

After Recording Return to:

City of Goodyear  
190 N. Litchfield Road  
Goodyear, Arizona 85338

**SECOND AMENDED & RESTATED DEVELOPMENT AGREEMENT  
FOR PASEO PLACE PARCEL 1**

THIS SECOND AMENDED & RESTATED DEVELOPMENT AGREEMENT FOR PASEO PLACE PARCEL 1 ("Agreement") is entered into this 5th day of August, 2016, by and between **MELCOR DEVELOPMENTS ARIZONA, INC.**, an Arizona corporation, and **CITY OF GOODYEAR**, an Arizona municipal corporation.

RECITALS

A. Owner owns approximately 120 acres of land consisting of two parcels that are generally located at the southeast and northwest corners of Yuma Road and the 183<sup>rd</sup> Avenue alignment and which are collectively known as "Paseo Place" (formerly Paseo Ridge). Paseo Place consists of two parcels. One of the parcels, consists of approximately 80 acres, is generally located at the southeast corner of Yuma Road and the 183<sup>rd</sup> Avenue Alignment. The other parcel, consists of approximately 40 acres, is generally located at the northwest corner of Yuma Road and the 183<sup>rd</sup> Avenue Alignment. Both parcels are located in the West Goodyear Central Planning Area (the "WGCPA"), which is generally bounded by Interstate 10 on the north, MC 85 on the south, Cotton Lane on the east and Perryville Road on the west. This Agreement applies to the approximate 40 acre parcel, Paseo Place Parcel 1 (formerly known as Paseo Ridge Phase 2), which is more particularly described on Exhibit A, which is attached hereto and incorporated herein by this reference (the "Property").

B. Owner's predecessor in interest in the Property, in concert with a number of other owners of property located in West Goodyear known as the Initial Development Group (the "IDG"), entered into a Memorandum of Understanding ("MOU") with City (see Resolution # 2005-981, dated May 23, 2005) addressing the development and infrastructure needs in West Goodyear and the development review process for the properties owned by the IDG. At the time the MOU was executed, the WGCPA was not being served by City wastewater, water or fire/EMT facilities and the IDG Members, including Owner's predecessor in interest in the Property, developed a contractual framework as set forth in the MOU that would allow for the construction of the municipal facilities needed for the City to provide these services.

C. Pursuant to the terms of the MOU, Owner and the City entered into a Pre-Annexation Development Agreement for Paseo Ridge dated June 12, 2006, which was recorded in the Official Records of Maricopa County on June 20, 2006 as Instrument No. 2006-0826152 and which applied to both of the Paseo Place parcels.

D. On June 26, 2006, the City annexed the Property into the municipal boundaries of the City by Ordinance No. 2006-1015 and amended the zoning of the Property by Ordinance 2006-1016 from the Agricultural Urban (AU) Zoning District to R1-6 Single Family Zoning District to be known as Paseo Ridge 1, which included the 0.85 density bonus per acre over and above the base density of the General Plan Land Use designation for the Property pursuant to the Pre-Annexation Development Agreement.

E. Under the terms of the MOU and the subsequent agreements entered into between the City and other IDG Members, including the Pre-Annexation Development Agreement for Paseo Ridge, Owner's predecessor in interest in the Property and the other members of the IDG agreed, among other things, to: have a master water study for the WGCPA prepared that identified water related improvements, including regional water delivery mains needed to provide water service to the WGCPA and to have a master wastewater study for the WGCPA prepared that identified wastewater related improvements, including regional wastewater trunk lines, needed to provide wastewater service to the WGCPA; to construct the regional water delivery mains identified in the approved master water study and the regional wastewater trunk lines identified in the master wastewater trunk line study; and to make a series of financial contributions that would enable the City to move forward with any necessary land acquisitions, followed by the design, construction and operation of municipal facilities, other than the regional water delivery mains and regional wastewater trunk lines, needed to serve the IDG Properties.

F. In exchange, the City agreed, among other things, to grant a density bonus of 0.85 dwelling units per acre over and above the base density of the General Plan Land Use Designation for the Property, to administer a Cost Recovery Ordinance for the reimbursement of the regional water delivery mains and regional wastewater trunk lines, to provide water and wastewater service to the Property provided the regional water delivery mains and regional wastewater trunk lines identified in the Master Utility Studies were installed and to provide Fire/EMT Services.

G. On July 10, 2006, the Goodyear City Council adopted Resolution of Intention 06-1064 authorizing the formation of a Special Public Improvement Project Area for the construction of Special Public Improvements consisting of various regional water delivery mains and authorizing the City to seek reimbursement from the owners of the properties benefited by the Special Public Improvements for the costs of constructing the Special Public Improvements.

H. On July 10, 2006, the Goodyear City Council adopted Resolution of Intention 06-1065 authorizing the formation of a Special Public Improvement Project Area for the construction of Special Public Improvements consisting of various regional wastewater trunk lines and authorizing the City to seek reimbursement from the owners of the properties benefited by the Special Public Improvements for the costs of constructing the Special Public Improvements.

I. Following the adoption of Resolution 06-1064 and Resolution 06-1065, certain of the Special Public Improvements identified in the resolutions were constructed. The Special Public Improvements that have been constructed as of the date of this Agreement include the

regional wastewater trunk lines identified in the West Goodyear Central Planning Area Master Wastewater Trunk Line Study Update June 2006 and in Resolution 06-1065 as lines B, C, E, I, J, and K and the regional water delivery mains identified in the West Goodyear Central Planning Area Master Water Study Updated 2006 and Resolution 06-1064 as lines A, B1, G, I and J.

J. Certain of the Special Public Improvements that have been constructed as of the date of this Agreement benefit the Property and Owner is responsible for paying a percentage of the costs of the Special Public Improvements based on the proportional benefit the Property receives from the Special Public Improvements.

K. None of the Regional Water Delivery Lines that have been completed to date are identified in the Cost Recovery Resolution – Water Delivery Lines as benefiting the Property. The proportional benefit, as established in the Cost Recovery Resolution – Wastewater Trunk Lines the Property receives from the Special Public Improvements that have been constructed to date and the costs of the Special Public Improvements identified in the – Wastewater Trunk Lines for the Special Public Improvements that have been constructed to date and for which Owner is responsible for paying is as follows:

Wastewater Special Public Improvements (SPI) Resolution 06-1065	Eligible Reimbursement Amount	Proportional Benefit of SPI to Property	Reimbursement Amount
Line B (Paseo Place Parcel 1 fka Paseo Ridge Phase 2)	\$5,572,318.00	01.41%	\$ 78,660.00
Line E (Paseo Rid(Paseo Place Parcel 1 fka Paseo Ridge Phase 2)ge 2)	\$1,407,563.00	02.17%	\$ 30,509.00
Line I (Paseo Place Parcel 1 fka Paseo Ridge Phase 2)	\$2,344,372.0*78660	04.02%	\$ 94,203.00
Line (Paseo Place Parcel 1 fka Paseo Ridge Phase 2)	\$ 650,444.00	04.02%	\$ 26,137.00
Line K (Paseo Place Parcel 1 fka Paseo Ridge Phase 2)	\$1,207,844.00	04.68%	\$ 56,527.00

L. Because of the downturn in the economy, Owner's predecessor in interest did not move forward with obtaining final plats for the property and none of the financial contributions contemplated in the Pre-Annexation Development Agreement have been made. A similar situation existed with the majority of the IDG Properties.

M. In an effort to spur the development of the West Goodyear Central Planning Area, the Owner's predecessor in interest in the Property and City entered into an Amended and Restated Development Agreement (Paseo Ridge) dated October 28, 2013, which was recorded in

the Official Records of Maricopa County on November 5, 2013 as Instrument No. 20130965260, which replaced the Pre-Annexation Agreement, and, which allowed the Owner to retain the density bonus provided under the Pre-Annexation Agreement while relieving the Owner of having to make various financial contributions set forth in the Pre-Annexation Agreement.

N. In January of 2012, certain of the IDG Members hired Coe and Van Loo Consultants, Inc. to prepare a West Goodyear Central Planning Area Master Reclaimed Water Study and to update the 2006 West Goodyear Central Planning Area Master Water Study and the 2006 West Goodyear Central Planning Area Master Wastewater Trunk Line Study to identify current water related improvements, including regional water delivery mains, wastewater related improvements and reclaimed water improvements, including updating with current standards the regional wastewater, reclaimed water and water service needs for the WGCPA. The updated Master Utility Studies were approved by the City on January 15, 2013.

O. The total fees for updating the Master Utility Studies and the work needed to support the proposed adoption of new Resolutions of Intention was \$86,538.75 and the Owner and the other IDG Members who paid these fees have identified other properties within the WGCPA that will benefit from the work that was performed. Attached as Exhibit C is a list of the benefitted properties and an allocation of the \$86,538.75 based on the proportionate benefit each benefitted property receives from the work, a notation of the benefitted properties whose owners have paid their proportionate share of the costs of this work.

P. Following the City's approval of the updated Master Utility Studies, the Goodyear City Council adopted Resolution 14- 1621, which amended Resolution of Intention 06-1064 to allow for the recovery of the regional water delivery lines as reflected in the updated Master Utility Studies; and the Goodyear City Council adopted Resolution 14-1622, which amended Resolution of Intention 06-1065 to allow for the recovery of the regional wastewater trunk lines as reflected in the updated Master Utility Studies.

Q. Although the Amended and Restated Development Agreement provided relief from various financial obligations in the Pre-Annexation Agreement, the Owner, along with other Owners of property in the West Goodyear Central Planning Area, have sought additional concessions that are intended to spur development in the West Goodyear Central Planning Area

R. The City is willing to enter into such agreements to allow for the timely development of the Owner's Property and the other IDG Properties who may come forward with similar agreements.

S. Owner and City desire to enter into this Agreement for the purpose of outlining and setting forth certain obligations and commitments of the Parties relative to the contemplated development of the Property, intending this document to be a Development Agreement within the meaning of A.R.S. § 9-500.05.

### AGREEMENT

NOW, THEREFORE, in consideration of the mutual obligations contained herein and for good and valuable consideration, the receipt of which is hereby acknowledged, Owner and City agree as is more specifically set forth in this Agreement:

1. INCORPORATION OF RECITALS: The accuracy of the above Recitals is confirmed and all of the above-mentioned Recitals are incorporated herein and are hereby made provisions of this Agreement with the same force and effect as if set forth fully in this Paragraph 1.

2. DEFINITIONS: Capitalized Terms not identified in the foregoing Recitals are defined as follows:

2.1. "Agreement" means this Second Amended & Restated Development Agreement For Place Parcel 1 as it may be amended and restated and/or supplemented in writing from time to time, and all exhibits and schedules attached thereto. References to Paragraphs or Exhibits are to this Agreement unless otherwise specified.

2.2. "City" means the City of Goodyear, an Arizona municipal corporation.

2.3. "Cost Recovery Resolution" means a resolution adopted by the City pursuant to the requirements of Article 24.1 of the Goodyear City Code as it may be amended from time to time declaring certain public infrastructure improvements to benefit more than just a specific property and allowing for the collection of reimbursements for portions of the costs of such improvements from other properties benefitted by such improvements.

2.4. "Cost Recovery Resolution – Water Delivery Lines" shall mean Resolution of Intention No. 06-1064 as amended by Resolution No 14-1621 and Resolution No. 16-1747, and as may be amended in the future in accordance with Paragraph 18 and all subparagraphs therein below.

2.5. "Cost Recovery Resolution – Wastewater Trunk Lines" shall mean Resolution of Intention No. 06-1065 as amended by Resolution No 14-1622 and Resolution No. 16-1748, and as may be amended in the future in accordance with Paragraph 18 and all subparagraphs therein below.

2.6. "Development Regulations" means all applicable laws, codes, ordinances, rules, regulations, standards, guidelines, conditions of approval, and the like governing the development of property within the City as they may be amended from time to time. This includes, by way of example but not limitation: the Building Codes and Regulations (currently Chapter 9 of the Goodyear City Code), the Subdivision Regulations adopted by the City of Goodyear (currently Chapter 15 of the Goodyear City Code), City's Zoning Ordinance, the City of Goodyear's Design Guidelines Standards, the City of Goodyear Engineering Design Standards and Policies as they all may be adopted and amended from time to time; ordinances rezoning the Property including stipulations and conditions of approval thereto; and stipulations and conditions of approvals of approved preliminary and final plats for the Property.

2.7. “External Infrastructure” means the Regional Water Delivery Lines, the Regional Wastewater Trunk Lines, and all other infrastructure improvements required under the Development Regulations and this Agreement for the development of the Property located along the perimeter of the Property, which includes by way of example, Regional Water Delivery Lines, Regional Wastewater Trunk Lines, arterial streets; and any intersections located in whole or in part on an arterial street.

2.8. “IDG Members” means the owners of those properties in the west Goodyear area that entered into the MOU or their successors and assigns.

2.9. “IDG Properties” means the properties owned by the IDG Members as identified in the MOU.

2.10. “Initial Development Agreement” means the Pre-Annexation Development Agreement (Paseo Ridge) dated June 12, 2006, which was recorded in the Official Records of Maricopa County on June 20, 2006 as Instrument No. 2006-0826152.

2.11. “Internal Infrastructure” means all infrastructure improvements required under the Development Regulations needed to serve the Property that are located within the boundaries of the Property and are intended to primarily serve the Property, such as internal streets, collectors, intersections, sidewalks, landscaping, water lines, wastewater lines, and open spaces such as parks, trails, and common areas.

2.12. “Master Utility Studies” means collectively the “Master Water Study” and the “Master Wastewater Study” as defined below.

2.12.1. “Master Water Study” means the West Goodyear Central Planning Area Master Water Study Update dated December 11, 2012 and approved by the City on January 15, 2013 as revised by the West Goodyear Central Planning Water Study Update, reissued March 21, 2014 and approved by the City on April 7, 2014, and as may be modified in the future, on file with the City.

2.12.2. “Master Wastewater Study” means the West Goodyear Central Planning Area Master Wastewater Study Update, dated December 11, 2012 and approved by the City on January 15, 2013 as modified by the West Goodyear Central Planning Area, Master Wastewater Study Update Supplement 1, dated March 21, 2014 and approved by the City on April 7, 2014 and as modified by the West Goodyear Central Planning Area, Master Wastewater Study Update Supplement 1 – Amendment 1, dated March 21, 2014 and approved by the City on April 7, 2014, and as may be modified in the future, on file with the City.

2.13. “Owner” means Melcor Developments Arizona, Inc., an Arizona corporation and its Successors and Assigns.

2.14. “Party” means City or Owner individually depending upon the context.

2.15. “Parties” means City and Owner collectively.

2.16. "Phased Property" means the portion(s) of the Property included within a recorded final plat that is subject to a Phasing Plan that identifies External Infrastructure and/or Internal Infrastructure that must be completed to allow for vertical construction to occur within such portion of the Property.

2.17. "Phasing Plan" means a written plan, which may include narratives and/or exhibits; approved by the City Engineer or his/her designee that provides for the phased construction of External Infrastructure and/or Internal Infrastructure that is required to be constructed pursuant to a recorded final plat or this Agreement that identifies the Phased Property and includes a description of the External Infrastructure, including segments of the Regional Water Delivery Lines and Regional Wastewater Trunk Lines, and the Internal Infrastructure that must be completed such that the development of the Phased Property complies with all applicable Development Regulations.

2.18. "Platted Property" means the portion of the Property that is subject to a recorded final plat.

2.19. "Pre-Annexation Agreement" means the Pre-Annexation Development Agreement (Paseo Ridge) dated June 12, 2006, which was recorded in the Official Records of Maricopa County on June 20, 2006 as Instrument No. 2006-0826152

2.20. "Regional Lines" means the Regional Wastewater Trunk Lines and the Regional Water Delivery Lines."

2.21. "Regional Wastewater Trunk Lines" means the wastewater lines identified in the Master Wastewater Study as benefiting the Property and other properties in the West Goodyear Central Planning Area and that are included in the Cost Recovery Resolution – Wastewater Trunk Lines and/or in any other Cost Recovery Resolution adopted by the City.

2.22. "Regional Water Delivery Lines" means the water delivery lines identified in the Master Water Study as benefiting the Property and other properties in the West Goodyear Central Planning Area and that are included in the Cost Recovery Resolution – Water Delivery Lines and/or in any other Cost Recovery Resolution adopted by the City .

2.23. "Successors and Assigns" means any person or entity that succeeds to or is assigned any interest in all or part of the Property except as provided in Paragraph 21.3 below.

3. EFFECTIVE DATE. The execution of this Agreement by the Parties and the approval of this Agreement by Resolution of the Goodyear City Council are conditions precedent to this Agreement becoming effective. This Agreement shall take effect upon the later of (i) the full execution of this Agreement by the Parties and (ii) the date the Resolution approving this Agreement becomes effective.

4. ENTIRE AGREEMENT. This Agreement, together with the attached Exhibits (which are incorporated herein by this reference) constitutes the entire Agreement between the

Parties pertaining to the subject matter of this Agreement as it applies to the Property, and all prior and contemporaneous agreements, representations, negotiations, and understandings of the Parties, oral or written pertaining to the subject matter of this Agreement as it applies to the Property, including, without limitation, the Amended & Restated Development Agreement (Paseo Ridge) dated October 28, 2013, which was recorded in the Official Records of Maricopa County on November 5, 2013 as Instrument No. 20130965260, are hereby superseded and merged herein as it applies to the Property. The Parties agree that this Agreement supersedes and replaces the Amended and Restated Development Agreement (Paseo Ridge) dated October 28, 2013, which was recorded in the Official Records of Maricopa County on November 5, 2013 as Instrument No. 20130965260 in its entirety as it applies to the Property and the Amended & Restated Development Agreement (Paseo Ridge) dated October 28, 2013, which was recorded in the Official Records of Maricopa County on November 5, 2013 as Instrument No. 20130965260 shall have no further force or affect after the effective date as it applies to the Property except with respect to terms in the Amended & Restated Development Agreement (Paseo Ridge) dated October 28, 2013, which was recorded in the Official Records of Maricopa County on November 5, 2013 as Instrument No. 20130965260 that expressly survive the expiration or earlier termination of the Amended & Restated Development Agreement (Paseo Ridge) dated October 28, 2013, which was recorded in the Official Records of Maricopa County on November 5, 2013 as Instrument No. 20130965260.

4.1. The City shall record this Agreement in the Official Records of Maricopa County, Arizona within ten days after the Agreement has been approved by the City Council and the Agreement has been fully executed by the Parties.

5. AMENDMENTS. In order for an amendment to become effective, the Party seeking the amendment shall submit its proposed amendment in writing to the other Party for review. To be effective, amendments shall be approved by the City Council, signed by the Parties and attached to this Agreement as an addendum. Amendments shall also be recorded in the Official Records of Maricopa County within ten (10) days after execution.

6. PRIVATE PROPERTY RIGHTS PROTECTION ACT. **OWNER IS AWARE OF AND UNDERSTANDS ITS RIGHTS AS THE OWNER OF THE PROPERTY UNDER THE PRIVATE PROPERTY RIGHTS PROTECTION ACT (A.R.S. §12-1131, ET SEQ.). OWNER AGREES THAT, AS OF THE DATE CITY COUNCIL APPROVES AND ADOPTS THIS AGREEMENT, OWNER HAS RECEIVED EQUAL PROTECTION OF THE LAWS AND DUE PROCESS OF ALL CLAIMS AND REQUESTS, AND HAS NOT SUFFERED ANY COMPENSABLE REGULATORY TAKING (AS THOSE TERMS AND THEIR RELATED CLAIMS ARE DEFINED BY ARIZONA STATE AND FEDERAL CONSTITUTIONAL JURISPRUDENCE) OR ANY DAMAGES OR LOSSES COMPENSABLE UNDER THE PRIVATE PROPERTY RIGHTS PROTECTION ACT (A.R.S. § 12-1131 ET SEQ.) FROM ANY ACTIONS, INCLUDING ZONING AND OTHER CONDITIONS OF APPROVAL RELATED TO THE ENTITLEMENT AND DEVELOPMENT OF THE PROPERTY, TAKEN BY THE CITY IN CONNECTION WITH THE PROPERTY. OWNER FURTHER AGREES THAT ANY FUTURE ACTION TAKEN CONSISTENT WITH THIS AGREEMENT OR ANY APPROVAL RECEIVED PRIOR TO THE DATE THE CITY COUNCIL APPROVES AND ADOPTS**



**THIS AGREEMENT WILL NOT CREATE ANY COMPENSABLE REGULATORY TAKING (AS THOSE TERMS AND THEIR RELATED CLAIMS ARE DEFINED BY ARIZONA STATE AND FEDERAL CONSTITUTIONAL JURISPRUDENCE) OR ANY DAMAGES OR LOSSES COMPENSABLE UNDER THE PRIVATE PROPERTY RIGHTS PROTECTION ACT (A.R.S. § 12-1131 *ET SEQ.*).**

7. REQUIREMENTS NOT ADDRESSED. The Parties acknowledge and agree that this Agreement addresses only certain issues with respect to the development of the Property and provides only those rights expressly set forth in this Agreement. Except as expressly provided otherwise in this Agreement, this Agreement does not relieve Owner from constructing additional public or private infrastructure that may be required by Federal, State, County or City laws, ordinances, codes, rules, regulations, standards, guidelines, conditions of approval and the like, including by way of example but not limitation, infrastructure needed for drainage, internal roads, and emergency access roads. Except as expressly provided otherwise in this Agreement, this Agreement does not relieve Owner from complying with the City's requirements concerning the development process, including by way of example but not limitation, complying with procedures and processes governing submission requirements for zoning, preliminary subdivision plats, final subdivision plats and/or site plans, and paying all applicable costs, permit fees, development fees, application fees, and taxes.

8. FUTURE CONDITIONS and APPROVALS. The Parties acknowledge and agree that this Agreement addresses only limited issues relative to the development of the Property and that the Agreement does not limit or preclude the City from imposing additional restrictions, requirements, contributions, conditions or the like for the development of the Property that may be allowed by law, unless expressly addressed herein. The Parties agree that nothing in this Agreement shall be deemed to require the City to grant any future administrative or legislative approvals related to the development of the Property that would be in addition to those approvals the City has already provided to the Property as of the Effective Date of this Agreement provided, however, such approvals have not already expired or been terminated, do not expire or terminate pursuant to the terms of this Agreement, or are not revoked or terminated because of a breach of this Agreement. Regardless of whether the action or payment is provided for in this Agreement, the Parties acknowledge and agree that the City is not required to undertake any action or make any payments if any federal, state, or local law requires formal action and approval by the City Council before undertaking such action or payment until the City Council has taken the required formal action and has approved the action or payment. The Parties agree that nothing in this Agreement shall affect the City's legislative authority to approve or deny zoning or other development related applications, including applications for preliminary and/or final plats and/or site plans, or the City's legislative authority to impose conditions on the development of the Property. Finally, the Parties agree that except as otherwise expressly provided herein, nothing in this Agreement shall restrict the Owner's rights to object to and pursue all legal remedies to obtain relief from any future conditions, stipulations, policies, procedures, resolutions or ordinances imposed by the City that Owner deems are illegal and/or beyond the scope of the City's statutory authority as applied to the Property.

9. DEVELOPMENT REGULATIONS. Except as otherwise expressly provided in this Agreement and subject to the terms and conditions of this Agreement, the Parties agree that

the development of the Property shall be governed by the Development Regulations in effect as of the date of this Agreement or in effect when the specific development application is approved, whichever is later. For example, future applications for rezoning, future site plans, future plats, construction permits, and/or building permits shall be subject to the Development Regulations in effect when the application is approved.

10. PREPAID FINANCIAL CONTRIBUTIONS. Except for any pre-paid financial contributions required under the MOU and/or the Initial Development Agreement that were made prior to the Effective Date, Owner shall have no obligation to make any of the financial contributions identified in the MOU and/or the Initial Development Agreement.

11. DEVELOPMENT FEES. Owner shall pay City as a condition to the issuance of each building permit, the applicable development impact fees in effect when the permit is issued. The development impact fees shall be subject to certain reductions, credits, reimbursements, and offsets as set forth in this Agreement.

12. PLATS.

12.1. Platting Process: The City will process requests for preliminary plats and/or final plats pursuant to the Development Regulations in effect at the time the applications for the plats are presented. If, at the time the applications for plats are received, the City does not have the resources and/or the facilities, including water resources, which includes the legal and physical availability of water, infrastructure, and/or facilities, such as water and wastewater treatment facilities, to serve the Property, the City shall be able to deny the application or enter into a separate agreement for the development of the resources and facilities needed to serve the property being platted.

12.2. General: Except as otherwise provided herein, Council approved final plats shall not be recorded if there has been a change in ownership of all or part of the Property included within such final plat and/or if there has been a change in the liens or mortgages on all or part of the portion of the Property included within such final plat between the date the final plat was approved or the date a previously approved final plat was amended and the date recordation is sought.

12.2.1. If there have been changes in ownership of all or part of the Property subject to a Council approved final plat and/or changes in the liens or mortgages on all or part of the Property subject to a Council approved final plat, the approved final plat shall not be recorded unless the following conditions are satisfied:

12.2.1.1. The new owner provides an amended final plat for recordation that addresses the change in ownership and/or lienholders and/or mortgagees, i.e. if the approved final plat contemplates the dedication of property, the final plat would have to be amended to reflect that the new property owner is making the dedication and the new lienholder or mortgagee is consenting to the dedication. City Council approval of the amended final plat shall not be required.

12.2.2. Should a final plat be recorded in violation of the provisions of Paragraph 12.2 and all subparagraphs therein then the City shall be entitled, in addition to any other remedies available to it under this Agreement, to withhold building permits until the property owner has taken steps to retroactively comply with the requirements of Paragraph 12.2 and all subparagraphs therein.

12.3. Timing of Recordation of Final Plats. Any final plat subdividing all or part of the Property shall be recorded with the Maricopa County Recorder's office within 270 days of the date the City Council approved the final plat. If a final plat is not recorded within the deadline for recording the final plat, the approval of the final plat shall automatically terminate.

12.4. Requirements for Recordation of First Final Plat or Site Plan Approval: As a condition of the first site plan approval within the Property or prior to or concurrent with the recordation of the first final plat subdividing all or part of the Property, whichever is earlier, Owner, in addition to complying with the requirements for the recordation of any final plat subdividing all or part of the Property and the terms of the Agreement, shall:

12.4.1. to the extent that the Property has irrigation grandfathered water rights, that are not currently being used to actively farm a portion of the Property, extinguish such irrigation water rights and convey, at no cost to the City, any assured water supply credits issued by ADWR as a result of the extinguishment of such right to the City, and if the irrigation grandfathered water rights are being used to actively farm a portion of the Property at the time of the recordation of the first final plat or the first site plan approval, Owner shall, as soon as the property is not being actively farmed, extinguish such irrigation water rights and convey, at no cost to the City, any assured water supply credits issued by ADWR as a result of the extinguishment of such right to the City; and

12.4.2. form a homeowners association ("HOA") for the Property and record restrictive covenants that have been reviewed by the City that include the following minimum requirements: (a) requires front landscaping be installed within sixty (60) days of a certificate of occupancy being issued; (b) provides for the HOA's ownership and maintenance of all open spaces areas, trails, parks and other community amenities; and (c) provides for the HOA's maintenance of all arterial and collector road rights-of-way landscaping except for arterial median landscaping.

12.5. Payments – First Final Plat or First Site Plan Approval. Prior to the first site plan approval for the Property or prior to or concurrent with the recordation of the first final plat subdividing all or part of the Property, whichever is earlier, Owner shall make the following payments:

12.5.1. Owner shall remit to the City the reimbursements owed pursuant to the Cost Recovery Resolution – Wastewater Trunk Lines, and any other Cost Recovery Resolutions adopted by the City for infrastructure improvements included within such resolutions and identified as benefiting the Property and that have been constructed or are under construction as of the date of the approval of the first site plan within the Property or the recordation of the first final plat subdividing all or part of the Property, whichever is earlier. As

of the date of this Agreement, Owner's obligations under Cost Recovery Resolution – Wastewater Trunk Lines is \$286,036.00; and

12.5.2. Owner shall remit, in cash, to the City the portion of the estimated probable costs allocated to the Property pursuant to the Cost Recovery Resolution – Water Delivery Lines for each Regional Water Delivery Line identified as benefiting the Property in the Cost Recovery Resolution – Water Delivery Lines and any other Cost Recovery Resolution adopted in the future. Notwithstanding the foregoing, Owner shall not be responsible for remitting the payments referred to herein for any Regional Water Delivery Line if Owner will be constructing 100% of such line in conjunction with the recordation of the first final plat subdividing all or part of the Property or approval of the first site plan within the Property, whichever is earlier; and

12.5.3. Owner shall remit, in cash, to the City the portion of the estimated probable costs allocated to the Property pursuant to the Cost Recovery Resolution – Wastewater Trunk Lines for each Regional Wastewater Trunk Line identified as benefiting the Property in the Cost Recovery Resolution – Wastewater Trunk Lines and any other Cost Recovery Resolution adopted in the future. Notwithstanding the foregoing, Owner shall not be responsible for remitting the payments referred to herein for any Regional Wastewater Trunk Line if Owner will be constructing 100% of such line in conjunction with the recordation of the first final plat subdividing all or part of the Property or approval of the first site plan within the Property, whichever is earlier.

12.6. Requirements for Recordation of All Final Plats: As a condition of recording any final plat subdividing all or part of the Property, Owner, in addition to complying with the Development Regulations applicable to the recordation of any final plat subdividing all or part of the Property and the terms of the Agreement, shall:

12.6.1. as required by the City Engineer or his designee, update, finalize, submit and obtain the approval of the City Engineer or his designee of all reports and construction plans submitted with the preliminary plat and/or final plat, which shall include, but is not limited to, sewer, water, and drainage reports, for the improvements contemplated by the final plat and as otherwise required in the Development Regulations, this includes, by way of example, but not limitation, construction plans for all roadways reflected on the plats and all utilities that are to be located within such roadways; construction plans for grading and drainage; landscaping plans, lighting plans, etc.; the construction plans and reports for water and sewer lines shall be consistent with the updated Master Utility Studies; and

12.6.2. provide a Phase 1 Environmental Survey in favor of the City of Goodyear covering the rights-of-way, easements or other properties to be dedicated to the City. All environmental conditions noted in the Phase 1 Environmental Survey shall be remediated prior to the recordation of such final plat; and

12.6.3. dedicate to the City, lien free and at no cost, all rights-of-way and/or easements that are needed for roadways, utilities, drainage and the like for the

improvements contemplated by the approved final plat when the plat is recorded or when otherwise required pursuant to a Phasing Plan; and

12.6.4. satisfy all applicable stipulations and conditions of approval of the final plat, and zoning for the Property except as otherwise modified by this Agreement; and

12.6.5. except as otherwise modified by this Agreement, satisfy any other conditions or requirements applicable to the recordation of final plats, approval of a preliminary plat, and/or approval of a site plan as provided in the Development Regulations; and

12.6.6. Owner shall post subdivision improvement bonds or other forms of financial security authorized in the Development Regulations or as otherwise allowed by this Agreement to secure the construction of the infrastructure improvements ("Financial Assurances") prior to the recordation of the final plat or approval of the site plan that triggers the obligation to construct such improvements.

12.7. Impact of Recordation of Final Plats. Following the recordation of an approved final plat, the City will afford the Owner the same rights in said final plat that it provides to other similarly situated holders of recorded City Council approved final plats, including the City's intent to provide water source and water storage capacity along with wastewater treatment capacity, and fire, police and EMT facilities for the platted lots pursuant to the City Codes, ordinance, policies, procedures and budget constraints in place now or in the future. This does not restrict, in any way, the City's rights to take any other actions that are required by, allowed by and/or that are consistent with: the terms and conditions of the rezoning for the Property; the terms of approval of the rezoning for the Property; the terms of approval for the final plat; the terms of this Agreement; the applicable Development Regulations; and with applicable state and federal laws, including, but not limited to the adoption of a moratorium on construction and/or land development as provided under Arizona State Statutes.

### 13. INFRASTRUCTURE, DEDICATIONS, AND IN LIEU PAYMENTS.

13.1. Infrastructure Improvements. Owner shall be responsible for dedicating to the City, lien free and at no cost, rights-of-way and/or easements required under the Development Regulations and this Agreement for the development of the Property. In addition, Owner shall be responsible for constructing and dedicating to the City, lien free and at no cost, all infrastructure improvements required under the Development Regulations, and this Agreement, which includes, by way of example but not limitation, the regional water delivery lines and the regional wastewater trunk lines reflected in the Master Utility Studies, half-street and half-median improvements, and traffic signals. With respect to the water and wastewater infrastructure, Owner shall construct all infrastructure improvements reflected in the Master Utility Studies as being needed to serve the Property, including the Regional Water Delivery Lines, the Regional Wastewater Trunk Lines, and any other infrastructure improvements identified in a Cost Recovery Resolution as benefiting the Property. An in-lieu payment shall be made for the costs of constructing any infrastructure improvements required pursuant to an approved Phasing Plan, approved site plan and/or recorded final plat, including roadway improvements, or portions thereof (such as half-median improvements), if the City Engineer

determines construction of these improvements should be deferred. The in-lieu payment shall be based on an engineer's estimate of the probable cost of such improvements, which shall be approved by the City Engineer or his designee, and, unless otherwise agreed to in a Phasing Plan, shall be paid prior to recordation of any final plat subdividing all or part of the Property that includes parcels that are fully or partially adjacent to the roadways for which the improvements are being deferred and prior to the approval of any site plan within the Property that is adjacent to the roadways for which the improvements are being deferred.

13.1.1. Commencement of Construction. Unless otherwise provided for in a written Phasing Plan, within 180 days of the date of recordation of a final plat subdividing all or part of the Property, Owner shall commence construction of the External Infrastructure (except for the Regional Water Delivery Lines and the Regional Wastewater Trunk Lines) and the Internal Infrastructure needed to serve the portion of the Property subject to such final plat and shall complete the construction of such infrastructure within a commercially reasonable timeframe. If a Phasing Plan is approved, Owner shall commence construction of all External Infrastructure (except for the Regional Water Delivery Lines and the Regional Wastewater Trunk Lines) and Internal Infrastructure needed to serve the portion of the Property included in the first phase of the Phasing Plan ("First Phase Property") within 180 days of the date of recordation of a final plat that includes the First Phase Property, and shall complete the construction of such infrastructure within a commercially reasonable timeframe. Infrastructure shall be complete when accepted by the City Engineer or his/her designee.

13.1.2. If, because of the phasing of the development of the Property, a road will dead-end because: a connecting road has not been completed, because the road will not be fully completed until such time as adjacent portions of the Property are developed, or for any other reason, the road that is to dead-end shall be constructed with a temporary cul-de-sac at the terminus of the road. In such cases, no building permits shall be issued for any, lots that are impacted by the temporary cul-de-sac until the temporary cul-de-sac has been removed and the connection to a continuous road has been constructed.

13.2. Traffic Signals. Owner is responsible for constructing or making in-lieu payments for the costs of designing and constructing various traffic signals located at intersections adjacent to the Property, including the traffic signals set forth below. Owner shall dedicate to the City, lien free and at no cost to the City, the right-of-way within the Property needed for the eventual construction of the traffic signals prior to the recordation of the final plat that includes the intersection where a traffic signal is to be constructed or earlier if requested in writing by the City Engineer or his designee. Owner shall provide the City financial security in a form acceptable to the City to secure the costs of constructing the full traffic signals for which Owner is responsible prior to recordation of the final plat that includes the intersection where a traffic signal is to be constructed.

13.2.1. If a traffic signal is warranted when development of the Property commences, Owner shall construct the traffic signal at the intersection of Yuma Road and 183<sup>rd</sup> Avenue at the time of development. If the traffic signal is not warranted when development of the Property commences or if it has been constructed prior to the commencement of the development of the Property, Owner shall remit an in-lieu payment in the amount of 25% of the

cost of a traffic signal at this intersection. The in-lieu payment shall be based on the actual cost of the traffic signal if it has been constructed or, if the payment is made before the traffic signal has been constructed, upon an engineer's estimate of the probable cost of such improvements, which shall be approved by the City Engineer or his designee. .

13.3. Regional Utility Improvements. Owner, at Owner's sole cost, shall be responsible for acquiring and dedicating to the City lien free and at no cost to the City, all rights-of-way and/or easements needed to install the Regional Wastewater Trunk Lines, the Regional Water Delivery Lines, and any other infrastructure improvements identified as benefiting the Property in any adopted Cost Recovery Resolution. Except for the potential cost recovery discussed in this Agreement, Owner shall, at its sole cost, construct all Regional Wastewater Trunk Lines, Regional Water Delivery Lines, and other infrastructure improvements identified in any adopted Cost Recovery Resolution as benefiting the Property.

13.3.1. Commencement of Construction – Regional Improvements. Unless a written Phasing Plan has been approved by the City Engineer or his designee allowing the construction of Regional Water Delivery Lines, Regional Wastewater Trunk Lines, and/or other infrastructure improvements identified as benefiting the Property in any adopted Cost Recovery Resolution to be deferred or phased, Owner shall commence construction of all such regional infrastructure improvements within 180 days of the date the first final plat subdividing all or part of the Property is recorded or within 180 days of the approval of the first site plan within the Property, whichever is earlier. If a written Phasing Plan allowing the construction of Regional Wastewater Trunk Lines, Regional Water Delivery Lines, and/or other infrastructure improvements identified as benefiting the Property in any adopted Cost Recovery Resolution to be deferred or phased is approved by the City Engineer or his designee, Owner shall commence construction of such regional infrastructure improvements within the time frame or phase as determined in the Phasing Plan and shall complete the construction of such regional improvements within a commercially reasonable time frame. Infrastructure shall be completed when accepted by the City Engineer of his/her designee.

13.3.2. Dedications. Except as otherwise expressly provided in this Paragraph 13.2.2, Owner shall dedicate, at no cost to the City, the rights-of-way and/or easements within or along the boundaries of the entire Property needed to install Regional Water Delivery Line(s), Regional Wastewater Trunk Lines, and other infrastructure improvements included in any adopted Cost Recovery Resolution at the time of recordation of the first final plat subdividing all or part of the Property. Owner shall remain responsible for maintaining dedicated rights-of-way and/or easements within or along the boundaries of the Property; and, except for claims arising from the sole negligence of the City of Goodyear, its employees, agents, representatives and/or contractors, Owner shall be responsible for all claims arising from any condition or activity within the dedicated rights-of-way and easements until such time as the infrastructure that is to be located within the rights-of-way and/or easements, including the Regional Water Delivery Lines, Regional Wastewater Trunk Lines and street improvements, has been completed and accepted by the City. If Regional Water Delivery Lines, Regional Wastewater Trunk Lines, and/or other infrastructure improvements included in any adopted Cost Recovery Resolution are being constructed by another party prior to Owner's dedication of the rights-of-way and/or easements for such infrastructure improvements, Owner shall dedicate

rights-of-way and/or easements within or along the boundaries of the Property needed to install such Regional Water Delivery Lines, Regional Wastewater Trunk Lines, and/or other infrastructure improvements included in any adopted Cost Recovery Resolution within 30 days of a written request from the City to do so. The foregoing obligation of Owner to dedicate to the City, within 30 days of a written request from the City to do so, rights-of-way and/or easements within or along the boundaries of the Property needed to install Regional Water Delivery Lines, Regional Wastewater Trunk Lines, and/or other infrastructure improvements included in any adopted Cost Recovery Resolution (or portions thereof) is expressly intended to benefit any party who needs the right of way and/or easement for the construction of a Regional Water Delivery Lines, Regional Wastewater Trunk Line and/or other infrastructure improvements included in any adopted Cost Recovery Resolution.

13.3.3. Dedications Outside the Boundaries of the Property. Owner shall acquire and dedicate to the City, at no cost to the City, the rights rights-of-way and/or easements outside the boundaries of the Property needed to install Regional Water Delivery Line(s), Regional Wastewater Trunk Lines, and other infrastructure improvements identified as benefiting the Property in any adopted Cost Recovery Resolution if Owner is required to construct such improvements and the rights-of-way and/or easements needed have not been dedicated to the City. The City shall have no liability or responsibility for acquiring any rights-of-way and/or easements needed for any Regional Water Delivery Line, Regional Wastewater Trunk Line and/or other infrastructure improvement identified as benefiting the Property in any adopted Cost Recovery Resolution.

13.3.4. Deferrals. Owner shall be allowed to defer construction of Regional Water Delivery Lines, Regional Wastewater Trunk Lines, and/or other infrastructure improvements identified as benefiting the Property in any adopted Cost Recovery Resolution subject to the following conditions: (i) the deferral shall be provided for in a Phasing Plan; (ii) Owner shall construct, at Owner's sole cost, other infrastructure improvements, such that the development of the Property complies with all applicable Development Regulations; (iii) Owner shall acquire, at Owner's sole cost and expense, all easements and/or rights-of-way within which such improvements are to be constructed; (iv) Owner shall dedicate, at no cost to the City, such easements and /or rights-of-way; and (v) following the completion of such improvements, Owner shall dedicate to the City, at no cost to the City, such infrastructure improvements. By way of example, an Owner of a Property that wants to defer the construction of a Regional Water Delivery Line that is to serve as a secondary water supply line would be entitled to defer the construction of the Regional Water Delivery Line if the Owner acquired at Owner's sole cost and expense all easements and/or rights-of-way, constructed, at its sole cost and expense, the alternative secondary water supply line, and dedicated to the City, at no cost to the City, the easements and/or rights-of-way and the alternative secondary water supply line. A deferral hereunder does not relieve Owner of the obligation to make the Cost Recovery payments set forth in Paragraph 12.5 and all subparagraphs therein or the obligation to later construct deferred Regional Water Delivery Lines, Regional Wastewater Trunk Lines, and/or other infrastructure improvements identified as benefiting the Property in any adopted Cost Recovery Resolution.

13.4. Construction Standards. All public infrastructure improvements required to be designed, constructed, and/or installed in connection with the development of the Property



shall be designed and constructed in accordance with the ordinances, rules, regulations, and policies of the City in effect when such infrastructure is constructed.

13.5. Failure to Complete Construction. The City shall be entitled to, without any liability to the City, withhold construction permits, and/or building permits, and/or certificates of occupancy until all public infrastructure required in connection with a specific final plat or Phasing Plan has been completed.

14. DENSITY BONUS. The City agrees that it will not undertake any effort to revoke the residential density bonus of 0.85 dwelling units per acre over and above the base density of the General Plan Land Use Designation for the Property that was previously granted in the MOU.

15. FINANCIAL ASSURANCES. The City agrees that compliance with the following terms and conditions shall satisfy the obligations under the applicable Development Regulations to provide financial assurances to ensure the construction of the External Infrastructure and Internal Infrastructure.

15.1. Internal Infrastructure. For Internal Infrastructure, Owner's financial assurance obligation shall, subject to the terms and conditions set forth in this Agreement, be satisfied by a Building Permit Hold as described herein. Except as otherwise provided herein, the City shall not issue any building permits for any structure within the portion of the Property that is subject to a recorded final plat until all of the Internal Infrastructure that is to be constructed within the Platted Property has been completed and accepted by the City or the City has been provided a subdivision bond that meets the requirements set forth in the City of Goodyear Engineering Design Standards and Policies as they may be amended from time to time. Except as otherwise provided in this Agreement, if the construction of the Internal Infrastructure is being phased pursuant to an approved Phasing Plan, the City shall issue building permits for structures within the Phased Property only after all of the Internal Infrastructure identified in the Phasing Plan as being needed to serve the Phased Property has been completed and accepted by the City or, the City has been provided a subdivision bond that meets the requirements set forth in the City of Goodyear Engineering Design Standards and Policies as they may be amended from time to time. The City shall issue building permits and certificates of occupancy for model homes within Platted Property and Phased Property prior to the completion of the Internal Infrastructure needed to serve such Phased Property upon the determination of the City Engineer or his designee that all of the External Infrastructure and Internal Infrastructure needed to serve the model homes has been constructed and the model homes otherwise comply with all other applicable Development Regulations. Notwithstanding anything to the contrary herein or anywhere else in this Agreement, no certificate of occupancy shall be issued for any structure within the Property unless the City Engineer or his designee determine that all of the External Infrastructure and Internal Infrastructure needed to serve the structure has been constructed and the structure otherwise complies with all other applicable Development Regulations.

15.1.1. Except as otherwise expressly provided in Paragraph 15.1 of this Agreement, City, without liability to the City, shall be entitled to withhold building permits for structures within the Property as provided in the Development Regulations.

15.2. External Infrastructure. For External Infrastructure Owner is required to construct in conjunction with the recordation of a final plat and/or approval of a site plan within the Property, Owner shall provide financial assurances in the form of: (i) a subdivision bond that meets the requirements set forth in the City of Goodyear Engineering Design Standards and Policies as they may be amended from time to time; (ii) the establishment of an escrow account with funds in an amount sufficient to cover the estimated costs of the External Infrastructure; or (iii) an irrevocable letter of credit, in a form acceptable to the City Attorney or his designee, in an amount sufficient to cover the estimated costs of the External Infrastructure as specified above. If the construction of the External Infrastructure for the platted portion of the Property, including the Regional Water Delivery Lines and/or the Regional Wastewater Trunk Lines, is to be phased or deferred, pursuant to an approved Phasing Plan, the financial assurances shall be limited to the External Infrastructure that Owner is required to construct in connection with each phase pursuant to the Phasing Plan. The City shall be entitled, without liability to the City, to withhold building permits for construction until financial assurances for the External Infrastructure as provided herein have been provided.

16. COST RECOVERY. The sole sources of reimbursement for the construction of Regional Water Delivery Lines, Regional Wastewater Trunk Lines, and/or other infrastructure improvements identified as benefiting the Property in any adopted Cost Recovery Resolution is pursuant to the Cost Recovery Resolution – Water Delivery Lines, the Cost Recovery Resolution – Wastewater Trunk Lines, and/or any Cost Recovery Resolutions adopted in the future that includes such improvements and the development impact fee reimbursements as set forth herein.

16.1. Administration of Cost Recovery. If Owner installs: any of the Regional Water Delivery Lines included in the Cost Recovery Resolution – Water Delivery Lines, and/or any of the Regional Wastewater Trunk Lines included in the Cost Recovery Resolution – Wastewater Trunk Lines, and/or any of the infrastructure improvements included in any Cost Recovery Resolution adopted in the future, and Owner complies with the requirements of the City's Cost Recovery Ordinance, the applicable Cost Recovery Resolution and enters into a reimbursement agreement with the City, the City agrees to administer the applicable Cost Recovery Resolution to obtain those proportionate payments from the other properties benefited by Owner's installation of the Regional Water Delivery Line(s) and/or Regional Wastewater Trunk Line(s), and/or infrastructure improvements included in any Cost Recovery Resolution adopted in the future and obtain reimbursements required under the applicable Cost Recovery Resolution, the City's Cost Recovery Ordinance, and the reimbursement agreement. Such reimbursements shall be subject to the deduction of an administration charge of one half of one percent (.50%) of each reimbursement amount collected.

16.2. Administration of Cost Recovery for Phased Lines. If any of the Regional Water Delivery Lines, and/or any of the Regional Wastewater Trunk Lines, and/or any infrastructure improvements included in any Cost Recovery Resolution adopted in the future are constructed in discrete sections, the estimated probable cost reflected in the applicable Cost

Recovery Resolution will be split between construction costs and engineering costs as reflected in the cost estimates attached to such Cost Recovery Resolution and the reimbursement owed in connection with the design and construction of such section of the line will be calculated on a lineal foot basis. Thus for example, Regional Water Delivery Line C is 2640 lineal feet with an estimated probable cost of \$449,082, which amount includes Engineering Costs and Construction Costs as follows:

Total Estimated Cost of Line C	\$449,802
7% Engineering (Represents 7% of labor and materials)	\$20,936
Construction Costs	\$428,866

If a property owner causes the design and construction of 660 feet of Line C, the reimbursement owed the owner for the design and construction of Line C will be the actual costs, less Owner's participating usage and share in Line C, and subject to the following maximum reimbursement amounts, which are calculated as follows:

Maximum Cost Recovery Reimbursement - Design  $[(660 \div 2640) \times 20,936] = \$5,234.00$

Maximum Cost Recovery Reimbursement – Construction  $[(660 \div 2640) \times 428,866] = \$107,216.50$

Owner acknowledges that the phasing of the construction of Regional Water Delivery Lines, Regional Wastewater Trunk Lines and/or any infrastructure improvements included in the any Cost Recovery Resolution adopted in the future may result in costs for the design and preparation of construction plans and the costs of construction of such lines not being fully reimbursed, and Owner waives any claims against the City for unreimbursed costs for the design and/or preparation of construction documents and/or the unreimbursed costs of constructing any Regional Water Delivery Line and/or Regional Wastewater Trunk Line.  
(The illustrations herein do not account for the administrative charges.)

16.3. Cost Recovery Reconciliation. To insure that the full estimated probable costs adopted in the Cost Recovery Resolution – Water Delivery Lines, the Cost Recovery Resolution – Wastewater Trunk Lines, and any Cost Recovery Resolution adopted in the future is available for the payment of the costs incurred in the design and construction of the infrastructure improvements included in such Cost Recovery Resolutions, all cost recovery payments made pursuant to this Agreement, including those set forth in Paragraph 12.5 and all subparagraphs therein, shall be based on the estimated probable cost of the infrastructure improvements reflected in the applicable Cost Recovery Resolution. After each Regional Water Delivery Line, each Regional Wastewater Trunk Line and each infrastructure improvement that is included in any Cost Recovery Resolution adopted in the future has been fully completed and after all of the cost recovery payments for each such line and/or improvement has been collected, and after the cost recovery reimbursements provided for in this Agreement have been made, any funds collected for each such line and/or improvement that have not been distributed shall be distributed on a proportional basis until the party or parties constructing the line and/or

improvement have been fully reimbursed for the costs of the design and construction of each such line and/or improvement. If, after the party or parties that constructed the line and/or improvement have been fully reimbursed for the costs of the design and construction such line and/or improvement, there are still remaining funds, the remaining funds will be distributed to those parties that made cost recovery payments for such line and/or improvement on a proportional basis.

#### 16.4. Impact Fees.

16.4.1. Impact Fee Reimbursements. If Owner installs all or a portion of any Regional Water Delivery Line, Regional Wastewater Trunk Line, and/or any infrastructure improvements included in the any Cost Recovery Resolution adopted in the future or makes a cost recovery payment for any Regional Water Delivery Line, Regional Wastewater Trunk Line and/or any infrastructure improvements included in any Cost Recovery Resolution adopted in the future and such Regional Water Delivery Line, Regional Wastewater Trunk Line and/or other infrastructure improvement included in any Cost Recovery Resolution adopted in the future is included in the Infrastructure Improvement Plans used to calculate development impact fees, Owner shall be entitled, subject to the limitations set forth in Paragraph 16.4 and all subparagraphs therein, to a reimbursement of a portion of the development impact fees collected within the Property. The reimbursement provided herein is to avoid Owner "double paying" for Regional Water Delivery Lines, Regional Wastewater Trunk Lines and/or any infrastructure improvements included in any Cost Recovery Resolution adopted in the future.

16.4.2. Calculation of Impact Fee Reimbursement. The amount of the reimbursement of the water development impact fees and the waste water development impact fees collected within the Property shall be a calculated based on the percentage the Regional Water Delivery Lines, Regional Wastewater Trunk Lines, and/or other infrastructure improvements included in any Cost Recovery Resolution adopted in the future represents compared to all of the capital projects used in calculating the applicable development impact fee.

For instance, the current water development impact fee for development north of the Gila River is calculated based on capital improvements totaling \$101,125,272, consisting of Regional Water Delivery Lines, projects for the development of water resources, and treatment plant related projects. The estimated costs of the Regional Water Delivery Lines is \$2,006,761, which represents 2% (.02) of the total projects. Thus 2% of the current water development impact fees paid within the Property is subject to reimbursement. In the case of the current water development impact fees, for a 3/4" meter, the reimbursement for each water development impact paid under the current wastewater impact fees paid within the Property for a 3/4" meter will be \$127 (\$6368 X .02).

For instance, the current wastewater development impact fee for development north of the Gila River is calculated based on capital improvements totaling \$40,536,457, consisting of Regional Wastewater Trunk Lines and treatment plant related projects. The estimated costs of the Regional Wastewater Trunk Lines is \$8,336,457, which represents 20.5% (.205) of the total projects. Thus 20.5% of the current wastewater development impact fees paid within the Property is subject to reimbursement. In the case of the current

wastewater development impact fees, for a ¾" meter, the reimbursement under the current water development impact fees paid within the Property for a ¾" meter will be \$863 (\$4210 X .205).

16.4.3. Maximum Amount of Impact Fee Reimbursements. The maximum amount of the reimbursement from impact fees collected within the Property will be the total of the following:

16.4.3.1. For Lines Constructed by Owner. The amount of the impact fee reimbursement will be based on the actual costs Owner incurred in the construction of such line, subject to the maximum estimated probable cost reflected in the applicable Cost Recovery Resolution, and the proportional benefit, as established in the applicable Cost Recovery Resolution, the Property receives from the line(s) installed by Owner. Thus, for example, if Owner installs a Regional Wastewater Trunk Line or a portion thereof from which Owner's Property receives a proportional benefit of 10%, as set forth in the Cost Recovery Resolution – Regional Wastewater Line, Owner shall be entitled to reimbursement of impact fees up to 10% of the costs Owner incurred in installing the Regional Wastewater Trunk Line, subject to the maximum estimated probable cost reflected in the Cost Recovery Resolution – Regional Wastewater Line; and

16.4.3.2. Cost Recovery Payments. The amount of any payment Owner makes pursuant to a Cost Recovery Resolution.

16.5. Interest. The City shall not be required to pay any interest on the costs of constructing public infrastructure regardless of whether such contributions or costs are subject to reimbursement, development fee credits, or otherwise.

16.6. Amendments to Development Impact Fees. Notwithstanding the foregoing, the City shall be entitled to adopt updated Infrastructure Improvement Plans and Development Impact Fees that do not include any of the Regional Water Delivery Lines and/or any of the Regional Wastewater Trunk Lines. If that occurs, there shall be no impact fee reimbursements for any of the Regional Water Delivery Lines and/or Regional Wastewater Trunk Lines no longer included in a development impact fee and Owner's sole source of recovery shall be pursuant to the applicable Cost Recovery Resolutions.

17. COMPLIANCE WITH TITLE 34. To be eligible for any reimbursement hereunder, Owner shall comply with all applicable state laws governing the procurement of services related to the design, installation and/or construction of public infrastructure for which reimbursement is sought, including the requirements of Title 34 of the Arizona Revised Statutes.

18. AMENDMENT OF MASTER UTILITY STUDIES. Should Owner desire to construct alternative water and wastewater infrastructure improvements rather than the water and wastewater infrastructure identified in the Master Utility Studies as being needed to serve the Property, Owner shall, at Owner's sole cost, seek to amend the applicable Master Utility Study and obtain the approval of the City Engineer or his/her designee of such amendment, which approval shall be at the discretion of the City Engineer or his/her designee. If a proposed amendment to the Master Utility Studies involves any change to any infrastructure improvement

included in any Cost Recovery Resolution, including the Cost Recovery Resolution – Water Delivery Lines and Cost Recovery Resolution – Wastewater Trunk Lines, or if a proposed amendment to the Master Utility Studies involves the addition of new infrastructure improvements not currently included in the Master Utility Studies, the amendment will not be approved unless all owners of properties that will be affected by the amendment have approved the amendment in a writing signed by the affected property owner(s). If an amendment to the Master Utility Studies that involves a change to infrastructure improvements included in any Cost Recovery Resolution, including the Cost Recovery Resolution – Water Delivery Lines and Cost Recovery Resolution – Wastewater Trunk Lines, no cost recovery shall be available for such infrastructure improvement unless the applicable Cost Recovery Resolution has been amended. If an amendment to the Master Utility Studies involves the addition of infrastructure improvements not included in a Cost Recovery Resolution, no cost recovery shall be available unless a Cost Recovery Resolution including such additional infrastructure improvements has been adopted.

18.1. Should Owner desire to amend the Cost Recovery Resolution – Water Delivery Lines and/or the Cost Recovery Resolution – Wastewater Trunk Line following an amendment to the Master Utility Studies, or should Owner desire to have a Cost Recovery Resolution adopted to seek recovery from properties benefitted by the addition infrastructure improvements included in an amendment to the Master Utility Studies Owner shall, at its sole cost, provide the City with all information needed to adopt a cost recovery resolution pursuant to the City's Cost Recovery Ordinance. This information includes by way of example, but not limitation, for each regional improvement that will be subject to cost recovery: a description of the regional improvement that is to be subject to cost recovery, the identification, including legal description, of all of the properties that will be benefitted by the regional improvement, the names and addresses of the owners of the properties that will be benefitted by the regional improvement, a breakdown of the proportional benefit each of the properties that will be benefitted by the regional improvement will receive, an engineer's estimate of the costs of designing and constructing the regional improvement, an allocation of the estimated costs of the regional improvement to each of the properties that will be benefitted by the regional improvement based on the proportional benefit the benefitted properties receives from such regional improvement. City Staff, based on the information provided by Owner shall timely prepare and present to City Council a cost recovery resolution pursuant to the City's Cost Recovery Ordinance.

19. ENGINEERING FEES. The City will endeavor to collect a proportionate share of the \$86,538.75 spent on engineering costs for the updated Master Utility Studies and the work needed to support the proposed adoption of new cost recovery resolutions of intention from the owners of the benefitted properties that have not paid their proportionate share of these costs. Any funds collected pursuant to this Paragraph 19, shall be remitted by the City to First American Title Insurance Corporation, 9000 E. Pima Center Parkway, Scottsdale, Arizona 85258, Escrow Account 402-5428635. The City's sole liability with respect to the collection and remittance of the costs referred to herein is to remit the funds collected as provided herein. The City shall not be liable as a guarantor of payment of reimbursements by any owners or developers of the benefitted property of the engineering costs referred to herein, and Owner waives all claims against the City for the failure to collect such costs.

20. WITHHOLDING OF BUILDING PERMITS. If Owner fails to comply with the terms of this Agreement, the zoning for the Property, and/or any future approved final plats for all or any part of the Property, including the conditions and stipulations of approval thereto, the City shall be entitled, without any liability to the City, to withhold construction permits, and/or building permits, and/or certificates of occupancy until such time as Owner complies with all applicable terms of this Agreement, the zoning for the Property, and/or any future approved final plats including the conditions and stipulations thereto.

21. GENERAL TERMS.

21.1. Covenants Running with the Land. Except as otherwise provided in Paragraph 21.3, the rights and duties under this Agreement shall be for the benefit of, and a burden upon, the Property, and they shall be covenants running with the land.

21.2. Successors and Assigns. Except as otherwise provided in Paragraph 21.3, the provisions of this Agreement are binding upon and shall inure to the benefit of the Parties, and all of their Successors and Assigns; provided, however, that Owner's rights and obligations hereunder may be assigned only upon prior written consent by the City, which shall not be unreasonably withheld, in whole or in part, by written instrument, however any assignment to any subsequent owner of all or any portion of the Property may be made without further consent from the City.

21.3. Termination of Agreement as to Residential Lots. The Parties hereby acknowledge and agree that this Agreement is not intended to and shall not create conditions or exceptions to title or covenants running with the Property for any lot within the Property that has been fully subdivided pursuant to a recorded final plat and for which a Certificate of Occupancy for a single family residence has been issued. The Parties agree that this Agreement shall terminate without the execution or recordation of any further document or instrument as to any lot within the Property that has been fully subdivided pursuant to a recorded final plat and for which a Certificate of Occupancy for a single family residence has been issued, and such lot shall automatically be released from and no longer be subject to or burdened by the provision of this Agreement without the requirement of any further action by any Party.

21.4. No Agency or Partnership. Neither City nor Owner is acting as the agent of the other with respect to this Agreement, and this Agreement shall not be deemed to create a partnership, joint venture or other business relationship between the City and Owner.

21.5. Conflicts of Interest. This Agreement is subject to the provisions of A.R.S. § 38-511, and may be terminated by the City in accordance with such provisions.

21.6. Business Days. If the last day of any time period stated in this Agreement or the date on which any obligation to be performed under this Agreement shall fall on Saturday, Sunday or legal holiday, then the duration of such time period or the date of performance, as applicable, shall be extended so that it shall end on the next succeeding day which is not a Saturday, Sunday or legal holiday.

21.7. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one agreement, binding on the Parties. Further this Agreement may be executed and delivered by electronic transmission. A manually signed copy of this Agreement delivered by facsimile, email, or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

21.8. No Waiver. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by the City or Owner of the breach of any covenant or condition of this Agreement shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Agreement.

21.9. Paragraph Headings. The paragraph headings contained in this Agreement are for convenience in reference only and are not intended to define or limit the scope of any provision of this Agreement.

21.10. Fair Interpretation. The terms and provisions of this Agreement represent the result of negotiations between the Parties, each of which has been represented by counsel of their own choosing, and none of whom has acted under any duress or compulsion, whether economic or otherwise. Consequently, the terms and provisions of this Agreement shall be construed according to their usual and customary meanings, and the Parties each hereby waive the application of any rule of law that ambiguous or conflicting terms be resolved against the Party who prepared or whose attorney prepared the executed Agreement or any earlier draft of same.

21.11. Choice of Law, Venue, and Attorney's Fees. In any dispute under this Agreement, the successful Party shall be entitled to collect from the other Party its reasonable attorneys' fees, and other costs as determined by a Court of competent jurisdiction. The Parties agree that any dispute, controversy, claim or cause of action arising out of or related to this Agreement shall be governed by the laws of the State of Arizona. The Parties further agree that the venue for any dispute, controversy, claim or cause of action arising out of or related to this Agreement shall be Maricopa County and that any action filed shall be heard in a court of competent jurisdiction located in Maricopa County. The Parties expressly waive the right to object, for any reason, to the venue of Maricopa County. The terms of this Paragraph 21.11 shall survive the termination of this Agreement.

21.12. Defaults and Remedies. Any Party shall be in default under this Agreement ("Default") if it fails to satisfy any term or condition as required under this Agreement within thirty (30) business days following written notice from the other Party ("Notice"); provided, however, that the Notice shall set forth the specific reasons for the determination that the Party has failed to satisfy any term of condition hereof. A Party shall not be in Default if the Party commences to cure any deficiencies within thirty (30) business days of receipt of Notice and cures such deficiencies within a reasonable time thereafter.



21.13. Mediation. If a dispute arises out of or related to this Agreement, or breach thereof, the Parties agree first to try to settle the dispute through mediation before resorting to arbitration, litigation, or some other dispute resolution. In the event that the Parties cannot agree upon the selection of a mediator within seven (7) days, either Party may request a presiding judge of the Superior Court to assign a mediator from a list of mediators maintained by the Arizona Municipal Risk Retention Pool. If a dispute arises out of or relates to this Agreement, or the breach thereof, and if the dispute cannot be settled through negotiation, the Parties agree first to try to settle the dispute through mediation before resorting to arbitration, litigation or some other dispute resolution procedure. The terms of this Paragraph 21.13 shall survive the termination of this Agreement.

21.14. Waiver of Jury Trial. **UNLESS EXPRESSLY PROHIBITED BY LAW, EACH OF THE CITY AND OWNER KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVES ITS RIGHT TO A TRIAL BY JURY IN ANY AND ALL ACTIONS OR OTHER LEGAL PROCEEDINGS AGAINST THE OTHER PARTY, ARISING OUT OF OR RELATING TO THIS AGREEMENT AND/OR THE TRANSACTIONS IT CONTEMPLATES, AND AGREES THAT ANY AND ALL ACTIONS OR OTHER LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE TRANSACTIONS IT CONTEMPLATES, AND/OR THE WORK PERFORMED PURSUANT TO THIS AGREEMENT SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. THIS WAIVER APPLIES TO ANY ACTION OR OTHER LEGAL PROCEEDING, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE. EACH PARTY ACKNOWLEDGES THAT IT HAS RECEIVED THE ADVICE OF COMPETENT COUNSEL.** The terms of this Paragraph 21.14 waiving the right to a jury trial shall survive the termination of this Agreement.

21.15. Limitation on Claims. **THE PARTIES AGREE THAT IN THE EVENT OF A BREACH OF THIS AGREEMENT, THE PARTIES SOLE REMEDY IS TO SEEK SPECIFIC PERFORMANCE, DECLARATORY RELIEF AND/OR INJUNCTIVE RELIEF (COLLECTIVELY REFERRED TO AS "EQUITABLE RELIEF"). IF EQUITABLE RELIEF IS NOT AVAILABLE AS A REMEDY, THE NON-BREACHING PARTY MAY PURSUE A CLAIM FOR ACTUAL DAMAGES. IN NO EVENT SHALL CONSEQUENTIAL DAMAGES, EXPECTATION DAMAGES AND/OR INCIDENTAL DAMAGES, WHICH INCLUDES, BUT IS NOT LIMITED TO, CLAIMS FOR LOST PROFITS, BE AWARDED FOR A BREACH OF THIS AGREEMENT, AND THE PARTIES EXPRESSLY WAIVE ANY RIGHT TO CONSEQUENTIAL DAMAGES, EXPECTATION DAMAGES, AND/OR INCIDENTAL DAMAGES IN THE EVENT OF A BREACH OF THIS AGREEMENT.** The terms of this Paragraph 21.15 limiting the remedies available to the Parties in the event of a breach of the Agreement shall survive the termination of this Agreement.

21.16. Third Party Beneficiaries. Except as otherwise expressly provided in this Agreement, this Agreement does not and is not intended to confer any rights or remedies upon any person other than the Parties.

21.17. Severability. If any provision of this Agreement or the application thereof to any person or circumstance is held to be invalid, illegal, or unenforceable to any extent in an arbitration or court proceeding and such holding has become final and non-appealable, the remainder of this Agreement and the application thereof will not be affected and will be enforceable to the fullest extent permitted by law.

21.18. Survival Clause. All provisions in this Agreement that logically ought to survive the expiration or earlier termination of this Agreement shall survive the expiration or earlier termination of this Agreement. This includes by way of example: all provisions imposing obligations that will not be triggered until the Agreement is terminated, all indemnification provisions; all limitation of remedies and damages provisions; all provisions waiving claims; and all provisions relieving any Party of liability for actions taken. The fact that certain provisions in this Agreement expressly state that such provisions shall survive the expiration or earlier termination of this Agreement shall not be construed as limiting the application of the Survival Clause set forth in this paragraph 21.18 to other provisions in the Agreement.

22. REPRESENTATIONS AND WARRANTIES OF OWNER. As of the date of the execution of this Agreement, Owner represents and warrants the following:

22.1. Ownership. Owner is the owner of the Property and has the full right and authority to submit its interest in the Property to the obligations hereunder.

22.2. Authorization. Owner is an Arizona corporation in good standing; Owner (including the person signing for Owner) has the authority and the right to enter into this Agreement as authorized by the manager of Owner, and Owner is not prohibited from executing this Agreement by any law, rule, regulation, instrument, agreement, order or judgment.

22.3. Due Diligence. Owner reviewed this Agreement and reached its own conclusions as to the binding and enforceable nature thereof and all of the provisions contained therein, and has not relied on any representations or warranties of City other than those expressly provided in this Agreement.

23. REPRESENTATIONS AND WARRANTIES OF CITY. As of the Effective Date of this Agreement, the City represents and warrants the following:

23.1. Approval. City has approved this Agreement at a duly held and noticed public meeting by its Mayor and City Council, at which a quorum was duly present, and has authorized the execution hereof.

23.2. Authorization. City agrees that City's execution of this Agreement and the performance of its obligations hereunder will not violate the terms of its charter or any City ordinance and all hearings, ordinances, warrants and approvals prerequisite to the execution and delivery of this Agreement and all hearing requirements under applicable laws have been fully complied with including, but not limited to, state open meeting laws, and the persons executing this Agreement on behalf of City have been duly authorized to do so.

24. NOTICES. Any and all notices, filings, approvals, consents, or other communications required or permitted by this Agreement shall be given in writing and (i) personally delivered, (ii) sent by first-class mail, postage prepaid, (iii) sent by Federal Express, Airborne, U.P.S. or other similar nationally recognized overnight courier, addressed as follows:

To City:	City of Goodyear Attn: Development Services Director 190 North Litchfield Road P.O. Box 5100 Goodyear, Arizona 85338
with a copy to:	City of Goodyear Attn: City Attorney 190 North Litchfield Road P.O. Box 5100 Goodyear Arizona 85338
To Owner:	Melcor Developments Arizona, Inc. Graeme Melton Regional Manager 6930 E. Chauncey Lane, Suite 135 Scottsdale, Arizona 85054
with a copy to:	Melcor Developments Ltd. Brian Baker President and CEO 900, 10310 Jasper Avenue Edmonton, Alberta T5J1Y8

or to any other addresses as either Party may from time to time designate in writing and deliver in a like manner. Notices, filings, consents, approvals, and communication shall be deemed to have been given as of the date of the date of delivery if hand delivered or sent by overnight courier, or as of three (3) days following deposit in the U. S. Mail.


*Signatures, Acknowledgments & Exhibits on Following Pages*

IN WITNESS WHEREOF, and agreeing to be bound by the terms of this Agreement, the Parties have caused this Agreement to be executed by their duly appointed representatives.

OWNER:

MELCOR DEVELOPMENTS ARIZONA, INC.,  
an Arizona corporation

BY:  
NAME:  
TITLE:

  
Naomi Stefura  
Corporate Secretary

BY:  
NAME:  
TITLE:

Jonathan Chia, CA  
Secretary

CITY:

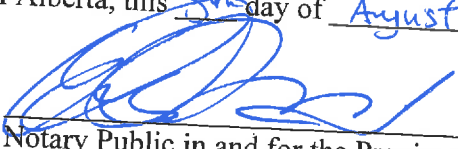
CITY OF GOODYEAR, an Arizona municipal  
corporation

By:

Brian Dalke  
City Manager

I, Dennis E. Bayrak, Barrister and Solicitor, with the law firm of  
Dennis E. Bayrak, a Notary Public in and for the Province of Alberta by Royal  
Authority duly appointed, DO CERTIFY AND ATTEST that the foregoing instrument was  
acknowledged before me this 5<sup>th</sup> day of August, 2016 by Naomi Stefura  
and Jonathan Chia, as Treasurer and Secretary  
respectively, of MELCOR DEVELOPMENTS ARIZONA, INC., an Arizona corporation.

IN TESTIMONY WHEREOF I have hereunto subscribed my name and affixed my seal  
of office at the City of Edmonton, in the Province of Alberta, this 5<sup>th</sup> day of August,  
2016.

  
Notary Public in and for the Province of  
Alberta Canada

DENNIS E. BAYRAK  
BARRISTER & SOLICITOR

*Acknowledgments & Exhibits Continued on Following Pages*

STATE OF ARIZONA       )  
                                          ) ss.  
County of Maricopa       )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2016, by \_\_\_\_\_, the City Manager of the CITY OF GOODYEAR, an Arizona municipal corporation, for and on behalf thereof.

\_\_\_\_\_  
Notary Public

ATTEST:

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

APPROVED AS TO FORM:

\_\_\_\_\_

*Exhibits on Following Pages*

EXHIBIT A

Legal Description of the Property  
(Paseo Place Parcel 1)

PARCEL NO. 1:

THAT PORTION OF THE SOUTHWEST QUARTER OF SECTION 10, TOWNSHIP 1 NORTH, RANGE 2 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTH QUARTER CORNER OF SAID SECTION 10 MARKED WITH A BRASS CAP WHENCE THE SOUTHWEST CORNER OF SAID SECTION 10 MARKED WITH AN ALUMINUM CAP LIES WEST 2,644.93 FEET; THENCE NORTH 00 DEGREES 03 MINUTES 17 SECONDS WEST ALONG THE EAST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 10 A DISTANCE OF 33.00 FEET TO THE POINT OF BEGINNING.

THENCE WEST PARALLEL WITH 33.00 FEET NORTH OF THE SOUTH LINE OF SAID SOUTHWEST QUARTER A DISTANCE OF 1,312.20 FEET TO A POINT THAT LIES 1,332.73 FEET EAST OF THE WEST LINE OF SAID SOUTHWEST QUARTER;

THENCE NORTH 00 DEGREES 01 MINUTES 07 SECONDS WEST PARALLEL WITH AND 1,332.73 FEET EAST OF SAID WEST LINE A DISTANCE OF 557.00 FEET; THENCE WEST PARALLEL WITH AND 590.00 FEET NORTH OF THE SOUTH LINE OF SAID SOUTHWEST QUARTER A DISTANCE OF 156.50 FEET;

THENCE NORTH 00 DEGREES 01 MINUTES 07 SECONDS WEST PARALLEL WITH AND 1,176.23 FEET EAST OF THE WEST LINE OF SAID SOUTH WEST QUARTER A DISTANCE OF 764.39 FEET TO THE NORTH LINE OF THE SOUTH 1,354.38 FEET OF SAID SOUTHWEST QUARTER;

THENCE EAST PARALLEL WITH AND 1,354.38 FEET NORTH OF SOUTH LINE OF SAID SOUTHWEST QUARTER A DISTANCE OF 1,467.84 FEET TO THE EAST LINE OF SAID SOUTHWEST QUARTER;

THENCE SOUTH 00 DEGREES 03 MINUTES 17 SECONDS EAST ALONG SAID EAST LINE A DISTANCE OF 1,321.39 FEET TO THE POINT OF BEGINNING.

EXHIBIT B

Allocation of Updated Engineering Costs Among Benefited Properties

and Map of Benefited Properties

*[attached]*

# WGCPA PROPERTIES COST SHARING ALLOCATION TABLE for ALL REGIONAL ENGINEERING COSTS

PROJECT NAME	Ownership Entity	SEWER STUDY UPDATE COST			WATER STUDY UPDATE COST			TOTAL COST SHARE
		Acres	%	Cost Share	Acres	%	Cost Share	
1 * Las Palmas	Keith-Palm Canyon LLC	273	12.97%	\$8,200.35	N/A	N/A	N/A	\$8,200.35
2 * Amber Meadows	Pacific Capital Meadows LLC	108	5.13%	\$3,244.09	108	5.97%	\$1,391.58	\$4,635.67
3 * La Jolla Vista	Citrus & Lower Buckeye LLC	200	9.50%	\$6,007.58	200	11.05%	\$2,577.00	\$8,584.58
4 * Pradera	Pradera Partners 160 LLC	160	7.60%	\$4,806.07	160	8.84%	\$2,061.60	\$6,867.66
5 * La Privada	SBH La Privada LP	200	9.50%	\$6,007.58	200	11.06%	\$2,577.00	\$8,584.58
6 * Las Brisas Phase 2c	Taylor Morrison, Inc	120	5.70%	\$3,604.55	120	6.63%	\$1,546.20	\$5,150.75
7 * Paseo Ridge I and II	Van Leeuwen Farms LLC	120	5.70%	\$3,604.55	120	6.63%	\$1,546.20	\$5,150.75
8 * Las Ventanas	Westside Enterprises I LLC	160	7.60%	\$4,806.07	160	8.84%	\$2,061.60	\$6,867.66
9 Citrus Ridge	Air Plex 283 LLC	27	1.28%	\$811.02	27	1.49%	\$347.89	\$1,158.92
10 Citrus Ridge	Agua Fria Union High School District No 216	50	2.38%	\$1,501.90	27	1.49%	\$347.89	\$1,849.79
11 El Cidro Ranch	El Cidro Ranch LLC	207	9.83%	\$6,217.85	207	11.44%	\$2,667.19	\$8,885.04
12 Citrus Road 60	El Cidro Ranch LLC	60	2.85%	\$1,802.27	60	3.32%	\$773.10	\$2,575.37
13 Cotton 76	El Cidro Ranch LLC	70	3.33%	\$2,102.65	70	3.87%	\$901.95	\$3,004.60
14 Silva-Rose	Silva Farming Enterprises LLP	150	7.13%	\$4,505.69	150	8.29%	\$1,932.75	\$6,438.44
15 Levinson	Levinson Joan A	160	7.60%	\$4,806.07	160	8.84%	\$2,061.60	\$6,867.66
16 Cotton Commons	Insight Holdings LLC/Goodyear 40 LLC/etal	40	1.90%	\$1,201.52	40	2.21%	\$515.40	\$1,716.92

Total WGCPA Regional Engineering Cost  
 \* = Current WGOG Members who prepaid their shares

2,105 100% \$63,229.80 1,809 100% \$23,308.95 \$86,538.75



