WHEN RECORDED RETURN TO:

City of Mesa Attn: Real Estate Department 20 East Main Street Mesa, Arizona 85201

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this "Agreement") is entered into the	day of
, 2021 (the "Effective Date"), by and between the CITY OF MESA, an A	Arizona
municipal corporation (the "City"), and LEHI LAND, LLC, an Arizona corporation	on (the
"Owner"). City and Owner are collectively referred to herein as the "Parties," or indiv	idually
as a "Party."	

RECITALS

- A. Owner owns the real property located in Maricopa County, Arizona (a portion of APN: 141-02-002E), consisting of approximately 12.53 +/- acres legally described and depicted in **Exhibit A** attached hereto, including all improvements located on and all rights and privileges appurtenant to the real property (collectively, the "**Property**").
- B. Owner acquired the Property from the City by being the highest bidder in an online auction for the sale of the Property and, following the auction, the City and Owner entered into that certain Purchase and Sale Agreement and Escrow Instructions dated on or about January 15, 2021 ("Purchase Agreement").
- C. The Purchase Agreement required, as an element of the City's conditions to close, that Owner enter into a development agreement with the City related to the Property that, at a minimum: (i) limits the development and use of the Property to Single Residence-43 (RS-43) zoning with a minimum of one (1) acre lots; (ii) provides that the City may abandon or transfer ownership to Owner of a certain City-owned well site on the Property; and (iii) as it relates to a future City well site on adjacent City owned property that, if the City does not obtain certain rights from the Arizona Department of Transportation ("ADOT"), including to provide for continuous access to the future well site and the construction and maintenance of well-site related facilities, then Owner must grant the City a public utilities facilities easement on the Property providing such rights to the City.
- D. The Parties (a) desire to enter into this Agreement for the purposes set forth in Recital B and for other agreed upon rights and obligations as set forth below, and (b) intend this document to be a "Development Agreement" within the meaning of A. R. S. § 9-500.05.

Well Site, as well as construction, operation, maintenance, repair and replacement of water transmission and distribution lines and other related facilities and infrastructure located on the ADOT property, then Owner must grant the City a public utilities facilities easement providing such rights to the City on the Property. The nature of the public utilities facilities easement, the form of easement grant and the exact description of all easement premises (the "Future Well Site Easement") shall be in the City's standard forms for such easements. The location of the Future Well Site Easement will be determined at the City's sole reasonable discretion, with input from Owner; however, the Parties acknowledge that the location of the Future Well Site Easement is anticipated by the City to be located on the Property as depicted in Exhibit D.

6. General Provisions.

- 6.1 <u>Recordation</u>. This Agreement shall be recorded in its entirety in the Official Records of Maricopa County, Arizona, not later than ten (10) days after its full execution by the Parties.
- 6.2 <u>Notices and Requests</u>. 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 or (C) given to a recognized and reputable overnight delivery service, to the address set forth below: sell

The City: City of Mesa

20 East Main Street, Suite 750

Mesa, Arizona 85211 Facsimile: 480-644-2175 Attn: City Manager

With copy to: Mesa City Attorney's Office

20 East Main Street, Suite 850

Mesa, Arizona 85211 Facsimile: 480-644-2498 Attn: City Attorney

Owner: Lehi Land, LLC

2036 N Gilbert Road, Ste. 2-402

Randy Hansen, Manager

480-244-2998

4rhansen@gmail.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 (3) business days after being placed in the U.S. Mail, properly addressed, with sufficient postage; or (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.

duly formed and legally valid existing entity under the laws of the State of Arizona with respect to Owner, or a municipal corporation within Arizona with respect to the City, and that the individuals executing this Agreement on behalf of their respective Party are authorized and empowered to bind the Party on whose behalf each such individual is signing.

- 6.7 <u>Assignment</u>. The provisions of this Agreement are binding upon and shall inure to the benefit and burden of the Parties, and all of their successors in interest and assigns.
- 6.8 No Joint Venture or Third-Party Beneficiaries. Nothing contained in this Agreement shall, create any partnership, joint venture or other arrangement between the Parties. No term or provision of this Agreement is intended to, or shall be for the benefit of any person, firm or entity not a Party hereto, and no such other person, firm, or entity shall have any right or cause of action hereunder.
- 6.9 <u>Waiver</u>. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver of any breach shall be construed as a waiver of any preceding or succeeding breach of the same, or any other covenant or condition of this Agreement. No waiver shall be effective unless it is in writing and is signed by the Party asserted to have granted such waiver
- 6.10 <u>Further Documents & Acts</u>. The Parties agree in good faith to execute such further or additional instruments and documents and to take such further acts as may be necessary or appropriate to fully carry out the intent and purpose of this Agreement.
- 6.11 <u>Fair Interpretation</u>. The Parties have been represented by counsel in the negotiation and drafting of this Agreement and this Agreement shall be construed according to the fair meaning of its language. The rule of construction that ambiguities shall be resolved against the Party who drafted a provision shall not be employed in interpreting this Agreement.
- 6.12 Time of the Essence; Computation of Time. In computing any period of time under this Agreement, the date of the act or event from which the designated period of time begins to run shall not be included. The last date of the period so completed shall be included unless it is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is not a Saturday, Sunday or legal holiday. The time for performance of any obligation or taking any action under this Agreement shall be deemed to expire at 5:00 p.m. (Phoenix, Arizona time) on the last day of the applicable time period provided herein.
- 6.13 Conflict of Interest. Pursuant to A.R.S. § 38-503 and A.R.S. § 38-511, no member, official or employee of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official or employee participate in any decision relating to this Agreement which affects his or her personal interest or the interest of any corporation, partnership or association in which he or she is, directly or indirectly, interested. This Agreement is subject to cancellation pursuant to the terms of A.R.S. § 38-511.
- 6.14 <u>Proposition 207 Waiver</u>. Owner hereby waives and releases the City from any and all claims under A.R.S. § 12-1134 et seq., including any right to compensation for

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first set forth above: "City" CITY OF MESA, ARIZONA, an Arizona municipal corporation ATTEST: Ву: __ City Clerk APPROVED AS TO FORM By: ______ City Attorney STATE OF ARIZONA) ss.) County of Maricopa The foregoing instrument was acknowledged before me this day of ___, 2021, by ______ the of the City of Mesa, an Arizona municipal corporation, who acknowledged that he/she signed the foregoing instrument on behalf of City. Notary Public My Commission Expires:

EXHIBIT A LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF MARICOPA, STATE OF ARIZONA. AND IS DESCRIBED AS FOLLOWS:

PARCEL NO. 2:

That portion of the following described property located in the Southeast quarter (SEJ4) of Section 30, Township 2 North, Range 6 East, Gila and Salt River Meridian, Maricopa County, Arizona;

(Parcel No. 2 of Instrument No. 89-241195, records of Maricopa County, Arizona)

That part of the Southeast quarter of Section 30, Township 2 North, Range 6 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona described as:

BEGINNING at the Southeast corner of said Section 30;

Thence South 89 degrees 50 minutes 28 seconds West along the South line of said Section 30 a distance of 2034.40 feet to a point;

Thence North 00 degrees 09 minutes 32 seconds West a distance of 135.00 feet to a point;

Thence North 52 degrees 15 minutes 28 seconds East a distance of 496.00 feet to a point;

Thence South 88 degrees 19 minutes 33 seconds East a distance of 1652.47 feet to a point on the East line of said Section 30;

Thence South 01 degrees 22 minutes 26 seconds West a distance of 384.80 feet to the POINT OF BEGINNING.

Except the property which lies South and East of the following described line given to the Arizona Department of Transportation in Document No. 2002-0640262::

LINE DESCRIPTION

Commencing at a 1/2 inch rebar 0.2 inches below natural ground, marking the South quarter corner of said Section 30, which bears South 89°47'38" West 2695.50 feet from a 1 inch iron pipe 0.5 feet below natural ground, marking the Southeast corner of said Section 30;

Thence along the South line of said Section 30, North 89°47'38" East 661.10 feet, to the POINT OF BEGINNING;

Thence North 0°12'22" West 65.00 feet;

Thence North 89°47'38" East 1151.62 feet;

Thence North 0°12'22" West 35.00 feet; Thence North 89°47'38" East 200.00 feet;

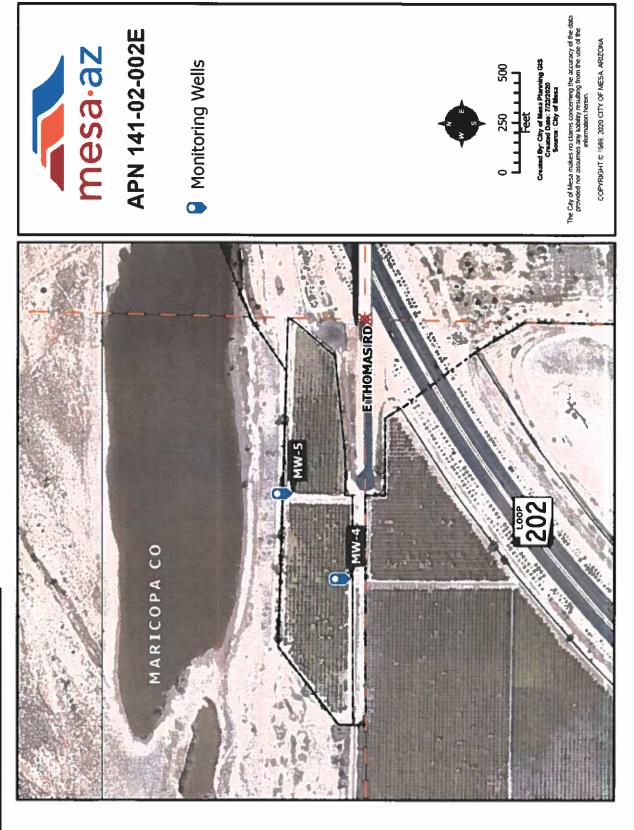
Thence North 84°09'33" East 502.00 feet;

Thence North 40°37'32" East 247.51 feet;

Thence North 33°09'43" East 57.59 feet to a point on the East line of said Section 30, said point being the POINT OF ENDING which bears North 1°19'40" East 384.80 feet from said Southeast corner of Section 30;

APN: 141-02-002E (portion of)

Exhibit B – Existing Monitoring Wells



THENCE LEAVING SAID NORTHERLY FREEWAY RIGHT OF WAY LINE, NORTH O1 DEGREES 32 MINUTES 10 SECONDS WEST, 245.65 FEET TO A POINT ON SAID NORTHERLY FREEWAY RIGHT OF WAY LINE;

THENCE ALONG SAID NORTHERLY FREEWAY RIGHT OF WAY LINE, SOUTH 88 DEGREES 22 MINUTES 14 SECONDS EAST, 229.00 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 32,233 SQUARE FEET OR 0.74 ACRES, MORE OR LESS.



Parcel Map Check Report

Parcel Name: WELL SITE

Process segment order counterclockwise: False

Enable mapcheck across chord: False

North:903,072.2126'

East:744,768.6757'

Segment# 1: Line

Course: S33°10'05"W

North: 903,023.9856'

Length: 57.614'

East: 744,737.1553'

Segment# 2: Line

Course: \$40°36'17"W

North: 902,836.2243'

Length: 247.309'

East: 744,576.1975'

Segment# 3: Line

Course: S84°09'04"W

North: 902,833.1671'

Length: 30.000'

East: 744,546.3536'

Segment# 4: Line

Course: N1°32'10"W

North: 903,078.7249'

Segment# 5: Line

Course: S88°22'14"E

North: 903,072.2132'

Perimeter: 809.570'

Error Closure: 0.0007

Error North: 0.00059

Length: 229.000'

Length: 245.646'

East: 744,539.7686'

East: 744,768.6760'

Area: 32,232.83Sq.Ft.

Course: N28°57'23"E

East: 0.00033

Precision 1: 1,156,527.143



THENCE CONTINUING ALONG SAID PARALLEL LINE, NORTH 89 DEGREES 47 MINUTES 48 SECONDS EAST, 219.01 FEET;

THENCE CONTINUING ALONG SAID PARALLEL LINE, NORTH 84 DEGREES 09 MINUTES 04 SECONDS EAST, 472.57 FEET TO A POINT ON THE WEST LINE OF A WELL SITE;

THENCE ALONG SAID WEST LINE, SOUTH 01 DEGREES 32 MINUTES 10 SECONDS EAST, 20.06 FEET TO A POINT ON SAID NORTHERLY FREEWAY RIGHT OF WAY LINE;

THENCE ALONG SAID NORTHERLY FREEWAY RIGHT OF WAY LINE, SOUTH 84 DEGREES 09 MINUTES 04 SECONDS WEST, 472.05 FEET TO AN ADOT RIGHT OF WAY MONUMENT;

THENCE ALONG SAID NORTHERLY FREEWAY RIGHT OF WAY LINE, SOUTH 89 DEGREES 47 MINUTES 48 SECONDS WEST, 200.00 FEET TO AN ADOT RIGHT OF WAY MONUMENT;

THENCE ALONG SAID NORTHERLY FREEWAY RIGHT OF WAY LINE, SOUTH 00 DEGREES 12 MINUTES 12 SECONDS EAST, 35.00 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 14,536 SQUARE FEET OR 0.334 ACRES, MORE OR LESS.



Parcel Map Check Report

Parcel Name: ACCESS EASEMENT

Process segment order counterclockwise: False

Enable mapcheck across chord: False

North:902,749.3533'

East:743,876.8838'

Segment# 1: Line

Course: \$89°47'48"W

North: 902,749.2823'

Length: 20.000'

East: 743,856.8839'

Segment# 2: Line

Course: N0°12'12"W

North: 902,804.2820'

Length: 55.000'

East: 743,856.6887'

Segment# 3: Line

Course: N89°47'48"E

North: 902,805.0592'

Length: 219.014'

East: 744,075.7013'

Segment# 4: Line

Course: N84°09'04"E

North: 902,853.2169'

Length: 472.574'

East: 744,545.8152'

Segment# 5: Line

Course: S1°32'10"E

North: 902,833,1672'

Length: 20.057'

East: 744,546.3528'

Segment# 6: Line

Course: S84°09'04"W

North: 902,785.0626'

Length: 472.052'

East: 744,076.75831

Segment# 7: Line

Course: S89°47'48"W

North: 902,784.3528'

Length: 200.000'

East: 743,876.7595'

Segment# 8: Line

Course: S0°12'12"E

North: 902,749.3531'

Length: 35.000'

East: 743,876.8837'

Perimeter: 1,493.697'

CI. 1,473.07/

Area: 14,536.40Sq.Ft.

Error Closure: 0.0002

Course: S5°10'05"W

East: -0.00002

Error North: -0.00022 Precision 1: 7,468,485.000