

WHEN RECORDED, RETURN TO:
Office of the City Clerk
City of Peoria
8401 West Monroe
Peoria, Arizona 85345

REIMBURSEMENT AGREEMENT

THIS REIMBURSEMENT AGREEMENT (“Agreement”) is dated as of the ___ day of December, 2025, and is entered into by and between THE ROMAN CATHOLIC CHURCH OF THE DIOCESE OF PHOENIX, an Arizona corporation sole (the “**Diocese**”), and THE CITY OF PEORIA, a political subdivision of the State of Arizona (the “**City**”). The City and the Diocese may herein be referred to collectively as the “**Parties**” or individually as a “**Party**”.

RECITALS

- A. The Diocese owns vacant property (Maricopa County Assessor’s Parcel Numbers 201-02-008C and Parcel 201-02-008F) consisting of approximately 60 acres (the “**Property**”) located in the vicinity of Lake Pleasant Parkway and the Loop 303 in the City of Peoria. The Property is legally described on Exhibit “A” attached hereto.
- B. The City is currently developing public infrastructure along or in the vicinity of the portion of the Amkor Way alignment located west of Lake Pleasant Parkway to 96th Avenue, a portion of which abuts the Property. This public infrastructure includes the design and construction of Amkor Way, and the design, construction, and installation of water and sewer facilities in the right-of-way along Amkor Way, and other infrastructure improvement plans for the Peoria Innovation Core that will serve several parcels, including the Property (the “**Project**”). See Exhibit “B”.
- C. The Diocese previously donated real property and easements to the City for the construction, operation, and maintenance of well sites that provided significant benefit to the City, as more particularly set forth in the Well Site Drilling, Design, Service, and Construction Exchange Agreement dated August 29, 2024, and recorded November 21, 2024 as Instrument No. 20240625209 between the Parties (the “**Well Site Agreement**”).
- D. The Diocese previously granted certain temporary construction easements to allow the City to commence and pursue the construction of the Project prior to full execution of this Agreement.
- E. The City has requested that the Diocese donate additional real property and easements to the City for the construction of the Project as shown on Exhibit C, and to work with the City to eliminate the duplication of construction efforts, minimize costs, expedite completion of construction, and reduce adverse impacts to the public.
- F. The Parties wish to enter into an agreement to memorialize the Diocese’s significant prior

contributions to the Project, establish the terms and conditions for its additional donations of real property and easements for the construction of the Project, and establish the maximum additional Project costs attributable to the Property that would be payable by the Diocese in the future.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth in this Agreement, the Diocese and the City hereby agree as follows:

1. **Incorporation of Recitals.** The Recitals set forth above are acknowledged by the Parties to be true and correct and are incorporated herein by this reference.

2. **Incorporation of Exhibits.** The following documents are referred to in this Agreement and are attached hereto and made a part of this Agreement by this reference:

Exhibit A: Property Description
Exhibit B: Project Depiction
Exhibit C: Depiction of Right-of-Way and Easements

3. **Recording; Agreement Runs with the Land.** This Agreement shall be recorded, and all benefits and burdens shall run with the land and shall be binding upon the City, the Diocese, and any successor(s) in interest to the Diocese property or any portion thereof.

4. **Definitions.** In this Agreement, unless a different meaning clearly appears from the context:

“**Agreement**” means this Reimbursement Agreement, as amended and restated or supplemented in writing from time to time, and includes all exhibits and schedules hereto. References to Sections or Exhibits are references to such items in this Agreement unless expressly stated otherwise.

“**Applicable Law**” means the federal, state, county, and local laws (statutory and common law), ordinances, rules, regulations, permit requirements, and other requirements and official policies of the City, as they may be adopted, implemented or amended from time to time, which apply to the development of the Project or the Property as of the date of any application or submission.

“**A.R.S.**” means Arizona Revised Statutes as now or later enacted or amended.

“**City**” means the Party designated as the City on the first page of this Agreement.

“**Diocese**” means the Party designated as Diocese on the first page of this Agreement, as well as its successor and assigns.

“**Effective Date**” means the date stated on Page 1.

“Party” or “Parties” means as defined on Page 1.

“Project” means as defined in Recital B.

“Property” means as defined in Recital A.

“Well Site Agreement” means as defined in Recital C.

5. **Agreements and Obligations of the Parties.** Diocese and the City hereby agree as follows:

- a. The Diocese will donate to the City the following:
 - i. Fee title to the portion of the Property identified as “New ROW” on Exhibit C.
 - ii. The following easements as identified on Exhibit C:
 - a. New Permanent Drainage Easement;
 - b. New Temp Drainage Easement;
 - c. New Slope Easement; and
 - d. New PUE.
- b. The Property shall be subject to repayment of a portion of the costs of Project as described in and subject to Paragraph 6 below.
- c. The City acknowledges that the donations and contributions made by the Diocese pursuant to this Agreement and the existing Well Site Agreement satisfy in full any repayment or reimbursement for the improvements to be constructed by the City, including for any “special benefit” such improvements may impart to the Property under Peoria City Code (including sections 23-32 through 23-39 and any subsequent ordinances or amendments) or any other Applicable Law.
- d. The City recognizes the Diocese’s desire for the Property to be included in the rezoning of Peoria’s other property located within the Peoria Innovation Core, and that if the Diocese decides to use the Property for its own Church-related purposes (Church, school, cemetery, and ancillary uses), no special use permit would be required. City Planning Staff will recommend land use and design requirement options for Diocese review and approval. The zoning case is scheduled for Council adoption in March 2026. Diocese’s timely approval of zoning details is required, otherwise the City will proceed without including the Diocese property.

6. **Costs; Payment Obligations.** The maximum additional Project costs attributable to the Property payable in the future are as follows:

- a. The maximum cost allocation to the Property for the street improvements for Amkor Way, including curb, gutter, sidewalk, streetlights, and roadway and the sewer line along the property frontage will not exceed \$2.99 million. (This amount does not include driveway cuts for or landscaping on the Property, nor does it include sewer laterals to the property line.)
- b. The maximum cost allocation to the Property for the regional lift station and force mains will not exceed \$794,340. The Diocese will not be responsible for any costs of sewer line outside of Diocese frontage.
- c. No costs will be allocated to or assessed for waterline, joint utility trench, or electrical conduit to the Property, as those are the City's sole responsibility pursuant to the Well Site Agreement.
- d. Any additional costs associated with alterations to the well sites and associated waterline infrastructure designs are the City's sole responsibility. The City will provide connection points from the well site as previously agreed to meet the City's obligation to provide access to an assured water supply sufficient to serve the Property, pursuant to the existing Well Site Agreement.
- e. Except as expressly set forth above, the only repayment or reimbursement attributable to the Property for infrastructure improvements shall be based on intensity of future land use, as follows:
 - i. Waterline: Should the proposed use of the Property be a high-water or large-water user as currently defined in City Code, the existing well will no longer be sufficient for daily use and would warrant contribution of half the water line cost for the length of the property frontage.
 - ii. Reclaimed Water: Should the proposed use of the Property include 10 or more acres of natural turf, City standard requires utilization of reclaimed water for irrigation purposes. Cost would include half the water line cost for the length of the property frontage.
 - iii. Traffic: Should the proposed use of the Property generate enough traffic to necessitate secondary access (via a right of way other than Amkor Way) or traffic control at the access point to the Property, pro rata contribution to the traffic interchange and any traffic signal costs would be expected.
 - iv. Power: Should the proposed use of the Property have specific power needs beyond standard demands, these costs will be incurred directly from Arizona Public Service (APS).

- v. Natural Gas: Should the proposed use of the Property have specific natural gas needs, these costs will be incurred directly from Southwest Gas.
- f. Any reimbursement described in this Agreement shall be payable by the Diocese only after (i) completion of the planned infrastructure improvements and (ii) issuance of a building permit for the development of the Property.
- g. In the event the Property is divided into separate parcels and/or developed in phases, the reimbursement amount shall be allocated among each portion on a pro rata basis based on acreage. The reimbursement allocable to any portion of the Property shall be payable when a building permit has been issued for the development of that portion.
- h. Upon satisfaction of the foregoing conditions for reimbursement, the Diocese shall pay for its share of costs for the Project, or relevant portions thereof, within thirty (30) days of receipt of an invoice from the City.
- i. Consistent with Applicable Law, including Peoria City Code Section 23-37, any repayment or reimbursement obligations under this Agreement shall expire ten (10) years after a special public improvement is constructed or when the total reimbursement obligation is repaid, whichever is sooner.

GENERAL PROVISIONS

7. **Amendments and Interpretation**. This Agreement may be amended or cancelled only by a formal writing executed by both Parties. The City's City Manager may exercise his or her administrative authority to correct scrivener's errors, administer, and approve amendments to this Agreement, without seeking additional approval from the City Council. The City Council authorizes its City Manager or the City Manager's designee to exercise his or her administrative authority to act under this Section, without seeking additional approval from the City Council.

8. **Attorneys' Fees and Costs**. If the City or the Diocese defaults in the timely performance of its obligations under this Agreement, the Party not in default shall be entitled to recover court costs and reasonable attorneys' fees, as determined by a court, in any suit or proceeding to enforce its rights under this Agreement. The foregoing shall not in any way limit or restrict any right or remedy at law or equity, which would otherwise be available to such Party in default.

9. **Authority**. The Diocese represents and warrants to the City: (1) that it is duly formed and validly existing within the State of Arizona; and (2) that the individual executing this Agreement on behalf of the Diocese is authorized and empowered to bind the Diocese. The City represents and warrants to the Diocese: (1) that it is a duly formed municipal corporation; and (2) that the individuals executing this Agreement on behalf of the City are authorized and empowered to bind the City.

10. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument.

11. **Default, Remedies.** If any Party to this Agreement breaches any provision of the Agreement, the non-defaulting Party will be entitled to all remedies available at both law and in equity, including but not limited to specific performance.

12. **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties relating to this subject and will not be changed or added to except in the manner provided herein. All prior and contemporaneous agreements, representations and understandings of the Parties, oral or written, other than specifically incorporated herein by reference, regarding the subject of this Agreement, are superseded by this Agreement.

13. **Governing Law.** This Agreement is entered into in Arizona and will be construed and interpreted under the laws of the State of Arizona. Jurisdiction and venue for any action concerning this Agreement shall be solely in Maricopa County, Arizona.

14. **Relationship.** This Agreement shall not be construed as creating a joint venture, partnership, or any other joint arrangement between the Diocese and the City.

15. **Severability.** If any provision of this Agreement is declared void or unenforceable, the provisions will be severed from this Agreement and the remainder of the Agreement will otherwise remain in full force and effect, provided that the overall intent of the Parties is not materially vitiated by such severability.

16. **Service of Notice.** All notices and demands required or permitted by this Agreement shall be in writing and shall be deemed to have been given properly when (i) sent by certified mail (postage fully prepaid) or delivered personally or by overnight courier, to the respective address below or to such other address as may be furnished in writing by either Party to the other pursuant to this Section; or (ii) transmitted by email to the respective email address below or to such other email address as may be furnished in writing by either Party to the other pursuant to this Section, and the appropriate confirmation is received.

To City: Henry Darwin, City Manager
City of Peoria
8401 West Monroe Street
Peoria, Arizona 85345

with a copy to: Emily Jurmu, City Attorney
City of Peoria
8401 West Monroe Street
Peoria, Arizona 85345

Director of the Development and Engineering Department
City of Peoria

9875 N. 85th Avenue
Peoria, AZ 85345

To Diocese: Buildings and Properties Department
The Roman Catholic Diocese of Phoenix
400 East Monroe St.
Phoenix, AZ 85004

with a copy to: Legal & Compliance Office
The Roman Catholic Diocese of Phoenix
400 East Monroe St.
Phoenix, AZ 85004

17. **Termination.** This Agreement shall automatically terminate when all work on the Project has been completed and the Diocese has made all required reimbursement payments to the City. However, Section 8 of the Agreement shall survive revocation and/or termination of this Agreement.

18. **Waiver.** No waiver by either Party of any breach of any of the covenants or conditions of this Agreement which are to be performed by the other Party shall be construed as a waiver of any succeeding breach of the same or any other covenant or condition.

19. **Arizona Law Provisions.**

- a. No member, official or employee of City shall have any direct or indirect interest in this Agreement, nor participate in any decision relating to this Agreement, that is prohibited by law. This Agreement shall be subject to cancellation pursuant to the provisions of A.R.S. § 38-511 relating to conflicts of interest.
- b. To the extent applicable, the Parties certify that they are not currently engaged in, and agree for the duration of this Agreement that they will not engage in, a boycott, as that term is defined in A.R.S. § 35-393, of Israel.
- c. To the extent applicable under A.R.S. § 41-4401, the Parties warrant compliance with all federal immigration laws and regulations that relate to their employees and contractors and their compliance with the e-verify requirements under A.R.S. § 23-214(A). The failure by a Party to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the City.
- d. To the extent applicable under A.R.S. § 35-394, each Party hereby certifies it does not currently, and for the duration of this Agreement shall not use: (a) the forced labor of ethnic Uyghurs in the People's Republic of China, (b) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China, and (c) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in

the People's Republic of China. If a Party becomes aware during the duration of this Agreement that it is not in compliance with such certification, such Party shall take such actions as provided by Applicable Law, including providing the required notice to City. If City determines that a Party is not in compliance with the foregoing certification, such failure to comply with the certifications in this Section shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by City if not cured within any applicable cure period.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

CITY:

CITY OF PEORIA,
an Arizona municipal corporation

By: _____
Jason Beck, Mayor

ATTEST:

Agnes Goodwine, City Clerk

APPROVED AS TO FORM:

Emily Jurmu, City Attorney

DIOCESE:

**THE ROMAN CATHOLIC CHURCH OF THE
DIOCESE OF PHOENIX**, an Arizona corporation
sole

By: _____
Joseph C. Anderson, Chief Financial Officer

STATE OF ARIZONA

County of Maricopa

On this _____ day of December, 2025, before me personally appeared Joseph C. Anderson, 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.

EXHIBIT A – Property Description

The East half of the Northeast quarter of Section 16, Township 5 North, Range 1 East of the Gila & Salt River Base and Meridian, Maricopa County, Arizona;


EXCEPTING therefrom all land North of the South line of property deeded to The Central Arizona Project, described more specifically as follows:

COMMENCING at the Northeast corner of said Section 16;

Thence along the East line of said Section 16, South 00 degrees 06 minutes 16 seconds West a distance of 411.18 feet to a point on the South line of said property deeded to The Central Arizona Project, the POINT OF BEGINNING;

Thence along said South line, North 76 degrees 30 minutes 13 seconds West a distance of 1358.02 feet to a point on the West line of said East half of the Northeast quarter of Section 16 marking the Terminus of said South line.

EXHIBIT B – Project Depiction

 DEVELOPMENT & ENGINEERING

Amkor Way Improvements

--- Property Line

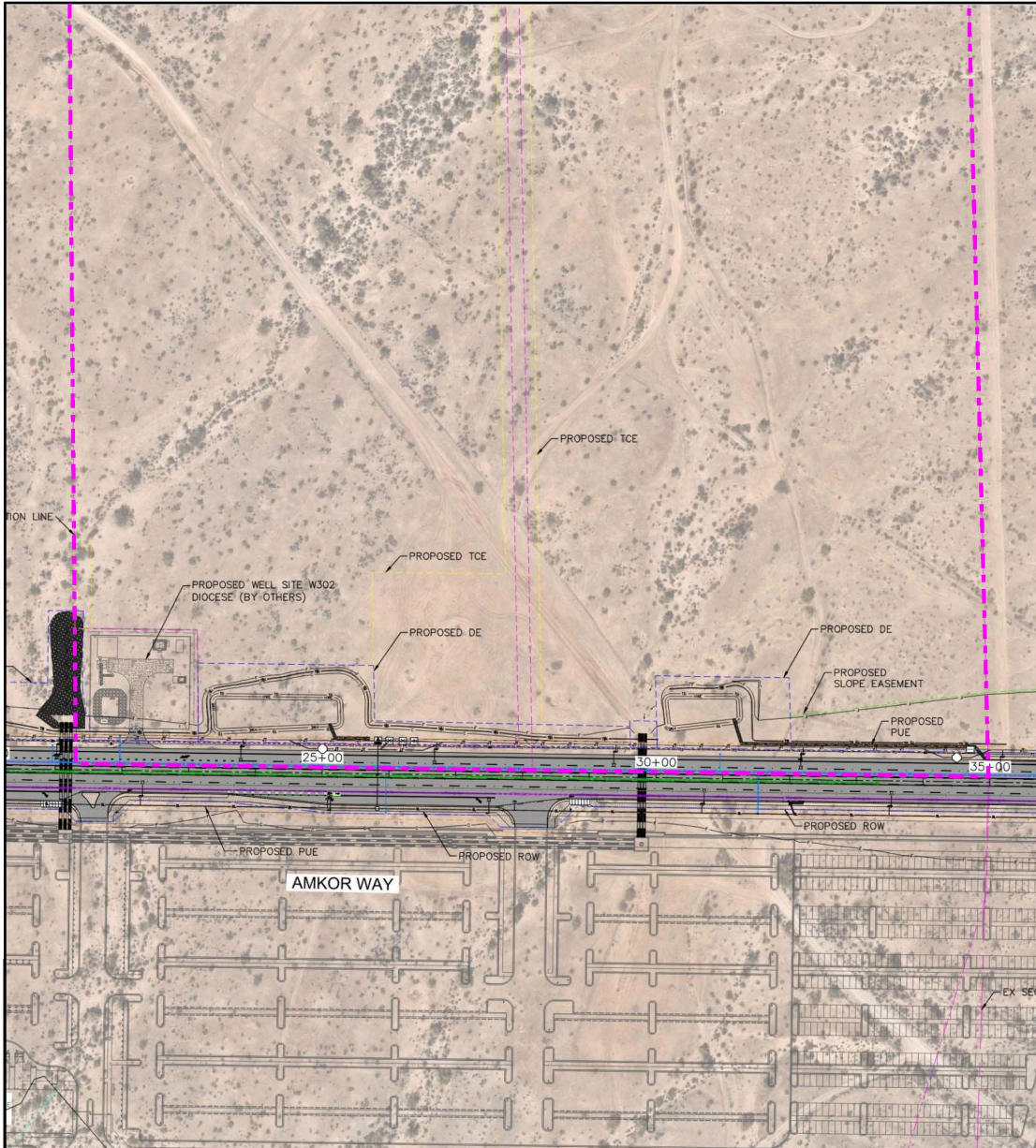



EXHIBIT C – Depiction of Right-of-Way and Easements

