

RESOLUTION NO. 12286

A RESOLUTION OF THE COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA, MAKING FINDINGS REQUIRED BY A.R.S. § 9-500.11 (VERSION 2) FOR THE CITY TO ENTER INTO A DEVELOPMENT AND PRE-ANNEXATION DEVELOPMENT AGREEMENT RETAIL DEVELOPMENT TAX INCENTIVE AGREEMENT FOR THE DEVELOPMENT OF IMPROVEMENTS ON PROPERTY GENERALLY LOCATED ALONG SIGNAL BUTTE ROAD, NORTH OF PECOS ROAD AND SOUTH OF STATE ROUTE 24 FOR THE PROJECT KNOWN AS THE “GATEWAY AUTOMALL”.

WHEREAS, Horne Real Estate Investments LLC; Gateway Land Investments LLC; Signal Butte 20 DBJ, LLC; and Signal Butte 10, LLC (collectively, “Developer”) desire to construct certain improvements related to approximately 87 acres of developable land located along Signal Butte Road, north of Pecos Road and south of State Route 24, 58.6 +/- acres of which is located within the jurisdictional limits of Mesa, Arizona (as generally depicted on **Exhibit A-1**, hereinafter the “Project Property”), and 28.4 +/- acres of which is located in Maricopa County, AZ outside of the jurisdictional limits of Mesa, Arizona (as generally depicted on **Exhibit A-2**, hereinafter the “Additional Property”) for the project known as the Gateway Automall (“Project”).

WHEREAS, Developer intends to deliver a petition for annexation of the Additional Property to the City and, if such annexation meets all the legal requirements for an annexation and the annexation is consented to and approved by the City Council, then Developer desires to develop the Additional Property as a part of the Project.

WHEREAS, the Project is intended to be a high quality, master-planned, commercial development that is intended to include an auto mall consisting of up to six (6) to eight (8) new car dealerships and which may include used car dealerships and motorcycle dealerships; however, the operation and construction of only one (1) new car dealership is necessary as a part of the conditions precedent for the tax incentives described herein.

WHEREAS, as permitted by Arizona Revised Statutes (“A.R.S.”) § 9-500.05, the City desires to consider entering into a Development and Pre-Annexation Development Agreement for the Project with Developer.

WHEREAS, the Development and Pre-Annexation Development Agreement, if entered into by the City, meets the definition in A.R.S. § 9-500.11 (Version 2) entitled “Expenditures for economic development; requirements; definitions” (“A.R.S. § 9-500.11”), of a “retail development tax incentive agreement”.

WHEREAS, A.R.S. § 9-500.11, Subsections (D) and (E), require the City Council find, by at least a two-thirds vote and prior to entering into the Development and Pre-Annexation Development Agreement (if approved), that the tax incentive in the Development and Pre-Annexation Development Agreement is anticipated to raise more revenue than the amount of the incentive within the duration of the agreement and, that in the absence of a tax incentive, the Project would not locate in Mesa in the same time, place or manner.

WHEREAS, pursuant to A.R.S. § 9-500.11, Subsections (H) and (J), the report of an independent third party was provided to the City Council verifying that the proposed tax incentive in the Development and Pre-Annexation Development Agreement is anticipated to raise more revenue than the amount of the incentive within the duration of the agreement, and confirming that in the absence of a tax incentive, the Project would not locate in Mesa in the same time, place or manner; further Developer’s representative confirmed that the proposed auto mall would not occur in the same time, place, and manner in the absence of the tax incentive because of the needed infrastructure. The independent third-party’s analysis was paid for solely and exclusively by the City.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA, AS FOLLOWS:

Section 1: Those findings required by A.R.S. § 9-500.11, are hereby found and to be determined by the City Council; specifically, the City Council finds that the proposed tax incentive in the Development and Pre-Annexation Development Agreement is anticipated to raise more revenue than the amount of the incentive within the duration of the agreement and, that in the absence of the tax incentive, the Project would not locate in Mesa in the same time, place or manner.

PASSED AND ADOPTED by the Council of the City of Mesa, Maricopa County, Arizona this 21st day of October, 2024.

APPROVED:

Mayor

ATTEST:

City Clerk

EXHIBIT A-1
PROPERTY SITE

EXHIBIT "A1"
LEGAL DESCRIPTION

A PORTION OF LAND LYING WITHIN THE SOUTHEAST QUARTER OF SECTION 35, AND THE SOUTHWEST QUARTER OF SECTION 36, TOWNSHIP 1 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

PARCEL 1

BEGINNING AT AN ALUMINUM CAP AT THE EAST QUARTER CORNER OF SAID SECTION 35, FROM WHICH AN ALUMINUM CAP AT THE SOUTHEAST CORNER OF SAID SECTION 35 BEARS SOUTH 00°13'59" EAST (BASIS OF BEARINGS), 2651.97 FEET;

THENCE SOUTH 00°13'59" EAST, 1325.34 FEET ALONG THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 35;

THENCE DEPARTING SAID EAST LINE, SOUTH 89°46'01" WEST, 50.00 FEET TO A POINT ON THE WEST RIGHT-OF-WAY LINE OF SIGNAL BUTTE ROAD, AND THE **POINT OF BEGINNING**;

THENCE ALONG SAID WEST RIGHT-OF-WAY LINE, SOUTH 89°46'01" WEST, 1207.34 FEET;

THENCE SOUTH 89°46'01" WEST, 25.00 FEET;

THENCE SOUTH 00°13'59" EAST, 19.36 FEET;

THENCE SOUTH 45°09'14" WEST, 47.62 FEET;

THENCE SOUTH 00°32'28" WEST, 20.00 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF PECOS ROAD;

THENCE ALONG SAID NORTH RIGHT-OF-WAY LINE, NORTH 89°27'32" WEST, 321.86 FEET;

THENCE DEPARTING SAID NORTH RIGHT-OF-WAY LINE, NORTH 00°13'59" WEST, 515.05 FEET;

THENCE NORTH 89°27'32" WEST, 862.23 FEET TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF 222ND STREET;

THENCE ALONG SAID EAST RIGHT-OF-WAY LINE, NORTH 00°24'02" WEST, 765.01 FEET;

THENCE DEPARTING SAID EAST RIGHT-OF-WAY LINE, SOUTH 89°30'04" EAST, 1245.49 FEET TO THE **POINT OF BEGINNING**.

PARCEL 2

BEGINNING AT AN ALUMINUM CAP AT THE WEST QUARTER CORNER OF SAID SECTION 36, FROM WHICH AN ALUMINUM CAP AT THE SOUTHWEST CORNER OF SAID SECTION 36 BEARS SOUTH 00°13'59" EAST (BASIS OF BEARINGS), 2651.97 FEET;

THENCE SOUTH 00°13'59" EAST, 1326.58 FEET ALONG THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 36;

THENCE DEPARTING SAID WEST LINE, SOUTH 89°46'01" WEST, 50.00 FEET TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF SIGNAL BUTTE ROAD, AND THE **POINT OF BEGINNING**;

THENCE DEPARTING SAID EAST RIGHT-OF-WAY LINE, SOUTH 89°33'12" EAST, 1266.01 FEET;

THENCE SOUTH 00°23'04" EAST, 662.42 FEET;

THENCE NORTH 89°34'45" WEST, 329.44 FEET;

THENCE SOUTH 00°20'48" EAST, 607.56 FEET TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF PECOS ROAD;

THENCE ALONG SAID NORTH RIGHT-OF-WAY LINE, NORTH 89°36'17" WEST, 865.57 FEET;

THENCE NORTH 00°23'43" EAST, 20.00 FEET;

THENCE NORTH 89°36'17" WEST, 39.16 FEET;

THENCE NORTH 44°55'08" WEST, 28.44 FEET;

THENCE NORTH 00°13'59" WEST, 4.49 FEET;

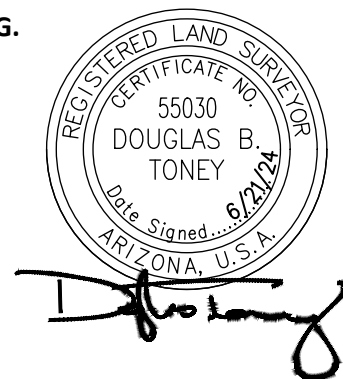
THENCE SOUTH 89°46'01" WEST, 10.00 FEET TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF SIGNAL BUTTE ROAD;

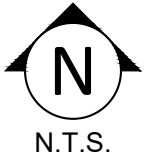
THENCE ALONG SAID EAST RIGHT-OF-WAY LINE, NORTH 00°13'59" WEST, 542.58 FEET;

THENCE SOUTH 89°46'01" WEST, 5.00 FEET;

THENCE NORTH 00°13'59" WEST, 684.03 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 2,550,876 SQUARE FEET OR 58.5001 ACRES, MORE OR LESS.





EAST QUARTER CORNER
SECTION 35, T1S, R7E
ALUMINUM CAP
POINT OF COMMENCEMENT

S89°46'01"W
50.00'

1325.34'

S89°30'04"E 1245.49'

POINT OF
BEGINNING

222ND STREET

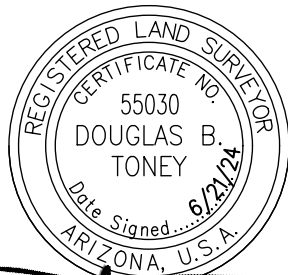
N00°24'02"W 765.01'

PARCEL 1

S00°13'59"E 1207.34'

1326.62'

N89°27'32"W 862.23'



N00°13'59"W 515.05'

S89°46'01"W
25.00'

S00°13'59"E
19.36'

S45°09'14"W
47.62'

S00°32'28"W
20.00'

SIGNAL BUTTE ROAD
(BASIS OF BEARINGS)

PECOS ROAD

N89°27'32"W 321.86'

SOUTHEAST CORNER
SECTION 35, T1S, R7E
ALUMINUM CAP

SHEET 3 OF 4
DATE:
6/21/24

EXHIBIT
A1

BY: TL CHK: DT QC:

BCG PROJECT NO: 050983-01 TASK: 001
CLIENT REF NO:

Bowman

1600 N Desert Drive, #210
Tempe, AZ 85281
Phone: (480) 629-8830
Fax: (480) 629-8841
www.bowman.com



WEST QUARTER CORNER
SECTION 36, T1S, R7E
ALUMINUM CAP
POINT OF COMMENCEMENT

1326.58'

N89°46'01"E
50.00'

S89°33'12"E 1266.01'

POINT OF
BEGINNING

SIGNAL BUTTE ROAD

N00°13'59"W 684.03'

S00°23'04"E 662.42'

PARCEL 2

S89°46'01"W
5.00'

1325.39'

N89°34'45"W 329.44'

S00°13'59"E 2651.97' (BASIS OF BEARINGS)

542.58'

N00°13'59"W

S89°46'01"W
10.00'

N00°13'59"W

4.49'

N44°55'08"W

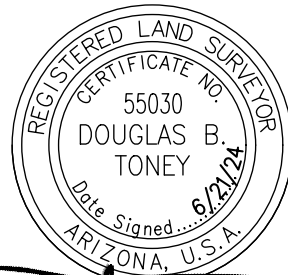
28.44'

N89°36'17"W

39.16'

N00°23'43"E

20.00'



S00°20'48"E 607.56'

N89°36'17"W 865.57'

PECOS ROAD

SOUTHWEST CORNER
SECTION 36, T1S, R7E
ALUMINUM CAP

SHEET 4 OF 4
DATE: 6/21/24

EXHIBIT
A1

BY: TL CHK: DT QC:
BCG PROJECT NO: 050983-01 TASK: 001
CLIENT REF NO:

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EXHIBIT A-2

ADDITIONAL PROPERTY

EXHIBIT "A2"
LEGAL DESCRIPTION

A PORTION OF LAND LYING WITHIN THE SOUTHEAST QUARTER OF SECTION 35, TOWNSHIP 1 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT AN ALUMINUM CAP AT THE EAST QUARTER CORNER OF SAID SECTION 35, FROM WHICH AN ALUMINUM CAP AT THE SOUTHEAST CORNER OF SAID SECTION 35 BEARS SOUTH 00°13'59" EAST (BASIS OF BEARINGS), 2651.97 FEET;

THENCE SOUTH 00°13'59" EAST, 1325.98 FEET TO THE SOUTHEAST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 35 ALONG THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 35;

THENCE DEPARTING SAID EAST LINE, NORTH 89°30'04" WEST, 50.00 FEET ALONG THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 35 TO THE WESTERLY RIGHT OF WAY LINE OF SIGNAL BUTTE ROAD AND THE **POINT OF BEGINNING**;

THENCE CONTINUING NORTH 89°30'04" WEST, 1245.49 FEET ALONG THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 35 TO A POINT THAT BEARS SOUTH 89°30'04" EAST, 30.00 FEET FROM THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 35;

THENCE NORTH 00°24'02" WEST, 935.72 FEET PARALLEL WITH AND 30.00 FEET EAST OF THE WEST LINE OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 35;

THENCE NORTH 89°35'58" EAST, 25.00 FEET;

THENCE NORTH 00°24'02" EAST, 111.35 FEET PARALLEL WITH AND 55.00 EAST OF THE WEST LINE OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 35 TO THE SOUTHERLY RIGHT OF WAY LINE OF STATE ROUTE 24 AS DESCRIBED IN ADOT PROJECT NUMBER 024 MA 001 H8915 PARCEL 7-12106;

THENCE SOUTH 86°16'24" EAST, 1139.76 FEET ALONG THE SAID SOUTHERLY RIGHT OF WAY LINE OF STATE ROUTE 24;

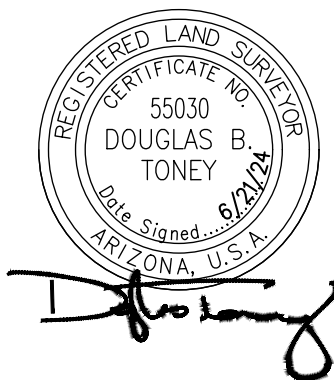
THENCE SOUTH 45°49'56" EAST, 71.73 FEET TO THE WESTERLY RIGHT OF WAY LINE OF SIGNAL BUTTE ROAD;

THENCE SOUTH 01°39'55" EAST, 701.39 FEET ALONG THE WESTERLY RIGHT OF WAY LINE OF SIGNAL BUTTE ROAD;

THENCE NORTH 89°46'01" EAST, 17.63 FEET ALONG THE WESTERLY RIGHT OF WAY LINE OF SIGNAL BUTTE ROAD;

THENCE SOUTH 00°13'59" EAST, 232.98 FEET ALONG THE WESTERLY RIGHT OF WAY LINE OF SIGNAL BUTTE ROAD AND PARALLEL WITH AND 50.00 FEET WEST OF THE EAST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 35 TO THE **POINT OF BEGINNING**.

CONTAINING 1,239,714 SQUARE FEET OR 28.4600 ACRES, MORE OR LESS.



CENTER SECTION CORNER
SECTION 35, T1S, R7E

EAST QUARTER CORNER
SECTION 35, T1S, R7E
ALUMINUM CAP
POINT OF COMMENCEMENT

S89°32'34"E
2658.72'

S.R. 24

S86°16'24"E
1139.76'

SIGNAL BUTTE ROAD

WEST LINE
NE 1/4, SE 1/4,
SECTION 35, T1S, R7E

LINE TABLE		
LINE #	LENGTH	DIRECTION
L1	50.00'	N89°30'04"W
L2	25.00'	N89°35'58"E
L3	111.35'	N00°24'02"W
L4	71.73'	S45°49'56"E
L5	17.63'	N89°46'01"E
L6	232.98'	S00°13'59"E

A.P.N. 304-36-003
AREA 1,239,714 SQ. FT.
OR 28.460 AC. +/-

701.39'
S01°39'55"E

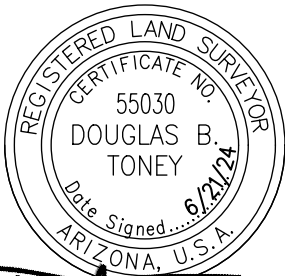
S00°13'59"E 2651.97'
(BASIS OF BEARINGS)

SOUTHWEST CORNER
NE 1/4, SE 1/4,
SECTION 35, T1S, R7E

SOUTHEAST CORNER
NE 1/4, SE 1/4,
SECTION 35, T1S, R7E

N89°30'04"W 1245.49'

POINT OF BEGINNING



SOUTHEAST CORNER
SECTION 35, T1S, R7E
ALUMINUM CAP

SHEET 3 OF 3
DATE:
6/21/24

EXHIBIT
A2

BY: TL	CHK: DT	QC:
BCG PROJECT NO: 50983-01 TASK: 001		
CLIENT REF NO:		

Bowman
CONSULTING

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