



City of Avondale
City Council Meeting
Monday, November 17, 2025

Mayor and Council

Mike Pineda, Mayor

Curtis Nielson, Vice Mayor

Tina Conde, Councilmember | Jeannette Garcia, Councilmember

Gloria Solorio, Councilmember | Shari Weise, Councilmember

Max White, Councilmember

Administration

Ron Corbin, City Manager

Tracy Stevens, Assistant City Manager | Dale Nannenga, Assistant City Manager

Katie Gregory, Assistant City Manager | Nicholle Harris, City Attorney

Marcella Sarmiento, City Clerk

City Council Chamber

11465 West Civic Center Drive

Avondale, AZ 85323

Watch a City Council Meeting Online

Visit the link below to watch a City Council meeting live online:

<https://www.avondaleaz.new.swagit.com/views/540/>

Please note, the live stream will not be monitored by staff; therefore, anyone wishing to address the City Council shall appear in person to speak.



**City Council Meeting
Notice & Agenda
Monday, November 17, 2025**

CITY COUNCIL CHAMBER | 11465 WEST CIVIC CENTER DRIVE | AVONDALE AZ, 85323

Request to Speak: Anyone wishing to address the Council regarding items listed on the agenda or under unscheduled public appearance should submit a Request to Speak online at <http://www.avondaleaz.gov/requesttospeak> prior to consideration of that agenda item.

REGULAR MEETING

5:30 PM

Physical Access to the Council Chambers will be available 30 minutes prior to the meeting.

**CALL TO ORDER BY MAYOR
PLEDGE OF ALLEGIANCE & MOMENT OF REFLECTION**

1. ROLL CALL BY THE CITY CLERK

2. PRESENTATION ITEMS (DISCUSSION ONLY)

a. EMPLOYEE ANNOUNCEMENTS

The following employees will be introduced to City Council. This item is for discussion only.

Police Department

- Timothy Canfield, Officer
- Kristian Urbina, Officer
- Brennan Zehr, Officer
- Rene Valenzuela, Officer
- Scott Kellenberger, Officer
- Kaleb Gaytan, Officer
- Hayden Pearce, Officer
- Dakota Farrow, Officer
- Derek Albano, Officer
- Kylie Evans, Dispatcher
- Danielle Lawson, Dispatcher
- Gabrielle Aragon, Dispatcher
- Jeremiah Chavira, Park Ranger
- Jeff Vaughn, Park Ranger
- Anthony Fullerton, Detention Supervisor
- Willie Hall, Community Service Officer

Fire and Medical Department

- Travis Lambert, Fire Captain (Promotion)
- Tim Lambert, Fire Engineer (Promotion)

Human Resources Department

- Debbie Pierce, Sr. HR Analyst

Parks, Recreation & Libraries Department

- Cameron Townson, Recreation Programmer
- Adam Pryde, Park Maintenance Worker

Public Works Department

- Giovanni Rodriguez, Solid Waste Equip. Opr.
- Leonel Huerta, Fleet Preventive Maint. Tech.
- Andrew Duran, Management Analyst

b. PROCLAMATION - INTERNATIONAL FRAUD AWARENESS WEEK

City Council will present a proclamation recognizing November 16 - 22, 2025 as International Fraud Awareness Week. This item is for discussion only.

c. PROCLAMATION - UNIFIED RESPONDER COMMUNITY MONTH

City Council will present a Proclamation recognizing November as Unified Responder Community Month. This item is for discussion only.

d. PROCLAMATION - EPILEPSY AWARENESS MONTH

City Council will present a Proclamation recognizing November as Epilepsy Awareness Month. This item is for discussion only.

3. UNSCHEDULED PUBLIC APPEARANCES (Time is limited per person. Please state your name.)

4. CONSENT AGENDA

Items on the consent agenda are of a routine nature or have been previously studied by the City Council at a work session. They are intended to be acted upon in one motion. Council members may pull items from consent if they would like them considered separately.

a. MINUTES

City Council will consider a request to approve the October 20, 2025 City Council meeting minutes. The Council will take appropriate action.

b. APPOINTMENTS AND REAPPOINTMENTS TO BOARDS AND COMMISSIONS

City Council will consider a request to approve various appointments and reappointments to the City's Boards and Commissions as recommended by the City Council Subcommittee on Boards and Commissions as listed in the staff report and authorize the City Clerk to process the appointments. The Council will take appropriate action.

c. SERIES 10 (BEER AND WINE STORE) LIQUOR LICENSE — QUICK STOP SP

City Council will consider a request to recommend approval to the Arizona Department of Liquor License and Control of an application for a Series 10 (Beer and Wine Store) Liquor License submitted by Hasan Salameh Bader Mahmoud for the sale of alcohol at Quick Stop SP located at 127 West Main Street in Avondale and authorize the City Clerk to execute the necessary documents. The Council will take appropriate action.

d. FOURTH AMENDMENT TO MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF AVONDALE AND AVONDALE PROFESSIONAL FIREFIGHTERS ASSOCIATION LOCAL 3924

City Council will consider a request to amend the Memorandum of Understanding (MOU) between the City of Avondale and Avondale Professional Firefighters Association (APFFA) Local 3924 to update the hourly on-call pay rate for eligible employees assigned to on-call status to ensure consistency with the City of Avondale Compensation Policy (Administrative Policy 95) and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. A retroactive effective date of June 23, 2025, is being requested. The Council will take appropriate action.

e. RESOLUTION 1068-1125- CANVASS OF VOTES FOR THE NOVEMBER 4, 2025 SPECIAL ELECTION

City Council will consider a request to adopt Resolution 1068-1125, canvassing the results of the November 4, 2025 Special Election and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

f. RESOLUTION 1069-1125 - LAND USE ASSUMPTIONS, INFRASTRUCTURE IMPROVEMENT PLAN AND NOTICE OF INTENT

City Council will consider a request to adopt Resolution 1069-1125, adopting the Land Use Assumptions (LUA), Infrastructure Improvement Plan (IIP) and a notice of intent to adopt revised development impact fees and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

g. RESOLUTION 1070-1125 - SUBRECIPIENT AGREEMENT FOR SUPPORTIVE SERVICES FOR FAMILIES EXPERIENCING HOMELESSNESS

City Council will consider a request to: a) adopt Resolution 1070-1125, authorizing a four-year award of HOME Investment Partnerships American Rescue Plan Program (HOME-ARP) funding not to exceed \$300,000; b) approve the execution of a subrecipient agreement with A New Leaf relating to acceptance and administration of the award; and c) authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

h. RESOLUTION 1071-1125 - UPDATED IMPACT STUDY - WEB AVONDALE INVESTMENTS, LLC

City Council will consider a request to adopt Resolution 1071-1125, approving an updated impact study report which estimates the economic and fiscal impacts associated with the development and ongoing operations of a full-service hotel in Avondale and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

i. RESOLUTION 1072-1125 - ECONOMIC DEVELOPMENT AGREEMENT WITH WEB AVONDALE INVESTMENTS LLC

City Council will consider a request to adopt Resolution 1072-1125, approving an Economic Development Agreement with WEB Avondale Investments, LLC and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

j. ORDINANCE 2039-1125 - GROUND LEASE TO PURCHASE OPTION AGREEMENT WITH WEB AVONDALE INVESTMENTS, LLC AND THE CITY OF AVONDALE

City Council will consider a request to adopt Ordinance 2039-1125, approving the Ground Lease to Purchase Option Agreement with WEB Avondale Investments, LLC for city owned property located at the SEC of Roosevelt Street and 114th Avenue, and authorize the Mayor or City Manager, City Attorney, and City Clerk to execute the necessary documents. The Council will take appropriate action.

k. PARKING LICENSE AGREEMENT WITH WEB AVONDALE INVESTMENTS LLC

City Council will consider a request to approve a Parking License Agreement with WEB Avondale Investments, LLC and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

l. ORDINANCE 2040-1125 – GRANTING OF A RIGHT-OF-WAY EASEMENT TO ARIZONA PUBLIC SERVICE EASEMENT ACROSS CITY-OWNED PROPERTIES

City Council will consider a request to adopt Ordinance 2040-1125, authorizing granting a right-of-way easement to Arizona Public Service across several City-owned parcels and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

5. REGULAR AGENDA

a. PUBLIC HEARING AND RESOLUTION 1073-1125 — AVONDALE TECH CENTER – MINOR GENERAL PLAN AMENDMENT – APPLICATION PL-25-0120

City Council will hold a public hearing and consider a request to adopt Resolution 1073-1125, approving a request by Michelle Santoro of Gammage and Burnham for a minor General Plan amendment for Avondale Tech Center, an approximately 38-acre site located at the northwest corner of Corporate Drive and 117th Avenue, amending the subject property's General Plan 2030 Land Use Map designation from Mixed Use to Business Park to facilitate the development of a technology campus focused on employment uses and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

b. PUBLIC HEARING AND ORDINANCE 2041-1125 – AVONDALE TECH CENTER – REZONING – APPLICATION PL-25-0121

City Council will hold a public hearing and consider a request to adopt Ordinance 2041-1125, approving a request by Michelle Santoro of Gammage & Burnham for a rezone request for Avondale Tech Center, an approximately 38-acre site located at the northwest corner of Corporate Drive and 117th Avenue, to rezone the subject property from City Center District (CCD) to Avondale Tech Center Planned Area Development (PAD) with underlying zoning of Commerce Park (CP) to facilitate the development of a technology campus primarily focused on employment uses and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

c. AVONDALE TECH CENTER – COMPREHENSIVE SIGN PLAN – APPLICATION PL-25-0181

City Council will consider a request from Michelle Santoro of Gammage & Burnham for approval of a Comprehensive Sign Plan (CSP) for the Avondale Tech Center, a proposed advanced technology campus focused on employment uses and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The approximately 38-acre site is located at the northwest corner of Corporate Drive and 117th Avenue. The Council will take appropriate action.

d. PUBLIC HEARING AND ORDINANCE 2042-1125 - ZONING ORDINANCE TEXT AMENDMENTS - CHAPTER 28, ARTICLE 1 (ADMINISTRATION AND PROCEDURES); ARTICLE 5 (SPECIAL DISTRICTS; OVERLAYS) - APPLICATION PL-25-0189

City Council will hold a public hearing and consider a request to adopt Ordinance 2042-1125, approving a city-initiated request for text amendments to the Zoning Ordinance to allow for continued refinement of the Zoning Ordinance to align with economic development initiatives and trends, reflect changes in policies and procedures, allow for clerical corrections, provide for cross-references, and address the overall accuracy and usability of the Zoning Ordinance, and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

e. PUBLIC HEARING - RESOLUTION 1074-1125 — GENERAL PLAN TEXT AMENDMENT – CENTRAL BUSINESS DISTRICT FOR MIDDLE HOUSING — APPLICATION PL-25-0190

City Council will: a) hold a public hearing; b) adopt Resolution 1074-1125, amending the text of the City of Avondale General Plan 2030 to approve a City-initiated request for a text amendment designating the Gateway, Village, and Park Avenue Districts within The BLVD land use category as the Central Business District for Middle Housing and adding an overlay map of the Central Business District for Middle Housing to the Land Use Map, all as required by State law; and c) authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

f. PUBLIC HEARING AND ORDINANCE 2043-1125 — ZONING ORDINANCE TEXT AMENDMENTS – CHAPTER 28, ARTICLE 1 (ADMINISTRATION AND PROCEDURES); NEW ARTICLE 14 (MIDDLE HOUSING) — APPLICATION PL-25-0188

City Council will hold a public hearing and consider a request to adopt Ordinance 2043-1125, approving city-initiated text amendments to the Zoning Ordinance, and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The amendments will allow for continued refinement of the Zoning Ordinance to reflect recent changes in State law related to middle housing, provide for cross-references, and address the overall accuracy and usability of the Zoning Ordinance. The Council will take appropriate action.

6. SUMMARY OF CURRENT EVENTS FROM MAYOR, VICE MAYOR, AND COUNCILMEMBERS
(5 minutes)

7. ADJOURNMENT

Councilmembers of the City of Avondale will attend either in person or by telephone or video conference call. Individuals with special accessibility needs, including sight or hearing impaired, large print, or interpreter, should contact the City Clerk at 623-333-1000 or TDD 623-333-0010 at least two business days prior to the Council Meeting.

Los miembros del Concejo de la Ciudad de Avondale participaran ya sea en persona o por medio de llamada telefonica o por vídeo. Personas con necesidades especiales de accesibilidad, incluyendo personas con impedimentos de vista u oído, o con necesidad de impresión grande o intérprete, deben comunicarse con la Secretaria de la Ciudad at 623-333-1000 o TDD 623-333-0010 cuando menos dos días hábiles antes de la junta del Concejo.

ITEM NUMBER: 2.b.

SUBJECT: Proclamation - International Fraud Awareness Week

MEETING DATE: 11/17/2025

TO: Mayor and Council

FROM: Barbara Coppage, City Auditor

THROUGH: Ron Corbin, City Manager, (623) 333-1011

REVIEWED: Ron Corbin, City Manager, (623) 333-1011

STRATEGIC PLAN:

This agenda item supports the following Avondale Strategic Outcome Area: **Community Well-Being**

Avondale is a city where all people feel safe, supported, and connected to resources that promote and enhance their well-being. The City prioritizes public safety, natural resources, healthcare, and wellness while promoting mental, physical, and emotional health for all to enjoy an enriching quality of life.

PURPOSE:

City Council will present a proclamation recognizing November 16 - 22, 2025 as International Fraud Awareness Week. This item is for discussion only.

BACKGROUND:

The City Council will present a Proclamation recognizing International Fraud Awareness Week.

DISCUSSION:

This item is for discussion only.

BUDGET IMPACT:

This item has no budget impact.

RECOMMENDATION:

This item is for discussion only.

Contact person for document distribution:

Avondale

PROCLAMATION

INTERNATIONAL FRAUD AWARENESS WEEK

Whereas, this year marks the observation of International Fraud Awareness week, which is set aside to raise awareness about the impact of fraud upon our society; and

Whereas, the Association of Certified Fraud Examiners, an organization dedicated to the mission of reducing the incidence of fraud worldwide, estimates that a typical organization loses five percent of its revenue each year to fraud; and

Whereas, instances of fraud in state/local government undermines the good work and reputation of all city employees who complete their assigned duties with integrity and honesty, and decreases confidence in public officials; and

Whereas, fraud against our local government is a burden borne by its citizens and businesses in the form of increased costs; loss of public revenues and resources; and increased expenses associated with the investigation, prosecution, and eventual incarceration of individuals who commit fraud; and

Whereas, tips received from employees are consistently the greatest source by which fraud are detected; and

Whereas, increasing employee awareness of fraud, including the magnitude of the problem, and educating employees about fraud prevention, detection, and reporting techniques, is critical for reducing the incidence of fraud against and within our state, local and federal government.

NOW, THEREFORE, on behalf of the Avondale City Council, the City of Avondale, Arizona, hereby proclaims that November 16 through November 22, 2025, shall be known as "International Fraud Awareness Week".

Proclaimed this 17th day of November 2025.

Mayor

Attest: _____
City Clerk

ITEM NUMBER: 2.c.

SUBJECT: Proclamation - Unified Responder Community Month

MEETING DATE: 11/17/2025

TO: Mayor and Council

FROM: Whitney Castro, Management Analyst

THROUGH: Ron Corbin, City Manager, (623) 333-1011

REVIEWED: Ron Corbin, City Manager, (623) 333-1011

STRATEGIC PLAN:

This agenda item supports the following Avondale Strategic Outcome Area: **Connected & Engaged Community**

Avondale informs, prepares, and engages our community to ensure residents are connected to resources, the region, and each other.

PURPOSE:

City Council will present a Proclamation recognizing November as Unified Responder Community Month. This item is for discussion only.

BACKGROUND:

The proclamation highlights Sounds of Autism's ongoing efforts to bridge gaps in resources, foster collaboration among community partners, and promote unity across Arizona through their "Unified Responder Community" initiative.

DISCUSSION:

The City Council will present a Proclamation recognizing November as Unified Responder Community Month.

BUDGET IMPACT:

This item is for discussion only.

RECOMMENDATION:

This item is for discussion only.

Contact person for document distribution: Whitney Castro

Avondale

PROCLAMATION

UNIFIED RESPONDER COMMUNITY MONTH

Whereas, Sounds of Autism is a local nonprofit established in 2012, and it is through their movement, "Unified Responder Community", initiated in 2021, that they vet resources for families and work with collaborative partners to provide referral resources, services, and programs in order to provide more access, options, and opportunities throughout cities of Arizona for individuals with Autism and others At-Risk so no one is ever left alone; and

Whereas, Sounds of Autism remains dedicated to its mission to safely integrate families and children of Autism, including other at-risk individuals, back into society through Love and Support; recognizing families as the "Love" of their mission, and "Support" as encompassing agencies, community officials, employers, educators, first responders, and service providers; and

Whereas, Sounds of Autism provides guidance to many families who continue to experience gaps in support and services for early diagnosis, early intervention, mental and behavioral health, housing, and employment opportunities empowering individuals with Autism and others At-Risk to live as independently as possible as adults; and

Whereas, during the month of November, and throughout the year, Sounds of Autism's Unified Responder Community encourages unity among all Arizonans to show compassion and support for individuals living Life on a Spectrum and others At-Risk, as they bring a voice to Autism and work to bridge gaps One Step, One City, One A.C.R.E. at a time; and

Whereas, Sounds of Autism defines A.C.R.E. as "A" for Autism and At-Risk families, "C" for Community & Community Officials, "R" for First Responders of all types, and "E" for Employers and Educators, which they believe represents the unity they strive to foster among all.

NOW, THEREFORE, on behalf of the Avondale City Council, the City of Avondale, Arizona, hereby proclaims November 2025 as "Unified Responder Community" Month.

Proclaimed this 17th day of November 2025.

Mayor

Attest: _____
City Clerk

ITEM NUMBER: 2.d.

SUBJECT: Proclamation - Epilepsy Awareness Month

MEETING DATE: 11/17/2025

TO: Mayor and Council

FROM: Whitney Castro, Management Analyst

THROUGH: Ron Corbin, City Manager, (623) 333-1011

REVIEWED: Ron Corbin, City Manager, (623) 333-1011

STRATEGIC PLAN:

This agenda item supports the following Avondale Strategic Outcome Area: **Community Well-Being**

Avondale is a city where all people feel safe, supported, and connected to resources that promote and enhance their well-being. The City prioritizes public safety, natural resources, healthcare, and wellness while promoting mental, physical, and emotional health for all to enjoy an enriching quality of life.

PURPOSE:

City Council will present a Proclamation recognizing November as Epilepsy Awareness Month. This item is for discussion only.

BACKGROUND:

Epilepsy Awareness Month is observed each November in the United States to increase public understanding of epilepsy, a neurological disorder that causes recurrent, unprovoked seizures, and to support those affected by it. Established by Congress in 2003, the month promotes education, advocacy, and efforts to reduce the stigma surrounding the condition.

DISCUSSION:

This item is for discussion only.

BUDGET IMPACT:

This item has no budget impact.

RECOMMENDATION:

This item is for discussion only.

Contact person for document distribution: Whitney Castro



PROCLAMATION

EPILEPSY AWARENESS MONTH

WHEREAS, epilepsy is a neurological disorder that affects people of all ages, causing unpredictable seizures and other health challenges; and

WHEREAS, more than 3.4 million Americans, including approximately 77,000 Arizonans, are living with epilepsy, making it one of the most common neurological disorders in the nation; and

WHEREAS, despite its prevalence, epilepsy remains widely misunderstood, and many individuals and families living with epilepsy face stigma, discrimination, and barriers to education, employment, and healthcare; and

WHEREAS, increasing public understanding of epilepsy, recognizing the signs of a seizure, and promoting seizure first aid can help save lives, reduce fear, and create a more inclusive community; and

WHEREAS, November is recognized nationally as Epilepsy Awareness Month, providing an important opportunity to educate, support research, and honor the strength and resilience of those living with epilepsy and their loved ones; and

NOW, THEREFORE, the City of Avondale joins with organizations such as the Epilepsy Foundation of Arizona and community partners in raising awareness, promoting acceptance, and working toward a future free from the challenges of epilepsy.

Proclaimed this 17th day of November 2025.

Mayor

Attest: _____
City Clerk

ITEM NUMBER: 4.a.

SUBJECT: Minutes

MEETING DATE: 11/17/2025

TO: Mayor and Council

FROM: Marcella Sarmiento, City Clerk

THROUGH: Tracy Stevens, Assistant City Manager, (623) 333-1014

REVIEWED: Ron Corbin, City Manager, (623) 333-1011

STRATEGIC PLAN:

This agenda item supports the following Avondale Strategic Outcome Area: **Connected & Engaged Community**

Avondale informs, prepares, and engages our community to ensure residents are connected to resources, the region, and each other.

PURPOSE:

City Council will consider a request to approve the October 20, 2025 City Council meeting minutes. The Council will take appropriate action.

BACKGROUND:

Pursuant to Arizona Revised Statute § 38-431.01(B), the City must provide written minutes of all City Council meetings.

DISCUSSION:

City Council held a meeting and the attached minutes have been prepared for approval.

BUDGET IMPACT:

This item has no budget impact.

RECOMMENDATION:

Staff recommends City Council approve the October 20, 2025 City Council meeting minutes.

Contact person for document distribution: Chris Pierson

MINUTES OF THE AVONDALE CITY COUNCIL
CITY OF AVONDALE, ARIZONA
CITY COUNCIL CHAMBER
October 20, 2025

A **Regular Meeting** of the City Council of the City of Avondale, Arizona was convened at 11465 West Civic Center Drive in open and public session at 5:30 p.m.

Mayor Mike Pineda led the Pledge of Allegiance, followed by a moment of silent reflection.

Members Present: Mayor Mike Pineda; Councilmembers Tina Conde, Jeannette Garcia, Gloria Solorio, Shari Weise, and Max White.

Members Absent (Excused): Vice Mayor Curtis Nielson.

Other Municipal Officials Present: Ron Corbin, City Manager; Tracy Stevens, Assistant City Manager; Katie Gregory, Assistant City Manager; Dale Nannenga, Deputy City Manager; Nicholle Harris, City Attorney; Marcella Sarmiento, City Clerk; Liz Barker Alvarez, Intergovernmental Affairs Administrator; Kirk Beaty, Public Works Director; Barbara Coppage, City Auditor; Memo Espinoza, Police Chief; Joel Evans, Facilities Director; Keith Fallstrom, Finance & Budget Assistant Director; Julie Knoll, Deputy City Clerk; Corey Larriva, Parks and Recreation Director; Chris Lopez, Neighborhood and Family Services Director; Andy Mesquita, Human Resources Director; Kimberly Moon, Engineering Director; Jodie Novak, Development Services Director; Larry Rooney, Fire Chief; Jeffrey Scheetz, Chief Information Officer; Pier Simeri, Marketing and Public Relations Director; and Jennifer Stein, Economic Development Director.

Audience: Approximately 50 members of the public were present.

1. ROLL CALL BY THE CITY CLERK

2. PRESENTATION ITEMS (DISCUSSION ONLY)

a. EMPLOYEE INTRODUCTIONS

The following employees were introduced to City Council. This item was for discussion only.

Finance and Budget

- Greg Luethje, Budget Manager
- Luisa Partida, Senior Customer Service Representative

Information Technology

- Michael Joslin, GIS tech
- Praneeth Marri, Network Analyst

Marketing and Public Relations

- Gabby Bobinsky, Management Analyst (internal promotion)

b. PROCLAMATION – BREAST CANCER AWARENESS MONTH

City Council presented a Proclamation recognizing October as Breast Cancer Awareness Month. This item was for discussion only.

c. PROCLAMATION – HONORING THE LIFE OF RON ROSS

City Council presented a Proclamation recognizing Ron Ross in honor of his life. This item was for discussion only.

d. EXCEPTIONAL STUDENT OF AVONDALE RECOGNITION (AVI STAR STUDENT)

City Council recognized the following students from schools located in the City of Avondale for their character and achievement. This item was for discussion only.

- Arleth Celaya Lujan
- Giselle Rico Urrutia
- Victoria Truluck

3. UNSCHEDULED PUBLIC APPEARANCES

Stephen Alt, Sargent with the Avondale Police Department and President of Avondale Police Department United (APDU) addressed the City Council on behalf of the 82 members of APDU seeking their continued support of law enforcement. City Council is asked to consider maintaining competitive compensation and benefit packages that developed the cutting-edge and leading law enforcement agency, including the retention and recruitment that created an all-time low turnover. Sargent Alt discussed professionalism, compassion, and excellence in the Avondale Police Department while handling a traffic fatality that occurred the previous week.

4. CONSENT AGENDA

Items on the consent agenda are of a routine nature or have been previously studied by the City Council at a work session. They are intended to be acted upon in one motion. Councilmembers may pull items from consent if they would like them considered separately.

Mayor Pineda asked if any Councilmember wished to have an item removed from the Consent Agenda. Having no requests from Council, motion was made by Councilmember White, seconded by Councilmember Weise, to approve the Consent Agenda.

Upon vote, the motion was carried unanimously 6 to 0.

Councilmember Conde	Aye
Councilmember Garcia	Aye
Councilmember Solorio	Aye
Councilmember Weise	Aye
Councilmember White	Aye
Mayor Pineda	Aye

a. MINUTES

City Council approved the September 22, 2025 City Council meeting minutes.

b. DATA SHARING AGREEMENT WITH ARIZONA STATE UNIVERSITY (ASU)

City Council authorized a ten (10) year extension of a Data Sharing Agreement with Arizona State University (ASU) to allow the Avondale Police Department to share police report information on incidents leading to violent deaths occurring in Arizona and authorized the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents.

c. SETTLEMENT AGREEMENT AND PAYMENT FOR THE CLAIM OF LANA NABATY

City Council approved the settlement agreement with Lana Nabaty in the amount of \$104,000 and authorized the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents.

d. ORDINANCE 2036-1025 – RESERVATION OF A BUS SHELTER EASEMENT ALONG CITY-OWNED PROPERTY

City Council adopted Ordinance 2036-1025, authorizing the reservation of a bus shelter easement along city-owned property for public use and authorized the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents.

e. RESOLUTION 1061-1025 - GRANT ACCEPTANCE OF A VICTIMS OF CRIME ACT (VOCA) GRANT FROM THE ARIZONA DEPARTMENT OF PUBLIC SAFETY

City Council adopted Resolution 1061-1025, authorizing the City of Avondale's acceptance of grant funding through the Arizona Department of Public Safety / Victims of Crime Act (VOCA) Grant in the amount of \$287,124 to the City of Avondale Police Department/Southwest Family Advocacy Center over the period October 1, 2025, through September 30, 2026, and authorized the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents.

f. RESOLUTION 1062-1025 - INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF PHOENIX FOR FEDERAL TRANSIT ADMINISTRATION SECTION 5310 GRANT PASS-THRU

City Council adopted Resolution 1062-1025, approving an Intergovernmental Agreement with the City of Phoenix for a Federal Transit Administration (FTA) Section 5310 grant pass-thru agreement for specialized transportation services, and authorized the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents.

g. RESOLUTION 1063-1025 - INTERGOVERNMENTAL AGREEMENT WITH AGUA FRIA UNION HIGH SCHOOL DISTRICT #216 - SCHOOL RESOURCE OFFICER

City Council adopted Resolution 1063-1025, authorizing an Intergovernmental Agreement between the Agua Fria Union High School District #216 and the City of Avondale to share the cost of providing a School Resource Officer (SRO) during the 2025/2026 school year and authorized the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents.

h. RESOLUTION 1064-1025 - ADMINISTRATIVE CHANGE ORDER NO. 2 TO THE INTERGOVERNMENTAL AGREEMENT WITH MARICOPA COUNTY FOR THE CONSTRUCTION OF BRIDGE HOUSING

City Council adopted Resolution 1064-1025, approving Administrative Change Order No. 2 to the Intergovernmental Agreement with Maricopa County Human Services Department to revise and realign the project budget and update the project timeline and authorized the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents.

i. RESOLUTION 1065-1025 - THIRD AMENDMENT TO THE INTERGOVERNMENTAL AGREEMENT WITH MARICOPA COUNTY HUMAN SERVICES DEPARTMENT - EXPANSION OF HOMELESS SERVICES

City Council adopted Resolution 1065-1025, approving a Third Amendment to the Intergovernmental Agreement with the Maricopa County Human Services Department allowing reallocation of funding to Family Navigation Services and revisions to administrative change orders, invoicing, indemnification, and allowing for budget adjustments and scope of work revisions, and authorized the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents and amendments.

5. REGULAR AGENDA

a. THE BLVD OVERVIEW AND BLUEPRINTS CAPITAL DEVELOPMENT PRESENTATION

Staff provided a presentation and overview of The BLVD and Blueprints Capital, who responded and were awarded The BLVD Request for Proposal (RFP) Bid.

Presented by Jennifer Stein, Economic Development Director presented the evolution and journey of the BLVD that included successes and things to come. The development of the BLVD started in 2007 with City Council's vision of creating a vibrant, dynamic, mixed-use destination that incorporated the work, live, and play concept while serving as a tourism gateway. Transformation of the BLVD over the past 20 years is the result of collaboration, vision, and strategic investments.

Ms. Stein provided an overview of development of the BLVD from 2007 to the present. Noting, it was originally called the City Center that served as a multiuse, walkable, pedestrian oriented connected center along Avondale Blvd between I-10 and Van Buren Street. In 2018, it officially became the BLVD and was broken into six subdistricts with several private and public partnerships such as hotels, multifamily housing, retail and restaurants. Within the current vision for the BLVD includes parcels outside of the boundaries that are considered economic drivers, such as the Advanced Technology Campus among a lot of activity in the BLVD.

An overview of the timeline provided a reflection of all successes and milestones for the BLVD, which began in 2006 to the present. A Request for Proposal of the BLVD opened on February 5, 2025, and closed on April 3, 2025, to attract a experienced, creative, innovative, and well capitalized developer. Staff were seeking partners

aligned with their vision, to deliver something intentional and meaningful. Blueprints Capital: Norm Brody, Project Developer were chosen to work on a unique project at the southside corner of Van Buren Street and Avondale Blvd along with amenities around the lake and two acres in front of American Sports Center. Whitten Development, Inc was chosen as the development partner for Embassy Suites Full Service Hotel and Conference Center on the northside next to the parking garage off Roosevelt Street.

Blueprints Capital uses an integrated mixed-use approach with connectivity and activation of common areas. The spaces are programmed to attract the community to enjoy the assets, bringing in high quality restaurants and retail. They recently completed the Verde at Cooley Station in Gilbert with a similar approach. Preliminary discussions and conceptual designs were presented although they can fluctuate. Within the partnership there are contribution and development opportunities for both sides and currently there is an estimated reimbursement of infrastructure for building roads to connect development areas.

Blueprint Capital's projected timeline uses two phases to begin in early 2026 and final construction beginning in mid-2029, with a total estimated cost of \$6.6 million. Public benefits include 50 public events annually for seven years with an economic impact of \$40 million in tax revenue over seven years. Integration of movement from the lawn and lakes, as well as parking and streets is intentional when determining the best way to connect the community within this development. A short video was shared that demonstrated the activation of Verde at Cooley Station.

Councilmembers were given an opportunity to comment and ask questions.

- Councilmember Conde noted the importance of the BLVD being an aesthetically pleasing area that provides connectivity, shade, and ample parking. Council previously discussed what they envisioned the BLVD to offer which included a place where residents can walk the trails, enjoy shopping, and restaurants among other things
- Councilmember Garcia commented on how the vision fits the strategic plan. Further she encouraged staff to contract with restaurants and retail that the community would be attracted to.
- Councilmember Solorio commented on the vision coming to fruition and how residents have been waiting for it. Many residents purchased their homes based on this vision and future accessibility.
- Councilmember Weise commented on the walkability and shade provided. In response Mr. Corbin clarified the green lawn referred to does not belong to the City it belongs to the developer and is zoned for development. Ms. Novak noted the parcel in question is zoned as commercial with an approved site plan for a hotel but there are options.
- Councilmember White stated she has been waiting for this since 2008. Further commenting on the need to have this be a walkable community, seek out a steak house and fine dining, and to preserve spaces for biking and walking. Additionally,

to maintain the community-oriented aesthetics traffic circles should be utilized for maximizing the Blvd.

- Mayor Pineda commented on Avondale lagging regarding what they have and don't have and where this project will take them. This project is the spark that demonstrates the commitment to residents of what they deserve, a place to come together and celebrate milestones and enjoy a nice meal. \$6.6 million is considered an investment instead of an expense because of the benefits this project will be providing for the City. It was clear tonight the Council is passionate and supports this direction and looks forward to future discussions.
- Ms. Stein commented on the diversification of restaurants being sought and the interests received are in alignment with the resident survey. Feedback is heard and taken seriously. Staff have been actively and aggressively seeking appropriate retail and restaurants. Next steps will be to collect all the feedback, discuss it internally, and work on agreements with Blueprints Capital.

b. THE BLVD – WEB VONDALE INVESTMENTS, LLC (FORMERLY WHITTEN DEVELOPMENT, INC) FULL-SERVICE HOTEL PRESENTATION AND NOTICE OF INTENT TO ENTER INTO A DEVELOPMENT TAX INCENTIVE AGREEMENT

City Council a) received a presentation by staff with an overview of a proposal submitted by and awarded to Whitten Development, in response to The BLVD Request for Proposals; b) considered a request to adopt a Notice of Intent to enter into an Economic Development Agreement that includes the rebate of sales tax with Web Avondale Investments, LLC for a proposed full-service Embassy Suites Hotel; and c) authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents.

Jennifer Stein, Economic Development Director, presented and discussed the partnership with Web Vondale Investments, LLC for the Embassy Suites Hotel Development. The Whitten's have delivered successful products within the hotel sector. This hotel will be located off Roosevelt Street north of the parking garage. The 10,000 square foot hotel and conference center will have 180 rooms, six-story, full-service amenities including a roof top bar with views of Estrella Mountains. This will amplify the BLVD and position Avondale as a premier destination to attract shows, conferences, events and the like.

In accordance with State law, the City is required to adopt a Notice of Intent (NOI) at least 14 days prior to approving an economic development tax incentive agreement. City Council will be asked to act on the Motion to Recommend the NOI. Ms. Stein reviewed the two required findings related to the tax incentive, that were verified through an economic impact analysis conducted by Rounds Consulting, an independent third party. At the November 3rd meeting, City Council will be asked to act on the Development Agreement and Lease to Purchase contract. There was a brief review of the milestones that begins with the adoption of the lease on November 3, 2025, and the commencement of the lease on November 1, 2026.

An overview of the scope and timeline for the development and 7.5-year lease was provided. This included three phases, the length of each phase and the agreed yearly lease payment. There is an option for a one-year extension past the 7.5-year lease. The negotiated terms and agreement being committed to is the developer will purchase the property within 7.5 years at \$18.75/sf for an estimated total of \$2.9 million.

The hotel will have a \$115 million valuation at completion, \$12.2 million direct revenue to the City over ten years; and a 1:9 ratio meaning for every \$1 in city obligations taxpayers receive over \$9 in benefits. The City has agreed to contribute reduced building fees, development impact fee cap, construction sales tax reimbursement, and lodging tax reimbursement for an estimated total of \$1.3 million. Public benefits over five years include 30 free events per year for City access and conference center discounted rentals for businesses, and nonprofits among other benefits for an estimated total of \$1.4 million.

With the assets, integration, attracting more people, and elevating the City's profile it made sense to offer a full-service hotel to strengthen Avondale as a regional destination. It will provide a long-term community and economic benefits while enhancing visitor and business attraction efforts by offering diversification and a higher quality hotel and amenities.

Ms. Stein took a moment to acknowledge staff who were part of the larger team that worked on bringing this vision to fruition. The next step will be to adopt the NOI and on November 3rd act on the development agreement and lease to purchase agreement.

Councilmembers were given an opportunity to comment and ask questions.

- Councilmember Solorio, who is an 18-year hotel veteran, commented on the big-name retailers and jobs the Embassy Suites will bring to Avondale.
- Councilmember Garcia commented on the events, conferences, and businesses the Embassy Suites will attract and generate revenue for Avondale.
- Mayor Pineda commented on the community benefits and how this will put Avondale on the map.

Councilmember White moved to adopt a Notice of Intent to enter into an Economic Development Agreement that includes the rebate of sales tax with Web Avondale Investments, LLC for a proposed full-service Embassy Suites Hotel and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents; Councilmember Solorio seconded the motion.

Upon vote, the motion was carried unanimously 6 to 0.

Councilmember Conde	Aye
Councilmember Garcia	Aye
Councilmember Solorio	Aye
Councilmember Weise	Aye

Councilmember White	Aye
Mayor Pineda	Aye

c. RESOLUTION 1060-1025 - AVONDALE'S STRATEGIC PLAN FOR HOMELESSNESS RESOLUTION

City Council received an update from staff regarding the City's Strategic Plan for Homelessness Resolution and considered a request to adopt Resolution 1060-1025, adopting the Strategic Plan for Homelessness Resolution and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents.

Brian Planty, Homeless Services Manager, presented Strategic Plan for Homelessness Resolution that addresses homelessness in the City of Avondale. The goal is to make the experience of homelessness rare, brief, and non-recurring in the City of Avondale. Since 2022, Avondale Street Search Navigation and Resource Team (SONAR) has been engaged with 329 individuals with 7343 engagements through sustained outreach, follow-up, or case work. As a result of these engagements, 179 individuals positively ended their homelessness.

The strategic plan vision states the destination and provides that every resident safely and healthily is housed with a fair chance to thrive. The four guiding principles serve as the decision rules across the program, contracts, and communication. Mr. Planty provided a detailed overview of the four principles, A Place Called Home, People First, Stewardship Starts With Us, and Responsible Storytellers.

The five Strategic Outcomes were briefly reviewed essentially noting they hope to accomplish a 25 to 50 percent increase in each. Within the plan the City's work is organized into six goals to achieve the increases in the five outcomes.

- ♦ Goal 1: Ensure Efficient Housing, a supply question.
The goal aligns the housing pipeline with what Avondale needs. It creates reductions in overall homelessness and improves family placements by ensuring appropriate units exit.
- ♦ Goal 2: Provide Support to Prevent Eviction, prevention goal.
This goal interrupts housing loss before it becomes homelessness. This keeps households housed so that entry into the system is rare and brief.
- ♦ Goal 3: Facilitate Connection to Temporary Shelter, about speed and time.
This goal is for local, low barrier options such as Family Bridge Housing and IHELP to provide a reliable destination the same day or as quickly as possible. Less time waiting means more people moving to permanent housing.
- ♦ Goal 4: Refine Citywide Response, about consistency.
Doing the same effective thing every time and show results. Consistency improves flow and reduces repeat episodes of homelessness.
- ♦ Goal 5: Expand Supportive Services, about access.
The service network grows and affects housing results, focuses on partnerships and behavioral health, transportation, and a workforce allowing people to access services to meet both personal and financial needs. Increased verified connections to treatment and the service network support positive exits.
- ♦ Goal 6: Connect to Permanent Housing, about stability.

This goal carries people from temporary programs into permanent homes with the right support, such as case management for families and individuals and integrated workforce readiness. Higher exits to permanent housing and fewer returns, lead to better outcomes for families.

Upon approval of the Strategic Plan for Homelessness Resolution, the Neighborhood and Family Services will implement the strategies as written in the plan. Progress will be tracked against the five outcomes, altering and setting new outcomes with successes. Updates will be provided to the City Council and community. Staff request approval of the Strategic Plan for Homelessness as presented, which adopts the outcomes and goals as part of the City's framework and authorizes staff to move forward with implementation and public reporting consistent with the document.

Mr. Planty shared closing remarks that included thanking City Council for their investment and support.

Councilmembers were given an opportunity to comment and ask questions.

- Councilmember Conde commented on the creation of SONAR and the successes with the unsheltered population. It makes a difference when you treat others with dignity. Making connections, networking, and finding additional resources is important to the success of the program. She inquired of the Landlord Outreach and Education goal.
- In response, Mr. Planty explained this is occurring in other cities and parts of the Country and they want to replicate it in Avondale, therefore, the plan calls for landlord engagement. This would be part of negotiations with landlords when placing an individual or family in one of their units. It is educating the landlords about the system, acquiring a strategic partner, and identifying housing. Councilmember Conde suggested including information on resources that can help people stay in their home. Mr. Planty noted CAP is a built-in partner that works with families every day to avoid eviction.
- Councilmember White commended staff for the 54 percent of individuals they interacted with that positively exited homelessness. She asked what an engagement looks like. Mr. Planty noted the number of engagements reflects the investment of time to gain trust, learn about them, and have that follow-up. Councilmember White inquired how outcomes are monitored with individuals that went to treatment. Mr. Planty responded, stating often the outcome is unknown, especially if the treatment facility is outside of Avondale or the State. Should the individual utilize services within Maricopa County it will show in their report. If an individual is in the right treatment, they can work on housing from there, reducing the risk of returning to homelessness.
- Mayor Pineda commented on the utilization of grant opportunities and partnerships to make these things happen. He suggested being innovative and creative with their strategies and trying different things to address these challenges.
- Mr. Corbin provided additional information regarding engagement, noting the last page of the monthly report has a homeless interaction with the SONAR team, usually a success story. Regarding other strategies, the leadership team meets

two times a month and addresses issues related to homelessness and a lot of things have been and are being tried to address the less fortunate in Avondale.

Councilmember Solorio moved to adopt Resolution 1060-1025, adopting the Strategic Five-Year Plan for Homelessness and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents; Councilmember White seconded the motion.

Upon vote, the motion was carried 5 to 1.

Councilmember Conde	Aye
Councilmember Garcia	Nay
Councilmember Solorio	Aye
Councilmember Weise	Aye
Councilmember White	Aye
Mayor Pineda	Aye

d. MID-YEAR PUBLIC SAFETY SALARY ADJUSTMENTS

City Council considered a request to: a) implement changes to the salary schedule/step plan for Police Officers and Police Sergeants and authorize associated pay increases; b) transition Police Lieutenants and Fire Battalion Chiefs from a traditional market range to a step plan and authorize associated pay increases; c) add two (2) additional full-time equivalent (FTE) Lieutenant positions; and d) authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents with an effective date of January 5, 2026.

Andy Mesquita, Human Resources Director, presented proposed changes to the salary step plans for Police Officers and Sergeants, the transition of Lieutenants and Fire Battalion Chiefs to a step plan, and the addition of two full-time Lieutenant positions.

Mr. Mesquita provided an overview of previous changes approved in 2022 that ensured market competitiveness and created the current pay structure. In preparation for FY25, the police recruitment was lagging, and a decision was made to collapse the recruit and Step 1 rates to ensure market competitiveness at the entry level. This change brought in new hires at Step 1 who received a higher rate of pay prior to graduating from the academy, which made Avondale more competitive and helped with recruitment.

In FY25, a third-party consultant conducted a citywide compensation study. The general compensation philosophy was to focus on job titles that came back 5% or more below the average market midpoint to identify market adjustments. In relation to Officers the midpoint average lagged by 2 percent, and no change was required. Sergeants were behind the market midpoint by 5 percent. A five percent market adjustment was made to the pay scale. Since implementing the market adjustments in July 2025 in addition to COLA increases and eligible step movements turn over

trends are moving in the right direction for Officers, and the trend for Sergeants is due to retirement.

Based on recruitment indicators and movement in the West Valley law enforcement market there was justification to explore the market survey of comparators to ensure the momentum gained was not negatively impacting the City. In August 2025, A market survey was conducted with comparator agencies Buckeye, Glendale, Goodyear, Peoria, and Surprise.

The market results were presented for Officers, and the following recommendations were made with an effective date of January 5, 2026.

- ♦ Align Police Officer Recruit Pay to market average of \$34.23/hour
- ♦ Reduce plan steps from nine to eight
- ♦ Maintain a five percent progression between each step
- ♦ Increase pay rate for Officers based on proposed new rate for their current step assignment
- ♦ Budgetary impact is \$1.36 million ongoing and \$680,000 for the remainder of FY26

The market results were presented for Sergeants, and the following recommendations were made with an effective date of January 5, 2026.

- ♦ Align Step 1, min. step with market average of \$55.51/hour
- ♦ Align Step 6, max. step, with market average of \$66.76/hour
- ♦ Realign progression between each step to 3.8 percent
- ♦ Increase pay rate based on proposed new rate for their current step assignment.
- ♦ Budgetary impact is \$167,000 ongoing and \$83,000 for the remainder of FY26.

The market results were presented for Lieutenants, and the following recommendations were made with an effective date of January 5, 2026.

- ♦ Place Lieutenants on a five-step pay plan
- ♦ Use current salary range midpoint for Step 1 of pay plan
- ♦ Maintain current max. as Step 5 since Avondale is leading the West Valley Market
- ♦ Implement a 4.66 percent progression between steps
- ♦ Place incumbents in the closest step relative to current salary
- ♦ Budgetary impact is \$23,000 ongoing and \$12,500 for the remainder of FY26

There are currently only four Lieutenants managing patrol operations and additional responsibilities; therefore, part of the recommendation is for the creation of two new full-time positions with a budgetary impact of \$314,000 ongoing and \$157,000 for the remainder of FY26.

The market results were presented for Battalion Chiefs, and the following recommendations were made with an effective date of January 5, 2026.

Implement an eight step pay plan

- ♦ Use the market min. for Step 1
- ♦ Maintain the max. salary as Step 8, since Avondale is leading the West Valley Market

- ♦ Implement a 4.56 percent progression between steps
- ♦ Place incumbents in the closest step relative to current salary
- ♦ Budgetary impact is \$19,000 ongoing and \$9,500 for the remainder of FY26

Mr. Mesquita noted this approach accounts for current salaries being competitive and taking a conservative approach to movement through the range where Avondale is a leader at the top end of the pay scale. A visual of current salary range and proposed step plan was displayed.

Staff recommend approval of the changes to the Police Department Step Plan for Officers and Sergeants with authorization for associated pay increases. As well as the Transition of Lieutenants and Fire Battalion Chiefs to a salary step plan with authorization for associated pay increases and the creation of two full-time Lieutenant positions. The effective date is January 5, 2026, the first pay period in calendar year 2026. If approved, staff anticipate the salary savings will offset the costs in this fiscal year or on a future agenda request for authorization to transfer contingency funds would be submitted. The ongoing costs associated with the recommendations are included in the FY2027 balanced budget along with approved COLA and merit step increases.

Councilmembers were given an opportunity to comment and ask questions.

- In response to Councilmember White's inquiry about funding the salary adjustments in FY26, Mr. Mesquita noted the funds would come from salary savings. Mr. Corbin contributed to the answer, noting last year the City had approximately \$4 million in salary savings and is anticipating sufficient funds to cover the adjustments.
- In response to Councilmember White's inquiry on step movement, Mr. Mesquita explained each year with an acceptable performance evaluation the officer would move a step each year until they reach the top of the scale. Mr. Corbin noted when they moved to a step plan all officers were placed on a step that matched their years of service. Any special assignments would be paid on top of the base salary.
- Councilmember Solorio stated she is happy to see this happen and thanked Mr. Mesquita, Mr. Corbin, and team for their efforts and public safety in general.
- Councilmember Garcia stated they deserve more for what they are sacrificing for the community. This makes Avondale competitive and will be available for future officers.
- Councilmember Conde inquired if the increase could be implemented prior to January 5, 2026. Mr. Corbin appreciated the generosity but stated from a budgetary position it would take away the capacity to manage the city. We can afford this, just not right now.
- Mayor Pineda commented on being competitive and investing in public safety and what they bring to the community is important. He commended Chief Espinosa and Chief Rooney for creating a culture and environment of the best in uniform and the best leadership.

Councilmember Solorio moved to a) implement changes to the salary schedule/step plan for Police Officers and Police Sergeants and authorize associated pay increases; b) transition Police Lieutenants and Fire Battalion Chiefs from a traditional market range to a step plan and authorize associated pay increases; c) add two (2) additional full-time equivalent (FTE) Lieutenant positions; and d) authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents with an effective date of January 5, 2026; Councilmember White seconded the motion.

Upon vote, the motion was carried unanimously 6 to 0.

Councilmember Conde	Aye
Councilmember Garcia	Aye
Councilmember Solorio	Aye
Councilmember Weise	Aye
Councilmember White	Aye
Mayor Pineda	Aye

6. SUMMARY OF CURRENT EVENTS FROM MAYOR, VICE MAYOR, AND COUNCILMEMBERS

- Councilmember Solorio spoke about attending the Dreamscape Learning Environment Virtual Learning Lab ribbon cutting at Westview High School. The Dreamscape Program is a virtual reality program at ASU that is expanding to different schools, and Westview is the first high school. On November 19, 2025, there will be a ribbon cutting at Garden Lakes Elementary school for their Dreamscape Lab.
- Councilmember Garcia commented on the overwhelming turnout for Billy Moore Days and the great experience. Additionally, noting her attendance at the Air Force Ball at Luke Air Force Base.
- Councilmember White commented on her attendance at the West Valley Regional Chambers Legislative Breakfast and participation in Billy Moore Days events. At the Phoenix Raceway she completed Track Laps for Charity with the Phoenix Raceway Charities. Completing her busy weekend by attending the Sneaker Ball hosted by the Phoenix Alphas and Arizona West Valley Alumni Chapter of Delta Sigma Theta and provided \$2,500 in funding to Miracle House to continue their service to Veterans and their children.
- Mayor Pineda commented on his attendance at the Luke Air Force Ball, particularly a conversation with General Berkland regarding the Airman killed in the traffic accident. The General's sentiments and appreciation were shared with all. Moving forward a process is being figured out for situations such as this on how the Air Force responds and works with other agencies and municipalities.

7. ADJOURNMENT

There being no further business before the Council, Councilmember White moved to adjourn the Regular Meeting; Councilmember Conde seconded the motion.

Upon vote, the motion was carried unanimously 6 to 0.

Councilmember Conde	Aye
Councilmember Garcia	Aye
Councilmember Solorio	Aye
Councilmember Weise	Aye
Councilmember White	Aye
Mayor Pineda	Aye

The meeting was adjourned at 7:45 p.m.

Note from the City Clerk:

The planned Executive Session was **not** held at the request of staff.

Executive Session pursuant to Ariz. Rev. Stat. § 38-431.03 (A)(3); (A)(4); (A)(7) for discussion with designated representatives of the public body to consider its position and instruct its representatives and for discussion or consultation with the City's Attorney for legal advice and to instruct the City's Attorney regarding negotiations for the lease and sale of real property located in THE BLVD and negotiations for an Economic Development Agreement with WEB Avondale Investments, LLC for a proposed full service Embassy Suites Hotel located in THE BLVD.

Mike Pineda, Mayor

CERTIFICATION AND ATTESTATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Council of the City of Avondale held on the 20th day of October 2025. I further certify that the meeting was duly called and held, and that the quorum was present.

Marcella Sarmiento, City Clerk

Date Approved by City Council

ITEM NUMBER: 4.b.

SUBJECT: Appointments and Reappointments to Boards and Commissions

MEETING DATE: 11/17/2025

TO: Mayor and Council

FROM: Marcella Sarmiento, City Clerk

THROUGH: Tracy Stevens, Assistant City Manager, (623) 333-1014

REVIEWED: Ron Corbin, City Manager, (623) 333-1011

STRATEGIC PLAN:

This agenda item supports the following Avondale Strategic Outcome Area: **Connected & Engaged Community**

Avondale informs, prepares, and engages our community to ensure residents are connected to resources, the region, and each other.

PURPOSE:

City Council will consider a request to approve various appointments and reappointments to the City's Boards and Commissions as recommended by the City Council Subcommittee on Boards and Commissions as listed in the staff report and authorize the City Clerk to process the appointments. The Council will take appropriate action.

BACKGROUND:

The City Council Subcommittee on Boards and Commissions (Subcommittee) makes recommendations for membership based on term expiration, vacancies from resignations, or changes to member eligibility status. The Subcommittee met on November 3, 2025 and made appointment recommendations. As required in the City Council Rules of Procedures, all candidates have been notified of the recommendations and the City Clerk has emailed all members eligible for reappointment and all are interested.

DISCUSSION:

The Subcommittee recommended the following individuals to serve as a Board or Commission Member with a term to begin on **January 1, 2026**, unless otherwise noted:

Audit Committee

- Reappointment of Councilmember Gloria Solorio as a Regular Member for an additional term to expire on 12/31/2028
- Reappointment of Norma Pacheco as a Regular Member for an additional term to expire on 12/31/2028

Correction Officers Retirement Pension Board

- Reappointment of Maria Aguilar as a Regular Member for an additional term to expire on 12/31/2029
- Appointment of Von Ryan Burns as a Regular Member for a term to expire on 12/31/2029

Municipal Art Committee

- Reappointment of Gaven Mejia as a Regular Member for an additional term to expire on 12/31/2028
- Reappointment of Deanna Sapata as a Regular Member for an additional term to expire on 12/31/2028
- Reappointment of Sara Ivey as a Regular Member (Special Qualifications) for an additional term to expire on 12/31/2028
- Appointment of Shqipe Hyseni as a Regular Member for a partial term to expire on 12/31/2027 (*effective immediately*)

Neighborhood & Family Services Commission

- Reappointment of Natosha Edmonds as a Regular Member for an additional term to expire on 12/31/2028
- Appointment of Louis Matamoros as a Regular Member for a term to expire on 12/31/2028 (moving from an Alternate Member)
- Appointment of Kim Lewis as an Alternate Member for a term to expire on 12/31/2028

Parks, Recreation, & Libraries Advisory Board

- Appointment of Timothy Kroll as a Regular Member for a partial term to expire on 12/31/2025 (moving from an Alternate Member) (*effective immediately*), followed by a full term to expire on 12/31/2028
- Appointment of Ivan Carreno as a Regular Member for a partial term to expire on 12/31/2025 (*effective immediately*), followed by a full term to expire on 12/31/2028
- Appointment of Kenneth Shoaff as an Alternate Member for a term to expire on 12/31/2028

Public Safety Personnel Retirement System (PSPRS) Board - Police & Fire

- Reappointment of Paul Lemmon as a Regular Member for an additional term to expire on 12/31/2029

Sustainability Commission

- Reappointment of Daniel Smith-Castillo as a Regular Member for an additional term to expire on 12/31/2028
- Reappointment of Diana Estrada as a Regular Member for an additional term to expire on 12/31/2028
- Appointment of Amanda Duncan-Billiman as a Regular Member for a term to expire on 12/31/2028 (moving from an Alternate Member)
- Appointment of Von Ryan Burns as an Alternate Member for a partial term to expire on 12/31/2027

BUDGET IMPACT:

This item has no budget impact.

RECOMMENDATION:

Staff is recommending that the Council approve the reappointments and the subcommittee's recommendations for the appointment of members of the city's boards and commissions.

Contact person for document distribution: n/a

ITEM NUMBER: 4.c.

SUBJECT: Series 10 (Beer and Wine Store) Liquor License — Quick Stop SP

MEETING DATE: 11/17/2025

TO: Mayor and Council

FROM: Marcella Sarmiento, City Clerk

THROUGH: Tracy Stevens, Assistant City Manager, (623) 333-1014

REVIEWED: Ron Corbin, City Manager, (623) 333-1011

STRATEGIC PLAN:

This agenda item supports the following Avondale Strategic Outcome Area: **Economic Growth and Prosperity**

Avondale supports a thriving local economy by fostering and supporting business growth, job creation, and workforce development. The City advances economic development, attracts high-quality entertainment and full-service amenities, and promotes a variety of attainable housing opportunities that strengthen the City's vitality.

PURPOSE:

City Council will consider a request to recommend approval to the Arizona Department of Liquor License and Control of an application for a Series 10 (Beer and Wine Store) Liquor License submitted by Hasan Salameh Bader Mahmoud for the sale of alcohol at Quick Stop SP located at 127 West Main Street in Avondale and authorize the City Clerk to execute the necessary documents. The Council will take appropriate action.

BACKGROUND:

Quick Stop SP is an establishment located at 127 West Main Street in Avondale. Issuance of a Series 10 (Beer and Wine Store) liquor license is required to allow alcohol sales on the premises.

DISCUSSION:

As required by state law and city ordinance, the application was posted for the required period of time. The Police, Fire & Medical, Development Services, and Finance & Budget Departments have reviewed the application and their comments are attached.

The business does not have an active business license; however, they have been in contact with staff and the applicant has acknowledged the requirement.

BUDGET IMPACT:

The liquor license application fee of \$250 has been paid in full.

RECOMMENDATION:

Staff is recommending City Council recommend approval to the Arizona Department of Liquor License and Control of an application for a Series 10 (Beer and Wine Store) Liquor License submitted by Hasan Salameh Bader Mahmoud for the sale of alcohol at Quick Stop SP located at 127 West Main Street in Avondale.

Contact person for document distribution: Emily Soria

State of Arizona
Department of Liquor Licenses and Control

Created 10/08/2025 @ 03:04:43 PM

Local Governing Body Report

LICENSE

Number:	Type:	010 BEER AND WINE STORE
Name:	QUICK STOP SP	
State:	Pending	
Issue Date:	Expiration Date:	
Original Issue Date:		
Location:	127 W MAIN STREET AVONDALE, AZ 85323 USA	
Mailing Address:	127 W MAIN STREET AVONDALE, AZ 85323 USA	
Phone:	(623)444-4032	
Alt. Phone:	(602)625-4920	
Email:	[REDACTED]@MSN.COM	

AGENT

Name:	HASAN SALAMEH BADER MAHMOUD
Gender:	Male
Correspondence Address:	127 W MAIN STREET AVONDALE, AZ 85323 USA
Phone:	(602)625-4920
Alt. Phone:	
Email:	[REDACTED]@MSN.COM

OWNER

Name:	BADER 2025 LLC	
Contact Name:	HASAN SALAMEH BADER MAHMOUD	
Type:	LIMITED LIABILITY COMPANY	
AZ CC File Number:	23886686	State of Incorporation: AZ
Incorporation Date:	09/22/2025	
Correspondence Address:	127 W MAIN STREET AVONDALE, AZ 85323 USA	
Phone:	(623)444-4032	
Alt. Phone:		
Email:	[REDACTED]@MSN.COM	

60th dy - 12/07/2025
105th dy - 1/13/2028

Officers / Stockholders

Name:
HASAN SALAMEH BADER MAHMOUD

Title:
Member

% Interest:
100.00

BADER 2025 LLC - Member

Name: HASAN SALAMEH BADER MAHMOUD
Gender: Male
Correspondence Address: 127 W MAIN STREET
MESA, AZ 85201
USA
Phone: (602)625-4920
Alt. Phone: (602)549-6702
Email: HARUNOZCAN@MSN.COM

APPLICATION INFORMATION

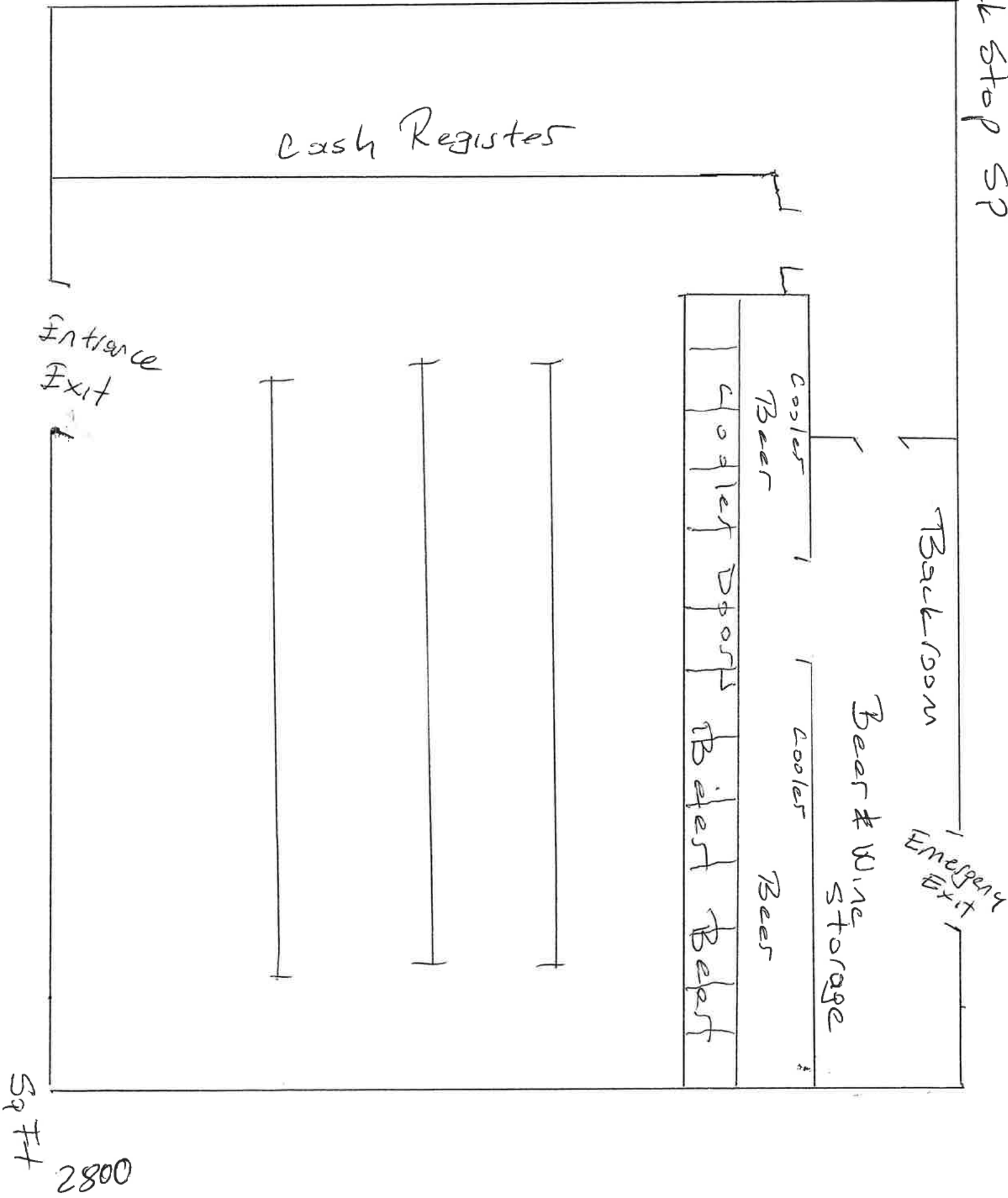
Application Number: 362418
Application Type: New Application
Created Date: 09/30/2025

QUESTIONS & ANSWERS

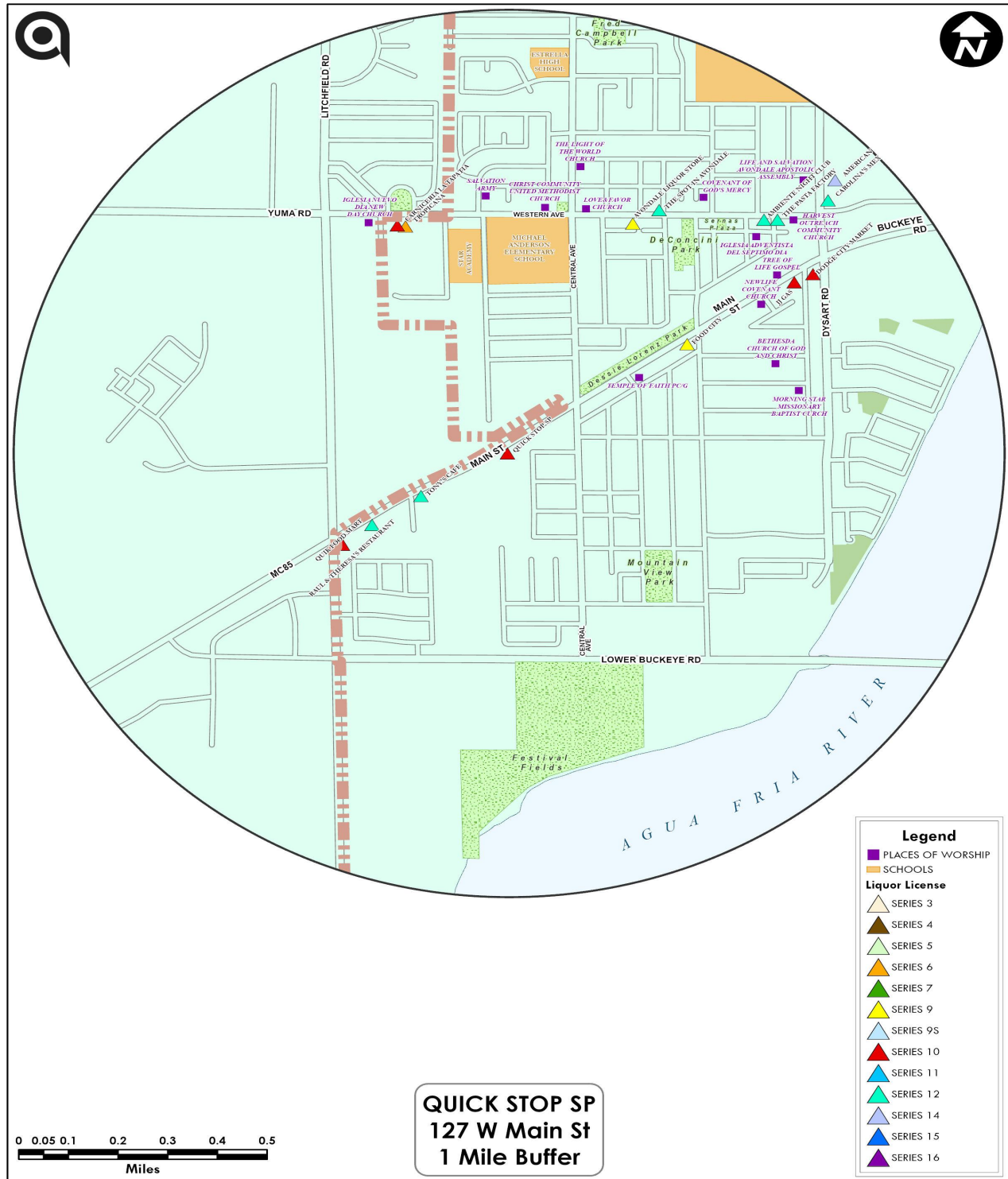
010 Beer and Wine Store

- 1) Are you applying for an Interim Permit (INP)?
No
- 2) Provide name, address, and distance of nearest school.
(If less than one (1) mile note footage)
MICHAEL ANDERSON SCHOOL
3696 FT
45 S 3RD AVE AVONDALE AZ 85323
- 3) Are you one of the following? Please indicate below.
Property Tenant
Subtenant
Property Owner
Property Purchaser
Property Management Company
TENANT
- 4) Is there a penalty if lease is not fulfilled?
Yes
What is the penalty?
\$48,000.00
- 5) Is the Business located within the incorporated limits of the city or town of which it is located?
Yes
- 6) What is the total money borrowed for the business not including the lease?
Please list each amount owed to lenders/individuals.
- 7) Are there walk-up or drive-through windows on the premises?
No
- 8) Does the establishment have a patio?
No
- 9) Is your licensed premises now closed due to construction, renovation or redesign or rebuild?
No

Quick Stop SP



GIS MAP



Map Prepared on 11/02/2025 by the Geospatial Services Division of the Information Technology Department

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LICENSE REVIEW FORM

Type of License	10 Beer and Wine Store
Applicant's Name	Hasan Salameh Bader Mahmoud
Business Name	Quick Stop Sp
Business Address	127 W Main St Avondale, AZ 85323
Department Comments	
Approved as part of retail use. No liquor sales are permitted.	
☐ Police Department ☒ Development Services ☐ Fire Department ☐ Finance Department	
☒ Approved ☐ Denied	
<u>Joshua Orton</u> Joshua Orton (Oct 20, 2025 11:24:18 PDT) E-Signature Joshua Orton Name	Lead Senior Planner Title Oct 20, 2025 Date

This license is scheduled for the City Council Meeting on: **11/17/2025**

Please complete form by: **11/03/2025**

LICENSE REVIEW FORM

Type of License	10 Beer and Wine Store
Applicant's Name	Hasan Salameh Bader Mahmoud
Business Name	Quick Stop Sp
Business Address	127 W Main St Avondale, AZ 85323
Department Comments	
No active application or business license.	
☐ Police Department☐ Fire Department ☐ Development Services☒ Finance Department	
☒ Approved☐ Denied	
<u>Finance & Budget Business License</u> Finance & Budget Business License (Oct 20, 2025 12:07:44 PDT) E-Signature Finance & Budget Business License Name	Customer Service Representative Title Oct 20, 2025 Date

This license is scheduled for the City Council Meeting on: **11/17/2025**

Please complete form by: **11/03/2025**

LICENSE REVIEW FORM

Type of License	10 Beer and Wine Store
Applicant's Name	Hasan Salameh Bader Mahmoud
Business Name	Quick Stop Sp
Business Address	127 W Main St Avondale, AZ 85323
Department Comments	
approved	
☐ Police Department ☒ Fire Department ☐ Development Services ☐ Finance Department	
☒ Approved ☐ Denied	
 L.Scott Miller (Nov 3, 2025 06:53:09 MST) E-Signature L.Scott Miller Name	Fire Marshal Title Nov 3, 2025 Date

This license is scheduled for the City Council Meeting on: **11/17/2025**

Please complete form by: **11/03/2025**

LICENSE REVIEW FORM

Type of License	10 Beer and Wine Store
Applicant's Name	Hasan Salameh Bader Mahmoud
Business Name	Quick Stop Sp
Business Address	127 W Main St Avondale, AZ 85323
Department Comments	
Current license is expiring. This appears to be a new license application. Approved.	
☒ Police Department☐ Fire Department ☐ Development Services☐ Finance Department	
☒ Approved☐ Denied	
<u>Varney Lopez</u> Varney Lopez (Nov 3, 2025 11:23:40 MST) E-Signature Varney Lopez Name	Lieutenant Title Nov 3, 2025 Date

This license is scheduled for the City Council Meeting on: **11/17/2025**

Please complete form by: **11/03/2025**

ITEM NUMBER: 4.d.

SUBJECT: Fourth Amendment to Memorandum of Understanding Between the City of Avondale and Avondale Professional Firefighters Association Local 3924

MEETING DATE: 11/17/2025

TO: Mayor and Council

FROM: Andy Mesquita, Human Resources Director

THROUGH: Ron Corbin, City Manager, (623) 333-1011

REVIEWED: Ron Corbin, City Manager, (623) 333-1011

STRATEGIC PLAN:

This agenda item supports the following Avondale Strategic Outcome Area: Innovative and Effective Government.

PURPOSE:

City Council will consider a request to amend the Memorandum of Understanding (MOU) between the City of Avondale and Avondale Professional Firefighters Association (APFFA) Local 3924 to update the hourly on-call pay rate for eligible employees assigned to on-call status to ensure consistency with the City of Avondale Compensation Policy (Administrative Policy 95) and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. A retroactive effective date of June 23, 2025, is being requested. The Council will take appropriate action.

BACKGROUND:

Revisions to the current Memorandum of Understanding (MOU) between the City of Avondale and Avondale Professional Firefighters Association (APFFA) are necessary to ensure consistency between the MOU and the City of Avondale Compensation Policy (AP-95) for the hourly on-call pay rate for eligible employees assigned to on-call status.

DISCUSSION:

In preparation for Fiscal Year 2026, the hourly on-call pay rate was increased from \$2.00 per hour to \$2.50 per hour based on market research and available funding. During the current negotiation process between APFFA and the City of Avondale, it was noticed that while the on-call pay rate was updated in city policy, the APFFA MOU still reflected the prior on-call rate of \$2.00 per hour. However, in practice, eligible employees covered by the MOU have been paid at the \$2.50 per hour rate for time spent in on-call status since the beginning of FY2026. An amendment to the MOU between the City of Avondale and APFFA is necessary to ensure consistency between city policy, the MOU language, and current practices.

BUDGET IMPACT:

The associated costs with this amendment have already been factored into the Fiscal Year 2026 final budget.

RECOMMENDATION:

Staff recommends Council adopt the proposed amendment to the Memorandum of Understanding between the City of Avondale and Avondale Professional Firefighters Association Local 3924 with a retroactive effective date of June 23, 2025.

Contact person for document distribution: Andrew Mesquita

**FOURTH AMENDMENT
TO
MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF AVONDALE
AND
AVONDALE PROFESSIONAL FIREFIGHTERS ASSOCIATION
LOCAL 3924
(July 2024 through June 2026)**

THIS FOURTH AMENDMENT TO THE JULY 2024 TO JUNE 2026 MEMORANDUM OF UNDERSTANDING (this “Fourth Amendment”) is entered into as of November 17, 2025, between the City of Avondale, an Arizona municipal corporation (the “City”), and the Avondale Professional Firefighters Association, International Association of Fire Fighters, Local 3924 (the “Association” or “Employee Organization”).

RECITALS

A. The City and the Employee Organization entered into the July 2024 to June 2026 Memorandum of Understanding (“MOU”), setting out the parties’ agreement concerning wages, hours, and benefits of certain employees in the positions of Firefighter, Fire Engineer, and Fire Captain (the “Represented Employees”). All capitalized terms not otherwise defined in this Fourth Amendment have the same meaning as contained in the MOU.

B. The MOU Article 4 (Employee Compensation & Hours of Work), Section 4.9 (On-Call Status) outlines the compensation for on-call status pay. Section 4.9 subsection A states “A 40-hour employee assigned to on-call status will be compensated at two (2) dollars per hour. These hours begin after the completion of the Employee’s scheduled workday and continue until resuming work the following day.”

C. Since the approval of the MOU, the City Manager implemented a modification to City of Avondale Administrative Policy 95 on June 23, 2025, which increased on-call status pay rate to \$2.50 per hour.

D. The City and the Employee Organization desire to enter into this Fourth Amendment to the MOU to modify Section 4.9 of the MOU to align with the modifications made to City of Avondale Administrative Policy 95.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Employee Organization hereby agree as follows:

1. The MOU Article 4 (Employee Compensation & Hours of Work), Section 4.9 (On-Call Status) subsection A is deleted in its entirety and replaced with following language which shall read as the following:

Section 4.1 Base Rate of Pay

A. A 40-hour Employee assigned to on-call status will be compensated at \$2.50 per hour. These hours begin after the completion of the Employee's scheduled workday and continue until resuming work the following workday.

...

...

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

3. Effective Date of Amendment. This Amendment is retroactively effective as of June 23, 2025.

4. Non-Default. By executing this Fourth Amendment, the Employee Organization affirmatively asserts that (i) the City is not currently in default, nor has been in default at any time prior to this Fourth Amendment, under any of the terms or conditions of the MOU and (ii) any and all claims, known and unknown, relating to the MOU and existing on or before the date of this Fourth Amendment are forever waived.

5. Conflict of Interest. This Fourth Amendment and the MOU may be canceled by the City pursuant to ARIZ. REV. STAT. § 38-511.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Fourth Amendment as of the date and year first set forth above.

CITY OF AVONDALE,
an Arizona municipal corporation

AVONDALE PROFESSIONAL
FIREFIGHTERS ASSOCIATION,
IAFF LOCAL 3924

Ron Corbin, City Manager

Calen Smith, President

ATTEST:

Marcella Sarmiento, City Clerk

ITEM NUMBER: 4.e.

SUBJECT: Resolution 1068-1125 - Canvass of Votes for the November 4, 2025 Special Election

MEETING DATE: 11/17/2025

TO: Mayor and Council

FROM: Marcella Sarmiento, City Clerk

THROUGH: Tracy Stevens, Assistant City Manager, (623) 333-1014

REVIEWED: Ron Corbin, City Manager, (623) 333-1011

STRATEGIC PLAN:

This agenda item supports the following Avondale Strategic Outcome Area: **Connected & Engaged Community**

Avondale informs, prepares, and engages our community to ensure residents are connected to resources, the region, and each other.

PURPOSE:

City Council will consider a request to adopt Resolution 1068-1125, canvassing the results of the November 4, 2025 Special Election and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

BACKGROUND:

On April 7, 2025, the City Council approved the Call and Notice of Election for a Special Election to be held on November 4, 2025, to place the following two items on the ballot:

Prop 404: Parks, Recreation, and Library Projects

Shall the City of Avondale, Arizona be authorized to issue and sell general obligation bonds in the principal amount of up to \$68,000,000 to provide funding for parks, recreation and library projects, including, but not limited to:

- Designing, constructing, improving, and acquiring new and existing community and neighborhood parks and facilities, including shade structures, water conservation, bike and pedestrian paths and bridges, trails, recreational facilities, open space preservation, and library buildings?

Generated funds will be used to pay for all necessary design, construction, reconstruction, improvement, repair, renovation, equipment, and associated costs, including the acquisition of land or interests necessary for such purposes, all legal, financial, consulting, and other costs and fees in connection therewith. Such bonds will be issued in one or more series as tax-exempt or taxable bonds and may be sold at prices that include premiums not greater than permitted by law. Such bonds may have principal payable not later than 25 years from the date of issuance of each series. Such bonds will be issued as general obligations bonds, and the

issuance of these bonds will result in a property tax increase sufficient to pay the annual debt service on the bonds.

Prop 405: Public Safety Projects

Shall the City of Avondale, Arizona be authorized to issue and sell general obligation bonds in the principal amount of up to \$55,000,000 to provide funding for public safety projects, including but not limited to:

- Designing, acquiring, equipping, and constructing fire, emergency, and police facilities for the purposes of public safety and training; and
- Designing, acquiring, and constructing City Court facilities and improvements?

Generated funds will be used to pay for all necessary design, construction, reconstruction, improvement, repair, renovation, equipment, and associated costs, including the acquisition of land or interests necessary for such purposes, all legal, financial, consulting, and other costs and fees in connection therewith. Such bonds will be issued in one or more series as tax-exempt or taxable bonds and may be sold at prices that include premiums not greater than permitted by law. Such bonds may have principal payable not later than 25 years from the date of issuance of each series. Such bonds will be issued as general obligations bonds, and the issuance of these bonds will result in a property tax increase sufficient to pay the annual debt service on the bonds. A “yes” vote shall authorize the governing body of the City to issue and sell up to \$55,000,000 of general obligation bonds of the City to be repaid with secondary property taxes. A “no” vote shall not authorize the governing body of the City to issue and sell such bonds of the City.

On November 4, 2025, a Special All-Ballot-by-Mail Election was conducted by Maricopa County Elections.

Pursuant to Arizona Revised Statutes § 16-642, City Council must meet and canvass the election not less than six days, and not more than twenty days, following the election. The canvass is the act that declares the election results official. The deadline for this action is November 24, 2025.

DISCUSSION:

The Final Results, as published in the Summary Report by Maricopa County, are as follows:

PROPOSITION #	TOTAL # OF VOTES YES	TOTAL # OF VOTES NO
Prop 404: Parks, Recreation, and Library Projects	3,874	3,599
Prop 405: Public Safety Projects	3,618	3,631

BUDGET IMPACT:

Adopting the results of the election is statutorily required and does not have a direct impact on the budget.

RECOMMENDATION:

Staff is recommending the City Council adopt a Resolution canvassing the results of the November 4, 2025 Special Election and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents.

Contact person for document distribution: Marcella Sarmiento

RESOLUTION NO. 1068-1125

A RESOLUTION OF THE COUNCIL OF THE CITY OF AVONDALE,
ARIZONA, DECLARING AND ADOPTING THE RESULTS OF THE
PRIMARY ELECTION HELD ON NOVEMBER 4, 2025.

WHEREAS, the City of Avondale (the “City”), Arizona, did hold a Special Election on November 4, 2025 (the “Election”); and

WHEREAS, the Election returns which are attached hereto, have been presented to, and have been canvassed by, the Council of the City of Avondale.

NOW THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF AVONDALE as follows:

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

SECTION 2. The (i) number of active registered voters, (ii) the number ballots cast in each precinct, (iii) the number of votes cast in each precinct, and (iv) the number of votes by precinct received by proposition, as reported by Maricopa County, are set forth on Exhibit A – Final Official Results, attached and incorporated into this resolution.

SECTION 3. The number of rejected ballots by precinct, as reported by Maricopa County, are set forth on Exhibit B, Early Voting Rejections and Provisional Totals by Precinct, attached and incorporated into this resolution.

SECTION 4. The votes cast for the bond questions that appeared on the ballot were as follows:

Prop 404: Parks, Recreation, and Library Projects

Shall the City of Avondale, Arizona be authorized to issue and sell general obligation bonds in the principal amount of up to \$68,000,000 to provide funding for parks, recreation and library projects, including, but not limited to:

- Designing, constructing, improving, and acquiring new and existing community and neighborhood parks and facilities, including shade structures, water conservation, bike and pedestrian paths and bridges, trails, recreational facilities, open space preservation, and library buildings?

Generated funds will be used to pay for all necessary design, construction, reconstruction, improvement, repair, renovation, equipment, and associated costs, including the

acquisition of land or interests necessary for such purposes, all legal, financial, consulting, and other costs and fees in connection therewith. Such bonds will be issued in one or more series as tax-exempt or taxable bonds and may be sold at prices that include premiums not greater than permitted by law. Such bonds may have principal payable not later than 25 years from the date of issuance of each series. Such bonds will be issued as general obligations bonds, and the issuance of these bonds will result in a property tax increase sufficient to pay the annual debt service on the bonds.

FOR	3,874
AGAINST	3,599

Prop 405: Public Safety Projects

Shall the City of Avondale, Arizona be authorized to issue and sell general obligation bonds in the principal amount of up to \$55,000,000 to provide funding for public safety projects, including but not limited to:

- Designing, acquiring, equipping, and constructing fire, emergency, and police facilities for the purposes of public safety and training; and
- Designing, acquiring, and constructing City Court facilities and improvements?

Generated funds will be used to pay for all necessary design, construction, reconstruction, improvement, repair, renovation, equipment, and associated costs, including the acquisition of land or interests necessary for such purposes, all legal, financial, consulting, and other costs and fees in connection therewith. Such bonds will be issued in one or more series as tax-exempt or taxable bonds and may be sold at prices that include premiums not greater than permitted by law. Such bonds may have principal payable not later than 25 years from the date of issuance of each series. Such bonds will be issued as general obligations bonds, and the issuance of these bonds will result in a property tax increase sufficient to pay the annual debt service on the bonds. A “yes” vote shall authorize the governing body of the City to issue and sell up to \$55,000,000 of general obligation bonds of the City to be repaid with secondary property taxes. A “no” vote shall not authorize the governing body of the City to issue and sell such bonds of the City.

FOR	3,618
AGAINST	3,631

SECTION 5. It is hereby found, determined and declared of record that Proposition 404: Parks, Recreation, and Library Projects is declared passed by the voters.

SECTION 6. It is hereby found, determined and declared of record that Proposition 405: Public Safety Projects is declared rejected by the voters.

SECTION 7. This Resolution shall be in full force and effect immediately upon its adoption; a certified permanent copy of which shall be filed with the City Clerk, who shall maintain

it as a permanent record.

SECTION 8. The Mayor, the City Manager, the City Clerk and the City Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this Resolution.

PASSED AND ADOPTED by the Council of the City of Avondale, Arizona, November 17, 2025.

Mike Pineda, Mayor

ATTEST:

Marcella Sarmiento, City Clerk

APPROVED AS TO FORM:

Nicholle Harris, City Attorney

EXHIBIT A
TO
RESOLUTION 1068-1125

[Final Official Results]

See following pages.

Maricopa County
Jurisdictional Election
November 4, 2025

FINAL RESULTS
AVONDALE

Elector Group	Counting Group	Voters Cast	Registered Voters	Turnout
Total	EARLY VOTE	7,771	46,650	16.66%
	PROVISIONAL	1		0.00%
	Total	7,772		16.66%

Voters Cast: 7,772 of 46,650 (16.66%)

Avondale-PROPOSITION 404 (Vote for 1)

		Total	
Times Cast		7,772 / 46,650	16.66%
Undervotes		295	
Overvotes		4	
Candidate	Party	Total	
BOND APPROVAL, YES	NON	3,874	51.84%
BOND APPROVAL, NO	NON	3,599	48.16%
Total Votes		7,473	

Avondale-PROPOSITION 405 (Vote for 1)

		Total	
Times Cast		7,772 / 46,650	16.66%
Undervotes		523	
Overvotes		0	
Candidate	Party	Total	
BOND APPROVAL, YES	NON	3,618	49.91%
BOND APPROVAL, NO	NON	3,631	50.09%
Total Votes		7,249	

FINAL STATEMENT OF VOTES CAST
Special Election
Maricopa County
November 4, 2025

AVONDALE

Precinct	Registered Voters	Voters Cast	% Turnout
County			
Electionwide			
5488 18 - NOV 2025			
EARLY VOTE	2,059	259	12.58%
ELECTION DAY	2,059	0	0.00%
PROVISIONAL	2,059	0	0.00%
Total	2,059	259	12.58%
5515 45 - NOV 2025			
EARLY VOTE	2,045	230	11.25%
ELECTION DAY	2,045	0	0.00%
PROVISIONAL	2,045	0	0.00%
Total	2,045	230	11.25%
5616 146 - NOV 2025			
EARLY VOTE	4,401	586	13.32%
ELECTION DAY	4,401	0	0.00%
PROVISIONAL	4,401	0	0.00%
Total	4,401	586	13.32%
5659 189 - NOV 2025			
EARLY VOTE	5,369	974	18.14%
ELECTION DAY	5,369	0	0.00%
PROVISIONAL	5,369	0	0.00%
Total	5,369	974	18.14%
5694 224 - NOV 2025			
EARLY VOTE	3,084	353	11.45%
ELECTION DAY	3,084	0	0.00%
PROVISIONAL	3,084	0	0.00%
Total	3,084	353	11.45%

Precinct	Registered Voters	Voters Cast	% Turnout
5695 225 - NOV 2025			
EARLY VOTE	5,454	1,337	24.51%
ELECTION DAY	5,454	0	0.00%
PROVISIONAL	5,454	0	0.00%
Total	5,454	1,337	24.51%
5815 345 - NOV 2025			
EARLY VOTE	3,689	566	15.34%
ELECTION DAY	3,689	0	0.00%
PROVISIONAL	3,689	0	0.00%
Total	3,689	566	15.34%
5896 426 - NOV 2025			
EARLY VOTE	2,158	502	23.26%
ELECTION DAY	2,158	0	0.00%
PROVISIONAL	2,158	0	0.00%
Total	2,158	502	23.26%
6065 595 - NOV 2025			
EARLY VOTE	4,807	712	14.81%
ELECTION DAY	4,807	0	0.00%
PROVISIONAL	4,807	0	0.00%
Total	4,807	712	14.81%
6077 607 - NOV 2025			
EARLY VOTE	3,605	679	18.83%
ELECTION DAY	3,605	0	0.00%
PROVISIONAL	3,605	0	0.00%
Total	3,605	679	18.83%
6139 669 - NOV 2025			
EARLY VOTE	3,401	439	12.91%
ELECTION DAY	3,401	0	0.00%
PROVISIONAL	3,401	0	0.00%
Total	3,401	439	12.91%
6175 705 - NOV 2025			
EARLY VOTE	685	90	13.14%
ELECTION DAY	685	0	0.00%
PROVISIONAL	685	0	0.00%
Total	685	90	13.14%

Precinct	Registered Voters	Voters Cast	% Turnout
6201 731 - NOV 2025			
EARLY VOTE	2,126	486	22.86%
ELECTION DAY	2,126	0	0.00%
PROVISIONAL	2,126	0	0.00%
Total	2,126	486	22.86%
6355 885 - NOV 2025			
EARLY VOTE	3,767	558	14.81%
ELECTION DAY	3,767	0	0.00%
PROVISIONAL	3,767	1	0.03%
Total	3,767	559	14.84%
Electionwide - Total	46,650	7,772	16.66%
County - Total	46,650	7,772	16.66%
EARLY VOTE	46,650	7,771	16.66%
ELECTION DAY	46,650	0	0.00%
PROVISIONAL	46,650	1	0.00%

Avondale-PROPOSITION 404 (Vote for 1) **** - Insufficient Turnout to Protect Voter Privacy

Precinct	Times Cast	Registered Voters	Undervotes	Overvotes
County				
Electionwide				
5488 18 - NOV 2025				
EARLY VOTE	259	2,059	11	0
ELECTION DAY	0	2,059	0	0
PROVISIONAL	0	2,059	0	0
Total	259	2,059	11	0
5515 45 - NOV 2025				
EARLY VOTE	230	2,045	6	0
ELECTION DAY	0	2,045	0	0
PROVISIONAL	0	2,045	0	0
Total	230	2,045	6	0
5616 146 - NOV 2025				
EARLY VOTE	586	4,401	33	0
ELECTION DAY	0	4,401	0	0
PROVISIONAL	0	4,401	0	0
Total	586	4,401	33	0
5659 189 - NOV 2025				
EARLY VOTE	974	5,369	37	2
ELECTION DAY	0	5,369	0	0
PROVISIONAL	0	5,369	0	0
Total	974	5,369	37	2
5694 224 - NOV 2025				
EARLY VOTE	353	3,084	11	0
ELECTION DAY	0	3,084	0	0
PROVISIONAL	0	3,084	0	0
Total	353	3,084	11	0

Precinct	BOND APPROVAL, YES (NON)		BOND APPROVAL, NO (NON)		Total Votes
County					
Electionwide					
5488 18 - NOV 2025					
EARLY VOTE	153	61.69%	95	38.31%	248
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	153	61.69%	95	38.31%	248
5515 45 - NOV 2025					
EARLY VOTE	121	54.02%	103	45.98%	224
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	121	54.02%	103	45.98%	224
5616 146 - NOV 2025					
EARLY VOTE	303	54.79%	250	45.21%	553
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	303	54.79%	250	45.21%	553
5659 189 - NOV 2025					
EARLY VOTE	480	51.34%	455	48.66%	935
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	480	51.34%	455	48.66%	935
5694 224 - NOV 2025					
EARLY VOTE	198	57.89%	144	42.11%	342
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	198	57.89%	144	42.11%	342

Precinct	Times Cast	Registered Voters	Undervotes	Overvotes
5695 225 - NOV 2025				
EARLY VOTE	1,337	5,454	50	0
ELECTION DAY	0	5,454	0	0
PROVISIONAL	0	5,454	0	0
Total	1,337	5,454	50	0
5815 345 - NOV 2025				
EARLY VOTE	566	3,689	36	1
ELECTION DAY	0	3,689	0	0
PROVISIONAL	0	3,689	0	0
Total	566	3,689	36	1
5896 426 - NOV 2025				
EARLY VOTE	502	2,158	4	1
ELECTION DAY	0	2,158	0	0
PROVISIONAL	0	2,158	0	0
Total	502	2,158	4	1
6065 595 - NOV 2025				
EARLY VOTE	712	4,807	40	0
ELECTION DAY	0	4,807	0	0
PROVISIONAL	0	4,807	0	0
Total	712	4,807	40	0
6077 607 - NOV 2025				
EARLY VOTE	679	3,605	12	0
ELECTION DAY	0	3,605	0	0
PROVISIONAL	0	3,605	0	0
Total	679	3,605	12	0
6139 669 - NOV 2025				
EARLY VOTE	439	3,401	28	0
ELECTION DAY	0	3,401	0	0
PROVISIONAL	0	3,401	0	0
Total	439	3,401	28	0

Precinct	BOND APPROVAL, YES (NON)		BOND APPROVAL, NO (NON)		Total Votes
5695 225 - NOV 2025					
EARLY VOTE	557	43.28%	730	56.72%	1,287
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	557	43.28%	730	56.72%	1,287
5815 345 - NOV 2025					
EARLY VOTE	299	56.52%	230	43.48%	529
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	299	56.52%	230	43.48%	529
5896 426 - NOV 2025					
EARLY VOTE	249	50.10%	248	49.90%	497
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	249	50.10%	248	49.90%	497
6065 595 - NOV 2025					
EARLY VOTE	369	54.91%	303	45.09%	672
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	369	54.91%	303	45.09%	672
6077 607 - NOV 2025					
EARLY VOTE	365	54.72%	302	45.28%	667
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	365	54.72%	302	45.28%	667
6139 669 - NOV 2025					
EARLY VOTE	212	51.58%	199	48.42%	411
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	212	51.58%	199	48.42%	411

Precinct	Times Cast	Registered Voters	Undervotes	Overvotes
6175 705 - NOV 2025				
EARLY VOTE	90	685	0	0
ELECTION DAY	0	685	0	0
PROVISIONAL	0	685	0	0
Total	90	685	0	0
6201 731 - NOV 2025				
EARLY VOTE	486	2,126	3	0
ELECTION DAY	0	2,126	0	0
PROVISIONAL	0	2,126	0	0
Total	486	2,126	3	0
6355 885 - NOV 2025				
EARLY VOTE	558	3,767	24	0
ELECTION DAY	0	3,767	0	0
PROVISIONAL	1	3,767	****	****
Total	559	3,767	24	0
Electionwide - Total	7,772	46,650	295	4
County - Total	7,772	46,650	295	4

Precinct	BOND APPROVAL, YES (NON)		BOND APPROVAL, NO (NON)		Total Votes
6175 705 - NOV 2025					
EARLY VOTE	58	64.44%	32	35.56%	90
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	58	64.44%	32	35.56%	90
6201 731 - NOV 2025					
EARLY VOTE	220	45.55%	263	54.45%	483
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	220	45.55%	263	54.45%	483
6355 885 - NOV 2025					
EARLY VOTE	289	54.12%	245	45.88%	534
ELECTION DAY	0		0		0
PROVISIONAL	****	****	****	****	****
Total	290	54.21%	245	45.79%	535
Electionwide - Total	3,874	51.84%	3,599	48.16%	7,473
County - Total	3,874	51.84%	3,599	48.16%	7,473

Avondale-PROPOSITION 405 (Vote for 1) **** - Insufficient Turnout to Protect Voter Privacy

Precinct	Times Cast	Registered Voters	Undervotes	Overvotes
County				
Electionwide				
5488 18 - NOV 2025				
EARLY VOTE	259	2,059	11	0
ELECTION DAY	0	2,059	0	0
PROVISIONAL	0	2,059	0	0
Total	259	2,059	11	0
5515 45 - NOV 2025				
EARLY VOTE	230	2,045	24	0
ELECTION DAY	0	2,045	0	0
PROVISIONAL	0	2,045	0	0
Total	230	2,045	24	0
5616 146 - NOV 2025				
EARLY VOTE	586	4,401	31	0
ELECTION DAY	0	4,401	0	0
PROVISIONAL	0	4,401	0	0
Total	586	4,401	31	0
5659 189 - NOV 2025				
EARLY VOTE	974	5,369	41	0
ELECTION DAY	0	5,369	0	0
PROVISIONAL	0	5,369	0	0
Total	974	5,369	41	0
5694 224 - NOV 2025				
EARLY VOTE	353	3,084	40	0
ELECTION DAY	0	3,084	0	0
PROVISIONAL	0	3,084	0	0
Total	353	3,084	40	0

Precinct	BOND APPROVAL, YES (NON)		BOND APPROVAL, NO (NON)		Total Votes
County					
Electionwide					
5488 18 - NOV 2025					
EARLY VOTE	140	56.45%	108	43.55%	248
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	140	56.45%	108	43.55%	248
5515 45 - NOV 2025					
EARLY VOTE	106	51.46%	100	48.54%	206
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	106	51.46%	100	48.54%	206
5616 146 - NOV 2025					
EARLY VOTE	288	51.89%	267	48.11%	555
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	288	51.89%	267	48.11%	555
5659 189 - NOV 2025					
EARLY VOTE	464	49.73%	469	50.27%	933
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	464	49.73%	469	50.27%	933
5694 224 - NOV 2025					
EARLY VOTE	170	54.31%	143	45.69%	313
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	170	54.31%	143	45.69%	313

Precinct	Times Cast	Registered Voters	Undervotes	Overvotes
5695 225 - NOV 2025				
EARLY VOTE	1,337	5,454	57	0
ELECTION DAY	0	5,454	0	0
PROVISIONAL	0	5,454	0	0
Total	1,337	5,454	57	0
5815 345 - NOV 2025				
EARLY VOTE	566	3,689	38	0
ELECTION DAY	0	3,689	0	0
PROVISIONAL	0	3,689	0	0
Total	566	3,689	38	0
5896 426 - NOV 2025				
EARLY VOTE	502	2,158	52	0
ELECTION DAY	0	2,158	0	0
PROVISIONAL	0	2,158	0	0
Total	502	2,158	52	0
6065 595 - NOV 2025				
EARLY VOTE	712	4,807	43	0
ELECTION DAY	0	4,807	0	0
PROVISIONAL	0	4,807	0	0
Total	712	4,807	43	0
6077 607 - NOV 2025				
EARLY VOTE	679	3,605	67	0
ELECTION DAY	0	3,605	0	0
PROVISIONAL	0	3,605	0	0
Total	679	3,605	67	0
6139 669 - NOV 2025				
EARLY VOTE	439	3,401	28	0
ELECTION DAY	0	3,401	0	0
PROVISIONAL	0	3,401	0	0
Total	439	3,401	28	0

Precinct	BOND APPROVAL, YES (NON)		BOND APPROVAL, NO (NON)		Total Votes
5695 225 - NOV 2025					
EARLY VOTE	531	41.48%	749	58.52%	1,280
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	531	41.48%	749	58.52%	1,280
5815 345 - NOV 2025					
EARLY VOTE	288	54.55%	240	45.45%	528
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	288	54.55%	240	45.45%	528
5896 426 - NOV 2025					
EARLY VOTE	230	51.11%	220	48.89%	450
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	230	51.11%	220	48.89%	450
6065 595 - NOV 2025					
EARLY VOTE	359	53.66%	310	46.34%	669
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	359	53.66%	310	46.34%	669
6077 607 - NOV 2025					
EARLY VOTE	335	54.74%	277	45.26%	612
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	335	54.74%	277	45.26%	612
6139 669 - NOV 2025					
EARLY VOTE	187	45.50%	224	54.50%	411
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	187	45.50%	224	54.50%	411

Precinct	Times Cast	Registered Voters	Undervotes	Overvotes
6175 705 - NOV 2025				
EARLY VOTE	90	685	6	0
ELECTION DAY	0	685	0	0
PROVISIONAL	0	685	0	0
Total	90	685	6	0
6201 731 - NOV 2025				
EARLY VOTE	486	2,126	61	0
ELECTION DAY	0	2,126	0	0
PROVISIONAL	0	2,126	0	0
Total	486	2,126	61	0
6355 885 - NOV 2025				
EARLY VOTE	558	3,767	24	0
ELECTION DAY	0	3,767	0	0
PROVISIONAL	1	3,767	****	****
Total	559	3,767	24	0
Electionwide - Total	7,772	46,650	523	0
County - Total	7,772	46,650	523	0

Precinct	BOND APPROVAL, YES (NON)		BOND APPROVAL, NO (NON)		Total Votes
6175 705 - NOV 2025					
EARLY VOTE	44	52.38%	40	47.62%	84
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	44	52.38%	40	47.62%	84
6201 731 - NOV 2025					
EARLY VOTE	196	46.12%	229	53.88%	425
ELECTION DAY	0		0		0
PROVISIONAL	0		0		0
Total	196	46.12%	229	53.88%	425
6355 885 - NOV 2025					
EARLY VOTE	279	52.25%	255	47.75%	534
ELECTION DAY	0		0		0
PROVISIONAL	****	****	****	****	****
Total	280	52.34%	255	47.66%	535
Electionwide - Total	3,618	49.91%	3,631	50.09%	7,249
County - Total	3,618	49.91%	3,631	50.09%	7,249

EXHIBIT B
TO
RESOLUTION 1068-1125

[Early Voting Rejections and Provisional Totals by Precinct]

See following pages.

PRECINCT #5488

Reason Code	Description	Count
NS	No Signature	2
L	Returned Late	4
PRECINCT #5488 TOTAL		6

PRECINCT #5515

Reason Code	Description	Count
BS	Bad Signature	1
NS	No Signature	1
L	Returned Late	3
PRECINCT #5515 TOTAL		5

PRECINCT #5616

Reason Code	Description	Count
BS	Bad Signature	7
NS	No Signature	1
L	Returned Late	5
PRECINCT #5616 TOTAL		13

PRECINCT #5659

Reason Code	Description	Count
BS	Bad Signature	8
L	Returned Late	3
PRECINCT #5659 TOTAL		11

PRECINCT #5694

Reason Code	Description	Count
BS	Bad Signature	5
L	Returned Late	4
PRECINCT #5694 TOTAL		9

PRECINCT #5695

Reason Code	Description	Count
BS	Bad Signature	8

NS	No Signature	2
L	Returned Late	3
PRECINCT #5695 TOTAL		13

PRECINCT #5815

Reason Code	Description	Count
BS	Bad Signature	7
NS	No Signature	1
L	Returned Late	2
PRECINCT #5815 TOTAL		10

PRECINCT #5896

Reason Code	Description	Count
BS	Bad Signature	1
L	Returned Late	5
PRECINCT #5896 TOTAL		6

PRECINCT #6065

Reason Code	Description	Count
BS	Bad Signature	6
L	Returned Late	3
PRECINCT #6065 TOTAL		9

PRECINCT #6077

Reason Code	Description	Count
BS	Bad Signature	9
NS	No Signature	1
L	Returned Late	9
PRECINCT #6077 TOTAL		19

PRECINCT #6139

Reason Code	Description	Count
BS	Bad Signature	3
NS	No Signature	2
L	Returned Late	2
PRECINCT #6139 TOTAL		7

PRECINCT #6175

Reason Code	Description	Count
BS	Bad Signature	1
PRECINCT #6175 TOTAL		1

PRECINCT #6201

Reason Code	Description	Count
BS	Bad Signature	6
L	Returned Late	1
PRECINCT #6201 TOTAL		7

PRECINCT #6355

Reason Code	Description	Count
BS	Bad Signature	7
L	Returned Late	3
PRECINCT #6355 TOTAL		10

SUMMARY - ALL PRECINCTS

Reason Code	Description	Count
BS	Bad Signature	69
NS	No Signature	10
Total Rejected		79
L	Returned Late	47
Total Rejected + Late		126

PRECINCT #6077

Counted	Reason Code	Description	Count
No			
	B12	YOU WERE NOT ELIGIBLE TO VOTE IN THIS ELECTION	1
Total No			1
PRECINCT #6077 TOTAL			1

PRECINCT #6355

Counted	Reason Code	Description	Count
Yes			
	A	ACCEPTED	1
Total Yes			1
No			
	B17	CONDITIONAL PROVISIONAL - SUFFICIENT ID NOT PROVIDED BY DEADLINE	1
Total No			1
PRECINCT #6355 TOTAL			2

SUMMARY - ALL PRECINCTS

Counted	Reason Code	Description	Count
Yes			
	A	ACCEPTED	1
Total Yes			1
No			
	B12	YOU WERE NOT ELIGIBLE TO VOTE IN THIS ELECTION	1
	B17	CONDITIONAL PROVISIONAL - SUFFICIENT ID NOT PROVIDED BY DEADLINE	1
Total No			2
Cumulative Total:			3

Subtotal Moved Away Mode: 1,925

Subtotal Temp Away Mode: 46

Grand Total All Undeliverables: 1,971

ITEM NUMBER: 4.f.

SUBJECT: Resolution 1069-1125 - Land Use Assumptions, Infrastructure Improvement Plan and Notice of Intent

MEETING DATE: 11/17/2025

TO: Mayor and Council

FROM: Renee Weatherless, Finance and Budget Director, (623) 333-2011

THROUGH: Ron Corbin, City Manager, (623) 333-1011

REVIEWED: Ron Corbin, City Manager, (623) 333-1011

STRATEGIC PLAN:

This agenda item supports the following Avondale Strategic Outcome Area: **Innovative and Effective Government**

Avondale's elected leaders, employees, and strategic partners collaborate to serve as a model of innovation, efficiency, and responsive government.

PURPOSE:

City Council will consider a request to adopt Resolution 1069-1125, adopting the Land Use Assumptions (LUA), Infrastructure Improvement Plan (IIP) and a notice of intent to adopt revised development impact fees and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

BACKGROUND:

On January 9, 2023, City Council adopted an updated Land Use Assumptions (LUA) and Infrastructure Improvement Plan (IIP).

On April 3, 2023, City Council adopted the updated Development Impact Fees based on the Land Use Assumptions and Infrastructure Improvement Plan adopted on January 9, 2023.

On June 17, 2023, the updated Development Impact Fees went into effect.

On July 31, 2025, a notice of public hearing on the City's proposed LUA and IIP was posted on the City's website. Copies of the LUA and IIP documents were released and posted on the City's website for inspection by interested parties.

On August 2, 2025, a notice of public hearing on the City's proposed LUA and IIP was posted in the Arizona Republic - West Valley alerting interested parties of the public hearing and the City's proposed LUA and IIP was posted on the City's website.

On October 6, 2025, City Council conducted a public hearing on the proposed updated LUA and IIP.

DISCUSSION:

The IIP/LUA are documents necessary for the City to revise and adopt development impact fees.

The draft development impact fees are included in the attached reports. The public hearing on the proposed development impact fees is scheduled for January 12, 2026. Adoption of the final development impact fees will be scheduled on February 23, 2023. The fees shall not be effective for at least 75 days.

BUDGET IMPACT:

Adoption of revised development impact fees will align fees charged by the City to current service area land uses and projected growth assumptions.

RECOMMENDATION:

Staff requests that Council approve a Resolution adopting the Land Use Assumptions, Infrastructure Improvement Plan, and adopting a notice of intent to assess development impact fees in compliance with state law.

Contact person for document distribution: Greg Luethje, Christina Baker

RESOLUTION NO. 1069-1125

A RESOLUTION OF THE COUNCIL OF THE CITY OF AVONDALE, ARIZONA, ADOPTING THE LAND USE ASSUMPTIONS AND INFRASTRUCTURE IMPROVEMENTS PLAN FOR THE AMENDMENT OF DEVELOPMENT FEES IMPOSED BY THE CITY.

WHEREAS, the City of Avondale ("City") may impose development fees in accordance with the provisions of ARIZ. REV. STAT. § 9-463.05; and

WHEREAS, the City has prepared a revised set of Land Use Assumptions and an Infrastructure Improvement Plan; and

WHEREAS, the revised Infrastructure Improvements Plan was developed by Raftelis Financial Consulting as qualified professionals using generally accepted engineering and planning practices pursuant to ARIZ. REV. STAT. § 9-463.05(E); and

WHEREAS, the City released the revised set of Land Use Assumptions and an Infrastructure Improvement Plan on July 22, 2025 and held a public hearing before the City Council of Avondale on the revised set of Land Use Assumptions and an Infrastructure Improvement Plan on November 17, 2025 which is more than sixty days in accordance with ARIZ. REV. STAT. § 9-463.05(D); and

WHEREAS, less than sixty days have elapsed since the public hearing held before the City Council on the revised set of Land Use Assumptions and an Infrastructure Improvement Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF AVONDALE, as follows:

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

SECTION 2. The Land Use Assumptions and Infrastructure Improvements Plan are hereby adopted in substantially the form and substance of Exhibit A, attached hereto and incorporated herein by reference.

SECTION 3. The Resolution shall become effective thirty days after its adoption by the City.

SECTION 4. The Mayor, the City Manager, the City Clerk and the City Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this Resolution.

PASSED AND ADOPTED by the Council of the City of Avondale, November 17, 2025.

Mike Pineda, Mayor

ATTEST:

Marcella Sarmiento, City Clerk

APPROVED AS TO FORM:

Nicholle Harris, City Attorney

EXHIBIT A
TO
RESOLUTION NO. 1069-1125

[Land Use Assumptions and Infrastructure Improvements Plan]

See following pages.

City of **AVONDALE**

Land Use Assumptions and Infrastructure
Improvements Plan for Parks/Recreation,
Fire, Police, Streets, Water, and Wastewater
Facilities

Updated Report

September 29, 2025

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Introduction

Arizona Revised Statutes (ARS) §9-463.05 governs how Development Impact Fees (DIF) are calculated for municipalities in Arizona. The enabling legislation calls for three integrated products: 1) Land Use Assumptions (LUA) for at least 10 years, 2) Infrastructure Improvements Plan (IIP), and 3) Development Impact Fees (DIF). Because Arizona requires a two-phase adoption process, the LUA and IIP will be reviewed, refined, and approved before focusing on impact fees.

According to requirements of Arizona's enabling legislation, DIF may be only used for construction, acquisition or expansion of public facilities that are necessary public services. "Necessary public service" means any of the following categories of facilities that have a life expectancy of three or more years and that are owned and operated by or on behalf of the municipality.

- Water Facilities
- Wastewater Facilities
- Storm Water, Drainage, and Flood Control Facilities
- Library Facilities
- Streets Facilities
- Fire and Police Facilities
- Parks and Recreational Facilities
- Any facility that was financed before June 1, 2011 and that meets the following requirements:
 1. impact fees were pledged to repay debt service obligations related to the construction of the facility.
 2. After August 1, 2014, any impact fees collected are used solely for the payment of principal and interest on the portion of the bonds, notes, or other debt service obligations issued before June 1, 2011 to finance construction of the facility.

Infrastructure Improvements Plan

Development fees must be calculated pursuant to an Infrastructure Improvements Plan (IIP). For each necessary public service that is the subject of a development fee, Subsection 9-463.05(E) requires the following.

- 1. A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.*
- 2. An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.*
- 3. A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved land use assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in this state, as applicable.*
- 4. A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility*

expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial and industrial.

5. The total number of projected service units necessitated by and attributable to new development in the service area based on the approved land use assumptions and calculated pursuant to generally accepted engineering and planning criteria.

6. The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.

7. A forecast of revenues generated by new service units other than development fees, which shall include estimated state-shared revenue, highway users revenue, federal revenue, ad valorem property taxes, construction contracting or similar excise taxes and the capital recovery portion of utility fees attributable to development based on the approved land use assumptions, and a plan to include these contributions in determining the extent of the burden imposed by the development as required in subsection B, paragraph 12 of this section.

Qualified Professionals

Qualified professionals must prepare the LUA, IIP and DIF, using generally accepted engineering, planning, and financial practices. A qualified professional is defined as “a professional engineer, surveyor, financial analyst or planner providing services within the scope of the person’s license, education, or experience.” Raftelis is a financial consulting firm specializing in impact fees, infrastructure funding, user fees, cost of service studies, capital improvement plans, and utility rate studies. Raftelis has over 100 professionals located in major urban areas across America. Avondale’s LUA and IIP were prepared by qualified professionals in Denver, CO.

Land Use Assumptions

The City of Avondale will use the same land use assumptions for all types of infrastructure. In addition to population and housing unit projections, the IIP and impact fees also require demographic data on nonresidential development, such as jobs and floor area. This document contains the land use assumptions for Avondale's 2022 DIF update. The LUA and IIP must be updated every five years, making short-range projections the critical time frame. The IIP is limited to ten years, thus a very long-range "build-out" analysis may not be used to derive impact fees in Arizona.

ARS §9-463.05(T)(7) defines land use assumptions as:

"Projections of changes in land uses, densities, intensities and population for a specified service area over a period of at least ten years and pursuant to the General Plan of the municipality."

Raftelis prepared current demographic **estimates** and future development **projections** for both residential and nonresidential development that are used in the IIP and calculation of impact fees. Current conditions in Fiscal Year (FY) 21-22 are used to document levels-of-service provided to existing development in Avondale. Although long-range projections are necessary for planning infrastructure systems, a ten-year timeframe is critical for the LUA and IIP.

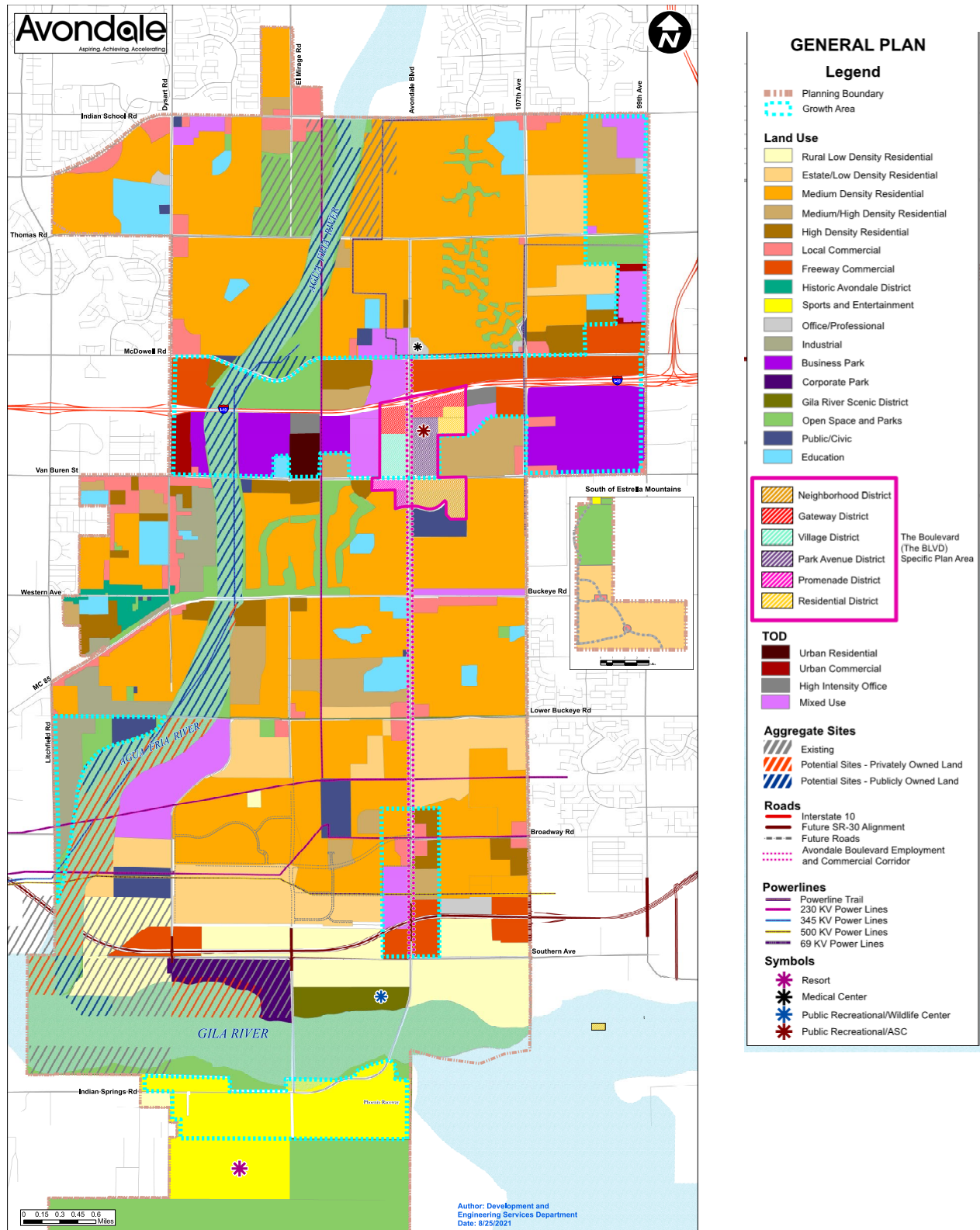
Service Area

ARS §9-463.05(T)(9) defines "service area" as:

"...Any specified area within the boundaries of a municipality in which development will be served by necessary public services or facility expansions and within which a substantial nexus exists between the necessary public services or facility expansions and the development being served as prescribed in the infrastructure improvements plan. "

A citywide service area is appropriate for Avondale's public facilities. Figure 1 indicates land uses, densities, and intensities of development as specified in the General Plan. The service area is defined as all land within the city limits of Avondale, as modified over time.

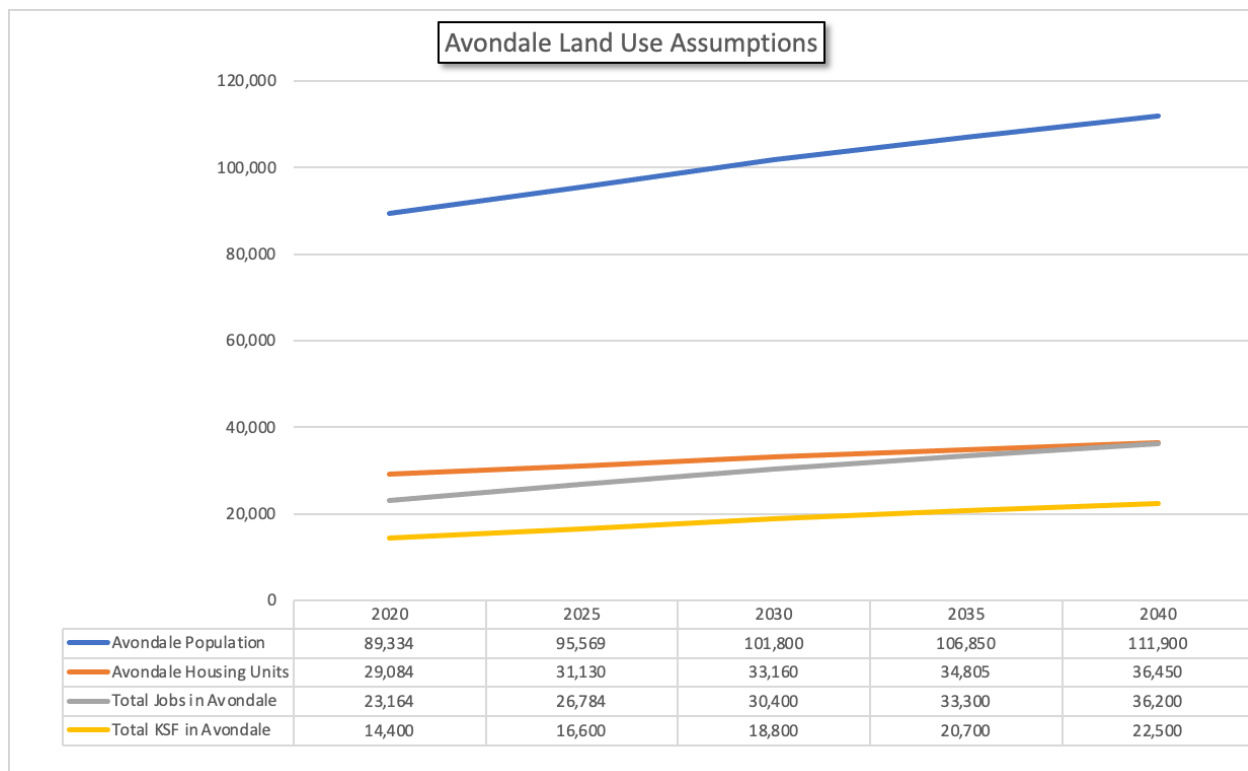
Figure 1 – Service Area Map



Summary of Growth Indicators

Service units (i.e., residents and jobs) and development units (i.e., dwellings and square feet of nonresidential floor area expressed in thousands) for 2020 through 2040 are summarized in Figure 2. These land use assumptions will be used to estimate DIF revenue and to indicate the anticipated need for growth-related infrastructure. However, DIF methodologies are designed to reduce sensitivity to accurate development projections in the determination of the proportionate-share fee amounts. If actual development is slower than projected, DIF revenues will also decline, but so will the need for growth-related infrastructure. In contrast, if development is faster than anticipated, Avondale will receive an increase in DIF revenue and will also accelerate capital improvements to keep pace with development.

Figure 2 – Chart of Projected Development



Service Units by Type of Residential Development

The U.S. Census Bureau no longer obtains detailed information using “long-form” questionnaires. Demographic data is currently collected using a continuous monthly mailing of surveys, known as the American Community Survey (ACS), which is limited by sample-size constraints. For example, data on Single Family detached housing units are now combined with attached single units (commonly known as townhouses). According to the U.S. Census Bureau, a household is a housing unit that is occupied by year-round residents. Development fees often use per capita standards and persons per housing unit, or persons per household, to derive proportionate-share fee amounts. Raftelis recommends that fees for residential development in the City of Avondale be imposed according to the number of year-round residents per housing unit. Figure 3 documents Avondale’s most recent multipliers by type of housing.

Figure 3: Persons per Housing Unit by Units in Structure*City of Avondale*

<i>Units in Structure</i>	<i>Persons</i>	<i>Housing Units</i>	<i>Persons per Housing Unit</i>	<i>Housing Mix</i>
Single Unit (detached and attached)	70,590	21,442	3.29	77%
2+ Unit (all other residential)	15,332	6,543	2.34	23%
Subtotal	85,922	27,985	3.07	

Source: 2016-2020 ACS Tables B25024 and B25033, U.S. Census Bureau.

Service Units by Type of Nonresidential Development

In addition to data on residential development, the calculation of impact fees requires data on nonresidential development. Raftelis uses the term “jobs” to refer to employment by place of work. In Figure 4, gold shading indicates nonresidential development prototypes that will be used to allocate costs. Nonresidential development categories represent general groups of land uses that share similar average weekday vehicle trip generation rates and employment densities (i.e., jobs per thousand square feet of floor area). The prototype for future Industrial development is Warehousing (ITE land use 150). For Office/Services, General Office (ITE 710) is the prototype for future development in Avondale. The prototype for Commercial (e.g., retail and restaurants) is a Shopping Center (ITE code 820).

Figure 4 – Nonresidential Trip Rates and Jobs by Type of Development

<i>ITE Code</i>	<i>Land Use / Size</i>	<i>Demand Unit</i>	<i>Weekday Trip Ends Per Demand Unit*</i>	<i>Weekday Trip Ends Per Employee *</i>	<i>Employees Per Demand Unit</i>	<i>Square Feet Per Employee</i>
110	Light Industrial	1,000 Sq Ft	4.87	3.10	1.57	637
140	Manufacturing	1,000 Sq Ft	4.75	2.51	1.89	528
150	Warehousing	1,000 Sq Ft	1.71	5.05	0.34	2,953
310	Hotel	room	7.99	14.34	0.56	N/A
320	Motel	room	3.35	25.17	0.13	N/A
520	Elementary School**	1,000 Sq Ft	19.52	21.00	0.93	1,076
530	High School**	1,000 Sq Ft	14.07	22.25	0.63	1,581
610	Hospital	1,000 Sq Ft	10.77	3.77	2.86	350
620	Nursing Home	1,000 Sq Ft	6.75	3.31	2.04	490
710	General Office	1,000 Sq Ft	10.84	3.33	3.26	307
720	Medical/Dental Office	1,000 Sq Ft	36.00	8.71	4.13	242
820	Shopping Center	1,000 Sq Ft	37.01	17.42	2.12	471
850	Grocery/Supermarket	1,000 Sq Ft	93.84	43.86	2.14	467

* *Trip Generation*, Institute of Transportation Engineers, 11th Edition (2022).

** *Trip Generation*, Institute of Transportation Engineers, 10th Edition (2017).

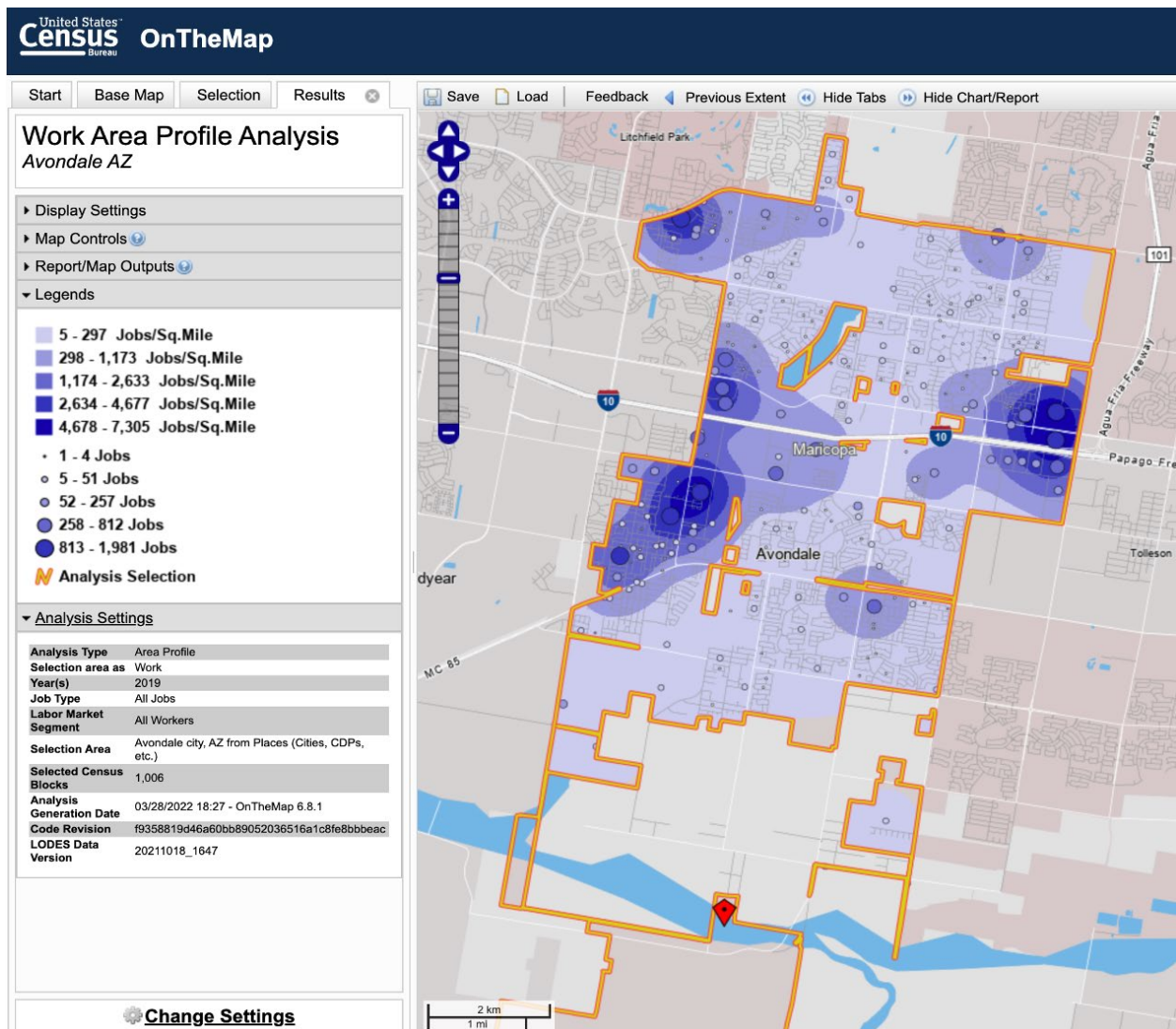
Latest data on jobs in Avondale (see Figure 5) are from the Census Bureau. Each row is an industry sector, as reported by the North American Industry Classification System. Subtotals and percentages for Avondale's three types of nonresidential development are shown at the bottom of the table.

Figure 5 – Work Area Profile

Avondale AZ

<i>Industry Classification</i>	<i>2019 Jobs</i>	<i>General Type</i>
Agriculture, Forestry, Fishing and Hunting	16	Industrial
Mining, Quarrying, and Oil and Gas Extraction	0	Industrial
Utilities	127	Industrial
Construction	871	Industrial
Manufacturing	68	Industrial
Wholesale Trade	460	Industrial
Retail Trade	5,440	Commercial
Transportation and Warehousing	235	Industrial
Information	380	Office / Institutional
Finance and Insurance	203	Office / Institutional
Real Estate and Rental and Leasing	208	Office / Institutional
Professional, Scientific, and Technical Services	272	Office / Institutional
Management of Companies and Enterprises	16	Office / Institutional
Administration & Support, Waste Management and Remediation Services	536	Office / Institutional
Educational Services	3,399	Office / Institutional
Health Care and Social Assistance	1,285	Office / Institutional
Arts, Entertainment, and Recreation	349	Office / Institutional
Accommodation and Food Services	2,565	Commercial
Other Services (excluding Public Administration)	173	Office / Institutional
Public Administration	1	Office / Institutional
Total Jobs	16,604	
<i>Subtotals by Type of Nonresidential Development</i>		
Industrial	1,777	11%
Commercial	8,005	48%
Office / Institutional	6,822	41%
Total Jobs	16,604	100%

The map below indicates the general location and concentration of jobs within Avondale (dark blue indicates more jobs per square mile).



Detailed land use assumptions are shown in Figure 6. Population and housing units in 2020 are from the U.S. Census Bureau. Projected 2030, 2040, and 2050 population in the Avondale Municipal Planning Area (MPA) are from Maricopa Association of Governments (MAG). Jobs in the Avondale MPA for 2020, 2030, 2040, and 2050 are also from MAG. Raftelis converted jobs to nonresidential floor area using average square feet per job multipliers documented in pages 23-25 of the MAG 2019 Socioeconomic Projections. Industrial average of 1,060 square feet per job is based on manufacturing and warehousing. Commercial average of 660 square feet per job is based on retail, restaurants, and hotels. Office/Services average of 459 square feet per job is based on information, finance/insurance, and real estate. See Appendix B for supporting documentation from MAG.

Figure 6 – Detailed Land Use Assumptions

2022 LUA		FY24-25	FY25-26	FY26-27	FY27-28	FY28-29	FY29-30	FY34-35	FY44-45	FY49-50	
Avondale AZ		Base Yr	1	2	3	4	5	10	20	25	
		2020	2025	2026	2027	2028	2029	2030	2035	2045	2050
Population											
Avondale Population		89,334	95,569	96,816	98,063	99,310	100,557	101,800	106,850	115,450	119,000
Housing Units											
Persons per Housing Unit		3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07	3.07
Avondale Housing Units		29,084	31,130	31,536	31,942	32,349	32,755	33,160	34,805	37,606	38,762
Jobs (place of work)											
Industrial Jobs		2,548	2,946	3,026	3,106	3,185	3,265	3,344	3,663	4,345	4,708
Commercial Jobs		11,119	12,856	13,204	13,551	13,899	14,246	14,592	15,984	18,960	20,544
Office/Services Jobs		9,497	10,981	11,278	11,575	11,872	12,169	12,464	13,653	16,195	17,548
Total Jobs in Avondale		23,164	26,784	27,508	28,232	28,956	29,680	30,400	33,300	39,500	42,800
Jobs-Housing Ratio		0.80	0.86	0.87	0.88	0.90	0.91	0.92	0.96	1.05	1.10
Nonresidential Floor Area (square feet in thousands = KSF)											
Industrial KSF		2,700	3,100	3,200	3,300	3,400	3,500	3,500	3,900	4,600	5,000
Commercial KSF		7,300	8,500	8,700	8,900	9,200	9,400	9,600	10,500	12,500	13,600
Office/Services KSF		4,400	5,000	5,200	5,300	5,400	5,600	5,700	6,300	7,400	8,000
Total KSF in Avondale		14,400	16,600	17,100	17,500	18,000	18,500	18,800	20,700	24,500	26,600
Average Square Feet per Job		622	620	622	620	622	623	618	622	620	621

24to25	25to26	26to27	27to28	28to29	29to30	34to35	44to45	49to50
1,247	1,247	1,247	1,247	1,247	1,243	1,010	710	710
406	406	406	407	406	405	329	231	231
724	724	724	724	724	720	580	660	660
100	100	100	100	100	0	100	100	100
200	200	200	300	200	200	100	200	300
100	200	100	100	200	100	100	100	100
400	500	400	500	500	300	300	400	500

Parks/Recreation Facilities IIP

ARS § 9-463.05(T)(7)(g) defines parks and recreation facilities eligible for development fee funding.

“Neighborhood parks and recreational facilities on real property up to thirty acres in area, or parks and recreational facilities larger than thirty acres if the facilities provide a direct benefit to the development. Park and recreational facilities do not include vehicles, equipment or that portion of any facility that is used for amusement parks, aquariums, aquatic centers, auditoriums, arenas, arts and cultural facilities, bandstand and orchestra facilities, bathhouses, boathouses, clubhouses, community centers greater than three thousand square feet in floor area, environmental education centers, equestrian facilities, golf course facilities, greenhouses, lakes, museums, theme parks, water reclamation or riparian areas, wetlands, zoo facilities or similar recreational facilities, but may include swimming pools.”

In the 2022 update, the City of Avondale is using two methods to derive impact fees for park and recreation facilities. First, Avondale used a cost recovery method for a General Fund loan of \$2.5 million used to construct 5.8 acres at Alamar Park. Second, Avondale will use an incremental expansion cost method for additional park improvements. Parks/recreation development fees in Avondale exclude costs to upgrade, update, improve, expand, correct or replace necessary public services to meet existing needs/usage. Avondale fees also exclude stricter safety, efficiency, environmental or regulatory standards.

Service Area

The service area for parks/recreation development fees includes the area north of the Estrella Mountains.

Proportionate Share

ARS § 9-463.05(B)(3) states the development fee shall not exceed a proportionate share of the cost of necessary public services needed to serve new development. In Avondale, parks/recreation infrastructure standards, projected needs, and development fees are based on both residential and nonresidential development. As shown in Figure PR1, Raftelis used daytime population to allocate costs. Daytime population includes estimated residents and inflow commuters in 2019 (latest year available). Potential demand days per year assume residents might use parks every day of the year, but inflow commuters will only use parks four days per week over 48 weeks per year (i.e., two weeks of vacation and two weeks of holidays). Based on cumulative demand days, residential development accounts for 92% of the demand for parks/recreation facilities, with 8% assigned to nonresidential development.

Figure PR1 – Daytime Population

Cost Allocation Factors for Parks	Residential	Nonresidential	
2019 Daytime Population	85,595	14,888	
	Residents	Inflow Commuters	
Potential Demand Days per Year	365	192	Total
Cumulative Demand Days	31,242,175	2,858,496	34,100,671
Proportionate Share	92%	8%	

Source of inflow commuters is U.S. Census Bureau, Inflow/Outflow report from OnTheMap website.

Current Use and Standards for Parks/Recreation Facilities

Avondale has determined that additional parks are necessary to accommodate future development. As shown in Figure PR2, the City's current standard is approximately 1.10 acres of improved parks per 1,000 residents and approximately 0.36 acres per 1,000 jobs. These standards exclude parks less than 1.5 acres that might not provide citywide benefit. To accommodate new development over the next ten years, Avondale will expand parks, with expenditures estimated to cost of approximately \$6.72 million. According to Avondale Staff, the cost factor of \$431,000 per acre for park improvements is based on recent construction of Alamar Park.

Figure PR2 – Existing Park Improvements Standards and Growth Needs

Location	Improved			
Friendship Park	30.0			
Festival Fields	30.0			
Alamar Park**	24.2			
Las Ligas Park	8.1			
Donnie Hale Park	5.3			
Dessie Lorenz Park	4.6			
Mountain View Park	3.6			
Dennis DeConcini Park	2.0			
Fred Campbell Park	1.5			
Total =>	109.3			
Average Size (acres)	12.1			
2022 Service Units				
	91,828			
	24,612			
	Persons	Jobs		
Acres per 1,000 Service Units	1.10	0.36		
Projected Need for Park Improvements				
	Year	Population	Jobs	Improved Acres
Base	2022	91,828	24,612	109.3
Year 1	2023	93,075	25,336	110.9
Year 2	2024	94,322	26,060	112.5
Year 3	2025	95,569	26,784	114.2
Year 4	2026	96,816	27,508	115.8
Year 5	2027	98,063	28,232	117.4
Year 10	2032	103,820	31,560	124.9
Ten-Yr Increase		11,992	6,948	15.6
		Total Project Cost per Acre =>		\$431,000
		Growth Cost of Parks =>		\$6,724,000

**Source: Avondale staff (excludes parks less than 1.5 acres that might not provide citywide benefit).*

*** Impact fee eligible area (30 acres) reduced to account for area constructed*

**Source: Avondale staff (excludes parks less than 1.5 acres that might not provide citywide benefit).*

*** Impact fee eligible area (30 acres) reduced to account for area constructed*

Parks/Recreation Improvements

Figure PR3 lists planned parks/recreation improvements over the next ten years. Based on projected needs to accommodate growth, Avondale expects to spend approximately \$6.72 million to expand parks

improvements over the next ten years. Improved acres may include expansion of existing parks or an additional park site. Also, the City used General Fund revenue to front-end recent, growth-related park improvements. Based on projects under construction in FY22, the Park impact fee fund has a negative balance of approximately \$2.5 million, to account for the General Fund loan.

Figure PR3 – Parks/Recreation Projects Over Ten Years

<i>Infrastructure Needs</i>	<i>Infrastructure Units</i>	<i>Growth Quantity Over Ten Years</i>	<i>Cost Factor per Unit</i>	<i>IIP Cost (rounded)</i>
Parks and Recreation Facilities	improved acres	15.6	\$431,000	\$6,724,000

Planned Infrastructure Improvements

<i>Name/Description</i>	<i>Acreage</i>	<i>Estimated Cost</i>	<i>Growth Share</i>	<i>Growth Cost</i>
Future Park Expansion	15.6	\$6,724,000	100%	\$6,724,000
General Fund Loan Repayment		\$2,500,000	100%	\$2,500,000
Total	15.6	\$9,224,000		\$9,224,000

Fire Facilities IIP

ARS § 9-463.05(T)(7)(f) defines the fire facilities eligible for development fee funding.

“Fire and Police facilities, including all appurtenances, equipment and vehicles. Fire and Police facilities do not include a facility or portion of a facility that is used to replace services that were once provided elsewhere in the municipality, vehicles and equipment used to provide administrative services, helicopters or airplanes or a facility that is used for training firefighters or officers from more than one station or substation.”

Fee Calculation Methodology

In the 2022 update, the City of Avondale is using the incremental expansion cost method to derive development impact fees for fire facilities. Fire impact fees in Avondale exclude costs to upgrade, update, improve, expand, correct or replace necessary public services to meet existing needs/usage and stricter safety, efficiency, environmental or regulatory standards. Fire vehicles and equipment used to provide administrative services are also excluded.

Service Area

To hasten response times, public safety responders are typically dispatched from the closest facility, with multiple locations responding as warranted. Avondale has five existing fire stations, with a dispatch system that assigns calls to secondary responders, if needed. Therefore, all developed areas within the City of Avondale are served by an integrated public safety system. Avondale’s service area for fire impact fees includes the area North of the Estrella Mountains, as discussed previously in the section on Land Use Assumptions.

Proportionate Share

ARS § 9-463.05(B)(3) states the development fee shall not exceed a proportionate share of the cost of necessary public services needed to serve new development. In Avondale, fire infrastructure standards, projected needs, and development fees are based on both residential and nonresidential development. As stated in ARS §9.463.05(E)(4), impact fees must be proportionate to various types of land uses.

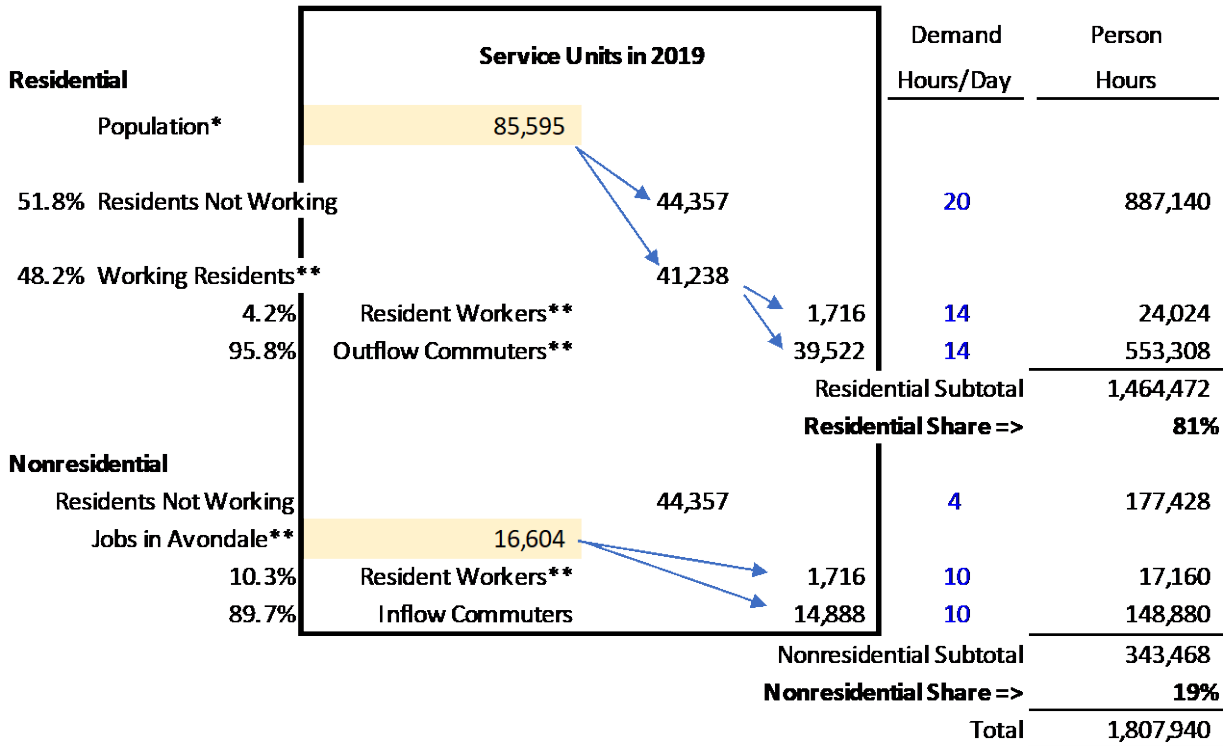
“A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial and industrial.”

Given these requirements, Raftelis recommends using functional population to allocate capital costs of public safety facilities to residential and nonresidential development. In 2019, the U.S. Census Bureau’s commuting data indicates 1,716 persons lived and worked in Avondale, 39,522 outflow commuters went to work outside Avondale and 14,888 inflow commuters travel to jobs within Avondale. Functional population is like the U.S. Census Bureau’s definition of daytime population (based on people living and working in a jurisdiction), with the addition of journey-to-work data and weighting factors (i.e., demand hours per day) to account for time spent at residential and nonresidential locations. Residents who do not work are assigned 20 hours per day to residential development and 4 hours per day to nonresidential development (annualized averages for assumed time spent shopping, dining, obtaining personal services, going to school/church, etc.). Residents who work in Avondale are assigned 14 hours to residential development and 10 hours to nonresidential development. Residents who work outside Avondale are

assigned 14 hours to residential development. Inflow commuters are assigned 10 hours to nonresidential development. Based on 2019 population and job data for Avondale, the cost allocation for residential development is 81%, while nonresidential development accounts for 19% of the demand for infrastructure.

Figure F1 – Functional Population

Avondale AZ



* 2019 Avondale population estimate from Maricopa Association of Governments.

** 2019 Avondale Inflow/Outflow, from OnTheMap web application, U.S. Census Bureau data for all jobs.

Current Use and Available Capacity

In Avondale, fire facilities are fully utilized and there is no surplus capacity for future development. Avondale has determined that fire building space will require expansion to accommodate future development. Figure F2 inventories current fire buildings in Avondale. For residential development, population is used as the best indicator of the demand for service. For nonresidential development, Avondale will use inbound, primary vehicle trips, on an average weekday, as the service units. Figure F2 also indicates the allocation of fire building space to residential and nonresidential development. The percentages for stations 172, 174 and the Emergency Operations Center are based on approximate floor area used by fire and police personnel respectively. Current standards are 0.62 square feet of fire buildings per Avondale resident and 0.11 square feet of fire buildings per inbound, primary vehicle trip on an average weekday, to nonresidential development in Avondale.

Figure F2 – Existing Fire Buildings and Standards

<i>Building Space for Fire Functions</i>	<i>Square Feet</i>
Station 175	17,084
Station 173	16,000
Station 172 (73%)	12,391
Station 174 (60%)	10,951
Station 171	8,600
Fire Headquarters	3,000
Emergency Operations Center (50%)	2,500
Total	70,526

Data Source: Avondale Fire Department and Facilities Director.

<i>Fire Buildings Standards</i>	<i>Residential</i>	<i>Nonresidential</i>
Proportionate Share	81%	19%
Growth Indicator	Population	Average Weekday, Inbound, Primary Vehicle Trips to Nonres Development
2022 Service Units	91,828	122,675
Square Feet per Service Unit	0.62	0.11

Development fees will be used to expand the fleet of fire vehicles and purchase additional equipment that has a useful life of at least three years. Figure F3 lists fire vehicles and equipment currently used by the Avondale Fire Department that has an initial purchase price of at least \$23,500. Avondale currently has 37 fire vehicles, with a total value of approximately \$14.31 million. The weighted average cost factor is \$386,800 per fire vehicle.

Following the same methodology used for fire buildings, the total count of fire vehicles and equipment was allocated to residential and nonresidential development in Avondale. As shown at the bottom of Figure F3, every 1,000 persons will require Avondale to purchase 0.33 additional fire vehicles. Every 1,000 inbound, primary vehicle trips to nonresidential development, on an average weekday, requires 0.06 additional fire vehicles.

Figure F3 – Existing Fire Vehicles and Standards

<i>Fire Vehicle</i>	<i>Units</i>	<i>Unit Cost</i>	<i>Total Value</i>
FIRE TRUCK	12	\$950,000	\$11,400,000
LADDER	1	\$1,846,600	\$1,846,600
SEDAN / SUV	6	\$41,300	\$247,800
SAFETY TRAILER	1	\$101,500	\$101,500
LIGHT TRUCK	9	\$42,000	\$378,000
LARGE VAN	2	\$39,200	\$78,400
MEDIUM PICKUP	3	\$62,500	\$187,500
ATV	3	\$23,500	\$70,500
TOTAL	37		\$14,310,300
Weighted Average Cost per Vehicle =>			\$386,800

Data Source: Avondale staff.

Fire Vehicle Standards	<i>Residential</i>	<i>Nonresidential</i>
Proportionate Share	81%	19%
Growth Indicator	<i>Population</i>	<i>Average-Weekday, Inbound, Primary Vehicle Trips to Nonres Development</i>
2022 Service Units	91,828	122,675
Vehicles per thousand Service Units	0.33	0.06

Projected Need for Fire Facilities

To accommodate new development over the next ten years, Avondale will need to add 11,240 square feet of fire buildings, at an estimated cost of approximately \$7.5 million. As shown in Figure F4, the cost factor of \$668 per square foot is based on the recent total project cost of Van Buren fire station.

Also, Avondale Fire Department will need six additional vehicles to accommodate new development over the next ten years. The expected cost of additional fire vehicles is approximately \$2.3 million.

Figure F4 – Fire Facilities Needed to Accommodate Growth**Fire Building Standards and Capital Costs**

Buildings - Residential	0.62	Sq Ft per person
Buildings - Nonresidential	0.11	Sq Ft per trip
Building Cost Factor	\$668	per square foot

		Infrastructure Needed		
	<i>Year</i>	<i>Population</i>	<i>Vehicle Trips to Nonresidential Dev</i>	<i>Fire Buildings (sq ft)</i>
Base	2022	91,828	122,675	70,526
Year 1	2023	93,075	126,287	71,697
Year 2	2024	94,322	130,493	72,932
Year 3	2025	95,569	133,564	74,043
Year 4	2026	96,816	137,176	75,213
Year 5	2027	98,063	140,246	76,324
Year 10	2032	103,820	157,275	81,766
Ten-Yr Increase		11,992	34,599	11,240
Growth Cost of Fire Buildings =>				\$7,508,000

Fire Vehicle Standards and Capital Costs

Vehicles - Residential	0.33	per 1,000 persons
Vehicles - Nonresidential	0.06	per 1,000 vehicle trips
Average Cost	\$386,800	per vehicle

		Infrastructure Needed		
	<i>Year</i>	<i>Population</i>	<i>Vehicle Trips to Nonresidential Dev</i>	<i>Fire Vehicles</i>
Base	2022	91,828	122,675	37
Year 1	2023	93,075	126,287	38
Year 2	2024	94,322	130,493	38
Year 3	2025	95,569	133,564	39
Year 4	2026	96,816	137,176	39
Year 5	2027	98,063	140,246	40
Year 10	2032	103,820	157,275	43
Ten-Yr Increase		11,992	34,599	6
Growth Cost of Fire Vehicles =>				\$2,321,000

Fire Infrastructure Improvements

Fire impact fees in Avondale are based on the same level of service provided to existing development. Using impact fee funding over the next ten years, Figure F5 indicates that Avondale will construct Alamar station. This public safety building will be used for fire and police functions. The total floor area of the new building will be approximately 27,000 square feet, with approximately 19,000 square feet used by the Fire Department. The planned floor area of Alamar Station is larger than the need for additional square feet to maintain existing standards. Therefore, impact fee revenue will only fund 59% of the expected cost.

Because fire vehicles require large garages, the total project cost per square foot for fire functions is less than the cost factor for police functions. Avondale will also purchase additional fire vehicles, expected to cost approximately \$2.3 million.

Figure F5 – Ten-Year Plan for Fire Facilities

<i>Infrastructure Type</i>	<i>Infrastructure Units</i>	<i>Growth Quantity Over Ten Years</i>	<i>Cost Factor per Unit</i>	<i>IIP Cost (rounded)</i>
Fire Buildings	square feet	11,240	\$668	\$7,508,000
Fire Vehicles (3+ years of useful life)	count	6	\$386,800	\$2,321,000

Planned Infrastructure Improvements

<i>Name/Description</i>	<i>Units</i>	<i>Estimated Cost</i>	<i>Growth Share</i>	<i>Growth Cost</i>
Alamar Fire Station	19,000	\$12,692,000	59%	\$7,508,000
Alamar Station Vehicle	1	\$1,000,000	100%	\$1,000,000
Additional Fire Vehicles			100%	\$1,321,000
Total		\$13,692,000		\$9,829,000

Police Facilities IIP

ARS § 9-463.05(T)(7)(f) defines the police facilities eligible for development fee funding.

“Fire and Police facilities, including all appurtenances, equipment and vehicles. Fire and Police facilities do not include a facility or portion of a facility that is used to replace services that were once provided elsewhere in the municipality, vehicles and equipment used to provide administrative services, helicopters or airplanes or a facility that is used for training firefighters or officers from more than one station or substation.”

Police development fees in Avondale exclude costs to upgrade, update, improve, expand, correct or replace necessary public services to meet existing needs/usage, and stricter safety, efficiency, environmental or regulatory standards. Also excluded from the Avondale development fees are police vehicles and equipment used to provide administrative services.

Service Area

All developed areas within the City of Avondale are served by an integrated public safety system. Avondale’s service area for police development fees includes all land within city limits.

Proportionate Share

Based on the rationale discussed in the Fire section above, Raftelis recommends using functional population to allocate capital costs of police facilities to residential and nonresidential development. According to 2019 population and job data for Avondale, the cost allocation for residential development is 81%, while nonresidential development accounts for 19% of the demand for infrastructure.

Current Use and Available Capacity

The top of Figure P1 indicates police building space allocated to residential and nonresidential development, along with 2022 service units in Avondale. The percentages for stations 172, 174 and the Emergency Operations Center are based on approximate floor area used by fire and police personnel respectively. The standard in Avondale is 0.62 square feet of police building per resident. For nonresidential development, Avondale’s standard is 0.11 square feet of police building per inbound, primary vehicle trip on an average weekday, to nonresidential development.

Development fees will also be used to expand the fleet of police vehicles that have a useful life of at least three years. The bottom of Figure P1 lists the City’s current police vehicles and infrastructure standards. The current number of police vehicles were allocated to residential and nonresidential development in Avondale. Adding 1,000 residents will require Avondale to purchase 1.26 additional police vehicles. Every 1,000 inbound, primary, average weekday, vehicle trips to nonresidential development will require Avondale to purchase 0.22 additional police vehicles.

Figure P1 – Existing Police Infrastructure Standards

<i>Building Space for Police Functions</i>	<i>Square Feet</i>
Police Headquarters	41,100
Public Safety 174 (40%)	7,301
Public Safety 172 (27%)	4,583
Substation on Western	6,480
Jail	4,640
Brinker Substation	4,224
Emergency Operations Center (50%)	2,500
Total	70,828

Data Source: Avondale Police Department and Facilities Director.

Buildings Standards	<i>Residential</i>	<i>Nonresidential</i>
Proportionate Share	81%	19%
Growth Indicator	<i>Population</i>	<i>Average-Weekday, Inbound, Primary Vehicle Trips to Nonres Dev</i>
2022 Service Units	91,828	122,675
Square Feet per Service Unit	0.62	0.11

<i>Police Vehicles</i>	<i>Units</i>	<i>Unit Cost</i>	<i>Total Value</i>
PATROL UNITS	82	\$70,000	\$5,740,000
NON- PATROL	47	\$38,000	\$1,786,000
MOTORCYCLES	6	\$45,000	\$270,000
TRUCKS	2	\$55,000	\$110,000
VANS	4	\$38,000	\$152,000
ARMORED TRUCKS	2	\$350,000	\$700,000
TOTAL	143		\$8,758,000

Weighted Average Cost per Vehicle => \$61,200

Data Source: Avondale Police Department.

Police Vehicle Standards	<i>Residential</i>	<i>Nonresidential</i>
Proportionate Share	81%	19%
Growth Indicator	<i>Population</i>	<i>Average-Weekday, Inbound, Primary Vehicle Trips to Nonres Development</i>
2022 Service Units	91,828	122,675
Vehicles per thousand Service Units	1.26	0.22

To maintain existing standards over the next ten years, Avondale could justify adding 11,287 square feet of police building space. However, the planned construction of the Alamar public safety building will likely complete the Police Department's need for building space to accommodate buildout of Avondale. Therefore, the 2022 update of police impact fees caps the need for building space at 8,000 square feet.

As shown in Figure P2, the cost factor of \$998 per square foot is based on the expected cost of Police Department's portion of the Alamar public safety building. The cost factor per square foot of building space is higher for police than fire functions due to lack of large garages and the extra cost for security measures.

To maintain the current infrastructure standard over the next ten years, Avondale will need to expand the police fleet by 23 vehicles, at an estimated cost of approximately \$1.41 million. The Avondale Police Department has estimated that a new fully equipped police vehicle costs approximately \$61,200, including information technology, communications, and safety equipment.

Figure P2 – Projected Need for Police Infrastructure

Police Building Standards and Capital Costs

Buildings - Residential	0.62	Sq Ft per person
Buildings - Nonresidential	0.11	Sq Ft per trip
Building Cost Factor	\$998	per square foot

		Infrastructure Needed		
	<i>Year</i>	<i>Population</i>	<i>Vehicle Trips to Nonresidential Dev</i>	<i>Police Buildings (sq ft)</i>
Base	2022	91,828	122,675	70,828
Year 1	2023	93,075	126,287	72,003
Year 2	2024	94,322	130,493	73,244
Year 3	2025	95,569	133,564	74,359
Year 4	2026	96,816	137,176	75,535
Year 5	2027	98,063	140,246	76,651
Year 10	2032	103,820	157,275	82,115
Ten-Yr Increase		11,992	34,599	11,287

Growth Cost of Police Buildings => \$11,264,000

Police Vehicle Standards and Capital Costs

Vehicles - Residential	1.26	per 1,000 persons
Vehicles - Nonresidential	0.22	per 1,000 vehicle trips
Average Cost	\$61,200	per vehicle

		Infrastructure Needed		
	<i>Year</i>	<i>Population</i>	<i>Vehicle Trips to Nonresidential Dev</i>	<i>Police Vehicles</i>
Base	2022	91,828	122,675	143
Year 1	2023	93,075	126,287	145
Year 2	2024	94,322	130,493	148
Year 3	2025	95,569	133,564	150
Year 4	2026	96,816	137,176	153
Year 5	2027	98,063	140,246	155
Year 10	2032	103,820	157,275	166
Ten-Yr Increase		11,992	34,599	23

Growth Cost of Police Vehicles => \$1,408,000

Police Infrastructure Improvements

Police impact fees in Avondale are based on the incremental expansion cost of police vehicles (i.e., maintenance of current standards) and the plan-based need for police buildings. Using impact fee funding over the next ten years, Figure P3 indicates that Avondale will expand police buildings by 8,000 square feet, which is based on the planned floor area of the combined Alamar public safety building (i.e., 27,000 total square feet) less the Fire Department's space (i.e., 19,000 square feet). Avondale will also purchase an additional 23 police vehicles over the next ten years, expected to cost approximately \$1.4 million.

Figure P3 – Ten-Year Plan for Police Facilities

<i>Infrastructure Type</i>	<i>Infrastructure Units</i>	<i>Growth Quantity Over Ten Years</i>	<i>Cost Factor per Unit</i>	<i>IIP Cost (rounded)</i>
Police Buildings	square feet	8,000	\$998	\$7,984,000
Police Vehicles (3+ years of useful life)	count	23	\$61,200	\$1,408,000

Planned Infrastructure Improvements

<i>Name/Description</i>	<i>Units</i>	<i>Estimated Cost</i>	<i>Growth Share</i>	<i>Growth Cost</i>
Alamar Police Substation	8,000	\$7,984,000	100%	\$7,984,000
Police Vehicles & Equipment			100%	\$1,408,000
Total	8,000	\$7,984,000		\$9,392,000

Street Facilities IIP

ARS § 9-463.05(T)(7)(e) defines the facilities and assets that can be included in the Street Facilities IIP.

“Street facilities located in the service area, including arterial or collector streets or roads that have been designated on an officially adopted plan of the municipality, traffic signals and rights-of-way and improvements thereon.”

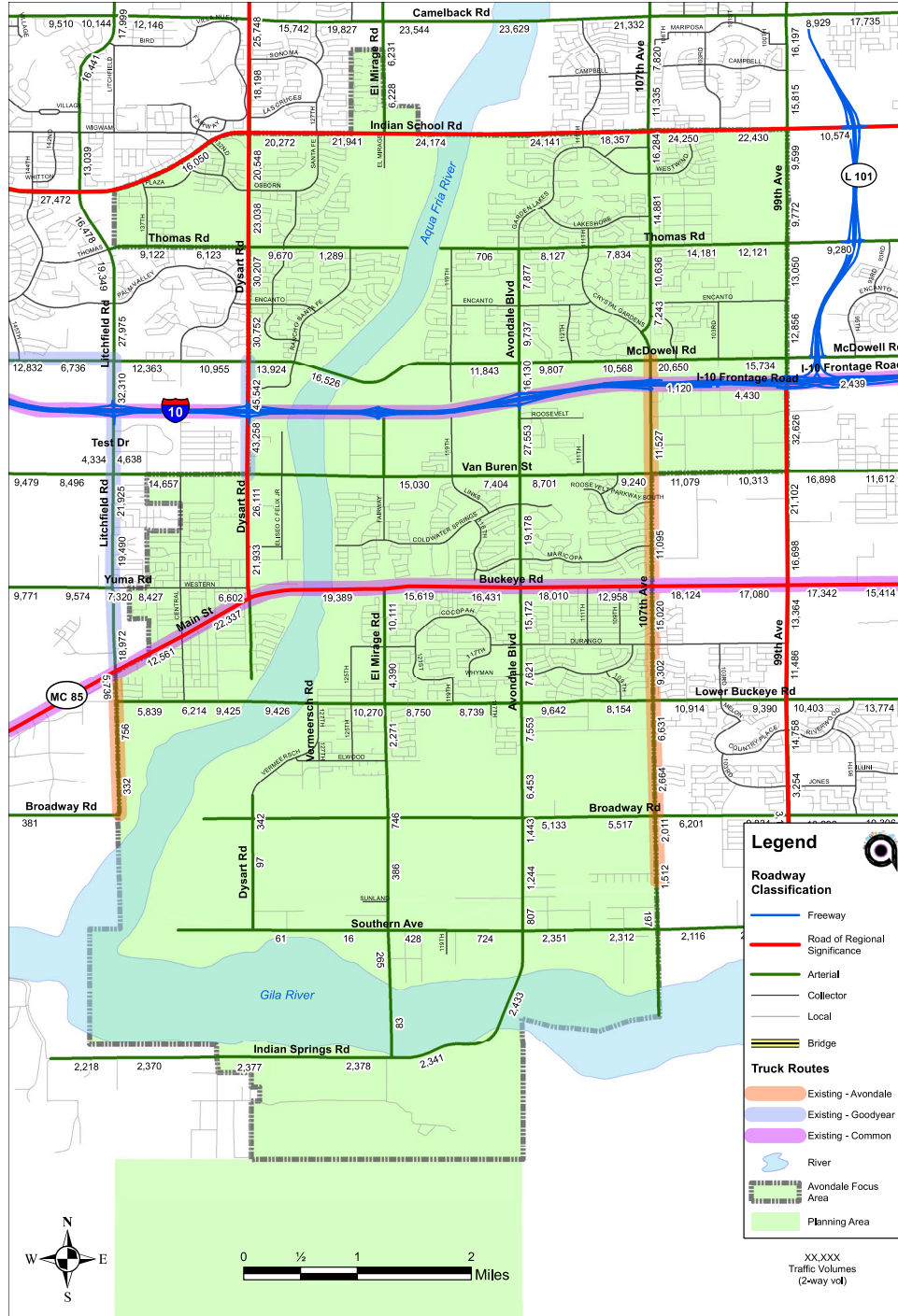
Avondale’s IIP is based on improvements to arterial streets needed to accommodate additional vehicular travel, plus the cost of preparing the LUA/IIP/DIF study required by the State of Arizona. The streets impact fee is derived from trip generation rates, trip rate adjustment factors, average trip length weighting factors, and lane capacity. Each component is described below.

Development fees in Avondale exclude costs to upgrade, update, improve, expand, correct or replace necessary public services to meet existing needs/usage and stricter safety, efficiency, environmental or regulatory standards. The service area for streets development fees includes the area north of the Estrella Mountains.

Existing Infrastructure

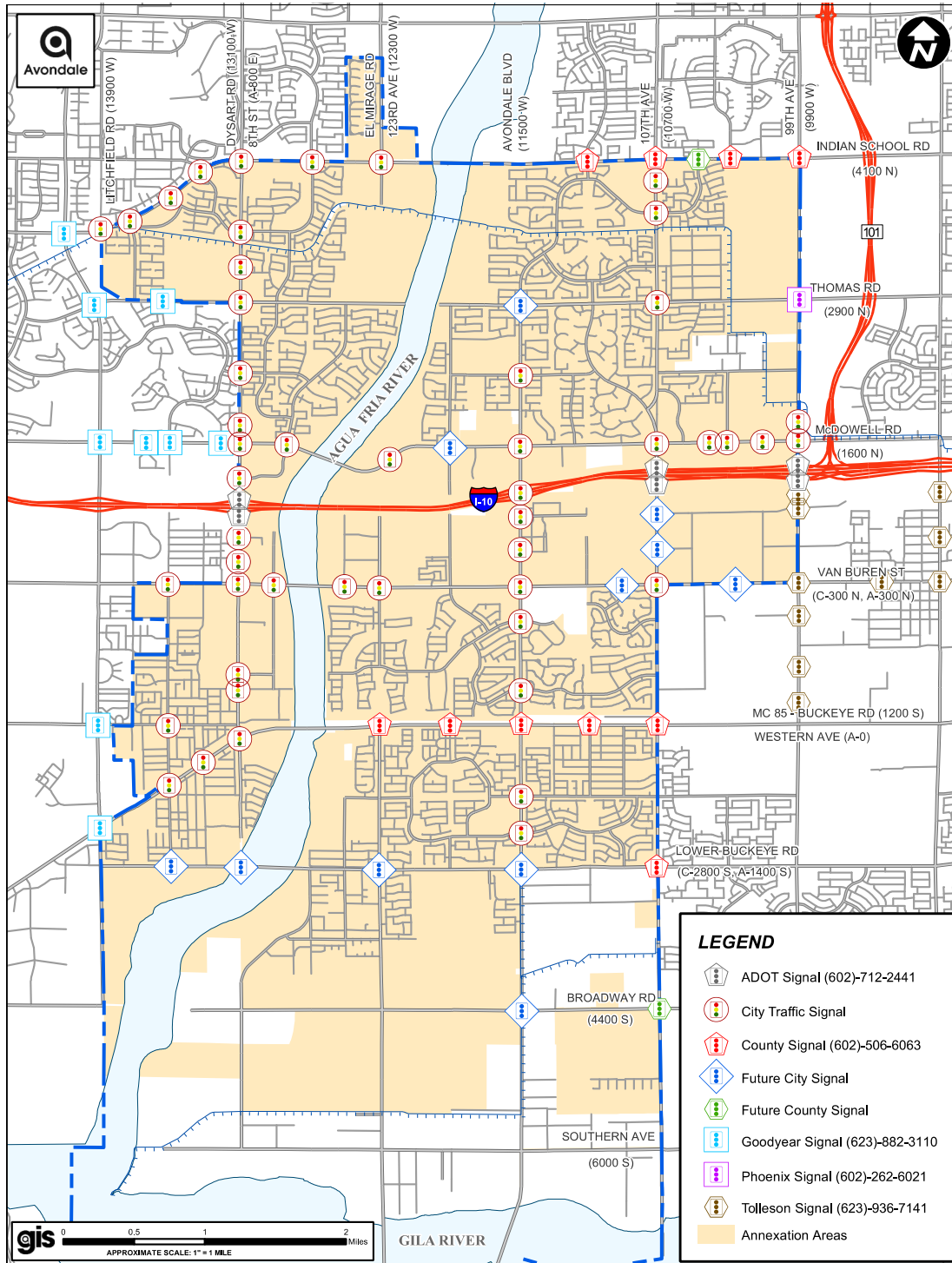
Lane miles of arterials in Avondale are mapped in Figure S1. A lane mile is a rectangular area that is one travel lane wide and a mile long. According to Staff, Avondale currently has 295 arterial lane miles on streets with four or more travel lanes. All local and collector streets are project-level improvements excluded from the impact fee calculations. The City will continue to require project level improvements, such as turn lanes and signals for ingress/egress, during the development review and approval process.

Figure S1: Arterials in Avondale



In addition to arterial lanes miles, transportation system improvements include City traffic signals and turn lanes at the intersection of an arterial with another arterial. As shown in Figure S2, there are currently 14 improved intersections (see City traffic signals in legend below) that meet the locational criteria for system improvements.

Figure S2: Traffic Signals in Avondale



Forecast of Service Units

Avondale will use average weekday Vehicle Miles of Travel (VMT) as the service units for allocating the cost of future improvements. Raftelis created an aggregate travel model to convert development units within Avondale to vehicle trips and vehicle miles of travel. The top portion of Figure S3 summarizes the input variables for the travel model. Trip generation rates, expressed as average weekday Vehicle Trip Ends (VTE), are from the Institute of Transportation Engineers (ITE 2022). HU is an abbreviation for housing unit. KSF is an abbreviation for square feet of nonresidential floor area, expressed in thousands. Each input variable is described further below.

A typical vehicle trip, such as a person leaving their home and traveling to work, generally begins on a local street that connects to a collector street, which connects to an arterial and eventually to a state or interstate highway. This progression of travel up and down the functional classification chain limits the average trip length determination, for the purpose of development fees, to the following question, "What is the average vehicle trip length on system improvements (i.e., facilities funded by development fees)?"

As shown near the bottom of Figure S3, development in Avondale currently attracts 294,732 average weekday vehicle trips. According to the land use assumptions (shaded gold), new development over the next ten years is expected to account for 16% of total vehicle trips in 2032. In contrast, Avondale is only planning to expand arterial lane miles by three lane miles, which represents a conservative 1% expansion of arterial lane miles (i.e., $[298/295]-1$ rounded).

Figure S3 – Travel Demand Model

Input Variables by Development Type	ITE Code	Weekday VTE	Development Unit	Trip Rate Adjustment	Trip Length Wtg Factor			
Residential	210	9.43	HU	61%	1.14			
Industrial	150	1.71	KSF	50%	0.90			
Commercial	820	37.01	KSF	33%	0.75			
Office/Services	710	10.84	KSF	50%	0.90			
Average Trip Length (miles)		0.27	<= travel on system improvements to be constructed over the next ten years					
Vehicles per Lane per Day		4,600	<= existing traffic volume per lane on Avondale Blvd south of I-10					
Year->	Base	1	2	3	4	5	10	10-Year Increase
Avondale LUA	2022	2023	2024	2025	2026	2027	2032	
Residential Housing Units	29,911	30,318	30,724	31,130	31,536	31,942	33,818	3,907
Industrial KSF	2,900	3,000	3,000	3,100	3,200	3,300	3,700	800
Commercial KSF	7,800	8,000	8,300	8,500	8,700	8,900	10,000	2,200
Office/Services KSF	4,600	4,800	4,900	5,000	5,200	5,300	5,900	1,300
Residential Trips	172,057	174,398	176,734	179,069	181,405	183,740	194,531	
Industrial Trips	2,480	2,565	2,565	2,651	2,736	2,822	3,164	
Commercial Trips	95,264	97,706	101,370	103,813	106,256	108,698	122,133	
Office/Services Trips	24,932	26,016	26,558	27,100	28,184	28,726	31,978	
Total Inbound Vehicle Trips	294,732	300,686	307,227	312,633	318,580	323,986	351,806	57,073
Vehicle Miles of Travel (VMT)	78,911	80,411	82,003	83,369	84,867	86,233	93,148	14,237
Arterial-Arterial City Traffic Signals	14	14	15	15	15	15	17	3
Improved Intersections per 10,000 VMT	1.77	1.77	1.77	1.77	1.77	1.77	1.77	
Planned Arterial Lane Miles								3.0
Growth Share of 2032 Vehicle Trips =>								16%
Growth Cost per Lane Mile =>								\$2,500,000
Growth Cost of System Improvements Over Ten Years =>								\$7,500,000

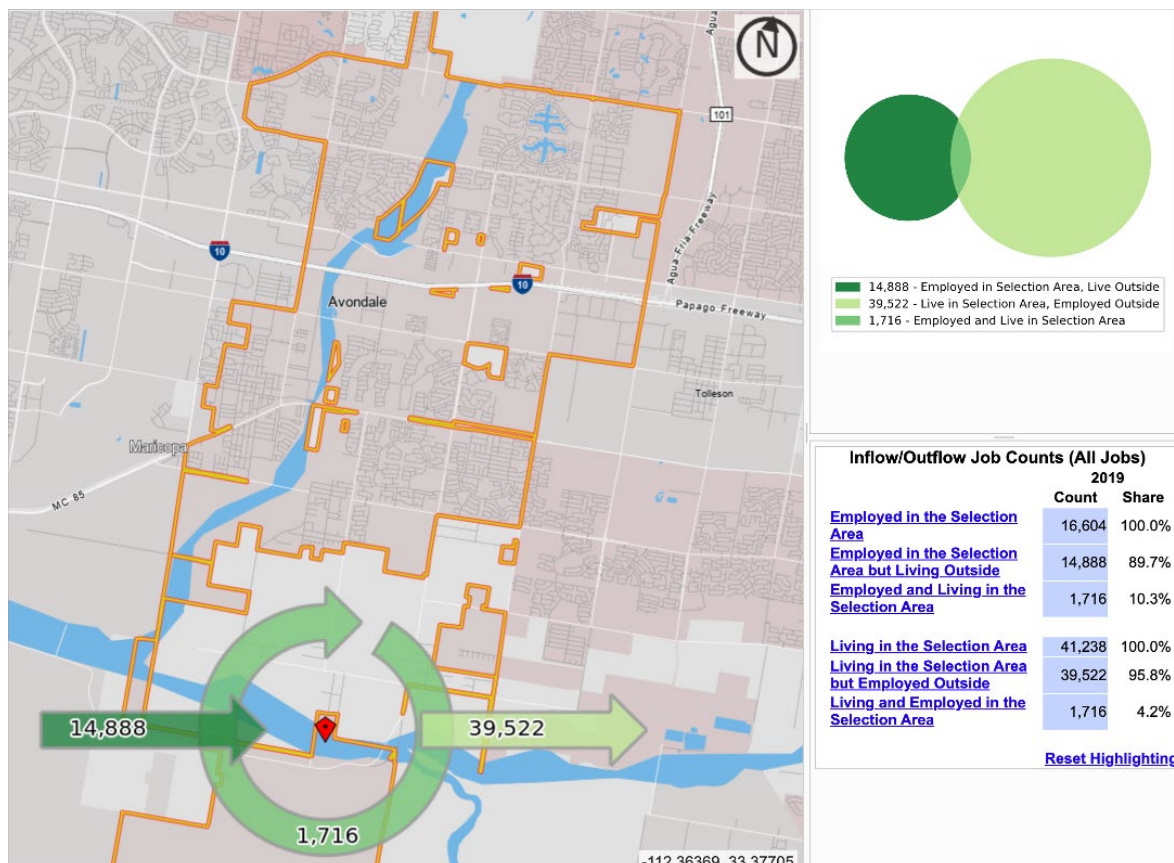
Trip Generation Rates

Avondale development fees for streets are derived using average weekday VTE. Trip generation rates are published by the Institute of Transportation Engineers (ITE 2022). A VTE represents a vehicle either entering or exiting a development (as if a traffic counter were placed across a driveway). To calculate street impact fees, trip generation rates require an adjustment factor to avoid double counting each trip at both the origin and destination points. Therefore, the basic trip adjustment factor is 50%. As discussed further below, the fee methodology includes additional adjustments to make the fees proportionate to the infrastructure demand for a particular type of development.

Adjustments for Commuting Patterns and Pass-By Trips

Residential development has a larger trip adjustment factor of 61% to account for commuters leaving Avondale for work. In other words, residential development is assigned all inbound trips plus 11% of outbound trips to account for job locations outside of Avondale. According to the National Household Travel Survey weekday work trips are typically 22.8% of production trips (i.e., all out-bound trips). As shown in Figure S4, the Census Bureau's website (<https://onthemap.ces.census.gov/>) indicates that approximately 95.8% of resident workers traveled outside Avondale for work in 2019. In combination, these factors ($0.50 \times 0.228 \times 0.958 = 0.11$ rounded) support the additional 11% allocation of trips to residential development.

Figure S4 - Inflow/Outflow Analysis



For commercial development, the trip adjustment factor is less than 50% because retail development attracts vehicles as they pass by on arterial roads. For example, when someone stops at a convenience store on the way home from work, the convenience store is not the primary destination. For an average shopping center, ITE data indicate 34% of the vehicles that enter are passing by on their way to some other primary destination. The remaining 66% of attraction trips have the shopping center as their primary destination. Because attraction trips are half of all trips, the trip adjustment factor for an average size shopping center is 66% multiplied by 50%, or approximately 33% of the trip ends.

Trip Length Weighting Factor by Type of Land Use

The transportation impact fee methodology includes a percentage adjustment, or weighting factor, to account for trip length variation by type of land use. As shown in Figure S5, vehicle trips from residential development are approximately 114% of the average trip length. The residential trip length adjustment factor includes trips to work, social and recreational purposes, and home. Conversely, shopping trips associated with commercial development are roughly 75% of the average trip length, while other nonresidential development typically accounts for trips that are 90% of the average for all trips.

Figure S5: Average Trip Length Weighting Factors

Trip purpose summary	Travel Day Vehicle Trip Length		Percent of Trips	Average Trip Length	Weighting Factor
	Trips	Mean Miles			
Home	205,743	9.93	Residential		
Work	92,392	11.98	Residential		
Social/Recreational	52,877	12.60	Residential		
Subtotal	351,012		Subtotal	57%	1.14
Shopping/Errands	134,048	7.08	Commercial		
Meals	43,347	7.49	Commercial		
Subtotal	177,395		Subtotal	29%	0.75
School/Daycare/Religious activity	16,288	9.11	Other		
Medical/Dental services	11,568	10.14	Other		
Transport someone	44,991	7.25	Other		
Something else	10,045	11.95	Other		
Subtotal	82,892		Subtotal	14%	0.90
All	611,299	9.55			

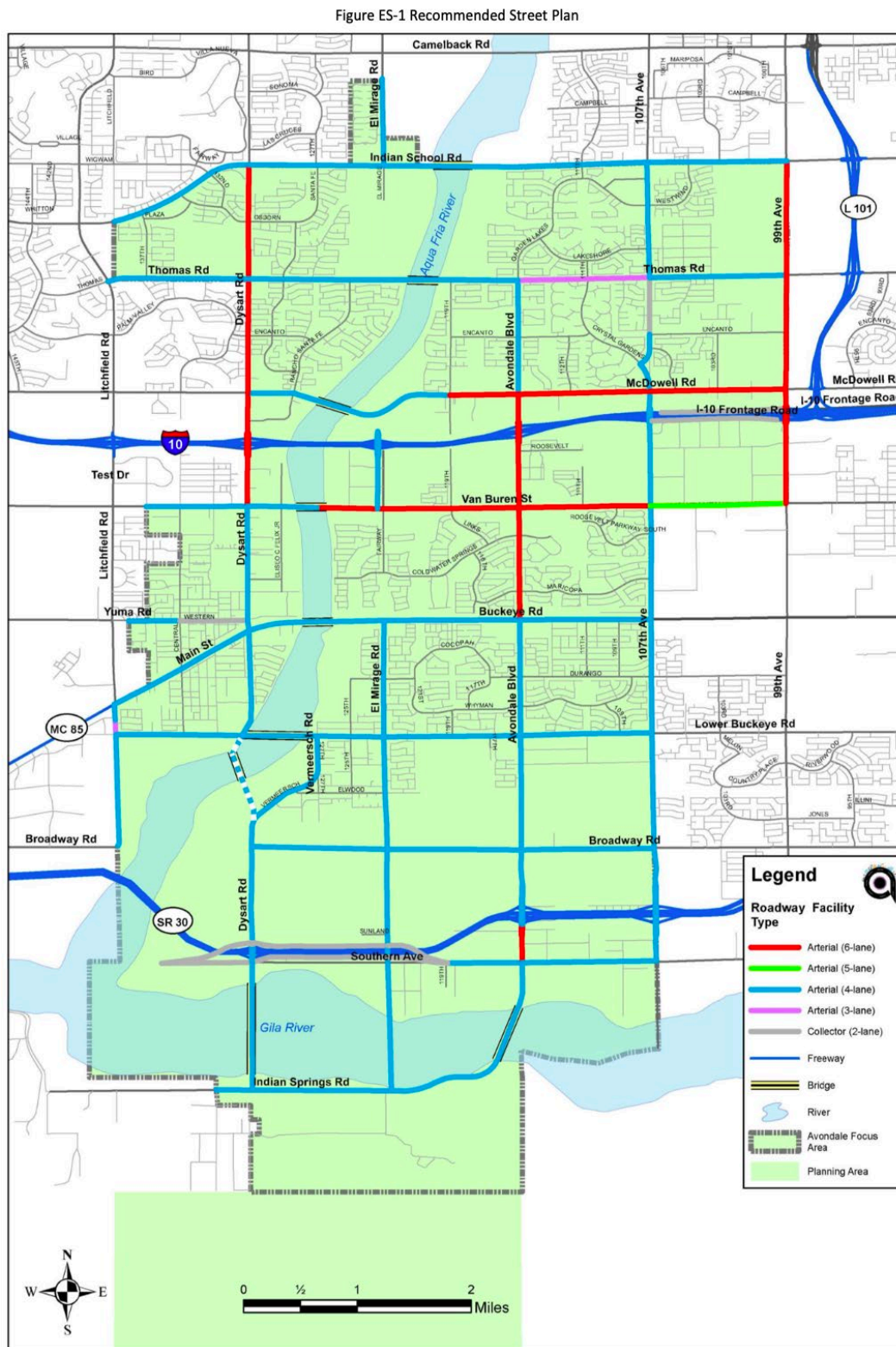
Source: Federal Highway Administration, 2017 National Household Travel Survey
Tabulation created on the NHTS website at <http://nhts.ornl.gov>

Lane Capacity

As shown in Figure S1 above, existing traffic volumes vary significantly on arterials in Avondale. For the 2022 impact fee update, the existing volume on Avondale Blvd south of I-10 (i.e., 27,553 ADT) was divided by six travel lanes to yield an average of 4,600 vehicles per lane per day (rounded).

Infrastructure Improvements Plan for Streets

The latest adopted transportation plan for Avondale is shown in Figure S6. Comparing the existing transportation network to the planned system reveals the arterial street grid is substantially complete.

Figure S6 – Avondale Transportation Plan

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Avondale Staff provided the list of improvements and planning-level cost estimates in Figure S7. The ten-year plan for street improvements will benefit citywide development because vehicles flow from larger travel sheds to congested areas where improvements are planned to eliminate bottlenecks. In the area north of I-10, Avondale will improve one arterial-arterial intersection. In the area south of I-10, Avondale will improve two intersections. To accommodate new development, Avondale will add three lane miles of arterial capacity over the next ten years. The total ten-year growth cost of system improvements is approximately \$14.39 million.

Figure S7 – Ten-Year Plan for Street Improvements

Transportation System Improvements	<i>Arterial Lane Miles</i>	<i>Cost per Lane Mile</i>	<i>IIP Costs</i>
	3.0	\$2,500,000	\$7,500,000
	<i>Improved Intersections</i>	<i>Avg Cost per Intersection</i>	
	3	\$2,295,000	\$6,885,000
Planned Infrastructure Improvements			
<i>Location/Description</i>	<i>Estimated Cost</i>	<i>Growth Share</i>	<i>Growth Cost</i>
Intersection Improvements @ Thomas & Avondale Blvd	\$800,000	100%	\$800,000
Intersection Improvements @ Lower Buckeye & Avondale Blvd	\$4,949,000	100%	\$4,949,000
Intersection Improvements @ Lower Buckeye & El Mirage	\$1,136,000	100%	\$1,136,000
Future Arterial Capacity Expansion	\$7,500,000	100%	\$7,500,000
Total	\$14,385,000		\$14,385,000

Water Utility Fees

ARS §9-463.05.T.7(a) defines the facilities and assets which can be included in the Water Facilities IIP:

“Water facilities, including the supply, transportation, treatment, purification and distribution of water, and any appurtenances for those facilities”

The City provides potable water with water supply consisting of a combination of ground water sources. The entire water system infrastructure includes water resources, wells, transmission, distribution, storage, administrative facilities, vehicles, and equipment including meters.

The calculation of the water facilities DIF was based on information provided by Staff in addition to the City’s 2018 Integrated Utility Master Plan Report (IUMP). The findings presented in this section are based on a 10-year forecast, 2023 to 2032.

Fee Calculation Methodology

For this 2022 update, Raftelis used the plan-based approach. This approach is based on a forward-looking infrastructure improvements plan which considers the future projects needed to meet the future demands of the utility. The water development impact fee was calculated using the growth-share component of costs and the incremental capacity added from those facilities. Assumptions on included in the development of this fee were provided by Staff and the IUMP.

Service Area

The City’s water system serves the land areas north of the Estrella Mountains, excluding a small area in the northwest corner of the City limits. This area is served by a private water utility. The following provides an analysis of the resource and facility costs included in the IIP and DIF calculations.

Proportionate Share

ARS §9-463.05 (B)(3) states that the development fee shall not exceed a proportionate share of the cost of necessary public services needed to provide necessary public services to the development. Page 2-8, Table 2-4 from the 2018 Integrated Utility Master Plan (IUMP) shows in 2016, the City had a total of 24,561 water meters (accounts). Of these accounts, 88% of the City’s water meters were classified as residential and made up 57% of the City’s annual average water use. The City’s landscape meters made up 2% of the total number of water meters but accounted for 23% of the City’s average annual water use. The remaining water meters and annual usage is spread across several other account types.

For the purposes of this impact fee analysis, the fees are calculated on a dwelling unit basis which is defined as a residential has a demand of 450 gallons per day. The dwelling unit demand for a ¾” meter is the total residential and nonresidential demand divided by the total residential dwelling units. Page 2-10 in the 2018 IUMP indicates the City had 27,913 dwelling units in 2016.

Figure W1 shows the distribution of residential and nonresidential account types. Please note that these are aggregated in Figure W1 (e.g. residential rural and residential urban are classified under the category of residential below). The totals shown in the *Service Units and Demand by Land Use* are projected values and vary slightly from the values in Figure W1.

Figure W1: 2016 Distribution of the Number of Meters and Demand by Land Use Type

Account Type	Number of Meters	Percent of Total	2016 Consumption mg	Percent of Total
Residential	21,582	87.9%	6,444,937	56.9%
Multi-Family/Apartment/Hotel	140	0.6%	609,252	5.4%
Commercial	534	2.2%	1,180,512	10.4%
Schools	59	0.2%	182,868	1.6%
Churches	42	0.2%	12,296	0.1%
Industrial	3	0.0%	9,184	0.1%
Laundromat	3	0.0%	12,556	0.1%
Mobile Home Park	19	0.1%	155,074	1.4%
Hydrant Meter	1	0.0%	7,822	0.1%
Car Wash	9	0.0%	64,088	0.6%
Sewer Only	1	0.0%	663	0.0%
Landscape Meter	554	2.3%	2,550,748	22.5%
Unclassified	1,614	6.6%	88,819	0.8%
Total	24,561	100.0%	11,318,819	100.0%

[1] 2018 IUMP, Page 2-9, Table 2.4

Existing Facilities

ARS §9-463.05 (E)(1) requires:

“A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.”

ARS §9-463.05 (E)(2) requires:

“An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.”

The City’s integrated water system consists of major facilities to collect, treat, and distribute water to customers. Major backbone water system facilities include:

- Water production wells
- Booster pump stations
- Storage tanks
- Transmission and distribution lines

Water Production Wells (Water Sources)

Water production wells should have sufficient capacity to meet maximum day demands. In 2018, maximum day demands were be supplied by operating wells more than 18 hours per day. Figure W2

shows that the firm water supply is 17.7 mgd which is 3.2 mgd less than the 2018 maximum daily demand of 20.9 mgd.¹

Figure W2: 2018 Existing Wells and Production Capacities

<i>Well Water Delivery System</i>	<i>Well Supply Name</i>	<i>Production Capacity mgd</i>	<i>Firm Capacity mgd</i>
Coldwater	Wells 15, 16, 25	5.3	5.3
Garden Lakes	Well 17	1.7	1.7
Gateway	Wells 8A, 24	4.0	4.0
Northside	Wells 6, 7, 20	6.3	6.3
Rancho Santa Fe	Wells 10, 11, 12, 18 and 19	12.2	12.2
Total, gpm		30.6	30.6
Resilient Supply, mgd (18 hours/day)			23.0
Firm Supply [2]			17.7
Maximum Day Demand (2018)			20.9
Surplus/(Deficiency), mgd			(3.2)

[1] A composite of tables from the 2018 IUMP, Page 4-25, Table 4.15; Page 4-7, Table 4.6

[2] If Well #16 is out, Well #15 and Well #25 will also be out of service due to blending requirements. The firm supply represents the supply with all of the Coldwater wells out of service.

Booster Pump Stations

The City has five booster pump stations and one well that pumps directly into the distribution system as shown in Figure W3. Firm pumping capacity is the design flowrate with the largest pump out of service.

Figure W3: Existing Booster Pump Stations and Capacities

<i>Facility</i>	<i>Number of Pumps</i>	<i>Total Pumping Capacity (gpm)</i>	<i>Firm Pumping Capacity (gpm)</i>
Well 23	1	800	800
Rancho Santa Fe	4	8,400	6,200
Coldwater Springs	4	16,000	12,000
Northside	4	7,200	5,400
Gateway	4	8,000	6,000
Del Rio	3	10,000	6,000
Garden Lakes	4	6,500	4,500
Total	24	56,900	40,900
Total, mgd		82.00	59.00

[1] 2018 IUMP, Page 4.9, Table 4.7

¹ This paragraph is summarized from 2018 IUMP text on Page 4-24. The IUMP text references a firm capacity 18.6 mgd and a deficiency of 2.3 mgd. However, Table 4.15 referenced in the text indicates a firm supply of 17.7 mgd and a deficiency of 3.2 mgd.

Storage

While water production facilities are typically designed to operate at a steady rate over an extended period of time, storage reservoirs are planned to accommodate fluctuating demands. The City's water system has five active reservoir sites and one inactive reservoir site (Del Rio). The total capacity of the storage facilities including Del Rio is 15.5 mg.

The City's water system operates within three pressure zones. According to the 2018 IUMP, capacity additions will be required during the study period. However, many of the facilities have available capacity to serve near term growth. The current well production capacities are the limiting factor in meeting near and long-term growth in water demands.

Figure W3: Existing Storage

Facility	Number of Tanks	Total Volume	Available Volume
		mg	mg
Northside	2	1.2	1.1
Gateway	1	1.0	0.8
Garden Lakes	1	2.0	1.3
Rancho Santa Fe	2	2.8	2.1
Coldwater	2	5.0	3.2
Del Rio (inactive)	1	3.5	0.0
Total	9	15.5	8.5

[1] 2018 IUMP Page 4-10, Table 4.8

Distribution System

The City maintains 320 miles of transmission and distribution lines as well as 8 pressure reducing valves (PRVs). Figure W5 shows the length of mains by pipe diameter.

Figure W5: Existing Transmission and Distribution Lines

Diameter	Length
inches	miles
6	48.2
8	170.5
10	3.3
12	57.7
16	31.5
18	0.1
20	5.1
24	2.7
30	0.1
36	1.3
48	0.1
Total	320.60

[1] 2018 IUMP Page 4-11, Table 4.10

The 2018 IUMP provides a detailed analysis of the available system capacities based on facilities and pressure zones. The 2018 IUMP also indicates the need for additional facilities over the 10-year study to accommodate new growth. New wells with a capacity of 6.92 mgd will be required over the study period to meet these demands. In addition, new transmission and distribution mains, and upsizing of existing mains will be required.

The existing water production wells, storage, pump stations, and transmission and distribution mains have an estimated value of \$734 million. Accounting for accumulated depreciation reduces this value to approximately \$410 million. In other words, the water system's assets are about 55% depreciated in aggregate based on accounting life. This is based on the City's most recent asset records and estimating a replacement cost of facilities using the Engineering News Record Construction Cost Index (ENR-CCI).

Expansion Facility Costs

ARS §9-463.05 (E)(3) requires:

"A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved land use assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in this state, as applicable."

New infrastructure-related facilities to serve growth over the study period include water production wells, transmission and distribution mains, booster pump stations, and reservoirs. The new wells will approximately 6.92 mgd of capacity. For the purposes of DIF calculations, the added well capacity represents the total increase in capacity to the system. In other words, the unit cost of expansion facilities (wells, reservoirs, pump stations, etc.) will be based on the added well capacity. The total cost of infrastructure facilities is approximately \$25.9 million. The City is also acquiring new water resources to meet the increase in demand due to growth. New water resources total 6,882 acre-feet at a cost of approximately \$10.0 million. Figure W6 details the proposed facilities needed for growth and their anticipated costs. The project listing and costs were provided by City Staff.

Figure W6: Expansion Facility Project Costs

Description	Total Cost	Capacity Added (mgd)	Percent Growth-Related	Growth-Related Costs
Growth-Related Infrastructure Projects				
Well #33 The BLVD Well & Transmission	\$2,880,000	1.73	100.0%	\$2,880,000
Well at 107th & Encanto - SRP Shared Well Cost in Design	455,000	1.73	100.0%	455,000
McDowell Rd 16-inch Waterline - Avondale to 99th Ave	2,650,000		25%	662,500
99th Ave Waterline - Thomas to Encanto	956,000		100%	956,000
Garden Lakes Site - 2nd Reservoir & Booster Improvements	8,358,000		100.0%	8,358,000
Future Well	2,700,000	1.73	100.0%	2,700,000
Nitrate Removal System for Coldwater Booster Station	5,545,000		100.0%	5,545,000
16-inch WL Dysart Road – Illini to Roeser	1,000,000		52.0%	520,000
16-inch WL El Mirage, Elwood to Lower Buckeye	900,000		25.0%	225,000
16-inch WL 107th – Jones to Superior	500,000		25.0%	125,000
16-inch WL 107th Ave, Superior to Lower Buckeye	700,000		25.0%	175,000
Dysart Rd. Waterline - Roeser Alignment to Southern	1,000,000		63.0%	630,000
Northside Booster Well Site - Land Purchase & DCR	75,000	1.73	100.0%	75,000
NAWS Project (Impact Fee Portion, P&I) [1]	3,682,500		100.0%	3,682,500
Total Growth-Related Projects/Expansion Capacity Share	\$31,401,500			\$26,989,000
Less: FY21 Ending Fund Balance	(\$1,134,326)			(\$1,134,326)
Net Growth-Related Projects/Expansion Capacity Share	\$30,267,174	6.92		\$25,854,674
Growth-Related Resource Projects				
		Acre-Feet		
New River-Agua Fria River Underground Storage Project (NAUSP)	\$7,200,000	6,000	100.0%	7,200,000
White Mountain Apache Tribe Water Settlement	2,800,000	882	100.0%	2,800,000
Total Growth-Related Water Resource Costs	\$10,000,000	6,882.00		\$10,000,000
Total Expansion Costs				\$35,854,674

[1] Total P&I of project reimbursed from impact fees portion of \$4,419,000 multiplied by remaining 5 mgd of the 6 mgd capacity

[2] From 2018 Utility Master Plan, page 2-10. Represents metered demand from all 3/4" meters regardless of customer class.

[3] From 2018 Utility Master Plan, page 2-13.

Service Units and Demand by Land Use

ARS §9-463.05 (E)(4) requires:

“A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial and industrial.”

The development of a dwelling unit service demand incorporates historical water production data and peak day demand data. A dwelling unit represents the smallest service capacity in the system. For the purposes of this DIF, a dwelling unit demand is equivalent to the average day and maximum day demand for the City's 3/4" meters².

Water production from 2012 through 2016 averaged 12.0 mgd and maximum day demands averaged 17.2 mgd. The 5-year peaking factor averaged 1.4. The 2018 IUMP recommends a peaking factor of 1.65 for planning purposes³, as shown on Figure W7

Figure W7: Historical Average Day and Maximum Day Demands

Year	(a) Average Day Demand mgd	(b) Maximum Day Demand mgd	(c)=(b)/(a) Maximum Day Peak Factor
2012	12.60	17.20	1.37
2013	12.20	17.10	1.40
2014	11.60	16.80	1.45
2015	12.10	16.20	1.34
2016	12.60	18.30	1.45
Average	12.22	17.12	1.40

[1] 2018 IUMP, Page 2-14, Table 2.9

Billed water consumption is based on data from the billing and water production records. The 2018 IUMP uses 2016 data as the baseline for developing their future demand projections.

Residential water DIFs are based on average day gallons per connection and assessed on a per dwelling unit basis. As shown on Figure W8, water production in 2016 was 12.6 MGD with 27,913 connections. This gives an existing allocated water demand of 450 gallons per day for a residential connection served by a 3/4" meter. From the 2018 IUMP, Page 2-3:

“The City's TAZ data was used to estimate the number of dwelling units for each of the 2018 IUMP planning years. ...The 450 gpd/DU value is based on the number of dwelling units, which is calculated using the residential land use categories, and the total annual average production. However, because it is a composite unit water demand it includes both the residential and non-residential component of water use (including non-revenue water).”

² Dwelling unit and 3/4" equivalent unit or 3/4" meter are used synonymously throughout the water and wastewater section.

³ 2018 IUMP, Page 2-13

Figure W8: Water Demand Unit

<i>Description</i>	<i>Values</i>
Total 2016 Water Demand , mgd [1]	12,600,000
Total 2016 Dwelling Units	27,913
Average Day Demand per Dwelling Unit, gpd	450
Maximum Day Peaking Factor	1.65
Maximum Day Demand per Dwelling Unit, gpd [2]	743

[1] 2018 IUMP, Page 2-10

[2] Rounded to nearest whole number

For residential and nonresidential connections, the water development fees are assessed by meter size. Development fees for meters greater than ¾" are multiplied by their corresponding meter capacity ratio. The meter capacity ratio represents the maximum safe allowable flow in gallons per minute for a given meter size as shown in Figure W9.

Figure W9: Average and Maximum Day Demand by Water Meter Size

<i>Meter Size</i>	<i>Meter Capacity Ratio [1]</i>	<i>Average Day Demand</i>	<i>Maximum Day Demand</i>
<i>inches</i>		<i>gpd</i>	<i>gpd</i>
0.75	1.00	450	743
1.00	1.67	750	1,238
1.50	3.33	1,500	2,475
2.00	5.33	2,400	3,960
3.00	10.67	4,800	7,920
4.00	16.67	7,500	12,375
6.00	33.33	15,000	24,750

[1] American Water Works Association M1 Manual, Principles of Water Rates, Fees, and Charges. 7th Ed.

Projected Service Units

ARS §9-463.05 (E)(5) requires:

"The total number of projected service units necessitated by and attributable to new development in the service area based on the approved land use assumptions and calculated pursuant to generally accepted engineering and planning criteria."

ARS §9-463.05 (E)(6) requires:

"The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years."

It is projected that there will be an additional 3,907 dwelling units added within the City by 2032. Using the maximum day water demand per DU of 743 gpd, the projected residential peak demand will increase 2.9 mgd (743 x 3,907 = 2,902,901 gpd). It is estimated that the 6.92 mgd added capacity will serve approximately 9,314 DU (6,900,000 gpd / 743 gpd per DU = 9,314 DU).

Figure W10 shows the development of the current demand projection, projected demands and the total DU added during the study period. It also shows the DU that will be served by existing available capacity

and the capacity added by the IIP. The current system operates above the firm capacity of 17.7 mgd so there is no existing available capacity to serve growth.

Figure W10: Projected Added Dwelling Units and Water Demand Forecast

Line No	Description	Units
Current Dwelling Units and Demand		
1	Current 2022 DU	29,911
2	Demand per EDU, gpd	450
3	Current Ave Day Demand, gpd	13,459,950
4	Maximum Day Peak Factor	1.41
5	Avg Day of Maximum Month, gpd (Line 3 x Line 4)	18,960,633
6	Current Firm Capacity, gpd	17,700,000
7	Existing Capacity Available for Growth, gpd (Line 6 - Line 5)	0
Added Capacity		
8	Added DU, 2022 - 2032	3,907
9	Average Day Demand	450
10	Planning Maximum Day Factor	1.65
11	Maximum Day Demand per DU, gpd	743
12	Added System Maximum Day Demand, gpd (Line 8 x Line 11)	2,902,901
13	Additional Capacity Needed for Growth (Line 12 - Line 7)	2,902,901
14	DU Served by Existing Available Capacity (Line 7 / Line 11)	0
15	DU Served by 10-Year IIP (Line 13 / Line 11)	3,907
16	Total Added DU	3,907
17	DU Served by Full 6.92 mgd Capacity Addition	9,314

Facility Improvements

The City has plans to expand the existing supply system by 6.92 mgd through the addition of wells and distribution projects meet the future demands on the service area. The City is also securing additional 6,882 acre-feet water resources to meet future demands. This includes additional storage/recharge capacity at the New River-Aqua Fria River Underground Storage Project (NAUSP) operated by Salt River Project (SRP) from the City of Chandler. The cost of water infrastructure projects totals approximately \$27.0 million. This value is reduced by the FY 21 outstanding fund balance of \$1.1 million resulting in a net cost of \$25.9 million. The cost of the water infrastructure and water resources growth-related projects is \$35.85 million.

As discussed previously, the maximum day demand per DU is 743 gpd. The \$3.74 unit cost of capacity is multiplied by 743 gpd which totals \$2,776 for the infrastructure portion of the fee. The water resource fee is equal to the annual DU demand of 164,300 gallons multiplied by \$4.46 per gallon for a total of \$732. The total water DIF is \$3,519 which also includes the cost of the study of \$11.

Wastewater Utility Fees

ARS §9-463.05.T.7(b) defines the facilities and assets which can be included in the Wastewater Facilities IIP:

“Wastewater facilities, including collection, interception, transportation, treatment and disposal of wastewater, and any appurtenances for those facilities”

The City provides central wastewater collection, treatment, and disposal service throughout the City limits. The following analyzes the resource and facility costs included in the IIP and DIF calculations.

The calculation of the wastewater facilities DIF was based on information provided by Staff in addition to the City’s 2018 Integrated Utility Master Plan Update Report (IUMP).

Fee Calculation Methodology

For this 2025 update, Raftelis used the plan-based approach. This approach is based on a forward-looking infrastructure improvements plan that considers the future projects needed to meet the future wastewater demands of the utility. The wastewater development impact fee (DIF) was calculated using the growth-share component of costs and the incremental capacity added from those facilities. Assumptions included in the development of this fee were provided by Staff and the IUMP.

Service Area

The wastewater service area includes the northern municipal planning area down to the Estrella Mountains. The service area includes sections that are served by septic systems.

Proportionate Share

ARS §9-463.05 (B)(3) states that the development fee shall not exceed a proportionate share of the cost of necessary public services needed to provide necessary public services to the development. Page 2-8, Table 2.4 from the 2018 Integrated Utility Master Plan (IUMP) shows in 2016, the City had a total of 24,561 water meters (accounts).

Raftelis assumes that the number of wastewater account types are for the most part the same as water except for landscape meters and customers with septic tanks. Raftelis estimates the 2016 account type counts was approximately 24,000 (excluding irrigation and customers on septic systems) with a total contributed wastewater flow of 5.4 mgd. Based on a water demand of 12.6 mgd, the 2016 return to sewer factor was 44%. The 2018 IUMP indicates that 46% is an appropriate return to sewer factor for planning purposes. Figure WW1 shows the return to sewer percentages for each land use type and their respective contributed wastewater volume.

Figure WW1: 2016 Account Type Return to Sewer Factors and Contributed Volume

<i>Description</i>	<i>Return to Sewer Factor</i>	<i>Average Daily WW Flow (gpd)</i>
Rural Low Density Residential	35.0%	0
Estate/Low Density Residential	35.0%	11,000
Sports & Entertainment	45.0%	0
Medium Density Residential	40.0%	1,774,000
City Center	60.0%	93,000
Historic Avondale	50.0%	163,000
Medium – High Density Residential	50.0%	165,000
High Density Residential	60.0%	1,138,000
Urban Commercial	60.0%	144,000
Mixed Use	60.0%	351,000
Urban Residential	0.0%	0
Local Commercial	60.0%	343,000
Open Space & Parks	0.0%	0
Open Space – Irrigation	0.0%	0
Freeway Commercial	75.0%	209,000
Business Park	60.0%	263,000
Education	60.0%	244,000
Industrial	60.0%	63,000
Public / Civic	60.0%	34,000
Corporate Park	60.0%	0
Gila River Scenic District	60.0%	0
High Intensity Office	60.0%	166
Office / Professional	60.0%	13,000
Total		5,008,166
Basin No. 2 Adjustment		432,000
Net Wastewater Flow (gpd)		5,440,000
2016 Actual Average Daily WastewaterFlow at WRF		5,600,000
<i>Variance (%)</i>		<i>-3.0%</i>

[1] 2018 IUMP, Page 2-18, Table 2.13; Page 2-20, Table 2.14

Existing Facilities

ARS §9-463.05 (E)(1) requires:

“A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.”

ARS §9-463.05 (E)(2) requires:

“An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.”

Water Reclamation Facility

The City's Water Reclamation Facility (WRF) is named the Charles M. Wolf Water Resource Center and is located on Dysart Road south of Broadway Road alignment. Wastewater is conveyed to the facility through two interceptors (36-inch and 48-inch) that enter the facility from the east. The current treatment capacity is a maximum month average daily flow (MMADF) of 9.0 million gallons per day (mgd). The MMADF occurred in September 2024 and was 7.24 mgd. The 2024 average annual daily flow to the Avondale WRF was 7.05 mgd.

Lift Stations and Force Mains

As of 2018, the City had 10 lift stations. There are nearly 6.5 miles of force mains associated with the City's lift stations, which range in size from 2 to 16 inches in diameter. Figure WW2 lists the lift stations and their firm capacity.

Figure WW2: Existing Lift Stations and Firm Capacity

Lift Station	Firm Capacity (gpd)
4th Street	3,200
10th Street	1,150
Central	200
Donatela	350
Friendship Park	350
Fulton	140
Littleton	210
PIR	30
Riley	2,200
Whyman	200

[1] 2018 IUMP Page 5-4, Table 5.1

Gravity Sewer Mains

As of 2018, the City's collection system contained 235 miles of mains ranging in size from 4 to 48 inches. Both the gravity sewer lines and lift stations have sufficient capacity to meet demands over the study period.

Expansion Facility Costs

ARS §9-463.05 (E)(3) requires:

A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved land use assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in this state, as applicable.

The City's existing treatment capacity is a maximum month average daily flow (MMADF) of 9.0 mgd. As shown on Figure WW1, the 2016 average annual daily flow to the WRF is 5.6 mgd. From 2016 to 2024, the average annual daily flow increased from 5.6 mgd to 7.05 mgd, and is estimated to be 7.21 mgd in 2025. The MMADF of 7.24 mgd occurred in September 2024. The City has plans for a 3.0 mgd expansion to the Avondale Water Reclamation Facility (WRF) at a cost of \$132.4 million for the growth-related portion of the facilities.

Service Units and Demand by Land Use

ARS §9-463.05 (E)(4) requires:

“A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial and industrial.”

The development of a dwelling unit wastewater service demand incorporates historical water use, an adjustment for water that is returned to the wastewater system, and system planning factor. A dwelling unit represents the smallest service capacity in the system. For this DIF, a dwelling unit demand is equivalent to the average daily flow and peak flow based on a water customer with a 3/4" water meter.

The existing historical water demand is 450 gpd for a residential DU served by a 3/4" meter. The contributed wastewater flow is estimated to be 46% of water usage based on the planning criteria in the 2018 IUMP. The 450 gpd and 46% product equals the average day flow per DU of 207 gpd. The MMADF factor of 1.05 is applied to account for maximum month flows, which results in a MMADF of 218 gpd. Figure WW3 shows the calculation of the MMADF flows per DU (gpd).

Figure WW3: Wastewater Demand Unit

Description	Amount
Avg Day Water Demand per DU, gpc	450
Return Factor	46%
MMADF Planning Factor	105%
MMADF Flow per DU, gpd	218

The wastewater DIFs are assessed by water meter size for residential and nonresidential connections. The MMADF for meter sizes greater than 3/4" is the product of the 3/4" peak flow multiplied by the water meter capacity ratio for that corresponding meter. Meter capacity ratios are calculated based on the maximum safe flow (gpm) to that of a 3/4" meter. Figure WW4 shows the MMADF for each meter size.

Figure WW4: Meter Capacity Ratios

Meter Size	Meter Capacity Ratio [1]	MMADF
inches		gpd
0.75	1.00	218
1.00	1.67	363
1.50	3.33	727
2.00	5.33	1,163
3.00	10.67	2,325
4.00	16.67	3,633
6.00	33.33	7,267

[1] American Water Works Association M1 Manual, Principles of Water Rates, Fees, and Charges. 7th Ed.

Projected Service Units

ARS §9-463.05 (E)(5) requires:

“The total number of projected service units necessitated by and attributable to new development in the service area based on the approved land use assumptions and calculated pursuant to generally accepted engineering and planning criteria.”

ARS §9-463.05 (E)(6) requires:

“The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.”

The City is projecting an additional 3,675 dwelling units will be built by 2035. Using the MMADF per dwelling unit of 218 gpd, it is estimated that the projected contributed peak wastewater flow will increase by 0.8 mgd ($218 \times 3,675 = 801,150$ gpd).

Figure WW5 shows the development of the current annual average daily flow projections, projected average daily and MMADF flow, and the total DU added during the study period. It also shows the added DUs that will be served by capacity expansion. The 3.0 mgd capacity expansion is estimated to serve approximately 13,761 DU ($3,000,000$ gpd / 218 gpd).

Figure WW5: Projected Added Dwelling Units and Wastewater Flows Forecast

Line No	Description	Units
Current Dwelling Units and Demand		
1	Current 2025 DU	31,130
2	Demand per DU, gpd	218.00
3	Current Ave Day Demand, gpd	6,786,340
4	MMADF Peak Factor	1.07
5	Avg Day of Maximum Month, gpd (Rounded) (Line 4 x Line 3)	7,241,567
6	Current Capacity, gpd	9,000,000
7	Existing Capacity Available for Growth, gpd (Line 6 - Line 5)	1,758,433
Added Demand [1]		
8	Added DU, 2026 - 2035	3,675
9	Average Day Demand	207
10	Planning MMADF factor	1.05
11	MMADF per DU, gpd (Line 9 x Line 10)	218
12	Added MMADF, gpd	801,150
14	DU Served by Existing Available Capacity (Line 7 / Line 11)	8,066
17	DU Served by Full 3.0 mgd Capacity Addition	13,761

[1] The new WWTP adds a total of 3.0 mgd of capacity.

Facility Improvements

The City has plans to expand the existing WRF by 3.0 mgd. The total cost of the WRF phase 2 expansion is \$155,750,000, of which 85 percent, or \$132,387,500, is to meet growth. The existing wastewater development fund has \$22,445,638 as of the end of fiscal year 2024. Since the expansion will be debt-financed, 10 years of discounted interest payments are included in the total cost. Debt financing is presumed at a 4.0 percent interest rate over 30 years. The discount rate is assumed to be 4.0 percent based on the 10-year treasury yield⁴. The total cost of the WRF expansion plus the discounted interest cost over ten years, less the existing wastewater DIF fund balance, is \$149,341,791, which represents the total amount to be recovered through the wastewater DIFs. This value, divided by the additional capacity added of 3.0 mgd, results in a unit cost of \$49.78 per gpd.

As discussed previously, the maximum month average daily flow per demand unit is 218 gpd for wastewater. The \$49.78 per gpd is multiplied by the MMADF per demand unit of 218 gpd to get a wastewater DIF per 3/4-inch meter of \$10,854. This includes \$2 for the cost of this impact fee study. Figure WW-6 shows the calculation of the proposed wastewater DIF.

Figure WW6: Calculation of Proposed Development Impact Fee

<i>Line No</i>	<i>Description</i>	<i>Values</i>
1	WWTP Phase 2	\$132,387,500
2	Plus: NPV of Future Borrowing Cost	
3	Discounted Interest Payments (10 years) [1]	39,399,929
4	Less: FY24 Ending Fund Balance	(22,445,638)
5	Total Existing and Growth-Related WWTP Costs	\$149,341,791
6	WWTP Capacity, MMADF, mgd [2]	3.00
7	<i>Unit Cost of Capacity, \$ per gpd, (Line 5 / Line 6)</i>	<i>\$49.78</i>
8	Average Day Water Demand, gpd [3]	450.0
9	Return Factor [3]	46.0%
10	MMADF Planning Factor [3]	1.05
11	<i>MMADF Flow per DU, gpd [4], (Lines 8 x 9 x 10)</i>	<i>218</i>
12	Wastewater Development Fee, \$ per 3/4" Meter, (Line 7 x Line 11)	\$10,852
13	Plus: Cost of Professional Services, \$ per 3/4" Meter	\$2
14	Wastewater Development Fee, \$ per 3/4" Meter	\$10,854
15	Existing Fee	\$3,503
16	<i>Variance (\$)</i>	<i>\$7,351</i>

[1] Estimated bond issue: = \$155,750,000 * 85%; 4.0%, 30 years

[2] MMADF: Maximum Month average day flow

[3] From Table 2.10 of Carollo 2018 Integrated Utility Master Plan

[4] A dwelling unit is assumed to be the equivalent flow of 218 gpd through a 3/4" meter

⁴ Based on April 30, 2025 ten-year treasury rate of 4.17 percent.

Appendix A – Forecast of Revenues

Arizona’s enabling legislation mandates a “required offset” for “excess” construction contracting excise taxes, as stated in ARS § 9-463.05(B)(12)).

The municipality shall forecast the contribution to be made in the future in cash or by taxes, fees, assessments or other sources of revenue derived from the property owner towards the capital costs of the necessary public service covered by the development fee and shall include these contributions in determining the extent of the burden imposed by the development. Beginning August 1, 2014, for purposes of calculating the required offset to development fees pursuant to this subsection, if a municipality imposes a construction contracting or similar excise tax rate in excess of the percentage amount of the transaction privilege tax rate imposed on the majority of other transaction privilege tax classifications, the entire excess portion of the construction contracting or similar excise tax shall be treated as a contribution to the capital costs of necessary public services provided to development for which development fees are assessed, unless the excess portion was already taken into account for such purpose pursuant to this subsection.

Avondale does not charge a construction excise tax at a rate higher than the rate applicable for other types of business activities. Therefore, no such offset is required.

ARS § 9-463.05(E)(7) requires:

“A forecast of revenues generated by new service units other than development fees, which shall include estimated state-shared revenue, highway users revenue, federal revenue, ad valorem property taxes, construction contracting or similar excise taxes and the capital recovery portion of utility fees attributable to development based on the approved land use assumptions, and a plan to include these contributions in determining the extent of the burden imposed by the development as required in subsection B, paragraph 12 of this section.”

The required forecast of non-development fee revenue that might be used for growth-related improvements is shown in Figure A1. The forecast of revenues was provided by Staff.

Figure A1 – Ten-Year Revenue Projections



Appendix B: MAG Socioeconomic Documentation

Pages 23-25 from MAG Socioeconomic Projections 2019 Documentation are shown below.

Industrial is based on Manufacturing and Warehousing.

INDUSTRIAL EMPLOYMENT AND DEVELOPMENT BY INDUSTRY

		FAR	Sq.Ft. per Employee
Manufacturing			
311	Food Manufacturing	0.26	460
312	Beverage and Tobacco Product Manufacturing	0.37	761
314-			
323	Textiles/Wood Products/Printing	0.31	717
324-			
326	Petroleum/Pharmaceuticals/Plastics	0.28	596
327	Concrete/Concrete Products/Stone	0.08	580
331-			
332	Steel/Fabricated Metals/Machine Shops	0.30	549
333	Machinery Manufacturing	0.37	308
334	Computer and Electronic Product Manufacturing	0.33	428
	Electrical Equipment, Appliance, and Component		
335	Manufacturing	0.35	697
336	Transportation Equipment Manufacturing	0.13	363
337	Furniture and Related Product Manufacturing	0.37	789
339	Miscellaneous Manufacturing	0.26	520
	Total	0.25	495
Warehouse			
423	Merchant Wholesalers, Durable Goods	0.29	514
424	Merchant Wholesalers, Nondurable Goods	0.32	735
484	General Freight Trucking	0.11	191
493	Warehousing and Storage	0.33	1,625

Commercial is based on Retail, Restaurants, and Hotels.

RETAIL EMPLOYMENT AND DEVELOPMENT BY INDUSTRY

		FAR	Sq.Ft. per Employee
Retail			
441	Motor Vehicle and Parts Dealers	0.18	379
441	Recreational Vehicle Dealers	0.10	754
441	Automotive Parts and Accessories Stores	0.26	724
442	Furniture and Home Furnishings Stores	0.31	674
443	Electronics and Appliance Stores	0.31	532
444	Building Material and Garden Equipment and Supplies Dealers	0.24	637
445	Supermarkets and Grocery Stores	0.24	454
445	Other Food and Beverage Stores	0.26	498
446	Health and Personal Care Stores	0.28	562
447	Gasoline Stations	0.10	340
448	Clothing and Clothing Accessories Stores	0.38	615
451	Sporting Goods, Hobby, Book, and Music Stores	0.27	583
452	General Merchandise Stores	0.30	741
452	Warehouse Clubs and Supercenters	0.23	566
452	All Other General Merchandise Stores	0.18	702
453	Miscellaneous Store Retailers	0.32	548
454	Nonstore Retailers	0.22	506
	Retail Total	0.25	561
Restaurants			
722	Food Service Contractors and Caterers	0.23	326
722	Drinking Places (Alcoholic Beverages)	0.27	485
722	Full-Service Restaurants	0.27	471
722	Limited-Service Restaurants	0.24	464
722	Snack and Nonalcoholic Beverage Bars	0.26	485
	Restaurant Total	0.26	463
Hotels		0.37	956

Office/Institutional is based on Information, Finance/Insurance, and Real Estate.

OFFICE EMPLOYMENT AND DEVELOPMENT BY INDUSTRY

	FAR	Sq.Ft. per Employee
Information		
511 Publishing Industries (except Internet)	0.57	390
512 Motion Picture and Sound Recording Industries	0.37	574
515 Broadcasting (except Internet)	0.36	376
517 Telecommunications	0.30	500
518 Data Processing, Hosting and Related Services	0.34	349
519 Other Information Services	0.08	478
51 Total	0.29	463
Finance & Insurance		
522 Banking	0.33	429
522 Consumer Lending	0.46	441
522 Other Lending	0.25	388
523 Investments	0.53	588
524 Insurance Carriers and Related Activities	0.55	423
52 Total	0.42	445
Real Estate and Rental and Leasing		
531 Real Estate Leasing	0.25	520
531 Real Estate Agents	0.37	390
532 Car & Truck Rental	0.08	590
532 Consular Rentals	0.33	623
532 Machinery and Equipment Rental and Leasing	0.13	485
53 Total	0.19	468

Appendix C: Impact Fee References

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- Schneider, Robert, Susan Handy and Kevan Shafizadeh. 2014. "Trip Generation for Smart Growth Projects" *Access* 45, University of California Transportation Center.
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ITEM NUMBER:	4.g.
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SUBJECT:	Resolution 1070-1125 - Subrecipient Agreement for Supportive Services for Families Experiencing Homelessness
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MEETING DATE:	11/17/2025
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TO:	Mayor and Council
FROM:	Chris Lopez, Director of Neighborhood and Family Services
THROUGH:	Dale Nannenga, Assistant City Manager, (623) 333-1017
REVIEWED:	Ron Corbin, City Manager, (623) 333-1011

STRATEGIC PLAN:

This agenda item supports the following Avondale Strategic Outcome Area: **Community Well-Being**

Avondale is a city where all people feel safe, supported, and connected to resources that promote and enhance their well-being. The City prioritizes public safety, natural resources, healthcare, and wellness while promoting mental, physical, and emotional health for all to enjoy an enriching quality of life. This item will help to provide critical supportive services for families experiencing homelessness, and improve their overall health and well-being.

PURPOSE:

City Council will consider a request to: a) adopt Resolution 1070-1125, authorizing a four-year award of HOME Investment Partnerships American Rescue Plan Program (HOME-ARP) funding not to exceed \$300,000; b) approve the execution of a subrecipient agreement with A New Leaf relating to acceptance and administration of the award; and c) authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

BACKGROUND:

Following a formal procurement process, in January 2023, A New Leaf was awarded a contract for \$62,500 to fund a position to provide Family Navigation Services for Avondale families experiencing homelessness. On August 21, 2023, the City Council approved a resolution authorizing an Intergovernmental Agreement between the City of Avondale and the Maricopa County Human Services Department to continue Family Housing Navigation Services through a \$62,500 agreement to A New Leaf, replacing a previous agreement and ensuring services through December 2024.

On December 18, 2023, City Council approved Resolution 1082-1223 and entered an Intergovernmental Agreement (IGA) with Maricopa County Human Services Department (HSD) for \$62,500 to expand a partnership with A New Leaf, adding a part-time caseworker and the ability to provide safe temporary housing in the form of motel and hotel vouchers for families experiencing homelessness.

On June 16, 2024, City Council approved an amendment to the IGA with Maricopa County HSD to extend the

agreement term from July 1, 2024, through June 30, 2025, for \$75,000 to support the City's Temporary Shelter Services Initiative to provide long-term case management and shelter for families experiencing homelessness.

On January 6, 2025, the City Council approved an Amendment to the IGA with Maricopa County HSD for \$100,000 to expand services, making the part-time position a full-time one (the employee is and remains an employee of A New Leaf). For budgetary reasons, the County discontinued funding on June 30, 2025.

On June 16, 2025, City Council approved Resolution 1040-0625 for Amendment 4 to the IGA with Maricopa County HSD to receive \$300,000 in 2021 U.S Department of Housing and Urban Development (HUD) HOME-American Rescue Plan (HOME-ARP) funds for the City to deliver eligible supportive services to qualified residents and \$71,794 for the City to administer the program.

DISCUSSION:

Staff seek to enter into a new multi-year agreement with A New Leaf that will provide important funding to continue the City's work to serve those families experiencing homelessness through the use of HOME-ARP funds awarded to the City in June 2025. The funding provided by HOME-ARP will enable A New Leaf to offer support and wrap-around services to families experiencing homelessness in Avondale, including those who will reside in the forthcoming Avondale Bridge Housing Project. The funding for services shall be on a reimbursement basis to the City. The four-year, \$300,000 agreement will provide annual funds not to exceed \$75,000 per year and ensure supportive services through FY29. HOME-ARP funds not expended by September 30, 2030 are subject to recapture by HUD.

BUDGET IMPACT:

The total HOME-ARP funding for this Agreement is \$300,000 to provide supportive services for qualified families experiencing homelessness in Avondale. There is no match required. Staff request authorization to process the necessary budget transfers from grant contingency.

RECOMMENDATION:

Staff recommends City Council adopt a resolution to enter into a four-year partnership with A New Leaf utilizing \$300,000 in HOME-ARP funding to provide services to families experiencing homelessness in Avondale, and authorize the Mayor or City Manager, City Attorney, and City Clerk to execute the necessary documents. The Council will take appropriate action.

Contact person for document distribution: Regina Marette, Brian Planty

RESOLUTION NO. 1070-1125

A RESOLUTION OF THE COUNCIL OF THE CITY OF AVONDALE, ARIZONA, APPROVING THE FEDERAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT GRANT SUBRECIPIENT AGREEMENT WITH A NEW LEAF RELATING TO SUPPORTIVE SERVICES FOR HOMELESS PREVENTION.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF AVONDALE as follows:

SECTION 1. The agreement with A New Leaf relating to a subrecipient grant for supportive services for homeless prevention (the “Agreement”) is hereby approved in substantially the form and substance attached hereto as Exhibit A and incorporated herein by reference.

SECTION 2. The Mayor, the City Manager, the City Clerk and the City Attorney are hereby authorized and directed to cause the execution of the Agreement and to take all steps necessary to carry out the purpose and intent of this Resolution.

PASSED AND ADOPTED by the Council of the City of Avondale, Arizona, November 17, 2025.

Mike Pineda, Mayor

ATTEST:

Marcella Sarmiento, City Clerk

APPROVED AS TO FORM:

Nicholle Harris, City Attorney

EXHIBIT A
TO
RESOLUTION NO. 1070-1125

[Agreement]

See following pages.

**SUBRECIPIENT AGREEMENT
FOR SUPPORTIVE SERVICES
FOR FAMILIES EXPERIENCING HOMELESSNESS
BETWEEN
THE CITY OF AVONDALE
AND
A NEW LEAF, INC.**

Subrecipient Unique Entity Identifier (“UEI”): MLZVKA7M2219

CFDA Number and Name: 14.239 - HOME Investments Partnership Program

THIS SUBRECIPIENT AGREEMENT (“Agreement”) is hereby entered into by and between the City of Avondale, a municipal corporation of the State of Arizona (hereinafter referred to as “City”) and A New Leaf, Inc., an Arizona nonprofit corporation (hereinafter referred to as “Subrecipient”) (collectively the “Parties”) to set forth the objectives, understandings, and agreements between the Parties in connection with the subaward of grant funds as described herein.

RECITALS

A. The City has received a commitment for certain funds pursuant to the HOME Investment Partnerships Program (“HOME Program”), which is administered by the U.S. Department of Housing and Urban Development (“HUD”), pursuant to 42 U.S.C. §§ 3535(d) and 12701 through 12839 and 24 C.F.R. Part 92 (“HOME Program Requirements”) (quoted terms herein, when not otherwise defined herein, have the meanings assigned by HUD, the HOME Program, the HOME Program Requirements, and their associated laws and regulations). Under the HOME Program, HUD allocates federal funds to state and local governments, such as the City, to provide affordable housing to “low-income families” and “very low-income families.” Further, the City has been granted funds appropriated under section 3205 of the American Rescue Plan Act of 2021 (P.L. 117-2) (“ARP”) for the HOME Program to provide homelessness assistance and supportive services (“HOME ARP Program”).

B. The City desires to make a subaward to Subrecipient to pay for costs incurred by Subrecipient for Supportive Services as specified in this Agreement.

C. Subrecipient is a private nonprofit corporation within the meaning of the McKinney-Vento Homeless Assistance Act.

D. Subrecipient desires, and is appropriately qualified, to enter into this Agreement with the City and agrees to accept the subaward in accordance with the requirements set forth below and applicable law.

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained and intending to be legally bound, the City and Subrecipient agree as follows:

AMOUNT & USE OF SUBAWARD

The City will allocate and contribute up to \$300,000 (“Contributions”) to Subrecipient for Supportive Services as specified in **Exhibit A - Scope of Work**. These Contributions must be managed in accordance with this Agreement and applicable law.

1. TERM OF AGREEMENT

This Agreement shall become effective on or about September 1, 2025, and shall terminate on June 30, 2029. Certain obligations of Subrecipient as described herein will survive termination of this Agreement. This Agreement may terminate upon the earliest occurrence of any of the following:

- 1.1. Reaching the end of the term as set forth in this Section;
- 1.2. Payment of the maximum compensation under Section 4;
- 1.3. Reaching the funding expenditure deadline; or
- 1.4. Termination pursuant to the provisions of this Agreement.

2. SCOPE OF WORK

Subrecipient will provide services in accordance with **Exhibit A - Scope of Work** (“Services”), attached hereto and incorporated herein by this reference, which may be supplemented with additional detail during the term of the Agreement with the prior written consent from the City.

3. QUALIFYING POPULATIONS

Qualifying Populations income guidelines - HOME-ARP requires that funds be used to primarily benefit individuals and families in the following specified “qualifying populations.” Any individual or family who meets the criteria for these populations is eligible to receive assistance or services funded through HOME-ARP without meeting additional criteria (e.g., additional income criteria). The Subrecipient shall determine whether each individual or family that does not meet the criteria of a qualifying population is income eligible by determining the individual or family’s annual income. See **Exhibit G – HUD 2025 Income Limits**, attached hereto and incorporated herein by this reference. All income calculations to meet income criteria of a qualifying population or required for income determinations in HOME-ARP eligible activities must use the annual income definition in 24 CFR 5.609 in accordance with the requirements of 24 CFR 92.203(a)(1).

The Subrecipient will not impose preferences among Qualifying Populations or limit eligibility to subpopulations except as described in **Exhibit A - Scope of Work**. The Subrecipient will establish a waiting list for each supportive service. All qualifying individuals or families must have access to apply for placement on the waiting list for a supportive service funded herein. Qualifying individuals must be accepted in chronological order. The Subrecipient must follow all applicable fair housing, civil rights, and nondiscrimination requirements, including

but not limited to those requirements listed in 24 CFR 5.105(a). This includes, but is not limited to, the Fair Housing Act, Title VI of the Civil Rights Act, section 504 of Rehabilitation Act, HUD's Equal Access Rule, and the Americans with Disabilities Act, as applicable.

4. FUNDING

Subrecipient acknowledges that all funds to be provided pursuant to this Agreement will be provided as a subaward of federal HOME-ARP funds and Subrecipient agrees to comply with regulations, laws, and guidelines for applicable federal funding sources as identified herein or as may be issued during the term of this Agreement.

4.1. Subject to the terms, covenants and conditions of this Agreement, the City will reimburse the Subrecipient in an amount not to exceed \$300,000 for allowable costs described in **Exhibit B - Itemized Service Budget**, attached hereto and incorporated herein by this reference.

4.2. Subrecipient specifically agrees to be responsible for all sums in excess of the monies allowed under this Agreement.

4.3. Subrecipient will be responsible for accomplishing the tasks as set forth in **Exhibit A - Scope of Work**.

4.4. The City will disburse portions of the monies in such amounts and increments as may be approved by the City to reimburse Subrecipient for allowable costs reflected in **Exhibit B - Itemized Service Budget**, upon submission by Subrecipient of proper invoices and supporting documentation, as required by the City in its reasonable discretion and by applicable law. The Itemized Service Budget may not be amended or supplemented without the prior written consent of the City.

4.5. This Agreement is subject to the availability of federal funds to the City. The City shall promptly notify Subrecipient in writing of any modifications, payments, delays or cancellations of said HOME-ARP funding.

4.6. Any failure to comply with the approved budget is at the risk of Subrecipient. The City is not required to reimburse Subrecipient for expenditures which were not approved by the City.

4.7. Subrecipient must obtain the City's prior written approval before implementing any line item changes in the Itemized Service Budget.

4.8. As applicable, if Subrecipient services are operated in a manner in which recipients of the services are provided services within the same program(s) from another funding stream, Subrecipient shall provide to the City (a) a matrix identifying the shared use of such program services; and (b) a cost-allocation plan which documents and explains how program costs are appropriately charged to each program so as to assure the funds provided hereunder do not subsidize such other program(s). The City has the right to approve such cost allocation plan, which must be attached to the annual budget.

5. ALLOWABLE COSTS

Subrecipient expressly understands and agrees that the allowability of costs shall be determined in accordance with, as applicable, any guidance issued by the U.S. Department of Housing and Urban Development ("HUD"), including, without limitation, HUD Notice CPD 21-10, or the City and 2 CFR Part 200, Subpart E. Subrecipient is liable for payment of any costs incurred by Subrecipient under this Agreement that may be disallowed by the City, or other appropriate federal officials. In this regard, Subrecipient shall be obliged to remit to the City any funded amounts which were paid pursuant to Section 4 and used to cover disallowed costs.

6. REQUEST FOR PAYMENT

6.1. Subrecipient will submit monthly invoices on or before the 15th calendar day of each month which follows a month in which Subrecipient incurred allowable costs. Each invoice will be accompanied with itemized receipts. Invoices will be submitted free of mathematical errors and with all supporting documentation. All appropriate documentation will be provided that supports the charges reflected in the monthly invoice. Upon finding of an error and/or missing documentation, the City will return the invoice to Subrecipient. Subrecipient will promptly resubmit the revised invoice to the City. Each revised invoice will document the date that the revised invoice is submitted to the City. Failure of City to identify an error does not waive any of the City's rights.

6.2. Invoices will be submitted to: BPlanty@AvondaleAZ.gov.

6.3. The City will review expenditure reports and will make payment to Subrecipient of any undisputed amounts within 45 calendar days of the City's approval of a properly completed and documented invoice.

6.4. The City reserves the right to request proper supporting documentation of any costs/charges under this Agreement for its oversight and monitoring purposes.

6.5. If the City requires additional financial data from Subrecipient to be responsive to any requests from HUD or other federal entities pertaining to HOME ARP Program funding under this Agreement, Subrecipient will respond to the City in a timely manner.

6.6. Payment Recoupment. Subrecipient must reimburse the City upon demand upon the following:

- a.** Any amounts received by Subrecipient from the City for costs which have been inaccurately reported or are found to be unsubstantiated.
- b.** Any amount or benefit paid directly or indirectly to an individual or organization not in accordance with the information disclosed in a Conflict-of-Interest Disclosure Questionnaire.
- c.** Any amount paid with the subaward for goods or services that duplicate services covered by other specific grants and Agreements.

- d. Any amounts expended for items or purposes determined unallowable by the City.
- e. Any amounts paid by the City for which Subrecipient's books, records, and other documents are not sufficient to substantiate that those amounts were used by Subrecipient in accordance with this Agreement and applicable law.
- f. Any amount identified as a financial audit exception.
- g. Any amounts paid or reimbursed in excess of this Agreement.
- h. Any payments made for services rendered before the Agreement begin date or after the Agreement termination date or other later payment deadline.
- i. Any amounts paid by Subrecipient to a subcontractor not authorized in writing by the City.

6.7. Payment Indemnification. Subrecipient will be responsible for issuing payment for services performed by its employees, contractors, suppliers, or any other third party in the furtherance of the performance or arising out of this Agreement and will indemnify and save the City harmless for all claims whatsoever out of the lawful demands of such parties. Subrecipient will, at the City's request, furnish satisfactory evidence that all obligations designated above have been paid, discharged or waived.

6.8. Payment Request Upon Contract Termination. If the termination date is between June 10 and June 30, then the final reimbursement request shall be submitted by July 10th.

7. INTERNAL SYSTEMS POLICIES AND PROCEDURES

7.1. Subrecipient will maintain or establish and implement systems, written policies and procedures governing personnel, financial management and programmatic management, as set forth in 2 CFR Part 200, as applicable, and applicable HUD guidance.

7.2. Subrecipient will maintain financial systems in accordance with Generally Accepted Accounting Principles ("GAAP") as issued by the Governmental Accounting Standards Board ("GASB") for state and local governmental entities or by the Financial Accounting Standards Board ("FASB") for non-governmental entities and, as applicable, pursuant to 2 CFR Part 200, to ensure costs are reasonable and necessary for the purposes of the subaward, and funds are not used for expenses unrelated to the performance of this Agreement.

7.3. Subrecipient will maintain separate accounts for City funds awarded under this Agreement.

7.4. Further, Subrecipient's financial management systems must include standard accounting practices, sufficient internal controls, a clear audit trail, and written cost allocation procedures, as necessary.

7.5. Subrecipient's financial management systems must also be capable of distinguishing expenditures attributable to this Agreement and those not attributable to this Agreement and must be able to identify costs by program year and budget category, as well as distinguishing between direct and indirect costs.

8. AUDITS/RECORDS

8.1. Subrecipient will ensure that all records required under this agreement are retained for a period of five (5) years after the applicable required period of affordability. SUBRECIPIENT shall furnish, and cause all its subcontractors to furnish, all reports and information required hereunder, and will permit access to its books, records, and accounts, by the City, HUD or its agent, or other authorized federal officials for purposes of investigation to ascertain compliance with the statutes, rules, regulations, and provisions stated herein.

The City, HUD, Comptroller General of the United States, Government Accounting Office or any of their duly authorized representatives shall have access to any books, documents, papers and records of Subrecipient's which are pertinent to any activity performed under this Agreement as required under 2 CFR §§ 200.334-.338 for the purpose of making audit, examination, excerpts and transcriptions. Subrecipient shall keep and maintain such books, documents, papers and records in accordance with 2 CFR 200.334-.338 and for a period of at least five years after the expiration or termination of this Agreement. The City's right of access is not limited to the retention period but lasts so long as the records are retained by Subrecipient. Subrecipient will permit independent auditor's access to its records and financial statements as necessary to comply with federal audit requirements. Failure to comply with requirements of this Section will be deemed to be a default under this Agreement.

8.2. Subrecipient shall submit a financial audit within one hundred eighty (180) days after the close of Subrecipient's fiscal year during which the aggregate of federal grant funds expended from all sources, both inclusive and exclusive of this Agreement, is Seven Hundred-Fifty Thousand Dollars (\$750,000) or more. The audit shall be in conformance with the audit requirements of 2 CFR Part 200, Subpart F.

9. INDEPENDENT CONTRACTOR STATUS; EMPLOYMENT DISCLAIMER

9.1. The Parties agree that the relationship created by this Agreement is that of independent contractors. Neither Subrecipient nor any of Subrecipient's agents, employees or helpers will be deemed to be an employee, agent, or servant of the City.

9.2. This Agreement is not intended to constitute, create or give rise to, or otherwise recognize a joint venture, partnership or formal business association or organization of any kind, and the rights and obligations of the parties will be only those expressly set forth in this Agreement.

9.3. The Parties agree that no individual performing under this Agreement on behalf of Subrecipient will be considered a City employee, and that no rights of City personnel

will accrue to such individual. Subrecipient will have total responsibility for all salaries, wages, bonuses, retirement, withholdings, worker's compensation, other employee benefits, and all taxes and premiums appurtenant thereto concerning such individuals and will save and hold harmless the City with respect thereto.

10. LEGAL WORKER REQUIREMENTS

The City is prohibited by Ariz. Rev. Stat. § 41-4401 from awarding an agreement to any Subrecipient who fails, or whose subcontractors fail to comply with Ariz. Rev. Stat. § 23-214(A). Therefore, Subrecipient agrees that:

- a.** Subrecipient and each subcontractor used warrants their compliance with all federal immigration laws and regulations that relate to their employees and their compliance with Ariz. Rev. Stat. § 23-214(A).
- b.** A breach of warranty herein will be deemed a material breach of the Agreement and is subject to penalties up to an including termination of the Agreement.
- c.** The City retains the legal right to inspect the papers of Subrecipient or subcontractor employee(s) who work(s) on this Agreement to ensure that Subrecipient or subcontractor is complying with the warranty herein.

11. CONFIDENTIALITY

“Confidential Information” means all non-public, confidential, sensitive, or proprietary information disclosed or made available by City to Subrecipient or its affiliates, employees, contractors, partners, or agents (collectively “Recipient”), whether disclosed before or after the Effective Date, whether disclosed orally, in writing, or via permitted electronic access, and whether marked, designated, or otherwise identified as confidential. Confidential Information includes, but is not limited to: user contents, electronic data, metadata, employment data, network configurations, information security practices, business operations, strategic plans, financial accounts, personally identifiable information, protected health information, protected criminal justice information, and any other information that by the nature and circumstance of the disclosure should be deemed confidential. Confidential Information does not include this document or information that: (a) is now or subsequently becomes generally available to the public through no wrongful act or omission of Recipient; (b) Recipient can demonstrate by its written records to lawfully have had in its possession prior to receiving such information from the City; (c) Recipient can demonstrate by its written records to have been independently developed by Recipient without direct or indirect use of any Confidential Information; (d) Recipient lawfully obtains from a third party who has the right to transfer or disclose it; or (e) the City has approved in writing for disclosure.

Recipient shall: (a) protect and safeguard Confidential Information with at least the same degree of care as Recipient would protect its own Confidential Information, but in no event with less than a commercially reasonable degree of care, such as ensuring data is encrypted in transit and at rest and maintaining appropriate technical and organizational measures in

performing the Services under the Agreement; (b) not use Confidential Information, or permit it to be accessed or used, for any purpose other than in accordance with the Agreement; (c) not use Confidential Information, or permit it to be accessed or used, in any manner that would constitute a violation of law, including without limitation export control and data privacy laws; and (d) not disclose Confidential Information except to the minimum number of recipients who have a need to know and who have been informed of and agree to abide by confidentiality obligations that are no less restrictive than the terms of this Agreement. If Recipient is required by law or court order to disclose any Confidential Information, Recipient will first give written notice to the City and provide the City with a meaningful opportunity to seek a protective order or limit disclosure.

Upon the City's written request or expiration of this Agreement, whichever is earlier, Recipient shall, at no additional costs to the City, promptly return or destroy all Confidential Information belonging to the City that Recipient has in its possession or control. After return or destruction of the Confidential Information, Recipient shall certify in writing as to its compliance with this Section.

If applicable, Subrecipient agrees to comply with all City information technology policies and security standards, as may be updated from time to time, when accessing City networks and computerized systems, whether onsite or remotely.

In addition to, and not in lieu of, all other rights and remedies available to the City, Subrecipient will defend, indemnify, and hold the City harmless against all losses, claims, costs, attorneys' fees, damages or proceedings arising out of Subrecipient's breach of this Section (Confidentiality). Subrecipient's obligations pursuant to this Section (Confidentiality) shall not be subject to any limits of liability or exclusions as may be stated elsewhere in the Agreement.

A violation of this Section shall be deemed to cause irreparable harm that justifies injunctive relief in court. A violation of this Section may at the City's discretion result in immediate termination of this Agreement without notice. The obligations of Subrecipient under this Section shall survive the termination of this Agreement.

12. DATA PROTECTION

The parties agree this Section shall apply to the City's Confidential Information and all categories of legally protected personally identifiable information (collectively "PII") that Subrecipient processes pursuant to the Agreement. "Personally identifiable information" is defined in the Federal Privacy Council's Glossary available at: <https://www.fpc.gov/resources/glossary/>.

Between the parties, the City is the data controller and owner of PII and Subrecipient is a data processor. In this Section, the term "process," "processing," or its other variants shall mean: an operation or set of operations which is performed on PII, whether or not by automated means, including without limitation: collection, recording, copying, analyzing, caching, organizing, structuring, storage, adaptation, alteration, retrieval, transmission, dissemination, alignment, combination, restriction, erasure, or destruction.

12.1.1. When Subrecipient processes PII pursuant to the Agreement, Subrecipient shall, at no additional cost to the City:

- a.** Process PII only within the United States and only in accordance with the Agreement and not for Subrecipient's own purposes, including product research, product development, marketing, or commercial data mining, even if the City's data has been aggregated, anonymized, or pseudonymized;
- b.** Implement and maintain appropriate technical and organizational measures to protect PII against unauthorized or unlawful processing and against accidental loss, destruction, damage, theft, alteration or disclosure, including at a minimum, and as applicable, those measures specified by the National Institute of Standards and Technology (NIST) SP800-53; A.R.S. § 18-552 (Notification of Security System Breaches); A.R.S. § 44-7601 (Discard and Disposal of Personal Identifying Information Records); Health Information Technology for Economic and Clinical Health (HITECH) Act; Payment Card Industry Data Security Standards; and good industry practice; (When considering what measures are appropriate and in line with good industry practice, Subrecipient shall keep abreast of current regulatory trends in data security and the state of technological development to ensure a level of security appropriate to the nature of the data to be protected and the harm that might result from such unauthorized or unlawful processing or accidental loss, destruction, damage, theft, alteration or disclosure. At minimum, Subrecipient will timely remediate any vulnerabilities found within its network that are rated medium or more critical by the Common Vulnerability Scoring System (CVSS); however, Subrecipient must remediate vulnerabilities that are rated critical within 14 days and vulnerabilities that are rated high within 30 days. If requested by the City, Subrecipient shall promptly provide a written description of the technical and organizational methods it employs for processing PII.)

12.1.2. Not subcontract any processing of PII to any third party (including affiliates, group companies or sub-contractors) without the prior written consent of the City; and Subrecipient shall remain fully liable to the City for any processing of PII conducted by a sub-processor appointed by Subrecipient;

12.1.3. As applicable, implement and maintain appropriate policies and procedures to manage payment card service providers with whom Subrecipient shares sensitive financial information or cardholder data; and provide the City with a Qualified Security Assessor Attestation of Compliance for Payment Card Industry Data Security Standards on an annual basis, but no later than within 30 days of attestation report completion;

12.1.4. Take reasonable steps to ensure the competence and reliability of Subrecipient's personnel or sub-processor who have access to the PII, including verifications and background checks appropriate to the security level required for such data access;

12.1.5. Maintain written records of all information reasonably necessary to demonstrate Subrecipient's compliance with this Agreement and applicable laws;

12.1.6. Allow the City or its authorized agents to conduct audit inspection during the term of the Agreement, but no more than once per year, which may include providing access to the premises, documents, resources, personnel Subrecipient or Subrecipient's sub-contractors use in connection with the Services; provided however, the City may at its sole discretion accept a qualified and industry recognized independent third-party assessment report or certification (such as SSAE 18 SOC 2 or ISO/IEC 27001) provided by Subrecipient at no cost to the City in lieu of the audit inspection rights of this Section;

12.2.1. If Subrecipient becomes aware of any actual or potential data breach (each an "Incident") arising from Subrecipient's processing obligations pursuant to the Agreement, Subrecipient shall notify the City without undue delay within 48 hours; and:

12.2.2. Provide the City with a detailed description of the Incident, the type of data that was the subject of the Incident, and the identity of each affected person as soon as such information can be collected or otherwise becomes available;

12.2.3. Take action immediately, at Subrecipient's own expense, to investigate the Incident and to identify, prevent, and mitigate the effects of the Incident and to carry out any recovery or other action necessary to remedy the Incident;

12.2.4. Cooperate with the City in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable laws or as otherwise required by the City; and

12.2.5. Not directly contact any individuals who may be impacted by the Incident or release or publish any filing, communication, notice, press release, or report concerning the Incident without the City's prior written approval (except where required to do so by applicable laws).

In addition to, and not in lieu of, all other rights and remedies available to the City, Subrecipient will defend, indemnify, and hold the City harmless against all losses, claims, costs, attorneys' fees, damages or proceedings arising out of Subrecipient's breach of this Section (Data Protection). Subrecipient's obligations pursuant to this Section (Data Protection) shall not be subject to any limits of liability or exclusions as may be stated elsewhere in the Agreement.

A violation of this Section shall be deemed to cause irreparable harm that justifies injunctive relief in court. A violation of this Section may at the City's discretion result in immediate termination of this Agreement without notice. The obligations of Subrecipient under this Section shall survive the termination of this Agreement.

13. CONTACTS WITH THIRD PARTIES

13.1. Subrecipient or its subcontractors will not contact third parties to provide any information in connection with this Agreement without the prior written consent of the City. Should Subrecipient or its subcontractors be contacted by any person requesting information or requiring testimony relative to this Agreement or any other prior or existing Agreement with the City, Subrecipient or its subcontractors will promptly inform the City giving the particulars of the information sought and will not disclose such information or give such testimony without the written consent of the City or court order. The obligations of Subrecipient and its subcontractors under this Section will survive the termination of this Agreement.

13.2. Subrecipient agrees that the requirements of this Section will be incorporated into all subcontractor agreements entered by Subrecipient. It is further agreed that a violation of this Section will be deemed to cause irreparable harm that justifies injunctive relief in court. A violation of this Section may result in immediate termination of this Agreement without notice.

14. COMPLIANCE WITH LAWS

Subrecipient will comply with all existing and subsequently enacted federal, state and local laws, ordinances, codes, regulations and guidance that are, or become applicable to this Agreement. If a subsequently enacted law imposes substantial additional costs on Subrecipient, a request for an amendment may be submitted pursuant to this Agreement.

15. AMENDMENTS

Whenever an addition, deletion, or alteration to **Exhibit A - Scope of Work** or **Exhibit B - Itemized Service Budget**, is necessary, a supplemental agreement must first be approved in writing by the City and Subrecipient before such addition, deletion or alteration will be performed. Changes may be made and the amounts to be paid to Subrecipient may be adjusted by mutual agreement in accordance with applicable law, but in no event may the amount exceed the amount authorized in Section 4.1 of this Agreement. It is specifically understood and agreed that no claim for extra work done or materials furnished by Subrecipient will be allowed except as provided herein, nor will Subrecipient do any work or furnish any materials not covered by this Agreement unless first authorized in writing. Any work or materials furnished by Subrecipient without prior written authorization will be at Subrecipient's risk, cost and expense, and Subrecipient agrees to submit no claim for compensation or reimbursement for additional work done or materials furnished without prior written authorization.

16. NO ORAL ALTERATIONS

No alteration or variation of the terms of this Agreement will be binding on the parties herein unless such alteration or variation is in writing and signed by each of the parties to this Agreement. No oral understanding or agreement not incorporated in this Agreement will be binding on any of the parties herein.

17. INTEGRATION

This Agreement, along with all exhibits and attachments hereto, constitutes and embodies the full and complete understanding and agreement of the parties hereto and supersedes all prior understandings, agreements, discussions, proposals, bids, negotiations, communications, and correspondence, whether oral or written. No representation, promise, inducement or statement of intention has been made by any party hereto which is not embodied in this Agreement, and no party will be bound by or liable for any statement of intention not so set forth. This Agreement does not amend or alter any existing agreements between the City and Subrecipient.

18. GOVERNING LAW; FORUM; VENUE

This Agreement is executed and delivered in the State of Arizona, and the substantive laws of the State of Arizona (without reference to choice of law principles) will govern its interpretation and enforcement. Any action brought to interpret or enforce any provision of this Agreement that cannot be administratively resolved, or otherwise related to or arising from this Agreement, will be commenced and maintained in the state or federal courts of the State of Arizona, Maricopa County, and each of the parties, to the extent permitted by law, consents to jurisdiction and venue in such courts for such purposes.

19. TERMINATION FOR CAUSE AND FOR CONVENIENCE

19.1. The City may terminate this Agreement in whole, or in part, for the City's convenience or the failure of Subrecipient to fulfill the obligations (cause or default) under this Agreement. The City will terminate by delivering to Subrecipient a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, Subrecipient must: (1) immediately discontinue all services affected (unless the notice directs otherwise), and (2) deliver to the City all information, reports, papers, and other materials accumulated or generated in performing the Agreement, whether completed or in process.

19.2. If the termination is for the convenience of the City, the City will be liable only for payment for services rendered before the effective date of the termination.

19.3. If the termination is due to the failure of Subrecipient to fulfill its obligations under the Agreement (cause/default), the City may (1) require Subrecipient to deliver to it, in the manner and to the extent directed by the City, any work described in the Notice of Termination; (2) take over the work and prosecute the same to completion by agreement of otherwise, and Subrecipient will be liable for any additional cost incurred by the City; and (3) withhold any payments to Subrecipient, or the purpose of set-off or partial payment, as the case may be, of amounts owed by the City to Subrecipient. In the event of termination for cause/default, the City will be liable to Subrecipient for reasonable costs incurred by Subrecipient before the effective date of the termination.

20. NO ISRAEL BOYCOTT

By entering into this Agreement, Subrecipient certifies it is not currently engaged in, and agrees for the duration of this Agreement to not engage in, a boycott of goods or services from Israel.

21. LAWFUL PRESENCE

Pursuant to A.R.S. §§ 1-501 - 502, the City is prohibited from awarding a contract to any natural person who cannot establish that he or she is lawfully present in the United States. In order to establish lawful presence, this person must produce qualifying identification and sign a City-provided affidavit affirming the identification provided is genuine. This requirement will be imposed at the time of contract award. The law does not apply to fictitious entities such as corporations, partnerships, and limited liability companies.

22. NO FORCED LABOR OF ETHNIC UYGHURS

Subrecipient, by entering this Agreement, now certifies it is not currently engaged in, and agrees for the duration of the Agreement to not engage in, (a) the use of forced labor of ethnic Uyghurs in the People's Republic of China; (b) the use of any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; or (c) the use of any contractors, subcontractors, or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.

23. EQUAL EMPLOYMENT OPPORTUNITY AND PAY

Subrecipient in performing under this Agreement shall not discriminate against any worker, employee or applicant, or any member of the public, because of race, color, religion, sex, national origin, age, or disability, nor otherwise commit an unfair employment practice. The Subrecipient will ensure that applicants are employed, and employees are dealt with during employment without regard to their race, color, religion, sex, national origin, age, or disability. Such action shall include but not be limited to the following: employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training; including apprenticeship. The Subrecipient further agrees that this clause will be incorporated in all subcontracts related to this agreement that involve furnishing skilled, unskilled and union labor, or who may perform any such labor or services in connection with this agreement. Subrecipient further agrees that this clause will be incorporated in all subcontracts, contractor agreements or subleases of this Agreement entered into by supplier/lessee.

24. DEFENSE AND INDEMNIFICATION

Subrecipient ("Indemnitor") must defend, indemnify, and hold harmless the City of Avondale and its officers, officials (elected or appointed), agents, and employees ("Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including but not limited to court costs, attorney fees, expert fees, and costs of claim processing, investigation and litigation) of any nature or kind whatsoever ("Losses") caused, or alleged to be caused, in whole or in part, by the wrongful, negligent or willful acts, or errors or omissions of Indemnitor or any of its owners, officers, directors, members, managers, agents, employees or

subcontractors ("Indemnitor's Agents") arising out of or in connection with this Agreement. This defense and indemnity obligation includes holding Indemnatee harmless for any Losses or other amount arising out of or recovered under any state's Workers' Compensation Law or arising out of the failure of Indemnitor or Indemnitor's Agents to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. Indemnitor's duty to defend Indemnatee accrues immediately at the time a claim is threatened, or a claim is made against Indemnatee, whichever is first. Indemnitor's duty to defend exists regardless of whether Indemnitor is ultimately found liable. Indemnitor must indemnify Indemnatee from and against any and all Losses, except where it is proven that those Losses are solely as a result of Indemnatee's own negligent or willful acts or omissions. Indemnitor will be responsible for primary loss investigation, defense, and judgment costs where this indemnification applies. In consideration of the award of this Agreement, Indemnitor agrees to waive all rights of subrogation against Indemnatee for losses arising from or related to any work performed by Indemnitor or Indemnitor's Agents for the City of Avondale. The obligations of Indemnitor under this provision survive the termination or expiration of this Agreement.

25. COMPLIANCE WITH TERMS OF FUNDING

Parties acknowledge that funds will be provided pursuant to the federal HUD HOME ARP Program rules, regulations, and guidance, other applicable law and guidance, and this Agreement. Parties agree to be bound by and will comply with all terms and conditions of foregoing. The Agreement includes any HOME ARP Program guidance issued by the HUD or any other federal agency with authority for administration of the HOME ARP Program funds. The Subrecipient is required to submit an end of program funding report to the City. The City agrees to cooperate with Subrecipient in preparing these reports, as needed.

26. COMPLIANCE WITH UNIFORM REQUIREMENTS

Subrecipient will comply with Uniform Administrative Requirements of 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards," except as modified by 24 CFR 92.505 and HUD Notice CPD 21-10, Subsection VIII(D).

27. NON-PROFIT STATUS AND REPORTING

Subrecipient shall maintain 501(c)(3) status and shall provide certified audits and tax returns annually. The audit/returns are due to the City within 30 days from receipt of the certified audit.

28. RELIGIOUS ACTIVITIES

No person may be required to participate in any religious activity as a condition of benefiting from Subrecipient's performance of this Agreement.

29. CONFLICTS OF INTEREST

All parties hereto agree to abide by the provisions of 2 CFR § 200.318 and 24 CFR 92.356, which include (but are not limited to) the following:

29.1. Subrecipient shall maintain a written code or standards or conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by federal funds.

29.2. No employee, officer, or agent of Subrecipient shall participate in the selection, or in the award, or administration of a contract supported by federal funds if a conflict of interest, real or apparent would be involved. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

29.3. No covered persons who exercise or who have exercised any functions or responsibilities with respect to HOME ARP Program assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, subcontract, or agreement with respect to the HOME ARP Program-assisted activity, or with respect to the proceeds from the HOME ARP Program-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one year thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the CITY, the Contractor, or any designated public agency.

29.4. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of Subrecipient.

The City's Conflict of Interest rules are also applicable to this Agreement and the Subrecipient acknowledges the following:

29.4.1. Subrecipient acknowledges that, to the best of its knowledge, information and belief, no person has been employed or retained to solicit or secure this Agreement upon a promise of a commission, percentage, brokerage, or contingent fee, and that no member of the Avondale City Council or any employee of the City has any financial interest in the Subrecipient. For breach of violation of this warranty, the City will have the right to annul this Agreement without liability, including any such commission, percentage, brokerage, or contingent fee.

29.4.2. The City reserves the right to immediately terminate the contract if the City determines the Subrecipient has an actual or apparent conflict of interest.

29.4.3. Upon a finding by the City that gratuities in the form of entertainment, gifts or inducements were offered or given by Subrecipient, or any agent or representative of Subrecipient, to any officer or employee of the City for the purpose of securing this Agreement, or securing favorable treatment with respect to the awarding, amending, or making of any determination with respect to the performance of this Agreement, the City may, by one calendar day written notice to Subrecipient,

terminate the right of Subrecipient to proceed under this Agreement, provided that the existence of the facts upon which the City made such finding will be an issue and may be litigated in an Arizona court of competent jurisdiction. In the event of such termination, the City will be entitled to the same remedies against Subrecipient as could be pursued in the event of default by Subrecipient.

Organizational Conflicts of Interest: The provision of any type or amount of HOME ARP Program supportive services may not be conditioned on an individual's or family's acceptance or occupancy of a shelter or housing unit owned by the Subrecipient; or a parent, affiliate, or subsidiary of the Subrecipient. No subrecipient may, with respect to individuals or families occupying housing owned by the subrecipient, or any parent, affiliate, or subsidiary of the subrecipient, administer financial assistance that includes rental payments, utility deposits, security deposits, or first and last month's rent provided pursuant to HOME ARP Program. All contractors of Subrecipient must comply with the same requirements that apply to subrecipients under this section.

This Agreement is subject to the requirements of Ariz. Rev. Stat. § 38-511.

30. INDEBTEDNESS TO INTERNAL REVENUE SERVICE OR OTHER PUBLIC ENTITY

30.1. Any judgment, lien, levy, or outstanding amount owed to the Internal Revenue Service, State, County, City, or other public entity by Subrecipient shall constitute an event of default or breach of this Agreement, unless previously approved by the City in writing, and shall constitute sufficient reason for termination of this Agreement by the City.

30.2. Prior to entering into and during the time period covered by this Agreement, Subrecipient shall disclose any information related to the preceding paragraph. This disclosure requirement shall also include the immediate reporting of breaches in payback arrangements or breaches in other agreements related to the above. Failure to comply with any disclosure provision in this Section shall constitute a default.

31. NONDISCRIMINATION

Subrecipient will carry out its responsibilities in compliance with the Civil Rights Act of 1964, Title VI of the Civil Rights Act of 1964 (42 USC 2000d), as amended, and implementing regulations at 31 CFR Part 22; the prohibitions against age discrimination under the Age Discrimination Act of 1975 (42 USC 610107) and implementing regulations at 31 CFR Part 23; the prohibitions against discrimination against disabled individuals under Section 504 of the Rehabilitation Act of 1973 (19 USC 794) and Title II of the Americans with Disabilities Act; Section 109 of the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5309) and the requirements of the Architectural Barriers Act of 1968 (42 USC 4151-4157). Subrecipient will take reasonable steps to provide meaningful access for all persons with Limited English Proficiency as required by Title VI of the Civil Rights Act of 1964 and Executive Order 13166.

32. SYSTEM FOR AWARD MANAGEMENT (SAM.gov) AND UNIVERSAL IDENTIFIER (UEI) REQUIREMENTS

Subrecipient agrees to maintain the currency of its information in the federal government's System for Award Management ("SAM") until it receives final payment. Subrecipient agrees to maintain its Unique Entity Identifier ("UEI") number for the same duration.

33. ONLINE SEARCHABLE DATABASES

Subrecipient agrees that prior to employing or contracting with any individual, or contracting with any other entity, to provide services hereunder, Subrecipient agrees to review online searchable databases available to determine exclusion, suspension and/or debarment status of such individual/entity, including, but not limited to, the Excluded Parties List in the System for Award Management Database (SAM.gov) operated by the General Services Administration ("GSA").

34. HUMAN TRAFFICKING

Subrecipient agrees to follow the requirements of Section 106(g) of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. 7104) and ensure that it and none of its employees engage in severe forms of trafficking in persons, procure commercial sex acts during the subaward term, used forced labor in the performance of your obligations under this Agreement. Subrecipient agrees to notify the City immediately once it has information from any source alleging a violation of this Section.

35. ASSIGNMENT

Subrecipient will not assign or transfer any interest in this Agreement without the prior written consent of the City.

36. INSURANCE

Subrecipient will comply with the insurance requirements set forth in **Exhibit C - Insurance Requirements**.

37. BACKGROUND CHECKS

Subrecipient will comply with the background check requirements set forth in **Exhibit E - Request for Reimbursement Template Form**.

38. NOTICES

38.1. Any notice, consent, or other communication ("Notice") required or permitted under this Agreement will be in writing and either: (1) hand delivered; (2) sent via e-mail, return receipt requested; (3) sent via facsimile transmission; (4) deposited with any commercial air courier or express delivery service; or (5) deposited in the United States mail, postage prepaid.

If to Subrecipient:

Michael Hughes
Chief Executive Officer
A New Leaf, Inc.
868 E. University Dr.
Mesa, AZ 85203

If to City:

Ron Corbin
City Manager
City of Avondale
11465 W. Civic Center Drive
Avondale, AZ 853231

With a copy to:

City Attorney
City of Avondale
11465 W. Civic Center Drive
Avondale, AZ 85323

38.2. Notice will be deemed received: (1) at the time it is personally served; (2) on the day it is sent via e-mail; (3) on the day it is sent by facsimile transmission; (4) on the second day after its deposit with any commercial air courier or express delivery service; or (5) five business days after the Notice is deposited in the United States mail as above provided. Any time period stated in a Notice will be computed from the time the Notice is deemed receive.

38.3. Notices sent by e-mail and facsimile transmission will also be sent by regular mail to the recipient at the above address. This requirement for duplicate Notice is not intended to change the effective date of the Notice sent by e-mail or facsimile transmission.

39. CONTINUATION DURING DISPUTES

39.1. Subrecipient agrees as a condition of this Agreement that in the event of any dispute between the parties, provided no Notice of Termination has been given by the City, and if it is feasible under the terms of this Agreement each party will continue to perform the obligations not related to the dispute required of it during the resolution of such dispute, unless enjoined or prohibited by a court of competent jurisdiction.

39.2. Failure or delay by either party to exercise any right, power or privilege specified in or appurtenant to this Agreement will not be deemed a waiver.

40. DEFAULT/REMEDIES

40.1. In the event of any default in or breach of this Agreement or any of its terms or conditions by either party hereto, such party will, upon written notice from the other, proceed immediately to cure or remedy such default or breach. In any event such breach or

default is remedied within thirty days after receipt of such notice. In case such action to cure or remedy the default or breach is not taken or not diligently pursued, or the default or breach not cured or remedied within thirty days, the aggrieved party may terminate this Agreement or institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including, but not limited to, proceedings to compel specific performance by the party in default or breach of its obligations. In the event of a breach of Agreement by the Subrecipient, the City, in addition to any other remedy, may immediately withhold payment of funds until such default is cured and/or may make direct payment to vendors.

40.2. Failure of the City to insist upon strict performance of any provision of this Agreement or to exercise any right or remedy to which the City is entitled hereunder will not constitute a waiver thereof and will not diminish the obligations under this Agreement. No waiver of any of the provisions of this Agreement will be effective unless it is expressly stated to be such and signed by both the City and Subrecipient.

41. FORCE MAJEURE

41.1. Neither Party shall be liable for failure of performance, nor incur any liability to the other Party on account of any loss or damage resulting from any delay or failure to perform all or any part of this Agreement if such delay or failure is caused by events, occurrences, or causes beyond the reasonable control and without negligence of the Parties. Such events, occurrences, or causes will include Acts of God/Nature (including fire, flood, earthquake, storm, hurricane, or other natural disaster), war, invasion, act of foreign enemies, hostilities (whether war is declared or not), civil war, riots, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, nationalization, government sanction, lockout, blockage, embargo, labor dispute, strike, pandemic, and interruption or failure of electricity or telecommunication service.

41.2. Each Party, as applicable, shall give the other Party notice of its inability to perform and particulars in reasonable detail of the cause of the inability. Each party must use best efforts to remedy the situation and remove, as soon as practicable, the cause of its inability to perform or comply.

41.3. The Party asserting Force Majeure as a cause for non-performance shall have the burden of proving that reasonable steps were taken to minimize delay or damages caused by foreseeable events, all non-excused obligations were substantially fulfilled, and the other Party was timely notified of the likelihood or actual occurrence that would justify such an assertion, so that other prudent precautions could be contemplated.

42. ADDITIONAL FEDERAL REQUIREMENTS

Subrecipient will comply with the additional federal requirements set forth in **Exhibit D – Federal Requirements**.

43. FISCAL YEAR CLAUSE:

The City's fiscal year begins July 1st and ends June 30th each calendar year. The City may make payment for services rendered or costs encumbered only during a fiscal year and for a period of 60 days immediately following the close of the fiscal year, under the provisions of Ariz. Rev. Stat. § 42-17108. Therefore, Subrecipient must submit billings for services performed or costs incurred prior to the close of a fiscal year within ample time to allow payment within this 60-day period.

44. PROFESSIONAL COMPETENCY:

44.1. QUALIFICATIONS: Subrecipient represents it is familiar with the nature and extent of this Agreement, the services it will be performing, and any conditions that may affect its performance under this Agreement. Subrecipient further represents it is fully experienced and properly qualified, follows all applicable license requirements, and is equipped, organized, and financed to perform such services.

44.2. LEVEL OF CARE AND SKILL: Services provided by Subrecipient will be performed in a manner consistent with that level of care and skill ordinarily exercised by members of Subrecipient's profession currently practicing in the same industry under similar conditions. Acceptance or approval by the City of Subrecipient's performance will in no way relieve Subrecipient of liability to the City for damages suffered or incurred arising from the failure of Subrecipient to adhere to the aforesaid standard of professional competence.

45. NO THIRD-PARTY BENEFICIARIES:

The parties expressly agree this Agreement is not intended by any of its provisions to create any right of the public or any member thereof as a third-party beneficiary nor to authorize anyone not a party to this Agreement to maintain a suit for personal injuries or property damage pursuant to the terms or provisions of this Agreement.

46. SUBRECIPIENT REQUIREMENTS FOR THE MITIGATION OF HEAT-RELATED ILLNESSES AND INJURIES IN THE WORKPLACE:

Any contractor whose employees and contract workers perform work in an outdoor environment under this contract must keep on file a written heat safety plan. The city may request a copy of this plan and documentation of all heat safety and mitigation efforts currently implemented to prevent heat-related illnesses and injuries in the workplace. The plan must also be posted where it is accessible to employees. At a minimum, the heat safety and mitigation plan and documentation required under this provision shall include each of the following as it relates to heat safety and mitigation:

A. Availability of sanitized cool drinking water free of charge at locations that are accessible to all employees and contract workers.

B. Ability to take regular and necessary breaks as needed and additional breaks for hydration.

C. Access to shaded areas and/or air conditioning.

D. Access to air conditioning in vehicles with enclosed cabs. All such vehicles must contain functioning air conditioning by no later than May 1, 2025.

E. Effective acclimatization practices to promote the physiological adaptations of employees or contract workers newly assigned or reassigned to work in an outside environment.

F. Conduct training and make it available and understandable to all employees and contract workers on heat illness and injury that focuses on the environmental and personal risk factors, prevention, how to recognize and report signs and symptoms of heat illness and injury, how to administer appropriate first aid measures and how to report heat illness and injury to emergency medical personnel.

The contractor further agrees that this clause will be incorporated in all subcontracts with subcontractors, sublicensees or sublessees who may perform labor or services in connection with this contract. Additionally, the contractor agrees to require all subcontractors, sublicensees or sublessees to include this clause in all contracts with any third party who is contracted to perform labor or services in connection with this contract. It is the obligation of the contractor to ensure compliance by its subcontractors.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties herein have caused this Agreement to be executed.

“City”

CITY OF AVONDALE,
an Arizona municipal corporation

Ron Corbin, City Manager

ATTEST:

Marcella Sarmiento, City Clerk

“Subrecipient”

A New Leaf, Inc.,
an Arizona non-profit corporation

By:_____

Name:_____

Title:_____

EXHIBIT A - SCOPE OF WORK

A NEW LEAF, INC.

SUPPORTIVE SERVICES WORK STATEMENT

City of Avondale

**Work Statement – HOME-ARP Supportive Services
Program Year 2021 HOME Investment Partnerships Program – American Rescue Plan
(PY21 HOME-ARP)**

Subrecipient: A New Leaf, Inc.
UEI:
FAIN: M-21-DP-04-0227
Federal Award Date: 09/20/2021
HOME-ARP Funds: \$300,000.00
Activity Type: Supportive Services for Homeless Prevention
Activity Name: Avondale HOME-ARP Supportive Services Program

1. ACTIVITY BUDGET SUMMARY

COSTS	HOME-ARP FUNDS	TOTAL COST
Supportive Services –	\$300,000.00	\$300,000.00
Administration –	\$0.00	
TOTAL	\$300,000.00	\$

2. TYPE OF ASSISTANCE:

Subrecipient will expend all HOME-ARP funds on supportive services to benefit qualified populations in accordance with HUD CPD Notice CPD-21-10 (the “Notice”). These services may include all those identified as eligible in the Notice under Section VI.D.3.b (Homelessness Prevention Services).

3. ACTIVITY GOALS:

Subrecipient shall provide (1) one full-time personnel, a Family Housing Support Navigator (hereinafter as “Navigator”). The Navigator will coordinate services and resources for a minimum of Fifty-five (55) families (households with at least one minor dependent) experiencing homelessness or at Risk of Homelessness in Avondale.

4. LOGIC MODEL: PERFORMANCE INDICATORS:

INPUTS/RESOURCES	ACTIVITIES	OUTPUTS	OUTCOMES	IMPACT
To accomplish proposed activities, the	To address the issue, the	Once completed,	When completed,	Long term changes:

subrecipient will need the following:	subrecipient will conduct the following activities:	these activities will produce the following:	these activities will lead to the following changes:	
Case management and supportive services. Ability to verify homelessness.	Comprehensive homelessness response to include supportive services allowable under HUD CPD Notice 21-10.	Approximately 55 households/families will be provided with services determined on a case-specific basis, leading to resolution of homelessness and/or access to adequate shelter and connection to community resources.	Comprehensive services and case management will result in permanent housing and increased levels of self-sufficiency for clients, reducing future risk of homelessness and ensuring stability for minors.	Reduction in levels of homelessness and an increase in household self-sufficiency.

5. QUALIFIED POPULATIONS OF PROPOSED BENEFICIARIES

Qualified Populations	Number of Families
Homeless (QP1)	35
At Risk of Homelessness (QP2, QP3, QP4)	20
TOTAL	55

6. PREFERENCES AMONG QUALIFYING POPULATIONS, REFERRAL METHODS, AND SUBPOPULATIONS:

A. Identify the intent to give preference to one or more qualifying populations or a subpopulation within one or more qualifying populations for any eligible activity or project:

Subrecipient shall provide (1) one full-time personnel, a Family Housing Support Navigator (“Navigator”). The Navigator will coordinate services and resources for families (households with at least one minor dependent) experiencing homelessness or at Risk of Homelessness (McKinney-Vento Definition) in Avondale or enrolled in an Avondale School or Avondale Bridge Housing. Other QPs may receive services based on prior written approval from the City.

B. Fair Housing Act:

Subrecipient shall provide equal opportunity for individuals seeking housing assistance. The Subrecipient shall not discriminate against individuals seeking housing assistance based on race, color, national origin, religion, sex, familial status, or disability.

C. Referral Methods for Project or Activity:

The Subrecipient shall accept referrals for services from Avondale Schools' McKinney-Vento Liaisons, The Avondale Street Outreach Navigation And Resource (SONAR) Team, and/or partners and programs located at the Avondale Resource Center. Families with a last permanent residence in Avondale or enrollment in and Avondale School and who are currently experiencing homelessness or at risk of homelessness will be eligible for services. The program will utilize the McKinney Vento definition of homelessness, those meeting HUD's Definition of Literally Homeless will be prioritized for services. If referrals exceed program capacity the program will maintain a waitlist internally sorted by date of referral.

D. Waitlist Procedures:

If referrals exceed program capacity the program will maintain a waitlist internally sorted by date of referral.

7. SUBRECIPIENT SERVICES

Subrecipient's personnel shall provide case management, navigation and housing case management for up to 55 families. Subrecipient will be responsible for ensuring participants have verification of homelessness and be entered into HUD's Homeless Management Information System (HMIS) within 3 days of initial service engagement. Data completeness must meet regional standard of 95%. Subrecipient shall have an established Policies and Procedure for service delivery.

A. Reporting: Monthly program reporting and invoicing shall be submitted no later than the 15th day of the month following service delivery. All reporting and invoicing shall be submitted to bplanty@avondaleaz.gov using the reporting forms located in Exhibits of this contract.

1. Contract Supportive Services Performance Report - Template provided by the City of Avondale (**Exhibit F – 2021 Home ARP Contract Supportive Services Performance Report**).
2. Contract Payment Request Form (**Exhibit E - Request for Reimbursement Template Form**) - Template provided by the City of Avondale.
3. HMIS Annual Performance Report ("APR") run based on fiscal year to date (July 1 - previous month).
4. Duplication of Services Certifications (**Exhibit H - Duplication of Assistance Certification Form**) for all clients served for the reported month.
5. Provide any other information as requested by the City including aggregate or client level data through the HMIS System and according to approved Continuum of Care (CoC) Data Sharing agreements. Such reporting shall be for the purposes of improving access to service. The City reserves the right to add, remove or revise reporting requirements at its discretion, up to and including data sharing with the City of Avondale, Arizona Health Care Cost Containment System (AHCCCS), or other relevant stakeholders as determined by OHS.
6. Provide full read only access to the project in HMIS for the purpose of monitoring client files no more than once per quarter. The Subrecipient is responsible for notifying the HMIS Lead Agency and granting access to the City within three business days of monitoring notice.

B. Navigator services shall include housing navigation services, which include, but is not limited to the following tasks:

1. Seek to move families with minor children off the streets into shelters, hotels, transitional or bridge housing
 2. Develop a housing plan with each household experiencing homelessness, addressing any identified barriers, and building on the strengths of the family.
 3. Help households to acquire paperwork and documents needed for housing
 4. Arrange for and accompany the family through the housing process
 5. Complete housing application
 6. Complete subsidy applications and recertifications
 7. Aid tenants in requesting and obtaining a reasonable accommodation
 8. Assist in securing funds for security deposit
 9. Assist tenant with move-in once housing is obtained: Acquire necessities, arrange for utility deposits, educate on budgeting and best practices of being a good neighbor.
 10. Advocating with Property Management and other service providers.
- C. Case Management: Services shall include case management services, which include, but is not limited to, the following tasks:
1. Family Service and Support Plan development
 2. Coordination with medical, dental and mental health providers
 3. Coaching and Crisis intervention
 4. Coordination assistance for transportation to appointments
 5. Independent living skills coaching
 6. Linkages to education, job skills training, and employment or assist with acquiring benefits
 7. Connection to McKinney Vento Liaisons to ensure minor children remain connected to their home school, preferably within Avondale.

8. SUBRECIPIENT RESPONSIBILITIES

In addition to its other obligations, the Subrecipient shall:

1. Participate in a Contractor orientation provided by the City.
2. Inform the City of vacancies of funded positions in writing within five business days of the vacancy.
3. Request clarification and/or technical assistance to resolve barriers to service in a timely manner.
4. Participate in project coordination meetings as scheduled by the City.
5. Maintain a signed HMIS data sharing agreement.

6. Agree to share mutual client records with the City on an as needed basis including HMIS data records, upon explicit written consent of the client.

9. REGIONAL PARTICIPATION REQUIREMENTS

All sub-recipients shall participate in the Maricopa Regional CoC, provide services in alignment with the Maricopa Regional Standards of Excellence for Emergency Shelter for Families and/or Single Individuals, participate in the Maricopa Regional Coordinated Entry System (“CES”) and case conferencing as appropriate in accordance with standards approved by the Maricopa Regional CoC Governing Board, record all client-related data and activity in HMIS using the HMIS standards approved by the Maricopa Regional CoC Governing Board, and provide services consistent with a “Housing First” approach as defined by HUD.

10. SUBRECIPIENT TRACKING AND REPORTING

Subrecipient shall be responsible for tracking and reporting on the following outcomes:

1. Number of individuals experiencing homelessness or at risk of homelessness served
2. Known exit destination in HUD’s Homeless Management Information System (HMIS)
3. HUD defined positive exit destinations
4. Data completeness and timeliness
5. Chronicity: Percentage of program participants meeting chronic definition in the Annual Performance Report (APR: 5A).
6. Median Length of Stay: Median number of days for participants currently in the program. (APR: 22B)
7. Average Length of Stay: Average number of days for participants currently in the program. (APR: 22B)
8. Data Quality: Percent of fields missing or incorrect in HMIS as measured by HMIS APR. (APR: 6A, B, C, D, E)
9. Income Growth at Exit: Percentage of those with increased income at program exit. (APR: 19A2)
10. Receipt of Outside Benefits Upon Exit: Percentage of those with at least one source of outside benefits upon program exit. (APR: 20B)
11. Positive Exits: Percentage of program participants who exited to a positive destination as recorded in HMIS. (APR: 23C)
12. Fund Utilization: Percentage of funds expended during term of grant.

11. PERFORMANCE REPORTING GOALS-TIMELINE OF ACTIVITIES

MILESTONES	START DATE	COMPLETION DATE
Environmental Review Completed		10/26/2022

25% expenditure of funds		7/1/2026
50% expenditure of funds		7/1/2027
75% expenditure of funds		7/1/2028
100% expenditure of funds		6/30/2029
Final reporting/project completion		7/30/2029

Any change to the Timeline shall need to be submitted to and approved by the City.

12. ADDITIONAL PROJECT OR ACTIVITY INFORMATION

A. All HOME-ARP activities will comply with the guidance provided in Notice CPD-21-10: Requirements for Use of Funds in the HOME-ARP Program, as amended.

B. Eligible expenses include costs associated with the following:

1. Costs under either of the McKinney Vento Supportive Services and Homelessness Prevention Services categories include costs associated with the following services: child care; education services; employment assistance and job training; food; housing search and counseling services; legal services; life skills training; mental health services; outpatient health services; outreach services; substance abuse treatment services; transportation; case management; mediation; credit repair; landlord/tenant liaison services; services for special populations (i.e. victim services or other services eligible under the Notice); financial assistance costs; and; short and medium term financial assistance for rent.

2. Oversight of eligible costs:

All supportive service costs paid for by HOME-ARP must comply with the requirements of this Notice, including requirements in 2 CFR part 200, subpart E, Cost Principles that require costs be necessary and reasonable. Eligible supportive service costs outside the scope of this agreement may be administered with approval from the City and may require a contract amendment.

C. Duplication of Services: Funding for Supportive Services requires that all grantees must ensure that there is no duplication of services in order to maximize all available resources. The Subrecipient must ensure there are adequate procedures in place to prevent any duplication of benefits as required by section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155) and in accordance with section 1210 of the Disaster Recovery Reform Act of 2018 (division D of Public Law 115–254; 132 Stat. 3442), which amended section 312 of the Robert T. 2 Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155). A duplication of benefits occurs when a person, household, business, government, or other entity receives financial assistance from multiple sources for the same purpose, and the total assistance received for that purpose is more than the total need for assistance.) HOME-ARP funds cannot be used to pay for eligible costs that have already been paid for, or will be paid for, by another Federal program, such as the Community Development Block Grant (CDBG-CV), HOME, Emergency Rental Assistance Program (ERA) funds, Housing Opportunity for Persons With

AIDS (HOPWA), Emergency Solutions Grant (ESG) and CoC rental programs, insurance, or other sources. If this occurs, the funds must be repaid to the agency as applicable. Subrecipient must provide a self-certification (**Exhibit H – Duplication of Assistance Certification Form**) for all individuals and families indicating that they have not received a duplicative benefit and listing potentially duplicative assistance that they have already received, or reasonably anticipate receiving, and through other means. This self-certification must be completed and maintained by Subrecipient PRIOR to the provision of assistance.

- D. Termination of assistance to program participants:* The Subrecipient may terminate assistance to a program participant who violates program requirements or conditions of occupancy or no longer needs the services as determined by the Subrecipient. Termination under this section does not bar the Subrecipient from providing further assistance later to the same individual or family under this Notice.
1. *Due process:* The Subrecipient must establish policies and procedures for termination of assistance to program participants. In terminating assistance to a program participant, the Subrecipient must provide a formal process that recognizes the rights of individuals receiving assistance under the due process of law. This process, at a minimum, must consist of:
 - a. Providing the program participant with a written copy of the program rules and the termination process before the participant begins to receive assistance.
 - b. Written notice to the program participant containing a clear statement of the reasons for termination.
 - c. A review of the decision, in which the program participant is given the opportunity to present written or oral objections before a person other than the person (or a subordinate of that person) who made or approved the termination decision; and
 - d. Prompt written notice of the final decision to the program participant.

During this process, the Subrecipient must provide effective communication and accessibility for individuals with disabilities, including the provision of reasonable accommodations. Similarly, the Subrecipient must provide meaningful access to persons with Limited English Proficiency (LEP).

Attachment 3
Itemized Service Budget (ISB) Workbook

Grant# 3013429 Contract Period: 07/01/2025 - 06/30/2029

MATCH REQUIREMENT:

A New Leaf
HSSS Outreach
3032

\$ 300,000.00

\$75k/year

<u>PERSONNEL</u>				TOTAL SERVICE COST	CONTRACT SERVICE COST	FY26 # OF MONTHS COST	FY27 # OF MONTHS COST	FY28 # OF MONTHS COST	FY29 # OF MONTHS COST
Number of Positions	FTE Level	Position Title	Total Salary for the Contract Period						
1	1.00	HSSS Outreach - Housing Navi	\$184,801.44		\$184,801.44	\$46,239.09	\$46,084.66	\$46,238.84	\$46,238.85
					\$0.00				
					\$0.00				
					\$0.00				
					\$0.00				
					\$0.00				
					\$0.00				
					\$0.00				
Total Personnel Costs for Contract Period:				408,464.24					
TOTAL PERSONNEL				TOTAL:	\$408,464.24	\$184,801.44	\$46,239.09	\$46,084.66	\$46,238.84
*A = % Administrative Functions D = % Direct Service Functions									
2. EMPLOYEE RELATED EXPENSES									
	ITEM	BASIS		TOTAL SERVICE COST	CONTRACT SERVICE COST	FY26 # OF MONTHS COST	FY27 # OF MONTHS COST	FY28 # OF MONTHS COST	FY28 # OF MONTHS COST
ERE		11.1%			\$20,745.93	\$5,147.75	\$5,302.18	\$5,148.00	\$5,148.00
Total ERE Costs for Contract Period:				92,579.48					
TOTAL EMPLOYEE RELATED EXPENSES				TOTAL:	\$92,579.48	\$20,745.93	\$5,147.75	\$5,302.18	\$5,148.00
3. PROFESSIONAL AND OUTSIDE SERVICES									
	ITEM	BASIS		TOTAL SERVICE COST	CONTRACT SERVICE COST	FY26 # OF MONTHS COST	FY27 # OF MONTHS COST	FY28 # OF MONTHS COST	FY28 # OF MONTHS COST
	HMS				\$19,926.16	\$4,981.54	\$4,981.54	\$4,981.54	\$4,981.54
					\$0.00				
					\$0.00				
Total Professional Costs for Contract Period:				21,277.93					
TOTAL PROFESSIONAL AND OUTSIDE SERVICES				TOTAL:	\$21,277.93	\$19,926.16	\$4,981.54	\$4,981.54	\$4,981.54
4. TRAVEL									
	ITEM	BASIS		TOTAL SERVICE COST	CONTRACT SERVICE COST	FY26 # OF MONTHS COST	FY27 # OF MONTHS COST	FY28 # OF MONTHS COST	FY28 # OF MONTHS COST
Mileage		\$200/mo per employee			\$4,226.80	\$1,056.70	\$1,056.70	\$1,056.70	\$1,056.70
Total Travel Costs for Contract Period:				9,141.22					
TOTAL TRAVEL				TOTAL:	\$9,141.22	\$4,226.80	\$1,056.70	\$1,056.70	\$1,056.70
5. SPACE									
	ITEM	BASIS		TOTAL SERVICE COST	CONTRACT SERVICE COST	FY26 # OF MONTHS COST	FY27 # OF MONTHS COST	FY28 # OF MONTHS COST	FY28 # OF MONTHS COST
Cell phone		\$50/mo			\$1,985.76	\$496.44	\$496.44	\$496.44	\$496.44
					\$0.00				
					\$0.00				
					\$0.00				
					\$0.00				
					\$0.00				
					\$0.00				
					\$0.00				
Total Telephone Costs for Contract Period:				4,275.67					
Total Occupancy Costs for Contract Period:				-					
TOTAL SPACE				TOTAL:	\$4,275.67	\$1,985.76	\$496.44	\$496.44	\$496.44

6.	<u>EQUIPMENT</u>				TOTAL SERVICE COST	CONTRACT SERVICE COST	FY26 # OF MONTHS COST	FY27 # OF MONTHS COST	FY28 # OF MONTHS COST	FY28 # OF MONTHS COST
	ITEM	BASIS				\$0.00				
Total Equipment Costs for Contract Period:				635.50						
TOTAL EQUIPMENT					TOTAL:	\$535.50	\$0.00	\$0.00	\$0.00	\$0.00
7.	<u>MATERIALS AND SUPPLIES</u>				TOTAL SERVICE COST	CONTRACT SERVICE COST	FY26 # OF MONTHS COST	FY27 # OF MONTHS COST	FY28 # OF MONTHS COST	FY28 # OF MONTHS COST
	ITEM	BASIS								
Total Program Supplies Costs for Contract Period:				-						
Total Supplies & Postage Costs for Contract Period:				-						
TOTAL MATERIALS AND SUPPLIES					TOTAL:	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
8.	<u>OPERATING SERVICES</u>				TOTAL SERVICE COST	CONTRACT SERVICE COST	FY26 # OF MONTHS COST	FY27 # OF MONTHS COST	FY28 # OF MONTHS COST	FY28 # OF MONTHS COST
	ITEM	BASIS								
Liberty Insurance					\$29,183.48	\$7,295.87	\$7,295.87	\$7,295.87	\$7,295.87	
					\$0.00					
					\$0.00					
					\$0.00					
Total Depreciation & Misc Costs for Contract Period:				-						
Total Conferences Costs for Contract Period:				1,644.17						
Total Insurance Costs for Contract Period:				31,536.00						
Total Advertising & Marketing Costs for Contract Period:				-						
TOTAL OPERATING EXPENSES					TOTAL:	\$33,180.17	\$29,183.48	\$7,295.87	\$7,295.87	\$7,295.87
					TOTAL:	\$568,918.70	\$260,869.57	\$65,217.39	\$65,217.39	\$65,217.39
9	<u>INDIRECT COSTS</u>				TOTAL SERVICE COST	CONTRACT SERVICE COST	FY26 # OF MONTHS COST	FY27 # OF MONTHS COST	FY28 # OF MONTHS COST	FY28 # OF MONTHS COST
	ITEM	BASIS								
Indirect Costs										
INDIRECT COSTS				15%	\$39,130.43	\$9,782.61	\$9,782.61	\$9,782.61	\$9,782.61	
Total Indirect Costs for Contract Period:				61,325.32						
TOTAL INDIRECT COSTS					TOTAL:	\$81,325.32	\$39,130.43	\$9,782.61	\$9,782.61	\$9,782.61
SUBTOTAL ADMIN COSTS					TOTAL:	\$650,779.52	\$300,000.00	\$75,000.00	\$75,000.00	\$75,000.00
10	<u>VOUCHERS - FLEXIBLE FINANCIAL ASSISTANCE</u>				TOTAL SERVICE COST	CONTRACT SERVICE COST	FY26 # OF MONTHS COST	FY27 # OF MONTHS COST	FY28 # OF MONTHS COST	FY28 # OF MONTHS COST
	ITEM	BASIS								
Client Assistance					\$0.00					
					\$0.00					
					\$0.00					
Total Client Expense Costs for Contract Period:				20,098.00						
TOTAL VOUCHERS						\$20,098.00	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL SERVICE COST/CONTRACT TOTAL COST:					\$670,877.52	\$300,000.00	\$75,000.00	\$75,000.00	\$75,000.00	\$75,000.00
REVENUE SOURCES:										
CURRENT OPPORTUNITY					\$300,000.00	\$300,000.00	\$75,000.00	\$75,000.00	\$75,000.00	\$75,000.00
In-Kind Revenue					\$0.00					
United Way					\$0.00					
Govt Grants					\$0.00					
Miscellaneous					\$0.00					
Corporate Grants/Foundations					\$0.00					
TOTAL REVENUE:					\$300,000.00	\$300,000.00	\$0.00	\$0.00	\$0.00	\$0.00

EXHIBIT C - INSURANCE REQUIREMENTS

General Requirements

- A. **Insurer Qualifications.** Without limiting any obligations or liabilities of Subrecipient, Subrecipient shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies authorized to do business in the State of Arizona pursuant to ARIZ. REV. STAT. § 20-206, as amended, with an AM Best, Inc. rating of A- or above with policies and forms satisfactory to the City. Failure to maintain insurance as specified herein may result in termination of this Agreement at the City's option.
- B. **No Representation of Coverage Adequacy.** By requiring insurance herein, the City does not represent that coverage and limits will be adequate to protect Subrecipient. The City reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve Subrecipient from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.
- C. **Additional Insured.** All insurance coverage, except Workers' Compensation insurance and Professional Liability insurance, if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, the City, its agents, representatives, officers, directors, officials and employees as Additional Named Insured as specified under the respective coverage sections of this Agreement.
- D. **Coverage Term.** All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement are satisfactorily performed, completed and formally accepted by the City, unless specified otherwise in this Agreement.
- E. **Primary Insurance.** Subrecipient's insurance shall be primary insurance with respect to performance of this Agreement and in the protection of the City as an Additional Insured.
- F. **Claims Made.** In the event any insurance policies required by this Agreement are written on a "claims made" basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option, for three years past completion and acceptance of the services. Such continuing coverage shall be evidenced by submission of annual Certificates of Insurance and necessary endorsements citing applicable coverage is in force and contains the provisions as required herein for the three-year period.
- G. **Waiver.** All policies, except for Professional Liability, including Workers' Compensation insurance, shall contain a waiver of rights of recovery (subrogation) against the City, its agents, representatives, officials, officers and employees for any claims arising out of the work or services of Subrecipient. Subrecipient shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.
- H. **Policy Deductibles and/or Self-Insured Retentions.** The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to the

City. Subrecipient shall be solely responsible for any such deductible or self-insured retention amount.

- I. Use of Subcontractors. If any work under this Agreement is subcontracted in any way, Subrecipient shall execute written agreements with its subcontractors containing the indemnification provisions set forth above and insurance requirements set forth herein protecting the City and Subrecipient. Subrecipient shall be responsible for executing any agreements with its subcontractors and obtaining certificates of insurance verifying the insurance requirements.
- J. Evidence of Insurance. Prior to commencing any work or services under this Agreement, Subrecipient will provide the City with suitable evidence of insurance in the form of certificates of insurance and a copy of the declaration page(s) of the insurance policies as required by this Agreement, issued by Subrecipient insurance insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages, conditions and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. Confidential information such as the policy premium, may be redacted from the declaration page(s) of each insurance policy, provided that such redactions do not alter any of the information required by this Agreement. The City shall reasonably rely upon the certificates of insurance and declaration page(s) of the insurance policies as evidence of coverage, but such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. If any of the policies required by this Agreement expire during the life of this Agreement, it shall be Subrecipient's responsibility to forward renewal certificates and declaration page(s) to the City 30 days prior to the expiration date. All certificates of insurance and declarations required by this Agreement shall be identified by referencing this Agreement. A \$25.00 administrative fee shall be assessed for all certificates or declarations received without the appropriate reference to this Agreement. Additionally, certificates of insurance and declaration page(s) of the insurance policies submitted without referencing this Agreement will be subject to rejection and may be returned or discarded. Certificates of insurance and declaration page(s) shall specifically include the following provisions:

- (1) The City, its agents, representatives, officers, directors, officials and employees are Additional Insureds as follows:

- (a) Commercial General Liability – Under Insurance Services Office, Inc., (“ISO”) Form CG 20 10 03 97 or equivalent.
- (b) Auto Liability – Under ISO Form CA 20 48 or equivalent.
- (c) Excess Liability – Follow Form to underlying insurance.

- (2) Subrecipient's insurance shall be primary insurance with respect to performance of this Agreement.

- (3) All policies, except for Professional Liability, including Workers' Compensation, waive rights of recovery (subrogation) against City, its agents, representatives, officers, officials and employees for any claims arising out of work or services performed by Subrecipient under this Agreement.

- (4) ACORD certificate of insurance form 25 (2014/01) is preferred. If ACORD certificate of insurance form 25 (2001/08) is used, the phrases in the cancellation provision “endeavor to” and “but failure to mail such notice shall impose no

obligation or liability of any kind upon the company, its agents or representatives” shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

K. Endorsements. Subrecipient shall provide the City with the necessary endorsements to ensure City is provided the insurance coverage set forth in this Section.

L. Required Insurance Coverage.

(1) Commercial General Liability. Subrecipient shall maintain “occurrence” form Commercial General Liability insurance with an unimpaired limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate and a \$2,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury. Coverage under the policy will be at least as broad as ISO policy form CG 00 010 93 or equivalent thereof, including but not limited to, separation of insured’s clause. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the City, its agents, representatives, officers, officials and employees shall be cited as an Additional Insured under ISO, Commercial General Liability Additional Insured Endorsement form CG 20 10 03 97, or equivalent, which shall read “Who is an Insured (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of “your work” for that insured by or for you.” If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be “follow form” equal or broader in coverage scope than the underlying insurance.

(2) Vehicle Liability. Subrecipient shall maintain Business Automobile Liability insurance with a limit of \$1,000,000 each occurrence on Subrecipient’s owned, hired and non-owned vehicles assigned to or used in the performance of the Subrecipient’s work or services under this Agreement. Coverage will be at least as broad as ISO coverage code “1” “any auto” policy form CA 00 01 12 93 or equivalent thereof. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the City, its agents, representatives, officers, directors, officials and employees shall be cited as an Additional Insured under ISO Business Auto policy Designated Insured Endorsement form CA 20 48 or equivalent. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.

(3) Professional Liability. If this Agreement is the subject of any professional services or work, or if the Consultant engages in any professional services or work in any way related to performing the work under this Agreement, the Subrecipient shall maintain Professional Liability insurance covering negligent errors and omissions arising out of the Services performed by the Subrecipient, or anyone employed by the Recipient, or anyone for whose negligent acts, mistakes, errors and omissions the Subrecipient is legally liable, with an unimpaired liability insurance limit of \$2,000,000 each claim and \$2,000,000 annual aggregate.

(4) Workers’ Compensation Insurance. If Subrecipient employs anyone who is required by law to be covered by workers’ compensation insurance, Subrecipient shall maintain Workers’ Compensation insurance to cover obligations

imposed by federal and state statutes having jurisdiction over Subrecipient's employees engaged in the performance of work or services under this Agreement and shall also maintain Employers Liability Insurance of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit.

M. Cancellation and Expiration Notice. Insurance required herein shall not expire, be canceled, or be materially changed without 30 days' prior written notice to the City.

EXHIBIT D - FEDERAL REQUIREMENTS

Subrecipient Name: A New Leaf, Inc.

Federal Award Project Description: HOME-ARP

Name of Federal Award Agency: U.S. Department of Housing and Urban Development

Name of pass-through entity: City of Avondale

1. HOME-ARP ADMINISTRATIVE REQUIREMENTS

The requirements in 24 CFR Part 92 apply to the HOME-ARP program. Subrecipient must comply with the Federal requirements set forth in 24 CFR part 5, subpart A, including: nondiscrimination and equal opportunity; disclosure requirements; debarred, suspended or ineligible contractors; drug-free work; and housing counseling and the nondiscrimination requirements at section 282 of the National Affordable Housing Act.

2. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689)

Subrecipient agrees to abide by Executive Orders 12549 and 12689, Debarment and Suspension, and implementing regulations found at 2 CFR Part 180 and 31 CFR Part 19. The City may, by giving written notice to Subrecipient, immediately terminate this Agreement if the City determines that Subrecipient has been debarred, suspended, or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Subrecipient will include a term or condition in all related contracts and subcontracts described in 2 CFR Part 180, Subpart B that the award is subject to 2 CFR Part 180 and 31 CFR Part 19.

3. EQUAL EMPLOYMENT OPPORTUNITY

Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”

4. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT

Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer based on a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These

requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

5. BYRD ANTI-LOBBYING CERTIFICATION (31 U.S.C. 1352)

In all contracts in excess of \$100,000 the Subrecipient hereby certifies, to the best of his or her knowledge and belief, that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of Subrecipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of and Federal contract, grant, loan, or cooperative agreement.
- b. Each contractor tier must certify to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization or influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352.
- c. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, Subrecipient shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions. Such disclosures are forwarded from tier to tier up to the non-Federal award.

6. CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS

6.1. In accordance with 41 U.S.C. 4712, Subrecipient may not discharge, demote, or otherwise discrimination against an employee in reprisal for disclosing to any of the list of persons or entities provided below, information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to federal contract (including the competition for or negotiation of a contract) or grant.

6.2. The list of persons and entities referenced in the paragraph above includes the following:

- 6.2.1.** A member of Congress or a representative of a committee of Congress
- 6.2.2.** An Inspector General;
- 6.2.3.** The Government Accountability Office;
- 6.2.4.** A federal employee responsible for contract or grant oversight or management;
- 6.2.5.** An authorized official of the Department of Justice or other law enforcement agency;
- 6.2.6.** A court or grand jury; or

6.2.7. A management official or other employee of the City, Subrecipient, or a subcontractor who has the responsibility to investigate, discover, or address misconduct.

6.3. Subrecipient shall inform its employees in writing of the rights and remedies provided under this section, in the predominant native language of the workforce.

6.4. The Contractor will insert the substance of this clause, including this subsection 7.4, in all subcontracts over the simplified acquisition threshold.

7. VICTIMS OF HUMAN TRAFFICKING

Subrecipient agrees to follow the requirements of Section 106(g) of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. 7104) and ensure that it and none of its employees engage in server forms of trafficking in persons, procure commercial sex acts during the subaward term, used forced labor in the performance of your obligations under this Agreement. Subrecipient agrees to notify the City immediately once it has information from any source alleging a violation of this Section.

8. PREFERENCE FOR DOMESTIC PROCUREMENT

Pursuant to 2 C.F.R. 200.322, to the greatest extent practicable, Subrecipient will purchase, acquire, or use goods, products or materials produced in the United States (including but not limited to iron, aluminum, steel, cement and other manufactured products).

9. PROHIBITION ON CERTAIN TELECOMMUNICATIONS EQUIPMENT

Subrecipient is prohibited from obligating or expending funds to:

- a.** procure or obtain;
- b.** extend or renew a contract to procure or obtain; or
- c.** enter a contract to procure or obtain equipment, services or systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. Covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities) and such other entities described in 2 C.F.R. 200.216.

10. INELIGIBLE SUBCONTRACTORS

Contractors shall not use funds received pursuant to this contract to employ directly or indirectly, award, award contracts to, or otherwise engage the services of, or fund any contractor or subrecipient during the period of debarment, suspension, or placement on ineligibility status under the provisions of 24 CFR Part 24.

11. DRUG-FREE WORKPLACE ACT OF 1988

Contractor must comply with drug-free workplace requirements in Subpart B of 2 CFR § 2429, which adopts the government-wide implementation (2 CFR part 182) of sections 5152-5158 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701-707).

12. PROCUREMENT OF RECOVERED MATERIALS

12.1 In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor will procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor will procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable time period; (2) fail to meet reasonable performance standards, which will be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item, or (3) are only available at an unreasonable price.

12.2 Paragraph (a) of this clause will apply to items purchased under this contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.

13. VIOLENCE AGAINST WOMEN ACT

Subrecipient must comply with the Violence Against Women Act requirements set forth in 24 CFR 92.359, as applicable.

14. LEAD HAZARD CONTROL REQUIREMENTS

The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR Part 35, subparts A, B, J, K, M, and R apply to HOME-ARP-assisted activities.

EXHIBIT E – REQUEST FOR REIMBURSEMENT TEMPLATE FORM

Subrecipient Contract				HOME-ARP REQUEST FOR REIMBURSEMENT				
Program Yr	2021	HOME-ARP	Reimbursement #:		1			
County FY	2022	Local Reimbursement Tracking #: (Optional)						
CITY OF AVONDALE - REQUEST FOR REIMBURSEMENT (PAGE 1 OF 2)								
Subrecipient Name		A New Leaf		Date (MM/DD/YYYY)				
County Contract No		C-22-21-093-X-04		Contract Amount (\$)				
Address				Contract Balance (\$)				
Contact Person				Contract Start Date				
Phone		Email:		Contract End Date				
				7/1/2025				
				6/30/2029				
Itemized Payment Statement (Page 2 of 2) must accompany this form. See Instructions for Draw Types and Activity Codes. Actual receipts, invoices, bank statements or copies of such items MUST be included to process this request.								
a.	b.	c.	d.	e.	f.	g.	h.	i.
Draw Type (EN, CR, AD)	Activity Code	IDIS Activity No. (####)	Address	IDIS Activity Setup Amt. (\$)	Amount Previously Expended (\$)	Amount of this Request (\$)	Remaining Balance (\$) (e-f-g)	Final Draw Y/N
EN	SS		Supportive Services	\$ 300,000.00			\$ 300,000.00	
							\$ -	
							\$ -	
							\$ -	
							\$ -	
							\$ -	
							\$ -	
							\$ -	
							\$ -	
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							\$ -	
							\$ -	
							\$ -	
							\$ -	
Total				\$ 300,000.00	\$ -	\$ -	\$ 300,000.00	
Recipient Authorized Signature			Date	Title				
This request for payment is fully supported by source documents and in compliance with contracting requirements. Supporting Documents are available in the City of Avondale Housing and Community Development Division. I certify to the best of my knowledge and belief that the information provided herein is true, complete, and accurate. I am aware that the provision of false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil, or administrative consequences including, but not limited to violations of U.S. Code Title 18, Sections 2, 1001, 1343 and Title 31, Sections 3729-3730 and 3801-3812.								
Performance Reports Current: YES/NO								
Match Report Current: N/A								
HCD Project Coordinator Approval			Date	For HCD Use Only HCD Approval				
HCD Grants Act Approval			Date					



MARICOPA COUNTY HUMAN SERVICES DEPT-REQUEST FOR REIMBURSEMENT - ITEMIZED PAYMENT STATEMENT (PAGE 2 OF 2)						
Subrecipient HOME-ARP		2021	City of Avondale Contract Period (Start/End)		6/26/2025	9/30/2028
					Date:	1/0/1900
					Reimbursement #:	1
IDIS Activity Number	Paid (or Payable) to		Date Paid	Invoice PO #	Check #	Amount of Request (\$)
Ex: #1111	ABC Contracting		5/1/2015	#1	123	\$ 125,000.00
					Total	\$ -

[illegible]

EXHIBIT G – HUD 2025 INCOME LIMITS

As of April 1, 2025

FY 2025 Income Limit Area	FY 2025 Income Limit Category	Persons in Family							
		1	2	3	4	5	6	7	8
Phoenix-Mesa-Chandler, AZ MSA	Very Low (50%) Income Limits (\$)	39,300	44,850	50,500	56,100	60,600	65,100	69,600	74,100
	Extremely Low (30%) Income Limits (\$)	23,600	26,950	30,300	33,650	37,650	43,150	48,650	54,150
	Low (80%) Income Limits (\$)	62,850	71,800	80,800	89,750	96,950	104,150	111,300	118,500

Subrecipient will need to request updated income limits annually.

EXHIBIT H – DUPLICATION OF ASSISTANCE CERTIFICATION FORM

DUPLICATION OF SERVICES CERTIFICATION

HOME-ARP funding for program assistance requires that all grantees must ensure that there is no duplication of services in order to maximize all available resources. The grantees must ensure there are adequate procedures in place to prevent any duplication of benefits as required by section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155) and in accordance with section 1210 of the Disaster Recovery Reform Act of 2018 (division D of Public Law 115-254; 132 Stat. 3442), which amended section 312 of the Robert T. 2 Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155).

A duplication of benefits occurs when a person, household, business, government, or other entity receives financial assistance from multiple sources for the same purpose, and the total assistance received for that purpose is more than the total need for assistance. HOME-ARP funds cannot be used to pay for eligible costs that have already been paid for, or will be paid for, by another Federal program, such as the Community Development Block Grant (CDBG/CDBG-CV), HOME, Emergency Rental Assistance Program (ERA) funds, Housing Opportunity for Persons With AIDS (HOPWA), Emergency Solutions Grant (ESG) and CoC rental programs, insurance, or other sources. If this occurs, the funds must be repaid to the agency as applicable.

Applicants must provide a self-certification indicating that they have not received a duplicative benefit and listing potentially duplicative assistance that they have already received, or reasonably anticipate receiving, and through other means. This self-certification must be completed PRIOR to the provision of assistance.

Applicant(s) Name (First, Last):

Address:

Have you applied and received rental, utility or other financial assistance within the last six months? ☐ YES ☐ NO

If Yes, please mark (✓) which program(s) you applied and received funding and identify the months that you received rental or utility assistance, and the name of the agency that provided the assistance.

- ☐ Housing Opportunity for Persons With AIDS (HOPWA)
- ☐ ESG, HOME, CDBG, CoC Rent Assistance Program
- ☐ Other Relief Program

Month	Amount	Purpose	Agency's name

; do hereby verify that the facts set forth in the above-mentioned intake are true and correct to the best of my personal knowledge or information and belief, and that any false statements herein are made subject to the penalties of:

“PENALTY FOR FALSE OR FRAUDULENT STATEMENT: U.S.C. Title 18 Section 1001, provides: “Whoever, in any manner within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies... or makes any false, fictitious, or fraudulent statement or entry, shall be fined not more than \$10,000 or imprisoned not more than five years, or both.”

Applicant/Head of Household	(Print Name)	Date
Co-Applicant/Co-Head	(Print Name)	Date
Adult Household Member	(Print Name)	Date
Adult Household Member	(Print Name)	Date

ITEM NUMBER: 4.h.

SUBJECT: Resolution 1071-1125 - Updated Impact Study - WEB Avondale Investments, LLC

MEETING DATE: 11/17/2025

TO: Mayor and Council

FROM: Jennifer Stein, Economic Development Director

THROUGH: Tracy Stevens, Assistant City Manager, (623) 333-1014

REVIEWED: Ron Corbin, City Manager, (623) 333-1011

STRATEGIC PLAN:

This agenda item supports the following Avondale Strategic Outcome Area: **Economic Growth and Prosperity**

Avondale supports a thriving local economy by fostering and supporting business growth, job creation, and workforce development. The City advances economic development, attracts high-quality entertainment and full-service amenities, and promotes a variety of attainable housing opportunities that strengthen the City's vitality.

PURPOSE:

City Council will consider a request to adopt Resolution 1071-1125, approving an updated impact study report which estimates the economic and fiscal impacts associated with the development and ongoing operations of a full-service hotel in Avondale and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

BACKGROUND:

The City of Avondale and Web Avondale Investments, LLC are preparing to enter into a Development Agreement to facilitate the construction of a premier full-service hotel within The BLVD. The developer is proposing to build and operate a six-story full-service hotel that will include a minimum of 176 rooms and 10,000 square feet of conference and meeting space, as well as a rooftop bar offering dining and event opportunities with expansive views of the surrounding area.

This project represents a significant investment in Avondale's hospitality sector and will serve as a key anchor within the City's growing tourism and entertainment district. The addition of a full-service hotel with substantial conference facilities will help attract regional and national events, support local businesses, and provide high-quality accommodations for visitors.

On October 20, 2025, City Council adopted a Notice of Intent to Enter Into a Development Tax Incentive Agreement with Web Avondale Investments, LLC.

DISCUSSION:

Since the City Council adoption of the Notice of Intent, the analysis completed by Rounds Consulting Group has been modified. Staff are requesting City Council approve the updated impact study as attached.

BUDGET IMPACT:

There is no impact to this year's budget. Any future fiscal impact will be included in the appropriate budget.

RECOMMENDATION:

Staff recommends City Council adopt a Resolution approving an updated impact study report which estimates the economic and fiscal impacts associated with the development and ongoing operations of a full-service hotel in Avondale and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents.

Contact person for document distribution: Cheryl Covert

RESOLUTION NO. 1071-1125

A RESOLUTION OF THE COUNCIL OF THE CITY OF AVONDALE,
ARIZONA, ADOPTING THE REVISED ECONOMIC IMPACT STUDY FOR
A PROPOSED FULL-SERVICE HOTEL.

WHEREAS, pursuant to ARIZ. REV. STAT. § 9-500.11, on October 20, 2025, the Council of the City of Avondale (the “City Council”) adopted a Notice of Intent (the “NOI”) to enter into an economic development tax incentive agreement for the development of a full-service hotel; and

WHEREAS, the NOI found that (i) the proposed tax incentive is anticipated to raise more revenue than the amount of the incentive within the duration of the agreement, and (ii) in the absence of the tax incentive, the retail business would not have located in the city in the same time, place and manner; and

WHEREAS, the NOI was verified by the Economic Impact Study, dated October 2025 and prepared by Rounds Consulting Group; and

WHEREAS, the deal points and the estimates of the economic and fiscal impacts have been revised; and

WHEREAS, the City Council desires to adopt the updated Economic Impact Study, dated November 2025.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF AVONDALE, as follows:

SECTION 1. The Economic Impact Study dated November 2025 and prepared by Rounds Consulting Group is hereby approved in substantially the form and substance attached hereto in Exhibit A and incorporated herein by reference.

SECTION 2. The Mayor, the City Manager, the City Clerk and the City Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this Resolution.

[SIGNATURES ON FOLLOWING PAGE]

PASSED AND ADOPTED by the Council of the City of Avondale, Arizona,
November 17, 2025

Mike Pineda, Mayor

ATTEST:

Marcella Sarmiento, City Clerk

APPROVED AS TO FORM:

Nicholle Harris, City Attorney

EXHIBIT A
TO
RESOLUTION NO. 1071-1125

[Economic Impact Study, dated November 2025]

See following pages.



Proposed Full-Service Hotel Analysis – City of Avondale

November 2025

Prepared for:

Avondale

Prepared by:



Rounds Consulting Group



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Executive Summary

This report, prepared by Rounds Consulting Group, Inc. (RCG) for the City of Avondale (City or Avondale), estimates the economic and fiscal impacts associated with the development and ongoing operations of a full-service hotel in Avondale. The project will include:

- ~180 hotel rooms
- Full-service restaurant and bar
- ~10,000 sq. ft. of conference space
- Pool and spa

Total capital expenditures for development are estimated at \$48.4 million. Once operational, the project is expected to support approximately 34 full-time equivalent (FTE) jobs on-site. These positions include a general manager, front desk/reservation staff, janitorial/housekeeping staff, restaurant/bar staff, and maintenance/grounds personnel.

The analysis captures both short-term construction impacts and long-term operational impacts, including on-site employment and spending generated by visitors in the local economy. Impacts are reported as direct, indirect, and induced effects on jobs, labor income, economic output, and tax revenues.

Analysis Key Findings

The development of the hotel will deliver measurable benefits to the local and regional economy both during construction and throughout ongoing operations.

Hotel Construction Impacts

During the construction phase, the \$48.4 million investment is expected to generate significant short-term economic activity. Approximately 415 jobs will be supported, with more than \$29.9 million in labor income earned by workers. Construction-related activity is estimated to generate \$84.3 million in economic output. The City of Avondale is estimated to collect approximately \$795,200 in tax revenues from construction-related activity.

Figure 1: Total Economic & Fiscal Impact of Hotel Construction			
Jobs	Labor Income	Economic Output	City Tax Revenues
415	\$29,876,900	\$84,324,100	\$795,200

Note: Includes direct, indirect, and induced impacts. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.



Hotel Operations Impacts

Once the hotel is operational, the project is expected to sustain an average of 61 jobs annually, including 34 full-time on-site positions such as management, reservations, housekeeping, and maintenance staff. Annual labor income is projected to reach approximately \$4.2 million, while economic output is estimated at \$12.0 million per year on average.

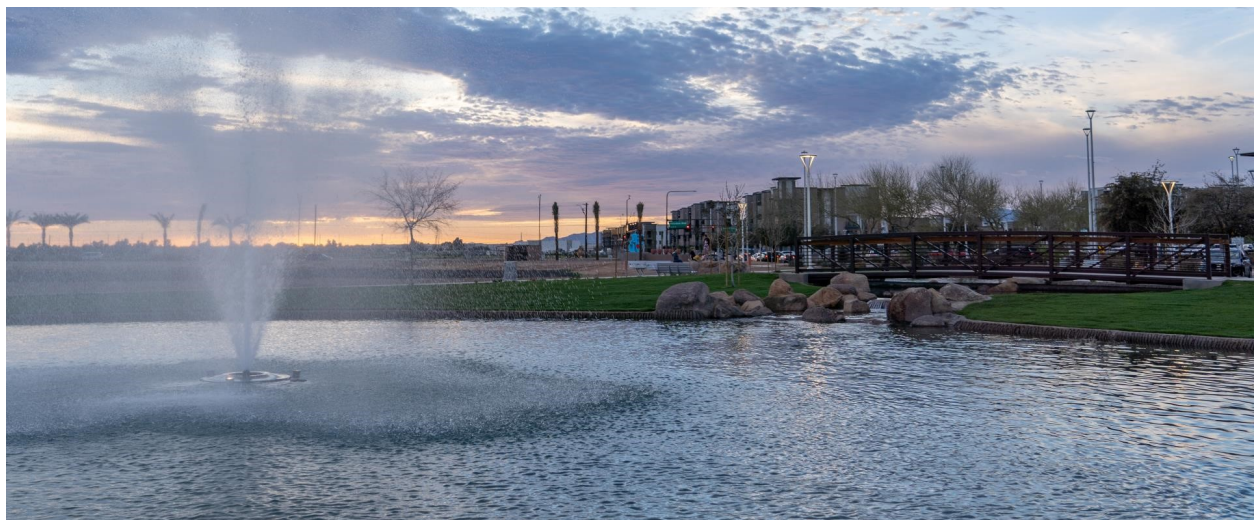
The City of Avondale is estimated to collect \$762,600 in annual tax revenues from hotel operations, including taxes on lodging, local employee spending, and retail expenditures made by visiting hotel guests within the community. This equates to approximately \$7.6 million in tax revenues over 10 years.

Figure 2: Total Average Annual Economic & Fiscal Impact of Hotel Operations			
Jobs	Labor Income	Economic Output	City Tax Revenues
61	\$4,196,100	\$12,022,000	\$762,600

Note: Estimates represent average annual impacts. Includes direct, indirect, and induced impacts. May not sum to totals due to rounding.
Source: Rounds Consulting Group, Inc.

Additional Impacts Related to Conference Center Activity

In addition to the fiscal impacts generated by hotel operations, the conference center is projected to generate approximately \$378,000 in additional annual tax revenues for the City of Avondale. Of this amount, roughly \$233,400 is derived from lodging-related taxes generated by overnight attendees staying at other hotels in the City, while \$136,200 comes from retail, restaurant, and entertainment spending by event attendees. This equates to approximately \$3.8 million in tax revenues over 10 years.





Total Fiscal Impact of Hotel Construction and 10 Years of Operations

During construction and 10 years of operational activity, including activity associated with the hotel and its conference center, the City of Avondale is estimated to collect approximately \$12.2 million in tax revenues.

The largest single contributor to City tax revenues is lodging sales tax, estimated at approximately \$6.9 million over the 10-year operational period. Additional tax revenues are generated through retail, restaurant and bar activity, construction-related sales tax collections, and state shared revenues distributed to the City under statutory formulas.

These revenues represent fiscal benefits to Avondale's General Fund that would not otherwise occur absent the project.

Figure 3: Total City Fiscal Impact of Construction & 10 Years of Operations				
Impact Type	Hotel Construction	10 Years of Hotel Operations	10 Years of Conference Center Activity	Total
Construction Sales Tax ⁽¹⁾	\$711,300	-	-	\$711,300
Utility Sales Tax ⁽²⁾	-	\$118,800	-	\$118,800
Retail Sales Tax ⁽³⁾	\$18,100	\$1,241,300	\$721,000	\$1,980,400
Restaurant & Bar Sales Tax ⁽⁴⁾	-	\$1,063,700	\$641,000	\$1,704,700
Lodging Sales Tax ⁽⁵⁾	-	\$4,610,000	\$2,334,000	\$6,944,000
Commercial Property Tax ⁽⁶⁾	-	\$282,900	-	\$282,900
Residential Property Tax ⁽⁷⁾	\$14,400	\$23,400	-	\$37,800
State Shared Revenues ⁽⁸⁾	\$51,400	\$285,600	\$84,000	\$421,300
Total	\$795,200	\$7,625,700	\$3,780,000	\$12,201,200

(1) Includes sales tax revenues generated from materials, contracting, and construction-related activity. (2) Include sales taxes on electricity and water used by the hotel. (3) Includes sales taxes generated from visitor spending, on-site hotel retail sales, and household spending by employees. (4) Includes sales taxes from on- and off-site restaurant and bar sales. (5) Includes sales taxes on room bookings, including additional lodging revenues generated by conference attendees staying at other hotels in Avondale. (6) Commercial property tax revenues are excluded during the 7.5-year ground lease term, as the City of Avondale is assumed to retain land ownership during that period. (7) Includes property tax revenues attributed to households supported by employment. (8) Includes the county's portion of state shared revenues generated from state-level collections. Note: Estimates represent average annual impacts. May not sum to totals due to rounding. Source: Rounds Consulting Group, Inc.



City Public Benefits and Obligations

The proposed hotel and conference center project will deliver substantial fiscal and community benefits to the City of Avondale that exceed the value of its financial obligations. The project not only enhances the City's tourism and hospitality offerings but also strengthens its long-term tax base and aligns with community and economic development priorities.

City Public Benefits

- Fiscal Revenues Supporting City Services: Over the construction period and 10 years operations, the City of Avondale is projected to receive approximately \$12.2 million in tax revenues. These revenues will support the City's General Fund and essential municipal services, including public safety, parks, infrastructure maintenance, and community programs.

Note: These revenues represent new fiscal resources that would not otherwise be generated absent the project.

- City Marketing Value: The City will receive permission from the hotel to play a Destination Avondale video on all in-room televisions for hotel guests. This feature provides a significant new marketing avenue, with an estimated economic benefit of \$50,000 per year, or \$400,000 over 8 years, based on comparable advertising values for Avondale's current marketing campaigns in the regional market.

Note: This opportunity represent new promotional and financial value for the City that would not otherwise exist in the marketplace.

- City Priority Event Access: The project agreement reserves up to 30 days of annual use of the on-site conference center for the City of Avondale or its designee, valued at \$5,000 per day. This represents a value of \$150,000 annually (or \$750,000 over 5 years), allowing the City to host priority events, conferences, and civic gatherings that promote tourism, community engagement, and economic development.

Note: This is a net-new benefit of financial value for the City.

- City Ground Lease Revenues: The project will include a 6.5-year ground lease (78 months), with an optional one-year extension that would bring the total lease term to 7.5 years (90 months). Under this agreement, the developer will pay a nominal lease rate of \$1 per month during the initial 18-month pre-construction period. This is followed by a monthly lease of



\$10,000 (equivalent to \$120,000 annually) from months 19 through 54 during the construction phase, and a monthly lease of \$15,000 (equivalent to \$180,000 annually) from months 55 through 78 once the facility is complete and operational.

If the one-year extension option is exercised, the lease would increase to a \$16,500 monthly rate (\$198,000 annually) through month 90, at which point the developer is required to purchase the property from the City. Over the full 7.5-year term, the City would receive approximately \$878,018 in total lease revenues.

Note: These revenues would not be collected absent the approval of this particular project.

- Property Sale Proceeds: Following the conclusion of the ground lease, the developer is required to purchase the property from the City. The purchase price for the site is \$2,638,106.25, calculated based on 140,699 gross square feet at \$18.75 per square foot. If the final survey determines that the site contains more or fewer gross square feet, the purchase price will be automatically adjusted to reflect the actual gross square footage, with the total amount due at closing modified accordingly.

Note: These revenues would not be collected absent the approval of this particular project.

- Avondale Resident and Business Discounts: To promote community accessibility, the developer will offer discounted access to meeting and event spaces for local residents and businesses. Avondale-based businesses will receive a 30% discount on space rentals for 5 years, while Avondale residents will receive a 20% discount over the same period.

Based on projected utilization, it is estimated that Avondale residents will take advantage of this discount approximately 50 times per year, resulting in a public benefit of \$250,000 over 5 years. Avondale businesses are anticipated to utilize the discounted meeting space roughly 20 days per year, generating an additional \$150,000 benefit over 5 years.

While these values provide a reasonable estimate of the potential impact, actual utilization may vary. Nonetheless, this represents a new-new community benefit for City residents and businesses that would not otherwise exist in the marketplace.



City Obligations

- Infrastructure Improvements: The City will construct half-street improvements along Roosevelt Street from 114th Avenue to Park Avenue to support site access and area connectivity. However, these improvements will be publicly owned and maintained, benefiting all users of the area rather than just the hotel. As such, they should be viewed as citywide infrastructure investments, not project-specific incentives.

Note: This represents public infrastructure improvements that enhance access and supports future area development.

- Construction Sales Tax Reimbursement: The City will reimburse the developer for unrestricted construction sales tax collection, not to exceed \$200,000. Based on estimated total construction sales tax revenues of \$711,300, the City will retain approximately \$511,300 in net revenues, even after accounting for reimbursements.

Note: This reimbursement is intended to offset a portion of the private sector's investment in public infrastructure and is only issued after verification of paid construction sales tax receipts.

- Transient Lodging Tax Reimbursement: The City shall reimburse the developer an amount equal to 2% of the annual total collected taxable transient lodging sales for the first 3 years, and 1% for the following 2 years, resulting in an estimated total reimbursement of \$714,800 over the 5-year period.

During the same 5-year period, hotel operations are expected to generate approximately \$2.1 million in City lodging-related tax revenues (including both the 2.5% retail sales tax and the 2.0% additional bed tax on hotel revenues). Because the 2% reimbursement rate is lower than the City's 2.5% retail tax rate, the City maintains a net positive fiscal return from lodging activity every year, even during the reimbursement period.

Over the full 10-year analysis period, hotel operations alone are projected to generate nearly \$4.6 million in lodging-related tax revenues, resulting in a net positive fiscal impact of approximately \$3.9 million to the City from lodging activity.

In addition to these hotel-based revenues, conference center activity is expected to generate approximately \$2.3 million in additional lodging-related tax revenues over the same 10-year period. These revenues stem from overnight attendees staying at other hotels in Avondale during conferences and events held at the facility.



Note: This reimbursement supports private investment in public infrastructure and the financial feasibility of the project. All reimbursements are contingent upon verification of paid transient lodging taxes, ensuring that funds are only issued after the City has received and confirmed the associated tax payments.

- Forgone Commercial Property Taxes: Because the City retains ownership of the land under the ground lease agreement, the property will be exempt from ad valorem commercial taxation during the lease term. This results in approximately \$544,100 in foregone City commercial property tax revenues over the 7.5-year period in which the lease is active. Once the lease expires and the property is purchased by the developer, commercial tax liability resumes. This treatment is typical for City-owned land under ground-lease agreements, where tax-exempt status applies only during municipal ownership.

Importantly, this does not mean the City is paying property taxes on behalf of the developer; rather, the property remains tax-exempt due to continued municipal ownership. The foregone taxes are included in this analysis because the exemption provides a financial benefit to the developer during the lease term, even though it is a temporary condition tied to public ownership.

Note: This represents a temporary condition associated with City land ownership, not a direct financial payment. The foregone property taxes are offset by ongoing lease payments and other financial benefits that continue to provide positive revenue streams to the City during the lease term.

- Reduced Building Fees: The City will provide a 50% reduction in development review and building permit fees, reducing up-front costs associated with construction. However, the City will continue to collect the remaining 50%. As such, this represents only a partial reduction in fees rather than a full waiver, resulting in a neutral fiscal impact to the City.

Note: This reduction in building fees reflects a standard economic development practice used to encourage private investment while ensuring the City recovers a portion of its administrative and permitting costs.

- Development Impact Fees: The City will reimburse development impact fees (excluding water and sewer) up to a maximum of \$400,000, supporting the hotel's capital investment and overall project feasibility.

Note: These reimbursements help offset costs associated with public infrastructure and community-serving improvements that benefit the surrounding area, consistent with common economic development practices.



- **Dedicated Parking Spaces:** The City will provide 40 reserved parking spaces for hotel use within the public parking garage or nearby surface/on-street parking. No new parking construction is required; however, the City will incur ongoing operations and maintenance (O&M) costs to make these spaces available. Based on a comparable development agreement executed by the City of Peoria, which establishes a cost of \$244.68 per parking space per year (in 2022 dollars), this amount was inflated to 2025 dollars (\$271.60 per space) to reflect current costs. The resulting estimate is approximately \$10,864 per year.

City Benefits vs. Obligations

As summarized in Figure 4, the proposed hotel project provides substantial fiscal and community benefits that significantly exceed the City's financial commitments. Over a 10-year period, the City of Avondale is projected to realize approximately \$17.3 million in public benefits compared to only \$2.0 million in City obligations, resulting in a net positive fiscal impact of approximately \$15.3 million and a positive return-on-investment (ROI) value for taxpayers nearly 9:1.

The largest single benefit is derived from local tax revenues, particularly from lodging activity. Additional benefits include marketing exposure and priority event access for City use, both of which contribute long-term community and tourism value.

By contrast, the City's obligations are limited in scope and are time-limited. These consist primarily of partial reimbursements and short-term cost reductions designed to support project public infrastructure and project feasibility. Even after accounting for all reimbursements, the City's net fiscal position remains positive, underscoring the project's ability to enhance Avondale's tax base and strengthen its economic foundation.

The City's financial obligations incorporated into this analysis are based on the current terms and conditions outlined in the development agreement. If those terms are modified in the future, the corresponding fiscal estimates and net benefit calculations presented in this report would change accordingly.

Project Recap

Overall, the project delivers a positive rate of return ratio of approximately 9:1, meaning that for every \$1 in City obligations, Avondale taxpayers receive nearly \$9 in fiscal and community benefits. Beyond these quantified measures, the project also provides enhanced tourism visibility and new opportunities for local businesses, further reinforcing the City's long-term economic position.



Since the calculation of enhanced tourism benefits, reductions in retail leakage, and tangential benefits related to infrastructure improvements are excluded from this analysis, the estimated physical benefits to the community can be considered very conservative. It is roughly estimated that the values are understated by as much as 25%.

Figure 4: City Benefits vs. Obligations Over 10 Years			
Category	Public Benefits	City Obligations	Net Benefit
City Tax Revenues ⁽¹⁾	\$12,201,200	-	\$12,201,200
City Marking Value ⁽²⁾	\$400,000	-	\$400,000
City Priority Event Access ⁽³⁾	\$750,000	-	\$750,000
Ground Lease Revenues ⁽⁴⁾	\$878,000	-	\$878,000
Property Sale Proceeds ⁽⁵⁾	\$2,638,100	-	\$2,638,100
Resident Room Discount ⁽⁶⁾	\$250,000	-	\$250,000
Business Conference Center Discount ⁽⁷⁾	\$150,000	-	\$150,000
Construction Sales Tax Reimbursement ⁽⁸⁾	-	(\$200,000)	(\$200,000)
Transient Lodging Tax Reimbursement ⁽⁹⁾	-	(\$714,800)	(\$714,800)
Foregone Commercial Property Taxes ⁽¹⁰⁾	-	(\$544,100)	(\$544,100)
Development Impact Fees Reimbursement ⁽¹¹⁾	-	(\$400,000)	(\$400,000)
Dedicated Parking Spaces O&M ⁽¹²⁾	-	(\$108,600)	(\$108,600)
Total	\$17,267,300	(\$1,967,500)	\$15,300,800

(1) Includes construction sales tax, lodging sales tax (including hotel operations and additional revenues generated by conference center activity), restaurant and bar taxes, retail sales tax, utility tax, property taxes, and state-shared revenues over the construction phase and 10 years of operations. (2) Reflects digital marking exposure on in-room televisions, valued at \$50,000 annually (\$400,000 over 8 years). (3) Represents the City's use of up to 30 days annually in the hotel's conference center, valued at \$5,000 per day (\$150,000 per year or \$750,000 over 5 years). (4) Reflects ground lease payments over the 7.5-year lease term. (5) Represents estimated property sale proceeds due to the City at the conclusion of the ground lease when the developer is required to purchase the site. (6) Represents the estimated 5-year community benefit from discounted rooms for Avondale residents. (7) Represents the estimated 5-year community benefit from discounted conference space use by Avondale businesses. (8) The City will reimburse up to \$200,000 of construction sales tax. Based on total estimated collections of \$711,300, the City will retain a net benefit of \$511,300 from construction sales tax revenue. (9) The City will reimburse 2% of net taxable transient lodging sales tax for the first 3 years and 1% for the following 2 years, totaling \$714,800. Over 10 years, total lodging-related tax revenues are projected at \$6.9 million (\$4.6 million from hotel operations and \$2.3 million from conference-related lodging), resulting in a net positive impact of approximately \$6.2 million from lodging activity. (10) Estimated foregone City commercial property tax revenue during the 7.5-year ground lease term while the property remains City-owned. This does not represent a payment by the City. The foregone taxes are included in this analysis because the exemption provides a financial benefit to the developer during the lease term. (11) Reflects reimbursement of development impact fees (excluding water and sewer) up to \$400,000. (12) Reflects City ongoing O&M cost to provide 40 reserved parking spaces for hotel use in the public garage or nearby surface/on-street parking each year over 10-years. Note: May not sum to totals due to rounding. Source: Rounds Consulting Group, Inc.



Supplemental View of City Contributions vs. Community Benefits (8-Year Snapshot)

While the 10-year analysis provides a comprehensive view of the project's impact, a shorter-term perspective can also help illustrate the balance between near-term City contributions and measurable community benefits. The following table isolates the City's direct financial obligations during the initial 8 years of the project, which aligns with the 8-year in-room marketing commitment, and compares them against a conservative subset of community benefits.

This 8-year snapshot focuses only on select tangible and directly quantifiable items, such as reimbursements, discounts, and marketing value, while excluding the broader fiscal benefits (e.g., tax revenues) that are captured in the primary analysis.

Figure 5: City Contributions vs. Community Benefits (8-Year Snapshot)			
Category	Public Benefits	City Obligations	Net Benefit
Conference Room Rental Value ⁽¹⁾	\$750,000	-	\$750,000
In-Room TV Marketing Value ⁽²⁾	\$400,000	-	\$400,000
Avondale Resident Discount ⁽³⁾	\$250,000	-	\$250,000
Avondale Business Discount ⁽⁴⁾	\$150,000	-	\$150,000
Construction Sales Tax Reimbursement ⁽⁵⁾	-	(\$200,000)	(\$200,000)
Transient Lodging Tax Reimbursement ⁽⁶⁾	-	(\$714,800)	(\$714,800)
Development Impact Fee Reimbursement ⁽⁷⁾	-	(\$400,000)	(\$400,000)
Dedicated Parking Spaces O&M ⁽⁸⁾	-	(\$86,900)	(\$86,900)
Total	\$1,550,000	(\$1,401,700)	\$148,300

(1) Represents the City's use of up to 30 days annually in the hotel's conference center, valued at \$5,000 per day (\$150,000 per year or \$750,000 over 5 years). (2) Reflects digital marketing exposure on in-room televisions, valued at \$50,000 annually (\$400,000 over 8 years). (3) Represents the estimated 5-year community benefit from discounted rooms for Avondale residents, valued at \$250,000 over 5 years. (4) Represents the estimated 5-year community benefit from discounted conference center use by Avondale businesses, valued at \$150,000 over 5 years. (5) The City will reimburse up to \$200,000 of construction sales tax. (6) The City will reimburse 2% of net taxable transient lodging sales tax for the first 3 years and 1% for the following 2 years, totaling \$714,800. (7) Reflects reimbursement of development impact fees (excluding water and sewer) up to \$400,000. (8) Reflects City ongoing O&M cost to provide 40 reserved parking spaces for hotel use in the public garage or nearby surface/on-street parking each year over 8 years. Note: May not sum to totals due to rounding. Source: Rounds Consulting Group, Inc.



Impact Model Methodology & Assumptions

RCG used a combination of project-specific data, conservative industry assumptions, and regional input-output modeling to assess the economic and fiscal impacts.

Economic & Fiscal Impact Methodology

The approach to quantifying the economic and financial impacts is grounded in established industry standards and leverages proprietary economic modeling techniques that enhance the analysis. It goes beyond conventional approaches by incorporating tailored adjustments specific to Arizona's economic landscape, including the use of IMPLAN multipliers, to assess direct, indirect, and induced impacts.

An economic and fiscal impact model provides a quantifiable method to estimate the economic impact of a particular activity in any given area. Impacts can be used to measure existing activity and to measure potential expansions/contractions of an area's economy resulting from changes in economic activity. Typically, the level of economic effects resulting from the activity is estimated in terms of economic output, jobs, labor income, and tax revenues. These are defined as:

- Economic output captures the broader level of economic activity, or the total value of goods and services produced in the region, similar to how statistics like gross domestic product (GDP) capture economic volume in individual states and across the country.
- A job is simply one person working a full-time job over a one-year period.
- Labor income represents the income (wages + benefits) earned by employees. The earnings component measures the total change in income throughout the economy due to economic or business activity.
- Tax revenues refer to the estimated annual government tax revenues that are generated by a particular project, policy, business, development, or activity in any given area. For example, the types of taxes analyzed include sales taxes, lodging taxes, state income taxes, and property taxes, among others. The types of activities subject to these taxes include payroll, retail sales, hotel bookings, and real/personal property, to name a few.



The economic and fiscal impacts that occur as a direct consequence of the initial activity create additional activity in the regional economy. This relationship is known as the multiplier or ripple effect. The basis for multiplier effects is the interdependencies between industries, how one industry impacts other sectors, and the cycle of spending and re-spending within the regional economy.

An input-output model generates these multipliers. These multipliers quantify relationships among industries and estimate the extent to which the area being analyzed can capture sales, economic activity, and job impacts within the region.

Input-output models measure impacts based on their source. Direct effects are the result of the initial activity being analyzed. The multiplier effects, or secondary effects, are measured as either indirect or induced. These are defined as:

- Direct effects, or impacts, measure the economic activity at an individual site or the initial economic change attributed to the event under consideration.
- Indirect impacts capture additional economic output, labor income, employment, and tax revenue changes generated as a result of increased or decreased demand in the industries that supply services or products.
- Induced impacts capture additional output, labor income, employment, and tax revenue changes generated as a result of increased spending in the local economy made by the households of both the direct and indirect employees.

A commonly used input-output model framework for generating economic multipliers is IMPLAN (short for “impact analysis for planning”). Originally developed by the U.S. Forest Service in the 1970s, the responsibility for developing IMPLAN data sets shifted to the University of Minnesota as demand for regional models grew.

Now, IMPLAN runs as a private organization and is the leading provider of nationwide economic impact data and analytical software. The RCG custom economic impact model employs this input-output methodology.

Analysis Assumptions

Unless otherwise noted, the assumptions used in this analysis are based on the information provided by the City of Avondale. These inputs were incorporated into the modeling and include total capital expenditures, hotel rooms, occupancy levels, annual room revenues, food and beverage sales, staffing levels, and average wages.



Hotel Room Revenue Assumptions

Hotel room revenues were estimated using a combination of project-specific information provided by the developer, the City, and conservative industry benchmarks.

For this analysis, the average daily rate (ADR) was set at \$170 per occupied room. While market data indicates that newer hotels can achieve ADRs above \$180, a more conservative value was selected to avoid overstating revenues.

Annual occupancy was modeled at 80%, which is slightly below the regional average ranging from 82% to 85% based on data from CoStar and comparable properties in the West Valley. This conservative assumption reflects potential seasonality and ramp-up considerations during the hotel's initial years of operations.

Based on these assumptions, the hotel is estimated to generate approximately \$8.9 million in annual room revenue per year. This serves as the foundation for estimating lodging-related tax collections. As noted, these inputs are intentionally conservative to ensure that the estimated economic and fiscal benefits remain reasonable under typical market conditions.

Visitor Spending Assumptions

Beyond on-site operations, hotels generate substantial visitor spending in local communities. Visitors typically spend money on retail, dining, fuel, groceries, and recreation. These expenditures support additional jobs and tax revenues within the City of Avondale.

Visitor spending estimates are based on Arizona Office of Tourism (AOT) survey data, which provides average daily spending profiles by visitor type. According to these surveys, the average visiting party spends approximately \$64 per day on restaurants and food, \$41 on transportation (including fuel), \$38 on retail, and \$34 on recreation and entertainment. These per-party spending levels were then applied to the estimated number of occupied rooms per year.

To remain conservative, a 75% spending leakage rate was applied, meaning it is assumed that $\frac{3}{4}$ of total visitor spending will occur outside of Avondale (e.g., in Phoenix or other regional destinations). This adjustment ensures that the modeled impacts reflect only the portion of visitor spending that is likely to remain in the city itself.

At the county level, a more moderate 25% leakage rate was applied, reflecting the expectation that most visitor spending will remain within Maricopa County but with some portion still occurring in other parts of the state.



While this approach captures the direct economic effects tied to the hotel, it is important to note that actual benefits to local businesses may be greater depending on the visitor's length of stay, spending patterns, and broader regional tourism linkages.

Conference and Event Attendee Assumptions

The conference center component of the project includes approximately 10,000 square feet of meeting and event space, designed to accommodate a range of corporate, association, and community uses.

Based on standard space-per-person ratios from the International Association of Venue Managers (IAVM) and Meeting Professionals International (MPI), the space can accommodate between 500 to 800 guests depending on the event configuration. For purposes of this analysis, it is conservatively assumed that the facility will host a mix of event types averaging 650 attendees per event.

Data from STR's Host Report, IAVM Venue Performance Report, and Convention Industry Council (CIC) indicates that typical conference centers of this scale operate at 40% to 50% annual event-day utilization, equivalent to 150 to 220 event days per year. This analysis utilizes a midpoint utilization rate of 45%, or roughly 165 event days annually. Applying the average of 650 attendees per event results in an estimated annual attendance of approximately 107,000 individuals.

According to CIC studies, 45% to 55% of U.S. conference and meeting attendees stay overnight. To estimate lodging and visitor impacts, it is assumed that approximately half (50%) of all conference attendees are overnight visitors, while the remaining half are local or day-trip attendees. Among the overnight attendees, those staying at the host hotel are already captured within the modeled 80% occupancy rate and associated hotel revenues.

However, it is further assumed that half of the overnight attendees (25% of total attendees) will stay at other hotels in Avondale, generating spillover lodging activity that benefits multiple hospitality operators in the City. These additional visitors will also spend money at local restaurants, retail stores, gas stations, and entertainment venues, creating incremental economic and fiscal impacts beyond the hotel's direct operations.

To maintain a conservative approach, the 75% leakage rate on retail, food, and recreation/entertainment spending described in the Visitor Spending Assumptions section is applied to these conference-related spending estimates. This adjustment assumes that only 1/4th of total attendee spending will occur within Avondale, ensuring that the modeled local impacts remain well within achievable ranges.



Estimated Cost to Maintain 40 Public Parking Spaces

Under the development agreement, the City will provide 40 reserved parking spaces for hotel use, either within the public parking garage or in surrounding surface/on-street parking. This obligation is treated as an ongoing operations and maintenance (O&M) cost, as no new parking facilities will be constructed.

To estimate this cost, the analysis references a comparable municipal precedent, a 2022 development agreement executed by the City of Peoria. The agreement specifies an annual fee of \$244.68 per parking space, escalated periodically to account for City-maintained parking operations. Adjusting this figure to 2025 dollars yields an equivalent cost of \$271.60 per space per year. For 40 spaces, this results in an estimated annual cost of approximately \$10,900.

This approach provides a locally grounded and inflation-adjusted estimate of the City's parking-related obligation, maintaining consistency with a comparable regional precedent while ensuring fiscal assumptions reflect 2025 cost conditions.

Analysis Disclosure

The assumptions and data used in this analysis are subject to marginal uncertainty and variation. Therefore, actual impacts may vary, and some impacts may not materialize due to unanticipated events and changing circumstances. However, RCG has made extensive efforts to confirm the accuracy of the information contained in this analysis. These projections are intended to provide an estimate based on current information and should not be viewed as guarantees of future performance.

Unless otherwise noted, the figures and estimates presented are based on the author's calculations and proprietary impact model. Readers are advised to review the entire report to understand the full context, methodologies, assumptions, and limitations of the analysis. Partial reading of the report may lead to misinterpretation of the findings and conclusions.



Economic & Fiscal Impacts

The City of Avondale is poised to benefit from the development of a new full-service hotel that will expand the community's lodging and amenities offerings. This project represents a \$48.4 million private investment that combines both accommodations and amenities, including a meeting space, pool, and restaurant and bar.

The project will create direct employment opportunities and generate new tax revenues. Once complete, the hotel is estimated to support approximately 34 FTE on-site positions. Beyond the on-site workforce, visitor activity will introduce new spending into the community as guests purchase food, fuel, groceries, and retail goods during their stays.

The analysis highlights two phases of economic impact:

- Construction Phase – The one-time effects associated with the \$48.4 million in development expenditures.
- Operations Phase – The ongoing annual impacts from the hotel's management, staffing, and visitor spending once the project is open.

Together, these impacts demonstrate the value of the project as both a short-term economic driver and a long-term contributor to Avondale's fiscal and community vitality.

Hotel Construction Phase Impacts

The one-time construction phase represents a significant investment in the Avondale economy. Based on the \$48.4 million in capital expenditures, construction is expected to generate a total of more than \$84.3 million in economic output, supporting approximately 415 jobs and \$29.9 million in labor income.

The majority of this impact comes from direct activity associated with construction itself, contractors, construction workers, and professional services directly tied to the hotel's development. These direct impacts account for 238 construction-related jobs, \$18.1 million in labor income, and approximately \$48.4 million in economic output.

In addition, the project produces indirect and induced impacts, often referred to as "ripple effects." Indirect impacts arise when construction firms purchase goods and services from local vendors (e.g., materials, equipment rentals, or professional services). Induced impacts occur when



construction workers spend their earnings on household needs such as groceries, dining, and retail. Combined, these ripple effects support 176 jobs, \$11.8 million in additional labor income, and \$35.9 million in economic output.

From a fiscal perspective, the construction activity is expected to generate approximately \$795,200 in City tax revenues, with the majority of these revenues (\$711,300) generated from local sales taxes on construction expenditures.

Figure 6: Economic and Fiscal Impact of Construction

Impact Type	Direct	Indirect	Induced	Total
Jobs	238	63	113	415
Labor Income	\$18,091,300	\$4,892,300	\$6,893,300	\$29,876,900
Economic Output	\$48,400,000	\$15,124,800	\$20,799,300	\$84,324,100
Tax Revenues	\$3,425,300	\$225,700	\$348,300	\$3,999,300
State Taxes	\$2,212,700	\$176,500	\$264,600	\$2,653,800
County Taxes	\$447,400	\$37,800	\$65,100	\$550,300
City Taxes	\$765,200	\$11,400	\$18,600	\$795,200

Note: All state revenues are presented net of state shared distributions to local governments. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.

Figure 7: Fiscal Impact of Construction – City of Avondale

Impact Type	Direct	Indirect	Induced	Total
Construction Sales Tax ⁽¹⁾	\$711,300	-	-	\$711,300
Retail Sales Tax ⁽²⁾	\$10,700	\$2,900	\$4,500	\$18,100
Residential Property Tax ⁽³⁾	\$8,300	\$2,200	\$3,900	\$14,400
Personal Income & Payroll Taxes ⁽⁴⁾	-	-	-	-
Vehicle License Tax & Fees ⁽⁵⁾	-	-	-	-
State Shared Revenues ⁽⁶⁾	\$34,900	\$6,300	\$10,200	\$51,400
Total	\$765,200	\$11,400	\$18,600	\$795,200

(1) Includes sales tax on materials and construction-related services directly tied to the \$48.4 million capital investment. (2) Captures sales taxes generated from retail purchases of goods and services during the construction phase, both directly by construction workers and indirectly through supplier purchases and household spending. (3) Includes property tax revenues attributed to households supported by employment. (4) Not applicable at the city level. (5) Not applicable at the City level. (6) Reflects revenue distributed to the City from the State of Arizona under statutory revenue-sharing formulas, tied to sales and income tax collections at the state level.

Note: May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.



Average Annual Hotel Operational Phase Impacts

Once operational, the hotel will sustain an average of 61 jobs, including the equivalent of 34 full-time on-site direct positions such as management, reservations, housekeeping, and maintenance staff. Annual direct labor income is projected to average approximately \$2.5 million, while direct economic output is estimated at \$7.0 million per year.

Indirect impacts arise when the hotel and local businesses purchase goods and services from area vendors, while induced impacts occur as direct and indirect employees spend their earnings on household and leisure goods and services. Together, these impacts support 27 FTEs, \$1.7 million in labor income, and \$5.0 million in economic output each year on average.

From a fiscal standpoint, annual operations are expected to generate approximately \$762,700 in City tax revenues each year. These revenues are derived from a combination of sales taxes on hotel bookings, employee household spending, and retail expenditures made on-site and throughout the community by visiting hotel guests.

Note: This analysis assumes that the City of Avondale will retain ownership of the land during a 7.5-year ground lease. Accordingly, commercial property tax revenues are excluded from the fiscal estimates during that period.

Figure 8: Average Annual Economic and Fiscal Impact of Operations				
Impact Type	Direct	Indirect	Induced	Total
Jobs	34	11	16	61
Labor Income	\$2,475,000	\$754,000	\$967,100	\$4,196,100
Economic Output	\$6,995,800	\$2,107,800	\$2,918,400	\$12,022,000
Tax Revenues	\$2,567,300	\$36,800	\$49,000	\$2,653,100
State Taxes	\$1,298,700	\$28,200	\$37,200	\$1,364,100
County Taxes	\$510,500	\$6,600	\$9,200	\$526,300
City Taxes	\$758,100	\$2,000	\$2,600	\$762,700

Note: Estimates represent average annual impacts. All state revenues are presented net of state shared distributions to local governments. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.



Figure 9: Average Annual Fiscal Impact of Operations – City of Avondale

Impact Type	Direct	Indirect	Induced	Total
Utility Sales Tax ⁽¹⁾	\$11,900	-	-	\$11,900
Retail Sales Tax ⁽²⁾	\$123,000	\$500	\$600	\$124,100
Restaurant & Bar Sales Tax ⁽³⁾	\$106,400	-	-	\$106,400
Lodging Sales Tax ⁽⁴⁾	\$461,000	-	-	\$461,000
Commercial Property Tax ⁽⁵⁾	\$28,300	-	-	\$28,300
Residential Property Tax ⁽⁶⁾	\$1,400	\$400	\$600	\$2,400
Personal Income & Payroll Taxes ⁽⁷⁾	-	-	-	-
Vehicle License Tax & Fees ⁽⁸⁾	-	-	-	-
State Shared Revenues ⁽⁹⁾	\$26,100	\$1,100	\$1,400	\$28,600
Total	\$758,100	\$2,000	\$2,600	\$762,700

(1) Include sales taxes on electricity and water used by the hotel. (2) Includes sales taxes generated from visitor spending, on-site hotel retail sales, and household spending by employees. (3) Includes sales taxes from on-site restaurant and bar sales. (4) Includes sales taxes on room bookings. (5) Commercial property tax revenues are excluded during the 7.5-year ground lease term, as the City of Avondale is assumed to retain land ownership during that period. (6) Includes property tax revenues attributed to households supported by employment. (7) Not applicable at the city level. (8) Not applicable at the city level. (9) Includes the county's portion of state shared revenues generated from state-level collections.

Note: Estimates represent average annual impacts. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.

10-Year Hotel Operational Phase Impacts

Over a 10-year period, the hotel is expected to sustain 606 job-years (the equivalent of 61 jobs per year over 10 years), generate approximately \$42.0 million in labor income, and produce \$120.2 million in economic output.

From a fiscal standpoint, operations are projected to generate approximately \$7.6 million in City tax revenues over 10 years.



Figure 10: 10-Year Economic and Fiscal Impact of Operations

Impact Type	Direct	Indirect	Induced	Total
Job-Years	335	112	159	606
Labor Income	\$24,750,100	\$7,540,400	\$9,670,600	\$41,961,100
Economic Output	\$69,958,100	\$21,078,400	\$29,183,800	\$120,220,300
Tax Revenues	\$25,669,700	\$365,900	\$488,900	\$26,524,500
State Taxes	\$12,985,100	\$281,600	\$371,300	\$13,638,000
County Taxes	\$5,103,600	\$65,400	\$91,500	\$5,260,500
City Taxes	\$7,581,000	\$18,900	\$26,100	\$7,626,000

Note: Estimates represent cumulative impacts over 10 years. All state revenues are presented net of state shared distributions to local governments. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.

Figure 11: 10-Year Fiscal Impact of Operations – City of Avondale

Impact Type	Direct	Indirect	Induced	Total
Utility Sales Tax ⁽¹⁾	\$118,800	-	-	\$118,800
Retail Sales Tax ⁽²⁾	\$1,230,400	\$4,600	\$6,300	\$1,241,300
Restaurant & Bar Sales Tax ⁽³⁾	\$1,063,700	-	-	\$1,063,700
Lodging Sales Tax ⁽⁴⁾	\$4,610,000	-	-	\$4,610,000
Commercial Property Tax ⁽⁵⁾	\$282,900	-	-	\$282,900
Residential Property Tax ⁽⁶⁾	\$14,100	\$3,800	\$5,500	\$23,400
Personal Income & Payroll Taxes ⁽⁷⁾	-	-	-	-
Vehicle License Tax & Fees ⁽⁸⁾	-	-	-	-
State Shared Revenues ⁽⁹⁾	\$260,800	\$10,500	\$14,300	\$285,600
Total	\$7,580,700	\$18,900	\$26,100	\$7,625,700

(1) Include sales taxes on electricity and water used by the hotel. (2) Includes sales taxes generated from visitor spending, on-site hotel retail sales, and household spending by employees. (3) Includes sales taxes from on-site restaurant and bar sales. (4) Includes sales taxes on room bookings. (5) Commercial property tax revenues are excluded during the 7.5-year ground lease term, as the City of Avondale is assumed to retain land ownership during that period. (6) Includes property tax revenues attributed to households supported by employment. (7) Not applicable at the city level. (8) Not applicable at the city level. (9) Includes the county's portion of state shared revenues generated from state-level collections.

Note: Estimates represent cumulative impacts over 10 years. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.



Additional Considerations

In addition to the impacts generated by hotel on-site operations, the proposed conference center is expected to attract a mix of corporate, association, and community events that extend beyond typical hotel guest stays.

Conferences and events held at the center will bring additional visitors who may not stay overnight at the host hotel due to room availability, price, or group size. Many of these attendees are expected to stay at nearby hotels in Avondale, resulting in spillover lodging activity that benefits multiple hospitality operators throughout the City. These overnight stays will generate additional lodging and retail sales tax revenues not captured in the base hotel operations impact.

Additional Fiscal Impacts Related to Conference Center Activity

Beyond the fiscal impacts generated by the hotel's operations, the conference center is expected to produce \$378,000 in additional annual tax revenues for the City of Avondale.

Of this annual total, an estimated \$233,400 is derived from lodging-related taxes generated by overnight attendees staying at other hotels within the City, while approximately \$136,200 is attributed to retail, restaurant and bar, and entertainment spending occurring in the community.

Over a 10-year period, these additional revenues are projected to total approximately \$3.8 million, representing a meaningful enhancement to the City's overall fiscal benefits beyond those directly associated with the hotel's operations.

Figure 12: Additional Fiscal Impacts Related to Conference Center Activity – City of Avondale		
Impact Type	Annual Average	10-Year Total
Retail Sales Tax ⁽¹⁾	\$72,100	\$721,000
Restaurant & Bar Sales Tax ⁽²⁾	\$64,100	\$641,000
Lodging Sales Tax ⁽³⁾	\$233,400	\$2,334,000
State Shared Revenues ⁽⁴⁾	\$8,400	\$84,000
Total	\$378,000	\$3,780,000

(1) Includes sales taxes generated from retail and entertainment purchases by conference attendees in Avondale. (2) Includes sales taxes generated from restaurant and bar spending by attendees in Avondale. (3) Reflects lodging tax revenues generated by overnight conference attendees staying at other hotels in Avondale, not captured in the base hotel model. (4) Represents Avondale's portion of state shared revenues distributed under statutory formulas, based on state-level tax collections. Note: Estimates represent average annual impacts and cumulative totals over 10 years. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.



Additional Impacts Related to Business Development

The conference center will also host City-sponsored and civic events, as Avondale will have access to event days under the development agreement. This will allow the City to hold economic development summits, tourism events, business programs, and community gatherings.

In addition to enhancing civic engagement, these events will play a direct role in business attraction and retention by providing opportunities for Avondale to showcase its assets to potential employers, investors, and regional partners. Although this impact is not monetized in this economic analysis, the benefits to the City's long-term economic competitiveness is both real and substantial.

These activities are expected to position Avondale as a regional destination for business and community meetings, reducing leakage to other West Valley cities and strengthening the City's long-term hospitality base. As conferences and City events draw repeat and first-time visitors to the area, this activity will help catalyze additional private investment in retail, dining, and visitor-serving amenities, further reinforcing the economic return to the City.



Appendix A: State & County Tax Revenues

It is important to note that additional economic and fiscal impacts would benefit taxpayers across the entire state as well as throughout Maricopa County.

Fiscal Impact of Construction

Figure 13: Fiscal Impact of Construction – State of Arizona				
Impact Type	Direct	Indirect	Induced	Total
Construction Sales Tax ⁽¹⁾	\$1,555,700	-	-	\$1,555,700
Retail Sales Tax ⁽²⁾	\$185,900	\$49,800	\$76,900	\$312,600
Residential Property Tax ⁽³⁾	-	-	-	-
Personal Income & Payroll Taxes ⁽⁴⁾	\$429,500	\$115,800	\$167,900	\$713,200
Vehicle License Tax & Fees ⁽⁵⁾	\$41,600	\$10,900	\$19,800	\$72,300
State Shared Revenues ⁽⁶⁾	-	-	-	-
Total	\$2,212,700	\$176,500	\$264,600	\$2,653,800

(1) Includes sales tax on materials and construction-related services directly tied to the \$48.4 million capital investment. (2) Captures sales taxes generated from retail purchases of goods and services during the construction phase, both directly by construction workers and indirectly through supplier purchases and household spending. (3) Not applicable for the state level. (4) Reflects state revenues from wages and salaries earned by workers supported by construction activity. (5) Represents state revenue from vehicle registrations and related fees tied to construction-related employment. (6) Not applicable at the state level.

Note: All state revenues are presented net of state shared distributions to local governments. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.



Figure 14: Fiscal Impact of Construction – Maricopa County

Impact Type	Direct	Indirect	Induced	Total
Construction Sales Tax ⁽¹⁾	\$220,200	-	-	\$220,200
Retail Sales Tax ⁽²⁾	\$25,900	\$6,900	\$10,700	\$43,500
Residential Property Tax ⁽³⁾	\$61,300	\$16,100	\$29,200	\$106,600
Personal Income & Payroll Taxes ⁽⁴⁾	-	-	-	-
Vehicle License Tax & Fees ⁽⁵⁾	-	-	-	-
State Shared Revenues ⁽⁶⁾	\$140,000	\$14,800	\$25,200	\$180,000
Total	\$447,400	\$37,800	\$65,100	\$550,300

(1) Includes sales tax on materials and construction-related services directly tied to the \$48.4 million capital investment. (2) Captures sales taxes generated from retail purchases of goods and services during the construction phase, both directly by construction workers and indirectly through supplier purchases and household spending. (3) Accounts for county property tax revenues from residential demand associated with the temporary construction workforce. (4) Not applicable at the county level. (5) Not applicable at the county level. (6) Reflects county revenues received through statutory revenue-sharing mechanisms from the State of Arizona that are linked to construction-related sales tax collections.

Note: May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.



Average Annual Fiscal Impact of Operations

Figure 15: Average Annual Fiscal Impact of Operations – State of Arizona				
Impact Type	Direct	Indirect	Induced	Total
Utility Sales Tax ⁽¹⁾	\$23,500	-	-	\$23,500
Retail Sales Tax ⁽²⁾	\$562,000	\$8,100	\$10,800	\$580,900
Restaurant & Bar Sales Tax ⁽³⁾	\$194,500	-	-	\$194,500
Lodging Sales Tax ⁽⁴⁾	\$455,800	-	-	\$455,800
Commercial Property Tax ⁽⁵⁾	-	-	-	-
Residential Property Tax ⁽⁶⁾	-	-	-	-
Personal Income & Payroll Taxes ⁽⁷⁾	\$55,200	\$18,100	\$23,600	\$96,900
Vehicle License Tax & Fees ⁽⁸⁾	\$6,700	\$2,000	\$2,800	\$11,500
State Shared Revenues ⁽⁹⁾	-	-	-	-
Total	\$1,297,700	\$28,200	\$37,200	\$1,363,100

(1) Include sales taxes on electricity and water used by the hotel. (2) Includes sales taxes generated from visitor spending, on-site hotel retail sales, and household spending by employees. (3) Includes sales taxes from on-site restaurant and bar sales. (4) Includes sales taxes on room bookings. (5) Not applicable at the state level. (6) Not applicable at the state level. (7) Includes state income taxes on payroll-related taxes generated by employees. (8) Includes estimated revenues from vehicle license taxes and associated fees attributed to households supported by employment. (9) Not applicable at the state level.

Note: Estimates represent average annual impacts. All state tax revenues are presented net of state shared distributions to local governments. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.



Figure 16: Average Annual Fiscal Impact of Operations – Maricopa County

Impact Type	Direct	Indirect	Induced	Total
Utility Sales Tax ⁽¹⁾	\$3,400	-	-	\$3,400
Retail Sales Tax ⁽²⁾	\$75,900	\$1,100	\$1,500	\$78,500
Restaurant & Bar Sales Tax ⁽³⁾	\$24,200	-	-	\$24,200
Lodging Sales Tax ⁽⁴⁾	\$197,500	-	-	\$197,500
Commercial Property Tax ⁽⁵⁾	\$19,600	-	-	\$19,600
Residential Property Tax ⁽⁶⁾	\$10,400	\$2,900	\$4,100	\$17,400
Personal Income & Payroll Taxes ⁽⁷⁾	-	-	-	-
Vehicle License Tax & Fees ⁽⁸⁾	-	-	-	-
State Shared Revenues ⁽⁹⁾	\$179,500	\$2,600	\$3,600	\$185,700
Total	\$510,500	\$6,600	\$9,200	\$526,300

(1) Include sales taxes on electricity and water used by the hotel. (2) Includes sales taxes generated from visitor spending, on-site hotel retail sales, and household spending by employees. (3) Includes sales taxes from on-site restaurant and bar sales. (4) Includes sales taxes on room bookings. (5) Commercial property tax revenues are excluded during the 7.5-year ground lease term, as the City of Avondale is assumed to retain land ownership during that period. (6) Includes property tax revenues attributed to households supported by employment. (7) Not applicable at the county level. (8) Not applicable at the county level. (9) Includes the county's portion of state shared revenues generated from state-level collections. Note: Estimates represent average annual impacts. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.



10-Year Fiscal Impact of Operations

Figure 17: 10-Year Fiscal Impact of Operations – State of Arizona				
Impact Type	Direct	Indirect	Induced	Total
Utility Sales Tax ⁽¹⁾	\$234,600	-	-	\$234,600
Retail Sales Tax ⁽²⁾	\$5,619,300	\$80,800	\$107,900	\$5,808,000
Restaurant & Bar Sales Tax ⁽³⁾	\$1,944,700	-	-	\$1,944,700
Lodging Sales Tax ⁽⁴⁾	\$4,558,000	-	-	\$4,558,000
Commercial Property Tax ⁽⁵⁾	-	-	-	-
Residential Property Tax ⁽⁶⁾	-	-	-	-
Personal Income & Payroll Taxes ⁽⁷⁾	\$551,600	\$181,300	\$235,600	\$968,500
Vehicle License Tax & Fees ⁽⁸⁾	\$67,000	\$19,500	\$27,800	\$114,300
State Shared Revenues ⁽⁹⁾	-	-	-	-
Total	\$12,975,200	\$281,600	\$371,300	\$13,628,100

(1) Include sales taxes on electricity and water used by the hotel. (2) Includes sales taxes generated from visitor spending, on-site hotel retail sales, and household spending by employees. (3) Includes sales taxes from on-site restaurant and bar sales. (4) Includes sales taxes on room bookings. (5) Not applicable at the state level. (6) Not applicable at the state level. (7) Includes state income taxes on payroll-related taxes generated by employees. (8) Includes estimated revenues from vehicle license taxes and associated fees attributed to households supported by employment. (9) Not applicable at the state level.

Note: Estimates represent cumulative impacts over 10 years. All state tax revenues are presented net of state shared distributions to local governments. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.



Figure 18: 10-Year Fiscal Impact of Operations – Maricopa County

Impact Type	Direct	Indirect	Induced	Total
Utility Sales Tax ⁽¹⁾	\$33,800	-	-	\$33,800
Retail Sales Tax ⁽²⁾	\$757,900	\$11,200	\$15,100	\$784,200
Restaurant & Bar Sales Tax ⁽³⁾	\$241,800	-	-	\$241,800
Lodging Sales Tax ⁽⁴⁾	\$1,975,200	-	-	\$1,975,200
Commercial Property Tax ⁽⁵⁾	\$196,300	-	-	\$196,300
Residential Property Tax ⁽⁶⁾	\$103,500	\$28,700	\$40,900	\$173,100
Personal Income & Payroll Taxes ⁽⁷⁾	-	-	-	-
Vehicle License Tax & Fees ⁽⁸⁾	-	-	-	-
State Shared Revenues ⁽⁹⁾	\$1,795,100	\$25,500	\$35,500	\$1,856,100
Total	\$5,103,600	\$65,400	\$91,500	\$5,260,500

(1) Include sales taxes on electricity and water used by the hotel. (2) Includes sales taxes generated from visitor spending, on-site hotel retail sales, and household spending by employees. (3) Includes sales taxes from on-site restaurant and bar sales. (4) Includes sales taxes on room bookings. (5) Commercial property tax revenues are excluded during the 7.5-year ground lease term, as the City of Avondale is assumed to retain land ownership during that period. (6) Includes property tax revenues attributed to households supported by employment. (7) Not applicable at the county level. (8) Not applicable at the county level. (9) Includes the county's portion of state shared revenues generated from state-level collections. Note: Estimates represent cumulative impacts over 10 years. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.

ITEM NUMBER: 4.i.

SUBJECT: Resolution 1072-1125 - Economic Development Agreement with WEB Avondale Investments LLC

MEETING DATE: 11/17/2025

TO: Mayor and Council

FROM: Jennifer Stein, Economic Development and Tourism Director

THROUGH: Tracy Stevens, Assistant City Manager, (623) 333-1014

REVIEWED: Ron Corbin, City Manager, (623) 333-1011

STRATEGIC PLAN:

This agenda item supports the following Avondale Strategic Outcome Area: **Economic Growth and Prosperity**

Avondale supports a thriving local economy by fostering and supporting business growth, job creation, and workforce development. The City advances economic development, attracts high-quality entertainment and full-service amenities, and promotes a variety of attainable housing opportunities that strengthen the City's vitality.

PURPOSE:

City Council will consider a request to adopt Resolution 1072-1125, approving an Economic Development Agreement with WEB Avondale Investments, LLC and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

BACKGROUND:

The City of Avondale and Web Avondale Investments, LLC are entering into a Development Agreement to facilitate the construction of a premier full-service hotel within The BLVD. The developer is proposing to build and operate a six-story, estimated 180-key full-service hotel that will include over 10,000 square feet of conference and meeting space, as well as a rooftop bar offering dining and event opportunities with expansive views of the surrounding area.

This project represents a significant investment in Avondale's hospitality sector and will serve as a key anchor within the City's growing tourism and entertainment district. The addition of a full-service hotel with substantial conference facilities will help attract regional and national events, support local businesses, and provide high-quality accommodations for visitors.

The Development Agreement outlines the terms and conditions related to the project, including development timelines, site improvements, public infrastructure obligations, and other provisions necessary to ensure the successful delivery of this landmark project.

DISCUSSION:

The development agreement between WEB Avondale Investments, LLC includes both city contributions and public benefits that outweigh the city contributions.

City contributions include:

- 50% reduction in development plan review and permitting fees.
- 50% Impact Fee reimbursement up to \$400,000.
- Construction Sales Tax reimbursement not to exceed \$200,000.
- Transient Lodging Tax Reimbursement for the first three years at 100% of the 2% transient lodging tax and the following two years at 50% of the 2% transient lodging tax (estimated at \$714,800).
- Provide up to 40 reserved parking spaces with the adjacent BLVD parking garage or other reasonably convenient parking location (estimated at \$86,900 over 8 years).

Total Estimated City Contributions: \$1,401,700

WEB Avondale Investments, LLC will provide the following public benefit:

- City event access to the Hotel's ballrooms and conference center space no less than 30 calendar days per year at no rental cost or expense to the City. This represents an estimated value of \$750,000 over five years.
- Avondale business and non-profit event discount on the hotel's best available ballroom, conference center meeting space at a 30% discount. This represents an estimated value of \$150,000 over five years.
- Avondale residents discount on the hotel's best available ballroom, conference center, and meeting room rentals at a 20% discount. This represents an estimated value of \$250,000 over five years.
- Provide the city at no rental or license cost, with digital marketing space in its conference center for city-related branding and visitor information.
- Provide retail space in the hotel's gift shop at no rental cost to the city to sell City-branded merchandise.
- Provide the city at no rental or license cost for in-room digital advertising. This represents an estimated value of \$400,000 over five years.

Total Estimated Public Benefit: \$1,550,000

BUDGET IMPACT:

There is no budget impact to Fiscal Year 2026. Any future year impact would be included in the City's Annual Budget.

RECOMMENDATION:

Staff recommends City Council adopt a Resolution approving a Development Agreement between the City of Avondale and WEB Avondale Investments, LLC and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents.

Contact person for document distribution: Cheryl Covert

RESOLUTION NO. 1072-1125

A RESOLUTION OF THE COUNCIL OF THE CITY OF AVONDALE,
ARIZONA, APPROVING THE ECONOMIC DEVELOPMENT AGREEMENT
WITH WEB AVONDALE INVESTMENTS, LLC.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF AVONDALE as follows:

SECTION 1. The Economic Development Agreement with WEB Avondale Investments, LLC (the “Agreement”) is hereby approved substantially in the form and substance attached hereto as Exhibit A and incorporated herein by reference.

SECTION 2. The Mayor, the City Manager, the City Clerk and the City Attorney are hereby authorized and directed to take all steps necessary to cause the execution of the Agreement and its related documents and to take all steps necessary to carry out the purpose and intent of this Resolution.

PASSED AND ADOPTED by the Council of the City of Avondale, Arizona,
November 17, 2025.

Mike Pineda, Mayor

ATTEST:

Marcella Sarmiento, City Clerk

APPROVED AS TO FORM:

Nicholle Harris, City Attorney

EXHIBIT A
TO
RESOLUTION NO. 1072-1125

[Agreement]

See following pages.

WHEN RECORDED MAIL TO:

City of Avondale
City Attorney's Office
11490 West Civic Center Drive
Avondale, AZ 85323
Attention: Nicholle Harris, Esq.

**ECONOMIC DEVELOPMENT AGREEMENT
BETWEEN
THE CITY OF AVONDALE
AND
WEB AVONDALE INVESTMENTS, LLC**

THIS ECONOMIC DEVELOPMENT AGREEMENT (this “Agreement”) is made as of _____, 2025 (the “Effective Date”), by and between the City of Avondale, an Arizona municipal corporation (the “City”), and WEB Avondale Investments, LLC, an Arizona limited liability company (the “Developer”).

RECITALS

A. On or about February 5, 2025, City issued Request for Proposals for ED 25-052 The BLVD City-Land Development (the “RFP”). On or about March 14, 2025, Whitten Development, Inc. (“Whitten”) submitted a proposal to construct and operate the Hotel (as defined in Recital D below), and Whitten was selected as one of the vendors under the RFP. Developer is an affiliate of Whitten.

B. The parties to this Agreement intend that this Agreement constitutes a “Development Agreement” within the meaning of Arizona Revised Statutes, Section 9-500.05, and that, in accordance therewith, it shall be recorded against the Project (as defined in Recital C below) in the Office of the Maricopa County Recorder to give notice to all persons of its existence.

C. City and Developer are entering into that certain Ground Lease and Purchase Option, dated concurrently with this Agreement (the “Lease”), pursuant to which the City will lease the Property (as defined in Recital D below) to Developer, and pursuant to which Developer has an exclusive option to purchase the Property, and that certain Parking License Agreement, dated concurrently with this Agreement (the “Parking License”), pursuant to which the City will license to Developer, up to forty (40) reserved parking spaces within the adjacent BLVD parking garage (or other reasonably convenient parking location) for parking of vehicles of employees and patrons of the Hotel. All of the terms and provisions of the Lease and Parking License are incorporated herein by this reference.

D. Developer desires to construct and operate an upscale, full-service, all suites Embassy Suites Hotel (the “Hotel”), including certain related on-site and offsite infrastructure (construction and operation of the Hotel and infrastructure is referred to herein as the “Project”), on that certain tract of land containing approximately 3.23 acres lying and generally located near

Avondale Boulevard and Interstate 10 Highway in the City of Avondale, Maricopa County, Arizona, being more particularly described and depicted on Exhibit A, attached hereto (the “Property”). Developer specifically committed to the City that, and the City’s willingness to enter into this Agreement is specifically contingent upon Developer’s assertion that (i) the Hotel to be built shall be an upscale, full-service, all suites hotel with a minimum of 176 guest rooms and a minimum of ten thousand square feet (10,000 square feet) of ballrooms and usable conference space, including event break-out rooms/areas; (ii) the Hotel shall include high-speed internet services and other amenities typically offered by business hotels; (iii) Developer and the Hotel shall provide the City with priority access to the ballrooms and conference space, including event break-out rooms/areas, as more particularly described herein; and (iv) Developer and the Hotel to provide the City with digital marketing advertising and in-room “Discover Avondale” video (or other video marketing materials prepared by City) to be displayed on in-room television monitors; (v) Developer and Hotel to display and sell in the Hotel gift shop Avondale branded merchandise, and (vi) Developer and the Hotel shall provide Avondale-based businesses, non-profits, and residents with discounted rental rates to ballrooms and conference space, including event break-out rooms/areas, as more particularly described herein (the “Amenities”).

E. The City desires that Developer construct and develop, or cause to be constructed and developed, the Hotel on the Property to (i) create new transient lodging tax collections in the City, (ii) increase the value of the Property for property tax purposes, (iii) create significant new opportunities for employment in Avondale, and (iv) enhance retail transaction (sales) tax collections in the City. The City has determined, based upon analysis conducted by its economic development staff that a developer would not choose to locate an upscale, full-service hotel on the Property in the absence of this Agreement.

F. On October 20, 2025, the City Council of the City of Avondale (the “City Council”) adopted that certain document entitled “Notice of Intent to Enter Into a Retail Development Tax Incentive Agreement and Findings of Fact” (the “Notice of Intent”), attached hereto as Exhibit B. Included within the Notice of Intent were findings showing (i) that the Project is anticipated to raise more revenue than the amount of the incentives set forth below within the duration of this Agreement and (ii) that, in the absence of the tax incentives proposed in this Agreement, a developer would not choose to locate the Hotel within the corporate boundaries of the City of Avondale at the same time or place (collectively, the “Findings”). Clause (1) above, as included in the Notice of Intent, was independently verified in October 2025 (and updated in November 2025), by an outside consultant, Rounds Consulting Group (the “Economic Impact Analysis”), as set forth in Exhibit C, attached hereto. Developer hereby agrees and affirms that it (i) did not finance, or cause to be financed, the Economic Impact Analysis, (ii) did not have input into the selection of Rounds Consulting Group for the purposes of such Economic Impact Analysis and (iii) would not have located the Hotel in Avondale in the same manner in the absence of the tax incentives set forth in this Agreement.

G. Authorization to enter into this Agreement was adopted by the City Council on _____, 2025, pursuant to City of Avondale Resolution _____, a copy of which is attached hereto as Exhibit D.

H. The City will collect transaction privilege taxes (levied pursuant to the City Tax Code) for taxable construction activities (“Construction Sales Taxes”) related to the Project. One

percent (1.0%) of the City's Construction Sales Tax rate is restricted for funding public safety, water, sewer and streets (the "Restricted Construction Sales Tax Portion"). The Construction Sales Taxes minus the Restricted Construction Sales Tax Portion are referred to herein as the "Unrestricted Construction Sales Taxes". The City also collects transaction privilege taxes (levied pursuant to the City Tax Code) for taxable transient lodging activities (the "Lodging Taxes").

I. The City Council is empowered, pursuant to ARIZ. REV. STAT. § 9-500.11, to appropriate public funds to further employment opportunities and economic enhancement of the City. Accordingly, the City Council has determined that it is in the best interests of the residents of Avondale to (i) reimburse a portion of the Unrestricted Construction Sales Taxes generated and collected for the Hotel for a period of time after opening of the Hotel, (ii) reimburse a portion of the Lodging Taxes generated by the Hotel for a period of time after opening of the Hotel, (iii) reduce building permit fees associated with construction of the Hotel, (iv) reduce development impact fees associated with construction of the Hotel, (v) reduce the rent during construction associated with leasing the city owned land for the Hotel, (vi) fix the option purchase price of the city owned land for the duration of the Lease term, and (vii) reduce the development review fees and permitting fees, all to provide opportunities for enhanced economic welfare and new job creation in Avondale.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by this reference, the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and the Developer hereby agree as follows:

1. Developer Obligations.

(a) Pre-Development. Development of the Hotel shall be in accordance with one or more plans (individually or, collectively, "Approved Plans") prepared and submitted by Developer to City for the City's approval. The City, acting in its enterprise capacity, and Developer shall cooperate reasonably in processing the Approved Plans for the approval or issuance of any permits, specifications, temporary certificates of occupancy, final certificates of occupancy, plats, site plans, or other development approvals requested by Developer in connection with development of the Hotel. Developer and City, acting in its enterprise capacity, will work together using commercially reasonable efforts throughout the pre-development and development stages to resolve any conflicts between City, acting in its enterprise capacity, and Developer regarding permits requested by Developer in connection with the development of the Project. Prior to the commencement of any construction of the Improvements, Developer shall diligently pursue the process for obtaining those permits from the City, in its municipal capacity, and other Approving Authorities (as defined in Section 1(c)), required for construction of the Hotel and Improvements (collectively, the "Required Permits"). Developer shall obtain the Required Permits no later than November 1, 2026. Developer, at its sole cost and expense, shall prepare, complete, execute, pay and/or deliver to the City and any other Approving Authorities any applications, filing fees, and other amounts due as necessary to obtain the Required Permits. Developer acknowledges that, prior to commencement of construction, the City may require that bonds, letters of credit, or other security be provided in connection with performance of constructing and installing the Hotel and

Improvements (the “Financial Assurances”) to evidence that Developer has access to sufficient financial capital to complete construction. Developer will post or cause to be posted required Financial Assurances.

(b) Development Plan. Developer shall, at its sole cost and expense, prepare a detailed development plan for the Improvements complying with all of the City’s and other Approving Authority’s requirements and the terms of this Agreement, the Lease, and the Franchise Agreement (as defined in Section 1(d)) (the “Development Plan”), generally consistent with the development plan, dated July 23, 2025, prepared by Modus Architecture attached hereto as Exhibit E (the “Preliminary Development Plan”). For purposes of the Development Plan and compliance with the City’s parking ratio requirements, Developer may include up to forty (40) designated vehicles spaces in the BLVD parking garage located south and adjacent to the Property (or other reasonably convenient parking location) at no charge. Developer shall submit the Development Plan to the City and applicable Approving Authorities for their review on or prior to January 30, 2026, and will thereafter diligently and continuously process such Preliminary Development Plan to final approval by the City (the “Approved Development Plan and together with the Approved Plan, the Approved Plan Documents”). Developer desires to expand the Property approximately twenty feet (20’) into the right-of-way on both the east and west side of the Property. Developer will prepare a boundary survey and legal description of the expanded Property for City’s review and approval. After Developer and City agree upon the expanded boundaries of the Property, the Developer and City will amend the legal description of the Property for purposes of this Agreement and the Lease, including, without limitation, the Purchase Option (as defined in the Lease) under the Lease.

(c) Construction of Improvements. At Developer’s own cost and expense, Developer shall design and construct, according to City municipal standards, those certain improvements as are shown on the Approved Development Plan (the “Improvements”). The Improvements shall also be built in accordance with the Approved Plans The City and Developer have agreed on the completion deadlines in connection with the construction of the Improvements (the “Construction Deadlines”) as set forth on Exhibit F attached hereto, which Construction Deadlines may only be modified by written agreement of the City and Developer. Developer shall at all times keep the Project free from accumulations of waste materials or rubbish caused by its performance of the construction of the Improvements and shall maintain its working and storage areas in a clean and non-hazardous condition. Developer agrees and understands that the Reduced Development Plan Review and Permitting Fees and payment of the Construction Sales Tax Reimbursement (as defined in Section 2(b)), the Lodging Tax Reimbursement (as defined in Section 2(c)), and the Impact Fee Reimbursement (as defined in Section 2(e)) are specifically conditioned upon Developer’s development of the Hotel on the Property in accordance with the Approved Plan Documents and in accordance with applicable laws and all requirements of the County, City, and/or any other applicable governmental authorities and utility providers (each, an “Approving Authority” and, collectively, the “Approving Authorities”). The Construction Sales Tax Reimbursement, the Lodging Tax Reimbursement, and the Impact Fee Reimbursement are collectively referred to herein as the “Reimbursements”. For purposes of this Agreement, “Commencement of Construction” means commencement of physical construction, as evidenced by Developer’s first preparation of the Property for construction of the Improvements, including, without limitation, grading, trenching, excavation, or any other site work required to develop the

Improvements, and “Construction Financing” means the recording of a leasehold deed of trust encumbering Developer’s leasehold estate under the Lease.

(d) Business Operation. Developer shall develop the Property and operate or cause to be operated the Hotel thereon consistent with the Approved Plan Documents and all City regulations for a period of at least fifteen (15) years from the Opening Date (as defined below) (the “Operating Period”). Developer agrees and understands that the City’s obligations to pay the Reimbursements and to apply the Reduced Development Plan Review and Permitting Fees are specifically conditioned upon the construction and operation of the Hotel in the location(s) shown on the Approved Plan Documents and in the form shown on the Approved Plans. The date of completion of construction and opening of a fully operational hotel, the ballrooms and conference space, including event break-out rooms/areas, are available to the public, the restaurant and amenities are open, and the Hotel is staffed at intended levels, shall be the “Opening Date”. Developer will enter into, and maintain in full force and effect, a franchise agreement with a nationally-recognized hotel operator (a “Franchise Agreement”). Developer covenants and agrees that the Franchise Agreement will not (i) contain any provisions that conflict with the terms and provisions of this Agreement or the Lease and if there is a conflict, the terms and provisions of this Agreement and the Lease shall govern and prevail; or (ii) impose on City any duties, obligations, liabilities, or requirements other than those duties, obligations, liabilities, and requirements as contained in this Agreement and the Lease. After construction is completed and the Hotel is opened for business on the Property, Developer shall (i) continuously operate, or cause to be operated, the Hotel on the Property during the Operating Period and (ii) during the entire term of this Agreement, maintain such Hotel on the Property, subject to the force majeure provisions set forth in Section 1(f) and substitution provisions set forth in Section 1(g) below. The Developer’s pre-development obligations set forth in Section 1(a) above, the Development Plan obligations set forth in Section 1(b) above, the construction obligations in Section 1(c), and the operation obligations set forth in this Section 1(d) are collectively referred to herein as the “Developer Obligations”.

(e) Mechanics’ Lien Removal and Indemnity. Developer shall cause the Improvements to be constructed free of any mechanics’, materialmen’s and professional liens. If any mechanics’, materialmen’s or professional service lien is recorded against all or any portion of the Property as a result of the Improvements, Developer shall provide prompt written notice thereof to the City and the Developer shall have thirty (30) days after filing of such lien to cause such lien to be fully paid, released, discharged, bonded over or waived in accordance with applicable law.

(f) Force Majeure Events. If the Hotel is damaged by a “Force Majeure Event” (as defined below), and such damage renders more than one-third ($\frac{1}{3}$) of the guest rooms of the Hotel unusable, the time periods for completing the Developer Obligations shall be tolled until such time as the damage hotel may be repaired and returned to operating condition wherein not more than one-third ($\frac{1}{3}$) of the guest rooms are unusable; provided, however, that the time periods shall only be tolled if the Developer promptly commences repairs and diligently pursues to completion such repairs; provided further, however, that no such repair/tolling period shall extend beyond 120 days after the last date of a Force Majeure Event. The term “Force Majeure Event” means an occurrence that is beyond the control of the Develop and occurs without the Developer’s fault or negligence. Without limiting the foregoing, Force Majeure Events include acts of God, acts of the public enemy, war, riots, strikes, labor disputes, civil disorders, fire, floods, lockouts,

injunctions and other similar occurrences beyond the control of the Developer which Developer is unable to prevent by exercising reasonable diligence. “Force Majeure Events” do not include financial inability or changes in market or economic conditions. The Force Majeure Event shall be deemed to commence when the Developer notifies the City, in accordance with Section 9 below, of the existence of the Force Majeure Event and shall be deemed to continue as long as the results or effects of the Force Majeure Event prevent the Developer from resuming performance in accordance with this Agreement. If Developer declares a Force Majeure Event, the Operating Period shall be extended for a period equal to the length of any such Force Majeure Event and the corresponding repair period.

(g) Substitution. If, at any time during the Operating Period, the Hotel operator ceases operation (such date is referred to herein as a “Cessation Date”) for any reason other than a Force Majeure Event, Developer shall (i) immediately notify the City of such discontinued operations, (ii) immediately commence securing a replacement hotel operator providing services of an equal or greater quality (such quality to be determined by the City in its sole discretion) than the Hotel operator, including the Amenities (each, a “Replacement Hotel Operator”), and shall secure such Replacement Hotel Operator and such Replacement Hotel Operator shall open the Hotel (either under the Embassy Suites name or under the name of another hotel franchise acceptable to the City) for business within 90 days from the Cessation Date and the Operating Period shall be extended on a day-for-day basis from for a period equal to the length of any such Force Majeure Event.

(h) City Priority Event Access. Prior to commencement of construction of any Improvements, Developer and the Hotel shall negotiate and enter into a separate agreement to provide the City with priority access to the Hotel’s ballrooms and conference space, including event break-out rooms/areas no less than thirty (30) calendar days per year, at no rental cost or expense to the City, for five (5) years from the Opening Date (the “Amenities Period”). The City shall have access to appropriately-sized space at the Hotel for such City events as the City may reasonably request, including but not limited to, ballrooms and conference space, including event break-out rooms/areas, for State of the City meetings, regional meetings, City-sponsored workshops, City programming, or community outreach meetings. The City shall provide at least ninety (90) days’ written notice for any such request, which requests Developer and the Hotel shall not unreasonably withhold, delay, or condition their consent.

(i) Avondale Resident Event Discount. During the Amenities Period, Developer and the Hotel shall provide: (i) to businesses and non-profit organizations based in Avondale, a thirty percent (30%) discount on the Hotel’s best available for rental of ballroom and conference space, including event break-out rooms/areas; and (ii) to residents of Avondale, a twenty percent (20%) discount on the Hotel’s best available rates for rental of ballroom and conference space, including event break-out rooms/areas, for private events (*e.g.*, weddings, banquets, etc.). For purposes of this Section 1(i), a business or non-profit organization based in Avondale shall be any business or non-profit organization having its primary address in Avondale that has either: (x) an active business license issued by the City; or (y) utility bills to evidence its presence in the City. For purposes of this Section 1(i), a resident of Avondale shall be an individual renting as a tenant or owning and occupying a primary residence in Avondale, which may be evidenced by a utility bill. Developer shall work with the City to establish an online method for Avondale businesses and residents to verify eligibility for this discount.

(j) City Marketing. For eight (8) years from the Opening Date, Developer and the Hotel, at no rental or license cost to the City, shall provide the City with digital marketing space in its conference space, including event break-out rooms/areas, that the City may use to provide standard City-related branding and visitor information, and in-room television monitor display of the “Discover Avondale” video (or other video marketing materials prepared by City to provide standard City-related branding and visitor information). During the Operating Period, Developer and the Hotel, at no rental or license cost to the City, shall display and sell in the Hotel’s gift shop City-branded merchandise and visitor materials, including but not limited to, hats, t-shirts, mugs, etc. (“City Merchandise”). Developer will maintain a sufficient inventory of City Merchandise for such display and sale. Upon Developer’s written request, City will ship or otherwise deliver to Developer City Merchandise at the City’s cost with no mark-up and Developer will pay for such City Merchandise within thirty (30) days after receipt of an invoice therefor.

(k) Annual Reporting. On or before January 31 of each year after the Opening Date (with the first and last year being a partial calendar year), and continuing each January 31 thereafter during the Term of this Agreement (and the January 31 after termination of this Agreement), Developer shall provide City with an annual report concerning the Hotel. Each annual report shall include the following information for the previous year: (i) the number and type of events hosted at the Hotel; (ii) estimated attendance at each event and country/state of origin or residence for event visitors; (iii) number of room nights generated by each event; and (iv) summary of local vendor and supplier partnerships for each event.

(l) Insurance. Developer shall procure and maintain during the Term of this Agreement the insurance described in Exhibit G attached hereto.

(m) Security Deposit. Concurrently with the execution and delivery of this Development Agreement, Developer will deliver to City a cash security deposit in the amount of \$100,000 (the “Security Deposit”) to be held by City as security for the payment and performance of the Developer’s obligations and agreements contained in this Agreement, including, without limitation, the Developer Obligations as set forth in this Section 1. City shall not be required to keep the Security Deposit separate from its general funds, and Developer shall not be entitled to interest on the Security Deposit. If Developer defaults in its payment or performance of the Developer’s obligations and agreements contained in this Agreement, including, without limitation, the Developer Obligations, and fails to cure its nonperformance within the Developer Cure Period, then, in addition to any other rights and remedies available to City under this Agreement, City may (but shall not be required to) use, apply or retain all or any part of this Security Deposit for the payment of any amount that City may spend or become obligated to spend by reason of Developer’s default or to compensate City for any other loss or damage that City may suffer by reason of Developer’s default. If any portion of the Security Deposit is so used or applied, Developer, no later than ten (10) days after written demand, shall deposit cash with City in an amount sufficient to restore the Security Deposit to its original amount, and Developer’s failure to do so shall be a material breach of this Agreement, entitling City to invoke any and all of its other remedies available for default hereunder. If Developer shall fully and faithfully perform every provision of this Agreement to be performed by Developer, the Security Deposit or any balance thereof shall be returned to Developer (or, at City’s option, to the last permitted assignee of Developer’s interests hereunder) at the expiration of the Term, provided that City may retain the

Security Deposit until such time as any amount due from Developer in accordance with the terms herein has been determined and paid in full.

2. City Obligations.

(a) City Improvements. The City shall be responsible, at its sole cost and expense, for construction of the south half street improvements along Roosevelt Street between 114th Avenue and Park Avenue as part of The BLVD improvement plan, as more particularly depicted on Exhibit H attached hereto (the “City Street Improvements”). The City Street Improvements will include the south half street pavement, sidewalk, curb, gutter, and landscaping within the Roosevelt Street right-of-way. The Developer intends to expand the Property approximately twenty feet (20’) into the right-of-way on both the east and west side of the Property, necessitating the removal of existing sidewalks, irrigation lines, lighting, and landscaping. If necessary for Developer’s development of the Project, City, at its sole cost and expense, will relocate the City-owned systems (irrigation, water valves, street lamps, and fiber) and any associated electrical components tied to such off-site infrastructure located within the existing right-of-way, as generally shown on Exhibit I attached hereto, and as contemplated by the Approved Plans. Developer will be responsible for providing and maintaining temporary irrigation systems as needed to ensure the continued health and preservation of existing landscaping impacted by Developer’s construction activities. Such temporary irrigation shall be installed prior to any disconnection or disruption of existing permanent irrigation systems and shall remain in operation until permanent irrigation is restored and fully functional. The temporary system shall provide adequate coverage, pressure, and duration to sustain existing plant material consistent with pre-construction conditions. The developer shall coordinate installation, maintenance, and removal of the temporary irrigation with the City’s Landscape Representative (or designee) to ensure uninterrupted watering throughout the construction project duration. All costs associated with temporary irrigation, including water usage and maintenance, shall be borne by the Developer. Developer will be responsible for replacing all landscaping, sidewalks, curb, and gutter removed as part of the expansion of the Property. The City may, but shall not be obligated to, elect to transplant the existing trees or upsize the trees or plants to be replaced by the Developer, in which case the City shall be responsible for any associated cost difference. Developer and City will cooperate and coordinate construction work to facilitate the City Street Improvements and relocation of such facilities.

(b) Construction Sales Tax Reimbursement. Subject to the liquidated damages provisions set forth in Section 8 below, if Developer constructs the Hotel according to the Construction Deadlines, the City shall reimburse to the Developer (the “Construction Tax Reimbursement”) the Unrestricted Construction Sales Taxes generated by Developer or any person, firm or entity (each a “Constructing Party”) as a result of taxable construction activities that the City verifies were generated from the Project during the term of this Agreement and actually received by the City, in an aggregate amount not to exceed Two Hundred Thousand and No/100 Dollars (\$200,000.00) (the “Construction Sales Tax Cap”). The Construction Sales Tax Reimbursement shall be payable as set forth in Section 4 below.

(c) Transient Lodging Tax Reimbursement. The parties acknowledge that the taxes referred to in this subparagraph are being used for economic development in accordance with the provisions of Arizona Revised Statutes Section 9-500.06. Subject to the limitations on time

and amount set forth in this Section 2(c) and the liquidated damages provisions set forth in Section 8 below, as an inducement to Developer to continue operating the Hotel on the Property during the Amenities Period, the City hereby agrees to reimburse to Developer a portion of the Lodging Taxes generated by sales at the Hotel on the Property and paid to the City as set forth below. Commencing upon the Opening Date and continuing until the last day of the month three (3) years thereafter (the “Initial Lodging Reimbursement Period”), unless terminated earlier as set forth below in this Section 2(c), the City shall reimburse to Developer one hundred percent (100%) of the two percent (2.0%) Lodging Tax that the City verifies were generated from the Project and actually received by the City (the “Initial Lodging Tax Reimbursement”). For avoidance of doubt, Lodging Taxes received in the month following the Initial Lodging Reimbursement Period and applicable to the Initial Lodging Reimbursement Period shall be deemed part of the Initial Lodging Tax Reimbursement. Thereafter, immediately following the Initial Lodging Reimbursement Period, for a period of two years thereafter (the “Extended Lodging Reimbursement Period”), unless terminated earlier as set forth below in this Section 2(c), the City shall reimburse to Developer fifty percent (50%) of the two percent (2.0%) Lodging Tax that the City verifies were generated from the Project and actually received by the City (the “Extended Lodging Tax Reimbursement”). For avoidance of doubt, Lodging Taxes received in the month following the Initial Lodging Reimbursement Period and applicable to the Initial Lodging Reimbursement Period shall not be part of the Extended Lodging Tax Reimbursement and Lodging Taxes received in the month following the Extended Lodging Reimbursement Period and applicable to the Extended Lodging Reimbursement Period shall be part of the Extended Lodging Tax Reimbursement. The Initial Lodging Tax Reimbursement and the Extended Lodging Tax Reimbursement (if any) are collectively referred to as the “Lodging Tax Reimbursement”. The Lodging Tax Reimbursement shall be payable in annual installments as set forth in Section 4 below. The City’s obligation to pay the Lodging Tax Reimbursement payments to Developer pursuant to this Section 2(c) will automatically cease and the City will have no further obligation to Developer pursuant to this Agreement one month following the Extended Lodging Reimbursement Period, the occurrence of which is referred to herein as the “Lodging Tax Reimbursement Termination”.

(d) Reduced Development Plan Review and Permitting Fees. Subject to the liquidated damages provisions set forth in Section 8 below, the City shall cause the development review fees and permitting fees to include planning, engineering, fire, and building disciplines associated with the construction of the Project and charged according to the Avondale City Code to be reduced by fifty (50%) (the “Reduced Development Plan Review and Permitting Fees”). Developer agrees and acknowledges that the Reduced Development Plan Review and Permitting Fees do not include, and Developer will be obligated to pay as and when due, any development impact fees assessed by the City pursuant to ARIZ. REV. STAT. § 9-463.05, as it may be amended from time to time, which will be payable by Developer as provided in Section 2(e).

(e) Impact Fee Reimbursement. Developer shall pay the full development impact fees related to the construction of the Project and charged by the City according to the Avondale City Code (the “Development Impact Fees”). Subject to the liquidated damages provisions set forth in Section 8 below, on or before sixty (60) days after issuance of the final certificate of occupancy (or City equivalent) for the Hotel, the City will rebate to Developer up to Four Hundred Thousand and No/100 Dollars (\$400,000.00) of the cost of Development Impact Fees, excluding water and wastewater Development Impact Fees, which will not be subject to

reimbursement (the “Impact Fee Reimbursement”). The City will cause the Impact Fee Reimbursement to be paid from other City revenue sources, at the City’s sole discretion.

3. Term. This Agreement shall be effective upon the Effective Date and shall remain in full force and effect through the Operating Period, unless sooner terminated pursuant to Section 7 below (the “Term”). The Lodging Tax Reimbursement shall become effective on the Opening Date and shall remain in full force and effect until the expiration of the Extended Lodging Reimbursement Period, unless terminated sooner pursuant to Section 7 below. The Construction Tax Reimbursement shall become effective on the Commencement of Construction and shall remain in full force and effect until the earlier of (a) City’s payment to Developer of the Construction Sales Tax Cap or (b) the date that is two (2) years after the Commencement of Construction, unless terminated sooner pursuant to Section 7 below.

4. Payment Method. The Construction Sales Tax Reimbursement and Lodging Tax Reimbursement shall be paid as set forth below:

(a) Construction Sales Tax Reimbursement. If Developer constructs the Hotel according to the Construction Deadlines, and unless this Agreement is terminated sooner pursuant to Section 7 below, the Construction Sales Tax Reimbursement shall be paid to Developer within sixty (60) days after the later of (i) the City receives Unrestricted Construction Sales Taxes generated by Constructing Parties as a result of taxable construction activities that the City verifies were generated from the Project in the amount of Construction Sales Tax Cap, and (ii) the Hotel (A) has received a final certificate of occupancy (or equivalent) from the City and (B) the Opening Date has occurred; provided, however, that the Construction Sales Tax Reimbursement shall begin to accrue for the benefit of the Developer upon the City’s receipt of any Construction Sales Tax actually received by City from any Constructing Party for subsequent disbursement to the Developer as described in this Section 4(a).

(b) Lodging Tax Reimbursement. Unless this Agreement is terminated sooner pursuant to Section 7 below, the first annual payment required by Section 2(c) above shall be paid no later than sixty (60) days after the end of the calendar year following the Opening Date; provided, however, that the Lodging Tax Reimbursement shall begin to accrue for the benefit of the Developer upon the City’s receipt of any Lodging Taxes generated by taxable activities occurring on the Property after the Opening Date for subsequent disbursement to the Developer as described in this Section 4(b). Unless this Agreement is terminated sooner pursuant to Section 7 below, subsequent annual payments will be made no later than sixty (60) days after the end of each succeeding calendar year through the Amenities Period. Notwithstanding the termination of the City’s obligation to make the Lodging Tax Reimbursement, unless this Agreement is terminated sooner pursuant to Section 7 below, the City shall remain obligated to pay, upon the next occurring annual payment date, any amounts due to Developer that accrued prior to such termination. Each annual payment will be mailed to Developer at the address set forth in Section 9 below, or as otherwise agreed to by Developer and the City.

(c) Transaction Privilege Tax Tracking; Multiple Business Locations. Developer must provide documentation sufficient to the City’s satisfaction that shows the Construction Sales Taxes and Lodging Taxes were generated from the Project, and that the City received its share of all Construction Sales Taxes and Lodging Taxes claimed by the Developer as

being generated from the Project. In order for City to track transaction privilege taxes generated from the Project, Developer or the operator, vendors, or licensees of the Project, will provide the necessary authorizations, summaries, and any other documentation reasonably requested by City (the “Tax Calculation Documents”), and Developer or the operator, vendors, or licensees within the Project, shall request or require that any contractor, subcontractor, lessee, or other invitee of Developer or the operator, vendors, or licensees within the Project, obtain a separate transaction privilege tax license for activities conducted on, at or from the Project, for City reporting purposes and provide such information directly to City. For purposes of clarity, this means Developer or the operator, vendors, or licensees within the Project are entirely responsible for causing the taxpayer to provide the Tax Calculation Documents, and the City will have no obligation to provide any training regarding the same. Notwithstanding the foregoing, the City, at no material cost to the City, will reasonably cooperate with the Developer or the operator, vendors, or licensees to track transaction privilege taxes generated from the Project. Since some businesses with multiple locations in the City (a “Multiple Location Taxpayer”) report their transaction privilege taxes on the basis of revenues for all their locations in the City, rather than separately for each location, Developer or the operator, vendors, or licensees within the Project, shall request that each such Multiple Location Taxpayer separately report its transaction privilege taxes for activities conducted on, at or from the Project pursuant to a separate transaction privilege tax license. The City will only include Construction Sales Taxes and Lodging Taxes that the City actually receives and, through the Tax Calculation Documents or other documentation that the Developer provides or causes to be provided, that the City can reasonably verify were collected from activities conducted on, at or from the Project. In the event of a dispute between the Developer and the Arizona Department of Revenue (the “ADOR”) on the calculation of tax for purposes of this Section, the ADOR determination shall govern.

5. Waiver of Confidentiality. Developer hereby waives, for the Term of this Agreement, any rights it may have to keep confidential any records indicating the construction costs and the amount of sales generated by the Hotel on the Property; provided, however, subject to applicable public records laws, such waiver shall only be for the purposes of calculating the economic incentives contemplated by this Agreement by determining taxes owed and collected by Developer and the amount of the Reimbursements due to Developer. Developer further agrees to (a) take all steps necessary and to execute any required documents to permit the City’s authorized representative to examine any such records and (b) require, as part of any contract or agreement between Developer and any person, firm or entity completing the construction of any portion of the Hotel (a “Constructing Party”), that such Constructing Party agree to waive, for the Term of this Agreement, any rights it may have to keep confidential any records indicating the amount of taxable construction activity relating to the Hotel.

6. Reimbursements Not a Debt. The City’s obligations pursuant to the provisions of this Agreement that require the expenditure of funds do not constitute a general obligation or indebtedness of the City within the meaning of any constitutional or statutory debt limitation or restriction, and do not obligate the City to make any expenditure from proceeds of *ad valorem* taxes or obligations to which any general taxing authority is pledged unless the expenditure has been duly budgeted, if and to the extent required by law, and is within all budget and expenditure limitations of, and is not in conflict with, the Constitution or laws of the State of Arizona. Notwithstanding the foregoing, subject to the Constitution or laws of the State of Arizona, nothing set forth in this Section 6 shall relieve the City of its obligation to pay the Reimbursements to

Developer. Further, the City's failure to annually appropriate any amounts necessary to meet its obligations under this Agreement shall not relieve it of its duty to make such payments.

7. Default. If the City fails to perform any obligation, including its obligation to pay the Reimbursements, pursuant to this Agreement, and fails to cure its nonperformance within thirty (30) days after written notice of nonperformance is given by Developer ("City Cure Period"), the City will be in default. In the event of such City default, the Developer may terminate this Agreement and will have all remedies which are available to it at law or in equity including, without limitation, the remedy of specific performance. If Developer fails to perform any obligation pursuant to this Agreement other than the Developer Obligations set forth in Section 1 above, and Developer fails to cure its nonperformance within thirty (30) days after written notice of nonperformance is given by City ("Developer Cure Period"), the Developer will be in default. In the event of such Developer default, the City may terminate this Agreement and will have all remedies which are available to it at law or in equity, including, without limitation, the remedy of specific performance. This Section 7 shall not apply to the Verification of Employment Eligibility requirements set forth in Section 10 below. A default under the Lease (after the expiration of the applicable cure period, if any, will be a default under this Agreement, and a default under this Agreement (after the expiration of the Cure Period) will be a default under the Lease. City may apply the Security Deposit to any damages sustained by City as a result of Developer's default under this Section.

8. Liquidated Damages. Developer understands and acknowledges that if it fails to fulfill the Developer Obligations as set forth in Section 1 above, and fails to cure its nonperformance within the Developer Cure Period, the Developer will be in default and the City will suffer damages that are difficult to accurately specify and ascertain. Developer hereby agrees that, upon its default hereunder, City's obligation to pay any Reimbursements shall terminate and Developer will pay the City, as liquidated damages, within thirty (30) days of receipt of City's written demand therefor, the following amounts: (a) if the Developer's failure occurs within five (5) years from the Opening Date, 100% of the Reimbursements paid to Developer; (b) if the Developer's failure occurs more than five (5) years but less than ten (10) years from the Opening Date, 75% of the Reimbursements paid to Developer; and (c) if the Developer's failure occurs more than ten (10) years but less than fifteen (15) years from the Opening Date, 50% of the Reimbursements paid to Developer. Without limiting City's remedies under the Lease, City's sole and exclusive remedies under this Agreement upon Developer's failure to fulfill its Developer Obligations as set forth in Section 1 above shall be to terminate City's obligation to pay any Reimbursements and to receive the liquidated damages provided herein. City may apply the Security Deposit to any liquidated damages amount payable by Developer under this Section.

9. Notices and Requests. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (a) delivered to the party at the address set forth below, (b) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below, (c) given to a recognized and reputable overnight delivery service, to the address set forth below or (d) delivered by electronic mail to the email address set forth below:

If to the City:

City of Avondale
11490 West Civic Center Drive

Avondale, Arizona 85323
Telephone: (623)-333-1011
Attn: Ron Corbin, City Manager
Email: rcorbin@avondaleaz.gov

With copy to: City of Avondale
11490 West Civic Center Drive
Avondale, Arizona 85323
Telephone: (623)-333-1500
Attn: Nicholle Harris, City Attorney
Email: nharris@avondaleaz.gov

And a copy to: Fennemore Craig, P.C.
2394 East Camelback Road, Suite 600
Phoenix, AZ 85016-3429
Telephone: (602) 916-5341
Attn: Jay S. Kramer
Email: jkramer@fennemorelaw.com

If to Developer: WEB Avondale Investments, LLC
971 Edwards Road
Atkins, AR 72823
Telephone: (479) 968-2117
Attn: Tim Whitten
Email: tim@whittencompanies.com

With copy to: Lowther Johnson Attorneys at Law
901 E. St. Louis Street 20th Floor
Springfield, MO 65806
Attention: Lee J. Viorel
Telephone: (417) 849-0933
Email: lviorel@lowtherjohnson.com

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. Notices shall be deemed received (a) when delivered to the party, (b) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage, (c) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day, or (d) when received by electronic transmission if given prior to 5:00 p.m., Mountain Standard Time, on a business day (or the following business day if given after normal business hours or on a day that is not a business day). If a copy of a notice is also given to a party's counsel or other recipient, the provisions governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice. Any notices of default sent by electronic transmission shall be sent no later than the following business day by hand delivery or overnight

delivery service. For purposes hereof, a “business day” shall be any day other than a Saturday, Sunday, or a federal or Arizona state legal holiday.

10. Verification of Employment Eligibility; E-Verify Program. The parties agree that the incentives provided for in this Agreement are economic development incentives as defined in ARIZ. REV. STAT. § 23-214(B)(1) and that this Agreement is subject to the provisions of such statute. Not later than thirty (30) days after the Effective Date, Developer shall register with and participate in the employment verification program as jointly administered by the United States Department of Homeland Security and the Social Security Administration or any successors to such program (the “E-Verify Program”). Thereafter, prior to receiving any of the economic incentives contemplated by this Agreement, Developer shall provide proof to the City that Developer is registered with and is participating in the E-Verify Program. If the City determines that the Developer is not complying with the requirements of ARIZ. REV. STAT. § 23-214, the City shall notify Developer by certified mail of the City’s determination of noncompliance and the Developer’s right to appeal such determination, which appeal process shall be determined by the City in its sole discretion. Upon final determination of Developer’s noncompliance Developer shall repay all monies received as an economic incentive under this Agreement to the City within thirty (30) days of such final determination and such repayment shall not be reduced or limited by the payment process described in Section 8 above.

11. No Israel Boycott. By entering into this Agreement, Developer certifies that it is not currently engaged in, and agrees for the duration of the Agreement to not engage in, a boycott of Israel.

12. No Forced Labor of Ethnic Uyghurs. If this Agreement requires Developer to acquire or dispose of services, supplies, information technology, goods, or construction, then pursuant to Title 35, Chapter 2, Article 10 of the Arizona Revised Statutes, Developer must certify and agree that it and any contractors, subcontractors, or suppliers it utilizes do not and will not use the forced labor of ethnic Uyghurs in the People’s Republic of China or any goods or services produced by such forced labor. Provided these statutory requirements are applicable, Developer, by entering this Agreement, now certifies it is not currently engaged in, and agrees for the duration of the Agreement to not engage in, (a) the use of forced labor of ethnic Uyghurs in the People’s Republic of China; (b) the use of any goods or services produced by the forced labor of ethnic Uyghurs in the People’s Republic of China; or (c) the use of any contractors, subcontractors, or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People’s Republic of China.

13. Waiver. No delay in exercising any right or remedy under this Agreement shall constitute a waiver thereof, and no waiver by the City or Developer of the breach of any covenant 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.

14. Attorneys’ Fees. If either party finds it necessary to bring any action at law or other proceeding against the other party to enforce any of the terms, covenants or conditions hereof, or by reason of any breach or default hereunder, the party prevailing in such action or other proceeding shall be paid all reasonable attorneys’ fees, court costs, expert witness fees, and other litigation related expenses, by the other party and, in the event any judgment is secured by said

prevailing party, all such costs, fees, and expenses shall be included therein, such costs, fees, and expenses to be set by the court and not by jury.

15. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature pages from one or more counterparts may be removed from such counterparts and such signature pages all attached to a single instrument so that the signature of all parties may be physically attached to a single document.

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

17. Further Acts. Each of the parties hereto shall execute and deliver all such documents and perform all such acts as reasonably necessary, from time to time, to carry out the matters contemplated by this Agreement.

18. Time of the Essence. Time is of the essence of this Agreement.

19. Offset.

(a) Offset for Damages. In addition to all other remedies at law or equity, the City may offset from any money due to the Developer any amounts Developer owes to the City for damages resulting from breach or deficiencies in performance or breach of any obligation under this Agreement or the Lease.

(b) Offset for Delinquent Fees or Taxes. The City may offset from any money due to the Developer any amounts Developer owes to the City for delinquent fees, transaction privilege taxes and property taxes, including any interest or penalties.

20. Assignment. Prior to the Opening Date, Developer may only assign this Agreement, in whole or in part, upon the prior written approval of the City, as evidenced by the City Manager's signature thereon, which approval may be withheld in the City's sole and absolute discretion. After the Opening Date, Developer may only assign this Agreement, in whole or in part, upon the prior written approval of the City, as evidenced by the City Manager's signature thereon, which approval will not be unreasonably withheld. Notwithstanding the foregoing, Developer may assign this Agreement without the City's consent, but with not less than thirty (30) days prior written notice to the City, to any person or entity controlled by, controlling, or under common control with, Developer or Tim Whitten. For the purposes of this definition, "control" (including with correlative meaning, the terms "controlling", "controlled by" and "under common control") means the possession, directly or indirectly, of the power to direct or cause the direction of the day-to-day management and policies of the assignee, whether through the ownership of voting securities, by contract, or otherwise. Any assignee of Developer shall assume all of the Developer's obligations under this Agreement and agree to be bound by the terms of this Agreement as if such assignee were an original party to this Agreement, including, without limitation, the Developer obligation to operate an upscale, full-service, all suites Embassy Suites Hotel for the Operating Period. Developer may assign this Agreement to any lender to Developer as collateral security for

the obligations of Developer under any credit facility or financing arrangement with respect to the Hotel.

21. Entire Agreement. This Agreement, together with the Lease, constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof. All prior and contemporaneous agreements, representations and understandings of the parties, oral or written, are hereby superseded and merged herein.

22. Amendment. No amendment or waiver of any provision in this Agreement will be binding (i) on the City unless and until it has been approved by the City Council and has become effective or (ii) on Developer unless and until it has been executed by an authorized representative of Developer.

23. Governing Law. This Agreement is entered into in Arizona and shall be construed and interpreted under the laws of the State of Arizona.

24. Severability. Every provision of this Agreement is and will be construed to be a separate and independent covenant. If any provision in this Agreement or the application of the same is, to any extent, found to be invalid or unenforceable, the remainder of this Agreement or the application of that provision to circumstances other than those to which it is invalid or unenforceable will not be affected by that invalidity or unenforceability. Each provision in this Agreement will be valid and will be enforced to the extent permitted by law and the parties will negotiate in good faith for such amendments of this Agreement as may be necessary to achieve its intent, notwithstanding such invalidity or unenforceability.

25. Covenant of Good Faith. In exercising their rights and in performing their obligations pursuant to this Agreement, the parties will cooperate with one another in good faith to ensure the intent of this Agreement can be attained.

26. Conflict of Interest. This Agreement may be cancelled by the City pursuant to ARIZ. REV. STAT. § 38-511.

[Remainder of Page Left Intentionally Blank; Signature Pages Follow]

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

CITY:

City of Avondale, an Arizona municipal corporation

By: _____

Name: Ron Corbin

Title: City Manager

ATTEST:

Marcella Sarmiento, City Clerk

APPROVED AS TO FORM:

Nicholle Harris, City Attorney

STATE OF ARIZONA)
) §§
County of Maricopa)

The foregoing instrument was acknowledged before me, the undersigned Notary Public, this _____ day of _____, 2025 by Ron Corbin, the City Manager of the City of Avondale, an Arizona municipal corporation, on behalf thereof.

Notary Public

(Seal)

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

DEVELOPER:

WEB Avondale Investments, LLC, an Arizona limited liability company

By: _____

Name: Tim Whitten

Title: Manager

STATE OF _____)
) §§
County of _____)

The foregoing instrument was acknowledged before me, the undersigned Notary Public, this _____ day of _____, 2025 by Tim Whitten, the Manager of WEB Avondale Investments, LLC, an Arizona limited liability company, on behalf thereof.

Notary Public

(Seal)

Exhibits

Exhibit A - Property
Exhibit B – Notice of Intent
Exhibit C - Economic Impact Analysis
Exhibit D - Ordinance
Exhibit E – Preliminary Development Plan
Exhibit F – Construction Deadlines
Exhibit G - Insurance
Exhibit H – City Street Improvements
Exhibit I – Relocated City-Owned Systems

**EXHIBIT A
TO
ECONOMIC DEVELOPMENT AGREEMENT
BETWEEN
THE CITY OF AVONDALE
AND
WEB AVONDALE INVESTMENTS, LLC**

[Property Legal Description and Map]

See following pages.

EXHIBIT "A"
Description of Real Estate
IN MARICOPA COUNTY, STATE OF ARIZONA

A Parcel of Land in the Southwest Quarter (SW 1/4) of Section Six (6), Township One (1) North, Range One (1) East, of the Gila & Salt River Meridian, Maricopa County, Arizona and being more particularly described as follows:

Commencing at a found brass cap in hand hole at the intersection of Avondale Boulevard and Roosevelt Street also being the West Quarter Corner (W1/4) of section 6 from which a found brass cap in a hand hole at the Southwest corner of said Section 6, at the intersection of Van Buren Street and Avondale Boulevard, bears South 00°02'17" East, a distance of 2,626.37 feet;

THENCE East along Roosevelt Street, North 88 degrees 59 minutes 07 seconds East, a distance of 544.90 feet;

THENCE departing said line South 01 degrees 00 minutes 53 seconds East, a distance of 45.00 feet to a point on the new Right of Way Line and also being the **Point of Beginning**;

Thence along said Right of Way line South 88 degrees 59 minutes 07 seconds East a distance of 214.82 feet;

THENCE South 45 degrees 15 minutes 00 seconds East a distance of 34.94 feet;

THENCE South 00 degrees 01 minutes 39 seconds East a distance of 61.20 feet to the beginning of a non-tangent curve, concaving Northeasterly, having a Radius of 194.00 feet and whose Center bears North 89 degrees 57 minutes 05 seconds East from the last described point;

THENCE Southeasterly along the arc of said Curve, through a Central Angle of 45 degrees 45 minutes 23 seconds, With an Arc Length of 154.93 feet to the point of a non-tangent reverse curve, concaving Southwesterly, having a radius of 106.00 feet and whose Center bears South 44 degrees 11 minutes 42 seconds West from the last described point;

THENCE Southeasterly along the arc of said Curve, through a Central Angle of 45 degrees 44 minutes 39 seconds, With an Arc Length of 84.63 feet;

THENCE South 00 degrees 01 minutes 34 seconds East a distance of 112.29 feet;

THENCE South 89 degrees 03 minutes 03seconds West a distance of 408.07 feet;

THENCE North 00 degrees 02 minutes 41 seconds West a distance of 163.44 feet to the beginning of a non-tangent curve, concaving Southeasterly, having a Radius of 106.00 feet and whose Center bears South 89 degrees 58 minutes 20 seconds East from the last described point;

THENCE Northeasterly along the arc of said Curve, through a Central Angle of 34 degrees 33 minutes 08 seconds, With an Arc Length of 63.92 feet to the point of a non-tangent reverse curve, concaving Northwesterly, having a radius of 194.00 feet and whose Center bears North 55 degrees 25 minutes 12 seconds West from the last described point;

THENCE Northwesterly along the arc of said Curve, through a Central Angle of 34 degrees 38 minutes 16 seconds, With an Arc Length of 117.28 feet;

THENCE North 00 degrees 01 minutes 48 seconds West a distance of 57.22 feet;

THENCE North 44 degrees 48 minutes 40 seconds East a distance of 34.40 feet to the **Point of Beginning**;

Containing 140,573 sqft or 3.23 acres more or less

Prepared by:
Thomas Lavalette, RLS.
AZ # 37258
Engineering Alliance, Inc.
1423 S. Higley Rd., Suite 121, Building 9
Mesa, Arizona 85206
Phone: (602) 757-6032
Email: tlavalette@eaincglobal.com

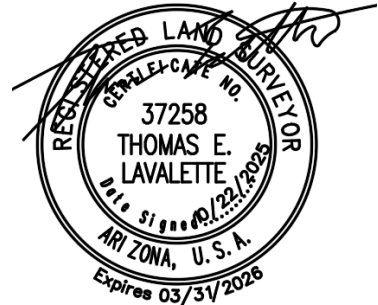
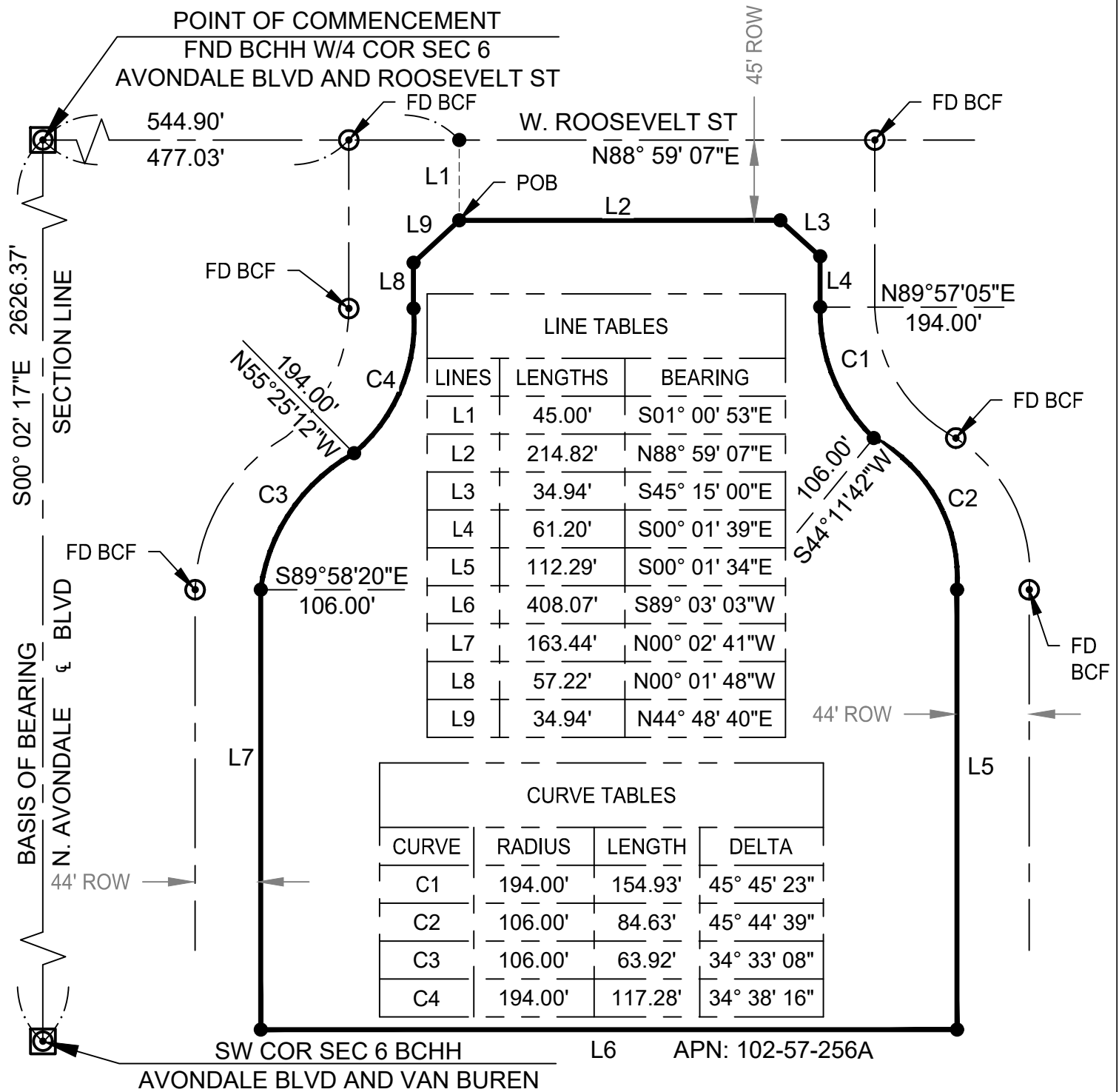
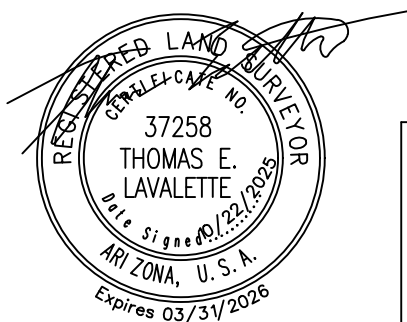


EXHIBIT "A"



SCALE:
N.T.S.
T1N R1E S6



PROJECT: 2025-M-050	
DATE: 10-22-2025	CHKD BY: TL
DRN BY: BL	SCALE: N.T.S.
TITLE:	
LOT 1 APN: 102-57-256B	
SHEET NO: 1 OF 1	

**EXHIBIT B
TO
ECONOMIC DEVELOPMENT AGREEMENT
BETWEEN
THE CITY OF AVONDALE
AND
WEB AVONDALE INVESTMENTS, LLC**

[Notice of Intent]

See following page.

**NOTICE OF INTENT TO ENTER INTO
A DEVELOPMENT TAX INCENTIVE AGREEMENT
AND FINDINGS OF FACT
(Pursuant to ARIZ. REV. STAT. § 9-500.11)
October 20, 2025**

NOTICE

Notice is hereby given by the Council of the City of Avondale, Arizona (the “City Council”) that, on a date that is not earlier than November 3, 2025, the City Council intends to adopt that certain retail development tax incentive agreement entitled “Economic Development Agreement Between the City of Avondale and WEB Avondale Investments, LLC (the “Agreement”).

FINDINGS OF FACT

With respect to the Agreement, and in accordance with ARIZ. REV. STAT. § 9-500.11, the City Council hereby makes the following findings of fact:

1. That the tax incentive set forth in the Agreement is anticipated to raise more revenue than the amount of the incentive within the duration of the Agreement. This finding has been independently verified in a report by Rounds Consulting Group, Inc., dated October 2025, as set forth in Exhibit A, attached hereto and incorporated herein by reference.
2. That, in the absence of a tax incentive, the proposed full-service hotel project would not locate within the corporate boundaries of the City of Avondale at the same time or place as required by the Agreement.

**EXHIBIT A
TO
NOTICE OF INTENT TO ENTER INTO
A DEVELOPMENT TAX INCENTIVE AGREEMENT
AND FINDINGS OF FACT**

[Rounds Consulting Group, Inc. verification]

See following pages.

**EXHIBIT C
TO
ECONOMIC DEVELOPMENT AGREEMENT
BETWEEN
THE CITY OF AVONDALE
AND
WEB AVONDALE INVESTMENTS, LLC**

[Economic Impact Analysis]

See following pages.



Proposed Full-Service Hotel Analysis – City of Avondale

November 2025

Prepared for:

Avondale

Prepared by:



Rounds Consulting Group



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Executive Summary

This report, prepared by Rounds Consulting Group, Inc. (RCG) for the City of Avondale (City or Avondale), estimates the economic and fiscal impacts associated with the development and ongoing operations of a full-service hotel in Avondale. The project will include:

- ~180 hotel rooms
- Full-service restaurant and bar
- ~10,000 sq. ft. of conference space
- Pool and spa

Total capital expenditures for development are estimated at \$48.4 million. Once operational, the project is expected to support approximately 34 full-time equivalent (FTE) jobs on-site. These positions include a general manager, front desk/reservation staff, janitorial/housekeeping staff, restaurant/bar staff, and maintenance/grounds personnel.

The analysis captures both short-term construction impacts and long-term operational impacts, including on-site employment and spending generated by visitors in the local economy. Impacts are reported as direct, indirect, and induced effects on jobs, labor income, economic output, and tax revenues.

Analysis Key Findings

The development of the hotel will deliver measurable benefits to the local and regional economy both during construction and throughout ongoing operations.

Hotel Construction Impacts

During the construction phase, the \$48.4 million investment is expected to generate significant short-term economic activity. Approximately 415 jobs will be supported, with more than \$29.9 million in labor income earned by workers. Construction-related activity is estimated to generate \$84.3 million in economic output. The City of Avondale is estimated to collect approximately \$795,200 in tax revenues from construction-related activity.

Figure 1: Total Economic & Fiscal Impact of Hotel Construction			
Jobs	Labor Income	Economic Output	City Tax Revenues
415	\$29,876,900	\$84,324,100	\$795,200

Note: Includes direct, indirect, and induced impacts. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.



Hotel Operations Impacts

Once the hotel is operational, the project is expected to sustain an average of 61 jobs annually, including 34 full-time on-site positions such as management, reservations, housekeeping, and maintenance staff. Annual labor income is projected to reach approximately \$4.2 million, while economic output is estimated at \$12.0 million per year on average.

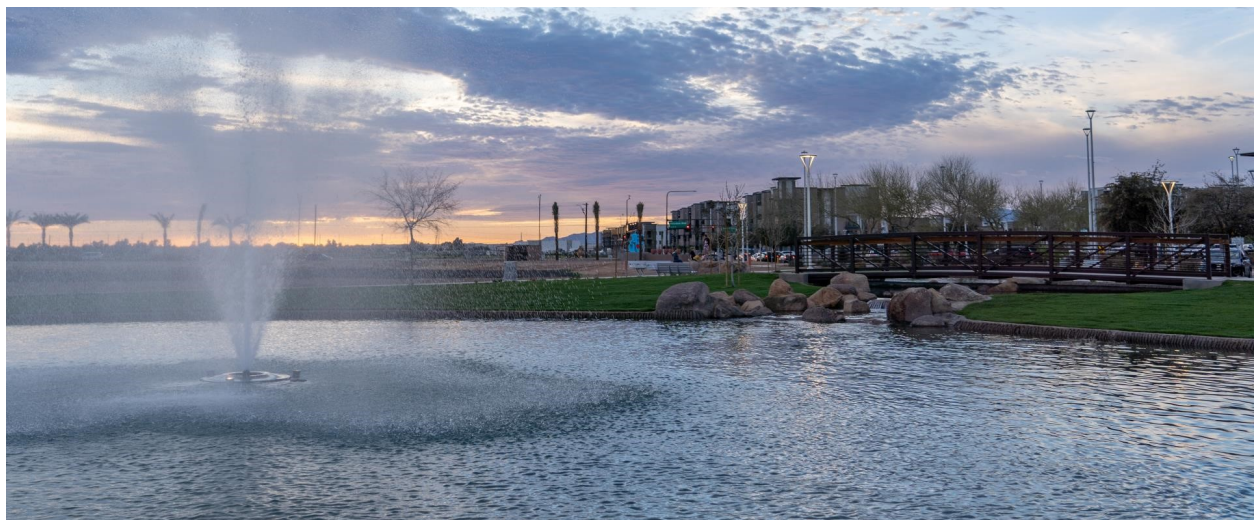
The City of Avondale is estimated to collect \$762,600 in annual tax revenues from hotel operations, including taxes on lodging, local employee spending, and retail expenditures made by visiting hotel guests within the community. This equates to approximately \$7.6 million in tax revenues over 10 years.

Figure 2: Total Average Annual Economic & Fiscal Impact of Hotel Operations			
Jobs	Labor Income	Economic Output	City Tax Revenues
61	\$4,196,100	\$12,022,000	\$762,600

Note: Estimates represent average annual impacts. Includes direct, indirect, and induced impacts. May not sum to totals due to rounding.
Source: Rounds Consulting Group, Inc.

Additional Impacts Related to Conference Center Activity

In addition to the fiscal impacts generated by hotel operations, the conference center is projected to generate approximately \$378,000 in additional annual tax revenues for the City of Avondale. Of this amount, roughly \$233,400 is derived from lodging-related taxes generated by overnight attendees staying at other hotels in the City, while \$136,200 comes from retail, restaurant, and entertainment spending by event attendees. This equates to approximately \$3.8 million in tax revenues over 10 years.





Total Fiscal Impact of Hotel Construction and 10 Years of Operations

During construction and 10 years of operational activity, including activity associated with the hotel and its conference center, the City of Avondale is estimated to collect approximately \$12.2 million in tax revenues.

The largest single contributor to City tax revenues is lodging sales tax, estimated at approximately \$6.9 million over the 10-year operational period. Additional tax revenues are generated through retail, restaurant and bar activity, construction-related sales tax collections, and state shared revenues distributed to the City under statutory formulas.

These revenues represent fiscal benefits to Avondale's General Fund that would not otherwise occur absent the project.

Figure 3: Total City Fiscal Impact of Construction & 10 Years of Operations				
Impact Type	Hotel Construction	10 Years of Hotel Operations	10 Years of Conference Center Activity	Total
Construction Sales Tax ⁽¹⁾	\$711,300	-	-	\$711,300
Utility Sales Tax ⁽²⁾	-	\$118,800	-	\$118,800
Retail Sales Tax ⁽³⁾	\$18,100	\$1,241,300	\$721,000	\$1,980,400
Restaurant & Bar Sales Tax ⁽⁴⁾	-	\$1,063,700	\$641,000	\$1,704,700
Lodging Sales Tax ⁽⁵⁾	-	\$4,610,000	\$2,334,000	\$6,944,000
Commercial Property Tax ⁽⁶⁾	-	\$282,900	-	\$282,900
Residential Property Tax ⁽⁷⁾	\$14,400	\$23,400	-	\$37,800
State Shared Revenues ⁽⁸⁾	\$51,400	\$285,600	\$84,000	\$421,300
Total	\$795,200	\$7,625,700	\$3,780,000	\$12,201,200

(1) Includes sales tax revenues generated from materials, contracting, and construction-related activity. (2) Include sales taxes on electricity and water used by the hotel. (3) Includes sales taxes generated from visitor spending, on-site hotel retail sales, and household spending by employees. (4) Includes sales taxes from on- and off-site restaurant and bar sales. (5) Includes sales taxes on room bookings, including additional lodging revenues generated by conference attendees staying at other hotels in Avondale. (6) Commercial property tax revenues are excluded during the 7.5-year ground lease term, as the City of Avondale is assumed to retain land ownership during that period. (7) Includes property tax revenues attributed to households supported by employment. (8) Includes the county's portion of state shared revenues generated from state-level collections. Note: Estimates represent average annual impacts. May not sum to totals due to rounding. Source: Rounds Consulting Group, Inc.



City Public Benefits and Obligations

The proposed hotel and conference center project will deliver substantial fiscal and community benefits to the City of Avondale that exceed the value of its financial obligations. The project not only enhances the City's tourism and hospitality offerings but also strengthens its long-term tax base and aligns with community and economic development priorities.

City Public Benefits

- Fiscal Revenues Supporting City Services: Over the construction period and 10 years operations, the City of Avondale is projected to receive approximately \$12.2 million in tax revenues. These revenues will support the City's General Fund and essential municipal services, including public safety, parks, infrastructure maintenance, and community programs.

Note: These revenues represent new fiscal resources that would not otherwise be generated absent the project.

- City Marketing Value: The City will receive permission from the hotel to play a Destination Avondale video on all in-room televisions for hotel guests. This feature provides a significant new marketing avenue, with an estimated economic benefit of \$50,000 per year, or \$400,000 over 8 years, based on comparable advertising values for Avondale's current marketing campaigns in the regional market.

Note: This opportunity represent new promotional and financial value for the City that would not otherwise exist in the marketplace.

- City Priority Event Access: The project agreement reserves up to 30 days of annual use of the on-site conference center for the City of Avondale or its designee, valued at \$5,000 per day. This represents a value of \$150,000 annually (or \$750,000 over 5 years), allowing the City to host priority events, conferences, and civic gatherings that promote tourism, community engagement, and economic development.

Note: This is a net-new benefit of financial value for the City.

- City Ground Lease Revenues: The project will include a 6.5-year ground lease (78 months), with an optional one-year extension that would bring the total lease term to 7.5 years (90 months). Under this agreement, the developer will pay a nominal lease rate of \$1 per month during the initial 18-month pre-construction period. This is followed by a monthly lease of



\$10,000 (equivalent to \$120,000 annually) from months 19 through 54 during the construction phase, and a monthly lease of \$15,000 (equivalent to \$180,000 annually) from months 55 through 78 once the facility is complete and operational.

If the one-year extension option is exercised, the lease would increase to a \$16,500 monthly rate (\$198,000 annually) through month 90, at which point the developer is required to purchase the property from the City. Over the full 7.5-year term, the City would receive approximately \$878,018 in total lease revenues.

Note: These revenues would not be collected absent the approval of this particular project.

- Property Sale Proceeds: Following the conclusion of the ground lease, the developer is required to purchase the property from the City. The purchase price for the site is \$2,638,106.25, calculated based on 140,699 gross square feet at \$18.75 per square foot. If the final survey determines that the site contains more or fewer gross square feet, the purchase price will be automatically adjusted to reflect the actual gross square footage, with the total amount due at closing modified accordingly.

Note: These revenues would not be collected absent the approval of this particular project.

- Avondale Resident and Business Discounts: To promote community accessibility, the developer will offer discounted access to meeting and event spaces for local residents and businesses. Avondale-based businesses will receive a 30% discount on space rentals for 5 years, while Avondale residents will receive a 20% discount over the same period.

Based on projected utilization, it is estimated that Avondale residents will take advantage of this discount approximately 50 times per year, resulting in a public benefit of \$250,000 over 5 years. Avondale businesses are anticipated to utilize the discounted meeting space roughly 20 days per year, generating an additional \$150,000 benefit over 5 years.

While these values provide a reasonable estimate of the potential impact, actual utilization may vary. Nonetheless, this represents a new-new community benefit for City residents and businesses that would not otherwise exist in the marketplace.



City Obligations

- Infrastructure Improvements: The City will construct half-street improvements along Roosevelt Street from 114th Avenue to Park Avenue to support site access and area connectivity. However, these improvements will be publicly owned and maintained, benefiting all users of the area rather than just the hotel. As such, they should be viewed as citywide infrastructure investments, not project-specific incentives.

Note: This represents public infrastructure improvements that enhance access and supports future area development.

- Construction Sales Tax Reimbursement: The City will reimburse the developer for unrestricted construction sales tax collection, not to exceed \$200,000. Based on estimated total construction sales tax revenues of \$711,300, the City will retain approximately \$511,300 in net revenues, even after accounting for reimbursements.

Note: This reimbursement is intended to offset a portion of the private sector's investment in public infrastructure and is only issued after verification of paid construction sales tax receipts.

- Transient Lodging Tax Reimbursement: The City shall reimburse the developer an amount equal to 2% of the annual total collected taxable transient lodging sales for the first 3 years, and 1% for the following 2 years, resulting in an estimated total reimbursement of \$714,800 over the 5-year period.

During the same 5-year period, hotel operations are expected to generate approximately \$2.1 million in City lodging-related tax revenues (including both the 2.5% retail sales tax and the 2.0% additional bed tax on hotel revenues). Because the 2% reimbursement rate is lower than the City's 2.5% retail tax rate, the City maintains a net positive fiscal return from lodging activity every year, even during the reimbursement period.

Over the full 10-year analysis period, hotel operations alone are projected to generate nearly \$4.6 million in lodging-related tax revenues, resulting in a net positive fiscal impact of approximately \$3.9 million to the City from lodging activity.

In addition to these hotel-based revenues, conference center activity is expected to generate approximately \$2.3 million in additional lodging-related tax revenues over the same 10-year period. These revenues stem from overnight attendees staying at other hotels in Avondale during conferences and events held at the facility.



Note: This reimbursement supports private investment in public infrastructure and the financial feasibility of the project. All reimbursements are contingent upon verification of paid transient lodging taxes, ensuring that funds are only issued after the City has received and confirmed the associated tax payments.

- Forgone Commercial Property Taxes: Because the City retains ownership of the land under the ground lease agreement, the property will be exempt from ad valorem commercial taxation during the lease term. This results in approximately \$544,100 in foregone City commercial property tax revenues over the 7.5-year period in which the lease is active. Once the lease expires and the property is purchased by the developer, commercial tax liability resumes. This treatment is typical for City-owned land under ground-lease agreements, where tax-exempt status applies only during municipal ownership.

Importantly, this does not mean the City is paying property taxes on behalf of the developer; rather, the property remains tax-exempt due to continued municipal ownership. The foregone taxes are included in this analysis because the exemption provides a financial benefit to the developer during the lease term, even though it is a temporary condition tied to public ownership.

Note: This represents a temporary condition associated with City land ownership, not a direct financial payment. The foregone property taxes are offset by ongoing lease payments and other financial benefits that continue to provide positive revenue streams to the City during the lease term.

- Reduced Building Fees: The City will provide a 50% reduction in development review and building permit fees, reducing up-front costs associated with construction. However, the City will continue to collect the remaining 50%. As such, this represents only a partial reduction in fees rather than a full waiver, resulting in a neutral fiscal impact to the City.

Note: This reduction in building fees reflects a standard economic development practice used to encourage private investment while ensuring the City recovers a portion of its administrative and permitting costs.

- Development Impact Fees: The City will reimburse development impact fees (excluding water and sewer) up to a maximum of \$400,000, supporting the hotel's capital investment and overall project feasibility.

Note: These reimbursements help offset costs associated with public infrastructure and community-serving improvements that benefit the surrounding area, consistent with common economic development practices.



- **Dedicated Parking Spaces:** The City will provide 40 reserved parking spaces for hotel use within the public parking garage or nearby surface/on-street parking. No new parking construction is required; however, the City will incur ongoing operations and maintenance (O&M) costs to make these spaces available. Based on a comparable development agreement executed by the City of Peoria, which establishes a cost of \$244.68 per parking space per year (in 2022 dollars), this amount was inflated to 2025 dollars (\$271.60 per space) to reflect current costs. The resulting estimate is approximately \$10,864 per year.

City Benefits vs. Obligations

As summarized in Figure 4, the proposed hotel project provides substantial fiscal and community benefits that significantly exceed the City's financial commitments. Over a 10-year period, the City of Avondale is projected to realize approximately \$17.3 million in public benefits compared to only \$2.0 million in City obligations, resulting in a net positive fiscal impact of approximately \$15.3 million and a positive return-on-investment (ROI) value for taxpayers nearly 9:1.

The largest single benefit is derived from local tax revenues, particularly from lodging activity. Additional benefits include marketing exposure and priority event access for City use, both of which contribute long-term community and tourism value.

By contrast, the City's obligations are limited in scope and are time-limited. These consist primarily of partial reimbursements and short-term cost reductions designed to support project public infrastructure and project feasibility. Even after accounting for all reimbursements, the City's net fiscal position remains positive, underscoring the project's ability to enhance Avondale's tax base and strengthen its economic foundation.

The City's financial obligations incorporated into this analysis are based on the current terms and conditions outlined in the development agreement. If those terms are modified in the future, the corresponding fiscal estimates and net benefit calculations presented in this report would change accordingly.

Project Recap

Overall, the project delivers a positive rate of return ratio of approximately 9:1, meaning that for every \$1 in City obligations, Avondale taxpayers receive nearly \$9 in fiscal and community benefits. Beyond these quantified measures, the project also provides enhanced tourism visibility and new opportunities for local businesses, further reinforcing the City's long-term economic position.



Since the calculation of enhanced tourism benefits, reductions in retail leakage, and tangential benefits related to infrastructure improvements are excluded from this analysis, the estimated physical benefits to the community can be considered very conservative. It is roughly estimated that the values are understated by as much as 25%.

Figure 4: City Benefits vs. Obligations Over 10 Years			
Category	Public Benefits	City Obligations	Net Benefit
City Tax Revenues ⁽¹⁾	\$12,201,200	-	\$12,201,200
City Marking Value ⁽²⁾	\$400,000	-	\$400,000
City Priority Event Access ⁽³⁾	\$750,000	-	\$750,000
Ground Lease Revenues ⁽⁴⁾	\$878,000	-	\$878,000
Property Sale Proceeds ⁽⁵⁾	\$2,638,100	-	\$2,638,100
Resident Room Discount ⁽⁶⁾	\$250,000	-	\$250,000
Business Conference Center Discount ⁽⁷⁾	\$150,000	-	\$150,000
Construction Sales Tax Reimbursement ⁽⁸⁾	-	(\$200,000)	(\$200,000)
Transient Lodging Tax Reimbursement ⁽⁹⁾	-	(\$714,800)	(\$714,800)
Foregone Commercial Property Taxes ⁽¹⁰⁾	-	(\$544,100)	(\$544,100)
Development Impact Fees Reimbursement ⁽¹¹⁾	-	(\$400,000)	(\$400,000)
Dedicated Parking Spaces O&M ⁽¹²⁾	-	(\$108,600)	(\$108,600)
Total	\$17,267,300	(\$1,967,500)	\$15,300,800

(1) Includes construction sales tax, lodging sales tax (including hotel operations and additional revenues generated by conference center activity), restaurant and bar taxes, retail sales tax, utility tax, property taxes, and state-shared revenues over the construction phase and 10 years of operations. (2) Reflects digital marking exposure on in-room televisions, valued at \$50,000 annually (\$400,000 over 8 years). (3) Represents the City's use of up to 30 days annually in the hotel's conference center, valued at \$5,000 per day (\$150,000 per year or \$750,000 over 5 years). (4) Reflects ground lease payments over the 7.5-year lease term. (5) Represents estimated property sale proceeds due to the City at the conclusion of the ground lease when the developer is required to purchase the site. (6) Represents the estimated 5-year community benefit from discounted rooms for Avondale residents. (7) Represents the estimated 5-year community benefit from discounted conference space use by Avondale businesses. (8) The City will reimburse up to \$200,000 of construction sales tax. Based on total estimated collections of \$711,300, the City will retain a net benefit of \$511,300 from construction sales tax revenue. (9) The City will reimburse 2% of net taxable transient lodging sales tax for the first 3 years and 1% for the following 2 years, totaling \$714,800. Over 10 years, total lodging-related tax revenues are projected at \$6.9 million (\$4.6 million from hotel operations and \$2.3 million from conference-related lodging), resulting in a net positive impact of approximately \$6.2 million from lodging activity. (10) Estimated foregone City commercial property tax revenue during the 7.5-year ground lease term while the property remains City-owned. This does not represent a payment by the City. The foregone taxes are included in this analysis because the exemption provides a financial benefit to the developer during the lease term. (11) Reflects reimbursement of development impact fees (excluding water and sewer) up to \$400,000. (12) Reflects City ongoing O&M cost to provide 40 reserved parking spaces for hotel use in the public garage or nearby surface/on-street parking each year over 10-years. Note: May not sum to totals due to rounding. Source: Rounds Consulting Group, Inc.



Supplemental View of City Contributions vs. Community Benefits (8-Year Snapshot)

While the 10-year analysis provides a comprehensive view of the project's impact, a shorter-term perspective can also help illustrate the balance between near-term City contributions and measurable community benefits. The following table isolates the City's direct financial obligations during the initial 8 years of the project, which aligns with the 8-year in-room marketing commitment, and compares them against a conservative subset of community benefits.

This 8-year snapshot focuses only on select tangible and directly quantifiable items, such as reimbursements, discounts, and marketing value, while excluding the broader fiscal benefits (e.g., tax revenues) that are captured in the primary analysis.

Figure 5: City Contributions vs. Community Benefits (8-Year Snapshot)			
Category	Public Benefits	City Obligations	Net Benefit
Conference Room Rental Value ⁽¹⁾	\$750,000	-	\$750,000
In-Room TV Marketing Value ⁽²⁾	\$400,000	-	\$400,000
Avondale Resident Discount ⁽³⁾	\$250,000	-	\$250,000
Avondale Business Discount ⁽⁴⁾	\$150,000	-	\$150,000
Construction Sales Tax Reimbursement ⁽⁵⁾	-	(\$200,000)	(\$200,000)
Transient Lodging Tax Reimbursement ⁽⁶⁾	-	(\$714,800)	(\$714,800)
Development Impact Fee Reimbursement ⁽⁷⁾	-	(\$400,000)	(\$400,000)
Dedicated Parking Spaces O&M ⁽⁸⁾	-	(\$86,900)	(\$86,900)
Total	\$1,550,000	(\$1,401,700)	\$148,300

(1) Represents the City's use of up to 30 days annually in the hotel's conference center, valued at \$5,000 per day (\$150,000 per year or \$750,000 over 5 years). (2) Reflects digital marketing exposure on in-room televisions, valued at \$50,000 annually (\$400,000 over 8 years). (3) Represents the estimated 5-year community benefit from discounted rooms for Avondale residents, valued at \$250,000 over 5 years. (4) Represents the estimated 5-year community benefit from discounted conference center use by Avondale businesses, valued at \$150,000 over 5 years. (5) The City will reimburse up to \$200,000 of construction sales tax. (6) The City will reimburse 2% of net taxable transient lodging sales tax for the first 3 years and 1% for the following 2 years, totaling \$714,800. (7) Reflects reimbursement of development impact fees (excluding water and sewer) up to \$400,000. (8) Reflects City ongoing O&M cost to provide 40 reserved parking spaces for hotel use in the public garage or nearby surface/on-street parking each year over 8 years. Note: May not sum to totals due to rounding. Source: Rounds Consulting Group, Inc.



Impact Model Methodology & Assumptions

RCG used a combination of project-specific data, conservative industry assumptions, and regional input-output modeling to assess the economic and fiscal impacts.

Economic & Fiscal Impact Methodology

The approach to quantifying the economic and financial impacts is grounded in established industry standards and leverages proprietary economic modeling techniques that enhance the analysis. It goes beyond conventional approaches by incorporating tailored adjustments specific to Arizona's economic landscape, including the use of IMPLAN multipliers, to assess direct, indirect, and induced impacts.

An economic and fiscal impact model provides a quantifiable method to estimate the economic impact of a particular activity in any given area. Impacts can be used to measure existing activity and to measure potential expansions/contractions of an area's economy resulting from changes in economic activity. Typically, the level of economic effects resulting from the activity is estimated in terms of economic output, jobs, labor income, and tax revenues. These are defined as:

- Economic output captures the broader level of economic activity, or the total value of goods and services produced in the region, similar to how statistics like gross domestic product (GDP) capture economic volume in individual states and across the country.
- A job is simply one person working a full-time job over a one-year period.
- Labor income represents the income (wages + benefits) earned by employees. The earnings component measures the total change in income throughout the economy due to economic or business activity.
- Tax revenues refer to the estimated annual government tax revenues that are generated by a particular project, policy, business, development, or activity in any given area. For example, the types of taxes analyzed include sales taxes, lodging taxes, state income taxes, and property taxes, among others. The types of activities subject to these taxes include payroll, retail sales, hotel bookings, and real/personal property, to name a few.



The economic and fiscal impacts that occur as a direct consequence of the initial activity create additional activity in the regional economy. This relationship is known as the multiplier or ripple effect. The basis for multiplier effects is the interdependencies between industries, how one industry impacts other sectors, and the cycle of spending and re-spending within the regional economy.

An input-output model generates these multipliers. These multipliers quantify relationships among industries and estimate the extent to which the area being analyzed can capture sales, economic activity, and job impacts within the region.

Input-output models measure impacts based on their source. Direct effects are the result of the initial activity being analyzed. The multiplier effects, or secondary effects, are measured as either indirect or induced. These are defined as:

- Direct effects, or impacts, measure the economic activity at an individual site or the initial economic change attributed to the event under consideration.
- Indirect impacts capture additional economic output, labor income, employment, and tax revenue changes generated as a result of increased or decreased demand in the industries that supply services or products.
- Induced impacts capture additional output, labor income, employment, and tax revenue changes generated as a result of increased spending in the local economy made by the households of both the direct and indirect employees.

A commonly used input-output model framework for generating economic multipliers is IMPLAN (short for “impact analysis for planning”). Originally developed by the U.S. Forest Service in the 1970s, the responsibility for developing IMPLAN data sets shifted to the University of Minnesota as demand for regional models grew.

Now, IMPLAN runs as a private organization and is the leading provider of nationwide economic impact data and analytical software. The RCG custom economic impact model employs this input-output methodology.

Analysis Assumptions

Unless otherwise noted, the assumptions used in this analysis are based on the information provided by the City of Avondale. These inputs were incorporated into the modeling and include total capital expenditures, hotel rooms, occupancy levels, annual room revenues, food and beverage sales, staffing levels, and average wages.



Hotel Room Revenue Assumptions

Hotel room revenues were estimated using a combination of project-specific information provided by the developer, the City, and conservative industry benchmarks.

For this analysis, the average daily rate (ADR) was set at \$170 per occupied room. While market data indicates that newer hotels can achieve ADRs above \$180, a more conservative value was selected to avoid overstating revenues.

Annual occupancy was modeled at 80%, which is slightly below the regional average ranging from 82% to 85% based on data from CoStar and comparable properties in the West Valley. This conservative assumption reflects potential seasonality and ramp-up considerations during the hotel's initial years of operations.

Based on these assumptions, the hotel is estimated to generate approximately \$8.9 million in annual room revenue per year. This serves as the foundation for estimating lodging-related tax collections. As noted, these inputs are intentionally conservative to ensure that the estimated economic and fiscal benefits remain reasonable under typical market conditions.

Visitor Spending Assumptions

Beyond on-site operations, hotels generate substantial visitor spending in local communities. Visitors typically spend money on retail, dining, fuel, groceries, and recreation. These expenditures support additional jobs and tax revenues within the City of Avondale.

Visitor spending estimates are based on Arizona Office of Tourism (AOT) survey data, which provides average daily spending profiles by visitor type. According to these surveys, the average visiting party spends approximately \$64 per day on restaurants and food, \$41 on transportation (including fuel), \$38 on retail, and \$34 on recreation and entertainment. These per-party spending levels were then applied to the estimated number of occupied rooms per year.

To remain conservative, a 75% spending leakage rate was applied, meaning it is assumed that $\frac{3}{4}$ of total visitor spending will occur outside of Avondale (e.g., in Phoenix or other regional destinations). This adjustment ensures that the modeled impacts reflect only the portion of visitor spending that is likely to remain in the city itself.

At the county level, a more moderate 25% leakage rate was applied, reflecting the expectation that most visitor spending will remain within Maricopa County but with some portion still occurring in other parts of the state.



While this approach captures the direct economic effects tied to the hotel, it is important to note that actual benefits to local businesses may be greater depending on the visitor's length of stay, spending patterns, and broader regional tourism linkages.

Conference and Event Attendee Assumptions

The conference center component of the project includes approximately 10,000 square feet of meeting and event space, designed to accommodate a range of corporate, association, and community uses.

Based on standard space-per-person ratios from the International Association of Venue Managers (IAVM) and Meeting Professionals International (MPI), the space can accommodate between 500 to 800 guests depending on the event configuration. For purposes of this analysis, it is conservatively assumed that the facility will host a mix of event types averaging 650 attendees per event.

Data from STR's Host Report, IAVM Venue Performance Report, and Convention Industry Council (CIC) indicates that typical conference centers of this scale operate at 40% to 50% annual event-day utilization, equivalent to 150 to 220 event days per year. This analysis utilizes a midpoint utilization rate of 45%, or roughly 165 event days annually. Applying the average of 650 attendees per event results in an estimated annual attendance of approximately 107,000 individuals.

According to CIC studies, 45% to 55% of U.S. conference and meeting attendees stay overnight. To estimate lodging and visitor impacts, it is assumed that approximately half (50%) of all conference attendees are overnight visitors, while the remaining half are local or day-trip attendees. Among the overnight attendees, those staying at the host hotel are already captured within the modeled 80% occupancy rate and associated hotel revenues.

However, it is further assumed that half of the overnight attendees (25% of total attendees) will stay at other hotels in Avondale, generating spillover lodging activity that benefits multiple hospitality operators in the City. These additional visitors will also spend money at local restaurants, retail stores, gas stations, and entertainment venues, creating incremental economic and fiscal impacts beyond the hotel's direct operations.

To maintain a conservative approach, the 75% leakage rate on retail, food, and recreation/entertainment spending described in the Visitor Spending Assumptions section is applied to these conference-related spending estimates. This adjustment assumes that only 1/4th of total attendee spending will occur within Avondale, ensuring that the modeled local impacts remain well within achievable ranges.



Estimated Cost to Maintain 40 Public Parking Spaces

Under the development agreement, the City will provide 40 reserved parking spaces for hotel use, either within the public parking garage or in surrounding surface/on-street parking. This obligation is treated as an ongoing operations and maintenance (O&M) cost, as no new parking facilities will be constructed.

To estimate this cost, the analysis references a comparable municipal precedent, a 2022 development agreement executed by the City of Peoria. The agreement specifies an annual fee of \$244.68 per parking space, escalated periodically to account for City-maintained parking operations. Adjusting this figure to 2025 dollars yields an equivalent cost of \$271.60 per space per year. For 40 spaces, this results in an estimated annual cost of approximately \$10,900.

This approach provides a locally grounded and inflation-adjusted estimate of the City's parking-related obligation, maintaining consistency with a comparable regional precedent while ensuring fiscal assumptions reflect 2025 cost conditions.

Analysis Disclosure

The assumptions and data used in this analysis are subject to marginal uncertainty and variation. Therefore, actual impacts may vary, and some impacts may not materialize due to unanticipated events and changing circumstances. However, RCG has made extensive efforts to confirm the accuracy of the information contained in this analysis. These projections are intended to provide an estimate based on current information and should not be viewed as guarantees of future performance.

Unless otherwise noted, the figures and estimates presented are based on the author's calculations and proprietary impact model. Readers are advised to review the entire report to understand the full context, methodologies, assumptions, and limitations of the analysis. Partial reading of the report may lead to misinterpretation of the findings and conclusions.



Economic & Fiscal Impacts

The City of Avondale is poised to benefit from the development of a new full-service hotel that will expand the community's lodging and amenities offerings. This project represents a \$48.4 million private investment that combines both accommodations and amenities, including a meeting space, pool, and restaurant and bar.

The project will create direct employment opportunities and generate new tax revenues. Once complete, the hotel is estimated to support approximately 34 FTE on-site positions. Beyond the on-site workforce, visitor activity will introduce new spending into the community as guests purchase food, fuel, groceries, and retail goods during their stays.

The analysis highlights two phases of economic impact:

- Construction Phase – The one-time effects associated with the \$48.4 million in development expenditures.
- Operations Phase – The ongoing annual impacts from the hotel's management, staffing, and visitor spending once the project is open.

Together, these impacts demonstrate the value of the project as both a short-term economic driver and a long-term contributor to Avondale's fiscal and community vitality.

Hotel Construction Phase Impacts

The one-time construction phase represents a significant investment in the Avondale economy. Based on the \$48.4 million in capital expenditures, construction is expected to generate a total of more than \$84.3 million in economic output, supporting approximately 415 jobs and \$29.9 million in labor income.

The majority of this impact comes from direct activity associated with construction itself, contractors, construction workers, and professional services directly tied to the hotel's development. These direct impacts account for 238 construction-related jobs, \$18.1 million in labor income, and approximately \$48.4 million in economic output.

In addition, the project produces indirect and induced impacts, often referred to as "ripple effects." Indirect impacts arise when construction firms purchase goods and services from local vendors (e.g., materials, equipment rentals, or professional services). Induced impacts occur when



construction workers spend their earnings on household needs such as groceries, dining, and retail. Combined, these ripple effects support 176 jobs, \$11.8 million in additional labor income, and \$35.9 million in economic output.

From a fiscal perspective, the construction activity is expected to generate approximately \$795,200 in City tax revenues, with the majority of these revenues (\$711,300) generated from local sales taxes on construction expenditures.

Figure 6: Economic and Fiscal Impact of Construction

Impact Type	Direct	Indirect	Induced	Total
Jobs	238	63	113	415
Labor Income	\$18,091,300	\$4,892,300	\$6,893,300	\$29,876,900
Economic Output	\$48,400,000	\$15,124,800	\$20,799,300	\$84,324,100
Tax Revenues	\$3,425,300	\$225,700	\$348,300	\$3,999,300
State Taxes	\$2,212,700	\$176,500	\$264,600	\$2,653,800
County Taxes	\$447,400	\$37,800	\$65,100	\$550,300
City Taxes	\$765,200	\$11,400	\$18,600	\$795,200

Note: All state revenues are presented net of state shared distributions to local governments. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.

Figure 7: Fiscal Impact of Construction – City of Avondale

Impact Type	Direct	Indirect	Induced	Total
Construction Sales Tax ⁽¹⁾	\$711,300	-	-	\$711,300
Retail Sales Tax ⁽²⁾	\$10,700	\$2,900	\$4,500	\$18,100
Residential Property Tax ⁽³⁾	\$8,300	\$2,200	\$3,900	\$14,400
Personal Income & Payroll Taxes ⁽⁴⁾	-	-	-	-
Vehicle License Tax & Fees ⁽⁵⁾	-	-	-	-
State Shared Revenues ⁽⁶⁾	\$34,900	\$6,300	\$10,200	\$51,400
Total	\$765,200	\$11,400	\$18,600	\$795,200

(1) Includes sales tax on materials and construction-related services directly tied to the \$48.4 million capital investment. (2) Captures sales taxes generated from retail purchases of goods and services during the construction phase, both directly by construction workers and indirectly through supplier purchases and household spending. (3) Includes property tax revenues attributed to households supported by employment. (4) Not applicable at the city level. (5) Not applicable at the City level. (6) Reflects revenue distributed to the City from the State of Arizona under statutory revenue-sharing formulas, tied to sales and income tax collections at the state level.

Note: May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.



Average Annual Hotel Operational Phase Impacts

Once operational, the hotel will sustain an average of 61 jobs, including the equivalent of 34 full-time on-site direct positions such as management, reservations, housekeeping, and maintenance staff. Annual direct labor income is projected to average approximately \$2.5 million, while direct economic output is estimated at \$7.0 million per year.

Indirect impacts arise when the hotel and local businesses purchase goods and services from area vendors, while induced impacts occur as direct and indirect employees spend their earnings on household and leisure goods and services. Together, these impacts support 27 FTEs, \$1.7 million in labor income, and \$5.0 million in economic output each year on average.

From a fiscal standpoint, annual operations are expected to generate approximately \$762,700 in City tax revenues each year. These revenues are derived from a combination of sales taxes on hotel bookings, employee household spending, and retail expenditures made on-site and throughout the community by visiting hotel guests.

Note: This analysis assumes that the City of Avondale will retain ownership of the land during a 7.5-year ground lease. Accordingly, commercial property tax revenues are excluded from the fiscal estimates during that period.

Figure 8: Average Annual Economic and Fiscal Impact of Operations				
Impact Type	Direct	Indirect	Induced	Total
Jobs	34	11	16	61
Labor Income	\$2,475,000	\$754,000	\$967,100	\$4,196,100
Economic Output	\$6,995,800	\$2,107,800	\$2,918,400	\$12,022,000
Tax Revenues	\$2,567,300	\$36,800	\$49,000	\$2,653,100
State Taxes	\$1,298,700	\$28,200	\$37,200	\$1,364,100
County Taxes	\$510,500	\$6,600	\$9,200	\$526,300
City Taxes	\$758,100	\$2,000	\$2,600	\$762,700

Note: Estimates represent average annual impacts. All state revenues are presented net of state shared distributions to local governments. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.



Figure 9: Average Annual Fiscal Impact of Operations – City of Avondale

Impact Type	Direct	Indirect	Induced	Total
Utility Sales Tax ⁽¹⁾	\$11,900	-	-	\$11,900
Retail Sales Tax ⁽²⁾	\$123,000	\$500	\$600	\$124,100
Restaurant & Bar Sales Tax ⁽³⁾	\$106,400	-	-	\$106,400
Lodging Sales Tax ⁽⁴⁾	\$461,000	-	-	\$461,000
Commercial Property Tax ⁽⁵⁾	\$28,300	-	-	\$28,300
Residential Property Tax ⁽⁶⁾	\$1,400	\$400	\$600	\$2,400
Personal Income & Payroll Taxes ⁽⁷⁾	-	-	-	-
Vehicle License Tax & Fees ⁽⁸⁾	-	-	-	-
State Shared Revenues ⁽⁹⁾	\$26,100	\$1,100	\$1,400	\$28,600
Total	\$758,100	\$2,000	\$2,600	\$762,700

(1) Include sales taxes on electricity and water used by the hotel. (2) Includes sales taxes generated from visitor spending, on-site hotel retail sales, and household spending by employees. (3) Includes sales taxes from on-site restaurant and bar sales. (4) Includes sales taxes on room bookings. (5) Commercial property tax revenues are excluded during the 7.5-year ground lease term, as the City of Avondale is assumed to retain land ownership during that period. (6) Includes property tax revenues attributed to households supported by employment. (7) Not applicable at the city level. (8) Not applicable at the city level. (9) Includes the county's portion of state shared revenues generated from state-level collections.

Note: Estimates represent average annual impacts. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.

10-Year Hotel Operational Phase Impacts

Over a 10-year period, the hotel is expected to sustain 606 job-years (the equivalent of 61 jobs per year over 10 years), generate approximately \$42.0 million in labor income, and produce \$120.2 million in economic output.

From a fiscal standpoint, operations are projected to generate approximately \$7.6 million in City tax revenues over 10 years.



Figure 10: 10-Year Economic and Fiscal Impact of Operations

Impact Type	Direct	Indirect	Induced	Total
Job-Years	335	112	159	606
Labor Income	\$24,750,100	\$7,540,400	\$9,670,600	\$41,961,100
Economic Output	\$69,958,100	\$21,078,400	\$29,183,800	\$120,220,300
Tax Revenues	\$25,669,700	\$365,900	\$488,900	\$26,524,500
State Taxes	\$12,985,100	\$281,600	\$371,300	\$13,638,000
County Taxes	\$5,103,600	\$65,400	\$91,500	\$5,260,500
City Taxes	\$7,581,000	\$18,900	\$26,100	\$7,626,000

Note: Estimates represent cumulative impacts over 10 years. All state revenues are presented net of state shared distributions to local governments. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.

Figure 11: 10-Year Fiscal Impact of Operations – City of Avondale

Impact Type	Direct	Indirect	Induced	Total
Utility Sales Tax ⁽¹⁾	\$118,800	-	-	\$118,800
Retail Sales Tax ⁽²⁾	\$1,230,400	\$4,600	\$6,300	\$1,241,300
Restaurant & Bar Sales Tax ⁽³⁾	\$1,063,700	-	-	\$1,063,700
Lodging Sales Tax ⁽⁴⁾	\$4,610,000	-	-	\$4,610,000
Commercial Property Tax ⁽⁵⁾	\$282,900	-	-	\$282,900
Residential Property Tax ⁽⁶⁾	\$14,100	\$3,800	\$5,500	\$23,400
Personal Income & Payroll Taxes ⁽⁷⁾	-	-	-	-
Vehicle License Tax & Fees ⁽⁸⁾	-	-	-	-
State Shared Revenues ⁽⁹⁾	\$260,800	\$10,500	\$14,300	\$285,600
Total	\$7,580,700	\$18,900	\$26,100	\$7,625,700

(1) Include sales taxes on electricity and water used by the hotel. (2) Includes sales taxes generated from visitor spending, on-site hotel retail sales, and household spending by employees. (3) Includes sales taxes from on-site restaurant and bar sales. (4) Includes sales taxes on room bookings. (5) Commercial property tax revenues are excluded during the 7.5-year ground lease term, as the City of Avondale is assumed to retain land ownership during that period. (6) Includes property tax revenues attributed to households supported by employment. (7) Not applicable at the city level. (8) Not applicable at the city level. (9) Includes the county's portion of state shared revenues generated from state-level collections.

Note: Estimates represent cumulative impacts over 10 years. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.



Additional Considerations

In addition to the impacts generated by hotel on-site operations, the proposed conference center is expected to attract a mix of corporate, association, and community events that extend beyond typical hotel guest stays.

Conferences and events held at the center will bring additional visitors who may not stay overnight at the host hotel due to room availability, price, or group size. Many of these attendees are expected to stay at nearby hotels in Avondale, resulting in spillover lodging activity that benefits multiple hospitality operators throughout the City. These overnight stays will generate additional lodging and retail sales tax revenues not captured in the base hotel operations impact.

Additional Fiscal Impacts Related to Conference Center Activity

Beyond the fiscal impacts generated by the hotel's operations, the conference center is expected to produce \$378,000 in additional annual tax revenues for the City of Avondale.

Of this annual total, an estimated \$233,400 is derived from lodging-related taxes generated by overnight attendees staying at other hotels within the City, while approximately \$136,200 is attributed to retail, restaurant and bar, and entertainment spending occurring in the community.

Over a 10-year period, these additional revenues are projected to total approximately \$3.8 million, representing a meaningful enhancement to the City's overall fiscal benefits beyond those directly associated with the hotel's operations.

Figure 12: Additional Fiscal Impacts Related to Conference Center Activity – City of Avondale		
Impact Type	Annual Average	10-Year Total
Retail Sales Tax ⁽¹⁾	\$72,100	\$721,000
Restaurant & Bar Sales Tax ⁽²⁾	\$64,100	\$641,000
Lodging Sales Tax ⁽³⁾	\$233,400	\$2,334,000
State Shared Revenues ⁽⁴⁾	\$8,400	\$84,000
Total	\$378,000	\$3,780,000

(1) Includes sales taxes generated from retail and entertainment purchases by conference attendees in Avondale. (2) Includes sales taxes generated from restaurant and bar spending by attendees in Avondale. (3) Reflects lodging tax revenues generated by overnight conference attendees staying at other hotels in Avondale, not captured in the base hotel model. (4) Represents Avondale's portion of state shared revenues distributed under statutory formulas, based on state-level tax collections. Note: Estimates represent average annual impacts and cumulative totals over 10 years. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.



Additional Impacts Related to Business Development

The conference center will also host City-sponsored and civic events, as Avondale will have access to event days under the development agreement. This will allow the City to hold economic development summits, tourism events, business programs, and community gatherings.

In addition to enhancing civic engagement, these events will play a direct role in business attraction and retention by providing opportunities for Avondale to showcase its assets to potential employers, investors, and regional partners. Although this impact is not monetized in this economic analysis, the benefits to the City's long-term economic competitiveness is both real and substantial.

These activities are expected to position Avondale as a regional destination for business and community meetings, reducing leakage to other West Valley cities and strengthening the City's long-term hospitality base. As conferences and City events draw repeat and first-time visitors to the area, this activity will help catalyze additional private investment in retail, dining, and visitor-serving amenities, further reinforcing the economic return to the City.



Appendix A: State & County Tax Revenues

It is important to note that additional economic and fiscal impacts would benefit taxpayers across the entire state as well as throughout Maricopa County.

Fiscal Impact of Construction

Figure 13: Fiscal Impact of Construction – State of Arizona				
Impact Type	Direct	Indirect	Induced	Total
Construction Sales Tax ⁽¹⁾	\$1,555,700	-	-	\$1,555,700
Retail Sales Tax ⁽²⁾	\$185,900	\$49,800	\$76,900	\$312,600
Residential Property Tax ⁽³⁾	-	-	-	-
Personal Income & Payroll Taxes ⁽⁴⁾	\$429,500	\$115,800	\$167,900	\$713,200
Vehicle License Tax & Fees ⁽⁵⁾	\$41,600	\$10,900	\$19,800	\$72,300
State Shared Revenues ⁽⁶⁾	-	-	-	-
Total	\$2,212,700	\$176,500	\$264,600	\$2,653,800

(1) Includes sales tax on materials and construction-related services directly tied to the \$48.4 million capital investment. (2) Captures sales taxes generated from retail purchases of goods and services during the construction phase, both directly by construction workers and indirectly through supplier purchases and household spending. (3) Not applicable for the state level. (4) Reflects state revenues from wages and salaries earned by workers supported by construction activity. (5) Represents state revenue from vehicle registrations and related fees tied to construction-related employment. (6) Not applicable at the state level.

Note: All state revenues are presented net of state shared distributions to local governments. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.



Figure 14: Fiscal Impact of Construction – Maricopa County

Impact Type	Direct	Indirect	Induced	Total
Construction Sales Tax ⁽¹⁾	\$220,200	-	-	\$220,200
Retail Sales Tax ⁽²⁾	\$25,900	\$6,900	\$10,700	\$43,500
Residential Property Tax ⁽³⁾	\$61,300	\$16,100	\$29,200	\$106,600
Personal Income & Payroll Taxes ⁽⁴⁾	-	-	-	-
Vehicle License Tax & Fees ⁽⁵⁾	-	-	-	-
State Shared Revenues ⁽⁶⁾	\$140,000	\$14,800	\$25,200	\$180,000
Total	\$447,400	\$37,800	\$65,100	\$550,300

(1) Includes sales tax on materials and construction-related services directly tied to the \$48.4 million capital investment. (2) Captures sales taxes generated from retail purchases of goods and services during the construction phase, both directly by construction workers and indirectly through supplier purchases and household spending. (3) Accounts for county property tax revenues from residential demand associated with the temporary construction workforce. (4) Not applicable at the county level. (5) Not applicable at the county level. (6) Reflects county revenues received through statutory revenue-sharing mechanisms from the State of Arizona that are linked to construction-related sales tax collections.

Note: May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.



Average Annual Fiscal Impact of Operations

Figure 15: Average Annual Fiscal Impact of Operations – State of Arizona				
Impact Type	Direct	Indirect	Induced	Total
Utility Sales Tax ⁽¹⁾	\$23,500	-	-	\$23,500
Retail Sales Tax ⁽²⁾	\$562,000	\$8,100	\$10,800	\$580,900
Restaurant & Bar Sales Tax ⁽³⁾	\$194,500	-	-	\$194,500
Lodging Sales Tax ⁽⁴⁾	\$455,800	-	-	\$455,800
Commercial Property Tax ⁽⁵⁾	-	-	-	-
Residential Property Tax ⁽⁶⁾	-	-	-	-
Personal Income & Payroll Taxes ⁽⁷⁾	\$55,200	\$18,100	\$23,600	\$96,900
Vehicle License Tax & Fees ⁽⁸⁾	\$6,700	\$2,000	\$2,800	\$11,500
State Shared Revenues ⁽⁹⁾	-	-	-	-
Total	\$1,297,700	\$28,200	\$37,200	\$1,363,100

(1) Include sales taxes on electricity and water used by the hotel. (2) Includes sales taxes generated from visitor spending, on-site hotel retail sales, and household spending by employees. (3) Includes sales taxes from on-site restaurant and bar sales. (4) Includes sales taxes on room bookings. (5) Not applicable at the state level. (6) Not applicable at the state level. (7) Includes state income taxes on payroll-related taxes generated by employees. (8) Includes estimated revenues from vehicle license taxes and associated fees attributed to households supported by employment. (9) Not applicable at the state level.

Note: Estimates represent average annual impacts. All state tax revenues are presented net of state shared distributions to local governments. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.



Figure 16: Average Annual Fiscal Impact of Operations – Maricopa County

Impact Type	Direct	Indirect	Induced	Total
Utility Sales Tax ⁽¹⁾	\$3,400	-	-	\$3,400
Retail Sales Tax ⁽²⁾	\$75,900	\$1,100	\$1,500	\$78,500
Restaurant & Bar Sales Tax ⁽³⁾	\$24,200	-	-	\$24,200
Lodging Sales Tax ⁽⁴⁾	\$197,500	-	-	\$197,500
Commercial Property Tax ⁽⁵⁾	\$19,600	-	-	\$19,600
Residential Property Tax ⁽⁶⁾	\$10,400	\$2,900	\$4,100	\$17,400
Personal Income & Payroll Taxes ⁽⁷⁾	-	-	-	-
Vehicle License Tax & Fees ⁽⁸⁾	-	-	-	-
State Shared Revenues ⁽⁹⁾	\$179,500	\$2,600	\$3,600	\$185,700
Total	\$510,500	\$6,600	\$9,200	\$526,300

(1) Include sales taxes on electricity and water used by the hotel. (2) Includes sales taxes generated from visitor spending, on-site hotel retail sales, and household spending by employees. (3) Includes sales taxes from on-site restaurant and bar sales. (4) Includes sales taxes on room bookings. (5) Commercial property tax revenues are excluded during the 7.5-year ground lease term, as the City of Avondale is assumed to retain land ownership during that period. (6) Includes property tax revenues attributed to households supported by employment. (7) Not applicable at the county level. (8) Not applicable at the county level. (9) Includes the county's portion of state shared revenues generated from state-level collections. Note: Estimates represent average annual impacts. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.



10-Year Fiscal Impact of Operations

Figure 17: 10-Year Fiscal Impact of Operations – State of Arizona				
Impact Type	Direct	Indirect	Induced	Total
Utility Sales Tax ⁽¹⁾	\$234,600	-	-	\$234,600
Retail Sales Tax ⁽²⁾	\$5,619,300	\$80,800	\$107,900	\$5,808,000
Restaurant & Bar Sales Tax ⁽³⁾	\$1,944,700	-	-	\$1,944,700
Lodging Sales Tax ⁽⁴⁾	\$4,558,000	-	-	\$4,558,000
Commercial Property Tax ⁽⁵⁾	-	-	-	-
Residential Property Tax ⁽⁶⁾	-	-	-	-
Personal Income & Payroll Taxes ⁽⁷⁾	\$551,600	\$181,300	\$235,600	\$968,500
Vehicle License Tax & Fees ⁽⁸⁾	\$67,000	\$19,500	\$27,800	\$114,300
State Shared Revenues ⁽⁹⁾	-	-	-	-
Total	\$12,975,200	\$281,600	\$371,300	\$13,628,100

(1) Include sales taxes on electricity and water used by the hotel. (2) Includes sales taxes generated from visitor spending, on-site hotel retail sales, and household spending by employees. (3) Includes sales taxes from on-site restaurant and bar sales. (4) Includes sales taxes on room bookings. (5) Not applicable at the state level. (6) Not applicable at the state level. (7) Includes state income taxes on payroll-related taxes generated by employees. (8) Includes estimated revenues from vehicle license taxes and associated fees attributed to households supported by employment. (9) Not applicable at the state level.

Note: Estimates represent cumulative impacts over 10 years. All state tax revenues are presented net of state shared distributions to local governments. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.



Figure 18: 10-Year Fiscal Impact of Operations – Maricopa County

Impact Type	Direct	Indirect	Induced	Total
Utility Sales Tax ⁽¹⁾	\$33,800	-	-	\$33,800
Retail Sales Tax ⁽²⁾	\$757,900	\$11,200	\$15,100	\$784,200
Restaurant & Bar Sales Tax ⁽³⁾	\$241,800	-	-	\$241,800
Lodging Sales Tax ⁽⁴⁾	\$1,975,200	-	-	\$1,975,200
Commercial Property Tax ⁽⁵⁾	\$196,300	-	-	\$196,300
Residential Property Tax ⁽⁶⁾	\$103,500	\$28,700	\$40,900	\$173,100
Personal Income & Payroll Taxes ⁽⁷⁾	-	-	-	-
Vehicle License Tax & Fees ⁽⁸⁾	-	-	-	-
State Shared Revenues ⁽⁹⁾	\$1,795,100	\$25,500	\$35,500	\$1,856,100
Total	\$5,103,600	\$65,400	\$91,500	\$5,260,500

(1) Include sales taxes on electricity and water used by the hotel. (2) Includes sales taxes generated from visitor spending, on-site hotel retail sales, and household spending by employees. (3) Includes sales taxes from on-site restaurant and bar sales. (4) Includes sales taxes on room bookings. (5) Commercial property tax revenues are excluded during the 7.5-year ground lease term, as the City of Avondale is assumed to retain land ownership during that period. (6) Includes property tax revenues attributed to households supported by employment. (7) Not applicable at the county level. (8) Not applicable at the county level. (9) Includes the county's portion of state shared revenues generated from state-level collections. Note: Estimates represent cumulative impacts over 10 years. May not sum to totals due to rounding.

Source: Rounds Consulting Group, Inc.

**EXHIBIT D
TO
ECONOMIC DEVELOPMENT AGREEMENT
BETWEEN
THE CITY OF AVONDALE
AND
WEB AVONDALE INVESTMENTS, LLC**

[City of Avondale Ordinance _____]

See following pages.

**EXHIBIT E
TO
ECONOMIC DEVELOPMENT AGREEMENT
BETWEEN
THE CITY OF AVONDALE
AND
WEB AVONDALE INVESTMENTS, LLC**

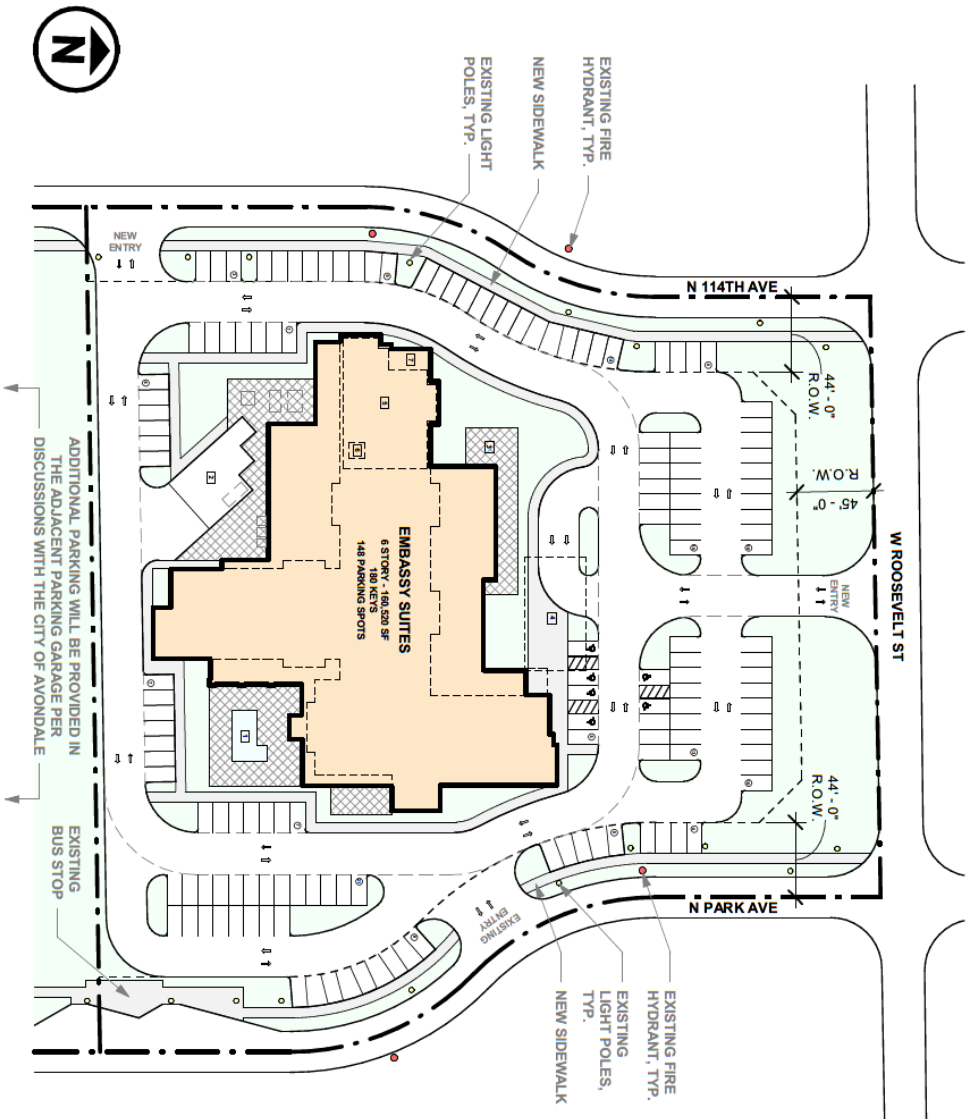
[Preliminary Development Plan]

See following pages.

LINE AND SYMBOL LEGEND	
	EASEMENT
	R.O.W. EASEMENT
	PROPERTY LINE
	BUILDING
	GREEN SPACE

KEYNOTE LEGEND	
	OUTDOOR POOL
	RECREATING AREA
	DRIVING TERRACE
	PORTER COCKPIT
	ROOFTOP BAR
	ELEVATION
	STAIRS

	LEVEL 02	LEVEL 03	LEVEL 04	LEVEL 05	LEVEL 06	TOTAL
STUDIO	8	10	10	10	8	45
STUDIO SUITE	10	10	10	10	10	50
KING LINEAR SUITE	4	4	4	4	4	20
DOUBLE QUEEN SUITE	10	11	12	12	10	55
ACCESSIBLE SUITE	1	1	1	1	1	5
ACCESSIBLE STUDIO	1	1	1	1	1	5
ACCESSIBLE KING SUITE	1	1	1	1	1	5
ACCESSIBLE KING LINEAR SUITE	1	1	1	1	1	5
ACCESSIBLE DOUBLE QUEEN SUITE	1	1	1	1	1	5
ACCESSIBLE DOUBLE QUEEN LINEAR SUITE	1	1	1	1	1	5
TOTAL	54	58	58	58	52	180



CSP STUDY - V3.0

EMBASSY SUITES - AVONDALE, AZ

THIS DRAWING IS CONCEPTUAL AND SHOULD ONLY BE USED AS AN INFORMATIVE REFERENCE. ALL DIMENSIONS, UTILITY EASEMENTS, SETBACKS, LOT PROPERTY LINES, GRADING, AND SITE REQUIREMENTS SHOULD BE VERIFIED FOR ACCURACY BY OWNER AND/OR OWNERS SURVEYOR AND CIVIL ENGINEER. PARTICULAR CONSIDERATION SHOULD BE GIVEN TO OPEN SPACE REQUIREMENTS, PAVEMENT TYPES, DRIVE ENTRIES, ETC.

DATE: 07/23/25

A103

modus architecture

**EXHIBIT F
TO
ECONOMIC DEVELOPMENT AGREEMENT
BETWEEN
THE CITY OF AVONDALE
AND
WEB AVONDALE INVESTMENTS, LLC**

[Construction Deadlines]

Submit Development Plan	January 30, 2026
Obtain Required Permits	November 1, 2026
Construction Financing	December 1, 2026
Commencement of Construction	December 17, 2026
Opening Date	May 30, 2028

**EXHIBIT G
TO
ECONOMIC DEVELOPMENT AGREEMENT
BETWEEN
THE CITY OF AVONDALE
AND
WEB AVONDALE INVESTMENTS, LLC**

[Insurance]

See following pages.

INSURANCE REQUIREMENTS

Purpose

This policy outlines the minimum insurance requirements for individuals or organizations contracting with the City of Avondale. The intent is to protect the City, its employees, and the public from potential liability arising from accidents, injuries, or property damage.

General Liability Insurance

All users must maintain Commercial General Liability insurance with the following minimum limits:

- **Bodily Injury, Personal and Advertising Injury, and Property Damage:**
 - o \$1,000,000 per occurrence
 - o \$2,000,000 aggregate

Auto Liability Insurance

Auto Liability insurance, including all owned, non-owned and hired autos, with the following minimum limits:

- **Bodily Injury and Property Damage:**
 - o \$1,000,000 per occurrence
 - o \$2,000,000 aggregate

Worker's Compensation Insurance

If the user has employees, user shall maintain worker's compensation insurance and employer's liability insurance, each in such amounts as will fully comply with the laws of the State of Arizona.

Umbrella Insurance

Umbrella/Excess Liability in excess of Commercial General Liability, Automobile Liability and Employers' Liability coverages that is at least as broad as these underlying policies with a limit of liability of \$10,000,000.

Additional Requirements:

- **Primary Insurance:** User's insurance must be primary and non-contributory.
- **Notice of Cancellation:** A 30-day written notice of intent to cancel, non-renew, or materially change coverage must be provided to the City.
- **Additional Insured:** The City of Avondale and its public officials, officers, directors, contractors and employees must be named as an additional insureds on the liability insurance policies.

- **Credit Quality:** Insurance companies must maintain a rating from Best's Insurance Reports of not less than A-/VIII), and must be authorized to do insurance business in the State of Arizona
- **Waiver of Subrogation:** Insurance companies must waive all rights of subrogation against any additional insured, including the negligence of the additional insureds.

User Responsibility

Users are responsible for obtaining the necessary insurance coverage and providing proof of coverage to the City reasonably acceptable to City. At the request of City, user will provide copies of user's insurance policies and copies of the additional insured endorsements. The City does not provide insurance quotes or recommendations. Users should consult with their insurance agent to determine the appropriate coverage and cost.

Policy Review

The insurance requirements will be reviewed periodically by the City to ensure their continued effectiveness and to address any changes in legal or regulatory requirements and to increase policy coverage amounts or add or delete policy coverage in accordance with the City's prudent business practices.

**EXHIBIT H
TO
ECONOMIC DEVELOPMENT AGREEMENT
BETWEEN
THE CITY OF AVONDALE
AND
WEB AVONDALE INVESTMENTS, LLC**

[City Street Improvements]

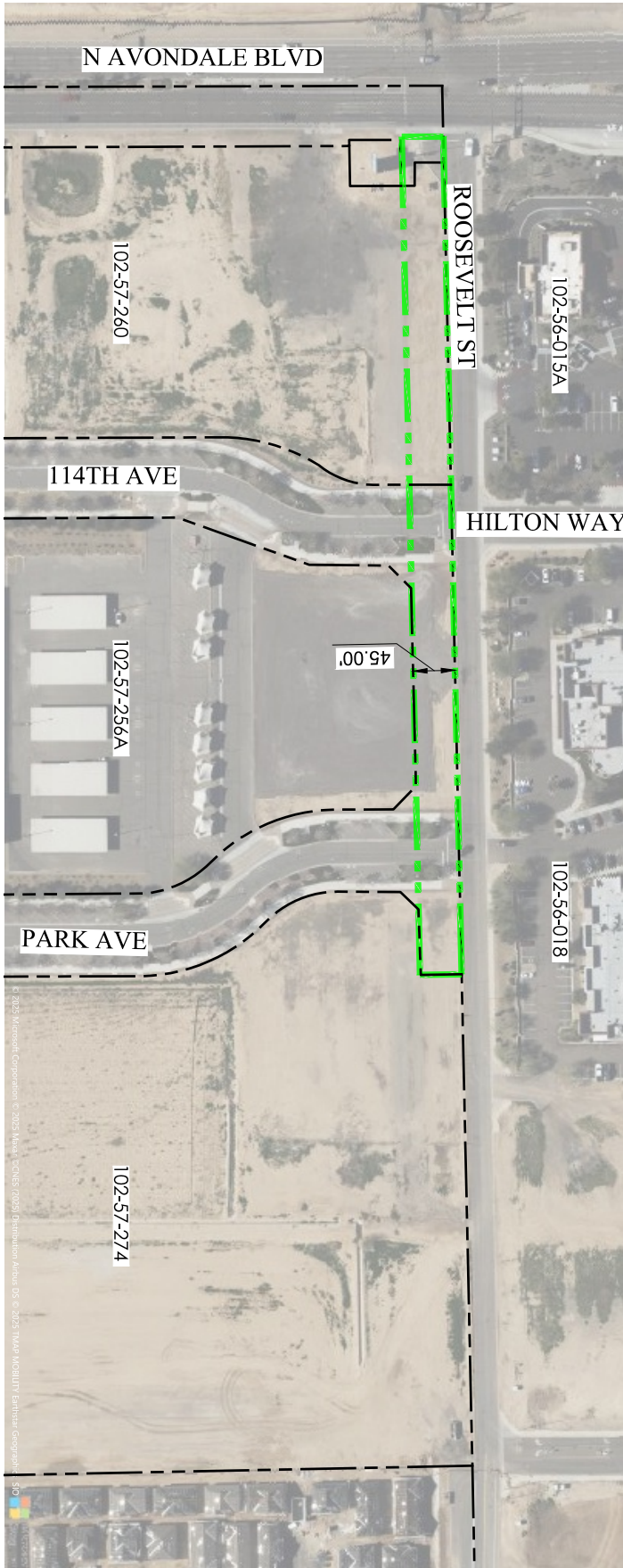
See following pages.



PLAN



= PROJECT LIMITS



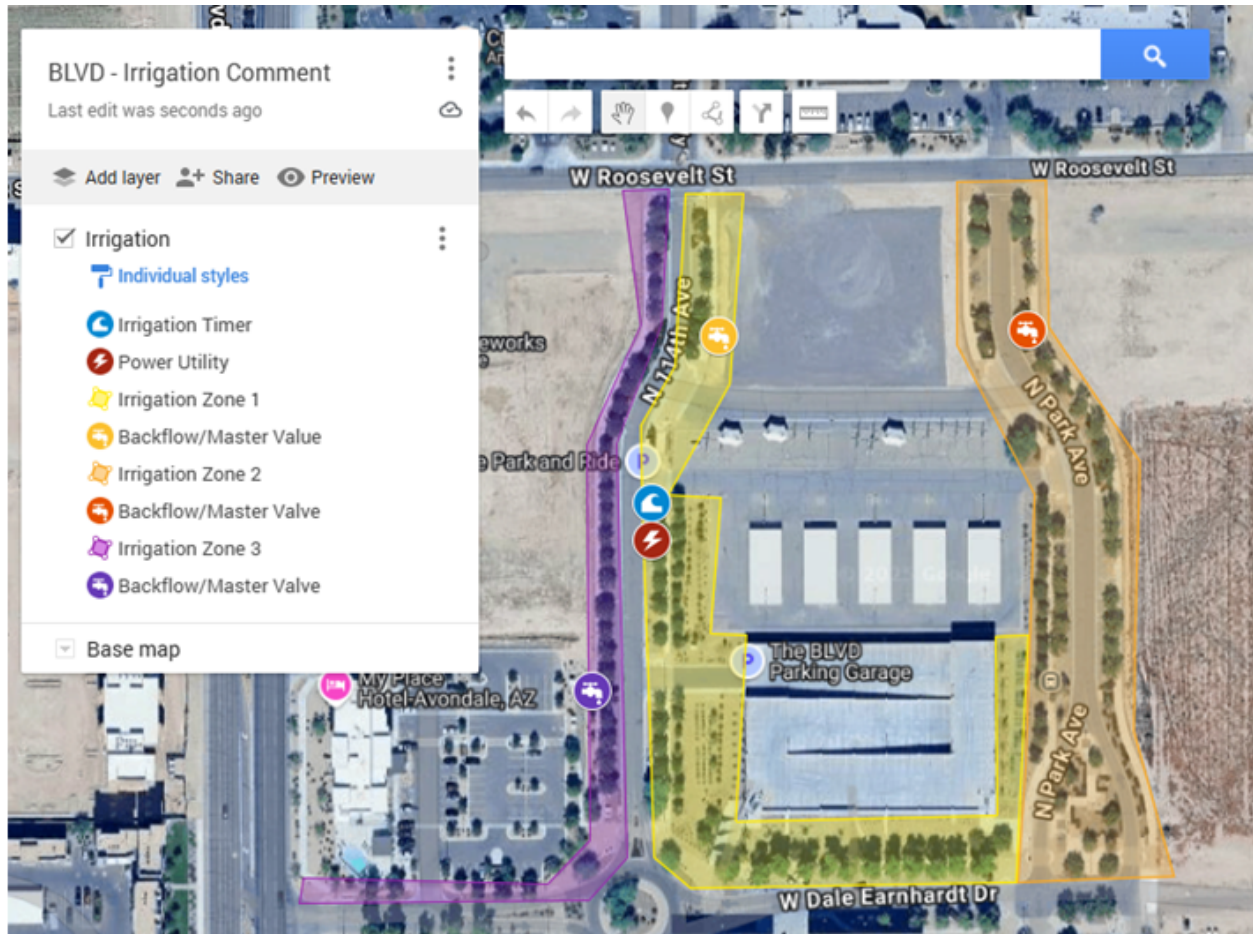
**EXHIBIT I
TO
ECONOMIC DEVELOPMENT AGREEMENT
BETWEEN
THE CITY OF AVONDALE
AND
WEB AVONDALE INVESTMENTS, LLC**

[Relocated City-Owned Systems]

See following pages.

Relocated City-Owned Systems

The approximate locations of the timer, master valves, and irrigation zones are identified on the map below. The map is provided for reference purposes only and represents an estimated location of existing utilities and infrastructure.



ITEM NUMBER: 4.j.

SUBJECT: Ordinance 2039-1125 - Ground Lease to Purchase Option Agreement with WEB Avondale Investments, LLC and the City of Avondale

MEETING DATE: 11/17/2025

TO: Mayor and Council

FROM: Jen Stein, Economic Development Director

THROUGH: Tracy Stevens, Assistant City Manager, (623) 333-1014

REVIEWED: Ron Corbin, City Manager, (623) 333-1011

STRATEGIC PLAN:

This agenda item supports the following Avondale Strategic Outcome Area: **Economic Growth and Prosperity**

Avondale supports a thriving local economy by fostering and supporting business growth, job creation, and workforce development. The City advances economic development, attracts high-quality entertainment and full-service amenities, and promotes a variety of attainable housing opportunities that strengthen the City's vitality.

PURPOSE:

City Council will consider a request to adopt Ordinance 2039-1125, approving the Ground Lease to Purchase Option Agreement with WEB Avondale Investments, LLC for city owned property located at the SEC of Roosevelt Street and 114th Avenue, and authorize the Mayor or City Manager, City Attorney, and City Clerk to execute the necessary documents. The Council will take appropriate action.

BACKGROUND:

The City of Avondale (Landlord) and WEB Avondale Investments, LLC desire to enter into a Lease to Purchase Agreement for use of City property (the premises) located at the SEC or Roosevelt Street and 114th Avenue in The BLVD.

DISCUSSION:

The lease term shall be six and one-half (6.5) years, with one (1) additional one-year extension option.

WEB Avondale Investments, LLC ("Tenant") shall submit a complete site plan design review application to the City no later than January 31, 2026, and shall obtain all required City plan approvals and commence its lease by November 1, 2026.

Phase One shall commence on November 1, 2026, and continue through April 30, 2028, for a total of eighteen

(18) months. During this phase, rent shall be one dollar (\$1.00) per month during construction.

Phase Two shall commence on May 1, 2028, and continue through April 30, 2031, for a total of thirty-six (36) months. During this phase, rent shall be one hundred twenty thousand dollars (\$120,000) per year. The Tenant shall obtain a Certificate of Occupancy during this phase and will have the option to purchase the property.

Phase Three shall commence on May 1, 2031, and continue through April 30, 2033, for a total of twenty-four (24) months. During this phase, rent shall be one hundred eighty thousand dollars (\$180,000) per year.

The Tenant shall have one (1) additional one-year lease extension option from May 1, 2033, through April 30, 2034, at a rental rate of one hundred ninety-eight thousand dollars (\$198,000) per year.

WEB Avondale Investments, LLC shall complete the purchase of the land no later than April 30, 2034, at a rate of eighteen dollars and seventy-five cents (\$18.75) per square foot.

BUDGET IMPACT:

This lease-to-purchase agreement will generate new revenue for the City over the term of the lease and upon completion of the property sale.

RECOMMENDATION:

Staff recommends approval of the Lease to Purchase Agreement between the City of Avondale and WEB Avondale Investments, LLC.

Contact person for document distribution: Cheryl Covert

GROUND LEASE AND PURCHASE OPTION

THE CITY OF AVONDALE,
an Arizona municipal corporation,
LANDLORD

And

WEB AVONDALE INVESTMENTS, LLC,
an Arizona limited liability company,
TENANT

_____, 2025

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GROUND LEASE

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EXHIBIT A – Legal Description of the Site

EXHIBIT B – Memorandum of Lease¹

EXHIBIT C – Preliminary Development Plan

EXHIBIT D – License Agreement

¹ We will prepare the Memorandum, but I did not want to hold up getting this to you for review.

GROUND LEASE

THIS GROUND LEASE (the “**Lease**”) is made and entered into this ____ day of _____, 2025, by and between THE CITY OF AVONDALE, an Arizona municipal corporation (“**Landlord**”), and WEB AVONDALE INVESTMENTS, LLC, an Arizona limited liability company (“**Tenant**”).

ARTICLE I. DEMISE

Section 1.01. Effective Date. This Lease shall become effective when approved by the City Council and executed and delivered by Landlord and Tenant (the “**Effective Date**”). If Tenant has not commenced physical construction, as evidenced by Tenant’s first preparation of the Premises for construction of the Initial Improvements (as defined in Section 6.01), including, without limitation, grading, trenching, excavation, or any other site work required to develop the Improvements by December 17, 2026, this Lease shall automatically terminate.

Section 1.02. Demise of Leased Premises. For and in consideration of the rents, terms, covenants and agreements hereinafter set forth on the part of Tenant to be paid, kept, observed and performed, Landlord does hereby lease to Tenant, and Tenant does hereby lease, from Landlord, upon and subject to the terms and conditions contained herein, that certain tract of land containing approximately 3.23 acres lying and generally located near Avondale Boulevard and Interstate 10 Highway in the City of Avondale, Maricopa County, Arizona, being more particularly described and depicted on Exhibit A attached hereto (the “**Site**”), together with a leasehold interest in all rights, easements and appurtenances that belong and appertain to the Site (the “**Appurtenances**”; together with the Site, the “**Premises**”), subject to the restrictions now or hereafter of record in the Maricopa County, Arizona real estate records, and any matters that would be disclosed by an inspection or accurate survey of the Site (the “**Land Restrictions**”). The term “**Improvements**” as used in this Lease shall mean any and all structures and appurtenances thereto of every type and kind on, at, or under the Site, including, without limitation, buildings, outbuildings, patios, additions, walkways, roads, curbing, paving, driveways, parking areas, fences, decks, fixtures, poles, and signs. If the Landlord and Tenant agree to expand the Site approximately twenty feet (20’) into the right-of-way on the east and/or west side of the Site, Landlord and Tenant will amend the legal description of the Site for purposes of this Lease, including, without limitation, for purposes of the Purchase Option (as defined in Section 14.01) under this Lease.

Section 1.03. Memorandum of Ground Lease. This Lease shall not be recorded; Landlord and Tenant shall execute on the Effective Date a Memorandum of this Lease in the form attached hereto as Exhibit B (the “**Memorandum of Lease**”), which may be recorded by Tenant at any time following the Effective Date. If this Lease expires or is terminated for any reason, Landlord may unilaterally terminate the Memorandum of Lease.

ARTICLE II. TERM OF LEASE

Section 2.01. Term of Lease. The term of this Lease (“**Term**”) shall commence on the Effective Date and shall expire with respect to the Premises, unless sooner terminated under the terms and conditions contained herein, at 11:59 p.m. (local, Phoenix, Arizona, time) on the date that is seventy-eight (78) months after the Rent Commencement Date (as defined in Section 3.01);

provided, however, if the Purchase Option is not successfully exercised prior to expiration of the Option Period or Tenant otherwise fails to close on the purchase of the Site pursuant to Article XIV of this Lease, Landlord and Tenant may mutually extend the Term for one (1) additional period of one (1) year (the “**Extension Term**”). If Landlord and Tenant mutually extend the Term of the Lease, the annualized Base Rent for the Extension Term will be \$198,000, and the monthly installments will be \$16,500. Landlord and Tenant will execute a supplement to this Lease evidencing the Extension Term and the Base Rent during the Extension Term. The supplement may be executed on behalf of the Landlord by the City Manager without further City Council approval.

ARTICLE III. RENT

Section 3.01. Base Rent. In consideration for Landlord entering into this Lease, Tenant shall pay Landlord base rent (“**Base Rent**”) according to the following schedule:

<u>PHASE</u>	<u>MONTHS</u>	<u>ANNUALIZED BASE RENT</u>	<u>MONTHLY INSTALLMENT</u>
Phase 1 (commencing on Rent Commencement Date)	1-18	\$12.00	\$1.00
Phase 2	19-54	\$120,000.00	\$10,000.00
Phase 3	55-78	\$180,000.00	\$15,000.00

Commencing on the thirtieth (30th) day after the City approves the Approved Plans (as defined in the Development Agreement defined below in Section 5.01) and Tenant obtains the Required Permits (as defined in the Development Agreement), but no later than November 1, 2026 (the “**Rent Commencement Date**”), and on the first day of each month throughout the Term thereafter, Tenant shall pay, in advance: Base Rent according to the schedule above and any Taxes or Charges due. Base Rent and all other payments required to be made by Tenant (including, without limitation, Taxes, Charges, fees, and expenses) are collectively referred to herein as “**Rent**”. If the Rent Commencement Date falls on a date other than the first day of a month, Rent for any initial partial month of the term hereof shall be appropriately prorated, and the end of the Term shall be adjusted accordingly. If Tenant fails to make any payment as required pursuant to this Section 3.01, such sums shall accrue Default Interest (as defined in Section 4.03) from the due date until paid in full and shall be subject to a late charge of \$15 per day from the due date until paid in full.

Section 3.02. Triple Net. Landlord and Tenant intend and agree that this Lease shall be a “triple net” lease, pursuant to which Tenant shall be fully responsible for payments of all monetary amounts pertaining to taxes, insurance, maintenance, repairs, replacements, improvements, utilities, and all other sums pertaining to the Premises during the Term. Landlord

shall have no monetary obligations whatsoever, and shall not be required to perform any service, make any payment, or do any act or thing with respect to the Premises, except as hereinafter expressly provided throughout the Lease.

Section 3.03. Security Deposit. On the Effective Date Tenant shall deposit with Landlord the sum of \$30,000.00 (the “**Security Deposit**”). It is acknowledged that the Security Deposit will be held by Landlord as security for the full and timely performance of the terms and conditions herein. The Security Deposit may be commingled with Landlord’s other funds. If Tenant defaults under this Lease, Landlord may apply the Security Deposit towards curing the default and any loss or damage arising from the default. If Landlord so applies any part of the deposit, Tenant shall on demand deposit with Landlord the amount so applied so that Landlord shall have the full deposit on hand at all times. Tenant shall have no right to apply any portion of the Security Deposit against any of Tenant’s obligations to pay any Rent or other amount due hereunder. The rights of Landlord against Tenant for a breach of this Lease shall in no way be restricted by this Security Deposit, but Landlord shall have the absolute right to pursue any available remedy to protect its interest herein, as if this Security Deposit had not been made. The Security Deposit shall be returned to Tenant within fifteen (15) days after both of the following have occurred: (i) completion of the Initial Improvements; and (ii) Tenant opening the hotel for business consistent with the Permitted Business. No interest shall be paid on the Security Deposit.²

ARTICLE IV. TAXES, ASSESSMENTS AND CHARGES

Section 4.01. Taxes and Assessments. Tenant covenants and agrees to discharge and pay before the same become delinquent and before any fine, penalty, or interest which may be added for nonpayment, any and all real property taxes, personal property taxes, assessments, license or permit fees, and special district or community improvement district assessments, transaction privilege taxes (such as the construction contracting tax, commercial leasing, and transient lodging tax), excises, imposts, and charges of every nature and classification (collectively, “**Taxes**”) that at any time following the Effective Date during the Term are levied, assessed, accrued, charged, or imposed upon the Improvements, the leasehold estate of Tenant created hereby, or the Tenant’s personal property; provided, however, (i) Tenant shall not be obligated to pay any income tax imposed on Landlord (whether municipal, state or federal income taxes), (ii) Tenant shall not be obligated to pay any amounts levied upon Landlord as a franchise, estate, gift, inheritance, succession or capital levy tax, (iii) Tenant shall not be obligated to pay any Taxes attributable to the period of time prior to the Effective Date or following expiration or earlier termination of this Lease, and (iv) Tenant shall not be obligated to pay any real property Taxes attributable to the Landlord’s fee simple interest in the Site, which shall instead be Landlord’s obligation. Tenant shall use reasonable efforts, at Tenant’s sole cost and expense, to cause Tenant to be named as the party to whom all such tax bills and assessments should be sent. The above notwithstanding, Tenant shall have no duty to pay any taxes which are abated on behalf of Tenant during the Term.

² Nicholle: We deleted the application of the Security Deposit to the Option Purchase Price because the Security Deposit is being returned to Tenant after completion of the Initial Improvements and Tenant opening the hotel for business consistent with the Permitted Business. Please confirm this is still the business deal.

In the event Tenant fails or refuses to pay when due any Taxes, and Tenant is not contesting such Taxes in accordance with the provisions of this Lease, and such failure or refusal continues without correction for a period of ten (10) days from and after notice thereof from Landlord to Tenant, Landlord shall have the right, but not the obligation, to pay such unpaid overdue Taxes, and Tenant shall reimburse Landlord for the Taxes (including penalties and interest, together with reasonable out of pocket costs incurred by Landlord in connection therewith) and interest so paid by Landlord within ten (10) days after written notice from Landlord to Tenant demanding payment (including reasonably detailed supporting information regarding the amounts owed). In addition to any other rights and remedies available to Landlord under this Lease, any amounts not so reimbursed by Tenant within ten (10) days after such written notice from Landlord to Tenant shall be a lien only against the Premises (a “**Payment Lien**”). The Payment Lien may be created and foreclosed in the same manner as liens that are created pursuant to A.R.S. Arizona Revised Statutes (“**A.R.S.**”) Section 33-721 et seq., as now or hereafter amended, or as such liens may otherwise or hereafter be created and foreclosed pursuant to statutory authority. To evidence the Payment Lien, Landlord may prepare a written notice of the Payment Lien setting forth the amount of the unpaid indebtedness, the date that the unpaid indebtedness was due, the name of the party owing such debt, and a description of the affected property (a “**Lien Notice**”). A Lien Notice must be signed by Landlord and must be recorded in the Office of the Maricopa County Recorder. The Payment Lien will attach with the priority set forth below from the date that the Lien Notice is recorded. The Payment Lien is subordinate to the lien of *ad valorem* taxes and to the lien and security of any mortgages, security deeds, deeds to secure debt, deeds of trust or other such financing instruments which are recorded prior to the date of recording of Landlord’s Payment Lien (but not as to unpaid liens and charges with respect to such property and authorized herein which are recorded prior to the date that such mortgage, security deed, deed to secure debt, deed of trust or other such financing instrument is recorded). The only lien arising hereunder which shall have priority over any such mortgage, security deed, deed to secure debt, deed of trust or other such financing instrument described in the immediately preceding sentence shall be a lien which has been recorded prior to the date such mortgage, security deed, deed to secure debt, deed of trust or other such financing instrument is filed for record.

Section 4.02. Charges. Tenant covenants and agrees that it shall pay when due all charges, deposits, access fees, tap-in and hook-up fees, and the similar fees regarding the initial installment of utilities or related to the construction or alteration of the Improvements for all public or private utility services including, without limitation, water, sewer, gas, light, heat and air conditioning, telephone, electricity, cable television, trash removal, power and other utility and communications services (all or any one of which are “**Charges**”) that are rendered or become due and payable with respect to the Premises at any time during the Term and during any period prior to the commencement of the Term after Tenant takes possession of the Premises for the construction of or alterations to the Improvements. Tenant shall be responsible for maintaining all improvements behind the curb, including sidewalk, landscaping, and private irrigation.

Section 4.03. General. Tenant shall prepare and file all reports and returns required by law and governmental regulations with respect to any Taxes and, upon Landlord’s request, shall furnish copies thereof to Landlord (provided Tenant shall not be required to provide Landlord with copies of any income tax returns). Tenant shall forward to Landlord copies of any bill or assessment respecting any Taxes upon Tenant’s receipt thereof from the taxing authority. Likewise, Landlord shall promptly furnish to Tenant copies of any bill or assessment respecting

any Taxes upon Landlord's receipt thereof from the taxing authority. Tenant shall furnish and deliver to Landlord receipts evidencing the payment of any Taxes and/or Charges payable by Tenant as provided in Section 4.01 and Section 4.02 hereof. If Taxes shall include any special assessments for the Improvements which may be paid in installments, Tenant shall be obligated to pay only such installments as they become due and shall be obligated to pay only such installments which are to become due and payable prior to the expiration of the Term. Any Taxes for the year in which Tenant's obligation to pay Taxes commences and terminates or expires shall be prorated on a daily basis between Landlord and Tenant. If Tenant fails to pay any Taxes and/or Charges (or any installment thereof) when due, Landlord, without declaring a default hereunder and without relieving Tenant of any liability hereunder, may, but shall not be obligated to, pay any such Taxes and/or Charges (or any installment thereof) and any amount so paid by Landlord, together with all costs and expenses incurred by Landlord in connection therewith, and Default Interest (as defined below), shall be paid by Tenant to Landlord within ten (10) days after written notice from Landlord demanding payment (including reasonably detailed supporting information regarding the amounts owed) with Default Interest thereon in the manner provided in the following paragraph. Tenant's obligation to pay Taxes and Charges which accrue during the Term shall survive any termination of this Lease.

In those circumstances where Tenant shall fail or refuse to pay any amounts owed under this Lease for a period of more than ten (10) days and Landlord elects to pay such amounts as herein provided, such amounts incurred by Landlord shall be deemed a Payment Lien and shall accrue interest at the rate of eighteen percent (18%) per annum (or the then highest lawful rate), compounded annually (herein referred to as "**Default Interest**"), from the due date until paid in full.

Section 4.04. Impact Fees. Tenant shall be solely responsible for and shall pay any charges in the nature of building permit fees, impact fees, transaction privilege taxes and other similar fees and charges attributable to the construction of Improvements on or for the benefit of the Premises.

ARTICLE V. DEVELOPMENT AGREEMENT

Section 5.01. Development Agreement. Concurrently herewith, Landlord and Tenant are entering into a development agreement pursuant to Arizona Revised Statutes ("**A.R.S.**") §9-500.05, Avondale Municipal Code §26-12, and City Resolution No. _____ (the "**Development Agreement**"). All of the terms and provisions of the Development Agreement are incorporated herein by this reference.

ARTICLE VI. CONSTRUCTION OF IMPROVEMENTS; USE OF THE PREMISES

Section 6.01. Construction of the Improvements. Tenant shall have the right to construct such Improvements (the "**Initial Improvements**") on the Site complying with all of the City's and other Approving Authority's requirements and the terms of the Development Agreement, the Lease, and the Franchise Agreement (as defined in the Development Agreement) (the "**Approved Development Plan**"), generally consistent with the development plan, dated July 23, 2025, prepared by Modus Architecture attached hereto as Exhibit C (the "**Preliminary Development Plan**"). Prior to commencing construction of the Initial Improvements Tenant shall

both: (i) obtain the City approval (in City's municipal capacity) of the Approved Development Plan, and (ii) provide to Landlord reasonably acceptable proof of funds necessary to complete construction of all of the Initial Improvements. The Initial Improvements constructed by Tenant shall be installed in a good and workmanlike manner, lien-free, and in compliance with all federal, state, county, city, and other governmental codes, laws, statutes, orders, decrees, restrictions, ordinances and regulations now or hereafter enacted prior to the commencement of construction of the Initial Improvements, which are applicable to or affect the Premises, including, without limitation, obtaining all applicable permits, inspections and approvals of all governmental authorities or other entities having jurisdiction over the Premises (collectively, the "**Laws**"), and the development plans and building plans approved by the City in its municipal capacity and any other applicable governmental or quasi-governmental authorities. The Initial Improvements shall be constructed in accordance with the Development Agreement and sound design and building practices for the commercial real estate industry in Maricopa County for similar projects. Prior to commencement of construction, Landlord shall provide commercially reasonable evidence to Tenant of Landlord's fee simple ownership interest in the Site (*e.g.*, a conformed copy of Landlord's vesting deed or a title insurance commitment or policy).

Section 6.02. Use of the Premises. Tenant, its successors or assigns (as permitted hereunder), shall only use and occupy the Premises in accordance with construction and operation of a minimum 176-key (guest room), full-service hotel with a minimum of ten thousand square feet (10,000 sq. ft.) of usable ballroom and conference space, including event break-out rooms/areas, branded as "Embassy Suites by Hilton", and related and ancillary uses (the "**Permitted Business**"). Tenant agrees that it will not use the Premises for any other use without Landlord's express prior written consent, which consent may be withheld in Landlord's sole and absolute discretion. Landlord makes no representations or warranties regarding the zoning, entitlements, or suitability of the Premises for the Permitted Business.

Section 6.03. Off-Site Parking. Upon Tenant's completion of the Improvements, and provided that no Tenant default has occurred and is continuing, Landlord and Tenant will enter into a license agreement for additional off-site, reserved parking spaces at Landlord's adjacent property to the south of the Site, in the form attached hereto as Exhibit D (the "**License Agreement**").

Section 6.04. Condition of the Premises. Except as otherwise expressly provided in this Lease, Tenant is leasing the Premises in an "AS IS" condition, "WITH ALL FAULTS," AND TENANT IS NOT RELYING ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, FROM LANDLORD, ANY LANDLORD RELATED PARTIES, OR THEIR AGENTS, OR ANY OTHER PERSON ACTING OR PURPORTING TO ACT ON BEHALF OF LANDLORD, AS TO ANY MATTERS CONCERNING THE PREMISES, INCLUDING WITHOUT LIMITATION: (i) the quality, nature, adequacy and physical condition and aspects of the Premises, (ii) the quality, nature, adequacy, and physical condition of soils, geology and any groundwater on the Premises, (iii) the existence, quality, nature, adequacy and physical condition of utilities serving the Premises, (iv) the development potential of the Premises, and the Premises' use, habitability, merchantability, or fitness, suitability, value or adequacy of the Premises for any particular purpose, (v) the zoning or other legal status of the Premises or any other public or private restrictions on use of the Premises, (vi) the presence of hazardous materials on, under or about the Premises or the adjoining or

neighboring property, (vii) the quality of any labor and materials used in any Improvements on the Premises, (viii) the condition of title to the Premises, (ix) the value, economics of the operation or income potential of the Premises, or (x) the physical condition, value, economics of operation or income potential of the Premises. The provisions of this Section 6.04 shall survive the cancellation, expiration or termination of this Lease or Tenant's exercise of the Purchase Option.

Section 6.05. Existing Structures. Landlord and Tenant acknowledge the existence of various structures on the Site as of the Effective Date, including, but not limited to, covered parking structures. Tenant may not alter or remove any existing structures prior to commencing construction of the Initial Improvements pursuant to Section 6.01 above. Upon commencing construction of the Initial Improvements, Tenant, at its sole cost and expense, may remove the covered parking structures on the Site.

ARTICLE VII. COMPLIANCE WITH LAW; LIENS AND ENCUMBRANCES

Section 7.01. Compliance with Laws. Subject to the provisions of Section 7.04 hereof (concerning Hazardous Substances), Tenant, at its sole cost and expense, shall comply with and cause the Premises and any and all Improvements located thereon, to comply with (a) all Laws affecting the Premises or any part thereof, or the use thereof, including, without limitation, any structural changes in the Improvements whether or not any such Laws involve a change of policy on the part of the governmental authority enacting the same, and (b) the requirements of all policies of public liability, fire, and other insurance that at any time may be in force with respect to the Premises (individually, a "**Regulation**" and collectively, the "**Regulations**").

Section 7.02. Tenant's Agreement Relating to Hazardous Substances. Tenant hereby covenants that Tenant and its agents, employees and contractors will not (and Tenant shall not permit any third party to) generate, store, use, treat or dispose of any "Hazardous Substances" (as defined below) in, on or at the Premises or any part of the Improvements, except for Hazardous Substances as are commonly legally used or stored (and in such amounts as are commonly legally used or stored) as a consequence of using the Premises for the Permitted Business, but only so long as the quantities thereof do not pose a threat to public health or to the environment and do not necessitate a "response action", as that term is defined in CERCLA (as defined below), and so long as Tenant strictly complies or causes compliance with all Laws concerning the use or storage by Tenant of such Hazardous Substances. Tenant further covenants that neither the Premises nor any part of the Improvements shall ever be used by Tenant or its agents, contractors, employees, or subtenants as a dump site or storage site (whether permanent or temporary) for any Hazardous Substances during the Term.

For purposes of this Lease, "**Hazardous Substances**" shall mean and include those elements or compounds which are contained in the lists of hazardous substances or wastes now or hereafter adopted by the United States Environmental Protection Agency (the "**EPA**") or the Arizona Department of Environmental Quality ("**ADEQ**") or the lists of toxic pollutants designated now or hereafter by Congress or the EPA or ADEQ or which are defined as hazardous, toxic, pollutant, infectious or radioactive by the Comprehensive Environmental Response, Compensation and Liability Act ("**CERCLA**") or any Superfund law or any Superlien law or any other Federal, state, county, or city statute, law, ordinance, code, rule, regulation, order or decree

regulating, relating to, or imposing liability or standards of conduct concerning, any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect.

Landlord shall have the right but not the obligation, and without limitation of Landlord's rights under this Lease, to enter onto the Premises or to take such other actions as it deems reasonably necessary or advisable to clean up, remove, resolve or minimize the impact of, or otherwise deal with, any Hazardous Substance following receipt of any notice from any Person (including without limitation the EPA or ADEQ) asserting the existence of any Hazardous Substance in, on or at the Premises or any part thereof which, if true, could result in an order, suit or other action against Tenant and/or Landlord; provided, however, Landlord agrees that, except in the case of an emergency, Landlord will take such action only after written notice to Tenant of the alleged existence of Hazardous Substances and the failure by Tenant within a reasonable period of time following receipt of such notice to commence (but in no event more than thirty (30) days without Landlord's written consent), or the failure by Tenant to thereafter diligently pursue to completion, the appropriate action to clean-up, remove, resolve or minimize the impact of such Hazardous Substances. All reasonable costs and expenses (including, without limitation, penalties, fees, interest, reasonable and actual attorneys' fees and court costs) incurred by Landlord in the exercise of any such rights, which costs and expenses result from the violation of the covenants and agreements of Tenant contained in the first paragraph of this Section 7.02, shall be payable by Tenant within ten (10) days after written notice from Landlord demanding payment (including reasonably detailed supporting information regarding the amounts owed), together with Default Interest thereon from the date such costs were incurred by Landlord until paid in full. For purposes of this Lease, "**Person**" means an individual, a corporation, a partnership, a joint venture, a limited liability company, a trust, an unincorporated association, any governmental authority or any other entity.

The obligations of Tenant under this Section 7.02 shall survive cancellation, termination or expiration of this Lease and the Tenant's exercise of the Purchase Option.

Section 7.03. Liens and Encumbrances. Without limiting the generality of other provisions of this Lease, no portion of the Premises may be encumbered by a lien under any federal or state law at any time during the Term, except encumbrances expressly permitted by this Lease against Tenant's leasehold interest in this Lease and its leasehold interest in the Improvements on the Premises. Tenant shall not create or permit to be created or to remain, and, shall promptly discharge or bond over, at its sole cost and expense, any lien, encumbrance or charge (each a "**Lien**") upon the Premises, or any part thereof or upon Tenant's leasehold estate created hereby that arises from the use or occupancy of the Premises by Tenant or by reason of any labor, service (including, without limitation, real estate brokerage, leasing or management services) or material furnished or claimed to have been furnished to or for the benefit of Tenant or by reason of any construction, repairs or demolition by or at the direction of Tenant of all or any part of the Improvements. The term "Lien" does not include any lien of or for Taxes that are not yet due and payable, or any lien relating to any Leasehold Mortgagee or any contractor, laborer, materialmen, or supplier to the Improvements (where the lien right of such party exists merely by virtue of their work or supplies and such party has not filed or recorded any document against the Premises or Tenant).

Notice is hereby given that Landlord shall not be liable for the cost and expense of any labor, services (including, without limitation, real estate brokerage, leasing or management services) or materials furnished or to be furnished with respect to the Premises at or by the direction of Tenant or anyone holding the Premises or any part thereof by, through or under Tenant and that no laborer's, mechanic's or materialman's or other lien (including, without limitation, any real estate broker or service provider lien) for any such labor, service or materials shall attach to or affect the interest of Landlord in and to the Premises. Nothing contained in this Lease shall be deemed or construed in any way as constituting the consent or request of Landlord, express or implied, by inference or otherwise, to any contractor, subcontractor, laborer or materialman for the performance of any labor or the furnishing of any materials for any of the Improvements or for repairs to or of the Premises or any part thereof, nor as giving Tenant any right, power or authority on behalf of Landlord to contract for or permit the rendering of any services or the furnishing of any materials that would give rise to the filing of any Lien against the Premises or any part thereof.

If Tenant fails to discharge or bond over any Lien created or established in violation of Tenant's covenant herein and such failure continues for a period of twenty (20) days after receipt by Tenant of written notice from Landlord of the existence of the Lien, or if Tenant fails to comply with any Regulation as required in Section 7.01 hereinabove provided, and such failure continues for a period of twenty (20) days after receipt by Tenant of written notice from Landlord of noncompliance with any Regulation (provided that if Tenant in good faith commences to cure such failure to perform such Regulation within said twenty (20) day period, said twenty (20) day period will be extended for such time as Tenant is continuously and diligently pursuing the cure of such failure), but not to exceed ninety (90) days after receipt by Tenant of written notice from Landlord, and provided such Lien or Regulation is not being contested by Tenant pursuant to Section 14.01 hereof, Landlord, without declaring a default hereunder and without relieving Tenant of any liability hereunder, may, but shall not be obligated to, discharge or pay such Lien (either by paying the amount claimed to be due or by procuring the discharge of such Lien by deposit or by bonding proceedings) or cause compliance with such Regulation, and any amount so paid by Landlord and all costs and expenses incurred by Landlord in connection therewith shall be deemed a Payment Lien, unless paid immediately by Tenant to Landlord within ten (10) days after written notice from Landlord demanding payment (including reasonably detailed supporting information regarding the amounts owed), together with Default Interest thereon from the date such costs were incurred by Landlord until paid in full.

Section 7.04. Landlord's Agreement Relating to Hazardous Substances. Prior to the Effective Date Landlord provided Tenant with Landlord's Phase III Environmental Site Assessment on the Premises dated October 31, 2013 and identified as Job No. 2183JC097 ("**Landlord's Phase III**"), and Tenant hereby acknowledges receipt of the same, which discloses Landlord's prior remediation work with respect to the Premises. Except as set forth in Landlord's Phase III and other environmental reports provided by Landlord to Tenant or obtained by Tenant, Landlord hereby represents to Tenant that to Landlord's actual (not implied or imputed) knowledge, Landlord has received no written warning notice, notice of violation, administrative complaint, judicial complaint or other formal notice alleging that conditions on the Premises are in violation of any environmental laws, regulations, ordinances or rules.

Section 7.05. Release by Tenant. Except with respect to those representations expressly made by Landlord in this Lease, Tenant, on its own behalf and on behalf of each of its past, present

or future predecessors in interest, successors in interest, and their respective members, partners, stockholders, directors, officers, managers, heirs, executors, administrators, personal representatives, successors, and assigns, and any person or entity which purports to claim through one or more of them (collectively, the “**Releasing Parties**” and each, individually, a “**Releasing Party**”), hereby absolutely, unconditionally, and irrevocably releases, remits, acquits, and forever discharges, Landlord and its public officials, employees, agents, representatives, consultants, attorneys, and fiduciaries (collectively, the “**Landlord Released Parties**” and each, individually, a “**Landlord Released Party**”), for, from, and against any and all actual or alleged claims of any and every character, now existing or hereafter arising, known or unknown, matured or not matured, accrued or not accrued, foreseen or unforeseen, direct or indirect, at law or in equity, of whatsoever kind or nature, for or because of any matter or thing done, omitted, or suffered to be done by any of the Landlord Released Parties, in any way directly or indirectly arising out of or in any way connected to the existence of any Hazardous Substances on the Premises. The obligations of the Releasing Parties under this Section 7.05 shall survive cancellation, termination or expiration of this Lease and the Tenant’s exercise of the Purchase Option.

ARTICLE VIII. REPAIRS AND ALTERATIONS.

Section 8.01. Maintenance and Repairs. Prior to completion of the Initial Improvements, Tenant shall keep and maintain the Premises in good condition and repair and in compliance with all Laws, at Tenant’s sole cost and expense, including, without limitation, maintenance of the parking lot, access-ways, and landscape areas consistent with a first-class property. Once the Initial Improvements are completed, Tenant shall, at its sole cost and expense, repair and maintain the Premises during the Term in good order and repair, comparable with other hotel developments in Maricopa County, of comparable age, quality and construction, reasonable wear and tear excepted, and in accordance with all Laws. Tenant’s maintenance and repair obligations during the Term of this Lease shall include maintaining in good condition and repair the landscaping areas in the three western, northern, and eastern rights-of-way depicted on the Preliminary Development Plan. If Tenant has not exercised its Purchase Option and successfully closed Escrow (as defined in Section 14.05) on purchase of the Premises by the expiration or termination of the Term, Landlord shall accept the Premises and all Improvements as-is where-is at the end of such Term. During the Term Landlord is not required to make any repairs or replacements to the Premises whatsoever (including, without limitation, the roofs, foundations, all interior and exterior walls, and all structural and non-structural portions of the buildings and other improvements), structural or otherwise, ordinary or extraordinary, foreseen or unforeseen, including without limitation the exterior and interior windows, doors and entrances, signs, floor coverings, columns and partitions; and lighting, heating, plumbing and sewerage facilities, and air conditioning equipment, and during the Term of this Lease, Landlord shall have no liability whatsoever with respect to any faulty repair or failure to repair the Premises.

Section 8.02. Self-Help. In addition to all other remedies allowed under this Lease, if Tenant does not properly repair or maintain the Initial Improvements or Premises within 30 days after receiving written notice from Landlord, Landlord may cause such repair and maintenance to be made and may invoice Tenant for the reasonable costs of such repair and maintenance. If the repairs or maintenance are required for operation of the Business, or involve an issue of health, safety, or welfare, no written notice by Landlord is required, and Landlord may immediately begin repairs and maintenance and charge Tenant for the reasonable costs of such repairs and

maintenance. Tenant shall pay all costs of such repairs and maintenance made by Landlord within 30 days following written demand for payment. If Tenant does not pay said costs within 30 days, this Lease shall be deemed to be in default, and Landlord shall be entitled to all legal remedies provided hereunder. Nothing set forth in this Section 8.02 obligates Landlord to perform any maintenance of the Premises or repairs to Tenant's Improvements.

Section 8.03. Incomplete Construction. If Tenant begins construction of the Initial Improvements but fails to complete such structures in a timely fashion, Landlord and Tenant hereby agree that such uncompleted structures present issues to the health, safety, and welfare of others. In such instance, Landlord shall have the right to step in and complete such construction or raze any partially completed improvements and clear the Premises, and charge Tenant for the reasonable costs of such construction or demolition and removal without need for written notice to Tenant. Tenant shall reimburse Landlord for all such charges within 30 days following Landlord's written demand for payment. If Tenant does not pay said costs within 30 days, this Lease shall be deemed to be in default, and Landlord shall be entitled to all legal remedies provided hereunder. Nothing set forth in this Section 8.03 obligates Landlord to complete construction of any Improvements on Tenant's behalf.

Section 8.04. Permits. As more particularly set forth in the separate Development Agreement, Tenant shall procure and pay for all governmental permits and licenses (if any) required in connection with construction, operation, use, and maintenance of the Initial Improvements.

ARTICLE IX. DAMAGE AND DESTRUCTION

Section 9.01. Notice. In the event of any material damage to or destruction of all or any part of the Improvements, Tenant will promptly give written notice thereof to Landlord, which notice shall generally describe the nature and extent of such damage or destruction. There shall be no abatement of or adjustment to any other payments or obligations of Tenant under this Lease as a result of any damage or destruction.

Section 9.02. Restoration. In the event of any damage to or destruction of all or any part of the Improvements and whether or not the insurance proceeds on account of such damage or destruction shall be sufficient for the purpose, except with respect to the last six (6) months of the Term as set forth below, this Lease will not be terminated and, Tenant, at its sole cost and expense, shall elect at its option either to (a) to raze any Improvements and clear the Premises, or (b) promptly commence and thereafter diligently and continuously prosecute to completion, the restoration, replacement or rebuilding of the Improvements (such restoration, replacement or rebuilding, together with any temporary repairs and property protection, are herein collectively referred to as "**Restoration**"). Tenant may commence and complete the Restoration without obtaining any consent or approval of or from Landlord so long as the Improvements following the completion of the Restoration are substantially similar to the Improvements prior to the damage or destruction, and in compliance with (i) all Laws, (ii) plans previously approved by Landlord for the damaged Improvements, (iii) insurance policies with respect to the Premises, and (iv) agreements to which Tenant is a party or by which it is bound, including, without limitation, any hotel franchise agreement, then in effect, with such changes as are necessary to comply with then applicable Regulations.

In the event damage to or destruction of a substantial portion of the Improvements occurs within the last six (6) months of the Term, Tenant shall have the right, at its election and in lieu of fulfilling its obligations under this Section 9.02, to terminate this Lease upon thirty (30) days' written notice to Landlord, which notice shall be delivered to Landlord on or before the date thirty (30) days after such event of damage or destruction, by (1) paying to Landlord, simultaneously with such notice, a sum equal to any outstanding charges or amounts due from Tenant to Landlord as of such termination date, (2) surrendering the Premises to Landlord, on or before the effective date of such termination, in a clean and safe condition, free of all debris and damaged Improvements, and (3) paying to Landlord any insurance proceeds received by Tenant with respect to such casualty that were not applied to the Restoration of the Improvements, and assigning all future insurance proceeds with respect to such casualty to Landlord.

Section 9.03. Application of Proceeds. Insurance proceeds received on account of any damage to or destruction of the Improvements or any part thereof shall be paid directly to Tenant, or at Tenant's direction, to its Leasehold Mortgagee. Except as otherwise provided in Section 9.02 hereof, any such payment to Leasehold Mortgagee shall be disbursed as required under this Lease to pay for the cost of Restoration to assure the completion of and payment for the reconstruction of the Improvements (and Landlord may require a written acknowledgement from such Leasehold Mortgagee to such effect as a condition precedent to delivery of such amounts). To the extent any such proceeds exceed the costs of Restoration to the condition existing prior to such casualty, Tenant shall retain such excess for Tenant's account (or the account of its Leasehold Mortgagee). If Tenant elects to terminate this Lease as provided in Section 9.02, all proceeds of insurance shall be applied to the Restoration or paid to Landlord.

ARTICLE X. INSURANCE

Section 10.01. Classes of Insurance. Commencing on the Effective Date and at all times thereafter through and during the Term, Tenant shall keep the Premises insured, or shall cause the Premises to be kept insured against the risks and hazards and with coverage in amounts not less than those specified as follows:

(a) For all of the Improvements, a policy of standard "special form" fire and extended coverage insurance, with vandalism and malicious mischief endorsements, to the extent of 100% of the full replacement value (excluding land, footings, and underground utilities) against "physical loss", including, without limitation, a guaranteed replacement cost and code compliance coverage endorsement, and insurance against loss or damage to personal property located on the Premises by fire and other hazards covered by such insurance (with a \$50,000 maximum deductible amount or self-insured retention amount). Such policy shall, if required by Landlord, contain an agreed value clause sufficient (as reasonably determined by Landlord) to eliminate any risk of coinsurance. During the construction period for any Improvements that require a certificate of occupancy, such policy shall be written in the so-called "Builder's Risk Completed Value Non-Reporting Form", on a special form basis, with no co-insurance requirement, and shall contain a provision granting the insured permission to complete and/or occupy.

(b) Commercial General Liability Insurance with limits of not less than \$1,000,000.00 per occurrence combined single limit and \$2,000,000.00 in the aggregate for the policy period, and extended to cover: (a) Contractual Liability assumed by Tenant with defense

provided in addition to policy limits for indemnities of the named insured, (b) if any of the work is subcontracted, Independent Contractors Liability providing coverage in connection with such portion of the work which may be subcontracted, (c) Products and Completed Operations for coverage, such coverage to apply for two years following completion of construction, (d) waiver of subrogation against all parties named additional insured, (e) severability of interest provision, and (f) Personal Injury and Advertisers Liability.³

(c) Unless the Commercial General Liability Insurance maintained by Tenant pursuant to Section 10.01(b) includes a per occurrence combined single limit of \$10,000,000 or more in the aggregate for the policy period, Tenant will maintain Umbrella/Excess Liability in excess of Commercial General Liability, Automobile Liability and Employers' Liability coverages which is at least as broad as these underlying policies with a limit of liability of \$10,000,000.

(d) Business auto liability including all owned, non-owned and hired autos with a limit of liability of not less than \$1,000,000 (combined single limit for personal injury, including bodily injury or death, and property damage).

(e) If Tenant has employees, Tenant shall maintain, at its sole expense, worker's compensation insurance and employer's liability insurance, each in such amounts as will fully comply with the laws of the State of Arizona.

Section 10.02. Requirements. All insurance required under Section 10.01 hereof shall be written by companies of recognized financial standing (with a rating from Best's Insurance Reports of not less than A-/VIII) which are authorized to do insurance business in the State of Arizona, and shall expressly provide (a) an effective waiver by the insurer of all rights of subrogation against any additional insured and against such additional insured's interest in the Premises and against any income derived therefrom, (b) that no cancellation, reduction in amount or material change in coverage thereof shall be effective until the insurer has endeavored to give at least thirty (30) days written notice thereof to Landlord, and (c) that during construction, reconstruction, alteration or material remodeling of any Improvements on the Premises such policies shall be in "builder's risk" form if there would be an exclusion of coverage under Tenant's all-risks policy as a result of such construction, reconstruction, alteration or material remodeling. Landlord and the Landlord Indemnitees (as defined in Section 11.01) shall also be designated as an additional insured under Tenant's commercial general liability policy. A certificate of insurance (or endorsements if requested by Landlord) in force, in form reasonably acceptable to Landlord, issued by the insurer(s), shall be delivered to Landlord on or before the date Tenant is required to obtain the applicable insurance, and prior to expiration of the policy being renewed or replaced. Tenant shall have included in all policies of fire, extended coverage, workers compensation, business interruption and loss of rents insurance respectively obtained by Tenant covering the Premises or the Improvements or the contents thereof, a waiver by the insurer of all rights of subrogation against Landlord in connection with any loss or damage thereby insured against.

Section 10.03. Certificates. Within fifteen (15) days after receipt of written request from Landlord (but in no event more often than twice annually), Tenant shall deliver to Landlord a certificate addressed to Landlord issued by Tenant's insurance provider, and dated within

³ The broad form property damage liability is now included in the standard CGL Policy.

thirty (30) days prior to the delivery thereof, which lists the insurers and policy numbers evidencing all the other insurance then required to be maintained by Tenant hereunder, and which such insurance shall be in full force and effect as required by this Lease. In the event that Tenant fails to obtain, maintain or renew any insurance provided for in this Article X or to pay the premiums therefor, or to deliver to Landlord any of such certificates, Landlord may, but shall not be obligated to, procure such insurance, pay the premiums therefor or obtain such certificates and any costs or expenses incurred by Landlord for such purposes shall be immediately paid by Tenant to Landlord upon demand by Landlord, with Default Interest thereon from the date such costs were incurred by Landlord until paid in full.

Section 10.04. Waiver of Subrogation. Tenant hereby releases and relieves Landlord and the Landlord Indemnitees, and waives its entire right to recover damages against Landlord and the Landlord Indemnitees for loss of or damage to its property arising out of or incident to the perils insured against herein, regardless of cause or origin, **INCLUDING NEGLIGENCE OF LANDLORD AND THE LANDLORD INDEMNITEES**. Tenant agrees to give written notice of the terms of this waiver of subrogation to its property damage insurance carriers. Tenant agrees to cause its property damage insurance carriers to waive, by proper endorsement, any right to subrogation that such companies may have against Landlord or the Landlord Indemnitees.

ARTICLE XI. INDEMNIFICATION

Section 11.01. Tenant Indemnification. Tenant covenants and agrees to pay, defend, indemnify and save harmless Landlord, its public officials, officers, directors, contractors and employees ("**Landlord Indemnitees**") for, from and against any and all liability, loss, damage, cost, expense (including without limitation reasonable and actual attorneys' fees and expenses of Landlord), causes of action, suits, claims, demands or judgments of any nature whatsoever (including, without limitation, those relating to or arising from any construction, building or other work on the Premises and those relating to any construction or workmanship defects regarding any of the Improvements) relating to, arising out of, or alleged to have resulted from: (i) this Lease or the use or occupancy of the Premises; (ii) any acts, errors, mistakes or omissions by Tenant, or its agents, contractors, or employees in, on, or related to the Premises or Improvements, including construction, maintenance, operation, or repair of any improvements on the Premises; and (iii) Tenant's or its agents', contractors', or employees' failure to comply with or fulfill the obligations established by this Lease. If any action or proceeding should be brought against Landlord Indemnitees based upon any such claim and if Tenant, upon notice from Landlord Indemnitees, shall cause such action or proceeding to be defended at Tenant's expense by counsel reasonably satisfactory to Landlord, without any disclaimer of liability by Tenant in connection with such claim, Tenant shall not be required to indemnify Landlord Indemnitees for additional attorneys' fees in connection with such action or proceeding incurred after Tenant accepts the tender of defense without reservation from the Landlord Indemnitees. The obligations of Tenant under this Section 11.01 shall commence to accrue on the date hereof. This Section 11.01 shall survive the cancellation, expiration or termination of this Lease or Tenant's exercise of the Purchase Option.

ARTICLE XII. OWNERSHIP OF IMPROVEMENTS

Section 12.01. Title to Improvements. Title to the Improvements constructed by Tenant shall, during the Term, be in Tenant, but notwithstanding such title, the terms and conditions of

this Lease shall govern the construction, use, and operation of the Improvements and the exercise of Tenant's rights with respect thereto; and Tenant's right, title, interest, and estate in and to the Improvements shall not be separable from the leasehold estate granted Tenant hereunder. Upon the termination or expiration of this Lease, title to all Improvements (including, without limitation, fixtures and trade fixtures), if any, then located on the Premises shall vest in and become the full and absolute property of Landlord without need of any further action being taken by Tenant or Landlord, and Tenant shall immediately surrender possession of the Improvements, if any, then located on the Premises upon such termination or expiration as provided in Section 12.02 hereof. The value or cost of the Improvements constructed by Tenant shall not in any way constitute a substitute for or a credit against any obligation of Tenant under this Lease to pay other payments or obligations of Tenant under this Lease. Notwithstanding anything herein to the contrary, upon Tenant's exercise of its Purchase Option under Article XIV and the successful close of Escrow referenced therein, title to any Improvements (including, without limitation, fixtures and trade fixtures) present on the Site shall pass to Tenant.

Section 12.02. Surrender. Upon the expiration or earlier termination of this Lease, Tenant shall peaceably quit and surrender to Landlord possession of the Premises and Improvements thereon (including, without limitation, fixtures and trade fixtures). Tenant shall deliver the Premises and Improvements to Landlord in broom clean condition, subject to maintenance thereof consistent with the terms of this Lease and past practices, and reasonable and ordinary wear and tear, and damage by casualty or condemnation excepted consistent with the terms of this Lease. Tenant shall have the right, on or before the date five (5) business days after the termination or expiration of this Lease, to remove from the Premises all personal property of Tenant (collectively, "**Tenant's Property**"), provided, however, that in the event that Tenant shall fail to remove all or any portion of Tenant's Property from the Premises on or before five (5) business days after the termination or expiration of this Lease, Tenant's Property shall automatically become the sole and exclusive property of Landlord (subject to any rights or security interests of any Leasehold Mortgagee), and Landlord may sell, dispose of, use, or keep such Tenant's Property as Landlord shall choose. In no event shall any fixtures or trade fixtures or other built-in or attached machinery and equipment used in and necessary to the operation of the Improvements be removed by Tenant at the expiration of the Term. Tenant shall promptly repair any damage caused by the removal of Tenant's Property

ARTICLE XIII. ASSIGNMENT AND SUBLETTING; NON-SUBORDINATION TO LEASEHOLD MORTGAGING

Section 13.01. Assignment and Subletting; Prior Consent.

(a) Except as expressly provided in this Lease, neither this Lease nor the interest of Tenant in this Lease or in the Premises, or any part thereof (or of any upstream beneficial owner that Controls Tenant), shall be sold, assigned, conveyed, sublet or otherwise transferred (each a "**Transfer**"), in whole or in part, directly or indirectly, whether by operation of law or otherwise, without the express prior written consent of Landlord, which consent may be given or withheld in Landlord's sole and absolute discretion. For purposes hereof, "**Control**", "**Controlling**" or "**Controlled by**" or other corollary thereof, means, if Tenant is a corporation, partnership, limited liability company, or other entity, (i) the transfer (whether by a single transfer or by a series of related or unrelated transfers) of fifty percent (50%) or more of the stock,

partnership interests, membership interests, or other interests of Tenant, however accomplished and whether effected voluntarily or by operation of law, or (ii) the transfers the power, direct or indirect, to direct or cause the direction of the management and policies of Tenant by contract or otherwise, whether such Transfer(s) shall involve a Transfer or Transfers of outstanding interests of Tenant and/or the issuance of interests in Tenant (whether stock, partnership, membership interests or other interests). Any Transfer which does not comply with the terms and conditions of this Article XIII shall be a material default by Tenant under this Lease.

(b) Any consent given by Landlord to any Transfer shall apply only to the specific transaction thereby authorized and shall not relieve Tenant or any approved successor of Tenant from obtaining the prior written consent of Landlord to any further Transfer.

Section 13.02. Permitted Assignment and Subletting Without Prior Consent. Notwithstanding any provision of this Lease to the contrary, Tenant has the right, at any time, without the consent of Landlord, (i) to assign all or a part of Tenant's interest in this Lease to any entity Controlling, Controlled by, or under common Control with Tenant and (ii) to mortgage, pledge or hypothecate this Lease, the interest of Tenant in this Lease or in the Premises or Improvements, or any part thereof, as security for any bona fide indebtedness (the primary purpose of which is not to consummate a Transfer which otherwise would require Landlord's consent) Tenant may incur, whether by deed to secure debt, mortgage, deed of trust or other security instrument, provided, however that such mortgage, pledge or hypothecation is subject and subordinate to Landlord's rights to collect any sums due hereunder and otherwise made in accordance with Section 13.03 below and the other terms and conditions of this Lease.

Section 13.03. Leasehold Mortgaging.

(a) Landlord's right, title and interest herein and in the Lease and the Premises shall not be subordinated to the lien, priority and security interest of any encumbrance of this Lease or the interest of Tenant hereunder as security for any indebtedness Tenant may incur, whether by deed to secure debt, mortgage, deed of trust or other security instrument (all or any one of which "**Leasehold Mortgage**," and the owner or owners or holder or holders of all or any of which "**Leasehold Mortgagee**"), and without limiting the foregoing, Landlord's right to receive any other charges due from Tenant to Landlord hereunder shall have priority over any rights of any Leasehold Mortgagee.

(b) Landlord agrees and acknowledges that Tenant shall have the right and power to do all of the following without the need of obtaining Landlord's consent thereto or approval thereof: (a) finance acquisition, construction, alteration or removal of the Improvements, the fixtures, trade fixtures, and personal property ("**Construction Financing**"), and (b) obtain (i) interim, take-out or permanent or other financing for the purposes of repaying such Construction Financing, and (ii) any other financing for holding, owning or operating the Improvements or for any other purposes related to the Premises (including a connection with a Transfer of Tenant's leasehold interests hereunder) (herein collectively called the "**Permanent Financing**"). Such Construction Financing and Permanent Financing are sometimes hereinafter collectively referred to as "**Financing**." Pursuant to Section 13.01(a), Tenant shall have the right, subject to the requirements set forth in this Section 13.03, without the consent of Landlord, to convey a security interest in all or a part of Tenant's interest under this Lease as security for any bona fide

indebtedness that Tenant may incur (provided the same is not used primarily for the purpose of consummating a Transfer which otherwise would require Landlord's consent under this Lease). No Leasehold Mortgage shall be binding upon Landlord with respect to the enforcement of the rights and remedies contained therein and provided by law for the benefit of any Leasehold Mortgagee unless and until a written notice of such Leasehold Mortgage shall have first been delivered to Landlord, notwithstanding any other form of notice to Landlord, actual or constructive. Tenant may, with notice to Landlord but without the need of consent or approval from Landlord, encumber the leasehold estate hereby created and Tenant's interest, if any, in the Improvements by a Leasehold Mortgage to secure the Financing, but each such Leasehold Mortgage (and all other related loan documents entered into as part of such Leasehold Mortgage) shall be subject to each and all of the covenants, conditions, obligations and restrictions set forth in this Lease, none of which covenants, conditions, obligations and restrictions is or shall be waived by Landlord by reason of the rights given to Tenant under this Section 13.03(b). Landlord agrees, within thirty (30) days of request from the Leasehold Mortgagee or Tenant, to execute a recognition/non-disturbance and attornment agreement (but not a subordination agreement) with the Leasehold Mortgagee and Tenant in a commercially reasonable form acceptable to all such parties. In the event of a default by Tenant any Leasehold Mortgagee shall have the rights to cure such default and enter into this Lease and continue its terms. Any agreement with a Leasehold Mortgagee shall contain such customary provisions.

(c) In the event this Lease is terminated for any reason prior to the end of the Term, including, without limitation, by reason of any bankruptcy proceedings in respect of Tenant, any Leasehold Mortgagee or a Person designated by such Leasehold Mortgagee shall have the right, exercisable by written notice to Landlord within thirty (30) days after the effective date of such termination, rejection or disaffirmance, to enter into a new lease of the Premises with Landlord; (ii) the term of said new lease shall begin on the date of the termination, rejection or disaffirmance of this Lease and shall continue for the remainder of the Term; (iii) such new lease shall otherwise contain the same terms and conditions as those set forth herein, except for requirements that are no longer applicable or have already been performed, provided that such Leasehold Mortgagee has cured all defaults on the part of Tenant hereunder that are susceptible of being cured by the payment of money, and that such new lease will require the tenant thereunder promptly to commence, and expeditiously to continue, to cure all other defaults on the part of Tenant hereunder to the extent susceptible of being cured; and (iv) this provision shall survive the termination of this Lease and shall continue in full force and effect thereafter to the same extent as if this provision were a separate and independent contract among Landlord, Tenant and each Leasehold Mortgagee.

ARTICLE XIV. PURCHASE OPTION

Section 14.01. Tenant's Purchase Option. Landlord hereby grants to Tenant the exclusive option to purchase the Site and private Improvements located on the Site ("**Purchase Option**"), according to the terms and conditions hereinafter set forth, with the Tenant acknowledging that its exercise of the Purchase Option will be at no cost whatsoever to Landlord.

Section 14.02. Option Period. The Purchase Option granted herein shall become effective and Tenant shall have the right to exercise the Purchase Option hereunder commencing upon the date that Tenant has completed construction of the Initial Improvements, as evidenced by Tenant's receipt of a certificate of occupancy (or equivalent) from the City, in its municipal capacity, for all

habitable structures, and as evidenced by the dedication and acceptance of any municipal improvements by the City in its municipal capacity, and Tenant is fully operating the Permitted Business, and the Purchase Option shall expire on March 1, 2033 (the “**Option Period**”), subject to the Notice Deadline below.

Section 14.03. Exercise. Tenant may exercise the Purchase Option by giving Landlord written notice of its unconditional exercise of the Purchase Option (“**Option Exercise Notice**”) consistent with Section 14.02 above no later than six (6) months prior to expiration of the Option Period, *time being of the essence* (“**Notice Deadline**”). The Purchase Option shall expire if not timely exercised prior to the Notice Deadline. The Purchase Option is personal to the Tenant named in this Lease and any permitted assignee. Tenant may only exercise the Purchase Option if Tenant is not in default under this Lease, beyond any applicable notice and cure periods, both at the time of delivering the Option Exercise Notice and as of the Closing Date. Tenant shall not be required to provide an earnest money deposit as a condition to the exercise of the Purchase Option or to the consummation of the purchase of the Site.

Section 14.04. Purchase Price. The purchase price (“**Purchase Price**”) for the Site and Landlord’s reversionary right in the private Improvements is of this Lease is Two Million Six Hundred Thirty-Eight Thousand One Hundred Six and 25/100 Dollars (\$2,638,106.25), calculated based on the number of gross square feet within the Site multiplied by \$18.75 per gross square foot. If the Survey (as defined below) shows that the Site contains more or less than 140,699 gross square feet, then the Purchase Price shall automatically be adjusted accordingly based on the gross square footage of the Site (as set forth on such Survey), and the Purchase Price payable at the Closing will be adjusted accordingly. As a condition to the Closing, Tenant, at its sole cost and expense, shall cause an Arizona licensed surveyor or engineer to prepare a boundary survey (or ALTA survey) of the Site, certified to Landlord and Tenant, and certifying the gross square footage of the Site (the “**Survey**”), which Survey shall be subject to the reasonable approval of Landlord. For purposes hereof and of the Survey, “gross square foot” or “gross square footage” means the total acreage within the exterior boundaries of the Site minus any portion of the Site that was dedicated or conveyed in fee simple to any governmental entity or utility provider prior to the execution of this Lease, plus any portion of the City-owned right-of-way that is added to the legal description of the Premises and will be conveyed by the Landlord to the Tenant as part of the Site.

Section 14.05. Escrow; Closing. The closing of the purchase and sale (the “**Closing**”) shall be conducted through an escrow (the “**Escrow**”) established with a licensed title company or escrow agent in Maricopa County, Arizona, mutually acceptable to both Landlord and Tenant. The Closing shall occur on a date designated by Tenant in the Option Exercise Notice, but no earlier than sixty (60) days following Landlord’s receipt of the Option Exercise Notice and no later than ninety (90) days following Landlord’s receipt of the Option Exercise Notice (the “**Closing Date**”), unless otherwise agreed in writing by the parties. Tenant shall be solely responsible for all expenses incurred in connection with the Purchase Option, including, without limitation, the Survey, all transfer, transaction privilege, and documentary taxes, and recording fees; title insurance premiums; escrow fees and costs, and other customary closing costs. Landlord shall not be obligated to pay any portion of the foregoing costs and expenses. Each party shall bear its own legal and other professional fees, which shall not be payable through the Escrow.

Section 14.06. No Due Diligence Period. By delivering the Option Exercise Notice, Tenant approves the condition of the Premises in its “AS IS, WHERE IS” condition, with all faults and defects, latent or patent. Landlord makes no warranties or representations whatsoever, express or implied, with respect to the condition of the Premises or any aspect thereof, including, without limitation, the physical condition of the soil, its geology, the condition of any improvements, or the presence of faults, hazardous materials or other substances on the Premises. As of the Closing, Tenant shall, and does hereby, release and forever discharge Landlord from any and all claims, liabilities, damages, or causes of action, whether known or unknown, arising out of or relating in any way to the Premises, including, without limitation, all environmental liabilities of any nature.

Section 14.07. Conveyance. At Closing, Landlord shall convey fee simple title to the Site to Tenant by special warranty deed, subject to taxes and assessments accruing after the Effective Date; all matters of record as of the Closing Date; any and all applicable zoning and land use laws, statutes, ordinances and regulations; all matters that would be disclosed by the Survey or an inspection of the Premises; the rights of parties in possession; any matters created, suffered, or assumed by Tenant; and any matters permitted under the Lease or approved by Tenant in writing.

Section 14.08. Default under Option. If Tenant exercises the Purchase Option and fails to perform any of its obligations in connection with the purchase of the Site, beyond any applicable notice and cure periods, the Purchase Option shall be terminated and of no further force or effect.

Section 14.09. Lease. Tenant shall continue to pay all Rent due and payable through the Closing. Tenant’s exercise of the Purchase Option will not extend the Term of this Lease or otherwise modify any terms and conditions of the Lease, all of which shall remain in effect through and including the Closing Date; provided, however, that this Lease will automatically terminate as of the date and time the deed conveying the Site to Tenant is recorded in the real estate records of Maricopa County, Arizona.

ARTICLE XV. DEFAULT

Section 15.01. Events of Default. The occurrence of any of the following acts, events or conditions, notwithstanding the pendency of any proceeding which has or might have the effect of preventing Tenant from complying with the terms, conditions or covenants of this Lease, shall constitute an “**Event of Default**” under this Lease:

(a) Tenant fails to pay Base Rent when due and such failure continues for five (5) days after the due date; or

(b) Tenant fails to pay any sum of money payable by Tenant under this Lease (except Base Rent) when due and such failure shall continue for five (5) days after Landlord provides written notice of such failure of payment to Tenant; or

(c) Any Transfer of this Lease or any interest of Tenant hereunder or in the Premises, including any subleasing of the Premises, without compliance with any and all requirements therefor set forth in Article XIII of this Lease; or

(d) Any conveyance, mortgage or encumbrance of the Premises, or any portion thereof, as security for any debt if such conveyance, mortgage or encumbrance is in violation of this Lease, and the failure of Tenant to discharge such conveyance, mortgage or encumbrance as a lien or security interest against the Premises, within thirty (30) days after written notice of such default from Landlord; or

(e) The filing by Tenant of a petition in bankruptcy or the filing by Tenant of any petition or answer relating to bankruptcy, insolvency or other relief for debtors, or Tenant seeking or consenting to or acquiescing in the appointment of any trustee, receiver or liquidator of Tenant, or of all or substantially all of the assets of Tenant, or of all or substantially all of the income, rents, issues, profits or revenues thereof, in connection with the insolvency of Tenant, or the making by Tenant of any general assignment for the benefit of creditors, or the admission in writing by Tenant of its inability to pay its debts generally as they become due; or

(f) The filing of a petition against Tenant seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future federal, state or other law or regulation relating to bankruptcy, insolvency or other relief for debtors, or the appointment of any trustee, receiver or liquidator of Tenant, unless the petition shall be dismissed within ninety (90) days after the filing, but in any event prior to the entry of a final order, judgment or decree approving such petition; or

(g) The failure or refusal of Tenant, at any time during the Term, to fulfill or perform any other covenant, agreement or obligation of Tenant hereunder if such failure or refusal shall continue without correction for a period of thirty (30) days from and after notice thereof to Tenant, provided that if such covenant, agreement or obligation shall be of such nature that it can be fulfilled or performed and if Tenant in good faith commences to fulfill or perform same within said thirty (30) day period, but due to the nature of same it could not be reasonably fulfilled or performed within said thirty (30) day period exercising due diligence, an Event of Default shall not be deemed to have occurred if Tenant is then diligently pursuing the fulfillment or performance of the covenant, agreement or obligation and shall fulfill or perform such covenant, agreement or obligation within ninety (90) days after the initial notice of default; or

(h) Tenant defaults under the Development Agreement (after the expiration of any cure period thereunder).

Section 15.02. Remedies. If an Event of Default occurs and is continuing under this Lease, then, Landlord shall have the right, at Landlord's election, even if Landlord has exercised any other right or option under this Lease, immediately and without further written notice: (i) to sue Tenant for collection of past due sums and any Default Interest owed by Tenant to Landlord hereunder, with or without entering into possession or terminating this Lease, (ii) to terminate this Lease and to enter into and upon the Premises and take possession of the Premises, and to seek an award for all unpaid Rent for which Tenant is in default, (iii) to exercise self-help to cure the Event of Default, whereupon notwithstanding anything in this Lease to the contrary, Landlord, and its agents, employees, representatives, and contractors, may enter the Premises upon at least ten (10) days prior written notice (except in the case of emergency in which case only reasonable notice under the circumstances shall be required) and pursue such cure, and Tenant shall reimburse Landlord the reasonable and actual costs to cure such Event of Default within thirty (30) days after

receipt of invoice and reasonable supporting documentation, (iv) to seek any available equitable remedies, including without limitation, injunctive relief and specific performance, (v) if applicable, to foreclose any lien created pursuant to Section 4.01 hereof, and/or (vi) to pursue any other remedies which may be available under this Lease, at law, or in equity.

Section 15.03. General. No course of dealing between Landlord and Tenant or any failure or delay on the part of Landlord in exercising any rights of Landlord under Section 15.02 hereof or under any other provisions of this Lease shall operate as a waiver of any rights of Landlord under this Lease, nor shall any waiver of an Event of Default on one occasion operate as a waiver of any subsequent Event of Default or of any other Event of Default. No express waiver shall affect any condition, covenant, rule, or regulation other than the one specified in such waiver and that one only for the time and in the manner specifically stated. The exercise by Landlord of any one or more of the rights and remedies provided in this Lease shall not prevent the subsequent exercise by Landlord of any one or more of the other rights and remedies herein provided.

ARTICLE XVI. CONDEMNATION

Section 16.01. Condemnation. If, during the Term, all or any portion of the Premises are taken condemned or taken by the United States or any other legal entity having the power of eminent domain with respect thereto, or is transferred to the United States or such entity in lieu thereof, this Lease shall terminate as of the date that title to the Premises or portion thereof vests in such condemning authority; provided, however, that such termination shall be without prejudice to the rights of Landlord to recover just and adequate compensation from the condemning authority. Tenant shall be entitled to participate and receive any part of the damages or award, where said award shall provide for moving or other reimbursable expenses for the Tenant under applicable statute, in which event the latter sum shall be received by Tenant along with that portion of any award allocated to the taking of the Improvements, any fixtures, trade fixtures, equipment and personal property, or to a loss of business by Tenant. None of the awards or payments to Landlord shall be subject to any diminution or apportionment on behalf of Tenant or otherwise. Tenant shall not be entitled to an abatement of any other payments or amounts due to Landlord under this Lease in the event of such condemnation or taking.

ARTICLE XVII. BROKERAGE PROVISIONS

Section 17.01. Brokers. Landlord and Tenant each represent and warrant that it has not engaged any broker, commission agent, real estate agent or salesman (each a “**Broker**”) to assist in the negotiation of this Lease, its procurement or in the procurement of Landlord or Tenant. No Person is or shall be entitled to the payment of any fee, commission, compensation or other form of remuneration in connection herewith in any manner. Landlord shall and does hereby indemnify and agree to hold Tenant harmless for, from and against any claims, demands, actions and judgments of any and all Brokers, agents and other intermediaries alleging a commission, fee or other payment to be owing by reason of Landlord’s dealings, negotiations or communications in connection with this Lease or the demise of the Premises. Likewise, Tenant shall and does hereby indemnify and agree to hold Landlord harmless for, from and against any claims, demands, actions and judgments of any and all Brokers, agents and other intermediaries alleging a commission, fee or other payment to be owing by reason of Tenant’s dealings, negotiations or communications in connection with this Lease or the demise of the Premises or the management, subleasing, or

development of the Premises during the Term of this Lease (including, without limitation, any Brokers, agents, or intermediaries alleging a commission, fee or other payment arising from representation of prospective or actual subtenants, assignees, licensees, users, or occupants of the Premises). The terms of this Section 17.01 shall survive any termination of this Lease.

ARTICLE XVIII. MISCELLANEOUS

Section 18.01. No Waiver. Failure of Landlord or Tenant to insist upon the strict performance by the other party of any term, condition or covenant on such other party's part to be performed pursuant to the terms of this Lease or to exercise any option, right, power, or remedy contained in this Lease shall not be or be deemed to be a waiver of such performance or relinquishment of such right now or at any time subsequent hereto. The receipt by Landlord of any sums required to be paid by Tenant hereunder with knowledge of any Event of Default by Tenant shall not be, nor shall be deemed to be, a waiver of such Event of Default. No waiver by Landlord or Tenant of any provision of this Lease shall be or be deemed to have been made unless expressed in writing and signed by Landlord or Tenant, as the case may be.

Section 18.02. Estoppel Certificates.

(a) On or before thirty (30) days after receipt of written request of Landlord from time to time, Tenant shall execute, acknowledge and deliver to Landlord and any party designated by Landlord, a written certificate certifying (i) that this Lease is unmodified and in full force and effect (or if there have been modifications, that this Lease is in full force and effect as modified, and stating the modifications), (ii) whether or not, to the knowledge of Tenant, a default or Event of Default by Landlord has occurred under this Lease which has not been cured (and if so, specifying the same), and Tenant has no knowledge of any default or Event of Default by Tenant hereunder which has not been cured, except as to any default or Event of Default specified in said certificate (or stating any defaults or Events of Default), and (iii) any other matters or state of facts regarding the Lease which are reasonably requested by Landlord.

(b) On or before thirty (30) days after receipt of written request of Tenant from time to time, Landlord shall execute, acknowledge and deliver to Tenant and any party designated by Tenant a written certificate certifying (i) that this Lease is unmodified and in full force and effect (or if there have been modifications, that this Lease is in full force and effect as modified, and stating the modifications), (ii) whether or not, to the knowledge of Landlord, a default or Event of Default by Tenant has occurred under this Lease which has not been cured (and if so, specifying the same), and (iii) any other matters or state of facts regarding the Lease which are reasonably requested by Tenant.

(c) The form of estoppel certificate to be provided by Tenant or Landlord shall be a commercially reasonable form acceptable to the party giving it and satisfactory to any lender or mortgagee requiring it.

Section 18.03. No Merger of Title. No merger of the leasehold estate created by this Lease with the fee estate of Landlord shall occur notwithstanding the fact that the same Person may own or hold both the leasehold estate created by this Lease or any interest therein and the fee estate in the Premises or any interest therein. No such merger shall occur unless and until all

Persons (including any mortgagee with respect to the fee estate of Landlord and any Leasehold Mortgagee) having any interest in the leasehold estate created by this Lease or the fee estate in the Premises shall join in a written instrument effecting such merger and shall duly record the same or the same Person or entity owns and holds all interests in the fee estate of the Premises and the leasehold estates created by this Lease.

Section 18.04. Quiet Enjoyment. If and so long as Tenant shall pay, when due, all sums reserved or payable under this Lease and shall comply with all terms, conditions and covenants and other obligations required to be observed by Tenant under this Lease, Landlord covenants that Tenant will have the peaceful and quiet occupation and enjoyment of the Premises; provided, however, that this Section 18.04 shall not abrogate or diminish, in any way, the approval and inspection rights or other rights or benefits granted Landlord under this Lease, or to the City in its municipal capacity. Without the prior written consent of Tenant, which consent may be withheld in Tenant's sole discretion, Landlord shall not initiate, join in or consent to any change in the zoning of the Premises or take any action (such as seeking a variance or use permit) with regard to the Premises.

Section 18.05. Transfer by Landlord. In the event that Landlord shall sell, assign or transfer this Lease, or otherwise dispose of its interest in the Site, the assignor of Landlord's interest shall thereupon be released and discharged from any and all liabilities and obligations under this Lease (except those accruing prior to such transfer, assignment or other disposition) and such liabilities and obligations thereafter accruing shall be binding upon the assignee of Landlord's interest under this Lease.

Section 18.06. Fee Mortgages; Subordination of Lease. Without the necessity of any additional document being executed by Tenant for the purpose of effecting a subordination, this Lease shall be subject and subordinate at all times to the lien of any mortgages or deeds of trust now or hereafter placed on, against or affecting the Landlord's fee interest or estate in the Site; provided, however, that Tenant shall have first received a non-disturbance agreement in a form reasonably acceptable to Tenant and providing that so long as Tenant is not in default under this Lease, Tenant's possession of the Premises shall not be disturbed (a "**Non-Disturbance Agreement**"). Notwithstanding the foregoing, Tenant covenants and agrees to execute and deliver, within ten (10) business days of Landlord's written request, such further instruments evidencing such subordination of this Lease as may be required by Landlord, provided that as a condition of such subordination the holder of such mortgage or deed of trust executes and delivers a Non-Disturbance Agreement.

Section 18.07. Separability. Each and every covenant and agreement contained in this Lease shall be for any and all purposes hereof construed as separate and independent, and the breach of any covenant by Landlord shall not discharge or relieve Tenant from its obligation to perform each and every covenant and agreement to be performed by Tenant under this Lease. All rights, powers and remedies provided herein may be exercised only to the extent that the exercise thereof does not violate applicable law and shall be limited to the extent necessary to render this Lease valid and enforceable. If any term, provision or covenant of this Lease or the application thereof to any Person or circumstance shall be held to be invalid, illegal or unenforceable, by a court of last resort having jurisdiction in the Premises, the validity of the remainder of this Lease shall not be affected, this Lease shall not terminate, and there shall be substituted for such illegal,

invalid or unenforceable provision a like provision which is legal, valid and enforceable within the limits established by such court's final opinion and which most nearly accomplishes and reflects the original intention of the parties.

Section 18.08. Notices, Demands and Other Instruments; Notices to Leasehold Mortgagees. All notices, demands, requests, consents, and approvals desired, necessary, required or permitted to be given pursuant to the terms of this Lease shall be in writing and shall be deemed to have been properly given if personally delivered, if sent by overnight delivery service, if sent postage prepaid, by first class registered or certified United States mail, return receipt requested, or if sent by electronic mail, addressed to each party hereto at the following address:

If to Landlord: City of Avondale
11490 West Civic Center Drive
Avondale, AZ 85323
Attention: Ron Corbin, City Manager
Telephone: (623) 333-1011
Email: rcorbin@avondaleaz.gov

With copies to: City of Avondale
11490 West Civic Center Drive
Avondale, AZ 85323
Attention: Nicholle Harris, City Attorney
Telephone: (623) 333-1500
Email: nharris@avondaleaz.gov

and

Fennemore Craig, P.C.
2394 East Camelback Road, Suite 600
Phoenix, AZ 85016-3429
Attention: Jay S. Kramer
Telephone: (602) 916-5341
Email: jkramer@fennemorelaw.com

If to Tenant: WEB Avondale Investments, LLC
971 Edwards Road
Atkins, AR 72823
Telephone: (479) 968-2117
Attn: Tim Whitten
Email: tim@whittencompanies.com

With a copy to: Lowther Johnson Attorneys at Law
901 E. St. Louis Street 20th Floor
Springfield, MO 65806
Attention: Lee J. Viorel
Telephone: 417-849-0933
Email: lviorel@lowtherjohnson.com

or at such other address in the United States as Landlord or Tenant may from time to time designate by like notice. Any such notice, demand, request or other communication shall be considered delivered and received (i) when delivered, if by hand delivery, (ii) three (3) Business Days after deposit in a U.S. Post Office or official letter box, if sent by certified mail, (iii) one (1) business day after timely deposited with an overnight delivery service, or (iv) upon error-free transmission if sent via electronic mail; provided, however that any Option Exercise Notice or notice of breach or default given by electronic mail shall also be delivered by hand delivery or deposited with the overnight delivery service no later than the following business day. Rejection or other refusal to accept or inability to deliver because of changed address of which no notice was given will not affect the date upon which a notice, demand, request or other communication is deemed given, delivered and received. Either party may change its notice address herein provided by delivering to the other party written notice of such changed address, which will be effective ten (10) days after delivery thereof. The respective attorneys for Landlord, Tenant, and any Leasehold Mortgagee are hereby authorized to give any notice pursuant to this Lease on behalf of their respective clients.

If Landlord shall have received from Tenant or from a Leasehold Mortgagee written notice in the manner provided in this Section 18.08, specifying the name and address of such Leasehold Mortgagee and requesting that Landlord give to such Leasehold Mortgagee a copy of each notice of default or Event of Default at the same time as and whenever any such notice of default or Event of Default shall thereafter be given by Landlord to Tenant, then no notice or demand under this Lease will be effective as to any Leasehold Mortgagee until such written notice or demand is received by such Leasehold Mortgagee.

Section 18.09. Successors and Assigns. Each and every covenant, term, condition and obligation contained in this Lease shall apply to and be binding upon and inure to the benefit or detriment of the respective legal representatives, heirs, successors and permitted assigns of Landlord and Tenant. Whenever reference to the parties hereto is made in this Lease, such reference shall be deemed to include the legal representatives, successors, heirs and permitted assigns of said party the same as if in each case expressed.

Section 18.10. Headings. The headings to the various Articles and Sections of this Lease have been inserted for purposes of reference only and shall not limit or define or otherwise affect the express terms and provisions of this Lease.

Section 18.11. Counterparts. This Lease may be executed in any number of counterparts, each of which shall be an original, but all of which shall constitute one instrument. The parties consent to signing this Lease with electronic signatures and agree that their electronic signatures are intended to authenticate this Lease and to have the same force and effect as handwritten signatures. The term "electronic signature" is intended to be construed consistent with the Uniform Electronic Transactions Act to mean any electronic sound, symbol, or process that is both: (1) attached to or logically associated with a contract or record, and (2) executed or adopted with the intent to sign such contract or record.

Section 18.12. Applicable Law; Venue and Jurisdiction; Waiver of Jury Trial; Attorneys' Fees. This Lease shall be construed under and enforced in accordance with the laws of

the State of Arizona, without reference to its conflict of laws provisions. The venue and jurisdiction for any claim or cause of action arising out of, relating to, or connected in any way with this Lease shall be in a federal district or state superior court located in Maricopa County, Arizona, where the parties agree that venue and jurisdiction would be proper. To the fullest extent permissible under applicable law, all parties waive the right to a jury trial in the event of litigation. The prevailing party in any litigation shall be entitled to recover its reasonable costs and expenses of suit, including reasonable attorneys' fees and expert witness fees, incurred in connection with such litigation from the other party.

Section 18.13. Entire Agreement; Amendments. This Lease, together with the Development Agreement, License Agreement, the Preliminary Development Plan, and the Approved Development Plan, sets forth the entire understanding and agreement of Landlord and Tenant with respect to the subject matter of this Lease; all courses of dealing, usage of trade and all prior representations, promises, understandings and agreements, whether oral or written, are superseded by and merged into this Lease, including, without limitation, the letter, dated July 8, 2025, from Landlord to Whitten Development and any correspondence related thereto. No modification or amendment of this Lease shall be binding upon Landlord and Tenant, or either, unless in writing and fully executed by Landlord and Tenant and approved by the City in its municipal capacity, if required.

Section 18.14. All Genders and Numbers Included. Whenever the singular or plural number, or masculine, feminine, or neuter gender is used in this Lease, it shall equally apply to, extend to, and include the other.

Section 18.15. Relationship of the Parties. Nothing contained herein shall be deemed or construed by the parties hereto, or any third party, as creating the relationship of principal and agent or a partnership or joint venture between the parties hereto, it being understood and agreed that neither the method of computation of rent nor any other provision contained herein, nor any acts of the parties hereto, shall be deemed to create any relationship between the parties hereto other than the relationship of landlord and tenant. Nothing contained in this Lease shall prohibit, preclude, limit, or abrogate City's ability to fully enforce its ordinances, rules, and regulations with respect to the Premises, the Improvements, or Tenant, in its municipal capacity.

Section 18.16. Force Majeure; Time Is of Essence. Whenever a period of time is prescribed in this Lease for action (other than the payment of money) to be taken by Landlord or Tenant, then Landlord or Tenant, as the case may be, shall not be liable or responsible for, and there shall be excluded from the computation of any such period of time, any delays which, despite the use of good faith and diligent efforts, such party is unable to overcome, such as due to acts of God, acts of war, strikes, riots, lockouts, fire, flood, earthquake, or other cause, without fault and beyond the control of the party obligated (financial inability excepted), provided that the party claiming a force majeure event must notify the other party within thirty (30) days of the occurrence of such force majeure event. Except as provided in this Section 18.16, time is declared to be of the essence of this Lease.

Section 18.17. Inspection Rights. Tenant expressly acknowledges and agrees that Landlord has the right, but not the duty, at all times and from time to time, to enter upon the Premises and any portion thereof to determine to Landlord's satisfaction whether the terms,

covenants and conditions of this Lease, including Tenant's performance obligations, are being kept and observed. Landlord agrees (i) to give written notice to Tenant at least three (3) business days prior to each entry, except that only reasonable notice (or no notice) is required in the event of an emergency. Landlord shall endeavor to conduct such visits in a manner which does not unreasonably interfere with the occupants of the Premises, and except in case of an emergency a representative of Tenant may accompany Landlord on such visits.

Section 18.18. Holding Over; No Extension; Tenancy at Sufferance. In the event Tenant shall hold the Premises after the expiration of the Term, without the express written consent of Landlord, such holding over shall be deemed to have created a tenancy at sufferance with respect to the portion of the Premises affected which shall be immediately terminable by Landlord.

Section 18.19. Cooperation. Landlord, in its capacity as the owner of the Site, and Tenant agree to cooperate in good faith with respect to the Site and this Lease. Landlord, in its capacity as the owner of the Site, and Tenant agree to execute such instruments and documents (including without limitation, any permit, application, subdivision plat, subdivision improvement or dedication agreement or other document) and to diligently undertake such actions as may be reasonably necessary or desirable to complete the development, maintenance, repair and operation of the Premises as contemplated by this Lease (but subject to the provisions of this Lease expressly pertaining thereto).

Section 18.20. Legal Worker Provisions. The Landlord is prohibited by A.R.S. § 41-4401 from awarding an agreement to any Party who fails, or whose subcontractors fail, to comply with A.R.S. § 23-214(A). Therefore, Tenant agrees that during term of this Lease:

(a) Tenant, and while engaged in the construction of the Improvements, each contractor employed by Tenant, warrants their compliance with all federal immigration laws and regulations that relate to their employees and their compliance with A.R.S. § 23-214(A) with respect to the applicable Improvements.

(b) A breach of warranty under subparagraph (a) shall be deemed a material breach of this Lease and is subject to penalties up to and including termination of this Lease.

(c) To the extent permitted by applicable law or City ordinance, Landlord retains the legal right to inspect the papers of Tenant or any contractor that works on the Improvements to ensure that Tenant or such contractor is complying with the warranty under subparagraph (a).

Section 18.21. No Boycott of Israel. To the extent applicable under A.R.S. § 35-393 through § 35-393.03, Tenant hereby certifies that it is not currently engaged in, and agrees for the duration of this Lease, to not engage in, a "boycott" of goods or services from Israel, as that term is defined in A.R.S. § 35-393.12.

Section 18.22. Forced Labor of Ethnic Uyghurs. To the extent applicable under A.R.S. § 35-394, Tenant warrants and certifies that it does not currently, and agrees that it will not, for the duration of this Lease, use the forced labor, any goods or services produced by the forced labor, or any contractors, subcontractors, or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.

(Signatures Appear On The Following Page)

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of the day, month and year first above written.

LANDLORD:

THE CITY OF AVONDALE,
a municipal corporation

By _____
Printed Name: _____
Title: _____

ATTEST:

Marcella Sarmiento, City Clerk

APPROVED AS TO FORM:

Nicholle Harris, City Attorney

TENANT:

WEB AVONDALE INVESTMENTS, LLC,
an Arizona limited liability company

By _____
Printed Name: Tim Whitten
Title: Manager

EXHIBIT A

Site

EXHIBIT "A"
Description of Real Estate
IN MARICOPA COUNTY, STATE OF ARIZONA

A Parcel of Land in the Southwest Quarter (SW 1/4) of Section Six (6), Township One (1) North, Range One (1) East, of the Gila & Salt River Meridian, Maricopa County, Arizona and being more particularly described as follows:

Commencing at a found brass cap in hand hole at the intersection of Avondale Boulevard and Roosevelt Street also being the West Quarter Corner (W1/4) of section 6 from which a found brass cap in a hand hole at the Southwest corner of said Section 6, at the intersection of Van Buren Street and Avondale Boulevard, bears South 00°02'17" East, a distance of 2,626.37 feet;

THENCE East along Roosevelt Street, North 88 degrees 59 minutes 07 seconds East, a distance of 544.90 feet;

THENCE departing said line South 01 degrees 00 minutes 53 seconds East, a distance of 45.00 feet to a point on the new Right of Way Line and also being the **Point of Beginning**;

Thence along said Right of Way line South 88 degrees 59 minutes 07 seconds East a distance of 214.82 feet;

THENCE South 45 degrees 15 minutes 00 seconds East a distance of 34.94 feet;

THENCE South 00 degrees 01 minutes 39 seconds East a distance of 61.20 feet to the beginning of a non-tangent curve, concaving Northeasterly, having a Radius of 194.00 feet and whose Center bears North 89 degrees 57 minutes 05 seconds East from the last described point;

THENCE Southeasterly along the arc of said Curve, through a Central Angle of 45 degrees 45 minutes 23 seconds, With an Arc Length of 154.93 feet to the point of a non-tangent reverse curve, concaving Southwesterly, having a radius of 106.00 feet and whose Center bears South 44 degrees 11 minutes 42 seconds West from the last described point;

THENCE Southeasterly along the arc of said Curve, through a Central Angle of 45 degrees 44 minutes 39 seconds, With an Arc Length of 84.63 feet;

THENCE South 00 degrees 01 minutes 34 seconds East a distance of 112.29 feet;

THENCE South 89 degrees 03 minutes 03seconds West a distance of 408.07 feet;

THENCE North 00 degrees 02 minutes 41 seconds West a distance of 163.44 feet to the beginning of a non-tangent curve, concaving Southeasterly, having a Radius of 106.00 feet and whose Center bears South 89 degrees 58 minutes 20 seconds East from the last described point;

THENCE Northeasterly along the arc of said Curve, through a Central Angle of 34 degrees 33 minutes 08 seconds, With an Arc Length of 63.92 feet to the point of a non-tangent reverse curve, concaving Northwesterly, having a radius of 194.00 feet and whose Center bears North 55 degrees 25 minutes 12 seconds West from the last described point;

THENCE Northwesterly along the arc of said Curve, through a Central Angle of 34 degrees 38 minutes 16 seconds, With an Arc Length of 117.28 feet;

THENCE North 00 degrees 01 minutes 48 seconds West a distance of 57.22 feet;

THENCE North 44 degrees 48 minutes 40 seconds East a distance of 34.40 feet to the **Point of Beginning**;

Containing 140,573 sqft or 3.23 acres more or less

Prepared by:
Thomas Lavalette, RLS.
AZ # 37258
Engineering Alliance, Inc.
1423 S. Higley Rd., Suite 121, Building 9
Mesa, Arizona 85206
Phone: (602) 757-6032
Email: tlavalette@eaincglobal.com

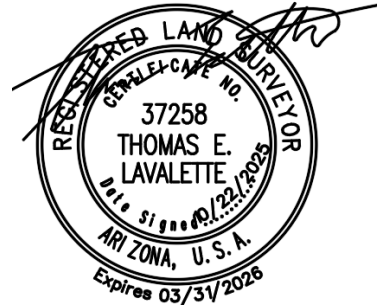
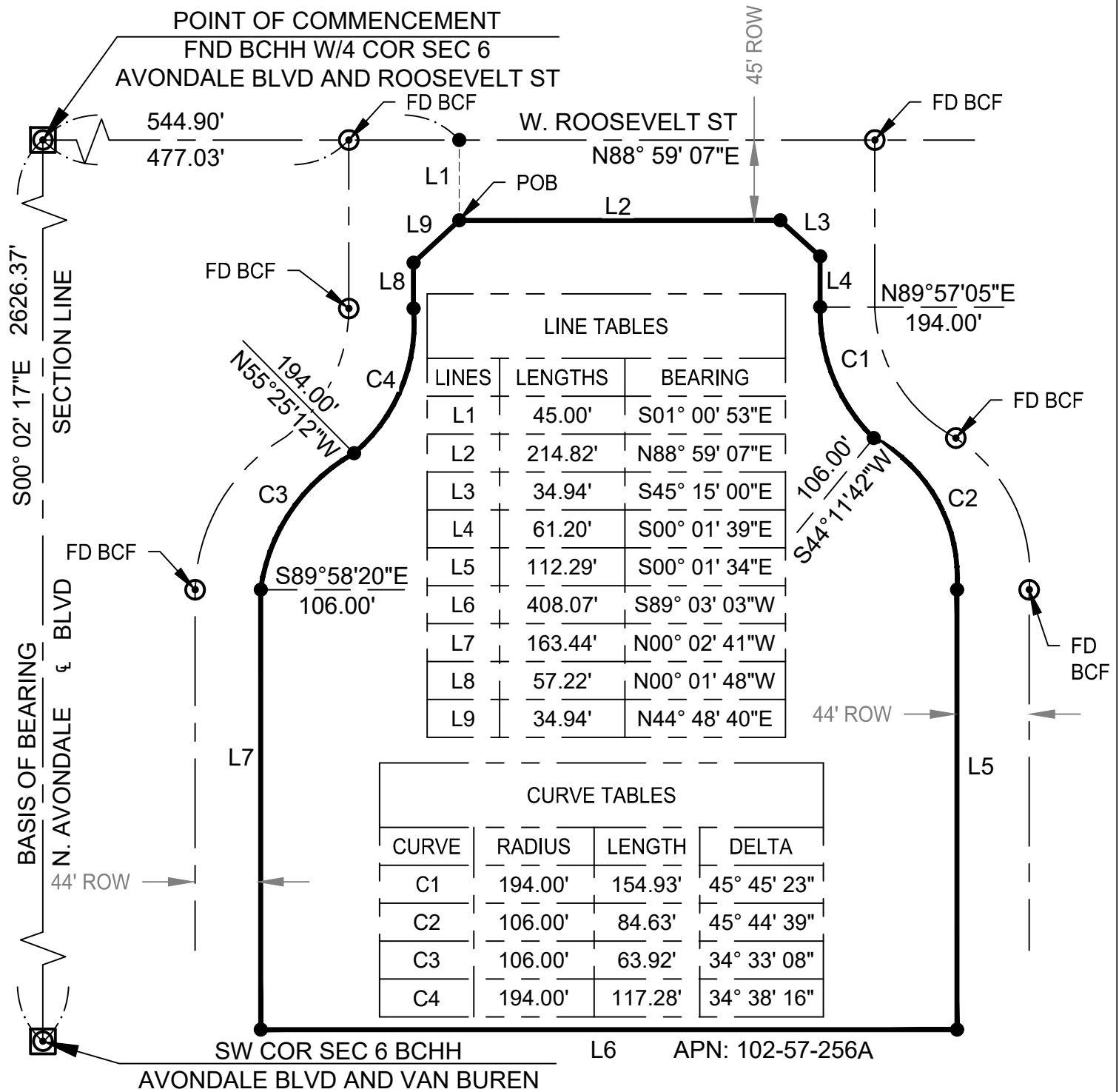
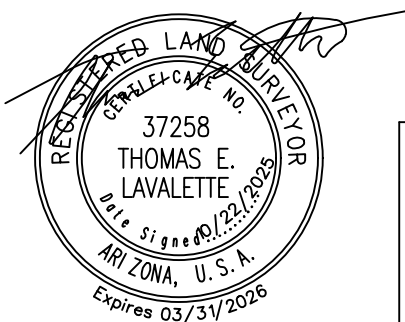


EXHIBIT "A"



SCALE:
N.T.S.
T1N R1E S6



PROJECT: 2025-M-050	
DATE: 10-22-2025	CHKD BY: TL
DRN BY: BL	SCALE: N.T.S.
TITLE:	
LOT 1 APN: 102-57-256B	
SHEET NO: 1 OF 1	

EXHIBIT B

Memorandum of Lease

WHEN RECORDED MAIL TO:

City of Avondale
City Clerk's Office
11465 West Civic Center Drive
Avondale, AZ 85323

MEMORANDUM OF GROUND LEASE AND PURCHASE OPTION

THIS MEMORANDUM OF GROUND LEASE AND PURCHASE OPTION (the "Memorandum") is made and entered into as of this ____ day of _____, 2025 (the "Effective Date"), by and between **THE CITY OF AVONDALE**, an Arizona municipal corporation ("Landlord"), and **WEB AVONDALE INVESTMENTS, LLC**, an Arizona limited liability company ("Tenant")

1. Landlord and Tenant are parties to a certain Ground Lease and Purchase Option, dated as of the date hereof (the "Lease"), with respect to that certain real property and the improvements constructed thereon more particularly described in Exhibit A attached hereto. Except as otherwise defined herein, all capitalized terms used herein shall have the meanings ascribed thereto in the Lease.

2. The Term of the Lease commences on the Effective Date and, unless earlier terminated in accordance with its terms, expiring the date that is seventy-eight (78) months after the Rent Commencement Date.

3. Tenant has an exclusive Purchase Option commencing upon the date that Tenant has completed construction of the Initial Improvements, as evidenced by Tenant's receipt of a certificate of occupancy (or equivalent) from the City, in its municipal capacity, for all habitable structures, and as evidenced by the dedication and acceptance of any municipal improvements by the City in its municipal capacity, and Tenant is fully operating the Permitted Business, and expiring on March 1, 2033.

4. This Memorandum is executed by the parties to the Lease and recorded in the real estate records of Maricopa County, Arizona, for the purpose of providing actual and constructive notice to all persons of the existence of the Lease. This Memorandum may be executed in two or more counterparts, each of which shall be deemed an original instrument and all of which combined shall constitute one and the same instrument. The Lease (together with the Development Agreement and the Parking License Agreement) set forth the entire agreement of the parties thereto, and this Memorandum does not alter, amend or change the Lease in any way. If there is a conflict between the terms of the Lease and the terms of this Memorandum, the provisions of the Lease shall govern and control. Reference is made to the Lease for the specific terms thereof.

5. Upon the expiration or earlier termination of the Lease, Landlord may unilaterally execute and cause to be recorded in the real estate records of Maricopa County, Arizona, an instrument canceling this Memorandum and anyone examining, certifying, or giving an opinion of title may rely upon such termination without further inquiry.

IN WITNESS WHEREOF, the parties have executed this Memorandum to be effective as of the Effective Date.

LANDLORD:

THE CITY OF AVONDALE,
a municipal corporation

By _____
Printed Name: _____
Title: _____

ATTEST:

Marcella Sarmiento, City Clerk

APPROVED AS TO FORM:

Nicholle Harris, City Attorney

STATE OF ARIZONA)
) §§
County of Maricopa)

The foregoing instrument was acknowledged before me, the undersigned Notary Public, this _____ day of _____, 2025 by Ron Corbin, the City Manager of THE CITY OF AVONDALE, a municipal corporation, on behalf thereof.

Notary Public

(Seal)

TENANT:

WEB AVONDALE INVESTMENTS, LLC,
an Arizona limited liability company

By _____

Printed Name: Tim Whitten

Title: _____ Manager _____

STATE OF _____)
County of _____) §§

The foregoing instrument was acknowledged before me, the undersigned Notary Public, this _____ day of _____, 2025 by Tim Whitten, the Manager of WEB AVONDALE INVESTMENTS, LLC, an Arizona limited liability company, on behalf thereof.

Notary Public

(Seal)

EXHIBIT A

LEGAL DESCRIPTION

EXHIBIT C

Preliminary Development Plan

[See Attached]

EXHIBIT D

License Agreement

[See Attached]

WHEN RECORDED RETURN TO:

City of Avondale
11490 West Civic Center Drive
Avondale, AZ 85323
Attention: Nicholle Harris, City Attorney

PARKING LICENSE AGREEMENT

This Parking License Agreement (this “**License Agreement**”) is entered into this day of _____, 2025, by and between the **CITY OF AVONDALE**, an Arizona municipal corporation (“**City**” or “**Licensor**”) and **WEB AVONDALE INVESTMENTS, LLC**, an Arizona limited liability company (“**Licensee**”). City and Licensee each may be referred to as a “**Party**,” and collectively may be referred to as the “**Parties**.”

RECITALS

A. City owns certain real property generally located near Avondale Boulevard and Interstate 10 Highway in the City of Avondale, Maricopa County, Arizona (the “**Property**”). The Property is legally described in Exhibit A to this License Agreement and depicted on Exhibit B to this License Agreement.

B. Contemporaneous with the execution of this License Agreement, City and Licensee entered into a separate ground lease agreement with purchase option (the “**Lease**”) whereby City agreed to lease to Licensee the Property for development of an upscale, full-service hotel and conference center (the “**Project**”), and grant Licensee an exclusive option to purchase the Project.

C. Pursuant to the terms of the Lease, City agreed to license to Licensee off-site, forty (40) reserved parking spaces at Licensor’s adjacent BLVD public parking garage located to the south of the Property (the “**Garage**”), which Garage is depicted on Exhibit C to this License Agreement (or other reasonably convenient parking location). The Garage is a public parking facility available to the general public at no charge on a “first-come, first-served” basis.

D. The Parties desire to execute this License Agreement to set forth their rights, obligations and liabilities relating to Licensee’s use of the Garage.

In consideration of the above premises, the promises contained in this License Agreement, and for other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the Parties agree as follows:

AGREEMENT

1. Definitions; Recitals. Except as otherwise defined herein, all capitalized terms used herein will have the meanings given to such terms in the Lease. The Recitals set forth above are true and correct and are incorporated herein by this reference.

2. Grant of License. The City hereby grants to Licensee a license (the “**License**”) to use the Garage as follows:

(a) Licensee’s Right to use Parking Spaces. Commencing on the Rent Commencement Date under the Lease, Licensee shall have the exclusive right to use up to forty (40) designated parking spaces within the Garage (the “**Reserved Spaces**”), at no charge, for parking of vehicles of Licensee and its employees, agents, customers, guests, invitees, and licensees, seven days per week, twenty-four hours per day, and for no other purposes. Subject to applicable City ordinances, Licensee may paint the curb and if there is no curb Licensee may paint the pavement in order to give notice that such parking spaces are reserved and noting Licensee’s right to tow or otherwise disable unauthorized vehicles. Upon the termination or earlier expiration of this License Agreement, Licensee shall remove the reserved notices on curbs and pavements. Licensee shall use the towing company designated by Licensor. Any such markings or notices shall be subject to Licensor’s approval. Licensor shall have no obligation to enforce Licensee’s reserved parking and Licensee shall indemnify, defend and hold Licensor harmless for, from and against any and all claims, demands, causes of action, damages and expenses, including, without limitation, attorneys’ fees and costs, arising out of or in connection with Licensee’s enforcement of the reserved parking. The Garage is a public parking facility available to the general public at no charge on a “first-come, first-served” basis. Licensee and its employees, agents, customers, guests, invitees, and licensees shall be entitled to use any of the other parking spaces in the Garage on a first-come, first-served basis, and all such parking (including the Reserved Spaces) shall be upon such terms and conditions as may be established from time to time by Licensor or Licensor’s operator of the Garage. Licensee shall not use the Garage for storage, repairs, washing, or any other purpose. The Garage (except for the Reserved Spaces) shall be used by Licensee on a non-exclusive basis in common with Licensor, the public, and other parties to whom a non-exclusive right to use the Garage has been or is hereafter granted. Neither Licensee nor Licensee’s employees, agents, customers, guests, invitees, or licensees shall park in any spaces that are marked reserved or otherwise designated for the exclusive use of Licensor or third parties (other than the Reserved Spaces). Licensee and Licensee’s employees’, agents’, customers’, guests’, invitees’, and licensees’ License to use the Reserved Spaces shall terminate upon the termination of this License Agreement as provided in Section 3 herein.

(b) Relocation of Reserved Spaces. Licensor may relocate some or all of the Reserved Spaces within the Garage, so long as the relocated parking spaces are: (i) substantially contiguous to one another; and (ii) are on the same floor of the Garage as the Reserved Spaces that are being relocated. Licensor may relocate some or all of the Reserved Spaces to another location that is reasonably convenient to the Hotel, including, without limitation, a surface parking lot, provided that such surface parking lot is paved, striped, and lighted. The cost of relocation, including removing and replacing signage, shall be borne by Licensor.

(c) Operation and Maintenance of Garage. During the Term (as defined in Section 3) of this License Agreement, Licensor shall maintain the Garage at its sole cost and expense. Licensor shall have the right to make alterations, repairs, renovations, and other changes to the Garage from time-to-time in Licensor’s sole and absolute discretion.

(d) Matters of Record. This License Agreement, and by inference, the Property and Garage, are subject to all existing matters of record, including easements and licenses to which the Property and Garage are subject as of the date hereof.

(e) Condition. Licensee and its employees, agents, customers, guests, invitees, or licensees shall leave the Reserved Spaces and Garage in the condition it was provided and shall not permit any waste or damage to be done to the Reserved Spaces or Garage and shall keep said area in good condition free of any litter and other waste.

(f) Compliance. Licensee shall comply with, and require its employees, agents, customers, guests, invitees, or licensees to comply with, any and all City rules, regulations, and guidelines applicable to use of the Garage and Reserved Spaces. Further, Licensee shall comply with, and require its employees, agents, customers, guests, invitees, or licensees to comply with, all reasonable requests made by the City.

(g) Alterations. Licensee shall not make any alterations, additions, or improvements to the Garage or the Reserved Spaces without the prior written approval of the City.

(h) Management. Licenser reserves the right at all times to the Garage and shall have exclusive control and management thereof. Licenser shall have the right to close all or a portion of the Garage from time to time for maintenance or public safety concerns.

(i) Violations. Following at least one (1) prior written notice of violation, Licenser or Licenser's designated agent shall have the right to bill Licensee a fee of Fifty and 00/100 Dollars (\$50.00) per day (or portion thereof) per vehicle parked in violation of this License Agreement. In addition, Licenser or its designated agent shall have the right to cause such cars parked in violation of this License Agreement to be towed from the Garage or immobilized at the sole cost and expense of Licensee, subject to posting any notices required by applicable law.

3. License Fee; Term. No License Fee shall be charged for Licensee's use of the Reserved Spaces. Licensee shall, however, be responsible for any applicable taxes, fees, or charges imposed by governmental authorities in connection with Licensee's use of the Garage, if any. The term of the License shall commence on the Rent Commencement Date under the Lease and shall terminate on the earliest of the following (the "**Term**"): (a) on December 18, 2026 if Licensee has not commenced physical construction of the Project pursuant to the Lease on or before December 17, 2026; (b) if at any time after the Project opens for business to the general public, the Property is no longer operated as the Hotel for six (6) consecutive months unless such cessation of operations is due to a casualty loss or renovations and Licensee promptly and diligently commences and completes the repair, restoration, or renovations of the Hotel; (c) termination of the Lease and Licensee has not acquired the Project pursuant to the Purchase Option under the Lease; (d) fifteen (15) years after the Rent Commencement Date under the Lease; (e) upon termination of this License pursuant to Section 13 or Section 14; or (f) an Event of Default under this License Agreement that is not cured within the applicable cure period, if any. If Licensee acquires the Project pursuant to the Purchase Option under the Lease, Licenser hereby grants to Licensee the option to extend the Term for five (5) consecutive fifteen (15) year extension periods (each, an "**Extension Term**") upon the same terms and conditions as contained in this License Agreement except that the rental amount for the Reserved Spaces (including any sales, use, excise,

or transaction privilege tax thereon) during the Extension Term will be subject to negotiation by Licensor and Licensee for each Extension Term based on the fair market rental value of the Reserved Spaces (in cash or in-kind benefits). Any Extension Term will be evidenced by an amendment to this License Agreement executed by Licensor and Licensee. If Licensor and Licensee have not entered into an amendment evidencing the Extension Term and the rental amount for the Reserved Spaces on or before the expiration of the Term or current Extension Term, as applicable, this License Agreement will terminate as of the last day of the Term or such Extension Term, except for any rights and obligations that survive termination of the License Agreement.

4. Licensee's Rights and Obligations. The rights of the Licensee hereunder shall be to park the vehicles of its employees, agents, customers, guests, invitees, or licensees, only, in the Garage and the Reserved Spaces and to have non-exclusive right of access over and across the Garage for ingress and egress. Licensee acknowledges that its License is subject to the rights of Licensor and the general public to use the Garage. The right of Licensee to use and benefit from the License is also subject to Licensor's right to enter, use, repair and maintain the Garage. This License Agreement constitutes a personal privilege only and shall not be deemed to create any leasehold, tenancy, or other property interest in favor of Licensee.

5. Ownership of Improvements. Licensor is the owner of the Property and Garage, and shall be the sole owner of all work product (in whatever format) produced as part of, or improvements made to, the Garage and Reserved Spaces.

6. Licensor's Right to Inspect. Licensor, through its employees or agents, shall have the right to make such repairs to the Garage or Reserved Spaces as Licensor may deem desirable.

7. Acceptance of Reserved Spaces. Licensor makes no warranty or representation of any kind whatsoever regarding the condition or fitness of the Reserved Spaces or Garage for Licensee's use, or any use. Licensee accepts and agrees to use the Reserved Spaces in their current "as-is" condition, without any obligation of Licensor to perform or pay for any improvement thereto.

8. No Interest in the Garage. Licensee understands and agrees that this is a license agreement, not a lease agreement. No tenancy is established by this License Agreement and Licensee shall have no interest in the Garage as a result of this License Agreement or Licensee's use of the Reserved Spaces.

9. Indemnification. Licensee shall indemnify, defend, protect, and hold Licensor, and its public officials, employees, agents, representatives, consultants, attorneys, and fiduciaries harmless for, from, and against any and all liens and encumbrances of any nature whatsoever which may arise in the exercise of Licensee's rights hereunder, and from any and all actual or alleged claims, demands, causes of action, suits, liabilities, losses, damages, costs, and expenses (including reasonable attorneys' fees), arising from Licensee's use of the Reserved Spaces and Garage, any breach of this License Agreement, or any act or failure to act of Licensee or Licensee's employees, agents, customers, guests, invitees, or licensees, except those arising out of the sole gross negligence or willful misconduct of the Licensor, its officers, agents, and employees.

10. Insurance. Commencing on the Rent Commencement Date under the Lease and at all times thereafter through and during the remainder of the Term of this License Agreement, Licensee shall maintain in full force and effect, at Licensee's sole cost and expense, the insurance coverage required below (or such other insurance coverage then required by Licensor for other similarly-situated licensees in Licensor's sole discretion).

(a) General Liability. Commercial General Liability Insurance with limits of not less than \$1,000,000.00 per occurrence combined single limit and \$2,000,000.00 in the aggregate for the policy period, and extended to cover: (a) Contractual Liability assumed by Licensee with defense provided in addition to policy limits for indemnities of the named insured, (b) waiver of subrogation against all parties named additional insured, and (c) severability of interest provision.

(b) Umbrella Coverage. Unless the Commercial General Liability Insurance maintained by Licensee includes a per occurrence combined single limit of \$2,000,000 or more in the aggregate for the policy period, Licensee will maintain Umbrella/Excess Liability in excess of Commercial General Liability, Automobile Liability and Employers' Liability coverages which is at least as broad as these underlying policies with a limit of liability of \$2,000,000.

(c) Automobile. Business auto liability including all owned, non-owned and hired autos with a limit of liability of not less than \$1,000,000 (combined single limit for personal injury, including bodily injury or death, and property damage).

(d) Worker's Compensation. If Licensee has employees, Licensee shall maintain, at its sole expense, worker's compensation insurance and employer's liability insurance, each in such amounts as will fully comply with the laws of the State of Arizona.

(e) Requirements. All insurance required under this Section shall be written by companies of recognized financial standing (with a rating from Best's Insurance Reports of not less than A-/VIII) which are authorized to do insurance business in the State of Arizona, and shall expressly provide (a) an effective waiver by the insurer of all rights of subrogation against any additional insured and against such additional insured's interest in the Garage and against any income derived therefrom, and (b) that no cancellation, reduction in amount or material change in coverage thereof shall be effective until the insurer has endeavored to give at least thirty (30) days written notice thereof to Licensor. Landlord and its public officials, officers, directors, contractors and employees ("**Licensor Indemnitees**") shall also be designated as additional insureds under Tenant's commercial general liability policy. A certificate of insurance (or endorsements if requested by Licensor) in force, in form reasonably acceptable to Licensor, issued by the insurer(s), shall be delivered to Licensor on or before the date Licensee is required to obtain the applicable insurance, and prior to expiration of the policy being renewed or replaced.

(f) Certificates. Within fifteen (15) days after receipt of written request from Licensor (but in no event more often than twice annually), Licensee shall deliver to Licensor a certificate addressed to Licensor issued by Licensee's insurance provider, and dated within thirty (30) days prior to the delivery thereof, which lists the insurers and policy numbers evidencing all the other insurance then required to be maintained by Licensee hereunder, and which such insurance shall be in full force and effect as required by this License Agreement. In

the event that Licensee fails to obtain, maintain or renew any insurance provided for in this Article X or to pay the premiums therefor, or to deliver to Licensor any of such certificates, Licensor may, but shall not be obligated to, procure such insurance, pay the premiums therefor or obtain such certificates and any costs or expenses incurred by Licensor for such purposes shall be immediately paid by Licensee to Licensor upon demand by Licensor, with interest thereon at the rate of eighteen percent (18%) per annum (or the then highest lawful rate), compounded annually, from the date such costs were incurred by Licensor until paid in full.

(g) Waiver of Subrogation. Licensee hereby releases and relieves Licensor and the Licensor Indemnitees, and waives its entire right to recover damages against Licensor and the Licensor Indemnitees for loss of or damage to its property arising out of or incident to the perils insured against herein, regardless of cause or origin, **INCLUDING NEGLIGENCE OF LICENSOR AND THE LICENSOR INDEMNITEES**. Licensee agrees to give written notice of the terms of this waiver of subrogation to its property damage insurance carriers. Licensee agrees to cause its property damage insurance carriers to waive, by proper endorsement, any right to subrogation that such companies may have against Licensor or the Licensor Indemnitees.

11. Compliance with Laws. Licensee shall comply with all laws, statutes, acts, ordinances, rules, regulations, codes, and standards of legally constituted authorities with jurisdiction, applicable to the Reserved Spaces and the Garage and the conduct of its activities pursuant to this License Agreement. Licensee shall not use or allow the use of the Reserved Spaces for any purposes in violation of applicable zoning or other laws.

12. Damage or Loss. Licensee hereby releases and relieves Licensor, and waives its entire right of recovery against Licensor, for any loss or damage arising out of or incident to the Reserved Spaces and/or the Garage, whether due to the negligence of the Licensor or Licensee or their respective agents, employees and/or contractors.

13. Casualty. If the Garage is damaged or destroyed by fire or other casualty (a “Casualty”), all insurance proceeds payable on account of such Casualty shall belong solely to Licensor, and Licensee shall have no right or claim to any portion of such proceeds. Licensor shall have no obligation to repair, rebuild, or restore the Garage or any portion thereof following any Casualty. If Licensor elects not to repair, rebuild, or restore the Garage, Licensor shall provide written Notice of such election to Licensee, and this License Agreement shall terminate on the effective date set forth in Licensor’s Notice, and neither Party shall have any further rights or obligation hereunder, except for those obligations that expressly survive termination of this License Agreement. Licensee acknowledges that such termination shall not entitle Licensee to any damages, compensation, or substitute parking rights, and that Licensor shall have no obligation to provide alternative parking. If Licensor elects to repair, rebuild, or restore the Garage, Licensor may do so at such time and in such manner as Licensor determines in its sole discretion. During any period of repair, rebuilding, or restoration, Licensor may, without liability to Licensee, close or restrict access to all or any portion of the Garage, and Licensee’s rights hereunder shall be suspended to the extent of such closure or restriction. Licensee acknowledges that Licensee shall not be entitled to any payment due to the termination of this License Agreement or any restrictions of Licensee’s use of the Garage and Reserved Spaces. The Garage shall not be deemed restored for purposes of this provision until all required certificates of occupancy and other governmental approvals necessary for use and operation of the Garage have been issued.

14. Obsolescence. If at any time Licensor determines, in its sole and absolute discretion, that (a) the Garage or any portion thereof has become obsolete, uneconomical to operate, or inconsistent with the highest and best use of the property, or (b) Licensor elects to demolish, renovate, or redevelop the Garage or the property on which it is located, Licensor may terminate this License upon not less than thirty (30) days' prior written notice to Licensee. Upon such termination, this License Agreement and the License shall automatically expire on the effective date set forth in Licensor's Notice, and neither Party shall have any further rights or obligation hereunder, except for those obligations that expressly survive termination of this License Agreement. Licensee acknowledges that such termination shall not entitle Licensee to any damages, compensation, or substitute parking rights, and that Licensor shall have no obligation to provide alternative parking.

15. Default; Termination. A "**Default**" by Licensee shall be deemed to have occurred if Licensee shall fail to observe or perform the terms or conditions of this License Agreement and such failure remains uncured for ten (10) business days after Notice from Licensor to Licensee; provided, however, that if such failure of Licensee, though curable, cannot be cured with reasonable diligence during such 10-business day period, Licensee shall be granted an additional reasonable period of time to cure such failure, not to exceed ninety (90) days from the initial Notice. If Licensee has not cured the Default after the giving of Notice and the expiration of the cure period, Licensor shall have the right to terminate this License Agreement at any time thereafter and prior to Licensee's cure of the Default and Licensor may pursue any other rights or remedies available to Licensor at law or in equity. This License may not be terminated or revoked except in accordance with the express provisions contained in this License.

16. Leasehold Mortgagee.

(a) In connection with any Financing under the Lease, subject to the requirements set forth in this Section 16, Licensee shall have the right, without the consent of Licensor, to grant to a Leasehold Mortgagee a collateral assignment or security interest in Licensee's interest under this License Agreement as security for the Financing (a "**Collateral Assignment**"). No Collateral Assignment shall be binding upon Licensor with respect to the enforcement of the rights and remedies contained therein and provided by law for the benefit of any Leasehold Mortgagee unless and until a written notice of such Collateral Assignment shall have first been delivered to Licensor, notwithstanding any other form of notice to Licensor, actual or constructive. Any such Collateral Assignment (and all other related loan documents entered into as part of such Financing) shall be subject to each and all of the covenants, conditions, obligations and restrictions set forth in this License Agreement and the Lease, none of which covenants, conditions, obligations and restrictions is or shall be waived by Licensor by reason of the rights given to Leasehold Mortgagee pursuant to this Section. Licensor agrees, within thirty (30) days of request from the Leasehold Mortgagee or Licensee, to execute a recognition/non-disturbance and attornment agreement (but not a subordination agreement) with the Leasehold Mortgagee and Licensee in a commercially reasonable form acceptable to all such parties. In the event of a default by Licensee, any Leasehold Mortgagee shall have the rights to cure such default and enter into this License Agreement and continue its terms. Any agreement with a Leasehold Mortgagee shall contain such customary provisions.

(b) If this License Agreement is terminated for any reason prior to the end of the Term, including, without limitation, by reason of any bankruptcy proceedings in respect of Licensee, and such Leasehold Mortgagee or a Person designated by such Leasehold Mortgagee enters into a new ground lease pursuant to the Lease, such Leasehold Mortgagee or a Person designated by such Leasehold Mortgagee shall have the right, exercisable by written notice to Licensors within thirty (30) days after the effective date of such termination, rejection or disaffirmance, to enter into a new parking license agreement with Licensors; (ii) the term of said new parking license agreement shall begin on the date of the termination, rejection or disaffirmance of this License Agreement and shall continue for the remainder of the Term; (iii) such new parking license agreement shall otherwise contain the same terms and conditions as those set forth herein, except for requirements that are no longer applicable or have already been performed, provided that such Leasehold Mortgagee has cured all defaults on the part of Licensee hereunder that are susceptible of being cured by the payment of money, and that such new parking license agreement will require the Licensee thereunder promptly to commence, and expeditiously to continue, to cure all other defaults on the part of Licensee hereunder to the extent susceptible of being cured; and (iv) this provision shall survive the termination of this License Agreement and shall continue in full force and effect thereafter to the same extent as if this provision were a separate and independent contract among Licensors, Licensee, and each Leasehold Mortgagee.

17. General Provisions.

(a) Notices. All notices, demands, requests, consents, and approvals desired, necessary, required or permitted to be given pursuant to the terms of this Lease (“**Notices**”) shall be in writing and shall be deemed to have been properly given if personally delivered, if sent by overnight delivery service, if sent postage prepaid, by first class registered or certified United States mail, return receipt requested, or if sent by electronic mail, addressed to each Party hereto at the following address:

If to Licensors: City of Avondale
11490 West Civic Center Drive
Avondale, AZ 85323
Attention: Ron Corbin, City Manager
Telephone: (623) 333-1011
Email: rcorbin@avondaleaz.gov

With copies to: City of Avondale
11490 West Civic Center Drive
Avondale, AZ 85323
Attention: Nicholle Harris, City Attorney
Telephone: (623) 333-1500
Email: nharris@avondaleaz.gov

and

Fennemore Craig, P.C.
2394 East Camelback Road, Suite 600
Phoenix, AZ 85016-3429

Attention: Jay S. Kramer
Telephone: (602) 916-5341
Email: jkramer@fennemorelaw.com

If to Licensee: WEB Avondale Investments, LLC

Attention: Tim Whitten
Telephone: _____
Email: tim@whittencompanies.com

With a copy to: Lowther Johnson Attorneys at Law
901 E. St. Louis Street 20th Floor
Springfield, MO 65806
Attention: Lee J. Viorel
Telephone: 417-849-0933
Email: lviorel@lowtherjohnson.com

or at such other address in the United States as Licensors or Licensees may from time to time designate by like notice. Any such notice, demand, request or other communication shall be considered delivered and received (i) when delivered, if by hand delivery, (ii) three (3) Business Days after deposit in a U.S. Post Office or official letter box, if sent by certified mail, (iii) one (1) business day after timely deposited with an overnight delivery service, or (iv) upon error-free transmission if sent via electronic mail; provided, however that any Option Exercise Notice or notice of breach or default given by electronic mail shall also be delivered by hand delivery or deposited with the overnight delivery service no later than the following business day. Rejection or other refusal to accept or inability to deliver because of changed address of which no notice was given will not affect the date upon which a notice, demand, request or other communication is deemed given, delivered and received. Either Party may change its notice address herein provided by delivering to the other Party written notice of such changed address, which will be effective ten (10) days after delivery thereof. The respective attorneys for Licensors, Licensees, and any Leasehold Mortgagee are hereby authorized to give any notice pursuant to this Lease on behalf of their respective clients.

If Licensors shall have received from Licensees or from a Leasehold Mortgagee written notice in the manner provided in this Section 16(a), specifying the name and address of such Leasehold Mortgagee and requesting that Licensors give to such Leasehold Mortgagee a copy of each notice of default or Event of Default at the same time as and whenever any such notice of default or Event of Default shall thereafter be given by Licensors to Licensees, then no notice or demand under this Lease will be effective as to any Leasehold Mortgagee until such written notice or demand is received by such Leasehold Mortgagee.

(b) Approvals. When a Party's consent is required pursuant to this License Agreement, such Party shall not unreasonably withhold, delay or condition its approval. Whenever a Party is exercising its rights or discretion under this License, such Party shall act reasonably and in a manner that does not conflict with the express terms of this License.

(c) Waiver. No delay in exercising any right or remedy shall constitute a waiver thereof and no waiver by a Party of the breach of any provision of this License Agreement shall be construed as a waiver of any preceding or succeeding breach of the same or of any other provision of this License Agreement.

(d) No Liability of City Officials or Employees. No elected or appointed official, representative, employee or agent of the City shall be personally liable to Licensee in the event of any default or Event of Default by the City under this License Agreement, or for any amount that may be due and owing by the City to Licensee under this License Agreement, or with respect to any obligation of the City under this License Agreement.

(e) Headings. The descriptive headings of the sections of this License Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions of this License Agreement.

(f) Authority. Each Party to this License Agreement represents to the other that it has full power and authority to enter into this License Agreement, and that all necessary actions have been taken to give full force and effect to this License Agreement.

(g) Severability. If any term, condition, covenant, stipulation, agreement or provision herein contained is held to be invalid or unenforceable for any reason, the invalidity of any such term, condition, covenant, stipulation, agreement or provision shall in no way affect any other term, condition, covenant, stipulation, agreement or provision herein contained.

(h) Governing Law, Venue & Jurisdiction. The laws of the State of Arizona shall govern the interpretation and enforcement of this License Agreement. The Parties agree that venue for any action commenced in connection with this License Agreement shall be proper only in a court of competent jurisdiction located in Maricopa County, Arizona, and the Parties hereby waive any right to object to such venue.

(i) Remedies. If any Party to this License Agreement breaches any provision of the License Agreement, the non-defaulting Party shall be entitled to all remedies available at both law and in equity, including specific performance.

(j) Attorneys' Fees and Costs. If any Party brings a legal action either because of a breach of this License Agreement or to enforce a provision of this License Agreement, the prevailing Party will be entitled to reasonable attorneys' fees and court costs.

(k) No Agency Created. Nothing contained in this License Agreement shall create any partnership, joint venture, or agency relationship between the Parties.

(l) Integration. This License Agreement, including its Exhibits, constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes any prior agreement, understanding, negotiation, draft documents, discussion outlines, correspondence, memoranda or representation regarding the Reserved Spaces.

(m) Construction. Whenever the context of this License Agreement requires, the singular shall include the plural, and the masculine shall include the feminine. This License

Agreement was negotiated on the basis that it shall be construed according to its plain meaning and neither for nor against any Party, regardless of their respective roles in preparing this License Agreement. The terms of this License Agreement were established in light of the plain meaning of this License Agreement and this License Agreement shall therefore be interpreted according to its plain meaning and without regard to rules of interpretation, if any, that might otherwise favor Licensee or Licensor.

(n) No Third-Party Beneficiaries. No person or entity shall be a third-party beneficiary to this License Agreement or shall have any right or cause of action hereunder.

(o) Exhibits. All exhibits attached hereto as specified herein are hereby incorporated into and made an integral part of this License Agreement for all purposes.

(p) Amendments. This License Agreement may not be amended except by a formal writing executed by both Parties.

(q) Counterparts. This License Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original and all of which together shall be deemed to be one and the same instrument.

(r) Assignment. Licensee named herein and may not assign its rights, obligations and interest under this License Agreement to any other party without prior consent of the Licensor, except upon an assignment of the Lease pursuant to Section 13.02 of the Lease.

(s) Arizona Law Provisions.

(i) No member, official or employee of City shall have any direct or indirect interest in this License Agreement, nor participate in any decision relating to the License Agreement, which is prohibited by law. In addition to its other rights hereunder, City shall have the rights specified in A.R.S § 38-511.

(ii) To the extent applicable, Licensee certifies that it is not currently engaged in, and agrees for the duration of this License Agreement that it will not engage in a “boycott,” as that term is defined in § 35-393, Arizona Revised Statutes, of Israel.

(iii) To the extent applicable under A.R.S. § 41-4401, Licensee warrants compliance with all federal immigration laws and regulations that relate to their employees and contractors and their compliance with the e-verify requirements under A.R.S. § 23-214(A). The failure by Licensee to comply with such warranty shall be deemed a material breach of this License Agreement and may result in the termination of this License Agreement by the City.

(iv) To the extent applicable under A.R.S. § 35-394, Licensee hereby certifies it does not currently, and for the duration of this License Agreement shall not use: (a) the forced labor of ethnic Uyghurs in the People’s Republic of China, (b) any goods or services produced by the forced labor of ethnic Uyghurs in the People’s Republic of China, and (c) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People’s Republic of China. If Licensee becomes aware during the duration of this License Agreement that it is not in compliance with such

certification, Licensee shall take such actions as provided by law, including providing the required notice to the City. If the City determines that the Licensee is not in compliance with the foregoing certification, such failure to comply with the certifications in this Section shall be deemed a material breach of this License Agreement and may result in the termination of this License Agreement by the City.

[Signatures on following pages]

IN WITNESS WHEREOF, the Parties have executed this License Agreement as of the date first above written.

LICENSOR:

CITY OF AVONDALE,
an Arizona municipal corporation

By: _____
Name: Ron Corbin
Title: City Manager

ATTEST:

Marcella Sarmineto, City Clerk

APPROVED AS TO FORM:

Nicholle Harris, City Attorney

STATE OF ARIZONA)
) §§
County of Maricopa)

The foregoing instrument was acknowledged before me, the undersigned Notary Public, this _____ day of _____, 2025 by Ron Corbin, the City Manager of the City of Avondale, an Arizona municipal corporation, on behalf thereof.

Notary Public

(Seal)

LICENSEE:

WEB AVONDALE INVESTMENTS, LLC,
an Arizona limited liability company

By: _____
Printed Name: Tim Whitten
Title: Manager

STATE OF _____)
) §§
County of _____)

The foregoing instrument was acknowledged before me, the undersigned Notary Public, this _____ day of _____, 2025 by Tim Whitten, the Manager of the Web Avondale Investments, LLC, an Arizona limited liability company, on behalf thereof.

Notary Public

(Seal)

EXHIBIT A

Legal Description of Property

EXHIBIT B

Depiction of the Project

EXHIBIT C

Depiction of Garage

ORDINANCE NO. 2039-1125

AN ORDINANCE OF THE COUNCIL OF THE CITY OF AVONDALE, ARIZONA, APPROVING THE GROUND LEASE AND PURCHASE OPTION AGREEMENT BETWEEN THE CITY OF AVONDALE AND WEB AVONDALE INVESTMENTS, LLC AND AUTHORIZING THE SALE OF CERTAIN REAL PROPERTY GENERALLY LOCATED NEAR AVONDALE BOULEVARD AND INTERSTATE 10 HIGHWAY IN AVONDALE, ARIZONA.

WHEREAS, the City of Avondale (the “City”) is the owner of real property totaling approximately ± 32.3 acres generally located near Avondale Boulevard and Interstate 10 Highway in the City of Avondale, Maricopa County, Arizona (the “Property”), as more particularly described and depicted on Exhibit A, attached hereto and incorporated herein by reference; and

WHEREAS, pursuant to Article I, Section 3 of the Avondale City Charter, the City may lease and sell property as the City’s interest may require; and

WHEREAS, the Council of the City of Avondale desires to lease for a period and subsequently sell whatever right, title or interest it has in the Property.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF AVONDALE as follows:

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

SECTION 2. The lease and sale of the Property is hereby authorized, subject to such conditions as set forth in the ground lease and purchase option agreement.

SECTION 3. If any provision of this Ordinance is for any reason held by any court of competent jurisdiction to be unenforceable, such provision or portion hereof shall be deemed separate, distinct and independent of all other provisions and such holding shall not affect the validity of the remaining portions of this Ordinance.

SECTION 4. The Mayor, the City Manager, the City Attorney and the City Clerk are hereby authorized and directed to take all steps and to execute all documents necessary to carry out the purpose and intent of this Ordinance.

SECTION 5. The immediate operation of this Ordinance is necessary to complete the lease and sale of the Property; therefore, an emergency is hereby declared to exist. This Ordinance shall be in full force and effect from and after its passage and approval by the City Council as required by

law, and this Ordinance is hereby exempt from the referendum provisions of the constitution and laws of the State of Arizona.

PASSED AND ADOPTED by the Council of the City of Avondale, Arizona,
November 17, 2025.

Mike Pineda, Mayor

ATTEST:

Marcella Sarmiento, City Clerk

APPROVED AS TO FORM:

Nicholle Harris, City Attorney

EXHIBIT A
TO
ORDINANCE NO. 2039-1125

[Property Legal Description and Map]

See following pages.

EXHIBIT "A"
Description of Real Estate
IN MARICOPA COUNTY, STATE OF ARIZONA

A Parcel of Land in the Southwest Quarter (SW 1/4) of Section Six (6), Township One (1) North, Range One (1) East, of the Gila & Salt River Meridian, Maricopa County, Arizona and being more particularly described as follows:

Commencing at a found brass cap in hand hole at the intersection of Avondale Boulevard and Roosevelt Street also being the West Quarter Corner (W1/4) of section 6 from which a found brass cap in a hand hole at the Southwest corner of said Section 6, at the intersection of Van Buren Street and Avondale Boulevard, bears South 00°02'17" East, a distance of 2,626.37 feet;

THENCE East along Roosevelt Street, North 88 degrees 59 minutes 07 seconds East, a distance of 544.90 feet;

THENCE departing said line South 01 degrees 00 minutes 53 seconds East, a distance of 45.00 feet to a point on the new Right of Way Line and also being the **Point of Beginning**;

Thence along said Right of Way line South 88 degrees 59 minutes 07 seconds East a distance of 214.82 feet;

THENCE South 45 degrees 15 minutes 00 seconds East a distance of 34.94 feet;

THENCE South 00 degrees 01 minutes 39 seconds East a distance of 61.20 feet to the beginning of a non-tangent curve, concaving Northeasterly, having a Radius of 194.00 feet and whose Center bears North 89 degrees 57 minutes 05 seconds East from the last described point;

THENCE Southeasterly along the arc of said Curve, through a Central Angle of 45 degrees 45 minutes 23 seconds, With an Arc Length of 154.93 feet to the point of a non-tangent reverse curve, concaving Southwesterly, having a radius of 106.00 feet and whose Center bears South 44 degrees 11 minutes 42 seconds West from the last described point;

THENCE Southeasterly along the arc of said Curve, through a Central Angle of 45 degrees 44 minutes 39 seconds, With an Arc Length of 84.63 feet;

THENCE South 00 degrees 01 minutes 34 seconds East a distance of 112.29 feet;

THENCE South 89 degrees 03 minutes 03seconds West a distance of 408.07 feet;

THENCE North 00 degrees 02 minutes 41 seconds West a distance of 163.44 feet to the beginning of a non-tangent curve, concaving Southeasterly, having a Radius of 106.00 feet and whose Center bears South 89 degrees 58 minutes 20 seconds East from the last described point;

THENCE Northeasterly along the arc of said Curve, through a Central Angle of 34 degrees 33 minutes 08 seconds, With an Arc Length of 63.92 feet to the point of a non-tangent reverse curve, concaving Northwesterly, having a radius of 194.00 feet and whose Center bears North 55 degrees 25 minutes 12 seconds West from the last described point;

THENCE Northwesterly along the arc of said Curve, through a Central Angle of 34 degrees 38 minutes 16 seconds, With an Arc Length of 117.28 feet;

THENCE North 00 degrees 01 minutes 48 seconds West a distance of 57.22 feet;

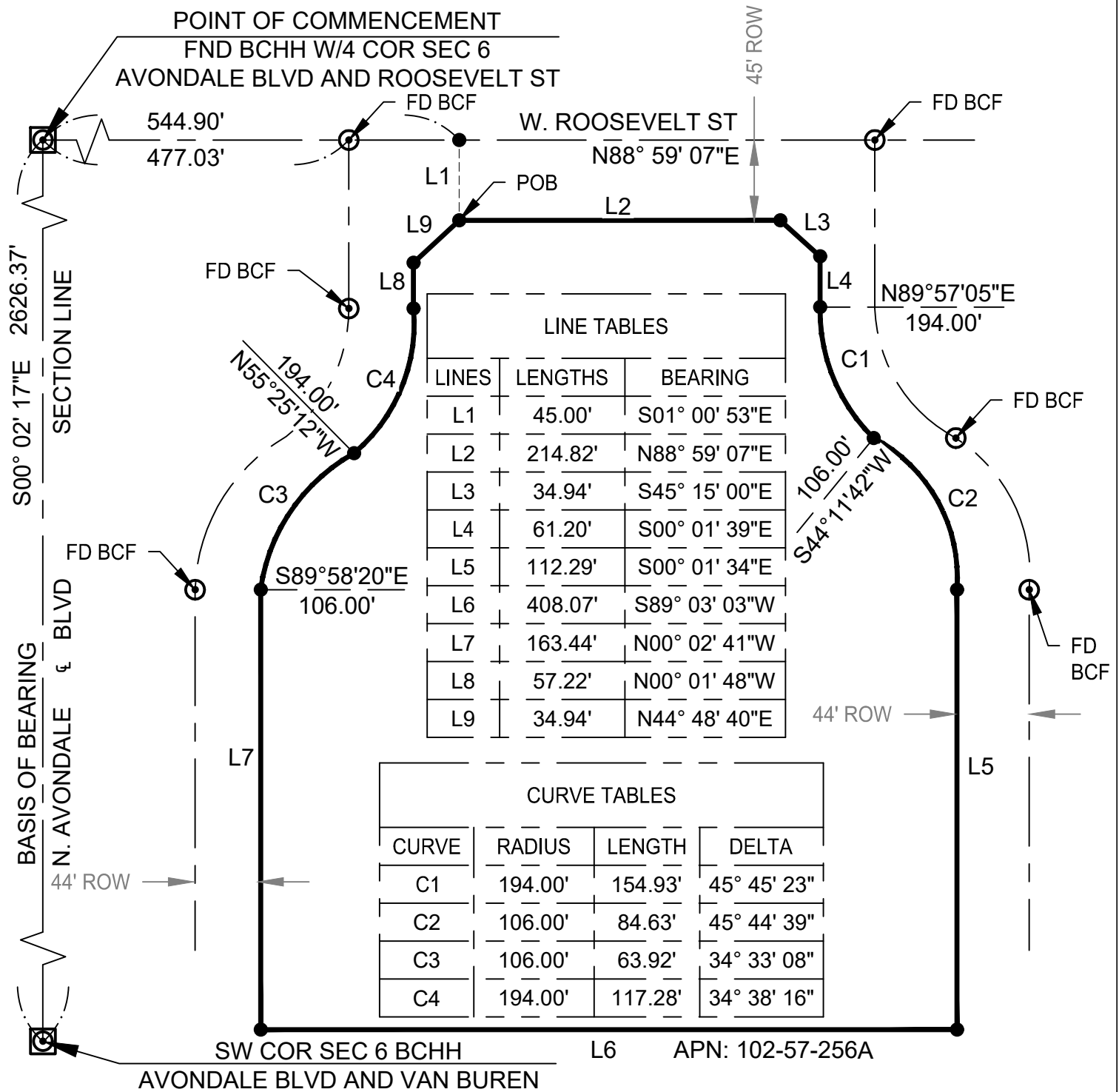
THENCE North 44 degrees 48 minutes 40 seconds East a distance of 34.40 feet to the **Point of Beginning**;

Containing 140,573 sqft or 3.23 acres more or less

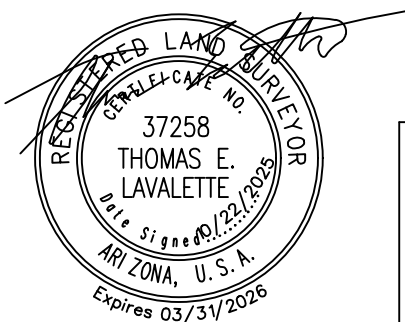
Prepared by:
Thomas Lavalette, RLS.
AZ # 37258
Engineering Alliance, Inc.
1423 S. Higley Rd., Suite 121, Building 9
Mesa, Arizona 85206
Phone: (602) 757-6032
Email: tlavalette@eaincglobal.com



EXHIBIT "A"



SCALE:
N.T.S.
T1N R1E S6



PROJECT: 2025-M-050	
DATE: 10-22-2025	CHKD BY: TL
DRN BY: BL	SCALE: N.T.S.
TITLE:	
LOT 1 APN: 102-57-256B	
SHEET NO: 1 OF 1	

ITEM NUMBER: 4.k.

SUBJECT: Parking License Agreement with WEB Avondale Investments LLC

MEETING DATE: 11/17/2025

TO: Mayor and Council

FROM: Jen Stein, Economic Development Director

THROUGH: Tracy Stevens, Assistant City Manager, (623) 333-1014

REVIEWED: Ron Corbin, City Manager, (623) 333-1011

STRATEGIC PLAN:

This agenda item supports the following Avondale Strategic Outcome Area: **Economic Growth and Prosperity**

Avondale supports a thriving local economy by fostering and supporting business growth, job creation, and workforce development. The City advances economic development, attracts high-quality entertainment and full-service amenities, and promotes a variety of attainable housing opportunities that strengthen the City's vitality.

PURPOSE:

City Council will consider a request to approve a Parking License Agreement with WEB Avondale Investments, LLC and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

BACKGROUND:

The City of Avondale owns and operates a 409-space vehicle parking garage at The BLVD. WEB Avondale Investments, LLC needs additional parking to satisfy both Hilton and Avondale's parking requirements. The parking license agreement would provide WEB Avondale Investments, LLC with the necessary parking to satisfy the needs of the project. The parking license agreement offers forty (40) reserved parking spaces at the licensor's adjacent BLVD parking garage or other reasonably convenient parking location for parking of vehicles of employees and patrons of the Project seven days per week and for no other purposes at no charge for a term of 15 years with five 15-year extensions.

DISCUSSION:

The parking license agreement would commence upon Certificate of Occupancy for the Embassy Suites Hotel through the duration of the operation of the hotel.

BUDGET IMPACT:

There is no budget impact at this time.

RECOMMENDATION:

Staff recommends City Council approve a Parking License Agreement with WEB Avondale Investments, LLC and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents.

Contact person for document distribution: Cheryl Covert

WHEN RECORDED RETURN TO:

City of Avondale
11490 West Civic Center Drive
Avondale, AZ 85323
Attention: Nicholle Harris, City Attorney

PARKING LICENSE AGREEMENT

This Parking License Agreement (this “**License Agreement**”) is entered into this day of _____, 2025, by and between the **CITY OF AVONDALE**, an Arizona municipal corporation (“**City**” or “**Licensor**”) and **WEB AVONDALE INVESTMENTS, LLC**, an Arizona limited liability company (“**Licensee**”). City and Licensee each may be referred to as a “**Party**,” and collectively may be referred to as the “**Parties**.”

RECITALS

A. City owns certain real property generally located near Avondale Boulevard and Interstate 10 Highway in the City of Avondale, Maricopa County, Arizona (the “**Property**”). The Property is legally described in Exhibit A to this License Agreement and depicted on Exhibit B to this License Agreement.

B. Contemporaneous with the execution of this License Agreement, City and Licensee entered into a separate ground lease agreement with purchase option (the “**Lease**”) whereby City agreed to lease to Licensee the Property for development of an upscale, full-service hotel and conference center (the “**Project**”), and grant Licensee an exclusive option to purchase the Project.

C. Pursuant to the terms of the Lease, City agreed to license to Licensee off-site, forty (40) reserved parking spaces at Licensor’s adjacent BLVD public parking garage located to the south of the Property (the “**Garage**”), which Garage is depicted on Exhibit C to this License Agreement (or other reasonably convenient parking location). The Garage is a public parking facility available to the general public at no charge on a “first-come, first-served” basis.

D. The Parties desire to execute this License Agreement to set forth their rights, obligations and liabilities relating to Licensee’s use of the Garage.

In consideration of the above premises, the promises contained in this License Agreement, and for other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, the Parties agree as follows:

AGREEMENT

1. Definitions; Recitals. Except as otherwise defined herein, all capitalized terms used herein will have the meanings given to such terms in the Lease. The Recitals set forth above are true and correct and are incorporated herein by this reference.

2. Grant of License. The City hereby grants to Licensee a license (the “**License**”) to use the Garage as follows:

(a) Licensee’s Right to use Parking Spaces. Commencing on the Rent Commencement Date under the Lease, Licensee shall have the exclusive right to use up to forty (40) designated parking spaces within the Garage (the “**Reserved Spaces**”), at no charge, for parking of vehicles of Licensee and its employees, agents, customers, guests, invitees, and licensees, seven days per week, twenty-four hours per day, and for no other purposes. Subject to applicable City ordinances, Licensee may paint the curb and if there is no curb Licensee may paint the pavement in order to give notice that such parking spaces are reserved and noting Licensee’s right to tow or otherwise disable unauthorized vehicles. Upon the termination or earlier expiration of this License Agreement, Licensee shall remove the reserved notices on curbs and pavements. Licensee shall use the towing company designated by Licensor. Any such markings or notices shall be subject to Licensor’s approval. Licensor shall have no obligation to enforce Licensee’s reserved parking and Licensee shall indemnify, defend and hold Licensor harmless for, from and against any and all claims, demands, causes of action, damages and expenses, including, without limitation, attorneys’ fees and costs, arising out of or in connection with Licensee’s enforcement of the reserved parking. The Garage is a public parking facility available to the general public at no charge on a “first-come, first-served” basis. Licensee and its employees, agents, customers, guests, invitees, and licensees shall be entitled to use any of the other parking spaces in the Garage on a first-come, first-served basis, and all such parking (including the Reserved Spaces) shall be upon such terms and conditions as may be established from time to time by Licensor or Licensor’s operator of the Garage. Licensee shall not use the Garage for storage, repairs, washing, or any other purpose. The Garage (except for the Reserved Spaces) shall be used by Licensee on a non-exclusive basis in common with Licensor, the public, and other parties to whom a non-exclusive right to use the Garage has been or is hereafter granted. Neither Licensee nor Licensee’s employees, agents, customers, guests, invitees, or licensees shall park in any spaces that are marked reserved or otherwise designated for the exclusive use of Licensor or third parties (other than the Reserved Spaces). Licensee and Licensee’s employees’, agents’, customers’, guests’, invitees’, and licensees’ License to use the Reserved Spaces shall terminate upon the termination of this License Agreement as provided in Section 3 herein.

(b) Relocation of Reserved Spaces. Licensor may relocate some or all of the Reserved Spaces within the Garage, so long as the relocated parking spaces are: (i) substantially contiguous to one another; and (ii) are on the same floor of the Garage as the Reserved Spaces that are being relocated. Licensor may relocate some or all of the Reserved Spaces to another location that is reasonably convenient to the Hotel, including, without limitation, a surface parking lot, provided that such surface parking lot is paved, striped, and lighted. The cost of relocation, including removing and replacing signage, shall be borne by Licensor.

(c) Operation and Maintenance of Garage. During the Term (as defined in Section 3) of this License Agreement, Licensor shall maintain the Garage at its sole cost and expense. Licensor shall have the right to make alterations, repairs, renovations, and other changes to the Garage from time-to-time in Licensor’s sole and absolute discretion.

(d) Matters of Record. This License Agreement, and by inference, the Property and Garage, are subject to all existing matters of record, including easements and licenses to which the Property and Garage are subject as of the date hereof.

(e) Condition. Licensee and its employees, agents, customers, guests, invitees, or licensees shall leave the Reserved Spaces and Garage in the condition it was provided and shall not permit any waste or damage to be done to the Reserved Spaces or Garage and shall keep said area in good condition free of any litter and other waste.

(f) Compliance. Licensee shall comply with, and require its employees, agents, customers, guests, invitees, or licensees to comply with, any and all City rules, regulations, and guidelines applicable to use of the Garage and Reserved Spaces. Further, Licensee shall comply with, and require its employees, agents, customers, guests, invitees, or licensees to comply with, all reasonable requests made by the City.

(g) Alterations. Licensee shall not make any alterations, additions, or improvements to the Garage or the Reserved Spaces without the prior written approval of the City.

(h) Management. Licensor reserves the right at all times to the Garage and shall have exclusive control and management thereof. Licensor shall have the right to close all or a portion of the Garage from time to time for maintenance or public safety concerns.

(i) Violations. Following at least one (1) prior written notice of violation, Licensor or Licensor's designated agent shall have the right to bill Licensee a fee of Fifty and 00/100 Dollars (\$50.00) per day (or portion thereof) per vehicle parked in violation of this License Agreement. In addition, Licensor or its designated agent shall have the right to cause such cars parked in violation of this License Agreement to be towed from the Garage or immobilized at the sole cost and expense of Licensee, subject to posting any notices required by applicable law.

3. License Fee; Term. No License Fee shall be charged for Licensee's use of the Reserved Spaces. Licensee shall, however, be responsible for any applicable taxes, fees, or charges imposed by governmental authorities in connection with Licensee's use of the Garage, if any. The term of the License shall commence on the Rent Commencement Date under the Lease and shall terminate on the earliest of the following (the "**Term**"): (a) on December 18, 2026 if Licensee has not commenced physical construction of the Project pursuant to the Lease on or before December 17, 2026; (b) if at any time after the Project opens for business to the general public, the Property is no longer operated as the Hotel for six (6) consecutive months unless such cessation of operations is due to a casualty loss or renovations and Licensee promptly and diligently commences and completes the repair, restoration, or renovations of the Hotel; (c) termination of the Lease and Licensee has not acquired the Project pursuant to the Purchase Option under the Lease; (d) fifteen (15) years after the Rent Commencement Date under the Lease; (e) upon termination of this License pursuant to Section 13 or Section 14; or (f) an Event of Default under this License Agreement that is not cured within the applicable cure period, if any. If Licensee acquires the Project pursuant to the Purchase Option under the Lease, Licensor hereby grants to Licensee the option to extend the Term for five (5) consecutive fifteen (15) year extension periods (each, an "**Extension Term**") upon the same terms and conditions as contained in this License Agreement except that the rental amount for the Reserved Spaces (including any sales, use, excise,

or transaction privilege tax thereon) during the Extension Term will be subject to negotiation by Licensor and Licensee for each Extension Term based on the fair market rental value of the Reserved Spaces (in cash or in-kind benefits). Any Extension Term will be evidenced by an amendment to this License Agreement executed by Licensor and Licensee. If Licensor and Licensee have not entered into an amendment evidencing the Extension Term and the rental amount for the Reserved Spaces on or before the expiration of the Term or current Extension Term, as applicable, this License Agreement will terminate as of the last day of the Term or such Extension Term, except for any rights and obligations that survive termination of the License Agreement.

4. Licensee's Rights and Obligations. The rights of the Licensee hereunder shall be to park the vehicles of its employees, agents, customers, guests, invitees, or licensees, only, in the Garage and the Reserved Spaces and to have non-exclusive right of access over and across the Garage for ingress and egress. Licensee acknowledges that its License is subject to the rights of Licensor and the general public to use the Garage. The right of Licensee to use and benefit from the License is also subject to Licensor's right to enter, use, repair and maintain the Garage. This License Agreement constitutes a personal privilege only and shall not be deemed to create any leasehold, tenancy, or other property interest in favor of Licensee.

5. Ownership of Improvements. Licensor is the owner of the Property and Garage, and shall be the sole owner of all work product (in whatever format) produced as part of, or improvements made to, the Garage and Reserved Spaces.

6. Licensor's Right to Inspect. Licensor, through its employees or agents, shall have the right to make such repairs to the Garage or Reserved Spaces as Licensor may deem desirable.

7. Acceptance of Reserved Spaces. Licensor makes no warranty or representation of any kind whatsoever regarding the condition or fitness of the Reserved Spaces or Garage for Licensee's use, or any use. Licensee accepts and agrees to use the Reserved Spaces in their current "as-is" condition, without any obligation of Licensor to perform or pay for any improvement thereto.

8. No Interest in the Garage. Licensee understands and agrees that this is a license agreement, not a lease agreement. No tenancy is established by this License Agreement and Licensee shall have no interest in the Garage as a result of this License Agreement or Licensee's use of the Reserved Spaces.

9. Indemnification. Licensee shall indemnify, defend, protect, and hold Licensor, and its public officials, employees, agents, representatives, consultants, attorneys, and fiduciaries harmless for, from, and against any and all liens and encumbrances of any nature whatsoever which may arise in the exercise of Licensee's rights hereunder, and from any and all actual or alleged claims, demands, causes of action, suits, liabilities, losses, damages, costs, and expenses (including reasonable attorneys' fees), arising from Licensee's use of the Reserved Spaces and Garage, any breach of this License Agreement, or any act or failure to act of Licensee or Licensee's employees, agents, customers, guests, invitees, or licensees, except those arising out of the sole gross negligence or willful misconduct of the Licensor, its officers, agents, and employees.

10. Insurance. Commencing on the Rent Commencement Date under the Lease and at all times thereafter through and during the remainder of the Term of this License Agreement, Licensee shall maintain in full force and effect, at Licensee's sole cost and expense, the insurance coverage required below (or such other insurance coverage then required by Licensor for other similarly-situated licensees in Licensor's sole discretion).

(a) General Liability. Commercial General Liability Insurance with limits of not less than \$1,000,000.00 per occurrence combined single limit and \$2,000,000.00 in the aggregate for the policy period, and extended to cover: (a) Contractual Liability assumed by Licensee with defense provided in addition to policy limits for indemnities of the named insured, (b) waiver of subrogation against all parties named additional insured, and (c) severability of interest provision.

(b) Umbrella Coverage. Unless the Commercial General Liability Insurance maintained by Licensee includes a per occurrence combined single limit of \$2,000,000 or more in the aggregate for the policy period, Licensee will maintain Umbrella/Excess Liability in excess of Commercial General Liability, Automobile Liability and Employers' Liability coverages which is at least as broad as these underlying policies with a limit of liability of \$2,000,000.

(c) Automobile. Business auto liability including all owned, non-owned and hired autos with a limit of liability of not less than \$1,000,000 (combined single limit for personal injury, including bodily injury or death, and property damage).

(d) Worker's Compensation. If Licensee has employees, Licensee shall maintain, at its sole expense, worker's compensation insurance and employer's liability insurance, each in such amounts as will fully comply with the laws of the State of Arizona.

(e) Requirements. All insurance required under this Section shall be written by companies of recognized financial standing (with a rating from Best's Insurance Reports of not less than A-/VIII) which are authorized to do insurance business in the State of Arizona, and shall expressly provide (a) an effective waiver by the insurer of all rights of subrogation against any additional insured and against such additional insured's interest in the Garage and against any income derived therefrom, and (b) that no cancellation, reduction in amount or material change in coverage thereof shall be effective until the insurer has endeavored to give at least thirty (30) days written notice thereof to Licensor. Landlord and its public officials, officers, directors, contractors and employees ("**Licensor Indemnitees**") shall also be designated as additional insureds under Tenant's commercial general liability policy. A certificate of insurance (or endorsements if requested by Licensor) in force, in form reasonably acceptable to Licensor, issued by the insurer(s), shall be delivered to Licensor on or before the date Licensee is required to obtain the applicable insurance, and prior to expiration of the policy being renewed or replaced.

(f) Certificates. Within fifteen (15) days after receipt of written request from Licensor (but in no event more often than twice annually), Licensee shall deliver to Licensor a certificate addressed to Licensor issued by Licensee's insurance provider, and dated within thirty (30) days prior to the delivery thereof, which lists the insurers and policy numbers evidencing all the other insurance then required to be maintained by Licensee hereunder, and which such insurance shall be in full force and effect as required by this License Agreement. In

the event that Licensee fails to obtain, maintain or renew any insurance provided for in this Article X or to pay the premiums therefor, or to deliver to Licensor any of such certificates, Licensor may, but shall not be obligated to, procure such insurance, pay the premiums therefor or obtain such certificates and any costs or expenses incurred by Licensor for such purposes shall be immediately paid by Licensee to Licensor upon demand by Licensor, with interest thereon at the rate of eighteen percent (18%) per annum (or the then highest lawful rate), compounded annually, from the date such costs were incurred by Licensor until paid in full.

(g) Waiver of Subrogation. Licensee hereby releases and relieves Licensor and the Licensor Indemnitees, and waives its entire right to recover damages against Licensor and the Licensor Indemnitees for loss of or damage to its property arising out of or incident to the perils insured against herein, regardless of cause or origin, **INCLUDING NEGLIGENCE OF LICENSOR AND THE LICENSOR INDEMNITEES**. Licensee agrees to give written notice of the terms of this waiver of subrogation to its property damage insurance carriers. Licensee agrees to cause its property damage insurance carriers to waive, by proper endorsement, any right to subrogation that such companies may have against Licensor or the Licensor Indemnitees.

11. Compliance with Laws. Licensee shall comply with all laws, statutes, acts, ordinances, rules, regulations, codes, and standards of legally constituted authorities with jurisdiction, applicable to the Reserved Spaces and the Garage and the conduct of its activities pursuant to this License Agreement. Licensee shall not use or allow the use of the Reserved Spaces for any purposes in violation of applicable zoning or other laws.

12. Damage or Loss. Licensee hereby releases and relieves Licensor, and waives its entire right of recovery against Licensor, for any loss or damage arising out of or incident to the Reserved Spaces and/or the Garage, whether due to the negligence of the Licensor or Licensee or their respective agents, employees and/or contractors.

13. Casualty. If the Garage is damaged or destroyed by fire or other casualty (a “Casualty”), all insurance proceeds payable on account of such Casualty shall belong solely to Licensor, and Licensee shall have no right or claim to any portion of such proceeds. Licensor shall have no obligation to repair, rebuild, or restore the Garage or any portion thereof following any Casualty. If Licensor elects not to repair, rebuild, or restore the Garage, Licensor shall provide written Notice of such election to Licensee, and this License Agreement shall terminate on the effective date set forth in Licensor’s Notice, and neither Party shall have any further rights or obligation hereunder, except for those obligations that expressly survive termination of this License Agreement. Licensee acknowledges that such termination shall not entitle Licensee to any damages, compensation, or substitute parking rights, and that Licensor shall have no obligation to provide alternative parking. If Licensor elects to repair, rebuild, or restore the Garage, Licensor may do so at such time and in such manner as Licensor determines in its sole discretion. During any period of repair, rebuilding, or restoration, Licensor may, without liability to Licensee, close or restrict access to all or any portion of the Garage, and Licensee’s rights hereunder shall be suspended to the extent of such closure or restriction. Licensee acknowledges that Licensee shall not be entitled to any payment due to the termination of this License Agreement or any restrictions of Licensee’s use of the Garage and Reserved Spaces. The Garage shall not be deemed restored for purposes of this provision until all required certificates of occupancy and other governmental approvals necessary for use and operation of the Garage have been issued.

14. Obsolescence. If at any time Licensor determines, in its sole and absolute discretion, that (a) the Garage or any portion thereof has become obsolete, uneconomical to operate, or inconsistent with the highest and best use of the property, or (b) Licensor elects to demolish, renovate, or redevelop the Garage or the property on which it is located, Licensor may terminate this License upon not less than thirty (30) days' prior written notice to Licensee. Upon such termination, this License Agreement and the License shall automatically expire on the effective date set forth in Licensor's Notice, and neither Party shall have any further rights or obligation hereunder, except for those obligations that expressly survive termination of this License Agreement. Licensee acknowledges that such termination shall not entitle Licensee to any damages, compensation, or substitute parking rights, and that Licensor shall have no obligation to provide alternative parking.

15. Default; Termination. A "**Default**" by Licensee shall be deemed to have occurred if Licensee shall fail to observe or perform the terms or conditions of this License Agreement and such failure remains uncured for ten (10) business days after Notice from Licensor to Licensee; provided, however, that if such failure of Licensee, though curable, cannot be cured with reasonable diligence during such 10-business day period, Licensee shall be granted an additional reasonable period of time to cure such failure, not to exceed ninety (90) days from the initial Notice. If Licensee has not cured the Default after the giving of Notice and the expiration of the cure period, Licensor shall have the right to terminate this License Agreement at any time thereafter and prior to Licensee's cure of the Default and Licensor may pursue any other rights or remedies available to Licensor at law or in equity. This License may not be terminated or revoked except in accordance with the express provisions contained in this License.

16. Leasehold Mortgagee.

(a) In connection with any Financing under the Lease, subject to the requirements set forth in this Section 16, Licensee shall have the right, without the consent of Licensor, to grant to a Leasehold Mortgagee a collateral assignment or security interest in Licensee's interest under this License Agreement as security for the Financing (a "**Collateral Assignment**"). No Collateral Assignment shall be binding upon Licensor with respect to the enforcement of the rights and remedies contained therein and provided by law for the benefit of any Leasehold Mortgagee unless and until a written notice of such Collateral Assignment shall have first been delivered to Licensor, notwithstanding any other form of notice to Licensor, actual or constructive. Any such Collateral Assignment (and all other related loan documents entered into as part of such Financing) shall be subject to each and all of the covenants, conditions, obligations and restrictions set forth in this License Agreement and the Lease, none of which covenants, conditions, obligations and restrictions is or shall be waived by Licensor by reason of the rights given to Leasehold Mortgagee pursuant to this Section. Licensor agrees, within thirty (30) days of request from the Leasehold Mortgagee or Licensee, to execute a recognition/non-disturbance and attornment agreement (but not a subordination agreement) with the Leasehold Mortgagee and Licensee in a commercially reasonable form acceptable to all such parties. In the event of a default by Licensee, any Leasehold Mortgagee shall have the rights to cure such default and enter into this License Agreement and continue its terms. Any agreement with a Leasehold Mortgagee shall contain such customary provisions.

(b) If this License Agreement is terminated for any reason prior to the end of the Term, including, without limitation, by reason of any bankruptcy proceedings in respect of Licensee, and such Leasehold Mortgagee or a Person designated by such Leasehold Mortgagee enters into a new ground lease pursuant to the Lease, such Leasehold Mortgagee or a Person designated by such Leasehold Mortgagee shall have the right, exercisable by written notice to Licensors within thirty (30) days after the effective date of such termination, rejection or disaffirmance, to enter into a new parking license agreement with Licensors; (ii) the term of said new parking license agreement shall begin on the date of the termination, rejection or disaffirmance of this License Agreement and shall continue for the remainder of the Term; (iii) such new parking license agreement shall otherwise contain the same terms and conditions as those set forth herein, except for requirements that are no longer applicable or have already been performed, provided that such Leasehold Mortgagee has cured all defaults on the part of Licensee hereunder that are susceptible of being cured by the payment of money, and that such new parking license agreement will require the Licensee thereunder promptly to commence, and expeditiously to continue, to cure all other defaults on the part of Licensee hereunder to the extent susceptible of being cured; and (iv) this provision shall survive the termination of this License Agreement and shall continue in full force and effect thereafter to the same extent as if this provision were a separate and independent contract among Licensors, Licensee, and each Leasehold Mortgagee.

17. General Provisions.

(a) Notices. All notices, demands, requests, consents, and approvals desired, necessary, required or permitted to be given pursuant to the terms of this Lease (“**Notices**”) shall be in writing and shall be deemed to have been properly given if personally delivered, if sent by overnight delivery service, if sent postage prepaid, by first class registered or certified United States mail, return receipt requested, or if sent by electronic mail, addressed to each Party hereto at the following address:

If to Licensors: City of Avondale
11490 West Civic Center Drive
Avondale, AZ 85323
Attention: Ron Corbin, City Manager
Telephone: (623) 333-1011
Email: rcorbin@avondaleaz.gov

With copies to: City of Avondale
11490 West Civic Center Drive
Avondale, AZ 85323
Attention: Nicholle Harris, City Attorney
Telephone: (623) 333-1500
Email: nharris@avondaleaz.gov

and

Fennemore Craig, P.C.
2394 East Camelback Road, Suite 600
Phoenix, AZ 85016-3429

Attention: Jay S. Kramer
Telephone: (602) 916-5341
Email: jkramer@fennemorelaw.com

If to Developer: WEB Avondale Investments, LLC
971 Edwards Road
Atkins, AR 72823
Telephone: (479) 968-2117
Attn: Tim Whitten
Email: tim@whittencompanies.com

With a copy to: Lowther Johnson Attorneys at Law
901 E. St. Louis Street 20th Floor
Springfield, MO 65806
Attention: Lee J. Viorel
Telephone: 417-849-0933
Email: lviorel@lowtherjohnson.com

or at such other address in the United States as Licensor or Licensee may from time to time designate by like notice. Any such notice, demand, request or other communication shall be considered delivered and received (i) when delivered, if by hand delivery, (ii) three (3) Business Days after deposit in a U.S. Post Office or official letter box, if sent by certified mail, (iii) one (1) business day after timely deposited with an overnight delivery service, or (iv) upon error-free transmission if sent via electronic mail; provided, however that any Option Exercise Notice or notice of breach or default given by electronic mail shall also be delivered by hand delivery or deposited with the overnight delivery service no later than the following business day. Rejection or other refusal to accept or inability to deliver because of changed address of which no notice was given will not affect the date upon which a notice, demand, request or other communication is deemed given, delivered and received. Either Party may change its notice address herein provided by delivering to the other Party written notice of such changed address, which will be effective ten (10) days after delivery thereof. The respective attorneys for Licensor, Licensee, and any Leasehold Mortgagee are hereby authorized to give any notice pursuant to this Lease on behalf of their respective clients.

If Licensor shall have received from Licensee or from a Leasehold Mortgagee written notice in the manner provided in this Section 16(a), specifying the name and address of such Leasehold Mortgagee and requesting that Licensor give to such Leasehold Mortgagee a copy of each notice of default or Event of Default at the same time as and whenever any such notice of default or Event of Default shall thereafter be given by Licensor to Licensee, then no notice or demand under this Lease will be effective as to any Leasehold Mortgagee until such written notice or demand is received by such Leasehold Mortgagee.

(b) Approvals. When a Party's consent is required pursuant to this License Agreement, such Party shall not unreasonably withhold, delay or condition its approval. Whenever a Party is exercising its rights or discretion under this License, such Party shall act reasonably and in a manner that does not conflict with the express terms of this License.

(c) Waiver. No delay in exercising any right or remedy shall constitute a waiver thereof and no waiver by a Party of the breach of any provision of this License Agreement shall be construed as a waiver of any preceding or succeeding breach of the same or of any other provision of this License Agreement.

(d) No Liability of City Officials or Employees. No elected or appointed official, representative, employee or agent of the City shall be personally liable to Licensee in the event of any default or Event of Default by the City under this License Agreement, or for any amount that may be due and owing by the City to Licensee under this License Agreement, or with respect to any obligation of the City under this License Agreement.

(e) Headings. The descriptive headings of the sections of this License Agreement are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions of this License Agreement.

(f) Authority. Each Party to this License Agreement represents to the other that it has full power and authority to enter into this License Agreement, and that all necessary actions have been taken to give full force and effect to this License Agreement.

(g) Severability. If any term, condition, covenant, stipulation, agreement or provision herein contained is held to be invalid or unenforceable for any reason, the invalidity of any such term, condition, covenant, stipulation, agreement or provision shall in no way affect any other term, condition, covenant, stipulation, agreement or provision herein contained.

(h) Governing Law, Venue & Jurisdiction. The laws of the State of Arizona shall govern the interpretation and enforcement of this License Agreement. The Parties agree that venue for any action commenced in connection with this License Agreement shall be proper only in a court of competent jurisdiction located in Maricopa County, Arizona, and the Parties hereby waive any right to object to such venue.

(i) Remedies. If any Party to this License Agreement breaches any provision of the License Agreement, the non-defaulting Party shall be entitled to all remedies available at both law and in equity, including specific performance.

(j) Attorneys' Fees and Costs. If any Party brings a legal action either because of a breach of this License Agreement or to enforce a provision of this License Agreement, the prevailing Party will be entitled to reasonable attorneys' fees and court costs.

(k) No Agency Created. Nothing contained in this License Agreement shall create any partnership, joint venture, or agency relationship between the Parties.

(l) Integration. This License Agreement, including its Exhibits, constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes any prior agreement, understanding, negotiation, draft documents, discussion outlines, correspondence, memoranda or representation regarding the Reserved Spaces.

(m) Construction. Whenever the context of this License Agreement requires, the singular shall include the plural, and the masculine shall include the feminine. This License

Agreement was negotiated on the basis that it shall be construed according to its plain meaning and neither for nor against any Party, regardless of their respective roles in preparing this License Agreement. The terms of this License Agreement were established in light of the plain meaning of this License Agreement and this License Agreement shall therefore be interpreted according to its plain meaning and without regard to rules of interpretation, if any, that might otherwise favor Licensee or Licensor.

(n) No Third-Party Beneficiaries. No person or entity shall be a third-party beneficiary to this License Agreement or shall have any right or cause of action hereunder.

(o) Exhibits. All exhibits attached hereto as specified herein are hereby incorporated into and made an integral part of this License Agreement for all purposes.

(p) Amendments. This License Agreement may not be amended except by a formal writing executed by both Parties.

(q) Counterparts. This License Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original and all of which together shall be deemed to be one and the same instrument.

(r) Assignment. Licensee named herein and may not assign its rights, obligations and interest under this License Agreement to any other party without prior consent of the Licensor, except upon an assignment of the Lease pursuant to Section 13.02 of the Lease.

(s) Arizona Law Provisions.

(i) No member, official or employee of City shall have any direct or indirect interest in this License Agreement, nor participate in any decision relating to the License Agreement, which is prohibited by law. In addition to its other rights hereunder, City shall have the rights specified in A.R.S § 38-511.

(ii) To the extent applicable, Licensee certifies that it is not currently engaged in, and agrees for the duration of this License Agreement that it will not engage in a “boycott,” as that term is defined in § 35-393, Arizona Revised Statutes, of Israel.

(iii) To the extent applicable under A.R.S. § 41-4401, Licensee warrants compliance with all federal immigration laws and regulations that relate to their employees and contractors and their compliance with the e-verify requirements under A.R.S. § 23-214(A). The failure by Licensee to comply with such warranty shall be deemed a material breach of this License Agreement and may result in the termination of this License Agreement by the City.

(iv) To the extent applicable under A.R.S. § 35-394, Licensee hereby certifies it does not currently, and for the duration of this License Agreement shall not use: (a) the forced labor of ethnic Uyghurs in the People’s Republic of China, (b) any goods or services produced by the forced labor of ethnic Uyghurs in the People’s Republic of China, and (c) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People’s Republic of China. If Licensee becomes aware during the duration of this License Agreement that it is not in compliance with such

certification, Licensee shall take such actions as provided by law, including providing the required notice to the City. If the City determines that the Licensee is not in compliance with the foregoing certification, such failure to comply with the certifications in this Section shall be deemed a material breach of this License Agreement and may result in the termination of this License Agreement by the City.

[Signatures on following pages]

IN WITNESS WHEREOF, the Parties have executed this License Agreement as of the date first above written.

LICENSOR:

CITY OF AVONDALE,
an Arizona municipal corporation

By: _____
Name: Ron Corbin
Title: City Manager

ATTEST:

Marcella Sarmineto, City Clerk

APPROVED AS TO FORM:

Nicholle Harris, City Attorney

STATE OF ARIZONA)
) §§
County of Maricopa)

The foregoing instrument was acknowledged before me, the undersigned Notary Public, this _____ day of _____, 2025 by Ron Corbin, the City Manager of the City of Avondale, an Arizona municipal corporation, on behalf thereof.

Notary Public

(Seal)

LICENSEE:

WEB AVONDALE INVESTMENTS, LLC,
an Arizona limited liability company

By: _____

Printed Name: Tim Whitten

Title: Manager

STATE OF _____)
) §§
County of _____)

The foregoing instrument was acknowledged before me, the undersigned Notary Public, this _____ day of _____, 2025 by Tim Whitten, the Manager of the Web Avondale Investments, LLC, an Arizona limited liability company, on behalf thereof.

Notary Public

(Seal)

EXHIBIT A

Legal Description of Property

EXHIBIT "A"
Description of Real Estate
IN MARICOPA COUNTY, STATE OF ARIZONA

A Parcel of Land in the Southwest Quarter (SW 1/4) of Section Six (6), Township One (1) North, Range One (1) East, of the Gila & Salt River Meridian, Maricopa County, Arizona and being more particularly described as follows:

Commencing at a found brass cap in hand hole at the intersection of Avondale Boulevard and Roosevelt Street also being the West Quarter Corner (W1/4) of section 6 from which a found brass cap in a hand hole at the Southwest corner of said Section 6, at the intersection of Van Buren Street and Avondale Boulevard, bears South 00°02'17" East, a distance of 2,626.37 feet;

THENCE East along Roosevelt Street, North 88 degrees 59 minutes 07 seconds East, a distance of 544.90 feet;

THENCE departing said line South 01 degrees 00 minutes 53 seconds East, a distance of 45.00 feet to a point on the new Right of Way Line and also being the **Point of Beginning**;

Thence along said Right of Way line South 88 degrees 59 minutes 07 seconds East a distance of 214.82 feet;

THENCE South 45 degrees 15 minutes 00 seconds East a distance of 34.94 feet;

THENCE South 00 degrees 01 minutes 39 seconds East a distance of 61.20 feet to the beginning of a non-tangent curve, concaving Northeasterly, having a Radius of 194.00 feet and whose Center bears North 89 degrees 57 minutes 05 seconds East from the last described point;

THENCE Southeasterly along the arc of said Curve, through a Central Angle of 45 degrees 45 minutes 23 seconds, With an Arc Length of 154.93 feet to the point of a non-tangent reverse curve, concaving Southwesterly, having a radius of 106.00 feet and whose Center bears South 44 degrees 11 minutes 42 seconds West from the last described point;

THENCE Southeasterly along the arc of said Curve, through a Central Angle of 45 degrees 44 minutes 39 seconds, With an Arc Length of 84.63 feet;

THENCE South 00 degrees 01 minutes 34 seconds East a distance of 112.29 feet;

THENCE South 89 degrees 03 minutes 03seconds West a distance of 408.07 feet;

THENCE North 00 degrees 02 minutes 41 seconds West a distance of 163.44 feet to the beginning of a non-tangent curve, concaving Southeasterly, having a Radius of 106.00 feet and whose Center bears South 89 degrees 58 minutes 20 seconds East from the last described point;

THENCE Northeasterly along the arc of said Curve, through a Central Angle of 34 degrees 33 minutes 08 seconds, With an Arc Length of 63.92 feet to the point of a non-tangent reverse curve, concaving Northwesterly, having a radius of 194.00 feet and whose Center bears North 55 degrees 25 minutes 12 seconds West from the last described point;

THENCE Northwesterly along the arc of said Curve, through a Central Angle of 34 degrees 38 minutes 16 seconds, With an Arc Length of 117.28 feet;

THENCE North 00 degrees 01 minutes 48 seconds West a distance of 57.22 feet;

THENCE North 44 degrees 48 minutes 40 seconds East a distance of 34.40 feet to the **Point of Beginning**;

Containing 140,573 sqft or 3.23 acres more or less

Prepared by:
Thomas Lavalette, RLS.
AZ # 37258
Engineering Alliance, Inc.
1423 S. Higley Rd., Suite 121, Building 9
Mesa, Arizona 85206
Phone: (602) 757-6032
Email: tlavalette@eaincglobal.com

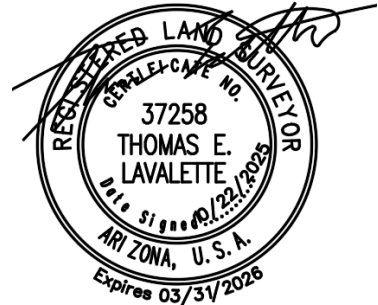
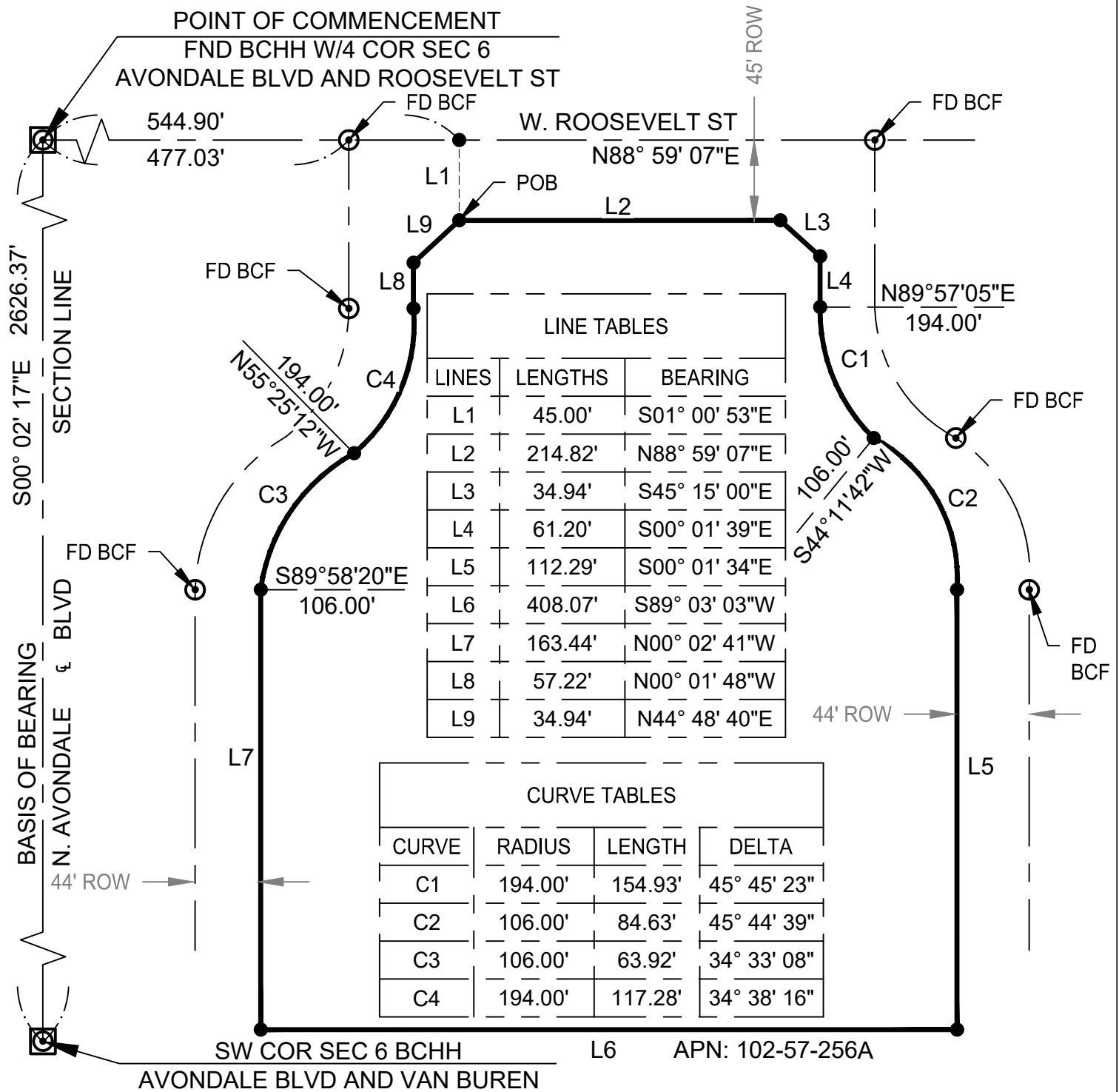


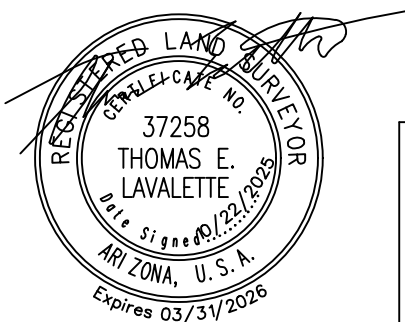
EXHIBIT B

Depiction of the Project

EXHIBIT "A"



SCALE:
N.T.S.
T1N R1E S6



PROJECT: 2025-M-050	
DATE: 10-22-2025	CHKD BY: TL
DRN BY: BL	SCALE: N.T.S.
TITLE:	
LOT 1 APN: 102-57-256B	
SHEET NO: 1 OF 1	

EXHIBIT C

Depiction of Garage



ITEM NUMBER: 4.1.

SUBJECT: Ordinance 2040-1125 – Granting of a Right-of-Way Easement to Arizona Public Service Easement across City-owned Properties

MEETING DATE: 11/17/2025

TO: Mayor and Council

FROM: Kimberly Moon, Director, Engineering Department

THROUGH: Katie Gregory, Assistant City Manager, (623) 333-1015

REVIEWED: Ron Corbin, City Manager, (623) 333-1011

STRATEGIC PLAN:

This agenda item supports the following Avondale Strategic Outcome Area: **Connected & Engaged Community**

Avondale informs, prepares, and engages our community to ensure residents are connected to resources, the region, and each other.

PURPOSE:

City Council will consider a request to adopt Ordinance 2040-1125, authorizing granting a right-of-way easement to Arizona Public Service across several City-owned parcels and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

BACKGROUND:

Arizona Public Service (APS) is working on a project that will require the installation of a new 230kV transmission line and towers to service the new Stack Data Center that will be located at the southeast corner of Lower Buckeye Road and Litchfield Road. To facilitate construction of the project, APS will need to obtain right-of-way easements of various square footage across several city-owned properties. The APNs of the affected parcels are as follows:

500-21-004B

500-41-006D

500-59-015B

500-58-002C

500-61-005L

500-61-005N

DISCUSSION:

APS is requesting that the City grant a Right-of-Way Easement with a combined square footage of 154,202 square feet.

BUDGET IMPACT:

There is no impact to the budget for this action.

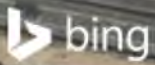
RECOMMENDATION:

Staff recommends City Council adopt an Ordinance authorizing granting a right-of-way easement to Arizona Public Service across several City-owned parcels and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents.

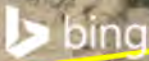
Contact person for document distribution: Yulonda Moore



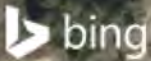
THIS MAP IS FOR INFORMATION PURPOSES ONLY. THIS IS NOT A SURVEY PRODUCT. MEASUREMENTS SHOWN ARE APPROXIMATIONS ONLY AND SHOULD NOT BE USED FOR AUTHORITATIVE DEFINITION OF LEGAL BOUNDARY OR PROPERTY TITLE. ROUTING ADJUSTMENTS MAY OCCUR BASED ON LANDOWNER INPUT DUE TO SITING CONSTRAINTS ON PROPERTY.



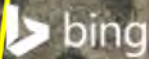
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ORDINANCE NO. 2040-1125

AN ORDINANCE OF THE COUNCIL OF THE CITY OF AVONDALE, ARIZONA, GRANTING RIGHT-OF-WAY EASEMENTS GENERALLY LOCATED IN THE AGUA FRIA RIVERBED TO ARIZONA PUBLIC SERVICE RELATING TO THE INSTALLATION OF 230KV TRANSMISSION LINES TO SERVICE THE STACK DATA CENTER.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF AVONDALE as follows:

SECTION 1. Five (5) right-of-way easement are hereby granted to Arizona Public Service Company in substantially the form and substance attached hereto as Exhibit 1 and incorporated herein by reference, through, over, under and across several acres of real property generally located in the Agua Fria Riverbed as follows: (i) APN 500-21-004B for ± 0.005 acres, (ii) APN 500-41-006D for ± 1.227 acres, (iii) APN 500-58-002C and APN 500-59-015B for ± 2.281 total acres, (iv) APN 500-61-005L for ± 0.001 acres, (v) APN 500-61-005N for ± 0.027 acres, and as depicted and described as part of Exhibit A to the easement form attached hereto as Exhibit 1.

SECTION 2. The Mayor, the City Manager, the City Clerk and the City Attorney are hereby authorized and directed to execute all documents and take all steps necessary to carry out the purpose and intent of this Ordinance.

PASSED AND ADOPTED by the Council of the City of Avondale, Arizona, November 17, 2025.

Mike Pineda, Mayor

ATTEST:

Marcella Sarmiento, City Clerk

APPROVED AS TO FORM:

Nicholle Harris, City Attorney

EXHIBIT 1
TO
ORDINANCE NO. 2040-1125

[Right-of-Way Easements]

See following pages.

S14 - 1N 1W
33.435762/-112.336971
500-21-004B, 500-41-006D, 500-58-002C,
500-59-015B, 500-61-005L, 500-61-005N
WE019309
SK

RIGHT-OF-WAY EASEMENT

CITY OF AVONDALE, a municipal corporation (hereinafter called "Grantor"), is the owner of the following described real property located in Maricopa County, Arizona (hereinafter called "Grantor's Property"):

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

Grantor, for and in consideration of One Dollar (\$1.00) and other valuable consideration, receipt of which is hereby acknowledged, does hereby grant and convey to **ARIZONA PUBLIC SERVICE COMPANY**, an Arizona corporation, (hereinafter called "Grantee"), and to its successors and assigns, a non-exclusive right, privilege, and easement, at locations and elevations, in, upon, over, under, through and across, a portion of Grantor's Property described as follows (herein called the "Easement Premises"):

SEE EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF

Grantee is hereby granted the right to: construct, install, reconstruct, replace, remove, repair, operate and maintain a line or lines of poles or towers, or other supporting structures and conductors or cables suspended thereon and supported thereby, and guys, anchorage, crossarms, braces, transformers, and underground conduits, conductors, pipes, cables, vaults, and manholes, and all other equipment, fixtures, and facilities, for the transmission and distribution of electricity and for all other purposes connected therewith, and for the transmission and distribution of telephone, audio and/or visual signal and other communication or data transmission purposes to, through, across, and beyond Grantor's Property (said electrical and telecommunication lines, facilities and fixtures collectively herein called "Grantee Facilities"); including the right to install down guys/anchorage where necessary as determined by Grantee within the Easement Premises; together with the right of ingress and egress across the Grantor's Property to, from and along the Easement Premises and with the right to use lands adjacent to said Easement Premises within four (4) feet during temporary periods of construction not to exceed ninety (90) days. Grantee is hereby authorized to permit others to use the Easement Premises, subject to the same conditions for additional facilities jointly with or separately from the Grantee for their purposes.

Grantee is hereby granted the right, but not the obligation, to trim, prune, cut, and clear away trees, brush, shrubs, or other vegetation on, or adjacent to, the Easement Premises whenever in Grantee's judgment the same shall be necessary for the convenient and safe exercise of the rights herein granted.

Grantor shall not locate, erect or construct, or permit to be located, erected or constructed, any building or other structure or drill any well within the limits of the Easement Premises; nor shall Grantor plant

or permit to be planted any trees or alter ground level by cut or fill within the limits of the Easement Premises without the prior written consent of Grantee.

Subject to all other provisions of this Easement, Grantor reserves the right to cultivate, graze, use and occupy the Easement Premises for any purpose consistent with the rights and privileges herein granted, and which do not interfere with any of the Grantee Facilities.

Grantee shall have the right to construct, modify and maintain access openings at such locations and of such dimensions as solely determined by Grantee in walls or fences which exist within the Easement Premises on the date this Easement is conveyed. Grantor shall, at its expense, provide Grantee openings at such locations and of such dimensions as solely determined by Grantee in future walls or fences within the Easement Premises. Grantor shall have the right to install gates across said openings and Grantor and Grantee shall have the right to use said gates, provided that any locked gates be subject to joint access by Grantor and Grantee by provision of a multiple locking device.

By accepting and utilizing this easement, Grantee agrees that following any installation, excavation, maintenance, repair, or other work by Grantee within the Easement Premises, the affected area will be restored by Grantee to as close to original condition as is reasonably practicable, at the sole expense of Grantee; and that Grantee shall indemnify Grantor, to the extent required by law, for any loss, cost or damage incurred by Grantor as a result of any negligent installation, excavation, maintenance, repair or other work performed by Grantee within the Easement Premises.

The easement granted herein shall not be deemed abandoned except upon Grantee's execution and recording of a formal instrument abandoning the easement.

The covenants and provisions herein set forth shall extend and inure in favor and to the benefit of, and shall be binding on the heirs, administrators, executors, successors in ownership and estate, assigns and lessees of Grantor and Grantee.

[THE REST OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, **CITY OF AVONDALE**, a municipal corporation, has caused this Right-of-Way Easement to be executed by its duly authorized representative, this ____ day of _____, 20__.

CITY OF AVONDALE,
a municipal corporation

By: _____

Its: _____

(Signature)

STATE OF _____ }
 } ss.
County of _____ }

This instrument was acknowledged before me this ____ day of _____, 20____
by _____
of **CITY OF AVONDALE**, a municipal corporation.

IN WITNESS WHEREOF I hereunto set my hand and official seal.

Notary Seal:

Notary Public

EXHIBIT "A"

LEGAL DESCRIPTION OF GRANTOR'S PROPERTY

APN 500-21-004B:

AS RECORDED IN INSTRUMENT NUMBER 19791022

PARCEL NO. 1:

THAT PORTION OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 11, TOWNSHIP 1 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WESTERLY LINE OF SAID SECTION 11 DISTANT NORTH 0 DEGREES 16 MINUTES 30 SECONDS EAST 16.60 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 11; THENCE ALONG SAID WESTERLY LINE NORTH 0 DEGREES 16 MINUTES 30 SECONDS EAST: 83.40 FEET;

THENCE NORTH 89 DEGREES 58 MINUTES 30 SECONDS EAST 40.40 FEET TO A POINT IN THE NORTH LINE OF AN EXISTING 6-FOOT WOVEN WIRE FENCE; THENCE ALONG SAID NORTH LINE THE FOLLOWING TWO COURSES, NORTH 89 DEGREES 58 MINUTES 30 SECONDS EAST: 83.40 FEET; THENCE NORTH 75 DEGREES 06 MINUTES 00 SECONDS EAST 385.65 FEET TO A POINT IN THE EASTERLY LINE OF SAID FENCE; THENCE ALONG SAID EASTERLY LINE SOUTH 06 DEGREES 55 MINUTES 00 SECONDS EAST 91.28 FEET TO A POINT IN THE SOUTHERLY LINE OF SAID FENCE;

THENCE ALONG SAID SOUTHERLY LINE THE FOLLOWING THREE COURSES, SOUTH 66 DEGREES 05 MINUTES 00 SECONDS WEST 155.59 FEET TO A POINT IN THE ARC OF A TANGENT CURVE CONCAVE TO THE NORTHWEST. HAVING A RADIUS OF 335.70 FEET; THENCE SOUTHWESTERLY AND WESTERLY ALONG THE ARC OF SAID CURVE, THROUGH A CENTRAL ANGLE OF 23 DEGREES 53 MINUTES 30 SECONDS AN ARC DISTANCE OF 139.98 FEET;

THENCE TANGENT TO SAID CURVE, SOUTH 89 DEGREES 58 MINUTES 30 SECONDS WEST 189.30 FEET;

THENCE ALONG THE WESTERLY PROLONGATION OF SAID SOUTHERLY FENCE LINE SOUTH 89 DEGREES 58 MINUTES 30 SECONDS WEST 44.40 FEET TO THE POINT OF BEGINNING.

PARCEL NO. 2:

THAT PORTION OF THE NORTH 66 FEET OF THE SOUTH 199 FEET OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 11, TOWNSHIP 1 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, LYING EASTERLY OF THE EASTERLY LINE OF AN EXISTING 6-FOOT WOVEN WIRE FENCE, WHICH SAID EASTERLY LINE IS DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WESTERLY LINE OF SAID SECTION 11, DISTANT NORTH 0 DEGREES 16 MINUTES 30 SECONDS EAST 16.60 FEET FROM THE SOUTHWEST CORNER OF SAID SECTION 11;

THENCE ALONG SAID WESTERLY LINE NORTH 0 DEGREES 16 MINUTES 30 SECONDS EAST 83.40 FEET; THENCE NORTH 89 DEGREES 58 MINUTES 30 SECONDS EAST 44.40 FEET TO A POINT IN THE NORTH LINE OF AN EXISTING 6 FOOT WOVEN WIRE FENCE;

THENCE ALONG SAID NORTH LINE THE FOLLOWING TWO COURSES, NORTH 89 DEGREES 58 MINUTES 30 SECONDS EAST 83.40 FEET; THENCE NORTH 75 DEGREES 06 MINUTES 00 SECONDS EAST 385.65 FEET TO A POINT IN THE EASTERLY LINE OF SAID FENCE, AND THE TRUE POINT OF BEGINNING OF THE HEREIN DESCRIBED LINE;

THENCE ALONG SAID EASTERLY LINE SOUTH 06 DEGREES 55 MINUTES 00 SECONDS EAST 91.23 FEET TO A POINT IN THE SOUTHERLY LINE OF SAID FENCE AND THE TERMINUS POINT OF THE HEREIN DESCRIBED LINE. INCLUDES ALL PROPERTY ENCUMBERED BY EASEMENT.

AND

APN 500-41-006D:

AS RECORDED IN INSTRUMENT NUMBER 19870592347

A PARCEL OF LAND BEING A PART OF THE WEST ½ OF SECTION 14, TOWNSHIP 1 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID SECTION 14, SAID CORNER ALSO BEING ON THE CENTERLINE OF LOWER BUCKEYE ROAD; THENCE N 0°25'21"W ALONG THE WEST LINE OF SAID SECTION 14 A DISTANCE OF 660.52 FEET;

THENCE S 87°06'40" E A DISTANCE OF 541.91 FEET; THENCE N 35°36'11" E A DISTANCE OF 2384.22 FEET TO A POINT ON THE EAST-WEST MID-SECTION LINE OF SAID SECTION 14; THENCE S 87°55' 34" E ALONG SAID EAST-WEST MID-SECTION LINE A DISTANCE OF 648.37 FEET TO THE CENTER OF SAID SECTION 14;

THENCE S 0°40'40" W ALONG THE NORTH-SOUTH MID-SECTION LINE OF SAID SECTION 14 A DISTANCE OF 2676.66 FEET TO THE SOUTH ¼ CORNER OF SAID SECTION 14, SAID CORNER ALSO BEING ON THE CENTERLINE OF LOWER BUCKEYE ROAD;

THENCE N 87°06'40" W ALONG THE SOUTH LINE OF SAID SECTION 14 AND THE CENTERLINE OF LOWER BUCKEYE ROAD A DISTANCE OF 2543.88 FEET TO THE POINT OF BEGINNING.

SUBJECT TO RIGHTS-OF-WAY AND EASEMENT OF RECORD.

EXCEPT THAT CERTAIN WELL SITE AND ACCESS TO SAID WELL SITE LOCATED AT OR NEAR THE NORTH-WEST CORNER OF RIO VISTA ROAD AND 127TH AVENUE.

AND

APN 500-59-015B AND 500-58-002C:

AS RECORDED IN INSTRUMENT NUMBER 19671016

BEGINNING AT THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 22, TOWNSHIP 1 NORTH, RANGE 1 WEST OF THE GILA SALT RIVER BASE AND MERIDIAN;

THENCE SOUTH 55 DEGREES 53 MINUTES 02 SECONDS WEST 1557.53 FEET TO A POINT ON THE NORTH-SOUTH MID-SECTION LINE;

THENCE SOUTH 45 DEGREES 13 MINUTES 47 SECONDS WEST 1808.04 FEET TO A POINT ON THE WEST LINE OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER;

THENCE NORTH 0 DEGREES 59 MINUTES 22 SECONDS WEST 2188.94 FEET TO THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER;

THENCE SOUTH 89 DEGREES 19 MINUTES 30 SECONDS EAST 1309.75 FEET TO THE NORTHEAST CORNER OF SAID SOUTHEAST QUARTER OF THE NORTHWEST QUARTER;

THENCE SOUTH 88 DEGREES 50 MINUTES 24 SECONDS EAST 1301.53 FEET TO THE POINT OF BEGINNING.

AND

APN 500-61-005L:

AS RECORDED IN INSTRUMENT NUMBER 19580077074

THAT PART OF THE NORTHEAST QUARTER OF SECTION 22, TOWNSHIP 1 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTH QUARTER CORNER OF SECTION 22, TOWNSHIP 1 NORTH, RANGE 1 WEST, AFORESAID;

THENCE SOUTH 0 DEGREES 26 MINUTES 59 SECONDS WEST A DISTANCE OF 1330.07 FEET ALONG THE MIDSECTION LINE;

THENCE SOUTH AS DEGREES 09 MINUTES 48 SECONDS EAST A DISTANCE OF 631.28 FEET TO THE TRUE POINT OF BEGINNING;

THENCE NORTH 1 DEGREE 16 MINUTES 48 SECONDS EAST A DISTANCE OF 1303.06 FEET TO A POINT WHICH IS 33.00 FEET SOUTH OF THE NORTH LINE OF SECTION 22;

THENCE SOUTH 88 DEGREES 43 MINUTES 12 SECONDS EAST PARALLEL TO SAID NORTH LINE A DISTANCE OF 630.19 FEET TO A POINT WHICH BEARS NORTH 88 DEGREES 43 MINUTES 12 SECONDS WEST A DISTANCE OF 40.0 FEET AND SOUTH 1 DEGREE 16 MINUTES 48 SECONDS WEST A DISTANCE OF 33.0 FEET FROM THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 22;

THENCE SOUTH 1 DEGREE 16 MINUTES 48 SECONDS WEST A DISTANCE OF 1029.51 FEET TO A POINT ON THE NORTHWESTERLY LINE OF PROPERTY SHOWN AS PARCEL 2 IN AGREEMENT RECORDED DIN DOCKET 5319, IN PAGE 314, MARICOPA COUNTY RECORDS;

THENCE SOUTH 46 DEGREES 29 MINUTES 48 SECONDS WEST ALONG SAID NORTHWESTERLY LINE A DISTANCE OF 393.19 FEET TO THE SOUTH LINE OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 22;

THENCE NORTH 88 DEGREES 09 MINUTES 48 SECONDS WEST ALONG SAID SOUTH LINE A DISTANCE OF 351.13 FEET TO THE TRUE POINT OF BEGINNING.

AND

A PARCEL OF LAND SITUATED IN AND BEING A PART OF THE NORTHEAST QUARTER OF SECTION TWENTY-TWO (22), TOWNSHIP ONE (1) NORTH, RANGE ONE (1) WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 22 RUN;

THENCE EAST (ASSUMED BEARING) ALONG THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 22, A DISTANCE OF 660.00 FEET TO A POINT;

THENCE SOUTH 433.00 FEET TO A POINT;

THENCE SOUTH 41 DEGREES, 11 MINUTES, 10 SECONDS WEST, 1063.02 FEET TO A POINT;

THENCE NORTH 1233.00 FEET TO A POINT ON THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 22;

THENCE EAST ALONG SAID NORTH LINE OF THE NORTHEAST QUARTER SECTION 22, A DISTANCE OF 40.00 FEET TO THE POINT OF BEGINNING.

SUBJECT TO RIGHTS OF WAYS FOR CANALS, LATERALS AND DITCHES AND ROADWAY AS SHOWN ON MAP RECORDED IN BOOK 2 OF ROAD MAPS, PAGE 14, OVER THE NORTH 33 FEET.

AND

APN 500-61-005N:

AS RECORDED IN INSTRUMENT NUMBER 19800902

THAT PART OF THE NORTHEAST QUARTER OF SECTION 22, TOWNSHIP 1 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY ARIZONA DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTH QUARTER CORNER OF SECTION 22, TOWNSHIP 1 NORTH, RANGE 1 WEST, AFORESAID; THENCE SOUTH 0 DEGREES 26 MINUTES 59 SECONDS WEST A DISTANCE OF 1330.07 FEET ALONG THE MIDSECTION LINE; THENCE SOUTH 88 DEGREES 09 MINUTES 48 SECONDS EAST A DISTANCE OF 631.28 FEET TO THE TRUE POINT OF BEGINNING;

THENCE NORTH 1 DEGREE 16 MINUTES 48 SECONDS EAST A DISTANCE OF 1303.06 FEET TO A POINT WHICH IS 33.00 FEET SOUTH OF THE NORTH LINE OF SECTION 22;

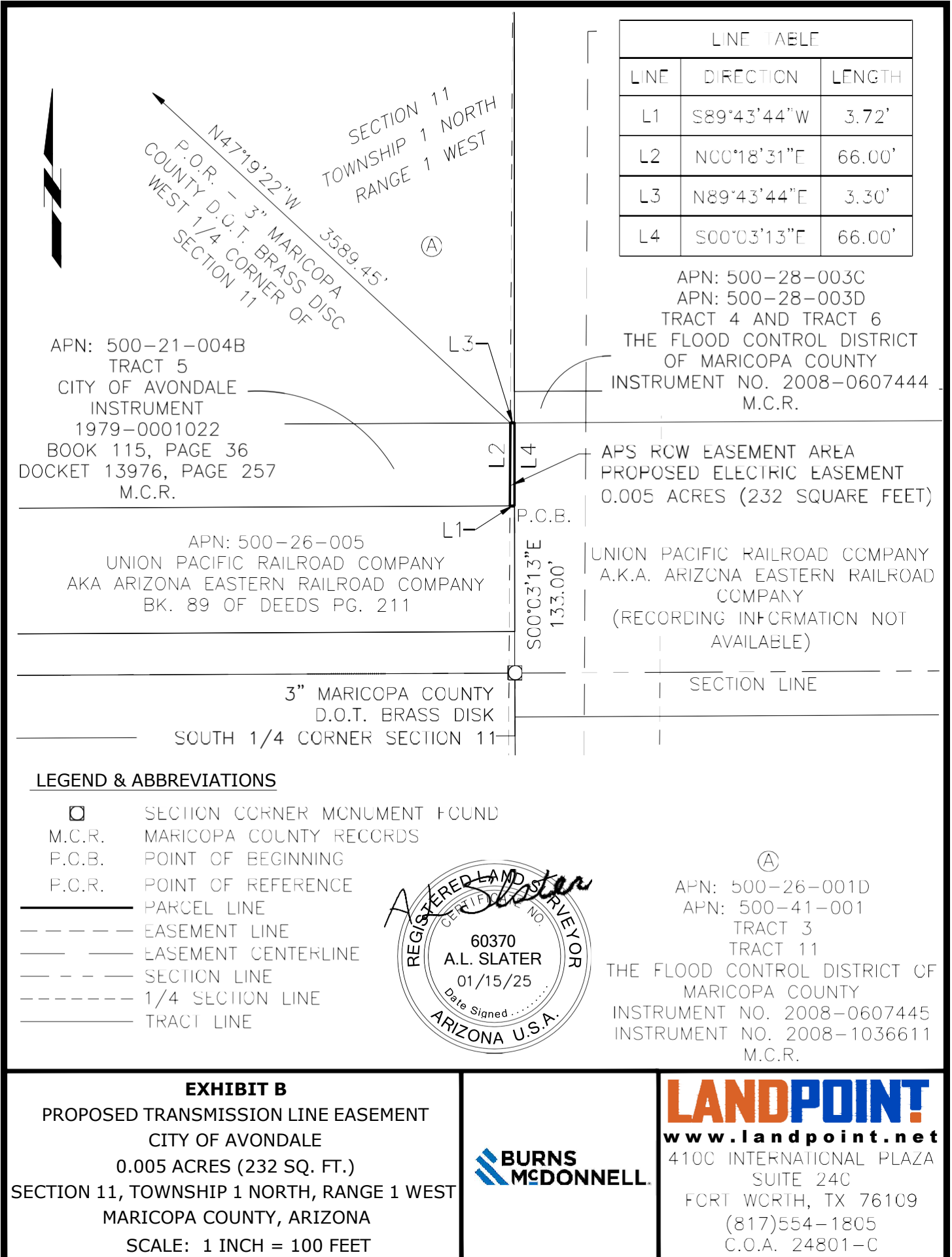
THENCE SOUTH 88 DEGREES 43 MINUTES 12 SECONDS EAST PARALLEL TO SAID NORTH LINE A DISTANCE OF 630.19 FEET TO A POINT WHICH BEARS NORTH 88 DEGREES 43 MINUTES 12 SECONDS WEST A DISTANCE OF 40.0 FEET AND SOUTH 1 DEGREE 16 MINUTES 48 SECONDS WEST A DISTANCE OF 33.0 FEET FROM THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 22;

THENCE SOUTH 1 DEGREE 16 MINUTES 48 SECONDS WEST A DISTANCE OF 1029.5L FEET TO A POINT ON THE NORTHWESTERLY LINE OF PROPERTY SHOWN AS PARCEL 2 2 IN AGREEMENT RECORDED IN DOCKET 5319, PAGE 314, MARICOPA COUNTY RECORDS;

THENCE SOUTH 46 DEGREES 29 MINUTES 48 SECONDS WEST ALONG SAID NORTHWESTERLY LINE A DISTANCE OF 393.L9 FEET TO THE SOUTH LINE OF THE NORTHWEST QUARTER OF THE NORTHEAST QUARTER OF SECTION 22;

THENCE NORTH 88 DEGREES 09 MINUTES 48 SECONDS WEST ALONG SAID SOUTH LINE A DISTANCE OF 351.13 FEET TO THE TRUE POINT OF BEGINNING.

X:\2024\23-2709-1\Working\Exhibits\Tract 5 - CITY OF AVONDALE.dwg



FIELD BY: DC

DRAWN BY: PL

CHECKED BY: AS

JOB NO. 23-2709-1

LEGAL DESCRIPTION

A RIGHT OF WAY EASEMENT WITHIN A TRACT OF LAND CONVEYED TO THE CITY OF AVONDALE, BY INSTRUMENT NUMBER 1979-0001022, DOCKET 13976, PAGE 257, AND DESCRIBED IN INSTRUMENT RECORDED IN BOOK 115, PAGE 36, RECORDS OF MARICOPA COUNTY, ARIZONA, BEING GRANTED TO ARIZONA PUBLIC SERVICE COMPANY, SAID EASEMENT LOCATED IN THE SOUTHWEST 1/4 OF SECTION 11, TOWNSHIP 1 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID TRACT, FROM WHICH A FOUND 3-INCH MARICOPA COUNTY D.O.T. BRASS DISK MARKING THE SOUTH 1/4 CORNER OF SAID SECTION 11 BEARS SOUTH 00° 03' 13" EAST, A DISTANCE OF 133.00 FEET;

THENCE SOUTH 89° 43' 44" WEST, ALONG THE SOUTH LINE OF SAID TRACT, A DISTANCE OF 3.72 FEET;

THENCE DEPARTING SAID SOUTH LINE, NORTH 00° 18' 31" EAST, A DISTANCE OF 66.00 FEET TO THE NORTH LINE OF SAID TRACT, FROM WHICH POINT A FOUND 3-INCH MARICOPA COUNTY D.O.T. BRASS DISK MARKING THE WEST 1/4 CORNER OF SAID SECTION 11, BEARS NORTH 47° 19' 22" WEST, A DISTANCE OF 3,589.45 FEET;

THENCE NORTH 89° 43' 44" EAST, ALONG THE NORTH LINE OF SAID TRACT, A DISTANCE OF 3.30 FEET TO THE NORTHEAST CORNER OF SAID TRACT;

THENCE SOUTH 00° 03' 13" EAST, ALONG THE EAST LINE OF SAID TRACT, A DISTANCE OF 66.00 FEET TO THE **POINT OF BEGINNING** OF THE EASEMENT HEREIN DESCRIBED.

SAID EASEMENT CONTAINS 0.005 ACRES OR 232 SQUARE FEET MORE OR LESS.

**EXHIBIT B**

PROPOSED TRANSMISSION LINE EASEMENT
CITY OF AVONDALE

0.005 ACRES (232 SQUARE FEET)

SECTION 11, TOWNSHIP 1 NORTH, RANGE 1 WEST
MARICOPA COUNTY, ARIZONA



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APN: 500-41-006C
TRACT 14
THE FLOOD CONTROL
DISTRICT OF
MARICOPA COUNTY
INSTRUMENT NO.
1987-0627356
INSTRUMENT NO.
1987-0627357
M.C.R.

APN: 500-55-006
TRACT 16
FLOOD CONTROL DISTRICT
OF MARICOPA COUNTY
INSTRUMENT NO.
1987-0655790

APN: 500-41-006D
APN: 500-41-007A
TRACT 15
CITY OF AVONDALE
DOCUMENT NO. 1987-0592347
M.C.R.

LOWER BUCKEYE ROAD
(66' ROADWAY EASEMENT)

APS ROW EASEMENT AREA
PROPOSED ELECTRIC EASEMENT
1.227 ACRES
(53,438 SQUARE FEET)

P.O.R.
3" MARICOPA COUNTY
D.O.T. BRASS DISC
SOUTHWEST
CORNER OF
SECTION 14

LEGEND & ABBREVIATIONS

- ☒ SECTION CORNER MONUMENT FOUND
- M.C.R. MARICOPA COUNTY RECORDS
- P.O.B. POINT OF BEGINNING
- P.O.R. POINT OF REFERENCE
- PARCEL LINE
- EASEMENT LINE
- EASEMENT CENTERLINE
- SECTION LINE
- 1/4 SECTION LINE
- TRACT LINE



LINE TABLE

LINE	BEARING	DISTANCE
L1	S01°25'38"E	189.51'
L2	N01°25'38"W	199.56'
L3	N35°32'34"E	325.58'
L4	S88°06'57"E	144.19'
L5	S35°32'34"W	489.59'
L6	S35°32'34"W	75.34'

EXHIBIT B

PROPOSED TRANSMISSION LINE EASEMENT
CITY OF AVONDALE

1.227 ACRES (53,438 SQUARE FEET)

SECTION 14, TOWNSHIP 1 NORTH, RANGE 1 WEST

MARICOPA COUNTY, ARIZONA

SCALE: 1 INCH = 300 FEET



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LEGAL DESCRIPTION

A RIGHT OF WAY EASEMENT WITHIN A TRACT OF LAND CONVEYED TO THE CITY OF AVONDALE, RECORDED IN INSTRUMENT NUMBER 1987-0592347, MARICOPA COUNTY RECORDS, ARIZONA (M.C.R.), BEING GRANTED TO ARIZONA PUBLIC SERVICE COMPANY, SAID EASEMENT LOCATED WITHIN THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 1 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVER BASE MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WEST LINE OF SAID TRACT, SAME BEING THE WEST SECTION LINE OF SAID SECTION 14, FROM WHICH A FOUND 3-INCH MARICOPA COUNTY D.O.T. BRASS DISK MARKING THE SOUTHWEST CORNER OF SAID SECTION 14 BEARS SOUTH 01° 25' 38" EAST, A DISTANCE OF 189.51 FEET;

THENCE NORTH 01° 25' 38" WEST, ALONG SAID WEST LINE, A DISTANCE OF 199.56 FEET;

THENCE DEPARTING SAID WEST LINE, NORTH 35° 32' 34" EAST, A DISTANCE OF 325.58 FEET TO THE NORTH COMMON LINE OF SAID CITY OF AVONDALE TRACT AND A TRACT OF LAND DESCRIBED IN DEED TO THE FLOOD CONTROL DISTRICT OF MARICOPA COUNTY, AS RECORDED IN INSTRUMENT NO. 1987-0627357, MARICOPA COUNTY RECORDS FROM WHICH POINT A 3-INCH MARICOPA COUNTY D.O.T. BRASS DISK MARKING THE WEST 1/4 CORNER OF SAID SECTION 14 BEARS NORTH 07° 02' 27" WEST, A DISTANCE OF 2001.76 FEET;

THENCE SOUTH 88° 06' 57" EAST, ALONG SAID COMMON LINE, A DISTANCE OF 144.19 FEET;

THENCE DEPARTING SAID COMMON LINE SOUTH 35° 32' 34" WEST, A DISTANCE OF 489.59 FEET;

THENCE SOUTH 35° 32' 34" WEST, A DISTANCE OF 75.34 FEET TO THE **POINT OF BEGINNING** OF THE EASEMENT HEREIN DESCRIBED.

SAID EASEMENT CONTAINS 1.227 ACRES OR 53,438 SQUARE FEET, MORE OR LESS;

**EXHIBIT B**

PROPOSED TRANSMISSION LINE EASEMENT
CITY OF AVONDALE

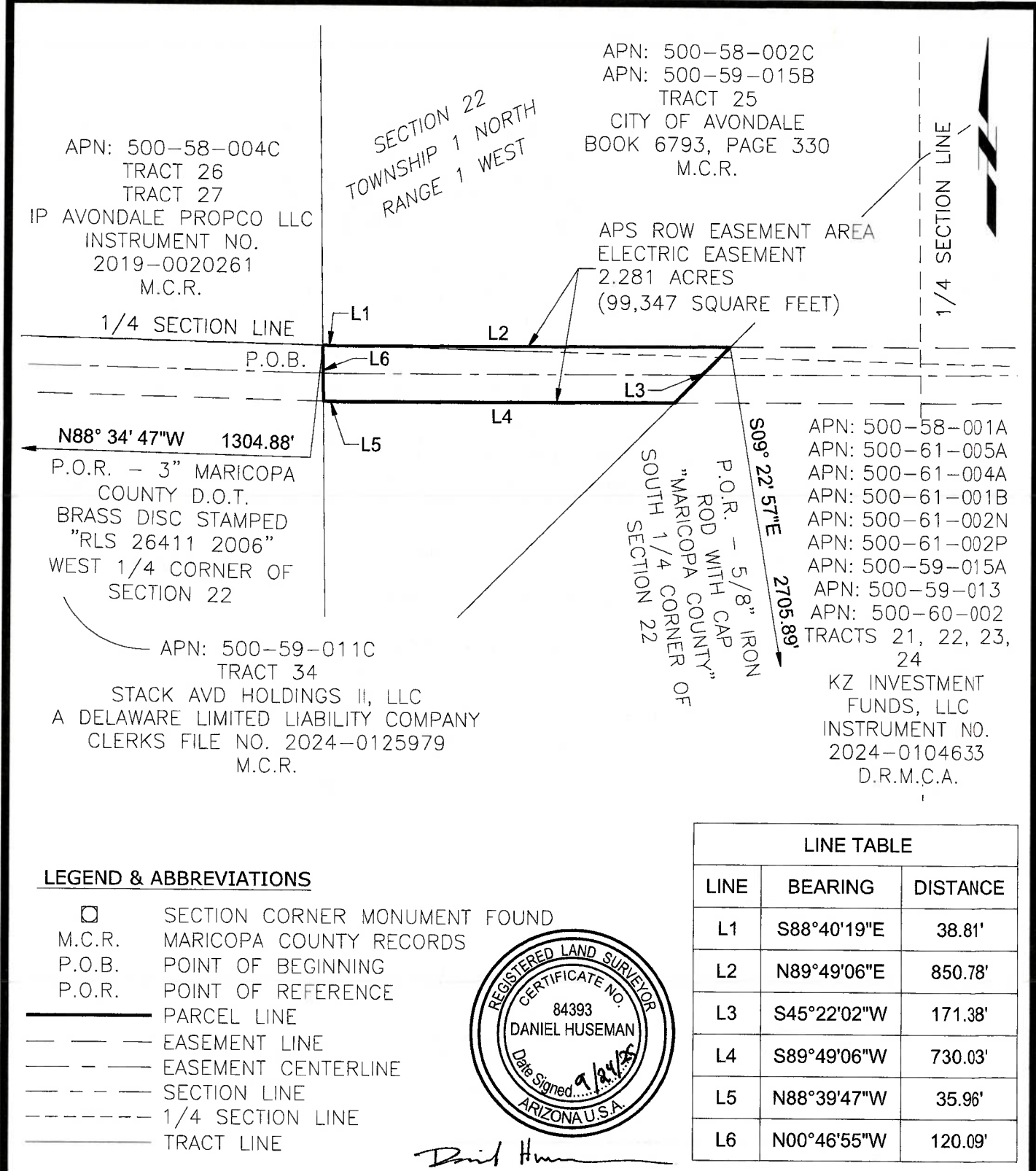
1.227 ACRES (53,438 SQUARE FEET)

SECTION 14, TOWNSHIP 1 NORTH, RANGE 1 WEST
MARICOPA COUNTY, ARIZONA



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LEGEND & ABBREVIATIONS

- SECTION CORNER MONUMENT FOUND
- M.C.R. MARICOPA COUNTY RECORDS
- P.O.B. POINT OF BEGINNING
- P.O.R. POINT OF REFERENCE
- PARCEL LINE
- EASEMENT LINE
- EASEMENT CENTERLINE
- SECTION LINE
- 1/4 SECTION LINE
- TRACT LINE



LINE TABLE		
LINE	BEARING	DISTANCE
L1	S88°40'19"E	38.81'
L2	N89°49'06"E	850.78'
L3	S45°22'02"W	171.38'
L4	S89°49'06"W	730.03'
L5	N88°39'47"W	35.96'
L6	N00°46'55"W	120.09'

EXHIBIT B

PROPOSED TRANSMISSION LINE EASEMENT

CITY OF AVONDALE

2.281 ACRES (99,347 SQUARE FEET)

SECTION 22, TOWNSHIP 1 NORTH, RANGE 1 WEST

MARICOPA COUNTY, ARIZONA

SCALE: 1 INCH = 300 FEET

**BURNS
MCDONNELL**

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LEGAL DESCRIPTION

A RIGHT OF WAY EASEMENT WITHIN A TRACT OF LAND CONVEYED TO THE CITY OF AVONDALE, RECORDED IN BOOK 6793, PAGE 330, RECORDS OF MARICOPA COUNTY, ARIZONA, BEING GRANTED TO ARIZONA PUBLIC SERVICE COMPANY, SAID EASEMENT LOCATED WITHIN THE WEST 1/2 OF SECTION 22, TOWNSHIP 1 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVER BASE MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WEST LINE OF SAID TRACT, SAME BEING THE WEST LINE OF THE NORTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 22, FROM WHICH A FOUND 3-INCH MARICOPA COUNTY D.O.T. BRASS DISK STAMPED "RLS 26411 2006" MARKING THE WEST 1/4 CORNER OF SAID SECTION 22 BEARS NORTH 88° 34' 47" WEST, A DISTANCE OF 1304.88 FEET;

THENCE DEPARTING SAID WEST LINE, SOUTH 88° 40' 19" EAST, A DISTANCE OF 38.81 FEET;

THENCE NORTH 89° 49' 06" EAST, A DISTANCE OF 850.78 FEET TO THE SOUTHEAST LINE OF SAID TRACT, FROM WHICH POINT A FOUND 5/8-INCH IRON ROD WITH CAP STAMPED "MARICOPA COUNTY" MARKING THE SOUTH 1/4 CORNER OF SAID SECTION 22 BEARS SOUTH 09° 22' 57" EAST, A DISTANCE OF 2705.89 FEET;

THENCE SOUTH 45°22' 02" WEST, ALONG SAID SOUTHEAST LINE, A DISTANCE OF 171.38 FEET;

THENCE DEPARTING SAID SOUTHEAST LINE, SOUTH 89° 49' 06" WEST, A DISTANCE OF 730.03 FEET;

THENCE NORTH 88° 39' 47" WEST, A DISTANCE OF 35.96 FEET TO A POINT ON SAID WEST LINE OF SAID TRACT;

THENCE NORTH 00° 46' 55" WEST, ALONG SAID WEST LINE, A DISTANCE OF 120.09 FEET TO THE **POINT OF BEGINNING** OF THE EASEMENT HEREIN DESCRIBED.

SAID EASEMENT CONTAINS 2.281 ACRES OR 99,347 SQUARE FEET, MORE OR LESS;



Daniel Huseman

EXHIBIT B

PROPOSED TRANSMISSION LINE EASEMENT
CITY OF AVONDALE

2.281 ACRES (99,347 SQUARE FEET)

SECTION 22, TOWNSHIP 1 NORTH, RANGE 1 WEST
MARICOPA COUNTY, ARIZONA

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LINE TABLE		
LINE	BEARING	DISTANCE
L1	S41°27'10"W	24.80'
L2	N38°13'54"E	26.54'
L3	S00°16'00"W	2.26'

APN: 500-61-005L
TRACT 35
CITY OF AVONDALE
BOOK 2457 PAGE 195
M.C.R.

P.O.R. 3" MARICOPA COUNTY
DOT BRASS DISC
NORTH 1/4 CORNER OF
SECTION 22
N76° 46' 42"W 2014.71'

P.O.B.

P.O.R. - 3" MARICOPA
COUNTY DOT BRASS DISC
NORTHEAST CORNER OF
SECTION 22
N57° 01' 40"E 789.96'

SECTION 22
TOWNSHIP 1 NORTH
RANGE 1 WEST

APS ROW EASEMENT AREA
PROPOSED ELECTRIC EASEMENT
0.001 ACRES (18 SQUARE FEET)

APN: 500-61-002M
TRACT 18
THE FLOOD CONTROL DISTRICT OF
MARICOPA COUNTY
INSTRUMENT NO. 1988-0578577
M.C.R.

LEGEND & ABBREVIATIONS

-  SECTION CORNER MONUMENT FOUND
- M.C.R. MARICOPA COUNTY RECORDS
- P.O.B. POINT OF BEGINNING
- P.O.R. POINT OF REFERENCE
-  PARCEL LINE
-  EASEMENT LINE
-  EASEMENT CENTERLINE
-  SECTION LINE
-  1/4 SECTION LINE
-  TRACT LINE

SCALE: 1 INCH = 10 FEET



EXHIBIT B

PROPOSED TRANSMISSION LINE EASEMENT
CITY OF AVONDALE
0.001 ACRES (18 SQUARE FEET)
SECTION 22, TOWNSHIP 1 NORTH, RANGE 1
WEST MARICOPA COUNTY, ARIZONA



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LEGAL DESCRIPTION

A RIGHT OF WAY EASEMENT WITHIN A TRACT OF LAND CONVEYED TO CITY OF AVONDALE, RECORDED IN BOOK 2457, PAGE 195, RECORDS OF MARICOPA COUNTY, ARIZONA, BEING GRANTED TO ARIZONA PUBLIC SERVICE COMPANY, SAID EASEMENT LOCATED IN THE NORTHEAST 1/4 OF SECTION 22, TOWNSHIP 1 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVER BASE MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID CITY OF AVONDALE TRACT, FROM WHICH A FOUND 3-INCH MARICOPA COUNTY DOT BRASS DISK MARKING THE NORTHEAST CORNER OF SAID SECTION 22, BEARS NORTH 57° 01' 40" EAST, A DISTANCE OF 789.96 FEET;

THENCE SOUTH 41° 27' 10" WEST, ALONG THE SOUTHEAST LINE OF SAID TRACT, A DISTANCE OF 24.80 FEET, FROM WHICH POINT A FOUND 3-INCH MARICOPA COUNTY DOT BRASS DISK MARKING THE NORTH 1/4 CORNER OF SAID SECTION 22, BEARS NORTH 76° 46' 42" WEST, A DISTANCE OF 2014.71 FEET;

THENCE DEPARTING SAID SOUTHEAST LINE, NORTH 38° 13' 54" EAST, A DISTANCE OF 26.54 FEET TO THE EAST LINE OF SAID TRACT;

THENCE SOUTH 00° 16' 00" WEST, ALONG SAID EAST LINE, A DISTANCE OF 2.26 FEET TO THE **POINT OF BEGINNING** OF THE EASEMENT HEREIN DESCRIBED.

SAID EASEMENT CONTAINS 0.001 ACRES OR 18 SQ FT MORE OR LESS.

**EXHIBIT B**

PROPOSED TRANSMISSION LINE EASEMENT
CITY OF AVONDALE
0.001 ACRES (18 SQUARE FEET)
SECTION 22, TOWNSHIP 1 NORTH, RANGE 1
WEST MARICOPA COUNTY, ARIZONA

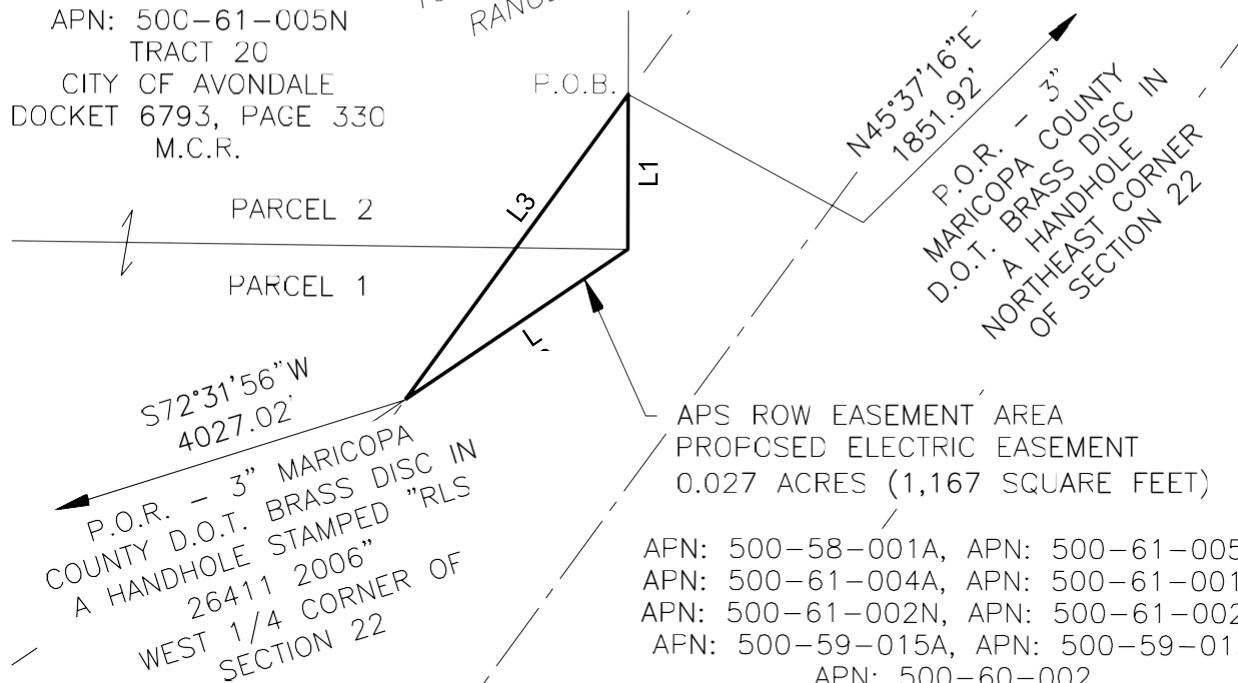


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LINE TABLE		
LINE	BEARING	DISTANCE
L1	S00°09'00"W	40.40'
L2	S55°59'01"W	69.81'
L3	N36°06'52"E	98.36'

APN: 500-61-005N
TRACT 20
CITY OF AVONDALE
DOCKET 6793, PAGE 330
M.C.R.

SECTION 22
TOWNSHIP 1 NORTH
RANGE 1 WEST



APS ROW EASEMENT AREA
PROPOSED ELECTRIC EASEMENT
0.027 ACRES (1,167 SQUARE FEET)

APN: 500-58-001A, APN: 500-61-005A
APN: 500-61-004A, APN: 500-61-001B
APN: 500-61-002N, APN: 500-61-002P
APN: 500-59-015A, APN: 500-59-013
APN: 500-60-002
TRACT 21, 22, 23, 24
KZ INVESTMENT FUNDS, LLC
INSTRUMENT NO. 2024-0104633
M.C.R.

LEGEND & ABBREVIATIONS

- ☐ SECTION CORNER MONUMENT FOUND
- D.R.M.C.A. DEED RECORDS OF MARICOPA COUNTY, ARIZONA
- M.C.R. MARICOPA COUNTY RECORDS
- P.O.B. POINT OF BEGINNING
- P.O.R. POINT OF REFERENCE
- PARCEL LINE
- EASEMENT LINE
- EASEMENT CENTERLINE
- SECTION LINE
- 1/4 SECTION LINE
- TRACT LINE



EXHIBIT B

PROPOSED TRANSMISSION LINE EASEMENT
CITY OF AVONDALE
0.027 ACRES (1,167 SQUARE FEET)
SECTION 22, TOWNSHIP 1 NORTH, RANGE 1 WEST
MARICOPA COUNTY, ARIZONA
SCALE: 1 INCH = 50 FEET



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LEGAL DESCRIPTION

A RIGHT OF WAY EASEMENT WITHIN A TRACT OF LAND CONVEYED TO THE CITY OF AVONDALE, RECORDED IN DOCKET 6793, PAGE 330, RECORDS OF MARICOPA COUNTY, ARIZONA, BEING GRANTED TO ARIZONA PUBLIC SERVICE COMPANY, SAID EASEMENT LOCATED IN SECTION 22, TOWNSHIP 1 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVER BASE MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EAST LINE OF SAID TRACT, FROM WHICH POINT A FOUND 3-INCH MARICOPA COUNTY D.O.T. BRASS DISK IN A HANDHOLE MARKING THE NORTHEAST CORNER OF SAID SECTION 22 BEARS NORTH 45° 37' 16" EAST, A DISTANCE OF 1851.92 FEET;

THENCE ALONG SAID EAST LINE, THE FOLLOWING TWO (2) COURSES AND DISTANCES:

1. SOUTH 00° 09' 00" WEST, A DISTANCE OF 40.40 FEET;
2. SOUTH 55° 59' 01" WEST, A DISTANCE OF 69.81 FEET, FROM WHICH POINT A FOUND 3-INCH MARICOPA COUNTY D.O.T. BRASS DISK STAMPED "RLS 26411 2006" MARKING THE WEST 1/4 CORNER OF SAID SECTION 22 BEARS SOUTH 72° 31' 56" WEST, A DISTANCE OF 4027.02 FEET;

THENCE DEPARTING SAID EAST LINE, NORTH 36° 06' 52" EAST, A DISTANCE OF 98.36 FEET TO THE **POINT OF BEGINNING** OF THE EASEMENT HEREIN DESCRIBED.

SAID EASEMENT CONTAINS 0.027 ACRES OR 1,167 SQUARE FEET, MORE OR LESS;

**EXHIBIT B**

PROPOSED TRANSMISSION LINE EASEMENT
CITY OF AVONDALE

0.027 ACRES (1,167 SQUARE FEET)

SECTION 22, TOWNSHIP 1 NORTH, RANGE 1 WEST
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ITEM NUMBER: 5.a.

SUBJECT: Public Hearing and Resolution 1073-1125 — Avondale Tech Center – Minor General Plan Amendment – Application PL-25-0120

MEETING DATE: 11/17/2025

TO: Mayor and Council

FROM: Jodie Novak, Director of Development Services

THROUGH: Katie Gregory, Assistant City Manager, (623) 333-1015

REVIEWED: Ron Corbin, City Manager, (623) 333-1011

STRATEGIC PLAN:

This agenda item supports the following Avondale Strategic Outcome Area: **Economic Growth and Prosperity**

Avondale supports a thriving local economy by fostering and supporting business growth, job creation, and workforce development. The City advances economic development, attracts high-quality entertainment and full-service amenities, and promotes a variety of attainable housing opportunities that strengthen the City's vitality.

PURPOSE:

City Council will hold a public hearing and consider a request to adopt Resolution 1073-1125, approving a request by Michelle Santoro of Gammage and Burnham for a minor General Plan amendment for Avondale Tech Center, an approximately 38-acre site located at the northwest corner of Corporate Drive and 117th Avenue, amending the subject property's General Plan 2030 Land Use Map designation from Mixed Use to Business Park to facilitate the development of a technology campus focused on employment uses and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

BACKGROUND:

The approximately 38-acre site (Exhibits A and B) is located at the northwest corner of Corporate Drive and 117th Avenue. More specifically, the site is identified as Lot 6 within the Fuze 623 and Flatz 623 final plat, Assessor's Parcel Number (APN) 500-01-610. The property was annexed into the City on July 28, 1976, and has historically been used for agricultural purposes. The site is currently vacant.

The site is designated as Mixed Use on the General Plan 2030 Land Use Map (Exhibit C). This designation allows for a combination of residential and commercial development, with a target residential density of 20 dwelling units per acre. The site is currently zoned City Center District (CCD) and is the only remaining parcel in the City of Avondale with this zoning classification.

The existing uses and zoning of the surrounding properties are as follows:

North: Vacant county island. The City of Avondale General Plan designates this area as Mixed Use, and the Maricopa County zoning is C-2 (Intermediate Commercial).

South: Multi-family residential development currently under construction. The General Plan designation is High Density Residential, and the zoning is Fuze 623 Planned Area Development (PAD).

East: Existing multi-family residential. The General Plan designation is The BLVD (Village District), and the zoning is The BLVD District (The BLVDD).

West: Existing Business Park. The General Plan designation is Business Park, and the zoning is Avondale 10 Planned Area Development (PAD).

SUMMARY OF REQUEST:

The applicant is requesting approval of a minor General Plan amendment (GPA) to the General Plan 2030 Land Use Map to change the site's land use designation from Mixed Use to Business Park. This amendment is intended to facilitate the development of Avondale Tech Center, a planned advanced technology campus primarily focused on employment uses (Exhibit D).

The Business Park designation allows for large scale campus development that provides abundant employment opportunities and offers amenities such as attractive streetscapes with excess landscaped setbacks, pedestrian connections, efficient circulation, and refuge areas for active and passive activities to keep a healthy lifestyle for all employees. The category accommodates enclosed light manufacturing, corporate commerce, offices, data centers, research and development industries, solar and renewable energy manufacturers, motor sports related manufacturing, and limited warehouse and support services that support these primary employment uses.

There is a separate request to rezone the site to Planned Area Development (PAD) with underlying zoning of Commerce Park (CP). Approval of this minor GPA request is required before the rezoning may be approved, which is scheduled for the same Planning Commission and City Council meetings.

PUBLIC PARTICIPATION:

A neighborhood meeting to discuss the proposal with neighboring property owners and other interested parties was held on September 9, 2025. An overview of the discussion topics is outlined in the Neighborhood Meeting Summary, attached as Exhibit E.

In addition to City staff and the applicant's team, one (1) resident attended the in-person neighborhood meeting. The attendee raised general questions about potential tenants, truck circulation, and the proposed amenity area, all of which were addressed by the applicant. The applicant's team also clarified that the planned pickleball court would be open to the broader community. Additional inquiries were made regarding the nature and anticipated timeline of the development.

All required notifications for the Planning Commission and City Council public hearings have been completed. To date, one (1) comment has been received on the City's Avondale Connect public forum. The comment conveyed that the site is already being advertised for lease and does not find the public hearings necessary if the project is already approved.

PLANNING COMMISSION ACTION:

On October 15, 2025, the Planning Commission held a public hearing regarding the minor General Plan amendment (PL-25-0120) and PAD Rezone (PL-25-0121) requests. During the discussion, a Commissioner inquired about the timeline for installing a traffic signal at the intersection of Corporate Drive and Fairway Drive. In response, the applicant and City staff explained that the area required for the traffic signal is only partially owned by the City, with a portion under private ownership. As such, a right-of-way acquisition process will be necessary before construction can move forward. Staff further noted that, per the City's Senior Traffic Engineer, the signal installation will commence once the proposed buildings begin to be occupied and a specific traffic threshold identified by the traffic assessment is reached. Consequently, a definitive construction timeline has not yet been established. However, the development stipulations include a general 10-year timeframe for completing the signal. If the signal is not constructed within that period, the developer's contribution would be refunded in accordance with the terms of a written agreement, which will be finalized later in the development process. The Commission Chair also inquired whether the requested increase in

building height from 35 feet to 55 feet matches that of the adjacent Fairway 10 building. Staff responded that the proposed height is comparable to the surrounding development, including nearby industrial and multi-family structures.

There were no comments from the public.

After discussion, the Planning Commission passed a motion (6-0 vote) to recommend approval of the minor General Plan amendment to the City Council.

ANALYSIS:

The Planning Commission must determine that the proposed amendment meets four (4) findings prior to recommending approval. Staff's analysis of each of the required findings is presented below.

1. The development pattern contained on the Land Use Plan inadequately provides the appropriate optional sites for the use or change proposed in the amendment.

There is a lack of available sites with a Business Park land use designation along the Interstate 10 (I-10) freeway in the current General Plan Land Use Map. As such, a land use amendment is warranted to accommodate employment-focused development in a location with strategic regional access. This site is uniquely positioned near the freeway, making it an ideal location for Business Park uses.

The current Mixed-Use designation emphasizes residential and commercial development, which is already planned for in the surrounding area.

The Business Park designation supports employment-generating uses such as office, advanced technology, and light manufacturing. It aligns with the City's economic development goals and complements the surrounding mix of residential, mixed-use, and business park land uses.

2. The amendment constitutes an overall improvement in the General Plan 2030 and is not solely for the good or benefit of a particular landowner or owners.

This minor General Plan amendment (GPA) enhances the City's General Plan by introducing land uses that support employment growth in areas targeted for economic development. Along with the rezoning, the amendment facilitates the development of an approximately 698,622 square foot advanced technology campus, with an estimated 90 percent of the building area dedicated to advanced light manufacturing and warehousing.

According to a study conducted by the Greater Phoenix Economic Council (GPEC) in August 2025, a prototypical 750,000 square foot advanced manufacturing project could generate an estimated 30 million dollars in direct tax revenue and create up to 1,000 jobs in the City of Avondale over 10 years. Based on this general analysis, the proposed project, once fully occupied and operational, has strong potential to significantly contribute to the City's economic development and enhance the well-being of its residents.

The City's Economic Development Department is actively engaged in attracting advanced manufacturing employers by collaborating with developers and corporate decision makers. This project supports those efforts by offering a high-quality destination for advanced technology companies and contributing to an increase in daytime population and availability of higher wage employment opportunities.

Overall, this amendment reinforces Avondale's long-term economic resilience and sustainability.

3. The amendment will not adversely impact the community as a whole and/or a portion of the community by: (1) significantly altering acceptable land use patterns; (2) requiring large and more expensive public infrastructure improvements including, but not limited to roads, water, wastewater, and public safety facilities than would otherwise be needed without the proposed change, or (3) adversely impacting the existing land use.

The proposed amendment does not significantly alter acceptable land use patterns. Instead, it advances the General Plan's land use goals by promoting job creation near residential areas. The project supports the City's vision for transforming the I-10 freeway corridor into a premier business and employment center by attracting

land uses that offer a high ratio of well-paying jobs relative to building square footage.

This minor General Plan amendment (GPA) will not necessitate larger or more costly public infrastructure improvements in comparison to the current Land Use designation of Mixed Use that is suitable for a mix of residential and commercial developments. Replacing residential and commercial land uses with employment-based uses is anticipated to reduce demand on public safety services and reduce traffic trip generation, while simultaneously enhancing City's revenues.

To support the project's access and transportation needs from the I-10 freeway, the developer will contribute an agreed-upon amount toward constructing a new traffic signal at the intersection of Corporate Drive and Fairway Drive. Additionally, all project-related semi-truck traffic will be routed to the Fairway Drive interchange from 119th and Corporate Drive to minimize impacts on nearby commercial development and residential neighborhoods.

The site is strategically located with access to the existing arterial road and transportation network. This includes the planned installation of a new traffic signal at Van Buren Street and 119th Avenue by another developer. Off-site improvements will include half-street upgrades along 117th Avenue and 119th Avenue adjacent to the site, as well as enhancements along Corporate Drive.

Finally, the amendment will not adversely impact existing land uses. Through a companion PAD, Site Plan and Design Review approval, the proposed project will incorporate appropriate building and landscape setbacks to ensure a compatible transition to surrounding existing and planned developments.

4. The amendment is consistent with the overall intent of the General Plan 2030 and other adopted plans, codes, and ordinances.

This minor GPA is consistent with the overall intent of the General Plan 2030. This amendment encourages new investment, job creation, and land use change that advances economic sustainability and employment diversity.

The proposed amendment furthers several goals of the General Plan 2030, including but not limited to:

- Land Use Element Goal #3, Policy A: "Develop the I-10 corridor into the City's premier business employment area by encouraging uses that provide a high ratio of well-paying jobs to square footage."
- Land Use Element Goal #4, Policy C: "Ensure Avondale is at the forefront of any emerging markets by continuously updating codes and policies to include standards for new business types and technologies."
- Economic Element Goal #3, Policy D: "Support new development that accommodates business attraction opportunities."
- Economic Element Goal #3, Policy E: "Increase the supply of developable Business Park land and promote flexibility of uses within."

DISCUSSION:

Staff recommend approval of the request for the following reasons:

- The proposed minor General Plan amendment meets the required findings for a General Plan amendment per the Avondale General Plan 2030.
- The amendment supports orderly growth and development by promoting efficient land use patterns and infrastructure investment.
- The amendment furthers the City's Economic Development goals by creating opportunities to expand the local tax base and attract or retain employment-generating uses.
- Adequate public infrastructure to support the proposed development either presently exists or will be constructed by the developer.

BUDGET IMPACT:

No budget impacts.

RECOMMENDATION:

The City Council will conduct a public hearing and adopt a Resolution, approving Application PL-25-0120, a request to amend the General Plan 2030 Land Use Map designation from Mixed Use to Business Park, and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents.

Contact person for document distribution: Monika Smriti

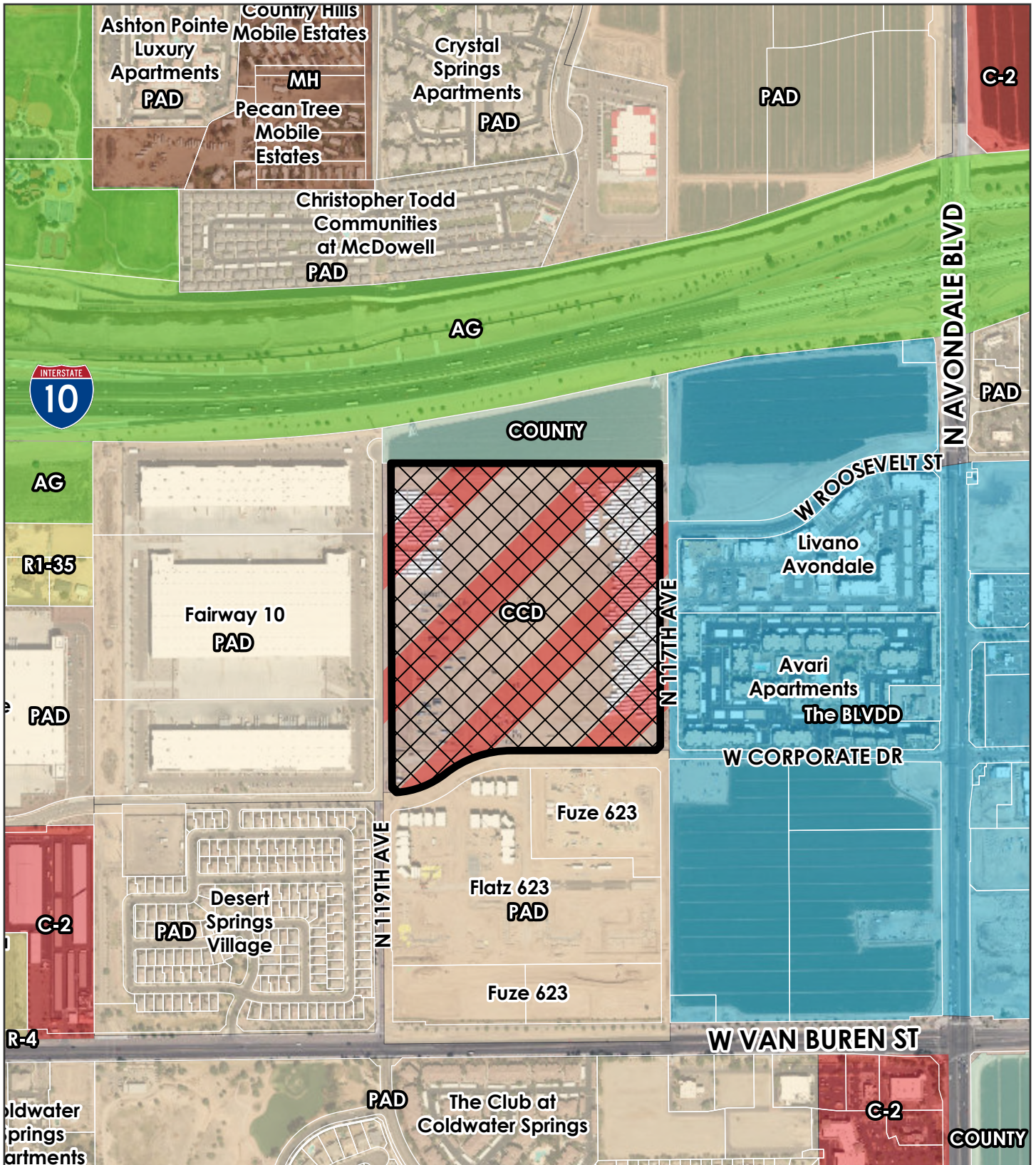


Aerial Map

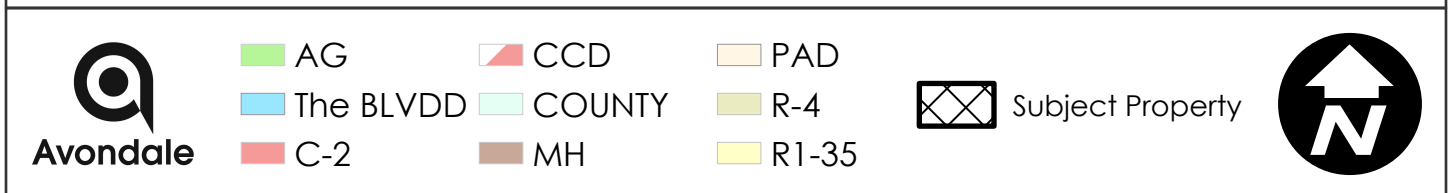


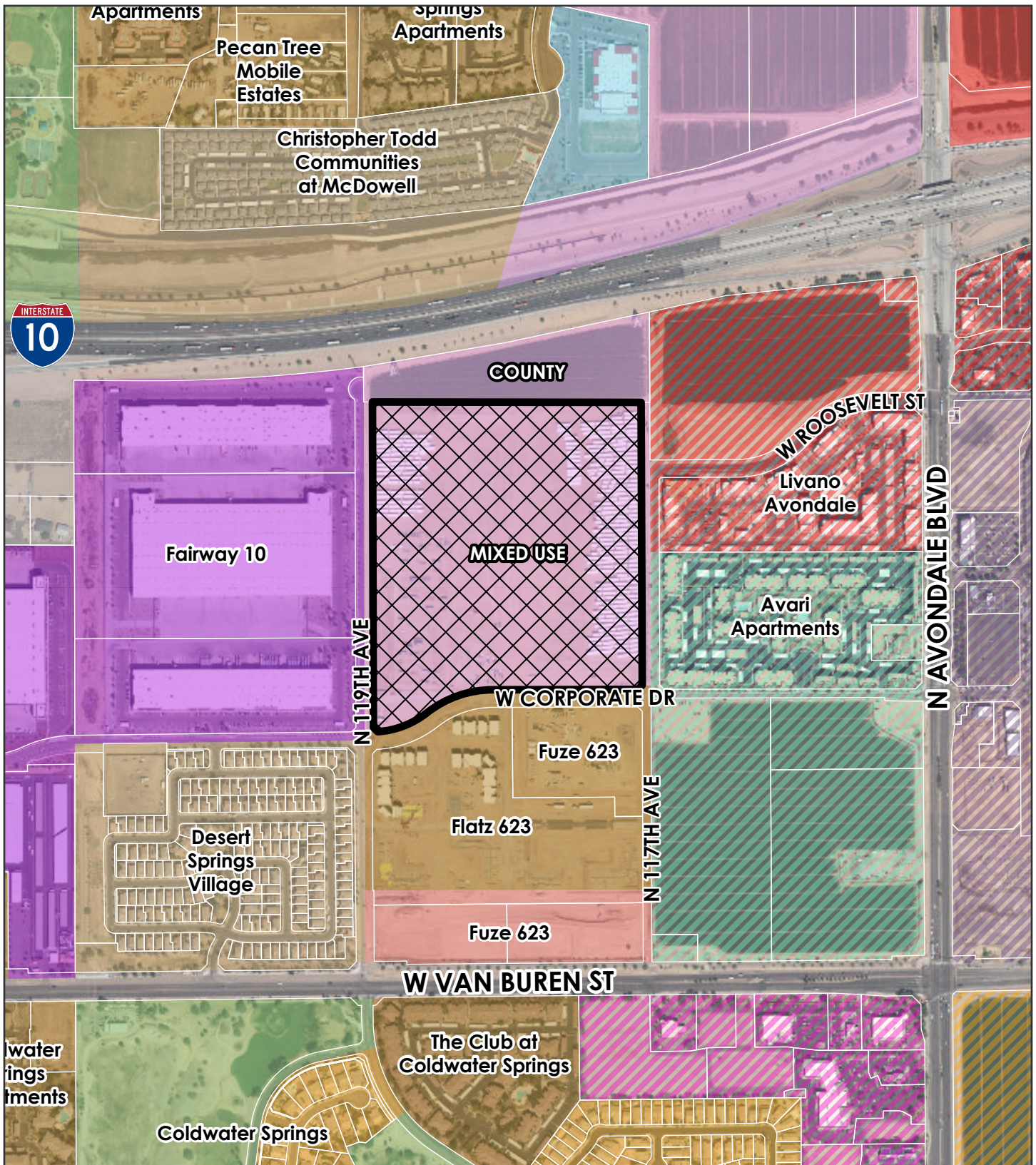
Subject Property





Existing Zoning Map





Existing General Plan Land Use Map



- | | |
|---------------------------------|-----------------------|
| Medium Density Residential | Open Space and Parks |
| Medium/High Density Residential | Education |
| High Density Residential | Neighborhood District |
| Local Commercial | Gateway District |
| Freeway Commercial | Village District |
| High Intensity Office | Park Avenue District |
| Mixed Use | Promenade District |
| Business Park | |



Subject Property





Avondale Tech Center NEC of 119th Avenue and Corporate Drive Minor General Plan Amendment

1st Submittal: June 2, 2025
2nd Submittal: July 31, 2025
3rd Submittal: September 10, 2025

DEVELOPMENT TEAM

Owner/Developer:
Creation Equity
1200 N 52nd St, Phoenix, AZ 85008
(602) 600-6363
Grant Kingdon; grantk@creationequity.com

CREATION 

Architect:
LGE Design Build
1200 N 52nd St, Phoenix, AZ 85008
(480) 966-4001

LGE | DESIGNBUILD

Attorney / Applicant:
Gammage and Burnham
Attorney: Stephen Anderson
Land Use Planner: Michelle Santoro
40 N Central Avenue, 20th Floor, Phoenix, AZ 85004
(602) 256-0566
sanderson@gblaw.com; msantoro@gblaw.com



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INTRODUCTION

Gammage and Burnham represents Creation Equity (the “Applicant”), a long-standing member of the development community with successful projects across the Phoenix metropolitan area. Creation Equity has developed some of the most well-known mixed-use, commercial, and state-of-the-art technology center projects across the Valley. On their behalf, we are pleased to submit this Minor General Plan Amendment, along with a concurrent Rezone application, to the City of Avondale for a technology center development on approximately 38 net acres of vacant property located at the northeast corner of Corporate Drive and 119th Avenue (the “Property” or the “Site”). The Property is also known as Maricopa County Assessor Parcel number 500-01-610. See **Figure A** provided below for an aerial photograph of the Site and surrounding area, highlighted in blue.

Figure A: 2024 Aerial Photograph



SITE CONTEXT

The Property is currently vacant farmland. The Property is surrounded on the north and south by vacant land. However, new multi-family apartments are under construction on the land to the south. New multi-family apartments border the eastern boundary and large Business Park buildings border the western boundary. See **Figure B** below for a table describing General Plan land use designation, zoning, and existing uses of the adjacent properties.

Figure B: Relationship to Surrounding Properties

	General Plan	Zoning	Existing Use
North	Mixed Use (City of Avondale)	C-2 Intermediate Commercial (Maricopa County)	Vacant Land
South	High Density Residential	PAD Planned Area Development	Multi-Family Residential Homes (under construction)
East	Village District	The BLVDD	Multi-Family Residential Homes
West	Business Park	PAD Planned Area Development	Business Park Buildings
Project Site	Mixed Use	CCD City Center District	Vacant Land

General Plan

As shown below, the Property, outlined in black, is currently designated as “Mixed Use” on the General Plan 2030 Proposed Land Use Map. The Property is not currently located within a Specific Area Plan. See **Figure C** below. The Applicant is proposing to change the land use designation from Mixed-Use to Business Park. See **Figure D** below.

Figure C: City of Avondale Existing General Plan Map

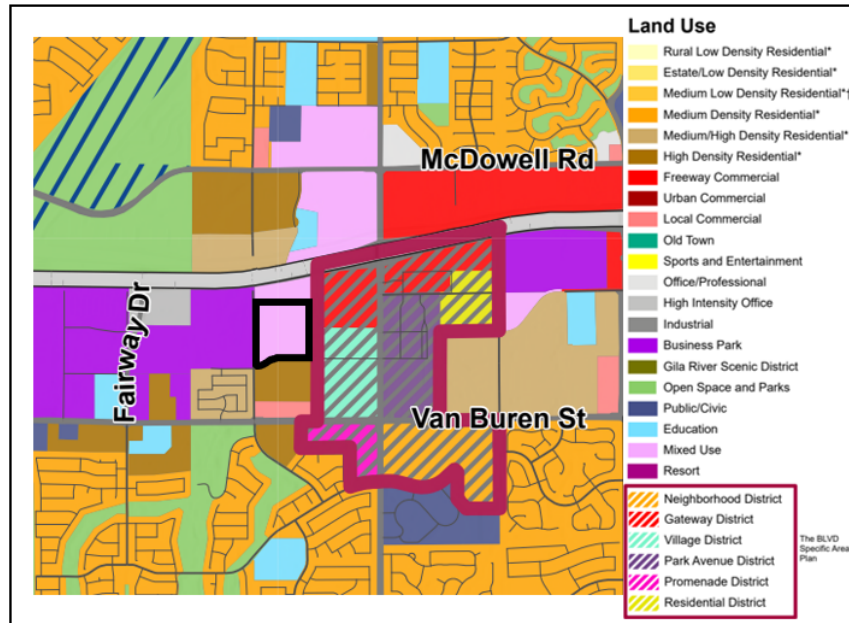
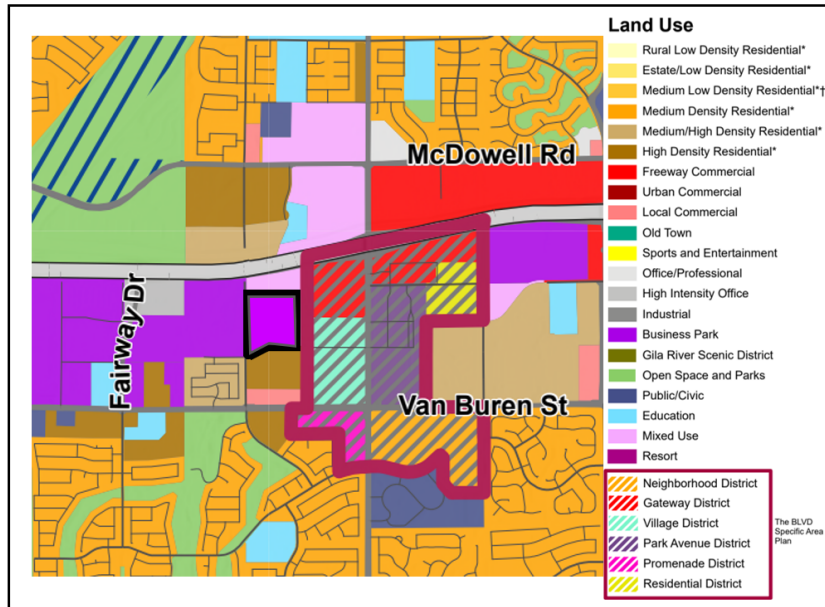


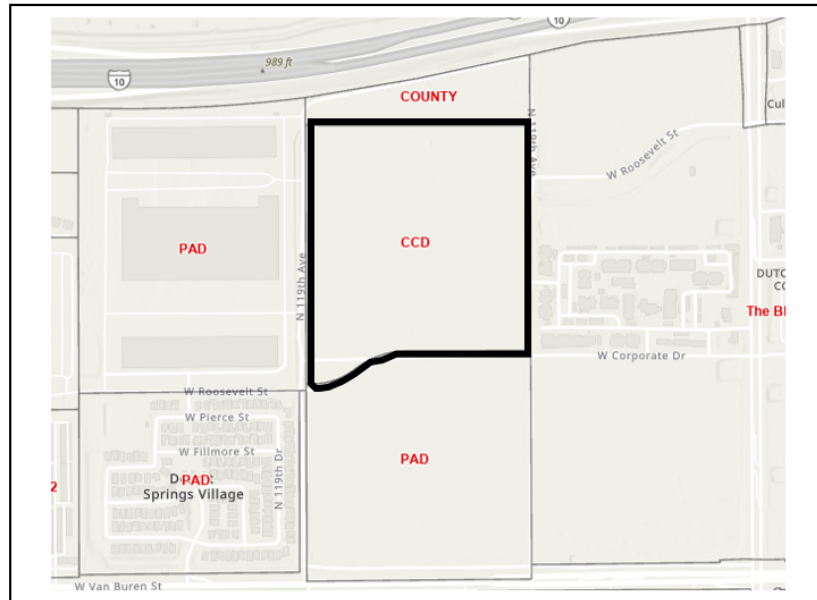
Figure D: City of Avondale Proposed General Plan Map



Zoning

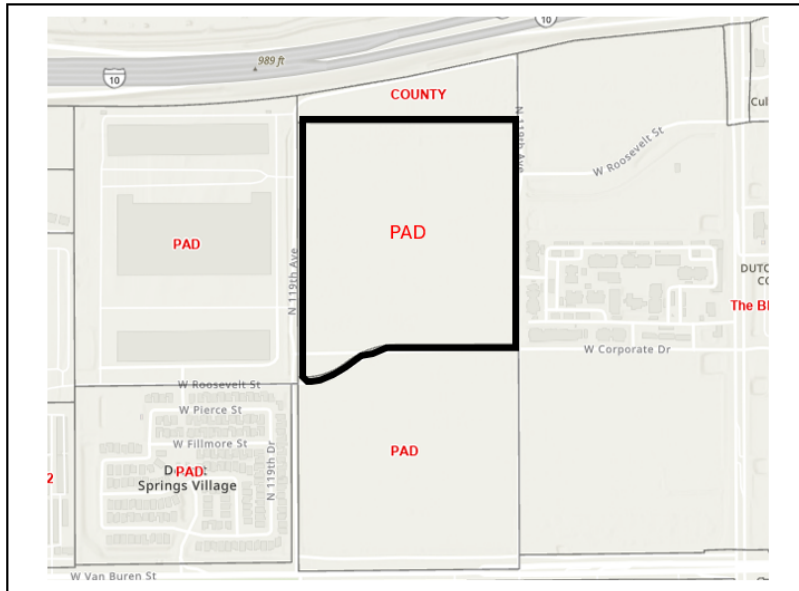
The Property is currently designated as City Center (CCD) as shown on the City of Avondale Zoning Map below. See **Figure E**.

Figure E: Existing City of Avondale Zoning Map



Concurrent with this application we are seeking a rezoning to Planned Area Development (PAD) zoning. See **Figure F** below for the proposed City of Avondale Zoning Map.

Figure F: Proposed City of Avondale Zoning Map



PROJECT DESCRIPTION

Consistent with the surrounding area's business park and employment uses, the Applicant is proposing to redevelop the Site with a high-quality technology campus development (collectively, the "Project"). The development, referred to as the Avondale Tech Center, is envisioned as a regional employment and innovation hub that supports a range of advanced technology users. The Project includes:

- Three (3) one-story shell buildings, each potentially up to 55' in height, totaling approximately 698,622 square feet of building area.
- A mix of office, light manufacturing, assembly, and storage uses anticipated.
- Multiple access points from 117th Avenue, 119th Avenue and Corporate Drive.
- 720 on-site vehicular parking spaces, with a deviation request from the required parking maximum.
- Enhanced landscaping along site perimeters and throughout parking areas.
- A project amenity area at the southwest corner of the site along with additional employee spaces throughout the campus.
- Exact project dimensions will be determined during the rezoning and site planning processes.

Creation Equity is seeking to improve a vacant property located within a unique area of Avondale into a technology center. The Site offers high visibility from Interstate 10 and excellent access to major regional transportation corridors, including Loop 101, Loop 202, and Loop 303. The Project is expected to attract key industries such as defense contracting, pharmaceutical developments, semiconductor manufacturing, and other advanced technology sectors. Its strategic location, near major freeways, a skilled labor force, and a variety of regional retail amenities, makes it especially well-suited for such companies within the TSMC, AMKOR, and Intel ecosystems. The development aligns with Avondale's long-term economic development goals and will support job creation, economic diversification, and high-value investment in the West Valley.

PROPOSED LAND USE REQUEST

To accommodate the development of the Project, the Applicant is submitting the following applications (collectively, the “Application”):

- A Minor General Plan Amendment (“GPA”) application from Mixed-Use to Business Park; and,
- A Rezoning of the Property from CCD to PAD (under separate application)

The intent of the Project and the goal of the Application is to diversify the mix of employment uses along the I-10 Freeway by adding a high-quality technology campus.

MINOR GENERAL PLAN AMENDMENT ANALYSIS

As mentioned above, the General Plan’s projected land use for the Site is Mixed-Use. However, the existing Mixed-Use category is not appropriate given the limited access and visibility of the Site for commercial activity. The Site is tucked away, behind multi-family developments and adjacent to the I-10, along two dead end roads, which is more appropriate for employment uses. In order to accommodate the redevelopment of the Site with an appropriately designed, high-quality, and modern technology campus development, the Applicant is proposing a Minor General Plan Amendment (“GPA”) to project the Site for Business Park use, which is appropriate for the Site considering adjoining and nearby uses and the context of the area. The proposal qualifies for a Minor GPA as the Site is under forty (40) acres and is not a substantial alteration to the land use mix.

The Minor GPA is consistent with the goals and policies of the General Plan and will not have any negative impacts on the surrounding land uses. It will also accommodate the needed development of the vacant Site, which will help to further activate the area. The following address the analysis criteria outlined in the application, as well as the findings specified in the General Plan 2030.

1. Availability of current and future water supplies:

The Project is not expected to adversely impact future water supply. The Business Park land use projection associated with this GPA request is consistent with the existing employment character of the surrounding area. The Project supports GP2030’s goal to manage a coordinated system of water and wastewater facilities, infrastructure, and utility services. The Site is surrounded by properties that accommodate or are planned for employment and commercial uses. Changing the land use designation from Mixed-Use to Business Park will not adversely impact water infrastructure. The current maximum allowable average daily water usage for the total Property is 180,000 gallons per day. Subsequently, the current maximum allowable average daily wastewater discharge is 108,000 gallons per day. As this project becomes more defined through the development process, the actual water usage and wastewater discharges assigned to this project will be finalized in a written agreement between the developer/owner and the City of Avondale.

2. Impact on and potential support of the City's transportation system;

The GPA will accommodate the needed redevelopment of a vacant infill site with a high-quality technology campus that will provide additional employment opportunities, as well as significant landscape and pedestrian infrastructure enhancement along three (3) street frontages. The development of the associated project, which includes bicycle parking, combined with the Site's proximity to public transportation will also encourage alternative modes of transit.

3. Impact on the natural environment, including, but not limited to, hillsides, riparian areas, and floodways;

The Property has historically been used for agriculture, so the land is disturbed and relatively flat with an average 0.5% slope to the southwest. Additionally, the Property is located within the Flood Hazard X, which designated property with a moderate flood risk. There are no existing hillsides or riparian areas on-site. Neither are there any viewsheds that should be protected. The view to the north is the elevated I-10 and views east and west are of other developments. While the view to the south is of the distant Estrella Mountains, future development of the parcel to the south will block any view corridor. The proposed land use and development will have a minimal impact on an already disturbed and graded site, surrounded by development. This site is an infill site.

4. Extent to which the proposal contributes to achieving the (i) job to population ratio, (ii) square foot per capita ratio, and (iii) multi-family housing ratio identified within this GP2030;

The Project will contribute to the GP2030's vision for economic vitality. A new, high-quality technology campus will provide an opportunity to expand upon and strengthen the job markets in Avondale. The proposed development will further diversify Avondale's mixture of employment opportunities and represent an opportunity to improve an underutilized and vacant infill property with a high quality, modern Business Park development along the I-10 Freeway corridor. The addition of a new Business Park (technology campus) provides an opportunity with close proximity to employment and commercial uses, public transportation, and multiple freeways will strongly appeal to employers.

5. Impact on City services and facilities including, but not limited to, police, fire, water, and wastewater; and

The Project represents a substantial reinvestment in an underutilized infill property that is appropriate for and compatible with the area's existing infrastructure. The Project substantially aligns with the GP2030's goal to ensure that all land use decisions meet the long-term social and economic goals of the community. A new, technology campus is consistent with the adjacent uses and structures and will not adversely impact the City's existing services and facilities.

The proposal development will have no more impact on police and fire services than any other development. As for water and wastewater, the current maximum allowable average daily water usage for the total Property is 180,000 gallons per day. Subsequently, the current maximum allowable average daily wastewater discharge is 108,000 gallons per day. As this project becomes more defined through the development process, the actual water usage and wastewater discharges assigned to this project will be finalized in a written agreement between the developer/owner and the City of Avondale.

6. Extent to which the goals of this GP2030 are accomplished.

The approval of the GPA will accommodate the development of a Project consistent with goals and objectives of GP2030. The Project accomplishes this by providing a new, high-quality technology campus with substantial landscape and pedestrian infrastructure enhancements along three (3) street frontages. The Project will diversify the mix of employment uses along the I-10 Freeway corridor.

Land Use Element

Goal 1: Establish an Avondale identity based on a healthy lifestyle that promotes land uses which foster economically sustainable and socially dynamic community.

Policy D: Enhance the attractiveness of infill parcels as an option for new development throughout Avondale.

Response: *The Project represents an opportunity to improve an underutilized and vacant infill property with a high quality, modern technology campus development along the I-10 Freeway corridor.*

Goal 3: Promote a strong balance of high quality residential, employment, recreation, and educational land uses.

Policy A: Develop the I-10 corridor into the City's premier business employment area by encouraging uses that provide a high ratio of well-paying jobs to square footage.

Response: *The Project will contribute to and enhance the existing employment corridor located along the I-10 and will create well-paying jobs. The Project represents an opportunity to improve an underutilized and vacant infill property with a high quality, modern Business Park development along the I-10 Freeway corridor. Creation will provide a high-quality project that will encourage revitalization of a large vacant portion of land within the City of Avondale. Like other recently developed employment developments in the immediate vicinity, the development is positioned to provide a catalyst and standard for an area that will become the most desirous employment and commerce corridor in the City. The proposed development will help transform underutilized parcels of land into a new modern highend manufacturing and office park designed development that is compatible with the land use goals outlined above. The Project will not only be aesthetically pleasing but will also provide economic stability for this area and bring employment opportunities to allow Avondale citizens to live, work, and play in Avondale.*

Economic Element

Goal 1: Grow and diversify Avondale's economy and employment base through business retention, expansion, and development.

Response: As stated above, the Project will contribute to and enhance the existing employment corridor located along the I-10 and will create well-paying jobs.

Goal 2: Create employment centers to attract businesses that match the City's economic targets.

Policy A: Location desired and targeted businesses in Avondale, specifically in targeted industry sectors including healthcare along the Healthcare Quarter, technology, manufacturing/logistics, and retail and entertainment in The BLVD.

Response: The Project is located in an area of existing manufacturing/logistics and will contribute to and enhance Avondale's diversity of employment.

Growth Area Element

Goal 1: Create a destination employment center in targeted areas of the City that will help to improve the balance between jobs and population.

Policy C: Discourage residential uses adjacent to I-10 unless they are part of a mixed-use development.

Response: The Project will provide an appropriate buffer between the I-10 and new multi-family residential developments in the immediate surroundings.

7. The development pattern contained on the Land Use Plan inadequately provides sufficient sites for the use or change proposed in the amendment.

Although the existing Land Use Plan provides other employment sites, it overlooks the functionality of this particular site. The Site is an infill site, tucked away, behind multi-family developments and other business park type uses, and adjacent to the I-10. With its dead-end streets, the freeway adjacent land is more appropriate for employment uses.

8. The amendment constitutes an overall improvement to the 2030 Plan and is not solely for the good or benefit of a particular landowner or owners.

Not only does the proposed amendment align more closely with the adjacent land uses, as described in detail above, it also benefits the community as a whole through quality employment and diverse job opportunities.

9. The amendment will not adversely impact the community as a whole or a portion of the community by:

-Significantly altering the acceptable land use patterns;

The amendment is a modest adjustment, consistent with nearby development trends, and enhances the utility of freeway-fronting property.

- Requiring larger and more expensive public infrastructure improvements including, but not limited to, roads, water and wastewater, and public safety facilities than would otherwise be needed without the proposed change;

The proposed amendment will not necessitate more extensive or costly public infrastructure compared to the current land use.

- Adversely impacting the existing land uses

Again, this proposal will not adversely affect existing land uses but will align more closely with surrounding uses and land patterns.

10. That the amendment is consistent with the overall intent of the 2030 Plan and other adopted plans, codes and ordinances.

The amendment is consistent with the goals and overall intent of the General Plan specifically in regard to supporting the City's broader vision for sustainable economic growth along the freeway corridor. Additionally, the amendment is in alignment with Avondale's Strategic Plan 2025, as outlined below.

Avondale's Strategic Plan 2025

1. Economic Growth & Prosperity

The proposed amendment will contribute to the thriving local economy by fostering and supporting business growth, high-paying job creation and workforce development.

2. Community Well Being

By creating high-quality employment opportunities within the local community, residents will have the opportunity for employment within their community, promoting their well-being by reducing potential commute.

3. Connected & Engaged Community

The development team will engage the community through multiple notifications and a neighborhood meeting.

4. Resilient Infrastructure & Transportation

The Project will provide safe and sustainable water, roads, and utilities that are aligned with regional planning recommendations and surrounding developments.

5. Innovative & Effective Government

The development team is a strategic partner with the City to provide high-wage job creation.

CONCLUSION

Creation Equity is very excited about the opportunity to develop and enhance this unique area of Avondale. The Applicant is proposing to build a high-quality technology campus that will further diversify the mix of employment uses and support the City's broader vision for sustainable economic growth along the freeway corridor. Immediate benefits include high-paying job creation, increased economic development opportunities, and improved utilization of freeway-adjacent land. The project will enhance the area's urban environment and serve as a catalyst for future opportunities for quality employment. The design of the Project is an attractive, timeless, clean contemporary design that will ensure the establishment of a recognizable and usable place within close proximity of the freeway corridor, attracting high-quality, innovation-focused employment opportunities. We look forward to discussing the Project and Application with you and the community.

PL-25-0120 & 121 - Neighborhood Meeting Summary

**In-person Meeting held on September 9, 2025, at 6:00pm at
Hilton Homewood Suites, 11450 W Hilton Way, Avondale, AZ – Coldwater Room
Minor General Plan Amendment and Rezone Request
NEC 119th Ave and Corporate Dr, Avondale**

Attendees:

Stephen Anderson, Gammage & Burnham
Michelle Santoro, Gammage & Burnham
Jagger Everett, Creation Equity
Monika Smriti, City of Avondale
Patti Nielson, Public Participant (See Sign-In Sheet attached at ***Exhibit A.***)

Summary:

Stephen Anderson gave a presentation regarding the details of the proposed development and the process for a General Plan Amendment and Rezone. See presentation attached at ***Exhibit B.***

Mr. Anderson began by identifying Creation Equity and LGE Design Build and providing examples of existing work completed by the group. He then provided conceptual renderings of the proposed project as well as a detailed description of the conceptual site plan, including height, access and project amenities.

Mr. Anderson completed the presentation by outlining the City process and then opening to questions.

Public Participation:

- Mrs. Nielson inquired about the potential tenants of the site.
 - Mr. Anderson explained that the site and building sizes are not suitable for large scale warehouse users. There are no cross-dock facilities and buildings are generally under 250' in width. This design is more suitable for light assembly, research, and technology-related uses.
- Mrs. Nielson commented that the proposed building architecture was very nice.
- Mrs. Nielson loved the idea of public pickleball courts as a project amenity, especially for all the residential development under construction adjacent to the site.
- Ms. Smriti requested clarification on height
 - Although the anticipated height to the flat roof is 48'-0", the PAD requests a maximum height of 55'-0" to allow for flexibility for end users and potentially larger parapets to screen larger equipment.

The meeting ended at approximately 6:45pm.

EXHIBIT A

EXHIBIT B

Avondale Tech Center Community Meeting

Minor General Plan Amendment (PL-25-0120) & Rezone (PL-25-0121)
NEC 119th Avenue and Corporate Drive

Tuesday, September 9, 2025 at 6:00 PM



Introductions

Gammage & Burnham

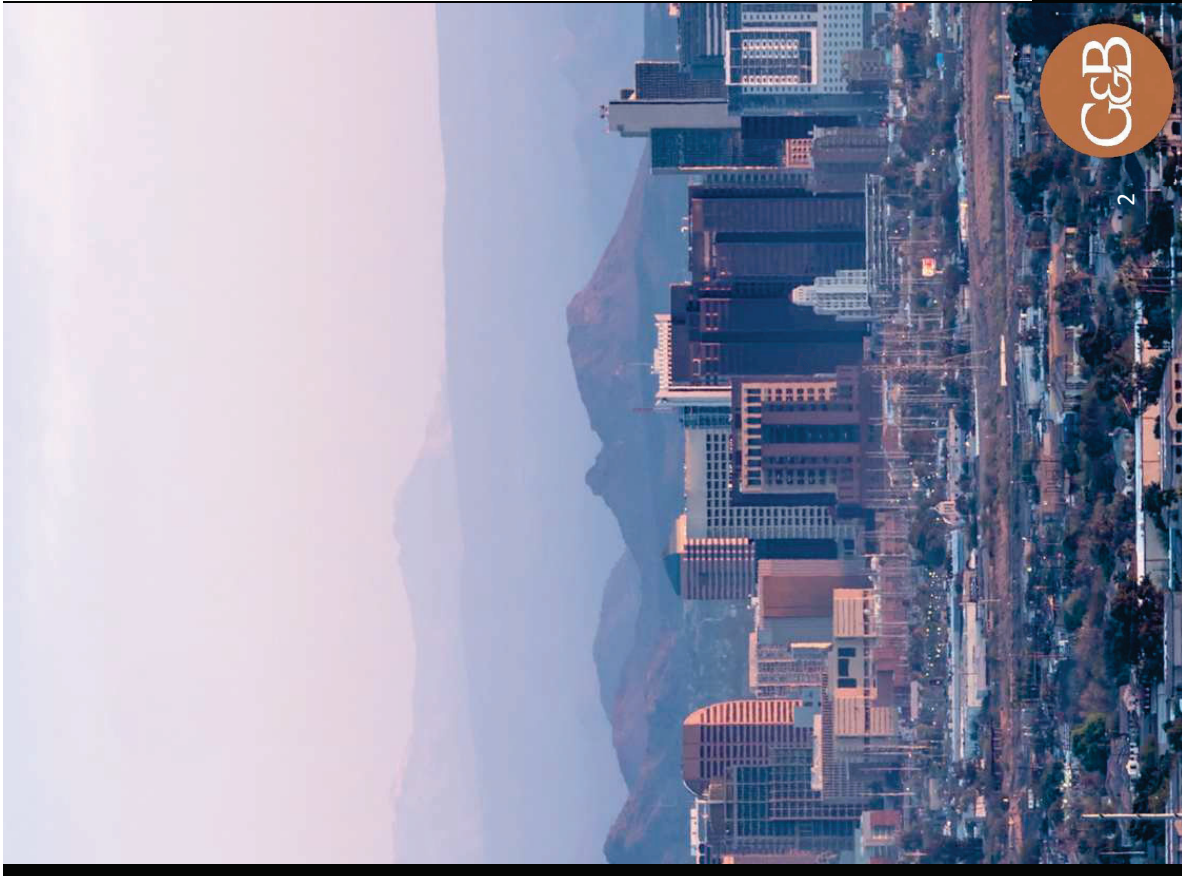
Stephen Anderson, Land Use Attorney

Michelle Santoro, Senior Planner

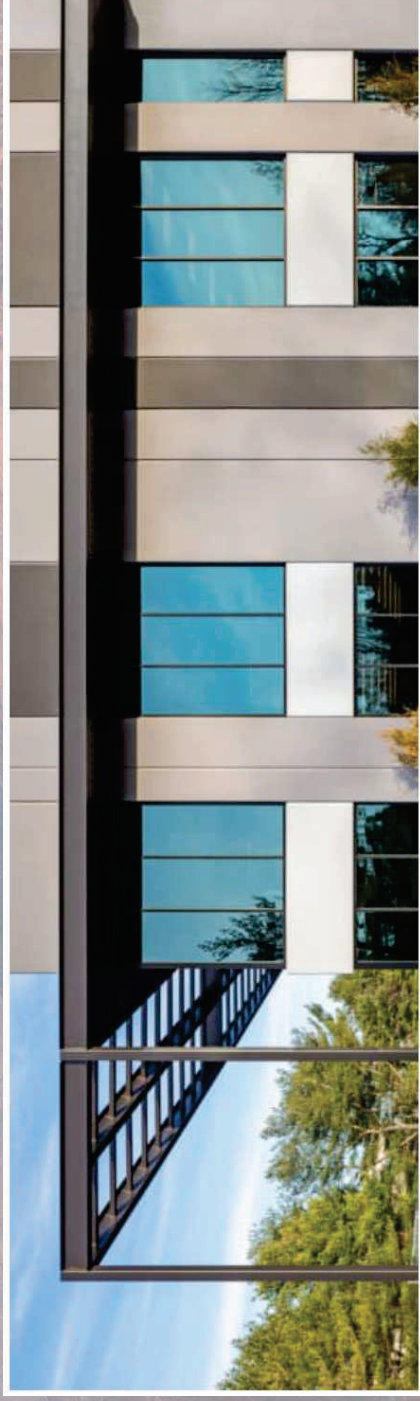
Creation Equity

Grant Kingdon, Principal and Project Manager

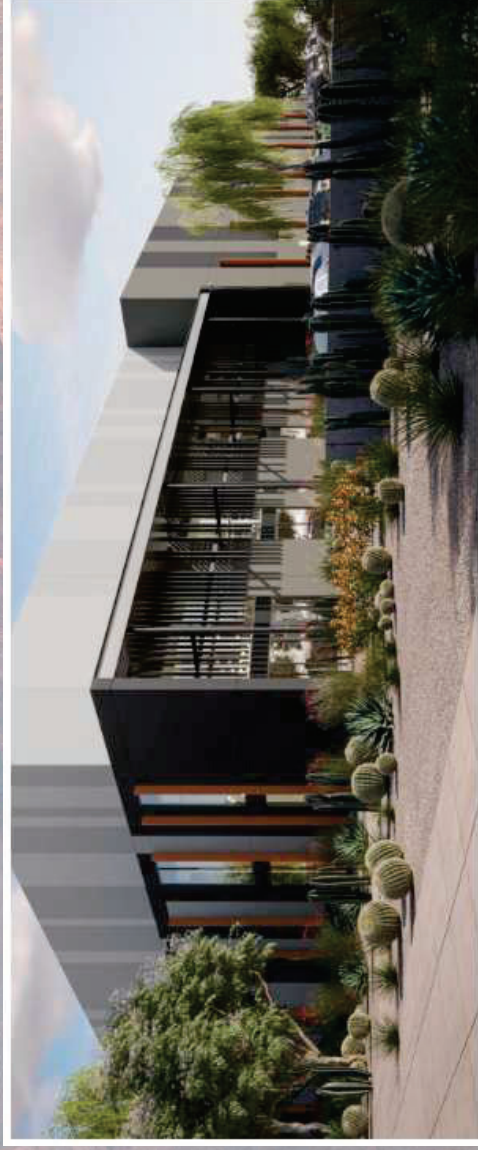
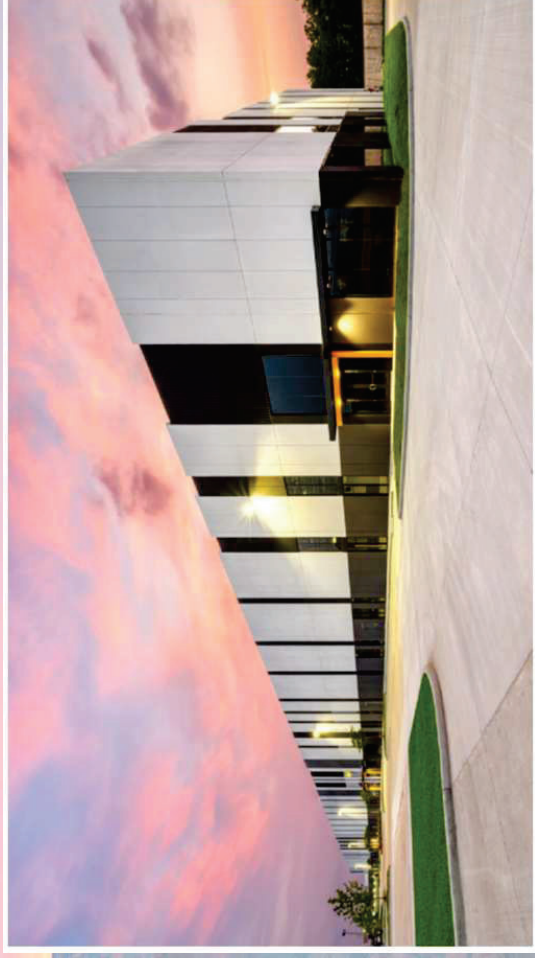
Jagger Everett, VP of Development



EXISTING CREATION EQUITY PROJECTS



EXISTING CREATION EQUITY PROJECTS



PROPOSED PROJECT RENDERINGS



CONTEXT AERIAL



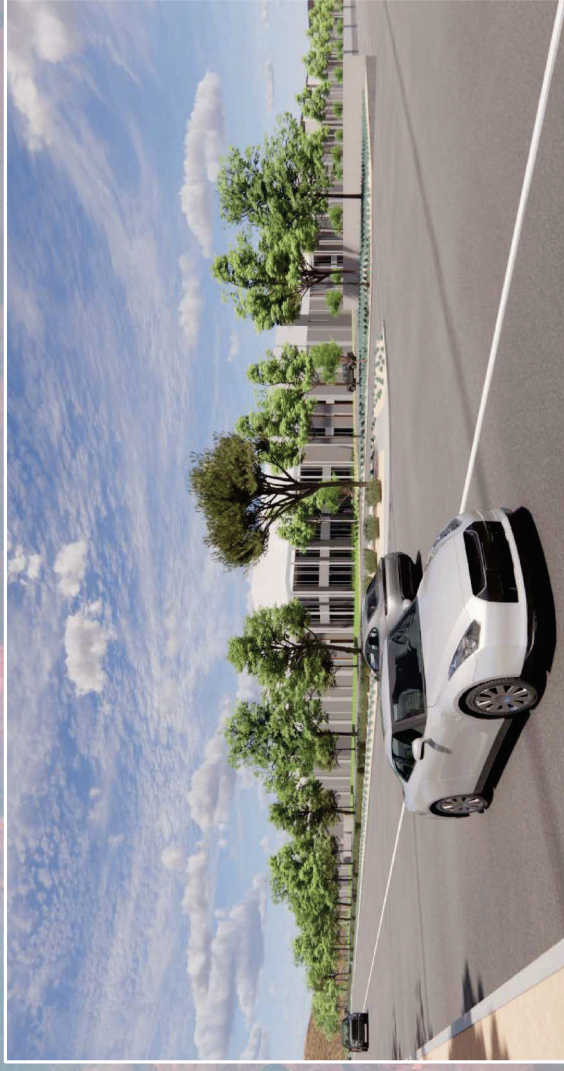
PROPOSED SITE PLAN



PROPOSED PROJECT RENDERINGS



PROPOSED PROJECT RENDERINGS



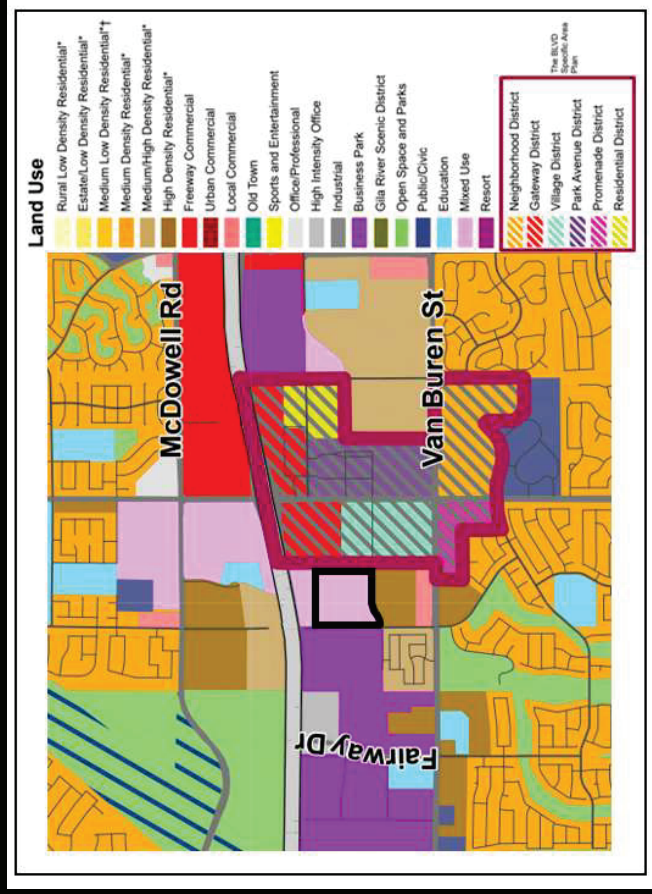
PROPOSED SITE PLAN



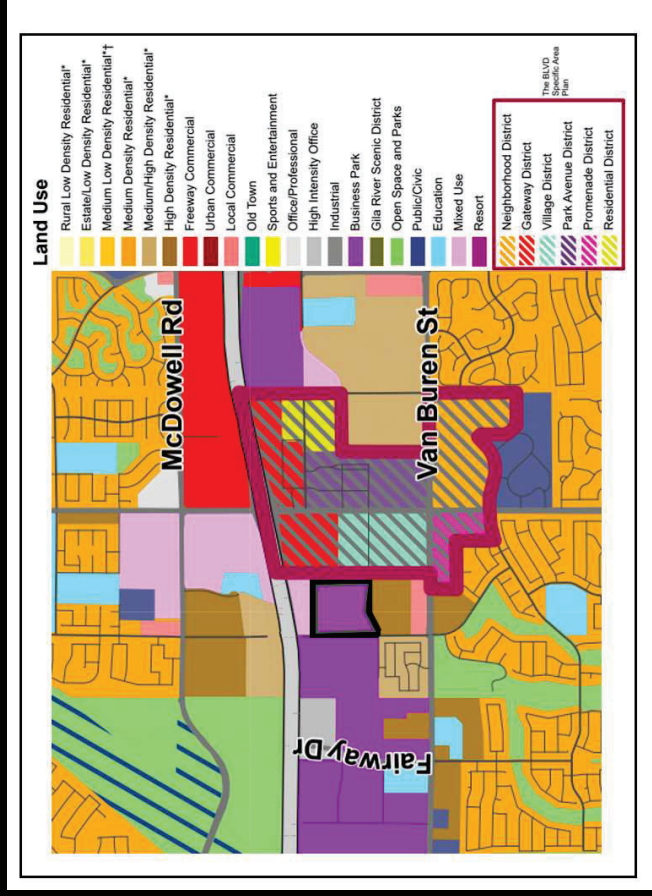
GENERAL PLAN

Amend General Plan designation of the parcel from Mixed Use to Business Park

Existing:



Proposed:



ZONING MAP

Rezone the parcel from City Center District (CCD) to Planned Area Development (PAD)

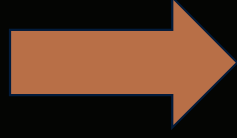
Existing:



Proposed:



PROCESS



Application Submitted
June 2025

Staff Review Cycles and
Resubmittals

Neighborhood Meeting
September 9, 2025

Planning Commission
Hearing
To Be Determined

Avondale City Council
Meeting
To Be Determined

Avondale Tech Center Community Meeting

Minor General Plan Amendment (PL-25-0120) & Rezone (PL-25-0121)
NEC 119th Avenue and Corporate Drive

Tuesday, September 9, 2025 at 6:00 PM



RESOLUTION NO. 1073-1125

A RESOLUTION OF THE COUNCIL OF THE CITY OF AVONDALE, ARIZONA, AMENDING THE CITY OF AVONDALE GENERAL PLAN REGARDING THE LAND-USE DESIGNATION OF APPROXIMATELY $\pm$ 38 NET ACRES GENERALLY LOCATED AT THE NORTHWEST CORNER OF CORPORATE DRIVE AND 117TH AVENUE, AS SHOWN IN APPLICATION PL-25-0120 FROM MIXED USE TO BUSINESS PARK.

WHEREAS, the City of Avondale General Plan (the “General Plan”) was adopted by the Mayor and Council of the City of Avondale (the “City Council”) on April 2, 2012, and ratified by the qualified electors of the City of Avondale on August 28, 2012; and

WHEREAS, the General Plan was readopted by the City Council on May 2, 2022, and ratified by the qualified electors of the City of Avondale on August 2, 2022; and

WHEREAS, the City Council desires to amend the General Plan to change the land-use designation for approximately $\pm$ 38 net acres generally located at the northwest corner of Corporate Drive and 117th Avenue, from Mixed Use to Business Park, as shown in Application PL-25-0120 (the “General Plan Amendment”); and

WHEREAS, pursuant to ARIZ. REV. STAT. § 9-461.06 and the General Plan, the City of Avondale (the “City”) has consulted with, advised, and provided the opportunity for public comment on the General Plan Amendment; and

WHEREAS, all due and proper notices of the public hearings on the General Plan Amendment held before the City of Avondale Planning Commission (the “Commission”) and the City Council were given in the time, form and substance required by ARIZ. REV. STAT. § 9-461.06; and

WHEREAS, pursuant to ARIZ. REV. STAT. § 9-461.06 and the General Plan, the Commission held a public hearing on the proposed General Plan Amendment on October 15, 2025, after which the Commission recommended approval; and

WHEREAS, pursuant to ARIZ. REV. STAT. § 9-461.06 and the General Plan, the City Council held a public hearing on the proposed General Plan Amendment on November 17, 2025.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF AVONDALE, as follows:

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

SECTION 2. The General Plan is hereby amended to change the land-use designation for approximately $\pm$ 38 net acres generally located at the northwest corner of Corporate Drive and 117th Avenue, as shown in Application PL-25-0120, as depicted on Exhibit A, attached hereto and incorporated herein by reference, from Mixed Use to Business Park.

SECTION 3. The Mayor, the City Manager, the City Clerk and the City Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this Resolution.

PASSED AND ADOPTED by the Council of the City of Avondale, Arizona, November 17, 2025.

Mike Pineda, Mayor

ATTEST:

Marcella Sarmiento, City Clerk

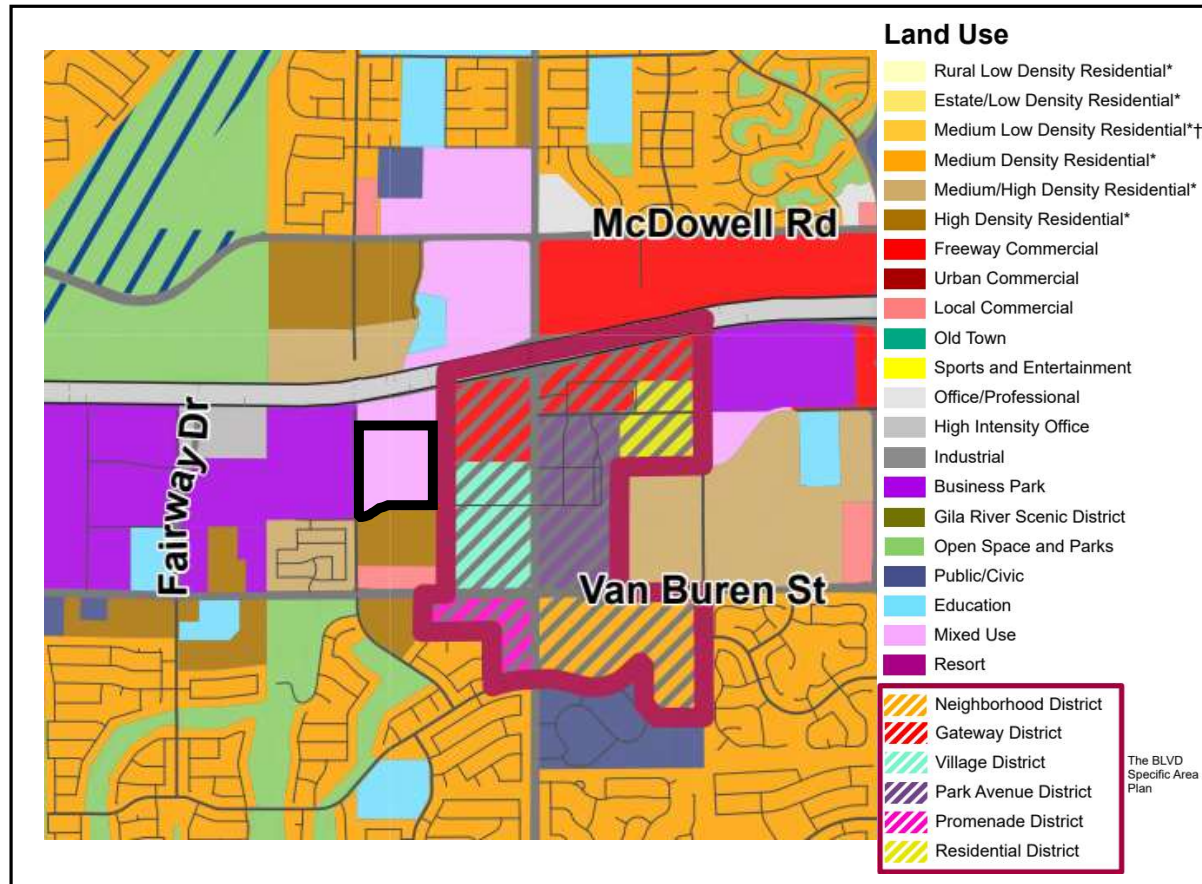
APPROVED AS TO FORM:

Nicholle Harris, City Attorney

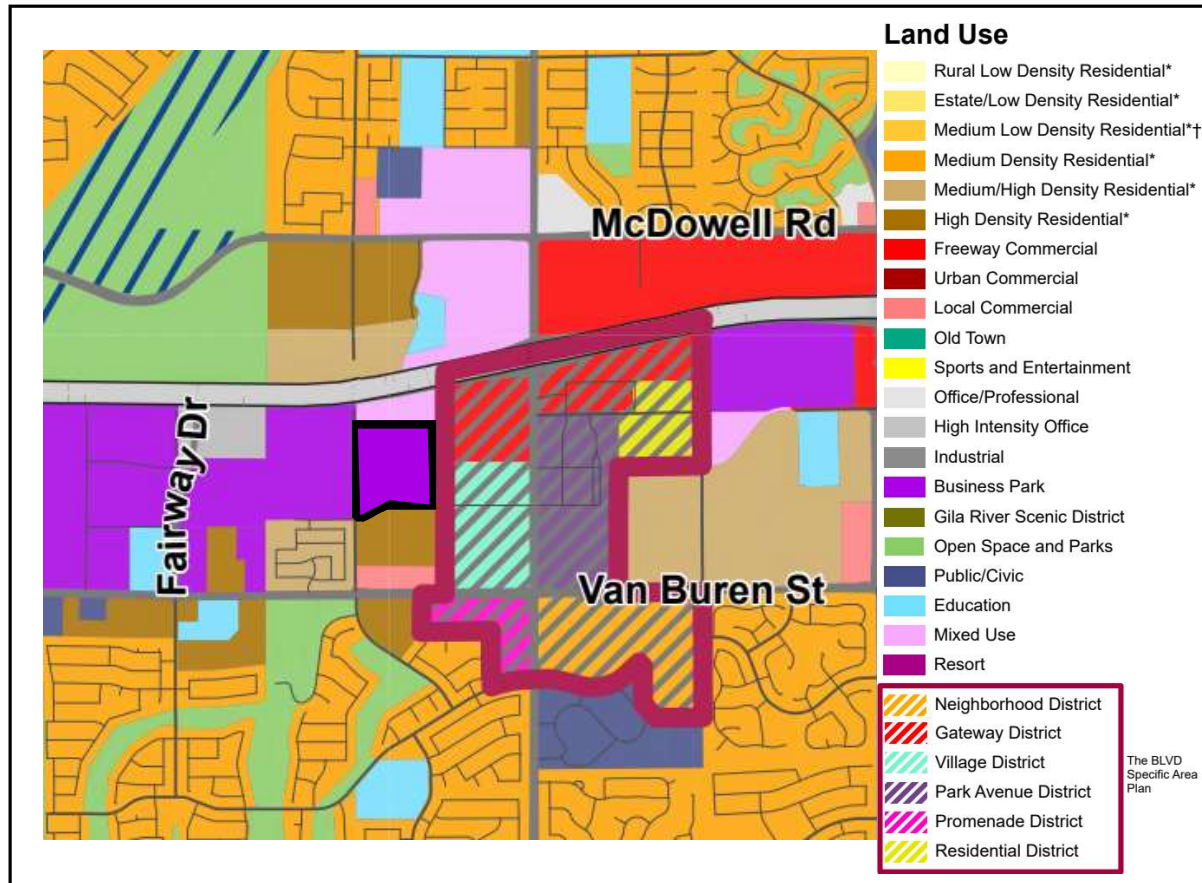
EXHIBIT A
TO
RESOLUTION NO. 1073-1125

[General Plan Amendment Maps]

See following page.



EXISTING GENERAL PLAN LAND USE DESIGNATION



PROPOSED GENERAL PLAN LAND USE DESIGNATION

ITEM NUMBER: 5.b.

SUBJECT: Public Hearing and Ordinance 2041-1125 – Avondale Tech Center – Rezoning – Application PL-25-0121

MEETING DATE: 11/17/2025

TO: Mayor and Council

FROM: Jodie Novak, Director of Development Services

THROUGH: Katie Gregory, Assistant City Manager, (623) 333-1015

REVIEWED: Ron Corbin, City Manager, (623) 333-1011

STRATEGIC PLAN:

This agenda item supports the following Avondale Strategic Outcome Area: **Economic Growth and Prosperity**

Avondale supports a thriving local economy by fostering and supporting business growth, job creation, and workforce development. The City advances economic development, attracts high-quality entertainment and full-service amenities, and promotes a variety of attainable housing opportunities that strengthen the City's vitality.

PURPOSE:

City Council will hold a public hearing and consider a request to adopt Ordinance 2041-1125, approving a request by Michelle Santoro of Gammage & Burnham for a rezone request for Avondale Tech Center, an approximately 38-acre site located at the northwest corner of Corporate Drive and 117th Avenue, to rezone the subject property from City Center District (CCD) to Avondale Tech Center Planned Area Development (PAD) with underlying zoning of Commerce Park (CP) to facilitate the development of a technology campus primarily focused on employment uses and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

BACKGROUND:

The approximately 38-net-acre site (Exhibits A and B) is located at the northwest corner of Corporate Drive and 117th Avenue. More specifically, the site is identified as Lot 6 within the Fuze 623 and Flatz 623 final plat, Assessor's Parcel Number (APN) 500-01-610. The property was annexed into the City on July 28, 1976, and has historically been used for agricultural purposes. The site is currently vacant.

The site is designated as Mixed Use on the General Plan 2030 Land Use Map (Exhibit C). There is a separate application for a minor General Plan amendment (GPA) to redesignate the site's land use designation from Mixed Use to Business Park. Approval of the minor GPA request is required before the rezoning may be approved, which is scheduled for the same Planning Commission and City Council meetings.

The site is currently zoned City Center District (CCD) and is the only remaining parcel in the City of Avondale

with this zoning classification. The City Center District (CCD) and the City Center Specific Plan (CCSP) served as the precursors to the BLVDD zoning district and The BLVD Specific Plan (BSP), respectively. If this rezoning request is approved, the CCD zoning district and its provisions will be removed from the Zoning Ordinance through a future Zoning Ordinance text amendment.

The existing uses and zoning of the surrounding properties are as follows:

North: Vacant county island. The City of Avondale General Plan designates this area as Mixed Use, and the Maricopa County zoning is C-2 (Intermediate Commercial).

South: Multi-family residential development currently under construction. The General Plan designation is High Density Residential, and the zoning is Fuze 623 Planned Area Development (PAD).

East: Existing multi-family residential. The General Plan designation is The BLVD (Village District), and the zoning is The BLVD District (BLVDD).

West: Existing Business Park. The General Plan designation is Business Park, and the zoning is Avondale 10 Planned Area Development (PAD).

SUMMARY OF REQUEST:

The applicant is requesting to rezone the property from Central Business District (CCD) to Avondale Tech Center Planned Area Development (PAD) with underlying Commerce Park (CP) zoning district to allow a planned advanced technology campus primarily focused on employment uses (Exhibit F). The PAD Narrative (Exhibit D) outlines the permitted uses, development standards, and other requirements that will guide the future development of the site.

The proposed advanced technology campus will be developed on approximately 38 net acres and consists of three buildings totaling approximately 698,622 square feet. Each building is planned to have a width between 200 and 240 feet and an approximate height of 48 feet. However, the PAD requests a modification to increase the maximum building height from 35 feet to 55 feet to accommodate the proposed advanced technology center. All rooftop mechanical equipment will be either screened or seamlessly integrated into the building design.

The buildings must comply with the City of Avondale's Commercial and Industrial Design Manual and will feature high-quality architectural and aesthetic design. The site will be thoughtfully planned to establish a strong sense of arrival and placemaking, with a contemporary architectural character.

To accommodate the projected number of employees and visitors, the PAD also proposes a deviation to increase the maximum number of parking spaces from 672 to 720. This request is supported by a parking demand study submitted by the applicant, which concludes that the proposed parking is a practical way to serve the varied nature of the industrial park. A detailed review of site layout, architecture, open space, and landscaping will take place during the Site Plan and Design Review administrative process.

Per the former City Center Specific Plan (CCSP), most of the site was designated as the Gateway Employment Subdistrict, which allowed retail, office, and hotel uses. The remainder lay within the Employment Mixed-Use Subdistrict, which also emphasized employment-related uses, with residential units permitted on upper floors when integrated with employment uses. Since the subject property fronts 117th Avenue, residential units would have been allowed to be built at ground level.

The existing City Center District (CCD) zoning does not accommodate the advanced technology-related uses proposed for the site, such as office, light manufacturing, and related warehousing. Rezoning to a Planned Area Development (PAD) will provide a customized regulatory framework that better supports these employment-focused uses. The permitted uses outlined in the PAD are more closely aligned with those allowed in the underlying Commerce Park (CP) zoning district and reflect the intended function of the site as a technology-driven employment campus. These uses are designed to directly support the core operations of the proposed development.

CERTIFICATE OF ADEQUATE SCHOOL FACILITIES:

The rezoning request proposes business park and commercial uses, so this provision related to residential uses does not apply.

PUBLIC PARTICIPATION:

A neighborhood meeting (Exhibit E) to discuss the proposal with neighboring property owners and other interested parties was held on September 9, 2025. An overview of the discussion topics is outlined in the Neighborhood Meeting Summary, attached as Exhibit E. In addition to City staff and the applicant's team, one (1) resident attended the in-person neighborhood meeting. The attendee raised general questions about potential tenants, truck circulation, and the proposed amenity area, all of which were addressed by the applicant. The applicant's team also clarified that the planned pickleball court would be open to the broader community. Additional inquiries were made regarding the nature and anticipated timeline of the development.

All required notifications for the Planning Commission and City Council public hearings have been completed. To date, one (1) comment has been received on the City's Avondale Connect public forum. The comment conveyed that the site is already being advertised for lease and does not find the public hearings necessary if the project is already approved.

PLANNING COMMISSION ACTION:

On October 15, 2025, the Planning Commission held a public hearing regarding the minor General Plan amendment (PL-25-0120) and PAD Rezone (PL-25-0121) requests. During the discussion, a commissioner inquired about the timeline for installing a traffic signal at the intersection of Corporate Drive and Fairway Drive. In response, the applicant and City staff explained that the area required for the traffic signal is only partially owned by the City, with a portion under private ownership. As such, a right-of-way acquisition process will be necessary before construction can move forward. Staff further noted that, per the City's Senior Traffic Engineer, the signal installation will commence once the proposed buildings begin to be occupied and a specific traffic threshold identified by the traffic assessment is reached. Consequently, a definitive construction timeline has not yet been established. However, the development stipulations include a general 10-year timeframe for completing the signal. If the signal is not constructed within that period, the developer's contribution would be refunded in accordance with the terms of a written agreement, which will be finalized later in the development process. The Commission Chair also inquired whether the requested increase in building height from 35 feet to 55 feet matches that of the adjacent Fairway 10 building. Staff responded that the proposed height is comparable to the surrounding development, including nearby industrial and multifamily structures.

There were no comments from the public.

After discussion, the Planning Commission passed a motion (6-0 vote) to recommend approval of the PAD Rezoning to the City Council.

ANALYSIS:

Article 6, Section 28-113 of the Zoning Ordinance establishes five (5) findings that must be met to grant PAD zoning. Listed below are the five criteria and an analysis of each:

1. The proposed PAD is in conformance with the General Plan and applicable specific plan(s).

The Avondale Tech Center PAD aligns with the Business Park land use designation proposed in the associated minor General Plan amendment (PL-25-0120). The subject site is not governed by any existing Specific Plan, with the exception of the former City Center Specific Plan (CCSP), as described earlier, which has since been removed from the current General Plan and all other applicable regulatory documents.

The PAD furthers several goals of the General Plan, most notably:

- Land Use Element Goal #3, Policy A: "Develop the I-10 corridor into the City's premier business employment area by encouraging uses that provide a high ratio of well-paying jobs to square footage."
- Land Use Element Goal #4, Policy C: "Ensure Avondale is at the forefront of any emerging markets by continuously updating codes and policies to include standards for new business types and technologies."
- Economic Element Goal #3, Policy D: "Support new development that accommodates business attraction opportunities."

- Economic Element Goal #3, Policy E: “Increase the supply of developable Business Park land and promote flexibility of uses within.”

The development of high-quality employment centers remains a long-standing priority for the City. This commitment is evident in the successful establishment of multiple commerce parks along the Van Buren Street corridor and the concentration of medical, health, and technology-related industries along the McDowell Road corridor. The creation of a new advanced technology campus along the I-10 freeway corridor continues this trajectory, reinforcing Avondale’s position as a regional leader in innovation-driven economic development.

2. The proposed PAD meets the PAD requirements of the Zoning Ordinance, Subdivision Regulations, Design Manuals and other applicable regulations and requirements, unless otherwise modified by the PAD Narrative.

The underlying zoning designation for the PAD is the City’s Commerce Park (CP) zoning district. The development standards for the PAD are based on the CP zoning district, with minor modifications to accommodate the needs of the proposed advanced technology center project.

The land uses proposed for the technology campus are generally consistent with those permitted within the CP zoning district. However, the following modifications are requested to better align with the project’s operational needs:

- Motion picture productions (studio): From Conditional Use Permit to Permitted Use
- Retail Sales that primarily support the businesses and employees of the commerce park and not the general population: From Conditional Use Permit to Permitted Use
- Warehousing: From Accessory Use to Permitted Use
- Wholesaling: From Not Permitted to Permitted Use

These modifications support the project’s goal of attracting a diverse group of tenants by allowing certain uses outright, thereby reducing permitting timelines and expediting occupancy. The PAD’s design strategy intentionally discourages a single-use approach, such as dedicating all three buildings solely to warehousing or wholesaling. Per the submitted preliminary site plan and building elevations, the buildings range in width from 200 to 240 feet and do not include cross-dock facilities, which are typically associated with large-scale warehouse and distribution operations. Instead, the design reflects a more flexible, light industrial layout better suited for light assembly, research, and technology-related uses.

There are no requested deviations from the CP zoning district development standards, with the exception of a proposed increase in building height from 35 feet to 55 feet. The height request will accommodate specialized interior clear heights and rooftop equipment required by the campus operations. The proposed height increase I-10 freeway corridor.

As previously noted, a detailed review of the proposed development will occur during the Site Plan and Design Review process. At that stage, the project will be subject to the applicable requirements of the Zoning Ordinance, Subdivision Regulations, and Design Manual, unless standards are specifically modified in the approved PAD Narrative.

3. That adequate public infrastructure and services exist to serve the proposed development or all necessary public infrastructure and services to serve the proposed development will be completed in connection with development within the PAD.

Adequate public infrastructure and municipal services currently exist in the immediate area to support the proposed development. All necessary utility extensions and perimeter roadway improvements required for the development of the site will either be constructed or financially contributed to by the developer.

The site’s proximity to the under-construction Fuze 623 project offers mutual benefits, particularly in terms of shared off-site improvements along Corporate Drive. Planned improvements associated with this development include half-street upgrades along 117th Avenue and 119th Avenue, as well as enhancements to Corporate

Drive.

The site is strategically located with access to the existing arterial road and transportation network. This includes the planned installation of a new traffic signal at Van Buren Street and 119th Avenue by another developer. To support the project's access and transportation needs from the I-10 freeway, the developer will contribute an agreed-upon amount toward constructing a new traffic signal at the intersection of Corporate Drive and Fairway Drive. Additionally, all project-related semi-truck traffic will be routed to the Fairway Drive interchange from 119th and Corporate Drive to minimize impacts on nearby residential neighborhoods.

4. The proposed PAD will result in compatible land use relationships within the proposed development and with adjacent properties.

The proposed PAD will result in compatible land use relationships both within the development and with adjacent properties. The PAD represents an extension of Business Park land use from the west. To the north, the site is adjacent to Interstate 10, with an approximately 250-foot-wide county island zoned for commercial use located in between. Along the eastern boundary (in part) and the entire southern boundary, the site borders residentially-zoned properties. Appropriate buffering and transition measures will be incorporated to minimize impacts and maintain compatibility with the adjacent residential uses.

As previously noted, the proposed building height is not significantly different from nearby developments, ensuring a cohesive visual and physical scale. Additionally, semi-truck traffic will be routed to the Fairway Drive interchange, avoiding direct interaction with residential streets and minimizing traffic impacts on surrounding neighborhoods.

The overall site design, land use mix, and transportation strategy reflect an approach that integrates the PAD into its surrounding context. By addressing potential land use conflicts through strategic design elements and infrastructure planning, the development will support a smooth transition between employment and residential areas.

5. The development standards of the proposed PAD are consistent with or exceed the desired character of development for the area.

The proposed development standards outlined in this PAD are consistent with the City's Commerce Park zoning district requirements. Noted deviations serve to foster compatibility with existing residential and provide continuity with approved employment projects nearby.

DISCUSSION:

Staff recommend approval of the request for the following reasons:

- The proposed Avondale Tech Center PAD meets the required five (5) findings for a Planned Area Development (PAD) Rezone per the Avondale Zoning Ordinance.
- The proposed Avondale Tech Center PAD is in conformance with the proposed General Plan Land Use designation of Business Park.
- The proposed Avondale Tech Center PAD is in conformance with the PAD requirements of the Zoning Ordinance, Subdivision Regulations, Design Manual, and other applicable regulations and requirements, unless otherwise modified by the PAD Narrative.
- Adequate public infrastructure to support the proposed development either presently exists or will be constructed by the developer.
- The recommended conditions of approval are reasonable to ensure conformance with the provisions of the Zoning Ordinance and all other applicable City codes, ordinances, and policies.

BUDGET IMPACT:

No budget impacts.

RECOMMENDATION:

City Council will conduct a public hearing and adopt an Ordinance for Avondale Tech Center, an approximately 38-acre site located at the northwest corner of Corporate Drive and 117th Avenue, to rezone the subject property from City Center District (CCD) to Avondale Tech Center Planned Area Development (PAD) with underlying zoning of Commerce Park (CP) to facilitate the development of a technology campus primarily focused on employment uses, and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents, subject to the following ten (10) conditions of approval:

1. Except as modified by these conditions, development of the subject property shall conform to the following items:
 - a. Avondale Tech Center PAD Narrative, electronically date-stamped 9/10/2025.
 - b. Site plan, electronically date-stamped 9/10/2025.
2. Administrative approval of the Site Plan and Design Review, including but not limited to parking, employee amenity areas, and building elevations, shall be required prior to the issuance of any building permits, in accordance with the City of Avondale Commercial and Industrial Design Manual.
3. The developer shall install signage, pavement markings, and other necessary improvements on all driveways to direct semi-trucks or equivalent (Class 8 and above vehicles), to follow the designated route to Interstate 10 via 119th Avenue, Corporate Drive, and Fairway Drive Interchange.
4. Prior to the first Certificate of Occupancy, the developer shall contribute \$500,000 for a future traffic signal at the intersection of Fairway Drive and Corporate Drive, as per the results of the traffic impact study, or as required by the City Engineer. This contribution shall be finalized in a written agreement between the developer/owner and the City of Avondale prior to the issuance of any building or civil permits. Vertical construction of the traffic signal shall begin within ten (10) years of the contribution date, and if said construction has not commenced by the deadline, the contribution shall be returned to the developer per the terms of the agreement.
5. All perimeter off-site improvements to 119th Avenue, 117th Avenue, and Corporate Drive shall be completed by the developer prior to the first Certificate of Occupancy.
6. All development shall be completed in accordance with the City of Avondale General Engineering Requirements (GER) Manual and the City of Avondale Supplement to MAG Uniform Specifications and Details unless a standard deviation has been approved.
7. Commencement of horizontal construction for the project shall begin within four (4) years from the date of city council approval, per Avondale Municipal Code Section 28-113(d) Expiration.
8. Powerlines less than 69 kV shall be converted underground in the first phase of development.
9. The total utility demands for the proposed 38-acre advanced technology center project shall not exceed the maximum allowable average daily water and sewer demands calculated in the current Avondale 2018 Integrated Utility Master Plan and General Plan 2030, as amended, unless otherwise approved by the City Engineer and Public Works Director. Final water usage and wastewater discharge allocations shall be determined through a written agreement between the developer/owner and the City of Avondale, to be executed prior to the issuance of any building or civil permits.
10. Should the Arizona Department of Water Resources (ADWR) establish another program in the future to provide for the extinguishment of irrigation Grandfather Rights (IFGR) and conveyance of credits to municipal water providers, Avondale reserves the right to require the extinguishment of such IFGR.

Contact person for document distribution: Monika Smriti

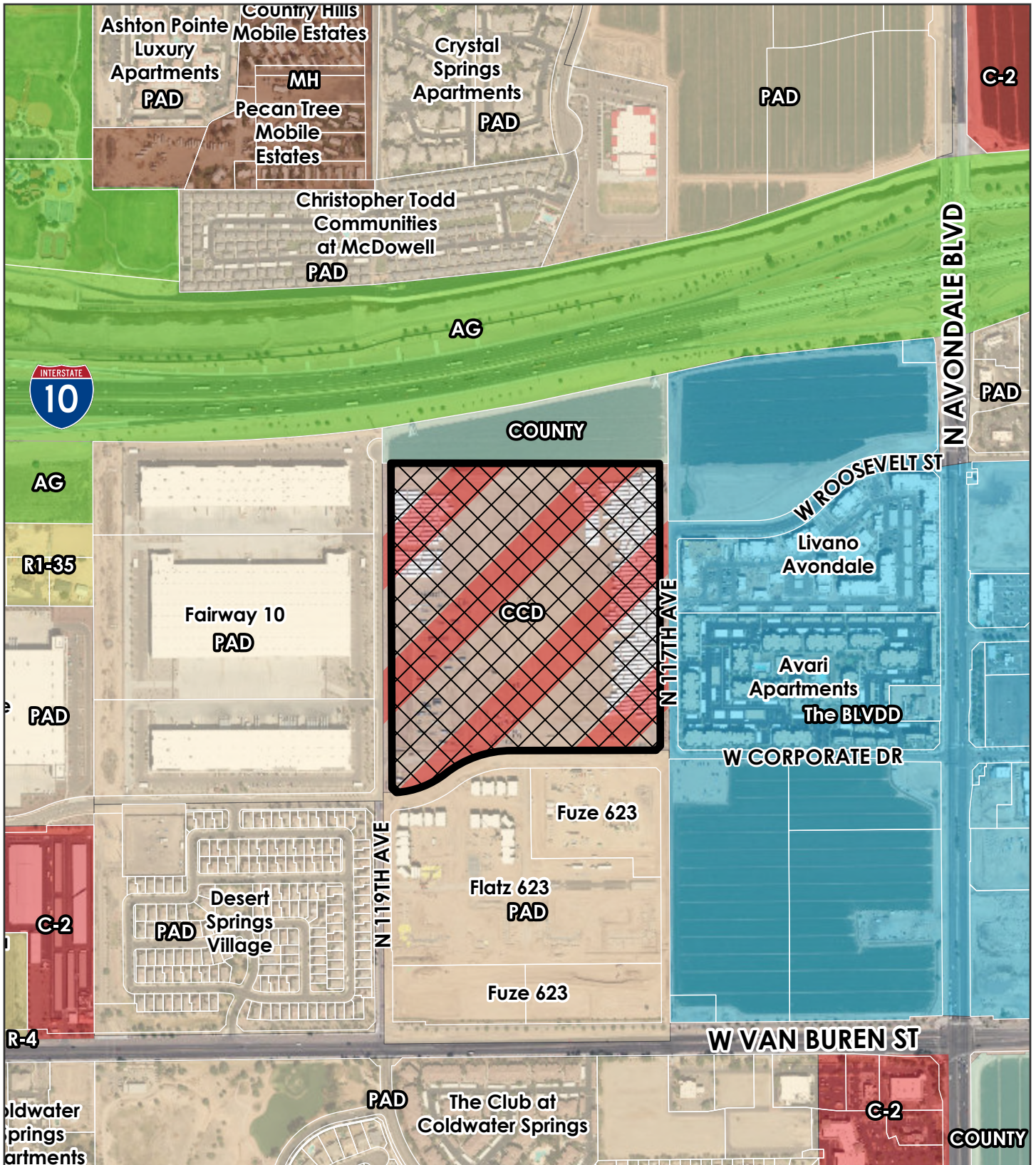


Aerial Map

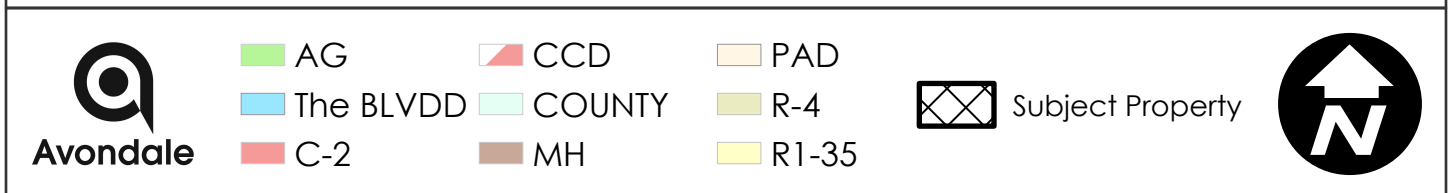


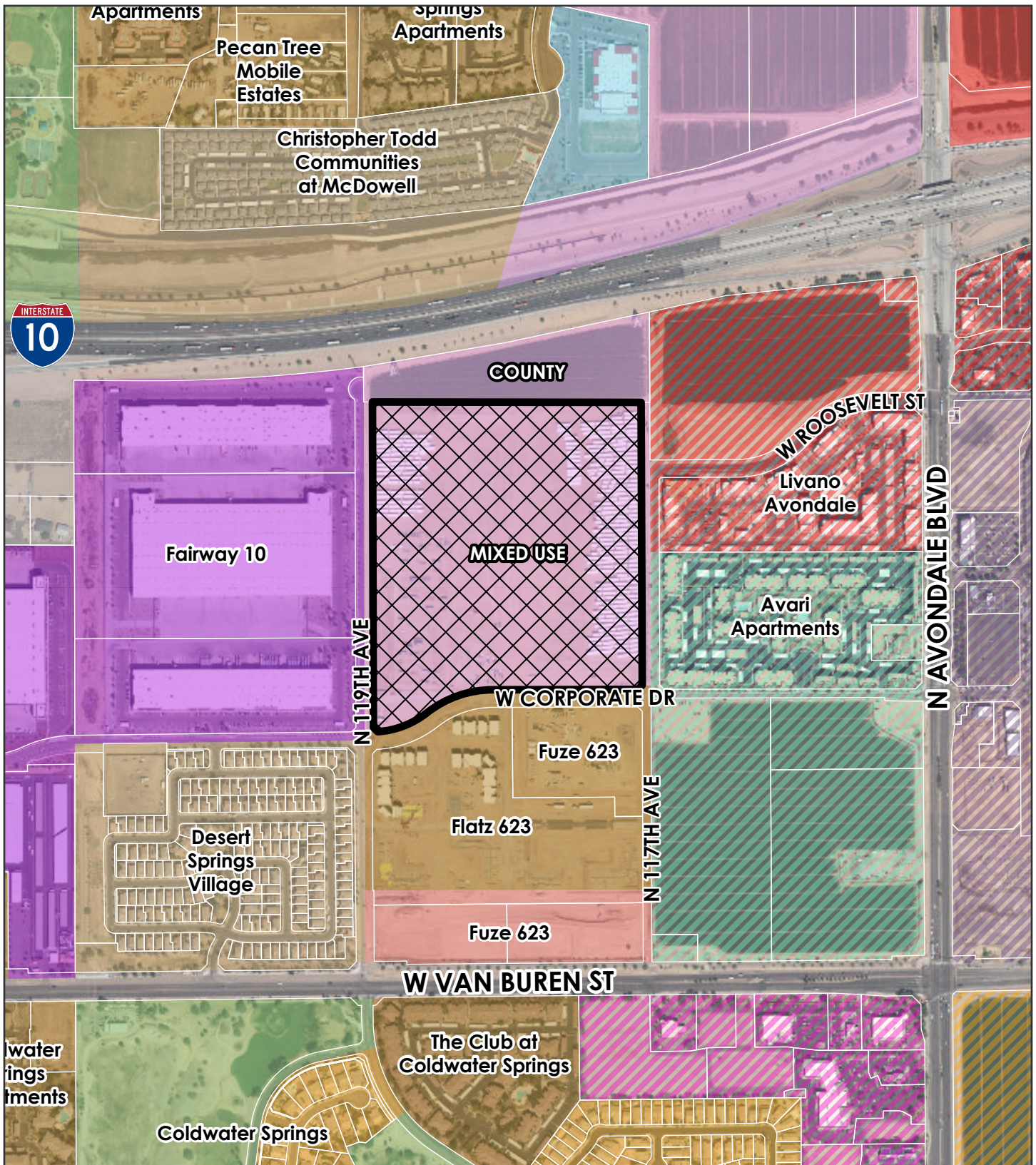
Subject Property





Existing Zoning Map





Existing General Plan Land Use Map



- | | |
|---------------------------------|-----------------------|
| Medium Density Residential | Open Space and Parks |
| Medium/High Density Residential | Education |
| High Density Residential | Neighborhood District |
| Local Commercial | Gateway District |
| Freeway Commercial | Village District |
| High Intensity Office | Park Avenue District |
| Mixed Use | Promenade District |
| Business Park | |



Subject Property





Avondale Tech Center NEC of 119th Avenue and Corporate Drive Planned Area Development (PAD)

1st Submittal: June 2, 2025
2nd Submittal: July 31, 2025
3rd Submittal: September 10, 2025

DEVELOPMENT TEAM

Owner/Developer:
Creation Equity
1200 N 52nd St, Phoenix, AZ 85008
(602) 600-6363
Grant Kingdon; grantk@creationequity.com

CREATION 

Architect:
LGE Design Build
1200 N 52nd St, Phoenix, AZ 85008
(480) 966-4001

LGE | DESIGNBUILD

Attorney / Applicant:
Gammage and Burnham
Attorney: Stephen Anderson
Land Use Planner: Michelle Santoro
40 N Central Avenue, 20th Floor, Phoenix, AZ 85004
(602) 256-0566
sanderson@gblaw.com; msantoro@gblaw.com



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PROPERTY OVERVIEW

Introduction

Gammage and Burnham represents Creation Equity (the “Applicant”), a long-standing member of the development community with successful projects across the Phoenix metropolitan area. Creation Equity has developed some of the most well-known mixed-use, commercial, and state-of-the-art industrial projects across the Valley. This request is to rezone approximately 38-net acres located at the northeast corner of Corporate Drive and 119th Avenue (the “Property” or the “Site”) from City Center District (CCD) to Planned Area Development (PAD). The Property is also known as Maricopa County Assessor Parcel number 500-01-610. See **Figure A** provided below for an aerial photograph of the Site and surrounding area, highlighted in blue.

Figure A: 2024 Aerial Photograph



Vision Statement

The Site offers high visibility from Interstate 10 and excellent access to major regional transportation corridors, including Loop 101, Loop 202, and Loop 303. The project is expected to attract key industries such as defense contracting, pharmaceutical development, semiconductor manufacturing, and other advanced technology sectors. Its strategic location, near major freeways, a skilled labor force, and a variety of regional retail amenities, makes it especially well-suited for such companies within the TSMC, AMKOR, and Intel ecosystems. The development aligns with Avondale’s long-term economic development goals and will support job creation, economic diversification, and high-value investment in the West Valley. Consistent with the surrounding area’s business park and employment uses, the Applicant is proposing to redevelop the Site with a high-quality technology campus development. The development, referred to as the Avondale Tech Center, is envisioned as a regional employment and innovation hub that supports a range of advanced technology users.

The requirements of the Zoning Ordinance, as amended, and Avondale Subdivision Regulations, as amended, shall apply except where explicitly stated otherwise herein by this PAD.

Subject Property & Surrounding Area Conditions

As stated above, the 38.08 net acres (41.91 gross acres) associated with this PAD request is located at the northeast corner of 119th Avenue and Corporate Drive, just south of the I-10 Freeway corridor. The Property is currently vacant farmland. The vacant farmland, which is a county island located to the north of the Site, lies within the C-2 (Intermediate Commercial) Zoning District of Maricopa County, but is included in the Avondale planning area with a land use designation of Mixed Use. To the south, there is a multi-family residential development under construction. The property to the east is an existing multi-family residential development within the BLVDD District. And finally, adjacent to the western property line, is an existing business park. See **Figure B** for the Site's relationship to the surrounding properties.

Figure B: Relationship to Surrounding Properties

	General Plan	Zoning	Existing Use
North	Mixed Use (City of Avondale)	C-2 Intermediate Commercial (Maricopa County)	Vacant Land
South	High Density Residential	PAD Planned Area Development	Multi-Family Residential Homes (under construction)
East	Village District	The BLVDD	Multi-Family Residential Homes
West	Business Park	PAD Planned Area Development	Business Park Buildings
Project Site	Mixed Use	CCD City Center District	Vacant Land

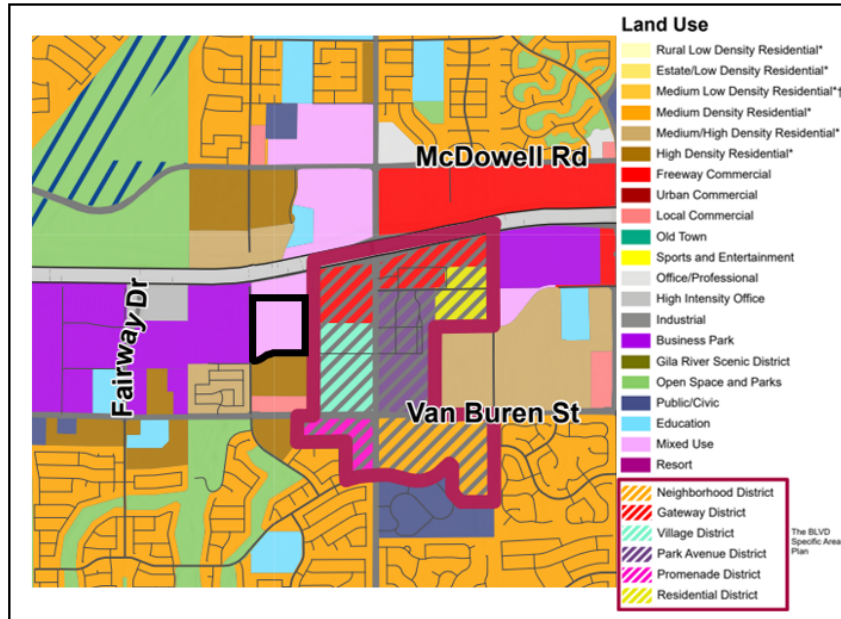
Topography

There are no significant topographical or natural features on the Property,

General Plan

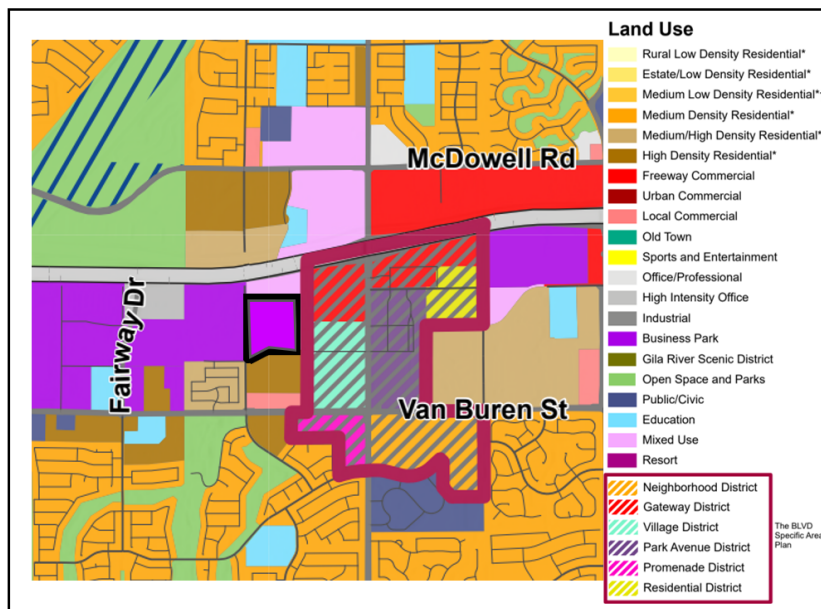
As shown below, the Property, outlined in black, is currently designated as “Mixed Use” on the General Plan 2030 Proposed Land Use Map. The Property is not currently located within a Specific Area Plan. See **Figure C** below.

Figure C: City of Avondale Existing General Plan Map



The Applicant has submitted a separate, concurrent application to modify the General Plan land use designation from Mixed-Use to Business Park in order to support the proposed rezoning request. See **Figure D** below.

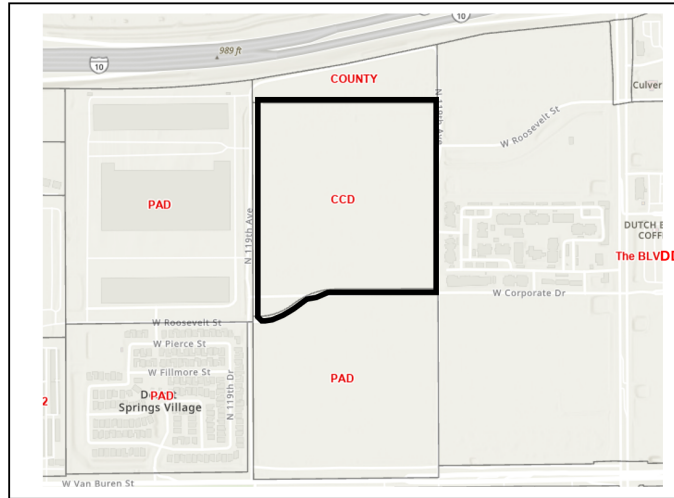
Figure D: City of Avondale Proposed General Plan Map



Zoning

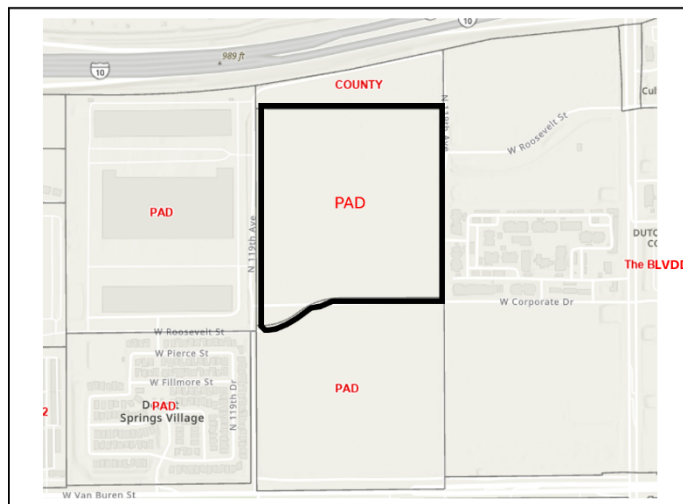
The Property is currently designated as CCD as shown on the City of Avondale Zoning Map below. The Property was historically used for farming, dating back into the 1940's. The surrounding area remained rural and agricultural in nature with adjacent development occurring in the last 5 years. The CCD zoning designation is associated with the 2009 adopted City Center Specific Plan, which envisioned a mixed-use type of development. The City Center Specific Plan was then replaced by the BLVDD in 2019, but the new BLVDD excluded the subject property. The CCD zoning designation is no longer relevant. See **Figure E** below for the existing City of Avondale Zoning Map.

Figure E: Existing City of Avondale Zoning Map



With this application, the Applicant is seeking PAD zoning that incorporates the modified uses and development standards of the CP (Commerce Park) Zoning District. As outlined in the City of Avondale Zoning Ordinance, the purpose of the PAD zoning district is to promote the “development of mixed-use developments and/or residential subdivisions that include residential, commercial or business park development according to an overall plan”. See **Figure F** below for the proposed City of Avondale Zoning Map.

Figure F: Proposed City of Avondale Zoning Map



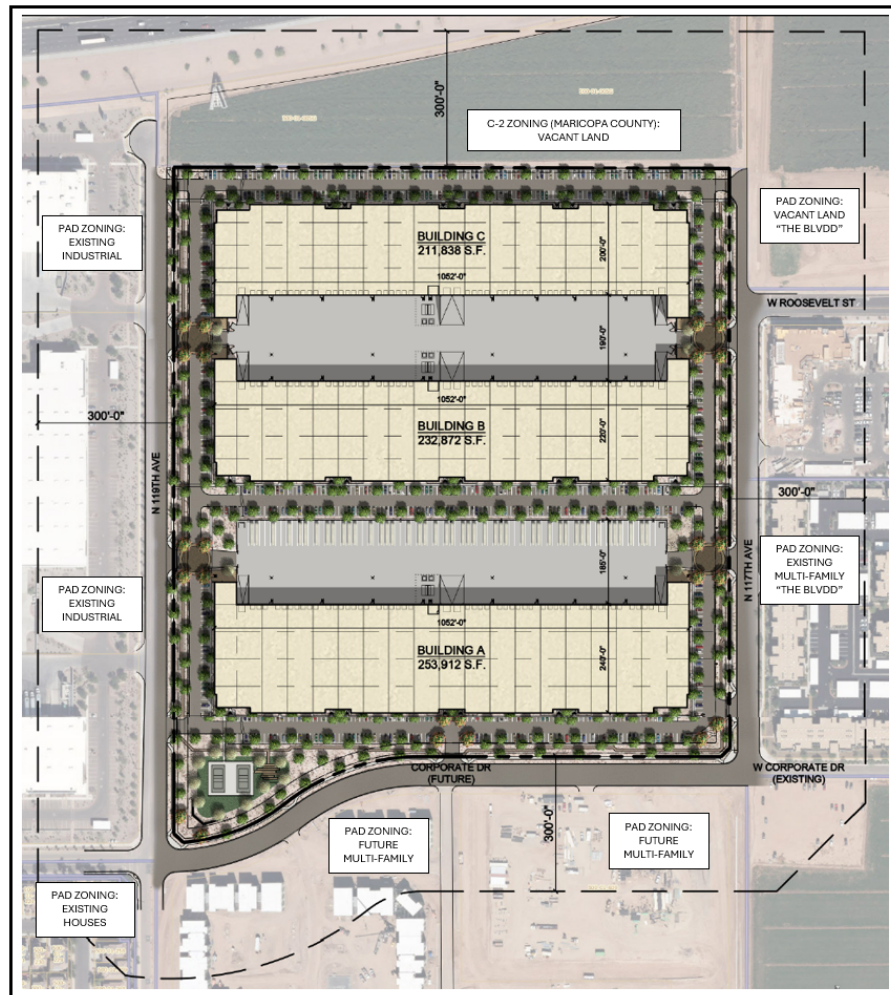
PROJECT DESCRIPTION

Development Plan

Consistent with the surrounding area's business park and employment uses, the Applicant is proposing to redevelop the Site with a high-quality technology campus development (collectively, the "Project"). The development, referred to as the Avondale Tech Center, is envisioned as a regional employment and innovation hub that supports a range of advanced technology users. The Project includes:

- Three (3) one-story shell buildings, each up to 55' in height, totaling approximately 698,622 square feet of building area.
- A mix of office, light manufacturing, assembly, and storage uses anticipated.
- Multiple access points from 117th Avenue, 119th Avenue and Corporate Drive.
- 720 on-site vehicular parking spaces, with a deviation request from the required parking maximum.
- Enhanced landscaping along site perimeters and throughout parking areas.
- A project amenity area at the southwest corner of the site along with additional employee spaces throughout the campus.

Figure G: Proposed Land Use Development Plan



Creation Equity is seeking to improve a vacant property located within a unique area of Avondale into a technology center. The Site offers high visibility from Interstate 10 and excellent access to major regional transportation corridors, including Loop 101, Loop 202, and Loop 303. The Project is expected to attract key industries such as defense contracting, pharmaceutical developments, semiconductor manufacturing, and other advanced technology sectors. Its strategic location, near major freeways, a skilled labor force, and a variety of regional retail amenities, makes it especially well-suited for such companies within the TSMC, AMKOR, and Intel ecosystems. The development aligns with Avondale's long-term economic development goals and will support job creation, economic diversification, and high-value investment in the West Valley.

The Project is anticipated to proceed in a single phase. Site Plan and Design Review are being processed under a separate application.

The buildings, totaling 698,622SF, range in width from 200 to 240 feet and do not include cross-dock facilities, which are typically associated with large-scale warehouse and distribution operations. Instead, the design reflects a more flexible, light industrial layout better suited for light assembly, research, and technology-related uses. The Project provides parking stalls that meet Zoning Ordinance's minimum parking ratios. However, a deviation from the required maximums is included in this PAD in order to accommodate and provide flexibility for the potential use of mixes proposed in this Project.

The current maximum allowable average daily water usage for the total Property is 180,000 gallons per day. Subsequently, the current maximum allowable average daily wastewater discharge is 108,000 gallons per day. As this project becomes more defined through the development process, the actual water usage and wastewater discharges assigned to this project will be finalized in a written agreement between the developer/owner and the City of Avondale.

Landscaping will be provided along the perimeter of the Project as well as within the parking areas. Additionally, several employee amenity areas are located throughout the Project, including a larger Project amenity area at the southwest corner of the Property providing employees with a place to relax, unwind and gather.

The intent of the Project and the goal of the Application is to diversify the mix of employment uses along the I-10 Freeway by adding a high-quality technology campus. The Avondale Tech Center is envisioned as an employment and commercial hub that will provide jobs, goods, and services to the community. The PAD request has been designed to integrate seamlessly with the existing surrounding uses and structures, while incorporating details specific to technology trends and use demands.

Project Character and Theme

As with Creation Equity's other valley projects, the proposed architecture will display contemporary sophisticated architecture, with open space designed to prioritize the employee experience, all while following the City's Commercial and Industrial Design Manual. The modern, aesthetically pleasing architecture will be enhanced with features that break up the massing of the building face with varied architectural elements and color options. An attractive blend of materials not only will add visual interest but will also elevate the structure's appeal, creating a

dynamic and visually captivating experience, especially for the I-10 and Corporate Drive frontages. See **Figure H**, Conceptual Rendering below.

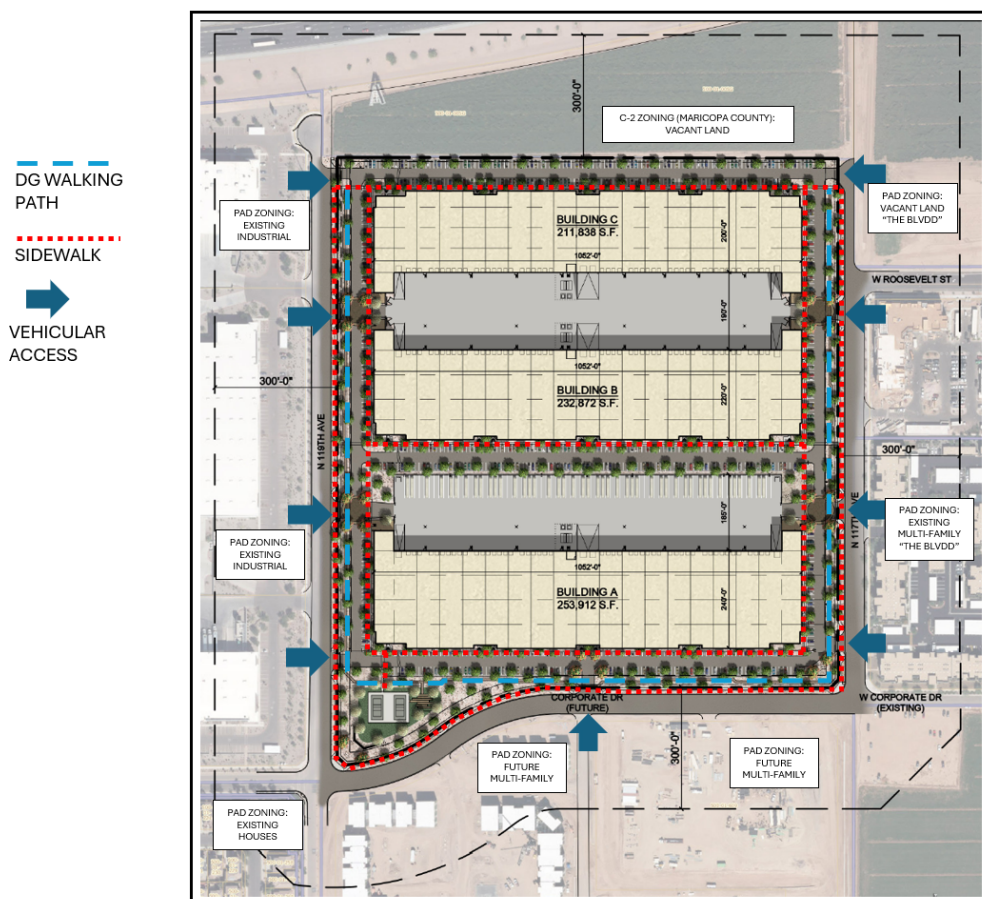
Figure H: Conceptual Rendering



Circulation

There are multiple transportation access points for the Project located along 117th Avenue, 119th Avenue and Corporate Drive. Additionally, there are sidewalks and pedestrian connections within the Project and connecting to surrounding properties. See **Figure I**, Access and Connectivity.

Figure I: Access and Connectivity



LAND USES & DEVELOPMENT STANDARDS

Land Uses

The requirements of the Zoning Ordinance and Avondale Subdivision Regulations shall apply except where explicitly stated otherwise herein by this PAD. The approved PAD sets forth the development standards for Avondale Tech Center. All uses not specifically addressed herein are prohibited unless a subsequent determination by the Zoning Administrator finds a specific use to be an analogous use to a permitted use.

The proposed PAD zoning district will allow more creativity and flexibility with the proposed technology campus design. The Project provides an opportunity to accommodate a new business park use that is cohesive with the existing area and that will significantly improve three (3) street frontages with significant landscape and pedestrian infrastructure enhancements. The PAD zoning district will allow for innovative design opportunities when considering the new, high-quality, technology campus use.

The uses associated with Avondale Tech Center shall generally conform to the City's CP District as described in Section 28-72 of the City of Avondale Zoning Ordinance, with PAD deviations noted in **bold**.

Land Use	Avondale CP District	Proposed PAD
Ambulance dispatch facility	P	P
Banks and chartered financial institutions	P	P
Business support services – photocopy centers, office supply stores, and package delivery services	P	P
Catering	P	P
Child care center	C	C
Clinic for dental and medical	P	P
Data and call centers	P	P
Design centers	P	P
Distribution of products manufactured or assembled onsite	A	A
Dry cleaning drop-off establishment	P	P
Employment agency	P	P
Government offices and facilities – federal, state, county and city	P	P
Health and exercise centers, intended to serve the surrounding employment uses (maximum 10,000 square feet gross building area)	P	P
Hospital	P	P
Hotel and conference center	P	P
Laboratories for product development, testing, experimenting and investigating – bio-science, medical, dental, pharmaceutical, electronic and similar uses	P	P

Manufacturing and assembly, light	P	P
Manufacturing and assembly, heavy	-	-
Medical, dental, or health offices, excluding plasma centers and medical marijuana uses	P	P
Mini-storage warehouse, excluding outdoor storage of vehicles or trailers	C	C
Mobile Food Vendor	P	P
Motion picture productions (studio)	C	P
Outdoor storage associated with an on-site primary use, excluding vehicles	C	C
Pharmacy, when integral to a multi-tenant building (no drive-through)	P	P
Professional office	P	P
Public utility facilities	P	P
Restaurant, Full Service (no drive-through)	P	P
Retail sales that primarily support the business and employees of the commerce park and not the general population	C	P
Sale of products manufactured or assembled on-site	A	A
Schools, vocational, business, trade, college, university	P	P
Signs and monuments, including sales, manufacturing and assembly of signs or sign components	P	P
Transmitting and receiving towers	C	C
Urgent-care facility	P	P
Veterinary hospital, clinic	P	P
Warehousing	A	P
Wholesaling	-	P

(P) Permitted outright

(C) Permitted subject to a Conditional Use Permit

(PC) Permitted with conditions

(A) Accessory use to otherwise permitted use

Development Standards

Design Standard	Avondale CP District	Proposed PAD
Maximum Height	35'	55'
Maximum Building Coverage	50%	50%
Minimum Building Setbacks		
Front Yard	25'	25'
Side Yard	15'	15'
Rear Yard (North)	15'	15'
Street Side (East, West)	25'	25'
Adjacent to a residential district or use (South)	50'	50'

Additional height is requested in order to provide flexibility to potential tenants. Due to the type of tenants Creation is seeking for this site, some require taller interior heights and/or specialty rooftop equipment specific to their use. These increased heights will not be significant in the surrounding environment, which is dominated by the raised Interstate to the north.

Parking Standards

All parking count minimums and parking stall dimensions shall meet Article 8 of the Avondale Zoning Ordinance. In order to provide flexibility to potential end users, a modification to the maximum parking count is requested in this PAD. For this Project, per the conceptual site plan, a minimum of 331 stalls are required and provided for future users. To provide flexibility and facilitate the mix of uses intended for the Project, this PAD requests a deviation from the maximum parking requirements set forth in Section 28-164 of the Zoning Ordinance to set the maximum parking ratio for the Project at 1.04 spaces per 1,000sf of floor area. A parking analysis has been provided with this submittal.

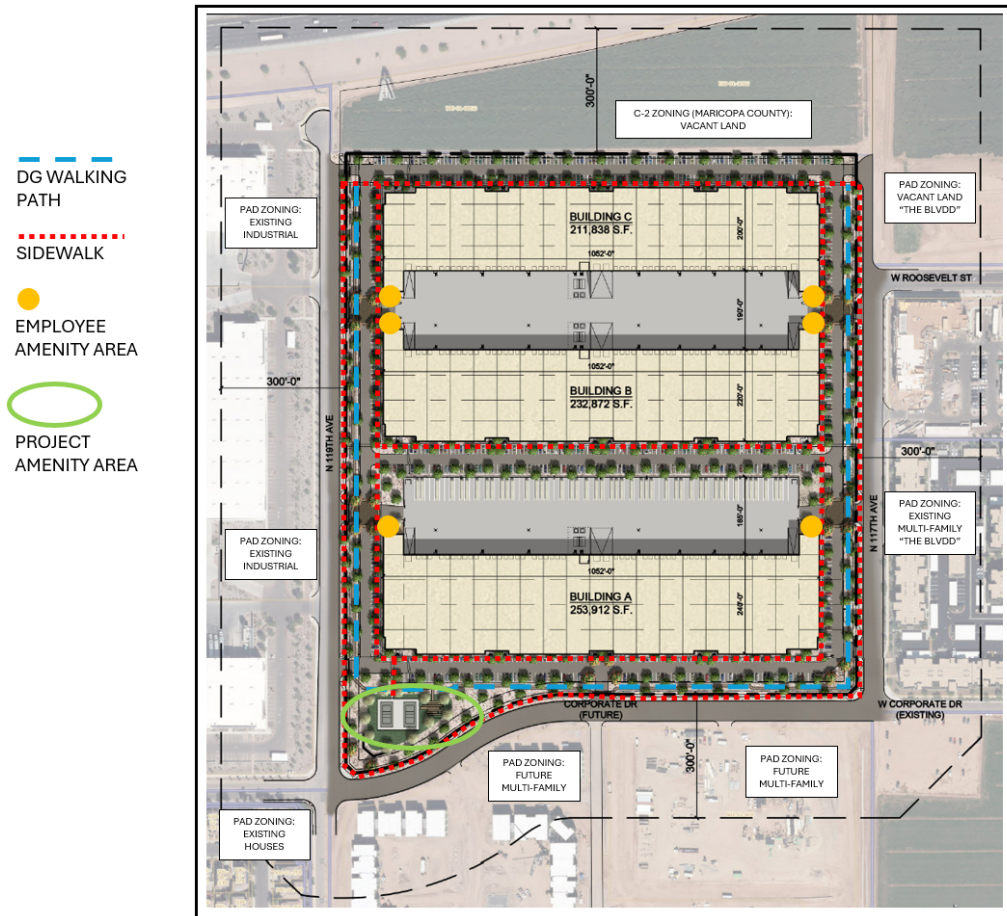
Landscaping and Amenities

The landscaping within the Project shall meet the requirements of the Avondale Zoning Ordinance, Section 28.114.e. low water use drought tolerant landscaping is proposed throughout the project site with plant selections providing visual interest with color form and texture as well as seasonal color interest. Emphasis was placed on a patterned theme of tree and plant placement to provide a cohesive landscape character for the campus. In addition to the landscaping proposed, several campus amenities have also been provided including a 6'-0" stabilized DG walking path surrounding the site, sport court with seating area at the southwest corner and 6 employee amenity spaces at the east and west ends of each building. Each building entrance also includes patterned succulent plantings with decorative rock banding to provide a sense of arrival at each entry point. Approximately 14% of the net site area will be landscaped with an additional 2% in usable open space. See **Exhibit J**, Open Space & Amenities.

Open Space & Amenities

The project consists of three buildings, each of which includes two dedicated outdoor employee amenity areas—resulting in a total of six such spaces across the site. These amenity areas feature enhanced paving, landscaped surroundings, and comfortable seating zones, offering inviting outdoor environments for employees. In addition to these six amenity spaces, a larger communal amenity area is located in the southwest corner of the site. This area includes two pickleball courts and a spacious outdoor patio with enhanced pavement, seating area, and a series of low site walls that help define the space. A walking path meanders through the landscaped perimeter of the site, encouraging connectivity, wellness, and engagement with the outdoor environment. Additional site enhancements include upgraded paving treatments at four of the site's main entrances and decorative paving materials at all pedestrian crossing zones, reinforcing pedestrian safety and continuity.

Figure J: Open Space & Amenities



Walls, Gates & Entry Features

All walls and fences shall meet Section 28-297 of the Avondale Zoning Ordinance. The truck courts between the buildings are secured with 8'-0" tall perimeter walls. 3'-4" high parking lot screen walls are placed at the south side of the parking field south of Building A. The walls will screen headlights shining toward Corporate Drive. Screen walls are located south of the employee seating area located at the southwest corner of the site. Each building has two (2) amenity areas – one at the east end, one at the west end. These amenity areas are screened from the adjacent drive aisles leading to the truck courts.

Architectural Design

The Avondale Tech Center offers a high-quality development that will provide buildings that allow for a variety of Business Park uses and maintain an overall business/commerce park type character and feel. Conceptual architectural elevations, details, and renderings have been provided to showcase the colors, design, and character of the buildings. Avondale Tech Center's ultimate building designs will be determined through the City's Site Plan/Design Review application process.

The development of the Avondale Technology Center shall comply with those standards and guidelines found in the City of Avondale's Commercial and Industrial Design Manual, as amended.

Comprehensive Sign Plan

Creation is providing a Comprehensive Sign Plan with this submittal.

INFRASTRUCTURE

Existing and Proposed Road Improvements, ROW, Easements

The Avondale Tech Center will construct the adjacent half-street improvements, or as otherwise required for Corporate Drive along the southern Property boundary of the Property, adjacent half-street improvements for 119th Avenue along the western Property boundary to the north boundary of the Property and adjacent half-street improvements for 117th Avenue along the eastern Property boundary as shown on the Concept Site Plan.

Utilities - Water, Sewer, and Grading & Drainage

The City is the water service provider for the Property. Currently, there is no existing onsite water system infrastructure within the Avondale Tech Center property. There is an existing 12-inch water line in 119th Avenue along the property frontage and 117th Avenue from Corporate to Roosevelt Street. The 12" waterline in 117th was recently extended north of Corporate to Interstate 10 by The Summit at Avondale project to the east. There is also an existing 12-inch water line in Corporate Drive that was recently installed by the Z-Modular FLATZ project to the south.

The project will construct a looped private fire line throughout the site from 119th Avenue to 117th Avenue. Backflow devices will be located at the connections to the public water lines. Building fire services will be taken from the private fire loop. Domestic and landscape services will be taken off 119th Avenue. No public main extensions are required.

The City is the wastewater service provider for the Property. There is an existing 36-inch TLoc sewer line that runs north/south along the west of 119th Avenue in a public sewer easement. This public sewer easement is also located west of the existing PUE and those two existing easements do not connect. Therefore, a small "spite" strip remains between the PUE and the sewer easement preventing that 36" sewer main from being utilized along the Project's property frontage. There is also an existing 10" sewer main in Roosevelt that ends near 117th Avenue.

The existing 10" sewer main in Roosevelt does not have adequate depth to gravity service the proposed buildings. Since the existing 36" sewer is not immediately available for service due to the existing strip of private property between the PUE and the sewer easement a new public 8" sewer main is proposed from the existing 36" sewer main at Corporate Drive, to 119th Avenue and then north along 119th Avenue to the sites northernmost building. Building services will be taken from the 119th main. The proposed 8" main and buildings services will be ran at the minimum design slopes of 0.50% and 1.2% respectively for this preliminary design as no building service depth inverts are available at this time. The final design slopes and service locations may vary upon building plumbing design.

Precise locations for connections and networks shall be determined at the required Site Plan phase.

Grading and Drainage

A Preliminary Master Drainage Report is provided with this PAD submittal. The on-site retention requirements shall be per City of Avondale standards and will meet 100-year 2-hour storm event for both on-site and adjacent off-site flows and dissipate the runoff through retention basins and underground tanks. This is more thoroughly outlined in the reports submitted with this Project.

Flood Zone Determination

The Property is classified as Zone X as shown on the FEMA Flood Insurance Rate Map (FIRM) provided with this Project. (FEMA Map Number 04013C2155M Effective Date Sept 18, 2020)

Proposed Off-Site Improvements

The half street improvements, including retention, are being provided for both 117th and 119th Avenues. Offsite flows from the farmland to the north and northeast have been analyzed as requested. This analysis and exhibit have been provided in the preliminary drainage report. This resulted in a nuisance sheet flow of a third of an inch across the property which can easily be accommodated by the site design and therefore not conveyance design is necessary.

OWNERSHIP AND MAINTENANCE

The construction of Avondale Tech Center is anticipated to be completed in one phase after the approval of Property entitlements. The Property developer will construct common areas and facilities, which will include circulation and access roadways, utilities for the purposes of transmission and distribution, signage, common area and perimeter landscaping.

Site common areas will ultimately be operated, owned and maintained by an Association. The construction of facilities by the Property developer and the ownership, operation, and maintenance of common areas by an Association will better insure consistency and conformance with the intended character of the proposed development.

CONFORMANCE WITH AVONDALE PLANS

Under separate application, concurrent with this Pad request, the Applicant is requesting to amend the map to the Business Park land use category of the General Plan, which is intended to accommodate a large-scale campus development that will allow for a new, high-quality, modern technology center. The requested Business Park use projection for the Site is appropriate when considering adjoining and nearby uses and the context of the area. The Minor GPA is consistent with the goals and policies of the General Plan and Avondale's Strategic Plan and will not have any negative impacts on the surrounding land uses. To generalize, the proposed amendment will not negatively impact water, infrastructure, roadways or the natural environment. It will achieve the goals and policies of the General Plan and Specific Plan by enhancing the attractiveness of a

vacant infill parcel, diversity the economy base, help balance high-quality income with residential and recreation and provide an appropriate buffer between the I-10 and existing residential uses.

Avondale Tech Center has been designed with these goals in mind and has provided the framework for an attractive development that focuses on providing open space and circulation trails for the employees.

PAD FINDINGS

The city council, following a recommendation from the planning commission, may approve an amendment of the Zoning Map of the City of Avondale to reflect establishment of the PAD on the subject property upon determining that all of the following findings have been met:

(1) *The proposed PAD is in conformance with the General Plan and applicable specific plan(s).*

The General Plan land use designation for the Property is Mixed-Use. The Applicant is requesting a General Plan Amendment to modify the City land use designation from Mixed-Use to Business Park. Given the variety of uses that are allowed through the Avondale Tech Center PAD, the Project creates opportunities to bring a variety of businesses, market, industries, and employment opportunities to the area. The employment and economic benefits that Avondale Tech Center will provide will play an important role in implementing Avondale's economic goals and policies.

(2) *The proposed PAD meets the PAD requirements of the zoning ordinance, subdivision regulations, design manuals and other applicable regulations and requirements, unless otherwise modified by the PAD narrative.*

When standards are not provided within the Avondale Tech Center PAD Standards, development shall comply with those standards in the CP District of the Avondale Zoning Ordinance.

(3) *That adequate public infrastructure and services exist to serve the proposed development or all necessary public infrastructure and services to serve the proposed development will be completed in connection with development within the PAD.*

As demonstrated in the Avondale Tech Center PAD and accompanying engineering plans and reports, the development has adequate public infrastructure and services to serve the proposed development. All future development will comply with all development and engineering standards and regulations as required. Road circulation, water, drainage and other utility access infrastructures will be improved, as required. Additionally, any trucks accessing the Property will be advised to access the site via Corporate Drive, which will reduce traffic impacts on 119th Avenue to further limit any negative impacts on the community to the south.

(4) The proposed PAD will result in compatible land use relationships within the proposed development and with adjacent properties.

The surrounding area has been envisioned by the City of Avondale as providing uses that are compatible with being located adjacent to the Interstate 10 Freeway. This includes high intensity uses, employment uses, office park configurations, and other related uses. Recent City discussions have also included looking at technology campus uses in this area that are compatible with the area and promote enhanced design, site plan, and architectural guidelines. With the addition of the Fairway Drive Freeway Interchange, the Property and surrounding area have been opened up to possibilities that can increase the employment and intensity opportunities for this important area of the City. The uses to the east of the Property have also been envisioned to be high intensity uses that would bring retail, employment, and additional residents (i.e. employees for the development).

The Applicant has carefully determined the appropriate site plan configuration, architectural design, and the proposed uses for the Property, which will capitalize on the unique location of the Property. The Avondale Tech Center PAD provides the perfect opportunity for the proposed development to bring a high-quality development with complementary uses that will be designed in a way that is harmonious with the surrounding neighborhoods and is supported by current market conditions.

(5) The development standards of the proposed PAD are consistent with or exceed the desired character of development for the area.

As stated in the Avondale Tech Center PAD, the development standards and regulations have been crafted to provide a unique development that will accommodate a strong character and sophisticated aesthetics for the Interstate 10 Freeway, while also providing appropriate open space, connectivity, and buffering that will add to the aesthetics of the development to look more like an office park type setting.

CONCLUSION

Creation Equity is very excited about the opportunity to develop and enhance this unique area of Avondale. The Applicant is proposing to build a 38-acre, high-quality technology campus that will further diversify the mix of employment uses along the I-10 Freeway corridor. The project will enhance the area's urban environment and serve as a catalyst for future opportunities for employment. Target tenants include a mix of office, light manufacturing, and storage for advanced industries and tech companies. This PAD fulfills the City's desire for economic development, innovation, and job creation.

PL-25-0120 & 121 - Neighborhood Meeting Summary

**In-person Meeting held on September 9, 2025, at 6:00pm at
Hilton Homewood Suites, 11450 W Hilton Way, Avondale, AZ – Coldwater Room
Minor General Plan Amendment and Rezone Request
NEC 119th Ave and Corporate Dr, Avondale**

Attendees:

Stephen Anderson, Gammage & Burnham
Michelle Santoro, Gammage & Burnham
Jagger Everett, Creation Equity
Monika Smriti, City of Avondale
Patti Nielson, Public Participant (See Sign-In Sheet attached at ***Exhibit A.***)

Summary:

Stephen Anderson gave a presentation regarding the details of the proposed development and the process for a General Plan Amendment and Rezone. See presentation attached at ***Exhibit B.***

Mr. Anderson began by identifying Creation Equity and LGE Design Build and providing examples of existing work completed by the group. He then provided conceptual renderings of the proposed project as well as a detailed description of the conceptual site plan, including height, access and project amenities.

Mr. Anderson completed the presentation by outlining the City process and then opening to questions.

Public Participation:

- Mrs. Nielson inquired about the potential tenants of the site.
 - Mr. Anderson explained that the site and building sizes are not suitable for large scale warehouse users. There are no cross-dock facilities and buildings are generally under 250' in width. This design is more suitable for light assembly, research, and technology-related uses.
- Mrs. Nielson commented that the proposed building architecture was very nice.
- Mrs. Nielson loved the idea of public pickleball courts as a project amenity, especially for all the residential development under construction adjacent to the site.
- Ms. Smriti requested clarification on height
 - Although the anticipated height to the flat roof is 48'-0", the PAD requests a maximum height of 55'-0" to allow for flexibility for end users and potentially larger parapets to screen larger equipment.

The meeting ended at approximately 6:45pm.

EXHIBIT A

EXHIBIT B

Avondale Tech Center Community Meeting

Minor General Plan Amendment (PL-25-0120) & Rezone (PL-25-0121)
NEC 119th Avenue and Corporate Drive

Tuesday, September 9, 2025 at 6:00 PM



Introductions

Gammage & Burnham

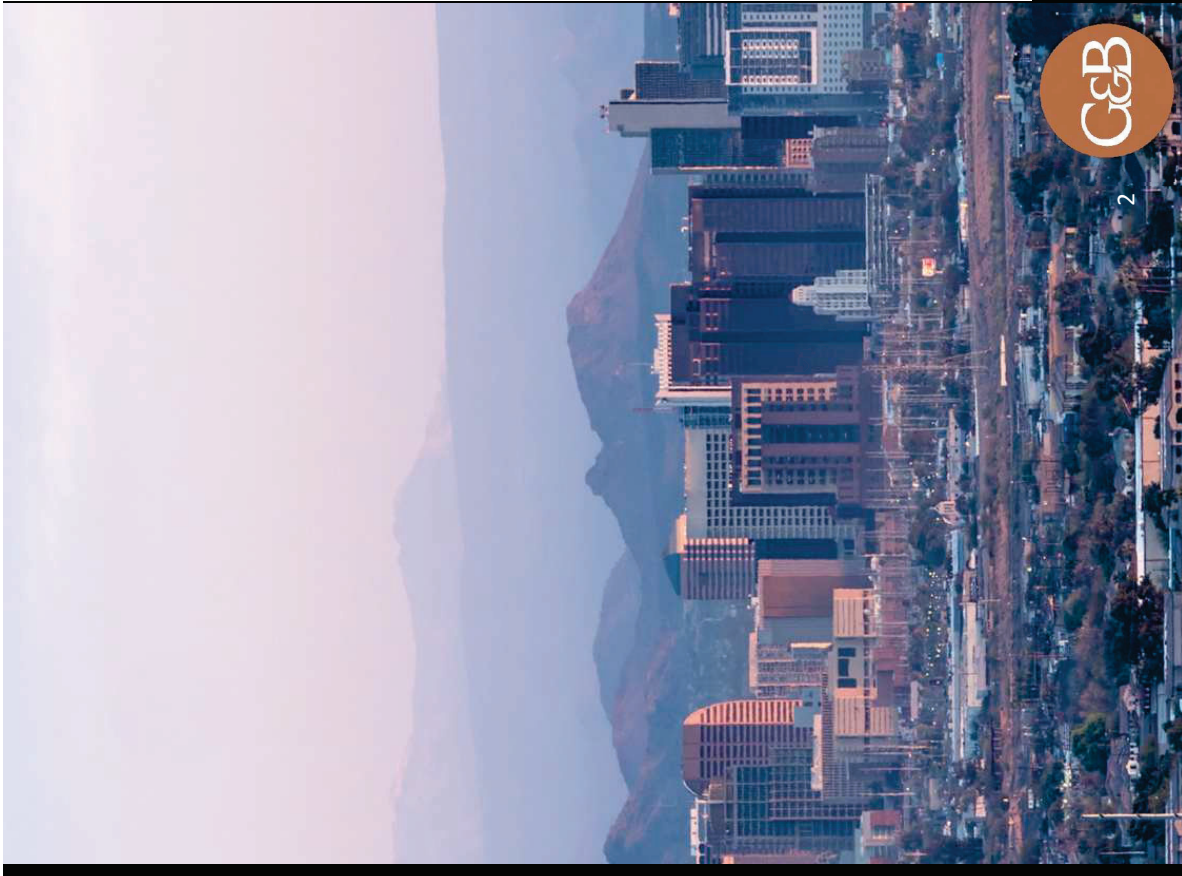
Stephen Anderson, Land Use Attorney

Michelle Santoro, Senior Planner

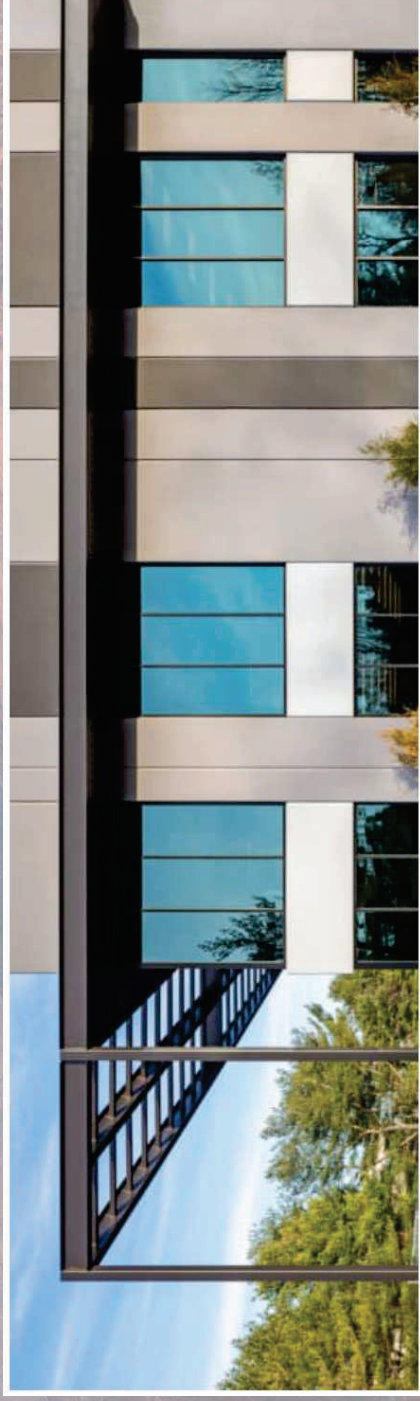
Creation Equity

Grant Kingdon, Principal and Project Manager

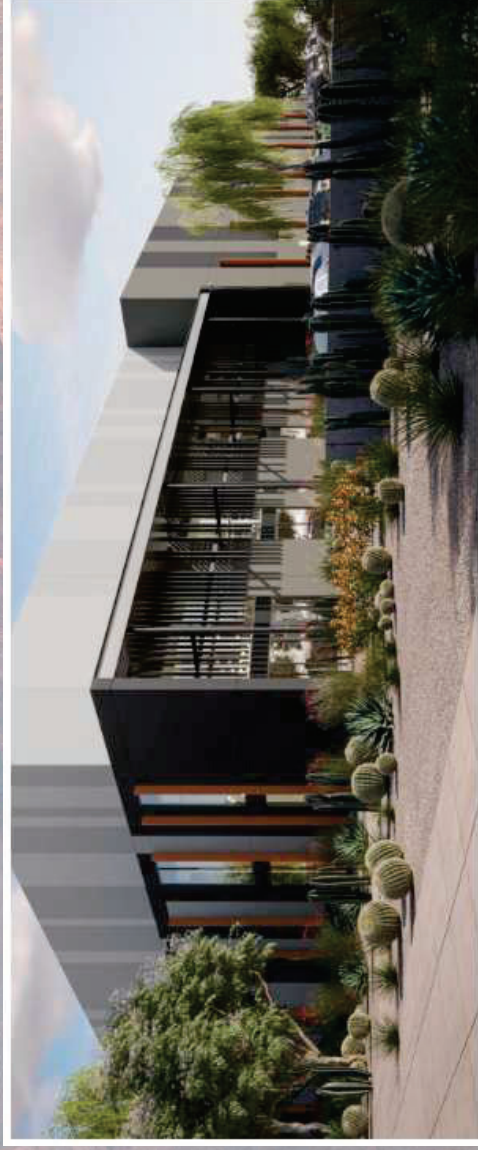
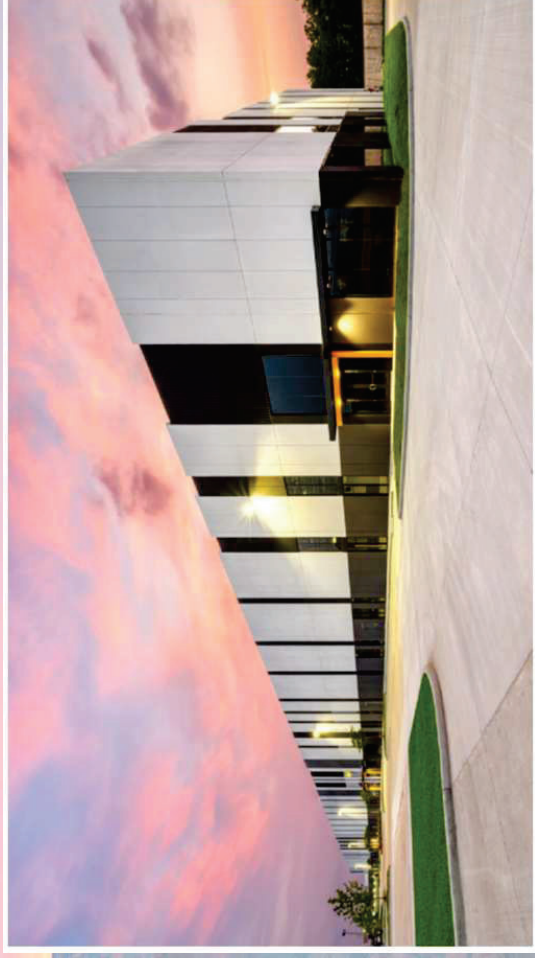
Jagger Everett, VP of Development



EXISTING CREATION EQUITY PROJECTS



EXISTING CREATION EQUITY PROJECTS



PROPOSED PROJECT RENDERINGS



CONTEXT AERIAL



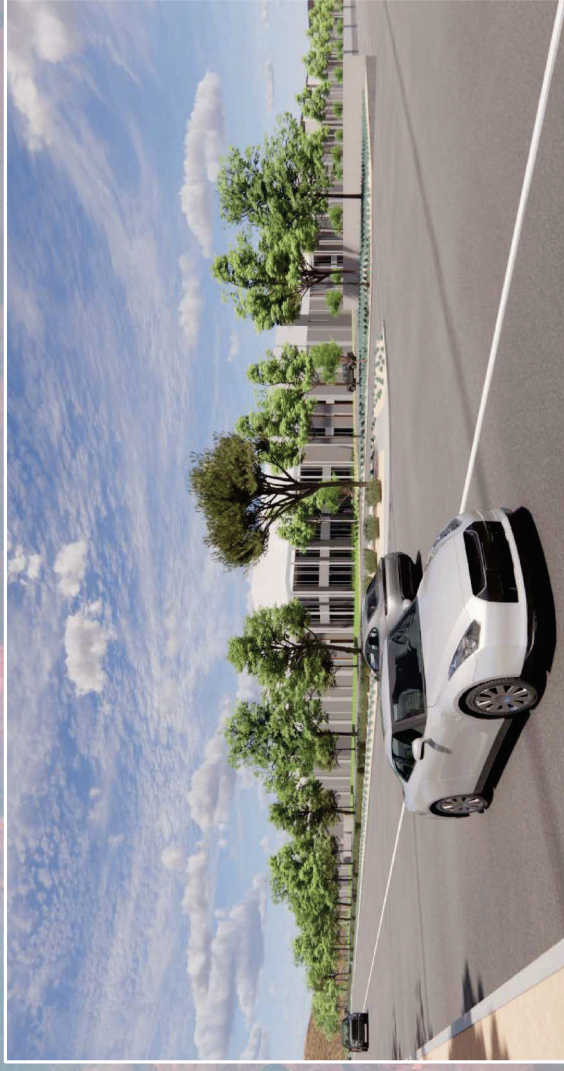
PROPOSED SITE PLAN



PROPOSED PROJECT RENDERINGS



PROPOSED PROJECT RENDERINGS



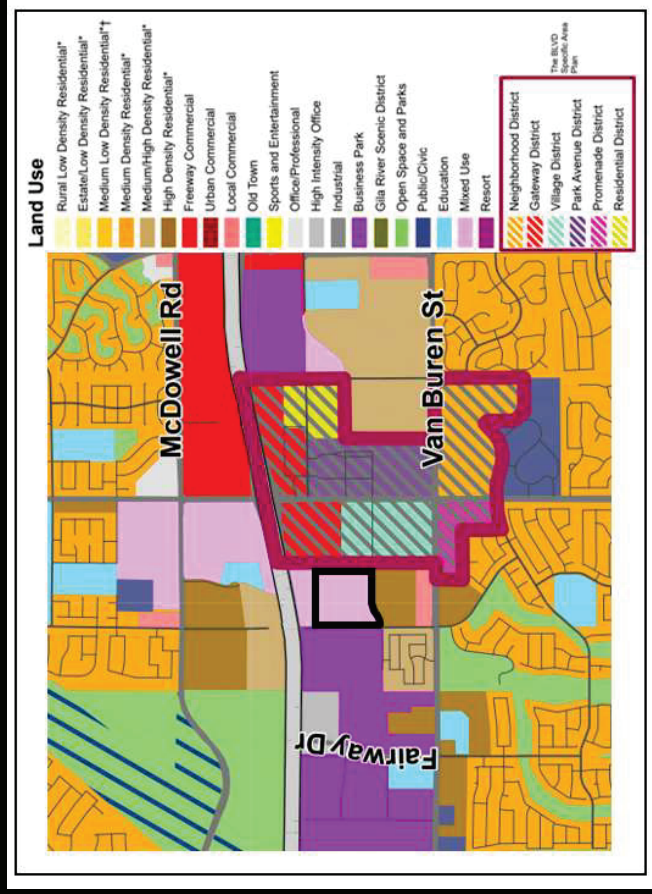
PROPOSED SITE PLAN



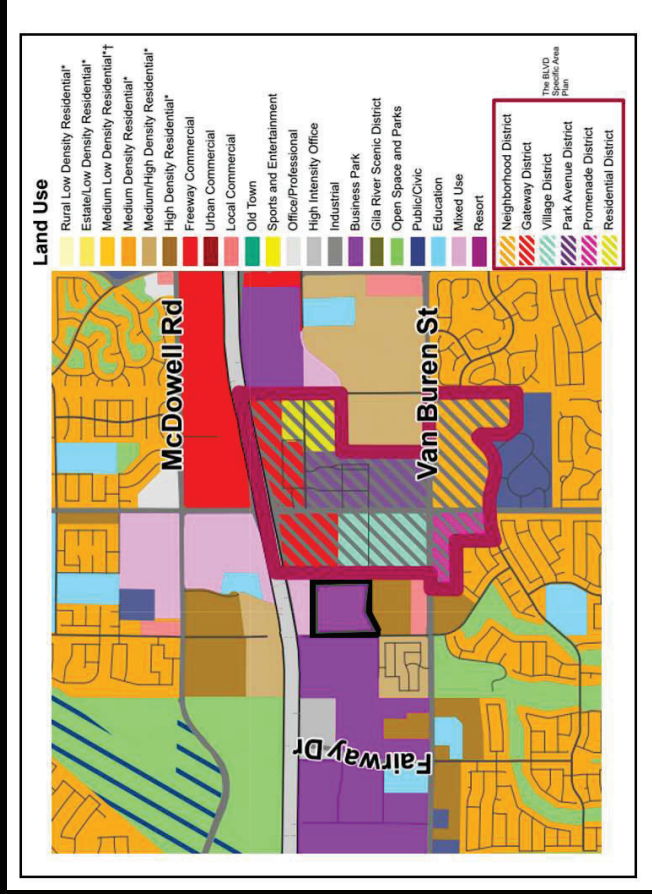
GENERAL PLAN

Amend General Plan designation of the parcel from Mixed Use to Business Park

Existing:



Proposed:



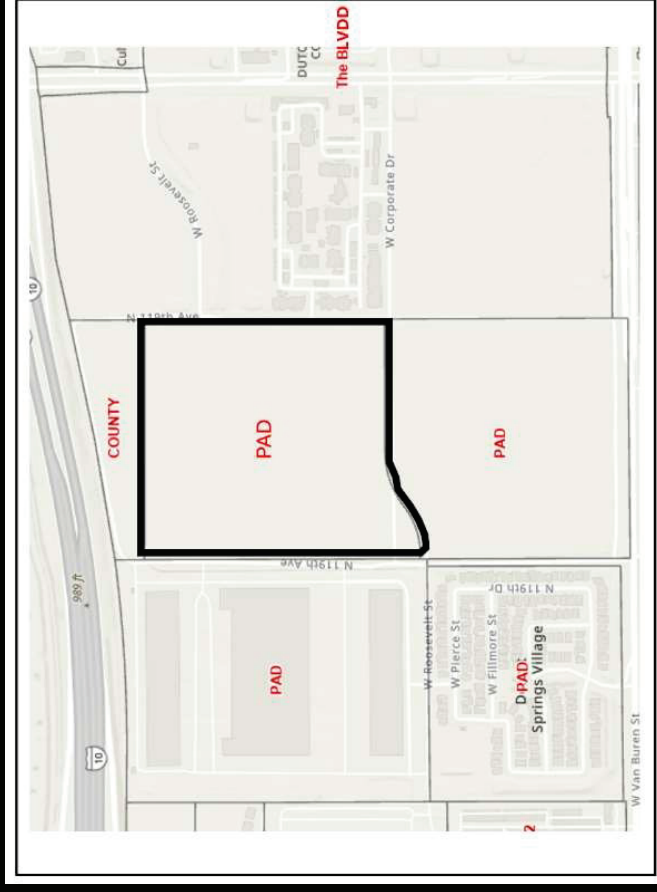
ZONING MAP

Rezone the parcel from City Center District (CCD) to Planned Area Development (PAD)

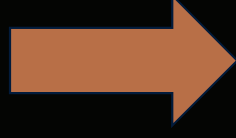
Existing:



Proposed:



PROCESS



Application Submitted
June 2025

Staff Review Cycles and
Resubmittals

Neighborhood Meeting
September 9, 2025

Planning Commission
Hearing
To Be Determined

Avondale City Council
Meeting
To Be Determined

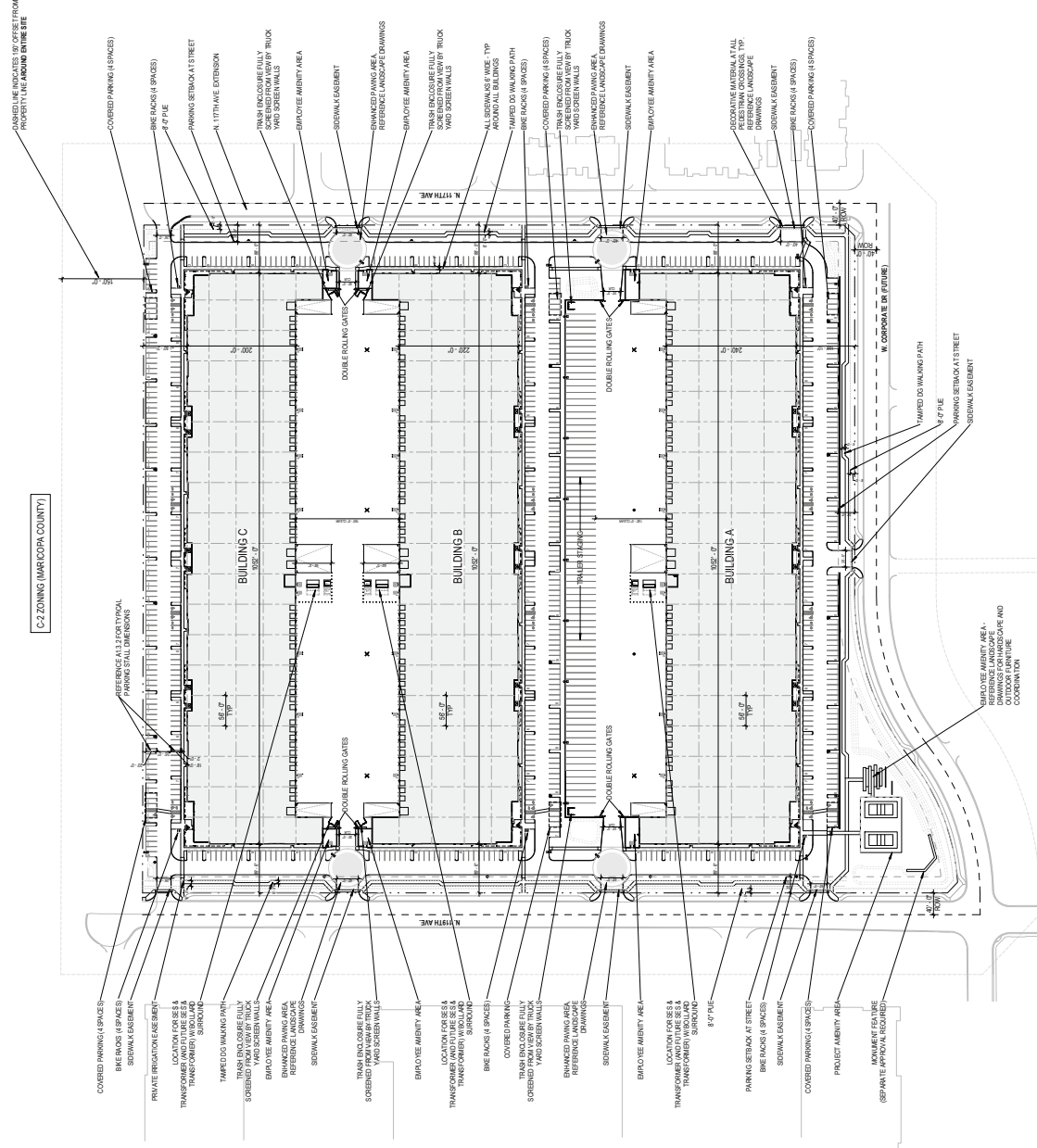
Avondale Tech Center Community Meeting

Minor General Plan Amendment (PL-25-0120) & Rezone (PL-25-0121)
NEC 119th Avenue and Corporate Drive

Tuesday, September 9, 2025 at 6:00 PM



Exhibit F



4 CONCEPTUAL SITE PLAN - OVERALL

[illegible]

CITY OF AVONDALE SITE PLAN NOTES

- ALL UTILITY LINES LESS THAN 18 IN. SHALL BE UNDERGROUND WITH THE FIRST PHASE OF DEVELOPMENT.
- ALL GROUND-MOUNTED EQUIPMENT SHALL BE SCREENED OFF FROM STREET VIEW.
- C. PLANTING/LOGGED WITHIN REQUIRED AREAS SHOULD BE SCHEDULED TO BE PLANTED REGULARLY TO PREVENT UNDESIRABLE GROWTH. PLANT MATERIAL SHALL BE MAINTAINED VIGILANT UNTIL GROWTH OF PLANT MATERIAL IS 50% OF FULL CANOPY.
- D. PLANTING/LOGGED WITHIN REQUIRED AREAS SHOULD BE COVERED WITH A MINIMUM OF 7" THICK DECOMPOSED ORGANIC MULCH TO PREVENT SOIL EROSION AND TO MAINTAIN SOIL TEMPERATURE.
- E. ALL DEVELOPMENTS SHALL BE MAINTAINED IN CONFORMANCE WITH THE APPROVED SITE PLAN AND LANDSCAPE PLAN. ANY CHANGES TO THE DEVELOPMENT SHALL REQUIRE APPROVAL OF THE CITY OF ANIMAS.
- F. THIS PROJECT IS SUBJECT TO THE CURRENT ANIMAS GENERAL ZONING REQUIREMENTS (ANIMAS SUBPART 1). FURTHER REQUIREMENTS FOR THE PROJECT SHALL BE DETERMINED BY THE CITY OF ANIMAS. THE CITY OF ANIMAS STREET TREE REGULATIONS, COMMERCIAL LANDSCAPE DESIGN AND LANDSCAPE MAINTENANCE, LANDSCAPE DESIGN, AND LANDSCAPE MAINTENANCE SHALL APPLY TO THIS PROJECT. THE CITY OF ANIMAS STREET TREE REGULATIONS, COMMERCIAL LANDSCAPE DESIGN AND LANDSCAPE MAINTENANCE, LANDSCAPE DESIGN, AND LANDSCAPE MAINTENANCE SHALL APPLY TO THIS PROJECT.

SHEET TITLE:	ARCHITECTURAL SITE PLAN - OVERALL
ISSUE DATE:	09.09.2025
DRAWN BY:	LGE DESIGN GROUP
CHECKED BY:	-
PROJECT No:	

A1.1.1

When Recorded Return To:

City Clerk
City of Avondale
11465 West Civic Center Drive, Suite
Avondale, Arizona 85323

WAIVER OF CLAIMS FOR DIMINUTION OF VALUE UNDER PROPOSITION 207

This Waiver of Claims for Diminution of Value (this "Agreement" or "Waiver") is entered into between Z-Modular Avondale Flatz 623, LLC, as the owner of the property described herein (the "Owner") and the City of Avondale (the "City") to waive any and all claims for diminution of value that may be based upon action by the City in response to a request from the Owner. This Agreement is entered into in conformance with ARIZ. REV. STAT. § 12-1134(I).

The Owner is/are the owner of all right, title and interest to the Property generally located at northwest corner of Corporate Drive and 117th Avenue, Avondale, Arizona, consisting of approximately 40.67 acres as described and depicted in Exhibit A and Exhibit B, attached hereto and incorporated as if fully set forth herein (the "Property").

The Owner, or the authorized agent of the Owner, has submitted the following land use request(s) to the City (please select all that apply):

Rezoning, Application Number: PL-25-0121

By signing this Agreement, the Owner waives any right or claim that may arise under ARIZ. REV. STAT. § 12-1134, including any claim for the reduction in the value of the Property, as a result of granting the above listed request(s).

The Owner agrees and consents to all conditions imposed as part of the ordinance and/or resolution enacting the approved land use request for the Property, including all stipulations adopted by the Council of the City of Avondale (the "City Council") and, by signing this Waiver, hereby waives any and all claims, suits, damages, compensation and causes of action the Owner may have now or in the future under the provisions of ARIZ. REV. STAT. §§ 12-1134 through and including 12-1136 (but specifically excluding any provisions included therein relating to eminent domain) and resulting solely from actions relating to the land use request(s) above. The Owner acknowledges and agrees that any stipulations imposed by the City Council as part of the ordinance and/or resolution will not result in a reduction of the fair market value of the Property as defined in ARIZ. REV. STAT. § 12-1136. The Owner acknowledges that additional stipulations may be imposed by the City Council, in its sole discretion, prior to approval of any land use requests.

The Owner retains the right to withdraw their application prior to a vote by the Mayor and Council or to decline to implement the necessary requirements to effectuate the land

use request if the Owner disagrees with any conditions that are proposed or approved. If the Owner does not withdraw the application, the Owner shall be deemed to have accepted all adopted conditions and stipulations to the land use request. If the Owner withdraws the application or does not effectuate the land use request, this Agreement is null and void. The foregoing waiver of claims shall be of no further force and effect with respect to the land use request in the event the City Council disapproves of said request, except that it shall serve as a bar to a claim for diminished value based upon denial of the request.

This Agreement is entered into in Arizona and will be construed and interpreted under the laws of the State of Arizona. Any suit pertaining to this Agreement may be brought only in courts in Maricopa County, Arizona. The Owner has agreed to the form of this Agreement provided and approved by the City Attorney. The Owner has had the opportunity to consult with an attorney of the Owner's choice prior to entering this Agreement and enters it fully understanding that the Owner is waiving the rights and remedies as set forth herein.

This Waiver and any attachments collectively constitute the entire agreement between the Owner and the City. Any prior agreements regarding waiver of claims are superseded by this Agreement. This Agreement may only be modified by written agreement of the City and the Owner.

This Agreement runs with the land and is binding upon all present and future owners of the above referenced Property. This Agreement is subject to the cancellation provisions of ARIZ. REV. STAT. § 38-511.

The Owner warrants and represents that the person or persons listed herein as the Owner is/are the owner of all right, title and interest to the Property, and that no other person has an ownership interest in the Property. The person(s) who sign on behalf of Owner personally warrant and guarantee to the City they have the legal power to bind the Owner to this Agreement. The Owner further agrees to indemnify and hold the City of Avondale, its officers, employees and agents harmless from any and all claims, causes of action, demands, losses, costs, and expenses based upon an alleged reduction of value of the Property as a result of the City's action on the aforementioned land use request(s).

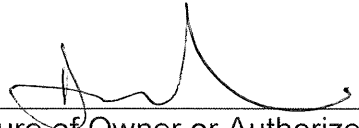
[SIGNATURES ON FOLLOWING PAGE(S)]

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date and year first set forth above.

"Owner"

ANGIEVA MIU

[Name of Individual, Corporation, Partnership, or LLC, as applicable]

By: 

[Signature of Owner or Authorized Representative, if applicable]

Its: VICE PRESIDENT

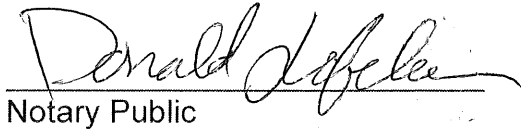
[Title of Individual Signing in Representative Capacity]

ACKNOWLEDGEMENT

State of Ohio)
~~Arizona~~

County of Cuyahoga) ss.
~~Maricopa~~

On this 3 day of November, 2025, before me personally appeared Angieva Miu [name of signer], whose identity was proven to me on the basis of satisfactory evidence to be the person who he/she claims to be, and acknowledged that he/she signed the above/attached document.


Notary Public

My Commission expires: DOES NOT EXPIRE

(affix notary seal here)

"City"

CITY OF AVONDALE, an Arizona
municipal corporation

Ron Corbin, City Manager

ATTEST:

Marcella Sarmiento, City Clerk

ACKNOWLEDGEMENT

State of Arizona)
) ss.
County of Maricopa)

On this _____ day of _____, 20_____, before me personally appeared Ron Corbin, the City Manager of the CITY OF AVONDALE, an Arizona municipal corporation, whose identity was proven to me on the basis of satisfactory evidence to be the person who he claims to be, and acknowledged that he signed the above/attached document on behalf of the City.

Notary Public

My Commission expires:

(affix notary seal here)

**EXHIBIT A
TO
WAIVER OF CLAIMS FOR DIMINUTION OF VALUE
UNDER PROPOSITION 207**

[Legal Description]

REZONING PARCEL LEGAL DESCRIPTION

LOT 5 AND ADJOINING RIGHT OF WAY ALONG 119TH AND 117TH AVENUES OF FUZE 623 & FLATZ 623 ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA, RECORDED IN BOOK 1765 OF MAPS, PAGE 17, AND BEING A PORTION OF THE SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 1 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS;

BEGINNING AT A PK NAIL WITH TAG #60697 MARKING THE CENTER OF SAID SECTION 1 FROM WHICH A BRASS CAP IN HANDHOLE MARKING THE EAST QUARTER CORNER OF SAID SECTION 1 BEARS SOUTH 89°53'17" EAST, A DISTANCE OF 2617.12 FEET;

THENCE SOUTH 89°53'17" EAST, ALONG THE NORTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 1, A DISTANCE OF 1308.56 FEET;

THENCE SOUTH 00°00'15" WEST, ALONG THE CENTERLINE OF 117TH AVENUE, A DISTANCE OF 1308.28 FEET;

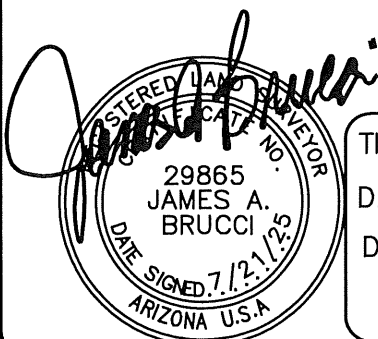
THENCE NORTH 89°59'56" WEST, A DISTANCE OF 722.35 FEET TO A POINT OF TANGENT CURVE, CONCAVE SOUTHEASTERLY WHOSE RADIUS IS 490.00 FEET AND WHOSE CHORD BEARS SOUTH 71°00'07" WEST A CHORD DISTANCE OF 319.05 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 37°59'55" AN ARC LENGTH OF 324.97 FEET TO A POINT OF REVERSE CURVE, CONCAVE NORTHWESTERLY WHOSE RADIUS IS 410.00 FEET AND WHOSE CHORD BEARS SOUTH 73°19'18" WEST A CHORD DISTANCE OF 298.12 FEET;

THENCE SOUTHWESTERLY ALONG SAID REVERSE CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 42°38'17" AN ARC LENGTH OF 305.11 FEET;

THENCE NORTH 00°02'36" EAST, ALONG THE WEST LINE OF THE SOUTHEAST QUARTER SAID SECTION 1, A DISTANCE OF 1500.24 FEET TO THE POINT OF BEGINNING.

SAID DESCRIPTION CONTAINING 40.67 ACRES±.



TITLE: XB01
DATE: 07/21/25
DESC: REZONING
PARCEL LEGAL
DESCRIPTION

HUNTER
ENGINEERING

10446 N. 74TH STREET,
SUITE 140
SCOTTSDALE, AZ 85258
T 480 991 3985
F 480 991 3986

PAGE 1 OF 2

CIVIL AND SURVEY

PROJ.NO.LGEC331

**EXHIBIT B
TO
WAIVER OF CLAIMS FOR DIMINUTION OF VALUE
UNDER PROPOSITION 207**

[Map]

REZONING PARCEL EXHIBIT

CNTR. SEC. 1, T.1N., R.1W
FND. PK NAIL/W TAG #60697
POINT OF BEGINNING

E-W MID SEC LINE SEC. 1 T.1N., R.1W.
S89°53'17"E BASIS OF BEARING 2617.12'(M)

EAST ¼ COR.
SEC. 1, T.1N.,
R.1W., FND
BC/HH

S89°53'17"E 1308.56'

LOT 5
BK.1765,
PG.17, MCR

119TH AVENUE

N0°02'36"E 1500.24'

40' R/W

L=305.11', R=410.00'
CH=S73°19'18"W, 298.12'
Δ=42°38'17"

L=324.97', R=490.00'
CH=S71°00'07"W, 319.05'
Δ=37°59'55"

N89°59'56"W 722.35'

CORPORATE DRIVE

S0°00'15"W 1308.28'

117TH AVENUE

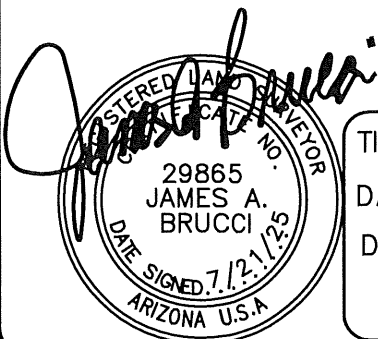
40' R/W

EAST LINE S.E. QUARTER SEC. 1, T.1N., R.1W.

AVONDALE BOULEVARD



- △ FD NAIL & WASHER #60697 HANSMENN
- FD IB & CAP #60697 HANSMENN



TITLE: XB01
DATE: 07/21/25
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PAGE 2 OF 2

CIVIL AND SURVEY

PROJ.NO.LGEC331

ORDINANCE NO. 2041-1125

AN ORDINANCE OF THE COUNCIL OF THE CITY OF AVONDALE, ARIZONA, AMENDING THE OFFICIAL ZONING ATLAS OF THE CITY OF AVONDALE FOR APPROXIMATELY $\pm$ 38 NET ACRES GENERALLY LOCATED AT THE NORTHWEST CORNER OF CORPORATE DRIVE AND 117TH AVENUE, AS SHOWN IN APPLICATION PL-25-0121, AND REZONING SUCH PROPERTY FROM CITY CENTER DISTRICT TO AVONDALE TECH CENTER PLANNED AREA DEVELOPMENT (PAD).

WHEREAS, the Council of the City of Avondale (the “City Council”) desires to amend the City of Avondale Zoning Atlas (the “Zoning Atlas”), pursuant to ARIZ. REV. STAT. § 9-462.04, to change the zoning description for $\pm$ 38 net acres generally located at the northwest corner of Corporate Drive and 117th Avenue, as shown in application PL-25-0121, from City Center District (CCD) to Avondale Tech Center Planned Area Development (PAD), (the “Zoning Atlas Amendment”); and

WHEREAS, all due and proper notices of the public hearings on the Zoning Atlas Amendment held by the City of Avondale Planning Commission (the “Commission”) and by the City Council were given in the time, form and substance provided by ARIZ. REV. STAT. § 9-462.04; and

WHEREAS, on October 15, 2025, the Commission held a public hearing on the Zoning Atlas Amendment, after which hearing the Commission recommended approval by a vote of 6-0; and

WHEREAS, the City Council held an additional public hearing regarding the Zoning Atlas Amendment on November 17, 2025; and

WHEREAS, in accordance with Article II, Sections 1 and 2 of the Arizona Constitution, the City Council has considered the individual property rights and personal liberties of the residents of the City before adopting this Ordinance; and

WHEREAS, the City Council has considered the probable impact of the Zoning Atlas Amendment on the cost to construct housing for sale or rent and finds that the proposed Zoning Atlas Amendment will have no probable impact on the cost to construct housing for sale or rent.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF AVONDALE as follows:

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

SECTION 2. The Zoning Atlas Amendment, is hereby approved, for $\pm$ 38 net acres generally located at the northwest corner of Corporate Drive and 117th Avenue as more particularly described on Exhibit A attached hereto and incorporated herein by reference, subject to the City of Avondale adopted codes, requirements, standards and regulations, and the following stipulations:

1. Except as modified by these conditions, development of the subject property shall conform to the Avondale Tech Center PAD narrative, last dated September 10, 2025 (Exhibit D of PL-25-0121).

2. Administrative approval of the Site Plan and Design Review, including but not limited to parking, employee amenity areas, and building elevations, shall be required prior to the issuance of any building permits, in accordance with the City of Avondale Commercial and Industrial Design Manual.

3. The developer shall install signage, pavement markings, and other necessary improvements at all driveways to direct semi-trucks or equivalent (Class 8 and above vehicles) to follow the designated route to Interstate 10 via 119th Avenue, Corporate Drive, and Fairway Drive Interchange.

4. Prior to the issuance of the first Certificate of Occupancy, the developer shall contribute \$500,000 to the City for a future traffic signal at the intersection of Fairway Drive and Corporate Drive, as per the results of the traffic impact study, or as required by the City Engineer. This contribution shall be finalized in a written agreement between the developer/owner and the City of Avondale prior to the issuance of any building or civil permits. Vertical construction of the traffic signal shall begin within ten (10) years of the contribution date, and if said construction has not commenced by the deadline, the contribution shall be returned to the developer per the terms of the agreement.

5. All perimeter off-site improvements to 119th Avenue, 117th Avenue, and Corporate Drive shall be completed by the developer prior to the first Certificate of Occupancy.

6. All development shall be completed in accordance with the City of Avondale General Engineering Requirements (GER) Manual and the City of Avondale Supplement to MAG Uniform Specifications and Details unless a standard deviation has been approved.

7. Commencement of horizontal construction for the project shall begin within four (4) years from the date of city council approval, per Avondale Municipal Code Section 28-113(d) Expiration.

8. Powerlines less than 69 kV shall be converted underground in the first phase of development.

9. The total utility demands for the proposed 38 net acre advanced technology center project shall not exceed the maximum allowable average daily water and sewer demands calculated in the current Avondale 2018 Integrated Utility Master Plan and General Plan 2030, as amended, unless otherwise approved by the City Engineer and Public Works Director. Final water

usage and wastewater discharge allocations shall be determined through a written agreement between the developer/owner and the City of Avondale, to be executed prior to the issuance of any building or civil permits.

10. Should the Arizona Department of Water Resources (ADWR) establish another program in the future to provide for the extinguishment of irrigation Grandfather Rights (IFGR) and conveyance of credits to municipal water providers, Avondale reserves the right to require the extinguishment of such IFGR.

SECTION 3. If any provision of this Ordinance is for any reason held by any court of competent jurisdiction to be unenforceable, such provision or portion hereof shall be deemed separate, distinct and independent of all other provisions and such holding shall not affect the validity of the remaining portions of this Ordinance.

SECTION 4. The Mayor, the City Manager, the City Clerk and the City Attorney are hereby authorized and directed to execute all documents and take all steps necessary to carry out the purpose and intent of this Ordinance.

PASSED AND ADOPTED by the Council of the City of Avondale, Arizona, November 17, 2025.

Mike Pineda, Mayor

ATTEST:

Marcella Sarmiento, City Clerk

APPROVED:

Nicholle Harris, City Attorney

EXHIBIT A
TO
ORDINANCE NO. 2041-1125

[Legal Description and Map]

See following pages.

REZONING PARCEL LEGAL DESCRIPTION

LOT 5 AND ADJOINING RIGHT OF WAY ALONG 119TH AND 117TH AVENUES OF FUZE 623 & FLATZ 623 ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA, RECORDED IN BOOK 1765 OF MAPS, PAGE 17, AND BEING A PORTION OF THE SOUTHEAST QUARTER OF SECTION 1, TOWNSHIP 1 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS;

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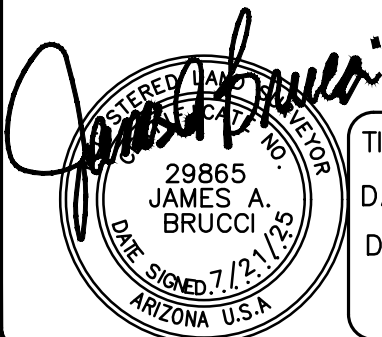
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SAID DESCRIPTION CONTAINING 40.67 ACRES±.



TITLE: **XB01**
DATE: 07/21/25
DESC: REZONING
PARCEL LEGAL
DESCRIPTION

HUNTER
ENGINEERING

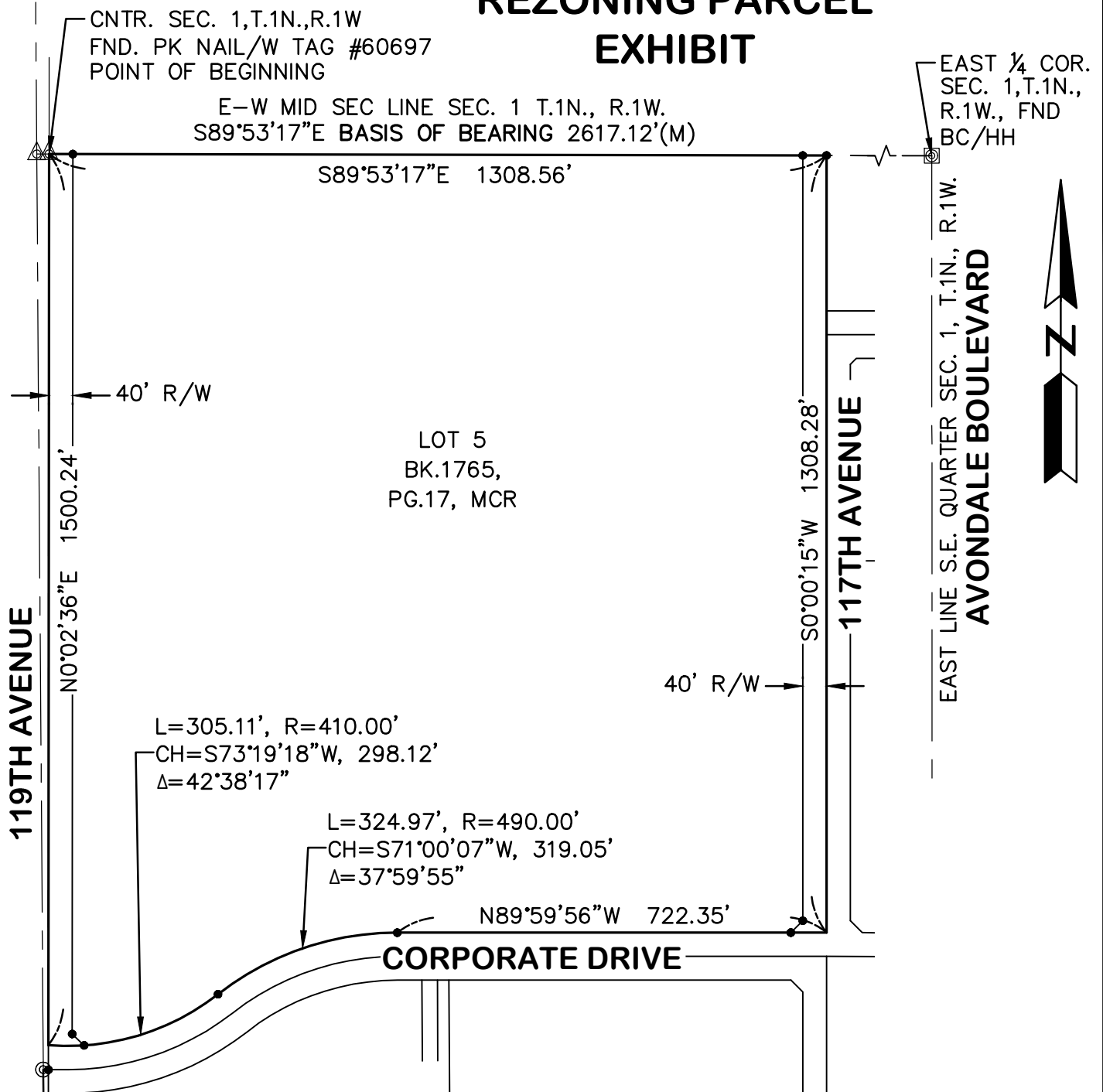
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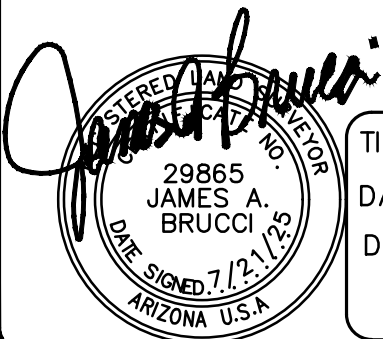
CIVIL AND SURVEY

PROJ.NO.LGEC331

REZONING PARCEL EXHIBIT



- △ FD NAIL & WASHER #60697 HANSMENN
- FD IB & CAP #60697 HANSMENN



TITLE: XB01
DATE: 07/21/25
DESC: REZONING
PARCEL LEGAL
EXHIBIT

HUNTER
ENGINEERING

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T 480 991 3985
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PAGE 2 OF 2

CIVIL AND SURVEY

PROJ.NO.LGEC331

ITEM NUMBER: 5.c.

SUBJECT: Avondale Tech Center – Comprehensive Sign Plan – Application PL-25-0181

MEETING DATE: 11/17/2025

TO: Mayor and Council

FROM: Jodie Novak, Director of Development Services

THROUGH: Katie Gregory, Assistant City Manager, (623) 333-1015

REVIEWED: Ron Corbin, City Manager, (623) 333-1011

STRATEGIC PLAN:

This agenda item supports the following Avondale Strategic Outcome Area: **Economic Growth and Prosperity**

Avondale supports a thriving local economy by fostering and supporting business growth, job creation, and workforce development. The City advances economic development, attracts high-quality entertainment and full-service amenities, and promotes a variety of attainable housing opportunities that strengthen the City's vitality.

PURPOSE:

City Council will consider a request from Michelle Santoro of Gammage & Burnham for approval of a Comprehensive Sign Plan (CSP) for the Avondale Tech Center, a proposed advanced technology campus focused on employment uses and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The approximately 38-acre site is located at the northwest corner of Corporate Drive and 117th Avenue. The Council will take appropriate action.

BACKGROUND:

The approximately 38-net-acre site (Exhibits A and B) is located at the northwest corner of Corporate Drive and 117th Avenue. More specifically, the site is identified as Lot 6 within the Fuze 623 and Flatz 623 final plat, Assessor's Parcel Number (APN) 500-01-610. The property was annexed into the City on July 28, 1976, and has historically been used for agricultural purposes. The site is currently vacant.

The property is highly visible from Interstate 10 to the north, although an approximately 300-foot-wide county island lies between the site and the freeway. The surrounding context includes residential development to the east and south, and industrial development to the west.

The property is currently zoned City Center District (CCD) and designated as Mixed Use under the City's General Plan 2030. To support the development of the Avondale Tech Center as an advanced technology center, the applicant has submitted two related land use applications. The first is a minor General Plan amendment (PL-25-0120) to change the land use designation from Mixed Use to Business Park. The second is a Rezoning application (PL-25-0121) to rezone the property to Avondale Tech Center Planned Area

Development (PAD) with underlying zoning of Commerce Park (CP).

The proposed Comprehensive Sign Plan (CSP) would apply to the site should the City Council be inclined to approve both the minor General Plan amendment and the Rezoning applications.

As part of the request, the applicant is seeking deviations from the City's sign regulations. In accordance with Section 28-194 of the Avondale Zoning Code, any Comprehensive Sign Plan that includes deviations exceeding 25 percent (%) from the allowable standards for sign density, height, area, or separation requires approval by the City Council.

SUMMARY OF REQUEST:

Pending approval of the Planned Area Development (PAD) rezone for the Avondale Tech Center (PL-25-0121), the applicant seeks approval of a Comprehensive Sign Plan that would apply modified sign regulations based on the Commerce Park (CP) zoning district. The proposed CSP includes the following deviations:

	Sign Type	Commerce Park Standard	Proposed Deviation
1	Center Identification Monument Sign	Maximum Sign Area – 60 SF	Maximum Sign Area – 96 SF
	Building Signs		
1	Maximum Sign Area (freeway facing elevations)	None	1.50 SF per linear foot
2	Maximum Sign Size (freeway facing elevations)	None	150 SF (for an individual wall sign)

The packet for the Comprehensive Sign Plan, which includes proposed sign locations, types, and design details, is attached as Exhibit D.

ANALYSIS:

The proposed advanced technology campus will be developed on approximately 38 net acres and will consist of three buildings totaling approximately 698,622 square feet. Each building is planned to have a width between 200 and 240 feet and an approximate height of 48 feet.

Given the large-scale and proportion of the development, the requested deviation to increase the maximum allowable sign area for the Center Identification Monument Sign from 60 square feet to 96 square feet is justified, as it will provide a prominent and welcoming sense of arrival for visitors entering the campus.

In addition, the plan proposes building signage with a maximum area of 1.5 square feet per linear foot of freeway-facing building frontage, with an overall maximum sign size of 150 square feet. While this standard is not currently defined within the Commerce Park zoning regulations, it is established in the City Center (CC) and Boulevard (BLVDD) districts. Given the site's proximity to both the freeway and the BLVDD district, incorporating this standard into the Comprehensive Sign Plan is reasonable. These modifications are intended to enhance visibility and reinforce the tech center's brand presence, particularly for motorists traveling along the freeway.

Following a review of the Comprehensive Sign Plan (CSP) in the context of the broader Planned Area Development (PAD) proposal, staff finds the requested deviations to be appropriate given the size, layout, and employment-focused use of the site. The increased signage allowances correspond to the scale of the buildings and are necessary to ensure adequate visibility on freeway-facing elevations while maintaining the overall aesthetic quality of the development. Moreover, the proposed sign design and placement, as detailed in Exhibit D, align well with the design character and placemaking objectives established for the PAD.

DISCUSSION:

Staff recommend approval of the request for the following reasons:

- The Comprehensive Sign Plan (CSP) supports the overall design intent and strengthens the visual identity of the Avondale Tech Center Planned Area Development (PAD).
- The requested deviations are consistent with the scale and visibility needs of the development, particularly at the main entrance and along freeway-facing elevations.
- The plan provides appropriately scaled signage that aligns with the function and layout of a modern employment center.
- The development will be subject to the City's Commercial and Industrial Design Manual. The CSP complements these design standards by supporting a consistent visual identity, sense of arrival, and enhancing wayfinding throughout the site.

BUDGET IMPACT:

No budget impacts.

RECOMMENDATION:

Staff recommends City Council approve Application PL-25-0181, a request for a Comprehensive Sign Plan (CSP) for Avondale Tech Center, a proposed advanced technology campus focused on employment uses, and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents.

Contact person for document distribution: Monika Smriti

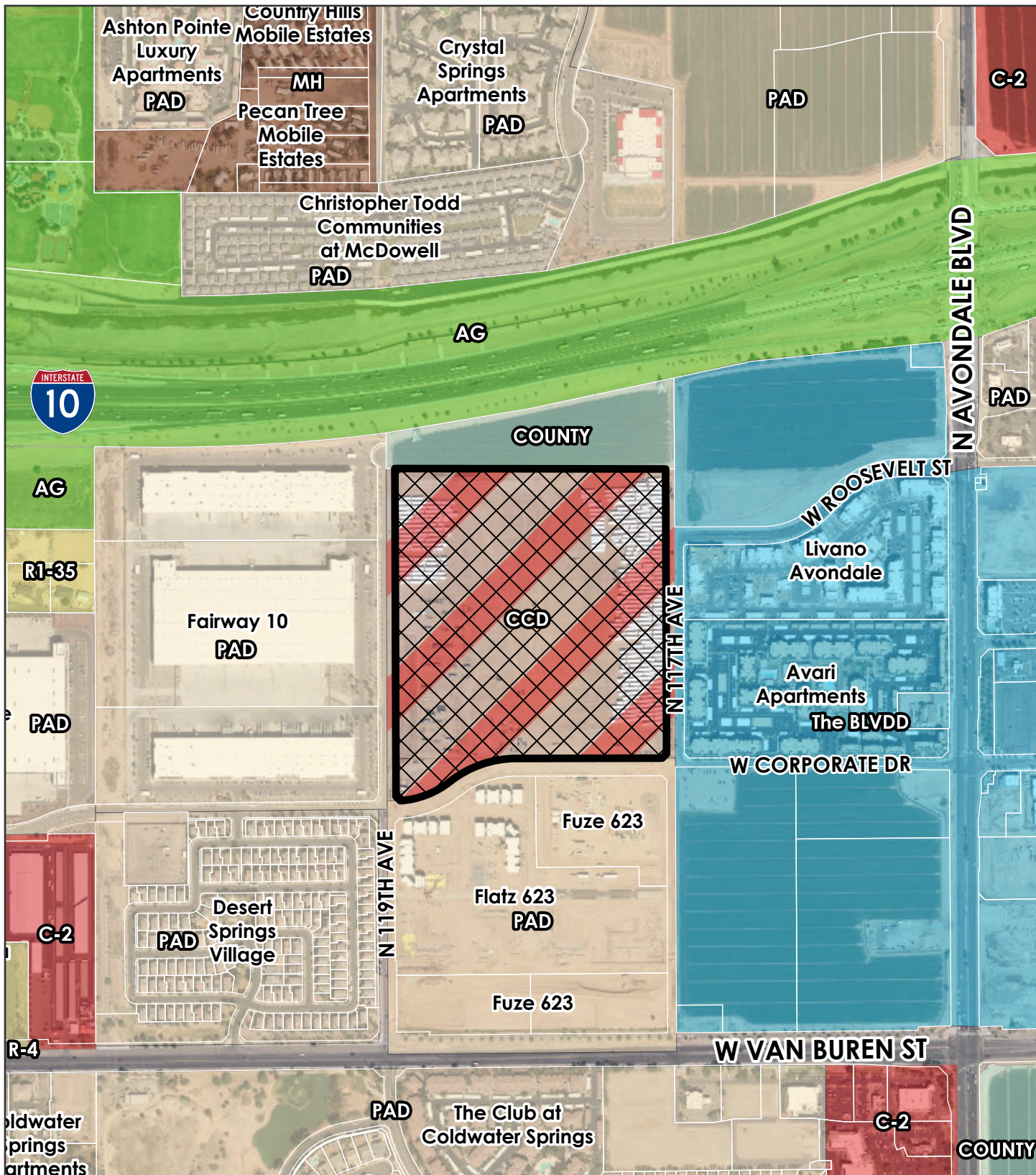


Aerial Map

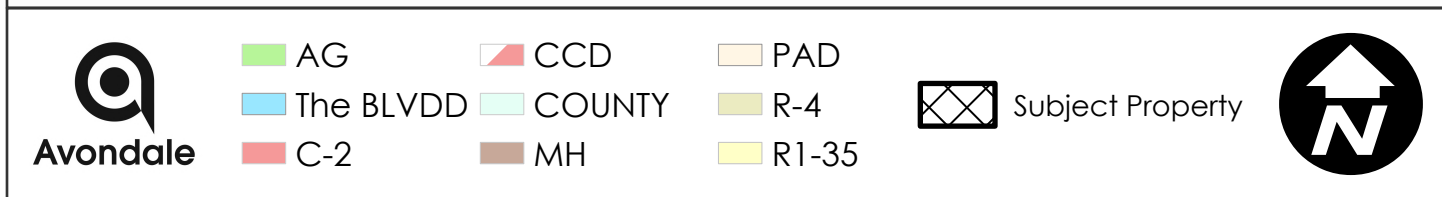


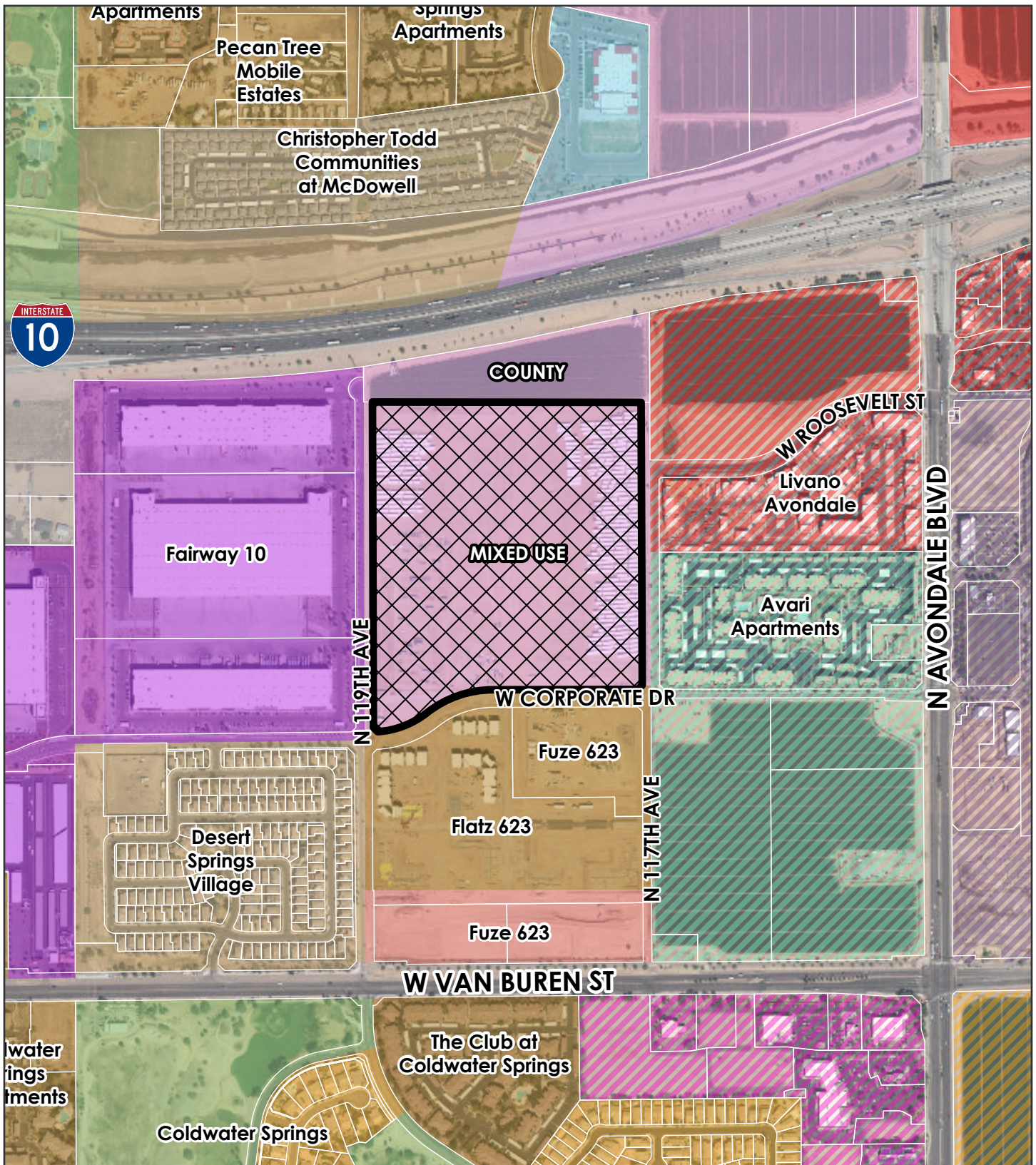
Subject Property





Existing Zoning Map





Existing General Plan Land Use Map



- | | |
|---------------------------------|-----------------------|
| Medium Density Residential | Open Space and Parks |
| Medium/High Density Residential | Education |
| High Density Residential | Neighborhood District |
| Local Commercial | Gateway District |
| Freeway Commercial | Village District |
| High Intensity Office | Park Avenue District |
| Mixed Use | Promenade District |
| Business Park | |



Subject Property





LGE | DESIGNBUILD

AVONDALE TECH CENTER

COMPREHENSIVE SIGN PLAN

PREPARED BY:

IMPERIAL SIGNS

602-341-5123 | imperialsignage.com | ROC#341237

VERSION 06 | UPDATED 10/09/2025

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6	OVERALL SIGN LOCATION PLAN
7	A1 PARK MONUMENT SIGN
8	A2-A4 MULTI-TENANT MONUMENT SIGN
9	B1-B6 DIRECTIONAL SIGN
10	C1-C4 DIRECTIONAL SIGN
11	WALL SIGN LOCATION PLAN
12	D1 & D2 BUILDING SIGNS EXAMPLES
13	D1 & D2 TENANT SIGN SPECS
14-15	D1 BUILDING SIGN ELEVATIONS
16	D2 FREEWAY FACING BUILDING SIGN ELEVATIONS
17-18	E ADDRESS NUMBERS

119 & Van Buren
Avondale, AZ

JURISDICTION
City of Avondale

PARCEL NUMBER
500-01-610

ZONING
AVONDALE TECH CENTER
PLANNED AREA DEVELOPMENT (PAD)

BASE ZONING
COMMERCE PARK (CP)

OWNER INFORMATION
Z-Modular Avondale Flatz 623 LLC
227 w. Monroe St. Ste. 2600
Chicago, IL. USA 60606

PROPERTY MANAGER
LGE DESIGN BUILD
1200 N. 52nd St.
Phoenix, AZ 85008
480-966-4001

SIGNAGE CONSULTANT

IMPERIAL SIGNS

Contact:

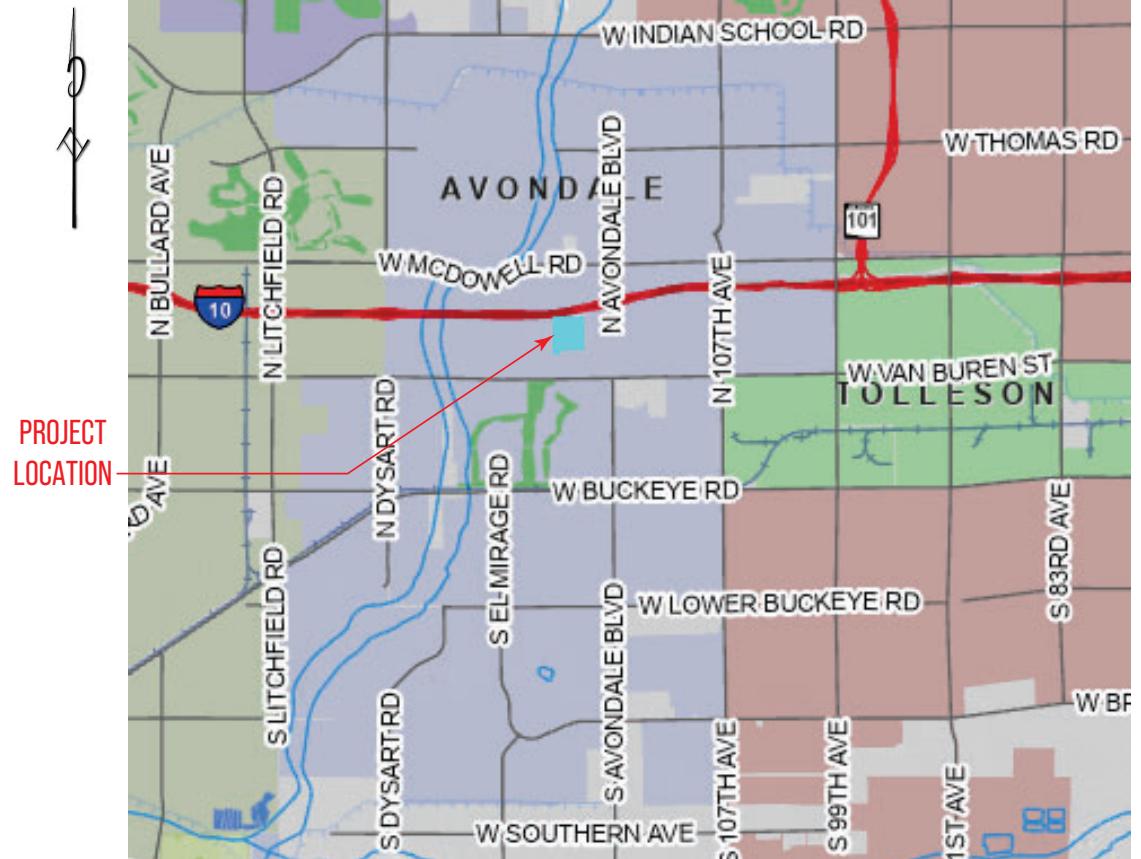
Steven Johnson
Phone: 928-350-5183
Email: steven@imperialsignage.com
www.ImperialSignage.com

STATEMENT OF DESIGN:

The signage for Avondale Tech Center has been designed to meet city requirements for continuity while allowing tenants to display their own branding. The center identification monument, multi-tenant monument, and traffic directional signs all share a cohesive look that complements the center's modern concrete tilt-up architecture. A unified palette of light and dark grays with an orange accent ties the signs to the buildings and creates visual consistency throughout the site.

Durable materials like architectural metal and finished aluminum, paired with discreet halo or internal illumination, maintain a clean, professional appearance day and night. This coordinated approach balances tenant identity with a unified signage system that enhances the overall design and high-quality image of Avondale Technology Center.

AERIAL VIEW



SIGN CRITERIA

These criteria have been developed to ensure design compatibility among all signs at the Avondale Tech Center. These criteria were created with the intent of enhancing the visual environment of this development, to promote its continued well-being, and to comply with the regulations of the municipal and any electrical and code. Conformance to these criteria will be strictly enforced. Any sign installed that is not in conformance to these criteria and not approved by the Owner must be removed or brought into conformity by the Tenant and/or its sign contractor.

LANDLORD SUBMITTAL REQUIREMENTS:

1. All Tenant Signs must be sent to the Landlord for review and approval prior to proceeding with the City of Avondale sign permit process.
2. The Landlord shall receive the detailed signage shop drawings electronically, with the drawings indicating the sign location, size, layout, design color, illumination, materials and method of attachment. The Landlord shall then electronically return the drawings back to the Tenant marked as either "Approved," "Approved Noted," or "Revise and Resubmit."
3. "Revise and Resubmit" drawings will be returned to the Tenant with comments. These drawings shall be revised by Tenant and resubmitted to the Landlord for its approval.
4. Upon receipt of Landlord approval, Tenant shall proceed to submit to the City of Avondale to initiate the city's sign permit process.
5. No signs, advertisements, notices, or other lettering in public view shall be installed, erected, or displayed in or upon the premises by Tenant unless the Tenant has received prior written approval of the Landlord.
6. Tenants and/or its representatives shall obtain all permits for its exterior signs and their installation. Tenants shall be responsible for all permit requirements, specifications, and costs.
7. Tenant shall have the sole responsibility for compliance with all applicable codes, ordinances, or other regulations.
8. The Landlord's approval of Tenant's plans, specifications, calculations, or work shall not constitute an implication, certification, or representation that said items are following applicable codes, ordinances, or other regulations.

CONSTRUCTION REQUIREMENTS

All signs shall be constructed in conformance with the Avondale Municipal Code.

All sign illumination shall satisfy the provisions of the Avondale Municipal Code.

All exterior signs shall be secured by concealed fasteners, stainless steel or nickel or cadmium plated.

Tenant and the Tenant's contractor shall be responsible for the repair of any damage caused by installation or removal of any sign.

Tenant shall be responsible for providing conduit, wire, electrical hookup to code, and timers for operation for illuminated signs.

All penetrations of the building structure required for sign installation shall be sealed and watertight upon completion.

Signs shall display an identification tag which is readily visible from public property or accessible by the public after the sign is erected.

All exposed metals shall be painted to render them inconspicuous.

All electrical signs shall bear the UL or equivalent label.

All signs shall conform to International Building Code Standards.

All electrical signs shall conform to National Electrical Code Standards.

Tenants shall be liable for the operation of their sign contractor. Tenant shall be responsible for selecting a sign company that carries workers' compensation and general liability insurance against all damage and/or property while engaged in the construction or erection of signs with limits if liability satisfying the requirements of the Lease.

PROHIBITED SIGNS

(a) The following signs are prohibited:

- (1) Abandoned signs.
- (2) Outlining of a building by means of exposed incandescent lighting.
- (3) Vehicle signs.
- (4) Off-premise signs, except where explicitly allowed by this ordinance.
- (5) Variable message signs, except where explicitly allowed by this ordinance.
- (6) Pole signs.
- (7) Illegal signs, as defined by this ordinance, excluding signs required for governmental purposes.

TEMPORARY SIGNAGE

Temporary signage allowed as approved by the landlord and as allowed by Avondale's zoning ordinance

ALLOWABLE SIGN AREA

(a) The area of a sign shall be calculated by using a combination of no more than two (2) parallelograms, ellipses, and/or triangles that enclose the extreme limits of the advertising message. Any frame, material, color, or condition that forms an integral part of the display and is used to differentiate such sign from the wall or background against which it is displayed shall also be calculated towards the area of the sign.

(b) Where a sign message consists of separate and individual letters, modules, or symbols, each portion of said sign message shall not be considered as a separate sign.

(c) The necessary supports or uprights on which any freestanding sign is placed shall be excluded from a sign area calculation.

(d) Only one (1) face of a double-faced sign shall be considered in determining its sign area, except that both sides shall be counted in instances where the distance between faces exceeds six (6) feet.

(e) Where permitted by this [article 9](https://library.municode.com/az/avondale/codes/code_of_ordinances?nodeId=CD_ORD_CH28Z00R_ART9SI), multi-tenant monument signs may consist of more than one (1) sign panel provided all such sign panels are attached to one (1) common integrated sign structure. The calculation of area of a multi-tenant sign shall include all tenant panels and project identification information, excluding the portion(s) of a sign dedicated to providing the street number and/or address of the development site; provided, however, that this exclusion for the street number or address shall not apply to street numbers used as part of the business name.

(f) Where signs are of a three-dimensional, round, or other solid shape, the largest cross-section viewed as a flat projection shall be used for the purpose of determining the sign area. Signs visible from more than one (1) direction or without clearly defined sign faces shall be considered as having two (2) faces and each face calculated in the total allowable area.

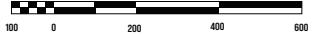
SIGN MATRIX

SIGN TYPE	SIGN NAME	SIGN FUNCTION	QUANTITY	SIZE	MATERIALS
	A1 CENTER IDENTIFICATION MONUMENT SIGN	IDENTIFIES THE PROPERTY TO TRAFFIC AND PEDESTRIANS	1	HEIGHT: 6'-6 5/8" WIDTH: 114'-7" SQUARE FOOTAGE = 95.55 SQ. FT.	FABRICATED ALUMINUM RADIS PANELS, PAINTED WHITE LED HALO ILLUMINATION ROUND CONCRETE BASE
	A2-A4 MULTI-TENANT MONUMENT	IDENTIFIES PROPERTY AND TENANTS OCCUPYING BUILDINGS TO TRAFFIC & PEDESTRIANS	3	HEIGHT: 8'-0" WIDTH: 4'-0" SQUARE FOOTAGE = 32 Sq. Ft Each. The letters and logos used to identify individual tenants shall have a minimum height of four (4) inches	INTERNAL WELDED STEEL FRAME FABRICATED ALUMINUM PLATING, PAINTED TRANSLUCENT ACRYLIC TRANSLUCENT VINYL WHITE LED ILLUMINATION
	B1-B6 DIRECTIONAL SIGN	IDENTIFIES EMPLOYEE PARKING.	6	HEIGHT: 4'-0" WIDTH: 2'-0" SQUARE FOOTAGE: = 8 SQ. FT. EACH	INTERNAL WELDED STEEL FRAME FABRICATED ALUMINUM PLATING, PAINTED TRANSLUCENT ACRYLIC TRANSLUCENT VINYL WHITE LED ILLUMINATION
	C1-C4 DIRECTIONAL SIGN	IDENTIFIES ENTRANCE TO TUCK COURT.	4	HEIGHT: 4'-0" WIDTH: 2'-0" SQUARE FOOTAGE: = 8 SQ. FT. The letters and logos used to identify individual tenants shall have a minimum height of four (4) inches	INTERNAL WELDED STEEL FRAME FABRICATED ALUMINUM PLATING, PAINTED TRANSLUCENT ACRYLIC TRANSLUCENT VINYL WHITE LED ILLUMINATION
	D1 BUILDING SIGNAGE	IDENTIFIES TENANTS OCCUPYING BUILDING TO TRAFFIC AND PEDESTRIANS	TBD	THE TOTAL TENANT WALL MOUNTED SIGN AREA TO BE 1 SF PER LINEAR FOOT OF PRIMARY ELEVATION. 0.5 SQ FOOT PER LINEAR FOOT OF SECONDARY ELEVATION. MAXIMUM SIGN SIZE NOT TO EXCEED 75 SF. MINIMUM SIGN SIZE TO BE 18 SF. MAXIMUM OF 2 ELEVATIONS PER TENANT; ILLUMINATED SIGNS CANNOT FACE RESIDENTIAL.	ALUMINUM CONSTRUCTION TRANSLUCENT ACRYLIC TRANSLUCENT VINYL WHITE LED ILLUMINATION
	D2 FREEWAY FACING SIGNAGE	IDENTIFIES TENANTS OCCUPYING BUILDING TO TRAFFIC AND PEDESTRIANS	TBD	FREEWAY FACING SIGNAGE 1.50 SF LINEAR FEET	ALUMINUM CONSTRUCTION TRANSLUCENT ACRYLIC TRANSLUCENT VINYL WHITE LED ILLUMINATION
	E ADDRESS NUMBERS	IDENTIFIES TENANTS OCCUPYING BUILDING TO TRAFFIC AND PEDESTRIANS	TBD	SEE ELEVATIONS	ALUMINUM CONSTRUCTION TRANSLUCENT ACRYLIC TRANSLUCENT VINYL WHITE LED ILLUMINATION

The sign regulations not identified in the CSP plan will follow the city of Avondale Sign Code regulations

site plan | SIGN LOCATION PLAN

Scale: 1" = 200'



A1 | PARK MONUMENT

A2-A4 | MULTI-TENANT MONUMENT

UP TO FIVE (5) MONUMENTS WILL BE PERMITTED; 1

B1-B6 | DIRECTIONAL SIGN

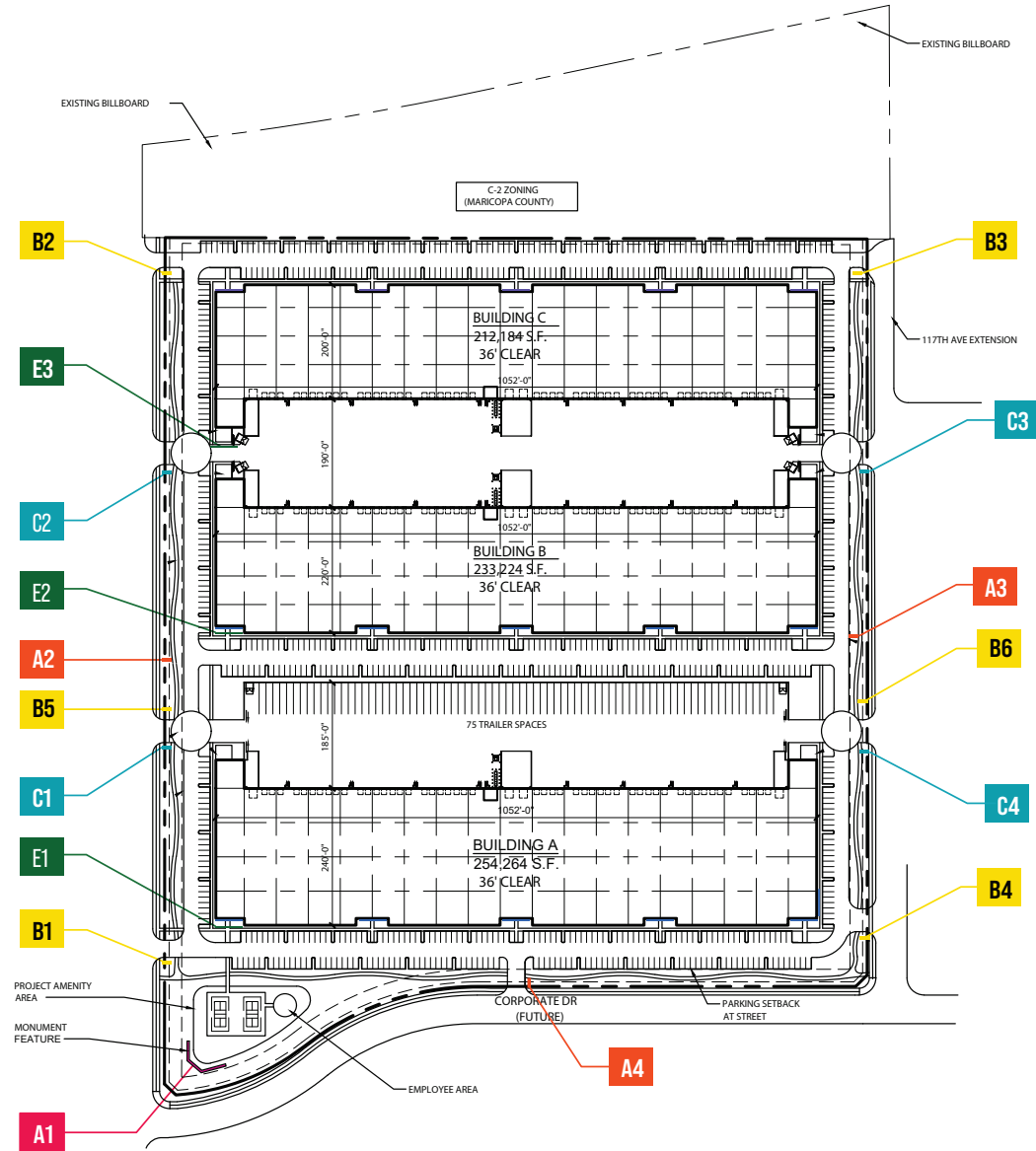
C1-C4 | DIRECTIONAL SIGN

D1 | BUILDING SIGNAGE

MAXIMUM OF 2 ELEVATIONS
ILLUMINATED SIGNS CANNOT
FACE RESIDENTIAL

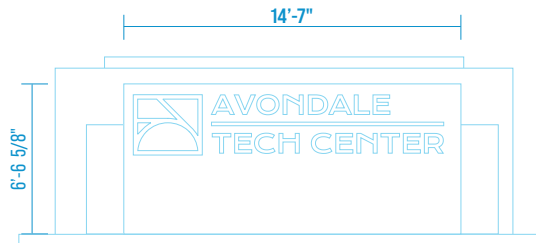
D2 | FREEWAY FACING SIGNAGE

E | ADDRESS NUMBERS

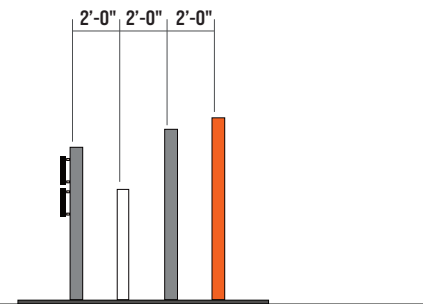




Client/CO is responsible for providing voice and electrical

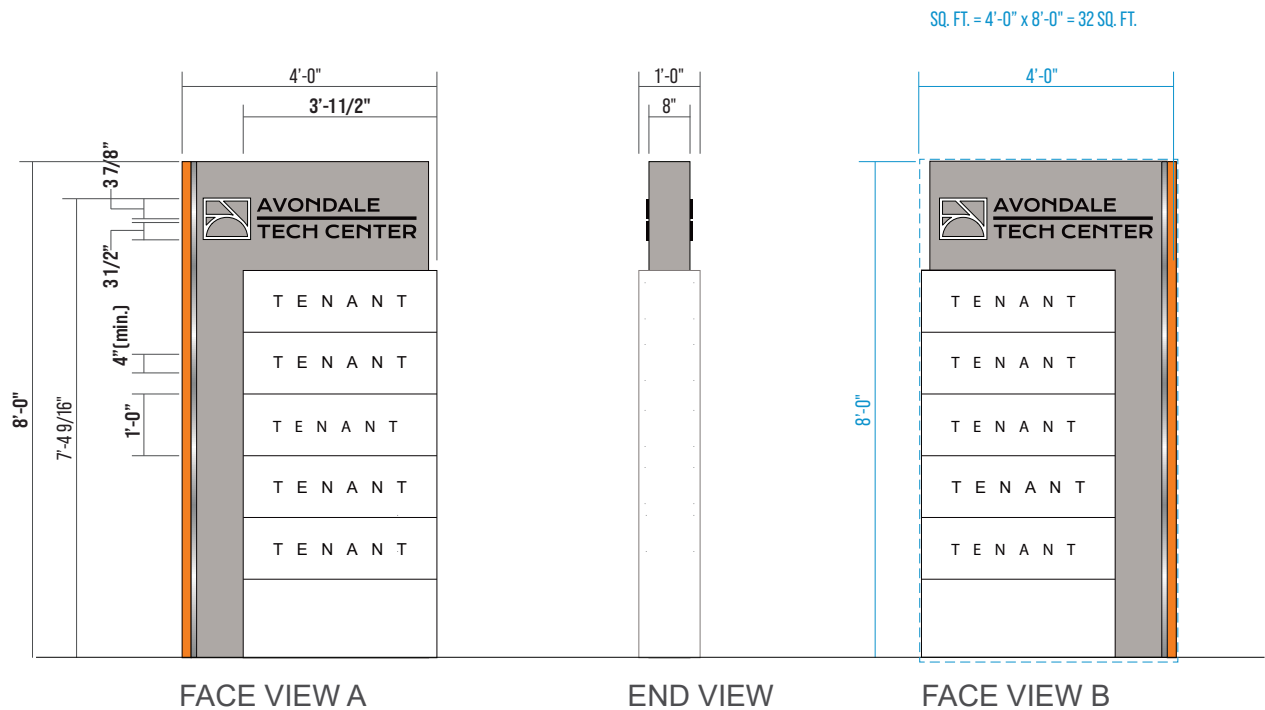


100



A2-A4 | MULTI-TENANT MONUMENT SIGN - SPECIFICATIONS

SCALE: 1/2" = 1'



Total Sign Area: 32

CABINET

Fabricated aluminum cabinet with welded inner frame, painted. Polished aluminum vertical accent backed with orange translucent acrylic, illuminated, facing street end.

CHANNEL LETTERS "AVONDALE TECHNOLOGY"

Fabricated aluminum halo-illuminated channel letters
Internally illuminated with white LEDs
Install on face of cabinet with spacers

TENANT PAN FACE

Fabricated aluminum panel, painted
Routed copy backed with 3/16" day/night black plex
White diffuser vinyl backing plex
Install with screws through returns into existing angle frame.

INSTALLATION

Install with 8" x .322 wall single pole and 3' x 8' concrete foundation per ASA engineering
Client/GC is responsible for providing primary electrical within six (6') of sign location at time of installation

Colors:

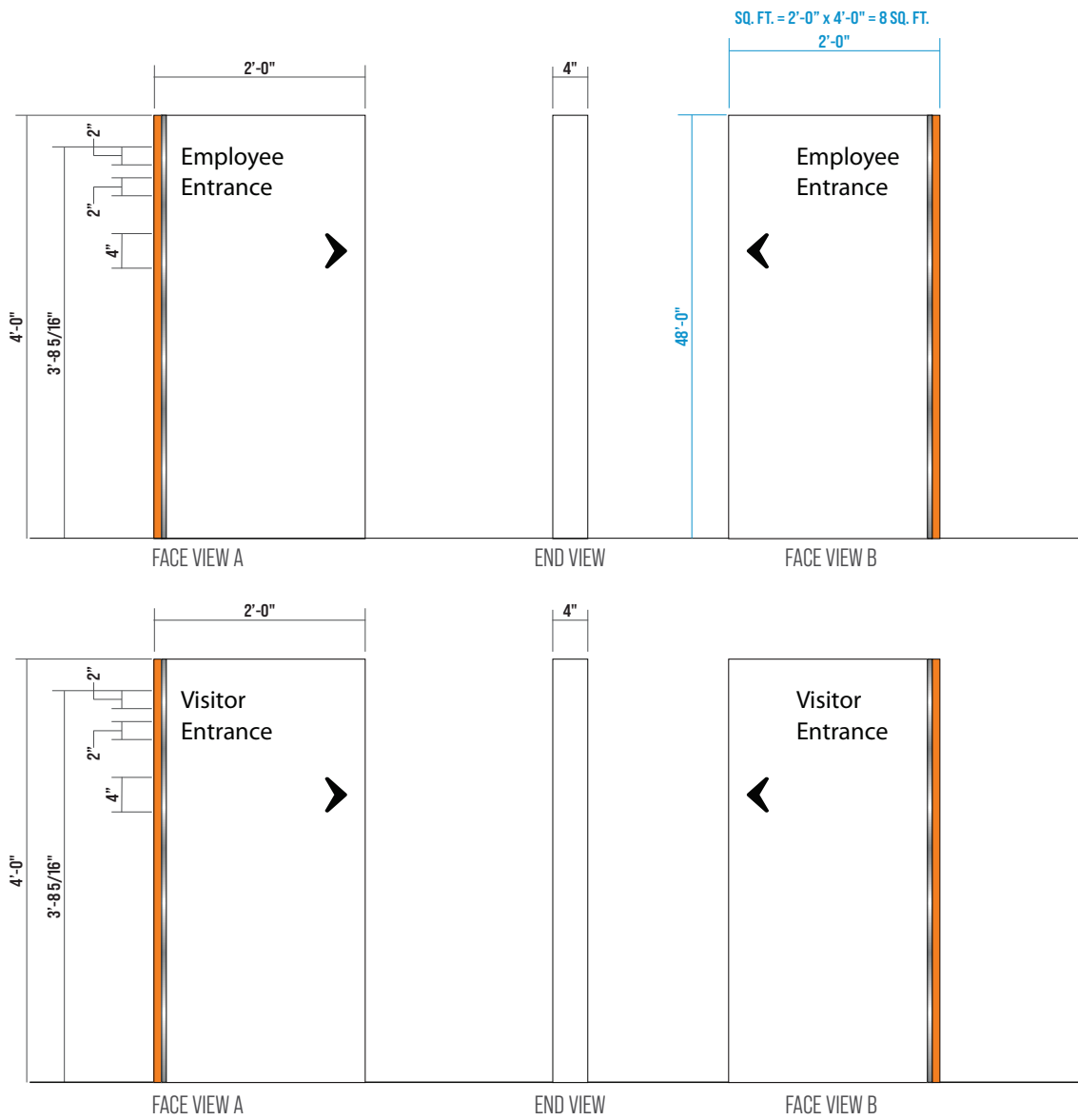
Paint, Satin Finish
MP to match PMS 4275C

Paint, Satin Finish
MP White

Black (Day/Night Acrylic)
Day/Night acrylic (Illuminates white at night)

B1-B6 | DIRECTIONAL SIGN - SPECIFICATIONS

SCALE: 1" = 1'



Total Sign Area:

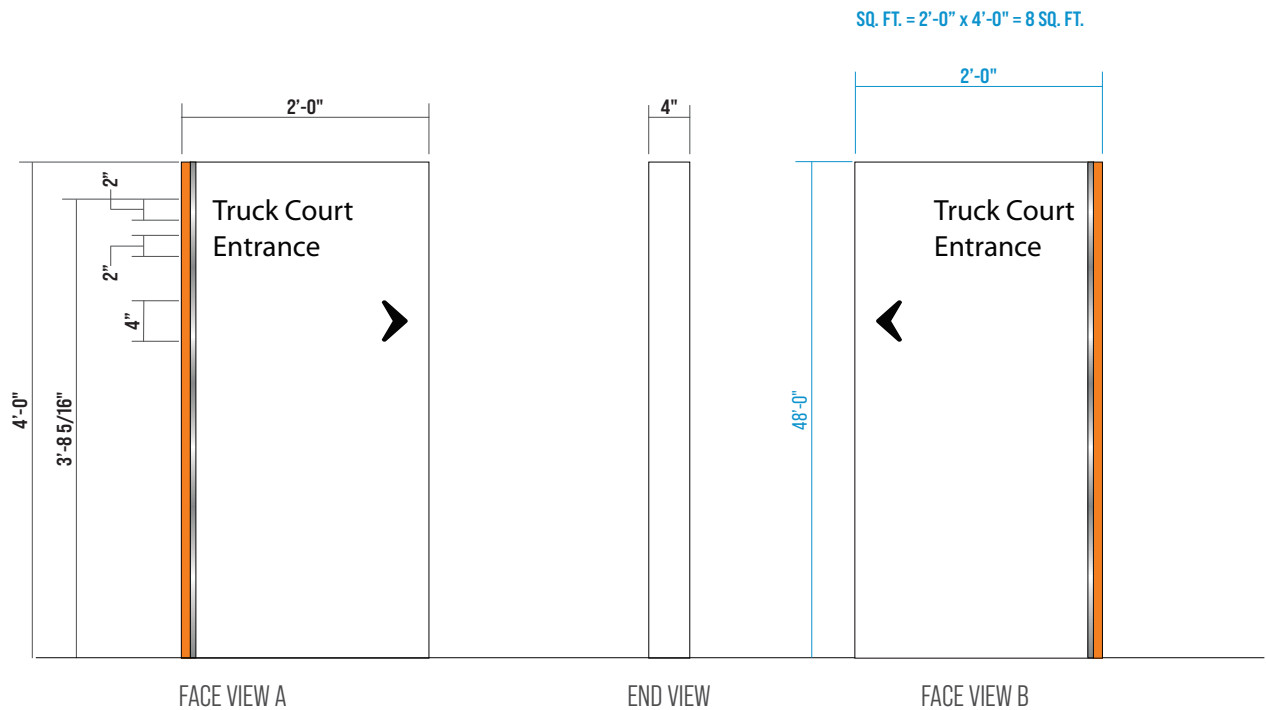
- CABINET**
- Fabricated aluminum cabinet with welded inner frame, painted. Polished aluminum vertical accent backed with orange translucent acrylic, illuminated, facing street end.
- TEXT AND ARROW**
- Fabricated aluminum panel, painted
Routed copy backed with 3/16" day/night black plex
White diffuser vinyl backing plex
- INSTALLATION**
- Install with 2.5" x .322 wall single pole and 3' x 8' concrete foundation per ASA engineering
Client/GC is responsible for providing primary electrical within six (6') of sign location at time of installation

Colors:

-  **PAINT, SATIN FINISH**
MP to match PMS 4275C
-  **PAINT, SATIN FINISH**
MP White
-  **BLACK (DAY/NIGHT ACRYLIC)**
Day/Night acrylic (Illuminates white at night)

C1-C4 | DIRECTIONAL SIGN - SPECIFICATIONS

SCALE: 1" = 1'



Total Sign Area:

CABINET

Fabricated aluminum cabinet with welded inner frame, painted. Polished aluminum vertical accent backed with orange translucent acrylic, illuminated, facing street end.

TEXT AND ARROW

Fabricated aluminum panel, painted
Routed copy backed with 3/16" day/night black plex
White diffuser vinyl backing plex

INSTALLATION

Install with 2.5" x .322 wall single pole and 3' x 8' concrete foundation per ASA engineering
Client/GC is responsible for providing primary electrical within six (6') of sign location at time of installation

Colors:

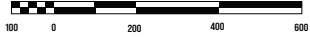
 PAINT, SATIN FINISH
MP to match PMS 4275C

 PAINT, SATIN FINISH
MP White

 BLACK (DAY/NIGHT ACRYLIC)
Day/Night acrylic (Illuminates white at night)

site plan | SIGN LOCATION PLAN

Scale: 1" = 200'



A1 | PARK MONUMENT

A2-A4 | MULTI-TENANT MONUMENT

UP TO FIVE (5) MONUMENTS WILL BE PERMITTED; 1

B1-B6 | DIRECTIONAL SIGN

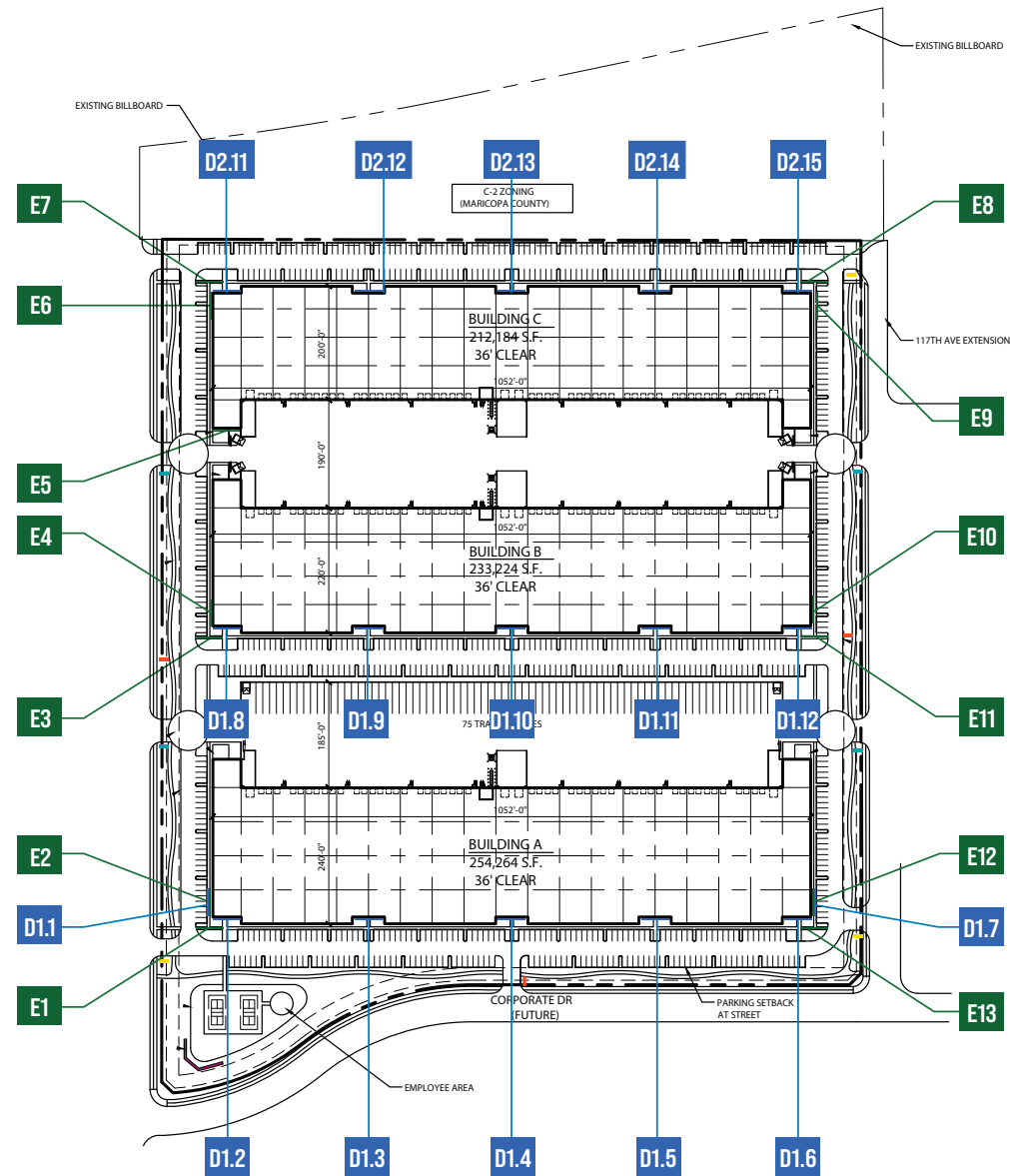
C1-C4 | DIRECTIONAL SIGN

D1 | BUILDING SIGNAGE

MAXIMUM OF 2 ELEVATIONS
ILLUMINATED SIGNS CANNOT
FACE RESIDENTIAL

D2 | FREEWAY FACING SIGNAGE

E | ADDRESS NUMBERS



D1 & D2 | BUILDING SIGNS EXAMPLES

SCALE: NTS

QUANTITY

SEE ELEVATIONS

CONSTRUCTION

FABRICATED ALUMINUM, PAINTED ALL SURFACES. TRANSLUCENT ACRYLIC, TRANSLUCENT VINYL

ILLUMINATION

NON-ILLUMINATED

FACE-ILLUMINATED

HALO-ILLUMINATED

INSTALLATION

INSTALL WITH NON-CORROSIVE HARDWARE AND MECHANICAL FASTENERS AS REQUIRED BY WALL CONDITIONS AND IN ACCORDANCE WITH ASA ENGINEERING



REVERSE ILLUMINATED LETTERS / NON-ILLUMINATED FLAT CUT OUT LETTERS



FACELIT LETTERS, COLORED LOGO

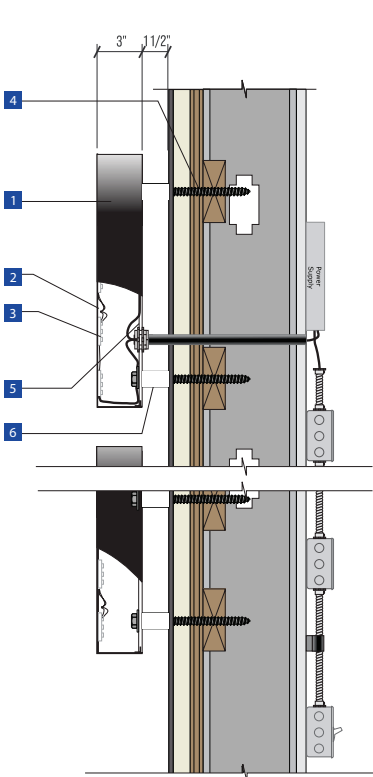


NON-ILLUMINATED REVERSE PAN CHANNEL LETTERS

D1 & D2 | TENANT SIGN SPECIFICATIONS

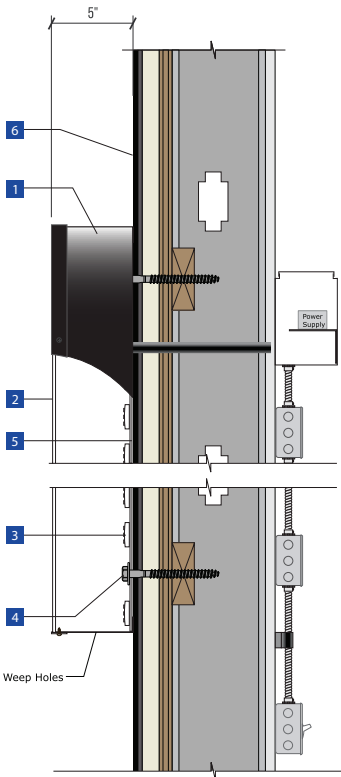
SCALE: 1 1/2" = 1'

- QUANTITY
TBD
- CONSTRUCTION
ALUMINUM, ACRYLIC, VINYL, PAINT
- ILLUMINATION
NON-ILLUMINATED
FACE-ILLUMINATED
HALO-ILLUMINATED
- INSTALLATION
INSTALL WITH NON-CORROSIVE HARDWARE INTO PRIEDRILLED HOLES. PENETRATIONS SEALED WITH SILICONE.



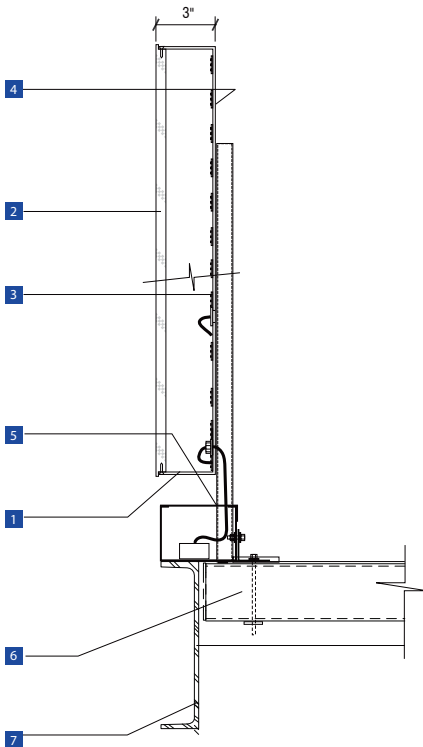
HALO-ILLUMINATION SPECIFICATIONS

- 1 PAINTED ALUMINUM REVERSE PAN RETURNS
- 2 PAINTED ALUMINUM FACES
- 3 WHITE LED ILLUMINATION
- 4 3/8" DIAMETER MOUNTING HARDWARE (INTO BLOCKING AS REQUIRED)
- 5 3/16" DIFFUSED ACRYLIC BACK
- 6 1-1/2" DIAMETER PAINTED SPACERS



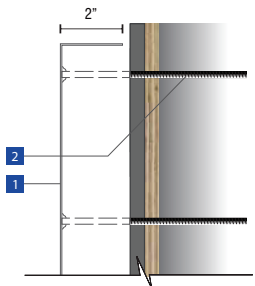
FACE-ILLUMINATION SPECIFICATIONS

- 1 PRE-PAINTED ALUMINUM CHANNEL RETURNS
- 2 3/16" ACRYLIC FACES WITH A VINYL GRAPHIC OVERLAY (AS REQUIRED)
- 3 WHITE LED ILLUMINATION
- 4 3/8" DIAMETER MOUNTING HARDWARE (INTO BLOCKING AS REQUIRED)
- 5 1/8" ACM OR ALUMINUM BACK
- 6 FINISHED WALL SURFACE



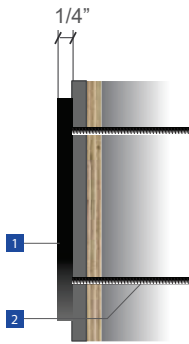
FACE-LIT TRIMLESS ON A CANOPY SPECIFICATIONS

- 1 PRE-PAINTED ALUMINUM CHANNEL RETURNS
- 2 3/4" WHITE "TRIMLESS" ACRYLIC WITH A 3/8" RABBET EDGE TO SIT INSIDE LETTER RETURN
- 3 WHITE LED ILLUMINATION
- 4 1063 FINISHED ALUMINUM BACK - NO VISIBLE FASTENERS
- 5 ALUMINUM RACEWAY
- 6 3/8" DIAMETER MOUNTING HARDWARE W/ HILTI TOGGLER
- 7 EXISTING CANOPY



NON-ILLUMINATED SPECIFICATIONS

- 1 PRE-PAINTED ALUMINUM REVERSE PAN RETURNS
- 2 3/16" DIAMETER X 4" LONG THREADED MOUNTING STUDS



FCO TAGLINE SPECIFICATIONS

- 1 1/8", 1/4" OR 1/2" ALUMINUM OR ACRYLIC FLAT CUT OUT LETTERS/NUMBERS
- 2 MOUNT FLUSH TO WALL SURFACE WITH 1/4"-20 STUDS AND SECURE WITH SILICONE ADHESIVE

D1 | BUILDING SIGNS

SCALE: NTS

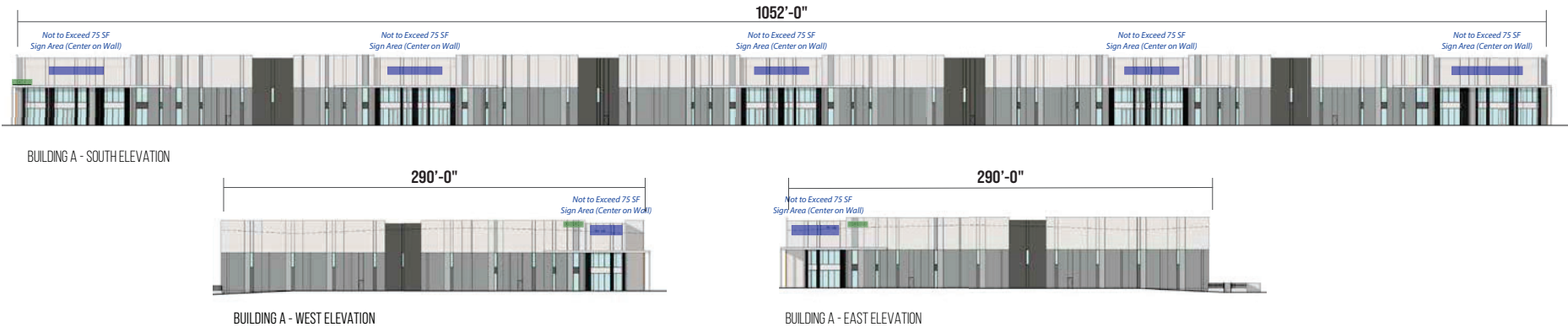
	CP
Maximum sign area (primary elevation)	1 SF per linear foot
Maximum sign area (secondary elevation)	0.50 SF per linear foot
Maximum sign area (freeway facing elevations)	1.50 SF per linear foot
Maximum sign size	75 SF (per individual wall sign)
Minimum sign size	18 SF
Maximum sign size (freeway facing elevations)	150 SF (for an individual wall sign)
Maximum number of elevations with signs	Maximum of 2 elevations per tenant; illuminated signs cannot face residential

Proposed Sign Band Locations - These show potential areas for locations and are for reference only. All signs to comply to Avondale Technology criteria and town of Avondale AZ municipal code requirements.

ADDRESS NUMBER LOCATIONS



TYPICAL ELEVATION (MOUNT PROPOSED SIGN OVER ENTRANCES)



D1 | BUILDING SIGNS

SCALE: NTS

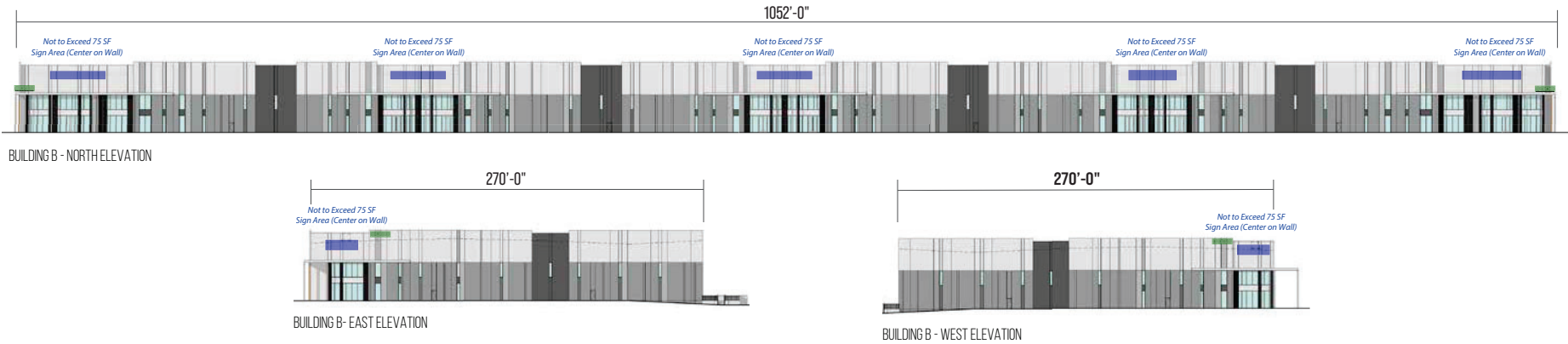
	CP
Maximum sign area (primary elevation)	1 SF per linear foot
Maximum sign area (secondary elevation)	0.50 SF per linear foot
Maximum sign area (freeway facing elevations)	1.50 SF per linear foot
Maximum sign size	75 SF (per individual wall sign)
Minimum sign size	18 SF
Maximum sign size (freeway facing elevations)	150 SF (for an individual wall sign)
Maximum number of elevations with signs	Maximum of 2 elevations per tenant; illuminated signs cannot face residential

Proposed Sign Band Locations - These show potential areas for locations and are for reference only. All signs to comply to Avondale Technology criteria and town of Avondale AZ municipal code requirements.

ADDRESS NUMBER LOCATIONS



TYPICAL ELEVATION (MOUNT PROPOSED SIGN OVER ENTRANCES)



D2 | FREEWAY FACING BUILDING SIGNS

SCALE: NTS

	CP
Maximum sign area (primary elevation)	1 SF per linear foot
Maximum sign area (secondary elevation)	0.50 SF per linear foot
Maximum sign area (freeway facing elevations)	1.50 SF per linear foot
Maximum sign size	75 SF (per individual wall sign)
Minimum sign size	18 SF
Maximum sign size (freeway facing elevations)	150 SF (for an individual wall sign)
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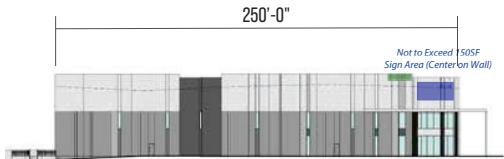
TYPICAL ELEVATION (MOUNT PROPOSED SIGN OVER ENTRANCES)

Proposed Sign Band Locations - These show potential areas for locations and are for reference only. All signs to comply to Avondale Technology criteria and town of Avondale AZ municipal code requirements.

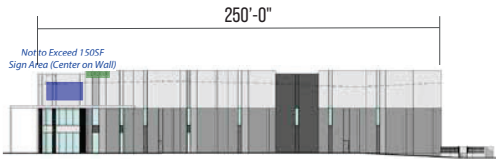
ADDRESS NUMBER LOCATIONS



BUILDING C - NORTH ELEVATION



BUILDING C - EAST ELEVATION



BUILDING C - WEST ELEVATION

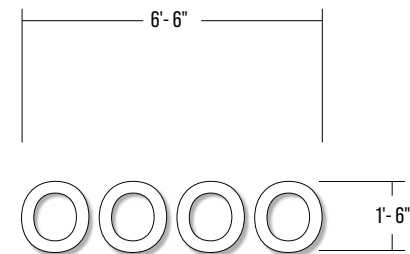
QUANTITY
TWO (2) CANOPY MOUNTED
ONE (1)

CONSTRUCTION
FABRICATED ALUMINUM, PAINTED ALL SURFACES.

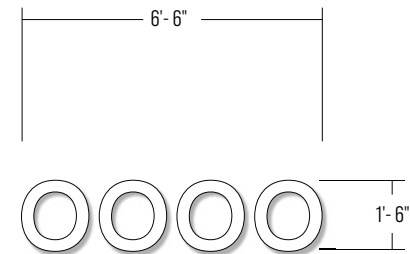
ILLUMINATION
HALO-ILLUMINATED
FACE-ILLUMINATED

INSTALLATION
WALL MOUNT:
INSTALL FLUSH/STANDOFF WITH NON-CORROSIVE
HARDWARE INTO PRIEDRILLED HOLES.
PENETRATIONS SEALED WITH SILICONE.

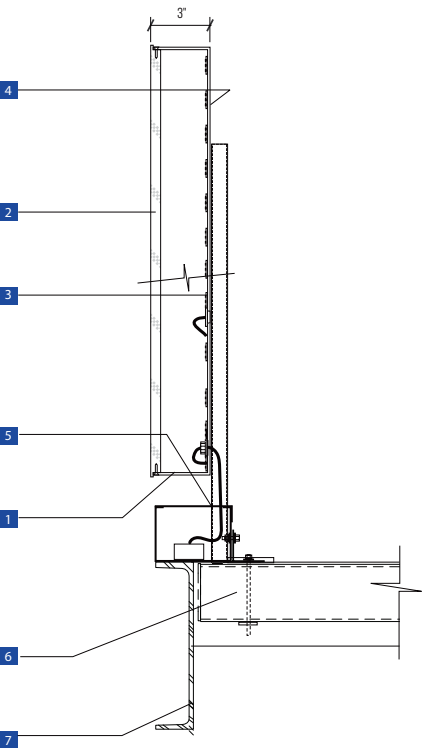
CANOPY MOUNT:
INSTALL ON TOP SIDE OF CANOPY OVER
RACEWAY INTO PREDRILLED HOLES.
PENETRATIONS SEALED WITH SILICONE.



HALO-ILLUMINATED FACE VIEW 9.75 Square Feet

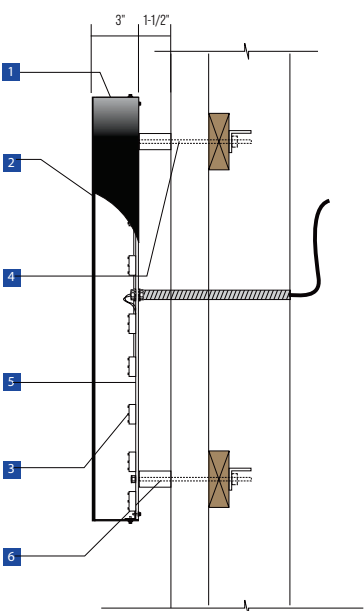


NON-ILLUMINATED FACE VIEW 9.75 Square Feet



FACE-LIT TRIMLESS ON A CANOPY SPECIFICATIONS

- 1 PRE-PAINTED ALUMINUM CHANNEL RETURNS
- 2 3/4" WHITE "TRIMLESS" ACRYLIC WITH A 3/8" RABBIT EDGE TO SIT INSIDE LETTER RETURN
- 3 WHITE LED ILLUMINATION
- 4 .063 FINISHED ALUMINUM BACK - NO VISIBLE FASTENERS
- 5 ALUMINUM RACEWAY
- 6 3/8" DIAMETER MOUNTING HARDWARE W/ HILTI TOGGLER
- 7 EXISTING CANOPY



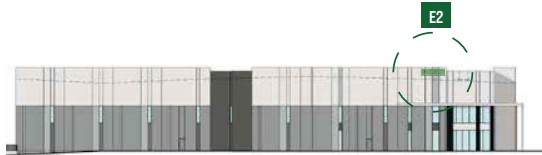
HALO-ILLUMINATION SPECIFICATIONS

- 1 PAINTED ALUMINUM REVERSE PAN RETURNS
- 2 PAINTED ALUMINUM FACES
- 3 WHITE LED ILLUMINATION
- 4 3/8" DIAMETER MOUNTING HARDWARE (INTO BLOCKING AS REQUIRED)
- 5 3/16" DIFFUSED ACRYLIC BACK
- 6 1-1/2" DIAMETER PAINTED SPACERS

E | ADDRESS NUMBERS



BUILDING A - SOUTH ELEVATION



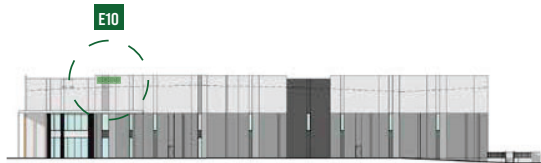
BUILDING A - WEST ELEVATION



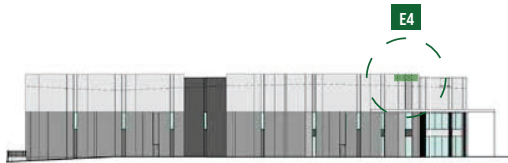
BUILDING A - EAST ELEVATION



BUILDING B - NORTH ELEVATION



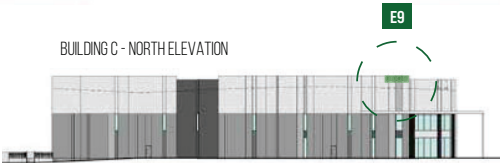
BUILDING B - EAST ELEVATION



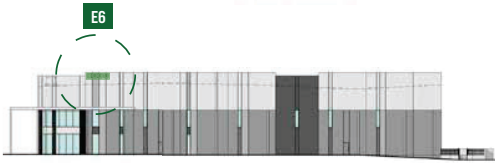
BUILDING B - WEST ELEVATION



BUILDING C - NORTH ELEVATION



BUILDING C - EAST ELEVATION



BUILDING C - WEST ELEVATION



BUILDING C - SOUTH ELEVATION

ITEM NUMBER: 5.d.

SUBJECT: Public Hearing and Ordinance 2042-1125 - Zoning Ordinance Text Amendments - Chapter 28, Article 1 (Administration and Procedures); Article 5 (Special Districts; Overlays) - Application PL-25-0189

MEETING DATE: 11/17/2025

TO: Mayor and Council

FROM: Jodie Novak, Director of Development Services

THROUGH: Katie Gregory, Assistant City Manager, (623) 333-1015

REVIEWED: Ron Corbin, City Manager, (623) 333-1011

STRATEGIC PLAN:

This agenda item supports the following Avondale Strategic Outcome Area: **Economic Growth and Prosperity**

Avondale supports a thriving local economy by fostering and supporting business growth, job creation, and workforce development. The City advances economic development, attracts high-quality entertainment and full-service amenities, and promotes a variety of attainable housing opportunities that strengthen the City's vitality.

PURPOSE:

City Council will hold a public hearing and consider a request to adopt Ordinance 2042-1125, approving a city-initiated request for text amendments to the Zoning Ordinance to allow for continued refinement of the Zoning Ordinance to align with economic development initiatives and trends, reflect changes in policies and procedures, allow for clerical corrections, provide for cross-references, and address the overall accuracy and usability of the Zoning Ordinance, and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

BACKGROUND:

The Avondale Zoning Ordinance was first adopted in 1951 and has been updated numerous times. The last update occurred in November 2024.

The BLVD Specific Plan was created to implement the City Council's vision of creating a vibrant, urban, mixed use environment that will become a premier destination for shopping, dining, entertainment, employment, and various types of residential uses for the area of Avondale located between the Avondale Civic Center and Interstate 10. The BLVD Specific Plan is divided into six (6) subdistricts, specifically, the Gateway, Village, Park Avenue, Residential, Neighborhood, and Promenade Districts. Properties within each subdistrict comply with the land uses and development standards set forth in the zoning ordinance.

The BLVD zoning district is intended to complete the vision expressed in The BLVD Specific Plan by

prescribing land uses, building form, site design, and architectural standards for The BLVD area.

SUMMARY OF REQUEST:

The purpose of the text amendment is to update sections of the Zoning Ordinance with revised definitions and allowed uses within The BLVD zoning district to align with economic development initiatives and trends. The proposed changes will benefit the community by modernizing land uses and improving the overall consistency and usability of the Zoning Ordinance.

The following is a summary of the proposed amendments to the Zoning Ordinance referenced by section number. The proposed text for each of these sections may be found in Exhibit A.

Section 28-15 Definitions.

Add definitions of the following terms: “E-sports arena or gaming lounge”, “Food hall, or culinary marketplace”, “Night club, rooftop”, “Outdoor commercial recreation/entertainment use”. Revise the definition of “Video arcade or game room”.

Section 28-91 The BLVD

Section 28-91(e) Land uses.

Revise the land use matrix. Add newly defined uses. Streamline development review by changing the requirement for a conditional use permit to permitted with conditions for “Concert facilities, outdoor”, “Gas station (allowed only as an accessory use to a grocery store)”, and “Grocery stores exceeding 36,000 square feet in floor area”. Change “Commercial sporting complexes” and “Conventions centers and exhibition halls” from a conditional use permit to a permitted use.

Section 28-91(f) Use-specific conditions.

Remove the conditional use permit requirement for “Gas station (allowed only as an accessory use to a grocery store)”, and “Grocery stores exceeding 36,000 square feet in floor area”. Modify the requirement for grocery stores to contain certain components from four to at least two. Add standards related to lighting and sound amplification systems for “Concert facilities, outdoor” and “Outdoor commercial recreations/entertainment uses”.

Section 28-91(i) Parking.

Revise the minimum distance that on-street parking, off-street surface parking, and parking structures must be located to be counted towards the required parking, from four hundred (400) feet to one thousand three hundred twenty (1,320) feet, which is equal to one quarter mile.

PUBLIC PARTICIPATION:

All required notifications for the Planning Commission and City Council public hearings were completed in accordance with notification requirements. Staff have not received any feedback on the proposed text amendment. At the time of writing this report, no comments related to the proposal were posted on the City’s Avondale Connect digital forum.

PLANNING COMMISSION ACTION:

On October 15, 2025, the Planning Commission conducted a public hearing. Questions regarding the accessibility of off-site parking and the amount of available parking spaces in The BLVD public garage were raised. Staff indicated that The BLVD’s urban design was intended to consolidate and share parking among different users and that the expanded availability of parking was in line with The BLVD zoning district and Specific Area Plan. After discussion, the Planning Commission passed a motion (6-0 vote) to recommend approval of the proposed Zoning Ordinance Text Amendment to City Council.

ANALYSIS:

The Zoning Ordinance Text Amendments are not anticipated to result in any adverse impacts on the community. The amendments will allow for continued refinement of the Zoning Ordinance to align with economic development initiatives and trends, reflect changes in policies and procedures, allow for clerical corrections, provide for cross-references, and address the overall accuracy and usability of the Zoning Ordinance.

DISCUSSION:

Staff recommends approval of the request for the following reasons:

- The proposed text amendment will improve usability of the code and enhance customer service.
- The proposed text amendment facilitates the development of a vibrant, urban, mixed use environment in The BLVD.
- The proposed text amendment is deemed necessary to best serve the public health, safety, and general welfare of the city.

BUDGET IMPACT:

No Budget Impact.

RECOMMENDATION:

The City Council will conduct a public hearing and adopt an Ordinance, approving a text amendments to the City of Avondale Zoning Ordinance, and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents.

Contact person for document distribution: Joshua T Orton, AICP, Lead Senior Planner

28-15 Definitions.

* * *

"Employment agency:" A business that charges a fee for providing information and placement services to candidates seeking employment and/or clients looking for qualified candidates through which candidates register with the agency, but do not wait on-site or at a central location for full time, part time, or temporary assignments and at which vocational guidance, employment counseling, resume writing, executive recruitment, payroll processing and similar personnel services may also be offered.

"E-sports arena or gaming lounge:" An establishment designed for competitive and recreational video gaming, with or without seating for spectators, for the amusement of its patrons, including hosting tournaments, competitions, and events.

"Entertainment:" An engaging or diverting presentation of, or participation in, activities including, but not limited to, live singing, dancing, musical instrumentation, dramatic or prosaic presentations or poetic activities, but excluding adult live entertainment.

* * *

"Floor area ratio:" The ratio of gross floor area to the net site area of the building site.

"Food hall, or culinary marketplace:" An establishment with a variety of artisan restaurants, food vendors, communal dining area, and specialty food-oriented retail items, including but not limited to fresh produce, butcher shops, baked goods, and prepared meals.

"Fowl:" Chickens, turkeys, ducks, geese, guinea fowl and peafowl.

* * *

"Night club:" A place of entertainment, open at night, usually serving food, beer, wine, and liquor, and providing music and space for dancing.

"Night club, rooftop:" A place of entertainment located on the rooftop of a building, open at night, usually serving food, beer, wine, and liquor, and providing music and space for dancing.

"Non-chartered financial institution:" A business, other than a state or federally chartered bank, credit union, mortgage lender or savings and loan association, that offers check cashing services, vehicle title loans and loans for payment of a percentage fee. Specifically included are, check cashing businesses that charge a percentage fee for cashing a check or negotiable instrument and loan businesses that make loans upon assignments of wages to be received or collateral, such as a vehicle title.

* * *

"Outdoor dining:" An accessory to a restaurant use that is located on private property and used exclusively for dining, drinking and pedestrian circulation.

"Outdoor commercial recreation/entertainment use:" An outdoor facility, with or without seating for spectators, lighted or unlighted, and providing accommodations for a variety of individual, organized, or franchised sports. Such a facility may also provide other regular organized or franchised events, health and fitness club facilities, sports courts, playground, amphitheater, snack bar, restaurant, retail sales of related sports, health, or fitness items, and other support facilities. This classification includes miniature golf courses, golf driving ranges, agility courses, dog parks, or similar uses, unless separately defined herein.

"Parapet:" The portion of a wall that extends above the roof line.

* * *

"Variance:" A license, granted by the board of adjustment to deviate from certain limited provision of the city zoning ordinance.

"Video arcade or game room:" An establishment having video games, including virtual reality simulators, or six (6) or more coin-operated devices for the amusement of its patrons, but specifically excluding an adult arcade and gambling.

"View fence:" Decorative wrought iron fence panels with vertical pickets that present an opening of four (4) inches or less and are designed as an integral part of the wall.

* * *

28-91 The BLVD District.

* * *

- (e) Land uses. Land uses for each subdistrict shall comply with the land use matrix set forth below. Uses not listed as a permitted, permitted with conditions, or conditional use shall be prohibited from the applicable zoning district. In the event a particular use is not listed in this section and such use is not otherwise prohibited by law, the zoning administrator or designee shall determine whether such use is analogous to other listed uses; the determination shall be made pursuant to section 28-5 of this ordinance.

G = Gateway District

PA = Park Avenue District

N = Neighborhood District

V = Village District

R = Residential District

P = Promenade District

P = Permitted

C = Conditional use

PC = Permitted with conditions

A = Accessory

FF = First floor w/residential above

- = Not allowed

LAND USE	THE BLVD SUBDISTRICTS					
	G	V	PA	R	N	P
<u>* * *</u>						
College or university	P	P	P	-	-	P
Commercial sporting complexes	<u>PC</u>	-	<u>PC</u>	-	-	-
Concert facilities, outdoor	<u>PC</u>	-	<u>PC</u>	-	-	-
Consignment shops	P	P	P	FF	-	P
Convention centers and exhibition halls	<u>PC</u>	-	<u>PC</u>	-	-	-
<u>* * *</u>						
Dry cleaning and laundry establishment, pick-up and drop-off only	P	P	P	FF	-	-
<u>E-sports arena or gaming lounge</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>-</u>	<u>-</u>	<u>P</u>
Employment agencies excluding day labor	P	P	P	-	-	P
<u>* * *</u>						
Farming	PC	PC	PC	PC	PC	PC
<u>Food hall, or culinary marketplace</u>	<u>P</u>	<u>P</u>	<u>P</u>	<u>-</u>	<u>-</u>	<u>P</u>
Gas station (allowed only as an accessory use to a grocery store)	-	<u>PC</u>	-	-	-	<u>PC</u>
Grocery stores up to 36,000 square feet in floor area	P	P	P	FF	-	P
Grocery stores exceeding 36,000 square feet in floor area	-	<u>PC</u>	-	-	-	<u>PC</u>
<u>* * *</u>						
Nail salon	P	P	P	FF	-	P
Night club	PC	PC	PC	-	-	-
<u>Night club, rooftop</u>	<u>PC</u>	<u>PC</u>	<u>PC</u>	<u>-</u>	<u>-</u>	<u>-</u>
Outdoor dining, ancillary to a restaurant	A	A	A	A	-	A
<u>Outdoor commercial recreation/entertainment uses not otherwise listed</u>	<u>PC</u>	<u>-</u>	<u>PC</u>	<u>-</u>	<u>-</u>	<u>-</u>
Parking lot, surface	A	A	A	A	A	A
Parking structure	A	A	A	A	-	A
<u>* * *</u>						

- (f) Use-specific conditions. Land uses listed in the land use matrix above as permitted with conditions are permitted by right only if the conditions listed below for the individual uses are met. Land uses listed as conditional uses require planning commission approval of a conditional use permit in accordance with section 28-8 of this ordinance. Based on development plan review, staff may add additional conditions of approval deemed necessary to protect the health, safety and public welfare.

* * *

- (6) Gas stations are allowed in the Village and Promenade Subdistricts ~~subject to approval of a conditional use permit if and~~ only if the gas station is an accessory to a grocery use. A maximum of one (1) such gas

station shall be permitted ~~subject to CUP approval~~ in each subdistrict. Any such gas station must front onto Van Buren Street and may not front on Avondale Boulevard or Corporate Drive.

- (7) Grocery stores exceeding thirty-six thousand (36,000) square feet in floor area are allowed in the Village and Promenade subdistricts ~~subject to approval of a conditional use permit~~, provided they include at least two of the following components:

- (A) Indoor eateries.
- (B) Specialty beverage staff (such as a sommelier or cicerone) and/or a wine and/or craft beer bar.
- (C) Juice bar and/or coffee shop.
- (D) Specialty food counters, such as imported cheeses, a sushi bar, a salad bar, or similar products.

* * *

- (10) Night clubs and rooftop night clubs are allowed in Gateway, Village, and Park Avenue Subdistricts; provided, however, that (1) the exterior building wall of a night club shall not be located within one thousand three hundred twenty (1,320) feet of the exterior property lines of a public or private school, or church, (2) closing time for dance floors or other accessory uses to a night club shall coincide with the closing time for the night club and (3) with respect to the Gateway and Village Subdistricts only, exits and entrances to a night club shall not be located within three hundred (300) feet of a residence, excluding residences on upper floors above ground floor commercial.

* * *

- (17) Concert facilities, outdoor, and outdoor commercial recreation/entertainment uses, not otherwise listed, are allowed in the Gateway and Park Avenue Subdistricts, subject to the following:

- (A) Lighting shall comply with the outdoor recreational and other outdoor lighting standards in section 28-137 of this ordinance.
- (B) Music, live or recorded, may be played; however, no music or sound amplification systems shall be operated between the hours of 11:00 p.m. and 8:00 a.m.

* * *

- (i) Parking. Parking for each land use shall be provided by a combination of on-street parking, off-street surface parking and parking structures. The amount of required parking, parking dimensions, and other parking lot design requirements shall be governed by article 8 of this ordinance, except that:

* * *

- (2) On-street parking and/or city-owned and operated off-street surface parking lots and/or parking structures counted towards the required parking must be located within one thousand three hundred twenty (1,320) four hundred (400) feet of the use, measured from the exterior wall of the use to the closest perimeter of the on-street parking, surface parking, or parking structure.

* * *

ORDINANCE NO. 2042-1125

AN ORDINANCE OF THE COUNCIL OF THE CITY OF AVONDALE, ARIZONA, AMENDING THE CITY OF AVONDALE CITY CODE, CHAPTER 28 (ZONING ORDINANCE), ARTICLE 1 (ADMINISTRATION AND PROCEDURES), SECTION 28-15 (DEFINITIONS) RELATING TO USES PERMITTED IN THE BLVD DISTRICT.

WHEREAS, all due and proper notices of public hearings on this Ordinance held before the City of Avondale Planning and Zoning Commission (the “Commission”) and the Council of the City of Avondale (the “City Council”) were given in the time, form, substance and manner provided by ARIZ. REV. STAT. § 9-462.04; and

WHEREAS, the Commission held a public hearing regarding the subject matter of this Ordinance on October 15, 2025, after which the Commission recommended to the City Council that the amendment to the City of Avondale Zoning Ordinance (the “Zoning Ordinance”) contemplated by this Ordinance be approved; and

WHEREAS, the City Council held an additional public hearing on this Ordinance on November 17, 2025.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AVONDALE as follows:

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

SECTION 2. The Avondale City Code, Chapter 28 (Zoning Ordinance), Article 1 (Administration and Procedures), Section 28-15 (Definitions.), is hereby amended to read as follows:

28-15 Definitions.

...

“E-SPORTS ARENA OR GAMING LOUNGE:” AN ESTABLISHMENT DESIGNED FOR COMPETITIVE AND RECREATIONAL VIDEO GAMING, WITH OR WITHOUT SEATING FOR SPECTATORS, FOR THE AMUSEMENT OF ITS PATRONS, INCLUDING HOSTING TOURNAMENTS, COMPETITIONS, AND EVENTS.

...

“FOOD HALL, OR CULINARY MARKETPLACE:” AN ESTABLISHMENT WITH A VARIETY OF ARTISAN RESTAURANTS, FOOD VENDORS, COMMUNAL DINING AREA, AND SPECIALTY FOOD-ORIENTED RETAIL ITEMS, INCLUDING BUT NOT LIMITED TO FRESH PRODUCE, BUTCHER SHOPS, BAKED GOODS, AND PREPARED MEALS.

...

“NIGHT CLUB, ROOFTOP:” A PLACE OF ENTERTAINMENT LOCATED ON THE ROOFTOP OF A BUILDING, OPEN AT NIGHT, USUALLY SERVING FOOD, BEER, WINE, AND LIQUOR, AND PROVIDING MUSIC AND SPACE FOR DANCING.

...

“OUTDOOR COMMERCIAL RECREATION/ENTERTAINMENT USE:” AN OUTDOOR FACILITY, WITH OR WITHOUT SEATING FOR SPECTATORS, LIGHTED OR UNLIGHTED, AND PROVIDING ACCOMMODATIONS FOR A VARIETY OF INDIVIDUAL, ORGANIZED, OR FRANCHISED SPORTS. SUCH A FACILITY MAY ALSO PROVIDE OTHER REGULAR ORGANIZED OR FRANCHISED EVENTS, HEALTH AND FITNESS CLUB FACILITIES, SPORTS COURTS, PLAYGROUND, AMPHITHEATER, SNACK BAR, RESTAURANT, RETAIL SALES OF RELATED SPORTS, HEALTH, OR FITNESS ITEMS, AND OTHER SUPPORT FACILITIES. THIS CLASSIFICATION INCLUDES MINIATURE GOLF COURSES, GOLF DRIVING RANGES, AGILITY COURSES, DOG PARKS, OR SIMILAR USES, UNLESS SEPARATELY DEFINED HEREIN.

...

“Video arcade or game room:” An establishment having VIDEO GAMES, INCLUDING VIRTUAL REALITY SIMULATORS, OR six (6) or more coin-operated devices for the amusement of its patrons, but specifically excluding an adult arcade AND GAMBLING.

SECTION 3. The Avondale City Code, Chapter 28 (Zoning Ordinance), Article 5 (SPECIAL DISTRICTS; OVERLAYS), Section 28-91 (The BLVD District) is hereby amended to read as follows:

28-91 The BLVD District.

...

LAND USE	THE BLVD SUBDISTRICTS					
	G	V	PA	R	N	P
...						
Commercial sporting complexes	CP	-	CP	-	-	-
Concert facilities, outdoor	EPC	-	EPC	-	-	-
...						
Convention centers and exhibition halls	CP	-	CP	-	-	-
...						

E-SPORTS ARENA OR GAMING LOUNGE	P	P	P	-	-	P
...						
FOOD HALL, OR CULINARY MARKETPLACE	P	P	P	-	-	P
Gas station (allowed only as an accessory use to a grocery store)	-	€PC	-	-	-	€PC
...						
Grocery stores exceeding 36,000 square feet in floor area	-	€PC	-	-	-	€PC
...						
NIGHT CLUB, ROOFTOP	PC	PC	PC	-	-	-
...						
OUTDOOR COMMERCIAL RECREATION/ENTERTAINMENT USES NOT OTHERWISE LISTED	PC	-	PC	-	-	-
...						

...

...

- (6) Gas stations are allowed in the Village and Promenade Subdistricts ~~subject to approval of a conditional use permit if and only if~~ the gas station is an accessory to a grocery use. A maximum of one (1) such gas station shall be permitted ~~subject to CUP approval~~ in each subdistrict. Any such gas station must front onto Van Buren Street and may not front on Avondale Boulevard or Corporate Drive.

- (7) Grocery stores exceeding thirty-six thousand (36,000) square feet in floor area are allowed in the Village and Promenade subdistricts ~~subject to approval of a conditional use permit~~, provided they include ~~all~~ AT LEAST TWO of the following components:

...

- (10) Night clubs AND ROOFTOP NIGHT CLUBS are allowed in Gateway, Village, and Park Avenue Subdistricts; provided, however, that (1) the exterior building wall of a night club shall not be located within one thousand three hundred twenty (1,320) feet of the exterior property lines of a public or private school, or church, (2) closing time for dance floors or other accessory uses to a night club shall coincide with the closing time for the night club and (3) with respect to the Gateway and Village Subdistricts only, exits and entrances to a night club shall not be located within three hundred (300) feet of a residence, excluding residences on upper floors above ground floor commercial.

...

(17) CONCERT FACILITIES, OUTDOOR, AND OUTDOOR COMMERCIAL RECREATION/ENTERTAINMENT USES, NOT OTHERWISE LISTED, ARE ALLOWED IN THE GATEWAY AND PARK AVENUE SUBDISTRICTS, SUBJECT TO THE FOLLOWING:

(A) LIGHTING SHALL COMPLY WITH THE OUTDOOR RECREATIONAL AND OTHER OUTDOOR LIGHTING STANDARDS IN SECTION 28-137 OF THIS ORDINANCE,

(B) MUSIC, LIVE OR RECORDED, MAY BE PLAYED; HOWEVER, NO MUSIC OR SOUND AMPLIFICATION SYSTEMS SHALL BE OPERATED BETWEEN THE HOURS OF 11:00 P.M. AND 8:00 A.M.

...

...

(2) On-street parking and/or city-owned and operated off-street surface parking lots and/or parking structures counted towards the required parking must be located within ~~four hundred (400)~~ ONE THOUSAND THREE HUNDRED TWENTY (1,320) feet of the use, measured from the exterior wall of the use to the closest perimeter of the on-street parking, surface parking, or parking structure

SECTION 4. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason to be held 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 5. The Mayor, the City Manager, the City Clerk and the City Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this Ordinance.

[SIGNATURES ON FOLLOWING PAGE]

PASSED AND ADOPTED by the Council of the City of Avondale, Arizona,
November 17, 2025.

Mike Pineda, Mayor

ATTEST:

Marcella Sarmiento, City Clerk

APPROVED AS TO FORM:

Nicholle Harris, City Attorney

ITEM NUMBER: 5.e.

SUBJECT: Public Hearing - Resolution 1074-1125 — General Plan Text Amendment – Central Business District for Middle Housing — Application PL-25-0190

MEETING DATE: 11/17/2025

TO: Mayor and Council

FROM: Jodie Novak, Director of Development Services

THROUGH: Katie Gregory, Assistant City Manager, (623) 333-1015

REVIEWED: Ron Corbin, City Manager, (623) 333-1011

STRATEGIC PLAN:

This agenda item supports the following Avondale Strategic Outcome Area: **Economic Growth and Prosperity**

Avondale supports a thriving local economy by fostering and supporting business growth, job creation, and workforce development. The City advances economic development, attracts high-quality entertainment and full-service amenities, and promotes a variety of attainable housing opportunities that strengthen the City's vitality.

PURPOSE:

City Council will: a) hold a public hearing; b) adopt Resolution 1074-1125, amending the text of the City of Avondale General Plan 2030 to approve a City-initiated request for a text amendment designating the Gateway, Village, and Park Avenue Districts within The BLVD land use category as the Central Business District for Middle Housing and adding an overlay map of the Central Business District for Middle Housing to the Land Use Map, all as required by State law; and c) authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

BACKGROUND:

The Avondale General Plan 2030 was adopted by the City Council on April 2, 2012, and ratified by the qualified electors of the City of Avondale at a regular election on August 28, 2012. The General Plan was readopted by the City Council on May 2, 2022, and ratified by the qualified electors of the City of Avondale at a regular election on August 2, 2022. The City Council adopted the last major update on December 4, 2023.

SUMMARY OF REQUEST:

The purpose of the text amendment is to update The BLVD land use category to reflect recent changes in State law related to middle housing and provide the necessary references to a Central Business District. The proposed changes will benefit the community by improving the overall consistency and conformity of the General Plan 2030.

The proposed general plan text amendments respond to House Bill 2721, passed by the Arizona Legislature,

which allows a duplex, triplex, fourplex, or townhome (aka, middle housing) as a permitted use on:

1. a lot zoned for single-family residential use within one mile of the city's central business district; and
2. at least twenty percent (20%) of a new development of more than ten (10) contiguous acres zoned for single-family residential use.

Due to this obligation created by the State, the proposed General Plan text amendment would add the following text to The BLVD land use category: "The Gateway, Village, and Park Avenue Districts have been designated as Central Business District for Middle Housing, to comply with ARS § 9-462.13, as amended." Once the companion zoning ordinance text amendment (PL-25-0188) is adopted by the Council, any single-family residential property within a one-mile radius of Central Business District will be eligible for middle housing under State law. It is the staff's understanding that any private agreements, such as Covenants, Conditions, and Restrictions (CC&Rs), governing the use of single-family zoned property, would remain a private matter.

Designation of a Central Business District and related development regulations specified in House Bill 2721 must be adopted on or before January 1, 2026. If the City does not adopt a Central Business District by resolution and adopt the associated development regulations by ordinance, a severe penalty clause in ARS §9-462.13 will allow middle housing on all lots in the city zoned for single-family residential use without any limitations.

The proposed text for the Central Business District for Middle Housing is found in Exhibit A, along with a graphic depicting the boundaries in Exhibit B. Exhibit C presents the current General Plan Land Use Map, outlining the boundaries of The BLVD Specific Plan (The BSP) and the proposed Central Business District, derived from The BSP districts and designated specifically for Middle Housing purposes.

PUBLIC PARTICIPATON:

All required notifications for the Planning Commission and City Council public hearings were completed in accordance with notification requirements. Staff have not received any feedback on the proposed text amendment. At the time of writing this report, no comments related to the proposal were posted on the City's Avondale Connect digital forum.

PLANNING COMMISION ACTION:

On October 15, 2025, the Planning Commission held a public hearing on the General Plan and Zoning Code text amendment requests (Applications PL-25-0190 and PL-25-0188). No discussion took place during the hearing and there were no public comments. The Commission unanimously voted (6–0) to recommend approval to the City Council.

ANALYSIS:

To approve a General Plan text amendment, four (4) findings must be made for all changes to the General Plan 2030

1. The development pattern contained on the Land Use Plan inadequately provides sufficient sites for the use or change proposed in the amendment.

While no Land Use Plan changes are proposed with the text amendment, the Avondale General Plan 2030 does lack any reference to or designation of a central business district, which is defined in ARS § 9-462.13 (middle housing) as an area or series of areas designated by resolution of the City Council that are primarily nonindustrial and that attract community activity.

The BLVD land use category best fits the concept, as it is a unique, iconic, and pedestrian-friendly destination within the core of Avondale and is considered the "heart" of the Avondale community. The BLVD location provides an opportunity to incorporate varied housing options in an area with existing single-family residential home subdivisions. The required one-mile radius from the Central Business District described in ARS § 9-462.13 (middle housing) includes an employment/industrial area, a regional commercial corridor, a freeway, a live/work/play mixed-use development area, the City's Civic Center, and existing single-family residential subdivisions. There are properties zoned for single-family residential use yet to be developed, providing opportunities for new housing options to meet the middle housing requirements.

To comply with ARS § 9-462.13 (middle housing), three predominantly non-residential areas of The BLVD are proposed as the Central Business District for middle housing, specifically the Gateway, Village, and Park Avenue Districts within The BLVD land use category, as shown on Exhibit B.

2. The amendment constitutes an overall improvement to the 2030 Plan and is not solely for the good or benefit of a particular landowner or owners.

Adding a Central Business District designation to The BLVD land use category supports implementation of The BLVD Specific Area Plan and furthers the establishment of The BLVD as an employment center and vibrant commercial destination.

3. The amendment will not adversely impact the community as a whole or a portion of the community by: (a) significantly altering the acceptable land use patterns; (b) requiring larger and more expensive public infrastructure improvements including, but not limited to, roads, water and wastewater, and public safety facilities than would otherwise be needed without the proposed change; and (c) adversely impacting the existing land uses; or

The proposed General Plan text amendments are not anticipated to result in adverse impacts on the community. Future middle housing would be established under generally the same development standards as single-family dwellings within the same zoning district, with some exceptions to parking and floor area ratio. The proposed text amendments address the overall conformity of the General Plan with State law.

On or before January 1, 2026, the City is obligated to create a central business district in accordance with State law. If the City does not adopt a central business district by resolution and adopt the associated development regulations by ordinance, middle housing shall be allowed on all lots in the city zoned for single-family residential use without any limitations.

4. That the amendment is consistent with the overall intent of the General Plan 2030 and other adopted plans, codes, and ordinances.

Creation of a Central Business District for middle housing, as proposed, is consistent with the following goals and policies of the General Plan 2030:

Housing Element

Goal 2: "Champion the development of housing types not currently available in the City to allow for a variety of socio-economic levels."

Policy B: "Encourage the development of condominiums and townhomes which appeal to people seeking to own their residence, but who may not want maintenance responsibilities."

Policy F: "Encourage new housing construction to include a portion intended for workforce housing."

Urban Design Element

Goal 2: "Establish a positive and distinctive city image and identity by developing and improving focal points, gateways, specific areas, and major corridors."

Goal 3: "Foster the idea of distinguishable urban neighborhoods and districts within Avondale."

Policy D: "Create activity centers that encourage people to gather and interact."

Policy E: "Support the advancement of development at The BLVD."

Goal 5: "Maximize housing opportunities in locations within a half-mile of transit, with good access to employment areas, neighborhood services, and public facilities in order to promote a healthy community both sustainably and economically."

Policy D: "Facilitate the development of housing close to jobs to provide residents with the opportunity to live and work in the same community."

DISCUSSION:

Staff recommend approval of the request for the following reasons:

- The proposed text amendment meets the required findings for a General Plan text amendment per the Avondale General Plan 2030.
- The proposed text amendment will ensure consistency with State law.

- The proposed text amendment furthers the establishment of The BLVD as an activity center and a vibrant commercial destination.
- The proposed text amendment facilitates the development of middle housing close to jobs and commercial areas.
- The proposed text amendment is deemed necessary to best serve the public health, safety, and general welfare of the city.

BUDGET IMPACT:

No budget impacts.

RECOMMENDATION:

Staff recommends City Council: a) hold a public hearing; b) adopt Resolution 1074-1125, amending the text of the City of Avondale General Plan 2030 to approve a City-initiated request for a text amendment designating the Gateway, Village, and Park Avenue Districts within The BLVD land use category as the Central Business District for Middle Housing and adding an overlay map of the Central Business District for Middle Housing to the Land Use Map, all as required by State law; and c) authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

Contact person for document distribution: Monika Smriti

Commercial (Economic Vitality)

The commercial land-use categories accommodate the full range of the service industry including retail, entertainment, and medical uses allowing for varying and intensity of uses. The commercial uses are generally characterized by master planned centers, infill parcel development, and regional level destination development along the freeway, intersections of major roadways and the City's major corridors.

► Sports and Entertainment

The Sports and Entertainment district provides for regional level sports and entertainment. Land uses include large-scale developments, such as the Phoenix Raceway and its associated uses, public gardens and plazas, resort, office, and retail establishments, recreational vehicle parking and showrooms, museums, parking garages, indoor and outdoor venues including opportunities for motorsports events, and residential living as urban style housing, casitas, and timeshares, or estate housing that accommodates garages and storage for racing vehicles.

► The BLVD

Land use category to accommodate the more intense use of the I-10 Freeway and Avondale Boulevard. This category is planned as a pedestrian-oriented district with tree-lined streets, shops on the ground floor, and small plazas and parks. Land uses include the Neighborhood District, Gateway District, Village District, Park Avenue District, Promenade District, and Residential District further defined in the BLVD Specific Plan.

The Gateway, Village and Park Avenue Districts have been designated as the Central Business District for Middle Housing, to comply with ARS § 9-462.13, as amended.

► Freeway Commercial

Land use category to accommodate the more intense uses of the I-10 Freeway, Loop 101, SR 30, and other future parkway corridors. Freeway commercial development patterns will provide concentrated retail, hospitality, and related activity along these corridors. This category allows for a broad range of non-residential uses and development flexibility by promoting community-wide and regional retail, medical, office, higher educational complexes, hospitality, sports and family entertainment, commercial complexes, and service destinations to a larger trade area. It offers amenities such as attractive streetscapes, pedestrian activity connections, and efficient circulation.

► Urban Commercial

Land-use category to accommodate compact commercial centers consisting of retail, restaurant, office, hotel, farmers market, community garden, and personal services. Residential units may be built on upper floors within this designation if commercial uses are built on the ground floor as part of the same development project. The desired form of development is 4+ story buildings served by structured parking.

► Local Commercial

Land use category that is used primarily for providing daily needs of goods and services to the residents residing within the surrounding area. The types of uses allowed in this category specifically for local residents may include: grocery stores, gas stations, neighborhood/retail services, and office and medical uses serving consumers residing in adjacent residential areas, which promotes a walkable community. Preferred locations are major arterial intersections, although other locations may be deemed acceptable based on the merits of the project.

In addition, services that provide shopping and basic services for the immediate area (i.e. "neighborhood commercial") may be allowed in any land-use classification based upon the merits of the development proposal. Generally neighborhood commercial development would not be greater than five acres, and would require adequate buffering to protect surrounding land uses.

RESOLUTION NO. 1074-1125

A RESOLUTION OF THE COUNCIL OF THE CITY OF AVONDALE, ARIZONA, AMENDING THE CITY OF AVONDALE GENERAL PLAN 2030 BY APPROVING A MINOR TEXT AMENDMENT THAT ESTABLISHES A CENTRAL BUSINESS DISTRICT FOR MIDDLE HOUSING AND ADOPTING AN OVERLAY MAP SHOWING THE BOUNDARY OF THE CENTRAL BUSINESS DISTRICT FOR MIDDLE HOUSING.

WHEREAS, pursuant to ARIZ. REV. STAT. § 9-461.05(A), the City of Avondale General Plan 2030 (the “General Plan”) was adopted by the Mayor and Council of the City of Avondale (the “City Council”) on April 2, 2012, and ratified by the qualified electors of the City of Avondale (the “City”) at a regular election on August 28, 2012; and

WHEREAS, pursuant to ARIZ. REV. STAT. § 9-461.06(K), the General Plan was readopted by the City Council on May 2, 2022, and ratified by the qualified electors of the City at a regular election on August 2, 2022; and

WHEREAS, the General Plan establishes the authority and procedures for various amendments; and

WHEREAS, the City Council desires to adopt a minor text amendment establishing a Central Business District for Middle Housing and adopting an overlay map showing the boundary of the Central Business District for Middle Housing (the Minor Text Amendment”); and

WHEREAS, pursuant to ARIZ. REV. STAT. § 9-461.06 and the General Plan, the City has consulted with, advised and provided the opportunity for public comment on the Minor Text Amendment; and

WHEREAS, pursuant to ARIZ. REV. STAT. § 9-461.06 and the General Plan, the City Planning Commission (i) held a public hearing on the proposed Minor Text Amendment on October 15, 2025, and (ii) provided notice of such hearing by publication on September 24, 2025, after which public hearing the City Planning Commission recommended approval of the Minor Text Amendment; and

WHEREAS, pursuant to the General Plan, the City Council (i) held a public hearing on the proposed Minor Text Amendment on November 17, 2025, and (ii) provided notice of such hearing by publication on September 24, 2025; and

WHEREAS, the City Council finds and determines that (i) proper notice of the proposed amendment has been given in a manner required by ARIZ. REV. STAT. § 9-461, *et seq.*, and (ii) each of the required publications have been made.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF AVONDALE as follows:

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

SECTION 2. The City of Avondale General Plan 2030 is hereby amended to modify the description of The BLVD Land Use Category (p. 46) as follows:

Land use category to accommodate the more intense use of the I-10 Freeway and Avondale Boulevard. This category is planned as a pedestrian-oriented district with tree-lined streets, shops on the ground floor, and small plazas and parks. Land uses include the Neighborhood District, Gateway District, Village District, Park Avenue District, Promenade District, and Residential District further defined in the BLVD Specific Plan. THE GATEWAY, VILLAGE AND PARK AVENUE DISTRICTS HAVE BEEN DESIGNATED AS THE CENTRAL BUSINESS DISTRICT FOR MIDDLE HOUSING TO COMPLY WITH ARIZ. REV. STAT. §9-462.13 AS AMENDED.

SECTION 3. The City of Avondale General Plan 2030 is hereby amended to modify the Land Use Map (p.17) and insert an overlay for a Central Business for Middle Housing on the Land Use Map as shown in Exhibit A hereto.

SECTION 4. The Mayor, the City Manager, the City Clerk and the City Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this Resolution.

PASSED AND ADOPTED by the Council of the City of Avondale, Arizona, November 17, 2025.

Mike Pineda, Mayor

ATTEST:

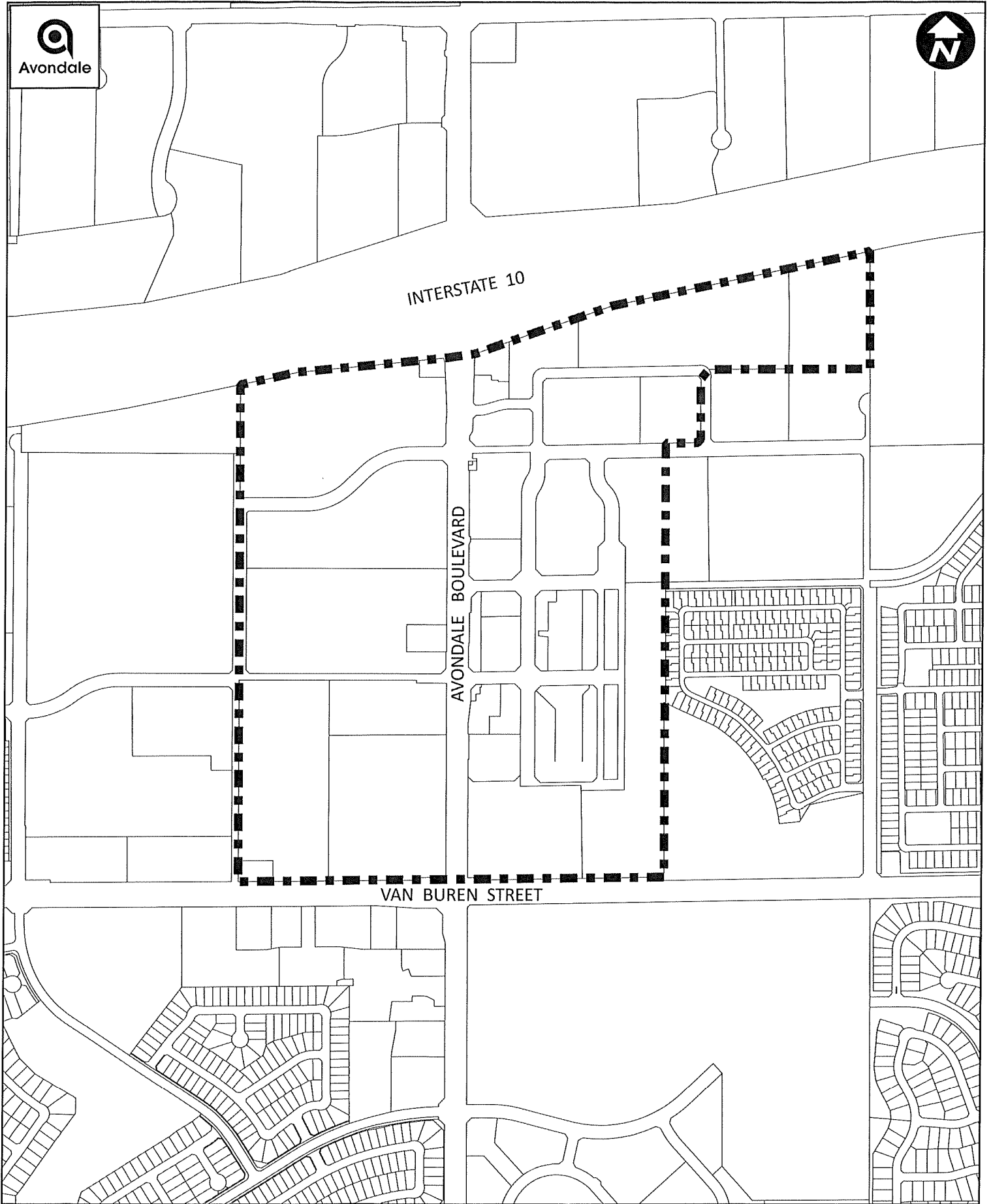
Marcella Sarmiento, City Clerk

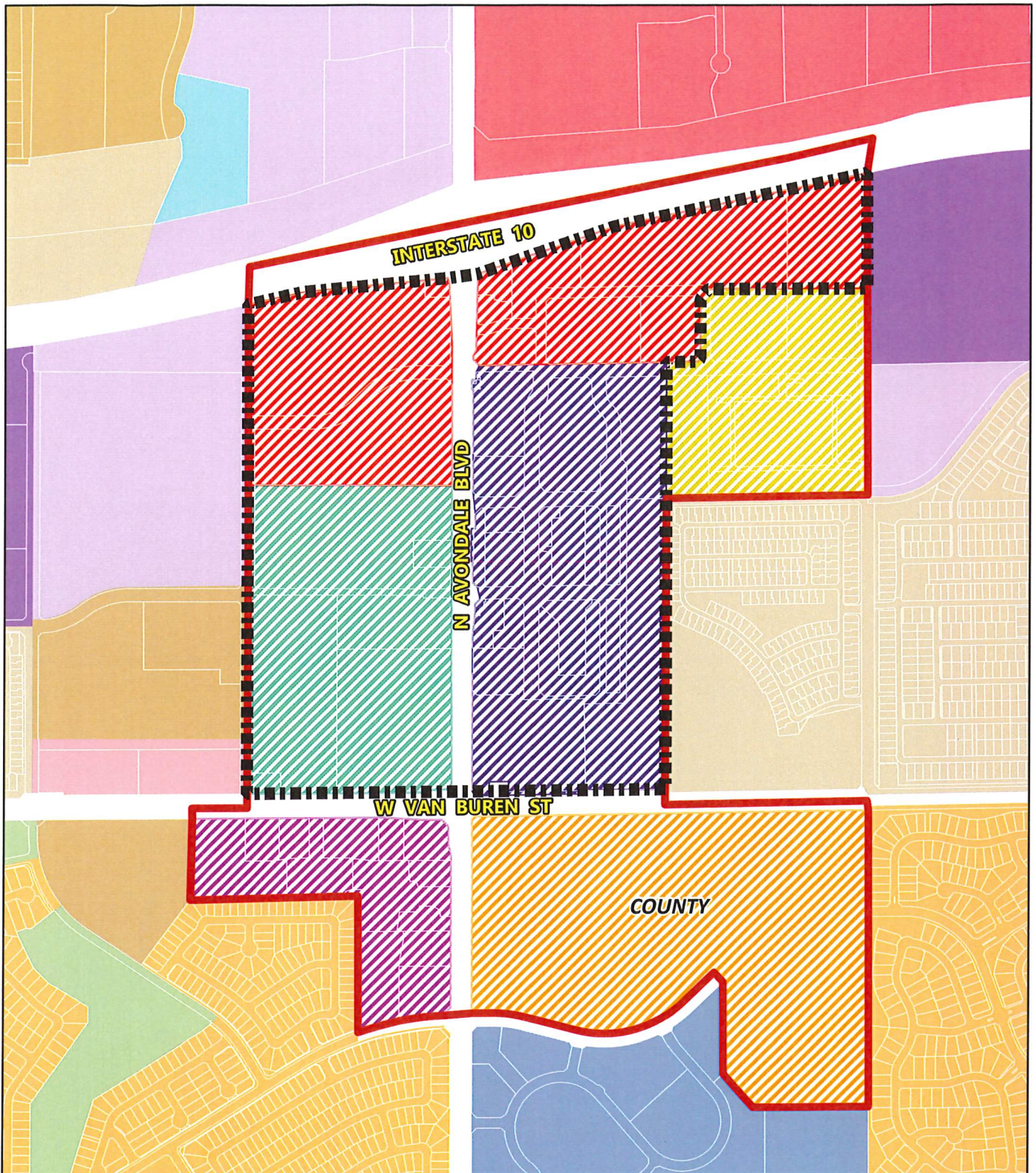
APPROVED AS TO FORM:

Nicholle Harris, City Attorney

EXHIBIT A
TO
RESOLUTION 1074-1125

(Land Use Map from the City of Avondale General Plan 2030
Showing the Central Business District For Middle Housing)





General Plan Land Use



- Gateway District
- Neighborhood District
- Park Avenue District
- Promenade District
- Residential District
- Village District

- Local Commercial
- Freeway Commercial
- Medium Density Residential
- Medium/High Density Residential
- High Density Residential

- Business Park
- Education
- Open Space and Parks
- Mixed Use
- Public/Civic



The BLVD Specific Area Plan

Map Prepared On: 8/27/2025

ITEM NUMBER: 5.f.

SUBJECT: Public Hearing and Ordinance 2043-1125 — Zoning Ordinance Text Amendments – Chapter 28, Article 1 (Administration and Procedures); NEW Article 14 (Middle Housing) — Application PL-25-0188

MEETING DATE: 11/17/2025

TO: Mayor and Council

FROM: Jodie Novak, Director of Development Services

THROUGH: Katie Gregory, Assistant City Manager, (623) 333-1015

REVIEWED: Ron Corbin, City Manager, (623) 333-1011

STRATEGIC PLAN:

This agenda item supports the following Avondale Strategic Outcome Area: **Economic Growth and Prosperity**

Avondale supports a thriving local economy by fostering and supporting business growth, job creation, and workforce development. The City advances economic development, attracts high-quality entertainment and full-service amenities, and promotes a variety of attainable housing opportunities that strengthen the City's vitality.

PURPOSE:

City Council will hold a public hearing and consider a request to adopt Ordinance 2043-1125, approving city-initiated text amendments to the Zoning Ordinance, and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The amendments will allow for continued refinement of the Zoning Ordinance to reflect recent changes in State law related to middle housing, provide for cross-references, and address the overall accuracy and usability of the Zoning Ordinance. The Council will take appropriate action.

BACKGROUND:

The Avondale Zoning Ordinance was first adopted in 1951 and has been updated numerous times. The last update occurred in November 2024.

SUMMARY OF REQUEST:

The purpose of the text amendment is to update sections of the Zoning Ordinance to reflect recent changes in State law related to middle housing and provide cross-references. The proposed changes will benefit the community by improving the overall consistency and usability of the Zoning Ordinance.

The proposed zoning code amendments respond to House Bill 2721, passed by the Arizona Legislature, which allows a duplex, triplex, fourplex, or townhome as a permitted use on:

1. a lot zoned for single-family residential use within one mile of the city's central business district; and
2. at least twenty percent (20%) of a new development of more than ten (10) contiguous acres zoned for single-family residential use.

On or before January 1, 2026, the City is obligated to create development regulations in accordance with State law. If the City does not adopt these development regulations by ordinance, a severe penalty clause in ARS §9-462.13 will allow middle housing on all lots in the city zoned for single-family residential use without any limitations. It is the staff's understanding that any private agreements, such as Covenants, Conditions, and Restrictions (CC&Rs), governing the use of single-family zoned property, would remain a private matter.

The following is a summary of the proposed amendments to the Zoning Ordinance referenced by section number. The proposed text for each of these sections is found in Exhibit A. Please refer to Exhibit B for the Central Business District for Middle Housing (CBD) boundary and Exhibit C shows the one-mile radius from the CBD for Middle Housing.

Section 28-15 Definitions.

Add definitions of the following terms: "central business district for middle housing", "building code", "dwelling, fourplex", "middle housing", "utility provider", and "urban services".

Revise the definition of "dwelling, duplex", "dwelling, triplex", and "townhouse/townhome".

NEW Article 14 Middle Housing to Chapter 28 Zoning Ordinance.

Add a new Article to the zoning ordinance specific to middle housing to comply with the state requirements.

NEW Section 28-321 Purpose.

Add a new Section to explain conformance with A.R.S. § 9-462.13 for municipalities with populations of 75,000 or more persons.

NEW Section 28-322 Eligibility for middle housing as a permitted use.

Add a new Section to detail which lots (zoned for single-family residential use) are eligible or non-eligible for a duplex, triplex, fourplex, or townhome (aka, middle housing).

Clarify that a planned area development (PAD) zoned parcel, where a single-family residential use is permitted and meets the requirements of subsections (1) or (2) shall be deemed a single-family residential use for purposes of this Article.

NEW Section 28-323 Development Standards.

Add a new Section to explain the development standards that apply to middle housing projects. Except for parking and floor area ratio, middle housing shall be subject to the same requirements that apply to a single-family dwelling within the same zoning district.

NEW Section 28-324 Design Standards.

Add a new Section to specify the design standards that apply to middle housing projects. The Single-Family Residential Design Manual adopted by the city council and maintained by the zoning administrator or designee shall serve as a framework for site and architectural design of middle housing in all districts.

PUBLIC PARTICIPATION:

All required notifications for the Planning Commission and City Council public hearings were completed in accordance with notification requirements. Staff have not received any feedback on the proposed text amendment. At the time of writing this report, no comments related to the proposal were posted on the City's Avondale Connect digital forum.

PLANNING COMMISSION ACTION:

On October 15, 2025, the Planning Commission held a public hearing on the General Plan and Zoning Code text amendment requests (Applications PL-25-0190 and PL-25-0188). No discussion took place during the hearing and there were no public comments. The Commission unanimously voted (6-0) to recommend approval to the City Council.

ANALYSIS:

The proposed zoning ordinance text amendments are not anticipated to result in any adverse impacts on the community. Future middle housing would be established under generally the same development standards as single-family dwellings within the same zoning district, with some exceptions to parking and floor area ratio. The proposed text amendments address the overall conformity of the General Plan 2030 with State law.

The amendments will allow for continued refinement of the Zoning Ordinance to be consistent with State law, reflect changes in policies and procedures, and address the overall accuracy and usability of the Zoning Ordinance.

DISCUSSION:

Staff recommends approval of the request for the following reasons:

- The proposed text amendment will ensure consistency with State law.
- The proposed text amendment will improve usability of the code and enhance customer service.
- The proposed text amendment facilitates the development of middle housing close to jobs and commercial areas.
- The proposed text amendment is deemed necessary to best serve the public health, safety, and general welfare of the city.

BUDGET IMPACT:

No budget impacts.

RECOMMENDATION:

Staff Recommends City Council hold a public hearing and adopt Ordinance 2043-1124, Application PL-25-0188, Zoning Ordinance text amendments, and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents.

Contact person for document distribution: Monika Smriti

28-15 Definitions.

* * *

"Building, closed:" A structure completely enclosed by a roof and walls of approved construction.

"Building code:" A construction code adopted by the City; and includes a model building code, commercial code, plumbing and mechanical code, electrical code, energy conservation code, fire code, property maintenance code, neighborhood preservation code, anti-blight code or other similar code

"Building coverage:" That portion of a lot occupied by any building or structure, including those buildings or structures not intended for human occupancy, calculated by dividing the total building ground floor area by the net site area. Open carports within parking lots in multi-family, commercial, and employment districts shall not count toward the building coverage calculation.

* * *

"Carwash, self-service:" A facility for cleaning the exterior and interior of motor vehicles. Self-service means that the owner/operator either uses equipment such as a wash wand to wash the vehicle manually or remains in the vehicle while automated equipment in a tunnel design washes the exterior of the vehicle. In both types of self-service, the owner/operator of the vehicle cleans the interior of the vehicle and no employees of the facility touch the vehicle except potentially to pre-scrub the exterior prior to its entering the wash tunnel.

"Central business district for middle housing:" An area or series of areas designated by resolution of the City Council that are primarily nonindustrial and that attract community activity.

"Child care:" The care, supervision and guidance of children, unaccompanied by the parent, guardian or custodian, on a regular basis for less than twenty-four (24) hours per day, in a place other than the child's own home.

* * *

"Dwelling or dwelling unit:" A residential living unit that provides complete independent living facilities for one or more persons. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation and a separate entrance. It does not include convalescent homes, hospices, assisted living facilities, hospitals, hotels, and other accommodations for the transient public.

"Dwelling, attached:" Single-family dwellings attached in groups of two (2) or more by common vertical walls.

"Dwelling, detached:" A single-family dwelling that is not attached to any other dwelling by any means.

"Dwelling, duplex:" ~~A building containing two (2) single-family dwelling units on the same parcel or lot in attached, detached, or semi-detached arrangements totally separated from each other by an unpierced wall extending from the ground to the roof.~~ Duplexes are designed for residential occupancy by not more than two (2) households living independently from each other.

"Dwelling, fourplex:" Four (4) dwelling units on the same parcel or lot in attached, detached, or semi-detached arrangements that are designed for residential occupancy by not more than four (4) households living independently from each other.

"Dwelling, multi-family:" A building containing four (4) or more dwelling units.

"Dwelling, restricted-affordable:" A dwelling unit that, either through a deed restriction or a development agreement with the City of Avondale, shall be rented to households earning up to eighty (80) percent of area median income.

"Dwelling, single-family:" A building containing one (1) single-family dwelling unit.

"Dwelling, triplex:" ~~A building containing~~ Three (3) dwelling units on the same parcel or lot in attached, detached, or semi-detached arrangements that are designed for residential occupancy by not more than three (3) households living independently from each other.

"Dwelling unit, accessory:" A self-contained residential living unit that is on the same lot or parcel as a single-family dwelling of greater square footage than the accessory dwelling unit. It shall include permanent provisions for living, sleeping, eating, cooking, and sanitation and a separate entrance.

* * *

"Medical marijuana dispensary:" A nonprofit medical marijuana dispensary (as defined in Ariz. Rev. Stat. § 36-2801, as amended) duly registered and certified pursuant to Ariz. Rev. Stat. § 36-2804, as amended.

"Middle housing:" For the purposes of Article 14, buildings that are compatible in scale, form, and character with single-family houses and that contain two or more attached, detached, stacked, or clustered homes, and include duplexes, triplexes, fourplexes, and townhomes.

"Medical office:" A room or group of rooms used exclusively by physicians, dentists or similar personnel for the treatment and examination of patients solely on an outpatient basis.

* * *

"Thrift store:" A retail store that specializes in the sale of previously owned and/or used goods and merchandise that has been donated. Thrift stores are distinct from consignment shops, pawn shops and non-consignment secondhand retail stores.

"Townhouse/townhome:" A single-family dwelling unit, with a ~~separate outdoorprivate ground floor~~ entrance and private yard of at least one hundred (100) square feet, that is part of a structure whose dwelling units are constructed in a row of two or more units, sharing at least one common wall with an adjacent unit attached horizontally in a linear arrangement, and having a totally exposed front and rear wall to be used for access, light and ventilation.

"Trailer:" Any towed vehicle that does not fall under the definitions of mobile home or recreational vehicle.

"Transmitting tower:" An unmanned structure that transmits or receives communications by electromagnetic or optical means, such as a radio antenna, television antenna, radar station, or microwave tower, but excluding Wireless Facilities.

* * *

"Turf:" Continuous plant coverage consisting of grass species that is mowed to maintain an established height.

"University:" An institution of higher learning providing facilities for teaching and research and authorized to grant academic degrees.

"Utility provider:" A public service corporation as defined under Arizona Revised Statutes (A.R.S.), an Agricultural and Power Improvement District, a telecommunications provider, and a cable communications provider.

"Use:" The conduct of an activity or the performance of a function or operation, on a site or in a building or facility.

"Urban agriculture:" The growing, washing, packaging, and storage of fruits, vegetables, and other plant products for wholesale or retail sales within close proximity to where a community of people lives.

"Urban development:" A form of development generally characterized by higher residential densities and integrated commercial and industrial land uses connected by multiple transportation modes, with a particular emphasis on pedestrians and transit users.

"Urban services:" The public infrastructure and municipal services required to support urban-level development, including but not limited to water, sanitary sewer, stormwater management, paved streets, solid waste collection, electricity, telecommunications, and access to police, fire, and emergency medical service.

"Urgent care center:" A facility dedicated to the delivery of immediate care or emergency medical services, usually on an unscheduled, walk-in basis, with no provision for continuing care on an inpatient basis.

* * *

28-318—28-320 Reserved.

Article 14 MIDDLE HOUSING

28-321 Purpose.

The purpose of this Article is to conform with A.R.S. § 9-462.13, which requires municipalities with populations of 75,000 or more persons to authorize the development of duplexes, triplexes, fourplexes, and townhomes as a permitted use no later than January 1, 2026, on both of the following: (a) lots zoned for single-family residential use within one mile of the municipality's central business district; and (b) at least twenty percent of any new development of more than ten contiguous acres.

The regulations in this Article are in addition to other codes and requirements of the City of Avondale. Unless specifically provided in this Article, all other provisions of Chapter 28 Zoning Ordinance shall govern development under this Article. Development permitted under this Article shall be considered consistent with the General Plan and any amendments thereto.

28-322 Eligibility for middle housing as a permitted use.

- (a) Eligibility. Subject to the requirements of this Article, a duplex, triplex, fourplex, or townhome is allowed as a permitted use on:
 - (1) a lot zoned for single-family residential use within one mile of Central Business District for Middle Housing (CBD); or
 - (2) at least twenty percent (20%) of a new development of more than ten (10) contiguous acres zoned for single-family residential use; or
 - (3) a planned area development (PAD) zoned parcel, where a single-family residential use is permitted, and meets the requirements of subsections (1) or (2) shall be deemed a single-family residential use for purposes of this Article.
- (b) Non-eligibility. The following areas are not eligible to construct a duplex, triplex, fourplex, or townhome as a permitted use as provided in this Article.
 - (1) areas that are not incorporated.
 - (2) areas that lack sufficient urban services at the discretion of the City Manager or their designee.
 - (3) areas that are not served by water and sewer services.
 - (4) areas that are not zoned for residential use.
 - (5) areas that are not incorporated and are zoned under an interim zoning designation that maintains the area's potential for planned urban development.
 - (6) areas covered under A.R.S. title 48, chapter 6, article 4 related to county improvement districts.
 - (7) any land within the territory in the vicinity of a public airport as defined in A.R.S. § 28-8486, or to the extent this section would interfere with the public airport's ability to comply with the laws, regulations, and requirements of the United States related to applying for, receiving, or spending federal monies.
 - (8) any land within the territory in the vicinity of a military airport as defined in A.R.S. § 28-8461.

28-323 Development standards and procedures.

The following development standards and procedures shall apply to all middle housing projects:

- (a) All new buildings and uses of land or substantial additions to or remodeling of existing buildings/uses shall be initiated by applying for a building permit, which shall include a site plan in accordance with Article 1 of Chapter 28 Zoning Ordinance, and subject to the following:
 - (1) Evidence satisfactory to the Director of Development Services that the proposed duplex, triplex, fourplex, or townhome is eligible as a permitted use in accordance with this Article;
 - (2) Evidence of sufficient urban services for the entire proposed development;
 - (3) Remodeling of an existing building is allowed, provided the building can be converted to meet the applicable middle housing standards;
 - (4) If the new development involves a land division into eligible lots, approval of a preliminary plat and design review for the housing product shall be required, prior to building permit application;
 - (5) Written approval from the City Engineer that there is adequate public sewer and water service for the entire proposed development; and
 - (6) Notwithstanding the provisions of this Article, the applicant will provide a utility provider, as defined by this Article and impacted by a development being developed pursuant to this Article, with the opportunity to review and approve the site plan for the development.
- (b) Location. Middle housing types shall only be constructed on a lot or parcel where a single-family dwelling is a permitted use or permitted with conditions use, and as specified under section 28-322 above.
- (c) Lot size. Middle housing shall be subject to the same minimum lot size requirements that apply to a single-family dwelling within the same zoning district.
- (d) Density. In no instance shall the number of dwelling units exceed four (4) per lot or parcel that complies with the minimum lot size.
- (e) Setbacks, lot width, and lot depth. Middle housing shall be subject to the same minimum setback, lot width, and lot depth requirements that apply to a single-family dwelling within the same zoning district.
- (e) Height. Middle housing shall be subject to the same maximum building height requirements that apply to a single-family dwelling within the same zoning district.
- (f) Building coverage and floor area ratio. Middle housing shall be subject to the same maximum building coverage requirements that apply to a single-family dwelling within the same zoning district. However, the floor area ratio may not be restricted to less than 50 percent (50%) because of building coverage requirements.
 - (1) For purposes of this section, floor area ratio means the ratio of allowed square footage in a middle housing project to the square footage of the parcel on which it is built.
- (g) Utility service. Middle housing shall require adequate provisions for electricity, water supply, and sewage disposal. The property owner shall be responsible for demonstrating adequate services and upgrading services if determined inadequate. Middle housing units are subject to all policies, procedures, permitting and fees, including impact fees for providing or upgrading utility services.
- (h) Solid waste service. Refer to Chapter 11, Solid Waste Code for information on residential garbage collection. Commercial service from an authorized solid waste collector and a trash enclosure may be required.
- (i) Parking. One (1) off-street parking space shall be required for each middle housing dwelling unit, with a minimum of two (2) of the spaces covered.

-
- (j) Landscaping. Middle housing shall provide landscaping in compliance with Article 12, Section 28-294(b)(2). The zoning administrator may authorize reduced landscaping quantities if easements or other special site conditions reduce the available planting area.
 - (k) Middle housing is subject to Article 2, Section 28-33(j) regarding home-based occupations.
 - (l) This Article does not supersede applicable building codes, fire codes, or public health and safety regulations, except that the city may not require middle housing to comply with a commercial building code or contain fire sprinklers.

28-324 Design standards.

- (a) The Single-Family Residential design manual adopted by the city council and maintained by the zoning administrator or designee shall serve as a framework for site and architectural design of middle housing in all districts.

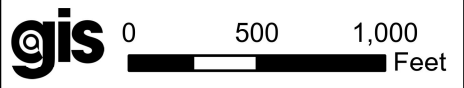
28-325—28-330 Reserved.



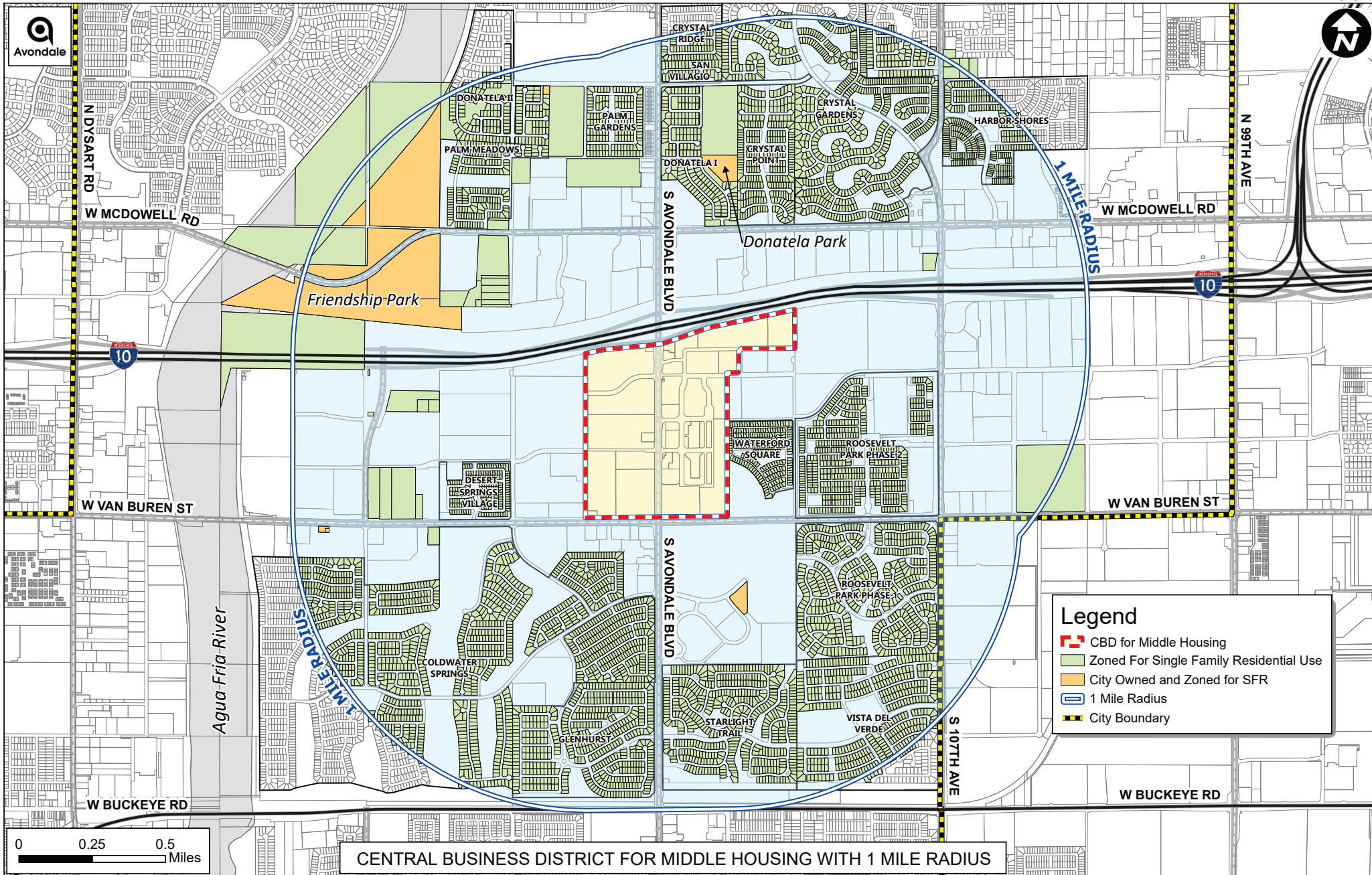
INTERSTATE 10

AVONDALE BOULEVARD

VAN BUREN STREET



CENTRAL BUSINESS DISTRICT FOR MIDDLE HOUSING



ORDINANCE NO. 2043-1125

AN ORDINANCE OF THE COUNCIL OF THE CITY OF AVONDALE, ARIZONA, AMENDING THE CITY OF AVONDALE CITY CODE, CHAPTER 28 (ZONING ORDINANCE), ARTICLE 1 (ADMINISTRATION AND PROCEDURES), SECTION 28-15 (DEFINITIONS), AND ADDING ARTICLE 14 (MIDDLE HOUSING), BOTH RELATING TO MIDDLE HOUSING.

WHEREAS, all due and proper notices of public hearings on this Ordinance held before the City of Avondale Planning and Zoning Commission (the “Commission”) and the Council of the City of Avondale (the “City Council”) were given in the time, form, substance and manner provided by ARIZ. REV. STAT. § 9-462.04; and

WHEREAS, the Commission held a public hearing regarding the subject matter of this Ordinance on October 15, 2025, after which the Commission recommended to the City Council that the amendment to the City of Avondale Zoning Ordinance (the “Zoning Ordinance”) contemplated by this Ordinance be approved; and

WHEREAS, the City Council held an additional public hearing on this Ordinance on November 17, 2025.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AVONDALE as follows:

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

SECTION 2. The Avondale City Code, Chapter 28 (Zoning Ordinance), Article 1 (Administration and Procedures), Section 28-15 (Definitions.), is hereby amended to read as follows:

28-15 Definitions.

...

“BUILDING CODE:” A CONSTRUCTION CODE ADOPTED BY THE CITY; AND INCLUDES A MODEL BUILDING CODE, COMMERCIAL CODE, PLUMBING AND MECHANICAL CODE, ELECTRICAL CODE, ENERGY CONSERVATION CODE, FIRE CODE, PROPERTY MAINTENANCE CODE, NEIGHBORHOOD PRESERVATION CODE, ANTI-BLIGHT CODE OR OTHER SIMILAR CODE.

...

“CENTRAL BUSINESS DISTRICT FOR MIDDLE HOUSING:” AN AREA OR SERIES OF AREAS DESIGNATED BY RESOLUTION OF THE CITY COUNCIL THAT ARE PRIMARILY NONINDUSTRIAL AND THAT ATTRACT COMMUNITY ACTIVITY.

...

“Dwelling, duplex:” ~~A building containing~~ Two (2) single-family dwelling units ~~totally separated from each other by an unpierced wall extending from the ground to the roof~~ ON THE SAME PARCEL OR LOT IN ATTACHED, DETACHED, OR SEMI-DETACHED ARRANGEMENTS. DUPLEXES ARE DESIGNED FOR RESIDENTIAL OCCUPANCY BY NOT MORE THAN TWO (2) HOUSEHOLDS LIVING INDEPENDENTLY FROM EACH OTHER.

“DWELLING, FOURPLEX:” FOUR (4) DWELLING UNITS ON THE SAME PARCEL OR LOT IN ATTACHED, DETACHED, OR SEMI-DETACHED ARRANGEMENTS THAT ARE DESIGNED FOR RESIDENTIAL OCCUPANCY BY NOT MORE THAN FOUR (4) HOUSEHOLDS LIVING INDEPENDENTLY FROM EACH OTHER.

...

“Dwelling, triplex:” ~~A building containing~~ Three (3) dwelling units. ON THE SAME PARCEL OR LOT IN ATTACHED, DETACHED, OR SEMI-DETACHED ARRANGEMENTS THAT ARE DESIGNED FOR RESIDENTIAL OCCUPANCY BY NOT MORE THAN THREE (3) HOUSEHOLDS LIVING INDEPENDENTLY FROM EACH OTHER.

...

“MIDDLE HOUSING:” FOR THE PURPOSES OF ARTICLE 14, BUILDINGS THAT ARE COMPATIBLE IN SCALE, FORM, AND CHARACTER WITH SINGLE-FAMILY HOUSES AND THAT CONTAIN TWO OR MORE ATTACHED, DETACHED, STACKED, OR CLUSTERED HOMES, AND INCLUDE DUPLEXES, TRIPLEXES, FOURPLEXES, AND TOWNHOMES.

...

“Townhouse/townhome:” A single-family dwelling unit, with a ~~private ground floor~~ SEPARATE OUTDOOR entrance and private yard of at least one hundred (100) square feet, that is part of a structure whose dwelling units are ~~attached horizontally in a linear arrangement~~ CONSTRUCTED IN A ROW OF TWO OR MORE UNITS, SHARING AT LEAST ONE COMMON WALL WITH AN ADJACENT UNIT, and having a totally exposed front and rear wall to be used for access, light and ventilation.

...

“UTILITY PROVIDER:” A PUBLIC SERVICE CORPORATION AS DEFINED UNDER ARIZONA REVISED STATUTES (A.R.S.), AN AGRICULTURAL AND POWER IMPROVEMENT DISTRICT, A TELECOMMUNICATIONS PROVIDER, AND A CABLE COMMUNICATIONS PROVIDER.

...

“URBAN SERVICES:” THE PUBLIC INFRASTRUCTURE AND MUNICIPAL SERVICES REQUIRED TO SUPPORT URBAN-LEVEL DEVELOPMENT, INCLUDING BUT NOT LIMITED TO WATER, SANITARY SEWER, STORMWATER MANAGEMENT, PAVED STREETS, SOLID WASTE COLLECTION, ELECTRICITY, TELECOMMUNICATIONS, AND ACCESS TO POLICE, FIRE, AND EMERGENCY MEDICAL SERVICE.

SECTION 3. The Avondale City Code, Chapter 28 (Zoning Ordinance), is hereby amended to add a new Article 14 (Middle Housing) as follows:

ARTICLE 14 – MIDDLE HOUSING

28-321 PURPOSE.

THE PURPOSE OF THIS ARTICLE IS TO CONFORM WITH A.R.S. § 9-462.13, WHICH REQUIRES MUNICIPALITIES WITH POPULATIONS OF 75,000 OR MORE PERSONS TO AUTHORIZE THE DEVELOPMENT OF DUPLEXES, TRIPLEXES, FOURPLEXES, AND TOWNHOMES AS A PERMITTED USE NO LATER THAN JANUARY 1, 2026, ON BOTH OF THE FOLLOWING: (A) LOTS ZONED FOR SINGLE-FAMILY RESIDENTIAL USE WITHIN ONE MILE OF THE MUNICIPALITY'S CENTRAL BUSINESS DISTRICT; AND (B) AT LEAST TWENTY PERCENT OF ANY NEW DEVELOPMENT OF MORE THAN TEN CONTIGUOUS ACRES.

THE REGULATIONS IN THIS ARTICLE ARE IN ADDITION TO OTHER CODES AND REQUIREMENTS OF THE CITY OF AVONDALE. UNLESS SPECIFICALLY PROVIDED IN THIS ARTICLE, ALL OTHER PROVISIONS OF CHAPTER 28 ZONING ORDINANCE SHALL GOVERN DEVELOPMENT UNDER THIS ARTICLE. DEVELOPMENT PERMITTED UNDER THIS ARTICLE SHALL BE CONSIDERED CONSISTENT WITH THE GENERAL PLAN AND ANY AMENDMENTS THERETO.

28-322 ELIGIBILITY FOR MIDDLE HOUSING AS A PERMITTED USE.

- (A) ELIGIBILITY. SUBJECT TO THE REQUIREMENTS OF THIS ARTICLE, A DUPLEX, TRIPLEX, FOURPLEX, OR TOWNHOME IS ALLOWED AS A PERMITTED USE ON:
 - (1) A LOT ZONED FOR SINGLE-FAMILY RESIDENTIAL USE WITHIN ONE MILE OF CENTRAL BUSINESS DISTRICT FOR MIDDLE HOUSING (CBD); OR

- (2) AT LEAST TWENTY PERCENT (20%) OF A NEW DEVELOPMENT OF MORE THAN TEN (10) CONTIGUOUS ACRES ZONED FOR SINGLE-FAMILY RESIDENTIAL USE; OR
 - (3) A PLANNED AREA DEVELOPMENT (PAD) ZONED PARCEL, WHERE A SINGLE-FAMILY RESIDENTIAL USE IS PERMITTED, AND MEETS THE REQUIREMENTS OF SUBSECTIONS (1) OR (2) SHALL BE DEEMED A SINGLE-FAMILY RESIDENTIAL USE FOR PURPOSES OF THIS ARTICLE.
- (B) NON-ELIGIBILITY. THE FOLLOWING AREAS ARE NOT ELIGIBLE TO CONSTRUCT A DUPLEX, TRIPLEX, FOURPLEX, OR TOWNHOME AS A PERMITTED USE AS PROVIDED IN THIS ARTICLE.
- (1) AREAS THAT ARE NOT INCORPORATED.
 - (2) AREAS THAT LACK SUFFICIENT URBAN SERVICES AT THE DISCRETION OF THE CITY MANAGER OR THEIR DESIGNEE.
 - (3) AREAS THAT ARE NOT SERVED BY WATER AND SEWER SERVICES.
 - (4) AREAS THAT ARE NOT ZONED FOR RESIDENTIAL USE.
 - (5) AREAS THAT ARE NOT INCORPORATED AND ARE ZONED UNDER AN INTERIM ZONING DESIGNATION THAT MAINTAINS THE AREA'S POTENTIAL FOR PLANNED URBAN DEVELOPMENT.
 - (6) AREAS COVERED UNDER A.R.S. TITLE 48, CHAPTER 6, ARTICLE 4 RELATED TO COUNTY IMPROVEMENT DISTRICTS.
 - (7) ANY LAND WITHIN THE TERRITORY IN THE VICINITY OF A PUBLIC AIRPORT AS DEFINED IN A.R.S. § 28-8486, OR TO THE EXTENT THIS SECTION WOULD INTERFERE WITH THE PUBLIC AIRPORT'S ABILITY TO COMPLY WITH THE LAWS, REGULATIONS, AND REQUIREMENTS OF THE UNITED STATES RELATED TO APPLYING FOR, RECEIVING, OR SPENDING FEDERAL MONIES.
 - (8) ANY LAND WITHIN THE TERRITORY IN THE VICINITY OF A MILITARY AIRPORT AS DEFINED IN A.R.S. § 28-8461.

28-323 DEVELOPMENT STANDARDS AND PROCEDURES.

THE FOLLOWING DEVELOPMENT STANDARDS AND PROCEDURES SHALL APPLY TO ALL MIDDLE HOUSING PROJECTS:

- (A) ALL NEW BUILDINGS AND USES OF LAND OR SUBSTANTIAL ADDITIONS TO OR REMODELING OF EXISTING BUILDINGS/USES SHALL BE INITIATED BY APPLYING FOR A BUILDING PERMIT, WHICH SHALL INCLUDE A SITE PLAN IN ACCORDANCE WITH ARTICLE 1 OF CHAPTER 28 ZONING ORDINANCE, AND SUBJECT TO THE FOLLOWING:
- (1) EVIDENCE SATISFACTORY TO THE DIRECTOR OF DEVELOPMENT SERVICES THAT THE PROPOSED DUPLEX, TRIPLEX, FOURPLEX, OR TOWNHOME IS ELIGIBLE AS A PERMITTED USE IN ACCORDANCE WITH THIS ARTICLE;
 - (2) EVIDENCE OF SUFFICIENT URBAN SERVICES FOR THE ENTIRE PROPOSED DEVELOPMENT;
 - (3) REMODELING OF AN EXISTING BUILDING IS ALLOWED, PROVIDED THE BUILDING CAN BE CONVERTED TO MEET THE APPLICABLE MIDDLE HOUSING STANDARDS;
 - (4) IF THE NEW DEVELOPMENT INVOLVES A LAND DIVISION INTO ELIGIBLE LOTS, APPROVAL OF A PRELIMINARY PLAT AND DESIGN REVIEW FOR THE HOUSING PRODUCT SHALL BE REQUIRED, PRIOR TO BUILDING PERMIT APPLICATION;
 - (5) WRITTEN APPROVAL FROM THE CITY ENGINEER THAT THERE IS ADEQUATE PUBLIC SEWER AND WATER SERVICE FOR THE ENTIRE PROPOSED DEVELOPMENT; AND
 - (6) NOTWITHSTANDING THE PROVISIONS OF THIS ARTICLE, THE APPLICANT WILL PROVIDE A UTILITY PROVIDER, AS DEFINED BY THIS ARTICLE AND IMPACTED BY A DEVELOPMENT BEING DEVELOPED PURSUANT TO THIS ARTICLE, WITH THE OPPORTUNITY TO REVIEW AND APPROVE THE SITE PLAN FOR THE DEVELOPMENT.
- (B) LOCATION. MIDDLE HOUSING TYPES SHALL ONLY BE CONSTRUCTED ON A LOT OR PARCEL WHERE A SINGLE-FAMILY DWELLING IS A PERMITTED USE OR PERMITTED WITH CONDITIONS USE, AND AS SPECIFIED UNDER SECTION 28-322 ABOVE.
- (C) LOT SIZE. MIDDLE HOUSING SHALL BE SUBJECT TO THE SAME MINIMUM LOT SIZE REQUIREMENTS THAT APPLY TO A SINGLE-FAMILY DWELLING WITHIN THE SAME ZONING DISTRICT.
- (D) DENSITY. IN NO INSTANCE SHALL THE NUMBER OF DWELLING UNITS EXCEED FOUR (4) PER LOT OR PARCEL THAT COMPLIES WITH THE MINIMUM LOT SIZE.

- (E) SETBACKS, LOT WIDTH, AND LOT DEPTH. MIDDLE HOUSING SHALL BE SUBJECT TO THE SAME MINIMUM SETBACK, LOT WIDTH, AND LOT DEPTH REQUIREMENTS THAT APPLY TO A SINGLE-FAMILY DWELLING WITHIN THE SAME ZONING DISTRICT.
- (F) HEIGHT. MIDDLE HOUSING SHALL BE SUBJECT TO THE SAME MAXIMUM BUILDING HEIGHT REQUIREMENTS THAT APPLY TO A SINGLE-FAMILY DWELLING WITHIN THE SAME ZONING DISTRICT.
- (G) BUILDING COVERAGE AND FLOOR AREA RATIO. MIDDLE HOUSING SHALL BE SUBJECT TO THE SAME MAXIMUM BUILDING COVERAGE REQUIREMENTS THAT APPLY TO A SINGLE-FAMILY DWELLING WITHIN THE SAME ZONING DISTRICT. HOWEVER, THE FLOOR AREA RATIO MAY NOT BE RESTRICTED TO LESS THAN 50 PERCENT (50%) BECAUSE OF BUILDING COVERAGE REQUIREMENTS.
 - (1) FOR PURPOSES OF THIS SECTION, FLOOR AREA RATIO MEANS THE RATIO OF ALLOWED SQUARE FOOTAGE IN A MIDDLE HOUSING PROJECT TO THE SQUARE FOOTAGE OF THE PARCEL ON WHICH IT IS BUILT.
- (H) UTILITY SERVICE. MIDDLE HOUSING SHALL REQUIRE ADEQUATE PROVISIONS FOR ELECTRICITY, WATER SUPPLY, AND SEWAGE DISPOSAL. THE PROPERTY OWNER SHALL BE RESPONSIBLE FOR DEMONSTRATING ADEQUATE SERVICES AND UPGRADING SERVICES IF DETERMINED INADEQUATE. MIDDLE HOUSING UNITS ARE SUBJECT TO ALL POLICIES, PROCEDURES, PERMITTING AND FEES, INCLUDING IMPACT FEES FOR PROVIDING OR UPGRADING UTILITY SERVICES.
- (I) SOLID WASTE SERVICE. REFER TO CHAPTER 11, SOLID WASTE CODE FOR INFORMATION ON RESIDENTIAL GARBAGE COLLECTION. COMMERCIAL SERVICE FROM AN AUTHORIZED SOLID WASTE COLLECTOR AND A TRASH ENCLOSURE MAY BE REQUIRED.
- (J) PARKING. ONE (1) OFF-STREET PARKING SPACE SHALL BE REQUIRED FOR EACH MIDDLE HOUSING DWELLING UNIT, WITH A MINIMUM OF TWO (2) OF THE SPACES COVERED.
- (K) LANDSCAPING. MIDDLE HOUSING SHALL PROVIDE LANDSCAPING IN COMPLIANCE WITH ARTICLE 12, SECTION 28-294(B)(2). THE ZONING ADMINISTRATOR MAY AUTHORIZE REDUCED LANDSCAPING QUANTITIES IF EASEMENTS OR OTHER SPECIAL SITE CONDITIONS REDUCE THE AVAILABLE PLANTING AREA.
- (L) MIDDLE HOUSING IS SUBJECT TO ARTICLE 2, SECTION 28-33(J) REGARDING HOME-BASED OCCUPATIONS.

- (M) THIS ARTICLE DOES NOT SUPERSEDE APPLICABLE BUILDING CODES, FIRE CODES, OR PUBLIC HEALTH AND SAFETY REGULATIONS, EXCEPT THAT THE CITY MAY NOT REQUIRE MIDDLE HOUSING TO COMPLY WITH A COMMERCIAL BUILDING CODE OR CONTAIN FIRE SPRINKLERS.

28-324 DESIGN STANDARDS.

THE SINGLE-FAMILY RESIDENTIAL DESIGN MANUAL ADOPTED BY THE CITY COUNCIL AND MAINTAINED BY THE ZONING ADMINISTRATOR OR DESIGNEE SHALL SERVE AS A FRAMEWORK FOR SITE AND ARCHITECTURAL DESIGN OF MIDDLE HOUSING IN ALL DISTRICTS.

SECTION 4. If any section, subsection, sentence, clause, phrase or portion of this Ordinance is for any reason to be held 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 5. The Mayor, the City Manager, the City Clerk and the City Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this Ordinance.

PASSED AND ADOPTED by the Council of the City of Avondale, Arizona, November 17, 2025.

Mike Pineda, Mayor

ATTEST:

Marcella Sarmiento, City Clerk

APPROVED AS TO FORM:

Nicholle Harris, City Attorney