



Town of Chino Valley

MEETING NOTICE TOWN COUNCIL

**REGULAR MEETING
TUESDAY, AUGUST 24, 2021
6:00 P.M.**

**Council Chambers
202 N. State Route 89
Chino Valley, Arizona**

A majority of the Councilmembers may attend a private invocation in the Council Conference Room immediately prior to the Council meeting. No Town business will be discussed.

AGENDA

1. **CALL TO ORDER, PLEDGE OF ALLEGIANCE; ROLL CALL**
2. **INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS**
 - a. Presentation by Jack Berry, President of Sons of the American Revolution - Prescott Chapter, of a commendation medal/certificate to Officer Jeff Pizzi. (Chuck Wynn, Police Chief)
 - b. **p.5** Presentation of commendation awards by the Chino Valley Police Department to eight local kids for taking an active role in making their community a better place. (Officer Jeff Pizzi)
 - c. Presentation and recognition to Dave, Paula, Nathaniel, and Wyatt Pizinger for their volunteer hours at the 9/11 memorial site. (Mayor Miller and Vice-Mayor Perkins)
3. **CALL TO THE PUBLIC**

Call to the Public is an opportunity for the public to address the Council on any issue within the jurisdiction of the Council that is not on the agenda. Public comment is encouraged. Individuals are limited to speak for three (3) minutes. The total time for Call to the Public may be up to 30 minutes per meeting. Council action taken as a result of public comment will be limited to directing staff to study the matter, scheduling the matter for further consideration and decision at a later date, or responding to criticism. Individuals who wish to speak, please state your first and last name and if you reside in Chino Valley Town Limits.

4. **CURRENT EVENT SUMMARIES AND REPORTS**

This item is for information only. The Mayor, any Councilmember, or Town Manager may present a brief summary or report of current events. If listed below, there may also be a presentation on information requested by the Mayor and Council and questions may be answered. No action will be taken.

- a. Status reports by Mayor and Council regarding current events.
- b. Status report by Town Manager Cindy Blackmore regarding Town accomplishments, and current or upcoming projects.

5. **CONSENT AGENDA**

All those items listed below are considered to be routine and may be enacted by one motion. Any Councilmember may request to remove an item from the Consent Agenda to be considered and discussed separately.

- a. **p.7** Consideration and possible action to approve ORD 2021- 904 to rezone parcel 306-17-015A, applicants Craig and Cheryl Dillenbeck, in order to divide the property. (Will Dingee, Senior Planner)
- b. **p.21** Consideration and possible action to approve the proposed Groundwater Extinguishment Credits Purchase Agreement with Richard E. Peterson and Susan Peterson for 350.1 acre feet of extinguishment credits in the amount of \$84,024.00. (Frank Marbury, Public Works Director/Town Engineer)
- c. **p.27** Consideration and possible action to approve the Indigent Legal Services Agreement with Brian Pursell to provide legal defense services for indigent defendants in Chino Valley Municipal Court from July 1, 2021 to June 30, 2022, in the amount of \$15,000.00. (Ronda Apolinar, Court Administrator)
- d. **p.35** Consideration and possible action to award a Professional Services Agreement (PSA) for design and post design services for the Municipal Water System Improvement Project to Civiltec Engineering, Inc. in the amount of \$126,802.00. (Frank Marbury, Public Works Director/Town Engineer)
- e. **p.37** Consideration and possible action to approve the Ichor Airsoft lease for approximately 36.72 acres of land at Old Home Manor. (Maggie Tidaback, Economic Development Project Manager)
- f. **p.75** Consideration and possible action to approve the June 22, 2021, regular meeting minutes. (Erin N. Deskins, Town Clerk)

- g. **p.87** Consideration and possible action to approve the July 13, 2021, regular meeting minutes. (Erin N. Deskins, Town Clerk)

6. ACTION ITEMS

The Council may vote to recess the public meeting and hold an Executive Session on any item on this agenda pursuant to A.R.S. § 38-431.03(A)(3) for the purpose of discussion or consultation for legal advice with the Town Attorney. Executive sessions are not open to the public and no action may be taken in executive session.

- a. **p.97** Consideration and possible action to (i) appoint John McCafferty to fill the vacant position on the Town Council and (ii) administer the Oath of Office to the newly appointed Councilmember. (Erin N. Deskins, Town Clerk)

Recommended Action: Appoint John McCafferty to fill the vacant position on the Town Council and administer the Oath of Office.

- b. **p.99** PUBLIC HEARING and consideration and possible action to approve a Conditional Use Permit on parcel 306-17-007R, applicant Alie Amato, to allow for the construction and use of a sanctuary for house cats. (Will Dingee, Senior Planner)

Recommended Action: (1) Hold public hearing; and (2) Approve a Conditional Use Permit to allow for the construction and use of a sanctuary for house cats with the following stipulations:

1. The Conditional Use Permit be granted with a two (2) year review period by staff. If staff determines that there has been a negative impact on the surrounding area, staff will bring the item through the public hearing process for reconsideration. If staff determines there is no need for reconsideration, the use will be granted in perpetuity as long as stipulations 2, 3 and 4 are met.
2. The operation will need to be consistent with the Business Plan outlined in the staff report.
3. In the event of issues arising from valid code enforcement complaints such as excess noise, odor or visual appearance or deviation from stipulation 2, staff can bring the item back before Council at any time for reconsideration, modification or revocation.
4. The onsite dumpster will need to be screened from public view per Town Code.

- c. **p.119** PUBLIC HEARING and consideration and possible action to approve ORD 2021-903 to rezone parcel 306-23-003B, applicant Meurs Country West, LLC, to develop a Recreational Vehicle Park. (Will Dingee, Senior Planner)

Recommended Action: (1) Hold public hearing; and (2) Approve ORD 2021-903 to rezone approximately 2.21 acres of real property from CL (Commercial Light) to CH (Commercial Heavy) with a PAD (Planned Area Development) to develop a Recreational Vehicle Park with the following stipulations:

1. The project must conform substantially to the provided conceptual plan.
2. The use on this property is restricted solely to an RV Park; any subsequent uses will need to come through the public hearing process for Council approval.

3. All loading spaces, maneuvering areas, driveways, and fire lanes shall be paved per UDO §4.22.4(B)(2) and all turning radii shall conform to the AASHTO guidelines. This does not include RV Stalls.
4. A water and sewer agreement will be needed between the Town and the property owner.
5. An accessible path between the new development and the existing clubhouse located in parcel #306-23-003B will be required.
6. Per Town Code of Ordinances §150.081, except as exempted in § [150.082](#), all existing and new utility and telephone lines, electric utility distribution lines, cable television lines and all other communication and utility lines adjacent to or within new residential subdivision shall be undergrounded.

7. ADJOURNMENT

Dated this 19th day of August, 2021.

By: *Erin N. Deskins, Town Clerk*

The Town of Chino Valley endeavors to make all public meetings accessible to persons with disabilities. Please call 636-2646 (voice) or 711 (Telecommunications Arizona Relay Service) 48 hours prior to the meeting to request reasonable accommodation to participate in this meeting.

Supporting documentation and staff reports furnished to the Council with this agenda are available for review on the Town website at <http://www.chinoaz.net/agendacenter>, and in the Public Library and Town Clerk's Office.

Council meetings are live-streamed on Town of Chino Valley Facebook page, and Zoom.

Join Zoom Webinar: <https://us02web.zoom.us/j/81326335529>

Telephone: 877 853 5247 (toll free) or 888 788 0099 (toll free)

iPhone one-tap: US: +13462487799,,81326335529# or +16699009128,,81326335529#

Webinar ID: 813 2633 5529

CERTIFICATION OF POSTING

The undersigned hereby certifies that a copy of this notice was duly posted at Chino Valley South Campus, Chino Valley Post Office, and Chino Valley North Campus in accordance with the statement filed by the Town Council with the Town Clerk.

Date: _____ Time: _____ By: _____
Erin N. Deskins, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

2. b.

Meeting Date: 08/24/2021
Contact Person: Marrilee Easton, Civilian Officer
 Phone: 928-636-4223 x-1283
Department: Police
Estimated length of Staff Presentation: 10 minutes
Physical location of item: n/a

AGENDA ITEM TITLE:

Presentation of commendation awards by the Chino Valley Police Department to eight local kids for taking an active role in making their community a better place. (Officer Jeff Pizzi)

SITUATION & ANALYSIS:

Present commendation awards to Eight (8) kids for: Taking an active role in making their community a safer place, by acting as a role player in training for Local Law Enforcement and Fire Personnel.

Attachments

No file(s) attached.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

5. a.

Meeting Date: 08/24/2021

Contact Person: Will Dingee, Senior Planner
Phone: 928-636-4427 x-1233

Department: Development Services

Estimated length 5 minutes

of staff presentation:

Physical location of item: 2109 Sunflower Lane and 1565 Red Cinder Road

AGENDA ITEM TITLE:

Consideration and possible action to approve ORD 2021- 904 to rezone parcel 306-17-015A, applicants Craig and Cheryl Dillenbeck, in order to divide the property. (Will Dingee, Senior Planner)

RECOMMENDED ACTION:

Approve ORD 2021-904 to rezone approximately 2.53 acres of real property from SR-2.5 (Single Family Residential 2.5 acre minimum) zoning district to SR-1 (Single Family Residential 1- acre minimum) zoning district in order to subdivide the property with no stipulations.

SITUATION AND ANALYSIS:

The property owner has submitted a request to rezone approximately 2.53 acres of real property from SR-2.5 (Single Family Residential 2.5 acre minimum) zoning district to SR-1 (Single Family Residential 1- acre minimum) zoning district. The property currently contains two single-family residences; one residence is a site built home constructed in 1974 and the other is a manufactured home that was placed in 2005. It is the intention of the property owner to have each of the existing single- family residences on their own separate parcel.

Stipulations that accompany this rezoning:

There are no stipulations accompanying this rezoning.

Planning and Zoning Commission – Held August 3, 2021

Questions/Discussion for Staff with the Commission –

- Staff explained there were no issues with the division of the property. There was an easement on the west side of the property and a Town dedicated and maintained road to the north. There were no access issues.
- The Town Did not have any water or sewer in the area so the lots would be served by well and septic

Questions/Discussion with Applicant with the Commission –

- The applicant explained that he had lived on the subject property since 1988.
- In 2007 he built a separate garage and then he placed a new double wide on the back acre of the

property. His family had been living there but were leaving. Nothing would change, except they wanted to split the lot so they could sell it off. The applicant explained that he would be staying on the northern lot.

Comments from the Public –

There was no public comments.

P&Z Motion and Vote –

MOVED by Commissioner Robert Switzer, seconded by Commissioner Teena Meadors to forward a recommendation of approval to Town Council to rezone approximately 2.53 acres of real property from SR-2.5 (Single Family Residential 2.5 acre minimum) zoning district to SR-1 (Single Family Residential 1-acre minimum) zoning district in order to divide the property with no stipulations.

AYE: Chair Chuck Merritt, Commissioner John McCafferty, Commissioner Teena Meadors, Commissioner Robert Switzer, Commissioner William Welker, Commissioner David Somerville

ABSENT Vice-Chair Gary Pasciak

6 - 0 PASSED - Unanimously

Other Pertinent Documents Available Upon Request:

P&Z Staff Report and Exhibits

Fiscal Impact

Fiscal Impact?: N/A

If Yes, Budget Code:

Available:

Funding Source:

Attachments

P&Z Staff Report

ORD 2021-904



TOWN OF CHINO VALLEY

Town Council

August 3, 2021

APPLICATION SUMMARY

File Number: Z-15-21

Assessor's Parcel Number: 306-17-015A

Site Location: Located on the southeast corner of the intersection Red Cinder Road and Sunflower Lane with two address of 2109 Sunflower Lane and 1565 Red Cinder Road

Owners of Record: Craig & Cheryl Dillenbeck

Applicant: Craig Dillenbeck

Request: Request to rezone approximately 2.53 acres of real property from SR-2.5 (Single Family Residential 2.5 acre minimum) zoning district to SR-1 (Single Family Residential 1- acre minimum) zoning district in order to divide the property.

SITE DATA

Existing Zoning	SR-2.5 (Single Family Residential 2.5 acre minimum)
Lot Size	2.53 approx.
Subdivision	N/A
General Plan Land Use Designation	Medium Density Residential
Existing Land Use	Two Single Family Residences

AREA	ZONING	GENERAL PLAN LAND USE DESIGNATION	LAND USE
North	SR-2	Medium Density Residential	Single Family Residential
East	SR-2.5 & SR-1	Medium Density Residential	Single Family Residential
South	SR-2.5 & SR-1	Medium Density Residential	Single Family Residential
West	SR-1	Medium Density Residential	Single Family Residential

BACKGROUND

SITE DESCRIPTION

The subject property is located on the southeast corner of the intersection Red Cinder Road and Sunflower Lane with two physical address of 2109 Sunflower Lane and 1565 Red Cinder Road. The subject property, as well as the surrounding area, has a general plan land use designation of Medium Density Residential 2 acres or less, there is a section of commercial designation to the east of the property (See General Plan Map). The property is currently used as two single family residence; one residence is a site built home constructed in 1974 and the other is a manufactured home that was placed in 2005 (see Vicinity Map). The property has a zoning classification of Single Family Residential 2.5-acre minimum (SR-2.5) and the surrounding area is a mix of SR-1, SR-2 and SR-2.5 (See Zoning Map).

PROPERTY HISTORY

This is the first time a rezoning has been applied for on this property.

PROJECT DESCRIPTION

The property owner has submitted a request to rezone approximately 2.53 acres of real property from SR-2.5 (Single Family Residential 2.5 acre minimum) zoning district to SR-1 (Single Family Residential 1-acre minimum) zoning district. The property owner's intention is to have each of the existing single family residences on their own separate parcel.

CITIZENS REVIEW & PUBLIC HEARING PROCESS

Town Staff informed the public through a legal add in the Daily Courier and notified property owners within a 300-foot radius of the subject property, resulting in 24 mailed notices for public notification. The neighborhood meeting was held on July 28, 2021 in which no neighboring property owners attended. Town Staff has not received any other forms of communication regarding this project.

STAFF ANALYSIS AND RECOMMENDATION

The rezoning request of SR-2.5 to SR-1 is in conformance with general plan's land use designation of the property as well as the surrounding area. This request is also in conformance of the zoning in the surrounding area. It is important to note that the two properties to the south of the subject property are zoned SR-2.5 but only contain approximately one acre each.

Town Staff has no stipulations to attach to this rezoning.

STAFF RECOMMENDATION

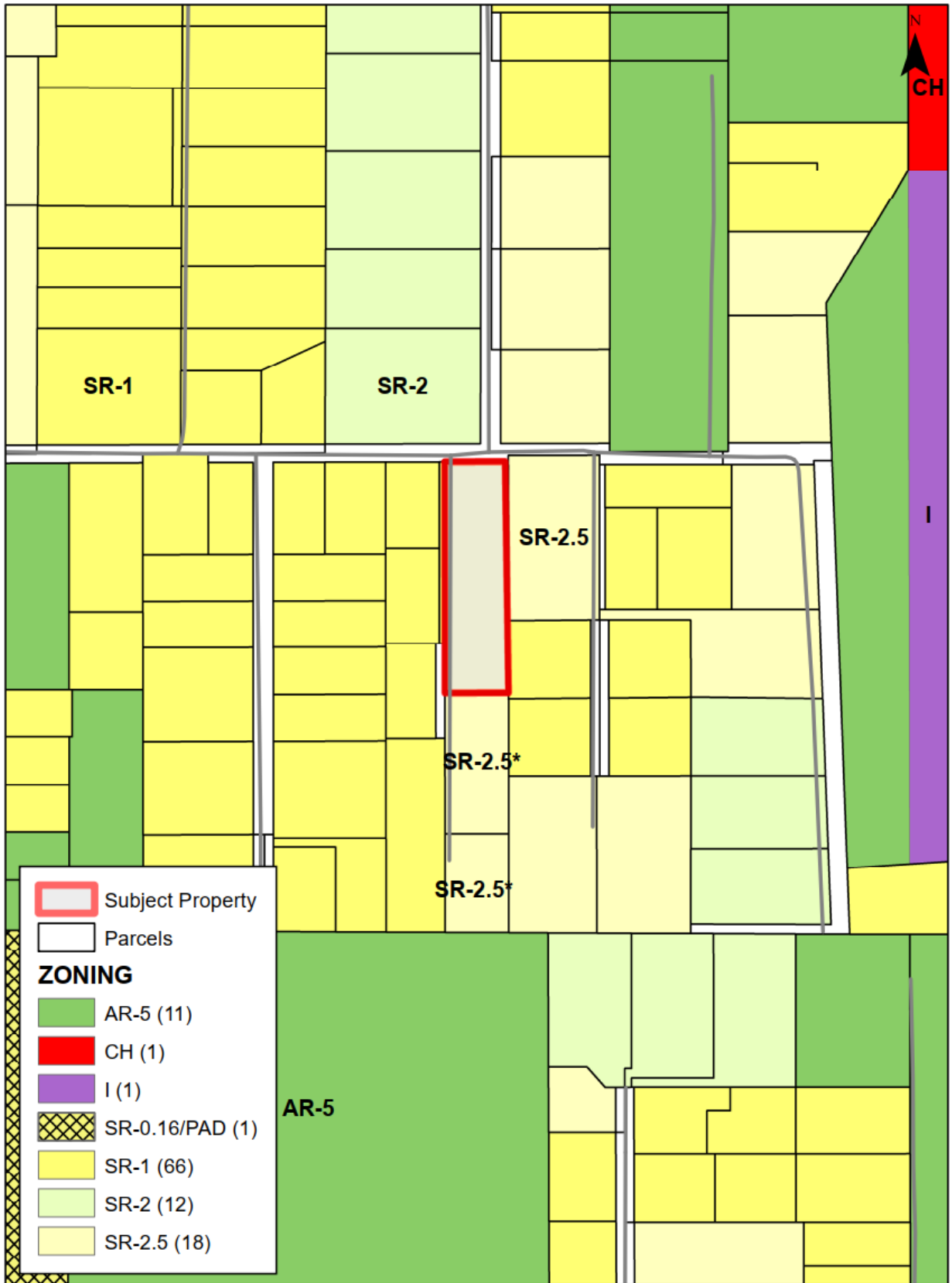
Staff recommends that the Planning and Zoning Commission forward a recommendation of approval to the Town Council to rezone approximately 2.53 acres of real property from SR-2.5 (Single Family Residential 2.5 acre minimum) zoning district to SR-1 (Single Family Residential 1- acre minimum) zoning district in order to subdivide the property with no stipulations.

ATTACHMENTS

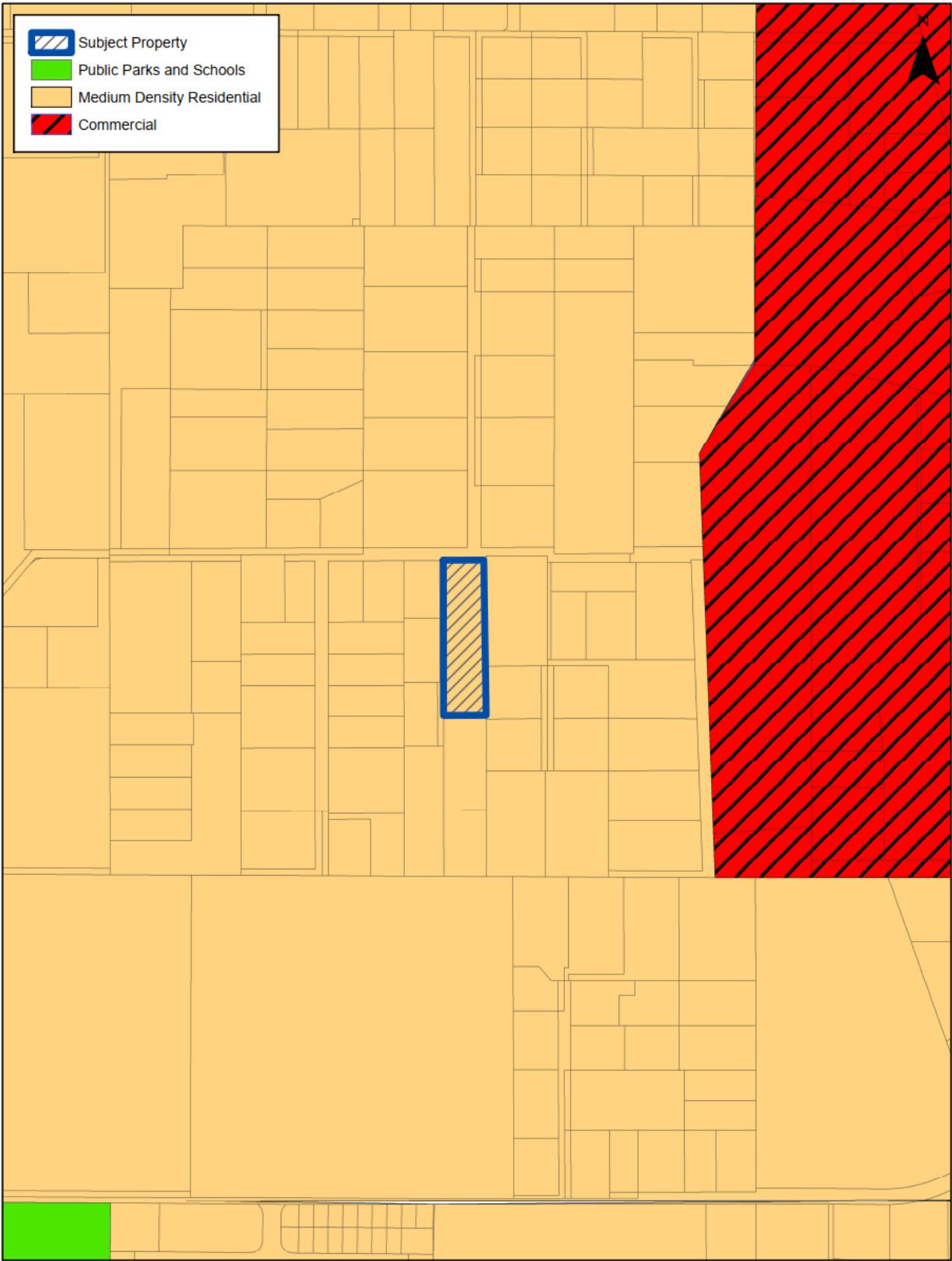
VICINITY MAP



ZONING MAP



GENERAL PLAN MAP



ORDINANCE NO. 2021-904

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, APPROVING A CHANGE OF ZONING AND AMENDMENT TO THE OFFICIAL ZONING MAP FOR APPROXIMATELY 2.53 ACRES OF REAL PROPERTY GENERALLY LOCATED ON THE SOUTHEAST CORNER OF THE INTERSECTION OF RED CINDER ROAD AND SUNFLOWER LANE, FROM SR-2.5 (SINGLE FAMILY RESIDENTIAL 2.5-ACRE MINIMUM) TO SR-1 (SINGLE FAMILY RESIDENTIAL 1-ACRE MINIMUM).

WHEREAS, the Mayor and Common Council of the Town of Chino Valley (the "Town Council") desires to amend the Town of Chino Valley (the "Town") Official Zoning Map for approximately 2.53 acres of real property generally located on the southeast corner of the intersection of Red Cinder Road and Sunflower Lane, from SR-2.5 (Single Family Residential 2.5-acre minimum) to SR-1 (Single Family Residential 1-acre minimum) (the "Zoning Map Amendment"); and

WHEREAS, the Town Council has determined that this Zoning Map Amendment conforms with the Town of Chino Valley General Plan and any applicable specific area plan, neighborhood plan, or other plan, any overlay zoning district, and the standards and design requirements contained in the Unified Development Ordinance of the Town of Chino Valley (the "UDO"); and

WHEREAS, all required public notice was provided, and all required public meetings and hearings were held in accordance with applicable state and local laws; and

WHEREAS, the Planning and Zoning Commission recommended approval of the Zoning Map Amendment; and

WHEREAS, in accordance with Article II, Sections 1 and 2 of the Arizona Constitution, the Town Council has considered the individual property rights and personal liberties of the residents of the Town before adopting this Ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Common Council of the Town of Chino Valley, Arizona, as follows:

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

Section 2: The Official Zoning Map is hereby amended for property consisting of approximately 2.53 acres, described in Exhibit 1 and shown on the Zoning Exhibit (map) in Exhibit 2, both attached hereto and incorporated herein by reference, to rezone

the property from SR-2.5 (Single Family Residential 2.5-acre minimum) to SR-1 (Single Family Residential 1-acre minimum).

Section 3: The Town Manager is directed, upon the effective date of this Ordinance, to cause the Official Zoning Map to reflect the Zoning Map Amendment as applicable to the property, indicating the zoning is subject to compliance with the stipulations provided herein.

Section 4: 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 5: The Mayor, the Town Manager, the Town Clerk and the Town 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 Mayor and Common Council of the Town of Chino Valley, Arizona this 24th day of August, 2021.

Jack W. Miller, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

I hereby certify the above foregoing Ordinance No. 2021-904 was duly passed by the Council of the Town of Chino Valley, Arizona, at a meeting held on August 24, 2021, and that quorum was present, and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Erin N. Deskins, Town Clerk

EXHIBIT 1
TO
ORDINANCE 2021-904

[Legal Description]

PARCEL NO. 1

A PORTION OF Tract 40, lying in Section 11, Township 16 North, Range 2 West of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, described as follows:

BEGINNING at the Southeast corner of Tract 40; thence South 89° 58' West, along the South line of Tract 40, a distance of 1102.83 feet to the POINT OF BEGINNING; thence South 89° 58' West 166.72 feet; thence North 0° 34' West 1306.48 feet; thence North 89° 59' East 166.72 feet; thence South 0° 04' East 1306.35 feet to the TRUE POINT OF BEGINNING;

EXCEPT the South 640 feet.

PARCEL NO. 2

A non-exclusive easement and right of way for roadway and utility purposes 50 feet in width, 25 feet on either side of a line described as follows:

COMMENCING at the Northeast corner of Tract 40, lying in Section 11, Township 16 North, Range 2 West of the Gila and Salt River Base and Meridian, Yavapai County, Arizona; thence South 0° 06' East 552.97 feet; thence South 31° 35' 27" West 423.0 feet; thence South 2° 09' 12" East 429.51 feet; thence South 89° 59' West 166.45 feet to the TRUE POINT OF BEGINNING of this easement; thence South 89° 59' West 2267.28 feet to a point on the West line of Tract 40;

As created by instrument recorded in Book 647 of Official Records, page 282, records of Yavapai County, Arizona.

PARCEL NO. 3

A non-exclusive easement and right of way for road way and utility purposes 30 feet in width, adjacent to and South of line described as follows:

BEGINNING at the Southwest corner of Section 11 Township 16 North, Range 2 West of the Gila and Salt River Base and Meridian, Yavapai County, Arizona; thence North along the West line of Section 11, a distance of 795 feet to the TRUE POINT OF BEGINNING; thence East 553 feet; thence northeasterly 700 feet to a point of the said North line to the Northeast corner of said Section 11; said point being on the West line of said Tract 40 and the end of this easement;

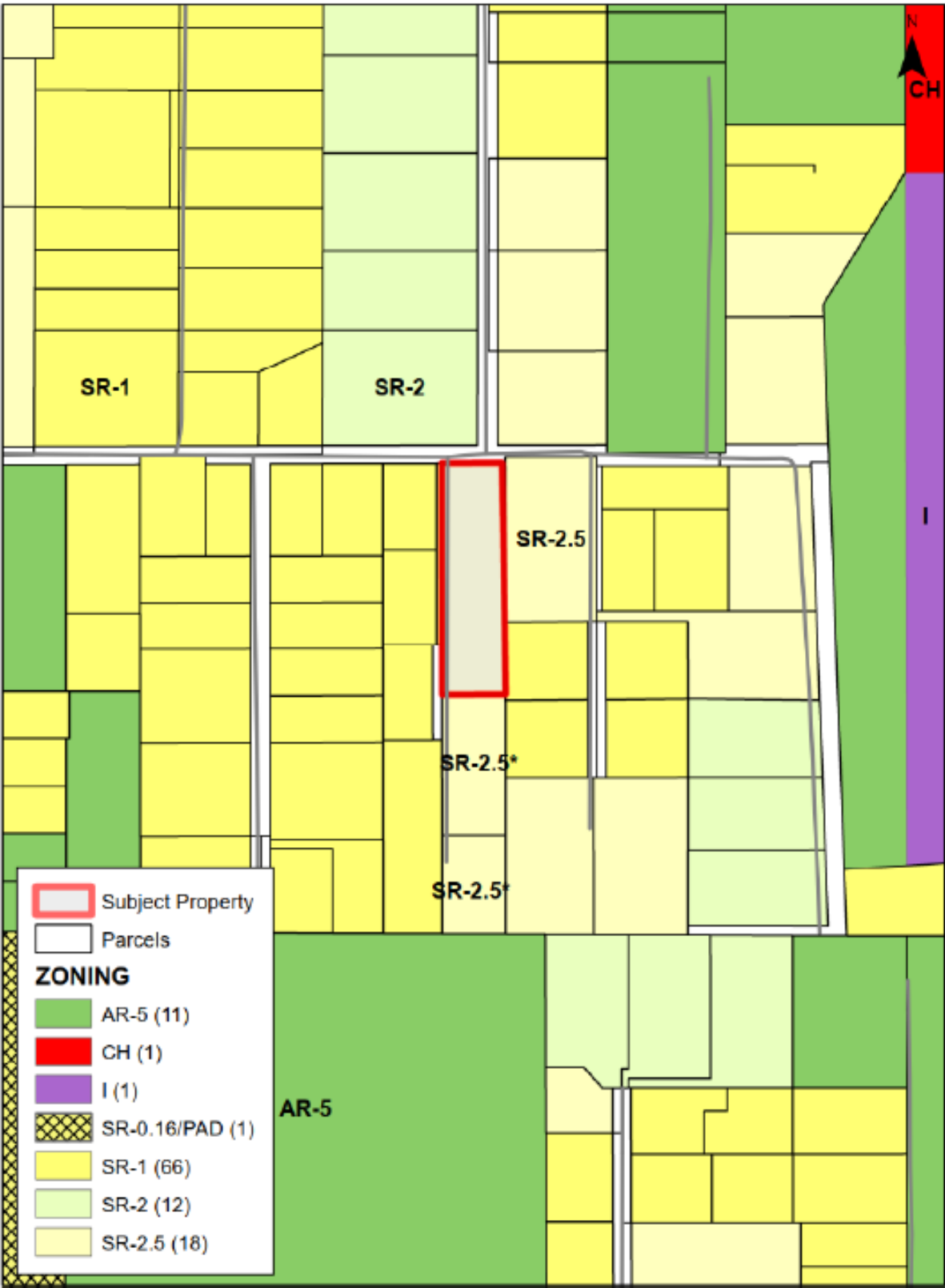
As created by instrument recorded in Book 647 of Official Records, page 282, records of Yavapai County, Arizona.

EXHIBIT 2
TO
ORDINANCE 2021-904

[Zoning Exhibit]

See the following page.

Zoning Map



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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

5. b.

Meeting Date: 08/24/2021

Contact Person: Frank Marbury, Public Works Director/Town Engineer
Phone: 928-636-7140 x-1226

Department: Public Works

Estimated length 10 minutes

of staff presentation:

Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to approve the proposed Groundwater Extinguishment Credits Purchase Agreement with Richard E. Peterson and Susan Peterson for 350.1 acre feet of extinguishment credits in the amount of \$84,024.00. (Frank Marbury, Public Works Director/Town Engineer)

RECOMMENDED ACTION:

Approve the purchase agreement with Richard E. Peterson and Susan K. Peterson, for 350.1 acre feet of extinguishment credits in the amount of \$84,024.00.

SITUATION AND ANALYSIS:

Richard and Susan Peterson approached the Town to sell 350.1 Acre Feet of extinguishment credits. These credits can be added to the Town portfolio of water supply to potentially be made available for development with the Town limits and the Prescott Active Management Area. By ordinance, if the Town sells the credits, the current selling price would be \$87,525.00. Staff recommends entering into an agreement with the Wallace Trust to purchase the credits for a total price of \$84,024.00 plus administrative fees.

Fiscal Impact

Fiscal Impact?: Yes

If Yes, Budget Code: 05-90-5542

Available:

Funding Source:

Attachments

Peterson Purchase Agreement

GROUNDWATER EXTINGUISHMENT CREDITS PURCHASE AGREEMENT

This Agreement is effective August 24, 2021, by and between **RICHARD E. PETERSON and SUSAN K. PETERSON, as husband and wife (“Seller”)**, and **TOWN OF CHINO VALLEY**, an Arizona municipal corporation (**“Buyer”**).

RECITALS:

A. Seller owns 350.1 acre-feet of merchantable and valid extinguished water supply credits (the **“Credits”**) in the Prescott Active Management Area per Irrigation Grandfathered Right No. 58-100851.0013.

B. Buyer desires to purchase the Credits under the terms and conditions contained herein.

AGREEMENT:

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following covenants and agreements, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer agree as follows:

1. Effective Date. This Agreement shall be effective as of the date it is (i) approved by the Town Council authorizing the execution of this Agreement by a representative of the Town and (ii) fully executed by authorized representatives of the Seller and Buyer.

2. Agreement to Sell and Purchase Water Rights. Seller hereby agrees to sell and convey to Buyer, and Buyer hereby agrees to purchase and acquire from Seller, Seller’s right, title, and interest in and to the Credits subject to the terms of this Agreement to the extent the Arizona Department of Water Resources (**“ADWR”**) approves the Credits’ transfer.

3. Closing Date. The parties agree that, notwithstanding the effective date of this Agreement, the closing date shall be January 1, 2022. Buyer shall deposit \$84,024 into escrow no later than 10 days prior to the closing date.

4. Purchase Price and Terms. Buyer shall pay Seller \$84,024 (\$240/acre-foot x 350.1 acre-feet) for the Credits. Buyer agrees to pay the cost of executing a Conveyance of Extinguishment Credits (the **“Conveyance”**) to transfer the Credits to Buyer.

5. Warranties of Seller. Seller hereby represents, covenants, and warrants to Buyer that the following are true now and will be at closing:

(a) Authority. Seller has the right and authority to enter into this Agreement and consummate the transactions intended in this Agreement.

(b) Title to the Credits. Seller has, or at closing will have, good and merchantable, fee simple title to the Credits. The Credits will be free and clear of all liens, security interests, mortgages, pledges, encumbrances, ditch fees, taxes and assessments, and charges or

claims of whatever nature. The Credits are in good standing with the ADWR, have not been forfeited or abandoned, and are not subject to judgment, suit, lien, receivership, or any other encumbrance whatsoever.

(c) Judgments or Litigation. Seller has no knowledge of any outstanding judgments against Seller that would in any manner affect this transaction's consummation or constitute any cloud upon the Credits' title. Seller has no knowledge of any pending litigation, proceedings, or investigations, or any threats of litigation, proceedings, or investigations that might result in any cloud upon the Credits' title or any other material change in the Credits' value.

(d) Continued Cooperation. Seller shall, within reason, cooperate with Buyer before, during, and after closing to effectuate the transactions contemplated in this Agreement including, without limitation, the execution of any documents or the taking of any action (or the restraining from taking of any action) necessary or desirable to achieve the intended results herein.

6. Conditions Precedent. All Buyer's obligations to close this transaction are subject to the fulfillment of each of the following conditions before or at closing:

(a) Seller's Compliance. Seller will have performed and complied with all agreements and conditions required herein. Seller understands and agrees that it is necessary to execute and file the Conveyance with the ADWR.

(b) Proof of Title. Seller shall take action necessary to provide documentation reasonably requested by Buyer to prove or support the Credits' free and clear title and validity. The sale is subject to Seller being able to provide a letter from the ADWR evidencing the approval and processing of the Conveyance with free and clear title for the Credits.

7. Fulfillment of Conditions Precedent. Upon fulfillment of the conditions precedent, the total purchase price of \$84,024 shall be paid to Seller at closing.

8. Miscellaneous Provisions.

(a) Additional Documentation. Any other documentation required to close and consummate the transaction after the signing of this Agreement shall be made and delivered by the parties as required.

(b) Indemnification. Seller and Buyer shall each, to the extent permitted by law, indemnify and hold the other harmless from and against any and all claims, demands, causes of action, debts, or liabilities arising out of this transaction.

(c) Notices. All notices and other communications, required or permitted to be given hereunder, shall be in writing and shall be deemed to have been duly given and delivered, if mailed, certified postage prepaid:

If to Seller: Richard E. & Susan K. Peterson
P.O. Box 4794
Chino Valley, Arizona 86323

If to Buyer: Town of Chino Valley
202 North State Route 89
Chino Valley, Arizona 86323
Attn: Town Manager

Copied to: Gust Rosenfeld, PLC
One East Washington Street, Suite 1600
Phoenix, Arizona 85004
Attn: Andrew J. McGuire

(d) Binding Effect. All of the agreements between the parties shall be binding upon and inure to the benefit of the parties, their successors, personal representatives, heirs, or assigns.

(e) Captions. The captions of any articles, paragraphs, or sections hereof are made for convenience only and do not control or affect the meaning or construction of any other provisions hereof.

(f) Attorney's Fees. Buyer and Seller shall be responsible for any fees or costs of their respective attorneys and consultants and any attorney's and consultant's fees incurred by them in the enforcement of any of the terms and provisions of this Agreement or in connection with the Credit described herein.

(g) Entire Agreement. This Agreement merges all previous negotiations between the parties hereto and constitutes the entire Agreement and understanding between the parties with respect to the subject matter hereof. No alteration, modification, or amendment hereto shall be valid except in writing and when signed by the parties.

9. Representations. All statements contained in this Agreement or any other instrument delivered by or on behalf of Seller as provided in this Agreement or in connection with this transaction will be deemed representations and warranties by Seller as provided in this Agreement. All representations, warranties, indemnities, and agreements made by Seller or Buyer in this Agreement shall survive closing.

10. Assignment. Buyer may assign this Agreement at Buyer's sole discretion without Seller's consent.

[SIGNATURES ON THE FOLLOWING PAGE.]

SELLER:

RICHARD E. & SUSAN K. PETERSON

Richard E. Peterson

Susan K. Peterson

BUYER:

TOWN OF CHINO VALLEY, an Arizona
municipal corporation

Jack W. Miller, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

5. c.

Meeting Date: 08/24/2021
Contact Person: Ronda Apolinar, Court Coordinator
 Phone: 928-636-2646 x-1289
Department: Municipal Court
Estimated length of staff presentation: None
Physical location of item: Chino Valley Municipal Court

AGENDA ITEM TITLE:

Consideration and possible action to approve the Indigent Legal Services Agreement with Brian Pursell to provide legal defense services for indigent defendants in Chino Valley Municipal Court from July 1, 2021 to June 30, 2022, in the amount of \$15,000.00. (Ronda Apolinar, Court Administrator)

RECOMMENDED ACTION:

Approve the Indigent Legal Service Agreement with Brian Pursell to provide legal defense services for indigent defendants in the amount of \$15,000.00.

SITUATION AND ANALYSIS:

The Town and the Chino Valley Municipal Court in and for the County of Yavapai have determined that execution of Indigent Legal Service Agreements with an attorney is an appropriate method to provide legal services to indigent defendants in cases arising pursuant to Rule 6.1 of the Rules of Criminal Procedure for Arizona, and for certain other types of legal proceedings. The agreement will renew each year for an additional five one-year terms unless one of the parties notifies the other within 30 days of the expiration for renegotiation or cancellation.

Fiscal Impact

Fiscal Impact?: Yes
If Yes, Budget Code: 01-45-5212
Available: 15000.00
Funding Source:
 Professional Services Line Item

Attachments

Agreement

INDIGENT LEGAL SERVICES AGREEMENT Chino Valley Municipal Court Misdemeanors

This Agreement by and between the Town of Chino Valley, hereinafter called "Town," and **Brian Pursell** hereinafter called "Attorney."

RECITALS

WHEREAS, the Town and the Chino Valley Municipal Court in and for the County of Yavapai, hereinafter called "Court," have determined that execution of Indigent Legal Services Agreements with attorneys is an appropriate method to provide legal services to indigent defendants in cases arising pursuant to Rule 6 of the Rules of Criminal Procedure for Arizona and for certain other types of legal proceedings; and

WHEREAS, the Court and Town have determined that Attorney is licensed to practice law in the State of Arizona and is competent to provide legal services as set forth in this Agreement.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

I. DUTIES OF THE TOWN

A. **Compensation.** For services rendered pursuant to this Agreement, Town agrees to pay Attorney a Base Contract Amount of \$15,000.00 to provide legal services of up to thirty (30) hours per appointed case not to exceed Forty (40) cases which shall represent payment for all representation, ordinary expenses and related work necessary to provide indigent legal services. The Base Contract Amount shall be paid in twelve (12) equal payments on the last day of each month during the effective term of this Agreement.

B. **Compensation in Excess of Base Contract Amount.** Attorney shall be compensated in excess of the Base Contract Amount for the following.

1. **Extraordinary Expenses.** Included, but are not limited to, transcripts, audio and video tapes, depositions, expert witnesses, investigators and interpreters. Prior to incurring obligations for such expenditures, the Attorney shall apply to the Presiding Magistrate for approval of expense items. Reimbursement for extraordinary expenditures shall be made monthly upon submission of an itemized listing approved by the Presiding Magistrate. Failure to secure approval in advance for extraordinary expenditures may be grounds for denial by the Town of any claim for payment of such expenditures.
2. **Excess Hours.** If the time required to represent an individual defendant is expected to exceed thirty (30) hours, the Attorney shall request approval of excess compensation from the Presiding Magistrate. The request shall contain at least the following:

a) *An itemized listing of the specific services provided up to the date of the request showing the amount of time spent on each item.*

- b) A listing of the anticipated additional services required to complete the representation showing the amount of time to be required for each item.*
- c) A specific explanation of the circumstances affecting the length and/or complexity of the trial court proceedings.*
- d) Logs, time sheets and other activity records pertaining to the case.*

For on-going cases, billings for excess hours shall be submitted at intervals not to exceed 90 days unless a more frequent interval is specified by the Court. Additional compensation, if approved will be paid at the rate of \$110.00 per hour.

3. **Excess Cases.** Upon execution of this Agreement, Attorney may elect to accept case assignments in excess of Forty (40) assigned cases. The Attorney shall be compensated for each such assignment at the rate of \$250.00 per case to provide legal services of up to thirty (30) hours per appointed case. If the time required to represent an individual defendant is expected to exceed thirty (30) hours, the Attorney shall request approval of excess compensation from the Presiding Magistrate. Additional compensation, if approved will be paid at the rate of \$110.00 per hour.

C. **Non-Legal Tasks.** Total contract amounts and hourly rates paid to Attorney are intended to include services rendered by other persons including paralegals, clerks, secretaries or other support personnel. The Attorney shall not be compensated for any work performed by Attorney of a non-legal nature that would ordinarily be performed by support personnel, including specifically secretarial and clerical support work involved in preparing and transmitting documents, copying, organizing, filing or similar functions. Hours spent by Attorney performing non-legal tasks will not be included in calculation of compensation in excess of the contract amount as described in Section I (B) of this Agreement.

II. DUTIES OF ATTORNEY

A. **In General.** Attorney shall provide professional legal representation in the assigned cases based upon the express warranties that any person providing such representation pursuant to this Agreement is licensed to practice law in the state of Arizona and that such persons are qualified by reason of competence, training and experience to provide the designated indigent defense services.

B. **Good Standing.** During the term of the Agreement or any renewal thereof, Attorney will report any bar complaints, malpractice claims or lawsuits in which a determination, finding or decision adverse to the Attorney has been made to the Presiding Magistrate within five (5) working days of becoming aware of, or receiving notice of the existence or occurrence of such determination, finding or decision. Suspension or loss of the license to practice law in the State of Arizona shall immediately void this Agreement.

C. **Local Availability.** The Town and the Court expect that the Attorney will be fully prepared to provide effective representation to clients and an appropriate level of service to the Court and the justice system. Attorney agrees that, during the effective term of this Agreement, he/she will maintain office facilities within the boundaries of Yavapai County and that such facilities will be located and equipped to effectively discharge the duties and responsibilities set forth in this Agreement. It is understood and agreed that Attorney shall establish and maintain communications capability that will allow prompt receipt of and responses to electronic communications including, but not limited to telephone and facsimile, and that Attorney will be available to receive and promptly respond to such communications. The Attorney further agrees to be physically present in Yavapai County at such times as may be required to make court appearances and to meet with clients, justice system personnel and other parties as necessary or to make provisions for substitute representation as specified in Section II(G) of this Agreement.

D. **Acceptance of Assignments.** The Attorney agrees to accept cases appointed by the Court during the effective term of this Agreement unless Attorney is not ethically permitted to accept the representation under the Arizona Rules of Professional Conduct. It is understood and agreed that the Base Contract Amount is based upon provision of services for the specified number of cases. The Attorney shall represent assigned indigent defendants throughout their trial court proceedings subject to withdrawal or substitution only as provided in this Agreement or in accordance with Rule 6.3, Arizona Rules of Criminal Procedure. The duty of representation continues until each case is terminated by dismissal, acquittal, and sentence, suspension of sentence or imposition of terms of probation and shall include any necessary post verdict proceedings pursuant to Rule 24, Arizona Rules of Criminal Procedure.

E. **Representation of Defendants.** Upon notification of an assignment of an indigent defendant, the Attorney shall promptly initiate personal contact with that defendant and shall maintain a frequency and nature of such contacts as are reasonably deemed necessary to provide effective representation until the case is terminated as provided in Section II (D) of this Agreement. The Attorney shall be responsible for representation of each defendant at all court proceedings as required. The Attorney shall use reasonable diligence to notify each indigent defendant of necessary court appearances and of any court actions taken as a result of the defendant's non-appearance.

F. **Indigent Status.** Assignment of a defendant, pursuant to this Agreement, is based upon an initial court determination that the subject defendant is legally indigent. In the event there is a redetermination of the indigent status of any assigned defendant and the Attorney is, thereby, permitted to withdraw as a court-appointed attorney, Attorney agrees not to represent that person in that case for a private fee without prior approval of the assigned trial Magistrate. The Attorney shall not accept a private fee without full disclosure of the terms of this Agreement to the client and shall notify the assigned trial Magistrate of the arrangements made for the private fee. The Attorney shall not solicit a private fee from any indigent defendant.

G. **Substitute Representation.** The parties contemplate that, unless otherwise specifically provided in writing in this Agreement or attachments thereto, substantially all services to be rendered pursuant to this Agreement are to be provided by the designated Attorney. **The parties understand and agree that from time to time, illness, vacation or other circumstances may prevent the designated Attorney from providing some services personally. In that event, it shall be the responsibility of the Attorney to provide qualified substitute representation at no additional cost to the Town. All substitute attorneys not currently contracted to provide indigent legal services to the Town are subject to prior approval by the trial Magistrate. The Attorney shall not broker or subcontract cases or portions of cases to other attorneys.**

H. **Activity Records.** The Attorney agrees to maintain case logs, final disposition records, time sheets and other pertinent activity records, which shall include the number of days the case was open, the names of the officers involved in each case and any co-defendants for each assigned case and to transmit these records to the Presiding Magistrate upon request.

I. **No Additional Compensation.** Attorney may not solicit, accept, or agree to accept, private or additional compensation of any kind, including attorney's fees in any pending, terminated, or completed assignment pursuant to this agreement, other than compensation as specified in this Agreement, except as provided in subsection II (f). Should attorney engage in any claim, lawsuit or other litigation against the Town, its officers, employees or agents, by any party arising from damages, injuries or other losses allegedly sustained by a person during arrest, incarceration and/or prosecution related to a case for which Attorney provided representation to that person. Attorney agrees to promptly notify the Town and Presiding Magistrate of the existence of such engagement. This provision does not require the Attorney to divulge specific or detailed information that would violate the Arizona Rules of Professional Conduct.

III. INDEPENDENT CONTRACTOR STATUS

In performance of the duties set forth herein, it is mutually understood and agreed that the Attorney is, at all times, acting as an independent provider of indigent legal defense services. It

is further understood and agreed that Town shall not seek to exercise control or direction over the methods by which Attorney shall provide services to assigned defendants in individual cases excepting that Attorney does, by this Agreement agree to perform said duties in strict accordance with legal and ethical standards governing the provisions of legal services.

IV. TERM AND TERMINATION

A. **Effective Term of Agreement.** Unless otherwise specified, the effective term of this Agreement shall be for one year, beginning July 1, 2021 and ending June 30, 2022. This Agreement shall automatically renew each year for an additional five one-year terms unless one of the parties notifies the other within 30 days of the expiration for renegotiation or cancellation.

B. **Termination of Agreement; General.** The town may terminate this Agreement without cause and in its sole discretion, upon thirty (30) days written notice to the Attorney. The Attorney may terminate this Agreement without cause and in his/her sole discretion upon thirty (30) days written notice to the Town and the Presiding Magistrate. If this Agreement is terminated by either party pursuant to this Section IV (B), Attorney shall complete representation of all indigent defendants previously assigned, as provided in Section II (D) of this Agreement, unless Attorney is given permission to withdraw by the Presiding Magistrate.

Receipt of permission to withdraw shall not terminate Attorney's financial liability for the costs of completion of representation for all cases assigned prior to the effective date of termination.

Attorney's liability upon termination shall include all costs incurred by the Town to retain substitute counsel as needed to complete representation of clients and any other costs associated with such representation that would not have been incurred had Attorney completed representation pursuant to this Agreement. It is understood and agreed that, upon notice of termination, or at such time when it reasonably appears that Attorney may be unwilling or unable to perform pursuant to this Agreement, the Town may, in its sole discretion, withhold any amounts then or subsequently owed to Attorney pursuant to this Agreement pending a final determination of the costs of completion of representation. Upon such final determination, the amounts owed, less costs of completion, shall be paid to Attorney.

V. TEMPORARY MODIFICATIONS.

In the event that circumstances arise which prevent Attorney from providing effective assistance of counsel, Town representatives and the Presiding Magistrate may confer with the Attorney to identify the issues and attempt to resolve any problems. The Town may make temporary modifications of the Agreement to the extent that the legitimate interests of the parties and the interests of justice may be served thereby.

VI. APPROVALS

Town Attorney:

Date: _____

Town:

By:

Title:

Date: _____

Court Appointed Attorney:

Date: _____

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

5. d.

Meeting Date: 08/24/2021

Contact Person: Frank Marbury, Public Works Director/Town Engineer
Phone: 928-636-7140 x-1226

Department: Public Works

Estimated length 5 minutes

of staff presentation:

Physical location of item: Peavine Trl between Perkinsville Rd and Road 2 North

AGENDA ITEM TITLE:

Consideration and possible action to award a Professional Services Agreement (PSA) for design and post design services for the Municipal Water System Improvement Project to Civiltec Engineering, Inc. in the amount of \$126,802.00. (Frank Marbury, Public Works Director/Town Engineer)

RECOMMENDED ACTION:

Award a Professional Service Agreement (PSA) for design and post design services for the Municipal Water System Improvement Project to Civiltec Engineering, Inc. in the amount of \$126,802.00.

SITUATION AND ANALYSIS:

The Town received a grant from the U.S. Environmental Protection Agency in the amount of \$485,000 to construct a water system loop in the northern section of the water distribution system by installing approximately 4,554 linear feet of 18-inch water main from the existing terminus at Perkinsville Road to the 12-inch water main at Road 2 North along the Peavine Trail alignment. The project will help provide clean and reliable drinking water to the residents by increasing reliability. The grant expires March 31, 2023.

The Town issued a Request for Qualifications (RFQ) seeking Statements of Qualifications (SOQ) from qualified, licensed civil engineering design firms interested in providing professional design services and assistance with construction management and observation services on April 20, 2021. Six SOQs were received on May 19, 2021, which were reviewed and scored by a selection panel comprised of Town staff.

Other Pertinent Documents Available Upon Request:

Appendix 5d-1. A printed copy of the Professional Services Agreement is being provided to Council and pertinent staff separately. The Professional Services Agreement is available on the Town's website at <http://www.chinoaz.net/AgendaCenter> with the August 24, 2021, Council Meeting Documents.

Fiscal Impact

Fiscal Impact?: 126,802

If Yes, Budget Code: 07-70-5420

Available:

Funding Source:

Attachments

No file(s) attached.



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

5. e.

Meeting Date: 08/24/2021
Contact Person: Maggie Tidaback, Economic Development Project Manager
 Phone: 928-636-2646 x-1201
Department: Economic Development
Estimated length of staff presentation: None
Physical location of item: n/a

AGENDA ITEM TITLE:

Consideration and possible action to approve the Ichor Airsoft lease for approximately 36.72 acres of land at Old Home Manor. (Maggie Tidaback, Economic Development Project Manager)

RECOMMENDED ACTION:

Staff recommends approving the Ichor Airsoft lease at Old Home Manor under the following basic terms:

- 1 - Premises: 36.72 acres at Old Home Manor (Mud Run Location)
- 2 - Term: Initial term - 1-year with two successive 1-year renewal periods
- 3 - Rent: tenant to pay monthly rent of \$500

SITUATION AND ANALYSIS:

At the council meeting of May 25th, 2021, Council approved the use of Airsoft Recreation at the Mud Run parcel at Old Home Manor. The permitted use is the construction and operation of outdoor arenas with various impermanent facilities, barricades, and terrain features that can be removed and redeployed as needed to accommodate the Town's occasional use of the Premises.

Council was informed that the Lease contract would be brought before them for approval at a later date. Staff has worked to negotiate the contract which is being presented for your approval tonight. Ichor Airsoft is proposing to pay a monthly rent of \$500 per month to lease approximately 36.72 acres of land at Old Home Manor for the purpose of an airsoft field, to be the only one located in Northern Arizona. Staff believes this is a fair market value lease with the following terms:

- Initial 1 year term with two successive 1-year renewal periods
- Ichor must obtain written consent from the Town for another other type of use on the property
- Ichor will maintain and clean the property year round at their sole expense
- Ichor will make the premises available for the Mud Run and preserve all obstacles and trails associated
- Ichor will make the premises available for Town use when requested for events or other necessary uses
- The Town may make available by request the use of the Police Tactical Village (to be approved by the Police Chief)

Fiscal Impact**Fiscal Impact?:** No**If Yes, Budget Code:****Available:****Funding Source:**

AttachmentsIchor Airsoft Lease

GROUND LEASE

between

TOWN OF CHINO VALLEY,

an Arizona municipal corporation

Landlord

and

ICHOR AIRSOFT, LLC,

an Arizona limited liability company

Tenant

Dated as of August 24, 2021

GROUND LEASE

THIS GROUND LEASE (“Lease”) is made and entered into as of the date set forth on the preceding page by and between the **TOWN OF CHINO VALLEY**, an Arizona municipal corporation (“**Landlord**”), and **ICHOR AIRSOFT, LLC**, an Arizona limited liability company (“**Tenant**”).

DEFINITIONS

Capitalized terms used in this Lease and not defined elsewhere have the meanings given them on Exhibit A, attached hereto, and incorporated herein by reference.

BASIC TERMS

The following Basic Terms are applied under and governed by the particular section(s) in this Lease pertaining to the following information:

1. **Premises:** Approximately 36.72 acres of land as described and depicted on Exhibit B, attached hereto and incorporated herein by reference.

2. **Buildings:** The office building to be constructed or placed on the Premises by Tenant, all Alterations thereto from time to time, and any additional buildings approved with Landlord’s prior written consent, which approval may be withheld in Landlord’s sole discretion.

3. **Property:** The Premises, the Buildings, and all utilities and other improvements located on or under the Premises from time to time.

4. **Initial Term:** **One** year (See Section 1.2).

5. **Extension Periods:** **Two** successive **1-year** periods.

6. **Commencement Date:** See Section 1.2.

7. **Closing Date:** See Section 1.5.5.

8. **Permitted Use:** The construction and operation of outdoor airsoft arenas with various impermanent facilities (including on-site storage that is (i) placed in a location approved by the Landlord to ensure it does not interfere with Landlord’s occasional use in accordance with Section 1.4, Article 4, and Landlord’s Scheduled Use of the Premises, attached hereto as Exhibit E and (ii) placed in accordance with the Town of Chino Valley’s codes and regulations),

barricades, and terrain features that can be removed and redeployed as needed to accommodate Landlord's occasional use of the Premises in accordance with Section 1.4, Article 4, and Landlord's Scheduled Use of the Premises, attached hereto as Exhibit E and incorporated herein by reference. The parties may agree to additional dates on which Tenant shall make the Premises available to Landlord, free of obstruction, for events not contemplated in Exhibit E.

9. **Rent Payment to:**

Town of Chino Valley
Attn: Town Manager
202 North State Route 89
Chino Valley, Arizona 86323

10. **Notice to Landlord:**

Town of Chino Valley
202 North State Route 89
Chino Valley, Arizona 86323

With a copy to:

Andrew J. McGuire
Gust Rosenfeld P.L.C.
One E. Washington Street, Suite 1600
Phoenix, Arizona 85004-2553

11. **Notice to Tenant:**

Ichor Airsoft, LLC
Attn: _____

Email: _____

EXHIBITS

EXHIBIT "A"	Definitions
EXHIBIT "B"	Description of Premises
EXHIBIT "C"	Memorandum of Lease
EXHIBIT "D"	Subordination, Non-Disturbance and Attornment Agreement
EXHIBIT "E"	Landlord's Scheduled Use of the Premises

ARTICLE 1 LEASE OF PREMISES AND LEASE TERM

1.1 Premises. In consideration of the covenants and agreements set forth in this Lease and other good and valuable consideration, Landlord leases the Premises to Tenant, and Tenant leases the Premises from Landlord, upon and subject to the terms and conditions set forth in this Lease. During the Term, Tenant will have the exclusive right to use and occupy the Premises. Landlord will tender possession of the Premises to Tenant on the Closing Date (as defined in Subsection 1.5.5 below). Tenant may request to use of the Landlord's separate property known as the "tactical village" area of the Chino Valley Police Training Facility, which area is located at 2191 Sgt. Dee Barnes Way (the "Tactical Village"). Tenant's use of the Tactical Village shall be at the sole discretion of the Chino Valley Police Chief. At all times while using the Tactical Village, Tenant's obligations under this Lease shall apply to the Tactical Village property as if such property were included in the Premises.

1.2 Commencement Date; Initial Term. The "Commencement Date" will be August 24, 2021, and the Initial Term will end on August 23, 2022.

1.3 Extension Periods. Tenant has the option to extend the Term for the number of successive Extension Periods specified in the Basic Terms. If Tenant desires to exercise its right to extend the Term for an Extension Period, it will give Landlord notice of its intent to do so at least three months prior to the expiration of the Initial Term or the then-current Extension Period (but not earlier than 24 months prior to the expiration of the Initial Term or the then-current Extension Period). Failure to timely exercise an Extension Period shall be deemed to be a waiver of the right to extend. If Tenant timely exercises its right to extend the Term for an Extension Period, Landlord and Tenant shall work together to update the Exhibit E schedule prior to the start of the Extension Period.

1.4 Quiet Enjoyment. Except as set forth herein, Landlord represents and warrants to Tenant that Landlord owns fee title to the Premises. So long as no Event of Default by Tenant is in existence, Landlord covenants and agrees that, on and after the Closing Date, Tenant may quietly hold, occupy and enjoy the Property during the Term without any manner of hindrance or interference with its quiet enjoyment, possession, and use. Upon request by Landlord, Tenant shall make the Premises available to Landlord Sunday through Thursday throughout June, July, and August, and on weekdays during the rest of the year; however, Tenant shall not be required to remove its various impermanent facilities, barricades, or terrain features to accommodate Landlord unless Landlord provides seven days' written notice of its intent to occupy the Premises.

1.5 Approvals and Conditions.

1.5.1 Property Documents. Intentionally left blank.

1.5.2 Feasibility Period. Intentionally left blank.

1.5.3 Title Review. Intentionally left blank.

1.5.4 Entitlements. Tenant's obligations under this Lease are conditioned on Tenant's receipt of Landlord's approval of all planning, zoning, design, parking, traffic, and other

approvals required for Tenant to develop and use the Premises for the Permitted Use, Tenant obtaining all other governmental approvals and easements, abandonments of easements, and relocations of easements necessary for the development of the Premises for the Permitted Use, and Tenant obtaining a loan, if any, for the construction of Tenant's Improvements (collectively, the "Entitlements"), which Entitlements and any conditions and stipulations associated therewith must be acceptable to Tenant in its sole and unfettered discretion.

1.5.5 Closing Date. The "Closing Date" will occur once Tenant has obtained the Entitlements. Notwithstanding the above, in all events, the Closing Date will occur not later than October 31, 2021.

1.5.6 Reports. Tenant will deliver to Landlord, without warranty, copies of all appraisals, surveys, environmental and geotechnical reports, and other third-party reports obtained by Tenant with respect to the physical condition of the Premises (excluding any confidential documents).

1.6 Ownership of Tenant Improvements; Depreciation. During the Term, title to and ownership of the Tenant Improvements will remain solely in Tenant, and Tenant alone will be entitled to deduct all depreciation with respect to the Tenant Improvements on Tenant's income tax returns.

ARTICLE 2 RENT

2.1 Rent. Tenant will pay (without demand, offset, or deduction of any kind except as expressly provided herein) the rent set forth in this Article 2 ("Rent") in monthly installments to Landlord, in advance, beginning on the Commencement Date and thereafter on the first day of each and every calendar month during the Term. Tenant will make all Rent payments to Landlord's address specified in the Basic Terms or at such other place as Landlord may from time to time designate in writing. The parties will prorate Rent, on a per diem basis, for any partial month within the Term. The monthly Rent during the Initial Term will be \$500.00. The monthly Rent during each of the Extension Periods will be equal to 105% of the prior year's Rent.

2.2 Delinquent Rental Payments. If Landlord does not receive any payment of Rent within 10 days after the date on which Tenant has received written notice that such payment is delinquent, Tenant will pay Landlord interest on the delinquent payment calculated at the Maximum Rate from the date the payment was due through the date Landlord receives the payment. Notwithstanding the foregoing, if, during any calendar year, Landlord gives Tenant written notice of Tenant's failure to pay an installment of Rent when due, then during the remainder of such calendar year, if Tenant fails to pay any installment of Rent when due, such interest charge shall immediately become due from Tenant without Landlord having to give Tenant any written notice of non-payment.

2.3 Rent Tax. In addition to the Rent required above, Tenant will pay to Landlord all Rent Tax (if any) due in connection with the payment of Rent hereunder, which Rent Tax will be paid by Tenant to Landlord concurrently with each payment of Rent made by Tenant to Landlord under this Lease.

ARTICLE 3 REAL ESTATE TAXES

Pursuant to ARIZ. REV. STAT. §§ 42-6201 *et seq.* (the “Excise Tax Statutes”), because Landlord is the fee owner of the Premises, the Premises will not be assessed property taxes. Pursuant to the Excise Tax Statutes, the Premises is instead subject to the assessment or levy of an excise tax (the “Excise Tax”), which is calculated in accordance with the provisions of ARIZ. REV. STAT. § 42-6203. Assessments (both special and general) imposed in connection with any financing district, transportation development district, special assessment district, special benefit district, sanitary improvement district, local improvement district, or any similar district of which the Premises (or any portion thereof) is a part are treated as “Real Estate Taxes” according to the terms of this Section. The parties agree that Real Estate Taxes are included in the amounts listed as Rent in Article 2. Tenant shall pay all taxes applicable to all other property in the Property that is not taxed as real property and included in Real Estate Taxes, as set forth in Section 16.2 (captioned “Tenant’s Property”).

ARTICLE 4 USE OF PROPERTY

4.1 Tenant’s Use of the Property. Tenant shall only use the Property for the Permitted Use. Landlord’s prior, written consent (not to be unreasonably withheld) is required for the Tenant to make any use of the Property other than the Permitted Use. Landlord represents and warrants to Tenant that the Property will not, in the future, be encumbered by any restrictions or prohibitions on Tenant’s use of the Property for the Permitted Use. Tenant expressly acknowledges that the Rent has been calculated based upon Tenant’s express covenant that Tenant will maintain the Permitted Use in operation at the Property continuously during the Term and when conducting business at the Property, Tenant will operate during reasonable hours and conduct its business in a manner consistent with community standards. Tenant expressly acknowledges that its failure to operate at the Property in the manner described herein for any period longer than five consecutive weekends shall be a default pursuant to Section 13.1; provided, however, that Tenant may have periods of inoperability in excess of five consecutive weekends upon Landlord’s prior, written consent; provided further, however, that any days that Tenant operates at the Tactical Village shall not be considered periods of inoperability. During any period of time during which Tenant is not operating its business at the Property, Tenant will continue to comply with all of the provisions of this Lease. On and after the date of this Lease, Landlord may record any additional documents against the title to the Property without the written consent of the Tenant.

4.2 Landlord’s Use of the Property. Tenant shall make the Property available to Landlord for Landlord’s use in accordance with Section 1.4, this Article 4, and Exhibit E, Landlord’s Scheduled Use of the Premises. Tenant shall not operate its playfields while Landlord uses the Premises. Tenant hereby acknowledges and accepts that some uses of the Premises, including but not limited to such events as a mud run, could result in temporary physical conditions that may interrupt Tenant’s operations until such conditions improve. Landlord and Tenant may agree to additional dates on which Landlord may use and have access to the Premises for events not contemplated in Exhibit E.

ARTICLE 5 HAZARDOUS MATERIALS

5.1 Tenant's Compliance with Hazardous Materials Laws. Tenant will not cause any Hazardous Materials to be brought upon, kept, or used at the Property in a manner or for any purpose that violates any Hazardous Materials Laws. Tenant, at its sole cost and expense, will comply with all Hazardous Materials Laws related to Tenant's use of the Property.

5.2 Tenant's Hazardous Materials Indemnification. To the fullest extent allowable under the Laws, Tenant releases and will indemnify, protect, defend (with counsel reasonably acceptable to Landlord) and hold Landlord harmless for, from, and against any and all Claims whatsoever arising or resulting, in whole or in part, directly or indirectly, from the presence, treatment, storage, transportation, disposal, release, or management of Hazardous Materials in, on, under, about, or from the Property (including water tables and atmosphere), but only to the extent arising during the Initial Term and any Extension Periods as a result of the acts of the Tenant Parties. The obligations of Tenant under this Article survive the expiration or earlier termination of this Lease.

5.3 Landlord's Hazardous Materials Indemnification. To the fullest extent allowable under the Laws, Landlord releases and will indemnify, protect, defend (with counsel reasonably acceptable to Tenant) and hold Tenant harmless from and against any and all Claims whatsoever arising or resulting, in whole or in part, directly or indirectly, from the presence, treatment, storage, transportation, disposal, release or management of Hazardous Materials in, on, under, about or from the Premises (including water tables and atmosphere), but only to the extent arising prior to the Closing Date as a result of the acts of the Landlord Parties. The obligations of Landlord under this Article survive the expiration or earlier termination of this Lease.

5.4 Tenant's Use of Biodegradable Ammunition. Tenant shall not permit the use of non-biodegradable ammunition in the operation of airsoft guns on the Premises. Tenant shall clean up, remove, or otherwise rid the fields of any non-biodegradable ammunition used in the operation of Nerf guns and other similar hardware. Such materials may be subject to the provisions of Section 5.2.

ARTICLE 6 UTILITIES

6.1 Tenant's Rights and Obligations; Cost of Utilities. With respect to all utilities serving the Property, (a) Tenant will contact the applicable utility company or other service provider to arrange for such utility to be provided to the Property, and (b) Tenant is solely responsible for paying directly to such utility company or other service provider, prior to delinquency, all charges owed for such utility service. Tenant has the right to choose its own telephone service provider, internet service provider, data line service provider, and providers for any other similar services for the Property. Landlord will permit the companies selected by Tenant to have reasonable access to the lines, cables, conduits, and facilities at Landlord's Adjacent Property in order to install and provide such services to Tenant.

6.2 Other Provisions Relating to Utilities. If any utilities or other services to the Property are disrupted for more than 24 hours as a result of the acts of any of the Landlord Parties, Tenant will be entitled to a reasonable abatement of Rent based on the severity of the disruption.

ARTICLE 7 MAINTENANCE AND REPAIR

7.1 Generally. Tenant, at its sole cost and expense, shall comply with Laws applicable to the maintenance and upkeep of the Property. Upon Tenant's completion of construction of its initial improvements at the Premises, Tenant shall, at all times, keep and maintain in a clean and attractive condition the parking and staging areas of the Premises, the play fields, and the exteriors of the Buildings, including any windows and plate glass. Tenant shall also maintain the Premises year-round by controlling weeds and safeguarding existing trees.

7.2 Mud Run course. Tenant shall preserve the Mud Run obstacles and trails and shall not substantially alter the Mud Run course or make any improvements thereon or modifications thereto that impede Landlord's use of the Mud Run course. Tenant will provide for the collection and removal of all trash from the Premises. Tenant's maintenance and repair obligations under this Section are subject to the provisions of Articles 10 and 11 of this Lease regarding any Casualty or Taking.

ARTICLE 8 ALTERATIONS

8.1 Construction Obligations; Ownership of Alterations. Tenant will cause all Buildings and Alterations to be constructed in a good and workmanlike manner and in compliance with all Laws. Tenant has the right to remove all Alterations installed by Tenant at the Premises as long as Tenant repairs any damage to the Premises caused by such removal. If Tenant does not remove any Alterations from the Premises at the end of the Term, such Alterations will become the property of Landlord at no cost to Landlord.

8.2 Liens. Tenant will keep Landlord's interest in the Premises free from any mechanics', materialmens', professional services, or other liens arising out of any work performed at the Premises by Tenant. If any such lien is filed or recorded against the Premises, Tenant will, within 15 days after being notified of such filing or recording, cause such lien to be released of record or provide Landlord with a bond or other security protecting Landlord against such lien. Landlord will keep the Premises free from any mechanics', materialmens', professional services, or other liens arising out of any work performed by Landlord. If any such lien is filed or recorded against the Premises, Landlord will, within 15 days after being notified of such filing or recording, cause such lien to be released of record.

ARTICLE 9 INSURANCE

9.1 General.

9.1.1 Insurer Qualifications. Without limiting any obligations or liabilities of Tenant, Tenant 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 Landlord. Failure to maintain insurance as specified herein may result in termination of this Lease at Landlord's option.

9.1.2 No Representation of Coverage Adequacy. By requiring insurance herein, Landlord does not represent that coverage and limits will be adequate to protect Tenant. Landlord reserves the right to review any and all of the insurance policies and/or endorsements cited in this Lease, but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Lease or failure to identify any insurance deficiency shall not relieve Tenant from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Lease.

9.1.3 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 Lease, Landlord, its agents, representatives, officers, directors, officials and employees as Additional Insured as specified under the respective coverage sections of this Lease. Tenant shall ensure all necessary endorsements are executed related to the Additional Insured coverage.

9.1.4 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 Lease are satisfactorily performed, completed, and formally accepted by Landlord unless specified otherwise in this Lease.

9.1.5 Primary Insurance. Tenant's insurance shall be primary insurance with respect to performance of this Lease and in the protection of Landlord as an Additional Insured.

9.1.6 Claims Made. In the event any insurance policies required by this Lease 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 endorsements citing applicable coverage is in force and contains the provisions as required herein for the three-year period.

9.1.7 Waiver. All policies, except for Professional Liability, including Workers' Compensation insurance, shall contain a waiver of rights of recovery (subrogation) against Landlord, its agents, representatives, officials, officers and employees for any claims arising out of the work or services of Tenant. Tenant shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

9.1.8 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 Landlord. Tenant shall be solely responsible for any such deductible or self-insured retention amount.

9.1.9 Use of Subcontractors. If any work under this Lease is subcontracted in any way, Tenant shall execute written agreements with its subcontractors containing the indemnification provisions set forth in this Section and insurance requirements set forth herein protecting Landlord and Tenant. Tenant shall be responsible for executing any agreements with its subcontractors and obtaining certificates of insurance and endorsements verifying the insurance requirements.

9.1.10 Evidence of Insurance. Prior to commencing any work or services under this Lease, Tenant will provide Landlord 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 Lease, issued by Tenant's insurance insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages (including necessary endorsements), conditions and limits of coverage specified in this Lease 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 Lease. Landlord 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 Lease. If any of the policies required by this Lease expire during the life of this Lease, it shall be Tenant's responsibility to forward renewal certificates and declaration page(s) to Landlord 30 days prior to the expiration date. All certificates of insurance and declarations required by this Lease shall be identified by referencing this Lease. A \$25.00 administrative fee shall be assessed for all certificates or declarations received without a reference to this Lease. Additionally, certificates of insurance and declaration page(s) of the insurance policies submitted without referencing this Lease will be subject to rejection and may be returned or discarded. Certificates of insurance and declaration page(s) shall specifically include the following provisions:

(a) Landlord, its agents, representatives, officers, directors, officials and employees are Additional Insureds as follows:

(1) Commercial General Liability – Under Insurance Services Office, Inc., ("ISO") Form CG 20 10 04 13 or equivalent.

(2) Auto Liability – Under ISO Form CA 20 48 or equivalent.

(3) Excess Liability – Follow Form to underlying insurance.

(b) Tenant's insurance shall be primary insurance with respect to performance of this Lease.

(c) All policies, except for Professional Liability, including Workers' Compensation, waive rights of recovery (subrogation) against Landlord, its agents, representatives, officers, officials and employees for any claims arising out of work or services performed by Tenant under this Lease.

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 do so shall impose no obligation or liability of any kind upon the insurer, its agents or representatives” shall be deleted. Certificate forms other than ACORD forms shall have similar restrictive language deleted.

9.2 Required Insurance Coverage.

9.2.1 Commercial General Liability. Tenant shall maintain “occurrence” form Commercial General Liability insurance with an unimpaired limit of not less than \$2,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate and a \$5,000,000 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 Lease, Landlord, 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 04 13, 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 underlying insurance.

9.2.2 Property Insurance. Tenant will maintain insurance on the Buildings providing coverage comparable to that provided by a standard causes of loss – special form property insurance policy. Tenant may maintain such insurance in whole or in part under a blanket policy. Tenant is not required by this Lease to maintain personal property or business interruption insurance. Accordingly, Tenant’s Personal Property is located at the Premises at Tenant’s sole risk, and Landlord is not liable for any damage to or loss or destruction of Tenant’s Personal Property.

9.2.3 Vehicle Liability. Tenant shall maintain Business Automobile Liability insurance with a limit of \$1,000,000 each occurrence on Tenant’s owned, hired, and non-owned vehicles assigned to or used in the performance of the Tenant’s work or services under this Lease. 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, Landlord, 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.

9.2.4 Professional Liability. If this Lease is the subject of any professional services or work, or if the Tenant engages in any professional services or work in any way related to performing the work under this Lease, the Tenant shall maintain Professional Liability insurance covering negligent errors and omissions arising out of the professional services performed by the Tenant, or anyone employed by the Tenant, or anyone for whose negligent acts, mistakes, errors, and omissions the Tenant is legally liable, with an unimpaired liability insurance limit of \$2,000,000 each claim and \$2,000,000 annual aggregate.

9.2.5 Workers' Compensation Insurance. If Tenant employs anyone who is required by law to be covered by Workers' Compensation Insurance, Tenant shall maintain Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over Tenant's employees engaged in the performance of work or services under this Lease 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.

9.3 Cancellation and Expiration Notice. Tenant shall provide at least 30 days prior written notice to Landlord before insurance required herein expires, is canceled, or is materially changed.

ARTICLE 10 DAMAGE OR DESTRUCTION

10.1 Substantial Casualty. If any Casualty renders the whole or more than 50% of the floor area of the Buildings untenable, Tenant may terminate this Lease by notifying Landlord of such election within 60 days after the date of the Casualty, which termination will be effective thereafter on the date set forth in such notice of termination. If Tenant terminates this Lease pursuant to this paragraph, then, within 30 days after such termination, Tenant shall demolish the damaged Buildings, remove all Personal Property and debris from the Property, and restore the surface of the affected portion of the Premises to a level condition. Tenant will pay Landlord an amount equal to all Rent that would have accrued during the six-month period following such termination.

10.2 Repair of Tenant's Buildings. If Tenant does not elect to terminate this Lease following a Casualty, Tenant will either repair and restore the portion of the Buildings affected by such Casualty to as near their condition prior to the Casualty as is reasonably possible with all commercially reasonable diligence and speed, or Tenant will demolish the damaged Buildings, remove all Personal Property and debris from the Premises, and restore the surface of the affected portion of the Premises to a level condition.

ARTICLE 11 EMINENT DOMAIN

11.1 Termination of Lease. If a Condemning Authority desires to effect a Taking of all of the Property, this Lease will terminate as of the date the Condemning Authority takes possession of same. If a Condemning Authority desires to effect a Taking of less than all of the Property in a manner that materially adversely affects access to the Property, then Tenant, at its option, by notifying Landlord not later than 60 days after the date the Condemning Authority takes possession of such property, may terminate this Lease effective on the date set forth in such notice of termination, and if so requested by Landlord, Tenant shall demolish the damaged Buildings, remove all Personal Property and debris from the Property, and restore the surface of the affected portion of the Premises to a level condition. Tenant will pay Rent to the date of termination.

11.2 Adjustment of Rent. If this Lease does not terminate with respect to the entire Property under Section 11.1 and the Taking includes a portion of the Property, this Lease automatically terminates as to the portion of the Property taken as of the date the Condemning

Authority takes possession of such portion, and the Rent will be reduced on such date to an amount equal to the product of the Rent provided for in this Lease multiplied by a fraction, the numerator of which is the land area of the Premises after the Taking, and the denominator of which is the land area of the Premises prior to the Taking.

11.3 Award. Tenant is entitled to receive and keep all damages, awards or payments resulting from or paid on account of the Taking of the Tenant Improvements and Tenant's Personal Property. Landlord is entitled to receive and keep all other damages, awards or payments resulting from or paid on account of such Taking. With respect to any claim Tenant is entitled to make based on a Taking, Tenant may interpose and prosecute such claim in any proceeding in respect of such Taking, either independent of any claim of Landlord or, if only a single award is made for such Taking, a part of Landlord's claim.

ARTICLE 12 TRANSFERS

12.1 Transfers Requiring Landlord's Consent. Tenant will not enter into any Transfer of the Premises.

ARTICLE 13 DEFAULTS; REMEDIES

13.1 Tenant's Default. Tenant will not be in default under this Lease unless one of the following events occurs (an "Event of Default"):

13.1.1 Failure to Pay Rent. Tenant fails to pay Rent or any other amount owed by Tenant under this Lease for a period of 10 days after Landlord has notified Tenant that such payment is delinquent.

13.1.2 Failure to Perform. Tenant breaches or fails to perform any of Tenant's non-monetary obligations under this Lease and such breach or failure is not cured within 30 days after Landlord notifies Tenant of Tenant's breach or failure; provided that if Tenant is not able through the use of commercially reasonable efforts to cure such breach or failure within such 30-day period, Tenant's breach or failure is not an Event of Default if Tenant commences to cure such breach or failure within such 30-day period and thereafter diligently pursues the cure to completion, which cure in all events must be accomplished within 90 days after Landlord notification.

13.1.3 Bankruptcy. The occurrence of any one or more of the following: Tenant's filing of a petition under any chapter of the Bankruptcy Code, or under any federal, state, or foreign bankruptcy or insolvency statute now existing or hereafter enacted; or the filing of an involuntary petition under any chapter of the Bankruptcy Code, or under any federal, state or foreign bankruptcy or insolvency statute now existing or hereafter enacted, by or against Tenant and such filing not being dismissed within 60 days.

13.1.4 Unauthorized Assignment. Tenant, without having obtained the consent of Landlord as required in this Lease, assigns any interest requiring the consent of Landlord.

13.2 Remedies. Upon the occurrence of any Event of Default, Landlord may notify Tenant that Landlord intends to exercise one or more of the remedies set forth below, and if such Event of Default is not cured within 15 days thereafter, Landlord may, at any time and from time to time, without further notice or demand and without preventing Landlord from exercising any other right or remedy, exercise any one or more of the following remedies:

13.2.1 Termination of Tenant's Possession/Re-entry and Reletting. Terminate Tenant's right to possess the Property by any lawful means with or without terminating this Lease, in which event Tenant will immediately surrender possession of the Property to Landlord as provided in Article 15. In such event, this Lease continues in full force and effect (except for Tenant's right to possess the Property) and Tenant continues to be obligated for and must pay all Rent as and when due under this Lease. If Landlord terminates Tenant's right to possess the Property, Landlord may re-enter the Property and remove all persons and property from the Property. Landlord may store any property Landlord removes from the Property in a public warehouse or elsewhere at the cost and for the account of Tenant, and if Tenant fails to pay the storage charges therefor, Landlord may deem such property abandoned and cause such property to be sold or otherwise disposed of without further obligation or any accounting to Tenant. Upon terminating Tenant's right to possess the Property, Landlord will use commercially reasonable efforts to relet the Property.

13.2.2 Termination of Lease. Terminate this Lease effective on the date Landlord specifies in Landlord's notice to Tenant. Upon such termination, Tenant will immediately surrender possession of the Property to Landlord as provided in Article 15. If Landlord terminates this Lease pursuant to this Section, Landlord may recover from Tenant and Tenant will pay to Landlord on demand: all Rent due and payable under this Lease as of the effective date of the termination; and an amount equal to the amount by which (1) the present value, as of the effective date of the termination, of the Rent for the balance of the Term remaining after the effective date of the termination (assuming no termination) exceeds (2) the present value, as of the effective date of the termination, of a fair market Rent for the Property for the same period. For purposes of this Section, Landlord will compute present value by utilizing a discount rate of 8% per annum.

13.3 Landlord's Default. Landlord will not be in default under this Lease unless Landlord breaches or fails to perform any of Landlord's obligations under this Lease and the breach or failure continues for a period of 30 days after Tenant notifies Landlord in writing of Landlord's breach or failure; provided that if Landlord is not able through the use of commercially reasonable efforts to cure the breach or failure within such 30-day period, Landlord's breach or failure is not a default as long as Landlord commences to cure its breach or failure within the 30 day period and thereafter diligently pursues the cure to completion, which cure in all events must be accomplished within 90 days of the Tenant notification. Upon the occurrence of default by Landlord, Tenant may at any time and from time to time, without further notice or demand, cure such default on behalf of Landlord or exercise any other right or remedy available to Tenant at law or in equity. Within 30 days after Tenant's request, Landlord will reimburse Tenant for any reasonable out-of-pocket costs incurred by Tenant to cure Landlord's default. If Tenant does not receive any payment owed by Landlord to Tenant within 30 days after Tenant notifies Landlord that such payment is delinquent, Tenant may deduct such amount from Rent.

13.4 No Waiver. No failure by either Landlord or Tenant to insist upon the performance of any provision of this Lease or to exercise any right or remedy upon a breach or default hereof constitutes a waiver of any such breach or default. Any such waiver may be made only in a writing signed by the party providing the waiver. One or more waivers by a party is not to be construed as a waiver by that party of a subsequent breach or default of the same provision. In no event are any of the Landlord Parties or the Tenant Parties liable to any person for consequential, indirect, special, or punitive damages.

13.5 Conflict of Interest. This Lease is subject to the provisions of ARIZ. REV. STAT. § 38-511. Landlord may cancel this Lease without penalty or further obligations by Landlord or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Lease on behalf of Landlord or any of its departments or agencies is, at any time while this Lease or any extension of this Lease is in effect, an employee of any other party to this Lease in any capacity or a contractors to any other party of this Lease with respect to the subject matter of this Lease.

13.6 Gratuities. Landlord may, by written notice to Tenant, cancel this Lease if it is found by Landlord that gratuities, in the form of economic opportunity, future employment, entertainment, gifts or otherwise, were offered or given by Tenant or any agent or representative of Tenant to any officer, agent or employee of Landlord for the purpose of securing this Lease. In the event this Lease is canceled by Landlord pursuant to this provision, Landlord shall be entitled, in addition to any other rights and remedies, to recover and withhold from Tenant an amount equal to 150% of the gratuity.

13.7 Lease Subject to Appropriation. Landlord is obligated only to pay its obligations set forth in this Lease as may lawfully be made from funds appropriated and budgeted for that purpose during Landlord's then-current fiscal year. Landlord's obligations under this Lease are current expenses subject to the "budget law" and the unfettered legislative discretion of Landlord concerning budgeted purposes and appropriation of funds. Should Landlord elect not to appropriate and budget funds to pay its lease obligations, this Lease shall be deemed terminated at the end of the then-current fiscal year term for which such funds were appropriated and budgeted for such purpose and Landlord shall be relieved of any subsequent obligation under this Lease. The parties agree that Landlord has no obligation or duty of good faith to budget or appropriate the payment of Landlord's obligations set forth in this Lease, if any, in any budget in any fiscal year other than the fiscal year in which this Lease is executed and delivered. Landlord shall be the sole judge and authority in determining the availability of funds for its obligations under this Lease. Landlord shall keep Tenant informed as to the availability of funds for this Lease. The obligation of Landlord to make any payment pursuant to this Lease is not a general obligation or indebtedness of Landlord. Tenant hereby waives any and all rights to bring any claim against Landlord from or relating in any way to Landlord's termination of this Lease pursuant to this Section.

ARTICLE 14

CREDITORS; ESTOPPEL CERTIFICATES

14.1 No Existing Mortgages. Landlord represents and warrants to Tenant that, on the date of this Lease, there are no Mortgages encumbering the Premises.

14.2 Subordination to Future Mortgages. Any Mortgage granted by Landlord after the date of this Lease is herein referred to as a "Future Mortgage." Subject to the following provisions of this Section 14.2, this Lease is subordinate to each Future Mortgage. The automatic subordination to each Future Mortgage provided for in this Section is expressly conditioned upon the Mortgage holder's agreement that as long as no Event of Default is in existence under this Lease, the holder of such Future Mortgage will not disturb Tenant's rights of possession of the Property under this Lease or terminate this Lease. Tenant will, upon Landlord's request with respect to any Future Mortgage, execute and deliver to Landlord a subordination, non-disturbance, and attornment agreement in the form of Exhibit D or such other form as is reasonably acceptable to Landlord, Tenant, and the holder of such Future Mortgage. The lien of any Future Mortgage will not encumber the Tenant Improvements or Tenant's Personal Property.

14.3 Attornment. Upon the purchase of the Premises at a foreclosure sale under a Future Mortgage, Tenant will attorn to and recognize such purchaser as Landlord under this Lease.

14.4 Estoppel Certificates. Upon either party's written request, the other party will execute and deliver to the requesting party a written statement certifying: (i) that this Lease is unmodified and in full force and effect (or, if there have been any modifications, that this Lease is in full force and effect, as modified, and stating the modifications); (ii) the last date of payment of Rent and the time period covered by such payment; (iii) whether, to the best of such party's actual knowledge, there are then existing any breaches or defaults by the other party under this Lease, and, if so, specifying the same; and (iv) such other matters as the requesting party may reasonably request. The party from whom such statement is requested will deliver the statement to the requesting party within 20 Business Days after the request for such statement.

14.5 Landlord's Lien. If Tenant obtains financing for all or any portion of the Tenant Improvements or Tenant's Personal Property, Landlord will execute and deliver to any such secured creditor and/or equipment lessor an instrument subordinating its statutory landlord's lien to the lien of any such secured creditor and/or equipment lessor; provided, however, that Landlord will not subordinate its fee title interest in the Premises.

ARTICLE 15 SURRENDER; HOLDING OVER

15.1 Surrender of Premises. Tenant will surrender possession of the Property to Landlord at the expiration or earlier termination of this Lease. Tenant will at such time remove all of Tenant's Personal Property from the Premises. As long as Tenant repairs any damage to the Premises caused by such removal, Tenant will also have the right to remove all or any portion of the Tenant Improvements. Any of the Tenant Improvements or Tenant's Personal Property not removed on or before the last day of the Term is deemed abandoned.

15.2 Holding Over. If Tenant remains in possession of the Property after the Term expires or is otherwise terminated, Tenant will be deemed to be occupying the Property as a tenant from month-to-month, subject to all provisions of this Lease applicable to a month-to-month tenancy, provided that the Rent during the holdover period will equal 150% of the Rent payable by Tenant in the last year of the Term.

ARTICLE 16

LANDLORD IMPROVEMENTS AND TENANT IMPROVEMENTS

16.1 Landlord Improvements. Landlord is leasing the Premises to Tenant in an “AS IS,” “WHERE IS,” and “WITH ALL FAULTS” condition and is not responsible to construct or install any improvements at the Premises.

16.2 Tenant Improvements. Tenant is solely responsible for the construction and installation of any Tenant Improvements. Once Tenant elects to proceed with any Tenant Improvements, Tenant shall obtain all building permits necessary for the construction of the Tenant Improvements and will cause the Tenant Improvements to be constructed in a good and workmanlike manner and in compliance with all Laws.

16.2.1 Tenant Improvements shall not impede Landlord’s reasonable use of the Premises in accordance with Section 1.4, Article 4, and Exhibit E, nor shall any such improvement materially change the layout and primary function of the Mud Run course already located thereon.

16.2.2 Except as otherwise permitted herein, Tenant may not construct more than one permanent building improvement on the Premises without Landlord’s prior, written consent, which approval may be withheld in Landlord’s sole discretion. Landlord shall have no liability whatsoever for any costs associated with the construction of the Building Improvements.

ARTICLE 17

ADDITIONAL PROVISIONS

17.1 Security Deposit. The parties acknowledge that no security deposit is being required under this Lease.

17.2 Approvals. If either party’s consent or approval is required under this Lease, other than Landlord’s regulatory approvals, then, unless otherwise specifically provided in another Section of this Lease, such consent or approval will not be unreasonably withheld, conditioned, or delayed. If a provision of this Lease requires either Landlord or Tenant to obtain the other party’s consent to or approval of any matter, then a party’s failure to respond to a request for such consent or approval within 45 days after its receipt of such request (or such other period of time as may be specifically stated in this Lease) will constitute such party’s consent to or approval of such matter, but only if the request for such consent or approval clearly and conspicuously states that the failure to respond in writing within the applicable period constitutes the recipient’s consent or approval of such matter. If either Landlord or Tenant withholds or denies its consent to or approval of any such matter, it must specifically state the reason it is withholding or denying such consent or approval and must propose an alternative (if any) which would cause the submitted item to be approved by the recipient of such request for consent or approval.

ARTICLE 18

MISCELLANEOUS PROVISIONS

18.1 Notices. All Notices must be in writing and must be sent by personal delivery, by United States registered or certified mail (postage prepaid), or by an independent overnight courier service, addressed to the addresses specified in the Basic Terms or at such other addresses as either

party may designate to the other party by written notice given in accordance with this Section. Notices given by mail are deemed delivered within four Business Days after the party sending the Notice deposits the Notice with the United States Post Office. Notices delivered by courier are deemed delivered on the next Business Day after the day the party delivering the Notice timely deposits the Notice with the courier for overnight (next day) delivery. Any Notice given by an attorney or agent acting on behalf of a party shall be effective as Notice from such party.

18.2 Landlord's Conveyance of Premises. If Landlord conveys fee title to the Premises, the transferor Landlord will remain liable for the obligations of the "Landlord" under this Lease that arose prior to the date of such conveyance, but will have no liability for the obligations of the "Landlord" that arise on and after the date of such conveyance. Upon such conveyance, the new landlord will be deemed to have assumed all obligations of the "Landlord" that arise on and after the date of such conveyance.

18.3 Successors. Subject to the express provisions of this Lease, this Lease is binding on and inures to the benefit of the parties hereto and their respective successors and assigns.

18.4 Captions and Interpretation. The captions of the articles and sections of this Lease are to assist the parties in reading this Lease and are not a part of the terms or provisions of this Lease. Whenever required by the context of this Lease, the singular includes the plural, and the plural includes the singular.

18.5 Relationship of Parties. This Lease does not create, between the parties to this Lease, the relationship of principal and agent, or of partnership or joint venture, or any other association or relationship other than that of landlord and tenant.

18.6 Entire Agreement; Amendment. The Basic Terms and all exhibits, addenda, and schedules attached to this Lease are incorporated into and made a part of this Lease as though fully set forth in this Lease and together with this Lease contain the entire agreement between the parties with respect to the Property. All prior and contemporaneous negotiations, including, without limitation, any letters of intent or other proposals and any drafts and related correspondence, are merged into and superseded by this Lease. No subsequent alteration, amendment, change, or addition to this Lease is binding on Landlord or Tenant unless it is in writing and signed by Landlord and Tenant.

18.7 Severability. If any covenant, condition, provision, term, or agreement of this Lease is, to any extent, held invalid or unenforceable, the remaining portion thereof and all other covenants, conditions, provisions, terms, and agreements of this Lease will not be affected by such holding and will remain valid and in force to the fullest extent permitted by law.

18.8 Attorneys' Fees. If either Landlord or Tenant commences any litigation or judicial action to determine or enforce any of the provisions of this Lease, the prevailing party in any such litigation or judicial action or appeal thereon is entitled to recover all of its costs and expenses (including, but not limited to, reasonable attorneys' fees, costs, and expenditures) from the non-prevailing party.

18.9 Brokers. Landlord and Tenant each represent and warrant to the other that it has not had any dealings with any realtors, brokers, finders, or agents in connection with this Lease,

and each release and agrees to indemnify the other from and against any Claims based on the failure or alleged failure to pay any realtors, brokers, finders or agents and from any cost, expense or liability for any compensation, commission or charges claimed by any realtors, brokers, finders or agents claiming by, through or on behalf of it with respect to this Lease or the negotiation of this Lease.

18.10 Governing Law. This Lease is governed by, and must be interpreted under, the internal laws of the state in which the Property is located without reference to any choice of law provisions or principles. Any suit against Landlord or Tenant relating to this Lease must be brought in the county in which the Property is located or, if the suit is brought in federal court, in any federal court appropriate for suits arising in such county; Landlord and Tenant waive the right to bring suit against each other elsewhere.

18.11 Time is of the Essence. Time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor. All time periods which are contemplated under this Lease to be measured in “days” shall be measured in calendar days unless expressly stated to be measured in “Business Days.”

18.12 Memorandum of Lease. Tenant will not record this Lease. However, concurrently with the execution of this Lease, Landlord and Tenant will execute a Memorandum of Lease in the form of Exhibit C, and Tenant may record such instrument. In accordance with ARIZ. REV. STAT. § 42-6202(C), Landlord shall record a memorandum of this Lease in the Yavapai County Recorder’s Office.

18.13 Construction of Lease and Terms. The terms and provisions of this Lease are the result of negotiations between Landlord and Tenant, each of which are sophisticated parties and each of which has been represented or been given the opportunity to be represented by legal counsel and/or other advisors of its own choosing, and neither of which has acted under any duress or compulsion, whether legal, economic or otherwise. Consequently, the terms and provisions of this Lease are to be interpreted and construed in accordance with their usual and customary meanings, and Landlord and Tenant each waive the application of any rule of law that ambiguous or conflicting terms or provisions are to be interpreted or construed against the party who drafted the same. Tenant’s submission of this instrument to Landlord in draft or final form for examination or signature does not constitute any agreement by Tenant to lease the Premises or any representation by Tenant that it will execute this Lease. This Lease will be a binding agreement between Landlord and Tenant only when it has been executed by both parties.

18.14 Relationship. Nothing contained herein shall be deemed or construed by the parties hereto, nor by any third party, as creating a relationship between the parties hereto other than the relationship of landlord and tenant.

18.15 Submission. The submission of this Lease for examination does not constitute a reservation or any option for the Premises, and this Lease becomes effective only upon its execution and delivery by both parties hereto.

18.16 Independent Covenants. The doctrine of independent covenants shall apply in all matters relating to this Lease including, without limitation, all obligations of Landlord and Tenant

to perform their respective obligations under this Lease. All obligations of Tenant which by their nature involve performance after the end of the Term, or which cannot be ascertained to have been performed until after the end of the Term of this Lease, shall survive the expiration or earlier termination of this Lease.

18.17 Trial Waiver. THE PARTIES HERETO IRREVOCABLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM BROUGHT BY EITHER PARTY AGAINST THE OTHER ON ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, OR TENANT'S USE AND OCCUPANCY OF THE PREMISES.

18.18 Tenant Liability; Authority. If this Lease is executed by more than one person or entity as "Tenant," each such person or entity shall be jointly and severally liable hereunder. It is expressly understood that any one of the parties who have executed this Lease as "Tenant" (herein individually referred to as "Signatory") shall be empowered to execute any modification, amendment, exhibit, floor plan, or other document ("Future Instrument") and bind each such Signatory who has executed this Lease regardless of whether each Signatory, in fact, executes such Future Instrument. If Tenant is a corporation, limited liability company, or partnership, each individual executing this Lease on behalf of such entity represents and warrants that he/she is duly authorized to execute and deliver this Lease on behalf of said entity, in accordance with the organizational documents of said entity, and that this Lease is binding upon said entity.

18.19 Homeland Security. Tenant represents, certifies and warrants to Landlord as follows: (i) Tenant is not named by, and is not acting, directly or indirectly, for or on behalf of any person, group, entity or nation named by, any Executive Order, including without limitation Executive Order 13224, or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enacted, enforced or administered by the Office of Foreign Assets Control; (ii) Tenant is not engaged in this transaction, directly or indirectly, for or on behalf of, or instigating or facilitating this transaction, directly or indirectly on behalf of, any such person, group, entity or nation; and (iii) none of the proceeds used to pay Minimum Rent and Additional Rent have been or will be derived from a "specified unlawful activity" as defined in, and Tenant is not otherwise in violation of, the Money Laundering Control Act of 1986, as amended, or any other applicable laws regarding money laundering activities. Furthermore, Tenant agrees to immediately notify Landlord if Tenant was, is, or in the future becomes a "senior foreign political figure," or an immediate family member or close associate of a "senior foreign political figure," within the meaning of Section 312 of the USA PATRIOT Act of 2001. Notwithstanding anything in this Lease to the contrary, Tenant acknowledges and agrees that this Lease is a continuing transaction and that the foregoing representations, certifications, and warranties are ongoing and shall be and remain true and in full force and effect on the date hereof and throughout the Term and that any breach thereof shall constitute an automatic Event of Default giving rise to Landlord's remedies and Tenant agrees to indemnify, defend and hold harmless Landlord and Landlord's management agent from and against all losses, damages, costs, and expenses resulting from or relating to any breach of the foregoing representations, certification, and warranties.

18.20 Incorporation of Exhibits. All Exhibits identified in this Lease, including, but not limited to those listed in the Basic Terms, shall be and are hereby incorporated into this Lease by this reference

Landlord and Tenant have each caused this Lease to be executed and delivered by their duly authorized representatives.

LANDLORD:

TOWN OF CHINO VALLEY, an Arizona
municipal corporation

Jack W. Miller, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

TENANT:

ICHOR AIRSOFT, LLC, an Arizona limited
liability corporation

By: _____

Name: _____

Title: _____

**EXHIBIT A
TO
GROUND LEASE
BETWEEN
TOWN OF CHINO VALLEY
AND
ICHOR AIRSOFT, LLC**

DEFINITIONS

“Affiliate” means, with respect to any person or entity, any other person or entity that, directly or indirectly, controls, is controlled by or is under common control with such person or entity. For purposes of this definition, “control” means possessing the power to direct or cause the direction of the management and policies of the entity.

“Alterations” means any changes, alterations, additions or improvements made to the Premises by Tenant after Tenant initially opens its business on the Property.

“Bankruptcy Code” means the United States Bankruptcy Code as the same now exists and as the same may be amended, including any and all rules and regulations issued pursuant to or in connection with the United States Bankruptcy Code now in force or in effect after the date of this Lease.

“Basic Terms” means the terms of this Lease identified as the “Basic Terms” located before Article 1 of this Lease.

“Buildings” has the meaning set forth in the Basic Terms.

“Business Days” means any day other than Saturday, Sunday or a legal holiday in the state in which the Property is located.

“Casualty” means any physical loss, destruction or damage to property which is caused by fire, windstorm, hail, lightning, vandalism, theft, explosion, collision, accident, flood, earthquake, collapse, or any other peril (including, without limitation, malfunctions or failures of equipment, machinery, sprinkling devices, or air conditioning, heating or ventilation apparatus; occurrences or presence of water, snow, frost, steam, gas, sewage, sewer backup, odors, noise, hail or excessive heat or cold; broken or falling plaster, ceiling tiles, fixtures or signs; broken glass; or the bursting or leaking of pipes or plumbing fixtures). “Casualty” does not include (a) any waste or excessive or unreasonable wear and tear, or (b) any loss, destruction or damage arising or resulting from the placement, disposal or release of Hazardous Materials in, on, under, about or from the Property by either Landlord or Tenant.

“Claims” means all claims, actions, demands, liabilities, damages, costs, penalties, forfeitures, losses or expenses including, without limitation, reasonable attorneys’ fees and the costs and expenses of enforcing any obligation under this Lease.

“Commencement Date” has the meaning set forth in the Basic Terms.

“Condemning Authority” means any person or entity with a statutory or other power of eminent domain.

“County” means Yavapai County, Arizona.

“Event of Default” has the meaning set forth in Article 13 of this Lease.

“Future Mortgage” has the meaning set forth in Article 14.2 of this Lease.

“Hazardous Materials” means any of the following, in any amount: (a) any petroleum or petroleum product, asbestos in any form, urea formaldehyde and polychlorinated biphenyls; (b) any radioactive substance; (c) any toxic, infectious, reactive, corrosive, ignitable or flammable chemical or chemical compound; and (d) any chemicals, materials or substances, whether solid, liquid or gas, defined as or included in the definitions of “hazardous substances,” “hazardous wastes,” “Hazardous materials,” “extremely hazardous wastes,” “restricted hazardous wastes,” “toxic substances,” “toxic pollutants,” “solid waste,” or words of similar import in any federal, state or local statute, law, ordinance or regulation now existing or existing on or after the date of this Lease as the same may be interpreted by government offices and agencies, including, without limitation, (i) trichloroethylene, tetrachloroethylene, perchloroethylene and other chlorinated solvents, (ii) oil or any petroleum products or fractions thereof, (iii) asbestos, (iv) polychlorinated biphenyls, (v) flammable explosives, (vi) urea formaldehyde, (vii) radioactive materials and waste, and (viii) infectious waste; provided, however, that notwithstanding all of the foregoing, for all purposes of this Lease the term “Hazardous Materials” does not and is not intended to include fungus, mold or mildew of any type or kind, or any spores, secretions, or other substances or odors emanating from or relating to any fungus, mold or mildew of any type or kind.

“Hazardous Materials Laws” means any federal, state or local laws, ordinances, codes, statutes, regulations, administrative rules, policies and orders, and other authority, existing now or in the future, which classify, regulate, list or define Hazardous Materials.

“Landlord Parties” means Landlord and its officers and employees.

“Laws” means any law, regulation, rule, order, statute, or ordinance of any governmental entity in effect on or after the date of this Lease and applicable to the Property or the use or occupancy of the Property, including, without limitation, Hazardous Materials Laws.

“Lease” means this Ground Lease, as the same may be amended or modified after the date of this Lease.

“Maximum Rate” means interest at a rate equal to the lesser of (a) 12% per annum, or (b) the maximum interest rate permitted by law.

“Mortgage” means any mortgage, deed of trust, security interest, or other security document of like nature that at any time may encumber all or any part of Landlord’s interest in the Premises and any replacements, renewals, amendments, modifications, extensions, or refinancing thereof,

and each advance (including future advances) made under any such instrument, excluding Leasehold Mortgages.

“Notices” means all notices, deliveries, demands, or requests that may be or are required to be given, provided, demanded, or requested by either party to the other as provided in this Lease.

“Premises” has the meaning set forth in the Basic Terms.

“Property” has the meaning set forth in the Basic Terms.

“Property Taxes” means any and all general and special real property taxes and assessments which are levied or assessed on the Property by any governmental authority having the power to tax, including any city, county, state, or federal entity or any improvement district. The term “Property Taxes” does not include: income, excess profits, gross profits, estate, single business, inheritance, succession, transfer, franchise, capital, occupancy, margin, or other tax or assessment upon Landlord or the Rent.

“Rent” means the rent payable by Tenant under this Lease in the amounts specified in Section 2.1.

“Rent Tax” means any rental taxes, gross receipt taxes, transaction privilege and sales taxes which are levied or assessed by any governmental authority on the Rent received by Landlord under this Lease; provided, that “Rent Tax” does not include any federal, state or local income tax or other tax, however denominated, which is applied to the net income of Landlord.

“Taking” means the exercise by a Condemning Authority of its power of eminent domain on all or any part of the Property, either by accepting a deed in lieu of condemnation or by any other manner.

“Tenant Improvements” means the Buildings and all other improvements constructed by Tenant from time to time at the Premises.

“Tenant Parties” means Tenant and, to the extent applicable, its officers, directors, partners, shareholders, members, and employees.

“Tenant’s Personal Property” means any trade fixtures, furniture, equipment, bleachers, removable sports facilities (such as basketball standards and scoreboards), signage, office and school equipment, audio/video equipment, computers, lockers, cubbies, and other storage facilities, smart boards and whiteboards, or other personal property of any type or kind located at or about the Property which is owned or leased by the Tenant Parties.

“Term” means the Initial Term of this Lease specified in the Basic Terms and, if applicable, any exercised Extension Period then in effect.

“Transfer” means an assignment of this Lease by Tenant or any subletting of the Premises by Tenant. The term “Transfer” does not include any assignment, transfer, mortgage, deed of trust, pledge, or other encumbrance of (a) Tenant’s interest in this Lease, its interest in the Premises, or its interest in the Tenant Improvements as security for one or more loans, or (b) any membership or equity interest in the entity which constitutes Tenant.

**EXHIBIT B
TO
GROUND LEASE
BETWEEN
TOWN OF CHINO VALLEY
AND
ICHOR AIRSOFT, LLC**

[Legal Description of Premises]

The Southwest quarter, of the Southwest quarter, of the Southeast quarter of Section 7, Township 16 North, Range 1 West of the Gila & Salt River Base and Meridian, Yavapai County, Arizona.

**EXHIBIT C
TO
GROUND LEASE
BETWEEN
TOWN OF CHINO VALLEY
AND
ICHOR AIRSOFT, LLC**

When recorded, return to:

Andrew J. McGuire
Gust Rosenfeld P.L.C.
One E. Washington Street, Suite 1600
Phoenix, Arizona 85004-2553

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the “**Memorandum**”) is by and between the Town of Chino Valley, an Arizona municipal corporation (“**Landlord**”), and Ichor Airsoft, LLC, and Arizona limited liability company (“**Tenant**”).

1. Landlord is the owner of that certain real property described on Exhibit 1 attached hereto (the “**Premises**”).

2. Landlord and Tenant have entered into that certain Ground Lease dated _____, (the “**Lease**”), pursuant to which Landlord has leased the Premises to Tenant for one year, with the option to extend the Ground Lease for two successive one-year terms.

3. The Lease provides that Landlord will not convey fee title to the Premises without first giving Tenant the right of first refusal to acquire fee title to the Premises pursuant to the Lease. Any such conveyance in violation of such right of first refusal will be void.

4. In order to give record notice to the public of the Lease, Landlord and Tenant have executed this Memorandum. All terms and provisions of the Lease are incorporated herein by reference as if fully set forth herein.

Landlord and Tenant have each caused this Memorandum to be executed and delivered by their duly authorized representatives.

[SIGNATURES ON FOLLOWING PAGE]

LANDLORD:

TOWN OF CHINO VALLEY, an Arizona
municipal corporation

Jack W. Miller, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

TENANT:

ICHOR AIRSOFT, LLC, an Arizona limited
liability corporation

By: _____

Name: _____

Title: _____

STATE OF ARIZONA)
) ss.
COUNTY OF YAVAPAI)

On _____, 20__, before me personally appeared _____, the
_____ of ICHOR AIRSOFT, LLC, an Arizona limited liability 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 document, on behalf of the company.

Notary Public

(Affix notary seal here)

**EXHIBIT 1
TO
MEMORANDUM OF LEASE**

[Legal Description Of Premises]

The Southwest quarter, of the Southwest quarter, of the Southeast quarter of Section 7, Township 16 North, Range 1 West, of the Gila & Salt River Base and Meridian, Yavapai County, Arizona.

**EXHIBIT D
TO
GROUND LEASE
BETWEEN
TOWN OF CHINO VALLEY
AND
ICHOR AIRSOFT, LLC**

When recorded, return to:

Andrew J. McGuire
Gust Rosenfeld P.L.C.
One E. Washington Street, Suite 1600
Phoenix, Arizona 85004-2553

**SUBORDINATION, NON-DISTURBANCE, AND ATTORNMENT
AGREEMENT**

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT (the “**Agreement**”) is entered into as of _____, 20____, by and among the Town of Chino Valley, an Arizona municipal corporation (“**Landlord**”), Ichor Airsoft, LLC, an Arizona limited liability corporation (“**Tenant**”), and _____ (“**Beneficiary**”).

RECITALS

A. Landlord and Tenant entered into that certain Lease dated _____, 20____, for the lease by Landlord to Tenant of certain Premises described therein (the “**Lease**”).

B. Landlord executed that certain Deed of Trust in favor of Beneficiary dated _____, 20____, and recorded on _____, 20____, in the Official Records of _____ County, _____, as Instrument No. _____ (the “**Deed of Trust**”).

C. The parties desire to establish certain rights, obligations, and priorities with regard to their respective interests by means of this Agreement.

AGREEMENT

IN CONSIDERATION of the mutual covenants of the parties and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Beneficiary hereby consents and approves the Lease, amendments and the terms thereof, including the options to extend the term as set forth in the Lease, and covenants and agrees that the exercise by Tenant of rights, remedies and options therein contained shall not constitute a default under the Deed of Trust. Tenant acknowledges that, pursuant to the Deed of Trust, the Lease and all rights of Landlord under the Lease have been assigned to Beneficiary as collateral

security for the loan that the Deed of Trust secures, and Tenant hereby consents to such assignment, notwithstanding any other provisions or requirements set forth in the Lease.

2. The Lease is, and shall remain, subject and subordinate to the lien of the Deed of Trust and to any extensions, modifications, consolidations or renewals thereof.

3. Prior to pursuing any remedy available to Tenant under the Lease, at law or in equity as a result of any failure of Landlord to perform or observe any covenant, condition, provision or obligation to be performed or observed by Landlord under the Lease (any such failure hereinafter referred to as a “**Landlord’s Default**”), Tenant shall: (a) provide Beneficiary with a copy of Tenant’s notice to Landlord of such Landlord’s Default (each a “**Default Notice**”), and (b) allow Beneficiary not less than the same number of days from the date of Beneficiary’s receipt of such Default Notice to cure such Landlord’s Default to which Landlord would be entitled to cure such Landlord’s Default pursuant to the Lease. Tenant shall not pursue any remedy available to it as a result of any Landlord’s Default unless Beneficiary fails to cure same within the time period specified above.

4. So long as Tenant is not in default in the performance of any terms, covenants and conditions to be performed on its part under the Lease beyond any applicable cure period, then in such event:

(a) Tenant shall not be joined as a party defendant in any foreclosure proceeding which may be instituted by Beneficiary (unless Tenant is a necessary party under applicable law); and

(b) Tenant’s leasehold estate under the Lease shall not be terminated, barred, cut off, or otherwise disturbed by reason of any default under the Deed of Trust or any foreclosure proceeding instituted by Beneficiary.

5. If Beneficiary shall succeed to the interest of Landlord in and to the Lease, whether through possession, foreclosure proceeding, or delivery of a deed in lieu of foreclosure, Tenant shall attorn to and recognize Beneficiary or any other purchaser at a foreclosure sale as Tenant’s landlord under the Lease. Upon and after such attornment, the Lease shall continue in full force and effect as a direct lease between Beneficiary or such purchaser and Tenant upon all of the terms, conditions and covenants as are set forth in the Lease, except that Beneficiary or such purchaser shall after such attornment:

(a) Be liable for any previous act or omission of any previous landlord arising directly from such landlord’s responsibilities and duties pursuant to the Lease; provided, Beneficiary has received appropriate notice of such default, and has an opportunity to cure (having no obligation to so cure) same, all pursuant to the terms and conditions of the Lease and this Agreement;

(b) Be subject to any offset or counterclaim which Tenant might be entitled to assert against any previous landlord, including deductions from rent arising pursuant to the Lease; provided, Beneficiary has received appropriate notice of such default, and has an opportunity to cure (having no obligation to so cure) same, all pursuant to the terms and conditions of the Lease and this Agreement;

(c) Not be bound by any previous prepayment of more than one month's fixed rent, unless such prepayment shall have been expressly approved in writing by Beneficiary;

(d) Be bound by any modification of the Lease; and

(e) Not be personally liable to Tenant in excess of Beneficiary's interest in the Premises and any proceeds therefrom.

6. At any time before the rights of Landlord shall have been forfeited or adversely affected because of any default on its part, or within the time permitted Landlord to cure any default under the Lease as there provided, Beneficiary may, at its option, pay any taxes and assessments, make any repairs and improvements, make any deposits or do any other act or thing required of Landlord by the terms of the Lease, and all payments so made and all things so done and performed by Beneficiary shall be as effective to prevent the rights of Landlord from being forfeited or adversely affected because of any default under this Lease as the same would have been if done and performed by Landlord.

7. In the event that Beneficiary notifies Tenant of any default under the Deed of Trust and demands that Tenant pay rent and all other sums due under the Lease to Beneficiary, Tenant (waiving any proof of the occurrence of such event of default other than receipt of Beneficiary's notice) shall pay rent and all other sums due under the Lease directly to Beneficiary. Any payments made to Beneficiary by Tenant shall not affect or impair the other rights and remedies of Beneficiary under the Deed of Trust or otherwise against Landlord. Any and all payments made to Beneficiary by Tenant pursuant to the foregoing shall be credited against Tenant's rental obligations under the Lease regardless of whether Beneficiary had the right to make such demand and regardless of any contrary demands which may hereafter be made by Landlord, and Landlord hereby irrevocably authorizes and instructs Tenant to make any payments referred to in this paragraph directly to Beneficiary, as directed by Beneficiary.

8. (a) Any required notices to Beneficiary shall be in writing and shall be given by registered or certified mail, return receipt requested, postage prepaid, at the address of Beneficiary as hereinabove set forth or at such other address as Beneficiary may designate by notice.

(b) During the period of any postal strike or other interference with the mail, personal delivery shall be substituted for registered or certified mail.

9. This Agreement shall bind and inure to the benefit of and be binding upon and enforceable by the parties hereto and their respective successors and assigns.

10. This Agreement contains the entire agreement between the parties and cannot be changed, modified, waived or canceled except by an agreement in writing executed by the party against whom enforcement of such modification, change, waiver or cancellation is sought.

Landlord, Tenant, and Beneficiary have each caused this Agreement to be executed and delivered by their duly authorized representatives.

[SIGNATURES ON FOLLOWING PAGES]

LANDLORD:

TOWN OF CHINO VALLEY, an Arizona
municipal corporation

Jack W. Miller, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

TENANT:

ICHOR AIRSOFT, LLC, an Arizona limited
liability corporation

By: _____

Name: _____

Title: _____

STATE OF ARIZONA)
) ss.
COUNTY OF YAVAPAI)

On _____, 20__, before me personally appeared _____, the
_____ of ICHOR AIRSOFT, LLC, an Arizona limited liability 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 document, on behalf of the company.

Notary Public

(Affix notary seal here)

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

Beneficiary:

a(n)

By: _____

Name: _____

Title: _____

STATE OF ARIZONA)
) ss.
COUNTY OF YAVAPAI)

On _____, 20__, before me personally appeared _____, the
_____ of ICHOR AIRSOFT, LLC, an Arizona limited liability 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 document, on behalf of the company.

Notary Public

(Affix notary seal here)

**EXHIBIT E
TO
GROUND LEASE
BETWEEN
TOWN OF CHINO VALLEY
AND
ICHOR AIRSOFT, LLC**

[Landlord's Scheduled Use of the Premises]

Tenant shall remove its impermanent facilities, barricades, and terrain features prior to and make the Premises available to Landlord on the following dates:

Event	Start Date	Event Time	End Date
Chino Valley Mud Run	9/27/2021	All Day	10/7/2021

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

5. f.

Meeting Date: 08/24/2021

Contact Person: Erin Deskins, Town Clerk
Phone: 928-636-2646 x-1208

Department: Town Clerk

Item Type: Consent

AGENDA ITEM TITLE:

Consideration and possible action to approve the June 22, 2021, regular meeting minutes. (Erin N. Deskins, Town Clerk)

RECOMMENDED ACTION:

Approve the June 22, 2021, regular meeting minutes.

Attachments

6-22-21 draft mins

DRAFT

MINUTES OF THE REGULAR MEETING OF THE TOWN COUNCIL OF THE TOWN OF CHINO VALLEY

**TUESDAY, JUNE 22, 2021
6:00 P.M.**

**CHINO VALLEY COUNCIL CHAMBERS
202 N. STATE ROUTE 89, CHINO VALLEY, AZ**

Present: Mayor Jack Miller; Vice-Mayor Corey Mendoza; Councilmember Tom Armstrong;
Councilmember Eric Granillo (remotely); Councilmember Annie Perkins; Councilmember Lon
Turner

Absent: Councilmember Cloyce Kelly

Staff Town Manager Cindy Blackmore; Town Attorney Andrew McGuire; Finance Director Joe Duffy;
Present: Human Resources Director Laura Kyriakakis; Senior Planner Will Dingee; Economic
Development/Project Manager Maggie Tidaback; Assistant Engineer Steven Sullivan; Court Clerk
Andrea White; Court Clerk Brittany O'Neil; Officer Roger Brown (Sergeant at Arms); Audio/Video
Technician Lawrence Digges; Deputy Town Clerk Traci Lavelle (recorder); Town Clerk Erin
Deskins

1) **CALL TO ORDER, PLEDGE OF ALLEGIANCE; ROLL CALL**

Mayor Miller called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

2) **INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS**

3) **CALL TO THE PUBLIC**

Call to the Public is an opportunity for the public to address the Council on any issue within the jurisdiction of the Council that is not on the agenda. Public comment is encouraged. Individuals are limited to speak for three (3) minutes. The total time for Call to the Public may be up to 30 minutes per meeting. Council action taken as a result of public comment will be limited to directing staff to study the matter, scheduling the matter for further consideration and decision at a later date, or responding to criticism. Individuals who wish to speak, please state your first and last name and if you reside in Chino Valley Town Limits.

- Larry Holt – He was the chair of the 9/11 Memorial Committee. They were 90% complete with the memorial site, with the help of donated time and supplies. The flagpoles and benches would be installed, and more rock laid. The site would be ready for the September 11th memorial ceremony. They were having the September 11th workgroup meetings to plan for a very nice ceremony.

4) **CURRENT EVENT SUMMARIES AND REPORTS**

This item is for information only. The Mayor, any Councilmember, or Town Manager may present a brief summary or report of current events. If listed below, there may also be a presentation on information requested by the Mayor and Council and questions may be answered. No action will be taken.

a) Status reports by Mayor and Council regarding current events.

Councilmember Armstrong reported that he had attended the mixer put on by Prescott Times' San Martin Rodriguez at Insurgent Room. Several local businesses were in attendance. He also attended the Prescott Airport Terminal Dedication, at which Mayor Miller had given an excellent speech.

Councilmember Perkins reported on the following:

- Thanked all the wildland firefighters, the incident command teams, Heritage Middle School, and School Resource Officer Jeff Pizzi, for the way they moved into action.
- The 8th Annual Wade Parker Memorial Softball Tournament was the upcoming weekend and was always a huge hit. The foundation gave scholarships to local kids who wanted to pursue careers in Fire and Public Service.
- With fires burning, she was keeping the community in her prayers.

Councilmember Mendoza reported that it was his last meeting, and that he would be resigning. He had a small family, and his daughter had been given a job opportunity out of state. He had a granddaughter and had always told his daughter they would follow her if she moved. He had enjoyed his time as a Town Councilmember and Vice-Mayor. He thanked the community for electing him and hoped he had done a good job.

Mayor Miller and Councilmembers presented Vice-Mayor Mendoza with an Appreciation Award for his outstanding service as Vice-Mayor 2020-2021, Councilmember 2015-2020.

b) Status report by Town Manager Cindy Blackmore regarding Town accomplishments, and current or upcoming projects.

Town Manager Blackmore reported:

- Her appreciation to Vice-Mayor Mendoza for his support and for making a difference in the community.
- Town offices would be closed in observance of Independence Day on Monday, July 5th.

Mayor Miller reported that the Forests throughout the area were closed due to fire danger.

5) **CONSENT AGENDA**

All those items listed below are considered to be routine and may be enacted by one motion. Any Councilmember may request to remove an item from the Consent Agenda to be considered and discussed separately.

MOVED by Vice-Mayor Corey Mendoza, seconded by Councilmember Annie Perkins to approve consent agenda items 5 (a) (b) (c) (d) (e) as written.

AYE: Mayor Jack Miller, Vice-Mayor Corey Mendoza, Councilmember Tom Armstrong, Councilmember Eric Granillo (remotely), Councilmember Annie Perkins, Councilmember Lon Turner

6 - 0 PASSED - Unanimously

- a) Consideration and possible action to approve the Agreement for Presiding Magistrate Services with Joan Dwyer, Magistrate, to serve as the Presiding Town Magistrate effective July 1, 2021, through June 30, 2023, in an amount not to exceed \$67,485 for the twelve-month period between July 1, 2021, and June 30, 2022, and \$69,510 for the twelve-month period between July 1, 2022 and June, 30 2023. (Laura Kyriakakis, Human Resources Director)
- b) Consideration and possible action to appoint applicants to the Parks and Recreation Advisory Board, Roads and Streets Committee, Senior Center Advisory Board, Industrial Development Authority, and Municipal Property Corporation per recommendation of the Appointments Subcommittee and begin a recruitment process to fill the vacant alternate position on Planning and Zoning. (Erin Deskins, Town Clerk)
- c) Consideration and possible action to approve the May 11, 2021, regular meeting minutes. (Erin N. Deskins, Town Clerk)
- d) Consideration and possible action to approve the May 18, 2021, study session minutes. (Erin N. Deskins, Town Clerk)
- e) Consideration and possible action to approve the May 25, 2021, regular meeting minutes. (Erin N. Deskins, Town Clerk)

6) **ACTION ITEMS**

The Council may vote to recess the public meeting and hold an Executive Session on any item on this agenda pursuant to A.R.S. § 38-431.03(A)(3) for the purpose of discussion or consultation for legal advice with the Town Attorney. Executive sessions are not open to the public and no action may be taken in executive session.

- a) Consideration and possible action to approve the Accountability Contract with the Chamber of Commerce in the amount of \$60,000.00.(Maggie Tidaback, Economic Development Project Manager)

Recommended Action: Approve the Chamber of Commerce Accountability Contract in the amount of \$60,000.00.

Maggie Tidaback presented the following:

- The basic terms of the contract were:
 - The new contract would begin July 1, 2021, through June 30, 2022, with an automatic renewal each year for up to five successive one year terms. This was the fifth year of the current contract, so it was a brand-new contract.
 - The Town's fiscal responsibilities were the compensation of \$60,000 for the scope of services and a match payment of \$3,000 for the grant received by the Chamber from the Arizona Office of Tourism.
 - Responsibilities included providing the Chamber with new and renewed business license information, partnering with the Chamber on grant funding, and working together to support the local businesses.
 - The goal of the new contract was to streamline and modernize the language to create a contract that was more feasible and productive for the Town and the Chamber.
 - The Chamber scope of services was to have an Arizona Office of Tourism Visitor Center, promotion and marketing, continuing the volunteer program, community outreach and participation with the Town.
- Both parties had met several times for negotiations, and the Chamber seemed happy with the contract.

MOVED by Vice-Mayor Corey Mendoza, seconded by Councilmember Lon Turner to approve the Chamber of Commerce Accountability Contract in the amount of \$60,000.

AYE: Mayor Jack Miller, Vice-Mayor Corey Mendoza, Councilmember Tom Armstrong, Councilmember Eric Granillo (remotely), Councilmember Annie Perkins, Councilmember Lon Turner

6 - 0 PASSED - Unanimously

- b) Consideration and possible action to amend the Final Plat for the Safeway Store 1747 Subdivision in order to separate the store and gas station to two individual parcels. (Will Dingee, Planner)

Recommended Action: Approve the Final Plat amendment to the Safeway Store 1747 Subdivision to separate the store and gas station into two individual parcels with the following stipulation:

- That cross access between the two newly created parcels through means of a newly created easement or note on the plat.

Will Dingee presented the following:

- This was a request to amend the final plat for Safeway Subdivision known as Safeway Subdivision #1747.
- The location of the property was reviewed.
- The site existed as four separate parcels, but the applicant was proposing separating the large main parcel into two separate lots. One lot would contain the gas station and the other would contain the grocery store.
- The applicant indicated it was a request that stemmed from the recent Albertsons/Safeway acquisition merger.
- The total amended area for the parcel was 7.21 acres, with two proposed lots. The smallest lot would be the gas station at just under an acre at 0.9 acres, and the largest lot would be approximately 6.3 acres.
- Lot 1 would contain the Safeway store and the completed onsite drainage.
- The Safeway Final Plat met all requirements set forth in Section Five of the UDO.
- The Main access would be off State Route 89 and East Road 2 North.
- Public Works and Development services had completed the review and had verbiage they wanted to be stipulated with the plat to ensure global cross access between the parcels.
- Further development of the parcel would need to be brought back for Council approval.
- Staff recommended approval of the final plat amendment with the following stipulation:
 - A global cross access easement be created between the two newly created parcels and be added to the plat.

Council, the applicant, and staff discussed the following:

- The reason for the subdivision was due to financing purposes, it was easier to finance two separate parcels for loan purposes.

MOVED by Vice-Mayor Corey Mendoza, seconded by Councilmember Annie Perkins to approve the Final Plat amendment to Safeway Store 1747 Subdivision to separate the store and gas station into two individual parcels with the following stipulation:

- That cross access between the two newly created parcels through means of a newly created easement or note on the plat.

AYE: Mayor Jack Miller, Vice-Mayor Corey Mendoza, Councilmember Tom Armstrong, Councilmember Eric Granillo (remotely), Councilmember Annie Perkins, Councilmember Lon Turner

6 - 0 PASSED - Unanimously

- c) Public Hearing and possible action regarding application from Ditch Beer & Wine (Beer and Wine Store), for a new Series 10 Liquor License located at 856 South State Route 89. (Will Dingee, Senior Planner)

Recommended Action:

- (i) Hold Public Hearing.
- (ii) Recommend approval for a new Series 10 Liquor License for Ditch Beer & Wine

Will Dingee presented the following:

- Ditch Beer and Wine was proposing a new beer and wine store in Town located in the empty unit at the Aroma Pizza Shop center.
- The Series 10 Liquor License was required to come before Council for approval.
- Staff had reviewed the required submitted documents, forwarded the application to the necessary departments, and met the legal posting requirements set by the State.
- No concerns had been raised by the Departments or the State for the license application.
- Staff recommended holding a public hearing and forward a recommendation of approval.

MOVED by Vice-Mayor Corey Mendoza, seconded by Councilmember Lon Turner to open the public hearing.

No comments were made, and Mayor Miller closed the public hearing.

AYE: Mayor Jack Miller, Vice-Mayor Corey Mendoza, Councilmember Tom Armstrong, Councilmember Eric Granillo (remotely), Councilmember Annie Perkins, Councilmember Lon Turner

6 - 0 PASSED - Unanimously

MOVED by Vice-Mayor Corey Mendoza, seconded by Councilmember Lon Turner to forward recommendation of approval for a new Series 10 Liquor License for Ditch Beer & Wine.

AYE: Mayor Jack Miller, Vice-Mayor Corey Mendoza, Councilmember Tom Armstrong, Councilmember Eric Granillo (remotely), Councilmember Annie Perkins, Councilmember Lon Turner

6 - 0 PASSED - Unanimously

- d) Public Hearing and possible action regarding application from Alie Amato, Winey Cats Vineyard for a new Series 7 (Beer and Wine) Liquor License located at 2515 N Road 1 East, Chino Valley. (Will Dingee, Senior Planner)

Recommended Action:

- (i) Hold Public Hearing
- (ii) Recommend approval for a new Series 7 Liquor License for Winey Cats Vineyard.

Mr. Dingee presented the following:

- Alie Amato had purchased the Granite Creek Vineyard and wanted to change the name of the existing liquor license to Winey Cats Vinyard at Granite Creek.
- The State Liquor Board requested Council approval for the license designated as Series 7.
- The applicant intended to continue a similar operation as the previous owner.
- Staff and the necessary departments had reviewed the application and had no issues.
- All legal notifications had been met as set by the State.

- Staff recommended the Council hold a public hearing and forward a recommendation of approval.

Council and staff discussed the following:

- The Series 7 license only included beer and wine.

MOVED by Vice-Mayor Corey Mendoza, seconded by Councilmember Lon Turner to open the public hearing.

No comments were made, and Mayor Miller closed the public hearing.

AYE: Mayor Jack Miller, Vice-Mayor Corey Mendoza, Councilmember Tom Armstrong, Councilmember Eric Granillo (remotely), Councilmember Annie Perkins, Councilmember Lon Turner

6 - 0 PASSED - Unanimously

MOVED by Vice-Mayor Corey Mendoza, seconded by Councilmember Lon Turner to recommend approval for a new Series 7 Liquor License for Winey Cats Vineyard.

AYE: Mayor Jack Miller, Vice-Mayor Corey Mendoza, Councilmember Tom Armstrong, Councilmember Eric Granillo (remotely), Councilmember Annie Perkins, Councilmember Lon Turner

6 - 0 PASSED - Unanimously

- e) Public Hearing regarding Resolution No. 2021-1183, relating to the Town's Final Budget for Fiscal Year 2021/2022 and the proposed expenditure limitation for the same year, in the amount of \$41,300,000. (Joe Duffy, Finance Director)

Recommended Action: Hold the Public Hearing.

Joe Duffy presented the following:

- This was the final adoption for the 2021 Budget.
- The tentative budget had been adopted on May 25th, which set the maximum amount of \$43,300,000 that the Town could spend.
- The final budget would be adopted after a public hearing. They would recess into a special meeting for the approval and adoption.
- The total budget increased from the previous year's amount of approximately \$24.5 million to the \$41.3 million. This was due to a revenue increase.
- There were several projects planned.
- Staff recommended approval.

MOVED by Vice-Mayor Corey Mendoza, seconded by Councilmember Lon Turner to open the public hearing.

No comments were made and Mayor Miller closed the public hearing.

AYE: Mayor Jack Miller, Vice-Mayor Corey Mendoza, Councilmember Tom Armstrong, Councilmember Eric Granillo (remotely), Councilmember Annie Perkins, Councilmember Lon Turner

6 - 0 PASSED - Unanimously

- f) Public Hearing regarding (i) Resolution No. 2021-1184, relating to the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2021/2022, which shall constitute the budgets of the Districts for fiscal year 2021/2022 and (ii) the tax levy anticipated in conjunction with the budgets of the Districts. (Joe Duffy, Finance Director)

Recommended Action: Hold the Public Hearing.

Joe Duffy presented the following:

- The Town had a street lighting improvement district at the Bright Star Subdivision.
- It was broken into three sections. The County assessed the proposed amount to pay for the operation of the streetlights.
- The Town received the money and paid APS for the lighting.
- Council would approve Resolution 2021-1184 adopting the statements of estimates and expenditures. On July 13th, the Town would approve a resolution setting the tax required to collect the amount of money they were asking for.
- They were asking for \$100 less than they asked for in the prior year.

MOVED by Vice-Mayor Corey Mendoza, seconded by Councilmember Lon Turner to open the public hearing.

No comments were made, and Mayor Miller closed the public hearing.

AYE: Mayor Jack Miller, Vice-Mayor Corey Mendoza, Councilmember Tom Armstrong, Councilmember Eric Granillo (remotely), Councilmember Annie Perkins, Councilmember Lon Turner

6 - 0 PASSED - Unanimously

7) **ADJOURNMENT**

MOVED by Councilmember Lon Turner, seconded by Vice-Mayor Corey Mendoza to adjourn the regular meeting at 6:26 p.m.

AYE: Mayor Jack Miller, Vice-Mayor Corey Mendoza, Councilmember Tom Armstrong, Councilmember Eric Granillo (remotely), Councilmember Annie Perkins, Councilmember Lon Turner

6 - 0 PASSED - Unanimously

**SPECIAL MEETING
TUESDAY, JUNE 22, 2021
6:05 P.M.**

**Council Chambers
202 N. State Route 89
Chino Valley, Arizona**

AGENDA

a) CALL TO ORDER; ROLL CALL

Mayor Miller called the special meeting to order at 6:27 p.m.

- b)** Consideration and possible action to adopt Resolution No. 2021-1183, relating to the Town's Final Budget for Fiscal Year 2021/2022 and the proposed expenditure limitation for the same year, in the amount of \$41,300,000. (Joe Duffy, Administrative Services Director)

Recommended Action: Adopt Resolution 2021-1183, adopting the FY 2021-22 Final Budget and establishing the FY 2021-22 expenditure limitation.

MOVED by Vice-Mayor Corey Mendoza, seconded by Councilmember Tom Armstrong to Adopt Resolution 2021-1183, adopting the FY 2021-22 Final Budget and establishing the FY 2021-22 expenditure limitation.

AYE: Mayor Jack Miller, Vice-Mayor Corey Mendoza, Councilmember Tom Armstrong, Councilmember Eric Granillo (remotely), Councilmember Annie Perkins, Councilmember Lon Turner

6 - 0 PASSED - Unanimously

- c)** Consideration and possible action to adopt Resolution No. 2021-1184, relating to the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2021/2022, which shall constitute and are approved as the final budgets of the Districts for fiscal year 2021/2022. (Joe Duffy, Finance Director)

Recommended Action: Adopt Resolution No. 2021-1184, relating to the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2021/2022, which shall constitute and are approved as the final budgets of the Districts for fiscal year 2021/2022.

MOVED by Vice-Mayor Corey Mendoza, seconded by Councilmember Tom Armstrong to Adopt Resolution No. 2021-1184, relating to the Statements and Estimates of Expenses of the Town of Chino Valley Street Lighting Improvement Districts for Fiscal Year 2021/2022, which shall constitute and are approved as the final budgets of the Districts for fiscal year 2021/2022.

AYE: Mayor Jack Miller, Vice-Mayor Corey Mendoza, Councilmember Tom Armstrong, Councilmember Eric Granillo (remotely), Councilmember Annie Perkins, Councilmember Lon Turner

6 - 0 PASSED - Unanimously

d) ADJOURNMENT

MOVED by Councilmember Lon Turner, seconded by Vice-Mayor Corey Mendoza to adjourn the meeting at 6:29 p.m.

AYE: Mayor Jack Miller, Vice-Mayor Corey Mendoza, Councilmember Tom Armstrong, Councilmember Eric Granillo (remotely), Councilmember Annie Perkins, Councilmember Lon Turner

6 - 0 PASSED - Unanimously

Jack W. Miller, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the _____ day of _____, 2021. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 2021.

Erin N. Deskins, Town Clerk

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

5. g.

Meeting Date: 08/24/2021

Contact Person: Traci Lavelle, Deputy Town Clerk
Phone: 928-636-2646 x-1210

Department: Town Clerk

Item Type: Consent

AGENDA ITEM TITLE:

Consideration and possible action to approve the July 13, 2021, regular meeting minutes. (Erin N. Deskins, Town Clerk)

RECOMMENDED ACTION:

Approve the July 13, 2021, regular meeting minutes.

Attachments

7-13-21 draft minutes

DRAFT

MINUTES OF THE REGULAR MEETING OF THE TOWN COUNCIL OF THE TOWN OF CHINO VALLEY

**TUESDAY, JULY 13, 2021
6:00 P.M.**

**CHINO VALLEY COUNCIL CHAMBERS
202 N. STATE ROUTE 89, CHINO VALLEY, AZ**

Present: Mayor Jack Miller; Councilmember Tom Armstrong; Councilmember Eric Granillo;
Councilmember Annie Perkins; Councilmember Lon Turner

Absent: Councilmember Cloyce Kelly

Staff Present: Town Manager Cindy Blackmore; Town Attorney Andrew McGuire (remotely); Administrative
Services Director Joe Duffy; Human Resources Director Laura Kyriakakis; Public Works
Director/Town Engineer Frank Marbury; Interim Development Services Director Laurie Lineberry;
Senior Planner Will Dingee; Officer Jay Murray (Sergeant at Arms); Audio/Video Technician
Lawrence Digges; Deputy Town Clerk Traci Lavele; Town Clerk Erin Deskins

1) CALL TO ORDER, PLEDGE OF ALLEGIANCE; ROLL CALL

Mayor Miller called the meeting to order at 6:01 p.m. and led the Pledge of Allegiance.

2) INTRODUCTIONS, PRESENTATIONS, AND PROCLAMATIONS

3) CALL TO THE PUBLIC

Call to the Public is an opportunity for the public to address the Council on any issue within the jurisdiction of the Council that is not on the agenda. Public comment is encouraged. Individuals are limited to speak for three (3) minutes. The total time for Call to the Public may be up to 30 minutes per meeting. Council action taken as a result of public comment will be limited to directing staff to study the matter, scheduling the matter for further consideration and decision at a later date, or responding to criticism. Individuals who wish to speak, please state your first and last name and if you reside in Chino Valley Town Limits.

4) CURRENT EVENT SUMMARIES AND REPORTS

This item is for information only. The Mayor, any Councilmember, or Town Manager may present a brief summary or report of current events. If listed below, there may also be a presentation on information requested by the Mayor and Council and questions may be answered. No action will be taken.

- a) Status reports by Mayor and Council regarding current events.

Mayor Miller asked that people keep Councilmember Kelly in their thoughts because he was in the hospital fighting an infection resulting from a surgery.

- b) Status report by Town Manager Cindy Blackmore regarding Town accomplishments, and current or upcoming projects.

Cindy Blackmore introduced the Interim Development Services Director, Laurie Lineberry. She had come highly recommended and had many years of related experience.

5) **CONSENT AGENDA**

All those items listed below are considered to be routine and may be enacted by one motion. Any Councilmember may request to remove an item from the Consent Agenda to be considered and discussed separately.

MOVED by Councilmember Annie Perkins, seconded by Councilmember Tom Armstrong to accept the consent agenda as written, with the exception of pulling item 5(b) to be heard separately.

AYE: Mayor Jack Miller, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Annie Perkins, Councilmember Lon Turner

5 - 0 PASSED - Unanimously

- a) Consideration and possible action to approve appointment of Deanna Winn to fill the vacancy on the Public Safety Retirement Board (PSRB) created by the resignation of Michael Pereda. (Laura Kyriakakis, Human Resources Director)
- b) Consideration and possible action to adopt Resolution No. 2021-1185, levying and assessing an ad valorem tax on the assessed value of all real and personal property within the boundaries of the Town of Chino Valley Street Lighting Improvement Districts (CVSLID) for fiscal year 2021-2022, pursuant to Section 48-616, Arizona Revised Statutes. (Joe Duffy, Administrative Services Director)

This item was moved and heard after motion made on remaining consent agenda items, but is retained here for clarity.

Joe Duffy presented the following:

- This was the final step for adopting the tax rates for the Town's Street Lighting Improvement District.
- On May 25th, Resolution 2021-1182 was adopted for the estimates of expenditures for 2021/2022. It estimated the total cost of streetlights in Bright Star subdivision.
- The Town had been doing this for years and was essentially the fiscal agent for the district.
- The annual process was reviewed:
 - The Town estimated the light bills for the three districts in the subdivision
 - The Council adopted the estimates of expenditures
 - The County was notified and determined the tax rates and assessed the appropriate tax to each homeowner.
 - Once the County received the money from the homeowners, it was given to the Town, and Town paid the subdivisions APS power bill.
- It was estimated that the annual cost per resident for streetlights was approximately \$14.
- The Town levied approximately \$4,100 annually.
- More homes had been built in the subdivision, so the rates in the districts had gone down.

Council and staff discussed the following:

- The accuracy of the estimates had been very close and the amount remained stable unless there were a large number of houses built.

Public Comments:

- Chuck Borghoff – requested clarification on the wording from the last meeting that stated a tax would be levied on all property, both real and personal property, within the boundaries of the districts. He questioned what real property and personal property were, and wondered if the Town could start asking what kind of personal property they had. The Town Attorney explained that taxable real property for the purpose of the Streetlight Improvement District, and for most property taxes included real property and taxable personal property. The personal property was any essential assessed property that included items like pipes and power lines. These items were assessed unless exempted. This was not a tax on a person's personal assets, it was for personal property that was affixed to the ground by other entities that did not own the dirt. This was usually utility companies. Mr. Borghoff questioned why there was not more clarity, and if it were passed it would mean someone would have a right to go after personal property and the definition of personal property was anything he owned that was not affixed. The Town Attorney explained that the language in the Resolution tracked the Statute, and the provision that had been overlooked was the portion that stated, "except such property which was by law exempt from taxation." All the items Mr. Borghoff was concerned about fell into that category and were not subject to taxation via property because only certain kinds of personal property were taxable through property taxes.
- Sherry Klein – She was concerned with the personal property, but thought it needed to be changed because when the Council changed, they would want more money and that was how they would get it. She wanted a list of items that would be excluded, or it needed to be taken out of the statement, otherwise they were wide open for Council to come and hit them with taxes. It could double their property taxes. It needed to be somehow changed, and if there was some way she could change it, she wanted to start the movement. Council explained that the Town Attorney had just explained what the personal property

entailed for the street light district tax. To help Ms. Klein understand the situation, the Town Attorney was directed to draft a letter of explanation for her information.

Council, citizens and staff discussed the following:

- Possibly delaying the vote because of the expressed concern. Staff explained the County had to have the document to assess the taxes.
- The Town Attorney explained that because of the upcoming Council's break in meetings, there was no time to delay the vote. He explained that it was also tied to the budget amount, and was a maximum levied on all the subdivision's districts. This meant that regardless of the real or personal property assessed, they were limited by the maximum amount assessed and the only amount that could be assessed under the Statute, was the cost for street lighting. It was an extremely limited Statute, and he could provide a copy to people, so they could see what authority the Town had to levy the tax. The Town was a middleman in the deal for the purpose of providing street lighting, which otherwise would not be there. The rates would not change significantly unless APS raised their rates.
- Bright Star was the only community in Town with streetlights because when the contractor built the development, they included streetlights. Any citizen concerns about the streetlights, would be an HOA issue, not a Town issue.
- This was the third or fourth time this item had been discussed by Council.

MOVED by Councilmember Annie Perkins, seconded by Councilmember Tom Armstrong to adopt Resolution No. 2021-1185, levying and assessing an ad valorem tax on the assessed value of all real and personal property within the boundaries of the Town of Chino Valley Street Lighting Improvement Districts (CVSLID) for fiscal year 2021-2022, pursuant to Section 48-616, Arizona Revised Statutes.

AYE: Mayor Jack Miller, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Annie Perkins, Councilmember Lon Turner

5 - 0 PASSED - Unanimously

- c) Consideration and possible action to approve the two-year extension of the protected development rights for the Cox MMJ cultivation facility located at 645 West Road 4 North, to continue the development of their site for the cultivation of medical marijuana. (Will Dingee, Senior Planner)
- d) Consideration and possible action to approve the June 15, 2021, study session minutes. (Erin N. Deskins, Town Clerk)

6) ACTION ITEMS

The Council may vote to recess the public meeting and hold an Executive Session on any item on this agenda pursuant to A.R.S. § 38-431.03(A)(3) for the purpose of discussion or consultation for legal advice with the Town Attorney. Executive sessions are not open to the public and no action may be taken in executive session.

- a) Consideration and possible action to nominate and elect a Councilmember to serve as Vice-Mayor. (Erin Deskins, Town Clerk)

Recommended Action: The Mayor shall nominate, and the Council shall elect, a Councilmember to serve as Vice-Mayor.

Erin Deskins explained that the Mayor would make a nomination, and Council would vote on it.

Mayor Miller nominated Councilmember Annie Perkins for Vice-Mayor.

MOVED by Mayor Jack Miller, seconded by Councilmember Tom Armstrong to nominate Councilmember Annie Perkins for Vice-Mayor.

Annie Perkins abstained from this vote.

AYE: Mayor Jack Miller, Councilmember Tom Armstrong, Councilmember Eric Granillo, Councilmember Lon Turner

4 - 0 PASSED

- b) Consideration and possible action to approve ORD 2021-902 to rezone parcel 102-01-219K and parcel 102-01-219M by applicant Keith Hughes, containing approximately 5.08 acres and 6.86 acres of real property located at the northwest and southwest corners of the intersection of East Road 4 ½ South and South Road 1 East, respectfully, from the CL (Commercial Light) to CH (Commercial Heavy) with a Planned Area Development (PAD) with stipulations. (Will Dingee, Senior Planner)

Recommended action: Approve ORD 2021-902 with the following stipulations:

1. That the Commercial Heavy uses on the properties be limited to only the following while retaining the Commercial Light provisions set forth in section 3.16.B.1 :
 - a. Recreational Vehicle Park
 - b. Recreational Vehicle Storage
 - c. Carwash that can accommodate RVs
 - d. Recreational Vehicle Maintenance
 - e. A portion of the northern property to be utilized as mini storage
2. Per the Town Unified Development Ordinance § 5.3.2, Table 5-1, the minimum required right-of-way dedications are as follows:
 - a. Provide for a total of 60' (30' north and 30' south of the section line) for East Road 4 ½ South is dedicated for Right of way
 - b. Provide for a total of 50' dedication of Right of Way for South Road 1 East.
3. Per the Town's Unified Development Ordinance § 5.2, Table 5-1, the required offsite half-width (full width required when properties border north and south of East Road 4 ½ South) roadway improvements are as follows:
 - a. East Road 4 ½ South
 - i. 14' minimum roadway width without on street parking.
 - ii. 6" vertical curb and gutter.
 - iii. 5' minimum concrete sidewalk.
 - b. South Road 1 East
 - i. 25.5' minimum roadway width without on street parking.

- ii. 6" vertical curb and gutter.
- iii. 5' minimum concrete sidewalk

Will Dingee presented the following:

- This was a rezone request for two parcels from Commercial Light (CL) zoning district to Commercial Heavy (CH) zoning district, with a PAD in order to develop an RV park.
- This was the second time this had been before Council, but this time it was associated with a PAD per Council's request.
- The location of the parcels and the surrounding properties was reviewed.
- The property was vacant and totaled approximately 12 acres.
- The General Plan Land Use Designation was commercial multi-family, which was the same designation for the properties to the north, west, and south. To the east were future growth areas, and community core areas.
- The zone change with the PAD was consistent with the General Plan.
- The surrounding property zones were reviewed.
- The requested zoning in conjunction with the use restrictions conformed to the general area since it was predominantly commercial.
- A neighborhood meeting was held on April 28th, the Planning and Zoning Commission meeting was on May 4th, and the first Council meeting on May 25th in which Council directed the applicant to go back to the Planning and Zoning Commission with a PAD overlay that restricted the uses to the proposed development.
- The applicant provided a conceptual development plan for the project, with a proposed RV park limited to the southern property, and a list of proposed uses he wanted both properties to be restricted to. The southern property would be primarily for an RV Park with a small portion used as RV storage. The northern property did not have a layout, but the applicant was requesting the uses be restricted to RV related uses, including RV storage, RV wash, RV maintenance, and retaining any allowable uses or conditional uses listed under the CL zoning district and allowed under the CH zone.
- The applicant was not requesting any variances with the PAD. The PAD was solely to restrict uses on the property as requested by Council.
- The applicant was proposing a higher level of community open space and amenities that were not required, that possibly included a pickleball court or a splash pad.
- The resubmittal went before the Planning and Zoning Commission during a special meeting. Two members of the public spoke against the project because of water usage, future development with a potential devaluation of their property value, and increased traffic.
- Any future development in the area would be subject to the same public hearing process as the current applicant.
- The Commission forwarded a recommendation of approval with a 4-1 vote. The no vote was because the Commissioner thought the area was wrong for the project, had a lack of Town sewer and water, and that it set a precedent for future Council Members who may not share the same views as the current Council.
- Staff and the Planning & Zoning Commission recommended approving the application with the following stipulations:
 1. The Commercial Heavy uses on the properties be limited to only the following while retaining the Commercial Light provisions set forth in section 3.16.B.1 :
 - a. Recreational Vehicle Park
 - b. Recreational Vehicle Storage
 - c. Carwash that can accommodate RVs

- d. Recreational Vehicle Maintenance
- e. A portion of the northern property to be utilized as mini storage
- 2. Per the Town Unified Development Ordinance § 5.3.2, Table 5-1, the minimum required right-of-way dedications are as follows:
 - a. Provide for a total of 60' (30' north and 30' south of the section line) for East Road 4 ½ South is dedicated for Right of way
 - b. Provide for a total of 50' dedication of Right of Way for South Road 1 East.
- 3. Per the Town's Unified Development Ordinance § 5.2, Table 5-1, the required offsite half-width (full width required when properties border north and south of East Road 4 ½ South) roadway improvements are as follows:
 - a. East Road 4 ½ South
 - i. 14' minimum roadway width without on street parking.
 - ii. 6" vertical curb and gutter.
 - iii. 5' minimum concrete sidewalk.
 - b. South Road 1 East
 - i. 25.5' minimum roadway width without on street parking.
 - ii. 6" vertical curb and gutter.
 - iii. 5' minimum concrete sidewalk

Council, the applicant, and staff discussed the following:

- The use retention was only for the uses under Commercial Light, not Commercial Heavy.
- Most parks kept the age of RV's to no older than 15 or 20 years old. He would have an RV age restriction, but it was discretionary because there were older RV's that looked better than some brand-new units. He wanted a nice upscale RV Park.

MOVED by Councilmember Annie Perkins, seconded by Councilmember Lon Turner to approve ORD 2021-902 to rezone parcel 102-01-219K and parcel 102-01-219M by applicant Keith Hughes, containing approximately 5.08 acres and 6.86 acres of real property located at the northwest and southwest corners of the intersection of East Road 4 ½ South and South Road 1 East, respectfully, from the CL (Commercial Light) to CH (Commercial Heavy) with a Planned Area Development (PAD) with stipulations.

AYE: Mayor Jack Miller, Councilmember Tom Armstrong, Councilmember Eric Granillo, Vice-Mayor Annie Perkins, Councilmember Lon Turner

5 - 0 PASSED - Unanimously

- c) Consideration, discussion, and possible action to approve the recommendation of the Appointments Subcommittee held on Thursday, July 8, 2021, regarding vacancies on Planning & Zoning, Board of Adjustment and Town Council. (Erin N. Deskins, Town Clerk)

Recommended Action: Approve the recommendation of the Appointments Subcommittee to:

- i. Appoint applicants to fill the vacancies on Planning & Zoning, and Board of Adjustment.
- ii. Appoint an applicant to fill the vacancy on Town Council **OR**
- iii. Approve recommendation to set interviews to fill the vacancy on Town Council.

Erin Deskins presented the following:

- The Appointment Subcommittee met to review applications submitted for Town Council, Planning and Zoning, and Board of Adjustments.
- The Town had received one application for Planning and Zoning, three incumbent applications for Board of Adjustments, and ten applications for Town Council.
- The Subcommittee Members agreed on candidate selections for Planning and Zoning, and the Board of Adjustments, but based on the number of Town Council applications, the Subcommittee agreed it was best to interview qualified candidates.
- They intended to meet again on July 19, 2021, with Council approval, to select candidates to interview.
- The Subcommittee made the following recommendations:
 - Appoint Ronald Penn to the Planning & Zoning Commission.
 - To reappoint Beverly Duffy, Julie Northington, and Sandra Tuttobene to the Board of Adjustments.
 - Allow the Committee to select the candidates to interview and conduct the interviews to fill the Town Council vacancy.

Council and staff discussed the following:

- The subcommittee would interview applicants and make a recommendation to Council.

MOVED by Councilmember Annie Perkins, seconded by Councilmember Tom Armstrong to approve the recommendation of the Appointments Subcommittee to appoint applicants to fill the vacancies on Planning & Zoning, and Board of Adjustment, and to approve recommendation to set interviews to fill the vacancy on Town Council.

AYE: Mayor Jack Miller, Councilmember Tom Armstrong, Councilmember Eric Granillo, Vice-Mayor Annie Perkins, Councilmember Lon Turner

5 - 0 PASSED - Unanimously

7) ADJOURNMENT

MOVED by Councilmember Lon Turner, seconded by Councilmember Tom Armstrong to adjourn the meeting at 6:36 p.m.

AYE: Mayor Jack Miller, Councilmember Tom Armstrong, Councilmember Eric Granillo, Vice-Mayor Annie Perkins, Councilmember Lon Turner

5 - 0 PASSED - Unanimously

Jack W. Miller, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

CERTIFICATION:

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Meeting of the Town Council of the Town of Chino Valley, Arizona held on the _____ day of _____, 2021. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this _____ day of _____, 2021.

Erin N. Deskins, Town Clerk



TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

6. a.

Meeting Date: 08/24/2021
Contact Person: Erin Deskins, Town Clerk
 Phone: 928-636-2646 x-1208
Department: Town Clerk
Estimated length of staff presentation: None
Physical location of item: N/A

AGENDA ITEM TITLE:

Consideration and possible action to (i) appoint John McCafferty to fill the vacant position on the Town Council and (ii) administer the Oath of Office to the newly appointed Councilmember. (Erin N. Deskins, Town Clerk)

RECOMMENDED ACTION:

Appoint John McCafferty to fill the vacant position on the Town Council and administer the Oath of Office.

SITUATION AND ANALYSIS:

The appointments subcommittee met on August 2, 2021, in executive session and held interviews for qualified candidates to fill the vacancy on Town Council:

On August 12, 2021, the appointments subcommittee held a public meeting to select a candidate to recommend to Town Council to fill the vacancy. They recommend John McCafferty.

Fiscal Impact

Attachments

No file(s) attached.

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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

6. b.

Meeting Date: 08/24/2021
Contact Person: Will Dingee, Senior Planner
 Phone: 928-636-4427 x-1233
Department: Development Services
Estimated length of staff presentation: 5 minutes
Physical location of item: 2497 North Road 1 East

AGENDA ITEM TITLE:

PUBLIC HEARING and consideration and possible action to approve a Conditional Use Permit on parcel 306-17-007R, applicant Alie Amato, to allow for the construction and use of a sanctuary for house cats. (Will Dingee, Senior Planner)

RECOMMENDED ACTION:

(1) Hold public hearing; and (2) Approve a Conditional Use Permit to allow for the construction and use of a sanctuary for house cats with the following stipulations:

1. The Conditional Use Permit be granted with a two (2) year review period by staff. If staff determines that there has been a negative impact on the surrounding area, staff will bring the item through the public hearing process for reconsideration. If staff determines there is no need for reconsideration, the use will be granted in perpetuity as long as stipulations 2, 3 and 4 are met.
2. The operation will need to be consistent with the Business Plan outlined in the staff report.
3. In the event of issues arising from valid code enforcement complaints such as excess noise, odor or visual appearance or deviation from stipulation 2, staff can bring the item back before Council at any time for reconsideration, modification or revocation.
4. The onsite dumpster will need to be screened from public view per Town Code.

SITUATION AND ANALYSIS:

The applicant has submitted a request to construct a sanctuary for house cats. The proposal for this sanctuary is for three enclosed buildings each with two, fully enclosed, exercise areas which the applicant refers to as “Catio” (See attached site plan and “Catio” structure). All cats will be kept inside the designated facilities and will have accompanying security lights on the buildings. The use on the property will be limited to proposed site plan and associated area.

The Unified Development Ordinance (UDO) does not specifically call out house cat sanctuaries as a use, staff felt that the closest related is an indoor and outdoor kennel. Undersection 3.6.C.7 of the UDO a Conditional Use Permit (CUP) may be granted for an indoor and outdoor kennel for properties that are zoned AR-5.

The applicant’s business plan includes the following:

- Three (3) separate structures each with attached open air enclosures that will house the house cats.

- Each open air enclosure will be constructed of wood and wire mesh and enhanced with cat friendly features.
- Each enclosure will have no more than 15 cats at any given time for a maximum total of 45 cats on site.
- There will daily cleaning and maintenance of the enclosures to remove excrement and urine.
- The facility will staffed at least from 10am to 6pm daily or 8am to 8pm, seven days a week. In which
- There will be an onsite site dumpster specifically for the disposal of excrement. The excrement will bagged prior to placement in the dumpster and the dumpster will be emptied weekly.
- Any cats that pass while in this facility will be cremated off site.

Stipulations that accompany this rezoning:

1. The Conditional Use Permit be granted with a two (2) year review period by staff. If staff determines that there has been a negative impact on the surrounding area, staff will bring the item through the public hearing process for reconsideration. If staff determines there is no need for reconsideration, the use will be granted in perpetuity so long as stipulations 2, 3 and 4 are met.
2. The operation will need to be consistent with the business plan outlined in the staff report.
3. In the event of issues arising from valid code enforcement complaints such as excess noise, odor or visual appearance or deviation from stipulation 2, staff can bring the item back before Council at any time for reconsideration, modification or revocation.
4. The onsite dumpster will need to be screened from public view per Town Code

Planning and Zoning Commission – Held August 3, 2021

Questions/Discussion for Staff with the Commission –

- If there was a valid code enforcement complaint, the officers were trained to determine if something was a nuisance, and the applicable codes associated with the complaint. There was written code that could be used for blight, odor, and noise complaints.
- Blight in the code referred to a visual impact. If there were some types of disease caused by the operation, the stipulations staff had requested should be sufficient for the Town to act accordingly.
- Typical code enforcement inspections were complaint driven, but with the addition of another code enforcement officer, they had begun doing proactive work. Regular inspections could be something that was stipulated.
- Any noise nuisance would be subject to the same laws that animal control used.
- After the first two-year review, a CUP in perpetuity could be granted if the Commission stipulated it. The Commission would not review the CUP unless there were issues. Staff could present their review findings in a staff report if the Commission requested it.

Questions/Discussion with Applicant with the Commission –

- Ms. Amoto had been running a not-for-profit corporation for 26 years towards Crown King. It was not a new business, but a corporation that had operated for the 26 years. For 25 of those years, she had been licensed by Arizona Game and Fish working with wildlife. She was now only working with house cats. She knew about the maintenance and cleaning because it was not new to her.
- Due to a couple of sick cats, the hours were different. Once those cats passed away, then the hours would be consistently 10 a.m. to 6 p.m.
- She had a vested interest in keeping the property clean because of the winery and adjacent tasting room where people often visited. She paid a lot of money for the winery, and intended to keep it open.

Comments from the Public -

Verbal correspondence was received by Staff from an adjacent property owner. She gave gracious support

for the proposal and thought that over time neighbors would see what an asset the applicant and the proposed sanctuary were for the community.

P&Z Motion and Vote –

MOVED by Commissioner Robert Switzer, seconded by Commissioner David Somerville to forward a recommendation of approval to Town Council to approve a Conditional Use Permit allowing for the construction and use of a sanctuary for house cats with the following stipulations:

1. The Conditional Use Permit be granted with a two (2) year review period by staff. If staff determines that there has been a negative impact on the surrounding area, staff will bring the item through the public hearing process for reconsideration. If staff determines there is no need for reconsideration, the use will be granted in perpetuity so long as stipulations 2, 3 and 4 are met.
2. The operation will need to be consistent with the business plan outlined in the staff report.
3. In the event of issues arising from valid code enforcement complaints such as excess noise, odor or visual appearance or deviation from stipulation 2, staff can bring the item back before Council at any time for reconsideration, modification or revocation.
4. The onsite dumpster will need to be screened from public view per Town Code.

AYE: Chair Chuck Merritt, Commissioner John McCafferty, Commissioner Teena Meadors, Commissioner Robert Switzer, Commissioner William Welker, Commissioner David Somerville

Motion approved unanimously (6 - 0), with Commissioner Pasciak absent.

Public Comment Received by Staff following the Planning and Zoning Meeting:

Staff has received verbal correspondence from an adjacent property owner that was unable to attend the Planning and Zoning meeting. Since they missed that meeting, they would like to express their opinion of this proposal at the Council meeting.

Other Pertinent Documents Available Upon Request:

Conceptual Plan and Catio Examples

Staff Report from Planning and Zoning.

Fiscal Impact

Fiscal Impact?: N/A

If Yes, Budget Code:

Available:

Funding Source:

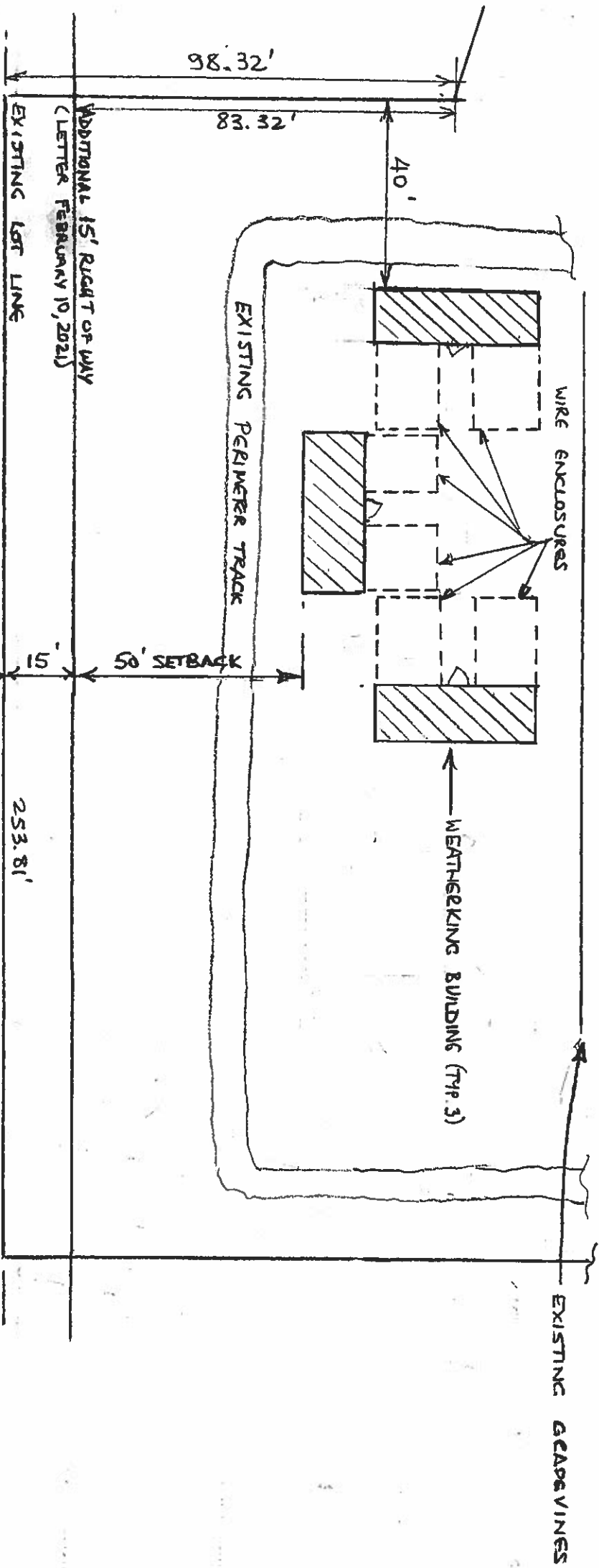
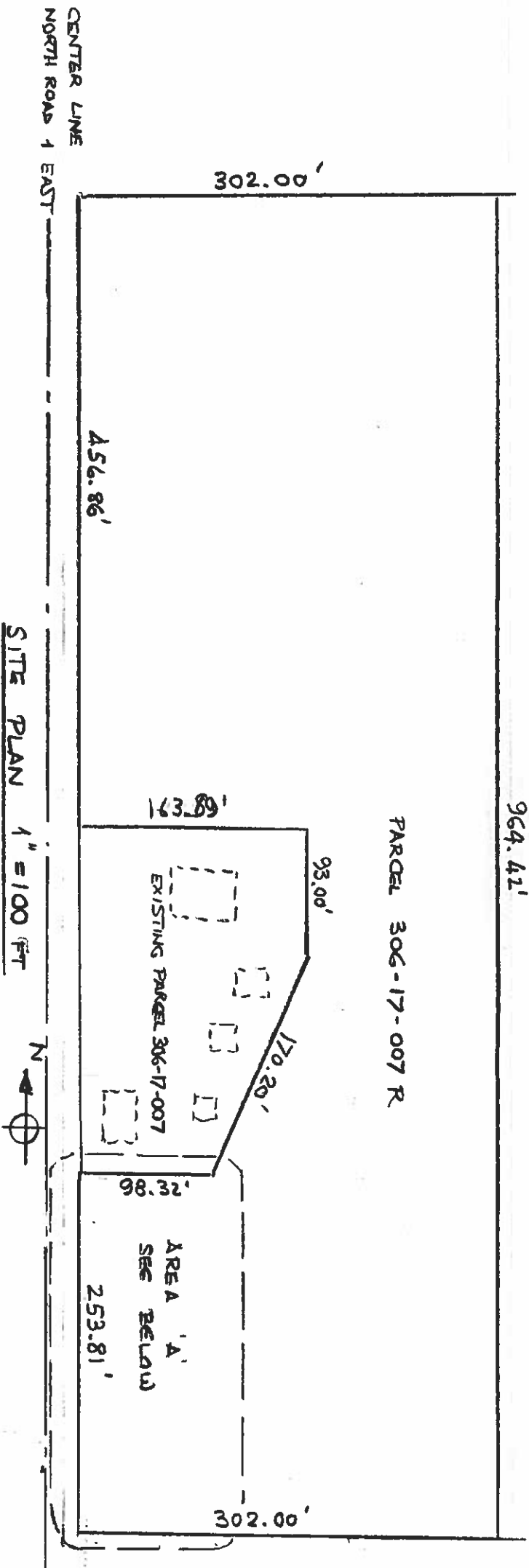
Attachments

Conceptual Plan

Examples of Catios

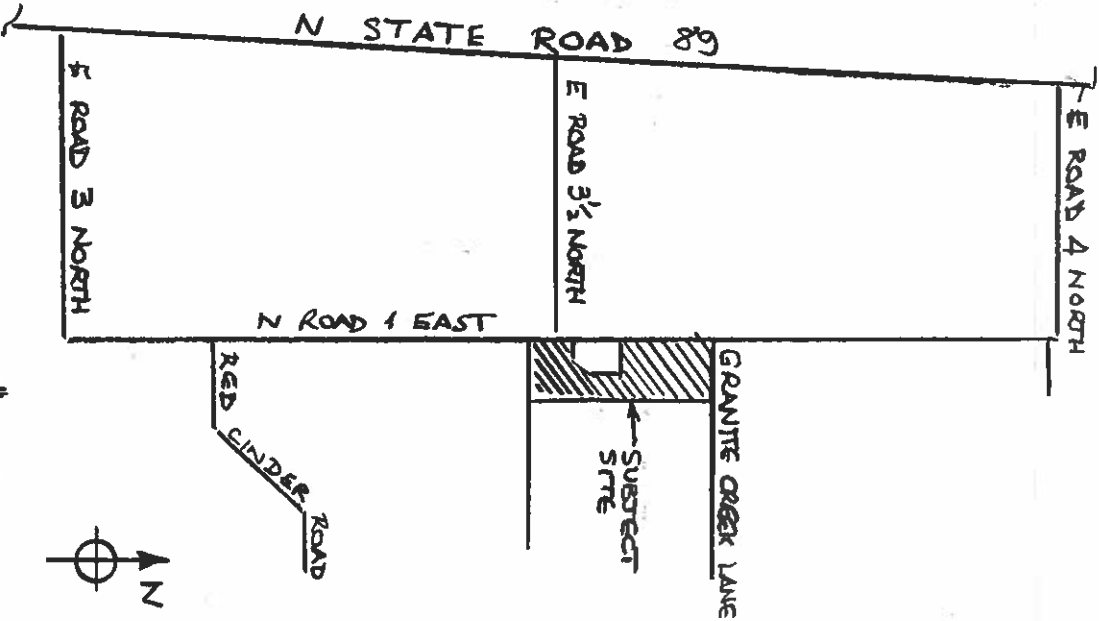
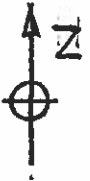
Planning and Zoning Revised Recommendation

Planning and Zoning Staff Report



CENTERLINE
N ROAD 1 EAST

DETAILED PART PLAN AREA 'A' - SCALE 1" = 30 FT

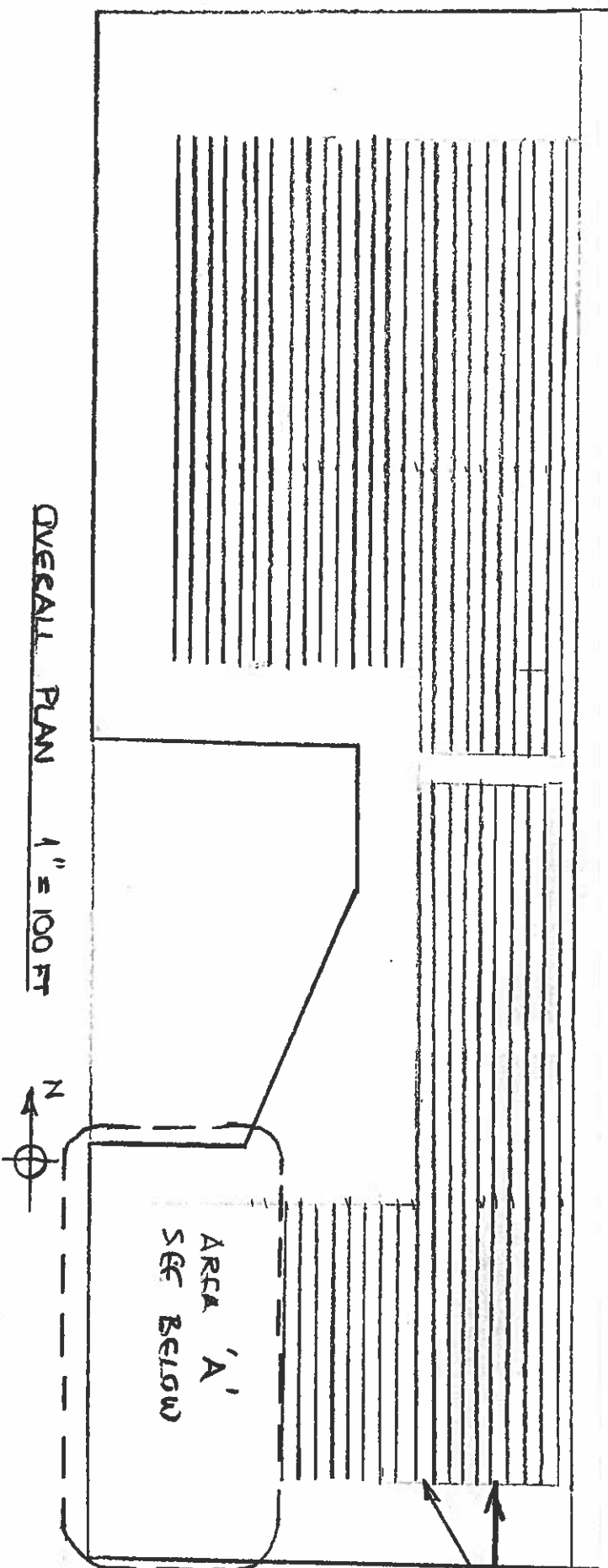


NOTES

1. PROJECT COMPRISES THREE WEATHERKING BUILDINGS EACH 36' x 12' APPROX.
2. ADJACENT DASHED AREAS ARE EXTERIOR WIRE EXERCISE ENCLOSURES.
3. EXCEPTING SIX ROUT OF GRAPES/VINES TO BE REMOVED FOR BUILDING SPACES, REMAINDER OF SITE REMAINS AS EXISTING.

A		REVISIONS	
TYPE AND SIZE OF BUILDINGS	REVISED	DATE	DATE

OWNER: BRADSHAW MOUNTAIN WILDLIFE ASSOCIATION		PROJECT: CHINO VALLEY SANCTUARY	
DRAWN: ALAN NORRIS/CTT CB BWMA		TITLE: SITE PLAN	
		DATE: 3/21/21	
		DWG. NO: CV 01 REV. 1	



ALL EXISTING ROWS OF GRAPE VINES
REMAIN (OUTSIDE AREA 'A')

REMAINS, ETC.

OVERALL PLAN 1" = 100 FT



6 ROWS OF EXISTING GRAPE VINES TO BE REMOVED
(INCLUDING EXISTING IRRIGATION PIPEWORK)

NOTES

1. SEE SITE PLAN CIVIC/AFR SETTING OUT DIMENSIONS AND LOCATION PLAN.
2. LANDSCAPE WORK CONSISTS OF REMOVING SIX EXISTING ROWS OF GRAPEVINES (DENOTED BY LONG DASHES) AND ASSOCIATED IRRIGATION PIPEWORK.

EXISTING BOUNDARY TREES/VEGETATION TO REMAIN

EXISTING DIRT TRACK

PART PLAN AREA 'A' 1" = 30 FT

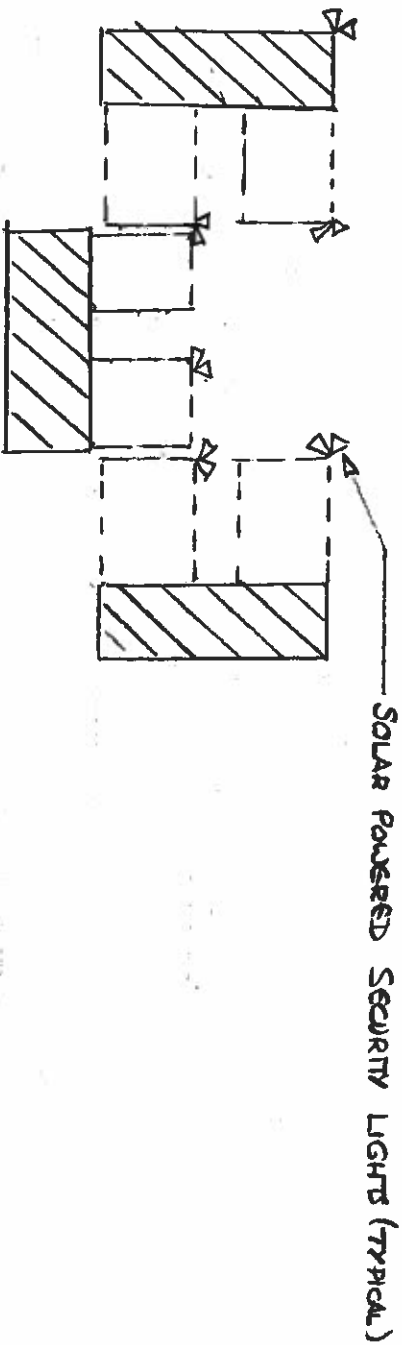


OWNER: BRADSHAW MOUNTAIN WILDLIFE ASSOCIATION	PROJECT: GRAND VALLEY SANCTUARY	DATE: 2/21/21
DRAWN: ALAN NGATIIGIT C/O BHW	TITLE: LANDSCAPE PLAN	DWG NO: CV 02 REV. A
REVISIONS		DATE
A BUILDINGS REVISED, ADDITIONAL ROW REMOVED		5/14/21

NO LIGHTING ALTERATIONS
IN MAIN AREA

AREA 'A'
SEE BELOW

OVERALL PLAN 1"=100 FT



PART PLAN AREA 'A' 1"=30 FT



NOTES

- 1. SEE SITE PLAN CIVIL FOR SETTING OUT DIMENSIONS AND LOCATION PLAN
- 2. OUTDOOR LIGHTING CONSISTS OF SOLAR POWERED SECURITY LIGHTS WITH MOTION SENSORS, MOUNTED GENERALLY ON EXTERNAL OVERHEAD ENCLOSURES.
- 3. LIGHTS TO BE SHIELDED ABOVE HORIZONTAL PLANE AS REQUIRED BY REGULATION 4.24.

REVISIONS	
A	BUILDINGS AND ENCLOSURES REVISED
	DATE 5/4/21

OWNER: BRABSHAW MOUNTAIN WILDLIFE ASSOCIATION	PROJECT: CHINO VALLEY SANCTUARY	DATE: 3/21/21
DRAWN: ALAN MORTHOFF c/o B.M.W.A	TITLE: OUTDOOR LIGHTING PLAN	DWG NO: CV 03 REV A





August 3, 2021 Planning and Zoning Meeting

RECOMNDATION UPDATE

ITEM 6d

Reason: Staff felt that the previous version of stipulation one was too impactful on the property owner and stipulation number two was omitted by staff in error.

Previous Recommendation:

Staff recommends that the Planning and Zoning Commission forward a recommendation of approval to the Town Council to approve a Conditional Use Permit to allow for the construction and use of a sanctuary for house cats with the following stipulations:

- The Conditional Use Permit be granted for two (2) year with the ability to be renewed. During the renewal period staff will review the use again to ensure that there have been no negative impacts to the surrounding properties.
- In the event of issues arising from valid code enforcement complaints such as excess noise, odor or visual appearance, staff can bring the item back before Council within the two (2) year period for modifications or revocation.
- The onsite dumpster will need to be screened from public view per Town Code – (Stipulation added as a result of the neighborhood meeting).

Revised Recommendation:

Staff recommends that the Planning and Zoning Commission forward a recommendation of approval to the Town Council to approve a Conditional Use Permit to allow for the construction and use of a sanctuary for house cats with the following stipulations:

1. The Conditional Use Permit be granted with a two (2) year review period by staff. If staff determines that there has been a negative impact on the surrounding area, staff will bring the item through the public hearing process for reconsideration. If staff determines there is no need for reconsideration, the use will be granted in perpetuity so long as stipulations 2, 3 and 4 are met.
2. The operation will need to be consistent with the business plan outlined in the staff report.
3. In the event of issues arising from valid code enforcement complaints such as excess noise, odor or visual appearance or deviation from stipulation 2, staff can bring the item back before Council at any time for reconsideration, modification or revocation.
4. The onsite dumpster will need to be screened from public view per Town Code – (Stipulation added as a result of the neighborhood meeting).



**TOWN OF CHINO VALLEY
PLANNING AND ZONING COMMISSION
AUGUST 3, 2021**

APPLICATION SUMMARY

File Number: C-01-021

Assessor's Parcel Number: 306-17-007R

Site Location: Located at the southeast corner of North Road 1 East and Granite Creek Lane with a physical address of 2497 North Road 1 East

Owners of Record: Bradshaw Mountain Wildlife Association Inc.

Applicant: Alie Amato

Request: Request for a Conditional Use Permit to allow for the construction and use of a sanctuary for house cats.

SITE DATA

Existing Zoning	AR-5 (Agricultural Residential 5-acre Minimum)
Lot Size	5.86 acres approximate
Subdivision	N/A
General Plan Land Use Designation	Medium Density Residential
Existing Land Use	Agricultural (Vineyard)

AREA	ZONING	GENERAL PLAN LAND USE DESIGNATION	LAND USE
North	AR-5	Medium Density Residential	Agricultural and Single Family Residential
East	AR-5	Medium Density Residential	Agricultural and Single Family Residential
South	AR-5	Medium Density Residential	Agricultural and Single Family Residential
West	CL, AR-5 & CL/AR-5	Medium Density Residential	Single Family Residential and two Medical Marijuana Cultivation Sites

BACKGROUND

SITE DESCRIPTION

The subject property is located at the southeast corner of North Road 1 East and Granite Creek Lane at 2497 North Road 1 East. The property has a zoning classification of Agricultural Residential 5-acre minimum (AR-5) and is surrounded predominantly by AR-5 and CL (See Zoning Map). The subject property is identified by the General Plan Land Use Designation as Medium Density Residential along with properties directly North, East and south of the site, to the east you have commercial/multifamily (See General Plan Map). The property is currently used a vineyard for the adjacent Whiney Cats at Granite Creek Vineyard (formerly Granite Creek Vineyard), in the surrounding area there are agricultural single family residential property as well as two medical marijuana cultivation facilities (See Vicinity Map).

PROJECT HISTORY

This is the first time a Condition Use Permit has been applied for on this property. In 2020 the subject property was subdivided from the adjacent property to east and subsequently purchased by the property owner, along with Granite Creek Vineyards, in early 2021.

PROJECT DESCRIPTION

The applicant has submitted a request to construct a sanctuary for house cats. The proposal for this sanctuary is for three enclosed buildings each with two, fully enclosed, exercise areas which the applicant refers to as “Cattios” (See attached site plan and “Catio” structure). All cats will be kept inside the designated facilities and will have accompanying security lights on the buildings. The use on the property will be limited to proposed site plan and associated area.

APPLICABLE ORDINANCES

The Unified Development Ordinance (UDO) does not specifically call out house cat sanctuaries as a use, staff felt that the closest related is an indoor and outdoor kennel. Undersection 3.6.C.7 of the UDO a Conditional Use Permit (CUP) may be granted for an indoor and outdoor kennel for properties that are

zoned AR-5. Further, Section 1.9.3 of the UDO governs all CUPs, and allows Planning and Zoning and Council to include stipulations as follows:

1. A **Use Permit** may be granted for a designated period with a date of expiration stated therein or may be granted for an indefinite period. Should the use not be established as proposed within one (1) year, the **Use Permit** approval shall become null and void.
2. Additional conditions that may be considered, include, but are not limited to the following:
 - a. Mitigation of potential impacts on surrounding properties such as, but not limited to, noise, lighting, odor, or placement of trash receptacles.
 - b. Assurance of adequate parking, **ingress** and **egress** so as not to increase traffic congestion.
 - c. Hours of operation.
 - d. Maintenance of a positive appearance, with appropriate screening, landscaping and buffering to preserve reasonable use and enjoyment of **adjacent** properties.

CITIZENS REVIEW & PUBLIC HEARING PROCESS

Staff notified the surrounding property owners within 300' of the proposed Conditional Use by letter. Notifications were physically posted on the subject property and published in the Daily Courier. The neighborhood meeting was held on July 28, 2021 where 11 members of the public were in attendance.

The following topics were discussed during the meeting:

- What is done with the waste of the operation, will it be buried on site?
 - o The waste will be placed in a dumpster, nothing will be buried on site. The internal facilities are mopped and the outside areas are raked and maintained daily.
- What made you chose this place for the operation?
 - o The property met the applicant's desires, after running a Game and Fish rehab facility in Crown King she wanted to transition to something lighter and easier.
- Will the vineyard stay open and how will this operation impact it?
 - o The vineyard will stay open and the sanctuary will be separate from the vineyard.
- What kind of cats do you accept?
 - o The operation is primarily for cats that are sick, dying, injured or at the end of their life. None of the cats are adoptable and the vast majority will live out the rest of their life on the property.
- What happens if the applicant sells the property?
 - o In Arizona, CUP's run with the land and no the ownership of the property. The next owner of the property would be able to continue the operation that the applicant was operating.
- Will there be any expansion of the facilities in the future?
 - o The applicant stated that it is not her intention to expand beyond what she is proposing currently. Staff informed the public that any changes in the submitted site plan and proposed use will need to be brought back through for Council approval.
- How many cats will be on the property?
 - o The applicant stated that her max is 45 cats but she does not desire to have more than 30 for an extended period of time.
- How is your operation ran?

- It is a non-profit that the applicant heads. They have volunteers that help with the care of the cats.
- Will there be any preventative measures taking to avoid having people dump their cats off at your location?
 - The location will not have any signage and is not visible to the road due to the heaving landscaping along the North Road 1 East. In the event that cats are dumped, the applicant has a network of people she can call the get them cared for.
- Will it just be limited to house cats?
 - Yes, any change to this will need to be brought through Council.
- If this is approved, what if there are issues with smell, odor or other nuisances?
 - Town staff is recommending a two year renewal period on the use. Any issues that arise during this period, that the Town is made aware of, will be considered during the renewal period. Staff is also including a provision to take the item back before Town Council for revisions if any significant issues arise from the use.
- How many employees/volunteers do you have and how much traffic will they generate?
 - Currently the applicant has two volunteers and one tends to be on site daily from 10am to 6pm for care of the animals. Most days there will only be one trip in and one trip out.

As of writing this staff report, Staff has not received any other form of communication regarding this project.

STAFF ANALYSIS AND RECOMMENDATION

CONSISTENCY WITH THE ZONING ORDINANCE

Based on the subject properties current zoning AR-5, the requested use is allowable with a Conditional Use Permit. The requested use will be directly east of to two medical marijuana cultivation facilities, one of which is the largest in Town limits, it is staffs opinion that the requested use will be less of an impact than the adjacent MMJ facilities.

STAFF RECOMMENDED STIPULATIONS

Town Staff is recommending approval of the Conditional Use Permit for this use. Since this is the first time a use like this has come before the Council in recent history, staff will have limited stipulations and are as follows:

- The Conditional Use Permit be granted for two (2) year with the ability to be renewed. During the renewal period staff will review the use again to ensure that there have been no negative impacts to the surrounding properties.
- In the event of issues arising from valid code enforcement complaints such as excess noise, odor or visual appearance, staff can bring the item back before Council within the two (2) year period for modifications or revocation.
- The onsite dumpster will need to be screened from public view per Town Code – (Stipulation added as a result of the neighborhood meeting).

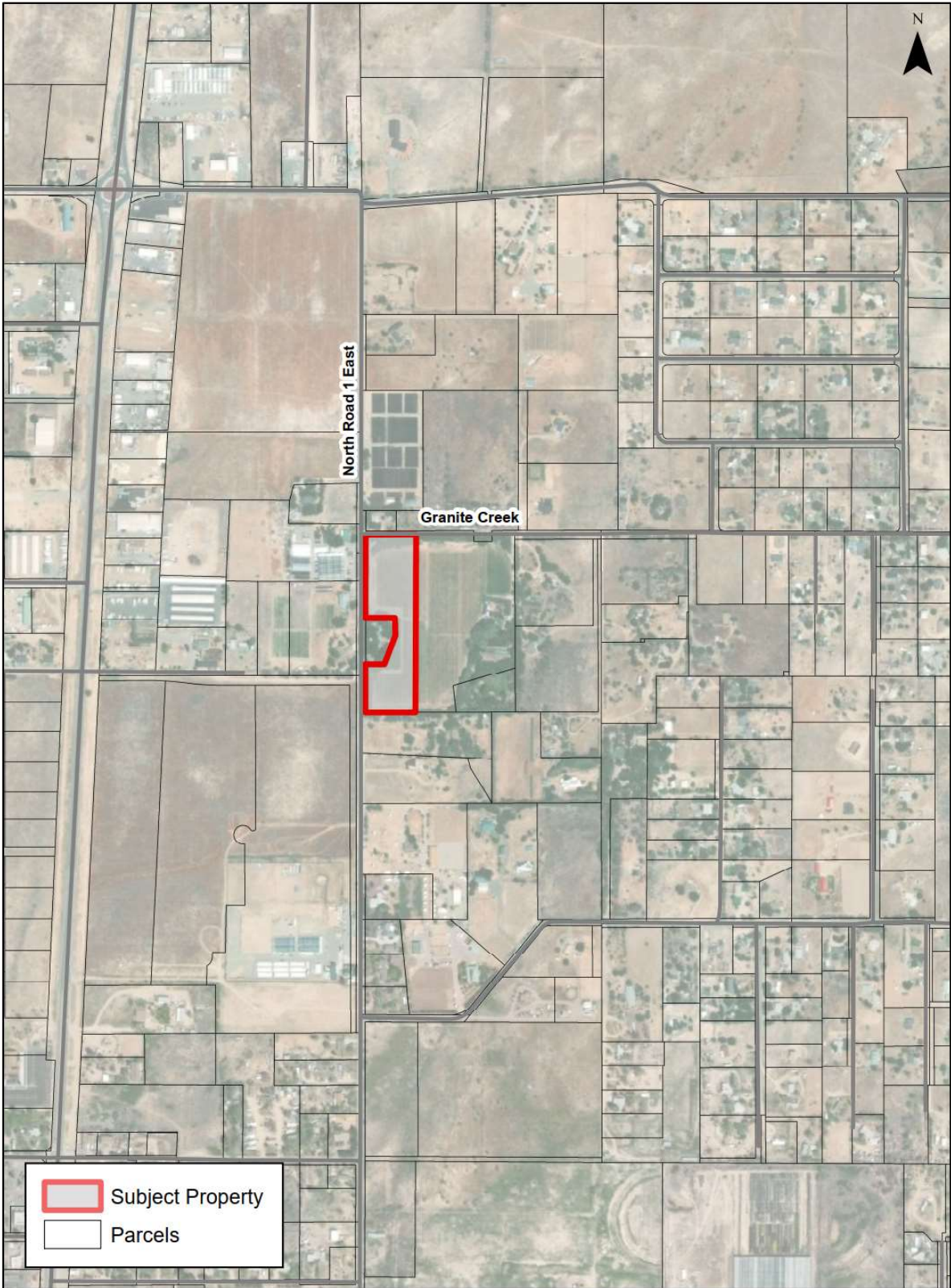
STAFF RECOMMENDATION

Staff recommends that the Planning and Zoning Commission forward a recommendation of approval to the Town Council to approve a Conditional Use Permit to allow for the construction and use of a sanctuary for house cats with the following stipulations:

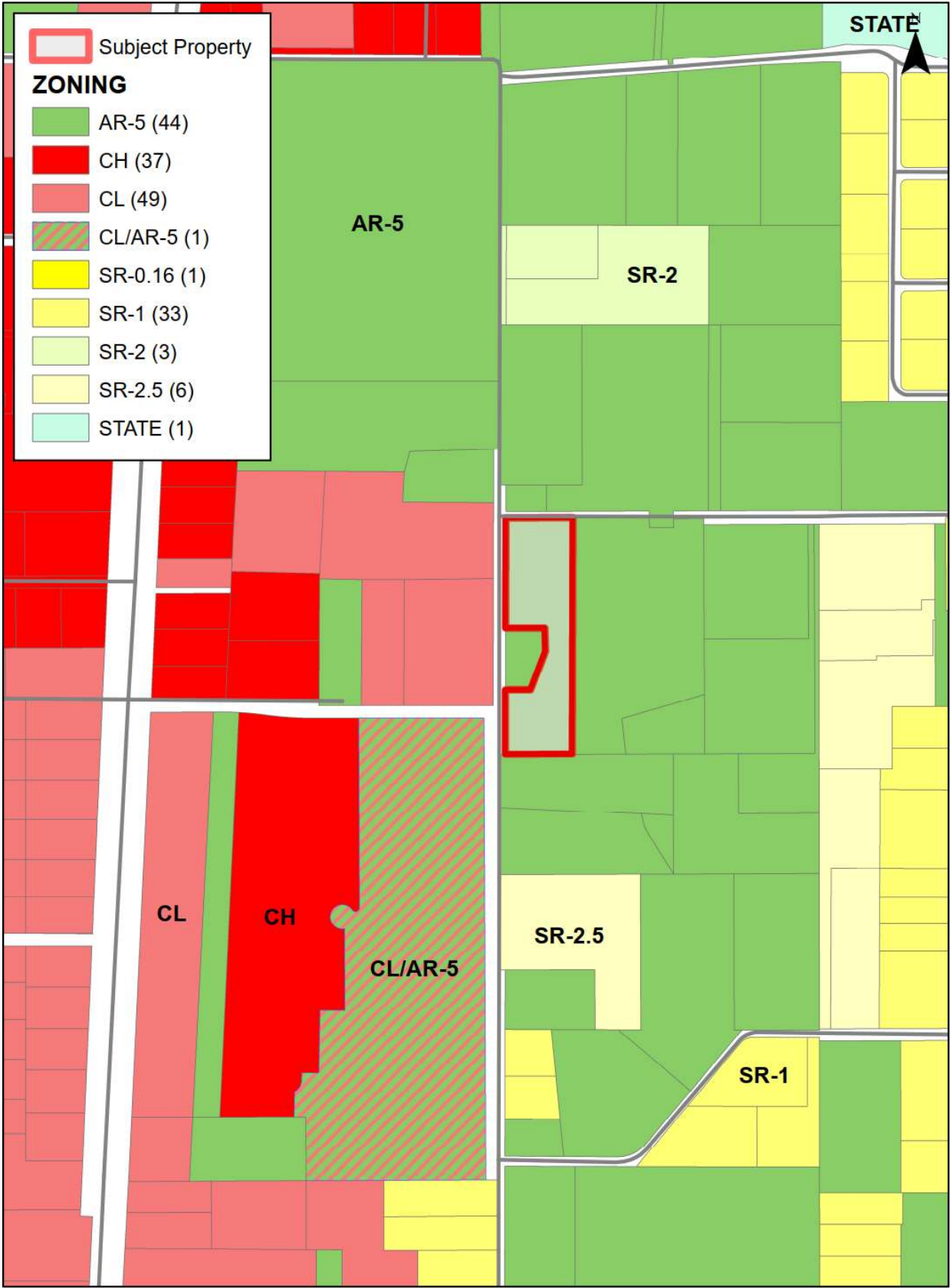
- The Conditional Use Permit be granted for two (2) year with the ability to be renewed. During the renewal period staff will review the use again to ensure that there have been no negative impacts to the surrounding properties.
- In the event of issues arising from valid code enforcement complaints such as excess noise, odor or visual appearance, staff can bring the item back before Council within the two (2) year period for modifications or revocation.
- The onsite dumpster will need to be screened from public view per Town Code – (Stipulation added as a result of the neighborhood meeting).

ATTACHMENTS

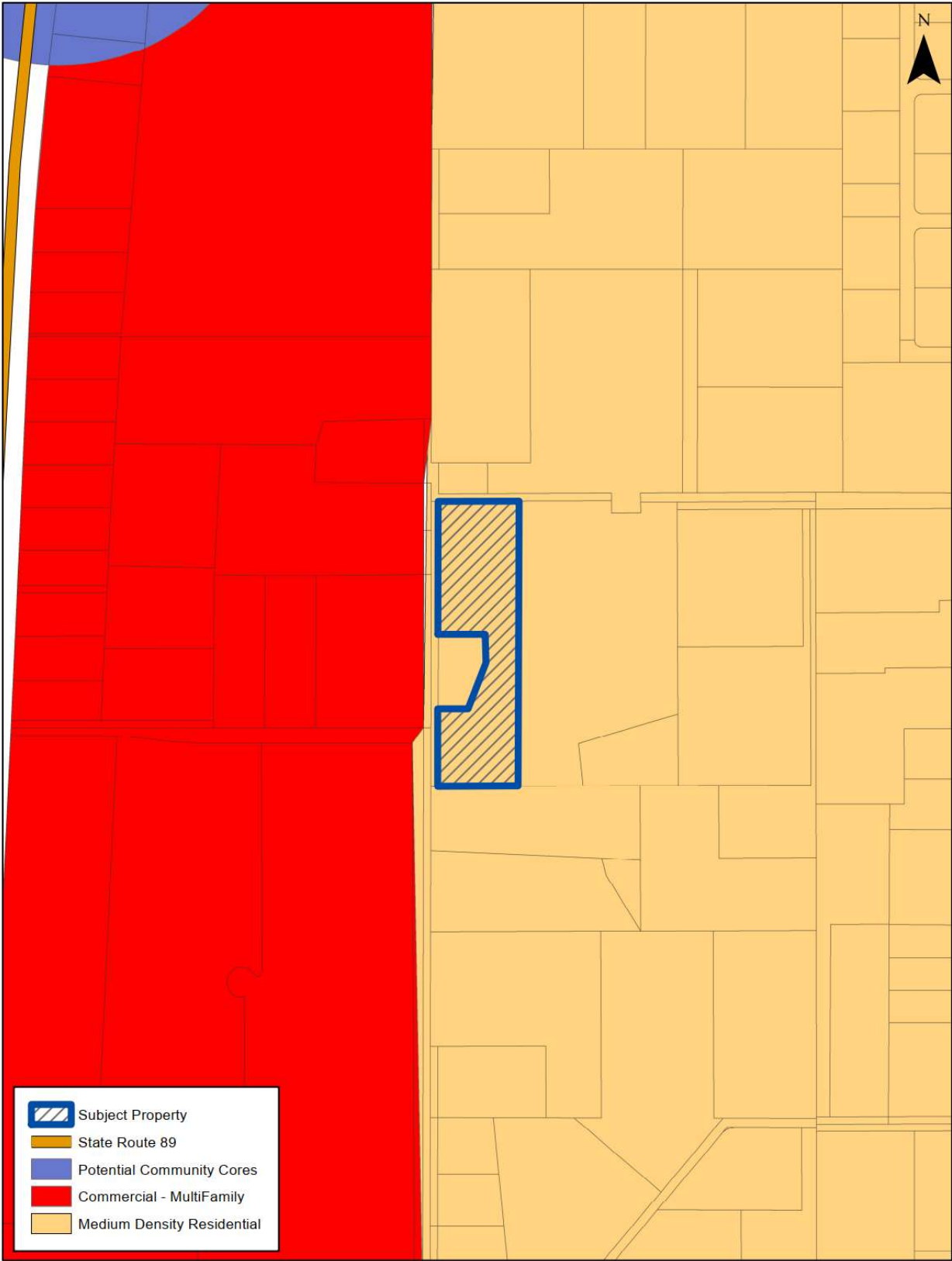
VICINITY MAP



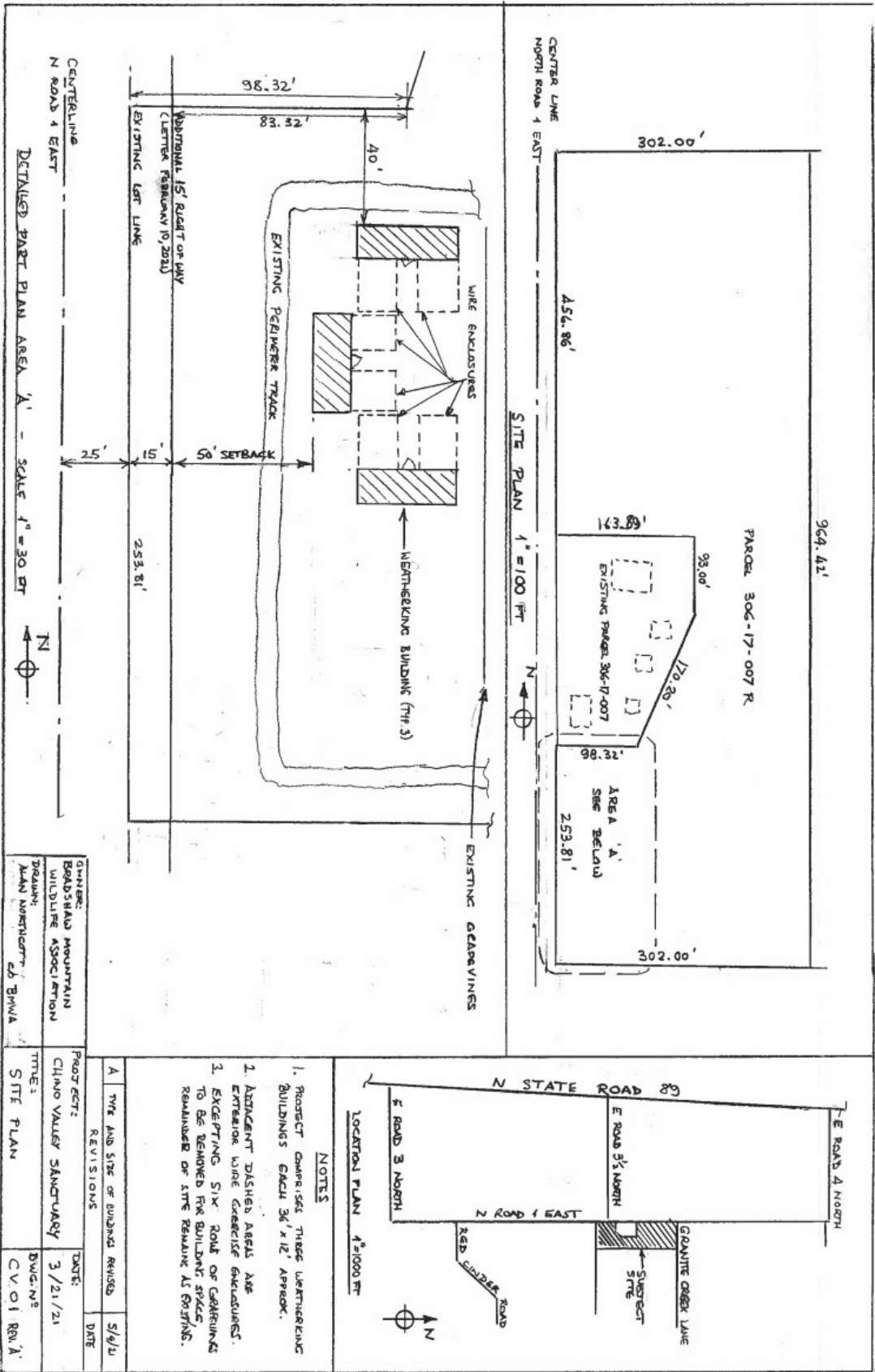
ZONING MAP



GENERAL PLAN MAP



SITE PLAN



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TOWN OF CHINO VALLEY COUNCIL AGENDA ITEM STAFF REPORT

Town Council Regular Meeting

6. c.

Meeting Date: 08/24/2021

Contact Person: Will Dingee, Senior Planner
Phone: 928-636-4427 x-1233

Department: Development Services

Estimated length 5 minutes

of staff presentation:

Physical location of item: Located on the east side of North State Route 89 approximately 550 feet south of the intersection of Road 2 North and North State Route 89

AGENDA ITEM TITLE:

PUBLIC HEARING and consideration and possible action to approve ORD 2021-903 to rezone parcel 306-23-003B, applicant Meurs Country West, LLC, to develop a Recreational Vehicle Park. (Will Dingee, Senior Planner)

RECOMMENDED ACTION:

(1) Hold public hearing; and (2) Approve ORD 2021-903 to rezone approximately 2.21 acres of real property from CL (Commercial Light) to CH (Commercial Heavy) with a PAD (Planned Area Development) to develop a Recreational Vehicle Park with the following stipulations:

1. The project must conform substantially to the provided conceptual plan.
2. The use on this property is restricted solely to an RV Park; any subsequent uses will need to come through the public hearing process for Council approval.
3. All loading spaces, maneuvering areas, driveways, and fire lanes shall be paved per UDO §4.22.4(B)(2) and all turning radii shall conform to the AASHTO guidelines. This does not include RV Stalls.
4. A water and sewer agreement will be needed between the Town and the property owner.
5. An accessible path between the new development and the existing clubhouse located in parcel #306-23-003B will be required.
6. Per Town Code of Ordinances §[150.081](#), except as exempted in § [150.082](#), all existing and new utility and telephone lines, electric utility distribution lines, cable television lines and all other communication and utility lines adjacent to or within new residential subdivision shall be under grounded.

SITUATION AND ANALYSIS:

The applicant is requesting to rezoning approximately 2.21 acres of real property from CL to CH with a PAD and an accompanying conceptual development plan (attached). The proposal is to develop an extension of the existing Country West RV Park with an additional 31 RV spaces located directly north of the current park. Since this is a Planned Area Development, any deviation in use or substantial deviation in conceptual plan will require this project to come back through the public hearing process.

The project will not have direct access off State Route 89 but will have access through the Country West

development. The conceptual plan proposes 31 gravel RV spaces that have direct access on a newly paved one-way drive. Each RV space will have a concrete pad as well as accompanying landscaping on the side boundaries of each space. Town of Chino Valley water and Town of Chino Valley Sewer will serve the project. The applicant is requesting a ten (10) foot tall split face CMU wall along the western end of the property that is adjacent to State Route 89. The applicant is proposing heavily treed landscaping along the property's frontage on State Route 89, which include several 30-foot tall Italian Cypress.

Stipulations that accompany this rezoning:

1. The project must conform substantially to the provided conceptual plan.
2. The use on this property is restricted solely to an RV Park; any subsequent uses will need to come through the public hearing process for Council approval.
3. All loading spaces, maneuvering areas, driveways, and fire lanes shall be paved per UDO §4.22.4(B)(2) and all turning radii shall conform to the AASHTO guidelines. This does not include RV Stalls.
4. A water and sewer agreement will be needed between the Town and the property owner.
5. An accessible path between the new development and the existing clubhouse located in parcel #306-23-003B will be required.
6. Per Town Code of Ordinances §150.081, except as exempted in § [150.082](#), all existing and new utility and telephone lines, electric utility distribution lines, cable television lines and all other communication and utility lines adjacent to or within new residential subdivision shall be undergrounded.

Planning and Zoning Commission – Held July 6, 2021

Questions/Discussion for Staff with the Commission –

- The PAD was permanent unless the applicant wanted to change it, which would require the same process currently before the Commission.
- The PAD had a plus or minus 10% variation allotment on the site, so the number of sites would 31 plus or minus three sites.
- Mobile homes would be prohibited, and the property would be specifically tied to the use of an RV park and the submitted site plan. Any deviation would need to go through the commission to redefine their entitlements.
- The driveway access points were reviewed.
- The reason they were using the CH zone was because the UDO was incomplete in RV parks. The Town had hired a new staff member who would fill the Interim Director position, and they would begin to fix some issues in the UDO.
- With a conditional use permit, the applicant could have had a 26-site RV park in their current zone.
- Staff clarified that the intent for the paving was that all areas where vehicles would be moving were required to be paved, but the RV pads could be gravel.

Questions/Discussion with Applicant and the Commission –

- Meghan Meurs parents had owned Country West for 26 years, and she had worked in the park for five years. Four construction phases had been completed over the last 26 years, which had added 120 mobile homes and 13 RV spaces to the park. This project would be the fifth phase that would expand the existing RV section.
- There was not any gate on either access point, and they had no plans to add one.
- They currently limited the RV stays to 180 days.
- Country West currently had an onsite park manager and would continue to have one. They lived onsite next to the office. There were usually several people on the property to oversee the RV Park.

Comments from the Public –

There was no public comments.

P&Z Motion and Vote –

MOVED by Commissioner John McCafferty, seconded by Vice-Chair Gary Pasciak to forward a recommendation of approval to Town Council for the rezoning of approximately 2.21 acres of real property from CL (Commercial Light) to CH (Commercial Heavy) with a PAD (Planned Area Development) to develop a Recreational Vehicle Park with the following stipulations:

1. The project must conform substantially to the provided conceptual plan.
2. The use on this property is restricted solely to an RV Park; any subsequent uses will need to come through the public hearing process for Council approval.
3. All loading spaces, maneuvering areas, driveways, and fire lanes shall be paved per UDO §4.22.4(B)(2) and all turning radii should conform to the AASHTO guidelines.
4. A water and sewer agreement will be needed between the Town and the property owner.
5. An accessible path between the new development and the existing clubhouse located in parcel #306-23-003B will be required.
6. Per Town Code of Ordinances §150.081, except as exempted in §150.082, all existing and new utility and telephone lines, electric utility distribution lines, cable television lines and all other communication and utility lines adjacent to or within new residential subdivision should be under grounded.

AYE: Chair Chuck Merritt, Vice-Chair Gary Pasciak, Commissioner John McCafferty, Commissioner Teena Meadors, Commissioner William Welker, Commissioner David Somerville

NAY: Commissioner Robert Switzer

6 - 1 PASSED

Commissioner Switzer thought it was a great project. The problem was with the Town not the project. He did not want to see commercial heavy go into spot where there was no commercial heavy. Even with the PAD overlay, Council's changed, and a future Council could approve a commercial heavy zone in the area. He thought a commercial light with 26 sites was better suited.

Other Pertinent Documents Available Upon Request:

Conceptual Plan

Planning and Zoning Staff Report and Associated Exhibits

Fiscal Impact

Fiscal Impact?: N/A

If Yes, Budget Code:

Available:

Funding Source:

Attachments

P&Z Staff Report

ORD 2021-903

Conceptual Plan

General Plan Map

Vicinity Map

Zoning Map

Planning and Zoning Commission Regular**6. b.****Meeting Date:** 07/06/2021

Meurs Country West Rezone - CL to CH with a PAD for an RV Park APN 306-23-003B

CASE DESCRIPTION:

Request to rezone approximately 2.21 acres of real property from CL (Commercial Light) to CH (Commercial Heavy) with a PAD (Planned Area Development) to develop a Recreational Vehicle Park. APN 306-23-003B Applicant: Meurs Contry West LLC

LOCATION:

Located on the east side of North State Route 89 approximately 550 feet south of the intersection of Road 2 North and North State Route 89

FACTS:

1. Applicant:..... Meurs Country West, LLC
2. Owner:..... Meurs Country West, LLC
3. Parcel Number..... 306-23-003B
4. Site Area.....2.21 Acres (Approximate)
5. Existing zoning:..... CL (Commercial Light)
6. Intended Use..... Rezone to CH (Commercial Heavy) to develop an expansion of the existing Country West RV Park

ANALYSIS:**SITE DATA**

Existing Zoning	CL (Commercial Light)
Lot Size	2.21 acres approximate
Subdivision	N/A
General Plan Land Use Designation	Community Core
Existing Land Use	Currently Vacant but was an RV park previously

BACKGROUND

SITE DESCRIPTION

The subject property is located on the east side of North State Route 89 approximately 550 feet south of the intersection of Road 2 North and North State Route 89. This 2.21 acre property is currently zoned CL (Commercial Light) and the General Plan land use designation for the property is found within the Town's primary Community Core as well as the surrounding area (**see General Plan Map**).

The surrounding properties to the north and west of the subject property are primarily commercial with a mix of both CH (Commercial Heavy) and CL. In this general area you have businesses such as Dollar General, Yavapai Title, Growing Local and the Park Plaza Apartments. To the east and south of the subject property you have property zoned MHP (Mobile Home Park) along with some CL (**see Zoning Map**). This area has been developed as the Country West mobile home and RV park.

PROPERTY HISTORY

The property is currently vacant however; before the applicant purchased the subject property in February 2020 it existed as an established RV park through a Conditional Use Permit that was issued back in 1988. Once the applicant purchased the property, they felt that it was in such disrepair that they demoed all structures and cleared all improvements made to the property.

PROJECT HISTORY

There has been no prior zoning action associated with this project.

PROJECT DESCRIPTION

The applicant is requesting to rezone approximately 2.21 acres of real property from CL to CH with a PAD (Planned Area Development) and an accompanying conceptual development plan. The applicant is proposing to develop an RV park with greater than 26 units (**see Conceptual Plan**) which is only allowed within the Commercial Heavy zoning district. This park is considered an expansion of the already existing Country West RV located directly to the south of this property.

The project will not have direct access off State Route 89 but instead will have access through the already existing Country West development. The conceptual plan proposes 31 gravel RV spaces that have direct access on a newly paved one-way circular drive. Each RV space will have a concrete pad as well as accompanying landscaping on the side boundaries of each space. Town of Chino Valley water and Town of Chino Valley Sewer will serve the project.

Alleviations

Since this is a Planned Area Development, the applicant is allowed to request alleviations from Town Code. The applicant is requesting alleviation from the code requirement for the height of walls. Section 4.8.1.b limits the height of walls and fences in commercial zoning to eight (8) feet, the applicant is requesting a ten (10) foot tall split face CMU wall along the western end of the property that is adjacent to State Route 89. The applicant has stated the need for this wall due to

sound attenuation for the future tenants of the RV park. An item of note is the grade at which this property sits is approximately three (3) feet below the grade of State Route 89.

Open Space, Landscaping & Community Amenities

The applicant is proposing heavily treed landscaping along the properties' frontage on State Route 89 which include several 30 foot tall Italian Cypress. Since this proposal is an extension of the Country West development, this new RV park will have access to their community center which offers amenities such as pool table, library, meeting hall and outdoor horseshoe pits.

Planned Area Development Restrictions

This development will be restricted solely to the attached conceptual plan as well as the RV park use. Any deviation in use or substantial deviation in conceptual plan will require this project to come back through the public hearing process.

CITIZENS REVIEW & PUBLIC HEARING PROCESS

Town Staff notified all property owners within a 300-foot radius of the subject property, resulting in 11 mailed notices. Notices were also posted on the subject property and advertised in the Daily Courier. The neighborhood meeting was held on June 30 in which no members of the public attended. Staff has also not received any written or verbal comments from the public regarding this project.

STAFF ANALYSIS AND RECOMMENDATION

GENERAL PLAN CONFORMANCE

The property has a General Plan land use designation of Community Core and the General Plan defines a Community Core as the following:

“An area where some uses or combination of uses are more concentrated than in other areas of a community and may contain various residential and mixed uses with differing focus, such as entertainment, recreation, education, healthcare or civic centers.”

The requested zone change from CL to CH with a PAD overlay restricting the use to an RV park is consistent with the Community Core allowance for various residential uses.

ZONING

The general area supports the restricted RV park use associated with this zone change. Directly to the west and south of the property is an existing Mobile Home and RV park which this project is simply an expansion of. Covered in the Property History section of this report this property was previously an approved RV Park. To the west of this property there is also the Park Plaza Apartments. The requested zone change to CH with a PAD overlay restricting the use to an RV park is in conformance with the surrounding area

TECHNICAL REVIEW:

See Analysis

SITE PLAN

See attached

RECOMMENDATION

Town Staff recommends that the Planning and Zoning Commission forward a recommendation of approval to the Town Council to approve the rezoning of approximately 2.21 acres of real property from CL (Commercial Light) to CH (Commercial Heavy) with a PAD (Planned Area Development) to develop a Recreational Vehicle Park with the following stipulations:

1. The project must conform substantially to the provided conceptual plan.
2. The use on this property is restricted solely to an RV Park; any subsequent uses will need to come through the public hearing process for Council approval.
3. All loading spaces, maneuvering areas, driveways, and fire lanes shall be paved per UDO §4.22.4(B)(2) and all turning radii shall conform to the AASHTO guidelines.
4. A water and sewer agreement will be needed between the Town and the property owner.
5. An accessible path between the new development and the existing clubhouse located in parcel #306-23-003B will be required.
6. Per Town Code of Ordinances §150.081, except as exempted in § [150.082](#), all existing and new utility and telephone lines, electric utility distribution lines, cable television lines and all other communication and utility lines adjacent to or within new residential subdivision shall be undergrounded.

Attachments

Conceptual Plan

General Plan Map

Vicinity Map

Zoning Map

ORDINANCE NO. 2021-903

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CHINO VALLEY, ARIZONA, APPROVING A CHANGE OF ZONING AND AMENDMENT TO THE OFFICIAL ZONING MAP FOR APPROXIMATELY 2.21 ACRES OF REAL PROPERTY GENERALLY LOCATED ON THE EAST SIDE OF NORTH STATE ROUTE 89, APPROXIMATELY 550 FEET SOUTH OF THE ROAD 2 NORTH INTERSECTION, FROM CL (COMMERCIAL LIGHT) TO CH (COMMERCIAL HEAVY) WITH A PLANNED AREA DEVELOPMENT OVERLAY.

WHEREAS, the Mayor and Common Council of the Town of Chino Valley (the "Town Council") desires to amend the Town of Chino Valley (the "Town") Official Zoning Map for approximately 2.21 acres of real property generally located on the east side of North State Route 89 approximately 550 feet south of the Road 2 North Intersection, from CL (Commercial Light) to CH (Commercial Heavy) with a Planned Area Development (PAD) overlay (the "Zoning Map Amendment"); and

WHEREAS, the Town Council has determined that this Zoning Map Amendment conforms with the Town of Chino Valley General Plan and any applicable specific area plan, neighborhood plan, or other plan, any overlay zoning district, and the standards and design requirements contained in the Unified Development Ordinance of the Town of Chino Valley (the "UDO"); and

WHEREAS, all required public notice was provided, and all required public meetings and hearings were held in accordance with applicable state and local laws; and

WHEREAS, the Planning and Zoning Commission recommended approval of the Zoning Map Amendment; and

WHEREAS, in accordance with Article II, Sections 1 and 2 of the Arizona Constitution, the Town Council has considered the individual property rights and personal liberties of the residents of the Town before adopting this Ordinance.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Common Council of the Town of Chino Valley, Arizona, as follows:

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

Section 2: The Official Zoning Map is hereby amended for property consisting of approximately 2.21 acres, described in Exhibit 1 and shown on the Zoning Exhibit (map) in Exhibit 2, both attached hereto and incorporated herein by reference, to rezone

the property from CL (Commercial Light) to CH (Commercial Heavy) with a Planned Area Development overlay (CH PAD) to develop a recreational vehicle park, subject to the following stipulations:

1. The project must conform substantially to the provided conceptual plan.
2. The use on this property is restricted solely to an RV Park conforming to the site plan approved by the Town; any subsequent modifications to the uses will require an amendment to the CH PAD overlay following the public hearing process and Council approval.
3. All loading spaces, maneuvering areas, driveways, and fire lanes shall be paved per UDO § 4.22.4(B)(2), and all turning radii shall conform to the AASHTO guidelines.
4. A water and sewer agreement must be executed between the Town and the property owner prior to issuance of any permit or certificate for the property.
5. An accessible path between the new development and the existing clubhouse located in parcel #306-23-003B will be required.
6. Per Town Code of Ordinances § 150.081, except as exempted in § 150.082, all existing and new utility and telephone lines, electric utility distribution lines, cable television lines, and all other communication and utility lines adjacent to or within new residential subdivisions shall be undergrounded.

Section 3: The Town Manager is directed, upon the effective date of this Ordinance, to cause the Official Zoning Map to reflect the Zoning Map Amendment as applicable to the property, indicating the zoning is subject to compliance with the stipulations provided herein.

Section 4: 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 5: The Mayor, the Town Manager, the Town Clerk and the Town 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 Mayor and Common Council of the Town of Chino Valley, Arizona this 24th day of August, 2021.

Jack W. Miller, Mayor

ATTEST:

Erin N. Deskins, Town Clerk

APPROVED AS TO FORM:

Andrew J. McGuire, Town Attorney
Gust Rosenfeld, PLC

I hereby certify the above foregoing Ordinance No. 2021-903 was duly passed by the Council of the Town of Chino Valley, Arizona, at a meeting held on August 24, 2021, and that quorum was present, and that the vote thereon was ____ ayes and ____ nays and ____ abstentions. ____ Council members were absent or excused.

Erin N. Deskins, Town Clerk

EXHIBIT 1
TO
ORDINANCE 2021-903

[Legal Description]

See the following page.

Exhibit A

All that portion of the Northwest quarter of the Northeast quarter of Section 22, Township 16 North, Range 2 West of the Gila and Salt River Base and Meridian, Yavapai County, Arizona, described as follows:

COMMENCING at the Northeast corner of Section 22;

thence North 89°49' West along the North line of Section 22, a distance of 1868.88 feet to a point on the Easterly right of way line of U. S. Highway 89 as it was described in Book 384 of Official Records, page 578;

thence South 02°33'30" West, 209.0 feet more or less along said right of way to a point on the South line of a parcel as described in Book 281 of Official Records, page 358 and TRUE POINT OF BEGINNING;

thence continuing South 02°33'30" West, along said right of way 500.0 feet to a point;

thence North 89°49' East parallel with the North line of Section 22, a distance of 550.0 feet to a point;

thence North 02°33'30" East parallel with the above mentioned right of way line 500.0 feet to a point;

thence South 89°49' West parallel with the aforesaid North line 550.0 feet to a point on the aforesaid right of way line and TRUE POINT OF BEGINNING;

EXCEPT that portion described as follows:

COMMENCING at the Northeast corner of Section 22;

thence North 89°49' West along the North line of Section 22, a distance of 1868.88 feet to a point on the Easterly right of way line of U. S. Highway 89 as it was described in Book 384 of Official Records, page 578;

thence South 02°33'30" West, 209.0 feet, more or less, along said right of way to a point on the South line of a parcel as described in Book 281 of Official Records, page 358 and TRUE POINT OF BEGINNING;

thence continuing South 02°33'30" West along said right of way, 325.0 feet to a point;

thence North 89°49' East, parallel with the North line of Section 22, a distance of 550.00 feet to a point;

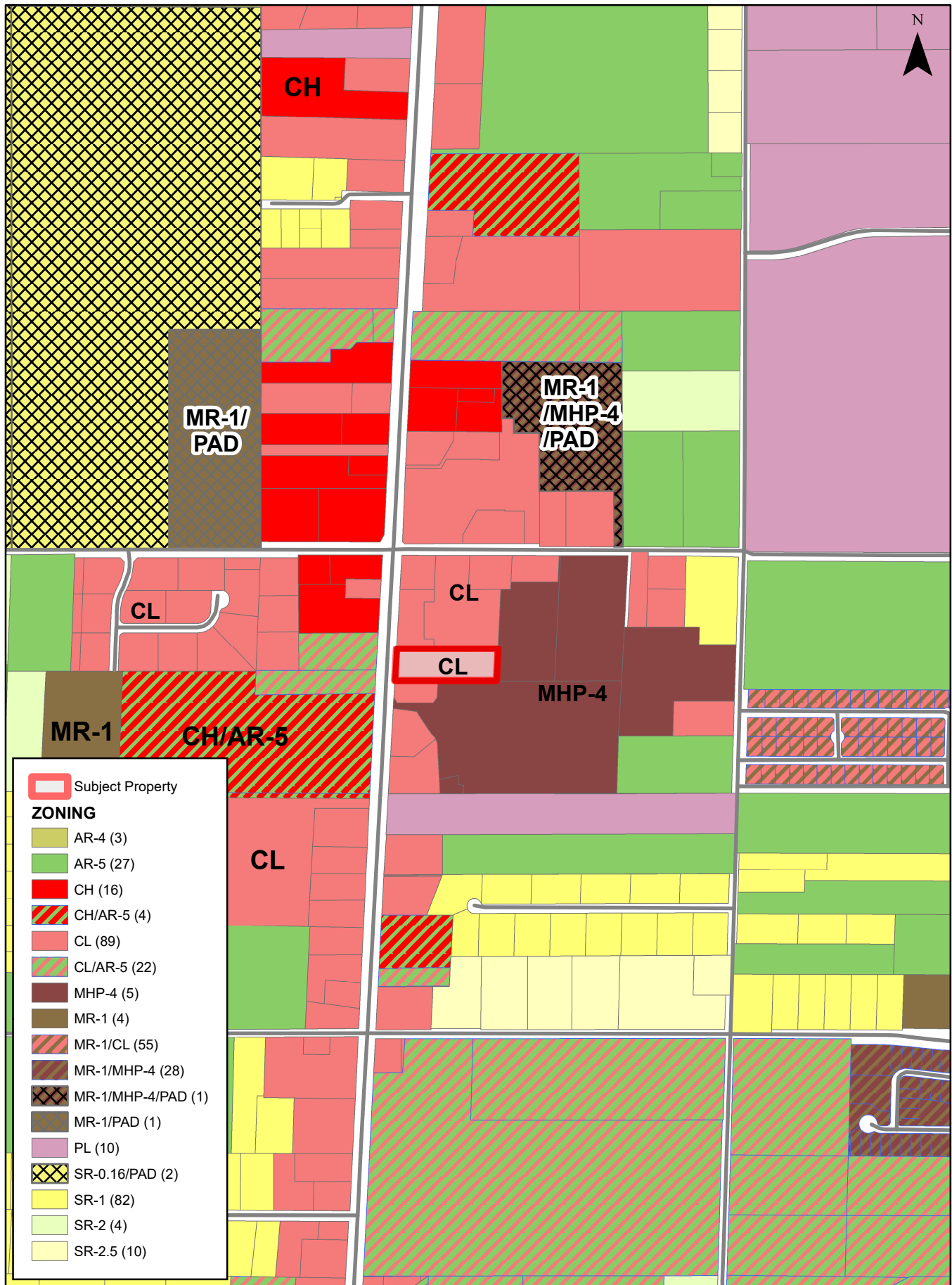
thence North 02°33'30" East, parallel with the above mentioned right of way, 325.0 feet to a point;

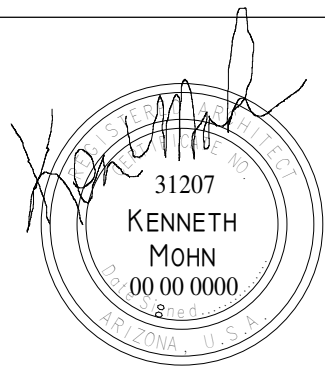
thence South 89°49' West, parallel with the aforesaid North line 550.0 feet to a point on the aforesaid right of way line and the TRUE POINT OF BEGINNING.

EXHIBIT 2
TO
ORDINANCE 2021-903

[Zoning Exhibit]

See the following page.





This drawing and it's design, information, data, plans, specifications, commonlaw copyrights and other property rights are the property of Kenneth Mohn Architect. It is not to be reproduced in whole or part. It is to be used for the project and site specifically identified herein. No liability is assumed for deviations from these documents.

These plans are for review only unless stamped, dated and signed by the Architect, Engineers and approved by the Building Department

KMA

Kenneth Mohn Architect
3915 West Roadrunner Drive
Chino Valley, Arizona 86323

mohnarch@cableone.net
Office 928-710-5530

Extension of Country West MHP
Phase 5 Recreational Vehicles
Chino Valley, Arizona

No.	Description	Date

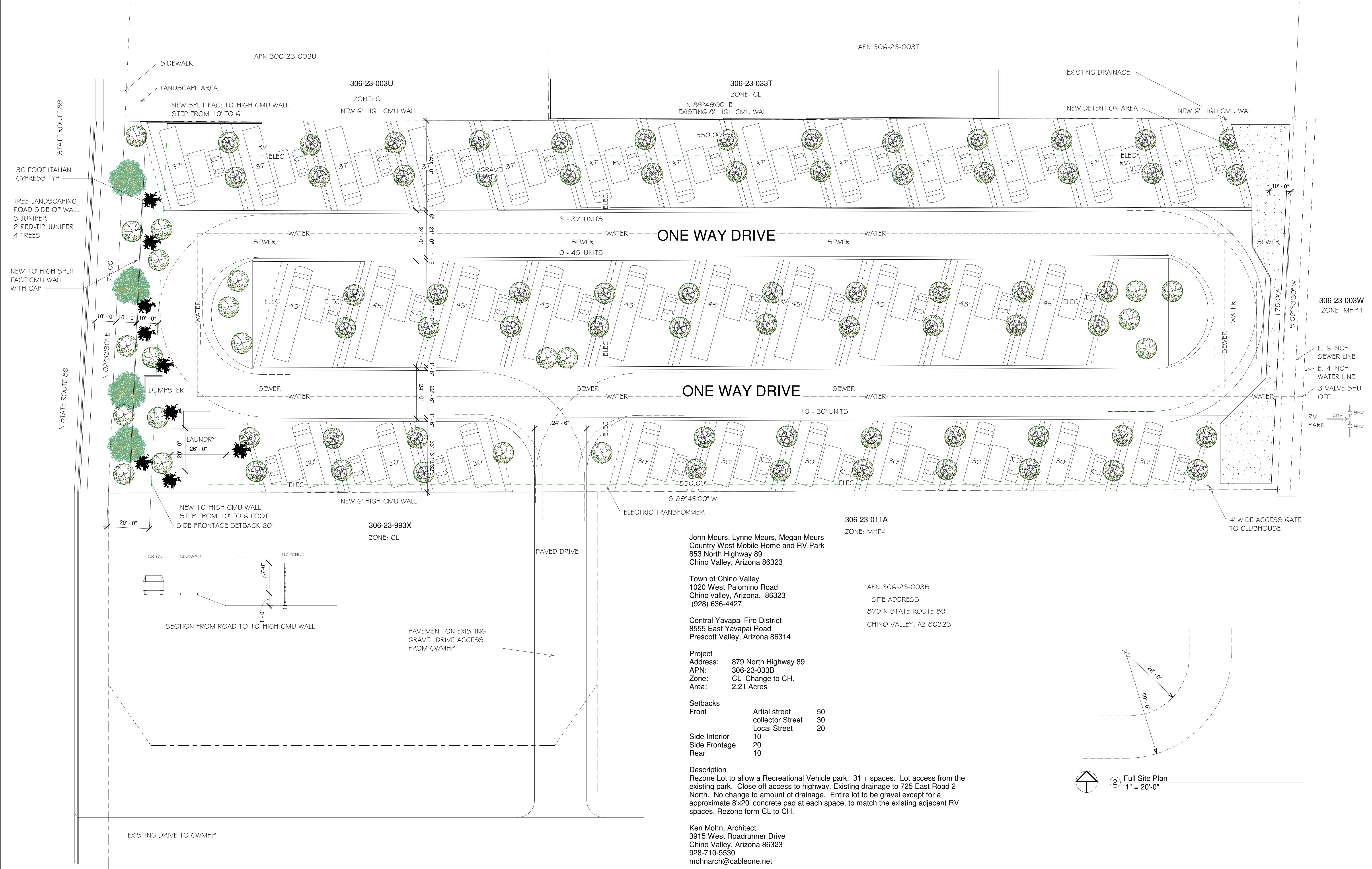
Site Plan

Project number	2020-23
Date	01 2021
Drawn by	KMA
Checked by	KMA

A0

Scale 1" = 20'-0"

7/1/2021 8:45:55 AM



John Meurs, Lynne Meurs, Megan Meurs
Country West Mobile Home and RV Park
853 North Highway 89
Chino Valley, Arizona 86323

Town of Chino Valley
1020 West Palomino Road
Chino valley, Arizona. 86323
(928) 636-4427

Central Yavapai Fire District
8555 East Yavapai Road
Prescott Valley, Arizona 86314

Project
Address: 879 North Highway 89
APN: 306-23-033B
Zone: CL Change to CH.
Area: 2.21 Acres

Setbacks		
Front	Artial street	50
	collector Street	30
	Local Street	20
Side Interior	10	
Side Frontage	20	
Rear	10	

Description
Rezone Lot to allow a Recreational Vehicle park. 31 + spaces. Lot access from the existing park. Close off access to highway. Existing drainage to 725 East Road 2 North. No change to amount of drainage. Entire lot to be gravel except for a approximate 8'x20' concrete pad at each space, to match the existing adjacent RV spaces. Rezone form CL to CH.

Ken Mohn, Architect
3915 West Roadrunner Drive
Chino Valley, Arizona 86323
928-710-5530
mohnarch@cableone.net

APN 306-23-003B
SITE ADDRESS
879 N STATE ROUTE 89
CHINO VALLEY, AZ 86323

