

RESOLUTION NO. 2022-05

**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SEDONA,
ARIZONA, APPROVING THE FIRST AMENDMENT TO A DEVELOPMENT
AGREEMENT WITH SUNSET LOFTS LLC FOR THE SUNSET LOFTS PROJECT
LOCATED AT 220 SUNSET DRIVE.**

WHEREAS, the City of Sedona ("City") and Sunset Lofts LLC, an Arizona limited liability corporation, entered into a development agreement on July 13, 2021, for forty-six (46) workforce housing units at 220 Sunset Drive in Sedona that will include provisions to ensure the project addresses local affordable housing needs; and

WHEREAS, amendments to the development agreement are necessary provide for certain clarifications and modifications to Land Development Code standards as afforded under the City's Developer Incentives and Guidelines for Affordable Housing (DIGAH).

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND THE COUNCIL OF THE CITY OF SEDONA, ARIZONA, THAT:

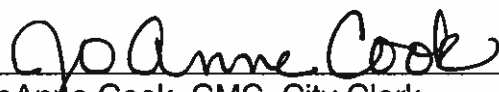
The City of Sedona, through its Mayor and Council, hereby finds that the First Amendment to the Development Agreement ("Amendment") with Sunset Lofts LLC for the Sunset Lofts project located at 220 Sunset Drive in Sedona attached hereto as Exhibit A is consistent with the Community Plan pursuant to A.R.S. § 9-500.05, and approves of the Amendment, authorizing the signature by the Mayor and recording by law.

APPROVED AND ADOPTED by the Mayor and Council of the City of Sedona, Arizona, this 8th day of March, 2022.



Sandra J. Moriarty, Mayor

ATTEST:



JoAnne Cook, CMC, City Clerk

APPROVED AS TO FORM:



Kurt W. Christianson, City Attorney

WHEN RECORDED RETURN TO:

City Clerk
City of Sedona
102 Roadrunner Drive
Sedona, AZ 85336

**FIRST AMENDMENT TO THE DEVELOPMENT AGREEMENT
(Sedona/Sunset Lofts LLC)**

THIS FIRST AMENDMENT TO THE DEVELOPMENT AGREEMENT (the "Amendment") is made as of the 09 day of March, 2022, by and between the CITY OF SEDONA, ARIZONA, an Arizona municipal corporation (the "City"), and Sunset Lofts LLC, an Arizona limited liability company and its successor or assigns ("Property Owner"). City and Property Owner are sometimes referred to herein collectively as the "Parties," or individually as a "Party."

RECITALS

A. On July 13, 2021 the City of Sedona entered into that certain Development Agreement by and between the City of Sedona and Sunset Lofts LLC, an Arizona limited liability company, relating to the development of 46 workforce housing units located at 220 Sunset Drive in Sedona (the "Original Development Agreement"). The Original Development Agreement was recorded in the Official Records of Yavapai County, Arizona on 7/22/2021, Instrument # 2021-0052673 AG

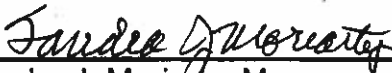
B. The City and Property Owner wish to amend the Original Development Agreement to apply certain modifications to the City's Land Development Code (LDC) standards in accordance with the City's Developer Incentives and Guidelines for Affordable Housing (DIGAH).

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Property Owner agree as follows:

1. The original Development Agreement is hereby amended to add to Section 1.11:


Pursuant to LDC Section 8.8 and the DIGAH, to maximize the number of affordable housing units and for consistent design and layout of the site, the City agrees to apply the height and setback requirements for the CO (commercial) zone to the entirety of the site.

CITY OF SEDONA, an Arizona municipal corporation




Sandra J. Moriarty, Mayor

ATTEST:



JoAnne Cook, CMC, City Clerk

APPROVED AS TO FORM:



Kurt W. Christianson, City Attorney

Pursuant to LDC Section 8.8 and the DIGAH, to maximize the number of affordable housing units, the City agrees to modify LDC Section 5.7.F(2)d.1. (Building Length – Multifamily Residential and Lodging Uses) to allow the entirety of the buildings to be subject to the maximum height allowed by the Land Development Code and not require 25% of the building to be limited to 16 feet in height.

Pursuant to LDC Section 8.8 and the DIGAH, to maximize the number of affordable housing units and contain project costs, the City agrees to modify LDC Section 5.5.D(1), Table 5.2 (Required Off-Street Parking Spaces): Residential; Household Living; Dwelling, Multifamily, to reduce the percent of total parking spaces that must be covered from 50 percent to 25 percent.

2. Except to the extent expressly amended hereby, the original Development Agreement shall remain in full force and effect without impairment or modification.

3. This Amendment shall be governed by and construed under Arizona law.

4. This Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. This Amendment shall be binding upon, and inure to the benefit of, the parties hereto and their respective heirs, administrators, executors, assigns, and successors in interest. The provisions of this Amendment may not be amended or altered except by a written instrument duly executed by each of the Parties hereto.

5. Each of the Parties shall execute such other and further documents and do such further acts as may be reasonably required to effectuate the intent of the parties and carry out the terms of this Amendment.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first set forth above.

SUNSET LOFTS LLC, an Arizona limited liability company

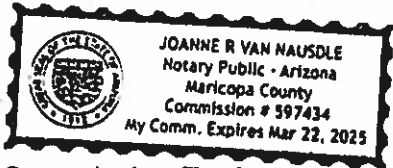
By: M. Keith Holben

Name: M. Keith Holben

Title: Manager

STATE OF Arizona)
County of Maricopa) ss.

The foregoing instrument was acknowledged before me this 10th day of March, 2022, by M. Keith Holben, as Manager of Sunset Lofts LLC, an Arizona limited liability company on behalf of Sunset Lofts LLC.



Joanne R. Van Nausdlee
Notary Public

My Commission Expires:

3-22-2025