

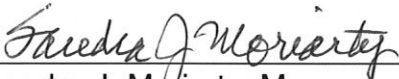
**RESOLUTION NO. 2019-23
AMBIENTE: A LANDSCAPE HOTEL
DEVELOPMENT AGREEMENT**

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SEDONA,
ARIZONA, APPROVING A DEVELOPMENT AGREEMENT WITH ADOBE JACK LLC,
AN ARIZONA LIMITED LIABILITY COMPANY, SETTING FORTH AFFORDABLE
HOUSING COMMITMENTS IN CONNECTION WITH THE AMBIENTE: A
LANDSCAPE HOTEL PROJECT.**

WHEREAS, the City of Sedona ("City") and Adobe Jack LLC, an Arizona limited liability corporation, intend to enter into a development agreement to provide for the construction of a workforce housing unit as part of the Ambiente: A Landscape Hotel development project.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND THE COUNCIL OF THE CITY OF SEDONA, ARIZONA, THAT the City of Sedona, through its Mayor and Council, hereby approves the Development Agreement with Adobe Jack LLC for construction of a workforce housing unit in connection with the Ambiente: A Landscape Hotel development project and authorizes the signature by the Mayor and recording by law.

APPROVED AND ADOPTED by the Mayor and Council of the City of Sedona, Arizona, this 10th day of December, 2019.



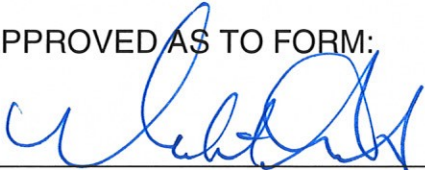
Sandra J. Moriarty, Mayor

ATTEST:



Susan L. Irvine, CMC, City Clerk

APPROVED AS TO FORM:



Robert L. Pickels, Jr., City Attorney

DEVELOPMENT AGREEMENT
(Ambiente: A Landscape Hotel Project)

THIS DEVELOPMENT AGREEMENT for the Ambiente: A Landscape Hotel Project (this "**Agreement**") is entered into this 10th day of December, 2019 by and between the CITY OF SEDONA, an Arizona municipal corporation ("**City**") and Adobe Jack LLC, an Arizona limited liability company ("**Developer/Owner**").

RECITALS

Developer/Owner owns that real property located within the municipal boundaries of the City of Sedona in Coconino County, Arizona, consisting of approximately 3.11 acres, as depicted on the map attached hereto as **Exhibit A** and legally described in attached **Exhibit B** (the "**Property**").

The previous owner of the Property negotiated with the City for a rezoning for the Property, which included, among other items, the provision of one (1) workforce housing unit. The rezoning of the property was conditionally approved by City Council in 2007 and granted a permanent zone change by City Council in March 2010, with the provision that the workforce housing unit be provided when the Property develops.

Developer/Owner desires to develop the Property in accordance with the original City Council rezoning approval and the development review application as approved by Planning and Zoning Commission on July 2, 2019.

By its consenting signature hereto, Owner agrees to recordation of this Agreement on the Property.

1. Workforce Housing. Developer agrees to construct one (1) residential apartment unit as part of the lodging use. The workforce unit is to be rented to an employee of the lodging use with a gross household income between 80% and 100% of the Area Median Income in Coconino County.
 - a. *Design*. The design of the unit including the site design shall conform to United States Department of Housing and Urban Development ("**HUD**") standards, City's Land Development Code, and City's Design Review Manual, and shall be a minimum size of 900 square feet.
 - b. *Construction Phasing for Workforce Unit*. Construction of the workforce unit shall be completed before the certificate of occupancy is issued for any portion of the lodging use.
 - c. *Use Restrictions*. The maximum number of occupants shall conform to City's Land Development Code definition of "family" and shall not exceed the maximum occupancy requirements established in applicable Building and Fire Codes.
 - d. *Workforce Unit Eligible Rental Process*. The Workforce unit shall be rented to an employee of the lodging use earning a gross household income between eighty (80%) and one-hundred (100%) percent of Area Median Income for the household

size in Coconino County. Income from all adults who occupy the property shall be included in the household income. The City will provide assistance in determining the Area Median Income for Coconino County upon request.

- e. *Rental Restrictions.* Rental payments for the workforce unit will be capped at thirty- five percent (35%) of the gross income for the household. The tenant of the workforce unit shall be responsible for the cost of his/her own utilities (gas, electric, water and wastewater services, phone, modem and cable services, and solid waste pick-up). During the term of affordability, rent increases shall be proportionate to increases in the Area Median Income for the household size in Coconino County. Developer/Owner is responsible for all aspects of the lease agreements for the workforce unit and market rate units.
- f. *Affordability Covenant.* Owner shall record an affordability covenant (the "**Affordability Covenant**") for the Workforce Unit. The Affordability Covenant is effective for the life of the lodging use.
- g. *Fee Waiver.* City agrees that it shall not charge plan review fees, permit fees, building fees, or development impact fees for the one workforce unit.
- h. *Conversion.* The workforce unit shall not be converted to a condominium use.

2. Effective Date and Term.

This Agreement shall be effective (the "**Effective Date**") upon (i) execution by the parties hereto and (ii) recordation in accordance with § 6.17 of this Agreement.

- a. The term of this Agreement shall commence on the Effective Date and shall automatically terminate on the eighth (8th) anniversary of such date if building permits are not obtained. The affordability covenant does not expire with the development agreement. Developer/Owner may extend the term hereof for one (1) additional period of ten (10) years due to then existing market or other economic conditions, upon written notice delivered to City at least three (3) months before the expiration hereof.
- b. This agreement cannot be changed, amended or altered without the written agreement of the Developer/Owner and the City except at renewal period. Either party requesting a change in agreement must submit the request in writing a minimum of six months prior to the expiration of agreement.
- c. Should a federal or state law regarding housing that may be determined to override any agreements between the City and Owner be enforced, the Owner will have the option to terminate this agreement with six months' notice. If no notice is submitted, it is assumed the new jurisdiction is accepted by Owner.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

CITY:

CITY OF SEDONA, ARIZONA, an Arizona municipal corporation

Sandra J. Moriarty
Sandra J. Moriarty, Mayor

ATTEST:

Susan L. Irvine
Susan L. Irvine, City Clerk

APPROVED AS TO FORM:

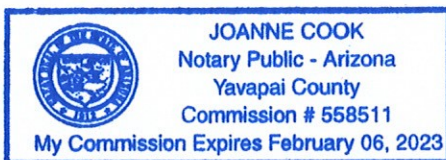
Shelley D. Cuth, Assistant City Attorney, for
Robert Pickels, City Attorney

STATE OF ARIZONA
County of Yavapai

On this 19 day of December, 2019, before me personally appeared Sandra J. Moriarty, the Mayor of the CITY OF SEDONA, ARIZONA, an Arizona municipal corporation, for and on behalf thereof, whose identity was proven to me on the basis of satisfactory evidence to be the person who he claims to be, and acknowledged that he signed the above/attached document.

[Affix notary seal here]

Joanne Cook
Notary Public



OWNER/DEVELOPER:


ADOBE JACK, L.L.C., an Arizona limited liability company

By: 
Michael J. Stevenson, Manager

STATE OF ARIZONA
County of Yavapai

On this 11 day of November, 2019, before me personally appeared Michael J. Stevenson, the Manager of ADOBE JACK LLC, an Arizona limited liability company, for and on behalf thereof, whose identity was proven to me on the basis of satisfactory evidence to be the person who he or she claims to be, and acknowledged that he or she signed the above/attached document.

[Affix notary seal here]



Notary Public

Jaci Ulmer
COMMISSION EXPIRES
8/18/2022

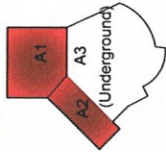


**EXHIBIT A
TO
DEVELOPMENT AGREEMENT**

[Ambiente: A Landscape Hotel Site Plan]

See following page

Site Plan Legend



Building A1 - Two Story Lobby Check In, Offices
@ 1368+220 sq.ft. - Second Story Reception Lobby, Lounge, Atrium, Meeting Rooms, Offices, Restrooms.

Building A2 - Single Story Multi-Purpose/ Meeting Rooms
@ 1163 sq.ft. - Single Story Meeting Rooms, Offices, IT Room, Restrooms, Canteen/Kitchen, Rooftop Lounge with Firepit

Building A3 - Below Grade Garage
@ 3775 sq.ft. - Operations, Maintenance, Storage, Housekeeping, Laundry
Electric Car Parking and Stands.

Building B - Poolside Lounge
@ 900 sq.ft. - Poolside Bar, Restrooms, Rooftop Deck with Firepit

Building C - Workforce Housing Unit
@ 900 sq.ft. - Housing Unit at Second Level over Parking

Building Guest Atriums
@ 576 sq.ft.- 40 Guest Units w/Proposed FFE
(Note: FFE elevation may vary 5'+/- maximum)

Permeable Surfaced Cart Pathway
(Inc. H2O loading Emergency Route)

Naturalized Stream Courses enhanced with Water Features or Bio-Swale Drainage channels and Retention Ponds

Existing Undisturbed Native Landscape

Enhanced Adaptive Naturalizing Landscape

Perimeter Fencing for Access Control
Cedar Wood Post and Rail Style - 48" height

Public Hiking Trailhead
Existing Parking To Remain

Proposed Public Hiking Trail
along Hwy 89A with Native vegetated slope and three foot height sound berm

Proposed Entry Art Arch
with Fire Display

Fire Display Accent Element

Screening with Fencing and Screen Plantings for all Utility, Trash Enclosure and Storage Locations



Ambiente A Landscape Hotel Preliminary Site Plan

900 W State Route 89A
Sedona, Arizona 86336
APN# 401-70-107

Adobe Jack LLC
Sedona, Arizona

Krizan Associates Inc.
Landscape Architecture and Planning
GILA 02228

Sefton Engineering Consultants
Surveying-Engineering-Land Planning

ASUL Architects
Adaptable System for Universal Living

10-6
Interior Design and Space Planning

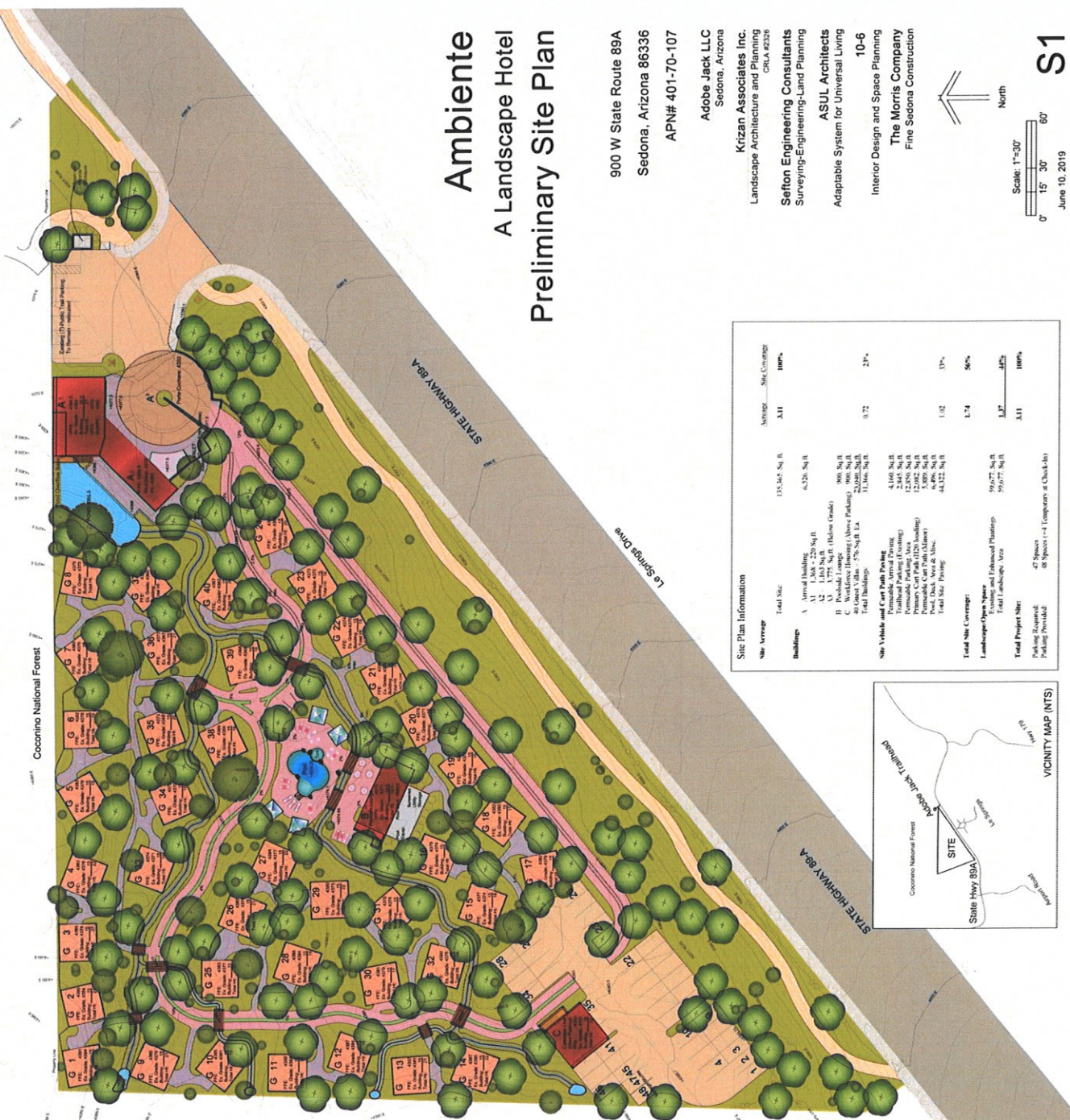
The Morris Company
Fine Sedona Construction



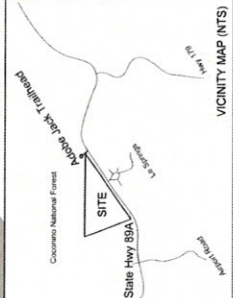
Scale: 1"=30'
0' 15' 30' 60'

S1

June 10, 2019



Site Plan Information		Average	Site Coverage
Nbr. Acreage	135.645 Sq. Ft.	3.11	100%
Buildings			
Total Site	6,528 Sq. Ft.		
A. Aerial Building	1,368 + 220 Sq. Ft.		
B. Poolside Lounge	1,163 Sq. Ft.		
C. Workforce Housing (above Parking)	900 Sq. Ft.		
D. Guest Atrium	576 Sq. Ft.		
Total Buildings	3,007 Sq. Ft.	0.72	23%
Site Vehicle and Cart Park Pads			
Permeable Surfaced	4,166 Sq. Ft.		
Trailhead Parking (Footing)	2,846 Sq. Ft.		
Primary Cart Path (20' Footing)	12,000 Sq. Ft.		
Permeable Cart Path (20' Footing)	5,000 Sq. Ft.		
Total Site Parking	44,222 Sq. Ft.	1.02	33%
Total Site Coverage:			
Existing and Enhanced Plantings	59,672 Sq. Ft.	1.74	56%
Total Landscape Use	59,672 Sq. Ft.	1.74	56%
Total Project Site:			
Parking Spaces	47 Spaces		
Parking Provided	48 Spaces (+1 Temporary at Check-In)	1.17	100%



**EXHIBIT B
TO
DEVELOPMENT AGREEMENT**

[Legal Description of the Property]

See following page

EXHIBIT "A"
LEGAL DESCRIPTION

Tract A, Les Springs, as shown on the amended Plat recorded in [Case 4, Maps 111-111D](#), inclusive and Affidavit of Correction recorded in [Docket 1159, page 842](#), records of Coconino County, Arizona.