$469
Traffic Impact Analysis – 2M	\$8,456
Traffic Impact Analysis – 2L + 2 Multi	\$11,387
Soils Report Review	\$59
Materials Testing as a Percentage of the Public Improvement Construction Cost	2.15%

(Ord. 2013-17, Rep&amp;ReEn, 07/23/2013)

When recorded, mail to:

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

**THIRD AMENDMENT  
To The  
TIMBER SKY ANNEXATION AND DEVELOPMENT AGREEMENT**

The following Third Amendment to the Timber Sky Annexation and Development Agreement (this "Amendment") is made this 18 day of September, 2018 and is incorporated into and made a part of that certain Timber Sky Annexation and Development Agreement dated November 15, 2016, and recorded in the Coconino County Records as Document No. 3772624, and any amendments thereto, (the "Development Agreement"). Capitalized terms not defined herein shall have the meaning assigned to them in the Development Agreement. This Amendment is made pursuant to Section 15.4, of the Development Agreement, which permits the City and the Owner to amend the Development Agreement. Accordingly, this Amendment is made by the City of Flagstaff ("City") and VP 66 & Woody Mountain, L.L.C., an Arizona limited liability company ("Owner").

**NOW, THEREFORE**, in consideration of the foregoing and the mutual promises and covenants contained in this Amendment, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

A. Amendments. The parties amend the Development Agreement as follows:

**A. Section 8.5.1.1, Westside Sewer Interceptor, is deleted in its entirety and replaced with the following:**

8.5.1.1 Westside Sewer Interceptor. The installation of sewer line connecting manholes 2A-422 and 2A-360 with a combination of an 18", 21" and 24" diameter pipe (the "Westside Sewer Interceptor") will be divided into two phases. Phase I consists of a 24" line in the Clay Avenue Wash as set forth in the plans titled "West Side Sewer Interceptor, Phase I – Clay Avenue Wash, COF Project No. WW3320" ("Clay Avenue Wash Extension" or "Phase I"). Phase II includes a combination of 18", 21", and 24" lines along Thompson and Kaibab as set forth in the plans titled "West Side Sewer

Interceptor, Phase II – Thompson-Kaibab, COF Project No. WW3220” (“Thompson-Kaibab Portion” or “Phase II”).

The City Plans to complete Phase I of the Westside Sewer Interceptor on or before November 30, 2018.

Owner agrees to publicly procure and construct Phase II of the Westside Sewer Interceptor and the City agrees to reimburse Owner for the Cost of Construction for Phase II pursuant to Section 8.5.3 below. The City agrees that Owner may proceed with the construction of Phase II concurrently with, or in advance of, the City’s construction of Phase I. However, should Owner not begin construction on Phase II prior to October 1, 2019, the City reserves the right to notify Owner that City will take over construction of Phase II and Owner will not be reimbursed. Owner agrees to complete Phase II of the Westside Sewer Interceptor within one year from the date of permit issuance for the improvement.

The City agrees that no assurances under Section 7.3 of this Agreement are required for the Westside Sewer Interceptor. Until Phase II of the Westside Sewer Interceptor is completed, the City agrees that there is capacity in the current system for 125 single family dwelling units or an equivalent number of condominium/townhome units (the “Initial Units”) to be developed within the Property and consequently, the City will issue such permits on the Property in advance of the completion of Phase II of the Westside Sewer Interceptor for the Initial Units. No permits for any additional units will be issued until Phase II of the Westside Sewer Interceptor is complete.

**B. Section 8.5.3 Reimbursement to Owner, and its subsections are deleted in their entirety and replaced with the following:**

8.5.3 Reimbursement to Owner. It is estimated that the total cost of the Phase II Westside Sewer Interceptor will be one million four hundred thousand dollars (\$1,400,000.00) (the “Phase II Sewer Cost”). The City agrees to reimburse the Owner for all costs associated with the construction of Phase II of the Westside Sewer Interceptor, including permit fees and reasonable project management expenses to be approved by the City. Based on the City’s current Utilities 5-Year Plan, and in the event that Owner completes Phase II prior to May 30, 2020, it is anticipated that payments for reimbursement will be made in accordance with the following schedule:

- 1) Twenty-four thousand six hundred and 00/100 dollars (\$24,600.00) to be paid within 30 days of Owner’s completion of Phase II; and
- 2) The remaining balance for Phase II to be paid by August 31, 2020 or sooner if funds are accelerated in the City’s budget and Phase II construction is


complete. If the remaining Phase II Sewer Cost balance is not paid by August 31, 2020, interest on the remaining balance will accrue at an annual rate of eight percent (8%). The balance must be paid no later than August 31, 2021.

**C. Effect of Amendment.** In all other respects, the Development Agreement is affirmed and ratified and, except as expressly modified herein, all terms and conditions of the Development Agreement shall remain in full force and effect.

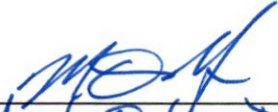
**D. Conflict of Interest.** This Amendment and the Development Agreement may be cancelled by the City pursuant to A.R.S. § 38-511.

**IN WITNESS WHEREOF**, the parties have caused this Amendment to be executed by their duly authorized representatives as of the day and year first above written.

**City of Flagstaff, a municipal corporation "City"**

  
Coral Evans, Mayor


**VP 66 & Woody Mountain, L.L.C., an Arizona limited liability company "Owner"**

By:   
Name: Mark Orthman Jr  
Its: Manager

**Attest:**

  
City Clerk

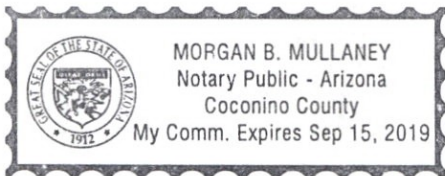
**Approved as to form:**

  
City Attorney

STATE OF ARIZONA )  
COUNTY OF COCONINO)

ACKNOWLEDGMENT

On this 18TH day of SEPTEMBER, 2018, before me, a Notary Public, personally appeared Coral Evans, Mayor of the City of Flagstaff, 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 the City of Flagstaff, for the purposes therein contained.



Morgan B. Mullaney  
Notary Public  
My Commission Expires: 09-15-2019

STATE OF ARIZONA )  
COUNTY OF Maricopa)

ACKNOWLEDGMENT

On this 6 day of September, 2018, before me, a Notary Public, personally appeared Mark Kortman Jr., known to be or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument and acknowledged that he/she executed the same on behalf of V.P. of Woody Mountain LLC, its Manager, for the purposes therein contained.



Lesa A Blunt  
Notary Public  
My Commission Expires: November 12, 2021

When recorded, mail to:

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

**FOURTH AMENDMENT TO  
TIMBER SKY ANNEXATION AND DEVELOPMENT AGREEMENT**

This Fourth Amendment to Timber Sky Annexation and Development Agreement (“**Amendment**”) is entered into effective as of October 25, 2022 (“**Amendment Date**”), by and between City of Flagstaff, a municipal corporation organized and existing under the laws of the State of Arizona (“**City**”), and VP 66 & Woody Mountain, L.L.C., an Arizona limited liability company (“**Owner**”).

**RECITALS**

A. City and Vintage entered into that certain Timber Sky Annexation and Development Agreement dated November 15, 2016, and recorded in the Official Records of Coconino County as Document No. 3772624 (the “**Original Agreement**”), as amended by that certain First Amendment to Timber Sky Annexation and Development Agreement dated September 18, 2017, and recorded in the Official Records of Coconino County as Document No. 3796196 (“**First Amendment**”), and as further amended by that certain Second Amendment to Timber Sky Annexation and Development Agreement dated March 14, 2018, and recorded in the Official Records of Coconino County as Document No. 3810373 (“**Second Amendment**”), and as further amended by that certain Third Amendment to Timber Sky Annexation and Development Agreement dated September 18, 2018, and recorded in the Official Records of Coconino County as Document No. DEV-2018-188-AG1-AM3 (“**Third Amendment**”). The Original Agreement, as amended by the First Amendment, the Second Amendment and Third Amendment are referred to herein as the “**Agreement**”. Unless otherwise defined in this Amendment, initially capitalized terms used herein have the meanings given them in the Agreement.

B. The parties desire to amend the Agreement on the terms and conditions more fully set forth below, which amendment is made pursuant to Section 15.4 of the Agreement.

**AMENDMENT**

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Density Average. The following is hereby added to the end of Section 5.1.3 of the Agreement:

“The density of the Project may be averaged between development parcels within the Project regardless of the zoning categories of the development parcels; provided, however, (i) the overall density of the Project, cannot exceed the maximum density for the Project, and (ii) the density of each development parcel cannot exceed the maximum density for that development parcel.”

2. Workforce Housing. Section 5.2 of the Agreement, and the last four (4) sentences of Section 13.1 of the Agreement, are hereby deleted and replaced with the following:

“5.2 The Project shall provide affordable housing by way of residential rental and ownership units.

- (1) Land for Rental Units – “**Block 1**” of the Timber Sky Final Block Plat (“**Block Plat**”) recorded in the Official Records of the Coconino County Recorder at Instrument Number 3810031 (the “**Affordable Rental Property**”), shall be restricted for development of a minimum of 190 affordable residential rental units (“**Affordable Rental Unit**”). Owner is under contract to sell the Affordable Rental Property (“**Roers PSA**”) to Roers Flagstaff Apartment Owner LLC, a Minnesota limited liability company (“**Roers**”), who is a developer of affordable rental units. Roers has submitted to the City for review and approval that certain Concept Plan dated May 16, 2022 and prepared by Kevin Sturgeon of Roers and Brian Joerger of The WLB Group under Case No. PZ-22-00100 (“**Concept Plan**”) and the Concept Plan provides for 200 Affordable Rental Units. For a period of thirty (30) years from the date the Affordable Rental Units are put into service, the leasing of Affordable Rental Units will be income-restricted, so that the average household income for lessees of the Affordable Rental Units (at the time of leasing, as reported by such households) equals, or is less than, sixty percent (60%) of the Area Median Income (“**AMI**”), as determined by the United States Department of Housing and Urban Development. On or before the conveyance of the Affordable Rental Property to a developer of affordable rental units, Owner shall cause a Restrictive Covenant to be recorded against the Affordable Rental Property, which restricts the development of the Affordable Rental Property as set forth in this sub-section (1) (“**Restrictive Covenant**”). The Restrictive Covenant shall provide that the City is an intended third-party beneficiary of the Restrictive Covenant with the right to enforce the same and that the Restrictive Covenant cannot be modified or removed without the consent of the City. Owner shall provide a copy of the Restrictive Covenant to the City for approval prior to recordation, which approval shall not be unreasonably withheld. The Owner’s obligation under this sub-section (1) shall be satisfied once the Restrictive Covenant is recorded and the City has accepted a complete rough grading certificate for Block 1; however, the restrictions on

development set forth herein and in the Restrictive Covenant shall run with the Affordable Rental Property.

- (2) Land for Ownership Units – The Owner shall convey no less than three (3) acres of land as generally depicted on Exhibit A attached hereto (the “**Habitat Property**”), to “Habitat for Humanity” or an affiliate thereof (“**Habitat**”), for development of at least forty (40) units intended for ownership (“**Affordable Ownership Units**”). Criteria for the sale of Affordable Ownership Units, once developed by Habitat, will be subject to a program approved by the City and Habitat (the “**Habitat Affordability Plan**”), and shall include the following terms and conditions: (i) Affordable Ownership Units will be sold to purchasers that have an income equal (at the time of purchase, as reported by such households) to or less than one hundred percent (100%) of AMI, and, (ii) the Affordable Ownership Units will be restricted for affordability as described in this sub-section, and (iii) will be starter homes in alignment with Habitat's existing starter home program with the City and (iv) placed in the City's Community Land Trust; where, the Habitat Affordability Plan, and all terms and conditions thereof, including any restrictive covenant shall continue in perpetuity from the date the Affordable Ownership Units are placed into service, unless otherwise prescribed by State or Federal Law. The terms of the Habitat Affordability Plan may be agreed to and amended by the written consent of Habitat and the City Manager of the City and without the consent of Owner.

Owner shall provide a copy of the Restrictive Covenant to the City for approval prior to recordation which approval shall not be unreasonably withheld and be given so long as Restrictive Covenant is consistent with the terms of this Agreement. The Owner's obligations under this sub-section (2) shall be satisfied upon the conveyance of the Habitat Property to Habitat, or to any other entity approved by the City Manager, however the restrictions on development set forth herein and in the Restrictive Covenant shall run with the Habitat Property. The parties acknowledge that, prior to conveyance of the Habitat Property to Habitat, Owner shall be required to process a new subdivision plat of “**Block 2**” of the Block Plat in order to legally subdivide the Habitat Property from the balance of Block 2, and the parties agree to use commercially reasonable efforts to prepare, process and approve such subdivision plat as soon as reasonably possible following the Amendment Date. Owner will provide access and stub utilities to the Habitat Property. The parties agree that the approved, completed and accepted Phase 1 infrastructure plan included road ingress and utility stubs to Habitat Property. The Habitat Property shall be conveyed pursuant to a special warranty deed which shall contain a right of reversion whereby the Habitat Property shall revert to the City or its

assignee, if construction of the 40 units is not substantially complete as determined in the sole and absolute discretion of the City within 5-years following the date that the Habitat Property is conveyed to Habitat. The owner of fee title to Block 2 agrees to work in good faith with the owner of the Habitat Property regarding cross access for retention, detention and utilities. To further the objective of the Agreement to create unidentifiable affordable housing, concurrently with the conveyance of the Habitat Property to Habitat, the Habitat Property will be annexed into and subject to the Declaration of Covenants, Conditions and Restrictions for Timber Sky recorded as Instrument No. 2019-3859262 in the Official Records of the Coconino County Recorder (the “**Declaration**”) so that the Habitat Property is subject to the same design review process as the rest of the Project. The Restrictive Covenant will state that the Assessments (as defined in the Declaration) to the Association (as defined in the Declaration) shall be paid by Habitat through a payment from the owners of the homes located on the Habitat Property (each, a “**Homeowner**”), or directly by a Homeowner, if requested by such Homeowner, and that as between Habitat, the City, and the Homeowners, the City is not the responsible party.

- (3) Development Standards. Developers of the above workforce housing projects may elect to use current Zoning Code provisions where advantageous to the developer of the Affordable Rental Units and/or Affordable Ownership Unit(s).
  - (4) Phase 4 Development. Owner agrees and acknowledges that the City will not sign any final plat(s) for “Tract ZZ” of the Timber Sky Final Block Plat – Phase 2 recorded in the Official Records of the Coconino County Recorder at Instrument Number 33937728 until (i) the Restrictive Covenant is recorded against the Affordable Rental Property and the City has accepted a complete rough grading certificate for Block 1, and (ii) the Habitat Property has been conveyed to Habitat or other entity approved by the City Manager. However, the City shall review and consider for approval any site plan, preliminary plat and final plat prior to the satisfaction of Owner’s obligations as set forth in the preceding sentence.
3. Water System Improvement Requirements. The parties agree that Section 8.4.1, Section 8.4.1.1 and Section 8.4.1.2 of the Agreement are hereby deleted in their entirety and water capacity fees will instead be collected in the ordinary course of development.
  4. Alternative Payment Schedule for Engineering Fees. In the first sentence of Section 13.1, the term “100 AMI-accessible units” is replaced with “Affordable Rental and Ownership Units”. The following sentences are added to the end of Section 13.1:

The monetary penalty as described above shall be satisfied or no longer required when the affordability obligations as modified in Section 5.2 of this Amendment are satisfied and the final plat for Tract ZZ is eligible for City signature. Notwithstanding anything to the contrary herein, Owner shall pay current Engineering Fees for Phase 4.

5. Miscellaneous. Except as stated herein, the Agreement shall remain in full force and effect and is hereby ratified and approved. If there is any inconsistency between the terms of the Agreement and the terms of this Amendment, the provisions of this Amendment will govern and control the rights and obligations of the parties. This Amendment may be signed in counterparts.
6. Conflict of Interest. This Amendment and the Development Agreement may be cancelled by the City pursuant to A.R.S. § 38-511.

[Balance of Page Intentionally Left Blank; Signature Page Follows]

IN WITNESS WHEREOF, City and Owner have executed this Amendment as of the date first set forth above.

**“City”**

City of Flagstaff, an Arizona municipal corporation

  
\_\_\_\_\_  
Paul Deasy, Mayor

Attest:

  
\_\_\_\_\_  
City Clerk

Approved as to form:

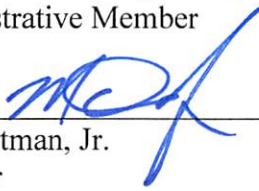
  
\_\_\_\_\_  
City Attorney

**“Vintage”**

VP 66 & Woody Mountain, L.L.C., an Arizona limited liability company

By: Vintage Partners, LLC, an Arizona limited liability company  
Its: Manager

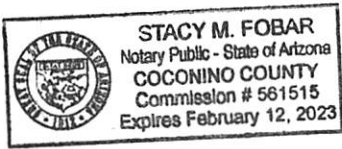
By: Edward & Company, LLC, an Arizona limited liability company  
Its: Administrative Member

By:   
\_\_\_\_\_  
Mark Ortman, Jr.  
Its: Manager

STATE OF ARIZONA )  
COUNTY OF COCONINO )

ACKNOWLEDGMENT

On this 25 day of October, 2022, before me, a Notary Public, personally appeared Paul Deasy, Mayor of the City Flagstaff, known to be or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument and acknowledged that she executed the same on behalf of the City of Flagstaff, for the purposes therein contained.



Stacy M Fobar  
Notary Public  
My Commission Expires: 2/12/2023

STATE OF ARIZONA )  
COUNTY OF MARICOPA )

ACKNOWLEDGMENT

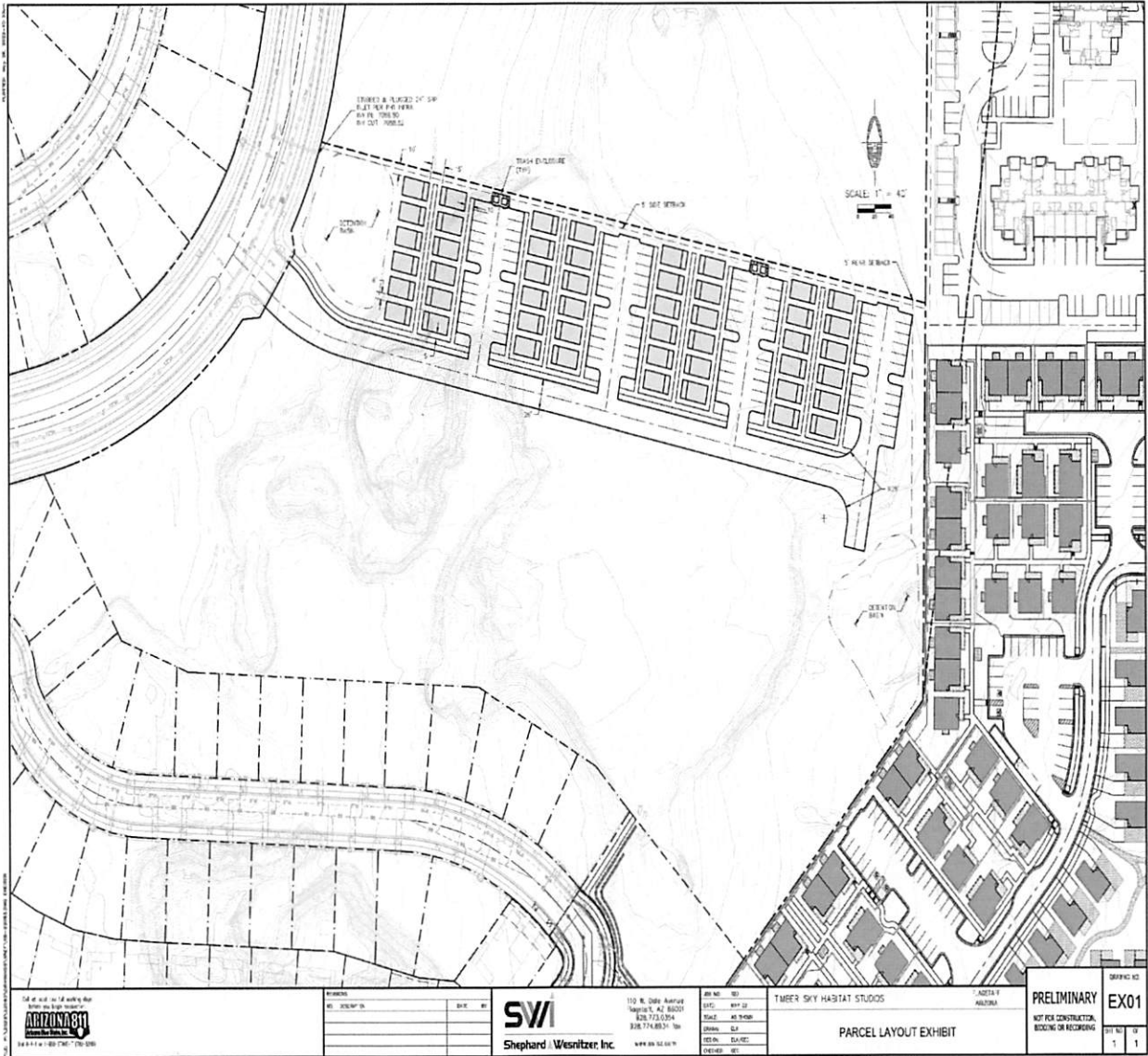
On this 13 day of October, 2022, before me, a Notary Public, personally appeared Mark Ortman, Jr., known to me to be or satisfactorily proven to be the person whose name is subscribed to the foregoing instrument and acknowledged that he/she executed the same on behalf of VP 66 & Woody Mountain, L.L.C., an Arizona limited liability company, for the purposes therein contained.





Lesaa Blunt  
Notary Public  
My Commission Expires: November 12, 2025

# Exhibit A

## Depiction of Habitat Property



	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="font-size: 8px;">PROJECT</td> <td style="font-size: 8px;">NO. 00000000</td> <td style="font-size: 8px;">DATE</td> <td style="font-size: 8px;">BY</td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </table>	PROJECT	NO. 00000000	DATE	BY					 <p style="font-size: 8px;">Shepard   Wesitzer, Inc.</p>	<p style="font-size: 8px;">110 N. 28th Avenue Tempe, AZ 85281 480.774.8334 www.swi.com</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="font-size: 8px;">JOB NO.</td> <td style="font-size: 8px;">00</td> </tr> <tr> <td style="font-size: 8px;">DATE</td> <td style="font-size: 8px;">08/12</td> </tr> <tr> <td style="font-size: 8px;">SCALE</td> <td style="font-size: 8px;">AS SHOWN</td> </tr> <tr> <td style="font-size: 8px;">DRAWN BY</td> <td style="font-size: 8px;"> </td> </tr> <tr> <td style="font-size: 8px;">CHECKED BY</td> <td style="font-size: 8px;"> </td> </tr> </table>	JOB NO.	00	DATE	08/12	SCALE	AS SHOWN	DRAWN BY		CHECKED BY		<p style="font-size: 8px;">TIMBER SKY HABITAT STUDIOS</p> <p style="font-size: 8px;">PARCEL LAYOUT EXHIBIT</p>	<p style="font-size: 8px;">SHEPARD   WESITZER, INC.</p> <p style="font-size: 8px;">PRELIMINARY EX01</p> <p style="font-size: 8px;">NOT FOR CONSTRUCTION, BIDDING OR RECORDING</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="font-size: 8px;">SHEET NO.</td> <td style="font-size: 8px;">1</td> <td style="font-size: 8px;">OF</td> <td style="font-size: 8px;">1</td> </tr> </table>	SHEET NO.	1	OF	1
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# Timber Sky Development Agreement History

Alexandra Pucciarelli  
Current Planning Manager  
September 12, 2023

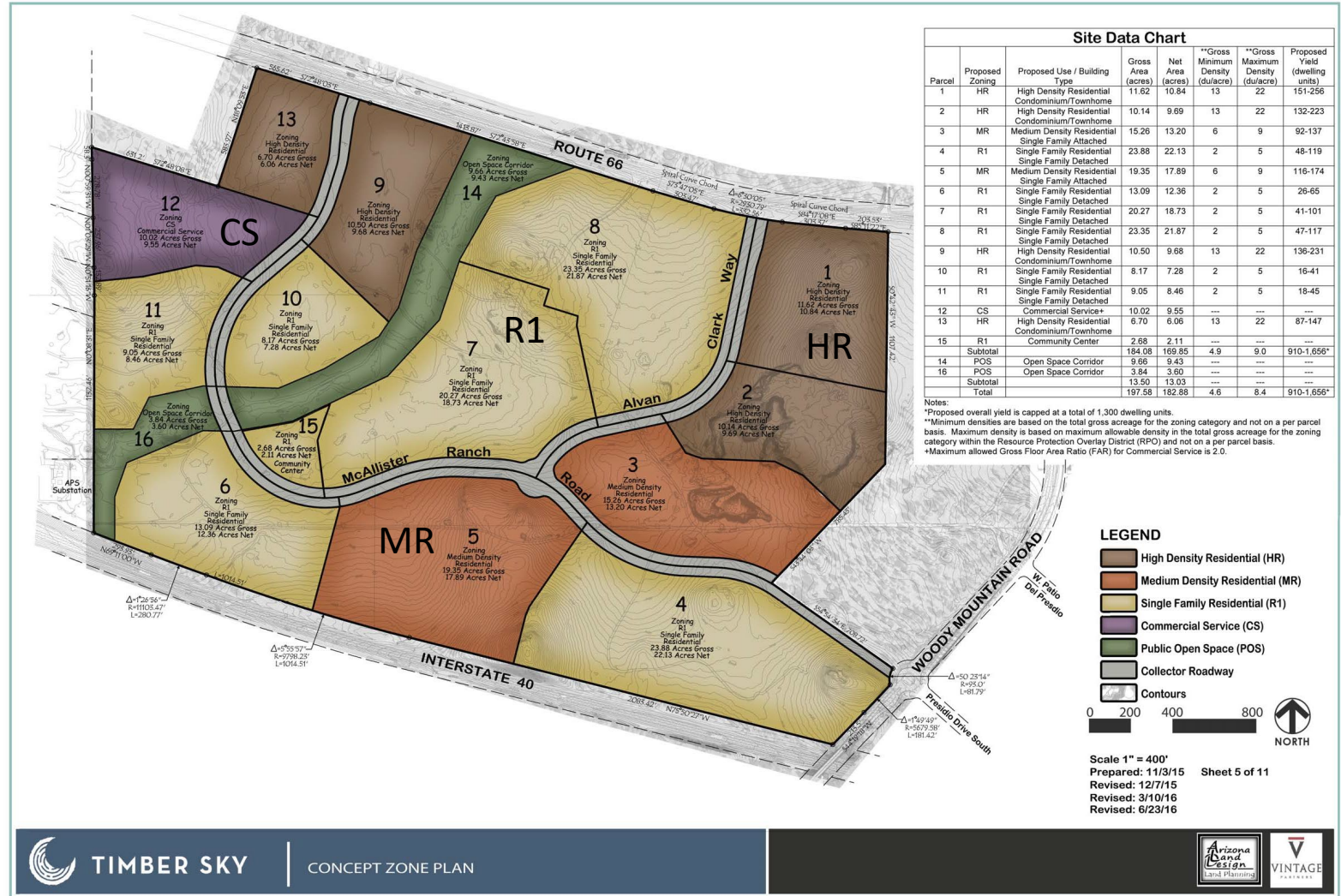




# Timber Sky Summary



- 2016 Annexation, Rezoning, and Block Plat approved by City Council in conjunction with Development Agreement.
- 910 min/ 1,656 max dwelling units
- 1,300 max dwelling units per impact analysis
- 10.02 acres of commercial development





# Timber Sky Block Plat

## Block Plat

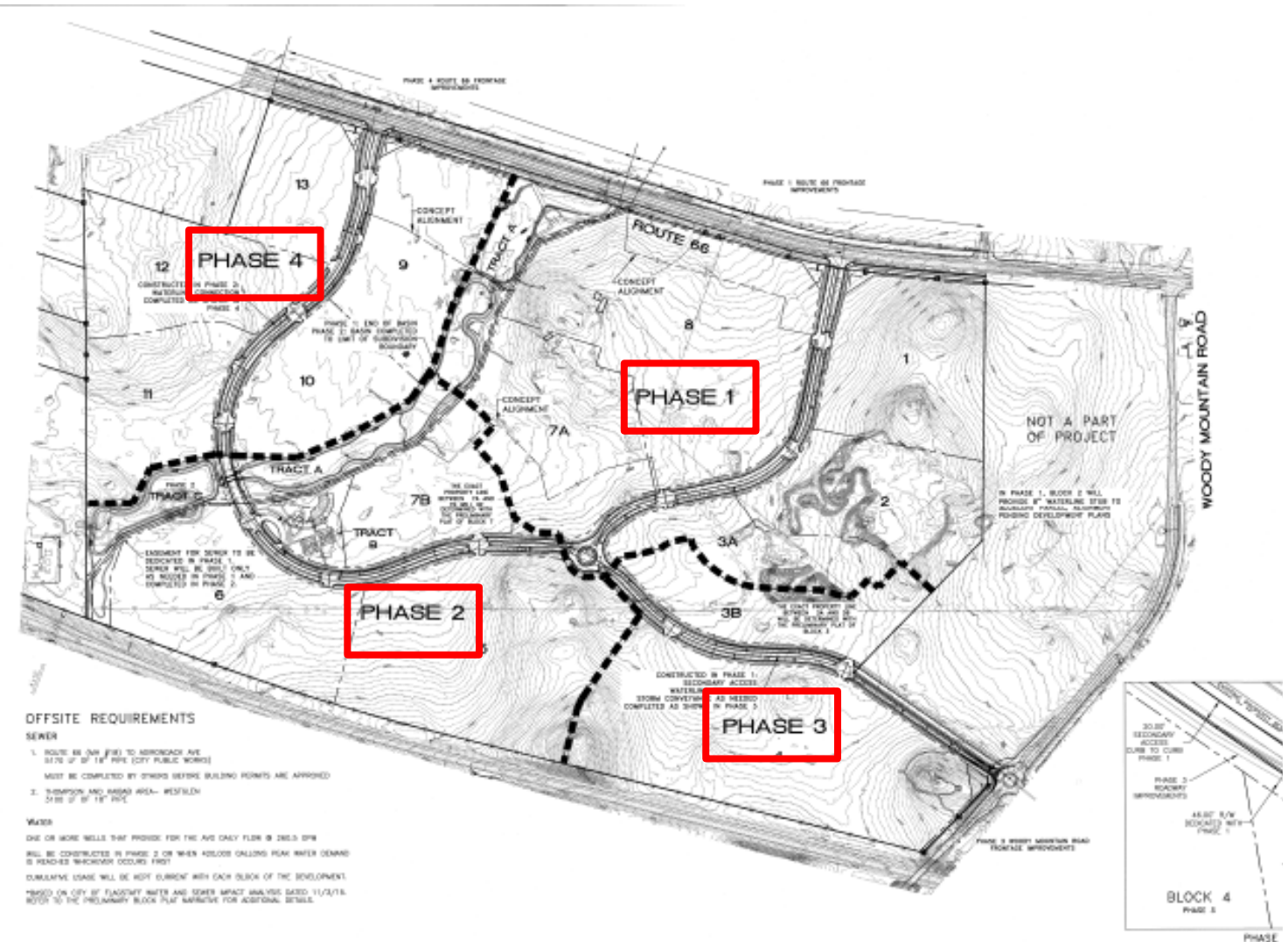
- 13 Blocks (blocks 3 & 7 are split over phases due to edge improvements resulting in 15 blocks)

## Phase 1 Block Plat

- Includes Blocks 1, 2, 3A, 7A & 8
- Final Plat approved 2017
- Blocks 8, 7A & 3A subdivided for single-family residential
- Blocks 1 & 2 remain undeveloped

## Phase 2 Block Plat

- Originally included Blocks 5, 6 & 7B.
- Phase 2 and 3 combined as Phase 2
- Now includes Blocks 3B & 4 as well
- Blocks 3B, 4 and 7B subdivided for single-family residential
- Blocks 5 & 6 final plats go before Council 9/19





# Timber Sky Subdivisions



\* Insert current map of Timber Sky shows blocks that have been or are in the process of being subdivided.



# Original Development Agreement

- Section 5.2 states the Project will deliver 100 residential ownership units with a minimum of 2 bedrooms and 2 bathrooms that will be sold at or below 125% of the AMI affordability level. These were to be Land Trust Units and subject to an Affordability Plan. The units would be disbursed throughout the first three phases of development within the MR and HR zones.
- City obligations to reimburse the developer for upsizing and extending water and sewer infrastructure adjacent to and extending beyond the boundaries of the Subject Property
- Owner obligations included the provision of on-site and off-site water and sewer improvements per the approved Water Sewer Impact Analysis
- Provision of a sewer line easement through the property at the time of Phase 1 Final Block Plat
- Traffic mitigation
- Increased outdoor lighting standards
- Stormwater mitigation as well as maintenance of on-site improvements



# First Amendment

- In the original development agreement, the Owner agreed to replace the existing 8" sewer line with an 18" diameter pipe the reach of 3,100 feet along Thomson Street and West Kaibab. The first amendment had the Owner agreeing to replace this section of sewer with a combination of an 18", 21", and 24" diameter pipe as well as the extension of the 24" line in the Clay Avenue Wash. These improvements were a planned City project and as a result, the City agreed to reimburse the Owner for the cost of the project.
- The original development agreement also required all off-site sewer improvements completed prior to the issuance of the first building permit. The City agreed that there is capacity in the current sewer system for 125 single-family dwelling units and the City agreed to issue permits for those units in advance of the completion of the above referenced sewer improvement. Additional units may be permitted depending upon the completion of the sewer improvement plans.



# Second Amendment



- Engineering Fees and cost recovery schedule that were in place when Development Agreement was adopted by City Council will apply to the project for the term of the Development Agreement as an incentive for Vintage delivering 100 affordable housing units within the development.
- Establishes 75% target for sale of affordable housing units prior to plat recordation within Phase 4. If 75% of the affordable units have not been sold and transferred to the City's Community Land Trust (CLT) prior to developer requesting plat approval for Phase 4, the City will withhold plat recordation within Phase 4 until the target is met, or until Vintage pays \$16,000 for each undelivered affordable unit.
- If the affordable units are not selling at 100% of area median income (AMI), the amendment allows for the Affordability Plan to be amended to adjust the AMI for qualified buyers to 125% of the AMI affordability level.



# Third Amendment



- The City will complete Phase I construction of the Westside Sewer Interceptor.
- Vintage agrees to publicly procure and construct Phase II of the Westside Sewer Interceptor.
- The City agrees to reimburse Vintage for all costs associated with the construction of Westside Sewer Interceptor, Phase II (Thompson-Kaibab portion), including permit fees and reasonable project management expenses to be approved by the City.
- Phase I and Phase II of the Westside Sewer Interceptor project have since been completed



# Fourth Amendment

- Allows the density of the project to be transferred between development parcels regardless of zoning category. This provision will not increase the overall maximum density for the project, nor will it permit the density of any individual development parcel to exceed the maximum density for that parcel.
- The section of the original Development Agreement requiring 100 residential ownership units was replaced with the following provisions:
  - Affordable Rental Units: First, Block One will be sold to Roers Flagstaff Apartment Owners, LLC for the development of affordable rentals. Block One will be deed-restricted, requiring the development of at least 190 affordable residential units that will be rented to lessees with an average household income of 60% or less of the Area Median Income (AMI) for a period of no less than 30 years. The Vintage obligation is met once Roers (or other developer) breaks ground on project.



# Fourth Amendment

Affordable Ownership Units: Vintage will donate no less than three acres to Habitat for Humanity to develop no less than 40 homes for permanent affordability through the City Community Land Trust program. The specific land and proposed layout was attached to the Development Agreement Amendment. The units will be part of the Timber Sky Homeowners Association and therefore subject to the same design standards in order to maintain consistency in the community. The property will revert to the City of Flagstaff if development is not complete within five years of Agreement. The City and Habitat shall enter into an agreement regarding the specifics of the housing development.

- Sections 8.4.1.1 and 8.4.1.2 Water Fees: These sections will be deleted because water fees are no longer necessary.



# Affordable Housing Status



- The Affordable Housing required of the Timber Sky development is currently proposed to be met by two projects.
- The first project is Woody Mountain Apartments a 221 unit for rent 100% affordable development. The Site Plan application was conditionally approved by Staff on May 18, 2023. The developer is requesting modifications to development standards which must be approved by Council. Staff has not received an application for the modifications to date.
- The second project is a partnership with Habitat for Humanity. The Concept Plat application was approved by Staff on May 8, 2023. Staff has not received an application for Preliminary Plat or Site Plan to date.