

Mayor
Jason Beck

Acacia
District
Jennifer Crawford
Vice Mayor

Palo Verde
District
Michael Finn
Mayor Pro Tem

Ironwood
District
Rick Stokes

Mesquite
District
Matt Bullock

Pine
District
Denette Dunn

Willow
District
Jon Edwards

City Council Meeting Notice & Agenda

Tuesday, November 4, 2025
Peoria Public Safety Administration Building
Peoria Room
8351 W. Cinnabar Avenue
Peoria, AZ 85345



Regular Meeting

6:00 P.M. Convene

Invocation

Pledge of Allegiance

Roll Call

Final Call to Submit Speaker Request Forms

If you wish to address the City Council, please complete a Speaker Request Form and return it to the Clerk.

NOTE: The City Council may go into Executive Session at any time during this meeting pursuant to A.R.S. 38-431.03(A)(2) for the purpose of discussion or consideration of records exempt by law from public inspection, including the receipt and discussion of information or testimony that is specifically required to be maintained confidential by state or federal law, and pursuant to A.R.S. 38-431.03(A)(3) for the purpose of discussion or consultation for legal advice with the attorney or attorneys of the public body.

Presentation

1. **Arizona Broadway Theater 20th Anniversary Proclamation**
2. **Public Safety Strategic Investment Update**

Consent Agenda

CONSENT AGENDA: All items listed on the Consent Agenda are considered to be routine or have been previously reviewed and/or discussed by the City Council and will be enacted by one motion. There will be no separate discussion of these items. If the Presiding Officer receives a timely notice of a request for removal, an item may be removed from the Consent Agenda for consideration on the Regular Agenda.

Consent

3 C. Minutes

Discussion and possible action to approve the October 7, 2025 Council Meeting minutes.

4 C. Appointment of Administrative Hearing Officers

Discussion and possible action to adopt **RES. 2025-103** to appoint Administrative Hearing Officers for a two-year term.

5 C. Chapter 27 Fee Ordinance - revision and clean up

Discussion and possible action to adopt **ORD. 2025-28** correcting clerical errors and clarifying fee alterations in Chapter 27 of City Code previously adopted by Council

6 C. Grant, State of Arizona Department of Public Safety, Victims of Crime Act, Victim Assistance Grant Program

Discussion and possible action to: (a) authorize the Peoria Police Department to accept a grant in the amount of \$178,396 from the Arizona Department of Public Safety, Victims of Crime Act, Victim Assistance Grant Program to fund personnel, a victim assistance software program renewal, and emergency victim assistance supplies and services for the Victim Assistance Program; (b) approve a budget amendment in the amount of \$178,396 from the Proposed Grants Contingency Fund to the Victims of Crime Act Grant Fund.

7 C. Tohono O'odham Nation Tribal Grant - Non-profit Pass-Through, TheaterWorks

Discussion and possible action to adopt **RES. 2025-104** Authorizing the City of Peoria to act as the pass-through municipality for local TheaterWorks, a local 501(c)(3) organization awarded grant funding from Tohono O'odham Nation.

8 C. **Intergovernmental Agreement; Maricopa County HOME Consortium; Use of Federal Fiscal Year 2025 HOME Investment Partnership Program Grant Funds; Annual Allocation**

Discussion and possible action to: (a) approve an amendment to the Federal Fiscal Year 2022 Intergovernmental Agreement (LCON06921C) with Maricopa County governing the City's annual HOME Investment Partnership Program grant allocation to include the Federal Fiscal Year 2025 (current) allocation of \$270,017 in accordance with budget authority previously approved by Council; and (b) adopt **RES. 2025-105** authorizing the City Manager, or designee, to execute Administrative Change Orders and Addenda associated with the Agreement; and (c) authorize Staff to execute all required documents.

9 C. **Deeds and Easements, Various Locations**

Discussion and possible action to adopt **RES. 2025-106** accepting Deeds and Easements for various Real Property interests acquired by the City. The deeds and easements have been recorded by the Maricopa County Recorder's Office and this process will formally accept them into the system.

Regular Agenda

New Business

10 R. **Creation of Two Capital Improvement Program Projects and Budget Transfer for Peoria Innovation Core Infrastructure Design Services**

Discussion and possible action to: (a) authorize the creation of two new capital improvement program projects and (b) approve a budget transfer in the amount of \$3,300,000, to allow for the commencement of design services.

11 R. **Intergovernmental Agreement, Arizona Department of Revenue, Infrastructure Improvements at Amkor Technology**

Discussion and possible action to adopt **RES. 2025-108** authorizing the City Manager to execute an Intergovernmental Agreement between the City of Peoria and the Arizona Department of Revenue for distribution of funds to the City under Arizona Revised Statutes § 42-5032.02.

12 R. **Intergovernmental Agreement, West-MEC, Ground Lease**

Discussion and possible action to adopt **RES. 2025-107** authorizing the City Manager to execute an Intergovernmental Agreement and a Ground Lease Agreement with WESTERN MARICOPA EDUCATION CENTER CAREER AND TECHNICAL DISTRICT for the purpose of constructing a Career and Technical Education campus on City owned property at FIVE North.

Reports from City Manager

Reports from the Mayor

Reports from Council Youth Liaisons

Call To The Public (Non-Agenda Items)

The City Council is not authorized by state law to discuss among its members or take action on any issue raised by public comment until a later meeting.

Adjournment

NOTE: Documentation (if any) for items listed on the Agenda is available for public inspection, a minimum of 24 hours prior to the Council Meeting, at any time during regular business hours in the Office of the City Clerk, 8401 W. Monroe Street, Room 150, Peoria, AZ 85345.

Accommodations for Individuals with Disabilities: Alternative format materials, sign language interpretation and assistive listening devices are available upon 72 hours advance notice through the Office of the City Clerk, 8401 West Monroe Street, Peoria, Arizona 85345 - Phone: (623) 773-7340 or FAX (623) 773-7304. To the extent possible, additional reasonable accommodations will be made available within the time constraints of the request. The City has a TDD line where accommodations may be requested at: (623) 773-7221.

Public Notice

In addition to the City Council members noted above, one or more members of the City of Peoria Boards and Commissions may be present to observe the City Council meeting as noticed on this agenda.

City Council Meetings can be viewed live on Channel 11 (Cox Cable) and are available for viewing on demand at <https://www.peoriaaz.gov/government/mayor-and-city-council/city-council-videos>

City Manager

Henry Darwin

City Clerk

Agnes Goodwine

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

Agenda Item: 3C.

Date Prepared: 10/1/2025

Council Meeting Date: 11/4/2025

TO: Honorable Mayor and City Council
THROUGH: Travis Cutright, Deputy City Manager
FROM: Agnes Goodwine, MMC, City Clerk
SUBJECT: Minutes

Purpose:

Discussion and possible action to approve the October 7, 2025 Council Meeting minutes.

ATTACHMENTS:

October 7, 2025 Minutes



MINUTES OF THE PEORIA CITY COUNCIL
CITY OF PEORIA, ARIZONA
PEORIA PUBLIC SAFETY ADMINISTRATION BUILDING
PEORIA ROOM
October 7, 2025

STUDY SESSION

A **Study Session Meeting** of the City Council of the City of Peoria, Arizona was convened at 8351 W. Cinnabar Avenue in open and public session at 5:03p.m.

Members Present: Mayor Jason Beck, Vice Mayor Jennifer Crawford, Mayor Pro Tem Michael Finn; Councilmembers, Rick Stokes, Denette Dunn, Jon Edwards, Matt Bullock.

Members Absent: None.

Other Municipal Officials Present: Henry Darwin, City Manager; Kevin Burke, Deputy City Manager; Travis Cutright, Deputy City Manager; Mike Faust, Deputy City Manager; Brad Keogh, Assistant City Attorney; Agnes Goodwine, City Clerk.

Subject(s) for Discussion Only

1. Downtown Update – Historic Schoolhouse Arts and Culture Center and Water Tower Entryway Monument

Marylou Stephens, Arts, Culture, and Library Services Director, displayed a PowerPoint presentation on an update on two Downtown projects.

Information included:

- Downtown Update Overview – What's Next
- Community Design Guidelines
- Schoolhouse Renovation
 - Notable Elements
 - The Schoolhouse Arts and Culture Center
 - The Historic Schoolhouse Building
 - The Annex Building
 - Outdoor Landscaped Space
 - Design Details
 - Building Renovation Project Schedule
 - Financial Overview
 - Outside Council from the State's Historic Preservation Office
 - Plumbing and Sewage
 - Schoolhouse is designated on the historic registry
 - The scope of the Capital Improvement Project (CIP) only addresses the Historic Schoolhouse
 - Art Gallery

- Outreach Campaign
 - Proposed Exhibition Schedule – Year One
- Arts Lab – Library and Historical Programming
 - Arts Lab Initiatives
 - History Kiosk
 - Community Events
- Community Engagements - Why This Matters
- Proposed Hours of Operations
- Water Tower
 - Welcome to Downtown Peoria – Downtown Entryway Feature
 - Project Schedule
 - Location of Tower
- How the revitalization of Downtown Peoria will attract the public

Being no further business to come before the Council, the Study Session was duly adjourned at 5:46 p.m.

REGULAR MEETING

A **Regular Meeting** of the City Council of the City of Peoria, Arizona was convened at 8351 W. Cinnabar Avenue in open and public session at 6:08 p.m.

Invocation by Anil Amaravadi from Hindu Swayamsevak Sangh

Pledge of Allegiance was led by Mayor Beck.

Members Present: Mayor Jason Beck, Vice Mayor Jennifer Crawford, Mayor Pro Tem Michael Finn; Councilmembers, Rick Stokes, Denette Dunn, Jon Edwards, Matt Bullock.

Council Youth Liaisons: Anika Navghare and Felicia Holly.

Members Absent: None.

Other Municipal Officials Present: Henry Darwin, City Manager; Kevin Burke, Deputy City Manager; Travis Cutright, Deputy City Manager; Mike Faust, Deputy City Manager; Brad Keogh, Assistant City Attorney; Agnes Goodwine, City Clerk.

Note: The order in which items appear in the minutes is not necessarily the order in which they were discussed in the meeting.

PRESENTATION

2. Library Card Contest Winners

Marylou Stephens, Arts, Culture, and Library Services Director, presented the 20th Annual Library Card Design Winners:

- Ainsley Guy – Youth Winner
- Ella Stock – Teen Winner
- Nathalis Flores – Director's Pick for 20th Anniversary

3. PUSD M&O Override Overview

Dr. Somers, Peoria Unified School District Superintendent, displayed a PowerPoint presentation on the Peoria Unified School District Maintenance and Operations (M&O) Override Overview.

Information included:

- 2024-2025 Peoria Unified Achievements
- Governing Board
- 2025 M&O Override Election Overview
- \$2.5 Million to Public Safety Programs

4. Prop 403 and Prop 406 Overview

Dr. Scott Spurgeon, West-MEC Superintendent, displayed a PowerPoint presentation on Prop 403 and Prop 406 Overview.

Information Included:

- AZ Workforce Ecosystem
- Member Districts, Campuses, and Programs
- 2025-2026 College Partner Programs
- Adult Education
- Current Expansion
- 2024-2025 School Year Statistics
- Companies Hiring Students
- Proposition 403
 - West-MEC is requesting voter authorization for a \$415 million bond to build new school facilities and expand current facilities.
 - The bond will fund upcoming projects such as new training facilities, campus expansion, and upgraded technology to meet workforce demands.
 - There will be no increase in the tax rate. The rate will remain at \$.013 per \$100 of assessed property value.
- Proposition 406

- Voter approval will allow West-MEC to sell, lease, or exchange certain district-owned properties and use the proceeds to invest in educational improvements.
- 2025 Bond - \$415 million / No tax rate increase
- Future Growth Projects

5. **Hindu Heritage Month**

Vice Mayor Jennifer Crawford presented a proclamation to Hindu Swayamsevak Sangh members for Hindu Heritage Month.

6. **Dr. Raymond S. Kellis Leadership Award Recipients**

Councilmember Denette Dunn presented Dr. Raymond S. Kellis Leadership Awards, to the following recipients:

- Principal Bridget Stockwell, Country Meadows Elementary Principal
- Christie Davis, Benefits Manager
- Sarah Tekulve, Early Literacy Specialist

CONSENT AGENDA

All items listed on the Consent Agenda are considered to be routine or have been previously reviewed and/or discussed by the City Council and will be enacted by one motion. There will be no separate discussion of these items. If the Presiding Officer receives a timely notice of a request for removal, an item may be removed from the Consent agenda for consideration on the Regular Agenda.

7 C. **Minutes**

Approved the August 28, 2025 and September 16, 2025 Council meeting minutes.

8 C. **Grants, Governor's Office of Highway Safety, Highway Safety Projects**

(a) authorized the City Manager to accept three grants totaling \$169,720 from the Governor's Office of Highway Safety for various enforcement and education efforts; and (b) approved a budget amendment in the amount of \$169,720 from the Contingency Fund to various Governor's Office of Highway Safety Fund accounts.

9 C. **Pass-Through Grant, Gila River Indian Community**

Adopted **RES. 2025-99** Authorizing the City of Peoria to act as the pass-through municipality for local 501(c)(3) organizations seeking grant funding from the Gila River Indian Community.

10 C. **Intergovernmental Agreement, University of Arizona through the Arizona Board of Regents, Transportation Engineering Services**

Approved an Intergovernmental Agreement between City of Peoria and the University of Arizona, through the Arizona Board of Regents, for the joint coordination in the provision of Transportation Engineering Services by the University.

11 C. **Intergovernmental Agreement, City of Phoenix, Amkor Technology, Inc., Re-establishing the Foreign Trade Zone Application to New Location**

Approved **RES. 2025-100** and an Intergovernmental Agreement with the City of Phoenix, Arizona to establish Amkor Technology Arizona within Phoenix, Arizona Foreign Trade Zone #75.

12 C. **Abandonment of City Interest, Drainage Easement, Southeast Corner of 83rd Avenue and Jefferson Street**

Adopted **RES. 2025-101** abandoning the City's interest in a portion of a certain Drainage Easement within Lot 1 of the Axiom Church Final Plat located east of 83rd Avenue south of Jefferson Street.

13 C. **Deeds and Easements, Various Locations**

Adopted **RES. 2025-102** accepting Deeds and Easements for various Real Property interests acquired by the City. The deeds and easements have been recorded by the Maricopa County Recorder's Office and this process will formally accept them into the system.

14 C. **Liquor License Application Various Locations**

Recommended approval to the State Liquor Board for:

- (a) a New Restaurant (Series 12) Liquor License for Barro's Pizza, located at 9800 W. Happy Valley Road, Michael J. Barro, Applicant, LL#25-011065.
- (b) a New Restaurant (Series 12) Liquor License for Modo Mio Italian Kitchen, located at 9815 W. Happy Valley Road, Edward J. Inglese, Applicant, LL#24-000795.
- (c) a New Restaurant (Series 12) Liquor License for Biscuits Cafe, located at 24812 N. 67th Avenue, Dylan E. Ligatich, Applicant, LL#25-010813.

15 C. **Bingo License, West and Southeast Realtors of the Valley, 9001 West Union Hills Drive Suite 8**

Recommended approval to the Arizona Department of Revenue for a Class B Bingo License for West and Southeast Realtors of the Valley, located at 9001 West Union Hills Drive Suite 8, Roger Nelson, Applicant, LL#25-011019.

Having no requests from Council to remove items from the Consent Agenda, a motion was made by Vice Mayor Crawford, and seconded by Councilmember Edwards, to approve the Consent Agenda.

Upon tabulation of votes, it showed:

AYES – Beck, Crawford, Finn, Stokes, Dunn, Edwards, Bullock.

NAYS – None

ABSENT – None.

Motion carried 7-0.

REGULAR AGENDA

New Business:

16 R. Intergovernmental Agreement Amendment, Regional Public Transportation Authority, Transit Services

Chris Hallet, Neighborhood and Human Services Director, and Termain Colley, Transit Manager, displayed a PowerPoint presentation on the Intergovernmental Agreement Amendment, Regional Public Transportation Authority, Transit Services.

Information included:

- Scope of Analysis
- Transit Service Overview
- Regional ADA Paratransit Service Area
- Regional ADA Paratransit Service
- RideChoice Program
- Projected Costs for Regional ADA and RideChoice
- Key Takeaways
- Staff Recommendation

A motion was made by Councilmember Edwards, and seconded by Councilmember Bullock, to amend the Intergovernmental Agreement Amendment #151-75-2026 with the Regional Public Transportation Authority, also known as Valley Metro, to expand Peoria's Paratransit Americans with Disabilities Act Transportation to include RideChoice, an on-demand Americans with Disabilities Act transportation service providing an anticipated cost savings of approximately \$432,000.

Upon tabulation of votes, it showed:

AYES – Beck, Crawford, Finn, Stokes, Dunn, Edwards, Bullock.

NAYS – None

ABSENT – None.

Motion carried 7-0.

Kimberly Fetterman, Peoria Citizen, shared her gratitude for the effort to improve transit services.

Reports from City Manager:

- Public Works Storm Response
- Healthy Arizona Worksite Program
- Workday Progress Update
- Recreation Center at Paloma Community Park
- National Good Neighbor Day
- Robotic Process Automation
- Upcoming 2025 Fall Events

Reports from Council Youth Liaisons:

Felicia Holly:

- Arizona League of Cities and Towns Conference provided enhancements of Networking and Leadership Skills
- Planning for Youth Government Day

Anika Navghare:

- Annual Youth Advisory Board Retreat
- Established Goals for the 2025-2026 Year

Reports from the Mayor:

- Amkor Technologies Groundbreaking
- Breast Cancer Awareness Proclamation
- Domestic Violence Awareness Proclamation

Call To The Public (Non-Agenda Items)

- Eva Osuna, Peoria Citizen, spoke regarding the Downtown revitalization and her concerns with the Water Tower.
- Pasquier Biyo, Peoria Citizen, spoke on early childhood education opportunities and pathways to the semiconductor industries.
- Shannon Ceimo, Peoria Citizen, spoke regarding her concerns on early childhood education and plans for the City.

ADJOURNMENT:

Being no further business to come before the Council, the meeting was duly adjourned at 7:59 p.m.

Jason Beck, Mayor

CERTIFICATION AND ATTESTATION

I hereby certify that the foregoing minutes are a true and correct summary of the proceedings of the City Council Meetings of the City Council of Peoria, Arizona held on the 7th day of October, 2025. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 4th day of November, 2025.

Agnes Goodwine, City Clerk

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**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

Agenda Item: 4C.

Date Prepared:

Council Meeting Date: 11/4/2025

TO: Honorable Mayor and City Council
FROM: Emily Jurmu, City Attorney
SUBJECT: Appointment of Administrative Hearing Officers

Purpose:

Discussion and possible action to adopt **RES. 2025-103** to appoint Administrative Hearing Officers for a two-year term.

Summary:

The City Code requires the City to appoint Administrative Hearing Officers for personnel, tax, licensing, and land use matters. The current Administrative Hearing Officers' two-year terms will expire on December 31, 2025.

The proposed Administrative Hearing Officers for the term of January 1, 2026 to December 31, 2027, are Harold J. Merkow, Douglas Jorden, and Stephanie R. Leach. Some of the Hearing Officers are designated to hear matters within only their specific legal expertise, while others have broad backgrounds and are designated in all areas. The Hearing Officers' backgrounds and qualifications are set forth below:

Harold Merkow has over 30 years of legal experience as an administrative hearing officer, focused on hearings held by many different government entities. Mr. Merkow has been a designated hearing officer for the City for over sixteen years.

Douglas A. Jorden is the founder member of Jorden Law Firm, P.C. Mr. Jorden was Town Attorney for the Town of Paradise Valley, Arizona from 1978 to 1982 and has been in private practice since 1982. His practice now emphasizes land use and zoning, municipal law, environmental regulation, real estate transactions and Indian law. Mr. Jorden has lectured on land use and environmental issues on behalf of the State Bar of Arizona, Arizona Planning Association, the League of Arizona Cities and Towns, the Arizona Department of Commerce and the Rocky Mountain Land Use Institute. Mr. Jorden is also co-author of the State Bar's Arizona Land Use Law Manual. Mr. Jorden has been a hearing officer for the City for four years.

Stephanie R. Leach is an attorney with Dorsey & Whitney, LLP and has over 20 years of experience, with a target emphasis in labor and employment law. Ms. Leach has a wide range of in-depth knowledge in labor relations and collective bargaining as

well as federal, state, and local employment regulation, and common law employment issues. Ms. Leach has expertise in the development of hiring practices, personnel policies and procedures, and contract negotiation with both unionized and non-unionized workplaces. Ms. Leach has been a hearing officer for the City for two years.

Previous Actions/Background:

The Mayor and City Council appointed the current Administrative Hearing Officers for the City of Peoria on December 12, 2023, in Resolution No. 2023-112. Their two-year terms expire on December 31, 2025.

Options:

A : That the Mayor and City Council adopt Resolution No. **2025-103** to appoint Administrative Hearing Officers for personnel, tax, licensing, and land use matters.

B : That the Mayor and City Council choose not to adopt Resolution No. **2025-103** to appoint Administrative Hearing Officers for personnel, tax, licensing, and land use matters.

Staff Recommendation:

The staff recommends that the Mayor and the City Council adopt Resolution No. **2025-103** to appoint Administrative Hearing Officers for personnel, tax, licensing, and land use matters.

Fiscal Analysis:

No financial impacts at this time. Funds are budgeted to pay Administrative Hearing Officers when appeals are heard.

ATTACHMENTS:

Proposed Administrative Hearing Officers Resolution 2025-103

Harold Merkow Resume

Douglas A. Jorden Resume

Stephanie R. Leach Resume

Contact Name and Number:

Emily Jurmu, City Attorney, (623) 773-7713

RESOLUTION NO. 2025-103

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA ESTABLISHING TERMS AND APPOINTING ONE OR MORE ADMINISTRATIVE HEARING OFFICERS PURSUANT TO A.R.S. § 9-500.12 AND VARIOUS CITY CODES TO HEAR, RECOMMEND AND DECIDE MATTERS ARISING UNDER THE CITY'S PERSONNEL, TAX, LICENSING, AND LAND USE CODES.

WHEREAS, pursuant to A.R.S. § 9-500.12, and the City's personnel, tax, licensing, and land use codes, the City must have one or more administrative hearing officers;

WHEREAS, City Code Section 2-20 specifies that the Mayor and Council by Resolution may designate one or more administrative hearing officers for such purposes; and

WHEREAS, as a quasi-judicial officer such persons shall be appointed for a defined term.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Peoria, Maricopa County, Arizona as follows:

SECTION 1. That the following Administrative Hearing Officers are appointed for a term beginning on January 1, 2026 and ending on December 31, 2027.

SECTION 2. That the City of Peoria City Council hereby appoints the following Administrative Hearing Officers to hear matters arising under A.R.S. § 9-500.12 (land use dedications, exactions, and excessive reduction in property values) and the City's Utility Codes.

A. Harold J. Merkow

B. Douglas A. Jorden

SECTION 3. That the City of Peoria City Council hereby appoints the following Administrative Hearing Officer to hear matters arising under the City's Tax and Licensing Codes and Procurement Code.

- A. Harold J. Merkow

SECTION 4. That the City of Peoria City Council hereby appoints the following Administrative Hearing Officers to hear matters arising under the City's Personnel Code.

- A. Harold J. Merkow
- B. Stephanie R. Leach

SECTION 5. That the City of Peoria City Council hereby appoints the following Administrative Hearing Officers to hear matters arising under the City's Land Use, Zoning, and related codes.

- A. Harold J. Merkow
- B. Douglas A. Jorden

SECTION 6. That the City Council directs the City Manager in cooperation with the City Attorney to prepare and enter into a contract with the appointed Administrative Hearing Officers for the period January 1, 2026 through December 31, 2027.

SECTION 7. That the Hearing Officers appointed pursuant to this resolution shall conduct all hearings pursuant to A.R.S. § 9-500.12, City's Tax and Licensing, Personnel, and Utilities Codes during regular business hours of the City on regular business days of the City. All hearings should be conducted at the Peoria Municipal Complex. Hearings only may be held during non-regular business hours and at other locations upon the express written agreement of both the City and the party requesting the hearing.

PASSED AND ADOPTED by the Mayor and Council of the City of Peoria, Arizona, this 4th day of November, 2025.

Resolution No. 2025-103
Administrative Hearing Officers
November 4, 2025
Page 3 of 4

Jason Beck, Mayor

Date Signed

ATTEST:

Agnes Goodwine , City Clerk

APPROVED AS TO FORM:

Emily Jurmu, City Attorney

STATEMENT OF QUALIFICATIONS

HAROLD J. MERKOW

PROFESSIONAL EXPERIENCE

September 1976 to Present: Arbitrator/Hearing Officer/Administrative Law Judge/
Judge Pro Tem

12/72-9/76: Assistant Attorney General, Arizona Attorney General's Office, Phoenix,
Arizona

EDUCATION AND PROFESSIONAL MEMBERSHIPS

Law School: Wayne State University, 1972

Member, Arizona State Bar Association since 1972, U.S. District Court for the District of
Arizona 1972, U.S. Court of Appeals, 9th Circuit, 1974, U.S. Supreme Court, 1975

1979-12/2002 -- American Arbitration Association National Panel of Arbitrators;
American Arbitration Association National Panel of Construction Arbitrators

1996 to present – National Arbitration and Mediation Arizona Panel of Arbitrators

2017 to present — FINRA arbitrator

I have been an independent arbitrator/hearing officer/administrative law judge since 1976 and have presided over more than 9,000 administrative and quasi-judicial hearings for a variety of governmental agencies, municipalities, school districts and private clients in cases pertaining to personnel matters/employee relations/grievances/whistleblower complaints, school district, community college, and university employee discipline/whistleblower complaints (certified & classified employees), education (employee discipline, whistleblower complaints, special education, student conduct), commercial disputes, public procurement bid protest appeals, contract and construction claims, professional licensing including accounting, technical registration [architects, engineers, surveyors], medicine (physicians [allopathic and osteopathic], dental, nursing, veterinarian, naturopathic, psychology), financial regulation (banking, insurance, real estate), election law, natural and public resources (air quality, water [quantity and quality], flood control, minerals, environmental regulation, food service hygiene), public health and safety (health services, public housing, environmental services, AHCCCS eligibility, ambulance regulation), pesticide misuse (structural and agricultural), peace officer certification [POST], land use and zoning enforcement, International Building Code and zoning ordinance abatement procedures, disadvantaged business enterprise (DBE), municipal taxation, amusement regulation

(alcoholic beverages, horse and dog racing, Indian gaming) and transportation/ economic development (Arizona Department of Transportation, City of Tempe, City of Phoenix). Since 1982, I have also been serving as an Administrative Law Judge for the U.S. Government for disputed claims involving Indian relocation.

Since 1976, I have been a contract hearing officer for the Maricopa County Merit System Commission to conduct personnel disciplinary appeals and whistleblower claims for County employees. Since 1979 I have been a contract hearing officer for the Arizona State Personnel Board to conduct personnel disciplinary appeals and whistleblower complaints for State employees. Since 1997, I have been a contract hearing officer for the City of Phoenix Civil Service Board to conduct disciplinary appeals, since 2003 I have been a contract hearing officer for the City of Bullhead City for employee disciplinary appeals, in 2007 I received a contract to serve as a hearing officer for the City of Peoria for employee disciplinary appeals. In 2008, I received a contract from the Maricopa Special Health Care District (Maricopa Integrated Health System [MIHS] now known as Valleywise Health) to conduct personnel appeals and whistleblower hearings. In 2008, I received a contract from the Arizona State University to conduct personnel appeals, grievances, and whistleblower complaints involving certified and classified employees of the university. In 2009, I received a contract from the City of Goodyear to serve as a hearing officer for employee disciplinary appeals. In 2014, I received contracts from the City of Chandler and the City of Avondale to serve as a hearing officer for employee disciplinary appeals. In 2015, I received an administrative hearing officer contract from the Arizona Board of Regents on behalf of the three universities to conduct disciplinary appeals and grievances for university staff employees (certified and classified). In 2017, I received a contract from the Maricopa Community College District (MCCCD) to conduct employee disciplinary appeals and employee grievances. I received a contract from the Town of Marana to conduct employee disciplinary appeals. I am on the list of approved employment arbitrators of the Town of Chino Valley and for the Town of Oro Valley. I am on the approved roster of independent hearing officers for the Tuba City Regional Medical Center to hear Level II employee disciplinary appeals and have presided over six appeal hearings for the Medical Center.

For the Judicial Branch of the Supreme Court, I am on the list of approved hearing officers for the Maricopa County Judicial Merit System, the Coconino County Superior Court, Navajo County Superior Court, and Mohave County Superior Court, all of which are kept to preside over employee disciplinary matters and employee disputes. I have presided over employee disciplinary hearings for the Mohave County Superior Court, the Maricopa County Superior Court, the Coconino County Superior Court, and the Navajo County Superior Court.

I have also conducted employee disciplinary hearings for the cities of Surprise, Avondale, Tolleson, Lake Havasu City, Parker, Kingman, Wickenburg, City of Buckeye, City of Carefree, City of Apache Junction, Town of Camp Verde, Town of Prescott Valley, City of Prescott, Town of Sahuarita, City of San Luis, City of Gila Bend, Town of Miami, City of Globe, Town of Snowflake, City of Show Low, and Lake Havasu City on

an as-needed basis, and for the former State Compensation Fund when needed. I have also conducted employee disciplinary hearings for the Arizona State School for the Deaf and Blind, as a special independent hearing officer in connection with the removal of the Arizona State Hospital Superintendent, and as a special independent hearing officer in connection with the Governor's removal of a member of the Board of Executive Clemency.

I have conducted employee disciplinary appeals and grievances for public service/first responder personnel (sworn and unsworn) for the Town of Gilbert, Maricopa County, City of Phoenix, City of Avondale, City of Peoria, City of Bullhead City, City of Surprise, City of Goodyear, City of Chandler, City of Apache Junction, Town of Camp Verde, City of Tolleson, City of Page, Town of Miami, Town of Oro Valley, City of Globe, City of Prescott, Town of Payson, City of Kingman, and the City of Buckeye.

I have conducted employee disciplinary hearings for Valleywise Medical Centers and Tuba City Regional Medical Care.

I am on the approved list of hearing officers for the Arizona Department of Education for teacher/school administrator/employee (certified and classified) disciplinary cases and I have been appointed as a hearing officer by the Scottsdale Unified School District, the Deer Valley Unified School District, the Mesa Unified School District, Chandler Unified School District, Peoria School District, Laveen School District, the Madison School District, Alhambra School District, the Phoenix Elementary School District, Roosevelt Elementary School District, Avondale Elementary School District, Wilson Elementary School District, Isaac School District, Glendale Union High School District, Liberty Elementary School District, Maricopa County Regional School District, Littlefield Unified School District, Tucson Unified School District, Somerton Elementary School District, Gadsden Elementary School District, Bowie Unified School District, Naco Elementary School District, Window Rock Unified School District, Ganado Unified School District, Tolleson Union High School District, Gila River Community School District, Sacaton Elementary School District, and the Kayenta Unified School District to adjudicate disciplinary actions brought against certified school teachers and administrators as well as classified employees and I have conducted hearings related to grievances and whistleblower complaints filed by District employees.

I hold contracts with the Arizona Board of Regents on behalf of the 3 universities, City of Tucson, City of Avondale, City of Glendale, and City of Peoria, to conduct procurement appeals, contract and construction claims, and debarment proceedings. I am also on the approved hearing officer lists of the Arizona Department of Education and the Arizona State Board of Education to conduct procurement appeals and contract/construction claims involving school districts. I have a contract with the Maricopa Community College District (MCCCD) for procurement appeals. I am on the preferred hearing officer list for the City of Phoenix to conduct procurement appeal/claims hearings.

I am on the approved hearing officer list with the Scottsdale Unified School District, Cartwright School District, Madison School District, Glendale Elementary School District, and Creighton School District to conduct student expulsion/long-term suspension hearings. I also hold a contract with the Arizona Board of Regents on behalf of the 3 universities to conduct student conduct violation hearings for the universities. I have also conducted student conduct hearings for public, charter and private school districts.

For five years, I was a Judicial Officer for the Probate & Mental Health Division of the Maricopa County Superior Court, adjudicating cases under ARS Titles 14 and Title 36. As a Phoenix Municipal Court Judge, I heard cases involving behavioral issues of defendants' competence to stand trial under Rule 11, restoration of competency, SMI compliance with programmatic sentencing terms, compliance with medication, compliance with terms of probation, family issues, and compliance with other court requirements. These cases require the participation of Mercy Care and other case managers at every level and at every step of the pre-trial, trial, sentencing, and monitoring stages.

I have been appointed to conduct relocation appeal hearings by the Arizona Department of Transportation, City of Phoenix, and City of Tempe for public works construction projects. Since 1986, I have conducted more than 60 relocation appeal hearings.

Since 1999, I have been serving as a contract hearing officer for the Maricopa County Planning and Development Department presiding over zoning and code enforcement violation hearings, nuisance abatement hearings, and flood control/drainage clearance and land use violations, and in 2007 I received a contract to adjudicate development appeals and land use violations for the City of Peoria. In 2012, I received a contract from the City of Glendale to preside over nuisance abatement hearings and slum properties under the International Building Code and Glendale City Code. I am a contract hearing officer for Maricopa County to conduct hearings into air quality violations and permits, environmental violations, and flood control floodplain violations.

From 1978 until August 2005, I served as an IDEA due process hearing officer for the Arizona Department of Education to conduct special education due process hearings throughout the State of Arizona (jurisdiction was assumed by OAH in January 2006). I adjudicate due process hearings under Section 504 of the Rehabilitation Act for school districts including the Scottsdale Unified School District, the Deer Valley Unified School District, and the Marana Unified School District. I have adjudicated a Title IX due process hearing for the Avondale School District.

In January 2017, I became a contract hearing officer for the City of Phoenix Housing Department, adjudicating public housing tenant grievances, termination from Section 8 voucher qualification hearings, and hearings regarding participation in public housing accommodations. In December 2021, I became a contract hearing officer for the City of

Glendale Housing Authority, adjudicating terminations from the Section 8 voucher program.

Between April 1999 to March 2025, I served as a Judge Pro Tem for the City of Phoenix Municipal Court.

Between 2006 and 2008, I was a Judge Pro Tem for the City of Scottsdale Municipal Court.

Between 2000 and 2005, I served as a Judicial Officer Pro Tem for the Maricopa County Superior Court.

In 1995, I was appointed by the Maricopa County Superior Court as Special Master in the receivership of American Bonding Company adjudicating commercial and surety claims.

In March 2000, I was appointed as the Joint Expert (Special Master) by the U.S. District Court to monitor an injunction that was issued against the Arizona Department of Corrections regarding inmate access to the Courts.

In March 2002, I was appointed Special Master by the Maricopa County Superior Court in the receivership of Premier Healthcare of Arizona to adjudicate provider and participant claims against the estate. In November 2004, I was appointed Special Master in the Premier Healthcare receivership to adjudicate claims brought by the Receiver against providers and insurers.

In January 2021, I was appointed as a Special Administrative Law Judge/Arbitrator by the Arizona Governor's Office to determine whether 'cause' existed for the Governor's removal of a gubernatorial-appointed Board member.

I am currently on the FINRA roster of arbitrators to hear and decide disputes between investors, brokers and dealers as well as expungement petitions by brokers.

I am currently on the National Arbitration and Mediation roster of arbitrators to hear and decide commercial and business disputes.

DOUGLAS A. JORDEN

PROFESSIONAL

1972	University of Arkansas, Bachelor of Arts
1976	University of Arkansas School of Law, Juris Doctor
1976	Admitted to State Bar of Arizona
1992	Admitted to State Bar of California
1992	Admitted to Colorado Bar Association

WORK EXPERIENCE

2021-Present	Jorden Law Firm, P.C., Founder
2016-2021	Jorden Hiser & Joy, P.L.C., Founder
1998-2016	Jorden Bischoff & Hiser, P.L.C., Founder
2009-Present	Maricopa County, Hearing Officer for Several Departments
1990-92; 96-08	City of Phoenix, Zoning Hearing Officer
1992-98	Kane Jorden Von Oppenfeld Bischoff & Biskind, P.L.C., Founder
1990-92	Jorden Law Firm, Founder
1988-90	Scult, Lazarus and French, Partner
1984-88	Slavin, Kane and Paterson, Partner and Associate
1982-84	Fennemore Craig, Associate
1978-82	Town of Paradise Valley, Arizona, Town Attorney
1976-78	Harold E. Mott, Associate

AREAS OF PRACTICE

Land Use, Zoning, Municipal, Real Estate, Environmental, and Indian Law

COURTS ADMITTED

United States Supreme Court
United States Court of Appeals for the Ninth Circuit
United States District Courts for Arizona
State Courts for Arizona, California, Colorado

AWARDS

2007-2021	Recognized in The Best Lawyers in America, Land Use and Zoning Law
2010-2019	Recognized in Southwest Super Lawyers, Land Use/Zoning and Real Estate
2020	Recognized by Arizona Business Magazine as a Top 100 Lawyers in Arizona

AFFILIATIONS

Rocky Mountain Land Use Institute - Regional Advisory Board (1992-2015)
American Bar Association
Arizona State Bar
Maricopa County Bar Association
American Planning Association-Arizona Chapter

COMMUNITY ACTIVITIES

2024-Present	Save the Spire Inc. Board of Directors
2023-Present	Phoenix Children's Chorus Board of Directors
2009-2012	Scottsdale Unified School District Foundation
1989-1995	City of Phoenix Environmental Quality Commission (Chair 1993-1994)
1989-1995	State Bar of Arizona Cont. Legal Education Committee (Chair 1993-1994)
1987-1990	City of Phoenix Paradise Valley Village Planning Committee
1987-1988	City of Phoenix Ad Hoc Task Force on Scottsdale Airport
1984-1988	Scottsdale Girls Club Board of Directors
1982-1985	Fiesta Bowl Parade Committee
1978-1982	Active 20-30 Club (President 1980-1981)

PUBLICATIONS

Arizona Land Use Law, published by State Bar of Arizona, 1st Edition – 1988, 2nd Edition – 1992, 3rd Edition – 1998, 4th Edition – 2004, 5th Edition – 2008, 6th Edition – 2014, 7th Edition – 2017, 8th Edition-2021

Public Participation is on the Rise, Natural Resources Journal, published by University of New Mexico School of Law, 2003

STEPHANIE R. LEACH



EMPLOYMENT LAW/LABOR LAW SPECIALIZATION

Admitted in Florida, October 2001; Arizona, October 2005

Over 20 years of experience, with a targeted emphasis in labor and employment law.

Wide range of in-depth knowledge in labor relations and collective bargaining, as well as federal, state, and local employment regulation, and common law employment issues.

Expertise in development of solid hiring practices, personnel policies and procedures, and contract negotiation with both unionized and non-unionized work places.

Actively directed all range of litigation (including mediation, conciliation, arbitration and litigation) of employment related issues, including employee contract, wage and hour, Title VII, ADEA, ADA, and workers' compensation issues.

Significant experience with for profit educational institutions regarding all employment-related issues.

- Employment Law
- Labor Relations
- Policy/Procedure Development
- Collective Bargaining
- Arbitration/Litigation
- Mediation
- Contract Negotiations
- Wage and Hour Expertise

PROFESSIONAL EXPERIENCE

Attorney

- Dorsey & Whitney, LLP, February 2025 - Present
- Stephanie R. Leach, PLLC, January 2014 – February 2025
- Snell & Wilmer, LLP, May 2008 – December 2013
- Steptoe & Johnson, LLP, August 2007 – April 2008
- Ogletree, Deakins, Nash, Smoak & Stewart, LLC, August 2005 – August 2007
- Miami-Dade County Attorney, September 2003 – September 2004
- Larson King, LLP, January 2003 – August 2003 and August 2001 – February 2002

Selected Accomplishments:

- Successfully argued NLRB Board Appeal to Ninth Circuit, resulting in reversal of Board's Decision.
- Second-chaired employment discrimination trial, which resulted in defense mistrial.
- Assisted three clients through reduction in force of over 500 employees which resulted in no lawsuits.
- Implemented ADR policies for dozens of companies, resulting in substantial litigation cost savings.
- Participated in over 50 trials, arbitrations and mediations, all to successful satisfaction of clients.
- Represented the County in employee grievance and arbitration hearings, involving unionized workforce.
- Conducted company-wide training on wide range of topics related to labor and employment law.
- Drafted and negotiated employee agreements, confidentiality agreements, independent contractor agreements, non-disclosure agreements, settlement agreements and severance agreements.

Law Clerk

- Supreme Court of Arizona, Law Clerk to Chief Justice Charles Jones, September 2004 – August 2005
- United States District Court, Southern District of Florida, Law Clerk to Judge Federico A. Moreno, 2002

Selected Accomplishments:

- Managed multi-district class-action HMO litigation, including drafting opinion on motions for class certification.
- Prepared decision regarding death penalty appeal, which required review of entire record on appeal.
- Drafted order granting summary judgment for defendant employer in employee religious discrimination lawsuit.

Adjunct Professor

Professor at Arizona Summit Law School (formerly Phoenix School of Law), May, 2013 – 2017

EDUCATION

University of Miami School of Law
Juris Doctor, Magna Cum Laude

1998-2001

University of Florida
Bachelor of Arts, Political Science, Cum Laude

1994-1998

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

Agenda Item: 5C.

Date Prepared:

Council Meeting Date: 11/4/2025

TO: Honorable Mayor and City Council
THROUGH: Mike Faust, Deputy City Manager
FROM: Jack Situ, P.E., Interim Development and Engineering Director
SUBJECT: Chapter 27 Fee Ordinance - revision and clean up

Purpose:

Discussion and possible action to adopt **ORD. 2025-28** correcting clerical errors and clarifying fee alterations in Chapter 27 of City Code previously adopted by Council

Summary:

On August 5th 2025, City Council adopted Ordinance 2025-21 enacting new development fees. During the course of implementing that Ordinance, Staff identified several clerical errors, redundant fees and not-so-clear terms. This ordinance corrects those deficiencies.

None of the alterations proposed in this ordinance result in a new fee or a fee increase, which otherwise triggers the requirement for 60-day public notice per Arizona Revised Statute.

Previous Actions/Background:

August 5, 2025 - Council adopted Ordinance 2025-21 enacting new Development and other fees as defined in Chapter 27 of City Code.

Staff Recommendation:

Staff recommends Council adopts **ORD. 2025-28** correcting clerical errors and clarifying fee alterations in Chapter 27 of City Code previously adopted by Council.

ATTACHMENTS:

Ordinance 2025-28

ORDINANCE NO. 2025-28

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, ARIZONA, AMENDING CHAPTER 2 OF THE PEORIA CITY CODE (1992) BY AMENDING SECTION 2-211 PERTAINING TO DEVELOPMENT AND ENGINEERING DEPARTMENT; FEES REQUIRED; AMENDING CHAPTER 27 OF THE PEORIA CITY CODE (1992) BY AMENDING SECTION 27-6 PERTAINING TO DEVELOPMENT AND ENGINEERING DEPARTMENT, BUILDING SAFETY; FEES REQUIRED, AMENDING SECTION 27-7 PERTAINING TO DEVELOPMENT AND ENGINEERING DEPARTMENT; FEES REQUIRED, AMENDING SECTION 27-8 PERTAINING TO PLANNING AND COMMUNITY DEVELOPMENT, PLANNING AND ZONING; FEES REQUIRED; AND PROVIDING FOR SEVERABILITY, FOR CLERICAL CORRECTIONS, AND FOR AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Peoria as follows:

SECTION 1. Chapter 27 of the Peoria City Code is hereby amended as shown in Exhibit A.

SECTION 2. Severability. If any section, subsection, sentence, clause, phrase, or portion of this ordinance is for any reason held invalid or unconstitutional by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.

SECTION 3. Clerical Corrections. The City Clerk is hereby authorized to correct typographical, clerical, and grammatical errors, if any, related to this Ordinance, and to make formatting changes appropriate for purposes of clarity, form, or consistency with the City Code. Any such changes shall be in writing and approved by the City Attorney.

SECTION 4. Effective Date. This Ordinance shall become effective in the manner provided by law.

**EXHIBITS ON FILE AT THE PEORIA CITY CLERK'S OFFICE – 8401 W. Monroe Ave.
Peoria, Arizona**

[signature page follows]

PASSED AND ADOPTED by the Mayor and Council of the City of Peoria, Maricopa County, Arizona this 4th day of November, 2025.

Jason Beck, Mayor

Date Signed

ATTEST:

Agnes Goodwine, City Clerk

APPROVED AS TO FORM:

Emily Jurmu, City Attorney

Published in: _____

Publication Date: _____

Effective Date: _____

Exhibit A

Amendment for Adoption to the Peoria City Code, Chapters 2 and Chapter 27

HOW TO READ THIS DOCUMENT

Applicable Sections of the City Code are denoted by **highlighted bold text** for ease of readability during the drafting process.

Unless otherwise stated, provisions or regulations being deleted are shown in bold red strikethrough text or a line through the graphic, like this: ~~**Provisions that are being deleted are shown with a bold red strikethroughs text.**~~ Graphics containing bold red strikethrough are intended to remove the graphic in its entirety as well as any text that is embedded in the graphic.

Provisions or regulations that are being added are shown in double-underlined bold blue text, like this: **Provisions that are being added are shown in double-underlined blue text.** Graphics containing a bold double blue box are intended to add the graphic in its entirety as well as any text that is embedded in the graphic.

Provisions or regulations that are being relocated from one section of the code to another are in bold italic green text, like this: ***Provisions that are being added are shown in bold italic green text.***

Only those changes noted through the above methods for the specific sections and subsections of the code identified shall be made. When regulations, graphics or other text is omitted, or is shown unchanged in adjoining sections or subsections of the code, it shall remain unchanged.

Sec. 2-211. Development and Engineering Department; fees required.

~~(a) The Development and Engineering Department shall collect fees from each person filing an application for a permit, or requesting services by the city. These fees are subject to a 2.23% service fee if paid with a credit card or debit card, which is intended to recoup the city's costs associated with credit card fees. The fees are as follows:~~

(a) The Development and Engineering Department shall collect the following fees from each person filing an application for a permit, or requesting services from the City:

See Chapter 27, Fee Table 27-6 [and 27-7](#)

(b) For [non-residential](#) developments of \$100,000,000 or more in value, upon request by the applicant, if the City Engineer finds that the statutory ~~Site Development Inspection~~ [Engineering Permit](#) Fee is grossly disproportionate to the actual burdens and costs to the City that are associated with inspections of that development, the City Engineer may recommend that the City Manager order an Engineering Permit Fee more proportionate to the actual burdens and costs to the City that are associated with inspections of that development, as determined by the City Engineer and approved by the City Manager or their designee in writing.

(c) The Development and Engineering Department shall collect from each person the fees contained in this Code, which shall be revised periodically thereafter.

FEE TABLE 27-6

DEVELOPMENT AND ENGINEERING DEPARTMENT, BUILDING SAFETY; FEES REQUIRED

Reference: Section 2-209(a)

[*Fees paid with a credit card or debit card are subject to applicable service fee at the time of payment.](#)

~~DEVELOPMENT AND ENGINEERING DEPARTMENT, BUILDING SAFETY; FEES REQUIRED~~

~~*Fees paid with a credit card or debit card are subject to a 2.23% service fee, which is intended to recoup the city's costs associated with credit card fees.~~

ITEM	Date Effective February 1, 2016- FEE
Administrative Charge per Chapter 20-34 (d)	One percent (1%) of the assessed gross impact fee calculated and collected at the time of issuance of a building permit. This is not an impact fee and is non-refundable.
Manufactured Structure Setup (per application, per revision)	\$150.00
Permit - Swimming Pool, Spa and/or Hot Tub	\$345.00
Swimming Pool Plot Plan Review	\$87.00
Permit - Demolition	\$150.00
Final Certificate of Occupancy (C of O)	\$173.00
Tenant Improvement – (C of O only; Building Permit Fee)	\$259.00
Permit - Residential Solar Photovoltaic	\$184.00
Permit - Residential Solar De-Rate	\$115.00
Refund of Permit Fee (no later than 180 days from issuance; no inspection; plan review not refundable; % of permit fee/minimum cost)	20% / \$175.00
Renew Expired "Applied," "Approved," and "Issued" Status Permits (% of permit fee)	50%
Temporary/Conditional/Partial Certificate of Occupancy (C of O)	\$1,150.00
Photocopies (per page) *The department may waive charging fees if the cost to recover fees exceeds the fees.	*\$0.25
Permit - Foundation Only Surcharge (% of calculated permit fee based upon the valuation of the total project)	75%
Subpoenaed Record (per page copied)	\$0.25
Investigation of Work Without Valid Permit (amount or permit fee, whichever is greater)	\$460.00
Reinspection Fee	\$230.00

Research and Processing Fee (per hour)	\$75.00
Applications to the Board of Appeals	\$690.00
Minimum Permit Fee (for all zero valuation items)	\$87.00
Plan Review for Non-Specified Work (per hour; ½ hour minimum)	\$104.00
Inspection for Non-Specified Work (per hour; ½ hour minimum)	\$115.00
Inspections (outside of normal business hours; cost for 2hour minimum; per additional hour)	\$300.00 / \$150.00
Additional Plan Review (required by changes, additions or revisions to plans; cost for 2-hour minimum; per additional hour; full hour increments)	\$220.00 / \$110.00
Use of Outside Consultants, or Expedited Plan Checking and Inspections (or both; % of calculated fees; minimum cost)	200% / \$1,000.00
Sign Permit (0—32 sq ft)	\$81.00
Sign Permit (33 to 48 sq ft)	\$92.00
Sign Permit (greater than 48 sq ft)	\$138.00
Standard Home Plot Plan Review	\$87.00

Permit Fee Calculation Table Based on Value	
Fees Based on Valuation	
TOTAL VALUATION	FEE:
\$1.00 to \$500.00	\$87.00
\$501.00 to \$2,000.00 (for the first \$500.00; each additional \$100.00 or fraction thereof, <u>up</u> to and including \$2,000.00)	\$87.00 / \$3.05 for
\$2,001.00 to \$25,000.00 (for the first \$2,000.00; each additional \$1,000.00 or fraction thereof, <u>up</u> to and including \$25,000.00)	= \$120.25 / \$14.00
\$25,001.00 to \$50,000.00 (for the first \$25000.00; each additional \$1,000.00 or fraction thereof, <u>up</u> to and including \$50,000.00)	= \$443.25 / \$10.10
\$50,001.00 to \$100,000.00 (for the first \$50000.00; each additional \$1,000.00 or fraction thereof, <u>up</u> to and including \$100,000.00)	= \$695.25 / \$7.00
\$100,001.00 to \$500,000.00 (for the first \$100,000; each additional \$1,000.00 or fraction thereof, <u>up</u> to and including \$500,000.00)	= \$1,045.25 / \$5.60
\$500,001.00 to \$1,000,000.00 (for the first \$500,000; each additional \$1,000.00 or fraction thereof, <u>up</u> to and including \$1,000,000.00)	= \$3,285.25 / \$4.75
\$1,000,001.00 and up (for the first \$1,000,000; each additional \$1,000.00 or fraction thereof)	\$5,660.25 / \$3.65
Plan Check (% of building permit fee)	65%

FEE TABLE 27-7**DEVELOPMENT AND ENGINEERING DEPARTMENT; FEES REQUIRED**

Reference: Section 2-211(a)

*Fees paid with a credit card or debit card are subject to applicable service fee at the time of payment.~~**DEVELOPMENT AND ENGINEERING DEPARTMENT; FEES REQUIRED**~~~~*Fees paid with a credit card or debit card are subject to a 2.23% service fee, which is intended to recoup the city's costs associated with credit card fees.~~

ITEM	<u>FEE</u>
CIVIL ENGINEERING PLAN REVIEW FEES (Includes but not limited to review of the following plan types: grading and drainage, paving, street lighting, signing and striping, traffic signals, retaining walls, water, sewer, SWMP/SWPPP, etc.)	
1 st and 2 nd Review (per plan sheet)	\$414.00
Plan Revisions - 1 st and 2 nd Review (per plan sheet)	\$414.00
Re-Approval of Plans - 1 st and 2 nd Review (per plan sheet; must be within 2 years of original approval)	\$207.00
3 rd and Subsequent Reviews (per plan sheet, per review)	\$115.00
Engineering review of Sewer Tap by Contractor (single residential lot tap; per tap)	\$173.00
Engineering review of water meter Tap by Contractor (single residential lot tap; per tap)	\$173.00
Driveway Cut request review Fee (single residential lot; per driveway)	\$288.00
Traffic Control Plan Review Fee	\$173.00
Floodplain Research Results Letter	\$58.00
Landscape Plan Review (per plan sheet)	\$184.00
Miscellaneous Engineering Review (per hour)	\$115.00
REPORT REVIEW	<u>FEE</u>
Master Residential Development Drainage Report - Office Review (per report; plus per acre)	\$2,670.00 / \$3.00
Major Residential Subdivision (more than 10 lots) Drainage Report - Office Review (per report; plus per acre)	\$1,150.00 / \$12.00
Minor Residential Subdivision (up to 10 lots) Drainage Report - Office Review (per report; plus per acre)	\$460.00/ \$29.00
Custom Home Drainage Report - Office Review (per report)	\$288.00
Commercial/ Multi-Family Subdivision Drainage Report - Office Review (per report; plus per acre)	\$1,150.00 / \$3.00
Single Commercial <u>Pad</u> /Lot Drainage Report - Office Review (per report)	\$460.00
Master Residential Development Traffic Impact Analysis (TIA) - Office (per report; plus per acre)	\$1,725.00 / \$3.00
Major Residential Subdivision (more than 10 lots) Traffic Impact Analysis (TIA) - Office Review (per report; plus per acre)	\$920.00 / \$3.00
Minor Residential Subdivision (up to 10 lots) Traffic Impact Analysis (TIA) - Office Review (per report)	\$345.00
Commercial/ Multi-Family Subdivision Traffic Impact Analysis (TIA) - Office Review (per report; plus per acre)	\$1380.00 / \$3.00
Single Commercial <u>Pad</u> /Lot Traffic Impact Analysis (TIA) - Office Review (per report)	\$345.00
Intersection/Signal Traffic Impact Analysis - Office Review [per report] (per report)	\$575.00
City Prepared Traffic Impact Analysis for Driveway and Deceleration Lane Evaluation (per report; plus per driveway)	\$403.00 / \$173.00
Master Development Water Analysis Report (per report)	\$4,600.00
Individual Site Water Analysis Report (per report)	\$288.00
Master Development Sewer Analysis Report (per report)	\$4,600.00
Individual Site Sewer Analysis Report (per report)	\$288.00
Sound Study (per study)	\$230.00
Review of FEMA Maps Change: FEMA Community Acknowledgement Form Review, Elevation Certs, Conditional Letter of Maps Revision (CLOMR) and Letter of Map Revision (LOMR),	\$2,300.00 / \$3.00

CLOMR-F, LOMR-F Review, etc. (per request; plus per acre)	
PROPERTY DEDICATIONS	<u>FEE</u>
Map of Dedication	\$1,380.00
Master Residential Development Final Plat (Final Plat dedicating Major ROW and defining individual Parcels; base fee; plus per lot/acre parcel)	\$2,300.00 / \$29.00
Major Residential Subdivision <u>Final Plat</u> (more than 10 lots) Final Plat ; <u>plus per lot</u>)	\$1380.00 / \$12.00
Minor Residential Subdivision <u>Final Plat</u> (up to 10 lots) Final Plat ; <u>plus per lot</u>)	\$920.00 / \$12.00
Final Plat Amendment	\$1,150.00
Commercial/ <u>Multi-Family</u> Development Final Plat (<u>plus per acre</u>)	\$1,610.00 / \$12.00
Minor Land Division Application Fee	\$920.00
Application and review of dedication of right of way or easements to City, other than plats or maps of dedication [per item, unless otherwise noted] Application and Review of Dedication of Right of Way or Easements to City (other than plats of maps of dedication; per item Commercial/Residential Development/Single Family Residential)	\$432.00 / \$202.00 / \$115.00
Abandonment of Right-of-Way, Patent Easements or Other Real Property Interests (base fee; plus non-refundable fee ; determination of fee made at application)	\$1150.00 <u>\$862.00</u> / \$288.00
OPTIONAL PLAN REVIEW SERVICES	<u>FEE</u>
Expedited Review Fee (50% reduction of standard review time frame at time of request; subject to approval of Engineering Director or designee; cost is % of normal fee; <u>minimum cost</u>); <u>minimum fee not applicable to non-city public utilities</u>)	200% / \$1,150.00
Request for Waiver - Commercial and Residential Subdivision Developments	\$575.00
Request for Waiver - Single-Family Residential Lot	\$230.00
ADDRESSING FEES	<u>FEE</u>
Residential Street Addressing Fee ({per lot} ; {does not apply to custom single residential lots})	\$29.00
Multi-Family Residential Addressing Fee ({per unit})	\$29.00
APPLICATION FEES	<u>FEE</u>
Application and Petition for modification or correction of Assessments - plus all outside Improvement District Engineering and Board Counsel Fees - plus City review and processing fee - 60% fee to Engineering 20% of fee to City Attorney and Management Services Each.	\$575.00
Petition fee for formation of Maintenance Improvement District ({per lot})	\$18.00
Petition fee for formation of Street Light Improvement District ({per lot})	\$18.00
Engineering Permit - Application Processing Fee	\$29.00
Application and processing of Letter Agreements with City for special site development issues ({per hour})	\$29.00
Application for alternate methods of subdivision assurances (*minimum fee or \$25.00 per hour whichever is greater)	\$173.00*
Application for conversion of Private Streets to Public Streets (or vice versa; subject to City Engineer approval)	\$1,150.00
Right-of-way Agreement Application (per application)	\$4,600.00
COPY & RESEARCH FEES	<u>FEE</u>
Maps - 11" x 17"	\$2.00
Maps - 18" x 24"	\$6.00
Maps - 24" x 36"	\$12.00
Subpoenaed Record (copy cost; per page)	\$0.25
Research, Archived Document Retrieval and Processing Fee (per person; per hour; minimum ½ hour charge)	\$92.00
Photocopies (per page) * the City may elect not to charge is the cost of charging exceeds the value of the photocopies	\$0.25
Recording and Document Handling Fee (plus actual cost billed by Maricopa County Recorder to City)	\$63.00
Facsimile Charge (for providing information in addition to photocopies; per page)	\$2.00
Capital Improvements – 5-year Master Plan (per page)	\$1.00
Capital Improvements - water, wastewater Master Plan (per page)	\$1.00
Water/sewer/grading/paving Construction Schedule (per page)	\$1.00
CD Containing Documents (per CD; plus research, archived document retrieval and processing fee)	\$18.00

CIVIL ENGINEERING PERMIT FEES	FEE
Capital Improvements Project Permit (per project)	\$58.00
Engineering Permit Fee [based on executed construction contract to be provided by the applicant OR 110% of the sealed engineer's estimate]	3.5% or as determined under Section 2-211.
Engineering Sewer Tap (by Contractor; inspection fee per single residential lot tap; plus street cut surcharge; per Peoria's City Code, Section 23-54)	\$575.00
Engineering Water Meter Tap (by Contractor: inspection fee per single residential lot tap; plus street cut surcharge; per Peoria City Code, Section 23-54)	\$575.00
Driveway Cut Request Inspection (per driveway; single residential lot)	\$575.00
Fog Seal (charged at time of permit)	\$0.87/ sq yd
Grading and Drainage Permit Application Processing (0 – 1,000; base fee; plus per 100 cu yd or fraction thereof)	\$29.00 / \$37.00
Grading and Drainage Permit Application Processing (1,001 – 10,000; base fee; plus per 1,000 cu yd or fraction thereof)	\$345.00 / \$73.00
Grading and Drainage Permit Application Processing (10,001 – 100,000; base fee; plus per 10,000 cu yd or fraction thereof)	\$782.00 / \$145.00
Grading and Drainage Permit Application Processing (100,001 – or more; base fee; plus per 100,000 cu yd or fraction thereof)	\$2,231.00 / \$145.00
Minimum Residential Grading and Drainage Permit Charge	\$115.00
Minimum Commercial Grading and Drainage Permit Charge	\$230.00
"At-Risk" Grading & Drainage – Permit (Engineering permit fee plus surcharge of % of the engineering inspection fee)	50%
Retaining Wall/Sound Wall Permit (per sq ft of wall; height to include retained and unretained height)	FEE
0 - 500 sq ft	\$288.00
501 - 1000 sq ft	\$575.00
Greater than 1,000 sq ft (base fee; plus per sq ft over 1,000 sq ft)	\$575.00 / \$1.00
Haul Permit	\$317.00
Right-of-Way Access Permit	\$58.00
Permit Penalty (failure to obtain permit prior to authorization by City; per day)	\$1150.00
One-Time Permit Renewal (application and payment must be received prior to expiration date of the permit; % of permit fee)	\$120.00
Engineering Inspection (outside of normal working hours per hour: 2 hours per incident minimum)	\$144.00
NON-CITY PUBLIC UTILITY FEES	FEE
Non-City Public Utility - Office Review (per plan sheet)	\$288.00
Non-City Public Utility - Third Review (and each review thereafter; per plan sheet; per review)	\$115.00
Expedited Non-City Public Utility – Office Review (per plan sheet)	\$575.00
Expedited Non-City Public Utility – Third Review (and each review thereafter; per plan sheet; per review)	\$230.00
Trenching (no pavement cuts)	FEE
0 – 300 LF (per permit)	\$403.00
301+ LF (per LF; per permit)	\$1.50
Trenching (pavement cuts/concrete work)	FEE
0 – 300 LF (per permit)	\$575.00
301+ LF (per LF; per permit)	\$3.00
Manhole/Vaults/Pedestals/Cabinets/Access Points	\$173.00
Potholes (each)	\$46.00
Microtrenching (pavement cuts/concrete work)	FEE
0 – 300 LF (per permit)	\$500.00
301+ LF (per LF; per permit)	\$1.50
Microtrenching Manhole/Vaults/Pedestals/Cabinets/Access Points/Flower Pots/Handholes (each)	\$150.00
Microtrenching Potholes (each)	\$40.00
Pits (each)	\$46.00
Horizontal Directional Drilling Pit (each)	\$46.00

Horizontal Directional Drilling (each)		FEE	
0 – 300 LF (per permit)		\$403.00	
301+ LF (per LF; per permit)		\$1.50	
Service Drops (each)		\$69.00	
Street Cut Surcharge		See charges established in Section 23-54	
Seal coat (same rate applies to all types of seal coats; per sq yd)		\$1.00 \$0.87/sq yd	
Annual Blanket (Emergency) Permit		\$4,600.00	
Encroachment (each)		\$207.00	
WIRELESS TELECOMMUNICATION EQUIPMENT IN THE RIGHT-OF-WAY (ROW) FEES			
Small Wireless Facility Base Use Fee (per year; per pole for ROW access)	\$50.00	\$50.00 per year per pole for use of pole	
Small Wireless Facility Base Use Fee (per year; per pole for ROW access)		\$50.00	
Small Wireless Facility Ordinary Permit Use Fee (covers application processing, plan review, permit, and other costs) per application (per site)		\$750.00	
Other Wireless Facility Ordinary Permit Use Fee (covers application processing, plan review, permit, and other costs; per site per application)		\$1,000.00	
Violation Use		See fees as established in the Notice of Antenna Site Standard Terms & Conditions	
Annual Maintenance Permit		\$4,600.00	
Ground Equipment Fee - 55 cubic feet or less (antennas on a vertical element located on private property but ground equipment in the right-of-way; per cu ft)		\$38.00	
Category 1 - WCE with antenna(s) mounted on an existing vertical element, or pole, and any associated ground equipment. Each WCE site will have an Antenna Base Fee of \$4,025.00 for a WCE site in the ROW, plus a Ground Equipment Fee (if applicable) for cubic feet of group equipment in the ROW, as set forth below:			
Item	Antenna Base Fee	Equipment Fee	Total WCE Fee
Total is 29 cu. Ft. up to 55 cu. ft.	Included	Included	\$4,025.00
Total is greater than 55 cu. ft. up to 200 cu. ft.	\$4,025.00	\$7,475.00	\$11,500.00
Total is greater than 200 cu. ft. up to 300 cu. ft.	\$4,025.00	\$11,500.00	\$15,525.00
Total is greater than 300 cu. ft. up to 400 cu. ft.	\$4,025.00	\$14,950.00	\$18,975.00
Total is greater than 400 cu. ft. or more	\$4,025.00	\$18,975.00	\$23,000.00
CATEGORY 2 - WCE with antenna(s) mounted on vertical elements that is stealth or utilizes alternate concealment when existing vertical elements are not available, and any associated equipment. Each WCE site will have an Antenna Base Fee of \$4,255.00 for a WCE site in the ROW, plus a Ground Equipment Fee (if applicable) for cubic feet of group equipment in the ROW, as set forth below:			
Item	Antenna Base Fee	Equipment Fee	Total WCE Fee
Total is 29 cu. ft. up to 55 cu. ft.	Included	Included	\$4,255.00
Total is greater than 55 cu. ft. up to 200 cu. ft.	\$4,255.00	\$7,475.00	\$11,730.00
Total is greater than 200 cu ft up to 300 cu. ft.	\$4,255.00	\$11,500.00	\$15,755.00
Total is greater than 300 cu. ft. up to 400 cu. ft.	\$4,255.00	\$14,950.00	\$19,205.00
Total is greater than 400 cu. ft. or more	\$4,255.00	\$18,975.00	\$23,230.00
CATEGORY 3 - Fees for each WCE with antenna(s) on a new (non-existing) vertical element, or pole that is neither stealth nor concealed in appearance and any associated ground equipment. Each WCE site will have an Antenna Base Fee of \$5,750.00 for a WCE site in the ROW, plus a Ground Equipment Fee (if applicable) for cubic feet of group equipment in the ROW, as set forth below:			
Item	Antenna Base Fee	Equipment Fee	Total WCE Fee
Total is 29 cu. ft. up to 55 cu. ft.	Included	Included	\$5,750.00
Total is greater than 55 cu. ft. up to 200 cu. ft.	\$5,750.00	\$7,475.00	\$15,755.00
Total is greater than 200 cu. ft. up to 300 cu. ft.	\$5,750.00	\$11,500.00	\$17,250.00
Total is greater than 300 cu. ft. up to 400 cu. ft.	\$5,750.00	\$14,950.00	\$20,700.00
Total is greater than 400 cu. ft. or more	\$5,750.00	\$18,975.00	\$24,725.00

FEE TABLE 27-8

PLANNING AND COMMUNITY DEVELOPMENT, PLANNING AND ZONING; FEES REQUIRED

Reference: Section 2-213(a)

~~PLANNING AND COMMUNITY DEVELOPMENT, PLANNING AND ZONING; FEES REQUIRED~~

*Fees paid with a credit card or debit card are subject to applicable service fee at the time of payment.

ITEM	FEE
Rezoning Application (base fee)	\$3,600.00
Additional Rezoning Processing Fee (per acre)	\$48.00
Planned Area Development Application (base fee)	\$4,800.00
Additional Planned Area Development Processing Fee (per acre)	\$54.00
Planned Community District Application (base fee)	\$9,000.00
Additional Planned Community District Processing Fee (per acre)	\$48.00
Planned Area Development/Planned Community Development District Text Amendment	\$1,800.00
Planned Area Development/Planned Community Development District Map Amendment (% of current fee)	50%
Application to Amend Adopted Ordinance Zoning Stipulations	\$3,600.00
Zoning Verification Letter	\$240.00
Major General Plan Amendment or Specific Area Plan	\$8,040.00
Minor General Plan Amendment	\$4,560.00
Amendment to Existing Redevelopment or Specific Area Plan (% of current fee)	50%
Conditional Use Permit	\$1,200.00
Conditional Use Permit for Outdoor Dining	\$900.00
Administrative Relief	\$600.00
Application for Variance	\$1,000.00
Application to Department for Code Interpretation (appeal included; plus adjustment)	\$1,000.00
Wall Waiver	\$840.00
Design Review / Design Review Waiver	\$900.00
Design Review (repaint only)	\$150.00
Hillside Waiver (base fee)	\$2,100.00
Additional Hillside Waiver (per lot)	\$12.00
Temporary Use Permit	\$600.00
Donation Bin Registration (TUP)	\$120.00
Zoning Code Amendment	\$4,200.00
Residential Subdivision-Preliminary Plat (base fee)	\$6,000.00
Additional Residential Subdivision-Preliminary Plat (per lot)	\$900.00 \$90.00
Sign Permit Review	\$36.00
Sign Permit Fee	0-32 sq. ft.: \$70.00 33-48 sq. ft.: \$80.00 48 sq.ft. +: \$120.00
Sign Permit Extension	\$120.00
Group Home Registration	\$600.00
Application for Site Plan Review (base fee)	\$7,200.00
Additional Site Plan Review Processing (per acre)	\$60.00
Site Plan Amendment (% of current fee)	50%
Site Plan Review Appeal of Decision	\$500.00
Single-Family Residential Landscape Plan Review (per sheet)	\$192.00 \$184.00
Landscape Permit	\$240.00
Native Plant Permit (plus adjustment)	\$200.00
Planning Inspection	\$120.00

Planning Inspection (3 rd)	\$100.00
Maps and Documents Fee (8.5 × 11: color per page)	\$2.00
Maps and Documents Fee (11 × 14 or greater: color per page)	\$3.00
Pre-Application Meeting	\$500.00
Research Fee (per hour; minimum charge 1 hour)	\$46.00
Non-Profit Organization Fee (percentage % of current fees)	50%

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

Agenda Item: 6C.

Date Prepared: 10/7/2025

Council Meeting Date: 11/4/2025

TO: Henry Darwin, City Manager

THROUGH: Travis Cutright, Deputy City Manager

FROM: Thomas Intrieri, Chief of Police

SUBJECT: Grant, State of Arizona Department of Public Safety, Victims of Crime Act, Victim Assistance Grant Program

Purpose:

Discussion and possible action to: (a) authorize the Peoria Police Department to accept a grant in the amount of \$178,396 from the Arizona Department of Public Safety, Victims of Crime Act, Victim Assistance Grant Program to fund personnel, a victim assistance software program renewal, and emergency victim assistance supplies and services for the Victim Assistance Program; (b) approve a budget amendment in the amount of \$178,396 from the Proposed Grants Contingency Fund to the Victims of Crime Act Grant Fund.

Summary:

The Peoria Police Department desires to continue participation in the Arizona Department of Public Safety (DPS) Victims of Crime Act (VOCA) Victim Assistance Grant Program. This program awards grant funding to agencies in order to provide direct support services to victims of crime.

The Peoria Police Department has been awarded \$178,396 to fund two full-time grant-funded city employees, to include salary and benefits, for a full year. The funding will also allow the renewal of a victim assistance software program and will provide emergency victim assistance supplies and services when needed.

Funded personnel will provide crisis intervention, support, and follow-up referrals to crime victims. This advocacy is made available to victims from the time a crime occurs until the case is closed or submitted for prosecution. With continued participation in the VOCA Crime Victim Assistance Grant Program, the Peoria Police Department will be able to continue addressing the emotional and informational needs of victims of crime.

This is a one-year grant program from October 1, 2025 through September 30, 2026.

Previous Actions/Background:

This is the 17th consecutive year that Arizona Department of Public Safety has awarded funds to the Peoria Police Department for participation in the VOCA Crime Victim Assistance Grant Program.

Staff Recommendation:

Staff recommends City Council to accept the awarded grant in the amount of \$178,396 from Arizona Department of Public Safety and approve a budget adjustment in the amount of \$178,396 from the Proposed Grants Contingency Fund to the Victims of Crime Act Grant Fund.

Accepting this grant funding will allow the Peoria Police Department to continue participation in the Arizona Department of Public Safety (DPS) VOCA Crime Victim Assistance Grant Program and provide direct support services to victims of crime.

Fiscal Analysis:

Staff recommends approving a budget adjustment of \$178,396 from the Proposed Grants Contingency Fund to the Victims of Crime Act (VOCA) Grant Fund.

The match requirement for this grant will be fulfilled with the salary and benefits of the Victim Assistance Coordinator position.

ATTACHMENTS:

FY26 VOCA Grant Agreement
FY26 VOCA General Conditions

Contact Name and Number:

Thomas Intrieri, Chief of Police, (623) 773-7059

ARIZONA DEPARTMENT OF PUBLIC SAFETY

**VICTIMS OF CRIME ACT (VOCA) VICTIM ASSISTANCE GRANT PROGRAM
 FEDERAL GRANT# 15POVC-22-GG-00705-ASSI
 CFDA #16.575
 SUBGRANT AWARD AGREEMENT**

SUBRECIPIENT

AGENCY: City of Peoria

ADDRESS: 8351 West Cinnabar Ave

CITY: Peoria

STATE: Arizona

ZIP: 85345-2701

UNIQUE ENTITY IDENTIFIER: ML1ZY81QDEW8

PROJECT TITLE: Victim Assistance ProgramAWARD AMOUNT: \$178,396REQUIRED MATCH (NON-FEDERAL SOURCE): \$44,599PROJECT PERIOD: 10/01/2025 to 09/30/2026PROJECT PURPOSE: To provide assistance to victims of crime.

This agreement is made under the authority of the Victims of Crime Act of 1984, U.S. Code, Title 34, Subtitle II, Chapter 201, Subchapter I, § 20101, et seq. as amended, and specifically 34 U.S.C. §20103.

The purpose of this agreement shall be to award Victims of Crime Act (VOCA) Assistance funds to the subrecipient to provide services to victims of crime as authorized by the Victims of Crime Act. Awards may be supplemented by other federal, state, local, and private funds. Subrecipient's agreement or amended agreement(s) is incorporated by reference into this Subgrant Award Agreement.

This award is subject to agreement by the subrecipient, including any DPS VOCA funded positions and their immediate supervisors, to conform to the provisions of the Victims of Crime Act of 1984; the DPS VOCA victim assistance grant program guidelines; the subrecipient's application; the most recent version of the general conditions, which are incorporated here by reference, and certifications; the most recent version of the Department of Justice Grants Financial Guide; the Uniform Administrative Requirements, Cost Principles, and Audit Requirements in 2 CFR Part 200 and supplemented by the Department of Justice in 2 CFR Part 2800 (together, the "Part 200 Uniform Requirements"); Executive Order 12372; and 28 CFR pts. 66 and 70, all of which are incorporated by reference as if fully stated herein.

Subrecipients, and all their contractors, will comply with all lawful requirements imposed by the awarding agency, specifically including any applicable regulations, such as 28 CFR pts. 18, 22, 23, 30, 35, 38 (as amended on May 4, 2016), 42, 46, 54, 61 Appendix D, and 63, and the award term in 2 CFR § 175.15 (b); section 106 of the National Historic Preservation Act of 1966 (16 USC § 470); Executive Order 11593; the Archaeological and Historical Preservation Act of 1974 (16 USC § 469 a-1 et seq.); the National Environmental Policy Act of 1969 (42 USC § 4321); and any applicable statutorily-imposed nondiscrimination requirements, which may include Title VI of the Civil Rights Act of 1964, as amended, (42 USC § 2000d and 28 CFR § 42.101 et seq.); the Indian Civil Rights Act (25 USC §§ 1301-1303); Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 and 28 CFR § 42.501 et seq.); the Age Discrimination Act of 1975 (42 USC § 6101-07 and 28 CFR § 42.700 et seq.); Title IX of the Education Amendments

of 1972 (20 USC § 1681, 1683, 1685-86 and 28 CFR pt. 54); the Omnibus Crime Control and Safe Streets Act (Safe Streets Act) of 1968 (34 USC § 10228(c) and 28 CFR § 42.201 et seq.); the Juvenile Justice and Delinquency Prevention Act (JJDP) of 1974, as amended, (34 USC § 11182(b)); Section 1407 of the Victims of Crime Act (VOCA) of 1984 (34 USC § 20110(e)); Title II of the Americans with Disabilities Act of 1990 (42 USC § 12131-34 and 28 CFR pt. 35); and Partnerships with Faith-Based and Other Neighborhood Organizations (28 CFR pt. 38 and Executive Order 13279 as amended by Executive Order 13559); and State Executive Order No. 2009-09. The above referenced federal and state laws prohibit discrimination on the basis of race, color, religion, sex, disability, and national origin (including limited English proficiency) in the delivery of services and employment practices and prohibit discrimination on the basis of age in the delivery of services.

Governmental entities will comply with the requirements of Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 USC § 4601 et seq.), and 5 USC §§ 1501-08 and §§ 7324-28 which limit certain political activities of State and local government employees whose principal employment is in connection with an activity financed in whole or in part by federal assistance.

The Arizona Department of Public Safety agrees to pay the subrecipient the AWARD AMOUNT in the below shown sums per periods listed:

Approved Budget

Federal VOCA Amount

Budget line items	10/1/2025 - 9/30/2026	10/1/2026 - 9/30/2027	10/1/2027 - 9/30/2028	Total
Personnel - Salary	\$125,071	\$0	\$0	\$125,071
Personnel - Fringe Benefits	\$41,341	\$0	\$0	\$41,341
Contractual Services	\$0	\$0	\$0	\$0
Mileage	\$0	\$0	\$0	\$0
Training	\$0	\$0	\$0	\$0
Capital Equipment	\$0	\$0	\$0	\$0
Other Expenses	\$11,984	\$0	\$0	\$11,984
Total	\$178,396	\$0	\$0	\$178,396

Match Amount

Budget line items	10/1/2025 - 9/30/2026	10/1/2026 - 9/30/2027	10/1/2027 - 9/30/2028	Total
Personnel - Salary	\$44,599	\$0	\$0	\$44,599
Personnel - Fringe Benefits	\$0	\$0	\$0	\$0
Volunteers	\$0	\$0	\$0	\$0
Contractual Services	\$0	\$0	\$0	\$0
Mileage	\$0	\$0	\$0	\$0
Training	\$0	\$0	\$0	\$0
Capital Equipment	\$0	\$0	\$0	\$0
Other Expenses	\$0	\$0	\$0	\$0
Match Waiver	\$0	\$0	\$0	\$0
Total	\$44,599	\$0	\$0	\$44,599

For the Arizona Department of Public Safety:

Jeffrey Glover, Colonel
Director
Arizona Department of Public Safety

Date

For the Subrecipient:

Authorizing Official:

Thomas Intrieri

Date

Approved as to form:

Attorney for Subrecipient (optional)

ARIZONA DEPARTMENT OF PUBLIC SAFETY
VICTIMS OF CRIME ACT (VOCA) VICTIM ASSISTANCE GRANT PROGRAM
SUBGRANT AWARD AGREEMENT

General Conditions

- 1.0 Definition of Terms.** As used in this subgrant award agreement, the terms listed below are defined as follows:
- 1.1 “Agreement” means a written online Request for Grant Application (RFGA) approved by the Arizona Department of Public Safety.
 - 1.2 “Agreement Amendment” means a written online document requested by the subrecipient agency for the purpose of making changes in the agreement and approved by the Arizona Department of Public Safety.
 - 1.3 “Application” means a written online Request for Grant Application (RFGA).
 - 1.4 “Days” means calendar days unless otherwise specified.
 - 1.5 “Direct Service” means supportive services provided through direct contact with a victim in-person, by phone or hotline, or by email.
 - 1.6 “Director” means the Director of the Arizona Department of Public Safety, or his/her designee, who is duly authorized by the State to enter into grant agreements and make written determinations with respect to those agreements.
 - 1.7 “DPS” means the Arizona Department of Public Safety.
 - 1.8 “Grant” means the furnishing of financial or other assistance, including state or federal grant funds, by the Department of Public Safety to any person for the purpose of supporting or stimulating educational, cultural, social or economic quality of life.
 - 1.9 “Gratuity” means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.
 - 1.10 “Match” means additional resources (cash or in-kind) provided by the subrecipient to support the DPS VOCA funded project. Cash match shall be from a non-Federal source.
 - 1.11 “Project” means activities and services supported by Victims of Crime Act (VOCA) funds plus required match, relating to this subgrant award agreement only.
 - 1.12 “Services” means the furnishing of labor, time or effort by a subrecipient which does not involve the delivery of a specific end product other than required reports and performance. Allowable services include those efforts that (1) respond to the emotional and physical needs [healing] of crime victims; (2) assist primary and secondary victims of crime to stabilize [restitution/economic restabilization] their lives after a victimization; (3) assist

victims to understand and participate in the criminal [justice] system; and (4) provide victims of crime with a measure of [safety] and security.

- 1.13 “State” means the State of Arizona and Department or Agency of the State that executes the subgrant award agreement.
- 1.14 “Subgrant award agreement” means a written signed agreement between the Arizona Department of Public Safety and the grant recipient for the award of DPS VOCA funds.
- 1.15 “Subrecipient” means the legal entity to which a subaward is made and which is accountable to DPS for the use of the funds provided.
- 1.16 “VOCA” means Victims of Crime Act of 1984, as amended, 34 U.S.C. § 20101, et seq.

2.0 Subgrant award agreement interpretation.

- 2.1 Arizona Law. Arizona law applies to this grant award agreement, including the Solicitation and Award of Grants, Arizona Revised Statutes (A.R.S.) Title 41, Chapter 24, and its implementing rules.
- 2.2 Subgrant Award Agreement Order of Precedence. In the event of a conflict in the provisions of the subgrant award agreement, the following shall prevail in the order set forth below:
 - 2.2.1 Special Conditions;
 - 2.2.2 General Conditions;
 - 2.2.3 DPS / VOCA Guidelines;
 - 2.2.4 Federal VOCA Guidelines; DOJ Grants Financial Guide (including any updated version that may be posted during the period of performance); and Uniform Administrative Requirements, Cost Principles, and Audit Requirements in 2 CFR Part 200.
- 2.3 Relationship of parties. The subrecipient under this subgrant award agreement is an independent subrecipient. Neither party to this subgrant award agreement shall be deemed to be the employee or agent of the other party to the subgrant award agreement.
- 2.4 Severability. The provisions of this subgrant award agreement are severable. Any condition deemed illegal or invalid shall not affect any other condition of the subgrant award agreement.
- 2.5 No parole evidence. This subgrant award agreement is intended by the parties as a final and complete expression of their agreement. No prior dealings between the parties shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.
- 2.6 No waiver. Either party’s failure to insist on strict performance of any condition of the subgrant award agreement shall not be deemed a waiver of that condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

3.0 Subgrant award agreement administration and operation.

- 3.1 Non-Discrimination. The subrecipient shall comply with State Executive Order No. 2023-01 and all other applicable Federal and State laws, rules and regulations related to the prohibition against discrimination, including A.R.S. § 41-1461, et seq., Title VI of the Civil Rights Act of 1964, as amended, the Indian Civil Rights Act, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, Title IX of the Education Amendments of 1972, the Omnibus Crime Control and Safe Streets Act of 1968, the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, the Victims of Crime Act of 1984, the Americans with Disabilities Act of 1990, Department of Justice implementing regulations and Partnerships with Faith-Based and Other Neighborhood Organizations.

If in the three years prior to the date of the grant award, a federal or state court or administrative agency makes an adverse finding of discrimination after a due process hearing against the subrecipient agency on the grounds of race, color, national origin, religion, sex, or disability, the subrecipient shall forward a copy of the finding to the Department of Justice, Office of Justice Programs, and DPS.

- 3.1.1 Providing Services to Limited English Proficiency (LEP) Individuals. Recipients (and subrecipients) must ensure that Limited English Proficiency (LEP) persons have meaningful access to the services under this program. National origin discrimination includes discrimination on the basis of limited English proficiency. To ensure compliance with Title VI and the Safe Streets Act, recipients and subrecipients are required to take reasonable steps to ensure that LEP persons have meaningful access to their programs. Meaningful access may entail providing language assistance services, including oral and written translation when necessary. The U.S. Department of Justice has issued guidance for grantees (and subgrantees) to help them comply with Title VI requirements. The guidance document can be accessed on the internet at www.lep.gov.
- 3.1.2 Faith-Based Organizations. Department of Justice regulations prohibit faith-based organizations from using financial assistance from the Department of Justice to fund explicitly religious activities. While faith-based organizations can engage in non-funded explicitly religious activities, they shall be held separately from the Department of Justice funded program, and customers or beneficiaries cannot be compelled to participate in them. Regulation also makes clear that organizations participating in programs funded by the Department of Justice are not permitted to discriminate in the provision of services on the basis of a beneficiary's religion.
- 3.1.3 Equal Employment Opportunity Plan. The subrecipient acknowledges that failure to submit an acceptable Equal Employment Opportunity Plan (if required to submit one pursuant to 28 CFR Section 42.302) that is approved by the Office for Civil Rights is a violation of its Standard Assurances and may result in suspension or termination of funding, until such time as the subrecipient is in compliance.
- 3.1.4 Civil Rights Compliance Review. The subrecipient shall provide relevant information regarding civil rights policies and procedures during the DPS-VOCA Civil Rights Compliance Review process.

3.2 Certification Regarding Lobbying. Subrecipients entering into a VOCA grant or cooperative agreement over \$100,000 shall certify that no Federal funds have been paid or will be paid, by or on behalf of the subrecipient, to any persons for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any Federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal grant or cooperative agreement. Federal funds include but are not limited to such grants as Victims of Crime Act (VOCA), Violence Against Women Act (VAWA), Family Violence Prevention and Services Act (Rural Safe Home Network Program), and the Children's Justice Act, which may be administered through a State or other local governmental agency. Additionally, subrecipients shall disclose to DPS any lobbying activities that have been paid or will be paid with any funds other than Federal funds.

3.2.1 Lobbying Activities. The subrecipient understands and agrees that it cannot use any federal funds, either directly or indirectly, to support or oppose the enactment, repeal, modification or adoption of any law, regulation, or policy, at any level of government. Furthermore, the subrecipient understands and agrees that it cannot use any federal funds to pay any person to influence (or attempt to influence) a federal agency, a Member of Congress, or Congress (or an official or employee of any of them) with respect to the awarding of a federal grant or cooperative agreement, subgrant, contract, subcontract, or loan, or with respect to actions such as renewing, extending, or modifying any such award.

Should any question arise as to whether a particular use of Federal funds by the subrecipient would or might fall within the scope of this prohibition, the subrecipient shall contact DPS for guidance, and may not proceed without the express prior written approval of DPS.

3.3 Required reports. The subrecipient will submit reports on such data in such form and at such times as required by DPS, to include:

- 3.3.1 Subgrant Award Report is due no later than October 30th of Year 2 and Year 3 of the grant cycle;
- 3.3.2 Monthly financial reports are due no later than the 15th of each month;
- 3.3.3 Quarterly statistical and programmatic reports are due no later than 30 days following the close of each quarter (the subrecipient agrees to collect and maintain data that measure the performance and effectiveness of work under this award);
- 3.3.4 Final Request to Reprogram Funds (if necessary) is due no later than June 30th of each fiscal year within the grant cycle;
- 3.3.5 Year-end amendment is due in conjunction with the final Monthly Financial Report which is due no later than October 15th; and
- 3.3.6 All obligations properly incurred by September 30th of each fiscal year within the grant cycle must be liquidated no later than November 30th. Any funds not liquidated by November 30th will revert to DPS;
- 3.3.7 the Annual Report is due no later than October 30th of each fiscal year within the grant cycle.

Failure to submit complete, accurate and timely reports may result in a reduction of the current award. Any three combined occurrences of monthly or quarterly reports submitted over 15 days late and/or three combined occurrences relating to the submission of

incomplete or inaccurate monthly or quarterly reports may result in up to a 10% award reduction as determined by DPS.

- 3.4 Disclosure of High Risk Status. If the subrecipient is designated “high risk” by a federal or state grant-making agency outside of DPS, currently or at any time during the course of the period of performance under this award, the recipient must disclose the fact and certain related information to DPS. For the purposes of this disclosure, high risk includes any status under which a federal or state awarding agency provides additional oversight due to the subrecipient’s past performance, or other programmatic or financial concerns with the subrecipient. If the subrecipient is designated high risk by another federal or state awarding agency, the subrecipient must provide the following information: (1) the federal or state awarding agency that designates the subrecipient high risk; (2) the date the subrecipient was designated high risk; (3) the high risk point of contact at that federal or state awarding agency (name, phone number, and email address); (4) the reasons for the high risk status, as set out by the federal or state awarding agency.

In the event DPS determines that the subrecipient has failed to meet the acceptable standard for maintaining financial and/or programmatic documentation or is identified as a high risk subrecipient, the subrecipient agrees to comply with any additional requirements that may be imposed by DPS.

- 3.5 Records. The subrecipient shall retain all financial records, supporting documentation, statistical records and all other records pertinent to this award until April 30, 2032. In addition, with a 24-hour notice, the subrecipient will allow DPS and the Department of Justice’s Office for Victims of Crime and/or the Office of the Chief Financial Officer (or its representatives) to review all of the subrecipient’s records concerning this grant project.
- 3.6 Capital equipment. Any purchase of capital equipment shall be approved by DPS prior to purchase to include submission of the subrecipient’s procurement or purchasing policies and procedures and related quote(s) for item purchase. The subrecipient shall maintain all capital equipment and furniture (costs in excess of \$10,000 per unit) purchased through this subgrant award agreement in accordance with the DOJ Grants Financial Guide. The subrecipient shall submit documentation relevant to the purchase as required by DPS. All capital equipment and furniture shall be used for victim services as identified in the subrecipient’s application and this subgrant award agreement. Any deviation from this provision shall be approved in writing by DPS.
- 3.7 Client Assistance, Emergency Financial Assistance, Transitional Housing, and Relocation. Subrecipients receiving VOCA funds for client assistance, emergency financial assistance, transitional housing, and relocation services must submit the policies, procedures and rules governing the provision of the assistance for review and approval. The subrecipient agrees to revise any policy, procedure or rule DPS determines to be unallowable or does not conform to appropriate internal controls for suitable use of the funds and protection from fraud, waste or abuse.
- 3.8 Contracts for Professional Services. Subrecipients receiving VOCA funds for contracting for specialized professional services that are not available within the subrecipient organization must maintain signed agreements for consultant/contractual services and provide copies of the agreements to DPS prior to the use of VOCA funds for such services.

- 3.9 Noncompetitive approach in procurement contracts. The subrecipient must comply with all applicable requirements to obtain specific advance approval to use a noncompetitive approach in any procurement contract that would exceed the Simplified Acquisition Threshold (currently, \$250,000).

The details of the requirement for advance approval to use a noncompetitive approach in a procurement contract under an OJP award are posted on the OJP website at <https://ojp.gov/funding/Explore/NoncompetitiveProcurement.htm>.

- 3.10 Authorization of use. DPS reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish or otherwise use, and authorize others to use for government purposes, the copyright of any work developed under this award and any rights of copyright to which a subrecipient purchases ownership with support through this subgrant award agreement.
- 3.11 Research or statistical information. The subrecipient shall not use or reveal any research or statistical information under this project that is identifiable to any specific person except for the purpose for which the information was obtained, in accordance with VOCA.
- 3.12 Non-Disclosure of Confidential or Private Information. The subrecipient shall, to the extent permitted by law, reasonably protect the confidentiality and privacy of persons receiving services under this program and shall abide by the Non-Disclosure of Confidential or Private Information rules as outlined in the DPS-VOCA Guidelines.
- 3.13 Site inspections. The continuance of the subrecipient's subgrant award agreement is contingent upon successful completion of random or for-cause inspections. Failure to satisfactorily comply with Required Action items identified during the site inspection can result in termination of the subgrant award agreement.
- 3.14 Audit requirements. The subrecipient shall comply with the audit requirements of Title 2 C.F.R. Subpart F (§ 200.500 et seq.) of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the DPS VOCA guidelines.

The subrecipient understands and agrees that DPS may withhold award funds, or may impose other related requirements, if (as determined by DPS) the subrecipient does not satisfactorily and promptly address outstanding issues from audits required by the Part 200 Uniform Requirements (or by the terms of this award), or other outstanding issues that arise in connection with audits, investigations, or reviews of DOJ awards.

- 3.15 Financial statement availability. The nonprofit subrecipient shall make its financial statements available online (either on the subrecipient's or another publicly available website). Subrecipient organizations that have Federal 501(c)(3) tax status are considered in compliance with this requirement to the extent that such organizations file IRS Form 990 or similar tax documents (e.g., 990-EZ), as several sources already provide searchable online databases of such financial statements.
- 3.16 Certification of nonprofit status. The nonprofit subrecipient shall certify its nonprofit status by submitting a statement to DPS affirmatively asserting that the subrecipient is a nonprofit

organization, and by providing either 1) a copy of its 501(c)(3) designation letter; 2) a letter from the Arizona Department of Revenue or Arizona Attorney General's Office stating that the subrecipient is a nonprofit organization operating within Arizona; or 3) a copy of the agency's Arizona certificate of incorporation that substantiates its nonprofit status. Subrecipients that are local nonprofit affiliates of Arizona or national nonprofits should have available proof of (1), (2) or (3), and a statement by the Arizona or national parent organization that the subrecipient is a local nonprofit affiliate.

- 3.17 Reporting potential fraud, waste, abuse or misconduct. The subrecipient shall promptly notify the DOJ Office of the Inspector General (OIG) and DPS in writing of any credible evidence that a principal, employee, agent, contractor, subcontractor, or other person has in connection with funds under this award either (1) submitted a false claim for grant funds under the False Claims Act; or (2) committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct.

Potential fraud, waste, abuse, or misconduct involving or relating to funds under this award shall be reported to the OIG by (1) online submission accessible via the OIG webpage at <https://oig.justice.gov/hotline/contact-grants.htm> (select "Submit Report Online"); (2) mail directed to: Office of the Inspector General, U.S. Department of Justice, Office of the Inspector General, Investigations Division, ATTN: Fraud Detection Office, 950 Pennsylvania Ave., NW, Washington, DC 20530; and/or (3) facsimile directed to the DOJ OIG Investigations Division (Attn: Grantee Reporting) at (202) 616-9881 (fax).

Additional information is available from the DOJ OIG website at <https://oig.justice.gov/hotline>.

- 3.18 Restrictions and certifications regarding non-disclosure agreements and related matters. No subrecipient under this award, or entity that receives a procurement contract or subcontract with any funds under this award, may require any employee or contractor to sign an internal confidentiality agreement or statement that prohibits or otherwise restricts, or purports to prohibit or restrict, the reporting (in accordance with law) of waste, fraud, or abuse to an investigative or law enforcement representative of a federal department or agency authorized to receive such information.

The foregoing is not intended to contravene requirements applicable to Standard Form 312 (which relates to classified information), Form 4414 (which relates to sensitive compartmented information), or any other form issued by a federal department or agency governing the nondisclosure of classified information.

1. In accepting this award, the subrecipient—

- a. represents that it neither requires nor has required internal confidentiality agreements or statements from employee or contractors that currently prohibit or otherwise currently restricts (or purport to prohibit or restrict) employees or contractors from reporting waste, fraud, or abuse as described above; and
- b. certifies that, if it learns or is notified that it is or has been requiring its employees or contractors to execute agreements or statements that prohibit or otherwise restrict (or purport to prohibit or restrict), reporting of waste, fraud,

or abuse as described above, it will immediately stop any further obligations of award funds, will provide prompt written notification to the federal agency making this award, and will resume (or permit resumption of) such obligations only if expressly authorized to do so by that making agency.

2. If the subrecipient does or is authorized under this award to make subgrants, procurement contracts, or both—

a. It represents that –

i. It has determined that no other entity that the subrecipient’s application proposes may or will receive award funds (whether through a subgrant, procurement contract, or subcontract under a procurement contract) either requires or has required internal confidentiality agreements or statements from employees or contractors that currently prohibit or otherwise currently restrict (or purport to prohibit or restrict) employees or contractors from reporting waste, fraud, or abuse as described above; and

ii. It has made appropriate inquiry, or otherwise has an adequate factual basis, to support this representation; and

b. It certifies that, if it learns or is notified that any subrecipient, contractor, or subcontractor entity that receives funds under this award is or has been requiring its employees or contractors to execute agreements or statements that prohibit or otherwise restrict (or purport to prohibit or restrict), reporting of waste, fraud, or abuse as described above, it will immediately stop any further obligations of award funds to or by that entity, will provide prompt written notification to the federal agency making this award, and will resume (or permit resumption of) such obligations only if expressly authorized to do so by that agency.

3.19 Compliance with 41 U.S.C. § 4712 (including prohibitions on reprisal; notice to employees). The subrecipient must comply with, and is subject to, all applicable provisions of 41 U.S.C. § 4712, including all applicable provisions that prohibit under specified circumstances, discrimination against an employee as reprisal for the employee’s disclosure of information related to gross mismanagement of a federal grant, a gross waste of federal funds, an abuse of authority relating to a federal grant, a substantial and specific danger to public health or safety, or a violation of law, rules, or regulation related to a federal grant.

The subrecipient also must inform its employees, in writing (and in the predominant native language of the workforce), of employee rights and remedies under 41 U.S.C. § 4712.

Should a question arise as to the applicability of the provisions of 41 U.S.C. § 4712 to this award, the subrecipient is to contact the OJP and DPS for guidance.

3.20 Prohibited activities. The following activities are prohibited under this subgrant award agreement: 1. New construction. 2. Any renovation or remodeling of a property either (a)

listed on or eligible for listing on the National Register of Historical Places or (b) located within a 100-year floodplain, a wetland, or habitat for an endangered species. 3. A renovation which will change the basic prior use of a facility or significantly change its size. 4. Research and technology whose anticipated and future application could be expected to have an effect on the environment. 5. Implementation of a program involving the use of chemicals (including the identification, seizure, or closure of clandestine methamphetamine laboratories).

- 3.21 Subgrant award agreement renewal. DPS has the option to renew this project for a specified additional time period. The renewal of this project is contingent upon satisfactory performance, availability of funds, and demonstrated need.
- 3.22 System for Award Management. The subrecipient agrees to comply with applicable requirements regarding registration with the System for Award Management (SAM). After the initial registration, subrecipients are required to review and update the information at least annually and more frequently if required by changes in the subrecipient's information or another award item. Additional information about registration procedures may be found at the SAM website (www.sam.gov).
- 3.23 Employment eligibility verification for hiring under the award.
1. The subrecipient must:
 - A. Ensure that, as part of the hiring process for any position within the United States that is or will be funded (in whole or in part) with award funds, the subrecipient properly verifies the employment eligibility of the individual who is being hired, consistent with the provisions of 8 U.S.C. 1324a(a)(1) and (2), A.R.S. § 41-4401 and A.R.S. § 23-214.
 - B. Notify all persons associated with the subrecipient who are or will be involved in activities under this subaward of both (1) this award requirement for verification of employment eligibility, and (2) the associated provisions in 8 U.S.C. 1324a(a)(1) that, generally speaking, make it unlawful, in the United States, to hire (or recruit for employment) certain aliens.
 - C. Provide training (to the extent necessary) to those persons required by this condition to be notified of the subaward requirement for employment eligibility verification and of the associated provisions of 8 U.S.C. 1324a(a)(1).
 - D. As part of the recordkeeping for the subaward (including pursuant to the Part 200 Uniform Requirements), maintain records of all employment eligibility verifications pertinent to compliance with this award condition in accordance with Form I-9 record retention requirements, as well as records of all pertinent notifications and trainings.
 2. Monitoring – DPS is responsible for monitoring subrecipient compliance with this condition.

3. Allowable costs - To the extent that such costs are not reimbursed under any other federal program, DPS may allow subrecipients to use VOCA funds, if awarded for the reasonable, necessary, and allocable costs (if any) of actions designed to ensure compliance with this condition.

4. Rules of construction

- A. Staff involved in the hiring process - For purposes of this condition, persons "who are or will be involved in activities under this award" specifically includes (without limitation) any and all subrecipient officials or other staff who are or will be involved in the hiring process with respect to a position that is or will be funded (in whole or in part) with award funds.
- B. Employment eligibility confirmation with E-Verify - For purposes of satisfying the requirement of this condition regarding verification of employment eligibility, the subrecipient may choose to participate in, and use, E-Verify (www.e-verify.gov), provided an appropriate person authorized to act on behalf of the subrecipient uses E-Verify and follows the proper E-Verify procedures, including in the event of a "Tentative Nonconfirmation" or a "Final Nonconfirmation" to confirm employment eligibility for each hiring for a position in the United States that is or will be funded (in whole or in part) with award funds.
- C. "United States" specifically includes the District of Columbia, Puerto Rico, Guam, the Virgin Islands of the United States, and the Commonwealth of the Northern Mariana Islands.
- D. Nothing in this condition shall be understood to authorize or require any subrecipient at any tier, or any person or other entity, to violate any federal law, including any applicable civil rights or nondiscrimination law.
- E. Nothing in this condition, including in paragraph 4.B., shall be understood to relieve any subrecipient at any tier, or any person or other entity, of any obligation otherwise imposed by law, including 8 U.S.C. 1324a(a)(1). Questions about E-Verify should be directed to the Department of Homeland Security (DHS). For more information about E-Verify visit the E-Verify website (<https://www.e-verify.gov/>) or email E-Verify at E-Verify@dhs.gov. E-Verify employer agents can email E-Verify at E-VerifyEmployerAgent@dhs.gov.

Questions about the meaning or scope of this condition should be directed to DPS, before award acceptance.

3.24 Requirement of report actual or imminent breach of personally identifiable information (PII). The subrecipient must have written procedures in place to respond in the event of an actual or imminent "breach" (OMB M-17-12) if it-- 1) creates, collects, uses, processes, stores, maintains, disseminates, discloses, or disposes of "personally identifiable information (PII)" (2 CFR 200.1) within the scope of an OJP grant-funded program or activity, or 2) uses or operates a "Federal information system" (OMB Circular A-130). The

subrecipient's breach procedures must include a requirement to report actual or imminent breach of PII to DPS no later than 24 hours after an occurrence of an actual breach, or the detection of an imminent breach.

3.25 Unreasonable restrictions on competition under the award; association with federal government.

SCOPE. This condition applies with respect to any procurement of property or services that is funded (in whole or in part) by this subaward, whether by the recipient (DPS) or by any subrecipient at any tier, and regardless of the dollar amount of the purchase or acquisition, the method of procurement, or the nature of any legal instrument used. The provisions of this condition must be among those included in any subaward (at any tier).

1. No discrimination, in procurement transactions, against associates of the federal government Consistent with the (DOJ) Part 200 Uniform Requirements -- including as set out at 2 C.F.R. 200.300 (requiring awards to be "manage[d] and administer[ed] in a manner so as to ensure that Federal funding is expended and associated programs are implemented in full accordance with U.S. statutory and public policy requirements") and 200.319(a) (generally requiring "[a]ll procurement transactions [to] be conducted in a manner providing full and open competition" and forbidding practices "restrictive of competition," such as "[p]lacing unreasonable requirements on firms in order for them to qualify to do business" and taking "[a]ny arbitrary action in the procurement process") – no recipient (or subrecipient, at any tier) may (in any procurement transaction) discriminate against any person or entity on the basis of such person or entity's status as an "associate of the federal government" (or on the basis of such person or entity's status as a parent, affiliate, or subsidiary of such an associate), except as expressly set out in 2 C.F.R. 200.319(a) or as specifically authorized by USDOJ.
2. Monitoring - The DPS's monitoring responsibilities include monitoring of subrecipient compliance with this condition.
3. Allowable costs - To the extent that such costs are not reimbursed under any other federal program, DPS may allow subrecipients to use VOCA funds, if awarded for the reasonable, necessary, and allocable costs (if any) of actions designed to ensure compliance with this condition.
4. Rules of construction
 - A. The term "associate of the federal government" means any person or entity engaged or employed (in the past or at present) by or on behalf of the federal government -- as an employee, contractor or subcontractor (at any tier), grant recipient or -subrecipient (at any tier), agent, or otherwise -- in undertaking any work, project, or activity for or on behalf of (or in providing goods or services to or on behalf of) the federal government, and includes any applicant for such employment or engagement, and any person or entity committed by legal instrument to undertake any such work, project, or activity (or to provide such goods or services) in future.

- B. Nothing in this condition shall be understood to authorize or require any recipient, any subrecipient at any tier, or any person or other entity, to violate any federal law, including any applicable civil rights or nondiscrimination law.

- 3.26 Determination of suitability to interact with participating minors. This condition applies to this award if it is indicated in the application that a purpose of some or all of the activities to be carried out under the award is to benefit a set of individuals under 18 years of age. The subrecipient must make determinations of suitability before certain individuals may interact with participating minors. This requirement applies regardless of an individual's employment status. The details of this requirement are posted on the OJP web site at <https://ojp.gov/funding/Explore/Interact-Minors.htm> (Award condition: Determination of suitability required, in advance, for certain individuals who may interact with participating minors), and are incorporated by reference here and in the Determination of Suitability to Interact with Participating Minors certification.
- 3.27 Requirements related to System for Award Management and Universal Identifier Requirements. The subrecipient must comply with applicable requirements regarding the System for Award Management (SAM), currently accessible at <https://www.sam.gov/>. This includes applicable requirements regarding registration with SAM, as well as maintaining the currency of information in SAM.
- 3.28 Compliance with all applicable Federal civil rights and nondiscrimination laws. The subrecipient agrees that its compliance with all applicable Federal civil rights and nondiscrimination laws is material to the government's decision to make this award and any payment thereunder, including for purposes of the False Claims Act (31 U.S.C. 3729-3730 and 3801-3812), and, by accepting this subaward, certifies that it does not operate any programs (including any such programs having components relating to diversity, equity, and inclusion) that violate any applicable Federal civil rights or nondiscrimination laws.

4.0 Cost and Payments.

- 4.1 Available funds. Any award is dependent upon receipt of the VOCA Assistance funds from the U.S. Department of Justice, and there is no obligation on the part of DPS to award funds other than the federal VOCA Assistance funds.
- 4.2 Match waiver. Any award made with a match waiver pending approval from DPS, in accordance with the U.S. Department of Justice's match waiver approval process, is subject to reduction if the match waiver is not approved.
- 4.3 Compliance. Failure of the subrecipient to utilize DPS VOCA funds for direct services to crime victims or for training purposes as stated in the approved budget may be subject to immediate cancellation. The subrecipient shall not utilize VOCA funds for projects which serve perpetrators of crime or crime prevention, and/or for any other non-allowable cost or activity in accordance with DPS / VOCA guidelines. The subrecipient agrees to reimburse DPS for any VOCA funds the subrecipient expends that are not in full compliance with this subgrant award agreement.

- 4.4 No charge to victims. Subrecipients shall provide services to crime victims, at no charge, through the VOCA-funded project. The purpose of the VOCA victim assistance grant program is to provide services to all crime victims regardless of their ability to pay for services rendered or availability of insurance or other third-party payment resources.
- 4.5 Non-supplantation. VOCA crime victim assistance funds will be used to enhance or expand services and shall not be used to supplant state and local funds that would otherwise be available for crime victim services, 34 U.S.C. 20103(a)(2).
- 4.6 Funds management. The subrecipient shall provide appropriate accounting and monitoring procedures to ensure fiscal control and efficient management of funds, in accordance with the U.S. Department of Justice, Office of Justice Programs, Grants Financial Guide, effective edition.
- 4.7 Unexpended funds. The subrecipient shall immediately contact DPS to make arrangements to amend its budget to expend remaining funds or to reduce the contracted amount when it becomes apparent that not all VOCA grant funds will be expended by the end of the grant period. Any VOCA funds not expended or encumbered prior to the end of the award period shall be reverted to DPS within 30 days of the close of the grant period. Any funds not matched as required shall be reverted to DPS within 30 days of receipt of written notification from DPS.
- 4.8 Matching funds. The subrecipient shall commit, track and report matching funds at approximately the same percentage rate as VOCA expenditures. The subrecipient may commit, track and report match funds at a higher percentage rate each month, not to exceed the total required match amount. If the rate of VOCA expenditures reported surpasses the rate of match expenditures reported by more than 10%, the subgrant award agreement is subject to cancellation.
- 4.9 Training and conference expense. The subrecipient agrees to comply with all applicable laws, regulations, policies, and Official DOJ guidance (including specific cost limits, prior approval and reporting requirements, where applicable) governing the use of federal funds for expenses related to conferences (as that term is defined by DOJ), meetings, training, and other events, including the provision of food and/or beverage and costs of attendance at such events.
- 4.10 Training or training materials. The subrecipient understands and agrees that any training or training materials developed or delivered with funding provided under this award shall adhere to the OJP Training Guiding Principles for Grantees and Subgrantees, available at <https://ojp.gov/funding/Implement/TrainingPrinciplesForGrantees-Subgrantees.htm>.
- 4.11 Duplicate funding. The subrecipient agrees that if it currently has an open award of federal or state funds or if it receives an award of federal or state funds other than this award, and those award funds have been, are being, or are to be used, in whole or in part, for one or more of the identical cost items for which funds are being provided under this award, the subrecipient shall promptly notify DPS and, if so requested by DPS, seek an agreement amendment request to eliminate any duplication of funding.

5.0 Subgrant Award Agreement Changes.

- 5.1 Agreement Amendment. This subgrant award agreement is issued under the authority of the Director of the Arizona DPS and may be modified only through an Agreement Amendment, approved by DPS.
- 5.2 Assignment of duties. The subrecipient shall not assign or transfer any of its duties under this agreement without express written permission of DPS.
- 5.3 Scope of work. Awards are based on information presented in the subrecipient's on-line application. Any deviation from the scope of the project as stated in subrecipient's application shall be approved in writing by DPS prior to the use of such funds.
- 5.4 Subcontracts. The subrecipient shall not enter into any subcontract under this subgrant award agreement without the advance written approval of DPS. The subrecipient shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities in the application for funding or agreement amendment. The subcontract shall incorporate by reference the terms and conditions of this subgrant award agreement.

6.0 Indemnification.

Subrecipient Indemnification. To the fullest extent permitted by law, Contractor (as "Indemnitor") shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees (as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of, or recovered under, the Workers' Compensation Law or arising out of the failure of such Contractor to conform to any federal, state, or local law, statute, ordinance, rule, regulation, or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents, and employees for losses arising from the work performed by the Contractor for the State of Arizona.

This indemnity shall not apply if the contractor or sub-contractor(s) is/are an agency, board, commission or university of the State of Arizona.

7.0 Grant Remedies.

- 7.1 Requirements of the award; remedies for non-compliance or for materially false statements. The conditions of this award are material requirements of the award. Compliance with any certifications or assurances submitted by or on behalf of the subrecipient that relate to conduct during the period of performance also is a material requirement of this award.

Limited Exceptions. In certain special circumstances, the U.S. Department of Justice may determine that a legal notice regarding award requirements is necessary or that will not enforce, or enforce only in part, one or more requirements otherwise applicable to the award. Any such notice or exception regarding enforcement, including any such notice or exception made during the period of performance, is (or will be during the period of performance) set out through the Office of Justice Programs webpage entitled “Legal Notices: Special circumstances as to particular award conditions (ojp.gov/funding/Explore/LegalNotices-AwardReqs.htm), and incorporated by reference into the award. DPS will also issue notice as necessary.

By signing and accepting this subaward on behalf of the subrecipient, the authorized subrecipient official accepts all material requirements of the subaward, and specifically adopts all such assurances or certifications as if personally executed by the authorized subrecipient official.

Failure to comply with any one or more of these award requirements—whether a condition set out in full, a condition incorporated by reference, or a certification or assurance related to conduct during the award period—may result in DPS taking appropriate action with respect to the subrecipient and the award. Among other things, DPS may withhold award funds, disallow costs, or suspend or terminate the award. DPS, the Department of Justice (DOJ), including the Office of Justice Programs, also may take other legal action as appropriate.

Any materially false, fictitious, or fraudulent statement to DPS or DOJ (or concealment or omission of a material fact) may be the subject of criminal prosecution (including under 18 U.S.C. §§ 1001 and/or 1621, and/or 34 U.S.C. § 10271-10273), and also may lead to civil penalties and administrative remedies for false claims or otherwise (including under 31 U.S.C. §§ 3729-3730 and 3801-3812).

Should any provision of a requirement of this award be held to be invalid or unenforceable by its terms, that provision shall first be applied with a limited construction so as to give it the maximum effect permitted by law. Should it be held, instead, that the provision is utterly invalid or unenforceable, such provision shall be deemed severable from this award.

- 7.2 Right to Assurance. If DPS in good faith has reason to believe that the subrecipient does not intend to, or is unable to perform or continue performing under this subgrant award agreement, DPS may demand in writing that the subrecipient give a written assurance of intent to perform. Failure by the subrecipient to provide written assurance within the number of days specified in the demand may, at DPS’s option, be the basis for terminating the subgrant award agreement under the General Conditions or other rights and remedies available by law or provided by the subgrant award agreement.

- 7.3 Project implementation. If a project is not operational within 60 days of the original start date of the project period, the subrecipient shall submit written documentation to DPS explaining steps taken to initiate the project, the reasons for the delay, and the expected start date. If a project is not operational within 90 days of the original start date of the project period, the subrecipient shall submit a second written statement explaining the implementation delay. DPS reserves the right to cancel the agreement if the proposed project is not operational within 90 days of the original start date.

8.0 Grant Termination.

- 8.1 Cancellation for conflict of interest. Pursuant to A.R.S. § 38-511, the State may cancel this agreement without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the agreement on behalf of the State is or becomes at any time while the agreement or an extension of the agreement is in effect an employee of or a consultant to any other party to this agreement with respect to the subject matter of the agreement. The cancellation shall be effective when the subrecipient receives written notice of the cancellation unless the notice specifies a later time. If the subrecipient is a political subdivision of the State, it may also cancel this agreement as provided in A.R.S. § 38-511. In the event of cancellation under this paragraph, any unexpended funds received by the subrecipient shall be reverted within 30 days of the cancellation notification.
- 8.2 Gratuities. DPS may, by written notice, terminate this subgrant award agreement, in whole or in part, if DPS determines that employment or a gratuity was offered or made by the subrecipient or a representative of the subrecipient to any officer or employee of the state for the purpose of influencing the outcome of the grant award or in securing the subgrant award agreement, an amendment to the subgrant award agreement, or favorable treatment concerning the subgrant award agreement, including the making of any determination or decision about subgrant award agreement performance. DPS, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the gratuity offered by the subrecipient.
- 8.3 Suspension or Debarment. DPS may, by written notice to the subrecipient, immediately terminate this subgrant award agreement if DPS determines that the subrecipient has been debarred, suspended or otherwise lawfully prohibited from or ineligible for participation in federal assistance programs or activities, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Submittal of an application for funding or execution of a subgrant award agreement shall attest that the subrecipient is not currently suspended or debarred. If the subrecipient becomes suspended or debarred, the subrecipient shall immediately notify DPS.
- 8.4 Termination for convenience. DPS reserves the right to terminate the subgrant award agreement, in whole or in part any time, when in the best interest of DPS without penalty or recourse. Upon receipt of the written notice, the subrecipient shall stop all work as directed in the notice and minimize all further costs to DPS. In the event of termination under this paragraph, any unexpended funds received by the subrecipient shall be reverted within 30 days of the termination notification.

- 8.5 Termination for default. In addition to the rights reserved in the contract, DPS may terminate the subgrant award agreement in whole or in part due to the failure of the subrecipient to comply with any term or condition of the subgrant award agreement or to make satisfactory progress in performing the subgrant award agreement. DPS shall provide a 30-day written notice of termination and the reasons for termination to the subrecipient. In the event of termination under this paragraph, any unexpended funds received by the subrecipient shall be reverted within 30 days of the termination notification. The subrecipient has the option to appeal within 20 calendar days of the date of the written notice of termination. The final decision will be at the discretion of the Director or his designee.
- 8.6 Continuation of performance through termination. The subrecipient shall continue to perform, in accordance with the requirements of the subgrant award agreement, up to the date of termination, as directed in the termination notice.
- 8.7 Termination by subrecipient. Upon written notice to DPS, the subrecipient may cancel this subgrant award agreement. Any unexpended funds shall immediately be reverted to DPS.

9.0 Arbitration.

The parties to this subgrant award agreement agree to resolve all disputes arising out of or relating to this subgrant award agreement through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518 except as may be required by other applicable statutes (Title 41, Chapter 23).

10.0 Other Service Requirements and Prohibited Activities.

- 10.1 Collaboration. The subrecipient agrees to continually and proactively participate in developing partner relationships among other service providers in the effort to aid crime victims within the community served.
- 10.2 Demographics. The subrecipient agrees to collect and maintain information on race, sex, national origin, age, and disability of victims receiving assistance through this project, where such information is voluntarily furnished by the victim.
- 10.3 Key staff changes. The subrecipient agrees to promptly notify DPS of changes in key staff members identified in the grant application, to include Project Contact, Civil Rights Contact, Crime Victim Compensation Coordinator, Project Director, Financial Contact, Authorizing Official, and VOCA funded staff and/or staff used as match.
- 10.4 Vacancies. The subrecipient agrees to promptly notify DPS in writing when any VOCA funded or match employee position is vacated and when any VOCA funded or match employee position is filled.
- 10.5 Surveys. The subrecipient agrees to utilize customer feedback surveys to assist the agency with contracted project outcome and quality measures. Feedback and satisfaction surveys

will utilize the Likert Scale of Measurement (Strongly Agree, Agree, Neither Agree or Disagree, Disagree, Strongly Disagree).

- 10.6 Victim Compensation. The subrecipient agrees to assist eligible victims in seeking available crime victim compensation benefits provided by the state victim compensation program. The subrecipient shall designate a Victim Compensation Coordinator within its agency. The Victim Compensation Coordinator shall receive victim compensation training from his/her county attorney's office or complete the Arizona Criminal Justice Commission (ACJC) on-line Introduction to Crime Victim Compensation training module. If training has not been received, the subrecipient shall arrange for and attend training within 90 days from the first day of this subgrant award agreement or 90 days after reassignment of new staff in this role.
- 10.7 Victims' Rights. The subrecipient agrees to notify victims of Victims' Rights (A.R.S. Title 13, Chapter 40 Crime Victims' Rights; and A.R.S. Title 8, Chapter 3, Article 7 Victims' Rights for Juvenile Offenses) and to offer to connect the victim with a representative from the prosecutor's or county attorney's office if the victim so chooses. Subrecipients shall ensure that all DPS-VOCA funded and match staff and their first line supervisor have attended a victims' rights presentation from the Arizona Attorney General's Office.
- 10.8 Civil Rights. The subrecipient shall designate a Civil Rights Contact Person within its agency. This person shall complete the on-line civil rights training program offered by the Office for Civil Rights (OCR), Office of Justice Programs (OJP), Department of Justice (DOJ) via the Arizona Criminal Justice Commission (ACJC) website. The subrecipient shall ensure the Civil Rights Contact Person completes the training within 90 days from the first day of this subgrant award agreement or 90 days after reassignment of new staff in this role.
- 10.9 Volunteers. The subrecipient agrees to incorporate the use of volunteers to assist in carrying out the agency's mission. The use of volunteers is a current and ongoing requirement for all projects.
- 10.10 Text messaging policy. Pursuant to Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving," 74 Fed. Reg. 51225 (October 1, 2009), the Department of Justice (DOJ) encourages subrecipients to adopt and enforce policies banning employees from text messaging while driving any vehicle during the course of performing work funded by this grant, and to establish workplace safety policies and conduct education, awareness, and other outreach to decrease crashes caused by distracted drivers.
- 10.11 Human Trafficking. The subrecipient must comply with all applicable requirements (including requirements to report allegations) pertaining to prohibited conduct related to the trafficking of persons whether on the part of subrecipients or individuals defined as "employees" of the subrecipient. The details of the subrecipient's obligations related to prohibited conduct related to trafficking in persons are posted on the OJP website at <https://ojp.gov/funding/Explore/ProhibitedConduct-Trafficking.htm>.

10.12 Compliance with general appropriations-law restrictions on the use of federal funds. The subrecipient shall comply with all applicable restrictions on the use of federal funds set out in federal appropriations statutes.

Should a question arise as to whether a particular use of federal funds by a subrecipient would or might fall within the scope of a restriction set out in this award condition, the recipient is to contact DPS for guidance, and may not proceed without the express prior written approval of DPS.

Publicity or Propaganda. Federal funds are not legally available, and may not be used (whether directly or indirectly, including by private contractors), for publicity or propaganda purposes not authorized by Congress.

Employee Trainings. Federal funds are not legally available, and may not be used, for any employee training that:

1. does not meet identified needs for knowledge, skills, and abilities bearing directly upon the performance of official duties;
2. contains elements likely to induce high levels of emotional response or psychological stress in some participants;
3. does not require prior employee notification of the content and methods to be used in the training and written end-of-course evaluation;
4. contains any methods or content associated with religious or quasi-religious belief systems or “new age” belief systems as defined in Equal Employment Opportunity Commission Notice N-915.022, dated September 2, 1988; or
5. is offensive to, or designed to change, participants’ personal values or lifestyle outside the workplace.

Nothing in this provision prohibits, restricts, or otherwise precludes an agency from conducting training bearing directly upon the performance of official duties.

Nondisclosure policies, forms, and agreements. Federal funds are not legally available, and may not be used, to implement or enforce any nondisclosure policy, form, or agreement, if such policy, form, or agreement does not contain the following provisions:

“These provisions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by existing federal statute or Executive Order relating to 1) classified information; 2) communications to Congress; 3) the reporting to an Inspector General of a violation of any law, rule, or regulation, or mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety; or 4) any other whistleblower protection. The definitions, requirements, obligations, rights, sanctions, and liabilities created by controlling Executive Orders and federal statutory provisions are incorporated into this agreement and are controlling.”

Nondiscrimination in programs involving students. Funds appropriated under the Department of Justice Appropriations Act, 2025, and awarded by OJP are not legally

available, and may not be used, to discriminate against or denigrate the religious or moral beliefs of students who participate in programs for which financial assistance is provided from those funds, or those of their parents or legal guardians.

Blocking of pornography on computer networks. Funds appropriated under the Full-Year Continuing Appropriations Act, 2025, and awarded by OJP are not legally available and, may not be used, to maintain or establish a computer network unless such network blocks the viewing, downloading, and exchanging of pornography. Nothing in this provision limits the use of funds necessary for any federal, State, tribal, or local law enforcement agency or any other entity carrying out criminal investigations, prosecution, adjudication, or other law enforcement or victim assistance-related activity.

Award or incentive fees to contractors. Funds appropriated under the Full-Year Continuing Appropriations Act, 2025, and awarded by OJP are not legally available, and may not be used, to pay award or incentive fees for contractor performance that has been judged to be below satisfactory performance or for performance that does not meet the basic requirements of a contract.

Use of funds in connection with abortion. Fund appropriated under the Full-Year Continuing Appropriations Act, 2025, and awarded by OJP are not legally available, and may not be used – (1) to pay for an abortion, except where the life of the mother would be endangered if the fetus were carried to term, or in the case of rape or incest; or (2) to require any person to perform, or facilitate in any way the performance of, any abortion.

“Pay-to-stay” at local jails. Funds appropriated to the Department of Justice through an annual appropriations statute and awarded by OJP are not legally available to, and may not be provided to, any local jail that runs a “pay-to-stay” program. (Monies in the Crime Victims Fund are not appropriated through an annual appropriations statute.)

10.13 Israel Boycott Divestments. Subrecipient warrants it is not engaged in a boycott of Israel as defined by A.R.S. § 35-393.01.

As the duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above general conditions.

Subrecipient (organization) Name: _____

Signature: _____
Authorizing Official

Date

Printed Name and Title of Authorizing Official

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

Agenda Item: 7C.

Date Prepared: 10/21/2025

Council Meeting Date: 11/4/2025

TO: Henry Darwin, City Manager

THROUGH: Kevin Burke, Deputy City Manager

FROM: Sean Kindell, Chief Financial Officer

SUBJECT: Tohono O'odham Nation Tribal Grant - Non-profit Pass-Through, TheaterWorks

Purpose:

Discussion and possible action to adopt **RES. 2025-104** Authorizing the City of Peoria to act as the pass-through municipality for local TheaterWorks, a local 501(c)(3) organization awarded grant funding from Tohono O'odham Nation.

Summary:

Proposition 202, passed with the 2002 Gaming Compact in Arizona, directs participating Tribal Governments to share gaming revenues with surrounding local governments. Nonprofit organizations with IRS 501(c)(3) designations are the only entities eligible to compete for Indian Community gaming grants if they have a local government agreeing to serve as a pass-through agent. As a pass-through agent, local governments receive the grant award from the Indian Community and forward the amount to the nonprofit organization.

TheaterWorks is a 501(c)(3) organization located in the City of Peoria, was awarded \$15,000 from the Tohono O'odham Nation to support the Youth Education Program.

One of TheaterWorks' most impactful and long-standing initiatives is TheaterAlive, a youth education program that has existed since its founding in 1986. TheaterAlive provides high-quality theatrical training in acting, voice, movement, and stage presence for students of all levels. Weekly rehearsals over 12 weeks build not only theatrical skill but also confidence, teamwork, communication, and creative expression.

The program culminates in a full-scale production presented on the MainStage of the Peoria

Center for the Performing Arts, complete with professional lighting, costumes, and set design. These performances offer students a rare opportunity to experience the full spectrum of theatrical production while showcasing their growth to family and peers. Tuition fees for TheaterAlive cover only about 50% of the program's actual cost. Many families require tuition assistance, and it is TheaterWorks' organizational commitment to never turn away a student due to financial limitations. Support from grants and foundations makes it possible to keep this vital program accessible to all.

Previous Actions/Background:

The City has acted as the pass-through agent for other Tohono O'odham Nation grants, most recently for Benevilla which was approved on June 3, 2025.

Staff Recommendation:

Staff have vetted this organization and their program request and recommends approval of this resolution.

Fiscal Analysis:

There is no fiscal impact. Tohono O'odham Nation will transfer the funds to the City, which will manage the distribution to the entity in accordance with State law.

ATTACHMENTS:

Resolution

TheaterWorks grant proposal

TheaterWorks award letter

Contact Name and Number:

Sean Kindell, (623) 773-7819

RESOLUTION NO. 2025-104

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE
CITY OF PEORIA, MARICOPA COUNTY, ARIZONA,
SUPPORTING THE THEATERWORKS APPLICATION FOR
TOHONO O'ODHAM NATION GRANT FUNDS.

WHEREAS, TheaterWorks, a nonprofit performing arts organization in Peoria, is seeking \$15,000 to support its youth education programs; and

WHEREAS, TheaterWorks is requesting a State-Shared Revenue Grant from Tohono O'odham Nation; and

WHEREAS, the City of Peoria is authorized to enter into this Grant with the Tonoho O'odham Nation pursuant to A.R.S. 11-952 which provision empowers Arizona political subdivisions to enter into intergovernmental agreement with Federal entities and agencies, such as Indian Tribes; and

WHEREAS, the Tonoho O'odham Nation administer a State-Shared Revenue Grant Program; and

WHEREAS, the public's best interest would be served by the City supporting the TheaterWorks application, which will assist in providing transformative arts experiences to youth throughout the West Valley;

NOW THEREFORE, be it resolved by the Mayor and Council of the City of Peoria, Maricopa County, Arizona as follows:

SECTION 1. Approved support of the TheaterWorks grant proposal for Tohono O'odham Nation State-Shared Revenue Grant funds of \$15,000.

SECTION 2. Agrees to perform the duties of the fiscal agent and comply with all appropriate procedures and guidelines established by the Tohono O'odham Nation as part of this process.

PASSED AND ADOPTED by the Mayor and Council of the City of Peoria,
Arizona, this 4th day of November, 2025.

Jason Beck, Mayor

Date Signed

ATTEST:

Agnes Goodwine, City Clerk

APPROVED AS TO FORM:

Emily Jurmu, City Attorney

To Whom It May Concern:

TheaterWorks is a nonprofit performing arts organization in Peoria, Arizona, currently celebrating its 40th anniversary season. As a cornerstone of cultural life in Phoenix's West Valley, TheaterWorks is dedicated to enriching the lives of our community members through accessible, high-quality performing arts experiences. Each year, we welcome more than 17,000 patrons through our doors and serve thousands more through our education and community partnership programs. As public funding for the arts continues to decline, support from private foundations and donors is more essential than ever to sustain our mission and expand our impact.

We are respectfully requesting support for our Youth Education Programs in the amount of \$15,000. This funding will provide essential support for TheaterWorks' Youth Education programming and infrastructure, ensuring that we can continue delivering transformative arts experiences to youth throughout the West Valley and Greater Phoenix. As outlined in the budget, the requested funds will cover a portion of the expenses for both TheaterAlive, After School Residency Programs, and YouthWorks productions.

One of TheaterWorks' most impactful and long-standing initiatives is TheaterAlive, a youth education program that has been at the heart of our mission since our founding in 1986. TheaterAlive provides high-quality theatrical training in acting, voice, movement, and stage presence for students of all levels. Weekly rehearsals over 12 weeks build not only theatrical skill but also confidence, teamwork, communication, and creative expression.

The program culminates in a full-scale production presented on the MainStage of the Peoria Center for the Performing Arts, complete with professional lighting, costumes, and set design. These performances offer students a rare opportunity to experience the full spectrum of theatrical production while showcasing their growth to family and peers.

Tuition fees for TheaterAlive cover only about 50% of the program's actual cost. Many families require tuition assistance, and it is our organizational commitment to never turn away a student due to financial limitations. Support from grants and foundations makes it possible to keep this vital program accessible to all. A grant from Tohono O'odham Nation will help us cover production costs and expand scholarship availability, ensuring that cost is never a barrier to participation.

Many students begin with TheaterAlive and go on to participate in our YouthWorks productions, which offer larger-scale youth theater productions that foster deeper

engagement and lifelong passion for the arts. Through this pipeline, we are cultivating the next generation of artists, audiences, and creative thinkers.

In partnership with the Peoria Unified School Districts, TheaterWorks also provides after-school residencies at no cost to participating students. These programs are currently supported with Title I funds that many fear will not be available next year. Students rehearse at their school with a team of teaching artists for 14 weeks. The program culminates with them performing their show at TheaterWorks with the assistance of the professional design team. Students are able to perform on a real stage with microphones, professional lighting, scenery, and costumes. For many students, this is their first time being in a real theater. They are able to share the experience with their families and learning communities with a free-to-the-public evening performance.

The allocated budget for these programs has been summarized below:

- Production Contract Personnel
 - Choreographers: \$3,600
 - Costume Designers: \$2,200
 - Hair and Makeup Designers: \$500
 - Instructors: \$64,880
 - Interns: \$400
 - Musical Directors: \$3,600
 - Prop Design/Property Master: \$3,000
 - Scenic Painter: \$1,500
 - Set Designer: \$2,300
 - Stage Crew: \$800
 - Stage Manager: \$4,600
 - TOTAL COST: \$87,380
- Production Expenses
 - Costume Cleaning: \$1,900
 - Costumes: \$4,900
 - Makeup: \$300
 - Materials/Scripts: \$1,200
 - Media Expenses: \$630
 - Props: \$700
 - Royalties and Rights: \$5,048
 - Set Materials: \$1,800
 - Sound Expenses: \$500
 - TOTAL COST: \$16,978
- Advertising Expenses

- TOTAL COST: \$4,200

Funds for our Youth Education Programs have been requested from the City of Peoria in the amount of \$7,500, and the application is pending approval. TheaterWorks has also requested \$7,500 from the M3F fund specifically for Youth Education Programs. Should all grants be approved, the amounts would still not completely cover the cost of our programming.

TheaterWorks has not previously received a 12% distribution from the Tohono O'odham Nation or other Arizona Tribes.

The designated contact person for this application is as follows:

Lindsey Murphy
Development Manager
LMurphy@theaterworks.org
623-328-7485
10580 N. 83rd Dr., Peoria, AZ 85345
TheaterWorks does not have a fax number

Alternate Contact:
Chris Hamby
Executive Director
CHamby@theaterworks.org
623-337-5758
10580 N. 83rd Dr., Peoria, AZ 85345
TheaterWorks does not have a fax number

TheaterWorks has a great working relationship with the City of Peoria, as we occupy the Peoria Center for the Performing Arts. We would work with the City of Peoria should funds be approved.

TheaterWorks has served Greater Phoenix for four decades, and our commitment to community-driven, inclusive, and high-quality performing arts remains as strong as ever. Our proposal aligns with three priority areas: Education, Child Advocacy, and Cultural & Environmental Development and Protection. We continue to grow artistically and organizationally, with a record-breaking year behind us and strong momentum ahead. But sustaining and expanding our impact requires the support of partners who believe in the power of the arts to transform lives.

A \$15,000 grant will directly support our youth theater productions, education programs, and community partnerships that will strengthen our infrastructure, deepen our impact, and ensure our long-term sustainability. With your help, TheaterWorks can continue to bring transformative arts experiences to thousands of youth and families across Arizona.

We are deeply grateful for your consideration and for your commitment to keeping the arts alive and accessible in our communities.

Lindsey Murphy
Development Manager
623-328-7485
lmurphy@theaterworks.org
<https://theaterworks.org>

TOHONO O'ODHAM NATION OFFICE OF THE CHAIRMAN AND VICE CHAIRWOMAN

Verlon M. Jose
CHAIRMAN



Carla L. Johnson
VICE CHAIRWOMAN

September 17, 2025

Ms. Lindsey Murphy
Development Manager
TheaterWorks
10580 N 83rd Dr
Peoria, AZ 85345

Dear Ms. Murphy:

I am pleased to inform you that your proposal submitted on behalf of TheaterWorks was selected by the Tohono O'odham Nation as a recipient of the 12% grant funding in the amount of \$15,000.00 for Youth Education Programs. We are honored to support local communities and hope that this grant will make positive impacts in Arizona.

As was indicated in the Request for Proposals issued by the Nation, the grant is conditional upon development of a Grant-in-Aid. The Nation will soon begin drafting a Grant-in-Aid with the corresponding municipality to take the steps necessary for final approval of this grant funding. If you have any questions about this process, please reach out to your grants contact at the City of Peoria.

Congratulations and I look forward to working with you to finalize your grant award.

Sincerely,


Verlon Jose
Chairman, Tohono O'odham Nation

Together We Are Stronger

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

Agenda Item: 8C.

Date Prepared: 10/23/2025

Council Meeting Date: 11/4/2025

TO: Henry Darwin, City Manager

THROUGH: Mike Faust, Deputy City Manager

FROM: Chris Hallett, Neighborhood and Human Services Director

SUBJECT: Intergovernmental Agreement; Maricopa County HOME Consortium; Use of Federal Fiscal Year 2025 HOME Investment Partnership Program Grant Funds; Annual Allocation

Purpose:

Discussion and possible action to: (a) approve an amendment to the Federal Fiscal Year 2022 Intergovernmental Agreement (LCON06921C) with Maricopa County governing the City's annual HOME Investment Partnership Program grant allocation to include the Federal Fiscal Year 2025 (current) allocation of \$270,017 in accordance with budget authority previously approved by Council; and (b) adopt **RES. 2025-105** authorizing the City Manager, or designee, to execute Administrative Change Orders and Addenda associated with the Agreement; and (c) authorize Staff to execute all required documents.

Summary:

The U.S. Department of Housing and Urban Development (HUD) allows units of local government that are geographically contiguous to form a consortium or the purpose of participating in the HOME Investment Partnership Program (HOME) and receiving annual allocations of funds to further affordable housing projects. As allowed, the Cities of Avondale, Chandler, Glendale, Peoria, Scottsdale, Surprise and Tempe, the Town of Gilbert and the County of Maricopa collectively formed the Maricopa HOME Consortium (Consortium) with Maricopa County acting as the Lead Agency and HUD providing regulatory oversight.

HUD requires each member of the Consortium to execute an annual Intergovernmental Agreement with the Lead Agency in order to receive the formula allocation of Consortium grant funds.

The City's allocation of HOME funds for Federal Fiscal Year 2025 was \$270,017. After recommendation by the Council Not-For-Profit Review and Housing Subcommittee, the City Council approved the funds to be used as follows:

Agency	Description	Funding
A New Leaf	Tenant Based Rental Assistance	\$253,141
City of Peoria	Administration	\$16,876
	Total	\$270,017

Previous Actions/Background:

- June 3, 2025 – Federal Fiscal Year 2025 Allocation approved with the City Council final budget adoption.
- May 13, 2025 – Federal Fiscal Year 2025 Allocation approved with the City Council tentative budget adoption.
- February 26, 2025 – Federal Fiscal Year 2025 Allocation recommendation determined by the Council Not-For-Profit Review and Housing Subcommittee

Staff Recommendation:

Staff recommends that the City Council approve the requested amendment to the Intergovernmental Agreement LCON06921C and adopt RES. 2025-XX, which authorizes the City Manager, or designee, to execute Administrative Change Orders and Addenda associated with the Agreement. This will allow the City to administer the HOME Program grant as envisioned through the budget as well as comply with HUD regulations in order to receive the formula allocation of Consortium HOME grant funds.

Fiscal Analysis:

No fiscal impact.

ATTACHMENTS:

Resolution - Approve Amendment 4
 LCON06921C - Requested Amendment Redacted
 LCON06921 - Redacted
 LCON06921A - Redacted
 LCON06921B - Redacted

Contact Name and Number:

Chris Hallett, Neighborhood & Human Services Director, (623) 773-7955

RESOLUTION NO. 2025-105

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA, APPROVING AMENDMENT NO. 4 TO THE INTERGOVERNMENTAL AGREEMENT BETWEEN MARICOPA COUNTY, ADMINISTERED BY ITS HUMAN SERVICES DEPARTMENT, AND THE CITY OF PEORIA FOR THE HOME INVESTMENT PARTNERSHIPS PROGRAM; AUTHORIZING THE CITY MANAGER OR DESIGNEE TO EXECUTE ALL NECESSARY DOCUMENTS; AND AUTHORIZING ADMINISTRATIVE CHANGE ORDERS ASSOCIATED WITH THE AGREEMENT.

WHEREAS, the City of Peoria (“City”) and Maricopa County (“County”) entered into an Intergovernmental Agreement (“IGA”) on or about November 17, 2021, for the purpose of acquiring and rehabilitating single-family homes under the U.S. Department of Housing and Urban Development (HUD) HOME Investment Partnerships Program; and

WHEREAS, the Parties have subsequently executed Amendment Nos. 1 through 3 to the IGA to add additional program years, work statements, and funding; and

WHEREAS, Amendment No. 4 to the IGA increases the County’s total funding commitment from \$1,308,206 to \$1,578,223, extends the Agreement term through September 30, 2028, revises specific general and special provisions, and adds a new Program Year 2025 Tenant-Based Rental Assistance (TBRA) Work Statement; and

WHEREAS, it is in the best interest of the City to approve Amendment No. 4 to continue HOME-funded housing activities that benefit Peoria residents; and

WHEREAS, the Mayor and Council further desire to authorize the City Manager, or designee, to execute Administrative Change Orders (“ACOs”) related to this Agreement to efficiently address non-substantive or administrative modifications consistent with the County’s ACO provisions.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Peoria, Maricopa County, Arizona, as follows:

SECTION 1. The Mayor and Council hereby approve Amendment No. 4 to the Intergovernmental Agreement between Maricopa County, administered by its Human Services Department, and the City of Peoria for the HOME Investment Partnerships Program, as presented.

SECTION 2. The City Manager, or designee, upon the recommendation of the Neighborhood & Human Services Department and City Attorney’s Office is authorized to review, approve, and execute Administrative Change Orders and Addenda associated with the Agreement and any subsequent amendments. Administrative Change Orders may address any of the following areas:

- a. Modifications to the Project timeline if the last day of the project timeline is within the Agreement term;
- b. Modifications to Budget line items if the Agreement Amount remains unchanged;
- c. Modifications required by federal, state, or County regulations, ordinances, or policies; and/or
- d. Modifications to Administrative requirements such as changes in reporting periods, frequency of reports, or report formats required by HUD or local regulations, policies, or requirements.

SECTION 3. Administrative Change Orders and Addenda executed under this authority shall be effective upon signature by both Parties and shall be maintained in the City's official contract file.

SECTION 4. The Mayor, City Clerk, and City Attorney are authorized and directed to take all actions necessary to give effect to this Resolution.

PASSED AND ADOPTED by the Mayor and Council of the City of Peoria, Arizona, this _____ day of _____, 2025.

Jason Beck, Mayor

Date Signed

ATTEST:

Agnes Goodwine, City Clerk

APPROVED AS TO FORM:

Emily Jurmu, City Attorney

Board Approved 3/26/2025

AMENDMENT NO. 3 TO THE
INTERGOVERNMENTAL AGREEMENT
BETWEEN
MARICOPA COUNTY
ADMINISTERED BY ITS
HUMAN SERVICES DEPARTMENT
AND
CITY OF PEORIA

- I. Maricopa County ("County") administered by its Human Services Department and the City of Peoria ("City") entered into a financial Intergovernmental Agreement ("Agreement") on or about November 17, 2021. The purpose of the Agreement is for the City to acquire and rehabilitate two (2) single-family homes in Peoria, one (1) single-family home for Program Year 2020 and one (1) single-family home for Program Year 2021. The County provided the City with \$235,817 in Program Year 2020 and \$232,061 in Program Year 2021 HOME Investment Partnerships Program (HOME) funds from the U.S. Department of Housing and Urban Development (HUD) under Assistance Listing Number (ALN) 14.239. All work performed or costs incurred or expended shall be reimbursable through September 30, 2025. The County and the City may be referred to individually as the "Party" and collectively referred to as the "Parties."

The Parties executed Amendment No. 1 on or about December 7th, 2022, to address the following: 1) Change lead agency to Maricopa County Representative. 2) Amend Section 2 (Special Provisions), Subparagraph 14.0 by adding subparagraph 14.12 regarding forced labor in the Peoples Republic of China 3) Add an additional Work Statement referred to as "2022 Work Statement", attached and incorporated into the Agreement. The 2022 Work Statement is for the City to acquire and rehabilitate two (2) single-family houses in the City of Peoria. All work performed, or costs incurred expenses shall be reimbursable through September 30, 2025. The County provided the City with \$275,546 for the Work Statement activities. Under the Amended Agreement, County funding was increased from \$467,878 to \$743,424 in total HOME funds.

The Parties executed Amendment No. 2 on or about April 18, 2024, to address the following: 1) Extend the Agreement termination date from September 30, 2025, through September 30, 2026,. 2) Add an additional Work Statement referred to as "2023 Work Statement", attached and incorporated into the Agreement. The 2023 Work Statement is for the City to acquire and rehabilitate two (2) single-family houses in the City of Peoria. This project is a scattered-site single-family homeownership project. Expenditures for this Work Statement and all work performed, or costs incurred shall be reimbursable through September 30, 2026. The County shall provide the City with \$297,476 for the Work Statement activities. The funding for Work Statement is provided by PY23 HOME Investment Partnerships Program (HOME) through the U.S. Department of Housing and Urban Development (HUD) funds, under ALN 14.239, and 3) under the Amended Agreement, County funding was increased from \$743,424 to \$1,040,900 in total HOME funds.

- II. The Parties now agree to modify the Agreement as authorized by Section 1 (General Provisions), Paragraph 3.0 (Amendments) of the Agreement as follows:
- A. Extend the Agreement termination date from September 30, 2026, through September 30, 2027.

- B. Change Lead Agency Maricopa County Representative:
Jamie Macfarlane, Assistant Director, Housing and Community Development
Email: jamie.macfarlane@maricopa.gov
Phone: 602-506-5813
Address: 234 N. Central Ave, 3rd Floor Phoenix, AZ 85004
- C. Revise Section 1 (General Provisions), Paragraph 11 (Budget Adjustments) by removing Subparagraphs 11.1 and 11.2 in their entirety and replacing them with the following:
- 11.1 Any requests for reasonable budget adjustments shall be submitted ninety (90) calendar days prior to the Termination Date of this Agreement. Requests for financial adjustments to this Agreement shall be supported by appropriate documentation. If the County agrees to the budget adjustments, the County shall follow Paragraph 10.0 above.
 - 11.2 The City must receive prior written approval from the County to move funds from one budget line item to another. Budget adjustments that do not change the total Agreement amount may be documented by an Administrative Change Order approved and fully executed by the Chairman of the Board of Supervisors and the City's authorized Representative and defined in Section 2 (Special Provisions), Paragraph 20.0 (General Conditions). If a budget adjustment is necessary that either increases or decreases the Agreement amount, then the County shall follow Section 1 (General Provisions), Paragraph 3.0 (Amendments) of this Agreement to amend the Agreement.
- D. Revise Section 1 (General Provisions), Paragraph 12 (Disputes) by removing Subparagraph 12.2 in its entirety and replacing it with the following:
- 12.2 If a dispute cannot be resolved informally, then the City shall notify the Department in writing by mailing notice of the dispute to the Assistant Director within ten (10) business days from expiration of the informal dispute resolution process described in Subparagraph 12.1 above.
- E. Add the following Paragraphs to the Agreement in Section 1 (General Provisions):

54.0 PROVISIONS REQUIRED BY LAW

Each and every provision of law and any clause required by law to be in this Agreement will be read and enforced as though it were included herein and, if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, this Agreement will promptly be physically amended to make such insertion or correction.

55.0 UNIQUE ENTITY IDENTIFIER AND SYSTEM FOR AWARD MANAGEMENT REGISTRATION

The City shall have a valid Unique Entity Identifier (UEI) number and an active profile in the federal System for Award Management, or [SAM.gov](https://sam.gov). Documentation of the UEI Number must be included in all project files. The City must remain current with their registration throughout the term of the Agreement. The City and its subcontractors will not receive a subaward until the entity has provided its UEI number as identified in 2 C.F.R. § 25.300; Appendix A to 2 C.F.R. § 25.

- F. Revise Section 2 (Special Provisions) by removing the first paragraph STANDARDS in its entirety and replacing it with the following:

STANDARDS

The City shall perform the work and provide the services identified in the Work Statement and shall immediately notify the County whenever the City is unable to, or anticipates an inability to, perform any of the work, or provide any of the services required by the terms of this Agreement. The City acknowledges that any inability to perform the work and provide the services, or comply with the standards, set forth in this Agreement may subject the City to the remedies provided in Paragraph 4.0, Default and Remedies for Noncompliance in the Special Provisions.

- G. Revise Section 2 (Special Provisions), by removing Paragraph 1 (Compliance With Laws, Rules & Regulations) in its entirety and replacing it with the following:

1.0 COMPLIANCE, WITH LAWS, RULES AND REGULATIONS

This Agreement and the Parties to it are subject to all applicable federal, state, or local laws, rules, and regulations. The City shall comply with all applicable laws, rules and regulations, without limitation to those designated within this Agreement. Refer to Paragraph 4.0, Default and Remedies for Noncompliance provided in the Special Provisions.

- H. Revise Section 2 (Special Provisions), Paragraph 15 (Subcontracts and Vendors) by removing Subparagraph 15.2 in its entirety and replacing it with the following:

15.2 UEI Number – All Subcontractors shall have a valid UEI number and an active profile in the Federal System for Award Management, or SAM.

- I. Revise Section 2 (Special Provisions), Paragraph 18 (Program Completion) by removing Subparagraph 18.2 in its entirety and replacing it with the following:

18.2 The disposition of any property purchased during the term of this Agreement shall follow Section 1 (General Provisions), Paragraph 45.0 (Property).

- J. Revise Section III (Work Statement) to address the following:

1. Revise and replace 2022 Work Statement attached and incorporated into the Agreement. All work performed, or costs incurred shall be reimbursable through September 30, 2025. The funding amount of \$275,546 remains unchanged.
2. Revise and replace 2023 Work Statement attached and incorporated into the Agreement. All work performed, or costs incurred shall be reimbursable through September 30, 2026. The funding amount of \$297,476.
3. Add an additional Work Statement hereinafter referred to as "PY24 Work Statement A- Acquisition and Rehab for Homebuyers" attached and incorporated into the Agreement. The County shall provide the City with \$130,599 for the Work Statement activities, provided by PY24 HOME Investment Partnership Program (HOME) funds through the US. Department of Housing and Urban Development (HUD) provided to the County under ALN 14.239. All work performed, or costs incurred shall be reimbursable through September 30, 2027.

4. Add an additional Work Statement hereinafter referred to as "PY24 Work Statement B- Acquisition and New Construction for Homebuyers" attached and incorporated into the Agreement. The County shall provide the City with \$136,707 for the Work Statement activities, provided by PY24 HOME funds through the US. Department of Housing and Urban Development (HUD) provided to the County under ALN 14.239. All work performed, or costs incurred shall be reimbursable through September 30, 2027.
- K. Under the Amended Agreement, County funding shall be increased from \$1,040,900, by \$267,306, for a new Agreement total of \$1,308,206.
- III. Section II above contains all the changes to the Agreement made by this Amendment No. 3. The Agreement is amended to incorporate the changes contained in this Amendment No. 3. All other terms and conditions of the Agreement remain in full force and effect as executed by the Parties. This Amendment No. 3 is subject to and incorporates the provisions of A.R.S. § 38-511.
- IV. The Parties have authorized the undersigned to execute this Amendment No. 3 on their behalf, and it shall be effective upon approval and signature by both Parties.

IN WITNESS, the Parties have approved and signed this Amendment No. 3:

FOR CITY OF PEORIA:

FOR MARICOPA COUNTY:

[REDACTED]
Jason Beck
Mayor

Date

[REDACTED]
Thomas Galvin
Chairman, Board of Supervisors

Date

Attestation:

Attestation:

 [REDACTED]
Agnes Goddwine
City Clerk

Date

[REDACTED]
Juanita Garza
Clerk, Board of Supervisors

Date

IN ACCORDANCE WITH A.R.S. §§ 9-240 and 11-952, THIS AMENDMENT NO. 3 HAS BEEN REVIEWED BY THE UNDERSIGNED ATTORNEY WHO HAS DETERMINED THIS AMENDMENT NO. 3 IS PROPER IN FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO THE CITY OF PEORIA UNDER THE LAWS OF THE STATE OF ARIZONA.

IN ACCORDANCE WITH A.R.S. §§ 11-201, 11-251, AND 11-952, THIS AMENDMENT NO. 3 HAS BEEN REVIEWED BY THE UNDERSIGNED ATTORNEY WHO HAS DETERMINED IT IS PROPER IN FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO MARICOPA COUNTY UNDER THE LAWS OF THE STATE OF ARIZONA.

APPROVED AS TO FORM:

APPROVED AS TO FORM:

[REDACTED]
Attorney for the City

Date

[REDACTED]
Deputy County Attorney

Date

**2022 Work Statement
MARICOPA COUNTY
Acquisition and Rehabilitation of Single-Family Houses
HOME Investment Partnerships Program
Program Year 2022**

Consortium Member: City of Peoria, Arizona
UEI: K9MVGUJMTE61
FAIN: M22-DC040227
Federal Award Date: 10-28-2022
Funding: \$275,546 (\$258,324 EN and \$17,222 AD)
Activity Type: Homebuyer
Project: Peoria Community Land Trust Program-Acquisition, Rehabilitation and Resale
Type of Property: Single-Family

1.0 FUNDING:

PROGRAM YEAR	ENTITLEMENT	ADMINISTRATION	PROGRAM INCOME (PI) (non-reimbursable, IDIS draw only)	TOTAL BUDGET
PY 2022	\$258,324	\$17,222	\$5,000	\$280,546

2.0 SCOPE OF WORK

2.1 Project Description: The City will acquire and rehabilitate one (1) single-family home in the City of Peoria. This project is a scattered-site single-family homeownership project. Funds will be paid to the City only after it has met the commitment requirements as set forth in 24 C.F.R. § 92.2 (1) and (2), respectively, and is prepared to commence rehabilitation within twelve months.

Funds for rehabilitation are obligated by completing a detailed set of specifications (work write-up) and completing a detailed rehabilitation cost estimate based upon those specifications. The cost estimate may include a contingency for construction change orders. The developer must inspect each property prior to occupancy and at project completion to ensure compliance with applicable standards and codes. Each property must be free from any defects that pose a danger to the health and safety of occupants and must meet written rehabilitation standards and local codes and ordinances at project completion. Copies of the final inspection report must be retained in the project files and submitted to the City upon submitting a completion report.

When the property is re-sold to a new low-income homebuyer, the developer will self-certify to the City that the property meets health and safety standards, written rehabilitation standards, and local codes and ordinances.

Completed homes will be sold to eligible low-income first-time homebuyers. Properties will be acquired using the developer's line credit, following completion of environmental review requirements.

In addition to the requirements set forth in Section 4 (Compensation), the developer will execute a Deed of Trust and Note provided by the Administrator and naming the City as the Beneficiary in order to secure any funds provided to the developer as reimbursement for acquisition costs.

Upon sale of the property to an eligible buyer, the Administrator will provide a Deed of Release and Re-conveyance (By Beneficiary) for the secured acquisition funds.

Resale provisions will be used to ensure compliance with the period of affordability required by HUD at 92.254 of the HOME regulations. The affordability restrictions shall be secured by a Community Land Trust Ground Lease and a Declaration of Affirmative Land Use Restrictions.

Completed units shall be sold through the CLT program and under which the buyer shall purchase only the improvements and shall enter a 99-year CLT Ground Lease. The CLT Ground Lease shall contain provisions that require that the housing to be used as the buyer's principal residence. The Ground Lease also shall restrict resale/ transfer only to Low-Income buyers. In addition, the CLT Ground Lease shall contain a shared appreciation provision that limits the sale price of the housing and helps ensure affordability for future buyers. A Memorandum of Ground Lease and Right of First Refusal shall be recorded. A "Performance" Deed of Trust also shall be recorded with the developer as the beneficiary; this is to ensure the developer is notified in the event the owner of the home attempts to refinance or transfer the property.

The shared appreciation provision shall conform to Maricopa HOME Consortium's Recapture/Resale Provisions. "Fair Return" for leasehold properties is defined as the homebuyer's purchase price, plus 25% of the homebuyer's share of the increase in leasehold value at time of resale based on a leasehold valuation performed by a duly licensed appraiser.

Upon sale to an eligible homebuyer, a Declaration of Affirmative Land Use Restrictive Covenant for HOME Project shall be executed between the City and the developer and recorded against the land to secure the Period of Affordability as required by HUD. The Period of Affordability shall be based on the total amount of HOME funds invested in the housing.

Eligible buyers will be required to complete an approved homebuyer education class and homeownership counseling. Eligible buyers also will be required to complete a CLT orientation, at which time the ground lease, resale restrictions, shared equity, and all other provisions of the CLT program shall be fully explained.

- 2.2 Project Purpose: The Project will create homeownership opportunities for a low- to moderate-income household that is rated as a high priority in the Consolidated Plan.
- 2.3 Project Beneficiaries: One (1) first-time homebuyer at or below 80% of the area median income will benefit from this Project. Beneficiaries' income eligibility will be verified by the City's staff and will comply with 24 C.F.R. §. 92.203(d)(1).

- 2.4 Eligible homebuyers will be required to complete an approved homebuyer education class and homeownership counseling.
- 2.5 Project Staff: The City shall maintain staff qualified to perform the duties of the project. The City shall immediately notify the County regarding any changes in staff committed to the project. The County reserves the right to review the qualifications of new staff committed to the project after the execution of this Agreement. The City will be responsible for all communications with the Maricopa HOME Consortium, providing all updates and as needed reporting. In addition, any complaints will be the responsibility of the City.
- 2.6 Subcontractors: The City will oversee every aspect of the project. This oversight includes, but is not limited to, day-to-day operations; preparing budgets; managing the budget, timeline, and change orders; issuing a Request for Proposal and selecting the general contractor and Subcontractors. The City shall select Subcontractors in accordance with the Administrative Requirements of this Agreement. The City shall contract with responsible and qualified Subcontractors to perform the duties of the project. The City shall verify the qualifications of each Subcontractor through license verification, references, and SAM.gov.
- 2.7 Project Affordability: The family or individual acquiring the housing must qualify as low-income, as defined in 24 C.F.R. § 5.609, and maintain the housing as the principal residence throughout the period of affordability, which shall be for a period of 15 years from the date that the completion report is entered into HUD's Integrated Disbursement and Information System (IDIS). Resale provisions will be used to ensure compliance with the period of affordability required by HUD at 24 C.F.R. § 92.254 of the HOME regulations.

Upon sale to an eligible buyer, a Declaration of Affirmative Land Use Restrictions (LURA) will be executed to secure the Period of Affordability and require the housing to be used as the buyer's principal residence, as required by HUD. The LURA will include a due on sale clause to ensure that funds are recaptured if the property is sold during the Affordability Period.

3.0 OBJECTIVES AND OUTCOMES:

OBJECTIVE	OUTCOMES		
	AVAILABILITY/ ACCESSIBILITY	AFFORDABILITY	SUSTAINABILITY
DECENT HOUSING	☐ Single-Family Housing Rehab and Emergency Rehab, Homebuyer Assistance	☒ Homebuyer Activities, Acq/Rehab of rental housing, Acq/New Construction of rental housing, Expansion of assisted rental units in the private marketplace	☐ Housing Activities in a targeted revitalization area

4.0 LOGIC MODEL: PERFORMANCE INDICATORS:

INPUTS/ RESOURCES	OUTPUTS		OUTCOMES	OBJECTIVES
	ACTIVITIES	PARTICIPATION		
Development Staff, Funding and Contractors	Acquire and rehabilitate one (1) unit of Affordable Housing to be held in the CLT	One (1) Household	Increased affordable housing for a low-income family. Increased homeownership. Improved neighborhoods and quality of life.	Decent and affordable housing

5.0 PROPOSED BENEFICIARIES:

Targeted Population by Income Level	Number of Households PY 2022	Total Number of Units
Households at or below 50%		
Households at or below 60%		
Households at or below 80%	1	1
TOTAL	1	1

6.0 PRIORITY POPULATIONS:

Complete the table below only if the Activity will specifically set-aside units for a priority population. Set-asides will be enforced through contract provisions.

Priority Populations	No. of Units PY 2022	Total
Elderly		
Physically Disabled		
Other Priority Populations: Veterans		
Homeless		

7.0 PERFORMANCE REPORTING GOALS/TIMELINE OF ACTIVITIES:

MILESTONES: Tasks to be Performed	COMPLETION DATE
Application/market study	January 2022
Execute City Agreement with Maricopa County	March 2025
Environmental Review approval	March 2025 – June 2025
Acquisition of properties	March 2025 – June 2025
RFP for rehabilitation activities	March 2025 – June 2025
Homeownership counseling/buyer preparation	March 2025 – June 2025
Rehabilitation	March 2025 – June 2025
Sale of Unit	March 2025 – June 2025
Homebuyer financing secured	March 2025 – June 2025
Expend Proceeds	March 2025 – June 2025
Final Close-out /Project Completion Form	September 2025

Any change to the Timeline will need to be approved by the County. Expenditure deadline for this scope of work is 9/30/2025.

8.0 ACTIVITY BUDGET SUMMARY:

ACTIVITY	PY 2022 HOME FUNDS	OTHER RESOURCES Table 7 & 8	TOTAL ACTIVITY BUDGET
Acquisition	\$258,324	\$111,676	\$370,000
Rehabilitation		\$30,000	\$30,000
Developer Fee		\$40,300	\$40,300
Closing costs		\$10,000	\$10,000
Other Soft Costs		\$2,500	\$2,500
Administration-City of Peoria	\$17,222		\$17,222
TOTALS	\$275,546	\$194,476	\$470,022

Note: A total of \$3,000 per activity will be withheld as retainage from the total amount of HOME funds obligated to each activity until a completion report is submitted to the County.

9.0 SOURCE AND AMOUNT OF OTHER RESOURCES:

OTHER RESOURCES	AMOUNT
City of Peoria Program Income	\$5,000
Newtown Line of Credit	\$189,476

10.0 ACTIVITY MATCH:

AMOUNT	FORM OF MATCH	SOURCE
\$65,831	WISH / IDA Match Funds	Federal Home Loan Bank of SF

Match commitment must equal 25% of the HOME funds requested. Documentation is due at the time of each request for payment.

11.0 SALES PRICE:

- 11.1. To ensure the homes are affordable for the target income group, the sales price shall be calculated so that each buyer's monthly housing expenses (including principal, interest, property taxes, and home insurance) does not exceed 35% of the homebuyer's gross monthly household income, unless there are documented compensating factors. In addition, the housing will have an initial purchase price or estimated after rehabilitation that does not exceed 95% of the median purchase price for the area, as described in 24 C.F.R. § 92.254 (a)(2). Refer to Attachment 3 to this Agreement.
- 11.2. The homebuyer must obtain a mortgage loan with a fixed term and interest rate and lender fees may not exceed 5% of the mortgage amount. The income of the homebuyer shall be determined according to the requirements at 24 C.F.R. § 92.203.

12.0 PROGRAM INCOME:

All proceeds generated from the development activities shall be considered Program Income and subject to the Program Income requirements set forth in HOME Program regulations as defined in 24 C.F.R. § 92. Program Income shall be retained and expended by the City for the acquisition and rehabilitation of additional properties under this Agreement. Program Income shall be tracked by the City and reported to the County with each Request for Reimbursement and at the request of the County.

13.0 CONVERSION TO RENTAL:

If the home has not been sold to an eligible homebuyer within nine (9) months after the receipt of a Certificate of Occupancy, then it must be converted to a HOME rental unit that complies with all HOME requirements for the period of affordability applicable to such rental units, according to 24 C.F.R. § 92.254(a)(3). If the vacant property is not converted, then HOME funds must be repaid to the County.

**2023 WORK STATEMENT
MARICOPA COUNTY
HOME Investment Partnerships Program
Program Year 2023**

Consortium Member: City of Peoria, Arizona
UEI: ML1ZY81QDEW8
FAIN: M-23-DC-04-0227
Federal Award Date: 8-15-2023
Funding: \$297,476 (\$278,884 EN and \$18,592 AD)
Activity Type: Homebuyer
Project: Peoria Community Land Trust Program-Acquisition, Rehabilitation and Resale
Type of Property: Single-Family

1.0 FUNDING:

PROGRAM YEAR	ENTITLEMENT	ADMINISTRATION	TOTAL BUDGET
PY 2023	\$278,884	\$18,592	\$297,476

2.0 DETAILED SCOPE OF WORK:

- 2.1. **Project Description:** The City will acquire and rehabilitate one (1) single-family home in the City of Peoria. This project is a scattered-site single-family homeownership project. The Parties agree to execute an addendum at the time the property is identified. An Addendum to this Agreement identifying individual properties by street address for participation in the City's Community Land Trust Program (CLT) will be executed before funding is made available regarding each property. Funds will be paid to the City only after it has met the commitment requirements as set forth in 24 C.F.R. § 92.2 (1) and (2), respectively, and is prepared to commence rehabilitation within twelve months.

Funds for rehabilitation are obligated by completing a detailed set of specifications (work write-up) and completing a detailed rehabilitation cost estimate based upon those specifications. The cost estimate may include a contingency for construction change orders. The City must inspect each property prior to occupancy and at project completion to ensure compliance with applicable standards and codes. Each property must be free from any defects that pose a danger to the health and safety of occupants and must meet written rehabilitation standards and local codes and ordinances at project completion. Copies of the final inspection report must be retained in the project files and submitted to the City upon submitting a completion report.

When the property is re-sold to a new low-income homebuyer, the city will self-certify to the City that the property meets health and safety standards, written rehabilitation standards, and local codes and ordinances.

Completed homes will be sold to eligible low-income first-time homebuyers. Properties will be acquired using the City's line credit, following completion of environmental review requirements.

In addition to the requirements set forth in Section 4 (Compensation), the City will execute a Deed of Trust and Note provided by the City's Developer and naming the City as the Beneficiary in order to secure any funds provided to the City as reimbursement for acquisition costs.

Upon sale of the property to an eligible buyer, the City's Developer will provide a Deed of Release and Re-conveyance (By Beneficiary) for the secured acquisition funds.

Resale provisions will be used to ensure compliance with the period of affordability required by HUD at 92.254 of the HOME regulations. The affordability restrictions shall be secured by a Community Land Trust Ground Lease and a Declaration of Affirmative Land Use Restrictions.

Completed units shall be sold through the CLT program and under which the buyer shall purchase only the improvements and shall enter a 99-year CLT Ground Lease with the City. The CLT Ground Lease shall contain provisions that require the housing to be used as the buyer's principal residence. The Ground Lease also shall restrict resale/ transfer only to Low-Income buyers. In addition, the CLT Ground Lease shall contain a shared appreciation provision that limits the sale price of the housing and helps ensure affordability for future buyers. A Memorandum of Ground Lease and Right of First Refusal shall be recorded. A "Performance" Deed of Trust also shall be recorded with the City as the beneficiary; this is to ensure the City is notified in the event the owner of the home attempts to refinance or transfer the property.

The shared appreciation provision shall conform to Maricopa HOME Consortium's Recapture/Resale Provisions. "Fair Return" for leasehold properties is defined as the lessees purchase price, plus 25% of the lessee's share of the increase in leasehold value at time of resale based on a leasehold valuation performed by a duly licensed appraiser.

Upon sale to an eligible buyer, a Declaration of Affirmative Land Use Restrictive Covenant for HOME Project shall be executed between the City's Developer and the City and recorded against the land to secure the Period of Affordability as required by HUD. The Period of Affordability shall be based on the total amount of HOME funds invested in the housing.

Eligible buyers will be required to complete an approved homebuyer education class and homeownership counseling. Eligible buyers also will be required to complete a CLT orientation, at which time the ground lease, resale restrictions, shared equity, and all other provisions of the CLT program shall be fully explained.

- 2.2. Project Purpose: The Project will create homeownership opportunities for a low- to moderate-income household that is rated as a high priority in the Consolidated Plan.
- 2.3. Project Beneficiaries: One (1) first-time homebuyer at or below 80% of the area median income will benefit from this Project. Beneficiaries' income eligibility will be verified by the City's staff and will comply with 24 C.F.R. §. 92.203(d)(1).
- 2.4. Eligible buyers will be required to complete an approved homebuyer education class and homeownership counseling.
- 2.5. Project Staff: The City shall maintain staff qualified to perform the duties of the project. The City shall immediately notify the County regarding any changes in staff committed to the project. The City reserves the right to review the qualifications of new staff committed to the project after the execution of this Agreement. The City will be responsible for all communications with the Maricopa HOME Consortium, providing all updates and as needed reporting. In addition, any complaints will be the responsibility of the City.
- 2.6. Subcontractors: The City will oversee every aspect of the project. This oversight includes, but is not limited to, day-to-day operations; preparing budgets; managing the budget, timeline, and change orders; issuing a Request for Proposal and selecting the general contractor and Subcontractors. The City shall select Subcontractors in accordance with the Administrative Requirements of this Agreement. The City shall contract with responsible and qualified Subcontractors to perform the duties of the project. The City shall verify the qualifications of each Subcontractor through license verification, references, and SAM.gov.
- 2.7. Project Affordability: The family or individual acquiring the housing must qualify as low-income, as defined in 24 C.F.R. § 5.609, and maintain the housing as the principal residence throughout the period of affordability, which shall be for a period of 15 years from the date that the completion report is entered into HUD's Integrated Disbursement and Information System (IDIS). Resale provisions will be used to ensure compliance with the period of affordability required by HUD at 24 C.F.R. § 92.254 of the HOME regulations.

Upon sale to an eligible buyer, a Declaration of Affirmative Land Use Restrictions (LURA) will be executed to secure the Period of Affordability and require the housing to be used as the buyer's principal residence, as required by HUD. The LURA will include a due on sale clause to ensure that funds are recaptured if the property is sold during the Affordability Period.

3.0 OBJECTIVES AND OUTCOMES:

OBJECTIVE	OUTCOMES		
	AVAILABILITY/ ACCESSIBILITY	AFFORDABILITY	SUSTAINABILITY
DECENT HOUSING	☐ Single-Family Housing Rehab and Emergency Rehab, Homebuyer Assistance	☒ Homebuyer Activities, Acq./Rehab of rental housing, Acq./New Construction of rental housing, Expansion of assisted rental units in the private marketplace	☐ Housing Activities in a targeted revitalization area

4.0 LOGIC MODEL: PERFORMANCE INDICATORS:

INPUTS/ RESOURCES	OUTPUTS		OUTCOMES	OBJECTIVES
	ACTIVITIES	PARTICIPATION		
Development Staff, Funding and Contractors	Acquire and rehabilitate one (1) unit of Affordable Housing to be held in the CLT	One (1) Household	Increased affordable housing for a low-income family. Increased homeownership. Improved neighborhoods and quality of life.	Decent and affordable housing

5.0 PROPOSED BENEFICIARIES:

Targeted Population by Income Level	Number of Households PY 2023	Total Number of Units
Households at or below 50%		
Households at or below 60%		
Households at or below 80%	1	1
TOTAL	1	1

6.0 PRIORITY POPULATIONS:

Complete the table below only if the Activity will specifically set-aside units for a priority population. Set-asides will be enforced through contract provisions.

Priority Populations	No. of Units PY 2023	Total
Elderly		
Physically Disabled		
Other Priority Populations: Veterans		
Homeless		

7.0 PERFORMANCE REPORTING GOALS/TIMELINE OF ACTIVITIES:

MILESTONES: Tasks to be Performed	COMPLETION DATE
Application/market study	January 2023
Execute City Agreement with Maricopa County	March 2025
Environmental Review approval	December 2025
Acquisition of properties	December 2025
RFP for rehabilitation activities	January 2026
Homeownership counseling/buyer preparation	June 2025
Rehabilitation	March 2025
Sale of Unit	June 2026
Homebuyer financing secured	June 2026
Expend Proceeds	June 2026
Final Close-out /Project Completion Form	September 2026

Any change to the Timeline will need to be approved by the County. Expenditure deadline for this SOW is 9/30/2026.

8.0 ACTIVITY BUDGET SUMMARY:

ACTIVITY	PY 2023 HOME FUNDS	Additional Sources* (defined in Table 10 below)	TOTAL ACTIVITY BUDGET
Acquisition	\$278,884	\$91,116	\$370,000
Rehabilitation		\$30,000	\$30,000
Developer Fee		\$40,300	\$40,300
Inspections, Title, Appraisals		\$2,500	\$2,500
Other Soft Costs		\$10,000	\$10,000
Administration-City of Peoria	\$18,592		\$18,592
TOTALS	\$297,476	\$173,916	\$471,392

Note: A total of \$3,000 per activity will be withheld as retainage from the total amount of HOME funds obligated to each activity until a completion report is submitted to the County.

9.0 SOURCE AND AMOUNT OF OTHER RESOURCES:

OTHER RESOURCES	AMOUNT
Newtown – Alliance Bank of America Line of Credit	\$173,916

10.0 ACTIVITY MATCH:

AMOUNT	FORM OF MATCH	SOURCE
\$69,721	Forgivable loans	Federal Home Loan Bank – San Francisco

Match commitment must equal 25% of the HOME funds requested. Documentation is due at the time of each request for payment

11.0 SALES PRICE:

11.1. To ensure the homes are affordable for the target income group, the sales price shall be calculated so that each buyer's monthly housing expenses (including principal, interest, property taxes, and home insurance) does not exceed 35% of the buyer's gross monthly household income, unless there are documented compensating factors. In addition, the housing will have an initial purchase price or estimated after rehabilitation that does not exceed 95% of the median purchase price for the area, as described in 24 C.F.R. § 92.254 (a)(2). Refer to Attachment 3 to this Agreement.

11.2. The buyer must obtain a mortgage loan with a fixed term and interest rate and lender fees may not exceed 5% of the mortgage amount. The income of the buyer shall be determined according to the requirements at 24 C.F.R. § 92.203.

12.0 PROGRAM INCOME:

All proceeds generated from the development activities shall be considered Program Income and subject to the Program Income requirements set forth in HOME Program regulations as defined in 24 C.F.R. § 92. Program Income shall be retained and expended by the City for the acquisition and rehabilitation of additional properties under this Agreement. Program Income shall be tracked by the City and reported to the County with each Request for Reimbursement and at the request of the County.

13.0 CONVERSION TO RENTAL:

If the home has not been sold to an eligible homebuyer within nine (9) months after the receipt of a Certificate of Occupancy, then it must be converted to a HOME rental unit that complies with all HOME requirements for the period of affordability applicable to such rental units, according to 24 C.F.R. § 92.254(a)(3). If the vacant property is not converted, then HOME funds must be repaid to the County.

**2024 WORK STATEMENT
MARICOPA COUNTY
HOME Investment Partnerships Program
Program Year 2024 A – Acquisition and Rehab for Homebuyers**

Consortium Member: City of Peoria, Arizona
UEI: ML1ZY81QDEW8
FAIN: M-24-DC-04-0227
Federal Award Date: 9/26/2024
Funding: \$130,599.00 (EN)
Activity Type: Homebuyer
Project: Peoria Community Land Trust Program-Acquisition, Rehabilitation and Resale
Type of Property: Single-Family

1.0 FUNDING:

PROGRAM YEAR	ENTITLEMENT	ADMINISTRATION	Program Income	TOTAL BUDGET
PY 2024	\$130,599.00	\$0.00	\$10,000.00	\$140,599.00

2.0 DETAILED SCOPE OF WORK:

- 2.1. Project Description: The City will acquire and rehabilitate one (1) single-family home in the City of Peoria. This project is a scattered-site single-family homeownership project. The Parties agree to execute an addendum at the time the property is identified. An Addendum to this Agreement identifying individual properties by street address for participation in the City's Community Land Trust Program (CLT) will be executed before funding is made available regarding each property. Funds will be paid to the City only after it has met the commitment requirements as set forth in 24 C.F.R. § 92.2 (1) and (2), respectively, and is prepared to commence rehabilitation within twelve months.

Funds for rehabilitation are obligated by completing a detailed set of specifications (work write-up) and completing a detailed rehabilitation cost estimate based upon those specifications. The cost estimate may include a contingency for construction change orders. The City must inspect each property prior to occupancy and at project completion to ensure compliance with applicable standards and codes. Each property must be free from any defects that pose a danger to the health and safety of occupants and must meet written rehabilitation standards and local codes and ordinances at project completion. Copies of the final inspection report must be retained in the project files and submitted to the City upon submitting a completion report.

When the property is re-sold to a new low-income homebuyer, the city will self-certify to the City that the property meets health and safety standards, written rehabilitation standards, and local codes and ordinances.

Completed homes will be sold to eligible low-income first-time homebuyers. Properties will be acquired using the City's line credit, following completion of environmental review requirements.

In addition to the requirements set forth in Section 4 (Compensation), the City will execute a Deed of Trust and Note provided by the City's Developer and naming the City as the Beneficiary in order to secure any funds provided to the City as reimbursement for acquisition costs.

Upon sale of the property to an eligible buyer, the City's Developer will provide a Deed of Release and Re-conveyance (By Beneficiary) for the secured acquisition funds.

Resale provisions will be used to ensure compliance with the period of affordability required by HUD at 92.254 of the HOME regulations. The affordability restrictions shall be secured by a Community Land Trust Ground Lease and a Declaration of Affirmative Land Use Restrictions.

Completed units shall be sold through the CLT program and under which the buyer shall purchase only the improvements and shall enter a 99-year CLT Ground Lease with the City. The CLT Ground Lease shall contain provisions that require the housing to be used as the buyer's principal residence. The Ground Lease also shall restrict resale/ transfer only to Low-Income buyers. In addition, the CLT Ground Lease shall contain a shared appreciation provision that limits the sale price of the housing and helps ensure affordability for future buyers. A Memorandum of Ground Lease and Right of First Refusal shall be recorded. A "Performance" Deed of Trust also shall be recorded with the City as the beneficiary; this is to ensure the City is notified in the event the owner of the home attempts to refinance or transfer the property.

The shared appreciation provision shall conform to Maricopa HOME Consortium's Recapture/Resale Provisions. "Fair Return" for leasehold properties is defined as the lessees purchase price, plus 25% of the lessee's share of the increase in leasehold value at time of resale based on a leasehold valuation performed by a duly licensed appraiser.

Upon sale to an eligible buyer, a Declaration of Affirmative Land Use Restrictive Covenant for HOME Project shall be executed between the City's Developer and the City and recorded against the land to secure the Period of Affordability as required by HUD. The Period of Affordability shall be based on the total amount of HOME funds invested in the housing.

Eligible buyers will be required to complete an approved homebuyer education class and homeownership counseling. Eligible buyers also will be required to complete a CLT orientation, at which time the ground lease, resale restrictions, shared equity, and all other provisions of the CLT program shall be fully explained.

- 2.2. Project Purpose: The Project will create homeownership opportunities for a low- to moderate-income household that is rated as a high priority in the Consolidated Plan.
- 2.3. Project Beneficiaries: One (1) first-time homebuyer at or below 80% of the area median income will benefit from this Project. Beneficiaries' income eligibility will be verified by the City's staff and will comply with 24 C.F.R. §. 92.203(d)(1).
- 2.4. Eligible buyers will be required to complete an approved homebuyer education class and homeownership counseling.
- 2.5. Project Staff: The City shall maintain staff qualified to perform the duties of the project. The City shall immediately notify the County regarding any changes in staff committed to the project. The City reserves the right to review the qualifications of new staff committed to the project after the execution of this Agreement. The City will be responsible for all communications with the Maricopa HOME Consortium, providing all updates and as needed reporting. In addition, any complaints will be the responsibility of the City.
- 2.6. Subcontractors: The City will oversee every aspect of the project. This oversight includes, but is not limited to, day-to-day operations; preparing budgets; managing the budget, timeline, and change orders; issuing a Request for Proposal and selecting the general contractor and Subcontractors. The City shall select Subcontractors in accordance with the Administrative Requirements of this Agreement. The City shall contract with responsible and qualified Subcontractors to perform the duties of the project. The City shall verify the qualifications of each Subcontractor through license verification, references, and SAM.gov.
- 2.7. Project Affordability: The family or individual acquiring the housing must qualify as low-income, as defined in 24 C.F.R. § 5.609, and maintain the housing as the principal residence throughout the period of affordability, which shall be for a period of 15 years from the date that the completion report is entered into HUD's Integrated Disbursement and Information System (IDIS). Resale provisions will be used to ensure compliance with the period of affordability required by HUD at 24 C.F.R. § 92.254 of the HOME regulations.

Upon sale to an eligible buyer, a Declaration of Affirmative Land Use Restrictions (LURA) will be executed to secure the Period of Affordability and require the housing to be used as the buyer's principal residence, as required by HUD. The LURA will include a due on sale clause to ensure that funds are recaptured if the property is sold during the Affordability Period.

- 2.8. BABA: Pursuant to the Build America, Buy America Act (BABA), enacted as part of the Infrastructure Investment and Jobs Act (IIJA), Pub. L. 117-58, 41 U.S.C. § 8301 note, the Federal Financial Assistance used to fund this infrastructure project is required to apply a domestic content procurement preference (the "Buy America Preference" or "BAP") for all construction, alteration, maintenance, or repair of infrastructure, including buildings and real property, unless application of the BAP has been waived by HUD. Additional details on fulfilling the BABA requirements can be found at <https://www.hud.gov/baba>.

3.0 OBJECTIVES AND OUTCOMES:

OBJECTIVE	OUTCOMES		
	AVAILABILITY/ ACCESSIBILITY	AFFORDABILITY	SUSTAINABILITY
DECENT HOUSING	☐ Single-Family Housing Rehab and Emergency Rehab, Homebuyer Assistance	☒ Homebuyer Activities, Acq./Rehab of rental housing, Acq./New Construction of rental housing, Expansion of assisted rental units in the private marketplace	☐ Housing Activities in a targeted revitalization area

4.0 LOGIC MODEL: PERFORMANCE INDICATORS:

INPUTS/ RESOURCES	OUTPUTS		OUTCOMES	OBJECTIVES
	ACTIVITIES	PARTICIPATION		
Development Staff, Funding and Contractors	Acquire and rehabilitate one (1) unit of Affordable Housing to be held in the CLT	One (1) Household	Increased affordable housing for a low-income family. Increased homeownership. Improved neighborhoods and quality of life.	Decent and affordable housing

5.0 PROPOSED BENEFICIARIES:

Targeted Population by Income Level	Number of Households PY 2024	Total Number of Units
Households at or below 50%		
Households at or below 60%		
Households at or below 80%	1	1
TOTAL	1	1

6.0 PRIORITY POPULATIONS:

Complete the table below only if the Activity will specifically set-aside units for a priority population. Set-asides will be enforced through contract provisions.

Priority Populations	No. of Units PY 2024	Total
Elderly		
Physically Disabled		
Other Priority Populations: Veterans		
Homeless		

7.0 PERFORMANCE REPORTING GOALS/TIMELINE OF ACTIVITIES:

MILESTONES: Tasks to be Performed	COMPLETION DATE
Application/market study	January 2024
Execute City Agreement with Maricopa County	March 2025
Environmental Review approval	June 2026
Acquisition of properties	June 2026
RFP for rehabilitation activities	August 2026
Homeownership counseling/buyer preparation	December 2026
Rehabilitation	December 2026
Sale of Unit	June 2027
Homebuyer financing secured	June 2027
Expend Proceeds	June 2027
Final Close-out /Project Completion Form	September 2027

Any change to the Timeline will need to be approved by the County. The expenditure timeframe for this SOW is 1/1/2025 to 9/30/2027.

8.0 ACTIVITY BUDGET SUMMARY:

ACTIVITY	PY 2024 HOME FUNDS	Additional Sources* (defined in Table 10 below)	TOTAL ACTIVITY BUDGET
Acquisition	\$130,599.00	\$239,401.00	\$370,000.00
Rehabilitation		\$30,000.00	\$30,000.00
Developer Fee		\$40,300.00	\$40,300.00
Inspections, Title, Appraisals		\$2,500.00	\$2,500.00
Other Soft Costs		\$10,000.00	\$10,000.00
Administration-City of Peoria	\$0.00		\$0.00
TOTALS	\$130,599.00	\$322,201.00	\$452,800.00

Note: A total of \$3,000.00 per activity will be withheld as retainage from the total amount of HOME funds obligated to each activity until a completion report is submitted to the County.

9.0 SOURCE AND AMOUNT OF OTHER RESOURCES:

OTHER RESOURCES	AMOUNT
Newtown – Alliance Bank of America Line of Credit	\$312,201.00
PY24 Program Income	\$10,000.00
Total	\$322,201.00

10.0 ACTIVITY MATCH:

AMOUNT	FORM OF MATCH	SOURCE
\$32,649.75	Forgivable Loans	Federal Home Loan Bank – San Francisco

Match commitment must equal 25% of the HOME funds requested. Documentation is due at the time of each request for payment

11.0 SALES PRICE:

11.1. To ensure the homes are affordable for the target income group, the sales price shall be calculated so that each buyer's monthly housing expenses (including principal, interest, property taxes, and home insurance) does not exceed 35% of the buyer's gross monthly household income, unless there are documented compensating factors. In addition, the housing will have an initial purchase price or estimated after rehabilitation that does not exceed 95% of the median purchase price for the area, as described in 24 C.F.R. § 92.254 (a)(2). Refer to Attachment 3 to this Agreement.

11.2. The buyer must obtain a mortgage loan with a fixed term and interest rate and lender fees may not exceed 5% of the mortgage amount. The income of the buyer shall be determined according to the requirements at 24 C.F.R. § 92.203.

12.0 PROGRAM INCOME:

All proceeds generated from the development activities shall be considered Program Income and subject to the Program Income requirements set forth in HOME Program regulations as defined in 24 C.F.R. § 92. Program Income shall be retained and expended by the City for the acquisition and rehabilitation of additional properties under this Agreement. Program Income shall be tracked by the City and reported to the County with each Request for Reimbursement and at the request of the County.

13.0 CONVERSION TO RENTAL:

If the home has not been sold to an eligible homebuyer within nine (9) months after the receipt of a Certificate of Occupancy, then it must be converted to a HOME rental unit that complies with all HOME requirements for the period of affordability applicable to such rental units, according to 24 C.F.R. § 92.254(a)(3). If the vacant property is not converted, then HOME funds must be repaid to the County

**2024 WORK STATEMENT
MARICOPA COUNTY
HOME Investment Partnerships Program
Program Year 2024 B – Acquisition and New Construction for Homebuyers**

Consortium Member: City of Peoria, Arizona
UEI: ML1ZY81QDEW8
FAIN: M-24-DC-04-0227
Federal Award Date: 9/26/2024
Funding: \$136,707.00 (\$120,000.00 (EN) and \$16,707.00 (AD))
Activity Type: Homebuyer
Project: Acquisition, New Construction, for Resale, and Homebuyer Assistance
Type of Property: Single-Family

1.0 FUNDING:

PROGRAM YEAR	ENTITLEMENT	ADMINISTRATION	TOTAL BUDGET
PY 2024	\$120,000.00	\$16,707.00	\$136,707.00

2.0 DETAILED SCOPE OF WORK:

- 2.1. HOME funds will be used to construct one (1) new affordable home located in Peoria's city limits. The home will be sold to one (1) qualified first-time homebuyer at or below 80% of the area median income. Beneficiaries' income eligibility will be verified by the City's staff and will comply with 24 C.F.R §. 92.203(d)(1). Eligible buyer will receive homebuyer assistance and be required to complete an approved homebuyer education class and homeownership counseling.
- 2.2. The Parties agree to execute an addendum at the time the property is identified, to specify the street address.
- 2.3. Affordable housing is ranked as a high priority in the Consolidated Plan.
- 2.4. Methods and instruments used for ensuring affordability: The HOME funds will be secured by a Deed of Trust and Promissory Note naming the City as the Beneficiary in order to secure any funds provided to the City as reimbursement for acquisition or construction costs.
- 2.5. The Recapture provision is used in which all HOME funds are subject to repayment. Any repayment of HOME funds will be recaptured from the net proceeds from the sale of the HOME assisted unit. Net proceeds will be recaptured and is defined as: Net Proceed = Sales Price (-) non-HOME debt (-) closing costs.
- 2.6. There will be no program income generated through this project.
- 2.7. The City must inspect each property prior to occupancy and at project completion to ensure compliance with applicable standards and codes. Copies of the final inspection report must be retained in the project files and submitted to the City upon submitting a completion report.
- 2.8. BABA: Pursuant to the Build America, Buy America Act (BABA), enacted as part of the Infrastructure Investment and Jobs Act (IIJA). Pub. L. 117-58, 41 U.S.C. § 8301 note, the Federal Financial Assistance used to fund this infrastructure project is required to apply a domestic content procurement preference (the "Buy America Preference" or "BAP") for all construction, alteration, maintenance, or repair of infrastructure, including buildings

and real property, unless application of the BAP has been waived by HUD. Additional details on fulfilling the BABA requirements can be found at <https://www.hud.gov/baba>.

3.0 OBJECTIVES AND OUTCOMES:

OBJECTIVE	OUTCOMES		
	AVAILABILITY/ ACCESSIBILITY	AFFORDABILITY	SUSTAINABILITY
DECENT HOUSING	☐ Single-Family Housing Rehab and Emergency Rehab, Homebuyer Assistance	☒ Homebuyer Activities, Acq./Rehab of rental housing, Acq./New Construction of rental housing, Expansion of assisted rental units in the private marketplace	☐ Housing Activities in a targeted revitalization area

4.0 LOGIC MODEL: PERFORMANCE INDICATORS:

INPUTS/ RESOURCES	OUTPUTS		OUTCOMES	OBJECTIVES
	ACTIVITIES	PARTICIPATION		
HOME funding, City Staff Administration, Client Volunteer Sweat Equity Hours	New construction of one single family home and homebuyer assistance	One (1) Household	Increased affordable housing for a low-income family. Increased homeownership. Improved neighborhoods and quality of life.	Decent and affordable housing

5.0 PROPOSED BENEFICIARIES:

Targeted Population by Income Level	Number of Households PY 2024	Total Number of Units
Households at or below 50%		
Households at or below 60%		
Households at or below 80%	1	1
TOTAL	1	1

6.0 PRIORITY POPULATIONS:

Complete the table below only if the Activity will specifically set-aside units for a priority population. Set-asides will be enforced through contract provisions.

Priority Populations	No. of Units PY 2024	Total
Elderly		
Physically Disabled		

Other Priority Populations: Veterans		
Homeless		

7.0 PERFORMANCE REPORTING GOALS/TIMELINE OF ACTIVITIES:

MILESTONES: Tasks to be Performed	COMPLETION DATE
Application/Market Study	January 2024
Execute City Agreement with Maricopa County	March 2025
Underwriting	January 2024
Secure Financing	March 2025
Environmental Reviews	June 2025
Obtain Site Control: use of developers existing stock	N/A
City Selected and Signed Development Contract	April 2025
Construction to commence	September 2026
Certificate of Occupancy	May 2027
Underwriting of Low-Income Family	May 2027
Unit Occupied by Low-Income Family	June 2027
Completion Report submitted to County	September 2027

Any change to the Timeline will need to be approved by the County. The expenditure timeframe for this SOW is 1/1/2025 to 9/30/2027.

8.0 ACTIVITY BUDGET SUMMARY:

ACTIVITY	PY 2024 HOME FUNDS	Additional Sources* (defined in Table 10 below)	TOTAL ACTIVITY BUDGET
Acquisition			
Construction	\$110,000.00	\$85,000.00	\$195,000.00
Infrastructure		\$40,000.00	\$40,000.00
Inspections, Title, Appraisals			
Other Soft Costs		\$5,000.00	\$5,000.00
Developer Fee			
Homebuyer Assistance	\$10,000.00		\$10,000.00
Administration-City of Peoria	\$16,707.00		\$16,707.00
TOTALS	\$136,707.00	\$130,000.00	\$266,707.00

Note: A total of \$3,000.00 per activity will be withheld as retainage from the total amount of HOME funds obligated to each activity until a completion report is submitted to the County.

9.0 SOURCE AND AMOUNT OF OTHER RESOURCES:

OTHER RESOURCES	AMOUNT
Habitat line of credit	\$130,000.00
Total	\$130,000.00

10.0 ACTIVITY MATCH:

AMOUNT	FORM OF MATCH	SOURCE
\$30,000.00	Cash Donation to the Unit	American Express

Match commitment must equal 25% of the HOME funds requested. Documentation is due at the time of each request for payment

11.0 SALES PRICE:

The housing will have an initial homebuyer purchase price that does not exceed HOME Affordable Home Ownership Limits: 95% of the median purchase price for the area, as described in 24 C.F.R. § 92.254 (a)(2).

12.0 CONVERSION TO RENTAL:

If the home has not been sold to an eligible homebuyer within nine (9) months after the receipt of a Certificate of Occupancy, then it must be converted to a HOME rental unit that complies with all HOME requirements for the period of affordability applicable to such rental units, according to 24 C.F.R. § 92.254(a)(3). If the vacant property is not converted, then HOME funds must be repaid to the County.

Signature Request: Amendment 3 to Agreement with City of Peoria (C-22-22-051-X-03)

Final Audit Report

2025-04-10

Created:	2025-04-08
By:	sachit mistry (sachit.mistry@maricopa.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAATSxRAW5y0mAtMEI7wiE4pua6Xa2rbv3S

"Signature Request: Amendment 3 to Agreement with City of Peoria (C-22-22-051-X-03)" History

-  Document created by sachit mistry (sachit.mistry@maricopa.gov)
2025-04-08 - 11:02:39 PM GMT
-  Document emailed to aubreyjoy.corcoran@mcao.maricopa.gov for signature
2025-04-08 - 11:08:33 PM GMT
-  Email viewed by aubreyjoy.corcoran@mcao.maricopa.gov
2025-04-09 - 6:41:03 PM GMT
-  Signer aubreyjoy.corcoran@mcao.maricopa.gov entered name at signing as Aubrey Joy Corcoran
2025-04-09 - 6:41:27 PM GMT
-  Document e-signed by Aubrey Joy Corcoran (aubreyjoy.corcoran@mcao.maricopa.gov)
Signature Date: 2025-04-09 - 6:41:29 PM GMT - Time Source: server
-  Document emailed to bos.signatures@maricopa.gov for signature
2025-04-09 - 6:41:34 PM GMT
-  Email viewed by bos.signatures@maricopa.gov
2025-04-09 - 9:10:37 PM GMT
-  Signer bos.signatures@maricopa.gov entered name at signing as Thomas Galvin
2025-04-09 - 9:13:12 PM GMT
-  Document e-signed by Thomas Galvin (bos.signatures@maricopa.gov)
Signature Date: 2025-04-09 - 9:13:14 PM GMT - Time Source: server
-  Document emailed to clerk.agenda@maricopa.gov for signature
2025-04-09 - 9:13:19 PM GMT

 Email viewed by clerk.agenda@maricopa.gov

2025-04-10 - 5:43:04 PM GMT

 Signer clerk.agenda@maricopa.gov entered name at signing as Juanita Garza

2025-04-10 - 5:50:09 PM GMT

 Document e-signed by Juanita Garza (clerk.agenda@maricopa.gov)

Signature Date: 2025-04-10 - 5:50:11 PM GMT - Time Source: server

 Agreement completed.

2025-04-10 - 5:50:11 PM GMT



Adobe Acrobat Sign

INTERGOVERNMENTAL AGREEMENT
BETWEEN
MARICOPA COUNTY
ADMINISTERED BY ITS
HUMAN SERVICES DEPARTMENT
AND
THE CITY OF PEORIA

Agreement Amount: \$467,878
Agreement Start Date: December 12, 2021
Agreement Termination Date: September 30, 2025
Agreement Number: C-22-22-051-X-00
CFDA Number: 14.239, HOME Investment Partnerships Program
DUNS Number: 809812170

This Intergovernmental Agreement ("Agreement") is entered into by and between the City of Peoria ("City"), and Maricopa County, administered by its Human Services Department ("County"). The City and the County collectively are referred to in this Agreement as the "Parties" and individually as a "Party."

The County shall provide financial reimbursement in the amount listed above, subject to the terms of this Agreement and the availability of funds. The Agreement Amount constitutes the County's entire participation and obligation in the performance and completion of all work to be performed under this Agreement.

The City for and in consideration of the covenants and conditions set forth in this Agreement shall provide and perform the services set forth in this Agreement. All rights and obligations of the Parties shall be governed by the terms of this Agreement and its exhibits, attachments, and appendices, including any Subcontracts, Amendments, or Change Orders as set forth in this Agreement and in:

- Section 1 – General Provisions
- Section 2 – Special Provisions
- Section 3 – Work Statement
- Section 4 – Compensation
- Section 5 – Attachments

Lead Agency: Maricopa County
Representative: Rachel Milne, Assistant Director, Housing and Community Development Division
Phone: 602-372-1528
E-mail : Rachel.Milne@maricopa.gov
Address: 234 North Central Avenue, Third Floor, Phoenix, Arizona 85004

City: Peoria, Arizona
Representative: Chris Hallett, Director, Planning & Community Department
Phone: 623-773-7609
E-mail: Chris.Hallett@peoriaaz.gov
Address: 9875 N. 85th Avenue, Peoria, Arizona 85345

Notice under this Agreement shall be given by either personal delivery or registered or certified mail, postage prepaid and return receipt requested, to the persons at the addresses set forth

above and shall be effective upon receipt if personally delivered and three (3) business days after being placed in the U.S. Mail, properly addressed, with sufficient postage, if sent by registered or certified mail. Business days means Monday through Friday, unless recognized as a federal or State of Arizona holiday.

This Agreement contains all the terms and conditions agreed to by the Parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind the Parties to this Agreement. Nothing in this Agreement shall be construed as consent to any lawsuits, or waiver of any defenses in a lawsuit brought against Maricopa County or the City in any state or federal court.

IN WITNESS, the Parties have signed this Agreement:

APPROVED BY:
MARICOPA COUNTY

APPROVED BY:
City of Peoria

[Redacted Signature]

[Redacted Signature]

Jack Sellers
Chairman, Board of Supervisors

Date

Cathy Carlat, Mayor

Date

Attested to:

Attested to:

[Redacted Signature]

[Redacted Signature]

Clerk, Board of Supervisors

Date

City Clerk

Date

IN ACCORDANCE WITH A.R.S. §§ 11-201, 11-251, AND 11-952, THIS AGREEMENT HAS BEEN REVIEWED BY THE UNDERSIGNED ATTORNEY WHO HAS DETERMINED IT IS PROPER IN FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO MARICOPA COUNTY UNDER THE LAWS OF THE STATE OF ARIZONA.

IN ACCORDANCE WITH A.R.S. §§ 9-240 and 11-952, THIS AGREEMENT HAS BEEN REVIEWED BY THE UNDERSIGNED ATTORNEY WHO HAS DETERMINED IT IS PROPER IN FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO THE CITY OF PEORIA UNDER THE LAWS OF THE STATE OF ARIZONA.

Approved as to form:

Approved as to form:

[Redacted Signature]

[Redacted Signature]

Deputy County Attorney

Date

Attorney for the City of Peoria

Date

SECTION 1
GENERAL PROVISIONS



MARICOPA COUNTY HUMAN SERVICES DEPARTMENT

PURPOSE

The County shall provide the City with U.S. Department of Housing and Urban Development (HUD) HOME Investment Partnerships Program funds for the provision of HOME activities as identified in Section 3 (Work Statement).

1.0 TERM

The Term of this Agreement shall commence upon the signature of the last signer ("Agreement Start Date") and terminate on the Agreement Termination Date listed on page 1 of this Agreement.

2.0 RENEWAL

This Agreement may be renewed by a written amendment provided the City is in full compliance with all terms and conditions of this Agreement. Under A.R.S. § 11-952, no renewal may exceed the duration of the previous agreement. The County shall notify the City in writing of its intent to extend the Agreement term at least ninety (90) calendar days prior to the expiration of the original Agreement term, or any additional terms thereafter.

3.0 AMENDMENTS

All Amendments to this Agreement shall be in writing and signed by authorized signers for both Parties.

4.0 TERMINATION

4.1 Pursuant to A.R.S. § 38-511, the County may cancel this Agreement without penalty or further obligation within three years after execution of this Agreement, if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the County at any time while this Agreement or any extension of this Agreement is in effect, is or becomes an employee or agent of any other party to this Agreement in any capacity or consultant to any other party to this Agreement with respect to the subject matter of this Agreement. Additionally, pursuant to A.R.S. § 38-511, the County may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting, or creating this Agreement on behalf of the County from any other party to this Agreement arising as the result of this Agreement. A cancellation notice made under this Subparagraph shall be effective when the recipient receives a written notice of cancellation unless the notice specifies a later date.

4.2 Either Party may terminate this Agreement at any time by giving the other Party at least sixty (60) calendar days prior notice in writing (unless terminated by the County under the Availability of Funds provision). The notice shall be given by either personal delivery or registered or certified mail, postage prepaid and return receipt requested, to the persons at the addresses set forth on page 1 of this Agreement.

4.3 The County has the right to terminate this Agreement upon twenty-four (24) hour notice when the County deems the health or welfare of the service recipients are endangered or the City's noncompliance jeopardizes funding source financial participation. If not terminated by one of the above methods, then this Agreement will terminate upon the expiration of the Term of this Agreement stated on page 1 of this Agreement.

4.4 In accordance with 2 C.F.R. §§ 200, *et seq.*, the County may suspend or terminate this Agreement if the City violates any term or condition of this Agreement or if the City fails to maintain a good-faith effort to carry out the purpose of this Agreement.

4.5 The Parties may terminate this Agreement for convenience in accordance with 2 C.F.R. § 200. The Parties shall agree upon the termination conditions including the

effective date of the termination. The Party initiating the termination shall notify the other Parties in writing stating the reasons for such termination.

5.0 EFFECT

To the extent that the Special Provisions are in conflict with the General Provisions, the Special Provisions shall control. To the extent that the Work Statement is in conflict with the General Provisions or the Special Provisions, the Work Statement shall control. To the extent that the Compensation Provisions are in conflict with the General Provisions, Special Provisions, or Work Statement, the Compensation Provisions shall control. Nothing in this Agreement shall operate to increase the Operating Budget without a written amendment to this Agreement.

6.0 DEFINITIONS

As used throughout this Agreement, the following terms shall have the following meanings:

- 6.1 **Annual Action Plan** means the annual plan submitted by the County (as the lead agency of the Maricopa HOME Consortium) to HUD, which describes the Consortium's annual program goals.
- 6.2 **Assistant Director** means the Director of the Housing and Community Development Division within the Maricopa County Human Services Department.
- 6.3 **Beneficiary** means a person or household that meets the income requirements of 24 C.F.R. § 92.203 subject to the restriction on assistance to students enrolled in an institution of higher education, as described in 24 C.F.R. § 5.612.
- 6.4 **Board of Supervisors (BOS)** means the Maricopa County Board of Supervisors.
- 6.5 **Commitment or Commit to a Specific Local Project** shall have the same meaning as set forth in 24 C.F.R. § 92.2 (1) and (2), respectively.
- 6.6 **County** means Maricopa County.
- 6.7 **Department** means the Maricopa County Human Services Department, Housing and Community Development Division as Lead Agency.
- 6.8 **Director** means the Director of the Maricopa County Human Services Department.
- 6.9 **Division** means the Housing and Community Development Division of the Maricopa County Human Services Department.
- 6.10 **Five-Year Consolidated Plan** means the HUD required Consolidated Plan submitted by the County as the Lead Agency for the Maricopa HOME Consortium.
- 6.11 **HOME** means the HOME Investment Partnerships Program.
- 6.12 **HUD** means U.S. Department of Housing and Urban Development.
- 6.13 **IDIS** means Integrated Disbursement Information Systems. IDIS is a nationwide database that provides HUD with current information regarding HOME activities.
- 6.14 **Lead Agency or Department** means the Maricopa County Human Services Department, Housing and Community Development Division.
- 6.15 **Low-income families** means families whose annual incomes do not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of HUD findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes. An individual does not qualify as a low-income family if the individual is a student who is not eligible to receive Section 8 assistance under 24 C.F.R. § 5.612.
- 6.16 **Minority Business Enterprise (MBE)** means an entity that is majority owned or controlled by a socially and economically disadvantaged individual as described by Public Law 95-507.

- 6.17 **Net Proceeds** means the amount remaining after deducting non-HOME debt and closing costs from the sale of a HOME funded asset, obligation, or loan.
- 6.18 **Performance Bond** means a bond executed to secure fulfillment of the City's obligations under this Agreement.
- 6.19 **Program Income** means gross income received by the City directly generated from the use of HOME funds. For purposes of this Agreement, the gross income from the sale of real property acquired and constructed with HOME funds is considered Program Income. Program Income is subject to the requirements of the HOME regulations.
- 6.20 **Project** means the work activities or functions identified in Section 3 (Work Statement) as described in a legally binding agreement between the City and the prospective owners or beneficiaries of the HOME funds for which all necessary financing has been secured, budgeted and underwriting has been completed and otherwise complies with 24 C.F.R. §§ 92.2(2)(A) and 92.2 (B). For Tenant- Based Rental Assistance, Project means assistance to one or more families through a rental assistance contract.
- 6.21 **Public Agency** has the meaning prescribed by A.R.S. § 11-951.
- 6.22 **Subcontract** means any agreement entered into by the City with a third party for professional services for performance of any of the work or provision of any of the services covered by this Agreement.
- 6.23 **Subcontractor** means an entity funded through the City to provide any work or services required by the Work Statement.
- 6.24 **Subrecipient** means a public or private nonprofit agency, authority or organization, or an entity described in 24 C.F.R. § 570.500(c), to which a subaward is made and which is accountable to the recipient for the use of the funds provided.
- 6.25 **Tenant Based-Rental Assistance (TBRA)** means a form of rental assistance in which the assisted tenant may move from a dwelling unit with a right to continued assistance. Tenant-based rental assistance under this Agreement also includes security deposits for rental of dwelling units.
- 6.26 **Vendor** means an entity funded through the City to provide services required by the Work Statement.
- 6.27 **Very low-income families** mean low-income families whose annual incomes do not exceed 50 percent of the median family income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 50 percent of the median for the area on the basis of HUD findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes. An individual does not qualify as a very low-income family if the individual is a student who is not eligible to receive Section 8 assistance under 24 C.F.R. § 5.612.
- 6.28 **Work Statement** means the section of this Agreement that contains a description of services to be delivered pursuant to this Agreement.
- 6.29 **Women's Business Enterprise (WBE)** means an entity in which a woman has majority ownership and control.

7.0 GENERAL REQUIREMENTS

- 7.1 The terms of this Agreement shall be construed in accordance with Arizona law and the applicable regulations of the United States Department of Housing and Urban Development (HUD). Any lawsuit arising out of this Agreement shall be brought in the appropriate court in Maricopa County, Arizona.

- 7.2 The City shall, without limitation, obtain and maintain all licenses, permits, and authority necessary to do business, render services, and perform work under this Agreement, and it shall comply with all laws regarding unemployment insurance, disability insurance, and workers' compensation.
- 7.3 The City is an independent contractor in the performance of work and the provision of services under this Agreement and is not to be considered an officer, employee or agent of the County.
- 7.4 The City shall comply with the regulations prohibiting a conflict of interest. The City shall not make any payments, either directly or indirectly, to any person, partnership, corporation, trust, or other organization that has a substantial interest in City's organization or with which the City (or any of its directors, officers, owners, trust certificate holders, or a relative thereof) has a substantial interest, unless the City has made full written disclosure of the proposed payments to the County and has received written approval for the payments.
- 7.5 For purposes of this provision, the terms "substantial interest" and "relative" shall have the meanings prescribed by A.R.S. § 38-502.

8.0 ACCEPTANCE OF FUNDS

The City hereby agrees to the receipt of funds under the terms of this Agreement and agrees to execute and return a signed Agreement to the County within 30 days after receipt of this Agreement unless the City has received a written waiver of this requirement from the County.

9.0 ASSIGNMENT AND SUBCONTRACTING

No right, liability, obligation, or duty under this Agreement may be assigned, delegated, or subcontracted, in whole or in part, without the prior written approval of the County. The City shall bear all liability under this Agreement, even if it is assigned, delegated, or subcontracted, in whole or in part, unless the County agrees otherwise.

10.0 AVAILABILITY OF FUNDS

- 10.1 The provisions of this Agreement relating to the payment for services shall become effective when funds assigned for the purpose of compensating the City, as provided in this Agreement, are available to the County for disbursement. The County shall be the sole authority in determining the availability of funds under this Agreement and the County shall keep the City fully informed as to the availability of funds.
- 10.2 If any action is taken by any state agency, federal department, or any other agency or instrumentality to suspend, decrease, or terminate its fiscal obligation under or in connection with this Agreement, then the Parties may amend, suspend, decrease, or terminate their obligations under or in connection with this Agreement. In the event of termination, the County shall be liable for payment only for services rendered prior to the effective date of the termination, provided that such services performed are in accordance with the provisions of this Agreement. The County shall give written notice of the effective date of any suspension, amendment, or termination under this Subparagraph at least ten (10) calendar days in advance.

11.0 BUDGET ADJUSTMENTS

- 11.1 Any requests for reasonable budget adjustments shall be submitted ninety (90) calendar days prior to the Termination Date of this Agreement. Requests for financial adjustments to this Agreement shall be supported by appropriate documentation. If the County agrees to the budget adjustments, the County shall follow Paragraph 4.0 above.

- 11.2 The City must receive prior written approval from the County to move funds from one budget line item to another. Budget adjustments that do not change the total Agreement amount may be documented by an Administrative Change Order approved and fully executed by the Chairman of the Board of Supervisors and the City's authorized Representative and defined in Section 2 (Special Provisions), Paragraph 20.0 (General Conditions). If a budget adjustment is necessary that either increases or decreases the Agreement amount, then the County shall follow Section 1 (General Provisions), Paragraph 4.0 (Amendments) of this Agreement to amend the Agreement.

12.0 DISPUTES

- 12.1 Except as may otherwise be provided for in this Agreement, the Parties may attempt to informally resolve any dispute arising out of this Agreement for a reasonable period of time, which shall not exceed one hundred twenty (120) calendar days. Disputes which are not resolved in that time period, shall be submitted in accordance with the following formal dispute resolution process.
- 12.2 If a dispute cannot be resolved informally, then the City shall notify the Department in writing by mailing notice of the dispute to the Assistant Director within ten (10) business days from expiration of the informal dispute resolution process described in Subparagraph 13.1 above.
- 12.3 The Assistant Director shall respond in writing to the City within fourteen (14) business days. The decision of the Assistant Director shall be final and conclusive unless, within seven (7) business days after the date the City is served with the decision, the City files a written notice of appeal with the Human Services Department Director.
- 12.4 The Human Services Department Director shall provide the City with a written response within fourteen (14) business days following receipt of the notice of appeal. The decision of the Director shall be final and not appealable. Pending a final decision of the Director, the City shall diligently proceed with its performance of this Agreement in accordance with the Assistant Director's decision.

13.0 SEVERABILITY

Any provision of this Agreement that is determined to be invalid, void, or illegal by a court shall in no way affect, impair, or invalidate any other provision of this Agreement, and the remaining provisions shall remain in full force and effect.

14.0 STRICT COMPLIANCE

The County's acceptance of the City's performance that is not in strict compliance with the terms of this Agreement shall not be deemed to waive the requirements of strict compliance for all future performance. All changes in performance obligations under this Agreement shall be in writing and signed by both Parties.

15.0 NON-LIABILITY

The County and its agents, representatives, officials, officers, directors, employees, volunteers, departments, agencies, boards, committees, and commissions shall not be liable for any act or omission by the City or Vendor or any agent, representative, official, officer, director, employee, volunteer, department, agency, board, committee, or commission of the City or Vendor occurring in the performance of this Agreement, nor shall the County and its agents, representatives, officials, officers, directors, employees, volunteers, departments, agencies, boards, committees, and commissions be liable for purchases or contracts made by the City or Vendor or any agent, representative, official,

officer, director, employee, volunteer, department, agency, board, committees, or commissions of the City or Vendor, in connection with this Agreement.

16.0 INDEMNIFICATION

To the extent permitted by law, the Parties shall, and shall cause any of its Subcontractors, to indemnify, defend, save and hold harmless the other party, any jurisdiction or agency issuing any permits for any work arising out of this Agreement, and its respective agents, representatives, officials, officers, directors, employees, volunteers, departments, agencies, boards, committees, and commissions ("Indemnitee") from and against any and all claims, demands, actions, liabilities, damages, losses, judgments, or expenses (including court costs, attorney and expert fees, and costs of claim processing, investigation, and litigation) ("Claims"): A.) that either directly or indirectly are caused by, arise from, or relate to breach of this Agreement by a Party and any of its Subcontractors, or any of the agents, representatives, officials, officers, directors, employees, volunteers, departments, agencies, boards, committees, or commissions of a Party and any of its Subcontractors; and B.) for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property that are either directly or indirectly caused by, arise from, or relate to, or are alleged to be caused by, arise from, or relate to, in whole or in part, the negligent or willful acts or omissions of a Party and any of its Subcontractors, or any of the agents, representatives, officials, officers, directors, employees, volunteers, departments, agencies, boards, committees, or commissions of a Party and any of its Subcontractors. This indemnity includes any claims or amounts arising out of or recovered under the Workers' Compensation Law or arising out of the failure of a Party or any of its Subcontractors to conform to any federal, state or local laws, statutes, ordinances, rules, regulations, or court decrees. It is the specific intention of the Parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by the Indemnitor and any of its Subcontractors from and against any and all Claims. It is agreed that the Indemnitor and any of its Subcontractors will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable.

17.0 TECHNICAL ASSISTANCE

The County shall provide reasonable technical assistance to the City to assist in complying with state and federal laws and regulations, and accountability for diligent performance and compliance with the terms and conditions of this Agreement and all applicable laws, regulations, and standards. However, this assistance in no way relieves the City of full responsibility and accountability for its actions and performance in compliance with the terms of this Agreement.

18.0 SINGLE AUDIT ACT REQUIREMENTS

The City is subject to the federal audit requirements of the Single Audit Act of 1984, as amended (Pub. L. No. 98-502) (codified at 31 U.S.C. §§ 7501, *et seq.*). The City shall comply with 2 C.F.R. Part 200. Upon completion, such audits shall be made available for public inspection. Audits shall be submitted within the twelve (12) months following the close of the fiscal year. The City shall take corrective actions within six (6) months after the date of receipt of the reports. The County shall consider sanctions as described in 2 C.F.R. § 200.505 if it is determined by either HUD or the County that the City is not in compliance with the audit requirements.

19.0 AUDIT DISALLOWANCES

- 19.1 The City shall, upon written notice, reimburse the County for any payments made under this Agreement that are disallowed by a federal, state, or County audit in the amount of the disallowance. Court costs and attorney and expert fees incurred will be specifically identified as applicable to the recovery of the disallowed costs in question.
- 19.2 If the County determines that a cost for which payment has been made is a disallowed cost, then the County will notify the City in writing of the disallowance and the required course of action, which shall be at the option of the County, either to adjust any future claim submitted by the City by the amount of the disallowance or to require immediate repayment of the disallowed amount by the City issuing a check payable to the County.

20.0 STAFF AND VOLUNTEER TRAINING

The County may make available to the City the opportunity to participate in any applicable training activities conducted by the County.

21.0 CLEAN AIR ACT

If the total face value of this Agreement exceeds \$100,000, then the City agrees to comply with all regulations, standards, and orders issued under the Clean Air Act of 1970, as amended (42 U.S.C. §§ 7401, *et seq.*), to the extent any are applicable by reason of performance of this Agreement.

22.0 LOBBYING

- 22.1 No federal appropriated funds have been paid or will be paid by or on behalf of the City to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal agreement, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal agreement, grant, loan, or cooperative agreement.
- 22.2 If any funds, other than federal appropriated funds, have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with any federal agreement, grant, loan or cooperative agreement, then the City shall complete and submit OMB Form-LLL, titled "Disclosure of Lobbying Activities," in accordance with its instructions and 31 U.S.C. § 1352.

23.0 RELIGIOUS ACTIVITIES

The City warrants that none of its costs and none of the costs incurred by the City or any of its Subcontractors will include any expense for any religious activities.

24.0 POLITICAL ACTIVITY PROHIBITED

None of the funds, materials, property, or services contributed by the County or the City under this Agreement shall be used for any partisan political activity, or to further the election or defeat of any candidate for public office.

25.0 COVENANT AGAINST CONTINGENT FEES

The City warrants that no person or entity has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee. For breach or violation of this warranty, the County may immediately terminate this Agreement without liability.

26.0 SAFEGUARDING OF PARTICIPANT INFORMATION

26.1 The City shall observe and abide by all applicable State of Arizona and federal statutes, rules, and regulations regarding the use or disclosure of information including, but not limited to, information concerning applicants for and recipients of contracted services. To the extent permitted by law, the City shall release information to the County, Department, Attorney General's Office, or other designated agency as required by the County by the terms of this Agreement or by law.

26.2 The City shall comply with the requirements of the Arizona Address Confidentiality Program, A.R.S. §§ 41-161, et. seq. The Department will advise the City as to applicable policies and procedures adopted for such compliance.

27.0 RIGHTS IN DATA

The Parties shall have the use of data and reports resulting from this Agreement without cost or other restriction, except as otherwise provided by law or applicable regulation. Each Party shall supply the other Parties, upon request, any available information that is relevant to this Agreement and to the performance under it.

28.0 COPYRIGHTS

If this Agreement results in a book or other written material, the author is free to copyright the work, but the County reserves a royalty-free, nonexclusive, perpetual, and irrevocable license to reproduce, publish, and otherwise use and to authorize others to use, all copyrighted material and all material that can be copyrighted as a result of this Agreement.

29.0 PATENTS

Any discovery or invention arising out of, or developed in the course of, work aided by this Agreement shall be promptly and fully reported to the County for determination as to whether patent protection on such invention or discovery shall be sought and how the rights in the invention or discovery, including rights under any patent issued on such invention or discovery, shall be disposed of and administered in order to protect the public interest.

30.0 AGREEMENT COMPLIANCE MONITORING

30.1 The County will monitor the City's compliance with fiscal and programmatic performance under the terms and conditions of this Agreement and applicable regulations promulgated by the HUD and Maricopa County. On-site visits for compliance monitoring may be made by either the County or its grantor agencies (or by both the County and its grantor agencies) at any time during the City's normal business hours, announced or unannounced. For auditing purposes, the County shall provide the City with a 30-calendar day advance notice of any proposed on-site visits. During an on-site visit, the City shall make all its records and accounts related to work performed under this Agreement available to the County for inspection and copying.

30.2 The County shall request information for monitoring/audit per Office of Management and Budget (OMB) Uniform Guidance 2 C.F.R. Part 200, to include:

30.2.1 Financial Management 2 C.F.R. § 200.302

- 30.2.2 Internal Controls 2 C.F.R. § 200.303
- 30.2.3 Bonds 2 C.F.R. § 200.304
- 30.2.4 Payment and Financial Reporting 2 C.F.R. § 200.305
- 30.2.5 Cost Sharing or Matching 2 C.F.R. § 200.306
- 30.2.6 Program Income 2 C.F.R. § 200.307
- 30.2.7 Revision of Budget and Program Plans 2 C.F.R. § 200.308
- 30.2.8 Period of Performance 2 C.F.R. § 200.309
- 30.2.9 Insurance Coverage 2 C.F.R. § 200.310
- 30.2.10 Record Retention and Access 2 C.F.R. §§ 200.334 – 200.338
- 30.2.11 Procurement Standards 2 C.F.R. § 200.318
- 30.2.12 Indirect Costs 2 C.F.R. § 200.414
- 30.2.13 Compensation-Personal Services 2 C.F.R. § 200.430
- 30.2.14 Audit Requirements 2 C.F.R. § 200.501-200.517

31.0 CONTINGENCY RELATING TO OTHER CONTRACTS AND GRANTS

- 31.1 The City shall, during the term of this Agreement, within 15 business days from acceptance, inform the Assistant Director in writing of the award of any other agreement or grant, including any other agreement or grant awarded by the County, where the award may affect either the direct or indirect costs being paid or reimbursed under this Agreement. The City's failure to notify the County of any such agreement shall be a breach of this Agreement and the County may immediately terminate this Agreement without liability.
- 31.2 The Assistant Director may request, and City shall provide within a reasonable time, which shall not exceed ten (10) business days, a copy of all such other agreements or grants, when, in the opinion of the Assistant Director, the award of the agreement or grant may affect the costs being paid or reimbursed under this Agreement. If the Assistant Director determines that the award to the City of such other agreements or grants has affected the costs being paid or reimbursed under this Agreement, then the Assistant Director shall prepare an amendment to this Agreement effecting a cost adjustment. If the City disputes the proposed cost adjustment, then the dispute shall be resolved pursuant to the "Disputes" paragraph of this Agreement.

32.0 MINIMUM WAGE REQUIREMENTS

The City warrants that it shall pay all of its employees who are engaged in either performing work or providing services under the terms of this Agreement not less than the minimum wage specified under Section 206(a)(1) of the Fair Labor Standards Act of 1938, as amended (29 U.S.C. 201, *et seq.*), by law and regulation, and, as applicable, Executive Order 13658, as amended, and as specified by Arizona law.

33.0 RECOGNITION OF DEPARTMENT SUPPORT

The City will give recognition to the County and the funding source for its support when the City publishes materials that are (or releases of public information that is) paid for either in whole or in part with funds received by the City under this Agreement.

34.0 INSURANCE

- 34.1 The City, shall and shall cause any of its Subcontractors to purchase and maintain the minimum insurance stipulated in this Agreement from a company or companies duly licensed by the State of Arizona and possessing a current A.M. Best, Inc. rating of B++6 or higher. In lieu of State of Arizona licensing, the stipulated insurance may be purchased from a company which is or companies which are authorized to do

business in the State of Arizona, provided that such insurance company or companies meet the approval of the County. The form of any insurance policies and forms must be acceptable to the County.

- 34.2 All insurance required under this Agreement shall be maintained in full force and effect until all work or service required to be performed under the terms of the Agreement is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of the County, constitute a material breach of this Agreement.
- 34.3 The City's insurance shall be primary insurance as respects the County, and any insurance or self-insurance maintained by the County shall not contribute to it.
- 34.4 Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect the County.
- 34.5 The insurance policies may provide coverage that contains deductibles or self-insured retentions. Such deductible or self-insured retentions (or both) shall not be applicable with respect to the coverage provided to the County under those policies. The City shall be solely responsible for the deductible and self-insured retention and the County, at its option, may require the City to secure payment of such deductibles or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.
- 34.6 The County reserves the right to request and to receive, within 10 business days, certified copies of any or all of the insurance certificates required under this Agreement. The County shall not be obligated to review policies and endorsements or to advise the City of any deficiencies in such policies and endorsements, and such receipt shall not relieve the City from, or be deemed a waiver of the County's right to insist on strict fulfillment of the City's obligations under this Agreement.
- 34.7 The insurance policies required by this Agreement, except Worker's Compensation, shall name the County, its agents, representatives, officials, officers, directors, employees, volunteers, departments, agencies, boards, and commissions as Additional Insureds.
- 34.8 The policies required under this Agreement, except Worker's Compensation, shall contain a waiver of transfer of rights of recovery (subrogation) against the County and its agents, representatives, officials, officers, directors, employees, volunteers, departments, agencies, board, and commissions for any claims arising out of the City's work or service.
- 34.9 The City's policies shall stipulate that the insurance afforded the City shall be primary insurance and that any insurance carried by the County and its agents, representatives, officials, officers, directors, employees, volunteers, departments, agencies, boards, and commissions shall be excess and not contributory insurance, as provided by A.R.S. § 41-621.
- 34.10 Coverage provided by the City shall not be limited to the liability assumed under the indemnification provisions of this Agreement.
- 34.11 Commercial General Liability:
- 34.11.1. Commercial General Liability insurance and, if necessary, Commercial Umbrella insurance with a limit of not less than \$2,000,000 for each occurrence, \$2,000,000 Products/Completed Operations Aggregate, and \$4,000,000 General Aggregate Limit. The policy shall include coverage for premises liability, bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage, and shall not contain any provisions which would serve to limit third party action over claims. There shall be no endorsement or modifications of the

CGL limiting the scope of coverage for liability arising from explosion, collapse, or underground property damage.

34.12 Worker's Compensation:

34.12.1 Worker's Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of the City's employees engaged in the performance of the work or services under this Agreement; and Employer's Liability insurance of not less than \$1,000,000 for each accident, \$1,000,000 disease for each employee, and \$1,000,000 disease policy limit.

34.12.2 City waives all rights against County and its agents, representatives, officials, officers, directors, employees, volunteers, departments, agencies, boards, and commissions for recovery of damages to the extent these damages are covered by the Worker's Compensation and Employer's Liability or commercial umbrella liability insurance obtained by the City pursuant to this Agreement.

34.13 Sexual Molestation and Physical Abuse:

34.13.1 When services involve working with children, elderly, or disabled individuals, the insurance requirements in the (sub)contract must include coverage for "sexual molestation and physical abuse." Coverage for this type of claim, or allegation, is excluded from standard general liability policies. Therefore, Citys whose services include working with or caring (or both) for children/elderly and disabled persons should have their policies specifically endorsed to include this coverage.

34.13.2 The policy shall be endorsed to include coverage for sexual molestation and physical abuse at limits not less than \$2,000,000.00 per occurrence and \$4,000,000.00 aggregate. These limits may be included within a General Liability policy, Professional Liability policy or provided by separate endorsement with its own limits as required. City and its Subcontractors must provide the following statement on their Certificate(s) of Insurance: "Sexual molestation and physical abuse coverage is included." Policies/certificates stating that "Sexual molestation and physical abuse coverage is not excluded" do not meet this requirement.

34.14 Certificates of Insurance:

Upon execution of this Agreement, the City shall, and shall cause any of its Subcontractors, to furnish the County with valid and complete certificates of insurance, or formal endorsements as required by the Agreement, issued by the City's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Agreement are in full force and effect. Such certificates shall identify this Agreement by number and title.

34.15 Prior to commencing either work or services under this Agreement, the City shall have insurance in effect as required by the Agreement in the form provided by the County, issued by the City's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Agreement are in full force and effect. Such certificates shall be made available to the County with ten (10) business days after a request by the County. BY SIGNING THIS AGREEMENT, THE CITY AGREES TO THIS REQUIREMENT AND THAT FAILURE TO MEET THIS REQUIREMENT WILL RESULT IN CANCELLATION OF THIS AGREEMENT.

34.16 In the event any insurance policy(ies) required by this Agreement is (are) written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of the City's work or services and as evidenced by annual Certificates of Insurance.

- 34.17 If a policy does expire during the life of this Agreement, then a renewed Certificate of Insurance must be sent to the County forty-five (45) business days prior to the expiration date.
- 34.18 Cancellation and Expiration Notice:
Insurance required under this Agreement shall not be permitted to expire, be canceled, or materially changed without thirty (30) business days prior written notice to the County.
- 34.19 If the City provides professional or semi-professional personal services under this Agreement for which malpractice or professional liability coverage is available, such as medical, psychiatric, or legal services, then the City shall carry minimum liability coverage of \$2,000,000 each occurrence and provide the County with proof of coverage.
- 34.20 Subcontractor: The City's certificate(s) shall include all Subcontractors as insureds under its policies or the City shall furnish to the County separate certificates for each Subcontractor. All coverages for Subcontractors shall be subject to the minimum requirements identified above.
- 34.21 Approval: Any modification or variation from the insurance requirements in any agreement must have prior approval from the County whose decision shall be final. Such action will not require a formal Amendment.
Exceptions: In the event the City is a public entity, the Insurance Requirements shall not apply to such public entity. Such public entity shall provide a Certificate of Self-Insurance or a Certificate of Proof of Pool Insurance. Nongovernmental Subcontractors of the City shall comply with all insurance terms.

35.0 BONDING

- 35.1 The City shall not commence performance or receive any reimbursements under this Agreement until such time as an assurance of performance (performance bond) shall have been provided in the full amount of this Agreement.
- 35.2 Any performance bond shall be from a company with a rating not less than B++ and shall be in form acceptable to the Maricopa County Attorney.
- 35.3 The City shall provide the County with documentation of required bonding.
- 35.4 Nothing contained in this Paragraph shall limit the ability of the City to provide multiple assurances provided that the total assured amount shall be not less than the full amount of this Agreement.

36.0 GRIEVANCE PROCEDURE

The City shall establish a system through which applicants for, and recipients of, services may present grievances and may take appeals about eligibility and other aspects of the City's work under this Agreement. The grievance procedure shall include provisions for notifying the applicants for, and recipients of, services of their eligibility or ineligibility for service and their right to appeal to the County if the grievance is not satisfied at the City's level. This system shall include protest procedures for decisions related to contract awards and requests for reasonable accommodations for persons with disabilities.

37.0 NONDISCRIMINATION, EQUAL OPPORTUNITY AND EQUAL ACCESS

- 37.1 The City, in connection with any services or other activities under this Agreement, shall not in any way discriminate against any person on the grounds of race, color, religion, sex, national origin, age, disability, political affiliation or belief. The City shall include this clause in all of its Subcontracts.

- 37.2 The City shall comply with requirements of the Housing and Urban Development Equal Access Rule at 24 C.F.R. Part 5, Final Rule 5863, to ensure equal access to housing and services regardless of gender identity.

38.0 EQUAL EMPLOYMENT OPPORTUNITY

- 38.1 The City, in connection with any service or other activity under this Agreement, shall not discriminate against any employee or applicant for employment because of race, age, disability, color, religion, sex, or national origin.
- 38.2 The City, in connection with any service or other activity under this Agreement, shall each take affirmative action to ensure applicants are employed and that employees are treated during employment without regard to their race, age, disability, color, religion, sex, or national origin. Such action shall include but is not limited to the following: employment, upgrading, demotion or transfer, recruitment, or recruitment advertising, lay-off or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- 38.3 The City shall, in connection with any service or other activity under this Agreement, to the extent the following provisions apply, comply with:
- 38.3.1 Title VI and VII of the Civil Rights Act of 1964, as amended (42 U.S.C. §§ 2000a, *et seq.*);
 - 38.3.2 the Rehabilitation Act of 1973, as amended (29 U.S.C. §§ 701, *et seq.*);
 - 38.3.3 the Age Discrimination in Employment Act of 1967, as amended (29 U.S.C. §§ 621, *et seq.*);
 - 38.3.4 the Americans With Disabilities Act of 1990 (42 U.S.C. §§ 12101, *et seq.*); and
 - 38.3.5 Arizona Executive Order 2009-09, as amended, *et seq.* which mandates that all persons shall have equal access to employment opportunities.

39.0 DISABILITY REQUIREMENTS

The City agrees that any electronic or information technology offered under this Agreement shall comply with Section 508 of the Rehabilitation Act of 1973, which requires that employees and members of the public shall have access to and use of information technology that is comparable to the access and use by employees and members of the public who are not individuals with disabilities.

40.0 UNIFORM ADMINISTRATIVE REQUIREMENTS

By entering into this Agreement, the City agrees to comply with all applicable provisions of Title 2, Subtitle A, Chapter II, Part 200—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS contained in Title 2 C.F.R. §§ 200, *et seq.*

41.0 FINANCIAL MANAGEMENT

The City shall establish and maintain a separate, interest-bearing bank account for money provided under this Agreement, or an accounting system that assures the safeguarding and accountability of all money and assets provided under this Agreement. No part of the money deposited in such bank account shall be commingled. All interest earned on such an account shall be disposed of in a manner specified by the County in accordance with applicable state and federal regulations. The City shall provide a signed bank account agreement authorizing the County to obtain information about the account. If an accounting system is used, then it shall be in accordance with generally accepted accounting principles.

42.0 RETENTION OF RECORDS

- 42.1 This provision applies to all financial and programmatic records, supporting documents, statistical records, and other records of the City that are related to this Agreement.
- 42.2 The City shall retain all records related to this Agreement for a minimum of six (6) years after final payment or until after the resolution of any audit questions, which could be more than six (6) years, whichever is longer, or for the period of affordability imposed by deed restrictions. The County, federal and state auditors, and any other persons duly authorized by the County, shall have full access to, and the right to examine, copy, and make use of any and all of the records.

43.0 ADEQUACY OF RECORDS

If the City's books, records, and other documents related to this Agreement are not sufficient to support and document that allowable services were provided to eligible participants, then the City shall reimburse the County for the services not supported and documented.

44.0 COMPETITIVE BID REQUIREMENTS**44.1 Equipment**

The City shall obtain all equipment to be utilized under this Agreement and purchased with funds provided under this Agreement at the lowest practical cost in accordance with the following competitive bidding system:

44.1.1 Procurements in excess of \$300, but less than \$1,000, require oral price quotations from two or more vendors. The City shall keep and maintain a record of the vendors' verbal quotations. The City's award shall be made to the lowest bidder meeting specification requirements concerning price, conformity to specifications, and other purchasing factors.

44.1.2 Procurements exceeding an aggregate amount of \$1,000 must be approved by the Assistant Director. At least three (3) bidders shall be solicited to submit written quotations. The City shall solicit written quotations by issuing a Request for Quotation to at least three (3) vendors. The award shall be made to the lowest bidder meeting specification requirements concerning price, conformity to specifications, and other purchasing factors.

44.2 Supplies

The City shall obtain all supplies to be utilized under this Agreement and purchased with funds provided under this Agreement at the lowest practical cost and in accordance with a system of written quotes whenever the price is expected to be greater than \$300, unless the City obtains the County's prior written approval to purchase supplies by an alternate method.

44.3 Minority, Women, and Small Business Enterprises

The City shall take affirmative steps to provide an opportunity for minorities, women, and small businesses to compete in the procurement of equipment and supplies under this Agreement.

44.4 Funding source requirements relating to competitive bid procedures may supersede any or all subparts of this clause and will be specified in the Special Provisions section of this Agreement.

45.0 PROPERTY

- 45.1 Any County property furnished or purchased pursuant to the terms of this Agreement shall be utilized, maintained, repaired, and accounted for in accordance with instructions furnished by the County, and title to all such property shall revert to the County upon the expiration or termination of this Agreement. The costs to repair

such property are the responsibility of the City within the limits budgeted in this Agreement.

- 45.2 Any City property furnished or purchased pursuant to the terms of the Agreement shall be utilized, maintained, repaired, and accounted for by the City. Repair costs of such property shall be the responsibility of the City.

46.0 IMMIGRATION LAWS AND REGULATIONS

46.1 Federal Immigration and Nationality Act

46.1.1 The City understands and acknowledges the applicability of the Immigration Reform and Control Act of 1986 (IRCA). The City agrees to comply with the IRCA in performing under this Agreement and to permit the other Parties to inspect personnel records to verify such compliance.

46.1.2 The City warrants compliance with the Federal Immigration and Nationality Act (FINA) and all other federal immigration laws and regulations related to the immigration status of its employees. The City shall obtain statements from its Subcontractors certifying compliance and shall furnish the statements to the Assistant Director upon request. These warranties shall remain in effect through the term of this Agreement. The City and its Subcontractors shall also maintain Employment Eligibility Verification forms (I-9) as required by the U.S. Department of Labor's Immigration and Control Act for all employees performing work under the Agreement. I-9 forms are available for download at USCIS.GOV.

46.1.3 The County may request verification of compliance for any employees or Subcontractors performing work under this Agreement. Should the County either suspect or find that the City or any of its Subcontractors are not in compliance, then the County may pursue any and all remedies allowed by law, including, but not limited to: suspension of work, termination of this Agreement for default, and suspension or debarment (or both) of the City. All costs necessary to verify compliance are the responsibility of the City and its Subcontractor(s).

46.2 Arizona Law

46.2.1 The City warrants that it will comply with A.R.S. § 41-4401 (e-verify requirements) and further acknowledge that:

46.2.2 The City and its Subcontractors and Vendors, if any, warrant their compliance with all federal immigration laws and regulations that relate to their employees and their compliance with A.R.S. § 23-214;

46.2.3 A breach of a warranty under Sub-subparagraphs 48.2.1 and 48.2.2 above shall be deemed a material breach of this Agreement and the County may immediately terminate this Agreement without liability; and

46.2.4 The County and any contracting government entities retain the legal right to inspect the papers and employment records of any employees of the City and its Subcontractors and Vendors who work on this Agreement to ensure that the City and its Subcontractors and Vendors are complying with the warranty provided under Sub-subparagraphs 48.2.1 and 48.2.2 above and that the City agrees to make all papers and employment records of such employee(s) available during normal working hours in order to facilitate such an inspection.

47.0 GOVERNOR'S EXECUTIVE ORDER NO. 88-26

The City is required to use the Arizona Taxonomy of Human Services for reporting and contracting purposes.

48.0 EMPLOYMENT DISCLAIMER

- 48.1 This Agreement is not intended to constitute, create, give rise to, or otherwise recognize a joint venture agreement, partnership, or other business association or organization of any kind between the Parties, and the rights and obligations of the Parties shall be only those expressly set forth in this Agreement.
- 48.2 The City agrees that no individual performing under this Agreement on behalf of the City may be considered a County agent, employee, or representative and that no rights of County civil service, County retirement, or County personnel rules shall accrue to or apply to any such individual. The City shall have total responsibility for all salaries, wages, bonuses, retirement, withholdings, workers' compensation, occupational disease compensation, unemployment compensation, other employee benefits, and all taxes and premiums appurtenant thereto concerning such individuals and the City shall indemnify, defend, and hold harmless the County with respect thereto.
- 48.3 The County agrees that no individual performing under this Agreement on behalf of County may be considered a City agent, employee, or representative and that no rights of the City civil service, the City retirement, or the City personnel rules shall accrue to or apply to any such individual. The County shall have total responsibility for all salaries, wages, bonuses, retirement, withholdings, workers' compensation, occupational disease compensation, unemployment compensation, other employee benefits, and all taxes and premiums appurtenant thereto concerning such individuals and the County shall indemnify, defend and hold harmless the City with respect thereto.

49.0 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION

- 49.1 The undersigned, by signing this Agreement, represents that he/she has the authority to bind the City to the terms of this Certification. The City, as the primary participant in accordance with 2 C.F.R. Part 180, certifies to the best of its knowledge and belief that it and its principals:
- 49.1.1 Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
- 49.1.2 Have not within a 3-year period preceding the Start Date of this Agreement, been convicted of or had a civil judgment rendered against them for (1) the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, State, or local) transaction or contract under a public transaction; (2) the violation of any federal or State antitrust statutes or (3) the commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- 49.1.3 Are not presently indicted or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with the commission of any of the offenses enumerated in Sub-subparagraph 50.1.2 above; and
- 49.1.4 Have not, within a three-year period preceding this Start Date of this Agreement, had one or more public transactions (federal, state, or local) terminated for cause or default.
- 49.2 The City agrees to include, without modification, this clause in all lower tier covered transactions (i.e., transactions with Subcontractors) and in all solicitations for lower tier covered transactions related to this Agreement.

50.0 CONTRACTOR EMPLOYEE WHISTLEBLOWER RIGHTS AND REQUIREMENT TO INFORM EMPLOYEES OF WHISTLEBLOWER RIGHTS

- 50.1 The City agrees that this Agreement and employees working on this Agreement will be subject to the whistleblower rights and remedies in the pilot program on contractor employee whistleblower protections established at 41 U.S.C. § 4712 by Section 828 of the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112–239) and Section 3.908 of the Federal Acquisition Regulation;
- 50.2 The City shall inform its employees in writing, in the predominant language of the workforce, of employee whistleblower rights and protections under 41 U.S.C. § 4712, as described in Section 3.908 of the Federal Acquisition Regulation. Documentation of such employee notification must be kept on file by the City and copies provided to the County upon request; and
- 50.3 The City shall insert the substance of this clause, including this Paragraph 51.0, in all subcontracts over the simplified acquisition threshold (\$250,000 as of June 2021).

51.0 WRITTEN CERTIFICATION IN ACCORDANCE WITH A.R.S. § 35-393.01

If the City engages in for-profit activity and has 10 or more employees, and if this Agreement has a value of \$100,000 or more, then the City certifies it is not currently engaging in and agrees for the duration of this Agreement not to engage in, a boycott of goods or services from Israel. This certification does not apply to a boycott prohibited by 50 U.S.C. § 4842 or a regulation issued pursuant to 50 U.S.C. § 4842.

52.0 SURVIVAL

The indemnification, hold harmless, defense, and non-liability provisions of this Agreement shall have full force and effect notwithstanding any other provisions in this Agreement and shall survive the termination or expiration of this Agreement.

53.0 FORCE MAJEURE

- 53.1 Neither Party shall be liable for failure of performance, nor incur any liability to the other Party on account of any loss or damage resulting from any delay or failure to perform all or any part of this Agreement if such delay or failure is caused by events, occurrences, or causes beyond the reasonable control and without negligence of the Parties. Such events, occurrences, or causes will include Acts of God/Nature (including fire, flood, earthquake, storm, hurricane, or other natural disaster), war, invasion, act of foreign enemies, hostilities (whether war is declared or not), civil war, riots, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, nationalization, government sanction, lockout, blockage, embargo, labor dispute, strike, pandemic, and interruption or failure of electricity or telecommunication service.
- 53.2 Each Party, as applicable, shall give the other Party notice of its inability to perform and particulars in reasonable detail of the cause of the inability. Each party must use best efforts to remedy the situation and remove, as soon as practicable, the cause of its inability to perform or comply.
- 53.3 The Party asserting Force Majeure as a cause for non-performance shall have the burden of proving that reasonable steps were taken to minimize delay or damages caused by foreseeable events, all non-excused obligations were substantially fulfilled, and the other Party was timely notified of the likelihood or actual occurrence that would justify such an assertion, so that other prudent precautions could be contemplated.

SECTION 2
SPECIAL PROVISIONS



MARICOPA COUNTY
HUMAN SERVICES DEPARTMENT

STANDARDS

The City shall perform the work and provide the services identified in the Work Statement and shall immediately notify the County whenever the City is unable to, or anticipates an inability to, perform any of the work, or provide any of the services required by the terms of this Agreement. The City acknowledges that any inability to perform the work and provide the services, or comply with the standards, set forth in this Agreement may subject the City to the remedies provided in Paragraph 5.0, Default and Remedies for Noncompliance in the Special Provisions.

1.0 COMPLIANCE WITH LAWS, RULES & REGULATIONS

This Agreement and the Parties to it are subject to all applicable federal, state, or local laws, rules, and regulations. The City shall comply with all applicable laws, rules and regulations, without limitation to those designated within this Agreement. Refer to Paragraph 5.0, Default and Remedies for Noncompliance provided in the Special Provisions.

2.0 COMPLIANCE WITH REQUIREMENTS REGARDING ELIGIBILITY FOR PUBLIC BENEFITS

2.1 The City shall comply with state and other laws regarding eligibility for public benefits, including A.R.S. §§ 1-501 and 1-502, which state that public benefits shall only be provided to eligible applicants who are citizens of the United States, or are Qualified Non-Citizens:

- 2.1.1 All applicants authorized to receive public benefits must provide documentation of their lawful presence in the United States through a verification process.
- 2.1.2 All eligible applicants must also execute a sworn affidavit stating that the documentation provided during the verification process to prove citizenship or qualified non-citizen is true.
- 2.1.3 The Affidavit Demonstrating Lawful Presence in the United States or similar form shall be used to document compliance with requirements listed above.
- 2.1.4 Maricopa County and its subcontracted entities are required to report "discovered violations" of federal immigration law.
- 2.1.5 Federal public benefits are defined in A.R.S. § 1-501 as any grant, contract, loan, professional license, or commercial license provided by an agency of the United States or by appropriated funds of the United States; and any retirement, welfare, health, disability, public or assisted housing, postsecondary education, food assistance, unemployment benefit, or any other similar benefit for which payments or assistance are provided to an individual, household, or family eligibility unit by an agency of the United States or by appropriated funds of the United States.
- 2.1.6 State or local public benefits are defined in A.R.S. § 1-502 as any grant, contract, loan, professional license, or commercial license provide by an agency of the state or local government or by appropriated funds of a state or local government; and any retirement, welfare, health, disability, public or assisted housing, postsecondary education, food assistance, unemployment benefit, or any other similar benefit for which payments or assistance are provided to an individual, household, or family eligibility unit by an agency of a state or local government or by appropriated funds of a state or local government.

- 2.2 Programs, services, or assistance (such as soup kitchens, crisis counseling and intervention, and short-term shelter) that meet the following conditions are exempt from A.R.S. §§ 1-501 and 1-502:
 - 2.2.1 deliver in-kind services at the community level, including through public or private nonprofit agencies;
 - 2.2.2 do not condition the provision of assistance, the amount of assistance provided, or the cost of assistance provided on the individual recipient's income or resources; and
 - 2.2.3 are necessary for the protection of life or safety.

3.0 AUDIT REQUIREMENTS

The City is in receipt of federal funds through the County and is subject to the federal audit requirements of the Single Audit Act of 1984, as amended (Pub. L. No. 98-502) (codified at 31 U.S.C. § 7501, *et seq.*). The City shall comply with 2 C.F.R. 200, Subpart F. Upon completion, such audits shall be made available for public inspection. Audits shall be submitted to the County within the twelve (12) months following the close of the fiscal year. The City shall take corrective actions within six (6) months of the date of receipt of audit findings. The County shall consider sanctions as described in 2 C.F.R. § 200.505 if it is determined by HUD or the County that the City is not in -compliance with the audit requirements.

4.0 DEFAULT AND REMEDIES FOR NONCOMPLIANCE

- 4.1 Notwithstanding anything to the contrary, this Subparagraph shall not be deleted or superseded by any other provision of this Agreement.
- 4.2 This Agreement may be immediately terminated by the County if the City defaults by failing to perform any objective, or breaches any obligation under this Agreement, or any event occurs that jeopardizes the City's ability to perform any of its obligations under this Agreement. The County reserves the right to have the services provided by persons other than the City if the City is unable or fails to provide required services with the specified time frame.
- 4.3 Failure to comply with the requirements of this Agreement and all applicable federal, state, or local laws, rules, and regulations may result in suspension or termination of this Agreement, the return of unexpended funds (less just compensation for work satisfactorily completed that, to date, has not been paid), the reimbursement to the County by the City of any funds improperly expended, or the recovery of funds improperly acquired. Noncompliance with this Agreement includes but is not limited to:
 - 4.3.1 Nonperformance of any obligations;
 - 4.3.2 Noncompliance with any applicable federal, state, or local laws, rules or regulations, including HUD guidelines, policies, or directives;
 - 4.3.3 Unauthorized expenditure of funds;
 - 4.3.4 Violation of the applicable affordability period;
 - 4.3.5 Improper disposition of recaptured proceeds;
 - 4.3.6 Improper disposition of Program Income;
 - 4.3.7 Noncompliance with applicable financial record requirements, accounting principles, or standards established by 2 C.F.R. Part 200; and
 - 4.3.8 Noncompliance with recordkeeping, record retention, or reporting requirements.
- 4.4 Notwithstanding the suspension or termination of this Agreement, or the final determination of the proper disposition of funds, the City shall, without intent to limit or with restrictions, be subject to the following:

- 4.4.1 All funding shall be immediately revoked, and any approvals related to the Project described in the Special Provision or Work Statement shall be deemed revoked and canceled. Thereby, any entitlements to compensation after suspension or termination of this Agreement are similarly revoked and unavailable.
- 4.4.2 Not be relieved of any liability or responsibility associated with the Special Provision or Work Statement.
- 4.4.3 Acknowledge that suspension or termination of this Agreement does not affect or terminate any rights against the City at the time of suspension or termination, or that may accrue later. Nothing in this Agreement shall be construed to limit or terminate any right or remedy available under contract or rule.
- 4.4.4 Waiver of a breach or default of any term, covenant, or condition of this Agreement or any federal, state, or local law, rule, or regulation shall not operate as a waiver of any subsequent breach of the same or any other term, covenant, condition, law, rule, or regulation.
- 4.5 The City shall, upon notice or with knowledge obtained by the City, or others, take any and all proactive actions necessary, and provide any and all applicable remedies to address and correct any act by it or its employees, officials, successors, assigns, contractors, or Subcontractors that resulted in any wrongdoing (intentional or unintentional); misuse or misappropriation of funds; the incorrect or improper disposition of funds; any violations of any federal, state, or local laws, rules, or regulations; or the breach of any certifications or warranties provided in this Agreement.

5.0 SPECIAL FEDERAL AND PROJECT PROVISIONS

- 5.1 In accordance with HUD HOME Program regulations, the City agrees to use HOME funds pursuant to the Five-Year Consolidated Plan and the Annual Action Plan as approved by HUD and all requirements of 24 C.F.R. Part 92. The City will require that this requirement is included in the award documents for all subawards at all tiers (including Subcontracts, subgrants, and agreements under grants, loans, and cooperative agreements) and that all Subcontractors and Vendors shall certify and disclose accordingly. The Annual Action Plan is hereby incorporated by reference into this Agreement. The Project activities are described in Section 3 (Work Statement). The City shall be responsible to provide reports of all activities related to the Work Statement. The City agrees to submit to the County the following reports:
 - 5.1.1 **Quarterly Performance Reports:** due on the 15th of January, April, July, and October of the preceding three (3) months (i.e., the July report covers the months of April, May, and June). Reports shall address all Project activities described in the Work Statement. Failure to submit timely Quarterly Performance Reports will result in suspension of reimbursement of funds requested until all reports are brought current.
 - 5.1.2 **Request for Reimbursements:** The Request for Reimbursement Form must include all supporting documentation, and a Match Log. The City will complete the documents and submit them to the County for approval.
 - 5.1.3 **HOME Setup Reports:** due within one (1) year after the date this Agreement is fully executed. According to 24 C.F.R. § 92.250 (b): Before Setup Reports are submitted, the City must evaluate the Project in accordance with guidelines that the City has adopted for determining a reasonable level of profit or return on its investment in the Project and must

not commit or invest any more HOME funds, alone or in combination with other governmental assistance, than are necessary to provide quality affordable housing that is financially viable for a reasonable period (at a minimum, the period of affordability in accordance with 24 C.F.R. §§ 92.252 and 92.254) and that will not provide a profit or return on the City's investment that exceeds the City's established standards for the size, type, and complexity of the Project.

- 5.1.4 **HOME Completion Report:** due no later than sixty (60) days after final payment is requested. The HOME Completion Report must include all required documents as described in this Agreement. Within ten (10) business days after receipt of the HOME Completion Report, the County will enter the Project completion data into the HUD Exchange Integrated Disbursement and Information System (IDIS). The date the HOME Completion Report is entered into IDIS is the date the affordability period commences for each activity.
- 5.1.5 **Initial Request for Reimbursement form:** with required documentation for each activity is due within 45 (forty-five) days after submitting a HOME Setup Report.
- 5.1.6 **Other HUD:** required reporting data as applicable.

6.0 PROGRAM INCOME

All Program Income generated from this Agreement shall be used to fund either the acquisition or rehabilitation (or both) of additional HOME eligible properties to be sold to qualified low-income families as defined in 24 C.F.R. § 92. The HOME requirements shall continue to apply if the City receives and uses Program Income, even if the Program Income funds are earned and expended after the expiration of this Agreement.

7.0 REAL PROPERTY ACQUIRED OR IMPROVED WITH HOME FUNDS

- 7.1 Upon expiration of this Agreement, any real property under the City's control that was acquired or improved in whole or in part with HOME funds must be occupied by low- or very-low-income households (or both) and in compliance with HOME occupancy limits and must meet the requirements to qualify as affordable housing subject to encumbrances and obligations described in any applicable recorded deed restrictions. The option to use deed restrictions must include period of affordability set forth in 24 C.F.R. §§ 92.252 and 92.254.

8.0 TENANT-BASED RENTAL ASSISTANCE (TBRA)

- 8.1 Eligible costs are the rental assistance and security deposit payments made to provide TBRA for a family pursuant to 24 C.F.R. § 92.209. Eligible costs also include utility deposit assistance, but only if this assistance is provided with TBRA or a security deposit payment. Administration of TBRA is eligible only under general management oversight and coordination at 24 C.F.R. § 92.207(a), except that the costs of inspecting and determining the income eligibility of the family are eligible costs of TBRA.

9.0 DE-OBLIGATION

- 9.1 The County may de-obligate funds under this Agreement under any one or more of the following circumstances upon written notice to the City:
 - 9.1.1 The City completes performance under the Work Statement without using all funds provided by the County under this Agreement;

- 9.1.2 A Program activity under the Work Statement is cancelled or changed for reasons other than non-performance; or
- 9.1.3 This Agreement has been terminated.

10.0 REDUCTION IN FUNDS

- 10.1 The County, through an Amendment, may reduce Agreement funds under either or both of the following circumstances:
 - 10.1.1 The County determines that the City failed to utilize the funds provided by this Agreement in compliance with the terms and conditions outlined herein; or
 - 10.1.2 The City failed to perform in accordance with Section 3 (Work Statement) and identified timelines.

11.0 REPAYMENT OF FUNDS

The City shall repay funds that are defined as unallowable costs under applicable laws and regulations. This repayment obligation extends to, but is not limited to, questioned costs identified in either a monitoring review or Single-Audit report. Repayment of funds is required by HUD for failed projects during the period of affordability for Projects financed under this Agreement. The County may specify in writing the terms of the repayment or alternative terms in lieu of repayment. However, in no case shall repayment or alternative terms be accomplished later than one hundred eighty (180) calendar days following the written determination by the County of noncompliance.

12.0 ADMINISTRATIVE REQUIREMENTS

- 12.1 The County is responsible for ensuring HUD HOME Program funds are administered in accordance with the HOME regulations, 24 C.F.R. Part 92. The County shall monitor the City's activities to ensure compliance with the following:
 - 12.1.1 FINANCIAL RECORDS: accounting system and financial records comply with the applicable requirements and standards of 2 C.F.R. Part 200 and are subject to monitoring from time to time by the either the County or by HUD.
 - 12.1.1.1 The City agrees to adhere to accounting principles and procedures, to utilize adequate internal controls, and maintain necessary source documentation for all costs incurred. The City further agrees to maintain an adequate accounting system that provides for appropriate grant accounting.
 - 12.1.1.2 The City shall adhere to applicable audit requirements as described in, and in accordance with, 2 C.F.R. Part 200. In addition, the City must provide annual single-audit reports or annual audited financial statements to the County.
 - 12.1.1.3 The City shall adhere to the repayment of investment requirements set forth in 24 C.F.R. § 92.503. Any HOME Funds invested in housing that do not meet the affordability requirements for the period specified in either 24 C.F.R. § 92.252 or § 92.254, as applicable, must be repaid in accordance with 24 C.F.R. § 92.503(b)(3).
 - 12.1.2 DOCUMENTATION AND RECORD KEEPING
 - 12.1.2.1 Records to be Maintained: The City shall maintain all records required by the federal regulations specified in 24 C.F.R. § 92.508 that are pertinent to the activities to be

funded under this Agreement. Such records shall include, but not be limited to, records:

- 12.1.2.1.1 Providing a full description of each activity undertaken and its impact;
- 12.1.2.1.2 Required to determine the eligibility of activities;
- 12.1.2.1.3 Demonstrating compliance with environmental review requirements;
- 12.1.2.1.4 Required to document the acquisition, improvement, use, or disposition of real property acquired or improved with HOME assistance (Properties retained shall continue to meet eligibility criteria);
- 12.1.2.1.5 Demonstrating citizen participation;
- 12.1.2.1.6 Demonstrating compliance regarding acquisitions, displacement, relocation, and replacement housing;
- 12.1.2.1.7 Demonstrating continuing compliance for all activities and compliance with recapture provisions of the affordability standards;
- 12.1.2.1.8 Documenting compliance with the fair housing and equal opportunity components of the HOME Program;
- 12.1.2.1.9 Required by 24 C.F.R. § 570.502, 2 C.F.R. Part 200, and OMB Circulars;
- 12.1.2.1.10 Other records necessary to document compliance with HOME Program requirements;
- 12.1.2.1.11 Documenting compliance with Section 3 of the Housing and Urban Development Act of 1968 and implementing regulations at 24 C.F.R. Part 75;
- 12.1.2.1.12 Demonstrating compliance with deeds of trust, promissory notes, and forgivable loans;
- 12.1.2.1.13 Supporting that the City has maintained client data demonstrating all clients served have met the income and other criteria required by federal law and that no unlawful discrimination occurs in the solicitation or selection process of low-income persons or groups and that no conflict of interest exists, as described in 24 C.F.R. § 92.356;
- 12.1.2.1.14 Documenting compliance with underwriting and subsidy layering requirements, including the requirement that the City will not invest any more HOME funds in combination with other federal assistance than is necessary to provide affordable housing, as described in 24 C.F.R. § 92.250 and further described in HUD Notice CPD 15-11; and,

- 12.1.2.1.15 Demonstrating compliance with federal, state, and local laws and regulations, including compliance with A.R.S. §§ 1-501 and 1-502.
- 12.1.2.2 Outcome Measures – The City shall maintain data that supports the accomplishment of the desired outcomes as indicated in the Work Statement.
- 12.1.2.3 Disclosure – The City understands that client information collected under this Agreement is private and the use or disclosure of such information, when not directly connected with the administration of the County's or the City's responsibilities with respect to services provided under this Agreement, is prohibited unless written consent is obtained from such person receiving service.
- 12.1.2.4 Program Activity Reports – Such reports as required by the County including, but not limited to, HOME Setup/Completion Reports, Quarterly Performance Reports, annual Program Income Reports, Match Reports, MBE/WBE information, and other HUD-required reporting data, as applicable, shall be submitted at the completion of each Program that is described under the Work Statement.
- 12.1.2.5 Audits and Inspections – All of the City's records with respect to any matters covered by this Agreement shall be made available to the County, its designees, and the federal government, at any time during normal business hours, as often as the County deems necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any relevant deficiencies noted in audit reports shall be addressed by the City within 45 days after receipt by the City. Failure of the City to comply with the above audit requirements shall constitute a violation of this Agreement and may result in the withholding of future payments. The Annual Audit requirement is applicable to all levels of funding received by the City under this Agreement, even if the level of funding is less than the current thresholds cited in 2 C.F.R. § 200.501.
- 12.1.2.6 Performance Monitoring – The County will monitor the City to determine whether HOME funded activities are implemented and administered in accordance with all applicable federal requirements and gauge performance of the City against goals and performance standards required in this Agreement. The City shall ensure that all required files and documentation are available at scheduled monitoring visits. The failure of the City to administer, implement, and perform as determined by federal regulations and by the County shall constitute non-compliance with this Agreement. Non-compliance is a violation of this Agreement and may result in the withholding of future payments.

13.0 ENVIRONMENTAL REVIEW CONDITIONS

- 13.1 Completion of the Environmental Review Record (ERR) is mandatory before taking any physical action on a site or entering into choice-limiting contracts. Only exempt activities such as administration may be taken and reimbursed by the County prior to receiving a written release of HOME funds to the City. Exempt activities described in 24 C.F.R. § 58.34(a)(1)-(11) are activities that generally have no physical impact on the environment. If federal funds are involved in an activity, then neither federal nor non-federal funds may be expended or committed by contract (conditional or not) for property acquisition, rehabilitation, conversion, lease, repair, or construction activities until either HUD or the County provides the City with written authorization based on approval of an ERR.
- 13.2 An option agreement (to purchase land or a single-family residence) on a proposed site or property is allowable prior to the completion of the environmental review if the option agreement is contingent upon a HUD authorization to use funds based on the completion of the ERR. The cost of the option must be a nominal portion of the purchase price.
- 13.2.1 The City agrees to comply with: The National Environmental Policy Act of 1969 (P.L. 91-190) pursuant thereto 40 C.F.R. Parts 1500 – 1508; Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities pursuant thereto Title 24 C.F.R. Part 58, Subpart A; CPD Notice 01-11 HOME Environmental Review Requirements; and all conditions required in the process of the environmental assessment.
- 13.2.2 Air and Water - The City shall comply with the following requirements insofar as they apply to the performance of this Agreement:
- 13.2.2.1 Clean Air Act, 42 U.S.C. § 7401, *et seq.*, as amended.
- 13.2.2.2 Federal Water Pollution Control Act, as amended, 33 U.S.C. §§ 1251, *et seq.*, as amended, Section 1318 relating to inspection, monitoring, entry, reports, and information, and all regulations and guidelines issued thereunder.
- 13.2.2.3 Environmental Protection Agency (EPA) regulations pursuant to 40 C.F.R. § 50, as amended.
- 13.2.2.4 The City agrees to comply with conditions set forth by the Air Quality Department or other County agency, as required.
- 13.2.2.5 Flood Disaster Protection - In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. § 4001), the City shall ensure that for activities located in an area identified by FEMA as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes. The City shall require the homeowner to obtain and maintain flood insurance as a condition of funding, or funds shall not be utilized.
- 13.2.2.6 Historic Preservation - The City shall comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966 (16 U.S.C. § 470) and the procedures set forth in 36 C.F.R. § 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement.

- 13.2.2.7 Release of Funds (ROF) - No funds may be encumbered prior to the completion of the Environmental Review. The ERR must be completed before any funds are obligated. Funding also is conditioned upon the completion of the ERR of every activity site by address. The responsibility for certifying the appropriate ERR and ROF shall rest with the County. It is the responsibility of the City to notify the County and to refrain from making any commitments and expenditures on a site until a ROF has been issued by the County. Failure to meet these conditions will mean that requested funds will not be disbursed.

14.0 ADDITIONAL CERTIFICATIONS, WARRANTIES, AND AGREEMENTS

- 14.1 The City agrees to undertake the same obligations as the County has undertaken to HUD pursuant to the County's Annual Action Plan (included in this Agreement by reference) and shall adhere to the federal Certifications referenced below, including Attachment 1 - Certification for a Drug-Free Workplace (HUD form 50070) and Attachment 2 - Certification of Payments to Influence Federal Transactions (HUD form 50071). The City shall hold the County harmless, defend, and indemnify the County against any damages or other liabilities that the County may incur with respect to HUD as a result of any failures on the part of the City.
- 14.2 The City agrees:
- 14.2.1 To ensure that the total HOME investment in each unit does not exceed the maximum per unit subsidy (24 C.F.R. § 92.250) for the area in which the property is located. This limit is updated annually. Refer to Attachment 3 of this Agreement.
- 14.2.2 To ensure that the period of affordability imposed on the Project reflects the per unit subsidy limit. The minimum affordability period is five years for HOME subsidies of less than \$15,000 per unit; ten years for subsidies of \$15,000 to \$40,000; and 15 years for subsidies greater than \$40,000.
- 14.2.3 To ensure that the annual Homeownership Value Limits are not exceeded. HOME funds for homebuyer assistance or single-family rehabilitation Projects must have an initial purchase price that does not exceed 95% of the median purchase price for Maricopa County. These limits apply to homeownership units assisted with HOME funds for the following single-family activity types: new housing construction for resale; homebuyer assistance; acquisition with rehabilitation for resale; and owner-occupied housing rehabilitation. This limit is updated annually. Refer to Attachment 3 of this Agreement.
- 14.2.4 To utilize and make available the HOME funds in conformity with the non-discrimination and equal opportunity requirements set out in the HUD regulations in the National Housing Affordability and Stability Act (24 C.F.R. §§ 92.350-92.454), which include:
- 14.2.5 To ensure implementation of the Fair Housing Act, (42 C.F.R. §§ 3601-3620), and implementing regulations at 24 C.F.R. Part 100 (discriminatory conduct under the Fair Housing Act), Executive Order 11063 (Equal Opportunity in Housing) as amended by Executive Order 12259 (leadership and coordination of fair housing in federal programs) (3 C.F.R. §§ 1958-1963 Comp., p. 652 and 3

- C.F.R. § 1980, Comp. p. 307) and implementing regulations at 24 C.F.R. Part 107 (nondiscrimination and equal opportunity in housing under Executive Order 11063), and Title VI of the Civil Rights Act of 1964 (42 U. S. C. §§ 2000d, *et seq.*), and implementing regulations at 24 C.F.R. Part 1 (Nondiscrimination in Federally Assisted Programs of HUD);
- 14.2.6 To affirmatively further fair housing, which includes taking appropriate actions to overcome the effects of any impediments identified in the County's "Analysis of Impediments to Fair Housing Choice" and maintain records reflecting any actions taken in regard to fair housing;
- 14.2.7 To adhere to Executive Order 13166 (Improving Access to Services for Persons with Limited English Proficiency) in accordance with Title VI of the Civil Rights Act of 1964;
- 14.2.8 To implement the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. §§ 6101, *et seq.*) and the regulations at 24 C.F.R. Part 146 (nondiscrimination on the basis of age in HUD programs or activities receiving federal financial assistance);
- 14.2.9 To implement of the prohibitions against discrimination on the basis of handicap under Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §§ 794, *et seq.*) and implementing regulations at 24 C.F.R. Part 8 (nondiscrimination based on handicap in federally assisted programs and activities of HUD) and the Americans with Disabilities Act 1990 (42 U.S.C. §§ 12101, *et seq.*);
- 14.2.10 To adhere to the requirements of the Executive Order 11246 (Equal Employment Opportunity) and the regulations issued under the Order at 41 C.F.R. Chapter 60 (3 C.F.R. §§ 1964-65, Comp, p. 339);
- 14.2.11 To implement the requirements of Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. § 1702u) (Employment Opportunities for Business and Lower Income Persons in Connection with Assisted Activities);
- 14.2.12 To implement the requirements of Executive Orders 11625 and 12432 regarding MBE development and 12138 regarding WBE, and Regulations S. 85.36 (e) and of Section 281 of the National Housing Affordability and Stability Act; and
- 14.2.13 To implement the requirements of the HUD 246 Rule (24 C.F.R. Part 5 Final Rule 5863) to ensure equal access to housing and services regardless of gender identity.
- 14.3 The City agrees that it will prepare and adopt acceptable procedures and requirements for affirmatively marketing units funded under the HOME Program, when HOME Program-assisted housing contains five (5) or more rental units, by providing information about the availability of HOME Program-assisted units that are vacant at the time of completion or that later become vacant. The City shall make good faith efforts to provide information and to otherwise attract eligible persons from all racial, ethnic, and gender groups in the housing market to the available housing during the period of affordability. These procedures and requirements are not applicable when units are occupied by families referred from a Public Housing Authority's (PHA) waiting list, or to families receiving tenant-based rental assistance provided from HOME funds.

- 14.4 HOME funds may not be used for operations or modernization of public housing projects financed under the Housing Act of 1937.
- 14.5 The County, as the participating jurisdiction, assumes all the responsibilities for environmental review, decision making, and action under the National Environmental Policy Act of 1969 (42 U.S.C. § 4321) and the other provisions of the law that would apply to HUD were HUD to undertake such Activities as Federal Activities in accordance with 24 C.F.R. Part 58 (environmental review procedures for entities assuming HUD environmental responsibilities). The County will assume the responsibilities for the Request for Release of Funds. The City shall not commit or incur expenditures for HOME activities until the environmental review process has been completed. Should it be determined that the City incurred expenses in violation of the NEPA requirements, the City will be responsible for the full costs for such expenditures and repayment of any related reimbursements. The City shall provide all necessary assistance to the County in completing this environmental review process.
- 14.6 The City agrees to comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C. §§ 4291-4655) and the governmental implementing regulations at 49 C.F.R. Part 24; and follow a residential anti-displacement and relocation assistance plan required under §104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding as they apply to the HOME Program.
- 14.7 The City shall comply with the Davis-Bacon Act (40 U.S.C. §§ 276a, *et seq.*), Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327, *et seq.*) related acts, and the provisions of 24 C.F.R. Part 24 regarding Government Debarment and Suspension as they apply to this HOME Program.
- 14.8 The City shall comply with the Flood Disaster Protection Act of 1973 (42 U.S.C. §§ 4001, *et seq.*) as it applies to this HOME Program.
- 14.9 The City shall comply with the Drug-Free Workplace Act of 1988 as it applies to the HOME Program.
- 14.10 Housing assisted with HOME Program funds constitutes HUD-assisted housing for the purposes of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§ 4801, *et seq.*) and is therefore subject to 24 C.F.R. Part 35.
- 14.11 No person who is an employee, agent, consultant, officer or elected official, or appointed official who exercises or has exercised any functions or responsibilities with respect to activities assisted with HOME funds or who is in a position in a decision making process or gains inside information with regard to these activities, may obtain a financial interest or benefit from a HOME-assisted activity, either for himself/herself or those whom the person has family or business ties, during his/her tenure or for one year thereafter.

15.0 SUBCONTRACTS AND VENDORS

- 15.1 Approvals – Unless expressly authorized in this Agreement, exempt activities such as architectural, engineering, and administration may not be undertaken and reimbursed by the County prior to receipt of HUD Request Release of Funds (RROF). Exempt activities described in 24 C.F.R. § 58.34(1)(1)-(11) are activities that generally have no physical impact on the environment. Otherwise, the City shall not expend or commit federal or non-federal funds by contract (conditional or not) for property acquisition, rehabilitation, conversion, lease, repair, or construction activities, until HUD has provided written authorization based on approved ERR. Any pre-Agreement costs entered into by Subcontract with any

agency or individual in the performance of this Program that are not exempt activities without Release of Funds (ROF) from the County prior to the execution of such Agreement.

- 15.2 DUNS Number – All Subcontractors shall have a valid DUNS number and an active profile in the federal System for Award Management, or SAM.
- 15.3 Fees – The City and all Subcontractors under this Agreement shall not charge servicing, origination, or other fees for the costs of administering the HOME Program, except as permitted by 24 C.F.R. § 92.214(b)(1).
- 15.4 Selection Process – The City shall ensure that all Subcontracts in the performance of this Agreement are awarded on a fair and open competitive basis. Executed copies of all Subcontracts shall be forwarded to the County along with documentation, if requested, concerning the selection process.
- 15.5 Section 3 of the Housing and Urban Development Act of 1968 – The City shall include the Section 3 clause in every Subcontract and shall take appropriate action pursuant to the Subcontract upon a finding that a Subcontractor is in violation of regulations issued by HUD. The City shall not subcontract with any entity where the City has notice or knowledge that the entity has been found in violation of the regulations under 24 C.F.R. Part 75. The City has the responsibility of determining Section 3 eligibility and reporting.
- 15.6 Monitoring – The City shall monitor/review all subcontracted services to assure contract compliance. Results of monitoring efforts shall be summarized in Quarterly Performance Reports and supported with documented evidence, if requested, of follow-up actions taken to correct areas of noncompliance.

16.0 THE COUNTY CERTIFIES

- 16.1 That a public purpose is served by the County contracting for activities identified in Section 3 (Work Statement).
- 16.2 That the HOME Program funds designated for the Work Statement activities constitute reasonable and prudent assistance.

17.0 THE CITY AGREES TO

- 17.1 Complete and submit to the County all Environmental Reviews (ERs) in a timely manner.
- 17.2 Submit all Requests for Reimbursements and Amendments to the County in a timely manner.
- 17.3 Keep the Maricopa HOME Consortium informed of progress toward goals.
- 17.4 Serve as the lien holder for all real estate developed, if applicable.
- 17.5 Provide, at the completion of the Project, a close out memo detailing the on-going HOME requirements and responsibilities for the affordability period.

18.0 PROGRAM COMPLETION

- 18.1 Upon completion of the Agreement activities, any Agreement funds not expended shall be retained by the County for reallocation as defined by the Maricopa HOME Consortium Policies and Procedures.
- 18.2 The disposition of any property purchased during the term of this Agreement shall follow Section 1 (General Provisions), Paragraph 47.0 (Property).
- 18.3 The City shall continue to be responsible for compliance activities until all HOME Program requirements and contractual obligations are met, including affordability restrictions. The City's obligations shall not end until all close-out requirements are completed. The County will notify the City in writing that a Completion Report is due to the County within sixty (60) days after one of the following occurrences:

- 18.3.1 Funds have been expended for the activity;
 - 18.3.2 The Work Statement has been completed;
 - 18.3.3 This Agreement has expired; or
 - 18.3.4 The Agreement has otherwise been terminated.
- 18.4 Following the receipt and approval of the Completion Report for each activity, the County will notify the City in writing that each activity is closed. In compliance with 24 C.F.R. § 92.502(d), all Project completion data shall be entered into IDIS by the County within 120 days after the final drawdown. Project completion means Projects have all necessary title transfer and construction work completed, Projects comply with HOME requirements including property standards set forth at 24 C.F.R. § 92.251, the final draw has been disbursed, and the projection completion data has been entered into IDIS.
- 18.5 For the purposes of a rental Project, the following shall apply:
- 18.5.1 The Project shall be completed when the site receives a Certificate of Occupancy;
 - 18.5.2 It is not required for a beneficiary to be identified for the Project to be considered complete. Vacant rental units may be marked as vacant when completion data is entered into IDIS.
 - 18.5.3 If any rental unit remains unoccupied six (6) months after the date of Project completion, the City must provide the County information about marketing efforts to place occupants in the unit and, if appropriate, an enhanced plan for marketing the unit so that it is leased as quickly as possible.
 - 18.5.4 Within eighteen (18) months after the date of Project completion, if efforts to market the unit are unsuccessful and the unit is not occupied by an eligible beneficiary (or beneficiaries), the City shall be required to repay all HOME funds invested in the unit.

19.0 FAILURE TO MAKE PROGRESS

- 19.1 The failure of the City to make progress according to the Work Statement may result in the termination of this Agreement, de-obligation of funds, or recapture of funds. The City agrees to meet with the County at the site at which the funded activity is to take place to discuss progress and allow the County to provide technical assistance if:
- 19.1.1 The City fails to complete an Environmental Review pursuant to Section 2 (Special Provision) Paragraph 13.0 (Environmental Review Conditions) within one hundred and eighty (180) calendar days after the date this Agreement is executed.
 - 19.1.2 The City fails to commit funds to a specific local Project in accordance with the terms of this Agreement within eighteen (18) months after the date of full execution of this Agreement. Commit for the purposes of this Paragraph shall have the same meaning as in 24 C.F.R. § 92.2(2)(i)-(iii).
 - 19.1.3 The City fails to expend HOME funds in performance of Project activities in accordance with the terms of this Agreement within twenty-four (24) months after the date of full execution of this Agreement.
 - 19.1.4 Within six (6) months after the date of Project completion, if a unit remains unoccupied, then the City must provide the County information about current marketing efforts and, if appropriate, an enhanced plan for marketing the unit so that it is leased as quickly as possible. Within 18 months from the date of Project completion, if efforts to market the unit are unsuccessful and the unit is not occupied by an eligible tenant, then HUD will require repayment of all HOME funds invested in the unit. A unit that

has not served a low-, or very low-income household has not met the purpose of the HOME program. Therefore, the costs associated with the unit are ineligible. This tracking provides the County with early notice of any units at risk of going unoccupied as described in 24 C.F.R. § 92.252.

- 19.2 The County will terminate this Agreement and recapture funds, if the City does not perform the activities described in the Work Statement of this Agreement. The County, in its sole discretion, may forgo providing technical assistance and require repayment of funds as outlined in this Agreement under Section 1 (General Provisions), Paragraph 5.0 (Termination), or terminate the Agreement for cause under Section 1 (General Provisions), Paragraph 5.0 (Termination).

20.0 GENERAL CONDITIONS

- 20.1 Administrative Change Orders and Addenda – The Chairman of the Board of Supervisors is authorized upon the recommendation of the Human Services Department Director and Legal Counsel to a.) make changes within the general scope of the Agreement on behalf of the County through Administrative Change Orders, and b.) identify the single-family properties that are subject to Section 3 (Work Statement) of this Agreement through Addenda. Both Administrative Change Orders and Addenda shall be approved and fully executed by the Chairman of the Board of Supervisors and the authorized representative for the City.

- 20.1.1 Administrative Change Orders may address any of the following areas:

- 20.1.1.1 Modifications to the Project timeline if the last day of the Project timeline is within the Agreement term;
- 20.1.1.2 Modifications to Budget line items if the Agreement Amount remains unchanged;
- 20.1.1.3 Modifications required by federal, state, or County regulations, ordinances, or policies;
- 20.1.1.4 Modifications to administrative requirements such as changes in reporting periods, frequency of reports, or report formats required by HUD or local regulations, policies, or requirements; and
- 20.1.1.5 Modifications to Administrative requirements such as changes in reporting periods, frequency of reports, or report formats required by HUD or by local regulations, policies, or requirements.

- 20.1.2 Addenda:

- 20.1.2.1 The City shall submit to the County, an Addendum when each property has been identified and will be acquired under this Agreement. A sample Addendum is attached as Attachment 4; and
- 20.1.2.2 All Addenda shall be integrated into the Agreement.

- 20.1.3 It is the responsibility of the City to ensure the latest documents are consulted and followed.

21.0 REVERSION OF ASSETS

Unexpended funds must be de-obligated and returned to the County for reallocation. At the expiration of this Agreement, the County, upon recommendation of the Maricopa HOME Consortium staff, may reallocate any unencumbered funds per the Consortium reallocation policy, as stated in the Maricopa HOME Consortium Intergovernmental Three-year Cooperative Agreement. A written letter to de-obligate funds will be sent to the City

from the County a minimum of ninety (90) calendar days prior to termination of this Agreement.

22.0 VIOLENCE AGAINST WOMEN REAUTHORIZATION ACT of 2013

The City must comply with VAWA 2013, which applies to all victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation, and which must be applied consistent with all nondiscrimination and fair housing requirements. The City must meet the requirements as specified in 24 C.F.R. § 92.359. The City must give a Notice of Occupancy Rights to tenants and applicants to ensure they are aware of their rights under VAWA, maintain an emergency transfer plan, and document incidents of domestic violence, dating violence, sexual assault, and stalking.

SECTION 3
WORK STATEMENT



MARICOPA COUNTY
HUMAN SERVICES DEPARTMENT

**MARICOPA COUNTY
HOME Investment Partnerships Program
Program Year 2020**

Consortium Member: City of Peoria, Arizona

Activity Type: Homebuyer

Project: Construction of New Housing for Sale and Homebuyer Assistance

Program Year 2020 HOME Funds: \$235,817 for new construction, development fee, homebuyer assistance, and administration

Type of Property: Single-Family

1.0 DETAILED SCOPE OF WORK: HOME funds will be used to construct two (2) new affordable homes located in Peoria's city limits. The homes will be sold to qualified low-income families in need of housing. HOME funds in the amount of \$201,078 are allocated for hard costs, including infrastructure and direct construction costs; \$10,000 is allocated for a developer fee; and the remaining \$20,000 will be used towards direct homebuyer assistance. If the entire amount of the direct homebuyer assistance is not used, the remaining funds will be allocated to additional hard costs.

1.1 Affordable housing is ranked as a high priority in the Consolidated Plan.

1.2 Methods and instruments used for ensuring affordability: The HOME funds will be secured by a Deed of Trust and Promissory Note. The Recapture provision is used in which all HOME funds are subject to repayment. Any repayment of HOME funds will be recaptured from the net proceeds from the sale of the HOME assisted unit.

1.2.1 Net Proceeds is defined as: Net Proceeds = Sales Price (-) non-HOME debt (-) closing costs.

1.3 There will be no program income generated through this project.

2.0 OBJECTIVES AND OUTCOMES:

	OUTCOMES		
	AVAILABILITY/ ACCESSIBILITY	AFFORDABILITY	SUSTAINABILITY
DECENT HOUSING	┌ Single Family Housing Rehab and Emergency Rehab, Homebuyer Assistance	┐ Homebuyer Activities, Acquisition/Rehab of rental housing, Acquisition/New Construction of rental housing, Preservation of existing public housing units and TBRA, Expansion of assisted rental units in the private marketplace	┌ Housing Activities in a targeted revitalization area

3.0 LOGIC MODEL: PERFORMANCE INDICATORS:

INPUTS/ RESOURCES In order to accomplish proposed activities, the subrecipient will need the following:	ACTIVITIES In order to address the issue, the subrecipient will conduct the following activities:	OUTPUTS Once completed, these activities will produce the following:	OUTCOMES When completed, these activities will lead to the following changes:	IMPACT Long term changes:
HOME funding, City Staff Administration, Client Volunteer Sweat Equity Hours	New construction of two single family homes and homebuyer assistance	Expand affordable housing opportunities	Low - income families become first time homebuyers	Stable neighborhoods

4.0 PROPOSED BENEFICIARIES:

Targeted Population by Income Level	Number of Households	Total Number of Units	Number of <u>HOME</u> <u>Assisted</u> Units in program (if rental)
Households at or below 50%			
Households at or below 60%			
Households at or below 80%	2	2	
TOTAL	2	2	

5.0 PRIORITY POPULATIONS:

Complete the table below only if the Activity will specifically set-aside units for a priority population. Set-asides will be enforced through contract provisions.

Priority Populations	No. of Units
Elderly	0
Physically Disabled	0
Other Priority Populations: Veterans	0

6.0 PERFORMANCE REPORTING GOALS-TIMELINE OF ACTIVITIES:

<u>MILESTONES</u>	<u>COMPLETION DATE</u>
HOME Contract signed by City Council	November 2021
Market Study	January 2021
Underwriting	December 2021
Secure Financing	June 2022
Environmental Reviews	August 2022
Obtain Site Control: use of developers existing stock	Existing stock
RFQ Issued-Application Process	January 2020
City Selected and Signed Development Contract	December 2021
Acquisition and Construction to commence	August 2022
Certificate of Occupancy	June 2023
Underwriting of Low-Income Family	June 2023
Unit Occupied by Low-Income Family	December 2023
Completion Report submitted to County	December 2023

Any change to the Timeline will need to be submitted to and approved by Maricopa County.

7.0 ACTIVITY BUDGET SUMMARY:

ACTIVITIES	PY 2020 HOME Funds	Additional Sources* Table 8	TOTAL COST
ACQUISITION			
Land including closing costs and fees			\$ -
Buildings including closing costs and fees			\$ -
TOTAL	\$ -		\$ -
NEW CONSTRUCTION			\$ -
Construction Costs-Materials Permits&Fees, Infrastructure included. May adjust if full homebuyer assistance is not needed.	\$ 191,078	\$ 248,922	\$ 440,000
Developer Fee	\$ 10,000		\$ 10,000
TOTAL	\$ 201,078	\$ 248,922	\$ 450,000
Homebuyer Assistance			
HB closing/counseling		\$ 7,300	\$ 7,300
HB Assistance - max amount, any remaining will be used towards construction costs	\$ 20,000		\$ 20,000
TOTAL	\$ 20,000	\$ 7,300	\$ 27,300
ADMINISTRATION COSTS			\$ -
Program Income Administration			
City of Peoria Administration	\$ 14,739		\$ 14,739
Volunteer Labor		\$ 48,000	\$ 48,000
TOTAL	\$ 14,739	\$ 48,000	\$ 62,739
GRAND TOTAL	\$ 235,817	\$ 304,222	\$ 540,039

8.0 SOURCE AND AMOUNT OF OTHER RESOURCES:

SOURCE	CASH AMOUNT	VOLUNTEER/ IN-KIND AMOUNT	TOTAL
Volunteers		48,000	\$48,000
Foundation and Corporate Support	256,222		\$256,222
TOTALS	\$256,222	\$48,000	\$304,222

9.0 MATCH:

Match commitment must equal 25% of the HOME funds requested. Documentation is due at the time of request for payment(s). Match Logs must be submitted with each Request for Reimbursement and by June 30th of each year.

TYPE	SOURCE/FUNDING AGENCY	TOTAL
Cash or cash equivalents from a non-federal source	Cash Donors	55,269.50
Value of waived taxes, fees or charges associated with HOME projects		
Value of donated land or real property		
Cost of infrastructure improvements associated with HOME projects		
Percentage of proceeds from single- or multi-family state housing bonds		
Value of donated materials, equipment, labor and professional services		
Sweat equity		
TOTAL		\$55,269.50

**MARICOPA COUNTY
HOME Investment Partnerships Program
Program Year 2021**

Consortium Member: City of Peoria, Arizona

Activity Type: Homebuyer

Project: Peoria Community Land Trust Program-Acquisition, Rehabilitation and Resale

Program Year 2021 HOME Funds: \$232,061 acquisition and administration costs

Type of Property: Single-Family

1.0 SCOPE OF WORK

- 1.1 Project Description: The City will acquire and rehabilitate two (2) single-family houses in the City of Peoria. This project is a scattered-site single-family homeownership project. The Parties agree to execute an addendum at the time the property is identified. An Addendum to this Agreement identifying individual properties by street address for participation in the City's Community Land Trust Program (CLT) will be executed before funding is made available regarding each property. Funds will be paid to the City only after it has met the commitment requirements as set forth in 24 C.F.R. § 92.2 (1) and (2), respectively, and is prepared to commence rehabilitation within twelve months.

Funds for rehabilitation are obligated by completing a detailed set of specifications (work write-up) and completing a detailed rehabilitation cost estimate based upon those specifications. The cost estimate may include a contingency for construction change orders. The City must inspect each property prior to occupancy and at project completion to ensure compliance with applicable standards and codes. Each property must be free from any defects that pose a danger to the health and safety of occupants and must meet written rehabilitation standards and local codes and ordinances at project completion. Copies of the final inspection report must be retained in the project files and submitted to the City upon submitting a completion report.

When the property is re-sold to a new low-income homebuyer, the city will self-certify to the City that the property meets health and safety standards, written rehabilitation standards, and local codes and ordinances.

Completed homes will be sold to eligible low-income first-time homebuyers. Properties will be acquired using the City's line credit, following completion of environmental review requirements.

In addition to the requirements set forth in Section 4 (Compensation), the City will execute a Deed of Trust and Note provided by the Administrator and naming the City as the Beneficiary in order to secure any funds provided to the City as reimbursement for acquisition costs.

Upon sale of the property to an eligible buyer, the Administrator will provide a Deed of Release and Re-conveyance (By Beneficiary) for the secured acquisition funds.

Resale provisions will be used to ensure compliance with the period of affordability required by HUD at 92.254 of the HOME regulations. The affordability restrictions shall be secured by a Community Land Trust Ground Lease and a Declaration of Affirmative Land Use Restrictions.

Completed units shall be sold through the CLT program and under which the buyer shall purchase only the improvements and shall enter a 99-year CLT Ground Lease with the City. The CLT Ground Lease shall contain provisions that require that the housing to be used as the buyer's principal residence. The Ground Lease also shall restrict resale/ transfer only to Low-Income buyers. In addition, the CLT Ground Lease shall contain a shared appreciation provision that limits the sale price of the housing and helps ensure affordability for future buyers. A Memorandum of Ground Lease and Right of First Refusal shall be recorded. A "Performance" Deed of Trust also shall be recorded with the City as the beneficiary; this is to ensure the City is notified in the event the owner of the home attempts to refinance or transfer the property.

The shared appreciation provision shall conform to Maricopa HOME Consortium's Recapture/Resale Provisions. "Fair Return" for leasehold properties is defined as the lessee's purchase price, plus 25% of the lessee's share of the increase in leasehold value at time of resale based on a leasehold valuation performed by a duly licensed appraiser.

Upon sale to an eligible buyer, a Declaration of Affirmative Land Use Restrictive Covenant for HOME Project shall be executed between the City and the City and recorded against the land to secure the Period of Affordability as required by HUD. The Period of Affordability shall be based on the total amount of HOME funds invested in the housing.

Eligible buyers will be required to complete an approved homebuyer education class and homeownership counseling. Eligible buyers also will be required to complete a CLT orientation, at which time the ground lease, resale restrictions, shared equity, and all other provisions of the CLT program shall be fully explained.

- 1.2 Project Purpose: The Project will create homeownership opportunities for a low- to moderate-income household that is rated as a high priority in the Consolidated Plan.
- 1.3 Project Beneficiaries: Two (2) first-time homebuyers at or below 80% of the area median income will benefit from this Project. Beneficiaries' income eligibility will be verified by the City's staff and will comply with 24 C.F.R. §. 92.203(d)(1).

- 1.4 Eligible buyers will be required to complete an approved homebuyer education class and homeownership counseling.
- 1.5 **Project Staff:** The City shall maintain staff qualified to perform the duties of the project. The City shall immediately notify the City regarding any changes in staff committed to the project. The City reserves the right to review the qualifications of new staff committed to the project after the execution of this Agreement. The City will be responsible for all communications with the Maricopa HOME Consortium, providing all updates and as needed reporting. In addition, any complaints will be the responsibility of the City.
- 1.6 **Subcontractors:** The City will oversee every aspect of the project. This oversight includes, but is not limited to, day-to-day operations; preparing budgets; managing the budget, timeline, and change orders; issuing a Request for Proposal and selecting the general contractor and Subcontractors. The City shall select Subcontractors in accordance with the Administrative Requirements of this Agreement. The City shall contract with responsible and qualified Subcontractors to perform the duties of the project. The City shall verify the qualifications of each Subcontractor through license verification, references, and SAM.gov.
- 1.7 **Project Affordability:** The family or individual acquiring the housing must qualify as low-income, as defined in 24 C.F.R. § 5.609, and maintain the housing as the principal residence throughout the period of affordability, which shall be for a period of 15 years from the date that the completion report is entered into HUD's Integrated Disbursement and Information System (IDIS). Resale provisions will be used to ensure compliance with the period of affordability required by HUD at 24 C.F.R. § 92.254 of the HOME regulations.

Upon sale to an eligible buyer, a Declaration of Affirmative Land Use Restrictions (LURA) will be executed to secure the Period of Affordability and require the housing to be used as the buyer's principal residence, as required by HUD. The LURA will include a due on sale clause to ensure that funds are recaptured if the property is sold during the Affordability Period.

2.0 OBJECTIVES AND OUTCOMES:

OBJECTIVE	OUTCOMES		
	AVAILABILITY/ ACCESSIBILITY	AFFORDABILITY	SUSTAINABILITY
DECENT HOUSING	☐ Single-Family Housing Rehab and Emergency Rehab, Homebuyer Assistance	☒ Homebuyer Activities, Acq/Rehab of rental housing, Acq/New Construction of rental housing, Expansion of assisted rental units in the private marketplace	☐ Housing Activities in a targeted revitalization area

3.0 LOGIC MODEL: PERFORMANCE INDICATORS:

INPUTS/ RESOURCES	OUTPUTS		OUTCOMES	OBJECTIVES
	ACTIVITIES	PARTICIPATION		
Development Staff, Funding and Contractors	Acquire and rehabilitate two (2) units of Affordable Housing to be held in the CLT	Two (2) Households	Increased affordable housing for a low-income family. Increased homeownership. Improved neighborhoods and quality of life.	Decent and affordable housing

4.0 PERFORMANCE REPORTING GOALS/TIMELINE OF ACTIVITIES:

MILESTONES: Tasks to be Performed	COMPLETION DATE
Application/market study	January 2021
Execute City Agreement with Maricopa County	November 2021
Environmental Review approval	December 2022
Acquisition of properties	December 2022
RFP for rehabilitation activities	March 2023
Homeownership counseling/buyer preparation	March 2023
Rehabilitation	May 2023
Sale of Unit	June 2023
Homebuyer financing secured	June 2023
Expend Proceeds	June 2023
Final Close-out /Project Completion Form	December 2023

Any change to the Timeline will need to be approved by the County.

5.0 ACTIVITY BUDGET SUMMARY:

ACTIVITY	PY 2021 HOME FUNDS	OTHER RESOURCES Table 6	TOTAL ACTIVITY BUDGET
Acquisition	217,557	382,443	600,000
Rehabilitation		60,000	60,000
Developer Fee		66,600	66,600
Closing costs		20,000	20,000
Other Soft Costs		5,000	5,000
Administration-City of Peoria	14,504		
TOTALS	\$232,061	\$534,043	\$766,104

Note: A total of \$3,000 per activity will be withheld as retainage from the total amount of HOME funds obligated to each activity until a completion report is submitted to the County.

6.0 SOURCE AND AMOUNT OF OTHER RESOURCES:

OTHER RESOURCES	AMOUNT
Newtown Line of Credit	\$534,043

7.0 ACTIVITY MATCH:

AMOUNT	FORM OF MATCH	SOURCE
\$54,390	IDA Match Funds	Federal HOME Loan Bank-SF

8.0 SALES PRICE:

- 8.1 To ensure the homes are affordable for the target income group, the sales price shall be calculated so that each buyer's monthly housing expenses (including principal, interest, property taxes, and home insurance) does not exceed 35% of the buyer's gross monthly household income, unless there are documented compensating factors. In addition, the housing will have an initial purchase price or estimated after rehabilitation that does not exceed 95% of the median purchase price for the area, as described in 24 C.F.R. § 92.254 (a)(2). Refer to Attachment 3 to this Agreement.
- 8.2 The buyer must obtain a mortgage loan with a fixed term and interest rate and lender fees may not exceed 5% of the mortgage amount. The income of the buyer shall be determined according to the requirements at 24 C.F.R. § 92.203.

9.0 PROGRAM INCOME:

All proceeds generated from the development activities shall be considered Program Income and subject to the Program Income requirements set forth in HOME Program regulations as defined in 24 C.F.R. § 92. Program Income shall be retained and expended by the City for the acquisition and rehabilitation of additional properties under this Agreement. Program Income shall be tracked by the City and reported to the County with each Request for Reimbursement and at the request of the County.

10.0 CONVERSION TO RENTAL:

If the home has not been sold to an eligible homebuyer within nine (9) months after the receipt of a Certificate of Occupancy, then it must be converted to a HOME rental unit that complies with all HOME requirements for the period of affordability applicable to such rental units, according to 24 C.F.R. § 92.254(a)(3). If the vacant property is not converted, then HOME funds must be repaid to the County.

SECTION 4
COMPENSATION



MARICOPA COUNTY
HUMAN SERVICES DEPARTMENT

1.0 COMPENSATION

- 1.1 The City will only utilize HOME funds to pay for eligible activities and costs of those activities permitted in 24 C.F.R. § 92.300 and not specifically prohibited under 24 C.F.R. § 92.214 (Prohibited Activities and Fees).
- 1.2 The City shall be reimbursed utilizing the Catalog of Federal Domestic Assistance (CFDA): 14.239, HOME Investment Partnerships Program provided to the County through the U.S. Department of Housing and Urban Development (HUD).
- 1.3 Subject to the availability and authorization of funds for the explicit purposes set forth below, the County will compensate for services rendered as indicated in the following Subparagraphs.
- 1.4 The City shall not retain any funds drawn down in excess of immediate cash needs (to be used within 15 days after drawing down) to cover subsequent requests for reimbursement. Any excess funds must be returned to the County within 30 calendar days after receipt. The City also must return to the County any interest that is earned on these funds that are drawn down and not expended for eligible costs within 15 calendar days after the funds have been draw down.

2.0 METHOD OF PAYMENT

- 2.1 The City agrees to submit reimbursement requests utilizing the approved Reimbursement Request Form to the County, along with the Match Log Certification Form. The City may request funds only after it has satisfied the funding contingencies and federal Environmental Review conditions and has a written agreement in place for Project activities. Requests for reimbursement must be made using the County approved format.
- 2.2 The City may not request disbursement of funds under this Agreement until the funds are needed for payment of eligible costs. The amount of each request must be limited to the amount needed.
- 2.3 All Program Income funds reported in the Annual Action Plan to be expended on activities outlined in this Agreement must be disbursed before the City requests HOME Entitlement funds from the County.
- 2.4 The County agrees to reimburse the City for actual allowable costs incurred, upon certification of HUD Environmental Release of Funds and submittal by the City of an itemized statement of actual expenditures incurred, supported by appropriate documentation. Reimbursement by the County is not to be construed as final if HUD disallows reimbursement for the Program or activity or any portion thereof. The County shall reimburse the City on a Net 0 payment standard.

3.0 TIMELINESS

- 3.1 The City shall submit to the County a Request for Reimbursement of all expenditures within the same fiscal year in which the expenditures are incurred. The fiscal year runs July 1st through June 30th. and all Requests for Reimbursement shall be submitted no later than July 30th for the preceding fiscal year.
- 3.2 All requests for reimbursements shall be submitted to:
HSDFINANCE@MARICOPA.GOV

4.0 FINAL REIMBURSEMENT UPON AGREEMENT TERMINATION

- 4.1 Prior to termination of this Agreement at the date identified on page 1 of this Agreement, or as may be amended, the City shall submit the final Request for Reimbursement to the County.

- 4.1.1 This request shall be submitted to the County no later than 30 calendar days after the termination date except as noted immediately below.
 - 4.1.1.1 If the termination date is between June 10th and June 30th, then the final reimbursement request shall be submitted by July 10th.
 - 4.1.1.2 The final progress report, and any other required reports that may be applicable shall be submitted with the final reimbursement request.

SECTION 5
ATTACHMENTS



MARICOPA COUNTY
HUMAN SERVICES DEPARTMENT

Attachment 1

Certification for a Drug-Free Workplace

U.S. Department of Housing
and Urban Development

Applicant Name

Program/Activity Receiving Federal Grant Funding

Acting on behalf of the above named Applicant as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below:

I certify that the above named Applicant will or will continue to provide a drug-free workplace by:

a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibition.

b. Establishing an on-going drug-free awareness program to inform employees —

- (1) The dangers of drug abuse in the workplace;
- (2) The Applicant's policy of maintaining a drug-free workplace;
- (3) Any available drug counseling, rehabilitation, and employee assistance program; and
- (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph a.;

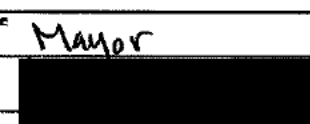
d. Notifying the employee in the statement required by paragraph a. that, as a condition of employment under the grant, the employee will —

- (1) Abide by the terms of the statement; and
- (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
- e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph d.(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(2), with respect to any employee who is so convicted —
 - (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a. thru f.

2. Sites for Work Performance. The Applicant shall list (on separate pages) the site(s) for the performance of work done in connection with the HUD funding of the program/activity shown above. Place of Performance shall include the street address, city, county, State, and zip code. Identify each sheet with the Applicant name and address and the program/activity receiving grant funding.)

Check here ☐ if there are workplaces on file that are not identified on the attached sheets.

I hereby certify that all the information stated herein, as well as any information provided in the accompanying herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

 Mayor 

Form HUD-50070 (3/90)
16, 147, 13, 7475.13, 7485.1 & 3

Attachment 2

**Certification of Payments
to Influence Federal Transactions**U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0157 (Exp. 03/31/2020)

Applicant Name

Program/Activity Receiving Federal Grant Funding

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-L.L., Disclosure Form to Report Lobbying, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

The

Mayor

Date (mm/dd/yyyy)

Previous edition is obsolete

Form HUD-50071 (01/14)
ref. Handbooks 7417.1, 7478.13, 7485.1, & 7485.3

Attachment 3

HOME Maximum Per-Unit Subsidy Limits

Please request updated HOME maximum per unit investment limits from the Maricopa County Housing and Community Development Division on an annual basis, as these limits are adjusted annually by the U.S. Department of Housing & Urban Development (HUD). For current Maricopa HOME Consortium limits, refer to additional Maricopa County Information Bulletins here: <https://www.maricopa.gov/3893/Notices-Documents>. More information can be found here: <https://www.hudexchange.info/resource/2315/home-per-unit-subsidy/>

HOME Homeownership Value Limits (95% Limits)

Community Housing Development Organizations using HOME funds for homeownership assistance for new housing construction for resale must have an initial purchase price that does not exceed 95% of the median purchase price for Maricopa County, which is **\$375,000** as of July 1, 2021.

Please request updated HOME Homeownership Value Limits from the Maricopa County Housing and Community Development Division on an annual basis, as these limits are adjusted annually by the U.S. Department of Housing & Urban Development (HUD), or go to either <https://www.maricopa.gov/3893/Notices-Documents> or HUD's website for the updated versions each year.

Attachment 4



ADDENDUM TO THE GRANT AGREEMENT
FOR SERVICES BETWEEN
MARICOPA COUNTY
ADMINISTERED BY ITS HUMAN SERVICES DEPARTMENT
AND
NEWTOWN COMMUNITY DEVELOPMENT CORPORATION
A COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO)



ACTIVITY:
CONTRACT START:
CONTRACT END DATE:
CONTRACT NUMBER:
ACTIVITY FUNDING AMOUNT:

- I. Pursuant to the Agreement in Section 2 (General Conditions) on page 35, 20.1.2, the following properties are hereby identified for purchase:
- II. Remaining terms of the original agreement not amended hereby remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective on the year and day first above written.

APPROVED BY:
MARICOPA COUNTY

APPROVED BY:
Newtown Community Development Corp.
(Developer)

Chairman, Board of Supervisors Date

Stephanie Brewer, Executive Director Date

Attested to:

Clerk, Board of Supervisors Date

Approved as to form:

Deputy County Attorney Date

AMENDMENT NO 1 TO THE
INTERGOVERNMENTAL AGREEMENT
BETWEEN
MARICOPA COUNTY
ADMINISTERED BY ITS
HUMAN SERVICES DEPARTMENT
AND
CITY OF PEORIA

- I Maricopa County ("County") administered by its Human Services Department and the City of Peoria ("City") entered into a financial Intergovernmental Agreement ("Agreement") on or about November 17, 2021. The Agreement term began December 12, 2021, through September 30, 2025. The County and the City may be referred to individually as the "Party" and collectively referred to as the "Parties."

The purpose of the Agreement is for the City to create first-time homebuyer opportunities for low- to moderate-income families in Peoria. The City is responsible for completing 2 (two) Work Statements: 2020 Work Statement and 2021 Work Statement. The County provided the City with \$467,878 in HOME Investment Partnerships Program (HOME) funds from the U.S. Department of Housing and Urban Development (HUD), Assistance Listing Number (ALN) 14-239. All work performed or costs incurred or expended shall be reimbursable through September 30, 2025. The Work Statements include:

- 2020 Work Statement – the City shall construct two (2) new affordable homes for low-income families to purchase. The County provided the City with \$235,817 in Program Year (PY) 2020 funding.
- 2021 Work Statement – the City shall acquire and rehabilitate two (2) additional single-family homes for low-income families to purchase. The County provided the City with \$232,061 PY2021 funding.

- II The Parties agree to enter into this Amendment No. 1 to amend the Agreement as follows:

- A Change Lead Agency Maricopa County
Representative: Shawn Pierce, Deputy Director Human Services Department
Phone: 602-506-5006
E-Mail: shawn.pierce@maricopa.gov
Address: 234 North Central, 3rd Floor Phoenix AZ 85004
- B Section 2 (Special Provisions), Subparagraph 14.0 (Additional Certifications, Warranties, And Agreements), is amended by adding a subsection 14.12 to read as follows:
14.12 Consistent with the requirements set forth in A.R.S. § 35-394, the City will ensure that both itself and all of its subcontractors utilizing HOME Program funds will not use the forced labor of ethnic Uyghurs in the People's Republic of China, or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.
- C Revise Section 3 (Work Statement) to address additional Work Statement activities:
1 Add an additional Work Statement hereinafter referred to as "2022 Work Statement", attached and incorporated into the Agreement.

LCON 06921A

2022 Work Statement - the City shall acquire and rehabilitate two (2) single-family houses for two (2) low-income, first-time homebuyers to purchase. If the City has completed the required Environmental Review, expenditures may be retroactive to July 1, 2022. All work performed, or costs incurred expenses shall be reimbursable through September 30, 2025. The City shall contribute \$5,000 of Program Income towards Work Statement activities. The County shall provide the City with \$275,546 for the Work Statement activities. The funding for the 2022 Work Statement is provided by PY22 HOME Investment Partnerships Program (HOME) through the U S Department of Housing and Urban Development (HUD) funds, under ALN 14 239.

- D Under the Amended Agreement, funding provided by the County shall therefore be increased from \$467,878 to \$743,424 in total HOME funds.
- III Section II above contains all the changes made by this Amendment No 1. All other terms and conditions of the Agreement shall remain the same and in full force and effect as approved.
- IV The Parties have authorized the undersigned to execute this Amendment No 1 on their behalf, and it shall be effective upon approval and signature by both Parties.

IN WITNESS, the Parties have approved and signed this Amendment No 1

FOR CITY OF PEORIA:

Cathy Carral
Mayor

Date

Attestation

Lon Dyckman
City Clerk



FOR MARICOPA COUNTY:

Bill Gates
Chairman, Board of Supervisors

Date

Attestation

Juanita Garza
Clerk, Board of Supervisors

Date

IN ACCORDANCE WITH A.R.S. §§ 9-240 and 11-952, THIS AMENDMENT NO 1 HAS BEEN REVIEWED BY THE UNDERSIGNED ATTORNEY WHO HAS DETERMINED IT IS PROPER IN FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO THE CITY OF PEORIA UNDER THE LAWS OF THE STATE OF ARIZONA.

APPROVED AS TO FORM

Attorney for the City

Date

IN ACCORDANCE WITH A.R.S. §§ 11-201, 11-251, AND 11-952, THIS AMENDMENT NO 1 HAS BEEN REVIEWED BY THE UNDERSIGNED ATTORNEY WHO HAS DETERMINED IT IS PROPER IN FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO MARICOPA COUNTY UNDER THE LAWS OF THE STATE OF ARIZONA.

APPROVED AS TO FORM

Deputy County Attorney

Date

LCON 06921A

2022 Work Statement

MARICOPA COUNTY
Acquisition and Rehabilitation of Single-Family Houses
HOME Investment Partnerships Program
Program Year 2022

Consortium Member: City of Peoria, Arizona
Activity Type: Homebuyer
Project: Peoria Community Land Trust Program-Acquisition, Rehabilitation and Resale
Funding: \$275,546 (\$258,324 EN and \$17,222 AD)
Type of Property: Single-Family

1.0 FUNDING:

PROGRAM YEAR	ENTITLEMENT	ADMINISTRATION	PROGRAM INCOME (PI) (non-reimbursable, IDIS draw only)	TOTAL BUDGET
PY 2022	\$258,324	\$17,222	\$5,000	\$280,546

2.0 SCOPE OF WORK

2.1 Project Description The City will acquire and rehabilitate two (2) single-family houses in the City of Peoria. This project is a scattered-site single-family homeownership project. Funds will be paid to the City only after it has met the commitment requirements as set forth in 24 C.F.R. § 92.2(1) and (2), respectively, and is prepared to commence rehabilitation within twelve months.

Funds for rehabilitation are obligated by completing a detailed set of specifications (work write-up) and completing a detailed rehabilitation cost estimate based upon those specifications. The cost estimate may include a contingency for construction change orders. The developer must inspect each property prior to occupancy and at project completion to ensure compliance with applicable standards and codes. Each property must be free from any defects that pose a danger to the health and safety of occupants and must meet written rehabilitation standards and local codes and ordinances at project completion. Copies of the final inspection report must be retained in the project files and submitted to the City upon submitting a completion report.

When the property is re-sold to a new low-income homebuyer, the developer will self-certify to the City that the property meets health and safety standards, written rehabilitation standards, and local codes and ordinances.

Completed homes will be sold to eligible low-income first-time homebuyers. Properties will be acquired using the developer's line credit, following completion of environmental review requirements.

In addition to the requirements set forth in Section 4 (Compensation), the developer will execute a Deed of Trust and Note provided by the Administrator and naming the City as the Beneficiary in order to secure any funds provided to the developer as reimbursement for acquisition costs

Upon sale of the property to an eligible buyer, the Administrator will provide a Deed of Release and Re-conveyance (By Beneficiary) for the secured acquisition funds

Resale provisions will be used to ensure compliance with the period of affordability required by HUD at 92.254 of the HOME regulations. The affordability restrictions shall be secured by a Community Land Trust Ground Lease and a Declaration of Affirmative Land Use Restrictions

Completed units shall be sold through the CLT program and under which the buyer shall purchase only the improvements and shall enter a 99-year CLT Ground Lease. The CLT Ground Lease shall contain provisions that require that the housing to be used as the buyer's principal residence. The Ground Lease also shall restrict resale/transfer only to Low-Income buyers. In addition, the CLT Ground Lease shall contain a shared appreciation provision that limits the sale price of the housing and helps ensure affordability for future buyers. A Memorandum of Ground Lease and Right of First Refusal shall be recorded. A "Performance" Deed of Trust also shall be recorded with the developer as the beneficiary, this is to ensure the developer is notified in the event the owner of the home attempts to refinance or transfer the property.

The shared appreciation provision shall conform to Maricopa HOME Consortium's Recapture/Resale Provisions. "Fair Return" for leasehold properties is defined as the homebuyer's purchase price, plus 25% of the homebuyer's share of the increase in leasehold value at time of resale based on a leasehold valuation performed by a duly licensed appraiser.

Upon sale to an eligible homebuyer, a Declaration of Affirmative Land Use Restrictive Covenant for HOME Project shall be executed between the City and the developer and recorded against the land to secure the Period of Affordability as required by HUD. The Period of Affordability shall be based on the total amount of HOME funds invested in the housing.

Eligible buyers will be required to complete an approved homebuyer education class and homeownership counseling. Eligible buyers also will be required to complete a CLT orientation, at which time the ground lease, resale restrictions, shared equity, and all other provisions of the CLT program shall be fully explained.

- 2.2 Project Purpose The Project will create homeownership opportunities for a low- to moderate-income household that is rated as a high priority in the Consolidated Plan

- 2 3 Project Beneficiaries Two (2) first-time homebuyers at or below 80% of the area median income will benefit from this Project Beneficiaries' income eligibility will be verified by the City's staff and will comply with 24 C F R § 92 203(d)(1)
- 2 4 Eligible homebuyers will be required to complete an approved homebuyer education class and homeownership counseling
- 2 5 Project Staff The City shall maintain staff qualified to perform the duties of the project The City shall immediately notify the County regarding any changes in staff committed to the project The County reserves the right to review the qualifications of new staff committed to the project after the execution of this Agreement The City will be responsible for all communications with the Maricopa HOME Consortium, providing all updates and as needed reporting In addition, any complaints will be the responsibility of the City
- 2 6 Subcontractors The City will oversee every aspect of the project This oversight includes, but is not limited to, day-to-day operations, preparing budgets, managing the budget, timeline, and change orders, issuing a Request for Proposal and selecting the general contractor and Subcontractors The City shall select Subcontractors in accordance with the Administrative Requirements of this Agreement The City shall contract with responsible and qualified Subcontractors to perform the duties of the project The City shall verify the qualifications of each Subcontractor through license verification, references, and SAM gov
- 2 7 Project Affordability The family or individual acquiring the housing must qualify as low-income, as defined in 24 C F R § 5 609, and maintain the housing as the principal residence throughout the period of affordability, which shall be for a period of 15 years from the date that the completion report is entered into HUD's Integrated Disbursement and Information System (IDIS) Resale provisions will be used to ensure compliance with the period of affordability required by HUD at 24 C F R § 92 254 of the HOME regulations

Upon sale to an eligible buyer, a Declaration of Affirmative Land Use Restrictions (LURA) will be executed to secure the Period of Affordability and require the housing to be used as the buyer's principal residence, as required by HUD The LURA will include a due on sale clause to ensure that funds are recaptured if the property is sold during the Affordability Period

3.0 OBJECTIVES AND OUTCOMES:

OBJECTIVE	OUTCOMES		
	AVAILABILITY/ ACCESSIBILITY	AFFORDABILITY	SUSTAINABILITY
DECENT HOUSING	☐ Single-Family Housing Rehab and Emergency Rehab, Homebuyer Assistance	☒ Homebuyer Activities, Acq/Rehab of rental housing, Acq/New Construction of rental housing, Expansion of assisted rental units in the private marketplace	☐ Housing Activities in a targeted revitalization area

4.0 LOGIC MODEL: PERFORMANCE INDICATORS:

INPUTS/ RESOURCES	OUTPUTS		OUTCOMES	OBJECTIVES
	ACTIVITIES	PARTICIPATION		
Development Staff, Funding and Contractors	Acquire and rehabilitate two (2) units of Affordable Housing to be held in the CLT	Two (2) Households	Increased affordable housing for a low-income family Increased homeownership Improved neighborhoods and quality of life	Decent and affordable housing

5.0 PERFORMANCE REPORTING GOALS/TIMELINE OF ACTIVITIES:

MILESTONES: Tasks to be Performed	COMPLETION DATE
Application/market study	January 2022
Execute City Agreement with Maricopa County	December 2022
Environmental Review approval	January 2023 – December 2023
Acquisition of properties	February 2023 – June 2024
RFP for rehabilitation activities	March 2023 – August 2024
Homeownership counseling/buyer preparation	March 2023 – August 2024
Rehabilitation	June 2023 – October 2024
Sale of Unit	June 2023 – October 2024
Homebuyer financing secured	June 2023 – October 2024
Expend Proceeds	January 2024 – October 2024
Final Close-out /Project Completion Form	December 2024

Any change to the Timeline will need to be approved by the County

6.0 ACTIVITY BUDGET SUMMARY:

ACTIVITY	PY 2022 HOME FUNDS	OTHER RESOURCES Table 7 & 8	TOTAL ACTIVITY BUDGET
Acquisition	\$258,324	\$650,276	\$908,600
Rehabilitation		\$60,000	\$60,000
Developer Fee		\$80,000	\$80,000
Closing costs		\$20,000	\$20,000
Other Soft Costs		\$5,000	\$5,000
Administration-City of Peoria	\$17,222		\$17,222
TOTALS	\$275,546	\$815,276	\$1,090,822

Note A total of \$3,000 per activity will be withheld as retainage from the total amount of HOME funds obligated to each activity until a completion report is submitted to the County

7.0 SOURCE AND AMOUNT OF OTHER RESOURCES

OTHER RESOURCES	AMOUNT
City of Peoria Program Income	\$5,000
Newtown Line of Credit	\$810,276

8.0 ACTIVITY MATCH:

AMOUNT	FORM OF MATCH	SOURCE
\$65,831	WISH / IDA Match Funds	Federal Home Loan Bank of SF

Match commitment must equal 25% of the HOME funds requested Documentation is due at the time of each request for payment

9.0 SALES PRICE:

9 1 To ensure the homes are affordable for the target income group, the sales price shall be calculated so that each buyer's monthly housing expenses (including principal, interest, property taxes, and home insurance) does not exceed 35% of the homebuyer's gross monthly household income, unless there are documented compensating factors. In addition, the housing will have an initial purchase price or estimated after rehabilitation that does not exceed 95% of the median purchase price for the area, as described in 24 C F R § 92.254 (a)(2). Refer to Attachment 3 to this Agreement.

9 2 The homebuyer must obtain a mortgage loan with a fixed term and interest rate and lender fees may not exceed 5% of the mortgage amount. The income of the homebuyer shall be determined according to the requirements at 24 C F R § 92.203.

10.0 PROGRAM INCOME:

All proceeds generated from the development activities shall be considered Program Income and subject to the Program Income requirements set forth in HOME Program regulations as defined in 24 C F R § 92 Program Income shall be retained and expended by the City for the acquisition and rehabilitation of additional properties under this Agreement Program Income shall be tracked by the City and reported to the County with each Request for Reimbursement and at the request of the County

11.0 CONVERSION TO RENTAL:

If the home has not been sold to an eligible homebuyer within nine (9) months after the receipt of a Certificate of Occupancy, then it must be converted to a HOME rental unit that complies with all HOME requirements for the period of affordability applicable to such rental units, according to 24 C F R § 92 254(a)(3) If the vacant property is not converted, then HOME funds must be repaid to the County

AMENDMENT NO. 2 TO THE
INTERGOVERNMENTAL AGREEMENT
BETWEEN
MARICOPA COUNTY
ADMINISTERED BY ITS
HUMAN SERVICES DEPARTMENT
AND
CITY OF PEORIA

- I. Maricopa County ("County") administered by its Human Services Department and the City of Peoria ("City") entered into a financial Intergovernmental Agreement ("Agreement") on or about November 17, 2021. The purpose of the Agreement is for the City to acquire and rehabilitate two (2) single-family homes in Peoria, one (1) single-family home for Program Year 2020 and one single-family home for Program Year 2021. The County provided the City with \$235,817 in Program Year 2020 and \$232,061 in Program Year 2021 HOME Investment Partnerships Program (HOME) funds from the U.S. Department of Housing and Urban Development (HUD) under Assistance Listing Number (ALN) 14.239. All work performed or costs incurred or expended shall be reimbursable through September 30, 2025. The County and the City may be referred to individually as the "Party" and collectively referred to as the "Parties."

The Parties executed amendment No. 1 on or about December 7th, 2022, to address the following: 1) Change lead agency to Maricopa County Representative. 2) Amend Section 2 (Special Provisions), Subparagraph 14.0 by adding subparagraph 14.12 regarding forced labor in the Peoples Republic of China 3) Add an additional Work Statement referred to as "2022 Work Statement", attached and incorporated into the Agreement. The 2022 Work Statement is for the City to acquire and rehabilitate two (2) single-family houses in the City of Peoria. All work performed, or costs incurred expenses shall be reimbursable through September 30, 2025. The County provided the City with \$275,546 for the Work Statement activities. Under the Amended Agreement, County funding was increased from \$467,878 to \$743,424 in total HOME funds.

- II. This Amendment No. 2. is subject to and incorporates the provisions of A.R.S. § 38-511. The Parties agree to enter into this Amendment No. 2 to amend the Agreement as follows:
- A. Extend the Agreement termination date from September 30, 2025, through September 30, 2026.
 - B. Revise Section 3 (Work Statement) to address the following paragraphs:
 - 1. Add an additional Work Statement hereinafter referred to as "2023 Work Statement", attached and incorporated into the Agreement. The 2023 Work Statement is for the City to acquire and rehabilitate two (2) single-family houses in the City of Peoria. This project is a scattered-site single-family homeownership project. Expenditures for this Work Statement and all work performed, or costs incurred shall be reimbursable through September 30, 2026. The County shall provide the City with \$297,476 for the Work Statement activities. The funding for Work Statement is provided by PY23 HOME Investment Partnerships Program (HOME) through the U.S. Department of Housing and Urban Development (HUD) funds, under ALN 14.239.

- C. Under the Amended Agreement, County funding shall therefor be increased from \$743,424 to \$1,040,900 in total HOME funds.
- III. Section II above contains all the changes made by this Amendment No. 2. All other terms and conditions of the Agreement shall remain the same and in full force and effect as approved.
- IV. The Parties have authorized the undersigned to execute this Amendment No. 2 on their behalf, and it shall be effective upon approval and signature by both Parties.
- V. IN WITNESS, the Parties have approved and signed this Amendment: No. 2:

FOR CITY OF PEORIA:

[Redacted Signature]

Jason Beck
Mayor

Date

Attestation:

[Redacted Signature]

Agnes Goodwine
City Clerk

Date

IN ACCORDANCE WITH A.R.S. §§ 9-240 and 11-952, THIS AMENDMENT NO. 2 HAS BEEN REVIEWED BY THE UNDERSIGNED ATTORNEY WHO HAS DETERMINED THIS AMENDMENT NO. 2 IS PROPER IN FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO THE CITY OF PEORIA UNDER THE LAWS OF THE STATE OF ARIZONA.

APPROVED AS TO FORM:

[Redacted Signature]

Attorney for the City

Date

FOR MARICOPA COUNTY:

[Redacted Signature]

Jack Sellers
Chairman, Board of Supervisors

Date

Attestation:

[Redacted Signature]

Deanna Garza
Clerk, Board of Supervisors

Date

IN ACCORDANCE WITH A.R.S. §§ 11-201, 11-251, AND 11-952, THIS AMENDMENT NO. 2 HAS BEEN REVIEWED BY THE UNDERSIGNED ATTORNEY WHO HAS DETERMINED IT IS PROPER IN FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO MARICOPA COUNTY UNDER THE LAWS OF THE STATE OF ARIZONA.

APPROVED AS TO FORM:

[Redacted Signature]

Deputy County Attorney

Date

**2023 WORK STATEMENT
MARICOPA COUNTY
HOME Investment Partnerships Program
Program Year 2023**

Consortium Member: City of Peoria, Arizona
UEI: ML1ZY81QDEW8
FAIN: M-23-DC-04-0227
Federal Award Date: 8-15-2023
Funding: \$297,476 (\$278,884 EN and \$18,592 AD)
Activity Type: Homebuyer
Project: Peoria Community Land Trust Program-Acquisition, Rehabilitation and Resale
Type of Property: Single-Family

1.0 FUNDING:

PROGRAM YEAR	ENTITLEMENT	ADMINISTRATION	TOTAL BUDGET
PY 2023	\$278,884	\$18,592	\$297,476

2.0 DETAILED SCOPE OF WORK:

- 2.1. Project Description: The City will acquire and rehabilitate two (2) single-family houses in the City of Peoria. This project is a scattered-site single-family homeownership project. The Parties agree to execute an addendum at the time the property is identified. An Addendum to this Agreement identifying individual properties by street address for participation in the City's Community Land Trust Program (CLT) will be executed before funding is made available regarding each property. Funds will be paid to the City only after it has met the commitment requirements as set forth in 24 C.F.R. § 92.2 (1) and (2), respectively, and is prepared to commence rehabilitation within twelve months.

Funds for rehabilitation are obligated by completing a detailed set of specifications (work write-up) and completing a detailed rehabilitation cost estimate based upon those specifications. The cost estimate may include a contingency for construction change orders. The City must inspect each property prior to occupancy and at project completion to ensure compliance with applicable standards and codes. Each property must be free from any defects that pose a danger to the health and safety of occupants and must meet written rehabilitation standards and local codes and ordinances at project completion. Copies of the final inspection report must be retained in the project files and submitted to the City upon submitting a completion report.

When the property is re-sold to a new low-income homebuyer, the city will self-certify to the City that the property meets health and safety standards, written rehabilitation standards, and local codes and ordinances.

Completed homes will be sold to eligible low-income first-time homebuyers. Properties will be acquired using the City's line credit, following completion of environmental review requirements.

In addition to the requirements set forth in Section 4 (Compensation), the City will execute a Deed of Trust and Note provided by the City's Developer and naming the City as the Beneficiary in order to secure any funds provided to the City as reimbursement for acquisition costs.

Upon sale of the property to an eligible buyer, the City's Developer will provide a Deed of Release and Re-conveyance (By Beneficiary) for the secured acquisition funds.

Resale provisions will be used to ensure compliance with the period of affordability required by HUD at 92.254 of the HOME regulations. The affordability restrictions shall be secured by a Community Land Trust Ground Lease and a Declaration of Affirmative Land Use Restrictions.

Completed units shall be sold through the CLT program and under which the buyer shall purchase only the improvements and shall enter a 99-year CLT Ground Lease with the City. The CLT Ground Lease shall contain provisions that require the housing to be used as the buyer's principal residence. The Ground Lease also shall restrict resale/ transfer only to Low-Income buyers. In addition, the CLT Ground Lease shall contain a shared appreciation provision that limits the sale price of the housing and helps ensure affordability for future buyers. A Memorandum of Ground Lease and Right of First Refusal shall be recorded. A "Performance" Deed of Trust also shall be recorded with the City as the beneficiary; this is to ensure the City is notified in the event the owner of the home attempts to refinance or transfer the property.

The shared appreciation provision shall conform to Maricopa HOME Consortium's Recapture/Resale Provisions. "Fair Return" for leasehold properties is defined as the lessees purchase price, plus 25% of the lessee's share of the increase in leasehold value at time of resale based on a leasehold valuation performed by a duly licensed appraiser.

Upon sale to an eligible buyer, a Declaration of Affirmative Land Use Restrictive Covenant for HOME Project shall be executed between the City's Developer and the City and recorded against the land to secure the Period of Affordability as required by HUD. The Period of Affordability shall be based on the total amount of HOME funds invested in the housing.

Eligible buyers will be required to complete an approved homebuyer education class and homeownership counseling. Eligible buyers also will be required to complete a CLT orientation, at which time the ground lease, resale restrictions, shared equity, and all other provisions of the CLT program shall be fully explained.

- 2.2. Project Purpose: The Project will create homeownership opportunities for a low- to moderate-income household that is rated as a high priority in the Consolidated Plan.
- 2.3. Project Beneficiaries: Two (2) first-time homebuyers at or below 80% of the area median income will benefit from this Project. Beneficiaries' income eligibility will be verified by the City's staff and will comply with 24 C.F.R. §. 92.203(d)(1).
- 2.4. Eligible buyers will be required to complete an approved homebuyer education class and homeownership counseling.
- 2.5. Project Staff: The City shall maintain staff qualified to perform the duties of the project. The City shall immediately notify the County regarding any changes in staff committed to the project. The City reserves the right to review the qualifications of new staff committed to the project after the execution of this Agreement. The City will be responsible for all communications with the Maricopa HOME Consortium, providing all updates and as needed reporting. In addition, any complaints will be the responsibility of the City.
- 2.6. Subcontractors: The City will oversee every aspect of the project. This oversight includes, but is not limited to, day-to-day operations; preparing budgets; managing the budget, timeline, and change orders; issuing a Request for Proposal and selecting the general contractor and Subcontractors. The City shall select Subcontractors in accordance with the Administrative Requirements of this Agreement. The City shall contract with responsible and qualified Subcontractors to perform the duties of the project. The City shall verify the qualifications of each Subcontractor through license verification, references, and SAM.gov.
- 2.7. Project Affordability: The family or individual acquiring the housing must qualify as low-income, as defined in 24 C.F.R. § 5.609, and maintain the housing as the principal residence throughout the period of affordability, which shall be for a period of 15 years from the date that the completion report is entered into HUD's Integrated Disbursement and Information System (IDIS). Resale provisions will be used to ensure compliance with the period of affordability required by HUD at 24 C.F.R. § 92.254 of the HOME regulations.

Upon sale to an eligible buyer, a Declaration of Affirmative Land Use Restrictions (LURA) will be executed to secure the Period of Affordability and require the housing to be used as the buyer's principal residence, as required by HUD. The LURA will include a due on sale clause to ensure that funds are recaptured if the property is sold during the Affordability Period.

3.0 OBJECTIVES AND OUTCOMES:

OBJECTIVE	OUTCOMES		
	AVAILABILITY/ ACCESSIBILITY	AFFORDABILITY	SUSTAINABILITY
DECENT HOUSING	☐ Single-Family Housing Rehab and Emergency Rehab, Homebuyer Assistance	☒ Homebuyer Activities, Acq./Rehab of rental housing, Acq./New Construction of rental housing, Expansion of assisted rental units in the private marketplace	☐ Housing Activities in a targeted revitalization area

4.0 ACTIVITY GOALS:

Activity Goal	ACTIVITY GOALS			
	Acquisition and Rehabilitation for Resale of Single-Family Homes	Supportive Services	Acquisition and Development of Non-Congregate Shelters	Tenant Based Rental Assistance
Estimated Number of New Units/ Beds Developed	2			
Estimated Number of Households to Benefit	2			

5.0 LOGIC MODEL: PERFORMANCE INDICATORS:

INPUTS/ RESOURCES	OUTPUTS		OUTCOMES	OBJECTIVES
	ACTIVITIES	PARTICIPATION		
Development Staff, Funding and Contractors	Acquire and rehabilitate two (2) units of Affordable Housing to be held in the CLT	Two (2) Households	Increased affordable housing for a low-income family. Increased homeownership. Improved neighborhoods and quality of life.	Decent and affordable housing

6.0 PROPOSED BENEFICIARIES:

Targeted Population by Income Level	Number of Households PY 2023	Total Number of Units
Households at or below 50%		
Households at or below 60%		
Households at or below 80%	2	2
TOTAL	2	2

7.0 PRIORITY POPULATIONS:

Complete the table below only if the Activity will specifically set-aside units for a priority population. Set-asides will be enforced through contract provisions.

Priority Populations	No. of Units PY 2023	Total
Elderly		
Physically Disabled		
Other Priority Populations: Veterans		
Homeless		

8.0 PERFORMANCE REPORTING GOALS/TIMELINE OF ACTIVITIES:

MILESTONES: Tasks to be Performed	COMPLETION DATE
Application/market study	January 2023
Execute City Agreement with Maricopa County	April 2024
Environmental Review approval	December 2024
Acquisition of properties	December 2024
RFP for rehabilitation activities	March 2025
Homeownership counseling/buyer preparation	June 2025
Rehabilitation	December 2025
Sale of Unit	June 2026
Homebuyer financing secured	June 2026
Expend Proceeds	June 2026
Final Close-out /Project Completion Form	September 2026

Any change to the Timeline will need to be approved by the County.

9.0 ACTIVITY BUDGET SUMMARY:

ACTIVITY	PY 2023 HOME FUNDS	Additional Sources* (defined in Table 10 below)	TOTAL ACTIVITY BUDGET
Acquisition	\$278,884	\$464,454	\$278,884
Rehabilitation		\$60,000	\$60,000
Developer Fee		\$80,600	\$80,600
Inspections, Title, Appraisals		\$5,000	\$5,000
Other Soft Costs		\$20,000	\$20,000
Administration-City of Peoria	\$18,592		\$18,592
TOTALS	\$297,476	\$630,054	\$927,530

Note: A total of \$3,000 per activity will be withheld as retainage from the total amount of HOME funds obligated to each activity until a completion report is submitted to the County.

10.0 SOURCE AND AMOUNT OF OTHER RESOURCES:

OTHER RESOURCES	AMOUNT
Newtown – Alliance Bank of America Line of Credit	\$630,054

11.0 ACTIVITY MATCH:

AMOUNT	FORM OF MATCH	SOURCE
\$69,721	Forgivable loans	Federal Home Loan Bank – San Francisco

Match commitment must equal 25% of the HOME funds requested. Documentation is due at the time of each request for payment

12.0 SALES PRICE:

12.1. To ensure the homes are affordable for the target income group, the sales price shall be calculated so that each buyer's monthly housing expenses (including principal, interest, property taxes, and home insurance) does not exceed 35% of the buyer's gross monthly household income, unless there are documented compensating factors. In addition, the housing will have an initial purchase price or estimated after rehabilitation that does not exceed 95% of the median purchase price for the area, as described in 24 C.F.R. § 92.254 (a)(2). Refer to Attachment 3 to this Agreement.

12.2. The buyer must obtain a mortgage loan with a fixed term and interest rate and lender fees may not exceed 5% of the mortgage amount. The income of the buyer shall be determined according to the requirements at 24 C.F.R. § 92.203.

13.0 PROGRAM INCOME:

All proceeds generated from the development activities shall be considered Program Income and subject to the Program Income requirements set forth in HOME Program regulations as defined in 24 C.F.R. § 92. Program Income shall be retained and expended by the City for the acquisition and rehabilitation of additional properties under this Agreement. Program Income shall be tracked by the City and reported to the County with each Request for Reimbursement and at the request of the County.

14.0 CONVERSION TO RENTAL:

If the home has not been sold to an eligible homebuyer within nine (9) months after the receipt of a Certificate of Occupancy, then it must be converted to a HOME rental unit that complies with all HOME requirements for the period of affordability applicable to such rental units, according to 24 C.F.R. § 92.254(a)(3). If the vacant property is not converted, then HOME funds must be repaid to the County

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

Agenda Item: 9C.

Date Prepared: 10/8/2025

Council Meeting Date: 11/4/2025

TO: Henry Darwin, City Manager

THROUGH: Mike Faust, Deputy City Manager

FROM: Jack Situ, P.E., Interim Development and Engineering Director

SUBJECT: Deeds and Easements, Various Locations

Purpose:

Discussion and possible action to adopt **RES. 2025-106** accepting Deeds and Easements for various Real Property interests acquired by the City. The deeds and easements have been recorded by the Maricopa County Recorder's Office and this process will formally accept them into the system.

Summary:

The City of Peoria periodically acquires a number of property interests including deeds, roadway dedications, and various types of easements. All documents are reviewed for accuracy and recorded. A Resolution to accept these documents has been prepared, which lists each document by recording number and provides information related to each so the property interest to be accepted can be identified.

Previous Actions/Background:

This is an ongoing process which occurs when we have acquired a number of real property interests.

Staff Recommendation:

Staff recommends the adoption of a Resolution accepting Deeds and Easements for various Real Property interests acquired by the City and previously recorded by the Maricopa County Recorder's Office to ensure completeness of the process.

Fiscal Analysis:

No fiscal impact.

ATTACHMENTS:

Exhibit 1: Resolution

Contact Name and Number:

Jack Situ, P.E., Interim Development and Engineering Director, 623-773-7548

RESOLUTION NO. 2025-106

A RESOLUTION OF THE MAYOR AND COUNCIL OF
THE CITY OF PEORIA, MARICOPA COUNTY,
ARIZONA ADOPTING A RESOLUTION FORMALLY
ACCEPTING DEEDS AND EASEMENTS FOR
PROPERTY RIGHTS CONVEYED TO THE CITY OF
PEORIA.

WHEREAS, the real estate interests hereinafter referenced have been
conveyed to the City of Peoria;

WHEREAS, it is to the advantage of the City of Peoria to accept said real
property interests; and

WHEREAS, the City has determined that acquisition of these property
interests is in the interest of the public health, safety and welfare.

NOW THEREFORE, be it resolved by the Mayor and Council of the City of
Peoria, Maricopa County, Arizona as follows:

SECTION 1. That the following real property interests are hereby accepted
by the City of Peoria and referenced by the recording number issued by the Maricopa
County Recorder's Office.

Someburros
Vestar LPST, LLC
EASEMENT FOR PUBLIC WATER LINE
Maricopa County Recording No. 20250576649
(Project No. R250063/Deed 25-024)

SWC Lake Pleasant
Parkway/Yearling Rd

92nd Avenue & Jomax Rd
The Diamond King Development Group, LLC
EASEMENT FOR EMERGENCY ACCESS
Maricopa County Recording No. 20250600583
(Project No. R240097/Deed 25-025)

92nd Avenue & Jomax Rd

Kelton Lane Vehicle Storage
West Valley RE Investments, LLC
EASEMENT FOR PUBLIC SIDEWALK
Maricopa County Recording No. 20250600580
(Project No. R250056/Deed25-026)

8873 W. Kelton Lane

SECTION 2. Public Easement and Land Rights

That the Mayor and Council accept the deeds and public easements transferred to the City of Peoria as described herein.

SECTION 3. Recording Authorized

That the City Clerk shall record the original of this Resolution with the Maricopa County Recorder's Office.

PASSED AND ADOPTED by the Mayor and Council of the City of Peoria, Arizona, this 4th day of November 2025.

Jason Beck, Mayor

ATTEST:

Date Signed

Agnes Goodwine, City Clerk

APPROVED AS TO FORM:

Emily Jurmu, City Attorney

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

Agenda Item: 10R.

Date Prepared: 10/22/2025

Council Meeting Date: 11/4/2025

PRESENTER: Mike Faust

TO: Henry Darwin, City Manager

THROUGH: Mike Faust, Deputy City Manager

FROM: Jack Situ, P. E., Interim Development and Engineering Director

SUBJECT: Creation of Two Capital Improvement Program Projects and Budget Transfer for Peoria Innovation Core Infrastructure Design Services

Purpose:

Discussion and possible action to: (a) authorize the creation of two new capital improvement program projects and (b) approve a budget transfer in the amount of \$3,300,000, to allow for the commencement of design services.

Summary:

A national home builder has submitted an application to Arizona State Land Department (ASLD) bringing approximately 800-acres in the Peoria Innovation Core (PIC) Core 1 to public auction. Consistent with the ASLD Intergovernmental Agreement (IGA), the City is the master developer of the PIC and has been requested to complete the design of Lone Mountain Parkway and 96th Avenue in Core 1. The City had not anticipated projects outside of Core 2 to be required this quickly, but the market is showing great interest in development of the PIC. The City will design the roadway but will not construct these roads. As a reminder, the City will be reimbursed design (soft) costs at the time of auction.

In an effort to move forward with the infrastructure for Core 1 of the PIC, it is requested that the 96th Avenue, Lone Mountain Parkway to Dixileta Drive and the 96th Avenue, Dixileta Drive to L303 be established as projects within the City's current CIP and the funding for the Lone Mountain Parkway segment be advanced to FY2026. By doing so, this will allow for the commencement of design services. All three projects will be designed for a 6-lane arterial roadway. The design will include roadway, drainage, traffic analysis, City utilities, power, telecommunication, landscape and landscape irrigation and other design components. Upon completion of the design, the construction phase can take place which in turn will accelerate private development within Core 1 and within the entire PIC area.

Previous Actions/Background:

As part of the adoption of the FY2026-FY2035 CIP, City Council approved the Lone Mountain Parkway, Lake Pleasant Parkway to 96th Avenue project.

Staff Recommendation:

Staff recommends that City Council authorize the creation of two new capital improvement program projects and approve a budget transfer in the amount of \$3,300,000, from the Lake Pleasant Parkway; L303 to CAP project to the 96th Avenue, Lone Mountain Parkway to Dixileta Drive, 96th Avenue, Dixileta Drive to L303, and the Lone Mountain Parkway, Lake Pleasant Parkway to 96th Avenue projects.

Fiscal Analysis:

If approved, this request will transfer \$3,300,000 from the Lake Pleasant Parkway; L303 to CAP project to the respective three CIP projects.

ATTACHMENTS:

Location Map

Contact Name and Number:

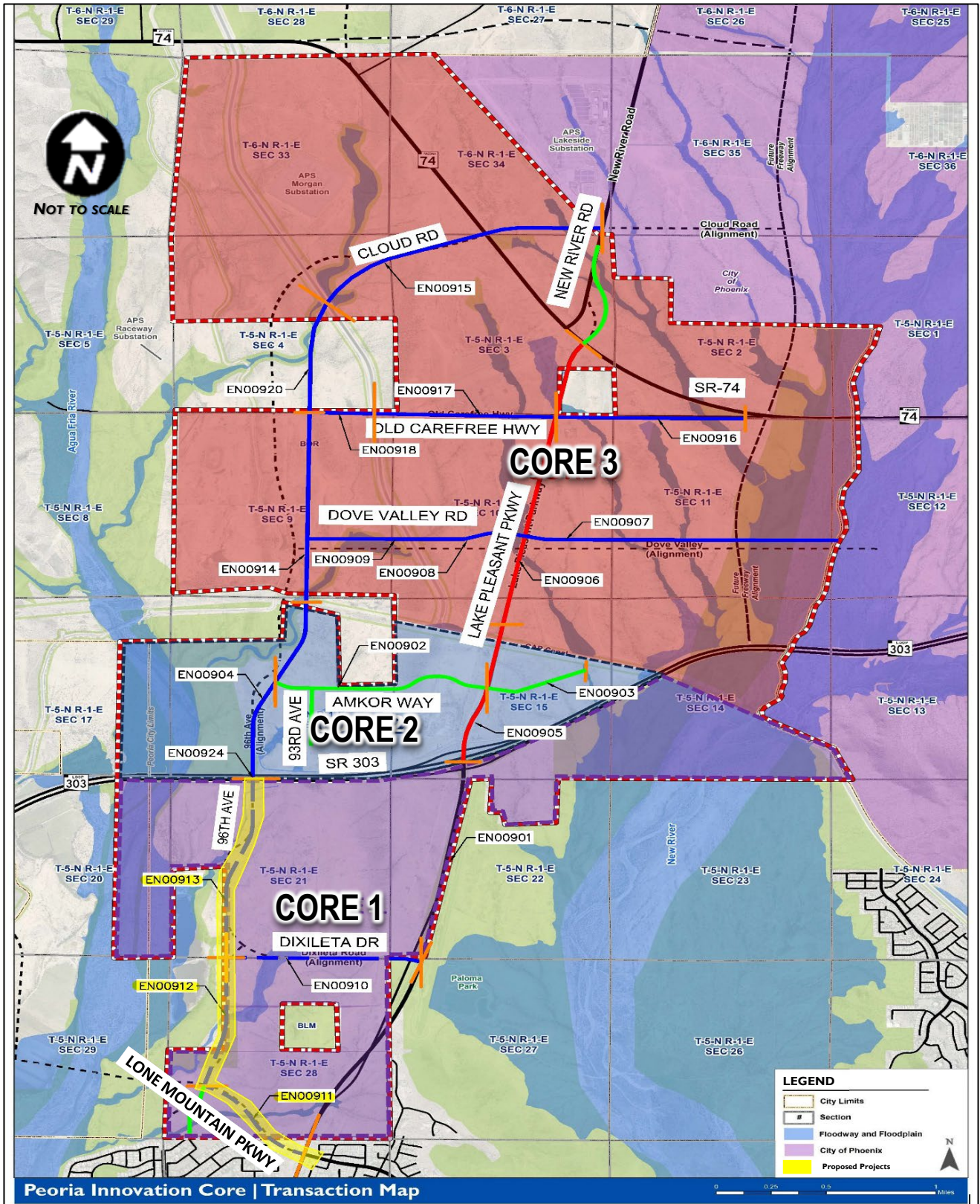
Jack Situ, PE, (623) 773-7548



City of Peoria
Development & Engineering

Lone Mtn Pkwy, LPP to 96th Ave (EN00911)
96th Ave, Lone Mtn Pkwy to Dixileta (EN00912)
96th Ave, Dixileta to L303 (EN00913)

Location Map



**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

Agenda Item: 11R.

Date Prepared: 10/21/2025

Council Meeting Date: 11/4/2025

TO: Honorable Mayor and City Council
THROUGH: Mike Faust, Deputy City Manager
FROM: Maria Laughner, Economic Development Director
SUBJECT: Intergovernmental Agreement, Arizona Department of Revenue, Infrastructure Improvements at Amkor Technology

Purpose:

Discussion and possible action to adopt **RES. 2025-108** authorizing the City Manager to execute an Intergovernmental Agreement between the City of Peoria and the Arizona Department of Revenue for distribution of funds to the City under Arizona Revised Statutes § 42-5032.02.

Summary:

The City is authorized to enter into this agreement with ADOR to obtain funding for Public Infrastructure Improvement Projects (PIIP) necessary to support Amkor's Seven Billion Dollar (\$7,000,000,000) Capital Investment in Peoria Innovation Core.

Under A.R.S. § 42-5032.02(H), the City can obtain reimbursement for up to eighty percent (80%) of the cost of a PIIP from the portion of Transaction Privilege Tax (TPT) revenue under A.R.S. § 42-5075 derived from the construction of buildings and associated improvements for the benefit of the Facility and the water and wastewater public infrastructure and street public infrastructure PIIPs that benefit the Facility. In summary:

- The City must dedicate 100% of its local construction TPT revenue generated from the construction activity associated with the qualifying facility toward the PIIP. This local TPT serves as the City's contribution and matches the overall project funding.
- The City must enter into a written agreement with Amkor that identifies:
 - The PIIP qualifies for state matching funds
 - The total project cost and the portion to be funded by the City and by the State
 - The timing, ownership, and maintenance responsibilities for the improvements.
- The City must execute an IGA with ADOR to administer the revenue allocation and establishes the process for:
 - Tracking and verifying the TPT revenue generated from eligible construction activity
 - Remitting the state portion up to 80% of eligible project costs to the City for the PIIP
 - Reporting and Compliance requirements to ensure proper use of funds consistent

with statutory and program rules.

Previous Actions/Background:

No previous actions have been brought to Council relating to this project.

Staff Recommendation:

Recommendation to adopt **RES. 2025-108** and APPROVE the (a) Intergovernmental Agreement with Arizona Department of Revenue.

Fiscal Analysis:

As stated in Third Amendment to the Economic Development Agreement between City of Peoria and Amkor Technology, Arizona, Inc. dated August 28, 2025, the cost of the infrastructure improvements related to Core 2 for the benefit of the Amkor project are anticipated to be Two Hundred and Thirty-Eight Million Dollars (\$238,000,000). It is anticipated the City could recover more than \$25 million through PIIP reimbursements.

ATTACHMENTS:

Amkor-ADOR IGA
ADOR IGA Resolution

Contact Name and Number:

Maria Laughner, (623) 773-7338

**INTERGOVERNMENTAL AGREEMENT
BETWEEN THE CITY OF PEORIA AND
THE ARIZONA DEPARTMENT OF REVENUE
FOR DISTRIBUTION OF REVENUES UNDER A.R.S. § 42-5032.02**

THIS INTERGOVERNMENTAL AGREEMENT (the "**Agreement**") is entered into this ___th day of ___, 2025, pursuant to Arizona Revised Statutes ("A.R.S.") §§ 11-951 through 11-954 by and between the Arizona Department of Revenue ("ADOR") and the City of Peoria, acting by and through its Mayor and City Council (the "City"). The City and ADOR are referred to collectively in this agreement as the "Parties" and each individually as a "Party." A.R.S. references shall be to the code version in effect as of the effective date of this Agreement ("Effective Date"), unless otherwise provided expressly in this Agreement.

DEFINITIONS

The following definitions shall apply throughout this Agreement:

1. "**Amkor**" means AMKOR TECHNOLOGY ARIZONA, INC., an Arizona-domiciled corporation.
2. "**Capital Investment**" means an expenditure to acquire, lease, or improve property that is used for the benefit of the Facility, including land, buildings, machinery, and fixtures, as the term "capital investment" is defined in A.R.S. § 42-5032.02 and identified under Section I of this Agreement.
3. "**Certification**" means the sworn certification submitted by Amkor to the Arizona Commerce Authority on April 14, 2021.
4. "**Construction Phase Services**" has the same meaning prescribed in A.R.S. § 42-5075(N)(1).
5. "**Facility**" means an establishment that:
 - a. Is engaged in the mechanical, physical, or chemical transformation or fabrication of materials, substances, or components into new products within the State of Arizona;
 - b. Is classified within sections 31 through 33 inclusive of the 2007 edition of the North American Industry Classification System as published by the National Information Service of the United States Department of Commerce; and
 - c. Agrees to make at least five hundred million dollars (\$500,000,000) in Capital Investment.
6. "**Prime Contractor**" means any contractor identified in connection with a Capital Investment or Public Infrastructure Improvement Project under this Agreement who is liable for reporting and remitting TPT levied under A.R.S. § 42-5075.

7. **"Public Infrastructure"** means water production, delivery, and disposal facilities; wastewater production, delivery, and disposal facilities; and roads that are necessary to support the activities of the Facility.
8. **"Public Infrastructure Improvement Project" or "PIIP"** means any project identified under Section II of this Agreement.
9. **"Public Infrastructure Master Agreement"** means the written agreement between Amkor and the City that identifies and states the cost of the Public Infrastructure Improvement Projects that will be constructed and identifies the source of monies that will be used to pay for the same under A.R.S. § 42-5032.02.
10. **"Reporting Code"** means a code that ADOR provides to a Prime Contractor under Section 111 of this Agreement for the purpose of allowing the Prime Contractor to separately identify to ADOR such income reported under A.R.S. § 42-5075 that is derived from a contract for Capital Investment and Public Infrastructure Improvement Projects under this Agreement.
11. **"Statutory Maximum"** means the total amount paid to all cities, towns, and counties under A.R.S. § 42-5032.02, which shall not exceed a maximum of two hundred million dollars (\$200,000,000).
12. **"TPT"** means state transaction privilege tax.

RECITALS

1. ADOR is authorized to enter into this Agreement under A.R.S. §§ 42-1004(A)(4) and 42-5032.02(G).
2. The City is authorized to enter this agreement pursuant to Article I, Section 3 of the Peoria City Charter and A.R.S. § 42-5032.02.
3. Amkor intends to engage in business at a production facility to be constructed within the City that qualifies as a Facility under this Agreement.
4. Amkor has agreed with the City to make a qualifying Capital Investment and has filed its Certification to this effect with the Arizona Commerce Authority.
5. On or before the Effective Date, Amkor has agreed with the City to provide a cost report to ADOR demonstrating that it has made ten percent (10%) of the Capital Investment identified in the Certification that constitutes "construction phase services," as that term is defined in A.R.S. § 42-5075.
6. The City has determined that certain PIIPs are necessary to support Amkor's Capital Investment.

7. Amkor and the City have entered into a written agreement that identifies and states the cost of the PIIPs that will be constructed and identifies the source of monies that will be used to pay for such PIIPs.
8. Under A.R.S. § 42-5032.02(H), the City can obtain funding for up to eighty percent (80%) of the cost of a PIIP from the portion of TPT revenue under A.R.S. § 42-5075 derived from the construction of buildings and associated improvements for the benefit of the Facility and the PIIPs that benefit the Facility.
9. The purpose of this Agreement is to facilitate ADOR's distribution of funds to the City under A.R.S. § 42-5032.02 and to ensure compliance with the requirements of that statute and other applicable laws.

WHEREFORE, IN CONSIDERATION of the foregoing and of the mutual covenants expressed in this Agreement, the Parties agree as follows:

I. Capital Investment.

- A. The Capital Investment and associated Prime Contractors covered by this Agreement are identified in the attached Addendum A.
- B. Future Capital Investments may be identified under this Agreement through the use of similar addenda, and in that event, the terms and conditions of this Agreement shall apply.

II. Public Infrastructure Improvement Projects (PIIPs).

- A. The Public Infrastructure necessary to support the Capital Investment is identified in the attached Addendum B.
- B. The actual amount of the construction funding that will be derived from sources other than the State is also identified in Addendum B.
- C. Using the form attached as Addendum B-1, the City shall notify ADOR of each Prime Contractor or other service provider awarded a contract under A.R.S. Title 34 for the Public Infrastructure Improvement Project and any other City expenses related to the PIIP, together with an updated project cost, estimated start of construction date, and estimated completion date.
- D. Future PIIPs may be identified under this Agreement through the use of similar addenda and, in that event, the terms and conditions of this Agreement shall apply.
- E. The City shall submit additional Addendum B and Addendum B-1 for each separate PIIP.

III. Prime Contractors.

- A. ADOR shall provide written notification, with a copy to the City, to each Prime Contractor identified under this Agreement as to the means and method of reporting the portion of its income separately identified to ADOR under A.R.S. § 42-5075 as being derived from a contract for Capital Investment or PIIP under this Agreement.
- B. ADOR shall separately account for state TPT revenues identified, reported, and collected under A.R.S. § 42-5075 of the prime contracting classification from any Prime Contractor identified under this Agreement for both the PIIPs and Capital Investment project.
- C. Revenue derived from contracts subject to A.R.S. § 42-5075 for PIIPs under this Agreement shall be used exclusively to pay for PIIPs identified under this Agreement until either:
 - i. The Statutory Maximum for payments to all cities, towns, and counties under A.R.S. § 42-5032.02 is reached or
 - ii. December 2027 or such later date as amended in A.R.S. § 42-5032.02.
- D. In the event there is more than one PIIP undertaken by more than one city, town, or county for the benefit of Amkor that will be funded by the same Capital Investment project, it shall be allocated by ADOR among the PIIPs based on available funds and whether the eighty percent (80%) threshold for each PIIP has been met.
- E. The City agrees that any amounts paid by ADOR to a Prime Contractor resulting from an audit adjustment or claim for credit or refund of taxes collected under A.R.S. § 42-5010(A) and derived from a contract for the construction of a PIIP or Capital Investment project under this Agreement shall be recovered by ADOR by reducing the amount paid to the City under A.R.S. § 42-5029 from monies designated as the distribution base in the month next succeeding the month in which the adjustment or claim is paid. In the event that there is more than one PIIP undertaken by more than one city, town, or county for the benefit of Amkor, any amount paid by ADOR to a Prime Contractor under this section shall be recovered in the manner prescribed by this section only from the city, town, or county to whom the monies were allocated pursuant to Section III (D) above.
- F. The City agrees that if, on notification by ADOR, the State Treasurer ceases payments because the City has received monies that meet or exceed either eighty percent (80%) of the cost of a PIIP or the Statutory Maximum, the City shall have

no claim to additional payments if ADOR subsequently pays amounts to a Prime Contractor due to an audit adjustment or claim for credit or refund of taxes.

IV. Payments to the City.

- A. Within ten (10) business days after all of the conditions set forth in Sections IV(B)(1) through IV(B)(4) have been satisfied for a PIIP to be funded under this Agreement, and provided that TPT funds identified under A.R.S. § 42-5075(H) are available, ADOR shall provide written notice to the Slate Treasurer, with a copy to the City, to begin making payments to the City under this Agreement.
- B. ADOR shall not instruct the State Treasurer to begin making payments to the City under this Agreement until each of the following conditions has been met:
 - i. ADOR has received a cost report demonstrating that Amkor has made ten percent (10%) of the Capital Investment identified in the Certification that constitutes Construction Phase Services.
 - ii. ADOR has received documentation from the City that it has entered into a contract for a PIIP to be funded under this Agreement.
 - iii. ADOR has received all of the information to be provided under Addendum B for a PIIP.
 - iv. At least one Prime Contractor or other service provider has been identified, and all of the information required to be provided for that Prime Contractor or other service provider under Addendum B-1 has been provided for a PIIP. Payments to the City for any Prime Contractor, other service provider, or other City expense identified in Addendum B-1 shall not exceed eighty percent (80%) of the construction cost, contract cost, or other expense as set forth in Addendum B-1.
- C. The total amount paid to the City for any PIIP under this Agreement shall not exceed: (a) eighty percent (80%) of the total cost of the PIIP as set forth in Addendum B or (b) the Statutory Maximum for payments to all cities, towns, and counties under A.R.S. § 42-5032.02. If the amount needed to meet eighty percent (80%) of the PIIP would exceed the Statutory Maximum, such amount shall be funded by the City. In no event shall payments be made to the City under this Agreement from and after December, 2027 or such later date as amended in A.R.S. § 42-5032.02.
- D. The City agrees that the monies received under this Agreement shall be used exclusively to pay for PIIPs that are necessary to support the activities of Amkor.
- E. The City agrees that it will commit all of its portion of the revenue received pursuant to A.R.S. § 42-5029(G) derived from contracts subject to A.R.S. § 42-

5075 for the construction of buildings and associated improvements for the benefit of the Facility (identified in this Agreement as Capital Improvements and PIIPs) for PIIPs under this Agreement.

- F. The City will promptly notify ADOR if monies received under this Agreement exceed eighty percent (80%) of the cost of any PIIP and will return the amount of the excess to the State Treasurer for deposit according to A.R.S. § 42-5032.02(G)(4) or successor provision.
- G. ADOR shall notify the State Treasurer to cease payments under this Agreement when either: (a) the total for all payments to the City meets or exceed eighty percent (80%) of the cost of the PIIPs under this Agreement, or (b) payments to all cities, towns, and counties under A.R.S. § 42-5032.02 have reached the Statutory Maximum. The City agrees that it has no claims to additional payments under these conditions.
- H. ADOR shall distribute, and the City shall receive funding payments for eligible PIIP costs rendered after the City substantiates to ADOR that the cost has been expended, is allowable, and is relevant for the submitted program expenditures. To request reimbursement, the City shall submit its request to ADOR for review and processing in a form and manner agreed upon by both the City and ADOR. Unless otherwise specifically indicated, the City as a funding recipient is not required to submit any supporting documentation with a reimbursement request. However, the City is required to maintain all necessary supporting documentation to ensure such documentation is available to ADOR for review, upon request. The City must maintain records that show:
 - i. The total amount of funds received under this Agreement;
 - ii. How the City used the funds;
 - iii. The total cost of the projects; and
 - iv. Other records to facilitate an effective audit.
- I. Allowable costs are those eligible PIIP costs invoiced to the City on or after the month of the Effective Date of this Agreement, as substantiated by supporting documentation.
- J. ADOR will process reimbursement requests under A.R.S. § 42-5032.02 on a first-come, first-served basis, so it is important for the City to submit payment requests as early as possible. The City may request updates on the remaining amounts available under A.R.S. § 42-5032.02 from time to time.

V. Meet and Confer Process.

A. In order to ensure timely compliance with the requirements of A.R.S. § 42-5032.02, the Parties shall adopt a meet and confer schedule for each PIIP at approximately the following intervals as determined by the City, but in no event less than on a quarterly basis or upon request by ADOR:

- i. At or near project initiation;
- ii. At or near 20% project completion;
- iii. At or near 60% project completion;
- iv. At or near 80% project completion; and
- v. At or near 90% project completion.

B. Representatives of Amkor and/or any Prime Contractor may attend at the request of the City or ADOR.

VI. Calculation of Statutory Maximum. ADOR shall use, inter alia, the amounts subject to any distribution to the City under A.R.S. § 42-5032.02(A) in calculating the Statutory Maximum.

VII. Other Funding. The actual amount of funding for a PIIP that will be derived from sources other than the State will be twenty percent (20%) of the overall project costs that shall be paid by the City. In addition, the City shall pay one hundred percent (100%) of any project costs not reimbursed by the State under A.R.S. § 42-5032.02(A) for any reason.

VIII. Effective Date and Duration. This Agreement shall become effective upon execution by the City and ADOR, and shall remain in effect until the earlier of either the point at which the Statutory Maximum is reached or September 30, 2033.

IX. Termination. A Party desiring to terminate this Agreement shall provide written notice to the other Party at least sixty (60) days in advance of the proposed termination date.

X. Choice of Law. The laws and regulations of the State of Arizona shall govern the rights of the Parties, the performance of this Agreement, and any disputes arising from this Agreement, including the City's appeal rights pertaining to ADOR's agency actions contained herein.

XI. Entire Agreement. This Agreement constitutes the entire agreement between the Parties pertaining to its subject matter and correctly sets forth the rights, duties, and obligations of each to the other as of its Effective Date. All prior or contemporaneous agreements and understandings, oral or written, are superseded and merged into this Agreement. The provisions of this Agreement may be abrogated, modified, rescinded, or amended in whole or in part only by mutual written consent of the Parties.

XII. **Notices.** All written notices concerning this Agreement shall be sent electronically and by first-class mail, postage prepaid, to the Parties as follows:

To City:

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

Copy to:

Emily Jurmu, City Attorney
City of Peoria
8401 West Monroe Street
Peoria, Arizona 85345

To ADOR:

Robert Woods,
Director
1600 W. Monroe St.
Phoenix, AZ 85007
rwoods@azdor.gov

Copy to:

Hsin Pai,
General Counsel
1600 W. Monroe St.
Phoenix, AZ 85007
hpai@azdor.gov

The address to which any notice, demand, or other writing may be given, made, or sent to any Party may be changed by written notice given by such Party as above provided.

XIII. **Equal Opportunity; Compliance; Executive Order 2023-09.** Notwithstanding any provision of the Agreement to the contrary, the Parties agree to abide by the following terms and provisions:

- A. The Parties shall comply with Executive Order 2023-1, which mandates that all persons, regardless of race, color, religion, sex, age, or national origin, shall have equal access to employment opportunities, and all other applicable state and Federal employment laws, rules, and regulations, including the Americans with Disabilities Act. The Parties shall take affirmative action to ensure that applicants

for employment and employees are not discriminated against due to race, creed, color, religion, sex, national origin, or disability.

- B. The Parties shall comply with Executive Order 2023-09 prohibiting race-based hair discrimination.

XIV. **Cancellation.** The requirements of A.R.S. § 38-511 shall apply to this Agreement. Either Party may cancel this Agreement without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Agreement on behalf of ADOR or the City is, at any time while this Agreement or any extension is in effect, an employee, agent, or consultant of the other Party with respect to the subject matter of this Agreement.

XV. **Other Agreements.** This Agreement in no way restricts either Party from participating in similar activities with other public or private agencies, organizations, or individuals.

XVI. **Records Retention.** The City and ADOR shall retain all data, books, and other records ("**Records**") relating to this Agreement for at least six (6) years after the termination of this Agreement and following each annual renewal thereof. All Records shall be subject to inspection by ADOR at reasonable times. Upon request, ADOR and the City shall produce any or all such records. This Agreement is subject to A.R.S. §§ 35-214 and 35-215.

XVII. **Compliance with Immigration Laws.** ADOR and the City shall comply with all Federal immigration laws and regulations relating to employees and warrant compliance with A.R.S. § 23-214(A). A breach of compliance with immigration laws and regulations shall be deemed a material breach of this Agreement and may be grounds for the immediate termination of this Agreement. ADOR and the City retain the legal right to inspect the papers of any employee who works on the Agreement to ensure ADOR and the City are complying with applicable Federal immigration laws and regulations and State statutes as set forth above.

XVIII. **Relationship.** It is not intended by this Agreement to, and nothing contained in this Agreement shall be construed to, create any partnership, joint venture, or employment relationship between the Parties or to create any employer-employee relationship between the City and any ADOR employee, or between ADOR and any City employee. Neither Party shall be liable for any debts, accounts, obligations, or other liabilities whatsoever of the other, including, without limitation, the other Party's obligation to withhold Social Security and income taxes for any of its employees.

XIX. **Nonavailability of Funds.** Every payment obligation of ADOR under this Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not appropriated, allocated, and available, or if the appropriation is changed, resulting in funds no longer being available for the continuance of this Agreement, this Agreement may be terminated at the end of the

period for which funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments or for any damages as a result of termination under this Section.

XX. **Failure to Enforce.** The failure to exercise any right, power, or privilege under this Agreement shall not constitute a waiver thereof, nor shall a single or partial exercise thereof preclude any other or further exercise of that or any right, power, or privilege.

XXI. **Authorization to Enter into Agreement.** Attached to this Agreement and incorporated by reference is the written determination of each Party's legal counsel that each Party is authorized under the laws of the State of Arizona to enter into this Agreement and that the Agreement is in proper form.

**The remainder of this page is intentionally left blank.
(Signature page follows)**

IN WITNESS WHEREOF, the Parties have executed this Agreement as authorized by the State of Arizona.

CITY OF PEORIA

By _____ Date _____
JASON BECK
Mayor

ATTEST:

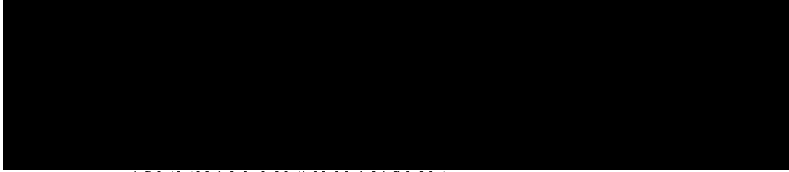
By _____ Date _____
AGNES GOODWINE
City Clerk

I have reviewed the above referenced Intergovernmental Agreement among the State of Arizona, acting by and through its Department of Revenue, and the City of Peoria, an agreement among public agencies which, has been reviewed pursuant to A.R.S. §§ 11-951 through 11-954 and A.R.S. § 48-572, and declare this Agreement to be in proper form and within the powers and authority granted to Peoria under the laws of the State of Arizona.

No opinion is expressed as to the authority of the remaining Parties, other than the Peoria or its agencies, to enter into said Agreement.

Approved as to Form:

By _____ Date _____
EMILY JURMU
Peoria Attorney



Date 10/27/2025

NEERK BESHANDE
Deputy Director

APPROVAL OF THE ARIZONA ATTORNEY GENERAL

Pursuant to Arizona Revised Statutes§ 11-951 through§ 11-954. I have reviewed the foregoing intergovernmental agreement between the ARIZONA DEPARTMENT OF REVENUE and the CITY OF PEORIA and declare this Agreement to be in proper form and within the powers and authority granted to the Department under the laws of the State of Arizona.

No opinion is expressed as to the authority of the City to enter into this Agreement.

By _____ Date _____
KRIS MAYES
Attorney General

By _____ Date _____
Name:
Tax Section Chief Counsel

ADDENDUM A

Capital Investment

The following Capital Investment and Prime Contractor(s) are identified pursuant to Section 2 of the Intergovernmental Agreement entered into between the Arizona Department of Revenue and the City of Peoria on or about ___, 2025 (the "Agreement"):

Constructing a Semiconductor Packaging Facility at 9303 Amkor Way in Peoria, AZ

Prime Contractor(s): Okland Construction Company

Construction Start Date: September, 2025

Estimated Date of Completion: July, 2028

Estimated Construction Cost: \$2 Billion

Each Prime Contractor identified above has been notified as to which portion of the Prime Contractor's income shall be separately identified to the Department pursuant to A.R.S. § 42-5075(H).

The provisions of the Agreement are incorporated and shall control as fully as if they were set forth in this Addendum.

By _____ Date _____
HENRY DARWIN
City Manager

ATTEST:

By _____ Date _____
AGNES GOODWINE
City Clerk

Approved as to Form:

By _____ Date _____
EMILY JURMU
Peoria City Attorney

Addendum B

Public Infrastructure Improvement Project - Project No.

City represents that the following Public Infrastructure Improvement Projects are necessary to support the Capital Investment identified in Addendum A, dated ____, 2025, to the Intergovernmental Agreement entered into between the Arizona Department of Revenue and the City of Peoria on or about ____, 2025 (the "Agreement"):

Constructing Lake Pleasant Parkway, Amkor Way, and 93rd Lane roadway and utility improvements at the Peoria Innovation Core 2 Site:

Prime Contractor:	Hayden
Construction Start Date:	July, 2025
Estimated Date of Completion:	July, 2027
Estimated Construction Cost:	\$ 71,200,000

Constructing Pump Station and Reservoir water utility improvements at the Peoria Innovation Core 2 Site:

Prime Contractor:	Felix Construction
Construction Start Date:	July, 2025
Estimated Date of Completion:	December, 2026
Estimated Construction Cost:	\$ 45,900,000

Constructing water utility mains at the Peoria Innovation Core 2 site:

Prime Contractor:	Archer-Western Construction
Construction Start Date:	July, 2025
Estimated Date of Completion:	July, 2027
Estimated Construction Cost:	\$ 10,400,000

Constructing a sewer lift station, force mains, and sewer main along 96th Avenue to serve the Peoria Innovation Core 2 site:

Prime Contractor:	Archer-Western Construction
Construction Start Date:	December, 2025
Estimated Date of Completion:	July, 2027
Estimated Construction Cost:	\$ 24,100,000

Constructing 96th Avenue roadway and utility improvements at the Peoria Innovation Core Site:

Prime Contractor:	To Be Determined
Construction Start Date:	2027
Estimated Date of Completion:	2029
Estimated Construction Cost:	\$ 42,500,000

Constructing the Loop 303/96 Avenue TI serving the Peoria Innovation Core 2 site:

Prime Contractor:	To Be Determined
Construction Start Date:	To Be Determined
Estimated Date of Completion:	To Be Determined
Estimated Construction Cost:	\$ 75,000,000

Prime Contractors are as shown above and as may further be identified in Addendum B-1

Total Construction Cost: Approximately \$269.1 Million

State TPT (80%) \$ 215.28 Million

City (20%) \$ 53.8 Million

The Parties shall meet and confer at or near the start of construction and at such subsequent times as provided under Section 6 of the Agreement.

The provisions of the Agreement are incorporated and shall control as fully as if they were set forth in this Addendum.

By _____ Date _____
HENRY DARWIN
City Manager

ATTEST:

By _____ Date _____
AGNES GOODWINE
City Clerk

Approved as to Form:

By _____ Date _____
EMILY JURMU
Peoria City Attorney

IGA City of Peoria and ADOR

Final Audit Report

2025-10-27

Created:	2025-10-27
By:	Christine Ryan (CRyan@azdor.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAACmhOyGlzX4HD9i0IqRvmD2EdmmyoE4CF

"IGA City of Peoria and ADOR" History

-  Document created by Christine Ryan (CRyan@azdor.gov)
2025-10-27 - 8:07:14 PM GMT
-  Document emailed to ndeshpande@azdor.gov for signature
2025-10-27 - 8:08:25 PM GMT
-  Email viewed by ndeshpande@azdor.gov
2025-10-27 - 8:08:31 PM GMT
-  Signer ndeshpande@azdor.gov entered name at signing as Neeraj Deshpande
2025-10-27 - 8:10:16 PM GMT
-  Document e-signed by Neeraj Deshpande (ndeshpande@azdor.gov)
Signature Date: 2025-10-27 - 8:10:18 PM GMT - Time Source: server
-  Agreement completed.
2025-10-27 - 8:10:18 PM GMT

RESOLUTION NO. 2025-108

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA, ADOPTING A RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT INCLUDING ALL EXHIBITS AND ATTACHMENTS BETWEEN THE ARIZONA DEPARTMENT OF REVENUE AND THE CITY OF PEORIA FOR THE DISTRIBUTION OF REVENUES UNDER A.R.S. § 42-5032.02; AUTHORIZING THE CITY MANAGER TO EXECUTE THE INTERGOVERNMENTAL AGREEMENT; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE AS PROVIDED BY LAW.

WHEREAS, under A.R.S. § 42-5032.02(H), the City can obtain funding for up to eighty percent (80%) of the cost of a Public Infrastructure Improvement Project (PIIP) from the portion of state transaction privilege tax (TPT) revenue under A.R.S. § 42-5075 derived from the construction of buildings and associated improvements; and

WHEREAS, the City wishes to enter into an Intergovernmental Agreement with the Arizona Department of Revenue (ADOR) for the purpose of facilitating ADOR's distribution of funds to the City under A.R.S. § 42-5032.02 and to ensure compliance with the requirements of that statute and other applicable laws; and

WHEREAS, the terms and conditions of the Intergovernmental Agreement between ADOR and the City of Peoria are outlined in the attached Exhibit A; and

WHEREAS, the Mayor and Council of the City of Peoria, Arizona, have considered the attached agreement, and deem this Resolution to be in the best interest of the public health, safety, and welfare of the residents of the City of Peoria, Arizona;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Peoria, Arizona, as follows:

Section 1. The foregoing recitals are incorporated as if fully set forth herein.

Section 2. The Intergovernmental Agreement with ADOR is authorized and approved and the Mayor is authorized to execute the Intergovernmental Agreement and related documents in substantial conformance with the document attached as Exhibit A.

Section 3. The City Manager, or his designee, is authorized to execute and provide necessary documentation needed to implement the Intergovernmental Agreement in substantial conformance with the document attached as Exhibit A. All final forms shall be approved by the City Attorney. Any related documents necessary to close the

transaction may be executed by the City Manager or a designee, subject to approval as to form by the City Attorney.

Section 4. In the event any part, portion or paragraph of this Resolution is found to be invalid by any court of competent jurisdiction, the invalidity of such part, portion, or paragraph shall not affect any other valid part, portion, or paragraph of this Resolution and effectiveness thereof.

Section 5. The City Clerk is hereby authorized to correct clerical and grammatical errors, if any, related to this Resolution, and to make formatting changes appropriate for purposes of clarity, form, or consistency with the Peoria City Code.

Section 6. This Resolution shall become effective in the manner provided by law.

[signature page follows]

PASSED AND ADOPTED by the Mayor and Council of the City of Peoria, Arizona, this 4th day of November, 2025.

Jason Beck, Mayor

Date Signed

ATTEST:

Agnes Goodwine, City Clerk

APPROVED AS TO FORM:

Emily Jurmu, City Attorney

Published in Peoria Times

Publication Dates: November 13 & 20, 2025

Effective Date: December 5, 2025

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

Agenda Item: 12R.

Date Prepared: 10/21/2025

Council Meeting Date: 11/4/2025

PRESENTER: Maria Laughner, Economic Development Director

TO: Honorable Mayor and City Council

THROUGH: Mike Faust, Deputy City Manager

FROM: Maria Laughner, Economic Development Director

SUBJECT: Intergovernmental Agreement, West-MEC, Ground Lease

Purpose:

Discussion and possible action to adopt **RES. 2025-107** authorizing the City Manager to execute an Intergovernmental Agreement and a Ground Lease Agreement with WESTERN MARICOPA EDUCATION CENTER CAREER AND TECHNICAL DISTRICT for the purpose of constructing a Career and Technical Education campus on City owned property at FIVE North.

Summary:

In alignment with the Council's priority on Economic Development, supporting Career and Technical Education is crucial in the development of skilled and ready workforce. West-MEC operates 5 campuses and serves students in western portion of Maricopa County. The programs offered fill a void in the job market for those students seeking technical career training beyond secondary education.

West-MEC currently supports many Peoria residents within their program at the Northeast and Northwest campuses and recently signed an agreement to establish a campus at 95th Avenue and Peoria. This North Peoria location would offer programs to complement the healthcare and semiconductor industries in North Peoria.

With Peoria's focus on creating local employment opportunities in the newly constructed industrial space in south Peoria or the efforts underway in the Peoria Innovation Core, supporting West-MEC's expansion is key to the overall success of Peoria's residents.

Previous Actions/Background:

No previous actions have been brought to Council relating to this project.

Staff Recommendation:

Recommendation to adopt **RES. 2025-107** and APPROVE the (a) Intergovernmental

Agreement; and the (b) Ground Lease Agreement with WESTERN MARICOPA EDUCATION CENTER CAREER AND TECHNICAL DISTRICT.

Fiscal Analysis:

Revenues generated from the Ground Lease are commensurate with local market conditions and respective of the partnership with West-MEC. Furthermore, should West-MEC elect the purchase option within the agreement, the purchase price will be market value.

ATTACHMENTS:

West-MEC (FIVE North) IGA DRAFT
West-MEC Vistancia ICA Resolution

Contact Name and Number:

Maria Laughner, (623) 773-7338

**INTERGOVERNMENTAL AGREEMENT
FOR DEVELOPMENT AND LEASE OF PROPERTY
BETWEEN West-MEC AND
THE CITY OF PEORIA**

THIS INTERGOVERNMENTAL AGREEMENT (the “**Agreement**”) is made as of this ____ day of _____, 2025 by and between WESTERN MARICOPA EDUCATION CENTER CAREER AND TECHNICAL DISTRICT, a political subdivision of the State of Arizona (“**West-MEC**”), and the CITY OF PEORIA, a political subdivision of the State of Arizona, and/or assignee (“**City**”). West-MEC and the City may herein be referred to collectively as the “**Parties**” or individually as a “**Party**”.

RECITALS

- A. The City is in the process of acquiring a vacant parcel of land¹ located in FIVE North at Vistancia at Westward Skies Rd and Espial Rd. (the “**Parcel**”) See Exhibit A.
- B. West-MEC is a public school district that serves more than 37,000 students from 48 public high schools in the northern and western cities of the Phoenix metropolitan area by providing innovative Career and Technical Education (“**CTE**”) programs.
- C. The Parties agree that, upon completing the acquisition of the Parcel, the City will lease approximately a seven (7) acre portion of the Parcel to West-MEC (the “**Property**”) according to the terms of a ground lease including an option to purchase the Property (the “**Lease**”), the form of which is attached as Exhibit B. West-MEC will then develop a CTE Campus on the Property including, without limitation, any buildings, structures, improvements, and other related facilities (the “**Project**”) according to the terms of this Agreement and the Lease.
- D. The Project will consist of multiple buildings and related facilities suited for CTE programming, administrative facilities, surface parking lot, and ancillary requirements.
- E. The Parties acknowledge that West-MEC intends to acquire approval from its Board of Directors (the “**Board**”), to fund the Lease, develop the Project, and potentially purchase the Property through bond funding to be approved in an upcoming election. If the bond election is not timely approved neither Party will be obligated to proceed, and all agreements shall be terminated without further obligation except as required by this Agreement.
- F. The City is committed to promoting the health, safety, and welfare of its residents by fostering sustainable economic growth and improving the quality of life through strategic development, as empowered by A.R.S. §§9-461, et seq.

¹ See Peoria City Council Resolution 2025-91, approved on August 28, 2025, authorizing the City Manager to execute an Exchange Agreement and Joint Escrow Instructions with Amkor Technology Arizona, Inc.

- G. Both West-MEC and the City acknowledge and agree that the strategic development of the Property as described in this Agreement presents a unique opportunity to promote the health, safety, and welfare of Peoria residents.
- H. This Agreement is entered into pursuant to the A.R.S. §11-952, which authorizes public agencies (including cities, towns, school districts, and any other political subdivisions of the State of Arizona) to cooperate and contract with each other for their mutual benefit and the public good. West-MEC is authorized to enter into this Agreement pursuant to A.R.S. §§15-342(9), 15-342(10) and 15-342(17). The City is authorized by the Peoria City Charter, Art. 1, Sec. 3(15) and A.R.S. § 9-240(B)(12). Both parties are authorized to enter into Intergovernmental Agreements pursuant to A.R.S. § 11-952.
- I. West-MEC has preliminarily determined to its satisfaction, subject to West-MEC's right to conduct its due diligence investigation: (i) the suitability of the Property for the Project; and (ii) the Project's viability (including without limitation, market demand, site utilization, estimated development costs, and operating pro formas).
- J. The purpose of this Agreement is to establish the parameters and requirements for the development of the Property as a CTE campus and to describe each Party's responsibilities related to the construction, funding, designing, permitting, engineering, installation, and construction of a CTE campus.

AGREEMENT

For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties incorporate and agree to the foregoing Recitals, and further covenant and agree as follows:

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

“**Agreement**” means this 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 Laws**” 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 as of the date of any application or submission.

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

“**Board**” means as defined in Recital E.

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

“**City Approvals**” means approval by the appropriate City department, administrator, or body for each Project related activity.

“**Completion of Construction**” means as defined in Subsection 4.7.

“**Construction Indemnity**” means as defined in Subsection 12.1.

“**CTE**” means as defined in Recital B.

“**Delay Notice Deadline**” means as defined in Section 10.

“**Draft Site Plan**” means as defined in Subsection 4.7.

“**Effective Date**” means as defined in Section 2.

“**Event of Default**” means as defined in Section 8.

“**Force Majeure**” or “**Force Majeure Events**” means as defined in Section 10.

“**Lease**” means as defined in Recital C the form of which is attached as Exhibit B.

“**Mandatory Charges**” means a fee or charge which the Peoria City Attorney has determined that the City is required to charge West-MEC pursuant to any Applicable Law, agreement, contract, bond indenture, or other legal obligation, and for which West-MEC is not exempt pursuant to A.R.S 9-500.18. Mandatory Charges may be modified by City from time to time upon written Notice to West-MEC. Such modifications shall only apply prospectively to project elements for which an application is filed with the City after the effective date of the modified charges.

“**Master Development Plan**” means as defined in Subsection 4.7.

“**Notice**” or “**Notify**” means as defined in Subsection 12.5.

“**Parcel**” means as defined in Recital A.

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

“**Phasing Schedule**” means as defined in Subsection 4.7.

“**Project**” means as defined in Recital C.

“**Property**” means as defined in Recital C.

“**Term**” means the period beginning on the Effective Date and continuing until the earliest of: (i) ten (10) years from the Effective Date, (ii) West-MEC's failure to secure bond funding for the Project as outlined in Section 4.3, (iii) the full execution of a written purchase agreement for the Property between West-MEC and the City pursuant to the purchase option in the Lease, (iv) written Notice by West-MEC to the City of its election to terminate the Agreement or the Lease on or before 360 days after the Effective Date if West-MEC determines in its sole and reasonable discretion that the Property is not suitable or viable for development of the Project or (v) termination due to an event of default as provided in this Agreement.

“**West-MEC**” means the Party designated as West-MEC on the first page of this Agreement.

2. **Effective Date and Term of Agreement**. The Effective Date of this Agreement shall for all purposes be the date of the signature of the last Party to sign this Agreement after approval by the City Council and Board. The terms, conditions, and provisions of this Agreement shall remain in effect and continue until the earliest of: (i) ten (10) years from the Effective Date, (ii) West-MEC's failure to secure bond funding for the Project as outlined in Subsection 4.3, (iii) the full execution of a written purchase agreement for the Property between West-MEC and the City pursuant to the purchase option in the Lease, (iv) written Notice by West-MEC to the City of West-MEC's election to terminate the Agreement or the Lease on or before 360 days after the Effective Date if West-MEC determines in its sole and reasonable discretion that the Property is not suitable or viable for development of the Project, or (v) termination of this Agreement or the Lease due to an event of default as provided in this Agreement or the Lease. Upon termination, this Agreement shall be of no further force or effect, except for those provisions expressly stated to survive termination.

3. **City Undertakings**. The City agrees to undertake the following:

- 3.1 Re-plat: Re-Plat 56-acre parcel (APN 510-08-951) located at Westward Skies Rd and Espial Rd to form a 7-acre parcel to be leased to West-MEC by December 31, 2025.
- 3.2 Lease. Lease the Property to West-MEC pursuant to the terms of the Lease, the form of which is attached as Exhibit B.
- 3.3 Plan Review and Permitting: Timely review and respond to West-MEC's applications for plan review and permits.
- 3.4 Certificate of Occupancy: Upon development of the Project according to this Agreement, issue a certificate of occupancy to West-MEC.

3.5 Fees. Waive all fees and charges except for Mandatory Charges.

4. **West-MEC Undertakings**. West-MEC agrees to undertake the following:

- 4.1 Land Acquisition. West-MEC agrees to lease the Property pursuant to and subject to the terms and conditions of the Lease.
- 4.2 Board Approval. West-MEC agrees to acquire full Project approval from its Board for the Project including approval to seek bond funding for the Project in the November 2025 election.
- 4.3 Funding. West-MEC agrees to acquire funding to fully fund the development of the Project through bond funding to be approved in the November 2025 election.
- 4.4 Improvement. In accordance with this Agreement and the Lease, West-MEC, at its sole cost and expense, will design and construct the Project upon the Property to be used as a CTE campus. West-MEC agrees that design, development, and construction of the Project shall comply with the terms of this Agreement and any amendments thereto, the Lease, City of Peoria Engineering Standards, and all Applicable Laws (except for those which West-MEC is exempt pursuant to A.R.S. 9-500.18).
- 4.5 Programs. West-MEC will offer one or more medical programs, which may include but not limited to Nursing Services, Medical Assisting, Pharmacy Science, or Medical Laboratory Science.
- 4.6 Mandatory Charges. West-MEC shall timely pay all Mandatory Charges imposed by the City.
- 4.7 Timely Response. During the project review process, West-MEC shall make reasonable efforts to respond to City comments and make corrections to the site plans, permits, or construction documents submittals, within thirty (30) days of the City's request for such.
- 4.8 Development of the Property. At such time West-MEC is ready to proceed with the Project, it shall submit its draft site plans ("**Draft Site Plan**"), proposed phasing schedule ("**Phasing Schedule**") and its final development plans ("**Master Development Plan**") to the City for its review and approval. The Master Development Plan shall not require the City to expend any funds, incur any liability, or lose title to any property. West-MEC will then use commercially reasonable efforts to design, fully construct, and receive a certificate of occupancy for the Project (the "**Completion of Construction**") on a pace that permits full opening and student enrollment on a pace that permits full opening and student enrollment by **July 202***.

West-MEC will fully open and operate the CTE facility beginning in the 202*/202* academic year.

- 4.9 West-MEC shall cause construction of the work set forth in the Master Development Plan and in good faith execute same to completion as expeditiously as reasonably practicable and in accordance with, this Agreement, the Lease, City Approvals, and all Applicable Laws.
- 4.10 During the course of such construction the City shall have the right, but not the obligation, to periodically enter the Property to review the work being performed, to discuss the scope, nature, and progress of such work with West-MEC's employees, agents, contractors, subcontractors, engineers and architects, and to review plans, specifications, and drawings relating to such work.

5. **Performance Extensions.** From time to time following the Effective Date, West-MEC and City (acting through its City Manager or the City Manager's designee) may, by mutual written agreement, refine and revise any date, milestone, or deadline herein as may be necessary to accommodate any factors, events, or occurrences. The City Council authorizes its City Manager (or the City Manager's designee), in the City Manager's administrative capacity, to agree to any such extension that the City Manager deems necessary to carry out the intent and purpose of this Agreement.

6. **Construction Criteria.**

- 6.1 All construction performed, or caused to be performed, by West-MEC shall be in accordance with all Applicable Laws, City of Peoria Engineering Standards, City Approvals, the Lease, this Agreement, the applicable provisions of the insurance requirements in Exhibit D, and the Master Development Plan to the extent allowed by A.R.S 9-500.18.
- 6.2 Once West-MEC begins construction of any improvement located on the Property, West-MEC shall diligently prosecute such construction to completion.
- 6.3 All structures, buildings, improvements, alterations, and additions whatsoever to the Property, shall remain on the Property and become the property of City at the termination or earlier termination of this Agreement, unless the Property is acquired by West-MEC Pursuant the Lease.
- 6.4 The entire cost and expense of construction of the Project on the Property shall be borne and paid by West-MEC.

7. **Indemnification.** During the Term of this agreement, indemnification shall be as described in Section 12 of the Lease.

8. **Default.** If either Party fails to meet, perform, or satisfy any obligation pursuant to this Agreement and such failure continues for sixty (60) days following written Notice from the other Party, subject to Force Majeure Events (defined below), such failure will be an event of default hereunder (“**Event of Default**”); provided, however, that if such failure is not susceptible of cure within sixty (60) days, it shall not be an Event of Default if the breaching Party (i) promptly notifies the non-breaching Party of the need for greater than sixty (60) days to cure and (ii) commences to cure such failure and thereafter prosecutes diligently such cure to completion, subject to Force Majeure Events.

9. **Remedies.** Whenever any Event of Default occurs and is not cured by the defaulting Party in accordance with this Agreement, the other Party may take any of one or more of the following actions:

9.1 **Remedies of City.** City’s remedies for an uncured Event of Default by West-MEC shall be all remedies available at law or in equity, including, without limitation, any of the following:

9.1.1 If an uncured Event of Default by West-MEC occurs prior to Completion of Construction as required by the terms of this Agreement, City may terminate this Agreement.

9.1.2 In the event West-MEC fails to develop the Project according to the deadlines provided in Section 4 (as such deadline may be extended by mutual agreement pursuant to Section 5 or due to Force Majeure pursuant to Section 11) and such Default is not cured within any applicable cure period, then, upon written demand from the City, West-MEC shall surrender the Property to the City, free and clear of all liens and other encumbrances not acceptable to the City. Any liens created against the Property by West-MEC shall be the responsibility of West-MEC and shall be paid by West-MEC. Nothing herein shall prevent the City at its option from seeking declaratory, injunctive, special action, or other similar relief, requiring West-MEC to undertake, and to fully and timely perform its obligations under this Agreement, including, but not limited to, injunctive relief to address a public safety concern, or to enjoin any construction or activity undertaken by West-MEC which is not in accordance with the terms of this Agreement and the Lease.

9.1.3 Notwithstanding the foregoing, the City may, at any time, seek special action or similar relief (including mandamus, injunction, or otherwise) to require West-MEC to complete, address, or cease any construction or activity not in accordance with the terms of this Agreement or the Lease.

9.1.4 Notwithstanding the foregoing, West-MEC shall be liable, and City may recover from West-MEC, its actual damages for any unrepaired

damage to any City facilities or real property caused by West-MEC's action taken pursuant to this Agreement or the Lease.

9.1.5 Notwithstanding the foregoing, City at any time may seek indemnity (including but not limited to an action for damages) arising under West-MEC's obligations of indemnity.

9.1.6 Notwithstanding the foregoing, City at any time may enforce its rights given under any bond or similar financial assurance given or provided by or for the benefit of West-MEC pursuant to this Agreement or the Lease.

9.2 Remedies of West-MEC. West-MEC's exclusive remedies for an uncured Event of Default by City will consist of and will be limited to a special action or other similar relief (whether characterized as mandamus, injunction, or otherwise) requiring City to undertake and fully and timely to perform its obligations under this Agreement and the Lease and the right to seek and recover actual damages.

10. Force Majeure Event. For the purposes of any of the provisions of this Agreement, neither Party, shall be considered in breach of, or default in, its obligations under this Agreement as a result of the enforced delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, acts of God (such as unusually severe weather), acts of the public enemy (including, without limitation, terrorist acts), fires, floods, epidemics, pandemics, or quarantine or "shelter in place" orders or restrictions imposed by an applicable governmental authority due to such pandemic or epidemic, strikes, riots, lockouts, freight embargoes, failure or disruption of utilities or critical electronic systems, unforeseen environmental or archaeological conditions requiring investigation/mitigation by Applicable Laws, or failure by the other Party to perform its obligations within the time periods provided herein (each, a "**Force Majeure Event**"). In the event of the occurrence of a delay due to any Force Majeure Event, the time or times for performance of the obligation of West-MEC or the City, as the case may be, shall be extended for the period of the delay caused by such Force Majeure Event, but only if performance is delayed as the result of such Force Majeure Event. The Party requesting an extension for a Force Majeure Event shall provide written Notice thereof within thirty (30) days following the date such Party knows (or in the exercise of reasonable diligence should have known) of the Force Majeure Event (the "**Delay Notice Deadline**"). If a Party fails to give Notice of a Force Majeure Event by the Delay Notice Deadline, the period by which the applicable time or times for performance is extended shall be reduced on a day for day basis by the number of days following the Delay Notice Deadline that such Notice is provided. By way of example, if West-MEC becomes aware of a Force Majeure Event on June 1 but does not provide Notice of the same to City until June 15, the extension for such Force Majeure Event shall be reduced by fifteen (15) days. A Party shall only receive an extension for the actual period of a Force Majeure Delay (less any reduction provided for in the preceding sentence).

11. Insurance. At all times West-MEC shall ensure that all insurance policies are maintained in effect according to the insurance requirements contained in Exhibit D.

12. **General Provisions.**

- 12.1 **Governing Law; Choice of Forum.** This Agreement shall be deemed to be made under, shall be construed in accordance with, and shall be governed by the internal, substantive laws of the State of Arizona (without reference to conflict of law principles). The Parties wish to confer jurisdiction, to the extent possible, upon the Superior Court of Maricopa County for the purpose of coordinating and centralizing any required judicial administration of this Agreement. Accordingly, any action brought to interpret, enforce, or construe any provision of this Agreement shall be commenced and maintained in the Superior Court of the State of Arizona in and for the County of Maricopa. The Parties irrevocably consent to the exclusive jurisdiction and venue in such court for such purposes and agree not to seek transfer or removal of any action commenced in accordance with the terms of this Subsection 12.1. The Parties expressly waive trial by jury in any action, proceeding or counterclaim brought by either of them against the other, on any matter whatsoever arising out of or any way connected with this Agreement or their relationship arising hereunder.
- 12.2 **Severability.** The City and West-MEC each intend that the execution, delivery, and performance of this Agreement followings all Applicable Laws. However, in the unlikely event that any provision of this Agreement is declared void or unenforceable (or is construed as requiring the City or West-MEC to do any act in violation of any Applicable Laws, constitutional provision, law, regulation, City Code, or City Charter), such provision shall be deemed severed from this Agreement and this Agreement shall otherwise remain in full force and effect; provided that this Agreement shall retroactively be deemed reformed to the extent reasonably possible in such a manner so that the reformed agreement (and any related agreements) provide essentially the same rights and benefits (economic and otherwise) to the Parties as if such severance and reformation were not required. The Parties further agree, in such circumstances, to do all acts and to execute all amendments, instruments, and consents necessary to accomplish and to give effect to the purposes of this Agreement, as reformed.
- 12.3 **No Partnership.** Nothing herein shall be deemed or construed by the Parties or by any third-party as creating the relationship of principal and agent, employer and employee, master and servant, owner and contractor, sharecropper, partnership, or joint venture between the Parties.
- 12.4 **Waiver Limited.** The various rights and remedies herein contained shall not be considered as exclusive of any other right or remedy of such Party but shall be construed as cumulative and shall be in addition to every other remedy now or hereafter existing at law, in equity, or by statute. No delay or omission by either Party in exercising any right or power accruing upon

non-compliance or failure to perform by the other Party under any of the provisions of this Lease shall impair any such right or power or be construed to be a waiver thereof. A waiver by either Party of any of the covenants or conditions to be performed by the other Party shall be in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought, and any such waiver shall not be construed as a waiver of any succeeding breach or non-performance of the same or other covenants and conditions hereof.

- 12.5 Notice. Except as otherwise required by law, any notice required or permitted under this Agreement (each, a “**Notice**” or when used as a verb “**Notify**”) shall be in writing and shall be given by (i) personal delivery, (ii) deposit in the United States certified, registered or express mail, return receipt requested, postage prepaid, addressed to the Parties at their respective addresses set forth below, or at such other address as a Party may designate in writing pursuant to the terms of this Subsection 12.5, or (iii) any nationally recognized express or overnight delivery service (e.g. Federal Express or UPS), delivery charges prepaid, for next business day delivery:

If to City: City of Peoria
8401 West Monroe Street
Peoria, Arizona 85345
Attn: Deputy City Manager
Email: inetengineering@peoriaaz.gov

With a copy to: City of Peoria
8401 West Monroe Street
Peoria, Arizona 85345
Attn: City Attorney
Email: cityattorney@peoriaaz.gov

If to West-MEC: West-MEC
5487 North 99th Avenue
Glendale, AZ 85305
Attn: Superintendent

With a copy to: Udall Shumway
1138 N. Alma School Rd.
Mesa, AZ 85201
Attn: Curtis Chipman, Esq.

Any Notice sent by United States Postal Service certified, registered, or express mail shall be deemed to be effective on the earlier of the actual delivery, or three (3) business days after deposit in a post office operated by the United States Postal Service. Any Notice sent by a recognized national

overnight delivery service shall be deemed effective one (1) business day after deposit with such service. Any Notice personally delivered or delivered through a same-day delivery/courier service shall be deemed effective upon its receipt or refusal to accept receipt by the addressee. Notices transmitted digitally or electronically or by facsimile may be offered as a courtesy, but do not constitute Notice for the purposes of this Subsection 12.5. Notwithstanding the foregoing, no payment shall be deemed to be made until actually received in good and available funds by the intended payee. Any Party may designate a different person or entity or change the place to which any Notice shall be given as herein provided.

- 12.6 Attorneys' Fees and Costs Between the Parties. If legal action is brought by a Party because of a breach of this Agreement or to enforce a provision of this Agreement, the prevailing Party is entitled to reasonable attorney fees and costs as determined by the court or other decision maker.
- 12.7 Construction. The terms and provisions of this Agreement represent the results of negotiations between the Parties, each of which has been represented by counsel 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 Agreement shall be interpreted and construed in accordance with their usual and customary meanings, and the Parties each hereby waive the application of any rule of law which would otherwise be applicable in connection with the interpretation and construction of this Agreement that ambiguous or conflicting terms or provisions contained in this Agreement shall be interpreted or construed against the Party who prepared or whose attorney prepared the executed Agreement or any earlier draft of the same. In this Agreement the masculine gender includes the feminine and neuter, and the singular number includes the plural, whenever the context so requires. Captions at the beginning of each section of this Lease are for reference only and will in no way define or interpret any provision hereof.
- 12.8 Runs with Land. Each and all of the obligations, covenants, conditions and restrictions of this Agreement shall be deemed as running with the land and shall inure to the benefit of and be binding upon and enforceable against, as the case may require, the successors and assigns of the City and, the successors and assigns of West-MEC.
- 12.9 Recitals and Exhibits. Without limiting the provisions of this Agreement, the Parties agree that all references to this Agreement include all exhibits designated in and attached to this Agreement, such exhibits being incorporated into and made an integral part of this Agreement for all purposes. The Recitals set forth on Page 1 of this Agreement are incorporated herein as though fully set forth. The section headings contained in this Agreement are for convenience in reference only and are

not intended to define or limit the scope of any provision of this Agreement. Captions at the beginning of each section of this Agreement are for reference only and will in no way define or interpret any provision hereof.

- 12.10 Integration. This Agreement, including all exhibits, and attachments along with any contemporaneous agreements, represents the entire understanding between the Parties regarding its subject matter. There are no covenants, promises, agreements, conditions, or understandings, either oral or written, between the Parties other than as set forth therein. This Agreement supersedes all prior agreements, whether written or oral, related to the subject matter, including, without limitation, the LOI dated November 15, 2024. This Agreement shall be interpreted as a whole, in accordance with its fair meaning, and without bias toward the drafting Party. Each Party has reviewed and had the opportunity to consult legal counsel regarding this Agreement.
- 12.11 Further Assurances and Documents. Each Party agrees to perform such other and further acts and to promptly execute and deliver such additional agreements, documents, affidavits, certifications, acknowledgments, and instruments as any other Party may reasonably require to consummate, evidence, confirm, or carry out the matters contemplated by this Agreement or confirm the status of: (a) this Agreement as in full force and effect; and (b) the performance of the obligations hereunder at any time during its Term.
- 12.12 Time is of the Essence; Days. If the last day of any time period stated in this Agreement or the date on which any obligation to be performed under this Agreement shall fall on a Friday, Saturday, Sunday, or legal holiday, then the duration of such time period or the date of performance, as applicable, shall be extended so that it shall end on the next succeeding day which is not a Friday, Saturday, Sunday, or legal holiday. Time is of the essence in the performance of all obligations under this Agreement. Failure to meet any deadlines or timeframes specified herein shall constitute a material breach of this Agreement.
- 12.13 Consents and Approvals. Wherever this Agreement requires or permits the consent or approval of a Party to any act, document, use, or other matter, such consent or approval shall be given or denied by such Party in its reasonable discretion, unless this Agreement expressly provides otherwise. Wherever the City's consent is required to be given in this Agreement, such consent will be the consent of the City Manager (or his/her designee), without the requirement of prior approval from the City Council, unless such approval is required by Applicable Law, City policy, or is recommended by the City Manager.

- 12.14 Correction of Technical or Typographical Errors. If, by reason of inadvertence, and contrary to the intention of the Parties, errors are made in this Agreement in the legal descriptions or the references thereto or within any exhibit with respect to the legal descriptions, in the boundaries of any Parcel in any map or drawing which is an exhibit, or in the typing of this Agreement or any of its exhibits or any other similar matters, the Parties by mutual agreement may correct such error by memorandum executed by them without the necessity of amendment of this Agreement.
- 12.15 Runs With Land; Inurement. This Agreement shall run with the land and be binding upon, and inure to the benefit of, the Parties and their respective heirs, successors, representatives, and assigns. Wherever the term “Party” or the name of any particular Party is used in this Agreement such term shall include any such Party’s successors and assigns. Neither Party shall assign its interest in this Agreement without the prior written consent of the other Party. The promises, covenants, conditions, and restrictions in this Agreement create equitable servitudes upon every portion of the Property in favor of the City. These promises, covenants, conditions, and restrictions run with the land and shall be prior, superior, and non-subordinated to all encumbrances placed against the Property after this Agreement is recorded.
- 12.16 Recordation. Within ten (10) days after this Agreement has been approved by the City and executed by the Parties, the City shall cause this Agreement to be recorded in the Official Records of Maricopa County, Arizona.
- 12.17 Amendment. From time to time, West-MEC and City (acting through its City Manager or the City Manager’s designee) may, by mutual written agreement, refine, amend, revise, change, or correct any part of this Agreement as the City and West-MEC deem necessary or preferable. The City Council authorizes its City Manager (or the City Manager’s designee), in the City Manager’s administrative capacity, to take any action that the City Manager deems necessary to carry out the intent and purpose of this Agreement, including without limitation to: complete all transactions contemplated within this Agreement, execute amendments to this Agreement, and execute any other documents related to this Agreement. Except as otherwise expressly provided for in this Agreement, no change or addition shall be made to this Agreement except by written amendment executed by the City and West-MEC. Within ten (10) days after any amendment to this Agreement, such amendment shall be recorded in the Official Records of Maricopa County, Arizona.
- 12.18 Good Faith of Parties. Except where any matter is expressly stated to be in the sole discretion of a Party, in performance of this Agreement or in considering any requested extension of time, the Parties agree that each will act in good faith and will not act unreasonably, arbitrarily, or capriciously

and will not unreasonably withhold, delay, or condition any requested approval, acknowledgment, or consent.

- 12.19 Non-liability of Officials and Employees. Notwithstanding any other language in this Agreement or the Lease, no City Council Member, officer, director, trustee, partner, principal, member, employee, agent, affiliate, official, representative, agent, attorney, or employee of a Party shall be personally liable the other Party, or to any successor in interest to such other Party, in any way whatsoever including without limitation in the event of Default, for any amount that may become due to a Party, or with respect to any obligation of a Party under the terms of this Agreement or the Lease.
- 12.20 City Council Action. This Agreement does not bind the City Council or remove its independent authority to make determinations related to formal action of the City Council in any way. Notwithstanding any language in this Agreement or related documents, this Agreement does not require the City to take any action that the City Attorney or City Manager, in either's sole discretion, determines should first be approved by vote of the City Council. Such action will only proceed if the City Council has formally voted to approve it, and such approval is no longer subject to the referendum.
- 12.21 No Third-Party Beneficiaries. No person or entity shall be a third-party beneficiary to this Agreement nor have any right or cause of action hereunder. City shall have no liability to any third party for approval of plans, West-MEC's acts, West-MEC's failure to comply with the provisions of this Agreement, or otherwise because of the existence of this Agreement.
- 12.22 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall be deemed to be one and the same instrument. Electronic signatures are acceptable as original signatures.
- 12.23 Termination. In the event of any termination of this Agreement, the Lease including without limitation any purchase option shall be terminated concurrently and, the Parties shall have no obligations to each other except for any obligations that are stated to survive termination of this Agreement or the Lease.
- 12.24 Cancellation for Non-Appropriation. The Parties recognize that this Agreement depends upon the availability of appropriated funds and nothing in this Agreement shall bind the City to expenditures more than funds appropriated and allotted for the purposes outlined in this Agreement. If the City Council fails to appropriate the necessary funds, or if the appropriation for this Agreement is reduced, either Party may reduce the scope of this Agreement if appropriate or cancel this Agreement without further duty or obligation.

- 12.25 Federal Funds. Each Party to this Agreement warrants that neither it nor any contractor or vendor under contract with the Party to provide goods or services toward the accomplishment of the objectives of this Agreement is suspended or debarred by any federal agency which has provided funding that will be used in the Project described in this Agreement.
- 12.26 Arizona Law Provisions. To the extent required by Arizona State law:
- 12.26.1 No member, official, or employee of the 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.
 - 12.26.2 West-MEC certifies that it is not currently engaged in and agrees for the duration of this Agreement that it will not engage in a “boycott,” as that term is defined in § 35-393, Arizona Revised Statutes, of Israel.
 - 12.26.3 To the extent applicable under A.R.S. § 41-4401, each Party warrants 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 West-MEC 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. Each Party retains the legal right to inspect the papers of any contractor or subcontractor employee who works on the contract to ensure that the contractor or subcontractor is complying with this warranty. Nothing in this Agreement shall make any contractor or subcontractor an agent or employee of the Parties.
 - 12.26.4 To the extent applicable under A.R.S. § 35-394, West-MEC 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.
 - 12.26.5 The Parties agree to be bound by applicable State and federal law governing Equal Employment Opportunity, Non-Discrimination, and Disabilities, including Arizona Executive Order No. 2009-09.

12.26.6 In accordance with Arizona Revised Statutes § 11-952 (D), attached to and incorporated in this Agreement is the written determination of each Party's legal counsel that the Parties are authorized under the laws of this State to enter into this Agreement and that the Agreement is in proper form.

**[REMAINDER OF PAGE INTENTIONALLY BLANK;
SIGNATURES PAGES FOLLOW]**

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

West-MEC:

By: _____
_____,
Its _____

I have reviewed the above referenced Intergovernmental Agreement between West-MEC, and the City of Peoria, an agreement between public agencies, which has been reviewed pursuant to A.R.S. §§11-951 through 11-954 and A.R.S. §48-572, and declare this Agreement to be in proper form and within the powers and authority granted to West-MEC under the laws of the State of Arizona.

No opinion is expressed as to the authority of the remaining Parties, other than West-MEC, to enter said Agreement.

Approved as to Form:

By: _____

Date: _____

CITY:

City of Peoria, a political subdivision of the State of Arizona

By: _____

Name: Henry Darwin

Title: City Manager

ATTEST:

By: _____

Agnes Goodwine, City Clerk

I have reviewed the above referenced Intergovernmental Agreement between West-MEC, acting by and through, and the City of Peoria, an agreement between public agencies, which has been reviewed pursuant to A.R.S. §§11-951 through 11-954 and A.R.S. §48-572, and declare this Agreement to be in proper form and within the powers and authority granted to the City of Peoria under the laws of the State of Arizona.

No opinion is expressed as to the authority of the remaining Parties, other than the City of Peoria or its agencies, to enter said Agreement.

Approved as to Form:

By: _____

Emily Jurmu, City Attorney

Date: _____

LIST OF EXHIBITS

Exhibit A – Legal Description of Property

Exhibit B – Form of Ground Lease

Exhibit C – Preliminary Site Plan

Exhibit D – Insurance Requirements

EXHIBIT A

Legal Description of Property

“Forthcoming”

EXHIBIT B

Form of Ground Lease

GROUND LEASE

between **CITY OF PEORIA**,
an Arizona municipal corporation, as Lessor
and
West-MEC,
A political subdivision of the State of Arizona, as Lessee

Date: _____, 20____

LEASE

THIS LEASE (the “**Lease**”) is made and entered into as of this _____ day of _____, 20____ (the “**Effective Date**”), by and between CITY OF PEORIA, an Arizona municipal corporation (“**Lessor**”), and WESTERN MARICOPA EDUCATION CENTER CAREER AND TECHNICAL DISTRICT No. 402, a political subdivision of the State of Arizona (“**Lessee**”), collectively referred to as the “**Parties**” and individually as “**Party**.” The Parties agree as follows:

RECITALS:

- A. Lessor is the owner of certain real property located ****(add address)**** (Assessor Parcel Number: *****_**_*****), in Peoria, Arizona; and legally described in Exhibit A attached hereto, (the “**Demised Premises**”).
- B. Lessor desires to lease the Demised Premises to Lessee and Lessee desires to lease the Demised Premises from Lessor on the terms set forth herein. Lessee will then develop a Career and Technical Education (“**CTE**”) Campus on the Demised Premises (the “**Project**”) according to the terms of that certain Intergovernmental Agreement (**LCON_____**) dated **_____**, **2025** governing the Project, (together with any modifications, amendments, restatements, and supplements thereto, and as amended from time to time herein referred to as the “**IGA**”), no other use.
- C. Lessee acknowledges that Lessor would not agree to lease the Demised Premises to Lessee but for Lessee’s expertise in the development and operation of similar projects and Lessee’s commitment to develop the Project pursuant to the terms of the IGA and this Lease.
- D. Lessor, in accordance with Article I, Section 3(1) of the Peoria City Charter, is authorized to lease real property, and Lessor’s City Council has considered and approved the terms authorized by this Lease, and the direct consideration Lessor will receive.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and representations contained herein, the Parties agree that Lessor leases to Lessee and Lessee leases from Lessor the Demised Premises according to the terms as follows:

- 1. DEFINITIONS.** All capitalized terms not defined herein have the meaning given in the IGA. In the event of any conflict between the language in the body of this Lease and the IGA, the IGA will govern. In the event any term is not defined in the IGA but is defined in this Lease, the term should have the meaning as defined in this Lease.

“**Additional Charges**” means as defined in Subsection 3.2.

“**Purchase Appraisal**” means as defined in Subsection 22.2.

“**Assignment**” means as defined in Subsection 15.1.

“**Applicable Laws**” means as defined in Section 8.

“Base Rent” means as defined in Subsection 3.1.

“Capital Improvement” means as defined in Section 14.

“Closing” means as defined in Subsection 22.1.

“Commencement Date” means as defined in Section 2.

“CTE” means as defined in Recital B.

“Demised Premises” means as defined in Recital A.

“Effective Date” means as defined in Page 1.

“Environmental Laws” means as defined in Subsection 12.4.

“Expiration Date” means as defined in Section 2.

“Hazardous Materials” means as defined in Subsection 12.4.

“IGA” means as defined in Recital B.

“Improvements” means as defined in Section 4.

“Lease” means as defined in Page 1.

“Lease Term” means as defined in Section 2.

“Lessors” or **“Lessee”** means as defined in Page 1.

“Lessor Indemnified Parties” means as defined in Section 12.

“Notice” or **“Notify”** means as defined in Paragraph 24.7(a).

“Notice of Sale” means as defined in Section 23.

“Option Notice” means as defined in Subsection 22.1

“Option Period” means as defined in Subsection 22.1

“Parties” or **“Party”** means as defined in Page 1.

“Permitted Use” means as defined in Subsection 5.1.

“Project” means as defined in Recital B.

“Purchase Notice” means as defined in Section 23.

“Purchase Option” means as defined in Section 22.

“Purchase Price” means as defined in Subsection 22.2.

“Refusal Period” means as defined in Section 23.

“Release” means as defined in Subsection 12.4.

“Special Warranty Deed” means as defined in Subsection 22.3.

“Successor Owner” means as defined in Section 23.

2. **LEASE TERM.** This Lease shall commence (the **“Commencement Date”**) on the Effective Date and shall continue until the tenth 10th anniversary of the Commencement Date (the **“Expiration Date”**), subject to earlier termination as provided in Section 2 of the IGA. The period between the Commencement Date and the Expiration Date shall be the **“Lease Term”**. If Lessee has not provided Lesser the Option Notice at least one hundred eighty (180) days prior to the Expiration Date, pursuant to Section 22 of this Lease, then upon expiration of the Lesse Term, Lessee will turn ownership of all improvements thereon free and clear of all liens, mortgages, and any third-party claims thereon.

3. RENT.

3.1 Base Rent. From and after the Commencement Date, during the first three (3) years of the Lease Term, the annual rent shall be Three Hundred Thousand Dollars (\$300,000). Thereafter, the rental rate shall be adjusted upward at the rate of two and one-half percent (2.5%) every year for the remainder of the Lease Term (**“Base Rent”**). The Base Rent for Year 1 shall be due within thirty (30) days after the Effective Date and then on the Anniversary Date of the Effective Date for each year thereafter during the Lease Term. If the Lease terminates pursuant to Section 2(ii) or 2(iii) of the IGA, the City shall refund West-MEC a portion of the Base Rent pro-rata in the case of a termination under Section 2(ii) of the IGA and in the case of Section 2(iii) of the IGA, apply any unearned amount of the Base Rent towards the purchase price of the Demised Premises at closing.

3.2 Net Lease; Additional Charges. This is an absolute net lease. Notwithstanding any language to the contrary in this Lease or in the IGA, so long as the City of Peoria shall remain the Lessor, it is the intention of the Parties hereto that that Lessor shall receive the rents herein reserved and all sums which shall or may become payable hereunder by Lessee free from all taxes, charges, expenses, damages, and deductions of every kind or sort whatsoever and that Lessee shall and will and hereby expressly agrees to pay

all such sums which, except for the execution and delivery of this Lease, would have been chargeable against the Demised Premises and payable by Lessor. Accordingly, all costs associated with the Demised Premises will pass to the Lessee including, but not limited to the cost of utilities, insurance, operating expenses, maintenance and repairs, and all other sums owed by Lessee to Lessor or to any third parties by Lessee or Lessor on behalf of Lessee, together with every fine, penalty, interest, and cost which may be added, and amounts that Lessee is required to pay or discharge pursuant to this Lease (the “**Additional Charges**”). All Additional Charges are in addition to the Base Rent. Additional Charges shall be immediately due and owing from Lessee to Lessor. Interest shall accrue on the unpaid amount at the rate of ten percent (10%) per annum or the maximum rate allowed by applicable law, whichever is lower, from the due date until the Additional Charges and associated interest is repaid. Interest shall be calculated on a daily basis and compounded monthly.

3.3 All payments due to Lessor shall be paid at the address set forth in Subsection 24.6 below. Acceptance of any payment by Lessor shall not be deemed a waiver of any sort including without limitation waiver of any Default Event, any failure of Lessee to abide by any term of this Lease or the IGA, nor of any right or remedy available to Lessor under this Lease, at law or in equity. Nothing provided in this Subsection 3.3 shall be inconsistent with or alter Lessee's obligations as otherwise provided in this Lease with regard to any increase in taxes from those that would be owed as long as the City of Peoria remains the Lessor to those which would otherwise be owed if the City of Peoria transfers ownership of the real property included within the Demised Premises.

3.4 Interest and Late Charges. If any payment due Lessor is not received by the tenth (10th) calendar day after the due date, or if any check or other form of payment not honored, Lessee shall pay Lessor a late charge equal to ten percent (10%) of the past due amount which will be an Additional Charge. Acceptance of any Additional Charge shall not constitute a waiver of any sort nor prevent Lessor from exercising any other rights or remedies available to Lessor under this Lease, at law or in equity.

3.5 Utilities. Lessee shall pay before delinquency all charges and assessments for utility services provided to the Demised Premises, including, without limitation, electricity, gas, water, telephone, fiber, and television/cable/satellite service. If Lessor pays the cost of any utility service to the Demised Premises, Lessee shall reimburse Lessor such amount within thirty (30) days after the date of a notice or invoice from Lessor demanding the same such amount shall be an Additional Charge. Lessor shall not be liable for damages or otherwise for any failure or interruption of any utility service being provided to the Demised Premises and Lessee waives any and all claims Lessee may otherwise have against Lessor as a result of such failure or

interruption. No such failure or interruption shall be deemed an eviction of Lessee, nor entitle Lessee to terminate this Lease, or discontinue or abate the payment of any Rent due hereunder.

3.6 Should Lessee fail or refuse to pay any charge to any entity related to the Demised Premises when due and payable as provided herein, any lien or claim related to the Demised Premises, or any charge or demand which Lessee has agreed to pay under this Lease or the IGA, or should Lessee fail to perform any other obligation imposed upon Lessee under this Lease or the IGA, and if after thirty (30) days' Notice from Lessor to Lessee, Lessee shall fail or refuse to pay and discharge or perform the same, then Lessor in its sole discretion may, but is not obligated to, pay any such charge, settle or discharge any action therefor or judgment thereon, or perform any such obligation. All costs, expenses, attorney's fees, and other sums incurred or paid by Lessor in connection with such failure or refusal are Additional Charges.

4. IMPROVEMENTS. Lessee shall construct improvements, including but not limited to, the construction of a CTE campus upon the Demised Premises (the "**Improvements**") according to terms of the IGA. Under no circumstances shall Lessee be permitted to develop any improvement including a building or similar structure on the Demised Premises without the prior written approval of Lessor.

5. USE, NUISANCE AND RESTRICTIONS.

5.1 Use and Possession of Demised Premises. Lessee shall use the Demised Premises solely for the construction thereon of the Improvements and subsequent use of constructing and operating a CTE Campus with all reasonably related structures and improvements, and other legal uses related thereto (as described in Recital C) of the IGA (the "**Permitted Use**") and no other use. During the Lease Term, Lessee shall continuously use and maintain the Demised Premises in good condition, free and clear of liens, subject to the terms and conditions of this Lease. Lessee shall not suffer or permit the Demised Premises or any portion thereof, to be used in such manner so as to impair Lessor's rights, title, or interests in and to the Demised Premises under this Lease.

5.2 Restricted Uses. Without enlarging or modifying the Permitted Use as set forth in Section 5.1, Lessee shall not commit, suffer, nor allow any of the following on the Demised Premises, without the prior written consent of Lessor, which may be granted or withheld in Lessor's sole and absolute discretion: (i) any waste, loss, or damage to the Demised Premises; (ii) any public or private nuisance; (iii) placement of any debris, refuse, or trash on the Demised Premises; (iv) any subletting; or (v) any conduct or condition which, in Lessor's reasonable opinion, is illegal, obscene, morally offensive, or harmful to the health, safety, or welfare of the residents of the City of Peoria not otherwise expressly mentioned above.

5.3 No Right to Sublet. Lessee shall not sublet any Improvements or any portion of the Demised Premises without the prior written consent of Lessor and then only pursuant to a written sublease approved by Lessor in writing.

6. OPERATING COVENANT. Lessee covenants and agrees that during the term of this Lease, it will continuously and without interruption, operate and conduct within the Demised Premises, a CTE Campus and all reasonably related structures and improvements, and other legal uses related thereto, except on holidays, traditional times when school is not in session, or while the Demised Premises are untenable by reason of fire or other casualty, other Force Majeure Event, or by any act of Lessor (the "**Operating Covenant**"). Lessee shall fully utilize the Demised Premises for its business and shall at all times during normal business hours keep and maintain upon the Demised Premises competent personnel and trade fixtures to service and supply ordinary demands and requirements of its students. If Lessee fails to comply with the Operating Covenant for more than thirty (30) continuous days, or any sixty (60) days total, within any period of twelve (12) consecutive months, such failure within said period shall be deemed to be a non-curable default and Lessor shall be entitled to immediate possession of the Demised Premises and the Purchase Option (defined below) shall terminate.

7. RESERVED.

8. COMPLIANCE WITH APPLICABLE LAWS. Lessee shall comply with any and all Applicable Laws. "**Applicable Laws**" means all laws, statutes, codes, acts, ordinances, orders, judgments, decrees, injunctions, rules, resolutions, regulations, permits, licenses, authorizations, directions, and requirements of any agreements with any governments or their departments, commissions, boards, courts, authorities, agencies, officials and officers, including, without limitation, Environmental Laws (as defined below), which now or at any time hereafter may be applicable to the Demised Premises or any part thereof. Lessee shall promptly submit to Lessor copies of all documents and correspondence made by Lessee to any governmental authority, or given by any governmental authority or person to Lessee pursuant to any Applicable Laws.

9. CONDITION OF THE DEMISED PREMISES. Lessee represents to Lessor that Lessee has inspected the Demised Premises prior to the execution and delivery of this Lease and has found the same to be satisfactory for all intended purposes and uses and **LESSEE ACCEPTS THE DEMISED PREMISES IN "AS IS," "WHERE IS" CONDITION AND "WITH ALL FAULTS."** **LESSEE HEREBY WAIVES ALL WARRANTIES, EXPRESS OR IMPLIED, REGARDING THE CONDITION, USE, QUALITY, FITNESS, OR ADEQUACY OF THE DEMISED PREMISES INCLUDING, BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE.**

10. LIENS. Lessee shall not take any action or enter into any contract that would encumber or affect the title or rights of Lessor in the Demised Premises in any way. Lessee shall keep the Demised Premises free from any liens arising out of any work performed, materials

furnished, or obligations incurred by or for Lessee. Lessee shall have no authority to do any act or make any contract which may create or be the basis for any lien, mortgage, or other encumbrance upon any interest of Lessor in the Demised Premises. Should Lessee cause any construction, alterations, rebuilding, restorations, replacements, changes, additions, improvements, or repairs to be made on the Demised Premises, or cause any labor to be performed or material to be furnished thereon, therein, or thereto, neither Lessor nor the real property included within the Demised Premises shall under any circumstances be liable for the payment of any expense incurred or for the value of any work done or material furnished to the Demised Premises, and Lessee shall be solely and wholly responsible to contractors, laborers, and materialmen performing such labor and furnishing such material. If, because of any error, act, or omission (or alleged error, act, or omission) of either Lessee or Lessor, any mechanic's, materialmen's, or other liens, charge, or order for the payment of money shall be filed or recorded against the real property included within the Demised Premises or against Lessor (whether or not such lien, charge, or order is valid or enforceable as such), Lessee shall be liable for such and shall, at its own expense, either cause the same to be discharged of record pursuant to A.R.S. § 33-1004, or otherwise cause such discharge, within thirty (30) days after Notice requesting such discharge. Notwithstanding anything to the contrary contained in this Lease, if Lessee shall in good faith contest the validity of any such lien, claim or demand, then Lessee shall, at its expense, defend itself and Lessor against the same and shall pay and satisfy any adverse judgment that may be rendered thereon before the enforcement thereof against Lessor or the Demised Premises. No such liens shall impact Lessor's title to the Property and will be junior to any of Lessor's on the Demised Premises and Improvements. To the fullest extent allowed by law, Lessee hereby indemnifies, holds harmless and agrees to defend Lessor for, from, and against any and all liability, loss, damage, costs, attorneys' fees, and all other expenses on account of claims of lien of laborers or materialmen or others for work performed or materials or supplies furnished to or for Lessee or persons claiming under Lessee. If Lessee shall be in default in paying any charge for which a bond or other lien claim has been filed and shall not have given Lessor security to protect the Demised Premises and Lessor, then Lessor may, but shall not be obligated to, pay the claim. The total amount of the claim, together with any costs, expenses, attorney's fees, and other sums incurred or paid by Lessor in connection therewith, shall be immediately due and payable from Lessee to Lessor as Additional Charges.

11. SURRENDER. If this Lease has not been extended and Lessee has not exercised the Purchase Option described in Section 22, Lessee shall, upon the Expiration Date or earlier termination of this Lease, peacefully surrender the Demised Premises and Improvements to Lessor. Lessee agrees that any property remaining on the Demised Premises after the expiration of the Lease Term or the earlier termination of this Lease shall be the property of Lessor.

12. INDEMNIFICATION. To the fullest extent permitted by law, Lessee agrees to indemnify, defend (with counsel approved in writing by Lessor), and hold harmless Lessor and its agents, representatives, officers, directors, volunteers, elected and appointed officials, and employees (collectively, the "**Lessor Indemnified Parties**") from and against any and all claims, actions, damages (including consequential and punitive

damages), liabilities, losses, fines, penalties, judgments, costs, and expenses (including reasonable attorneys' fees, consultants' fees, and investigative costs) of any kind, arising directly or indirectly from or in connection with: (i) Any act, omission, or negligence of Lessee, its employees, agents, contractors, licensees, invitees, or other persons acting on Lessee's behalf. (ii) Lessee's use, occupancy, or activities conducted on or about the Demised Premises, including any construction, improvements, or alterations performed by or on behalf of Lessee. (iii) Any violation of applicable laws, ordinances, or regulations by Lessee or its employees, agents, contractors, or invitees. (iv) Any breach by Lessee of its representations, warranties, covenants, or obligations under this Lease. (v) Any damage, liability, or loss suffered by adjoining or neighboring property owners or occupants caused by Lessee's activities on or about the Demised Premises. This indemnity includes, without limitation, claims arising during or after the Lease Term and applies regardless of whether the Lessor Indemnified Parties are partially negligent, provided that the claims do not result solely from the gross negligence or willful misconduct of the Lessor Indemnified Parties. Lessee's indemnity obligations under this Section 12 shall survive the expiration or earlier termination of this Lease.

12.1 Construction Indemnification. Whenever any construction occurs on the Demised Premises Lessee will pay, defend, indemnify, and hold harmless City and its agents, representatives, officers, volunteers, directors, elected and appointed officials, and employees from and against all claims, demands, fines, penalties, costs, expenses, damages, losses, obligations, judgments, liabilities, and suits (including attorneys' fees, experts' fees, and court costs associated with such matters; all of the foregoing, collectively, "**Construction Claims**") that arise in whole or in part from, or relating to, West-MEC's design, construction, and structural engineering acts or omissions related in any way to, of, or in connection with, any element of construction of the Project (including, but not limited to, land used for construction staging pursuant to temporary construction easements), and all subsequent design, construction, engineering, and other work by or on behalf of West-MEC in connection with construction of the Project (collectively, the "**Construction Indemnity**"). Such Construction Indemnity shall survive the expiration or earlier termination of this Lease. The indemnification set forth in this Subsection 12.1 shall not apply to the extent such claims arise from or relate solely to the grossly negligent or intentional acts of the City. If the City or its City Council members, officers and employees are made defendant(s) in any action, suit or proceeding brought by a third party by reason of any of the occurrences described in this Subsection 12.1, West-MEC shall at its own expense: (i) resist and defend such action suit or proceeding or cause the same to be resisted and defended by counsel designated by West-MEC and reasonably approved by the City; and (ii) if any such action, suit or proceeding results in a final judgment against the indemnified party, West-MEC promptly shall satisfy and discharge such judgment or shall cause such judgment to be promptly satisfied and discharged.

12.2 Liability Waiver. Lessor shall not be liable for any loss, damage, or injury of any kind whatsoever to Lessee, Lessee's employees, guests, invitees, or any other persons resulting from the use, condition, or state of the Demised Premises or any Improvements thereon, except to the extent caused solely by the gross negligence or willful misconduct of Lessor, its agents, or employees.

12.3 Release. To the fullest extent permitted by law, Lessee assumes all risk of damage, injury, or loss to any person or property occurring in, on, or about the Demised Premises from any cause whatsoever, including Lessee's failure to repair or maintain the Demised Premises as required by this Lease. Lessee hereby releases and discharges Lessor Indemnified Parties from any liability for such damage, injury, or loss and waives any rights of recovery against Lessor for damages or losses covered by Lessee's insurance policies, with Lessee ensuring that its insurers waive subrogation rights against Lessor. Lessor shall not be liable for any loss, injury, death, or damage (including consequential damages) to persons, property, or business resulting from theft; acts of God; public enemy; injunctions; riots; strikes; insurrections; war; court orders; governmental actions; pandemics; fire; explosion; structural collapse; falling objects; weather conditions (including rain, snow, or ice); or leaks, breakages, or obstructions of any kind in or about the Demised Premises. Lessee further assumes all liability for Hazardous Materials introduced onto the Demised Premises and any resulting claims or damages according to Subsection 12.4 of this Lease. This release shall not apply to losses, injuries, or damages caused solely by the gross negligence or willful misconduct of Lessor Indemnified Parties. The obligations and waivers set forth in this Subsection 12.3 shall survive the expiration or earlier termination of this Lease.

12.4 Hazardous Materials. Lessee covenants that Lessee and anyone acting by, through, or under Lessee, will not, through its acts or omissions, cause or permit any Hazardous Materials (as defined below) to be placed, held, located, Released (as defined below), or disposed of on, under or at the Demised Premises in violation of Environmental Laws (as defined below). Lessee shall indemnify, defend and hold Lessor harmless for, from, and against any and all claims, judgments, damages, penalties, fines, liabilities, losses, obligations, suits, costs, taxes, charges, and disbursements which arise during or after the Lease Term as a result of the presence, generation, Release (as defined below), use, storage, or discharge of any Hazardous Materials on the Demised Premises in violation of this Subsection 12.4. This indemnification of Lessor by Lessee includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal, or restoration work required by any federal, State, or local governmental agency or political subdivision because of Hazardous Materials caused or permitted by Lessee to be present in the soil or groundwater on, in, or under the Demised Premises. The indemnity, hold harmless and other obligations of Lessee under this Subsection 12.4 shall survive the termination or expiration of this Lease

and the IGA. The term “**Hazardous Materials**” shall mean any substance or material that is defined as or included in the definition of “hazardous substances,” “hazardous wastes,” “hazardous materials,” “extremely hazardous waste,” “acutely hazardous wastes,” “restricted hazardous waste,” “toxic substances,” or “known to cause cancer or reproductive toxicity” (or words of similar import), petroleum products (including crude oil or any fraction thereof) or any other chemical, substance or material which is prohibited, limited or regulated under any federal, State or local law, ordinance, regulation, order, permit, license, decree, common law, or treaty now or hereafter in force regulating, relating to, or imposing liability or standards concerning materials or substances known or suspected to be toxic or hazardous to health and safety, the environment or natural resources (“**Environmental Laws**”). “**Release**” means any actual or threatened spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, presence, dumping, migrating on or from the Demised Premises or adjacent property, or disposing of Hazardous Materials into the environment.

12.5 Release of Hazardous Materials. In the event of a Release of Hazardous Materials on or into the Demised Premises, **Lessee must immediately provide Notice to Lessor of such.** If a Release of Hazardous Materials results from the actions or omissions of Lessee, Lessee shall, at its sole cost and expense, comply with all Environmental Laws to remedy the situation, including, without limitation, promptly conducting a site assessment, taking immediate action required for containment of the Release, and preparing and implementing a plan for the clean-up and remediation of the Release. Lessee shall properly dispose of any Hazardous Materials in accordance with all Environmental Laws. Lessee’s obligations under this Subsection 12.5 shall survive the expiration or termination of this Lease and the IGA.

13. LESSEE INSURANCE. Lessee shall at all times after the Commencement Date, ensure that all insurance policies are maintained in effect according to the terms described in Exhibit D.

13.1 Prior to the Commencement Date, Lessee shall deliver to Lessor Certificates of insurance evidencing all of the coverages required in Exhibit E and shall cause renewal certificates of insurance to be delivered to Lessor at least thirty (30) days prior to the expiration dates of the respective policies. Such certificates shall also provide that Lessor will receive written notice at least ten (10) days prior to any cancellation, non-renewal, or reduction in coverage.

13.2 Lessee further covenants and agrees to increase the required insurance hereunder to such additional commercially reasonable and available amounts as Lessor may from time to time require within thirty (30) days of Notice of such requirement from Lessor.

13.3 In the event of loss or destruction under any such policy or policies, Lessee shall promptly proceed with the repair and restoration of the damaged or destroyed Improvements in accordance with and subject to the provisions of this Lease. The insurance proceeds shall, be paid to Lessee and thereafter held in trust by a bank or title company designated by Lessor and approved by Lessee, to be paid out upon architect's certificates and contractors', subcontractors' and materialmen's waivers of lien for the cost and expense of repairing or restoring the Improvements damaged or destroyed; provided, however, that in the event that such insurance proceeds shall be insufficient to pay fully the cost of completion of such repair or restoration, Lessee shall have deposited with the Escrowee the balance of such costs before any such repair and restoration are commenced so that it shall appear to the satisfaction of Lessor that the amount of insurance money in the hands of said Escrowee shall at all times be sufficient to pay for the completion of said repairs or restoration free and clear of liens. Upon the completion of said repair or restoration, free and clear of all liens, any surplus of insurance monies shall be paid to Lessee, provided that Lessee is not then in Default under this Lease or the IGA. In the event that this Lease shall have been terminated for any Default of Lessee under any of the terms and provisions contained in this Lease, all insurance proceeds in the hands of said Escrowee, and all claims against insurers shall be and become the absolute property of Lessor.

14. RESTORATION. If, during the Term hereof, any building or Improvements constructed by Lessee on the Demised Premises, or any part thereof, shall be damaged or destroyed, Lessee shall, at its sole cost and expense, repair or if damaged to such an extent that it must be replaced, such repair or replacement will be deemed a “**Capital Improvement.**” Lessee shall make Capital Improvements as close as possible to the original plans and subject to all Applicable Laws and City Approvals unless approved in writing by Lessor or exempt under any Applicable Law. Capital Improvements shall be done in accordance with the requirements of this Lease and the IGA. Capital Improvements shall be commenced within one hundred fifty (150) days after the damage or destruction occurs, and completed with commercially reasonable due diligence, but not longer than eighteen (18) months after such work is commenced except with the written permission of Lessor which will not be unreasonably withheld. All insurance proceeds (but not rental interruption insurance proceeds) and relevant government aid collected for such damage or destruction shall be applied to the cost of such repairs or restoration.

15. ASSIGNMENT AND SUBLETTING.

15.1 Transfers Require Lessor Consent. Lessee shall not sell, assign, encumber, mortgage, pledge, or otherwise transfer or hypothecate all or any part of the Demised Premises, the Improvements, or Lessee's leasehold estate hereunder (each such act is referred to as an “**Assignment**”) without Lessor's prior written consent. **Lessee shall not** sublet all or any part of the Demised Premises or the Improvements without Lessor's prior written consent and only

through a written sublease approved by Lessor. Lessor may grant or deny consent under this Subsection 15.1 in Lessor's sole discretion.

15.2 Lessee's Liability. Notwithstanding any language herein, in any sublease, or any other agreement between Lessor and Lessee, Lessee will continue to be liable for all obligations of Lessee under this Lease. Lessor's consent to any sublease will never relieve Lessee or any successor of Lessee from any obligation including without limitation Lessee's obligation to obtain Lessor's express written consent to any other sublease.

16. DEFAULT BY LESSEE.

16.1 Lessee's Default. The occurrence of any one or more of the following events shall constitute a default and material breach of this Lease by Lessee (to the maximum extent allowed by law, any notice provided pursuant to this Subsection 16.1 shall be in lieu of and not in addition to any notice required by any law):

- (a) Failure to timely pay any Rent, Additional Charges, or any payment including without limitation payments to any third-party required by this Lease, if such failure continues for ten (10) days following receipt of Notice of such failure from Lessor to Lessee;
- (b) Use of the Demised Premises for any use except the Permitted Use;
- (c) Failure to promptly and fully perform any other covenant, condition, or agreement contained in this Lease or the IGA should such failure continue for thirty (30) days after written notice thereof from Lessor to Lessee; provided, however, Lessee shall have an additional sixty (60) days to cure if the failure to perform is such that it cannot reasonably be cured within thirty (30) days and Lessee commences to cure within said thirty (30)-day period and diligently pursues such cure to completion;
- (d) Lessee causing or permitting to be caused a violation of any Applicable Law on the Demised Premises.
- (e) Any event:
 - (i) causing Lessee's assets to be placed in the hands of a receiver or trustee for a period in excess of thirty (30) days;
 - (ii) making an assignment for the benefit of creditors;
 - (iii) instituting any proceedings under any bankruptcy act wherein Lessee seeks to be adjudicated bankrupt, to be discharged of its debts, or to effect a plan of liquidation, extension, or reorganization;

- (iv) under any bankruptcy act initiating or filing any involuntary proceeding against Lessee that is not dismissed within sixty (60) days;
- (v) of Lessee becoming insolvent; or,
- (vi) initiating or filing proceedings seeking to execute, levy against, or attach fifty percent (50%) or more of Lessee's assets that is not dismissed within thirty (30) days.

16.2 In the event of Lessee's default hereunder, Lessor may (but is not obligated to) choose to: (i) perform such obligations on behalf of Lessee, whereupon Lessee shall reimburse Lessor for all costs incurred as Additional Charges within ten (10) days after Notice of such demand (except as otherwise provided with respect to Capital Improvements); (ii) terminate this Lease and any related options with Notice to Lessee; and/or (iii) pursue any and all remedies available at law or in equity, including injunctive relief. All sums, costs, and expenses so paid or expended by the Lessor, including, without limitation, reasonable attorneys' fees and expenses, incurred by the Lessor in connection with action under this Subsection 16.2, shall accrue interest thereon at the default rate of ten percent (10%) per annum from the date on which Lessor made such payment or incurred such costs and expenses, and shall be paid by the Lessee to the Lessor on Notice of demand.

17. QUIET ENJOYMENT. Lessee upon fully keeping, observing, and performing all the terms, covenants, agreements, provisions, conditions, and limitations of this Lease and the IGA, shall quietly have and enjoy the Demised Premises during the Lease Term without hindrance or molestation by Lessor or anyone lawfully claiming by or through Lessor.

18. MAINTENANCE OF DEMISED PREMISES. Lessor shall not be obligated to make any repairs, alterations, additions or Improvements in or to or upon the Demised Premises, beyond those agreed and stated in this Lease, or any structure or other Improvement that thereafter may be constructed or installed thereon, but Lessee shall, at all times during the full Term of this Lease and at its sole cost and expense, keep and maintain all buildings, structures and other Improvements on said Demised Premises, if any and all equipment and fixtures appurtenant thereto, in good order and repair, and the whole of the Demised Premises and said premises free of weeds and rubbish and in a clean, sanitary and neat condition, and in good state of painting, decoration and landscaping and Lessee shall construct, maintain and repair all facilities and other improvements which may be required at any time by law upon or adjoin or in connection with or for the use of the Demised Premises or any part thereof, and Lessee shall make any and all additions to or alternations in any buildings and structures on said Demised Premises which may be required, and shall otherwise observe and comply with, any and all public laws, ordinances and regulations for the time being applicable to said premises, and Lessee agrees to indemnify and save harmless the Lessor pursuant to Section 12 of this Lease.

19. TERMINATION. This Lease shall terminate on the first to occur of (a) the Expiration Date; (b) Notice to Lessee pursuant to 16.2(ii) or (c) completion of Lessee's purchase of

the Demised Premises in accordance with Section 22. In the event of any termination of this Lease, the Purchase Option and the IGA shall be terminated concurrently and, the Parties shall have no obligations to each other except for any obligations that are stated to survive termination of this Lease. In the event of any termination of this Lease, the Parties shall have no obligations to each other except for any obligations that are stated to survive termination of this Lease.

20. RIGHT OF ENTRY. In addition to its rights otherwise provided in this Lease, Lessor reserves and shall at any and all reasonable times have the right to enter the Demised Premises to inspect the same, perform tests and studies, remediate Hazardous Materials, to submit the Demised Premises to prospective partners, purchasers, lenders, or lessees, and to post notices, all without abatement of Rent. Lessee, on behalf of itself and Lessee's Agents, hereby waives any claim for damages for any injury or inconvenience to or interference with Lessee's business, any loss of occupancy or quiet enjoyment of the Demised Premises, and any other loss occasioned by Lessor's entry as provided in this Section 20. Lessee shall permit Lessor to place upon the Demised Premises signs advertising the Demised Premises for sale or lease together with such promotional signage as Lessor may desire.

21. NO RECOURSE. Notwithstanding anything herein to the contrary, Lessee agrees that any claim against Lessor shall be limited to the real property and improvements located within or on the Demised Premises. Lessee hereby waives its rights to make any claim or demand against any other property or assets of Lessor unrelated to the Demised Premises.

22. OPTION TO PURCHASE. Provided Lessee is not then in default under the IGA or this Lease, Lessor hereby grants to Lessee a non-transferable option to purchase the Demised Premises ("**Purchase Option**"), according to the terms and conditions hereinafter set forth.

22.1 Option Period. The Purchase Option granted herein shall become effective upon the Commencement Date, and Lessee shall have the right to exercise the Purchase Option hereunder by delivering Notice of exercise (the "**Option Notice**") to Lessor at any time up to one hundred eighty (180) days prior to the expiration of the initial Lease Term or prior to any other termination of this Lease ("**Option Period**"). The Option Notice shall set forth a date for conveyance of the Demised Premises pursuant to the Option (the "**Closing**"), which date shall be no later than the last day of the Lease Term. The purchase agreement shall incorporate the terms described in the purchase provisions contained in Exhibit B and any other relevant provisions agreed to in writing by the Parties. The Purchase Option will terminate upon the earlier of the expiration of the Lease Term or any other termination of this Lease. In no event will the Purchase Option extend beyond the Lease Term.

22.2 Purchase Price. The "**Purchase Price**" for the Demised Premises shall be the then current fair market value as determined by an appraiser mutually agreed to by the Parties, at Lessee's expense (the "**Purchase Appraisal**"), minus the total amount of rent actually paid by Lessee under this Agreement.

Upon completion of the Appraisal, the Parties shall promptly review the Appraisal and advise within thirty (30) days whether the proposed Purchase Price is acceptable, with such approval not to be unreasonably withheld, conditioned, or delayed. If the Parties mutually agree, the appraised value shall be the Purchase Price. If either Party objects to the price determined by the Appraisal, by providing Notice within thirty (30) days, the Parties shall meet and confer within ten (10) days following said Notice in an effort to agree on the Purchase Price. If the Parties are unable to agree on the Purchase Price within thirty (30) days following said Notice, then the Purchase Price, shall be determined by a single appraiser who is a member of the American Institute of Real Estate Appraisers (or if it shall not then be in existence, a member of the most nearly comparable organization) who is licensed by the State of Arizona and has a minimum of five (5) years' experience in the Phoenix Metropolitan Area, and who is not affiliated with either Party. If the Parties are unable to agree on a single appraiser within forty-five (45) days following issuance of said Notice, either Party may request that the presiding judge of the Maricopa County Superior Court select an appraiser having the qualifications set forth above. The appraiser shall then have thirty (30) days following selection to notify the Parties in writing of its determination of the Purchase Price. Neither Party shall have any *ex parte* communication with the appraiser, but each Party may submit to the appraiser no later than ten (10) days following his/her selection a memorandum supporting such Party's opinion as to the fair market value of the Demised Premises. This appraiser's determination of the Purchase Price shall then be binding on both Parties as the Purchase Price and each Party shall pay one-half (1/2) of this appraiser's fee. Once the Purchase Price has been determined, Parties will proceed to effect the transaction in a way that is consistent with the custom of local commercial real estate transactions, and upon forms mutually agreed to, such agreement is not to be unreasonably withheld, conditioned, or delayed, and in accordance with the purchase provisions described in this Subsection 22.2.

22.3 Conveyance of Title and Delivery of Possession. Lessor and Lessee agree to perform all acts and execute all documents necessary for conveyance in sufficient time for the Demised Premises and Improvements thereon (including all of Lessor's interest in this Lease) to be conveyed to Lessee, within ninety (90) days after delivery of the Option Notice, but in no event later than the expiration of the Term. Lessor's entire interest in the Demised Premises and Improvements thereon shall be conveyed by special warranty deed, in the form attached hereto as Exhibit C (the "**Special Warranty Deed**"). Upon delivery of the Special Warranty Deed by Lessor to Lessee, this Lease shall terminate. The Parties shall thereafter execute and deliver one to the other any and all necessary documents to evidence the termination of the Lease. The Demised Premises shall be conveyed in an "as is" condition, with no warranty, express or implied, by Lessor as to the physical condition of the soil, its geology, the condition of the improvements, or the presence of faults, Hazardous Materials, or other substances known or unknown to Lessor. All expenses in connection

with conveyance of the Demised Premises to Lessee, including, but not limited to, title insurance (except Lessor to pay for standard owner's policy of title insurance coverage), recordation, notary fees, and all other closing costs, shall be paid by Lessee. Possession shall be delivered to Lessee concurrently with the conveyance of title.

22.4 Assignment Prohibited. Lessee may not sell, assign, convey, or transfer the Purchase Option. Any sale, assignment, conveyance, or transfer of the Purchase Option made, attempted, or suffered, by operation of law or otherwise, without prior written consent of the Lessor, shall render the Purchase Option and all related rights terminated and of no further force or effect.

23. CONVEYANCE BY LESSOR. Should the Lease continue after the Purchase Option has expired, and in the event that Lessor thereafter intends to list or market for sale, or otherwise intends to sell, convey, or dispose of the Demised Premises, Lessor shall have the Demised Property appraised and provide Lessee Notice of such intent and the appraisal value ("**Notice of Sale**"). Lessee shall have first right to purchase the Demised Premises at the appraised value subject to any other terms and conditions the Lessor determines in its sole discretion. Should Lessee then elect to purchase the Demise Premises pursuant to this Section 23, Lessee must provide Notice of Lessee's election (the "**Purchase Notice**") within ninety (90) days of the Notice of Sale (the "**Refusal Period**"). If after Lessor has delivered the Purchase Notice, Lessee Notifies Lessor during the Refusal Period that Lessee elects not to purchase the Demised Premises or Lessee fails to provide a Purchase Notice within the Refusal Period, then upon the expiration of the Refusal Period, any and all obligations to offer the Demised Premises to Lessee under this Lease shall terminate and will no longer be of any force or effect. Thereafter, Lessor may solicit and accept any offer to purchase or otherwise transfer, sell, convey, or dispose of the Demised Premises in any manner and upon any terms whatsoever and upon said transfer, sale, conveyance, or disposal, Lessor shall thereupon be released from all liabilities and obligations imposed upon Lessor under this Lease, except those specifically stated to survive such transfer, whereafter such liabilities and obligations shall be binding solely on the new owner of the Demised Premises (the "**Successor Owner**"), the Successor Owner shall be deemed to have assumed Lessor's remaining obligations under this Lease. If Lessee does not proceed to purchase the Demised Premises, and Lessor proceeds to transfer, sell, convey, or dispose of the Demised Premises to a Successor Owner, Lessee may, within ninety (90) days after said transfer of ownership, provide written notice to the Successor Owner of Lessee's intent to terminate this Lease. In such event, Lessee shall have twelve (12) months from the date of said written notice to vacate the Demise Premises and terminate this Lease. During said twelve (12) month period, all other terms and conditions of this Lease shall remain in effect and be binding on the Successor Owner.

24. MISCELLANEOUS PROVISIONS.

24.1 Governing Law; Choice of Forum. This Lease shall be deemed to be made under, shall be construed in accordance with, and shall be governed by the

internal, substantive laws of the State of Arizona (without reference to conflict of law principles). The Parties wish to confer jurisdiction, to the extent possible, upon the Superior Court of Maricopa County for the purpose of coordinating and centralizing any required judicial administration of this Lease. Accordingly, any action brought to interpret, enforce, or construe any provision of this Lease shall be commenced and maintained in the Superior Court of the State of Arizona in and for the County of Maricopa. The Parties irrevocably consent to the exclusive jurisdiction and venue in such court for such purposes and agree not to seek transfer or removal of any action commenced in accordance with the terms of this Subsection 24.1. The Parties expressly waive trial by jury in any action, proceeding, or counterclaim brought by either of them against the other, on any matter whatsoever arising out of or any way connected with this Lease or their relationship arising hereunder. Claims by Lessee shall comply with time periods and all other requirements of Lessor's claims procedures from time to time.

24.2 Authority. Each individual executing this Lease on behalf of Lessee hereby warrants and represents that he is duly authorized to execute this Lease on behalf of Lessee.

24.3 Severability. The Lessor and Lessee each intend that the execution, delivery, and performance of this Lease follows all Applicable Laws. However, in the unlikely event that any provision of this Lease is declared void or unenforceable (or is construed as requiring any Party to do any act in violation of any Applicable Laws, constitutional provision, law, regulation, Peoria City code, or the Peoria City Charter), such provision shall be deemed severed from this Lease and this Lease shall otherwise remain in full force and effect; provided that this Lease shall retroactively be deemed reformed to the extent reasonably possible in such a manner so that the reformed agreement (and any related agreements) provide essentially the same rights and benefits (economic and otherwise) to the Parties as if such severance and reformation were not required. The Parties further agree, in such circumstances, to do all acts and to execute all amendments, instruments, and consents necessary to accomplish and to give effect to the purposes of this Lease, as reformed.

24.4 No Partnership. Nothing herein shall be deemed or construed by the Parties or by any third-party as creating the relationship of principal and agent, employer and employee, master and servant, owner and contractor, sharecropper, partnership, or joint venture between the Parties, it is understood and agreed that no provision herein, nor any acts of the Parties, shall be deemed to create any relationship between the Parties other than the relationship of lessor and lessee.

24.5 Waiver Limited. The various rights and remedies herein contained shall not be considered as exclusive of any other right or remedy of such Party but shall be construed as cumulative and shall be in addition to every other remedy

now or hereafter existing at law, in equity, or by statute. No delay or omission by either Party in exercising any right or power accruing upon non-compliance or failure to perform by the other Party under any of the provisions of this Lease shall impair any such right or power or be construed to be a waiver thereof. A waiver by either Party of any of the covenants or conditions to be performed by the other Party shall be in writing and signed by a duly authorized representative of the Party against whom enforcement of a waiver is sought, and any such waiver shall not be construed as a waiver of any succeeding breach or non-performance of the same or other covenants and conditions hereof.

24.6 Notices.

(a) Except as otherwise required by law, any notice required or permitted under this Lease (each, a “**Notice**” or when used as a verb “**Notify**”) shall be in writing and shall be given by (i) personal delivery, (ii) deposit in the United States certified, registered or express mail, return receipt requested, postage prepaid, addressed to the Parties at their respective addresses set forth below, or at such other address as a Party may designate in writing pursuant to the terms of this Paragraph 24.6(a), or (iii) any nationally recognized express or overnight delivery service (e.g. Federal Express or UPS), delivery charges prepaid, for next business day delivery:

If to Lessor:

Lessor of Peoria
8401 West Monroe Street
Peoria, Arizona 85345
Attn: Deputy City Manager
Email: inetengineering@peoriaaz.gov

With a copy to:

Lessor of Peoria
8401 West Monroe Street
Peoria, Arizona 85345
Attn: Lessor Attorney
Email: cityattorney@peoriaaz.gov

If to Lessee:

West-MEC
5487 North 99th Avenue
Glendale, AZ 85305
Attn: Superintendent

With a copy to:

Udall Shumway
1138 N. Alma School Rd.
Mesa, AZ 85201
Attn: Curtis Chipman, Esq.

(b) **Effective Date of Notices.** Any Notice sent by United States Postal Service certified, registered, or express mail shall be deemed to be effective on the earlier of the actual delivery, or three (3) business days after deposit in a post office operated by the United States Postal Service. Any Notice sent by a recognized national overnight delivery service shall be deemed effective one (1) business day after deposit with such service. Any Notice personally delivered or delivered through a same-day delivery/courier service shall be deemed effective upon its receipt or refusal to accept receipt by the addressee. Notices transmitted digitally or electronically or by facsimile may be offered as a courtesy, but do not constitute "Notice" for the purposes of this Paragraph 24.6(b). Notwithstanding the foregoing, no payment shall be deemed to be made until actually received in good and available funds by the intended payee. Any Party may designate a different person or entity or change the place to which any Notice shall be given as herein provided.

(c) **Payments.** Payments shall be made and delivered in the same manner as Notices and shall be effective at the same time that a Notice would be deemed effective under Paragraph 24.6(a).

24.7 Attorneys' Fees and Costs Between the Parties. If legal action is brought by a Party because of a breach of this Lease or to enforce a provision of this Lease, the prevailing Party is entitled to reasonable attorney fees and costs as determined by the court or other decision maker.

24.8 Construction. The terms and provisions of this Lease represent the results of negotiations between the Parties, each of which has been represented by counsel 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 shall be interpreted and construed in accordance with their usual and customary meanings, and the Parties each hereby waive the application of any rule of law which would otherwise be applicable in connection with the interpretation and construction of this Lease that ambiguous or conflicting terms or provisions contained in this Lease shall be interpreted or construed against the Party who prepared or whose attorney prepared the executed Lease or any earlier draft of the same. If Lessee consists of more than one person, the covenants and obligations of Lessee hereunder shall be the joint and several covenants and obligations of such persons. In this Lease the masculine gender includes the feminine and neuter, and the singular number includes the plural, whenever the context so requires. Captions at the beginning of each section of this Lease are for reference only and will in no way define or interpret any provision hereof.

24.9 Recitals and Exhibits. Without limiting the provisions of this Lease, the Parties agree that all references to this Lease include all exhibits designated in and attached to this Lease, such exhibits being incorporated into and made an integral part of this Lease for all purposes. The Recitals set forth on Page 2 of this Lease are incorporated herein as though fully set forth. The section headings contained in this Lease are for convenience in reference only and are not intended to define or limit the scope of any provision of this Lease. Captions at the beginning of each section of this Lease are for reference only and will in no way define or interpret any provision hereof.

24.10 Integration. This Lease, including all exhibits, and attachments along with any contemporaneous agreements, represents the entire understanding between the Parties regarding its subject matter. There are no covenants, promises, agreements, conditions, or understandings, either oral or written, between the Parties other than as set forth therein. This Lease supersedes all prior agreements, whether written or oral, related to the subject matter, including, without limitation, the **LOI dated (month) (day), (year)****. This Lease shall be interpreted as a whole, in accordance with its fair meaning, and without bias toward the drafting Party. Each Party has reviewed and had the opportunity to consult legal counsel regarding this Lease.

24.11 Further Assurances and Documents. Each Party agrees to perform such other and further acts and to promptly execute and deliver such additional agreements, documents, affidavits, certifications, acknowledgments, and instruments as any other Party may reasonably require to consummate, evidence, confirm, or carry out the matters contemplated by this Lease or confirm the status of: (a) this Lease as in full force and effect; and (b) the performance of the obligations hereunder at any time during its Term.

24.12 Time is of the Essence; Days. Time is of the essence in the performance of all obligations under this Lease. Failure to meet any deadlines or timeframes specified herein shall constitute a material breach of this Lease. If the last day of any time period stated in this Lease or the date on which any obligation to be performed under this Lease shall fall on a Friday, Saturday, Sunday, or legal holiday, then the duration of such time period or the date of performance, as applicable, shall be extended so that it shall end on the next succeeding day which is not a Friday, Saturday, Sunday, or legal holiday.

24.13 Consents and Approvals. Wherever this Lease requires or permits the consent or approval of a Party to any act, document, use, or other matter, such consent or approval shall be given or denied by such Party in its reasonable discretion, unless this Lease expressly provides otherwise. Wherever the Lessor's consent is required to be given in this Lease, such consent will be the consent of the City Manager (or his/her designee), without the requirement of the prior approval of the City Council unless required by Applicable Law,

Lessor, any City policy, or if such approval is recommended or desired by the City Manager.

24.14 Correction of Technical or Typographical Errors. If, by reason of inadvertence, and contrary to the intention of the Parties, errors are made in this Lease in the legal descriptions or the references thereto or within any exhibit with respect to the legal descriptions, in the boundaries of any Parcel in any map or drawing which is an exhibit, or in the typing of this Lease or any of its exhibits or any other similar matters, the Parties by mutual agreement may correct such error by memorandum executed by them without the necessity of amendment of this Lease.

24.15 Inurement. Wherever the term “Party” or the name of any particular Party is used in this Lease such term shall include any such Party’s successors and assigns. Neither Party shall assign its interest in this Lease without the prior written consent of the other Party. The promises, covenants, conditions, and restrictions in this Lease create equitable servitudes upon every portion of the Property in favor of the Lessor. These promises, covenants, conditions, and restrictions run with the land and shall be prior, superior, and non-subordinated to any and all encumbrances placed against the Property after a memorandum of Lease is recorded. Subject to the provisions hereof with respect to assignment, all of the rights and obligations of the Parties under this Lease shall be binding upon and inure to the benefit of the respective heirs, executors, and permitted successors and assigns of Lessor and Lessee.

24.16 Covenants and Conditions. Each and every provision of this Lease to be performed by Lessee shall be deemed both a covenant and condition. The Parties agree that each provision set forth herein, pursuant to which Lessee is required to pay Rent shall be and is a covenant of Lessee independent of any other term, condition, or covenant contained in this Lease. Lessee shall not be entitled to offset the claimed amount of damages against any Rent or other payments due hereunder, it is expressly agreed that such covenant to pay such an amount shall be independent of any obligation of Lessor hereunder. All payments to be made by Lessee hereunder shall, unless otherwise expressly provided, be paid to Lessor without notice or demand and without adjustment, deduction, or setoff, in lawful money of the United States.

24.17 Recordation. Within ten (10) days after this Lease has been approved by the Lessor and executed by the Parties, the Lessor shall cause a memorandum of this Lease to be recorded in the Official Records of Maricopa County, Arizona the form of which is attached as Exhibit C.

24.18 Amendment. From time to time, Lessee and Lessor (acting through its City Manager or the City Manager’s designee) may, by mutual written agreement, refine, amend, revise, change, or correct any part of this Lease as the Lessor and Lessee deem necessary or preferable. The City Council authorizes its City

Manager (or the City Manager's designee), in the City Manager's administrative capacity, to take any action that the City Manager deems necessary to carry out the intent and purpose of this Lease, including without limitation to: complete all transactions contemplated within this Lease, execute amendments to this Lease, and execute any other documents related to this Lease. Except as otherwise expressly provided for in this Lease, no change, or addition shall be made to this Lease except by written amendment executed by the Lessor and Lessee.

24.19 Good Faith of Parties. Except where any matter is expressly stated to be in the sole discretion of a Party, in performance of this Lease or in considering any requested extension of time, the Parties agree that each will act in good faith and will not act unreasonably, arbitrarily, or capriciously and will not unreasonably withhold, delay, or condition any requested approval, acknowledgment, or consent.

24.20 Non-liability of Officials and Employees. Notwithstanding any other language in this Lease, no City Council Member, officer, director, trustee, partner, principal, member, employee, agent, affiliate, official, representative, agent, attorney, or employee of a Party shall be personally liable the other Party, or to any successor in interest to such other Party, in any way whatsoever including without limitation in the event of Default, for any amount that may become due to a Party, or with respect to any obligation of a Party under the terms of this Lease.

24.21 City Council Action. This Lease does not bind the City Council or remove its independent authority to make determinations related to formal action of the City Council in any way. Notwithstanding any language in this Lease or related documents, this Lease does not require the Lessor to take any action that the City Attorney or City Manager, in either's sole discretion, determines should first be approved by vote of the City Council. Such action will only proceed if and when the City Council has formally voted to approve it, and such approval is no longer subject to referendum.

24.22 No Third-Party Beneficiaries. No person or entity shall be a third-party beneficiary to this Lease nor have any right or cause of action hereunder. Lessor shall have no liability to any third party for approval of plans, Lessee's acts, Lessee's failure to comply with the provisions of this Lease, or otherwise as a result of the existence of this Lease.

24.23 Counterparts. This Lease may be executed in counterparts, each of which shall be deemed an original and all of which together shall be deemed to be one and the same instrument. Electronic signatures are acceptable as original signatures.

24.24 Cancellation for Non-Appropriation. The Parties recognize that this Lease depends upon the availability of appropriated funds and nothing in this Lease shall bind the Lessor to expenditures in excess of funds appropriated and allotted for the purposes outlined in this Lease. If the City Council fails to appropriate the necessary funds, or if the appropriation for this Lease is reduced, either Party may reduce the scope of this Lease if appropriate or cancel this Lease without further duty or obligation.

24.25 Federal Funds. Each Party to this Lease warrants that neither it nor any contractor or vendor under contract with the Party to provide goods or services toward the accomplishment of the objectives of this Lease is suspended or debarred by any federal agency which has provided funding that will be used in the Project described in this Lease.

24.26 Arizona Law Provisions. To the extent required by Arizona State law:

- (a) No member, official, or employee of Lessor shall have any direct or indirect interest in this Lease, nor participate in any decision relating to this Lease, that is prohibited by law. This Lease shall be subject to cancellation pursuant to the provisions of A.R.S. § 38-511 relating to conflicts of interest.
- (b) Lessee certifies that it is not currently engaged in, and agrees for the duration of this Lease that it will not engage in a “boycott,” as that term is defined in § 35-393, Arizona Revised Statutes, of Israel.
- (c) To the extent applicable under A.R.S. § 41-4401, each Party warrants 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 Lessee to comply with such warranty shall be deemed a material breach of this Lease and may result in the termination of this Lease by the Lessor. Each Party retains the legal right to inspect the papers of any contractor or subcontractor employee who works on the contract to ensure that the contractor or subcontractor is complying with this warranty. Nothing in this Lease shall make any contractor or subcontractor an agent or employee of the Parties.
- (d) To the extent applicable under A.R.S. § 35-394, Lessee hereby certifies it does not currently, and for the duration of this Lease 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.

- (e) The Parties agree to be bound by applicable State and federal law governing Equal Employment Opportunity, Non-Discrimination, and Disabilities, including Arizona Executive Order No. 2009-09.

**[REMAINDER OF PAGE INTENTIONALLY BLANK;
SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF, the Parties have executed this Lease on the date(s) written below.

Lessor:

CITY OF PEORIA, an Arizona municipal
corporation

By: _____
Henry Darwin, City Manager

Date: _____

ATTEST:

Agnes Goodwine, City Clerk

Date: _____

APPROVED AS TO FORM:

Emily Jurmu, City Attorney

Date: _____

Lessee:

West-MEC, a political subdivision of the State of
Arizona

By: _____

_____,
Its

Date: _____

STATE OF ARIZONA
County of Maricopa

On this _____ day of _____, 2025, before me personally appeared
_____ the _____ of West-MEC, a political subdivision of the State of Arizona,
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.

Notary Public

List of Exhibits to Exhibit B

Exhibit A – Legal Description

Exhibit B – Form of Purchase Provisions

Exhibit C – Form of Special Warranty Deed

Exhibit D – Form of Memorandum of Lease

Exhibit E – Insurance Requirements

EXHIBIT A
Legal Description

“Forthcoming”

EXHIBIT B

Form of Purchase Provisions

1. Subject to the provisions of the IGA, and Section 22 of the Lease, Lessee holds a non-transferable Purchase Option to purchase the Demised Premises.
2. In the event Lessee exercises the Purchase Option, such purchase shall be as described in Section 22 of the Lease, and shall be free and clear of all liens and encumbrances subject to the following permitted exceptions:
 - A. Water rights, claims, or title to water, whether or not shown by the public record.
 - B. Non-delinquent real estate taxes.
 - C. All title exceptions and matters in effect as of the Effective Date of this Lease.
 - D. Any further title exceptions approved by Lessee in writing.
 - E. The printed exceptions and exclusions applicable to an ALTA 2006 extended coverage owner's policy of title insurance contained in the title policy issued at close of escrow.
3. Concurrent with its delivery to Lessor of an Option Notice, as provided in Section 22 of this Lease, Lessee shall submit to Lessor an executed set of escrow instructions to effect Lessee's purchase of the Demised Premises. Such instructions shall provide, in addition to provisions common to customary escrow instructions: (1) for a closing date not later than ninety (90) days following delivery of an Option Notice; (2) for an allocation of escrow fees, recording fees, and title insurance fees in the manner that is customary in Maricopa County, Arizona; (3) that no brokerage commissions shall be payable by Lessor or Lessee to anyone; (4) for conveyance of the Demised Premises by special warranty deed; and (5) the execution by Lessor of an owner's affidavit in a form and content sufficient for the issuance of extended coverage title insurance without exception for parties in possession or mechanics', materialmen's or professional service liens. Lessor shall be charged in the escrow for a standard owner's policy of title insurance insuring Lessee's title to the Demised Premises; Lessee shall be charged in the escrow for the cost of extended coverage and the cost of any endorsements requested by Lessor. Lessor promptly shall execute the escrow instructions along with the special warranty deed and shall deliver them to the escrow agent identified in the escrow instructions pending the close of escrow. At any time prior to delivery of the Option Notice, Lessee may request that a title company of its choosing prepare a commitment for title insurance for the Demised Premises and Lessor expressly consents thereto.
4. If Lessee fails to submit the escrow instructions or to close the escrow within the requisite ninety (90) days as provided in Paragraph 3 above, then Lessor may issue Notice of such failure to Lessee, and if the failure is not cured within five (5) days, then, as the sole consequence to Lessee of such failure, the Purchase Option shall terminate in its entirety and thereafter shall have no further force or effect for any purpose.
5. Each party shall bear its own attorneys' fees and costs incurred in connection with the purchase transaction.

6. Payment of the amount due at close of escrow to Seller shall be made through escrow by wire transfer of immediately available federal funds (United States dollars). Lessee may satisfy any monetary encumbrances that affect title to the Demise Premises and that are not Permitted Exceptions out of the proceeds otherwise due Lessor at the close of escrow.

7. The Property shall convey by special warranty deed the form of which is attached as Schedule A to the Form of Purchase Provisions.

EXHIBIT C
Form of Special Warranty Deed

EXEMPT FROM AFFIDAVIT AND FEES PURSUANT TO A.R.S. § 11-1134, A.3.

SPECIAL WARRANTY DEED

For the consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration received, CITY OF PEORIA, an Arizona municipal corporation (“**Grantor**”), does hereby grant and convey to WESTERN MARICOPA EDUCATION CENTER CAREER AND TECHNICAL DISTRICT No. 402, a political subdivision of the State of Arizona (“**Grantee**”), the following described real property (the “**Real Property**”) situated in Maricopa County, Arizona:

SEE EXHIBIT “A” ATTACHED HERETO AND BY THIS
REFERENCE MADE A PART HEREOF

TOGETHER WITH, all buildings, structures and improvements located on the Real Property, including, without limitation, to the extent owned by Grantor: (i) all irrigation ditches, gates, valves, pumps, tanks, and wells; (ii) all appurtenances, hereditaments, easements, rights-of-way, reversions, remainders, development rights, and air rights; (iii) all oil, gas, and mineral rights not previously reserved; (iv) any rights of Grantor to any adjoining strips or gores of property and any land lying within the bed of any adjoining street, alley, right-of-way, or waterway; and (v) any other rights or privileges appurtenant to such Real Property or used in connection therewith.

SUBJECT TO: current real property taxes and other assessments not yet due and payable; patent reservations; and all easements, rights of way, covenants, conditions, restrictions, declarations, and other matters as may appear of record, and all matters that an accurate survey of the Real Property would disclose, and the applicable zoning and use laws and regulations affecting the Real Property.

AND Grantor hereby binds itself to warrant and defend the title to the Real Property against all of the acts of Grantor and no other, subject to the matters above set forth.

DATED this _____ day of _____, 20__.

[Signature Page Follows]

DATE: _____

GRANTOR:

CITY OF PEORIA,
an Arizona municipal corporation

By: _____
Henry Darwin, City Manager

ATTEST:

Agnes Goodwine, City Clerk

APPROVED AS TO FORM:

Emily Jurmu, City Attorney

EXHIBIT D
FORM OF MEMORANDUM OF LEASE

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE shall evidence that there is in existence a Lease as hereinafter described. It is executed by the parties hereto for recording purposes only as to the Lease hereinafter described, and it is not intended and shall not modify, amend, supersede, or otherwise affect the terms and provisions of said Lease.

1. Name of Document: GROUND LEASE between the CITY OF PEORIA, an Arizona municipal corporation, as Lessor and West-MEC, political subdivision of the State of Arizona, as Lessee.
2. Name of Lessor: THE CITY OF PEORIA, an Arizona municipal corporation
3. Name of Lessee: West-MEC, a political subdivision of the State of Arizona
4. Address of Lessor: OFFICE OF THE CITY ATTORNEY
8401 W. Monroe, Suite 340
Peoria, Arizona 85345
5. Address of Lessee: 5487 North 99th Avenue
Glendale, AZ 85305
6. Effective Date of Lease:
7. Duration: Ten (10) years or the execution of the purchase option by Lessee
8. Extension: None.
9. Demised Premises: The real property located *****
10. Use Restrictions: Constructing and operating a CTE Campus with all reasonably related structures and improvements, and other legal uses related thereto.
11. Purchase Option: Lessee has the option to purchase the Demised Premises during the Lease Term pursuant to the terms in Section 22 of the Ground Lease, with any rent paid by Lessee to be applied toward the Purchase Price.

A copy of the Ground Lease is on file with Lessor and Lessee at their respective addresses set forth above.

EXHIBIT E
AMOUNTS AND TYPES OF INSURANCE COVERAGE

Upon execution of the Lease and throughout the entire Lease Term, Lessee will maintain the amounts and types of insurance described below. Whenever any construction is conducted on the Demised Premises Lessee shall cause its contractors and subcontractors to continuously maintain such coverage in accordance with the following:

- A. Commercial General Liability Insurance coverage including premises, operations, products, completed operations, and contractual liability coverage in an amount no less than \$2,500,000 per occurrence, \$2,500,000 personal injury and advertising injury, \$5,000,000 Products and Completed Operations Aggregate and \$5,000,000 General Aggregate. The preferred form is CG0001. Coverage shall include:
 - a. Waiver of Subrogation to Lessor, and its agents, representatives, officers, volunteers, directors, elected and appointed officials, and employees.
 - b. Policy to include liability arising out of subcontractors.
 - c. Deletion of any limitation or exclusion on coverage for bodily injury or property damage arising out of subsidence or soil or earth movement.
 - d. A provision that the insurance company has a duty to defend all insureds under the policy and a provision that defense costs are paid in addition to and do not deplete any of the policy limits.
 - e. Provision that insurance policy shall be primary and noncontributory.
 - f. At Lessee's election, the insurance required by this Section A may be provided under a blanket policy subject to Lessor's written approval.
- B. Comprehensive automobile liability insurance, including coverage for the ownership, maintenance, and operation of any automobile equipment owned, hired, or non-owned, which is assigned to or used by the contractors in the performance of work on, or services provided to, the Demised Premises, in an amount not less than \$1,000,000.00 combined single limit per accident.
- C. Workers Compensation Insurance to cover statutory limits of Workers Compensation Laws of the state in which the work is being performed and state employee is hired. Workers Compensation coverage shall extend to any individual, including Lessor's agents, representatives, officers, volunteers, directors, elected and appointed officials, and employees who will be performing the work under this agreement regardless of any ability under state law to reject workers' compensation coverage. This insurance shall include Employer's Liability insurance with a limit of no less than \$1,000,000 for each occurrence. This insurance shall include a Waiver of Subrogation Endorsement waiving the carrier's right of subrogation to Lessor its agents, representatives, officers,

volunteers, directors, elected and appointed officials, and employees. If any class of employees engaged in the Work is not protected by the Workers Compensation statute, subcontractor shall provide special insurance for the protection of such employees not otherwise protected, which is similar to the coverage required above and otherwise complies with the requirements of this Exhibit E.

- D. During construction. The following insurance shall be maintained in effect from the start of any construction activities on or involving the Demised Premises and shall continue uninterrupted until the earliest of the completion of the Project and issuance of a certificate of occupancy, or termination of the construction contract.
- a. Course of Construction insurance (also known as Builder's Risk insurance) covering the full insurable value of the property, including all materials, equipment, supplies, and work in progress at the construction site. The policy shall provide "all-risk" coverage, including protection against loss or damage caused by fire, theft, vandalism, collapse, and any other risks typically covered under such policies. The coverage must include any materials or equipment stored off-site or in transit intended for the project. The policy shall cover the cost of removing debris, including demolition as may be legally necessary by the operation of any law, ordinance, or regulation, and for loss or damage to any owned, borrowed, leased, or rented capital equipment, tools, including tools of their agents and employees, staging towers and forms, and property of the City held in their care, custody and/or control. Such policy shall name the City as additional insureds.
 - b. Lessee shall ensure any contractors and sub-contractors performing work on, or providing services to, the Demised Premises shall maintain Errors & Omissions coverage in an amount not less than \$1,000,000.00 combined single limit per occurrence and not less than \$2,500,000.00 general aggregate.
- E. "All-risk" property insurance covering damage or loss resulting from any casualty, fire, vandalism, malicious mischief, theft, water damage (including sprinkler leakage and bursting pipes), explosion, and other casualties or causes. The coverage shall be in an amount no less than one hundred percent (100%) of the replacement cost and cover i.) all buildings and improvements, including any improvements made by the Lessee to the property; and ii.) all trade fixtures, equipment, and other personal property located in or on the Demised Premises at any time.
- F. Lessor's and contractor's protective liability insurance with limits of not less than \$1,000,000.00 combined single limit per occurrence and not less than \$5,000,000.00 general aggregate as will insure Lessor as named insured against any and all claims for bodily injury, including death resulting therefrom, personal injury, or damage to the property of others, arising from or in any way connected to the Demised Premises.
- G. If Lessee becomes aware that construction activities on or involving the Demised Premises may result in environmental hazards, including but not limited to pollution, contamination, or the use or introduction of hazardous materials on or onto the Demised

Premises, West-MEC shall ensure that all relevant contractor or subcontractor maintain Contractor's Pollution Liability Insurance. Such insurance shall cover claims for bodily injury, property damage, and environmental cleanup costs arising from such incidents during the construction process on or affecting the Demised Premises. The policy shall provide "all-risk" coverage, including third-party claims for damages or injury caused by the release or discharge of pollutants, hazardous materials, or contaminants into the air, land, or water. The policy shall also include coverage for the cost of remediation or cleanup of environmental hazards resulting from the construction activities on the Demised Premises. The minimum limits of liability shall be \$1,000,000 per occurrence and \$2,500,000 in the aggregate. The City remains in effect until the Completion of Construction and issuance of the certificate of occupancy for the Demised Premises.

The following general requirements shall apply to all insurance policies described in this Exhibit E:

- A. All liability insurance policies, except professional liability and workers compensation insurance, shall be written on an occurrence basis.
- B. All insurance policies required hereunder except Workers Compensation shall: (i) name Lessor and its agents, representatives, officers, volunteers, directors, elected and appointed officials, and employees as "additional insured" utilizing an ISO endorsement form CG2010 (11/85) (if available and, if not available, the current standard form of such endorsement(s) providing coverage for both ongoing and completed operations) Additional Insured - Lessors, Lessees, or Lessees (Form B); (ii) be issued by an insurer and shall be in a form approved by Lessor; and (iii) provide that such policies shall not be canceled or not renewed, nor shall any material change be made to the policy without at least thirty (30) days prior written notice to Lessor.
- C. The liability insurance policies shall provide that such insurance shall be primary on a non-contributory basis.
- D. All insurers providing the coverage specified in this Exhibit E shall be written by insurance companies with an A.M. Best's Key Rating Guide of A- [minus] or better.
- E. Lessee shall require its subcontractors to provide Lessee with certificates evidencing the insurance coverage required by this Exhibit E in the certificate form included in this Exhibit E, prior to the commencement of any activity or operation which could give rise to a loss to be covered by such insurance. Lessee shall also require replacement certificates be sent to Lessee, as policies are renewed, replaced, or modified.
- F. Commercial General Liability Insurance (for Products and Completed Operations) and Contractor's Pollution Liability Insurance (if necessary) are each to be maintained for ten (10) years following final completion of any construction.
- G. No exclusion or limitations shall apply to the additional insureds which do not apply to the named insured.

- H. Lessee agrees and shall cause its contractors to agree to provide Lessor with certified copies of all of said contractors' insurance policies covering the Demised Premises upon Lessor's request.

The above-referenced waivers of liability and subrogation shall not apply to Lessor's grossly negligent or intentional acts but shall be applicable to any negligence imputed to Lessor and its agents, representatives, officers, volunteers, directors, elected and appointed officials, and employees by operation of law as a result of the action or non-action of Lessee, its contractors, or sub-contractors and their respective insurers for work performed on, or services provided to or on, the Demised Premises.

EXHIBIT C

Preliminary Site Plan

“Forthcoming”

EXHIBIT D
AMOUNTS AND TYPES OF INSURANCE COVERAGE

Upon execution of the Lease and throughout the entire Lease Term, Lessee will maintain the amounts and types of insurance described below. Whenever any construction is conducted on the Demised Premises Lessee shall cause its contractors and subcontractors to continuously maintain such coverage in accordance with the following:

- H. Commercial General Liability Insurance coverage including premises, operations, products, completed operations, and contractual liability coverage in an amount no less than \$2,500,000 per occurrence, \$2,500,000 personal injury and advertising injury, \$5,000,000 Products and Completed Operations Aggregate and \$5,000,000 General Aggregate. The preferred form is CG0001. Coverage shall include:
 - a. Waiver of Subrogation to Lessor, and its agents, representatives, officers, volunteers, directors, elected and appointed officials, and employees.
 - b. Policy to include liability arising out of subcontractors.
 - c. Deletion of any limitation or exclusion on coverage for bodily injury or property damage arising out of subsidence or soil or earth movement.
 - d. A provision that the insurance company has a duty to defend all insureds under the policy and a provision that defense costs are paid in addition to and do not deplete any of the policy limits.
 - e. Provision that insurance policy shall be primary and noncontributory.
 - f. At Lessee's election, the insurance required by this Section A may be provided under a blanket policy subject to Lessor's written approval.
- I. Comprehensive automobile liability insurance, including coverage for the ownership, maintenance, and operation of any automobile equipment owned, hired, or non-owned, which is assigned to or used by the contractors in the performance of work on, or services provided to, the Demised Premises, in an amount not less than \$1,000,000.00 combined single limit per accident.
- J. Workers Compensation Insurance to cover statutory limits of Workers Compensation Laws of the state in which the work is being performed and state employee is hired. Workers Compensation coverage shall extend to any individual, including Lessor's agents, representatives, officers, volunteers, directors, elected and appointed officials, and employees who will be performing the work under this agreement regardless of any ability under state law to reject workers' compensation coverage. This insurance shall include Employer's Liability insurance with a limit of no less than \$1,000,000 for each occurrence. This insurance shall include a Waiver of Subrogation Endorsement

waiving the carrier's right of subrogation to Lessor its agents, representatives, officers, volunteers, directors, elected and appointed officials, and employees. If any class of employees engaged in the Work is not protected by the Workers Compensation statute, subcontractor shall provide special insurance for the protection of such employees not otherwise protected, which is similar to the coverage required above and otherwise complies with the requirements of this Exhibit E.

- K. During construction. The following insurance shall be maintained in effect from the start of any construction activities on or involving the Demised Premises and shall continue uninterrupted until the earliest of the completion of the Project and issuance of a certificate of occupancy, or termination of the construction contract.
- a. Course of Construction insurance (also known as Builder's Risk insurance) covering the full insurable value of the property, including all materials, equipment, supplies, and work in progress at the construction site. The policy shall provide "all-risk" coverage, including protection against loss or damage caused by fire, theft, vandalism, collapse, and any other risks typically covered under such policies. The coverage must include any materials or equipment stored off-site or in transit intended for the project. The policy shall cover the cost of removing debris, including demolition as may be legally necessary by the operation of any law, ordinance, or regulation, and for loss or damage to any owned, borrowed, leased, or rented capital equipment, tools, including tools of their agents and employees, staging towers and forms, and property of the City held in their care, custody and/or control. Such policy shall name the City as additional insureds.
 - b. Lessee shall ensure any contractors and sub-contractors performing work on, or providing services to, the Demised Premises shall maintain Errors & Omissions coverage in an amount not less than \$1,000,000.00 combined single limit per occurrence and not less than \$2,500,000.00 general aggregate.
- L. "All-risk" property insurance covering damage or loss resulting from any casualty, fire, vandalism, malicious mischief, theft, water damage (including sprinkler leakage and bursting pipes), explosion, and other casualties or causes. The coverage shall be in an amount no less than one hundred percent (100%) of the replacement cost and cover i.) all buildings and improvements, including any improvements made by the Lessee to the property; and ii.) all trade fixtures, equipment, and other personal property located in or on the Demised Premises at any time.
- M. Lessor's and contractor's protective liability insurance with limits of not less than \$1,000,000.00 combined single limit per occurrence and not less than \$5,000,000.00 general aggregate as will insure Lessor as named insured against any and all claims for bodily injury, including death resulting therefrom, personal injury, or damage to the property of others, arising from or in any way connected to the Demised Premises.
- N. If Lessee becomes aware that construction activities on or involving the Demised Premises may result in environmental hazards, including but not limited to pollution,

contamination, or the use or introduction of hazardous materials on or onto the Demised Premises, West-MEC shall ensure that all relevant contractor or subcontractor maintain Contractor's Pollution Liability Insurance. Such insurance shall cover claims for bodily injury, property damage, and environmental cleanup costs arising from such incidents during the construction process on or affecting the Demised Premises. The policy shall provide "all-risk" coverage, including third-party claims for damages or injury caused by the release or discharge of pollutants, hazardous materials, or contaminants into the air, land, or water. The policy shall also include coverage for the cost of remediation or cleanup of environmental hazards resulting from the construction activities on the Demised Premises. The minimum limits of liability shall be \$1,000,000 per occurrence and \$2,500,000 in the aggregate. The City remains in effect until the Completion of Construction and issuance of the certificate of occupancy for the Demised Premises.

The following general requirements shall apply to all insurance policies described in this Exhibit E:

- I. All liability insurance policies, except professional liability and workers compensation insurance, shall be written on an occurrence basis.
- J. All insurance policies required hereunder except Workers Compensation shall: (i) name Lessor and its agents, representatives, officers, volunteers, directors, elected and appointed officials, and employees as "additional insured" utilizing an ISO endorsement form CG2010 (11/85) (if available and, if not available, the current standard form of such endorsement(s) providing coverage for both ongoing and completed operations) Additional Insured - Lessors, Lessees, or Lessees (Form B); (ii) be issued by an insurer and shall be in a form approved by Lessor; and (iii) provide that such policies shall not be canceled or not renewed, nor shall any material change be made to the policy without at least thirty (30) days prior written notice to Lessor.
- K. The liability insurance policies shall provide that such insurance shall be primary on a non-contributory basis.
- L. All insurers providing the coverage specified in this Exhibit E shall be written by insurance companies with an A.M. Best's Key Rating Guide of A- [minus] or better.
- M. Lessee shall require its subcontractors to provide Lessee with certificates evidencing the insurance coverage required by this Exhibit E in the certificate form included in this Exhibit E, prior to the commencement of any activity or operation which could give rise to a loss to be covered by such insurance. Lessee shall also require replacement certificates be sent to Lessee, as policies are renewed, replaced, or modified.
- N. Commercial General Liability Insurance (for Products and Completed Operations) and Contractor's Pollution Liability Insurance (if necessary) are each to be maintained for ten (10) years following final completion of any construction.

- O. No exclusion or limitations shall apply to the additional insureds which do not apply to the named insured.
- P. Lessee agrees and shall cause its contractors to agree to provide Lessor with certified copies of all of said contractors' insurance policies covering the Demised Premises upon Lessor's request.

The above-referenced waivers of liability and subrogation shall not apply to Lessor's grossly negligent or intentional acts but shall be applicable to any negligence imputed to Lessor and its agents, representatives, officers, volunteers, directors, elected and appointed officials, and employees by operation of law as a result of the action or non-action of Lessee, its contractors, or sub-contractors and their respective insurers for work performed on, or services provided to or on, the Demised Premises.

RESOLUTION NO. 2025-107

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA, ADOPTING A RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT INCLUDING ALL EXHIBITS AND ATTACHMENTS BETWEEN WESTERN MARICOPA EDUCATION CENTER CAREER AND TECHNICAL DISTRICT AND THE CITY OF PEORIA FOR THE DEVELOPMENT OF A CTE CAMPUS AND SUBSEQUENT GROUND LEASE; AUTHORIZING THE CITY MANAGER TO EXECUTE THE INTERGOVERNMENTAL AGREEMENT; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE AS PROVIDED BY LAW.

WHEREAS, the City wishes to enter an Intergovernmental Agreement with Western Maricopa Education Center Career and Technical District (West-MEC) for the purpose of establishing the parameters and requirements for the development and subsequent lease of the Property as a CTE campus, and to describe each Party's responsibilities related to the construction, funding, designing, permitting, engineering, installation, and construction of a CTE campus; and

WHEREAS, the terms and conditions of the Intergovernmental Agreement between West-MEC and the City of Peoria are outlined in the attached Exhibit A; and

WHEREAS, the Mayor and Council of the City of Peoria, Arizona, have considered the attached agreement, and deem this Resolution to be in the best interest of the public health, safety, and welfare of the residents of the City of Peoria, Arizona;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Peoria, Arizona, as follows:

Section 1. The foregoing recitals are incorporated as if fully set forth herein.

Section 2. The Intergovernmental Agreement with West-MEC, is authorized and approved and the Mayor is authorized to execute the Intergovernmental Agreement and related documents in substantial conformance with the document attached as Exhibit A.

Section 3. The City Manager, or his designee, is authorized to execute and provide necessary documentation needed to implement the Intergovernmental Agreement in substantial conformance with the document attached as Exhibit A. All final forms shall be approved by the City Attorney. Any related documents necessary to close the transaction may be executed by the City Manager or a designee, subject to approval as to form by the City Attorney.

Section 4. In the event any part, portion or paragraph of this Resolution is found to be invalid by any court of competent jurisdiction, the invalidity of such part, portion, or paragraph shall not affect any other valid part, portion, or paragraph of this Resolution and effectiveness thereof.

Section 5. The City Clerk is hereby authorized to correct clerical and grammatical errors, if any, related to this Resolution, and to make formatting changes appropriate for purposes of clarity, form, or consistency with the Peoria City Code.

Section 6. This Resolution shall become effective in the manner provided by law.

[signature page follows]

PASSED AND ADOPTED by the Mayor and Council of the City of Peoria, Arizona, this 4th day of November, 2025.

Jason Beck, Mayor

Date Signed

ATTEST:

Agnes Goodwine, City Clerk

APPROVED AS TO FORM:

Emily Jurmu, City Attorney

Published in Peoria Times

Publication Dates: November 13 & 20, 2025

Effective Date: December 5, 2025