



# City of Yuma City Council Meeting Agenda

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Wednesday, December 6, 2023

5:30 PM

Yuma City Hall Council Chambers  
One City Plaza, Yuma

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Notice is hereby given, pursuant to Resolution R2015-047 that one or more members of the Yuma City Council may participate in person or by telephonic, video or internet conferencing. Voting procedures will remain as required by the Yuma City Charter and other applicable laws.

## **City Council Chambers will be open with public access in addition to participation through Zoom**

**Those wishing to speak on any applicable agenda item or at Call to the Public and choose to participate via Zoom, must submit an email request to [publiccomment@yumaaz.gov](mailto:publiccomment@yumaaz.gov) no later than 60 minutes prior to the start of the scheduled meeting. Further instructions will be given at that time.**

Members of the public are encouraged to view the meeting through either of the following two venues:

- 1) Zoom: Residents will need to connect through the following website: <https://cityofyuma.zoom.us/>. Click on "Calendar" then select the City meeting and click "Join".
- 2) City of Yuma live stream: Use the Video and TV Stream quick link at [www.yumaaz.gov](http://www.yumaaz.gov) and search for Yuma Live Playlist 73. Watch live on TV cable channel 73.

A recording of the meeting will be available on the City's website after the meeting.

### **CALL TO ORDER**

### **INVOCATION**

### **PLEDGE OF ALLEGIANCE**

### **ROLL CALL**

### **FINAL CALL**

*Final call for submission of Speaker Request Forms for agenda related items.*

## PRESENTATIONS

- Employee Recognition - 50 years of Service to the City of Yuma
- Annual Stormwater Report provided by City Engineer, Dave Wostenberg

## I. MOTION CONSENT AGENDA

*All items listed on the Motion Consent Agenda will be considered and enacted with one motion. There will be no separate discussion of these items unless a Councilmember so requests. In which event, the item will be removed from the Motion Consent Agenda and the vote or action may be taken separately.*

A. Approval of minutes of the following City Council meeting(s):

1. [MC 2023-190](#)      **Regular Council Meeting Draft Minutes November 1, 2023**  
Attachments:      [2023 11 01 RCM Minutes](#)
2. [MC 2023-191](#)      **Regular Council Worksession Draft Minutes November 14, 2023**  
Attachments:      [2023 11 14 RWS Minutes](#)

B. Executive Sessions

*Executive Sessions may be held at the next regularly scheduled Special Worksession, Regular Worksession and City Council Meeting for personnel, legal, litigation and real estate matters pursuant to A.R.S. § 38-431.03 Section A(1), (3), (4), and (7). (City Attorney)*

C. Approval of staff recommendations:

1. [MC 2023-186](#)      **Bid Award: Heating, Ventilation and Air Conditioning (HVAC) Replacement**  
Authorize the purchase of a HVAC unit to the lowest responsive and responsible bidder to Polar Cooling, Yuma, Arizona for a total cost of \$153,634.00. (Building Safety 2018-20000076/ RFB-24-119) (Justin Lewis/Robin R. Wilson)
2. [MC 2023-188](#)      **Settlement: Calder and Calder-Phillips v. City of Yuma**  
Authorize settlement of the Calder and Calder-Phillips Claims. (City Attorney) (Richard Files)

3. [MC 2023-189](#) **RFQ Award: Desert Dunes Water Reclamation Facility Capacity Increase**

Authorize the City Administrator to execute a contract for the construction of the Desert Dunes Water Reclamation Facility (WRF) Capacity Increase Project to the Construction Manager at Risk (CMAR) contractor PCL Construction, Inc., Tempe, Arizona in the amount not to exceed, \$94,069,589.00. (Engineering-RFQ-21-178) (David Wostenberg/ Robin R. Wilson)

## II. RESOLUTION CONSENT AGENDA

*All items listed on the Resolution Consent Agenda will be considered and enacted with one motion. There will be no separate discussion of these items unless a City Councilmember so requests or a Speaker Request Form has been submitted. In which event, the item will be removed from the Resolution Consent Agenda and the vote or action may be taken separately.*

1. [R2023-050](#) **Acceptance of Greater Yuma Port Authority (GYPA) Distribution**  
Accept GYPA's proposed distribution of \$155,000.00 to each member agency. (City Administration) (Jay Simonton)

Attachments: [1. RES GYPA Distribution](#)

## III. ADOPTION OF ORDINANCES CONSENT AGENDA

*All items listed on the Ordinances Consent Agenda will be considered and enacted with one motion. There will be no separate discussion of these items unless a City Councilmember so requests or a Speaker Request Form has been submitted. In which event, the item may be removed from the Ordinance Consent Agenda and the vote or action will be taken separately.*

1. [O2023-038](#) **Declare Real Property Surplus and Authorize Sale: 150 N. Madison Avenue and 120 N. Main Street**  
Declare vacant City of Yuma-owned real property surplus and authorize the sale through a request for proposal (RFP) process (or other competitive process) for the City-owned properties located at 150 N. Madison Avenue and 120 N. Main Street. (Economic Development) (Jeff Burt)

Attachments: [1. ORD Declare Surplus and Authorize Sale: Madison Ave and Main St.](#)

#### IV. INTRODUCTION OF ORDINANCES

*The following ordinance(s) is presented to the City Council for introduction. No vote or action by the City Council is necessary. However, the City Council may, at its option, vote or take action where appropriate. Ordinances given introduction are generally presented to the City Council for adoption at the next Regular City Council meeting.*

1. [O2023-039](#)

**Text Amendment: Home Occupations**

Amend Title 15, Chapter 154 of the Yuma City Code, to update the permitted Home Occupations. (Planning and Neighborhood Services/Community Planning) (Alyssa Linville)

**Attachments:**

- [1. P&Z Rpt Home Occupation Text Amendment](#)
- [2. ORD Home Occupation Text Amendment](#)

2. [O2023-040](#)

**Text Amendment: Off-Street Parking**

Amend Title 15, Chapter 154 of the Yuma City Code, Article 16 Off-Street Parking and Loading Regulations, to update provisions related to off-street parking (Planning and Neighborhood Services/Community Planning) (Alyssa Linville)

**Attachments:**

- [1. P&Z REPORT Off Street Parking Text Amendment](#)
- [2. ORD Off Street Parking Text Amendment](#)

#### V. INDUSTRIAL DEVELOPMENT AUTHORITY HOSPITAL REVENUE BONDS SERIES 2023A

*Presented for discussion and consideration of adoption.*

1. [R2023-054](#)

**Industrial Development Authority Hospital Revenue Bonds Series 2023A**

Approve the Issuance of Hospital Revenue Bonds, Series 2023A (Yuma Regional Medical Center) by the Industrial Development Authority (IDA) of the City of Yuma, Arizona and declare an emergency. (City Attorney) (Richard W. Files)

**Attachments:**

- [1. RES IDA Hospital Revenue Bonds](#)
- [2. AGR IDA Hospital Revenue Bonds](#)

#### FINAL CALL

*Final call for submission of Speaker Request Forms for Call to the Public.*

## VI. APPOINTMENTS, ANNOUNCEMENTS AND SCHEDULING

*Discussion and possible action on the following items:*

### 1. Appointments:

- Greater Yuma Port Authority, citizen appointment

### 2. Announcements:

City Council report on meetings/events attended – City Council report on issues discussed in meetings/events attended by a City Council representative in their official capacity as the City's representative during the period of November 16, 2023 through December 6, 2023. City Council questions regarding the update must be limited solely for clarification purposes. If further discussion is warranted, the issue will be added to a future agenda for a detailed briefing.

City Council report of upcoming meetings.

City Council request for agenda items to be placed on future agendas.

### 3. Scheduling:

Motion to schedule future City Council meetings pursuant to Arizona Revised Statutes Section 38-431.02 and the Yuma City Code, Chapter 30.

## VII. SUMMARY OF CURRENT EVENTS

*This is the City Administrator's opportunity to give notice to the City Council of current events impacting the City. Comments are intended to be informational only and no discussion, deliberation or decision will occur on this item.*

## VIII. CALL TO THE PUBLIC

*Members of the public may address the City Council on matters that are not listed on the City Council agenda. The City Council cannot discuss or take legal action on any matter raised unless it is properly noticed for discussion and legal action. At the conclusion of the Call to the Public, individual members of the City Council may respond to criticism made by those who have addressed the City Council, may ask staff to review a matter or may ask that a matter be placed on a future agenda. All City Council meetings are recorded and videotaped.*

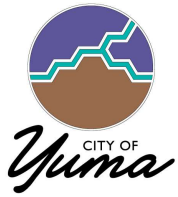
**IX. EXECUTIVE SESSION**

*An Executive Session may be called during the public meeting for the purpose of receiving legal advice for items on this agenda pursuant to A.R.S. Section 38-431.03 A (1, 3, 4 and/or 7) and the following items:*

*There are no additional executive session items scheduled at this time.*

**ADJOURNMENT**

In accordance with the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973, the City of Yuma does not discriminate on the basis of disability in the admission of or access to, or treatment or employment in, its programs, activities, or services. For information regarding rights and provisions of the ADA or Section 504, or to request reasonable accommodations for participation in City programs, activities, or services contact: ADA/Section 504 Coordinator, City of Yuma Human Resources Department, One City Plaza, Yuma, AZ 85364-1436; (928) 373-5125 or TTY (928) 373-5149.



City of Yuma  
City Council Report

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**File #:** MC 2023-190

**Agenda Date:** 12/6/2023

**Agenda #:** 1.

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**Regular Council Meeting Draft Minutes November 1, 2023**

**MINUTES**  
**REGULAR CITY COUNCIL MEETING**  
CITY COUNCIL OF THE CITY OF YUMA, ARIZONA  
CITY COUNCIL CHAMBERS, YUMA CITY HALL  
ONE CITY PLAZA, YUMA, ARIZONA  
**NOVEMBER 1, 2023**  
**5:30 p.m.**

**CALL TO ORDER**

**Mayor Nicholls** called the City Council meeting to order at 5:32 p.m.

**INVOCATION/PLEDGE**

**Joe Avila**, Community Christian Church, gave the invocation. **Robin Wilson**, Procurement Manager, led the City Council in the Pledge of Allegiance.

**ROLL CALL**

Councilmembers Present: Morales, Knight, Morris, Shoop, Shelton, and Mayor Nicholls  
Councilmembers Absent: Smith  
Staffmembers Present: Acting City Administrator, John D. Simonton  
Director of Finance, Doug Allen  
Director of Parks and Recreation, Eric Urfer  
Director of Planning and Neighborhood Services, Alyssa Linville  
Assistant Director of Planning and Neighborhood Services, Jennifer Albers  
Assistant City Attorney, John LeSueur  
Various Department Heads or their representative  
City Attorney, Richard W. Files  
City Clerk, Lynda L. Bushong

**FINAL CALL**

**Mayor Nicholls** made a final call for the submission of Speaker Request Forms for agenda related items from members of the audience.

Presentation

**Douglas Allen**, Director of Finance, presented the Quarterly Financial Briefing for the first quarter of 2024.

- Fiscal Year (FY) 2023 Budget, Projected and Actual – General Fund
  - Expenditures
    - All departments ended FY 2023 under budget.
    - No contingency accounts were used.
    - Total expenditures were 0.17% less than mid-year projections.
    - No recommended changes to the FY 2024 budget from this fiscal year’s results.
  - Revenues
    - Revenues account for nearly 80% of the general fund
    - Exceeded budget goal for FY 2023
    - Major revenues were \$156,634.00, 0.18% more than mid-year projections.
    - Non major revenue was 26% higher than projected.

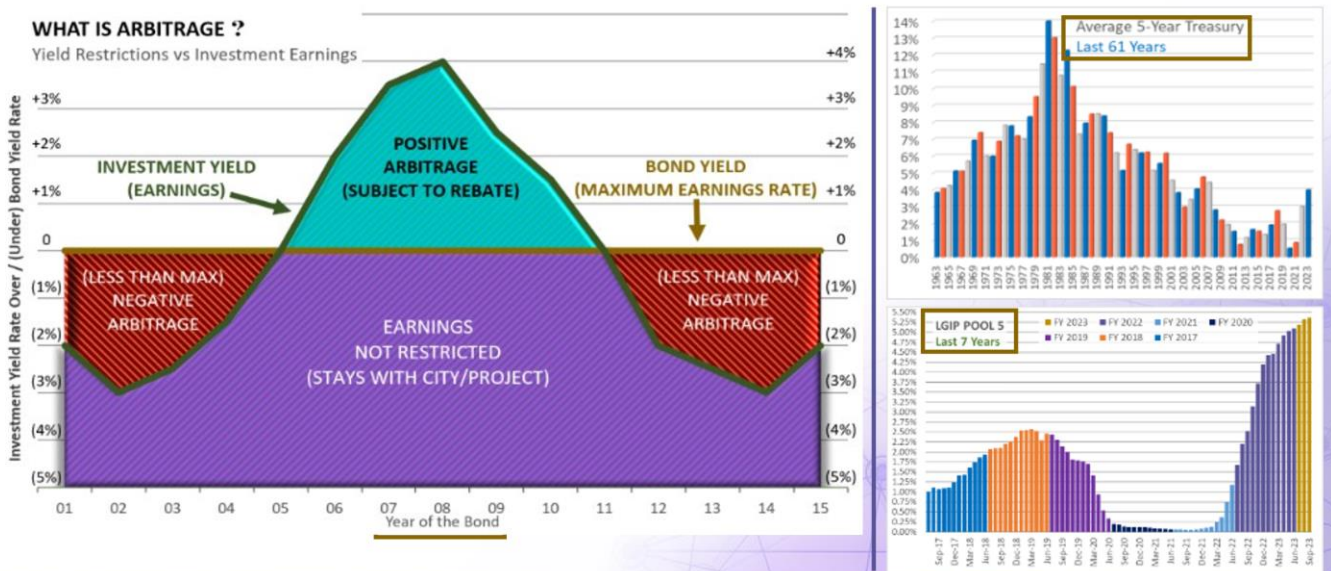


- Investment Earnings
  - Percentage of interest earnings based on the number of years of investment has been around 1% over the last few years; in 2023 it jumped to 5% for a single year.
  - The City has a few five-year investments at 1%. With the yield curve changes, two years later the investments are still at 1%. With a total of three years, the market says the investment should be at around 4%, resulting in devaluation of investments.
  - The City holds investments until maturity and will not actually see a loss
  - Investment earnings have been rather low over the last few years and then earnings went up a bit before COVID. Interest rates then came back down, and investment earnings went up significantly in 2023 - the City keeps these earnings.
  - Local Government Investment Pool (LGIP) rates were at 1% in FY 2022 and are currently at 5.4%.
- Arbitrage
  - Arbitrage is the difference between the interest paid by the City to the bond holder(s) and the earnings the City receives from investing the bond cash proceeds.
  - Investment earnings at or below the investment yield line, and below the bond yield line are unrestricted earnings for the City to be used for project or to repay bonds.
  - Areas below the bond yield line are not earning interest and are called negative arbitrage, which means the City has earned less than the maximum it could earn off those bonds.
  - Items above the bond yield line are called positive arbitrage and are subject to rebate from the Internal Revenue Service. There are different rules and regulations, as well as exceptions that need to be met for these earnings.

## Arbitrage



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How Arbitrage interacts with investment indexes (examples are two of many)?

- FY 2024 Financial Status
  - Major Revenues
    - Major Revenues collected through the first quarter total \$43.5 million, which equates to 23% of the budget. Per the benchmark the City should be collecting 22%, so the City is slightly ahead of that mark.
    - Year over year changes are 12.6%, which also meet the benchmark.

## MAJOR REVENUES

MAJOR OPERATING REVENUE		BENCHMARK (BM) TO BUDGET (BUD)					YEAR OVER YEAR		
(A) Source	(B) Fund	(C) FY 2024 July-Sept	(D) FY 2024 Total Budget	(E) % of Budget	(F) Bench Mark	(G) BM Variance	(H) FY 2023 July-Sept	(I) Amount Change	(J) % Change
(1) City Sales Tax (1.0%)	General	\$ 7,869,276	\$ 33,600,000	23%	23%	0.4%	\$ 7,678,996	\$ 190,280	2.5%
(2) Property Tax	"	420,110	16,290,776	3%	2%	0.9%	417,827	2,283	0.5%
(3) State Sales Tax	"	3,614,432	14,371,000	25%	24%	1.0%	3,406,469	207,963	6.1%
(4) State Income Tax	"	6,527,205	25,500,000	26%	25%	0.5%	4,604,673	1,922,532	41.8%
(5) Vehicle License Tax	"	1,278,389	5,375,400	24%	25%	-1.0%	1,320,004	(41,615)	-3.2%
(6) Gasoline Tax (0.5%)	HURF	2,309,328	9,614,190	24%	24%	0.2%	2,144,914	164,414	7.7%
(7) Road Tax (0.5%)	Road Tax	3,933,969	16,809,600	23%	23%	0.5%	3,838,846	95,123	2.5%
(8) Public Safety Tax (0.2%)	Public Safety	1,573,052	6,711,600	23%	23%	0.5%	1,535,017	38,035	2.5%
(9) Two Percent Tax	Two Percent	2,041,795	8,925,000	23%	22%	1.1%	1,928,355	113,440	5.9%
(10) Water Sales	Water	7,682,405	26,354,250	29%	25%	4.4%	6,432,273	1,250,132	19.4%
(11) Wastewater Operating	Wastewater	4,914,411	18,970,000	26%	22%	3.6%	4,221,553	692,858	16.4%
(12) Solid Waste Fees	Solid Waste	1,412,153	5,661,785	25%	22%	3.0%	1,161,796	250,357	21.5%
<b>(13) TOTAL MAJOR OPERATING REVENUE</b>		<b>\$ 43,576,525</b>	<b>\$ 188,183,601</b>	<b>23%</b>	<b>22%</b>	<b>1.6%</b>	<b>\$ 38,690,723</b>	<b>\$ 4,885,802</b>	<b>12.6%</b>

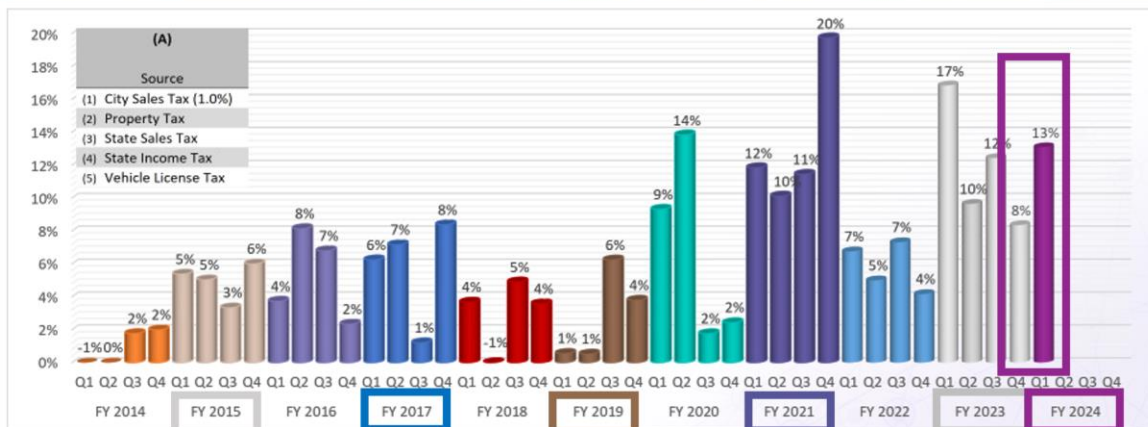
Sound revenue monitoring includes comparing historical trends with current collections and future expectations; and driving factors for each revenue to identify risk indicators.

Column "F" is the percentage of total revenue typically collected in the first Quarter of the fiscal year. All factors consistent, this helps measure the likelihood of a revenue meeting the budget goal at year-end.

Column "G" compares the benchmark "F" with the current percentage of collections in column "E". The higher the % in "G", the greater the chance of making the budget goal.

- The Major Revenues from the general fund are ending 8% above the prior quarter for FY 2023 and starting FY 2024 13% above the quarter. The majority of that amount is coming from State Shared Income Tax.

## Major Revenues – General Fund





- The City has been consistent in previous years collecting 19% of the State Shared Income Tax in the first quarter. FY 2024 the City is collecting 21% in the first quarter, which puts the City on track.

## Major Revenues – General Fund



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(A) Source	BENCHMARK (BM) TO BUDGET (BUD)		
	(E) % of Budget	(F) Bench Mark	(G) BM Variance
(1) City Sales Tax (1.0%)	23%	23%	0.4%
(2) Property Tax	3%	2%	0.9%
(3) State Sales Tax	25%	24%	1.0%
(4) State Income Tax	26%	25%	0.5%
(5) Vehicle License Tax	24%	25%	-1.0%

Graph shows amount and % of total collections by quarter. Note consistency of % in each Q since 2013.

- FY 2024 budget goal of 2.2% City tax increase is being met.
- Comparing the 2% Hospitality Tax for FY 2023 to this quarter, the 2% tax revenue is 9% higher for Restaurants and Bars, and -9.9% for hotels. The hot and extended summer may have had some impact for the two categories.

## Major Revenues – City Sales Tax



CITY'S 1.7% SALES TAX (1.0% General: 0.5% Road: 0.2% Public Safety)					
Category as Reported by ADOR	July-Sept FY 2024	July-Sept FY 2023	July-Sept FY 2022	Change in FY24/FY23	
				\$	%
Retail	\$ 6,999,313	\$ 6,667,083	\$ 6,397,724	\$ 332,230	5.0%
Restaurants and bars	1,476,683	1,343,956	1,266,948	132,727	9.9%
Internet sales *	527,716	491,185	386,891	36,531	7.4%
Hotels	252,695	280,726	259,511	(28,031)	-10.0%
Utilities	831,042	816,924	857,463	14,118	1.7%
All other	642,525	1,006,479	756,577	(363,954)	-36.2%
<b>Sub-Total Recurring</b>	<b>\$10,729,974</b>	<b>\$10,606,353</b>	<b>\$ 9,925,114</b>	<b>\$ 123,621</b>	<b>1.2%</b>
Grocery **	1,497,017	1,484,434	1,100,465	12,583	0.8%
Residential rental leasing	118,456	105,735	56,676	12,721	12.0%
<b>At-Risk or Ending</b>	<b>\$ 1,615,473</b>	<b>\$ 1,590,169</b>	<b>\$ 1,157,141</b>	<b>\$ 25,304</b>	<b>1.6%</b>
Construction	1,030,849	856,372	947,852	174,477	20.4%
<b>Total City's 1.7% Tax</b>	<b>\$13,376,296</b>	<b>\$13,052,894</b>	<b>\$12,030,107</b>	<b>\$ 323,402</b>	<b>2.5%</b>

\* Internet Sales = Marketplace facilitated or remote retail sales of food for home consumption  
\*\* Grocery = Food for home consumption

Overall, FY 2023 **Total City 1.7% Taxes** are 2.5% or \$0.3 million **more** than FY 2023 for the first 3 months of July-Sept. The FY 2024 Budget Goal of a **2.2% increase** is being met.

**Sub-Total Recurring** tax revenues, in the General, support the City's core on-going operations, personnel, small equipment, contracts, commodities and debt service.

**"All other"** consists of 14 categories primarily driving by Commercial Leasing, Equipment rental and Communications accounting for most of the activity.

**At-risk or Ending** categories have either been or are at risk of being discontinued as taxable activities. The year-over-year change for "Food for home consumption" (Grocery) has been stabilizing. Last fiscal year FY 2023 recorded a 20% increase compared to FY 2022. Collections from residential rental leasing activities will cease midway through FY 2025.

**Construction revenue** is allocated for capital expenditures or other one-time type purchases, not core operations. This is an indicator of growth in the tax base for future property and sales taxes.

TWO PERCENT TAX (2.0%)					
Category as Reported by ADOR	July-Sept FY 2024	July-Sept FY 2023	July-Sept FY 2022	Change in FY24/FY23	
				\$	%
Restaurants and bars	\$ 1,751,866	\$ 1,606,557	1,594,051	\$ 145,309	9.0%
Hotels	289,930	321,795	299,666	(31,865)	-9.9%
<b>Total Two Percent Tax</b>	<b>\$ 2,041,796</b>	<b>\$ 1,928,352</b>	<b>\$ 1,893,717</b>	<b>\$ 113,444</b>	<b>5.9%</b>

**Total 2% Tax for Parks** is 5.9% higher through the first 3 months of FY 2024 as compared to FY 2023. The hot and extended summer has may have shown impact to the two categories of the 2% Tax.

- State Revenue Sharing
  - State Revenue Sharing needs to stay relevant as the Budget Hearing is coming up soon.

## STATE REVENUE SHARING

Slide From FY 2024  
Budget Hearings



- State Shared Revenues are distributed base on population. Initial estimates use prior years population.
- Final estimates with the current population are not available until after the City's budget is adopted.
- COY "rounds down" for its proposed budget to mitigate any decrease in the "final" estimates.

### SALES TAX:

- \$877,470,000 Statewide
- Yuma FY 2024 Estimate = \$14.4 million; 12% of GF Budget

### RISKS:

- State's economy,
- Yuma/State Population ratio

### INCOME TAX:

- Known as Urban Revenue Sharing
- \$ 1,564,820,000 Statewide
- Yuma FY 2024 Estimate = \$25.5 million; 22% of GF Budget

### RISKS:

- State's economy,
- State Legislation,
- Yuma/State Population ration

- State Shared Income Tax Changes
  - State allocation to cities/towns are up from 15% to 18% of the total income tax in FY 2024.
  - A flat tax of 2.5% will start in the middle of FY 2025 and will be fully implemented in FY 2026.
    - The amount of money the City will be receiving from the State Shared Income Tax changes is reserved and put in to a separate account, as it is one-time revenue and should not be combined with recurring funds that are received.
- Expenditures/Expenses
  - Governmental Funds
    - Governmental Funds include:
      - General Fund
      - Highway User Revenue Fund
      - City Road Tax Fund
      - Public Safety Tax Fund
      - Two Precent Tax Fund
    - Total expenditures from the General Fund are at 21%. For this time of the year if expenditures are under 25% the City is on track.
    - Governmental Funds are higher than previous years due to inflationary factors, and supply chain delays. The City is receiving vehicles this year that were ordered two or three years ago, and vehicles ordered this year will be delivered two to three years from now. This trend is likely to continue for several years.

- Enterprise funds
  - Enterprise Funds include:
    - Water
    - Wastewater
    - Solid Waste
  - The Enterprise Funds spending levels are within the 25% bracket, which meets the intended goal.
  - Enterprise funds continue consistent revenue growth compared to last year.
- ARPA (American Rescue Plan Act)
  - Obligate funds by December 31, 2024 (Q2, FY 2025) and spend them by December 31, 2026 (Q2, FY 2027)
  - Project Budget original amount and amended amount will always stay the same.
  - As projects are completed their budgets are adjusted to meet their expenditures, that contingency becomes a hub. Keeping that a positive number is how the other funds stay balanced.
  - To date we have spent \$7.1 million and have obligated \$1.7 million, leaving an available balance of \$15.9 million.

## ARPA (AMERICAN RESCUE PLAN ACT)

The federal government signed the American Rescue Plan Act (ARPA) into law on March 11, 2021. The program provides support to local governments in responding to the economic and public health impacts of COVID-19 and to mitigate impacts on local communities. All expenditures must comply with U.S. Department of Treasury requirements.

On April 6, 2022, City Council adopted Resolution R2022-012 that approved the City's ARPA Project List, which outlines the City's intended uses for the funds. Use of ARPA funding for projects was originally adopted in the FY 2023 City Council approved budget.





ARPA (American Rescue Plan Act)



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ID	Project	Project Budget		Actual Spending				Obligate / Encumbered	Total Spent or Obligate	Available Balance
		Original	Amended	FY 2022	FY 2023	FY 2024	TOTAL			
1	Jobs Education Project	200,000	200,000	-	-	-	-	-	200,000	-
2	Economic Development Marketing	100,000	100,000	-	\$ 85,000	-	\$ 85,000	\$ 10,000	\$ 95,000	5,000
3	Economic Development-Small Business	200,000	200,000	-	-	-	-	-	-	200,000
4	East Mesa Community Park	10,000,000	10,000,000	-	26,485	-	26,485	170,339	196,825	9,803,175
5	City-Wide Parks Revitalization	250,000	222,000	-	3,442	\$ 10,555	19,997	124,630	144,627	77,373
7	Kennedy Regional Park Improve	500,000	535,000	-	35,509	-	405,509	116,304	521,813	13,187
9	Ambulance	500,000	500,000	\$ 61,260	105,616	238,221	405,097	87,902	493,000	7,000
11	Readiness Center AC & Gym Enhance	750,000	715,000	-	-	-	-	-	-	715,000
12	Kennedy Regional Skate Park	2,500,000	2,500,000	-	48,093	-	48,093	295,507	343,600	2,156,400
13	Ventilation System Air Purifier	53,000	53,000	-	50,268	-	50,268	-	50,268	2,732
14	East Wetlands Park Improvements	300,000	300,000	-	-	-	-	-	-	300,000
15	Fire Station Alerting System	250,000	250,000	-	-	-	-	-	-	250,000
18	Audio Upgrade Portable Conference Chamber Sys	25,000	25,000	-	12,007	-	12,007	-	12,007	12,993
19	Fire Station-Ambulance Medical Supplies	130,000	130,000	-	128,037	-	128,037	-	128,037	1,963
20	Technologies Upgrades to 190	100,000	100,000	-	41,049	1,491	42,540	38,488	81,028	18,972
21	COVID Overtime for Public Safety	600,000	600,000	-	-	-	-	-	-	600,000
25	Intelligence Trans Sys PH 1	1,500,000	1,500,000	-	-	-	-	-	-	1,500,000
26	HiW Awning & Repaving of Maint Yd	250,000	333,755	-	213,915	-	213,915	18,201	232,116	101,639
28	Contingency	-	13,843	-	-	-	-	-	-	13,843
6	Castle Park Flooring - COMPLETED	415,000	464,135	-	464,135	-	464,135	-	464,135	✓
8	Playground Replacement Program - COMPLETED	500,000	461,855	-	461,855	-	461,855	-	461,855	✓
10	Fire Station 7 Construction - COMPLETED	2,000,000	2,019,412	-	898,075	268,589	1,166,664	852,748	2,019,412	✓
16	Enterprise Document Mngmnt - REPURPOSED	80,000	-	-	-	-	-	-	-	✓
17	EnerGov Connect Portal - REPURPOSED	20,000	-	-	-	-	-	-	-	✓
22	HERO Pay Bonuses - COMPLETED	1,000,000	1,000,000	1,000,000	-	-	1,000,000	-	1,000,000	✓
23	Boys & Girls Club Funding - COMPLETED	100,000	100,000	-	100,000	-	100,000	-	100,000	✓
24	Public Safety Trk Rehab - COMPLETED	800,000	800,000	-	800,000	-	800,000	-	800,000	✓
27	Location Data Analytic Tool - REPURPOSED	-	-	-	-	-	-	-	-	✓
<b>Total</b>		<b>\$23,123,000</b>	<b>\$23,123,000</b>	<b>\$1,061,260</b>	<b>\$3,849,485</b>	<b>\$518,856</b>	<b>\$5,429,601</b>	<b>\$ 1,714,120</b>	<b>\$7,143,721</b>	<b>\$15,979,278</b>

OBLIGATE  
14  
Months

38  
Months  
SPEND

Obligate by: December 31, 2024 (FY 2025)

Spend by: December 31, 2026 (FY 2027)

Discussion

- The City Sales Tax slide shows categories that the Finance Department monitors closely because the State Legislature looks at those different categories to sometimes make changes during budget season. State Income Tax money is a one-time revenue and should not be combined with money from the general fund and spent on operations or ongoing things with those resources; that money is put in a separate fund. How that money will be used and alternative options to deal with the loss of the one-time revenue would be something to discuss at the next budget meeting. (Shelton/Allen/Simonton/Mayor Nicholls)
- Any room occupied from July to September was included in the hotel revenue, that includes rooms for contractors in the area. (Shoop/Allen)

I. MOTION CONSENT AGENDA

Motion Consent Agenda Item C.4 – Cooperative Purchase Agreement: Parks Playground Equipment Shade Structures (Authorize the purchase, delivery, and installation of two shade structures to Exerplay, Cedar Crest, MN, utilizing the Mohave Educational Services Cooperative Purchase Agreement for an estimated expenditure of \$190,913.86) (CPA-24-108) (Pks & Rec)

**Motion** (Morales/Knight): To continue the Motion Consent Agenda item C.4/MC 2023-166 to the November 15, 2023, Regular Council Meeting. Voice vote: **approved** 6-0.

Motion Consent Agenda Item C.3 – Cooperative Purchase Agreement: Stewart Vincent Wolfe Playground Inclusive Play Project (Authorize the purchase, delivery and installation of inclusive playground equipment from Exerplay, Cedar Crest, MN, utilizing the Mohave Educational Services Cooperative Purchase Agreement at an estimated expenditure of \$223,262.76) (CPA-24-124) (Pks & Rec)

**Urfer** provided an update on the Inclusive Play Project at Stewart Vincent Wolf playground, stating that the project was started over a year ago when City Council heard a presentation by the Liggett family who pointed out that although the park was ADA accessible, it lacked true inclusive play opportunities. **Urfer** stated that through fundraising and several significant local donations, the project has been completed.

**Urfer** also spoke about Yuma Regional Medical Center's contribution to the project and introduced **Robert Trenchel**, President, and CEO of Yuma Regional Medical Center (YRMC), who spoke about the passion and importance of the project to the Yuma community and YRMC. **Trenchel** expressed that it is an honor for YRMC to be part of this project and is proud to support the completion of the West Wetlands inclusive playground, along with the all-new inclusive playground at the East Mesa Park. **Urfer** reiterated that YRMC will be paying for the three inclusive play pieces at the new East Mesa Park.

**Mayor Nicholls** thanked everyone who has contributed to the Inclusive Play Project at the Stewart Vincent Wolf Playground and the new East Mesa Park.

**Motion** (Knight/Morales): To approve the Motion Consent Agenda as recommended with the exception of item C.4, which will continue at the November 15, 2023, Regular Council Meeting. Voice Vote: **approved** 6-0.

A. Approval of minutes of the following City Council meeting(s):

Regular Council Meeting	September 20, 2023
Regular Council Meeting	October 17, 2023

B. Executive Session

Executive Sessions may be held at the next regularly scheduled Special Worksession, Regular Worksession and City Council Meeting for personnel, legal, litigation and real estate matters pursuant to A.R.S. § 38-431.03 Section A (1), (3), (4), and (7). (City Atty)

C. Approval of Staff Recommendations

1. Declare surplus and award the sale of (175) firearms to the highest responsive and responsible offer for a total of \$33,741.00 from the following vendors: (1) Kings Firearms, Columbia, TN. \$2,870.00; (2) Nine Lives Auction, Phoenix, AZ. \$30,586.00; and (3) Sprague's Sports, LLC, Yuma, AZ. \$285.00 (RFO 23-293) (YPD/Fin)
2. Authorize the purchase of Cisco Network devices, equipment, and licensing utilizing a Cooperative Purchase Agreement through the State of Arizona for an estimated total amount of \$368,215.00 to Advanced Network Management, Inc., Scottsdale, AZ (CPA-24-001) (IT/Fin)
3. Authorize the purchase, delivery and installation of inclusive playground equipment from Exerplay, Cedar Crest, MN, utilizing the Mohave Educational Services Cooperative Purchase Agreement at an estimated expenditure of \$223,262.76 (CPA-24-124) (Pks & Rec/Fin)

4. Authorize the purchase, delivery, and installation of two shade structures to Exerplay, Cedar Crest, MN, utilizing the Mohave Educational Services Cooperative Purchase Agreement for an estimated expenditure of \$190,913.86 (CPA-24-108) (Pks & Rec/Fin)
5. Authorize a sole source purchase of Badger Water Meters, encoders, and endpoints to replace existing water meters at an expenditure of \$618,099.62 to: Badger Meter, Milwaukee, WI (SS-24-127) (Utl/Fin)

## II. RESOLUTION CONSENT AGENDA

Resolution R2023-050 – Acceptance of Greater Yuma Port Authority (GYPA) Distribution (Accept GYPA’s proposed distribution of \$155,000.00 to each member agency) (Admn)

**Motion** (Knight/ Morris) to continue Resolution R2023-050 to the December 6, 2023, Regular Council Meeting. Voice Vote: **approved** 6-0.

**Councilmember Knight**, who also serves as a member of the GYPA Board, explained there are some additional details to take care of at the GYPA Executive Board Meeting on November 16, 2023, before continuing with Resolution R2023-050.

## III. ADOPTION OF ORDINANCES CONSENT AGENDA

Ordinance O2023-034 – Amendment: Ordinance O2019-037 (Pursuant to A.R.S. § 9-462.01, conduct a public hearing to determine compliance with the conditions of approval for rezoning Ordinance O2019-037, and introduce an ordinance to amend O2019-037 to extend the time to comply with the rezoning conditions) (Png & Nbhd Svcs/Cmty Png)

### Discussion:

- The five-year mark is extended from the original date of approval in 2019. The five-year extension adds flexibility and sufficient time to comply with the rezoning conditions, and additional requests for extensions will not be necessary. (**Mayor Nicholls/Linville**)

**Motion** (Knight/Morris): To adopt the Ordinances Consent Agenda as recommended.

**Bushong** displayed the following title(s):

### **Ordinance O2023-034**

**An ordinance of the City Council of the City of Yuma, Arizona, amending Ordinance O2019-037 to extend the time for compliance with conditions for the rezoning of certain property from the Agriculture (AG) District to the Light Industrial (L-I) District and amending the zoning map to conform thereto** (Extend the deadline from two years to five years to comply with rezoning conditions) (Png & Nbhd Svcs/Cmty Png)

Roll call vote: **adopted** 6-0.



#### IV. INTRODUCTION OF ORDINANCES

Ordinance O2023-035 – Text Amendment: Accessory Dwelling Units (Amend Title 15, Chapter 154, to update the placement, size, and height of accessory dwellings) (Plng & Nbhd Svcs/Cmty Plng)

##### Discussion:

- **Morris** suggests a clarification on the Ordinance to define 50% of the total square footage of the primary residence to include all covered area.
- All covered areas include the gross square footage of the structure; this includes everything under a roof connected to the structure such as garage, patio, and a front portico. Separate structures like a gazebo or shed would not be included. (**Knight/Morris/Albers**)
- 50% of the entire covered roof area of the structure is reasonable and gives the homeowners and builders more flexibility when building an accessory dwelling unit (ADU), without the unit becoming the primary focus of the property. (**Morris/Mayor Nicholls**)
- ADU's do not require additional parking to be included with the property. Parking is under a separate code and any changes need to be done in a separate action. (**Shoop/Mayor Nicholls/Albers**)
- Changes to the parking code will be coming soon and the parking situation for ADU's will be discussed at this point. (**Simonton**)
- The height requirement for an ADU addresses two different locations. The maximum allowable building height should not exceed the single-family dwelling on site, and ADU's located above a detached garage should not exceed 25 feet. (**Mayor Nicholls/Albers**)
- Some zoning districts have a height limitation for buildings to not exceed 20 feet; ADU's should not exceed the height restriction of the applicable zoning district. (**Morris/Albers**)

##### Speakers

- **Gary Wright**, City resident, asked how ADU's are compliant with Homeowner Association (HOA) restrictions, commercial operations on the property, and homeowner occupancy if the ADU is used as a rental property. **Albers** informs **Wright** of a deed restriction stating the owner will occupy one of the units on the property if the other is used as a rental. **Mayor Nicholls** informed **Wright** that HOA's are not impacted by this change, and residents should abide by HOA rules; commercial use of an ADU is not allowed due to zoning restrictions.

**Motion** (Morris/Morales): To amend Ordinance O2023-035 to read in section 1, C (5), B, *shall not exceed 50% of total square footage of the entire structure of the primary residence to include all covered area.*

Voice Vote: **approved** 6-0.

Ordinance 2023-036 – Text Amendment: Nursing & Personal Care Facilities and Residential Care Homes (Amend Title 15, Chapter 154, of the Yuma City Code to update the definitions and allowable zoning districts for Nursing & Personal Care Facilities and Residential Care Homes) (Plng & Nbhd Svcs/Cmty Plng)

##### Discussion:

- **Gary Wright**, City resident, spoke about federal regulations allowing Assisted Living Facilities in residential units and asks if the regulation can be amended at the local level. **Mayor Nicholls**

informed **Wright** that if the state passes a law, the City can only be more restrictive, not less restrictive.

Ordinance 2023-037 – Yuma City Code Text Amendment: Fireworks (Amend Title 13, Chapter 139 (Yuma City Code §§ 139-004 through 139-010, and § 139-009) to comply with the State preemption of the regulation of Fireworks and Permissible Consumer Fireworks, and incorporate the amendments enacted by Senate Bill 1188, of the Fifty-sixth Legislature, First Regular Session, 2023) (Atty)

Discussion:

- For the City Ordinance to coincide with state law, legal fireworks will not be allowed on Christmas day. (**Shelton/Files**)

**Bushong** displayed the following title(s):

**Ordinance O2023-035**

**An ordinance of the City Council of the City of Yuma, Arizona, amending Chapter 154 of the Yuma City Code, as amended, relating to zoning regulations to update the placement, size and height requirements for accessory dwelling units** (Amend Title 15, Chapter 154, Article 15, Section 16 to update placement, size and height requirements for accessory dwellings) (Plng & Nbhd Svcs/Cmty Plng)

**Ordinance O2023-036**

**An ordinance of the City Council of the City of Yuma, Arizona, amending Chapter 154 of the Yuma City Code, as amended, relating to zoning regulations to update the definitions and allowable zoning districts for nursing and personal care facilities and residential care homes** (Amend to align the City of Yuma zoning code with the State of Arizona statues for residential care facilities) (Plng & Nbhd Svcs/Cmty Plng)

**Ordinance O2023-037**

**An ordinance of the City Council of the City of Yuma, Arizona, amending Title 13, Chapter 139 of the Yuma City Code regulating fireworks within the City** (Amend Yuma City Code to comply with state law) (Atty)

**FINAL CALL**

**Mayor Nicholls** made a final call for the submission of Speaker Request Forms from members of the audience interested in speaking at the Call to the Public.

**V. PUBLIC HEARING AND RELATED ITEMS**

Resolution R2023-048 – General Plan Amendment: YRMC Yuma East Outpatient Medical Campus (Following a public hearing, approve the request to amend the City of Yuma General Plan to change the land use designation from Mixed Use to Commercial, for the properties located at the southeast corner of 24<sup>th</sup> Street and Avenue A) (Plng & Nbhd Svcs/Cmty Plng)

**Mayor Nicholls** opened the public hearing at 6:31 p.m.

**Albers** presented the following information:

- This is request for a General Plan amendment to change land use designation for 9.4 acres from Mixed Used to Commercial.

- Noted that the staff report contained an error as this action is a ‘minor’ amendment, not a ‘major’ amendment.
- Proposed change is for property located at the southeast corner of 24<sup>th</sup> Street and Avenue A.
- Commercial land use designation will allow for land redevelopment and a B-2 District allowing a greater height for new construction; medical offices and related facilities, to include a parking garage.
- Neighbors attended the neighborhood meeting on 08/02/2023 and expressed concerns about existing and future traffic issues on Rosewood Drive.

#### Speakers

- **Alex Laky**, non-resident, presented himself as the architecture representative for the Yuma Regional Medical Center (YRMC) Yuma East Outpatient Medical Campus project. **Laky** spoke about consolidating existing medical programs at YRMC to the new facility for efficient and improved patient care at one location. **Laky** noted that 13 of the 15 existing buildings in the area are scheduled for demolition, to bring new and improved facilities. The remaining buildings will be renovated with improvements for a higher level of care.

**Motion** (Knight/Morris): To close the Public Hearing. Voice vote: **approved** 6-0. The Public Hearing closed at 6:34 p.m.

#### Discussion

- Expressed support of the project, but would like the traffic concerns of neighbors in the area addressed. (**Mayor Nicholls**)
- Also, expressed support of the project, but stated that Rosewood Drive is currently being used as a bypass for traffic on 24<sup>th</sup> Street, and stated that this issue needs to be mitigated for the future increase in traffic flow. (**Knight**)

**Motion** (Knight/Morales): To adopt the Resolution Consent Agenda as Recommended.

**Bushong** displayed the following title(s):

#### **Resolution R2023-048**

**A resolution of the City Council of the City of Yuma, Arizona, amending Resolution R2022-011, the City of Yuma 2022 General Plan, to change the land use designation from Mixed Use to Commercial for properties located at the southeast corner of 24<sup>th</sup> Street and Avenue A (Change the land use designation to Commercial for approximately 9.40 acres) (Plng & Nbhd Svcs/Cmty Plng)**

Roll call vote: **adopted** 6-0

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Resolution R2023-049 – General Plan Amendment: YRMC/AWC Medical Education Building (Following a public hearing, approve the request to amend the City of Yuma General Plan to change the land use designation from Mixed Use to Commercial, for the property located at the northwest corner of 24<sup>th</sup> Street and Elks Lane) (Plng & Nbhd Svcs/Cmty)

**Mayor Nicholls** opened the Public Hearing at 6:39 p.m.

**Albers** presented the following information:

- This is request for a General Plan amendment to change land use designation for 7.2 acres from Mixed Used to Commercial
- Proposed change is for property located at the northwest corner of 24<sup>th</sup> Street and Elks Lane.
- Commercial land use designation will allow for land redevelopment and a B-2 District allowing a greater height for new construction; medical offices and related facilities, to include a parking garage.
- Applicant intends to redevelop the site and build a medical education building.
- Two neighbors attended the neighborhood meeting on 08/09/2023 and asked questions about the construction timeline, the type of development, and noted concerns with construction noise.

#### Speakers

- **Alex Lakey**, non-resident, presented himself as the architecture representative for YRMC Yuma East Outpatient Medical Campus project. **Lakey** speaks about the partnership between YRMC and Arizona Western College and their intent to offer a full course medical education in Yuma that will help with retainment of local clinical expertise. The new state of the art building will offer an experiential training environment for both simulated and virtual instruction.

**Motion** (Knight/Morales): To close the Public Hearing. Voice vote: **approved** 6-0. The Public Hearing closed at 6:42 p.m.

#### Discussion

- Expressed support for this project and looks forward to the project being analyzed in conjunction with the previous project regarding the traffic flow. (**Mayor Nicholls**)
- As the project moves forward, a traffic study will be done to identify any impact or necessary improvements needed to ease traffic in the area. Existing businesses will be included in the traffic study. (**Shoop/Mayor Nicholls**)
- The anticipated duration of construction for the project is 24 months, provided there are no supply chain challenges along the way. Once the contractor is on board with the project, there will be a closer look at noise abatement steps that can be taken and those measures will be shared with neighbors at a later meeting. (**Shelton/Lakey**)

**Motion** (Morris/Knight): To adopt the Resolution Consent Agenda as Recommended.

**Bushong** displayed the following title(s):

#### **Resolution R2023-049**

**A resolution of the City Council of the City of Yuma, Arizona, amending resolution R2022-011, the City of Yuma 2022 General Plan, to change the land use designation from Mixed Use to Commercial for property located at the northwest corner of 24<sup>th</sup> Street and Elks Lane (Change the land use designation to Commercial for approximately 7.18 acres) (Plng & Nbhd Svcs/Cmty Plng)**

Roll call vote: **adopted** 6-0

**VI. VARIANCE APPEAL – 2475 S. 43<sup>RD</sup> TRAIL**

**Motion** (Knight/Morris): Move City Council recesses this City Council meeting and reconvenes as a quasi-judicial body sitting as statutory Board of Adjustment to hear a Variance Appeal. Voice vote: **approved 6-0**. City Council Recessed at 6:48 p.m.

Please see Variance Appeal Minutes, that cover the Variance Appeal, on the City of Yuma website

City Council Reconvenes at 7:01 p.m.

**VII. APPOINTMENTS, ANNOUNCEMENTS AND SCHEDULING**

Appointments

**Motion** (Shoop/Morales): To appoint **Virginia Avelar** to an initial two-year term expiring December 31, 2025, on the American with Disability Act (ADA) Advisory Commission. Voice vote: **approved 6-0**

Announcements

**Knight, Morales, Deputy Mayor Morris, and Mayor Nicholls** reported on events and meetings they have attended during the last two weeks and upcoming events of note.

**VIII. SUMMARY OF CURRENT EVENTS**

**Simonton** reported the following events:

- November 7<sup>th</sup> – City of Yuma Special Election
- November 9<sup>th</sup> – The 14<sup>th</sup> Annual Water Festival hosted by the utilities department at the Pacific Avenue Athletic Complex (PAAC)

**Simonton** reminded citizens to take part and complete the online survey on the City website for The Parks, Arts, Recreation and Trails (PART) Master Plan. In addition, **Simonton** notified citizen that in observance of Veteran’s Day, City Hall would be closed, but there would be no interruption to the City’s trash service. Lastly, **Simonton** informed citizens the Fall Pavement Preservation Project is in effect. Citizens can look at the map on the City website to see when the project will be in their neighborhood.

**IX. CALL TO THE PUBLIC**

**Richard Maynard**, City resident, spoke about volunteering as a representative of Rosewood Drive and attend the traffic mitigation meetings for the YRMC Yuma East Outpatient Medical Campus project. **Maynard** has been living on Rosewood Drive for 67 years and feels that his input regarding traffic on this street will be beneficial.

**Rita Ybarra**, City resident, thanked the Mayor and Council for their support of placing speed bumps and sidewalks on Rosewood Drive. **Ybarra** stated there are school busses that come through Rosewood Drive to drop off students, including special needs students. **Ybarra** would like the safety of these students to be taken into consideration with the new project development.

**X. EXECUTIVE SESSION/ADJOURNMENT**

There being no further business, **Mayor Nicholls** adjourned the meeting at 7:20 p.m. No Executive Session was held.

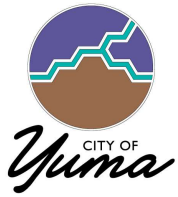
\_\_\_\_\_  
Lynda L. Bushong, City Clerk

APPROVED:

\_\_\_\_\_  
Douglas J. Nicholls, Mayor

DRAFT

Approved at the City Council Meeting of: _____ City Clerk: _____
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City of Yuma  
City Council Report

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**File #:** MC 2023-191

**Agenda Date:** 12/6/2023

**Agenda #:** 2.

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**Regular Council Worksession Draft Minutes November 14, 2023**

**MINUTES**  
**REGULAR CITY COUNCIL WORKSESSION**  
CITY COUNCIL OF THE CITY OF YUMA, ARIZONA  
CITY COUNCIL CHAMBERS - YUMA CITY HALL  
ONE CITY PLAZA, YUMA, ARIZONA  
**November 14, 2023**  
**5:30 p.m.**

**CALL TO ORDER**

**Mayor Nicholls** called the Regular City Council Worksession to order at 5:31 p.m.

Councilmembers Present: Morales, Smith, Knight, Morris, Shoop, Shelton, and Mayor Nicholls  
Councilmembers Absent: None  
Staffmembers Present: Acting City Administrator, John D. Simonton  
Director of Utilities, Jeremy McCall  
Director of Planning and Neighborhood Services, Alyssa Linville  
Chief of Police, Thomas Garrity  
Various department heads or their representatives  
City Attorney, Richard W. Files  
City Clerk, Lynda L. Bushong

**I. UTILITY RATES AND LONG-TERM FINANCIAL PLAN**

**McCall** introduced **Dan Jackson**, Vice President of Willdan Financial Services, to present an overview of the Water and Wastewater 2023 Rate Study and Long-Term Financial Plan as follows:

- Background on Rates
  - Facts about Water and Wastewater Rates in the 21<sup>st</sup> Century
    - The average utility has been increasing rates 5-6% per year; this trend is expected to continue
    - American Water Works Association (AWWA) forecasts that water and wastewater rates across the U.S will triple in the next 15 years
    - Rate adjustments are primarily due to reasons beyond a utility's control – inflation, Capital Improvement Plans (CIP), changing regulations, etc.
    - 30-40% of utilities charge rates that do not cover their costs
  - City of Yuma Rate History
    - The City's last water and wastewater rate adjustment was in January 2019
    - Yuma's average monthly residential charge is currently 25% below the average for Arizona
    - Operating costs continue to increase every year, primarily for reasons beyond the City's control
    - The City must meet certain financial requirements as part of its debt obligations (i.e. debt coverage)



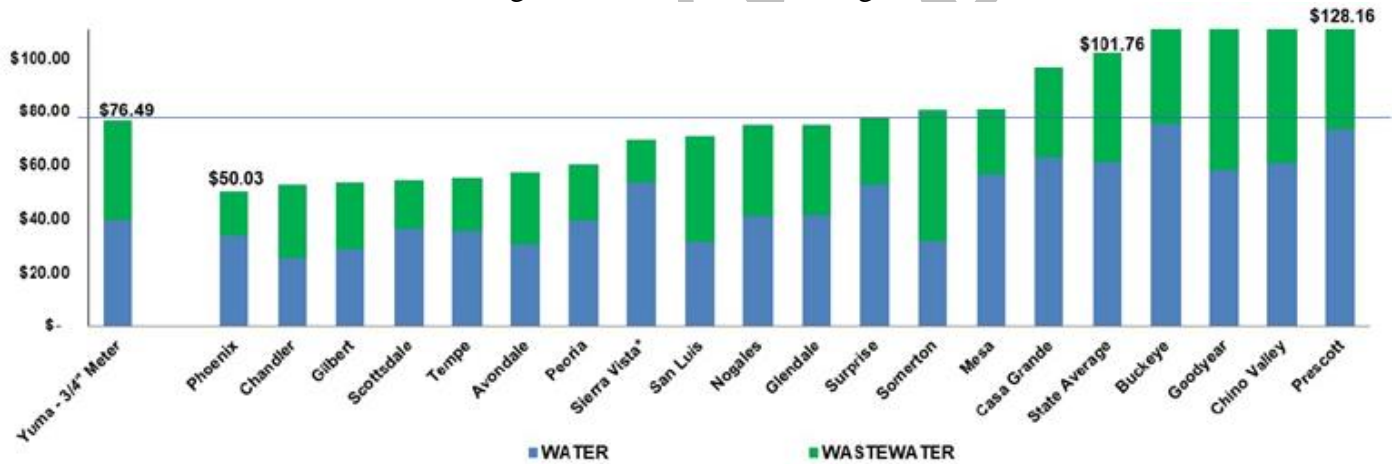
○ Current Water and Wastewater Rate Structure

Water Rates			Wastewater Rates		
Base Charge – All Classes		Inside City	Residential		Inside City
By Meter Size	5/8" x 3/4"	\$ 17.82	Base Charge	All Meter Sizes	\$ 36.91
	1"	21.56	<b>Non-Residential</b>		<b>Inside City</b>
	1 1/2"	27.93	Base Charge	All Meter Sizes	\$ 4.74
	2"	34.26	Usage Charge Per Hundred Cubic Foot		2.10
	3"	62.09	<b>Industrial</b>		<b>Inside City</b>
	4"	93.72	Usage Charge Per Hundred Cubic Foot		\$ 2.10
	6"	172.79	Total Suspended Solids (TSS)/lb		0.30
	8"	251.83	Biochemical Oxygen Demand (BOD)/lb		0.30
<b>Usage Charge Per Hundred Cubic Foot</b>		<b>Inside City</b>			
Residential	0-10	\$ 1.56			
	11-30	1.83			
	31-Above	2.10			
Multi-Family	0-5	1.56			
	6-13	1.83			
	14-Above	2.10			
Commercial and Irrigation	0-Above	1.75			

*NOTE: Outside city rate premium = 33%*

○ Monthly Residential Charge Comparison

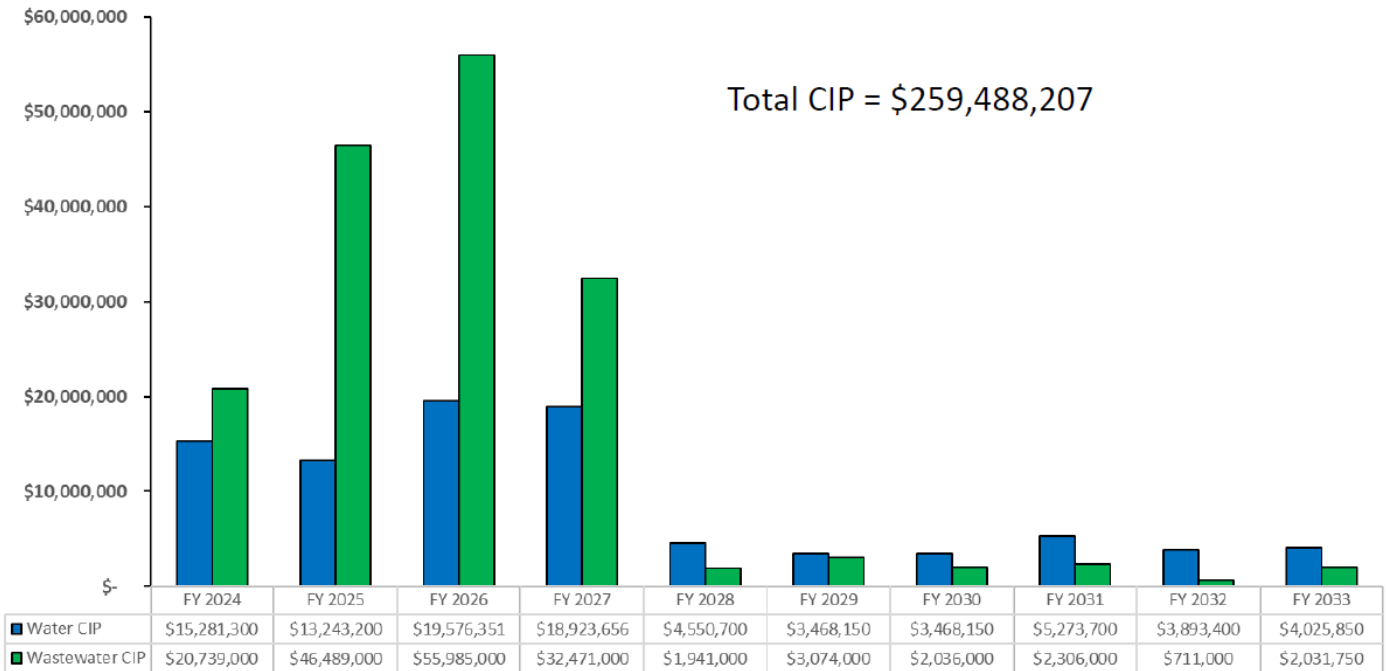
- Based on 10,000 gallons of water and 5,000 gallons of wastewater



Source: 2022 WIFA Water and WW Rates Dashboard  
\* Served by AZ Water Company  
10,000 Gallons = 13.37 hcf



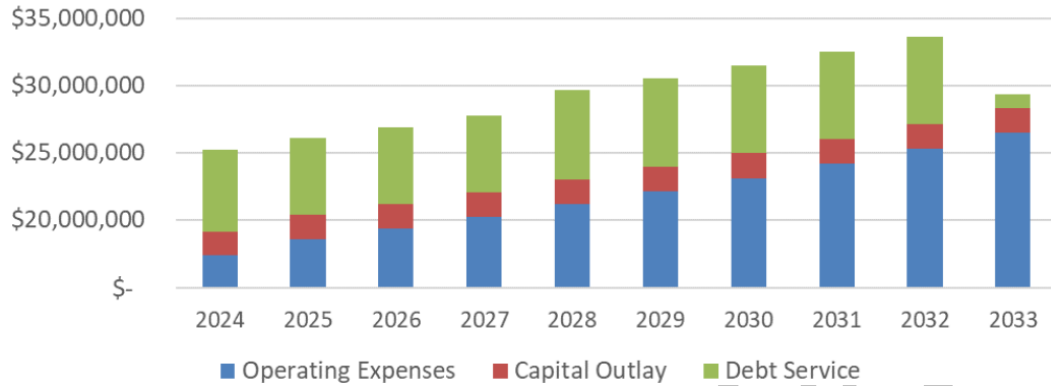
- Current and Forecast Cost of Service
  - Key Assumptions Driving Forecast Financial and Rate Plan
    - Based on Fiscal Year (FY) 2024 Budget Projections
    - Robust growth will moderate need for rate adjustments
    - Inflation adjustment assumed to be 5.0% through FY 2025; afterwards returns to 3.0%
    - Certain expenses increase at higher rates and/or are tied to increases in accounts/volume
    - No significant increase in personnel levels or extraordinary operating expenses
    - Funding of \$259.5 million CIP is most critical component of rate plan
  - CIP FY 2024-2033



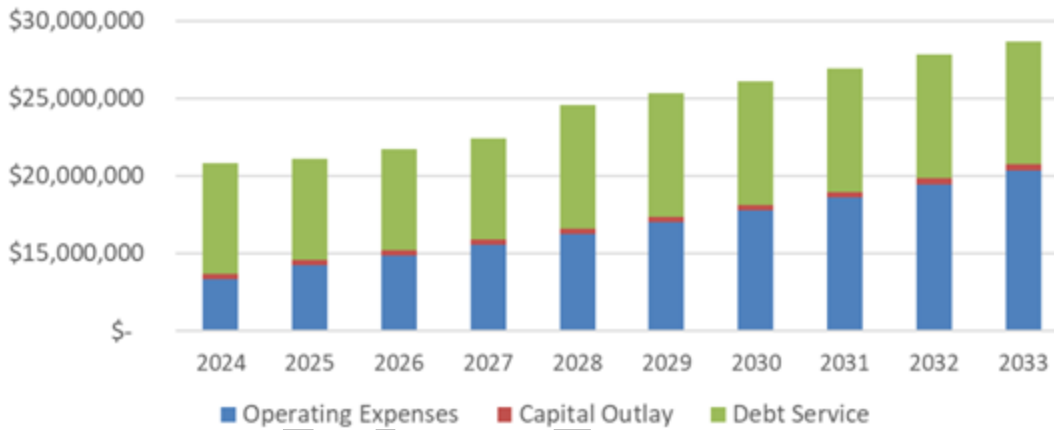
- CIP Funding Sources

Source	Total
Grants	\$ 4,500,000
System Capacity Fees	-
Fund Balances	98,232,955
Series 2021 Bond	83,100,000
<b>Forecast Bond – 2027</b>	<b>37,000,000</b>
<b>Annual Rates</b>	<b>36,655,252</b>
<b>Total</b>	<b>\$ 259,488,207</b>

○ Forecast Costs of Service – Water



○ Forecast Costs of Service – Wastewater



• Rate Plan Scenarios

○ Rate Plan Scenario I – Status Quo

- Recommend implementation of a Five-Year Plan
- Rate adjustment to be effective on January 1<sup>st</sup> of each year 2024-2028
- Assumes no change in rate structure; uniform percentage adjustments for base and usage charges
- Higher adjustments required for wastewater to recover its cost of service
- Addition of an Automated Metering Infrastructure (AMI) Fee

Rate Plan Scenario I: Status Quo – FY 2024-FY 2028 (Inside City)								
Description		Current	Effective Jan-24	Effective Jan-25	Effective Jan-26	Effective Jan-27	Effective Jan-28	
Water	<b>All Customer Classes – By Meter Size</b>	<b>Base Charge</b>						
	5/8" x 3/4"	\$ 17.82	\$ 18.35	\$ 18.91	\$ 19.47	\$ 20.06	\$ 20.66	
	1"	21.56	22.21	22.87	23.56	24.27	24.99	
	1 1/2"	27.93	28.77	29.63	30.52	31.44	32.38	
	2"	34.26	35.29	36.35	37.44	38.56	39.72	
	3"	62.09	63.95	65.87	67.85	69.88	71.98	
	4"	93.72	96.53	99.43	102.41	105.48	108.65	
	6"	172.79	177.97	183.31	188.81	194.48	200.31	
		<b>Usage Charge per hundred cubic foot (hcf)</b>						
	<b>Residential</b>	0-10	1.56	1.61	1.66	1.70	1.76	1.81
		11-30	1.83	1.88	1.94	2.00	2.06	2.12
		31-Above	2.10	2.16	2.23	2.29	2.36	2.43
	<b>Multi-Family</b>	0-5	1.56	1.61	1.66	1.70	1.76	1.81
		6-13	1.83	1.88	1.94	2.00	2.06	2.12
		14-Above	2.10	2.16	2.23	2.29	2.36	2.43
<b>Commercial and Irrigation</b>								
	All Usage	1.75	1.80	1.86	1.91	1.97	2.03	
<b>Automated Metering Infrastructure Fee</b>								
	Per Meter	-	1.00	1.00	1.00	1.00	1.00	
Wastewater		<b>Residential</b>						
	Monthly Charge	\$ 36.91	\$ 38.89	\$ 39.92	\$ 41.52	\$ 43.18	\$ 44.91	
		<b>Non-Residential</b>						
	Base Charge	4.74	4.93	5.13	5.33	5.55	5.77	
	Usage Charge per hcf	2.10	2.18	2.27	2.36	2.46	2.55	
		<b>Industrial</b>						
	Usage charge per hcf	2.10	2.18	2.27	2.36	2.46	2.55	
	Biochemical Oxygen Demand (BOD)/lb	0.30	0.31	0.32	0.34	0.35	0.36	
	Total Suspended Solids (TSS)/lb	0.30	0.31	0.32	0.34	0.35	0.36	

Rate Plan Scenario I – Impact on Monthly Charges FY 2024- FY 2028 (Inside City)							
		Current	Effective Jan-24	Effective Jan-25	Effective Jan-26	Effective Jan-27	Effective Jan-28
<b>Residential 3/4" Meter (Inside City)</b>							
Water hcf	WW hcf						
7		\$ 65.65	\$ <b>67.99</b>	\$ 70.41	\$ 72.92	\$ 75.53	\$ 78.22
	Increase - \$		<b>2.34</b>	2.42	2.51	2.60	2.70
	Increase - %		<b>3.6%</b>	3.6%	3.6%	3.6%	3.6%
13		\$ 75.82	\$ <b>78.46</b>	\$ 81.20	\$ 84.04	\$ 86.97	\$ 90.01
	Increase - \$		<b>2.64</b>	2.74	2.84	2.94	3.04
	Increase - %		<b>3.5%</b>	3.5%	3.5%	3.5%	3.5%
20		\$ 88.63	\$ <b>91.66</b>	\$ 94.79	\$ 98.03	\$ 101.39	\$ 104.86
	Increase - \$		<b>3.03</b>	3.13	3.24	3.36	3.47
	Increase - %		<b>3.4%</b>	3.4%	3.4%	3.4%	3.4%
<b>Commercial – 1 1/2" Meter (Inside City)</b>							
80		\$ 340.67	\$ <b>352.62</b>	\$ 364.99	\$ 377.81	\$ 391.09	\$ 404.84
	Increase - \$		<b>11.95</b>	12.38	12.82	13.28	13.75
	Increase - %		<b>3.5%</b>	3.5%	3.5%	3.5%	3.5%
<i>NOTE: Does not include AMI Fee</i>							

- Rate Plan Scenario II – Conservation
  - Implements additional volume block to encourage conservation
  - No change to residential monthly charge
  - Impact: lesser adjustments for low volume users; higher adjustments for high volume users
  - No change to commercial rates
  - Wastewater Rates same adjustment as Scenario I

Rate Plan Scenario II – Conserve FY 2024-FY 2028 (Inside City)								
Description		Current	Effective Jan-24	Effective Jan-25	Effective Jan-26	Effective Jan-27	Effective Jan-28	
Water	<b>All Customer Classes – By Meter Size</b>	<b>Base Charge</b>						
	5/8" x 3/4"	\$ 17.82	\$ 17.82	\$ 17.82	\$ 17.82	\$ 17.82	\$ 17.82	
	1"	21.56	21.56	21.56	21.56	21.56	21.56	
	1 1/2"	27.93	27.93	27.93	27.93	27.93	27.93	
	2"	34.26	34.26	34.26	34.26	34.26	34.26	
	3"	62.09	62.09	62.09	62.09	62.09	62.09	
	4"	93.72	93.72	93.72	93.72	93.72	93.72	
	6"	172.79	172.79	172.79	172.79	172.79	172.79	
		<b>Usage Charge per hundred cubic foot</b>						
	<b>Residential</b>	0-10	1.56	1.61	1.66	1.70	1.76	1.81
		11-20	1.83	1.93	1.99	2.05	2.11	2.17
		21-30	1.83	2.31	2.38	2.45	2.53	2.60
		31-Above	2.10	2.78	2.86	2.95	3.03	3.13
	<b>Multi-Family</b>	0-5	1.56	1.61	1.66	1.70	1.76	1.81
		6-10	1.83	1.93	1.99	2.05	2.11	2.17
		11-15	1.83	2.31	2.38	2.45	2.53	2.60
		16-Above	2.10	2.78	2.86	2.95	3.03	3.13
		<b>Commercial and Irrigation</b>						
		All Usage	1.75	1.80	1.86	1.91	1.97	2.03
		<b>Automated Metering Infrastructure Fee</b>						
	Per Meter	-	1.00	1.00	1.00	1.00	1.00	

NOTE: Wastewater rates unchanged from Scenario I

Rate Plan Scenario II – Impact on Monthly Charges FY 2024- FY 2028 (Inside City)							
		Current	Effective Jan-24	Effective Jan-25	Effective Jan-26	Effective Jan-27	Effective Jan-28
<b>Residential 3/4" Meter (Inside City)</b>							
Water hcf	WW hcf						
7		\$ 65.65	\$ 67.45	\$ 69.33	\$ 71.27	\$ 73.29	\$ 75.39
	Increase - \$		1.80	1.87	1.94	2.02	2.10
	Increase - %		2.7%	2.8%	2.8%	2.8%	2.9%
13		\$ 75.82	\$ 78.06	\$ 80.25	\$ 82.52	\$ 84.88	\$ 87.32
	Increase - \$		2.24	2.19	2.27	2.36	2.44
	Increase - %		3.0%	2.8%	2.8%	2.9%	2.9%
20		\$ 88.63	\$ 91.56	\$ 94.15	\$ 96.84	\$ 99.63	\$ 102.51
	Increase - \$		2.93	2.60	2.69	2.79	2.89
	Increase - %		3.3%	2.8%	2.9%	2.9%	2.9%
40		\$ 127.93	\$ 142.46	146.58	\$ 150.84	\$ 155.25	\$ 159.81
	Increase - \$		14.53	4.12	4.26	4.41	4.55
	Increase - %		11.4%	2.9%	2.9%	2.9%	2.9%

NOTE: Does not include AMI Fee

- Scenario Comparison
  - The average residential customer uses 1,300 cubic feet of water per month, which is about 10,000 gallons
  - Currently that customer pays \$75.82 per month for service; under Scenario II, they would pay an additional \$2.24 per month
  - Higher volume users will pay more under Scenario II, which will provide an incentive to conserve water
  - Lower volume users, who tend to be lower income and fixed income households, will see a smaller increase under Scenario II
- Summary and Next Steps
  - Summary
    - Rate plans are not just financial decisions – they are social, community, and political decisions
    - Rate plans will result in a financially healthy utility and provide sufficient revenue to continue to maintain a high quality of service
    - Either rate plan will enable the City to pay increased costs, fund needed capital improvements, and invest in the future of the City
  - Next Steps
    - Schedule City Council Meetings in accordance with A.R.S. 9-511
      - City Council adoption of Notice of Intent
      - Public Hearing (60 days later)
      - Adoption of Rate Plan
      - Rate Plan Effective (30 days after adoption)

### Discussion

- Adoption of the Notice of Intent shows that City Council intends to consider a new rate plan, not that they are adopting the new plan today (**Mayor Nicholls/Jackson**)
- It is estimated that only 1-2% of the City's water customers use an average of 40 or more units, while approximately 70% use an average of 13 units or less (**Mayor Nicholls/Jackson**)
- While the Desert Dunes Wastewater Facility expansion is doubling the size of the facility, no additional processes are being added and no additional staff will be required (**Knight/McCall**)
- An elasticity factor was built into the proposed rate plans to take potential future water conservation resulting from the rate increase into consideration (**Knight/Jackson**)
- Conservation rates in general have been very successful in encouraging people to minimize water usage; getting too aggressive too quickly can create a financial hardship for higher volume users, so the proposed plan is intentionally moderate (**Morris/Jackson**)
- The \$1 AMI fee covers the cost of the automated metering service, so there is no need for it to be any higher (**Morales/Jackson**)
- Scenario II minimizes the necessary rate increases to the greatest extent possible, while still covering the costs needed to run the water and wastewater operations (**Shelton/Jackson**)
- It is more financially beneficial for the City to receive return credits for water discharged into the Colorado River than to turn wastewater into potable water (**Shelton/Jackson/McCall**)
- The biggest concern is not the cost of water to the City for resale, but other costs that have increased due to inflation such as chlorine and other chemicals (**Shelton/McCall**)
- A 3% per year increase is a fairly modest cost of living based increase that would be unlikely to be a threat to a business (**Shelton/Jackson**)

- Providing a financial disincentive for water use is more effective than outreach encouraging water conservation (**Shoop/Jackson**)
- Yuma is in a much better position when it comes to water resources than many other cities in Arizona and across the country, due to its diligent planning (**Shoop/Jackson**)
- The average family in the United States uses between 8,000 and 9,000 gallons of water a month; 40 units of water is about 32,000-33,000 gallons of water (**Mayor Nicholls/Jackson**)
- City Council can consider alternative rate plans, such as adding a disincentive to the third tier of Scenario I (**Knight/Jackson**)
- While water conservation is a good thing, using too little water could lead to other communities trying to seize some of Yuma's allocation (**Mayor Nicholls**)
- Water rates are not just a financial matter, but social and political as well; the interests of low income and commercial users both need to be taken into consideration (**Shelton**)

## II. PARKING REGULATION UPDATE

**Linville** presented the following information on the City's current parking regulations and proposed updates to the zoning code:

- Current Code
  - Originally established in 1960
  - Subject to several updates throughout the years
  - The most recent update occurred in 2017
    - Identified parking reductions:
      - To meet industry standards
      - For certain uses in the Infill Overlay District
      - When bicycle parking, charging stations and/or increased landscaping are provided
- Existing Conditions
  - Over parked and under-utilized commercial developments
    - Historically retailers provided excess parking for holiday shopping (Black Friday)
  - Contributes to the urban heat island effect
  - Increases stormwater runoff
  - Results in urban sprawl
  - Decreases availability for development
- Changes in Industry Standard
  - Since the update in 2017, market trends have begun to change the way retailers do business and how consumers obtain goods
  - COVID further changed these trends
  - Expanded options for shopping have reduced the need for large parking lots
    - More shopping is occurring online
    - Retailers are offering curbside pick-up for local buyers and home delivery
- Proposed Updates
  - Shared Parking
    - Encourage the use of shared parking by streamlining and simplifying the requirements for mixed use developments
    - Require the recording of a mutually agreed upon document detailing the terms of the shared parking



- Allow mixed uses to share parking when such uses operate during opposite peak hours
- Parking Space Dimensions
  - Identify the parking space dimensions for all types of parking within one singular location
  - Outline provisions for utilizing compact parking
    - Typical space measures 10' by 19'
    - Compact space will measure 9' by 16'
      - Will be limited to 20% of the total required parking
- Required Parking
  - Reduce the amount of required parking for a variety of commercial uses and multi-family, including:
    - Restaurants
    - Hotels
    - Offices
    - Education facilities
    - One-bedroom multi-family units
- Residential Parking in Front Setback
  - Increase the permitted area of parking within the front setback from 40% to 60%
  - Not negate the need to provide required parking outside of the front setback, which is typically located within a garage or another form of covered parking
- Recreational Vehicle Parking
  - Limit the amount of recreational parking within the front yard setback to one space
  - Encourage the parking and/or storage of additional recreational vehicles beyond one to be located outside of the front yard setback
- Residential Paving
  - In an effort to reduce paving requirements in residential areas, the proposed amendment will:
    - Eliminate the need to pave secondary driveways; and,
    - Will formalize standards for ribbon driveways
- Redevelopment Areas
  - Allow a 20% parking reduction for commercial uses, an increase from the current 10% reduction
  - Allow 50% of the required parking for single-family, two-family and three-family dwellings to utilize on-street parking for required parking

### Discussion

- On-street parking is in the public right-of-way and homeowners do not have any claim to the street in front of their property (**Mayor Nicholls/Linville**)
- Businesses with shared parking arrangements operate on the principle that one business uses the parking spaces when the other does not (for example, an office would use the parking during weekdays, and a church on the weekend); those businesses would be asked to provide sufficient parking for the use that requires the most parking spaces, so in the event that one of the businesses leaves there is still adequate parking to accommodate a variety of new uses (**Mayor Nicholls/Linville**)

- Homes with an Accessory Dwelling Unit (ADU) are not required to provide additional parking for the ADU, but must provide the required parking for the main home (**Shoop/Linville**)
- If a Homeowners Association (HOA) does not allow ADUs, the City Code would not override the HOA's restriction (**Shoop/Linville**)
- The City Code addresses setback requirements, including from street corners, and the Engineering Department requires certain visibility triangles at intersections (**Shoop/Linville**)
- Parking is currently not prohibited for residential streets. Some of Yuma's older neighborhood streets are narrow, but factoring in the typical eight-foot shoulder they still provide sufficient space down the center for public safety and other vehicles to travel (**Shoop/Mayor Nicholls/Linville**)
- Many of the national hotels locating to Yuma have requested that the parking standard be changed from 1.1 spaces per room to one space per room (**Morris/Linville**)
- Increasing the permitted area of parking within the front setback from 40% to 60% will help reduce the number of vehicles parking on the street (**Morris**)
- The parking standards are minimums, and businesses can choose to provide more parking than required (**Shelton/Mayor Nicholls/Linville**)
- The proposed change would allow, but not require, up to 20% of parking to be compact; the remaining spaces would be the standard 10 feet by 19 feet (**Shelton/Linville**)
- Any additions to residential parking would need to comply with requirements for installing new drive cuts and would be at the property owner's expense (**Morales/Linville**)

### III. REGULAR CITY COUNCIL MEETING AGENDA OF NOVEMBER 15, 2023

Motion Consent Agenda Item C.9 – Sole Source: Integrated Ballistic Information System Warranty and Protection Plan (with Forensic Technology Inc., of Largo, Florida, for a total expenditure of \$123,879.00) (GRT-24-140) (YPD)

#### Discussion

- This item is for a one-time purchase to extend the warranty and protection plan for the Integrated Ballistic Information System; the purchase is 100% grant funded (**Mayor Nicholls/Garrity**)

Introduction of Ordinance O2023-038 – Declare Real Property Surplus and Authorize Sale: 150 N. Madison Avenue and 120 N. Main Street (declare surplus and authorize sale through a request for proposal (RFP) or other competitive process) (Econ Dev)

#### Discussion

- Approval of this ordinance will only declare the property surplus; the sale of the property will come back to City Council for separate approval (**Mayor Nicholls/Simonton**)

**IV. EXECUTIVE SESSION/ADJOURNMENT**

There being no further business, **Mayor Nicholls** adjourned the meeting at 7:16 p.m. No Executive Session was held.

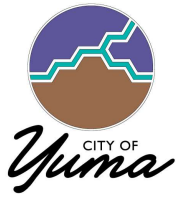
\_\_\_\_\_  
Lynda L. Bushong, City Clerk

APPROVED:

\_\_\_\_\_  
Douglas J. Nicholls, Mayor

DRAFT

Approved at the City Council Meeting of: _____ City Clerk: _____
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# City of Yuma

## City Council Report

**File #:** MC 2023-186

**Agenda Date:** 12/6/2023

**Agenda #:** 1.

DEPARTMENT:	STRATEGIC OUTCOMES	ACTION
<b>Finance</b>	<input type="checkbox"/> Safe & Prosperous <input type="checkbox"/> Active & Appealing <input checked="" type="checkbox"/> Respected & Responsible	<input checked="" type="checkbox"/> Motion <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance - Introduction
<b>DIVISION:</b> <b>Procurement</b>	<input type="checkbox"/> Connected & Engaged <input type="checkbox"/> Unique & Creative	<input type="checkbox"/> Ordinance - Adoption <input type="checkbox"/> Public Hearing

**TITLE:**

**Bid Award: Heating, Ventilation and Air Conditioning (HVAC) Replacement**

**SUMMARY RECOMMENDATION:**

Authorize the purchase of a HVAC unit to the lowest responsive and responsible bidder to Polar Cooling, Yuma, Arizona for a total cost of \$153,634.00. (Building Safety 2018-20000076/ RFB-24-119) (Justin Lewis/Robin R. Wilson)

**STRATEGIC OUTCOME:**

This item supports the City Council's strategic outcome of Respected and Responsible, as it assures the City is being a good steward of public funds by utilizing the lowest responsive and responsible bid.

**REPORT:**

The Facilities Management division has maintained the aging HVAC system at the City Prosecutor's Office (Old APS building) for several years; the existing unit is over 30 years old and is no longer serviceable. Therefore, the needed replacement unit is long overdue.

The replacement unit has a serviceable life of approximately 20 to 25 years, and due to being more efficient, will result in significant operating and maintenance cost reduction.

The City requested bids from Hansberger Refrigeration, Trane, and Polar Cooling; all three vendors are currently under contract for HVAC Services. Polar Cooling shall provide and install the unit and provide a 10-year warranty, as they are the lowest responsive and responsible bidder.

The replaced unit will be disposed of through the surplus process.

**FISCAL REQUIREMENTS:**

CITY FUNDS:	\$ 153,634.00	BUDGETED:	\$ 250,000.00
STATE FUNDS:	\$ 0.00	AVAILABLE TO TRANSFER:	\$ 0.00
FEDERAL FUNDS:	\$ 0.00	IN CONTINGENCY:	\$ 0.00
OTHER SOURCES:	\$ 0.00	FUNDING: ACCOUNT/FUND #/CIP	

TOTAL \$153,634.00

001-97-77.8140 - CONSTRUCTION		
To total; right click number & choose "Update Field"		

**FISCAL IMPACT STATEMENT:**

Sufficient budget capacity is included in the FY 2024 City Council approved budget.

**ADDITIONAL INFORMATION:**

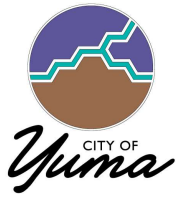
SUPPORTING DOCUMENTS NOT ATTACHED TO THE CITY COUNCIL ACTION FORM THAT ARE ON FILE IN THE OFFICE OF THE CITY CLERK:

NONE

IF CITY COUNCIL ACTION INCLUDES A CONTRACT, LEASE OR AGREEMENT, WHO WILL BE RESPONSIBLE FOR ROUTING THE DOCUMENT FOR SIGNATURE AFTER CITY COUNCIL APPROVAL?

- Department
- City Clerk's Office
- Document to be recorded
- Document to be codified

Acting City Administrator: John D. Simonton	Date: 11/21/2023
Reviewed by City Attorney: Rodney Short for Richard W. Files	Date: 11/20/2023



# City of Yuma

## City Council Report

**File #:** MC 2023-188

**Agenda Date:** 12/6/2023

**Agenda #:** 2.

<b>DEPARTMENT:</b> City Attorney	<b>STRATEGIC OUTCOMES</b> <input type="checkbox"/> Safe & Prosperous <input type="checkbox"/> Active & Appealing <input checked="" type="checkbox"/> Respected & Responsible <input type="checkbox"/> Connected & Engaged <input type="checkbox"/> Unique & Creative	<b>ACTION</b> <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance - Introduction <input type="checkbox"/> Ordinance - Adoption <input type="checkbox"/> Public Hearing
<b>DIVISION:</b> -		

**TITLE:**  
**Settlement: Calder and Calder-Phillips v. City of Yuma**

**SUMMARY RECOMMENDATION:**  
 Authorize settlement of the Calder and Calder-Phillips Claims. (City Attorney) (Richard Files)

**STRATEGIC OUTCOME:**  
 The resolution of this claim supports the City Council's respected and responsible strategic outcome.

**REPORT:**  
 This settlement involves a wrongful death claim stemming from an incident on December 13, 2022.

The City's insurance carrier engaged in early mediation to settle the two claims to avoid a lawsuit and the expenses of litigation. The parties negotiated a full and fair global settlement of \$1 million to fully and finally resolve these claims. To accomplish this, the City will contribute the remainder of the City's self-insurance retention (deductible) towards settlement and Travelers Insurance Company will pay the balance.

The City Attorney's Office recommends approval of this settlement to obtain a full and final release of all claims alleged by the Claimants.

**FISCAL REQUIREMENTS:**

CITY FUNDS:	\$287,843.50	BUDGETED:	\$300,000.00
STATE FUNDS:	\$ 0.00	AVAILABLE TO TRANSFER:	\$ 0.00
FEDERAL FUNDS:	\$ 0.00	IN CONTINGENCY:	\$ 0.00
OTHER SOURCES:	\$ 0.00	FUNDING: ACCOUNT/FUND #/CIP	
TOTAL \$287,843.50			
-			
To total; right click number & choose "Update Field"			

**FISCAL IMPACT STATEMENT:**  
 NONE

**ADDITIONAL INFORMATION:**

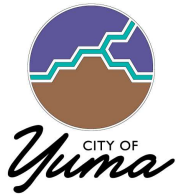
SUPPORTING DOCUMENTS NOT ATTACHED TO THE CITY COUNCIL ACTION FORM THAT ARE ON FILE IN THE OFFICE OF THE CITY CLERK:

NONE

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- Department
- City Clerk's Office
- Document to be recorded
- Document to be codified

Acting City Administrator: John D. Simonton	Date: 11/21/2023
Reviewed by City Attorney: Rodney Short for Richard W. Files	Date: 11/20/2023



# City of Yuma

## City Council Report

File #: MC 2023-189

Agenda Date: 12/6/2023

Agenda #: 3.

DEPARTMENT:	STRATEGIC OUTCOMES	ACTION
Finance	<input checked="" type="checkbox"/> Safe & Prosperous	<input checked="" type="checkbox"/> Motion
	<input type="checkbox"/> Active & Appealing	<input type="checkbox"/> Resolution
	<input type="checkbox"/> Respected & Responsible	<input type="checkbox"/> Ordinance - Introduction
DIVISION:	<input type="checkbox"/> Connected & Engaged	<input type="checkbox"/> Ordinance - Adoption
Procurement	<input type="checkbox"/> Unique & Creative	<input type="checkbox"/> Public Hearing

**TITLE:**

**RFQ Award: Desert Dunes Water Reclamation Facility Capacity Increase**

**SUMMARY RECOMMENDATION:**

Authorize the City Administrator to execute a contract for the construction of the Desert Dunes Water Reclamation Facility (WRF) Capacity Increase Project to the Construction Manager at Risk (CMAR) contractor PCL Construction, Inc., Tempe, Arizona in the amount not to exceed, \$94,069,589.00. (Engineering- RFQ-21-178) (David Wostenberg/ Robin R. Wilson)

**STRATEGIC OUTCOME:**

This item supports the City Council’s strategic outcome of Safe and Prosperous. The expansion and upgrade of the Desert Dunes WRF will improve the wastewater treatment process and substantially increase the capacity for future growth and development.

**REPORT:**

Over the last several years, the City of Yuma experienced above average increases in domestic and industrial wastewater flows within the Desert Dunes Water Reclamation Facility service area. As a result of the projected continued growth in wastewater flows and loads, the city had identified the need to expand the existing Desert Dunes Water Reclamation Facility.

The project consists of expanding the current treatment capacity from 3.3 million gallons per day (MGD) to 6.6 million gallons per day. The expansion and upgrade will include, but is not limited to the following:

- Installation of a second aeration basin
- Installation of a third secondary clarifier
- Expansion of existing return activate sludge pumping facilities
- Installation of disc filters
- Expansion of existing effluent metering facilities
- Installation of an aerobic digester
- Installation of an ultraviolet disinfection system
- Installation of a headworks influent system
- Installation of an influent screening system
- Installation of a waste activated sludge thickening system
- Upgrades and expansion to the existing electrical, and instrumentation/control system relative to the work identified above.



The selected CMAR contractor is PCL Construction Inc. The CMAR construction cost proposal is \$94,069,589.00.

**FISCAL REQUIREMENTS:**

CITY FUNDS:	\$ 94,069,589.00	BUDGETED:	\$ 96,000,000.00
STATE FUNDS:	\$ 0.00	AVAILABLE TO TRANSFER:	\$1,069,589.00
FEDERAL FUNDS:	\$ 0.00	IN CONTINGENCY:	-
OTHER SOURCES:	\$ 0.00	FUNDING: ACCOUNT/FUND #/CIP	

TOTAL \$94,069,589.00

0048-SEWER12 450 Bond Fund 432 Wastewater Capacity Fund		
To total; right click number & choose "Update Field"		

**FISCAL IMPACT STATEMENT:**

Proceeds from the Bonds were received in 2021. The additional customers will generate an increase in revenue. Funding will be authorized for each fiscal year in the CIP.

**ADDITIONAL INFORMATION:**

SUPPORTING DOCUMENTS NOT ATTACHED TO THE CITY COUNCIL ACTION FORM THAT ARE ON FILE IN THE OFFICE OF THE CITY CLERK:

NONE

IF CITY COUNCIL ACTION INCLUDES A CONTRACT, LEASE OR AGREEMENT, WHO WILL BE RESPONSIBLE FOR ROUTING THE DOCUMENT FOR SIGNATURE AFTER CITY COUNCIL APPROVAL?

- Department
- City Clerk's Office
- Document to be recorded
- Document to be codified

Acting City Administrator: John D. Simonton	Date: 11/28/2023
Reviewed by City Attorney: Richard W. Files	Date: 11/29/2023



# City of Yuma

## City Council Report

**File #:** R2023-050

**Agenda Date:** 12/6/2023

**Agenda #:** 1.

	<b>STRATEGIC OUTCOMES</b>	<b>ACTION</b>
<b>DEPARTMENT:</b> City Administration	<input type="checkbox"/> Safe & Prosperous <input type="checkbox"/> Active & Appealing <input checked="" type="checkbox"/> Respected & Responsible	<input type="checkbox"/> Motion <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance - Introduction
<b>DIVISION:</b> -	<input type="checkbox"/> Connected & Engaged <input type="checkbox"/> Unique & Creative	<input type="checkbox"/> Ordinance - Adoption <input type="checkbox"/> Public Hearing

**TITLE:**  
**Acceptance of Greater Yuma Port Authority (GYPA) Distribution**

**SUMMARY RECOMMENDATION:**  
 Accept GYPA’s proposed distribution of \$155,000.00 to each member agency. (City Administration) (Jay Simonton)

**STRATEGIC OUTCOME:**  
 As a partner in GYPA’s mission to promote the economic well-being of the Yuma County region, acceptance of GYPA’s proposed distribution of \$155,000.00 furthers the City Council’s Respected and Responsible strategic outcome.

**REPORT:**  
*CLERK NOTE: This item was continued from the November 1, 2023 City Council Meeting through an approved motion by City Council.*

GYPA is an intergovernmental agency created for the sole purpose of promoting and developing the new port district and to ensure the economic well-being of the Yuma County region. The members of GYPA include the City of Yuma, the City of San Luis, Yuma County, and the Cocopah Indian Nation. Each member has two board members, with one board member being from the elected body.

At an October 4, 2023, meeting, the GYPA Board of Directors (“GYPA Board”) adopted the following Resolution:

“RESOLVED that the appointed representatives of each member agency shall deliver to their respective member agency a proposal to make a distribution of \$155,000.00 to each agency and shall report back to the [GYPA Board] and Executive Director the views of its governing body.”

Under the distribution, the City of Yuma will net \$55,000.00 due to an outstanding deferred cash call payment due to GYPA from Fiscal Years 2013 and 2014 in an aggregate amount of \$100,000.00.

**FISCAL REQUIREMENTS:**

CITY FUNDS:	\$ 0.00	BUDGETED:	\$ 0.00
STATE FUNDS:	\$ 0.00	AVAILABLE TO TRANSFER:	\$ 0.00
FEDERAL FUNDS:	\$ 0.00	IN CONTINGENCY:	\$ 0.00
OTHER SOURCES:	\$ 0.00	FUNDING: ACCOUNT/FUND #/CIP	
TOTAL \$ 0.00			
-			
To total; right click number & choose "Update Field"			

**FISCAL IMPACT STATEMENT:**

Accepting GYPA's proposed distribution of \$155,000.00 will result in a net gain of \$55,000.00 to the City of Yuma's balance sheet.

**ADDITIONAL INFORMATION:**

SUPPORTING DOCUMENTS NOT ATTACHED TO THE CITY COUNCIL ACTION FORM THAT ARE ON FILE IN THE OFFICE OF THE CITY CLERK:

NONE

IF CITY COUNCIL ACTION INCLUDES A CONTRACT, LEASE OR AGREEMENT, WHO WILL BE RESPONSIBLE FOR ROUTING THE DOCUMENT FOR SIGNATURE AFTER CITY COUNCIL APPROVAL?

- Department
- City Clerk's Office
- Document to be recorded
- Document to be codified

Acting City Administrator: John D. Simonton	Date: 11/21/2023
Reviewed by City Attorney: Rodney Short for Richard W. Files	Date: 11/20/2023

**RESOLUTION NO. R2023-050**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUMA,  
ARIZONA, ACCEPTING A PROPOSED DISTRIBUTION FROM THE  
GREATER YUMA PORT AUTHORITY**

WHEREAS, the City of Yuma is a member of the Greater Yuma Port Authority (“GYPA”), along with the City of San Luis, Yuma County, and the Cocopah Indian Nation; and,

WHEREAS, at a meeting of the GYPA Board of Directors (“GYPA Board”) held on October 4, 2023, the GYPA Board adopted the following Resolution:

*“RESOLVED that the appointed representatives of each member agency shall deliver to their respective member agency a proposal to make a distribution of \$155,000.00 to each agency and shall report back to the [GYPA Board] and Executive Director the views of its governing body;” and,*

WHEREAS, the City of Yuma has a total outstanding deferred cash call payment due to GYPA in the amount of \$100,000.00 from FY2013 and FY2014, the net amount to be received by the City of Yuma from the proposed distribution will be \$55,000.00.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Yuma as follows:

SECTION 1: The City of Yuma accepts the proposed \$155,000.00 distribution from GYPA.

SECTION 2: The City Administrator is authorized, on behalf of the City of Yuma, to take all actions necessary to accept the GYPA distribution as described in this Resolution.

Adopted this \_\_\_\_ day of December, 2023.

APPROVED:

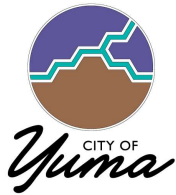
\_\_\_\_\_  
Douglas J. Nicholls  
Mayor

ATTESTED:

\_\_\_\_\_  
Lynda L. Bushong  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Richard W. Files  
City Attorney



# City of Yuma

## City Council Report

File #: O2023-038

Agenda Date: 11/15/2023

Agenda #: 1.

	<b>STRATEGIC OUTCOMES</b>	<b>ACTION</b>
<b>DEPARTMENT:</b> City Administration	<input type="checkbox"/> Safe & Prosperous	<input type="checkbox"/> Motion
	<input type="checkbox"/> Active & Appealing	<input type="checkbox"/> Resolution
	<input checked="" type="checkbox"/> Respected & Responsible	<input type="checkbox"/> Ordinance - Introduction
<b>DIVISION:</b> Economic Development	<input type="checkbox"/> Connected & Engaged	<input checked="" type="checkbox"/> Ordinance - Adoption
	<input type="checkbox"/> Unique & Creative	<input type="checkbox"/> Public Hearing

**TITLE:**

**Declare Real Property Surplus and Authorize Sale: 150 N. Madison Avenue and 120 N. Main Street**

**SUMMARY RECOMMENDATION:**

Declare vacant City of Yuma-owned real property surplus and authorize the sale through a request for proposal (RFP) process (or other competitive process) for the City-owned properties located at 150 N. Madison Avenue and 120 N. Main Street. (Economic Development) (Jeff Burt)

**STRATEGIC OUTCOME:**

This action supports City Council’s Respected and Responsible strategic outcome as the sale of surplus City property brings the City revenue, creates infill development opportunities for private development, converts unused parcels to a productive use, and generates property tax revenue for the City, school district, and other taxing entities.

**REPORT:**

The City owns the vacant parcels located at 150 N. Madison Avenue (Parcel 1) and 120 N. Main Street (Parcel 2). The City acquired Parcel 2 which included an office structure. The building was renovated and used to house the City’s Financial Services and Human Resource Departments until they were relocated to the new City Hall in 2002. Parcel 1 was acquired by the City in furtherance of North End Redevelopment.

Since 2005, the subject parcels were encumbered under a Master Development and Disposition Agreement which the parties terminated pursuant to a partial termination agreement in July 2022. Parcel 1 consists of approximately 52,607 square feet and Parcel 2 totals 14,404 square feet. Both parcels of real property are no longer required by the City and can be returned through a competitive process to private ownership and placed on the property tax roll.

It is contemplated the parcels will be offered for sale to the public utilizing a project-based request for proposal (RFP) or other competitive process, each subject to a real property sale and development agreements to be approved by City Council resolution. The agreements will include the terms relating to the timing of development as well as other development requirements, the purchase price and closing instructions. General Plan Conformity Reports will be prepared for the parcels to confirm the proposed uses of the parcels are in conformance with the City’s General Plan. The RFP or other competitive process will allow City Council to base its award decision on a project basis and to consider uses most suitable to downtown redevelopment.

The return of Parcel 1 and 2 to the tax rolls will be in the best interest of the public as the properties are no longer needed by the City and create ongoing maintenance requirements including insurance.

The attached proposed ordinance declares Parcel 1 and Parcel 2 surplus and authorizes City staff to proceed with the sale of the properties as described.

**FISCAL REQUIREMENTS:**

CITY FUNDS:	\$ 0.00	BUDGETED:	\$ 0.00
STATE FUNDS:	\$ 0.00	AVAILABLE TO TRANSFER:	\$ 0.00
FEDERAL FUNDS:	\$ 0.00	IN CONTINGENCY:	\$ 0.00
OTHER SOURCES:	\$ 0.00	FUNDING: ACCOUNT/FUND #/CIP	
TOTAL \$ 0.00			
-			
To total; right click number & choose "Update Field"			

**FISCAL IMPACT STATEMENT:**

The City would receive a one-time revenue of the purchase price of each parcel and a revenue increase associated with property tax collections. The City will also realize a cost savings by no longer maintaining or insuring the parcels.

**ADDITIONAL INFORMATION:**

SUPPORTING DOCUMENTS NOT ATTACHED TO THE CITY COUNCIL ACTION FORM THAT ARE ON FILE IN THE OFFICE OF THE CITY CLERK:

NONE

IF CITY COUNCIL ACTION INCLUDES A CONTRACT, LEASE OR AGREEMENT, WHO WILL BE RESPONSIBLE FOR ROUTING THE DOCUMENT FOR SIGNATURE AFTER CITY COUNCIL APPROVAL?

- Department
- City Clerk's Office
- Document to be recorded
- Document to be codified

Acting City Administrator: John D. Simonton	Date: 11/06/2023
Reviewed by City Attorney: Richard W. Files	Date: 11/03/2023

**ORDINANCE NO. O2023-038**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUMA, ARIZONA, DECLARING CERTAIN CITY-OWNED REAL PROPERTIES, HEREAFTER DESCRIBED, SURPLUS FOR CITY USE AND AUTHORIZING THE SALE OF EACH OF THE SURPLUS PROPERTIES THROUGH SEPARATE OR COLLECTIVE COMPETITIVE PROCESSES SUCH AS REQUESTS FOR PROPOSALS**

WHEREAS, the City of Yuma (City) is authorized, pursuant to the Yuma City Charter, Article III, Section 2, to acquire and dispose of real property; and,

WHEREAS, the City acquired certain real properties, one parcel of which is located at the northwest corner of N. Madison Avenue and W. 1<sup>st</sup> Street (Parcel 1), legally described and depicted in Exhibit A; and,

WHEREAS, the second parcel is located at 120 N. Main Street (Parcel 2), legally described and depicted in Exhibit B; and,

WHEREAS, since 2005, the described properties were encumbered under a Master Development and Disposition Agreement which the parties terminated pursuant to a partial termination recorded as Yuma County Recorder's Fee #2022-23700; and,

WHEREAS, both parcels of real property are no longer required by the City and can be returned through a competitive process to private ownership and placed on the property tax roll as a productive use within the City.

NOW THEREFORE, BE IT ORDAINED by the City Council of the City of Yuma as follows:

SECTION 1: The real properties described in Exhibit A and Exhibit B, attached and by this reference made a part of this Ordinance, are declared surplus for use by the City and the sale of the surplus properties will serve the public interest of the City and would be of public benefit.

SECTION 2: City staff is authorized and directed to perform all acts necessary to effectuate the exchange or sale of the City Property through the use of separate or collective Request For Proposals or other competitive processes, with the award of the sale documented in a real property sale and development agreement approved by City Council resolution that, among other things, includes conditions relating to the timing of the development of each surplus parcel, project description, and other development related considerations, all in accordance with the conditions of this ordinance.

SECTION 3: The City Administrator is authorized to execute all necessary documents on behalf of the City of Yuma to affect the sale and transfer of the City surplus properties identified in Exhibit A and Exhibit B.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

APPROVED

\_\_\_\_\_  
Douglas J. Nicholls  
Mayor

ATTEST:

\_\_\_\_\_  
Lynda L. Bushong  
City Clerk

APPROVED AS TO FORM

\_\_\_\_\_  
Richard W. Files  
City Attorney



**Exhibit A to Ordinance No.02023-038**

Legal Description

APN: 633-36-259

Old APN: 633-36-258

GIS Address: 150 N. Madison Avenue

A portion of Section 35, Township 16 South, Range 22 East of the San Bernardino Base and Meridian, City of Yuma, Yuma County, State of Arizona, and more particularly described as:

Lot 8 of the Pivot Point Yuma subdivision, dated 12/17/2013, FEE# 2013-33774, recorded in Book 26 of Plats, Pages 92 through 96, Yuma County Records.

Containing 52,607 square feet or 1.2077 acres, more or less.

City Engineer's Approval of Legal Description	Date:



NOTE: THIS MAP IS PREPARED TO  
SHOW GENERAL SITE LOCATION ONLY.

EXHIBIT "A"  
APN: 633-36-259

Prepared by: JOHN NYE

CITY OF YUMA  
ENGINEERING DEPARTMENT

Date: 7-5-2023  
SCALE: N.T.S.



**Exhibit B to Ordinance No.02023-038**

Legal Description

APN: 633-36-262

Old APN: 633-36-207, 633-36-208, 633-36-209, 633-36-210

New GIS Address: 120 N. Main Street

A portion of Section 35, Township 16 South, Range 22 East of the San Bernardino Base and Meridian, City of Yuma, Yuma County, State of Arizona, and more particularly described as:

Lot 7 of the Amended Map of KGH Lot Split, dated 2/5/2018, FEE# 2018-03035, recorded in Book 29 of Plats, Page 63, Yuma County Records.

Containing 14,404 square feet or 0.3307 of an acre, more or less.

City Engineer's Approval of Legal Description	Date:





NOTE: THIS MAP IS PREPARED TO  
SHOW GENERAL SITE LOCATION ONLY.

EXHIBIT "B"  
APN: 633-36-262



Prepared by: JOHN NYE	CITY OF YUMA ENGINEERING DEPARTMENT
-----------------------	--

Date: 7-5-2023
SCALE: N.T.S.



# City of Yuma

## City Council Report

**File #:** O2023-039

**Agenda Date:** 12/6/2023

**Agenda #:** 1.

	<b>STRATEGIC OUTCOMES</b>	<b>ACTION</b>
<b>DEPARTMENT:</b> <b>Planning &amp; Neighborhood Svc</b>	<input checked="" type="checkbox"/> Safe & Prosperous <input type="checkbox"/> Active & Appealing <input type="checkbox"/> Respected & Responsible	<input type="checkbox"/> Motion <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Ordinance - Introduction
<b>DIVISION:</b> <b>Community Planning</b>	<input type="checkbox"/> Connected & Engaged <input checked="" type="checkbox"/> Unique & Creative	<input type="checkbox"/> Ordinance - Adoption <input type="checkbox"/> Public Hearing

**TITLE:**  
**Text Amendment: Home Occupations**

**SUMMARY RECOMMENDATION:**  
 Amend Title 15, Chapter 154 of the Yuma City Code, to update the permitted Home Occupations. (Planning and Neighborhood Services/Community Planning) (Alyssa Linville)

**STRATEGIC OUTCOME:**  
 This proposed text amendment will expand the permitted home occupations, increasing employment opportunities within residential districts, in support of the City Council’s strategic outcomes of Safe and Prosperous and Unique and Creative.

**REPORT:**  
 The City of Yuma adopted the Home Occupation ordinance on July 7, 2010, as Ordinance O2010-32. The purpose of the Home Occupation ordinance is to permit and regulate the conduct of home occupations in a dwelling unit and ensure that home occupations do not have a negative impact on adjacent and nearby residential properties and uses.

The proposed text amendment would expand the permitted home occupations and increase employment opportunities within residential districts. Many people are making personal decisions to work from their residence instead of commuting to a physical place of employment and it is important to recognize these changes in today’s workforce. This proposed text amendment would allow more residents of the community to use their residence as a place to enhance or fulfill personal economic goals, while maintaining the character and integrity of the residential neighborhood.

This text amendment also aligns the City of Yuma zoning code with the State of Arizona statutes for Home Occupations. Currently, the zoning code limits the number of employees to the residents of the principal dwelling unit on the site. State statute allows home-based businesses to employ residents of the primary dwelling, immediate family members, and up to two individuals who are not residents of the primary dwelling. In addition, state statute allows having more than one client on the property at one time.

**PUBLIC COMMENTS - EXCERPT FROM PLANNING AND ZONING COMMISSION MEETING MINUTES:**

**QUESTIONS FOR STAFF**

“Commissioner Branden Freeman said he is pleased with the proposed text amendment.

“Commissioner John Mahan asked if no other sections of the code related to home occupation would change. Amelia Domby, Senior Planner confirmed.

**PUBLIC COMMENT**

“Gary Wright, 1801 S. 13<sup>th</sup> Avenue, Yuma, AZ asked what home occupations were allowed. Gary Wright asked if the proposed amendment would increase on-street parking, taking away rights from homeowners. Gary Wright also expressed concerns on how the City would manage home businesses.

“Chairman Chris Hamel asked if the amount of parking once a home occupancy goes in effect, would not exceed the parking requirements. Amelia Domby, Senior Planner clarified that the Home Occupation code was adopted in 2010 and that the parking would be limited to one parking spot related to the home occupation.

“Commissioner John Mahon said that neighborhoods wouldn’t be affected by the proposed text amendment, and that it would be great for people who are trying to start or grow their business from home.

“Motion by Branden Freeman, Planning and Zoning Commissioner, second by Joshua Scott, Planning and Zoning Commissioner to APPROVE Case Number ZONE-41786-2023, to amend Title 15, Chapter 154, to update permitted home occupations.

“Motion carried unanimously (5-0) with Edgar Olvera - Planning and Zoning Commissioner and Ashlie Pendleton - Planning and Zoning Commissioner absent.’

**FISCAL REQUIREMENTS:**

CITY FUNDS:	\$ 0.00	BUDGETED:	\$ 0.00
STATE FUNDS:	\$ 0.00	AVAILABLE TO TRANSFER:	\$ 0.00
FEDERAL FUNDS:	\$ 0.00	IN CONTINGENCY:	\$ 0.00
OTHER SOURCES:	\$ 0.00	FUNDING: ACCOUNT/FUND #/CIP	
TOTAL \$ 0.00			
-			
To total; right click number & choose "Update Field"			

**FISCAL IMPACT STATEMENT:**

NONE

**ADDITIONAL INFORMATION:**

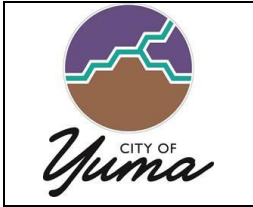
SUPPORTING DOCUMENTS NOT ATTACHED TO THE CITY COUNCIL ACTION FORM THAT ARE ON FILE IN THE OFFICE OF THE CITY CLERK:

NONE

IF CITY COUNCIL ACTION INCLUDES A CONTRACT, LEASE OR AGREEMENT, WHO WILL BE RESPONSIBLE FOR ROUTING THE DOCUMENT FOR SIGNATURE AFTER CITY COUNCIL APPROVAL?

- Department
- City Clerk’s Office
- Document to be recorded
- Document to be codified

Acting City Administrator: John D. Simonton	Date: 11/21/2023
Reviewed by City Attorney: Rodney Short for Richard W. Files	Date: 11/20/2023



**STAFF REPORT TO THE PLANNING AND ZONING COMMISSION  
 DEPARTMENT OF PLANNING AND NEIGHBORHOOD SERVICES  
 COMMUNITY PLANNING DIVISION  
 CASE TYPE – TEXT AMENDMENT  
 CASE PLANNER: AMELIA DOMBY**

**Hearing Date**    October 23, 2023

**Case Number:**    ZONE-41786-2023

**Project Description:**    This is a request by the City of Yuma for a Zoning Code Text Amendment of Title 15, Chapter 154, to update permitted Home Occupations.

**Staff recommendation:**    Staff recommends **APPROVAL** of the text amendment to update the permitted Home Occupations.

**Suggested Motion:**    Move to **APPROVE** the text amendment ZONE-41786-2023 as presented in the staff report.

**Effect of the Approval:**    By approving the text amendment, the Planning and Zoning Commission is recommending approval to City Council for the request to update the permitted Home Occupations.

**Staff Analysis:**    The City of Yuma adopted the Home Occupation ordinance on July 7, 2010, as Ordinance O2010-32. The purpose of the Home Occupation ordinance is to permit and regulate the conduct of home occupations in a dwelling unit and ensure that home occupations do not have a negative impact on adjacent and nearby residential properties and uses.

The proposed text amendment would expand the permitted home occupations and increase employment opportunities within residential districts. Many people are making personal decisions to work from their residence instead of commuting to a physical place of employment and it is important to recognize these changes in today’s workforce. This proposed text amendment would allow more residents of the community to use their residence as a place to enhance or fulfill personal economic goals, while maintaining the character and integrity of the residential neighborhood.

This text amendment also aligns the City of Yuma zoning code with the State of Arizona statutes for Home Occupations. Currently, the zoning code limits the number of employees to the residents of the principal dwelling unit on the site. State statute allows home-based businesses to employ residents of the primary dwelling, immediate family members, and up to two individuals who are not residents of the primary dwelling. In addition, state statute allows having more than one client on the property at one time.

**1. Does the proposed amendment implement the goals, objectives and policies of the General Plan?**

Yes. The City of Yuma General Plan Land Use Chapter Goal 3.0 specifically addresses the need to create a community with an excellent quality of life with a targeted objective and policy that encourages promoting a multitude of employment opportunities.

**Goal 3.0:** Create a community with an excellent quality of life.

Objective 3.1: Provide opportunities in Yuma that exemplify a great community to live, work and play.



Policy 3.1.1: *The City shall maintain a balance of residential types, promote a multitude of employment opportunities, and provide easily accessible daily retail and service needs.*

**2. Does the proposed amendment fit the overall purpose and intent of the zoning ordinance?**

Yes. The amendment fits the overall purpose and intent of the zoning ordinance.

**3. Will the proposed amendment change the range of uses identified in the zoning code? If so, how?**

Yes. This amendment will expand the permitted home-based businesses within residential districts.

**4. Will the proposed text amendment change the development standards of the zoning or subdivision ordinances? If so, how?**

No. This proposed text amendment will not change the development standards of the zoning or subdivision ordinances.

**5. What are the potential impacts of the proposed amendment?**

There are no potential negative impacts identified with the proposed text amendment.

This proposed text amendment will support additional employment opportunities within residential districts.

**6. Does the proposed amendment fit the overall purpose and intent of the subdivision ordinance?**

N/A

**7. Does the proposed amendment conform to prior City Council actions regarding this issue?**

Yes. This amendment supports City Council's past action adopting the Home Occupation zoning code.

**Public Comments Received:** None Received.

**External Agency Comments:** None Received.

**Neighborhood Meeting Comments:** No Meeting Required.

**Proposed conditions delivered to applicant on:** N/A

**Final staff report delivered to applicant on:** N/A

No Conditions of Approval

**Attachments:**

<b>A</b>	<b>B</b>
Draft Text	Agency Notification

**Prepared By:** *Amelia Domby*

**Date:** September 28, 2023

Amelia Domby  
Senior Planner

Amelia.Domby@yumaaz.gov (928)373-5000, x1234

**Reviewed By:** *Jennifer L. Albers*

**Date:** 9/28/23

Jennifer L. Albers  
Assistant Director of Planning

**Approved By:** *Alyssa Linville*

**Date:** October 12, 2023

Alyssa Linville  
Director of Planning and Neighborhood Services

**ATTACHMENT A  
DRAFT TEXT**

**SECTION 1:** That the Yuma City Code, Title 15, Chapter 154, Section: 15.08 Home Occupations, Subsection B Performance Standards be amended to insert the following bolded text:

- (4) *Employees.* The number of employees involveds with a home occupation shall be limited to the residents of the principal dwelling unit on the site., **immediate family members, and up to two other individuals who are not residents of the site.**
- (5) *Hours of operation.* Clients shall only be received between the hours of 7:00 a.m. and 8:00 p.m.
- (6) *Clients.* The number of clients that can visit the residence is limited to ~~one~~ **two clients per hour., one at a time.**

**SECTION 2:** That the Yuma City Code, Title 15, Chapter 154, Section: 15.08 Home Occupations, Subsection C Uses Not Permitted be amended to insert the following bolded text and delete the strike through text, and renumber accordingly:

(C) *Uses not permitted.* The following types of uses shall not be permitted as home occupations in all residential zoning districts:

- (1) Barber shop **and beauty salons with more than one client station within a dwelling;**
- ~~(2) Beauty parlor;~~
- (2) (3) Dance studios;**
- (3) (4) Electrical repair shops; which are not mobile;**
- (4) (5) Massage parlor services; which are not mobile;**
- (5) (6) Motor vehicle repairing services; which are not mobile;**
- ~~(7) Real estate or insurance office;~~
- (6) (8) Veterinary office or animal grooming services; which are not mobile;**
- (7) Animal kennels, boarding, or similar uses;**
- ~~(9) Engine repair;~~
- ~~(10) Furniture refinishing;~~
- ~~(11) Medical/cosmetic facilities for animals including animal care or boarding facilities;~~
- (8) (12) Machine shop/metal working; which are not mobile;**
- ~~(9) (13) Mortuaries;~~
- ~~(10) (14) Taxi service with more than one vehicle;~~
- ~~(11) (15) Commercial insecticide, fungicide, herbicide or rodenticide operators; and~~
- ~~(12) (16) Medical or Dental office;~~
- (13) Medical office, not including telehealth;**
- (14) Car Sales; and**
- (15) Other uses as determined by the Zoning Administrator**

**SECTION 3:** That the Yuma City Code, Title 15, Chapter 154, Section: 15.08 Home Occupations, Subsection D Limited Use Home Occupation be amended to insert the following bolded text and delete the strike through text, and renumber accordingly:

- (1) *Merchandise parties.* Merchandise parties (i.e., Tupperware, Avon, Mary Kay and the like) held for the purpose of soliciting sales shall be limited to no more than one party per month on the site of the home occupation, merchandise parties are not inclusive of yard sales;
- (2) **Construction Contracting service.** Contracting services must, in addition to, the performance standards listed in division (B) above, comply with all of the following additional performance standards:
  - ~~(a) The contracting service is a sole ownership business;~~
  - ~~(b) The contracting service has no employees other than those living in the home;~~

- (a) ~~(c)~~ There are no materials stored on the lot of the residence of the home occupation;
- (b) ~~(d)~~ There are no more than 1 one and one-half-ton vehicle associated with the business, parked at the home; and
- (c) ~~(e)~~ The home occupation can not serve as a headquarters or dispatch center, where employees come to be dispatched to other locations.

**ATTACHMENT B  
NEIGHBORHOOD MEETING COMMENTS**

- Legal Ad Published: The Sun (09/29/23)
- 34 Commenting/Reviewing Agencies noticed: (09/07/23)
- Neighborhood Meeting: (N/A)
- Hearing Date: (10/23/23)
- Comments due: (09/18/23)

<b>External List (Comments)</b>	<b>Response Received</b>	<b>Date Received</b>	<b>“No Comment”</b>	<b>Written Comments</b>	<b>Comments Attached</b>
Yuma County Airport Authority	YES	09/11/23	X		
Yuma County Engineering	NR				
Yuma County Public Works	NR				
Yuma County Water Users’ Assoc.	YES	09/08/23	X		
Yuma County Planning & Zoning	NR				
Yuma County Assessor	NR				
Arizona Public Service	NR				
Time Warner Cable	NR				
Southwest Gas	NR				
Qwest Communications	NR				
Bureau of Land Management	NR				
YUHS District #70	NR				
Yuma Elem. School District #1	NR				
Crane School District #13	NR				
A.D.O.T.	NR				
Yuma Irrigation District	NR				
Arizona Game and Fish	NR				
United States Postal Service	NR				
Yuma Metropolitan Planning Org.	NR				
El Paso Natural Gas Co.	NR				
Western Area Power Administration	NR				
Greater Yuma Economic Development Corp.	YES	09/08/23	X		
<b>City of Yuma Internal List (Conditions)</b>	<b>Response Received</b>	<b>Date Received</b>	<b>“No Conditions”</b>	<b>Written Conditions</b>	<b>Comments Attached</b>
Police	NR				
Parks & Recreation	NR				
Development Engineering	NR				
Fire	YES	09/11/23	X		
Building Safety	YES	09/20/23	X		
City Engineer	NR				
Traffic Engineer	NR				
MCAS / C P & L Office	YES	09/14/23	X		
Utilities	NR				
Public Works	NR				
Streets	NR				

<b>Neighborhood Meeting</b>	<b>Comments Available</b>
None Required	N/A

**PUBLIC COMMENTS RECEIVED: NONE RECEIVED**

**ORDINANCE NO. O2023-039**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUMA, ARIZONA, AMENDING CHAPTER 154 OF THE YUMA CITY CODE, UPDATING ZONING REGULATIONS RELATING TO PERMITTED HOME OCCUPATIONS WITHIN RESIDENTIAL ZONING DISTRICTS**

WHEREAS, from time to time it may be desirable to modify the zoning code keeping within the context of a dynamic and growing community; and,

WHEREAS, the City of Yuma Planning and Zoning Commission held a public hearing on October 23, 2023 in Zoning Case No: ZONE-41786-2023 in the manner prescribed by law for the purpose of amending the City of Yuma Zoning Code; and,

WHEREAS, due and proper notice of the public hearing was given in the time, form, substance and manner provided by law, including publication of notice of the hearing in the Yuma Sun on September 29, 2023; and,

WHEREAS, the City Council has considered the recommendation of the Planning and Zoning Commission to approve the text amendment in Zoning Case No: ZONE-41786-2023 and the probable impact on the cost to construct housing for sale or rent that may occur as a result of this rezoning, and finds that the recommendation complies with and conforms to the goals and objectives of the Yuma General Plan, as amended.

NOW THEREFORE, BE IT ORDAINED by the City Council of the City of Yuma as follows:

SECTION 1: Yuma City Code, Title 15, Chapter 154, Section: 15.08, Home Occupations, Subsection B Performance Standards is amended to insert the following bolded text and delete the strike through text:

- (4) *Employees.* The number of employees involveds with a home occupation shall be limited to the residents of the principal dwelling unit on the site., **immediate family members, and up to two other individuals who are not residents of the site.**
- (5) *Hours of operation.* Clients shall only be received between the hours of 7:00 a.m. and 8:00 p.m.
- (6) *Clients.* The number of clients that can visit the residence is limited to ~~one~~ **two** clients per hour., ~~one at a time.~~

SECTION 2: Yuma City Code, Title 15, Chapter 154, Section: 15.08, Home Occupations, Subsection C, Uses Not Permitted, is amended to insert the following bolded text and delete the strike through text, and renumber accordingly:

(C) *Uses not permitted.* The following types of uses shall not be permitted as home occupations in all residential zoning districts:

- (1) Barber shop **and beauty salons with more than one client station within a dwelling;**
- ~~(2) Beauty parlor;~~
- (2) ~~(3)~~ Dance studios;
- (3) ~~(4)~~ Electrical repair shops; **which are not mobile;**
- (4) ~~(5)~~ Massage parlor services; **which are not mobile;**
- (5) ~~(6)~~ Motor vehicle repairing services; **which are not mobile;**
- ~~(7) Real estate or insurance office;~~
- (6) ~~(8)~~ Veterinary office **or animal grooming services; which are not mobile;**
- (7) **Animal kennels, boarding, or similar uses;**
- ~~(9) Engine repair;~~
- ~~(10) Furniture refinishing;~~
- ~~(11) Medical/cosmetic facilities for animals including animal care or boarding facilities;~~
- (8) ~~(12)~~ Machine shop/metal working; **which are not mobile;**
- (9) ~~(13)~~ Mortuaries;
- (10) ~~(14)~~ Taxi service with more than one vehicle;
- (11) ~~(15)~~ Commercial insecticide, fungicide, herbicide or rodenticide operators;
- and
- (12) ~~(16)~~ Medical or Dental office;
- (13) **Medical office, not including telehealth;**
- (14) **Car Sales; and**
- (15) **Other uses as determined by the Zoning Administrator**

SECTION 3: Yuma City Code, Title 15, Chapter 154, Section: 15.08, Home Occupations, Subsection D, Limited Use Home Occupation, is amended to insert the following bolded text, delete the strike through text, and renumber accordingly:

- (1) *Merchandise parties.* Merchandise parties (~~i.e., Tupperware, Avon, Mary Kay and the like~~) held for the purpose of soliciting sales shall be limited to no more than one party per month on the site of the home occupation, **merchandise parties are not inclusive of yard sales;**
- (2) *Construction Contracting service.* Contracting services must, in addition to, the performance standards listed in division (B) above, comply with all of the following additional performance standards:
  - ~~(a) The contracting service is a sole ownership business;~~
  - ~~(b) The contracting service has no employees other than those living in the home;~~
  - (a) ~~(c)~~ There are no materials stored on the lot of the residence of the home occupation;
  - (b) ~~(d)~~ There are no more than 1 one and one-half-ton vehicle associated with the business, parked at the home; and

(c)(e)The home occupation can not serve as a headquarters or dispatch center, where employees come to be dispatched to other locations.

SECTION 4: It shall be unlawful for any person, firm or corporation to violate, or cause the violation of, any provision of the ordinance. Unless otherwise specifically provided for in this chapter, any person, firm or corporation violating any of the provisions in this ordinance shall be guilty of a class 1 misdemeanor, and upon conviction thereof shall be punished by a fine not to exceed \$1,000 or by imprisonment for not more than ten days or both fine and imprisonment. Each separate day or part thereof during which such violation of this ordinance occurs or continues shall be deemed to constitute a separate offense, and upon conviction thereof shall be punishable as herein provided.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

APPROVED:

\_\_\_\_\_  
Douglas J. Nicholls  
Mayor

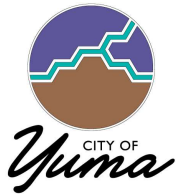
ATTESTED:

\_\_\_\_\_  
Lynda L. Bushong  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Richard W. Files  
City Attorney





# City of Yuma

## City Council Report

File #: O2023-040

Agenda Date: 12/6/2023

Agenda #: 2.

DEPARTMENT:	STRATEGIC OUTCOMES	ACTION
Planning & Neighborhood Svc	<input type="checkbox"/> Safe & Prosperous	<input type="checkbox"/> Motion
	<input checked="" type="checkbox"/> Active & Appealing	<input type="checkbox"/> Resolution
DIVISION: Community Planning	<input checked="" type="checkbox"/> Respected & Responsible	<input checked="" type="checkbox"/> Ordinance - Introduction
	<input type="checkbox"/> Connected & Engaged	<input type="checkbox"/> Ordinance - Adoption
	<input type="checkbox"/> Unique & Creative	<input type="checkbox"/> Public Hearing

### TITLE:

**Text Amendment: Off-Street Parking**

### SUMMARY RECOMMENDATION:

Amend Title 15, Chapter 154 of the Yuma City Code, Article 16 Off-Street Parking and Loading Regulations, to update provisions related to off-street parking (Planning and Neighborhood Services/Community Planning) (Alyssa Linville)

### STRATEGIC OUTCOME:

The proposed text amendment will facilitate reducing the costs associated with development and the impacts of the urban heat island effect, while also freeing land for additional development opportunity, supporting the City Council's strategic outcomes of Active and Appealing and Respected and Responsible.

### REPORT:

This text amendment updates the existing off-street parking regulations to reduce the number of required parking spaces for certain uses, updates the section on permitted reductions for special circumstances, clarifies language and provisions related to shared parking, formalizes allowances for compact parking, and updates language related to the parking of vehicles and recreational vehicles within the front yard setback of residentially zoned properties.

The goal of the text amendment is to provide adequate parking while limiting excessive, unnecessary parking spaces. Land within the City is a finite resource that can be put to a more productive use than parking. With the cost of one surface parking space exceeding \$5,000, reducing parking also serves to reduce the cost of development. Fewer parking spaces also allow for a more walkable environment and reduce the impacts of the urban heat island effect.

Below is a more detailed description of each proposed amendment:

- 1. Paving materials:** In an effort to reduce pavement requirements within residential districts, the proposed amendment identifies the use of rock or gravel for certain primary and secondary parking areas. Additionally, the proposed amendment formalizes provisions for utilizing ribbon driveways for single and two-family residential developments.
- 2. Shared parking:** The proposed amendment attempts to simplify and encourage the use of shared parking agreements when mixed use developments support such a design.
- 3. Parking space dimensions:** This component of the amendment will locate parking stall dimensions

into one singular location of the code, as well as identify provisions for compact parking and parking space overhangs.

4. **Parking in residential districts:** The code currently permits 40% of the front yard setback to be utilized for parking. The proposed amendment will increase this amount to 60%, which has proven to be a more feasible and realistic parking need within our community.
5. **Recreational vehicle parking:** The proposed amendment will limit the number of recreational vehicles permitted to park within the front yard setback to one. Any additional vehicles will need to be parked and/or stored beyond the front yard setback.
6. **Parking spaces required:** The proposed reductions in the parking requirements are based on national standards as well as recent development trends specific to our community and communities across Arizona. Parking reductions identified within this amendment include, but are not limited to, restaurants, education facilities, hotels, medical offices, general offices, and multiple-dwelling units.
7. **Redevelopment areas:** The proposed amendment makes several changes to ease barriers to development in the infill area, which is defined as those areas designated in the Redevelopment Element of the General Plan. For these specific areas, the amendment allows on-street parking to be counted towards 50% of the parking requirement for single, two-family and three-family dwellings, and allows a 20% percent reduction of the total parking requirement for non-residential uses.

Public outreach was a major component throughout this process. During the initial drafting of the update, staff met with several local designers to seek input and suggestions on how to better reflect the parking needs of our community. Then, once a draft was complete, the draft was provided to the development community for further review and comments. Overall, the feedback has been positive; all were excited to see such an inclusive approach to the update and appreciative of the opportunity to review and provide feedback on the proposed amendment.

On October 23, 2023, the Planning and Zoning Commission voted to recommend APPROVAL (5-0) of the request by the City of Yuma for a Zoning Code Text Amendment to amend Title 15, Chapter 154, Article 16 Off-Street Parking and Loading Regulations, to update provisions related to off-street parking.

## **PUBLIC COMMENTS - EXCERPT FROM PLANNING AND ZONING COMMISSION MEETING MINUTES:**

### **QUESTIONS FOR STAFF**

None

### **PUBLIC COMMENT**

“**Gary Wright, 1801 S. 18<sup>th</sup> Ave, Yuma, AZ** expressed his concerns regarding off-street parking and concerns on how the proposed text amendment would affect public safety. **Wright** asked if the reason why parking is being increased in residential areas was because of a shortage of commercial property in the City of Yuma.

“**Andrew McGarvie, Engineering Manager** said he couldn’t answer that question.

“**John Mahon, Planning and Zoning Commissioner** stated that the intent of the proposed text amendment is not to add additional parking to the streets but to allow for better development. **Mahon** noted that current parking regulations kill projects and that the proposed text amendment would allow growth and better future development.

“**Alyssa Linville, Director of Planning and Neighborhood Services** addressed **Wright’s** concerns regarding the parking and stated that the current regulation are not realistic for the community. **Linville** noted that recreational vehicle parking has been allowed since 2017, noting that the proposed text amendment would just limit the number of recreational vehicles allowed to park in the front yard setback. **Linville** also said that the proposed text amendment is in response to community comments that staff have received.

“Commissioner Mahon congratulated Linville and staff for keeping up with parking regulations.

“Chris Hamel, Planning and Zoning Commissioner addressed the fire safety concerns brought up by Wright and said that the proposed text amendment wouldn’t be a problem for public safety.

“Branden Freeman, Planning and Zoning Commissioner stated that the proposed text amendment was provided to the Fire Department, and they had no comments in opposition.

**MOTION**

“Motion by Freeman, second by Mahon to APPROVE ZONE-41775-2023 as presented.

“Motion carried unanimously, (5-0) with two absent.’

**FISCAL REQUIREMENTS:**

CITY FUNDS:	\$ 0.00	BUDGETED:	\$ 0.00
STATE FUNDS:	\$ 0.00	AVAILABLE TO TRANSFER:	\$ 0.00
FEDERAL FUNDS:	\$ 0.00	IN CONTINGENCY:	\$ 0.00
OTHER SOURCES:	\$ 0.00	FUNDING: ACCOUNT/FUND #/CIP	
TOTAL \$ 0.00			
-			
To total; right click number & choose "Update Field"			

**FISCAL IMPACT STATEMENT:**

NONE

**ADDITIONAL INFORMATION:**

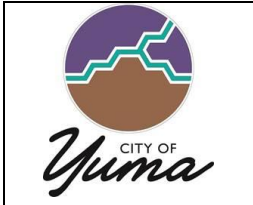
SUPPORTING DOCUMENTS NOT ATTACHED TO THE CITY COUNCIL ACTION FORM THAT ARE ON FILE IN THE OFFICE OF THE CITY CLERK:

NONE

IF CITY COUNCIL ACTION INCLUDES A CONTRACT, LEASE OR AGREEMENT, WHO WILL BE RESPONSIBLE FOR ROUTING THE DOCUMENT FOR SIGNATURE AFTER CITY COUNCIL APPROVAL?

- Department
- City Clerk’s Office
- Document to be recorded
- Document to be codified

Acting City Administrator: John D. Simonton	Date: 11/21/2023
Reviewed by City Attorney: Rodney Short for Richard W. Files	Date: 11/20/2023



**STAFF REPORT TO THE PLANNING AND ZONING COMMISSION  
DEPARTMENT OF PLANNING AND NEIGHBORHOOD SERVICES  
COMMUNITY PLANNING DIVISION  
CASE TYPE – TEXT AMENDMENT  
CASE PLANNER: ALYSSA LINVILLE**

**Hearing Date** October 23, 2023

**Case Number:** ZONE-41775-2023

**Project Description:** This is a request by the City of Yuma for a Zoning Code Text Amendment to amend Title 15, Chapter 154, Article 16 Off-Street Parking and Loading Regulations, to update provisions related to off-street parking.

**Staff recommendation:** Staff recommends **APPROVAL** of the text amendment to amend Title 15, Chapter 154, Article 16 Off-Street Parking and Loading Regulations, to update provisions related to off-street parking.

**Suggested Motion:** Move to **APPROVE** the text amendment ZONE-41775-2023 as presented in the staff report.

**Effect of the Approval:** By approving the text amendment, the Planning and Zoning Commission is recommending approval to City Council for the request to amend Title 15, Chapter 154, Article 16 Off-Street Parking and Loading Regulations, to update provisions related to off-street parking.

**Staff Analysis:** This text amendment updates the existing off-street parking regulations to reduce the number of required parking spaces for certain uses, updates the section on permitted reductions for special circumstances, clarifies language and provisions related to shared parking, formalizes allowances for compact parking, and updates language related to the parking of vehicles and recreational vehicles within the front yard setback of residentially zoned properties.

The goal of the text amendment is to provide adequate parking while limiting excessive, unnecessary parking spaces. Land within the City is a finite resource that can be put to a more productive use than parking. With the cost of one surface parking space exceeding \$5,000, reducing parking also serves to reduce the cost of development. Fewer parking spaces also allow for a more walkable environment and reduce the impacts of the urban heat island effect.

Below is a more detailed description of each proposed amendment:

1. **Paving materials:** In an effort to reduce pavement requirements within residential districts, the proposed amendment identifies the use of rock or gravel for certain primary and secondary parking areas. Additionally, the proposed amendment formalizes provisions for utilizing ribbon driveways for single and two-family residential developments.
2. **Shared parking:** The proposed amendment attempts to simplify and encourage the use of shared parking agreements when mixed use developments support such a design.
3. **Parking space dimensions:** This component of the amendment will locate parking stall dimensions into one singular location of the code, as well as identify provisions for compact parking and parking space overhangs.
4. **Parking in residential districts:** The code currently permits 40% of the front yard setback to be utilized for parking. The proposed amendment will

increase this amount to 60%, which has proven to be a more feasible and realistic parking need within our community.

5. **Recreational vehicle parking:** The proposed amendment will limit the number of recreational vehicles permitted to park within the front yard setback to one. Any additional vehicles will need to be parked and/or stored beyond the front yard setback.
6. **Parking spaces required:** The proposed reductions in the parking requirements are based on national standards as well as recent development trends specific to our community and communities across Arizona. Parking reductions identified within this amendment include, but are not limited to, restaurants, education facilities, hotels, medical offices, general offices, and multiple-dwelling units.
7. **Redevelopment areas:** The proposed amendment makes several changes to ease barriers to development in the infill area, which is defined as those areas designated in the Redevelopment Element of the General Plan. For these specific areas, the amendment allows on-street parking to be counted towards 50% of the parking requirement for single, two-family and three-family dwellings, and allows a 20% percent reduction of the total parking requirement for non-residential uses.

Public outreach was a major component throughout this process. During the initial drafting of the update, staff met with several local designers to seek input and suggestions on how to better reflect the parking needs of our community. Then, once a draft was complete, the draft was provided to the development community for further review and comments. Overall, the feedback has been positive; all were excited to see such an inclusive approach to the update and were appreciative of the opportunity to review and provide feedback of the proposed amendment.

**1. Does the proposed amendment implement the goals, objectives and policies of the General Plan?**

Yes.

**2. Does the proposed amendment fit the overall purpose and intent of the zoning ordinance?**

Yes. The proposed amendment fits the overall purpose and intent of the zoning ordinance.

**3. Will the proposed amendment change the range of uses identified in the zoning code? If so, how?**

No. The proposed amendment will merely change certain parking requirements for particular uses, but will have no impact on the range of uses permitted within the zoning code.

**4. Will the proposed text amendment change the development standards of the zoning or subdivision ordinances? If so, how?**

Yes. The proposed amendment will modify certain development standards of the parking requirements within the zoning code.

**5. What are the potential impacts of the proposed amendment?**

No negative impacts have been identified with the proposed text amendment.

Potential positive impacts include:

- Reduce costs associated with commercial development
- Reduce urban heat island effect
- Free land for additional development opportunity

6. Does the proposed amendment fit the overall purpose and intent of the subdivision ordinance?  
Yes.
7. Does the proposed amendment conform to prior City Council actions regarding this issue?  
Yes.

**Public Comments Received:** None Received.

**External Agency Comments:** None Received.

**Neighborhood Meeting Comments:** No Meeting Required.

**Proposed conditions delivered to applicant on:** N/A

**Final staff report delivered to applicant on:** N/A

**Attachments:**

A	B
Draft Text	Agency Notification

**Prepared By:** *Alyssa Linville*

**Date:** October 12, 2023

Alyssa Linville, Director of Planning and  
Neighborhood Services

[Alyssa.Linville@yumaaz.gov](mailto:Alyssa.Linville@yumaaz.gov)

(928) 373-5000, ext.  
3037

**Approved By:** *Jennifer L. Albers*  
Jennifer L. Albers,  
Assistant Director of Planning

**Date:** 10/12/23

**ATTACHMENT A**  
**DRAFT TEXT**

SECTION 1: That the Yuma City Code, Title 15, Chapter 154, Article 16 Off-Street Parking and Loading Regulations, Section 2, Subsection C be amended to insert the bolded text:

- (C) *Paving; materials.* All off-street parking spaces, parking lots, access ways, and loading areas shall be paved with a durable, dust-free surface of masonry; portland cement concrete, asphalted concrete or other durable, hard-faced material, except residential uses in the agriculture, or suburban ranch, **Low Density Residential (R-1-40), or the Residential Estate (RE-35)** zoning districts where **alternative paving materials, such as rock, gravel or ABC** may be used. **Secondary driveways in residential districts may also utilize gravel or rock.**

*Alternative paving materials.*

- (1) **The rock or gravel may not be smaller than one-quarter inch and no larger than three-quarter inch.**
- (2) **The depth of the gravel shall be three inches.**
- (3) **The gravel driveway must be contained within a permanent border deep enough to maintain required gravel depth.**

SECTION 2: That the Yuma City Code, Title 15, Chapter 154, Article 16 Off-Street Parking and Loading Regulations, Section 2, Subsection E be amended to insert the bolded text and delete the strike through text:

- (E) ~~Joint usage of~~ **Shared parking.** **Shared parking may be applied to mixed use developments or two (2) or more nonresidential uses in which the uses operate at different peak times from one another.** ~~The joint use of a parking lot for two or more buildings or mixed uses may be permitted provided that:~~

- ~~(1) The total number of spaces used together is not less than the sum required for various buildings or uses if computed separately;~~
- ~~(2) The lot is in the same zoning district, or in a district that permits as a principal use the activity for which the parking is provided; and~~
- ~~(3) A legal agreement prepared by and between users is filed with the Department of Development Services and the County Recorder.~~

**Shared parking shall be subject to the review and approval of the Director of the Department of Planning and Neighborhood Services. An application for shared parking shall conform to the following standards:**

- (1) **A narrative statement shall be supplied explaining how shared parking will be managed. This narrative must explain the proposed hours of operation for each use on site;**
- (2) **Floor plans and a parking count analysis shall be included, and the analysis will illustrate parking needs without a shared use and with a shared use plan; and**

(3) **Completion of a recorded agreement between business and/or property owners, and the City of Yuma.**

SECTION 3: That the Yuma City Code, Title 15, Chapter 154, Article 16 Off-Street Parking and Loading Regulations, Section 2, Subsection F be amended to insert the bolded text and delete the strike through text:

- (F) *Parking spaces for ~~the disabled~~ **people with disabilities**.* In accordance with the current Americans with Disabilities Act (ADA) standards, parking for **people with disabilities** ~~disabled persons~~ shall be provided in all public places in convenient locations and reserved for **people with disabilities** ~~the disabled~~. A ramp shall be provided if there is a change of level from the parking lot to the adjoining walk or building. Said spaces and ramps shall further conform to the provisions of A.R.S. § 41-1492.

SECTION 4: That the Yuma City Code, Title 15, Chapter 154, Article 16 Off-Street Parking and Loading Regulations, Section 3, Subsection A be amended to insert the bolded text and delete the strike through text:

(A) *Design standards.*

- (1) *Site plan.* A site plan for any proposed parking lot for five or more required spaces shall be submitted to the ~~Department of Development Services~~ **Department of Planning and Neighborhood Services** for review and approval at the time of application for a building permit for the building to which the parking is accessory, or at such time any land is to be used for a parking lot.
- (2) *Minimum parking lot ~~lot~~ **space** dimensions.* All parking ~~lots~~ **spaces** shall conform to the following minimum parking lot dimensions: ~~where a minimum stall length of 19 feet may be used. In addition, a minimum stall width of nine feet may be used for employee parking, provided said parking shall be clearly designated by pavement marking, signs or other method. A stall width not less than nine feet six inches may be used to meet the parking requirements for office buildings. All other uses shall have a minimum stall width of ten feet.~~
- (a) **Minimum space length: 19 feet;**
  - (b) **Minimum space width: 10 feet, except for employee parking which can be 9 feet when clearly identified (pavement marking, signs, or other method);**
  - (c) **Compact parking: 16 feet by 9 feet. Compact parking may be utilized in commercial and high-density residential zoning districts where there are 10 or more parking spaces. Up to 20% of proposed parking may be compact. Compact parking must be clearly identified (pavement markings, signs, or other method);**
  - (d) **Parking space overhang: Parking space dimensions can utilize an overhang of up to 24 inches when located adjacent to an internal walkway/sidewalk or a landscape area provided that:**
    - i. **The overhang does not interfere with the base of any structure, raised planter, seating bench, fence, utility equipment, light pole or base, or the trunk of a tree; and**



- ii. **The unobstructed width of the walkway/sidewalk, exclusive of the 24-inch overhang, is not less than 3 feet.**
  - (e) **Single-family residential parking shall provide parking space dimensions each measuring 10 feet in width by 20 feet in depth.**
- (3) ~~Site plan. The scale of the site plan shall contain not more than 50 feet to the inch.~~ The site plan shall be drawn according to the following requirements and shall show these items detailed herein:
  - (a) Zoning, setbacks and statement of use;
  - (b) North arrow and scale;
  - (c) All adjacent streets, alleys, sidewalks and curbs, with dimensions;
  - (d) Ownership of the parcel being developed;
  - (e) Use, total floor area and location of each existing and proposed structure;
  - (f) Complete dimensions of parking lot;
  - (g) Grading and drainage plan of parking lot;
  - (h) Landscaping, walls, ~~lighting~~ and irrigation system;
  - (i) **Lighting, including a parking lot light coverage plan;**
  - (ij) Type and thickness surface and base of parking;
  - (jk) **If applicable, N**number of employees in proposed business;
  - (kl) If public assembly, number of seats and/or occupant capacity; and
  - (~~lm~~) If applicable, the number of rooms or beds.
- (4) *Entrance and exit driveways.* Separate entrances and exit driveways shall be so located as to minimize traffic congestion on the site and in the public street. Said entrances and exits may be combined in a single driveway where adequate safeguards are provided to minimize congestion and to protect pedestrian and vehicular traffic upon the approval of traffic flow plans on the site and in the public street by the Department of ~~Public Safety and Engineering Division~~.

SECTION 5: That the Yuma City Code, Title 15, Chapter 154, Article 16 Off-Street Parking and Loading Regulations, Section 3, Subsection B (3) be amended to insert the bolded text and delete the strike through text:

- (3) Parking stalls shall be clearly indicated by a four-inch stripe of white traffic paint or other method approved by the ~~Engineering Division~~ **Department of Engineering**;

SECTION 6: That the Yuma City Code, Title 15, Chapter 154, Article 16 Off-Street Parking and Loading Regulations, Section 3, Subsection B (6) be amended to insert the bolded text and delete the strike through text:

- (6) Lighting standards shall be placed so as to reflect the light away from the adjacent areas, and so as not to interfere with traffic movement or control. Illumination of parking area shall be required for all parking areas with ~~four~~ **five** or more parking spaces. Open parking lots shall ~~be illuminated~~ **illuminate parking stalls** with a minimum of one maintained footcandle of light on the parking surface and seven feet vertical between sunset and sunrise.

SECTION 7: That the Yuma City Code, Title 15, Chapter 154, Article 16 Off-Street Parking and Loading Regulations, Section 4, Subsection A be amended to delete the strike through text:

- (A) In any residential or services district, all required parking spaces shall be set back from adjoining street right-of-way lines to conform with required front and side street setback lines of such residential or services district. In instances where the rear property line is adjacent to an alley and parking is accessed from the rear yard alley, parking spaces may be set back zero feet from the property line. ~~In addition, if any of the required parking spaces have direct access and are perpendicular to the side street, there shall be provided a minimum driveway length of 20 feet as measured between the side street property line and the near end of the parking spaces(s).~~

SECTION 8: That the Yuma City Code, Title 15, Chapter 154, Article 16 Off-Street Parking and Loading Regulations, Section 4, Subsection B be amended to insert the bolded text and delete the strike through text:

- (B) In residential districts, parking is permitted within the front yard setback in front of garages, carports or on ~~an adjacent paved~~ **a surface** in accordance with § 154-16.02(C). Such area shall not exceed ~~40%~~ **60%** of the front yard setback, **while continuing to provide adequate on-site retention.**

SECTION 9: That the Yuma City Code, Title 15, Chapter 154, Article 16 Off-Street Parking and Loading Regulations, Section 4, Subsection D be amended to insert the bolded text and delete the strike through text:

- (3) That said vehicle shall be located on ~~a paved~~ surface in accordance with § 154-16.02(C); and
- (4) Each residential lot shall ~~have no more than one area of~~ **be limited to the** parking and/or storage **of one recreational equipment, recreational vehicle, or watercraft within the front yard setback.**

SECTION 10: That the Yuma City Code, Title 15, Chapter 154, Article 16 Off-Street Parking and Loading Regulations, Section 4, be amended to insert Subsection E:

- (E) **Ribbon or Hollywood driveways may be utilized in single and two-family residential developments, where such parking spaces are accessed perpendicularly from the adjacent roadway. The hard surfaced material of the parallel strips shall be a minimum of two feet in width and shall be separated by a three foot wide pervious area (grass or decorative rock). The total extent of the parking area shall be in conformance with the parking dimensions required of the residential use.**

**SECTION 11:** That the Yuma City Code, Title 15, Chapter 154, Article 16 Off-Street Parking and Loading Regulations, Section 7 be amended to insert the bolded text, delete the strike through text, and renumber accordingly:

- ~~(A)~~ ~~Adult arcade.~~ One space for each arcade machine plus one space for each employee per shift.
- ~~(B)~~ ~~Adult bookstore.~~ One space for each 300 square feet of gross floor area.
- ~~(C)~~ ~~Adult cabaret.~~ One space for each 50 square feet of gross floor area where the public is served, plus an additional 10% of the off-street parking required herein for use by employees.
- ~~(D)~~ ~~Adult motel.~~ One and one-tenth parking spaces shall be provided for each guest room. When auxiliary commercial uses are included, the following additional standards are required:
  - ~~(1)~~ One parking space for every 100 square feet of gross floor area where public is served;
  - ~~(2)~~ One parking space for every 400 square feet of gross floor area of commercial accessory use; and
  - ~~(4)~~ One space for every six seats, if seats are fixed; or one space for 50 square feet for places of public assembly.
- ~~(E)~~ ~~Adult motion picture theater.~~ One off-street parking space for every four seats, if seats are fixed; or one space for each 30 square feet of open assembly area where seats are not fixed, excluding platform and stage areas.
- ~~(F)~~ ~~Adult theater.~~ One off-street parking space for every four seats, if seats are fixed; or one space for each 30 square feet of open assembly area where seats are not fixed, excluding platform and stage areas.
- ~~(G)~~ ~~Adult video store.~~ One space for each 300 square feet of gross floor area.
- ~~(H)~~ **(A)** *Auto rental agencies.* One space for each 200 square feet of gross floor area, plus one parking space for each vehicle to be stored on the lot.
- ~~(I)~~ **(B)** *Auto service station motor fuel sales (retail).* One and one-half spaces for each pump dispenser up to the first six pump dispensers and one space for each additional pump dispenser. (Standing areas at pump dispenser island and interior circulation areas shall not be counted as parking areas.)
- ~~(J)~~ **(C)** *Automobile service and repair shops automotive repair.* Three spaces for each service bay. (A service bay shall not be counted as parking space.)
- ~~(K)~~ **(D)** *Banks.* One space for every 200 square feet of gross floor area.
- ~~(L)~~ **(E)** *Bowling alleys.* Three spaces for each alley, plus one for each billiard table, plus one for each five seats in any gallery. (If other uses are included, each use shall provide the spaces required for that use.)
- ~~(M)~~ **(F)** *Cafes, restaurants, cocktail lounges or bars.*
  - (1)** **Sit down establishments.** One space for each ~~50~~ **75** square feet of gross floor area where the public is served.

- (2) **Establishments with drive-thru windows.** One space for each 100 square feet of gross floor area where the public is served.
- (3) **Establishments with take-out only.** One space for each 300 square feet of building area.
- ~~(N)~~ **(G)** *Commercial buildings (not otherwise specified herein).* One parking space for each 250 square feet of gross floor area.
- ~~(O)~~ **(H)** *Child day care services, large.* One space per 300 square feet of gross floor area.
- ~~(P)~~ **(I)** *Drive-in facilities.* Temporary parking spaces are to be provided in moving lanes, or “stack-up”, preceding customer service space:
  - (1) *Drive-in bank.* Three spaces for each service window.
  - (2) *Personal service businesses (such as dry cleaners and photo pick-up).* Two spaces for each service window.
  - (3) *Drive-in theater.* One space for each four viewing spaces within theater.
  - (4) *Facilities that serve fast food and/or beverages.* Seven spaces for each service window.
- ~~(Q)~~ **(J)** *Educational facilities.*
  - (1) *Elementary and secondary schools, kindergartens and parochial schools.* ~~shall provide one~~ One space for each classroom, plus one space for each five students of legal driving age and one space for each three non-teaching employees.
  - (2) **Colleges, universities, trade or vocational schools.** One space for each 200 square feet of classroom and office space.
- ~~(R)~~ ~~Escort agency.~~ One space for each 300 square feet of gross floor area.
- ~~(S)~~ **(K)** *Grocery, supermarkets.* One space for each 300 square feet of gross floor area.
- ~~(T)~~ **(L)** *Gymnasiums or health studios.* One space for each 400 square feet of gross floor area, plus one space for each employee.
- ~~(U)~~ **(M)** *Hospitals.* One space for each three beds, plus one space for each staff doctor, plus one space for each three employees other than staff doctors.
- ~~(V)~~ **(N)** *Hotels and motels.* One and one-tenth parking spaces shall be provided for each guest room. When auxiliary commercial uses are included, the following additional standards are required:
  - (1) One parking space for every 100 square feet of gross floor area where public is served;
  - (2) One parking space for every 400 square feet of gross floor area of commercial accessory use; and

- (3) One space for every six seats, if seats are fixed; or one space for 50 square feet for places of public assembly.
- ~~(W)~~ **(O)** *Manufacturing and industrial uses (including open industrial uses).* One space for each 500 square feet of gross floor area or one space for each three employees on the maximum shift, whichever is greater. Open industrial uses: one space per 4,000 square feet of lot area.
- ~~(X)~~ **(P)** *Offices and clinics; medical, **dental, clinic.*** One space for each ~~150~~ **250** square feet of gross floor area.
- ~~(Y)~~ **(Q)** *Motor fuel sales (wholesale).* One parking space per employee per shift.
- ~~(Z)~~ **(R)** *Motor vehicle or machinery retail sales.* One space for each 400 square feet of gross floor area, plus one for each 20 outdoor vehicle display spaces.
- ~~(AA)~~ **(S)** *Mortuaries, funeral homes.* One space for each 100 square feet of assembly room floor area, plus one employee, plus one for each car owned by such establishment.
- ~~(BB)~~ ~~—~~ *Nude model studio.* ~~One space for each 300 square feet of gross floor area.~~
- ~~(CC)~~ **(T)** *Nursing and personal care facilities, large.* One space for each six beds, plus two spaces for any permanent residence on the property.
- ~~(DD)~~ **(U)** *Places of public assembly.* Churches, auditoriums, exhibition halls, theaters, convention facilities, meeting rooms and other places of public assembly shall provide one off-street parking space for every four seats, if seats are fixed; or one space for each 30 square feet of open assembly area where seats are not fixed, excluding platform and stage areas. For churches, off-street parking shall be required for primary seating only.
- ~~(EE)~~ **(V)** *Offices (not otherwise specified herein).* One space for each ~~300~~ **400** square feet of gross floor area, exclusive of floor area used for utility equipment.
- ~~(FF)~~ **(W)** *Residential uses.* The following minimum parking requirements shall be met for all residential uses as specified herein except for a single-family, duplex or multi-family residence constructed or to be constructed on an existing lot of record prior to December 31, 1978, which is less than 7,500 square feet in area, at least one space per dwelling unit shall be provided.
- (1) *Single-family dwellings.* Two spaces for each dwelling unit.
  - (2) *Duplex dwellings.* Two spaces for each dwelling unit.
  - (3) ~~*Multiple-dwellings.* One and one-half spaces for each efficiency one-bedroom or two-bedroom dwelling unit and two spaces for each dwelling unit containing three or more bedrooms.~~
    - (b) One-bedroom dwelling unit.** One space for each dwelling unit.
    - (c) Two-bedroom dwelling unit.** One and one-half spaces for each dwelling unit.
    - (d) Three or more-bedroom dwelling unit.** Two spaces for each dwelling unit.

- (4) Rooming and boarding houses. One space for each two guest rooms, plus two spaces for any permanent residence on the property.
- ~~(5) *Manufactured housing park (MHP)*. Two spaces for each manufactured home or one space for each park model or recreational vehicle.~~
- ~~(6) *Manufactured housing subdivision (MHS)*. Two spaces for each lot.~~
- ~~(7) *Recreational vehicle subdivision (RVS)*. Two spaces for each manufactured home or one for each park model or recreational vehicle.~~
- (5) *Manufactured homes*. Two spaces for each manufactured housing unit.**
- (6) *Park models or recreational vehicles*. One space for each park model or recreational vehicle.**

~~(GG) (X) *Retail stores, shops, convenience food stores*. One space for each 400 square feet of gross floor area.~~

~~(HH) *Trade schools, business colleges*. One space for each 200 square feet of gross floor area.~~

~~(H) (Y) *Wholesaling and warehousing*. One space for each 1,500 square feet of gross floor area.~~

~~(JJ) (Z) *Shopping centers*. One space per 250 square feet of gross floor area.~~

~~(KK) (AA) *Self-storage facilities*. One space for each 50 storage cubicles plus two spaces.~~

~~(LL) *Sexual encounter center*. Parking spaces shall be not less than 30% of maximum occupancy as determined by the International Building Code as amended.~~

**SECTION 12:** That the Yuma City Code, Title 15, Chapter 154, Article 16 Off-Street Parking and Loading Regulations, Section 8, Subsection B, Table No. 4 be amended to insert the bolded text and delete the strike through text:

Table No. 4 – Loading Space Requirements	
Total Square Feet of Building Space (Gross Floor Area)	Loading Spaces Required
12,500 up to and including <del>40,000</del> <b>100,000</b>	1
<del>40,001 up to and including 100,000</del>	<del>2</del>
100,001 up to and including 160,000	<del>3</del> <b>2</b>
160,001 up to and including 240,000	<del>4</del> <b>3</b>
240,001 up to and including 320,000	<del>5</del> <b>4</b>
320,001 up to and including 400,000	<del>6</del> <b>5</b>
For each additional 90,000 over 400,000	1 additional

**SECTION 13:** That the Yuma City Code, Title 15, Chapter 154, Article 16 Off-Street Parking and Loading Regulations, Section 9, Subsection B be amended to insert the bolded text and delete the strike through text:

- (B) The ~~Community Development~~ Director of **Planning and Neighborhood Services** shall also be authorized to approve plans for the sharing of off-street parking and/or loading space by two or more users of buildings or land, provided that each use of the shared spaces shall function as if having been provided separately. In addition, a legal agreement shall be prepared by and between property owners specifying the conditions for sharing said space(s), and such agreement shall be filed with the Department of ~~Community Development~~ **Planning and Neighborhood Services** and recorded against the properties.



SECTION 14: That the Yuma City Code, Title 15, Chapter 154, Article 16 Off-Street Parking and Loading Regulations, Section 10, Subsection A (1) be amended to insert the bolded text and delete the strike through text:

(A) *Reductions for certain uses in areas designated in the Redevelopment Element of the General Plan.*

- (1) *Reduction based on on-street parking for certain residential uses in areas designated in the redevelopment element of the General Plan.* On-street parking for single-family dwellings, **two-family dwellings, three-family dwellings**, ~~small Residential Care Facilities Home~~, small Child Care Services, and community gardens may be counted on a space-for-space basis toward the total required amount of parking up to 50% provided the parking is located on the same side of the street as the use, does not extend beyond the street frontage of the subject property, and on-street parking spaces are approved by the City of Yuma Traffic Engineering. If a single-family dwelling meets the exception provided for in § ~~154-16.07~~(FF), the single space required for the dwelling unit may be provided on-street in accordance with this section.

SECTION 15: That the Yuma City Code, Title 15, Chapter 154, Article 16 Off-Street Parking and Loading Regulations, Section 10, Subsection A (3) be amended to insert the bolded text and delete the strike through text:

- (3) *Reduction based on certain non-residential uses in areas designated in the Redevelopment Element of the General Plan.* Non-residential uses located within an area designated in the Redevelopment Element of the General Plan ~~with a parking formula of one space per 300 square feet of gross floor area or less intense formula~~ are allowed a **parking** reduction of up to ~~10%~~ **20%** of the total required parking.

**ATTACHMENT B  
NEIGHBORHOOD MEETING COMMENTS**

- Legal Ad Published: The Sun (09/29/23)
- 34 Commenting/Reviewing Agencies noticed: (09/07/23)
- Neighborhood Meeting: (N/A)
- Hearing Date: (10/23/23)
- Comments due: (09/18/23)

<b>External List (Comments)</b>	<b>Response Received</b>	<b>Date Received</b>	<b>“No Comment”</b>	<b>Written Comments</b>	<b>Comments Attached</b>
Yuma County Airport Authority	NR				
Yuma County Engineering	NR				
Yuma County Public Works	NR				
Yuma County Water Users’ Assoc.	NR				
Yuma County Planning & Zoning	NR				
Yuma County Assessor					
Arizona Public Service	NR				
Time Warner Cable	NR				
Southwest Gas	NR				
Qwest Communications	NR				
Bureau of Land Management	NR				
YUHS District #70	NR				
Yuma Elem. School District #1	NR				
Crane School District #13	NR				
A.D.O.T.	NR				
Yuma Irrigation District	NR				
Arizona Game and Fish	NR				
United States Postal Service	NR				
Yuma Metropolitan Planning Org.	NR				
El Paso Natural Gas Co.	NR				
Western Area Power Administration	NR				
<b>City of Yuma Internal List (Conditions)</b>	<b>Response Received</b>	<b>Date Received</b>	<b>“No Conditions”</b>	<b>Written Conditions</b>	<b>Comments Attached</b>
Police	NR				
Parks & Recreation	NR				
Development Engineering	NR				
Fire	NR				
Building Safety	NR				
City Engineer	NR				
Traffic Engineer	NR				
MCAS / C P & L Office	NR				
Utilities	NR				
Public Works	NR				
Streets	NR				

<b>Neighborhood Meeting</b>	<b>Comments Available</b>
N/A	N/A

**PUBLIC COMMENTS RECEIVED: NONE RECEIVED.**



**ORDINANCE NO. O2023-040**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUMA, ARIZONA, AMENDING CHAPTER 154 OF THE YUMA CITY CODE, AS AMENDED, RELATING TO ZONING REGULATIONS, PROVIDING FOR CHANGES TO ALLOWABLE PAVING MATERIALS, PARKING DIMENSIONS, AND PARKING ALLOWANCES WITHIN RESIDENTIAL AND COMMERCIAL DISTRICTS**

WHEREAS, from time to time it may be desirable to modify the zoning code keeping within the context of a dynamic and growing community; and,

WHEREAS, the City of Yuma Planning and Zoning Commission held a public hearing on October 23, 2023 in Case no: ZONE-41775-2023 in the manner prescribed by law for the purpose of amending the City of Yuma Zoning Code; and,

WHEREAS, due and proper notice of the public hearing was given in the time, form, substance and manner provided by law, including publication of notice of the hearing in the Yuma Sun on September 29, 2023; and,

WHEREAS, the City Council has considered the recommendation of the Planning and Zoning Commission to approve the zoning code text amendment in Case No: ZONE-41775-2023 and **the probable impact on the cost to construct housing for sale or rent that may occur as a result of this zoning code text amendment, and finds that the recommendation complies with and conforms to the goals and objectives of the Yuma General Plan, as amended.**

NOW THEREFORE, BE IT ORDAINED by the City Council of the City of Yuma as follows:

SECTION 1: Yuma City Code, Title 15, Chapter 154, Article 16, Off-Street Parking and Loading Regulations, Section 2, Subsection C is amended to insert the following bolded text:

- (C) *Paving; materials.* All off-street parking spaces, parking lots, access ways, and loading areas shall be paved with a durable, dust-free surface of masonry; portland cement concrete, asphalted concrete or other durable, hard-faced material, except residential uses in the agriculture, ~~or~~ suburban ranch, **Low Density Residential (R-1-40), or the Residential Estate (RE-35)** zoning districts where **alternative paving materials, such as rock, gravel or ABC** may be used. **Secondary driveways in residential districts may also utilize gravel or rock.**

*Alternative paving materials.*

- (1) **The rock or gravel may not be smaller than one-quarter inch and no larger than three-quarter inch.**
- (2) **The depth of the gravel shall be three inches.**
- (3) **The gravel driveway must be contained within a permanent border deep enough to maintain required gravel depth.**

SECTION 2: Yuma City Code, Title 15, Chapter 154, Article 16, Off-Street Parking and Loading Regulations, Section 2, Subsection E is amended to insert the following bolded text and delete the strike through text:

(E) *Joint usage of Shared parking.* **Shared parking may be applied to mixed use developments or two (2) or more nonresidential uses in which the uses operate at different peak times from one another.** ~~The joint use of a parking lot for two or more buildings or mixed uses may be permitted provided that:~~

- ~~(1) The total number of spaces used together is not less than the sum required for various buildings or uses if computed separately;~~
- ~~(2) The lot is in the same zoning district, or in a district that permits as a principal use the activity for which the parking is provided; and~~
- ~~(3) A legal agreement prepared by and between users is filed with the Department of Development Services and the County Recorder.~~

**Shared parking shall be subject to the review and approval of the Director of the Department of Planning and Neighborhood Services. An application for shared parking shall conform to the following standards:**

- (1) A narrative statement shall be supplied explaining how shared parking will be managed. This narrative must explain the proposed hours of operation for each use on site;**
- (2) Floor plans and a parking count analysis shall be included, and the analysis will illustrate parking needs without a shared use and with a shared use plan; and**
- (3) Completion of a recorded agreement between business and/or property owners, and the City of Yuma.**

SECTION 3: Yuma City Code, Title 15, Chapter 154, Article 16, Off-Street Parking and Loading Regulations, Section 2, Subsection F is amended to insert the following bolded text and delete the strike through text:

- (F) *Parking spaces for ~~the disabled~~ **people with disabilities**.* In accordance with the current Americans with Disabilities Act (ADA) standards, parking for **people with disabilities** ~~disabled persons~~ shall be provided in all public places in convenient locations and reserved for **people with disabilities** ~~the disabled~~. ~~A ramp shall be provided if there is a change of level from the parking lot to the adjoining walk or building. Said spaces and ramps shall further conform to the provisions of A.R.S. § 41-1492.~~

SECTION 4: Yuma City Code, Title 15, Chapter 154, Article 16, Off-Street Parking and Loading Regulations, Section 3, Subsection A is amended to insert the following bolded text and delete the strike through text:

- (A) *Design standards.*
- (1) Site plan.** A site plan for any proposed parking lot for five or more required spaces shall be submitted to the ~~Department of Development Services~~ **Department of Planning and Neighborhood Services** for review and approval at **the** time of application for a building permit for the building to which the parking is accessory, or at such time any land is to be used for a parking lot.

- (2) *Minimum parking lot space dimensions.* All parking lots ~~spaces~~ shall conform to the following minimum ~~parking lot~~ dimensions: ~~where a minimum stall length of 19 feet may be used. In addition, a minimum stall width of nine feet may be used for employee parking, provided said parking shall be clearly designated by pavement marking, signs or other method. A stall width not less than nine feet six inches may be used to meet the parking requirements for office buildings. All other uses shall have a minimum stall width of ten feet.~~
- (a) **Minimum space length: 19 feet;**
  - (b) **Minimum space width: 10 feet, except for employee parking which can be 9 feet when clearly identified (pavement marking, signs, or other method);**
  - (c) **Compact parking: 16 feet by 9 feet. Compact parking may be utilized in commercial and high-density residential zoning districts where there are 10 or more parking spaces. Up to 20% of proposed parking may be compact. Compact parking must be clearly identified (pavement markings, signs, or other method);**
  - (d) **Parking space overhang: Parking space dimensions can utilize an overhang of up to 24 inches when located adjacent to an internal walkway/sidewalk or a landscape area provided that:**
    - i. **The overhang does not interfere with the base of any structure, raised planter, seating bench, fence, utility equipment, light pole or base, or the trunk of a tree; and**
    - ii. **The unobstructed width of the walkway/sidewalk, exclusive of the 24-inch overhang, is not less than 3 feet.**
  - (e) **Single-family residential parking shall provide parking space dimensions each measuring 10 feet in width by 20 feet in depth.**
- (3) *Site plan.* ~~The scale of the site plan shall contain not more than 50 feet to the inch.~~ The site plan shall be drawn according to the following requirements and shall show these items detailed herein:
- (a) Zoning, setbacks and statement of use;
  - (b) North arrow and scale;
  - (c) All adjacent streets, alleys, sidewalks and curbs, with dimensions;
  - (d) Ownership of the parcel being developed;
  - (e) Use, total floor area and location of each existing and proposed structure;
  - (f) Complete dimensions of parking lot;

- (g) Grading and drainage plan of parking lot;
  - (h) Landscaping, walls, ~~lighting~~ and irrigation system;
  - (i) **Lighting, including a parking lot light coverage plan;**
  - (ij) Type and thickness surface and base of parking;
  - (jk) **If applicable, N**number of employees in proposed business;
  - (kl) If public assembly, number of seats and/or occupant capacity; and
  - (lm) If applicable, the number of rooms or beds.
- (4) *Entrance and exit driveways.* Separate entrances and exit driveways shall be so located as to minimize traffic congestion on the site and in the public street. Said entrances and exits may be combined in a single driveway where adequate safeguards are provided to minimize congestion and to protect pedestrian and vehicular traffic upon the approval of traffic flow plans on the site and in the public street by the Department of ~~Public Safety and Engineering Division~~.

SECTION 5: Yuma City Code, Title 15, Chapter 154, Article 16, Off-Street Parking and Loading Regulations, Section 3, Subsection B (3) is amended to insert the following bolded text and delete the strike through text:

- (3) Parking stalls shall be clearly indicated by a four-inch stripe of white traffic paint or other method approved by the ~~Engineering Division~~ **Department of Engineering;**

SECTION 6: Yuma City Code, Title 15, Chapter 154, Article 16, Off-Street Parking and Loading Regulations, Section 3, Subsection B (6) is amended to insert the following bolded text and delete the strike through text:

- (6) Lighting standards shall be placed so as to reflect the light away from the adjacent areas, and so as not to interfere with traffic movement or control. Illumination of parking area shall be required for all parking areas with ~~four~~ **five** or more parking spaces. Open parking lots shall ~~be illuminated~~ **illuminate parking stalls** with a minimum of one maintained footcandle of light on the parking surface and seven feet vertical between sunset and sunrise.

SECTION 7: Yuma City Code, Title 15, Chapter 154, Article 16, Off-Street Parking and Loading Regulations, Section 4, Subsection A is amended to delete the following strike through text:

- (A) In any residential or services district, all required parking spaces shall be set back from adjoining street right-of-way lines to conform with required front and side street setback lines of such residential or services district. In instances where the rear property line is adjacent to an alley and parking is accessed from the rear yard alley, parking spaces may be set back zero feet from the property line. ~~In addition, if any of the required parking spaces have direct access and are perpendicular to the side street, there shall be provided a minimum driveway length of 20 feet as measured between the side street property line and the near end of the parking spaces(s).~~

SECTION 8: That the Yuma City Code, Title 15, Chapter 154, Article 16, Off-Street Parking and Loading Regulations, Section 4, Subsection B is amended to insert the following bolded text and delete the strike through text:

- (B) In residential districts, parking is permitted within the front yard setback in front of garages, carports or on ~~an adjacent paved~~ a surface in accordance with § 154-16.02(C). Such area shall not exceed ~~40%~~ **60%** of the front yard setback, **while continuing to provide adequate on-site retention.**

SECTION 9: Yuma City Code, Title 15, Chapter 154, Article 16, Off-Street Parking and Loading Regulations, Section 4, Subsection D is amended to insert the following bolded text and delete the strike through text:

- (3) That said vehicle shall be located on a ~~paved~~ surface in accordance with § 154-16.02(C); and
- (4) Each residential lot shall ~~have no more than one area of~~ **be limited to the parking and/or storage of one recreational equipment, recreational vehicle, or watercraft within the front yard setback.**

SECTION 10: Yuma City Code, Title 15, Chapter 154, Article 16, Off-Street Parking and Loading Regulations, Section 4, is amended to insert the following Subsection E:

- (E) **Ribbon or Hollywood driveways may be utilized in single and two-family residential developments, where such parking spaces are accessed perpendicularly from the adjacent roadway. The hard surfaced material of the parallel strips shall be a minimum of two feet in width and shall be separated by a three foot wide pervious area (grass or decorative rock). The total extent of the parking area shall be in conformance with the parking dimensions required of the residential use.**

SECTION 11: Yuma City Code, Title 15, Chapter 154, Article 16, Off-Street Parking and Loading Regulations, Section 7 is amended to insert the following bolded text, delete the strike through text, and renumber accordingly:

- ~~(A) — *Adult arcade.* One space for each arcade machine plus one space for each employee per shift.~~
- ~~(B) — *Adult bookstore.* One space for each 300 square feet of gross floor area.~~
- ~~(C) — *Adult cabaret.* One space for each 50 square feet of gross floor area where the public is served, plus an additional 10% of the off-street parking required herein for use by employees.~~
- ~~(D) — *Adult motel.* One and one-tenth parking spaces shall be provided for each guest room. When auxiliary commercial uses are included, the following additional standards are required:
  - ~~(1) — One parking space for every 100 square feet of gross floor area where public is served;~~
  - ~~(2) — One parking space for every 400 square feet of gross floor area of commercial accessory use; and~~
  - ~~(4) — One space for every six seats, if seats are fixed; or one space for 50 square feet for places of public assembly.~~~~

- ~~(E)~~ ~~*Adult motion picture theater.* One off-street parking space for every four seats, if seats are fixed; or one space for each 30 square feet of open assembly area where seats are not fixed, excluding platform and stage areas.~~
- ~~(F)~~ ~~*Adult theater.* One off-street parking space for every four seats, if seats are fixed; or one space for each 30 square feet of open assembly area where seats are not fixed, excluding platform and stage areas.~~
- ~~(G)~~ ~~*Adult video store.* One space for each 300 square feet of gross floor area.~~
- ~~(H)~~ (A) *Auto rental agencies.* One space for each 200 square feet of gross floor area, plus one parking space for each vehicle to be stored on the lot.
- ~~(I)~~ (B) *Auto service station motor fuel sales (retail).* One and one-half spaces for each pump dispenser up to the first six pump dispensers and one space for each additional pump dispenser. (Standing areas at pump dispenser island and interior circulation areas shall not be counted as parking areas.)
- ~~(J)~~ (C) *Automobile service and repair shops automotive repair.* Three spaces for each service bay. (A service bay shall not be counted as parking space.)
- ~~(K)~~ (D) *Banks.* One space for every 200 square feet of gross floor area.
- ~~(L)~~ (E) *Bowling alleys.* Three spaces for each alley, plus one for each billiard table, plus one for each five seats in any gallery. (If other uses are included, each use shall provide the spaces required for that use.)
- ~~(M)~~ (F) *Cafes, restaurants, cocktail lounges or bars.*
- (1) ***Sit down establishments.*** One space for each 50 75 square feet of gross floor area where the public is served.
  - (2) ***Establishments with drive-thru windows.*** One space for each 100 square feet of gross floor area where the public is served.
  - (3) ***Establishments with take-out only.*** One space for each 300 square feet of building area.
- ~~(N)~~ (G) *Commercial buildings (not otherwise specified herein).* One parking space for each 250 square feet of gross floor area.
- ~~(O)~~ (H) *Child day care services, large.* One space per 300 square feet of gross floor area.
- ~~(P)~~ (I) *Drive-in facilities.* Temporary parking spaces are to be provided in moving lanes, or “stack-up”, preceding customer service space:
- (1) *Drive-in bank.* Three spaces for each service window.
  - (2) *Personal service businesses (such as dry cleaners and photo pick-up).* Two spaces for each service window.

- (3) *Drive-in theater.* One space for each four viewing spaces within theater.
- (4) *Facilities that serve fast food and/or beverages.* Seven spaces for each service window.

~~(J)~~ **(J)** *Educational facilities.*

- (1) *Elementary and secondary schools, kindergartens and parochial schools.* ~~shall provide~~ ~~One~~ One space for each classroom, plus one space for each five students of legal driving age and one space for each three non-teaching employees.
- (2) ***Colleges, universities, trade or vocational schools. One space for each 200 square feet of classroom and office space.***

~~(R)~~ ~~Escort agency. One space for each 300 square feet of gross floor area.~~

~~(S)~~ **(K)** *Grocery, supermarkets.* One space for each 300 square feet of gross floor area.

~~(T)~~ **(L)** *Gymnasiums or health studios.* One space for each 400 square feet of gross floor area, plus one space for each employee.

~~(U)~~ **(M)** *Hospitals.* One space for each three beds, plus one space for each staff doctor, plus one space for each three employees other than staff doctors.

~~(V)~~ **(N)** *Hotels and motels.* One ~~and one-tenth~~ parking space shall be provided for each guest room. When auxiliary commercial uses are included, the following additional standards are required:

- (1) One parking space for every 100 square feet of gross floor area where public is served;
- (2) One parking space for every 400 square feet of gross floor area of commercial accessory use; and
- (3) One space for every six seats, if seats are fixed; or one space for 50 square feet for places of public assembly.

~~(W)~~ **(O)** *Manufacturing and industrial uses (including open industrial uses).* One space for each 500 square feet of gross floor area or one space for each three employees on the maximum shift, whichever is greater. Open industrial uses: one space per 4,000 square feet of lot area.

~~(X)~~ **(P)** *Offices and clinics; medical, dental, clinic.* One space for each ~~150~~ **250** square feet of gross floor area.

~~(Y)~~ **(Q)** *Motor fuel sales (wholesale).* One parking space per employee per shift.

~~(Z)~~ **(R)** *Motor vehicle or machinery retail sales.* One space for each 400 square feet of gross floor area, plus one for each 20 outdoor vehicle display spaces.

~~(AA)~~ **(S)** *Mortuaries, funeral homes.* One space for each 100 square feet of assembly room floor area, plus one employee, plus one for each car owned by such establishment.



- ~~(BB)~~ ~~*Nude model studio.*~~ ~~One space for each 300 square feet of gross floor area.~~
- ~~(CC)~~ (T) *Nursing and personal care facilities, large.* One space for each six beds, plus two spaces for any permanent residence on the property.
- ~~(DD)~~ (U) *Places of public assembly.* Churches, auditoriums, exhibition halls, theaters, convention facilities, meeting rooms and other places of public assembly shall provide one off-street parking space for every four seats, if seats are fixed; or one space for each 30 square feet of open assembly area where seats are not fixed, excluding platform and stage areas. For churches, off-street parking shall be required for primary seating only.
- ~~(EE)~~ (V) *Offices (not otherwise specified herein).* One space for each ~~300~~ **400** square feet of gross floor area, exclusive of floor area used for utility equipment.
- ~~(FF)~~ (W) *Residential uses.* The following minimum parking requirements shall be met for all residential uses as specified herein except for a single-family, duplex or multi-family residence constructed or to be constructed on an existing lot of record prior to December 31, 1978, which is less than 7,500 square feet in area, at least one space per dwelling unit shall be provided.
- (1) *Single-family dwellings.* Two spaces for each dwelling unit.
  - (2) *Duplex dwellings.* Two spaces for each dwelling unit.
  - (3) ~~*Multiple-dwellings. One and one-half spaces for each efficiency one bedroom or two bedroom dwelling unit and two spaces for each dwelling unit containing three or more bedrooms.*~~
    - (b) ***One-bedroom dwelling unit. One space for each dwelling unit.***
    - (c) ***Two-bedroom dwelling unit. One and one-half spaces for each dwelling unit.***
    - (d) ***Three or more-bedroom dwelling unit. Two spaces for each dwelling unit.***
  - (4) Rooming and boarding houses. One space for each two guest rooms, plus two spaces for any permanent residence on the property.
  - ~~(5) *Manufactured housing park (MHP).* Two spaces for each manufactured home or one space for each park model or recreational vehicle.~~
  - ~~(6) *Manufactured housing subdivision (MHS).* Two spaces for each lot.~~
  - ~~(7) *Recreational vehicle subdivision (RVS).* Two spaces for each manufactured home or one for each park model or recreational vehicle.~~
  - (5) ***Manufactured homes. Two spaces for each manufactured housing unit.***



(6) **Park models or recreational vehicles. One space for each park model or recreational vehicle.**

~~(GG)~~ (X) *Retail stores, shops, convenience food stores.* One space for each 400 square feet of gross floor area.

~~(HH)~~ *Trade schools, business colleges.* ~~One space for each 200 square feet of gross floor area.~~

~~(H)~~ (Y) *Wholesaling and warehousing.* One space for each 1,500 square feet of gross floor area.

~~(J)~~ (Z) *Shopping centers.* One space per 250 square feet of gross floor area.

~~(KK)~~ (AA) *Self-storage facilities.* One space for each 50 storage cubicles plus two spaces.

~~(LL)~~ *Sexual encounter center.* ~~Parking spaces shall be not less than 30% of maximum occupancy as determined by the International Building Code as amended.~~

SECTION 12: Yuma City Code, Title 15, Chapter 154, Article 16, Off-Street Parking and Loading Regulations, Section 8, Subsection B, Table No. 4 is amended to insert the following bolded text and delete the strike through text:

Table No. 4 – Loading Space Requirements	
Total Square Feet of Building Space (Gross Floor Area)	Loading Spaces Required
12,500 up to and including <del>40,000</del> <b>100,000</b>	1
<del>40,001 up to and including 100,000</del>	<del>2</del>
100,001 up to and including 160,000	<del>3</del> <b>2</b>
160,001 up to and including 240,000	<del>4</del> <b>3</b>
240,001 up to and including 320,000	<del>5</del> <b>4</b>
320,001 up to and including 400,000	<del>6</del> <b>5</b>
For each additional 90,000 over 400,000	1 additional

SECTION 13: Yuma City Code, Title 15, Chapter 154, Article 16, Off-Street Parking and Loading Regulations, Section 9, Subsection B is amended to insert the following bolded text and delete the strike through text:

(B) The ~~Community Development~~ Director **of Planning and Neighborhood Services** shall also be authorized to approve plans for the sharing of off-street parking and/or loading space by two or more users of buildings or land, provided that each use of the shared spaces shall function as if having been provided separately. In addition, a legal agreement shall be prepared by and between property owners specifying the conditions for sharing said space(s), and such agreement shall be filed with the Department of ~~Community Development~~ **Planning and Neighborhood Services** and recorded against the properties.

SECTION 14: Yuma City Code, Title 15, Chapter 154, Article 16, Off-Street Parking and Loading Regulations, Section 10, Subsection A (1) is amended to insert the following bolded text and delete the strike through text:

(A) *Reductions for certain uses in areas designated in the Redevelopment Element of the General Plan.*

- (1) *Reduction based on on-street parking for certain residential uses in areas designated in the redevelopment element of the General Plan.* On-street parking for single-family dwellings, **two-family dwellings, three-family dwellings,** ~~small~~ Residential Care Facilities **Home**, small Child Care Services, and community gardens may be counted on a space-for-space basis toward the total required amount of parking up to 50% provided the parking is located on the same side of the street as the use, does not extend beyond the street frontage of the subject property, and on-street parking spaces are approved by the City of Yuma Traffic Engineering. If a single-family dwelling meets the exception provided for in § 154-16.07(FF), the single space required for the dwelling unit may be provided on-street in accordance with this section.

SECTION 15: Yuma City Code, Title 15, Chapter 154, Article 16, Off-Street Parking and Loading Regulations, Section 10, Subsection A (3) is amended to insert the following bolded text and delete the strike through text:

- (3) *Reduction based on certain non-residential uses in areas designated in the Redevelopment Element of the General Plan.* Non-residential uses located within an area designated in the Redevelopment Element of the General Plan ~~with a parking formula of one space per 300 square feet of gross floor area or less intense formula~~ are allowed a **parking** reduction of up to ~~10%~~ **20%** of the total required parking.

SECTION 16: It shall be unlawful for any person, firm or corporation to violate, or cause the violation of, any provision of this ordinance. Any person, firm or corporation violating any of the provisions in this ordinance shall be guilty of a class 1 misdemeanor, and upon conviction thereof shall be punished by a fine not to exceed \$1,000 or by imprisonment for not more than ten days or both fine and imprisonment. Each separate day or part thereof during which any violation of said sections occurs or continues shall be deemed to constitute a separate offense, and upon conviction thereof shall be punishable as herein provided.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

APPROVED:

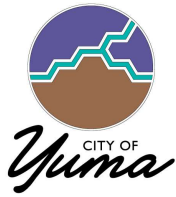
\_\_\_\_\_  
Douglas J. Nicholls  
Mayor

ATTESTED:

\_\_\_\_\_  
Lynda L. Bushong  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Richard W. Files  
City Attorney



# City of Yuma

## City Council Report

**File #:** R2023-054

**Agenda Date:** 12/6/2023

**Agenda #:** 1.

	<b>STRATEGIC OUTCOMES</b>	<b>ACTION</b>
<b>DEPARTMENT:</b> City Attorney	<input checked="" type="checkbox"/> Safe & Prosperous <input type="checkbox"/> Active & Appealing <input type="checkbox"/> Respected & Responsible	<input type="checkbox"/> Motion <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance - Introduction
<b>DIVISION:</b> -	<input type="checkbox"/> Connected & Engaged <input type="checkbox"/> Unique & Creative	<input type="checkbox"/> Ordinance - Adoption <input type="checkbox"/> Public Hearing

**TITLE:**  
**Industrial Development Authority Hospital Revenue Bonds Series 2023A**

**SUMMARY RECOMMENDATION:**  
 Approve the Issuance of Hospital Revenue Bonds, Series 2023A (Yuma Regional Medical Center) by the Industrial Development Authority (IDA) of the City of Yuma, Arizona and declare an emergency. (City Attorney) (Richard W. Files)

**STRATEGIC OUTCOME:**  
 Authorizing the issuance of these bonds helps ensure that Yuma remains a Safe and Prosperous City in accordance with City Council’s desired strategic outcome.

**REPORT:**  
 At a special meeting of the Industrial Development Authority (IDA) on November 21, 2023, the IDA approved a not to exceed \$105,000,000. bond issue for Yuma Regional Medical Center (YRMC) to refinance hospital expansion/improvements (refunding all or a portion of the existing Series 2014B variable rate bonds and all or a portion of the Series 2014C variable rate hospital bonds).

City Council approval of the Series 2023A bonds is required by state and federal law. The bonds are not, and will never become, the obligation of the IDA nor the City of Yuma. Neither the IDA nor the City of Yuma will bear any responsibility for repayment of the bonds, and no liability will accrue to either entity in the event of non-payment or other default of YRMC.

Closing on the 2023 bond issue is scheduled after City Council adoption of this Resolution which includes an emergency clause. Adoption with an emergency clause will make the Resolution immediately effective and requires an affirmative vote of at least 5 of 7 City Councilmembers.

**FISCAL REQUIREMENTS:**

CITY FUNDS:	\$ 0.00	BUDGETED:	\$ 0.00
STATE FUNDS:	\$ 0.00	AVAILABLE TO TRANSFER:	\$ 0.00
FEDERAL FUNDS:	\$ 0.00	IN CONTINGENCY:	\$ 0.00
OTHER SOURCES:	\$ 0.00	FUNDING: ACCOUNT/FUND #/CIP	
TOTAL \$ 0.00			
-			
To total; right click number & choose "Update Field"			

**FISCAL IMPACT STATEMENT:**

NONE

**ADDITIONAL INFORMATION:**

SUPPORTING DOCUMENTS NOT ATTACHED TO THE CITY COUNCIL ACTION FORM THAT ARE ON FILE IN THE OFFICE OF THE CITY CLERK:

1. IDA Resolution adopted Nov. 21, 2023
2. Bond Indenture

IF CITY COUNCIL ACTION INCLUDES A CONTRACT, LEASE OR AGREEMENT, WHO WILL BE RESPONSIBLE FOR ROUTING THE DOCUMENT FOR SIGNATURE AFTER CITY COUNCIL APPROVAL?

- Department
- City Clerk's Office
- Document to be recorded
- Document to be codified

Acting City Administrator: John D. Simonton	Date: 11/21/2023
Reviewed by City Attorney: Rodney Short for Richard W. Files	Date: 11/20/2023

**RESOLUTION NO. R2023-054**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUMA, ARIZONA, APPROVING THE ISSUANCE OF HOSPITAL REVENUE BONDS (YUMA REGIONAL MEDICAL CENTER), SERIES 2023A, OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF YUMA, ARIZONA; AND DECLARING AN EMERGENCY**

WHEREAS, the City Council of the City of Yuma, Arizona (the “City Council”) approved the incorporation of The Industrial Development Authority of the City of Yuma, Arizona (the “Issuer”); and,

WHEREAS, the Issuer has approved and proposes to issue its Hospital Revenue Bonds (Yuma Regional Medical Center), Series 2023A, in the aggregate principal amount of not to exceed \$105,000,000 (the “YRMC Bonds”) in accordance with and pursuant to Title 35, Chapter 5, Arizona Revised Statutes, as amended (the “Act”), to make a loan to Yuma Regional Medical Center (the “Medical Center”), an Arizona nonprofit corporation, for the purposes of: (1) refunding all or a portion of the Issuer’s Variable Rate Hospital Revenue Bonds (Yuma Regional Medical Center), Series 2014B (the “Prior 2014B Bonds”) and its Variable Rate Hospital Revenue Bonds (Yuma Regional Medical Center), Series 2014C (the “Prior 2014C Bonds” and together with the Prior 2014B Bonds, the “Prior Bonds”), which refunded certain prior bonds issued by the Issuer for the benefit of the Medical Center, the proceeds of which bonds were loaned to the Medical Center to finance and refinance the acquisition, construction, improvement, equipping or operating of projects consisting of the improvement of certain health care facilities operated by the Medical Center and located in the City of Yuma (collectively, the “Prior Project”), and (2) pay costs of issuance relating to the YRMC Bonds; and,

WHEREAS, Section 35-721(B) of the Act requires approval of the YRMC Bonds by the City Council; and,

WHEREAS, the Issuer has heretofore delivered to this City Council the Issuer’s Bond Resolution and forms of the bond documents (listed on Exhibit A hereto) pursuant to which the YRMC Bonds are to be issued and information regarding the Prior Project and the Prior Bonds to be refunded from a portion of the proceeds of the YRMC Bonds and the City Council deems it appropriate to approve the issuance of the YRMC Bonds by the Issuer.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Yuma, as follows:

SECTION 1: That the City Council hereby approves the issuance of the YRMC Bonds in an aggregate principal amount not to exceed \$105,000,000 by the Issuer, as provided in the bond documents of the Issuer, as presented at this meeting and on file with the Issuer’s counsel and the Clerk (which documents may be revised in accordance with the Issuer’s Bond Resolution), in accordance with the requirements of the Act.

SECTION 2: That the various, requisite City officers and employees are authorized and directed to take all actions necessary to effectuate the purposes of this Resolution.

SECTION 3: That all resolutions or ordinances, or parts thereof, which contemplate the same subject matter as this Resolution and which are in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

SECTION 4: That the immediate operation of this Resolution is necessary for the preservation of the peace, health and safety of the City of Yuma for the reason that the YRMC Bonds authorized herein must be sold immediately to secure the best, available economic terms therefore; an emergency is, therefore, declared to exist, and this Resolution is enacted as an emergency and shall be in full force and effect immediately upon its passage by the City Council, as required by law, and it is hereby exempt from the referendum provisions of the Constitution and laws of the State of Arizona and the Charter of the City of Yuma.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

APPROVED:

\_\_\_\_\_  
Douglas J. Nicholls  
Mayor

ATTESTED

By: \_\_\_\_\_  
Lynda L. Bushong  
City Clerk

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Richard W. Files  
City Attorney

**EXHIBIT A**

**The Industrial Development Authority  
of the City of Yuma, Arizona  
Hospital Revenue Bonds  
(Yuma Regional Medical Center)  
Series 2023A**

1. Bond Indenture, between the Issuer and nationally recognized bond, as bond trustee thereunder (on file in the City Clerk's Office).
2. Loan Agreement, between the Issuer and the Medical Center.

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THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF YUMA, ARIZONA

and

YUMA REGIONAL MEDICAL CENTER

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LOAN AGREEMENT

Dated as of December 1, 2023

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relating to

[\$[PAR AMOUNT]]  
The Industrial Development Authority of the City of Yuma, Arizona  
Hospital Revenue Bonds  
(Yuma Regional Medical Center)  
Series 2023A

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## **LOAN AGREEMENT**

This LOAN AGREEMENT (as from time to time amended or supplemented, this “Loan Agreement”), dated as of December 1, 2023, is between THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF YUMA, ARIZONA (the “Authority”), a nonprofit corporation designated a political subdivision of the State of Arizona (the “State”) and incorporated with the approval of the City of Yuma, Arizona (the “City”), and YUMA REGIONAL MEDICAL CENTER, a nonprofit corporation duly organized and existing under the laws of the State of Arizona (together with its successors, the “Corporation”).

### **W I T N E S S E T H:**

WHEREAS, the Authority was duly created and now exists under Title 35, Chapter 5, Arizona Revised Statutes, as amended (the “Act”), and is authorized to make loans for the purpose of financing or refinancing the acquisition, construction, improvement or equipping of projects (as that term is defined in the Act), including property suitable for health care institutions (within the meaning of the Act) and facilities owned or operated by a nonprofit organization described in Section 501(c) of the Code, and is authorized to issue its bonds to provide funds for such financing or refinancing; and

WHEREAS, the Authority previously issued its (i) Variable Rate Hospital Revenue Bonds (Yuma Regional Medical Center), Series 2014B (the “Prior 2014B Bonds”) and (ii) Variable Rate Hospital Revenue Bonds (Yuma Regional Medical Center), Series 2014C (the “Prior 2014C Bonds”) and together with the Prior 2014B Bonds, the “Prior Bonds”), and loaned the proceeds thereof to the Corporation to refinance the acquisition, construction, improvement or equipping of projects for certain facilities of the Corporation; and

WHEREAS, the Corporation has requested that the Authority issue one or more series of its hospital revenue bonds in an aggregate principal amount not to exceed \$[PAR AMOUNT], and make one or more loans of the proceeds thereof to the Corporation to (i) refund the Prior Bonds, and (ii) pay costs of issuance of the Bonds (as defined below); and

WHEREAS, the Authority has authorized the issuance of The Industrial Development Authority of the City of Yuma, Arizona Hospital Revenue Bonds (Yuma Regional Medical Center), Series 2023A (the “Bonds”), in an aggregate principal amount of \$[PAR AMOUNT] and the loan of the proceeds thereof to the Corporation for the purposes set forth in the above recitals; and

WHEREAS, the Authority is authorized under the Act to issue its Bonds for the purposes aforesaid and the Authority has determined that the public interest will be best served by the Authority: (i) issuing the Bonds under a bond indenture, dated as of December 1, 2023 (as from time to time amended or supplemented in accordance with the terms thereof, the “Bond Indenture”) between the Authority and Computershare Trust Company, N.A., as bond trustee (the “Bond Trustee”), and (ii) loaning the proceeds of the Bonds to the Corporation pursuant to this Loan Agreement; and

WHEREAS, the Authority has undertaken to loan the proceeds derived from the sale of the Bonds to the Corporation pursuant to this Loan Agreement, under which the Corporation is

required to make loan payments sufficient to pay when due the principal, Purchase Price and Redemption Price of and interest on the Bonds and certain related expenses; and

WHEREAS, pursuant to a Master Trust Indenture, dated as of April 15, 1997, as amended and supplemented, including by a Supplemental Indenture Number Fourteen, dated as of December 1, 2023 (the “Bond Supplemental Master Indenture,” as so supplemented and amended, the “Original Master Indenture”), between the Corporation and Computershare Trust Company, N.A., as successor master trustee (the “Master Trustee”), the Corporation has issued its Direct Note Obligation, Series 2023A (Hospital Revenue Bonds, Series 2023A) (the “Bond Obligation”) to evidence and secure the obligation of the Corporation and any future Members (as defined in the Master Indenture) to make payments sufficient to pay the principal, Purchase Price and Redemption Price and interest on the Bonds; and

WHEREAS, pursuant to Section 11.19 of the Bond Indenture and Section [ ] of [Sixteenth] Supplemental Master Indenture], (i) the Original Master Indenture will be amended and restated in the form of the Amended and Restated Master Trust Indenture, dated as of December 1, 2023 (the “Amended and Restated Master Indenture”), between the Corporation and the Master Trustee, which will be effective, following the issuance of the Bonds, on the date of issuance of the Bonds (the “Date of Issuance”), (ii) the Holders, by purchasing the Bonds, will be deemed to have irrevocably consented to the amendments to the Original Master Indenture set forth in the Amended and Restated Master Indenture, and (iii) all references herein to the Master Indenture shall upon such Date of Issuance, following the issuance of the Bonds and the execution and delivery of the Amended and Restated Master Indenture, be references to the Amended and Restated Master Indenture, as it may be further supplemented and amended from time to time; and

WHEREAS, on the Date of Issuance, the Bonds will be purchased by JPMorgan Chase Bank, National Association (including its permitted successors and assigns, the “Initial Direct Purchaser”), and the Corporation and the Initial Direct Purchaser will enter into a Continuing Covenant Agreement, dated as of the December 1, 2023 (as amended, supplemented, modified or restated from time to time, the “Bondholder Agreement”); and

WHEREAS, the Authority and the Corporation have each duly authorized the execution, delivery and performance of this Loan Agreement for the purpose of specifying the terms and conditions of a loan by the Authority to the Corporation of the proceeds of the Bonds for the purposes described in the above recitals and of the payment by the Corporation to the Authority of amounts sufficient for the payment of the principal, Purchase Price and Redemption Price of and interest on the Bonds and certain related expenses;

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto hereby agree as follows:

## ARTICLE I DEFINITIONS

Section 1.01 Definitions. Unless the context otherwise requires, the capitalized terms in this Loan Agreement shall have the meanings set forth in the Bond Indenture.

Section 1.02 Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and regardless of the referenced gender, pronouns shall include Persons of every kind and character.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) All references to “Articles,” “Sections” and other subdivisions of this Loan Agreement are to the designated Articles, Sections and other subdivisions of this Loan Agreement. The words “herein,” “hereof,” “hereby,” “hereunder” and words of similar import refer to this Loan Agreement as a whole.

Section 1.03 Contents of Certificates and Opinions. Every certificate or opinion provided for in this Loan Agreement with respect to compliance with any provision hereof shall to the extent applicable include: (1) a statement that the Person making or giving such certificate or opinion has read such provision and the definitions herein relating thereto; (2) a brief statement as to the nature and scope of the examination or investigation upon which the certificate or opinion is based; (3) a statement that, in the opinion of such Person, such Person has made or caused to be made such examination or investigation as is necessary to enable such Person to express an informed opinion with respect to the subject matter referred to in the instrument to which such Person’s signature is affixed; (4) a statement of the assumptions upon which such certificate or opinion is based, and that such assumptions are reasonable; and (5) a statement as to whether, in the opinion of such Person, such provision has been complied with.

Any such certificate or opinion made or given by an officer of the Authority or an officer or duly Authorized Representative of the Corporation may be based, insofar as it relates to legal, accounting or business matters of either of them, upon a certificate or opinion of or representation by counsel, an accountant, or a management consultant, unless such officer knows, or in the exercise of reasonable care should have known, that the certificate, opinion or representation with respect to the matters upon which such certificate or statement may be based, as aforesaid, is erroneous. Any such certificate or opinion made or given by counsel, an accountant or a management consultant may be based, insofar as it relates to factual matters (with respect to which information is in the possession of the Authority or the Corporation, as the case may be) upon a certificate or opinion of or representation by an officer of the Authority or the Corporation, unless such counsel, accountant or management consultant knows, or in the exercise of reasonable care should have known, that the certificate or opinion or representation with respect to the matters upon which such Person’s certificate or opinion or representation may be based, as aforesaid, is erroneous. The same officer of the Authority or the Corporation, or the same counsel or accountant or management consultant, as the case may be, need not certify to all of the matters required to be certified under any provision of this Loan Agreement, but different officers, counsel, accountants or management consultants may certify to different matters, respectively.

ARTICLE II  
REPRESENTATIONS AND WARRANTIES OF THE CORPORATION AND THE  
AUTHORITY

Section 2.01 Representations and Warranties of the Corporation. The Corporation makes the following representations and warranties to the Authority as of the date of the execution of this Loan Agreement and as of the date of delivery of the Bonds (such representations and warranties to remain operative and in full force and effect regardless of delivery of the Bonds or any investigations by or on behalf of the Authority or the results thereof):

(a) The Corporation is a nonprofit corporation duly organized, validly existing and in good standing under the laws of the State, with the power to enter into and perform this Loan Agreement, and that by proper corporate action it has duly authorized the execution and delivery of this Loan Agreement.

(b) This Loan Agreement is a valid and binding obligation of the Corporation enforceable in accordance with its terms except as enforceability may be subject to the exercise of judicial discretion in accordance with general equitable principles and to applicable bankruptcy, insolvency, reorganization, moratorium and other laws for the relief of debtors heretofore or hereafter enacted, and that the execution and delivery of this Loan Agreement and the consummation of the transactions contemplated herein will not conflict with or constitute a breach of or default under any bond, indenture, note or other evidence of indebtedness of the Corporation, or any contract, lease or other instrument to which the Corporation is a party or by which it or its properties are bound or cause the Corporation to be in violation of any applicable statute or rule or regulation of any governmental authority which breach, default, or violation would materially and adversely affect the consummation of the transactions contemplated hereby or the ability of the Corporation to perform its obligations hereunder.

(c) The Corporation is not in breach, default, or in violation of any indenture, mortgage, deed of trust, note, loan agreement or instrument which would allow the obligee or obligees thereof to take any action which would materially and adversely affect its performance under this Loan Agreement.

Section 2.02 Representations of the Authority.

(a) The Authority is an entity designated by law as a political subdivision of the State, is authorized to enter into the transactions contemplated by this Loan Agreement and to carry out its obligations hereunder, and has been duly authorized to execute and deliver this Loan Agreement and the Bond Indenture and agrees that it will do or cause to be done all things necessary to preserve and keep in full force and effect its existence.

(b) The issuance and sale of the Bonds, loaning of the proceeds of the Bonds to the Corporation for use by the Corporation for purposes set forth in the recitals hereof, the execution and delivery of this Loan Agreement and the Bond Indenture and the performance of all covenants and agreements of the Authority contained in this Loan Agreement and such other documents and of all other acts and things in connection therewith required under the State Constitution and the laws of the State to make this Loan Agreement and the Bond Indenture and each such other

document a valid and binding obligation enforceable against the Authority in accordance with its terms, except as enforceability may be subject to the exercise of judicial discretion in accordance with general equitable principles and to applicable bankruptcy, insolvency, reorganization, moratorium and other laws for the relief of debtors heretofore or hereafter enacted, are authorized by the Act and have been duly authorized or approved by proceedings of the Authority adopted at meetings thereof duly called and held.

(c) To provide funds for the loan to the Corporation for the purposes described above, the Authority has authorized its Bonds upon the terms set forth in the Bond Indenture.

ARTICLE III  
ISSUANCE OF BONDS AND BOND OBLIGATION;  
APPLICATION OF PROCEEDS OF BONDS

Section 3.01 Issuance of the Bonds; Application of Proceeds of Bonds; Issuance of Bond Obligation.

(a) Pursuant to the Bond Indenture, the Authority has authorized the issuance of the Bonds in the aggregate principal amount of \$[PAR AMOUNT]. The proceeds of the Bonds shall be applied under the terms and conditions of this Loan Agreement and the Bond Indenture. The Corporation hereby approves the Bond Indenture and the issuance of the Bonds thereunder by the Authority, and the assignment thereunder to the Bond Trustee of the right, title and interest of the Authority in this Loan Agreement (other than those rights specifically retained by the Authority pursuant to the Bond Indenture) and the Bond Obligation.

(b) In consideration of the issuance of the Bonds by the Authority and the application of the proceeds thereof as provided in the Bond Indenture, the Corporation agrees to issue, or cause to be issued, and to cause to be authenticated and delivered to the Authority or its designee, pursuant to the Master Indenture and Bond Supplemental Master Indenture, concurrently with the issuance and delivery of the Bonds, the Bond Obligation in substantially the form set forth in Bond Supplemental Master Indenture. The Authority agrees that the Bond Obligation shall be registered in the name of the Bond Trustee. The Corporation agrees that the aggregate principal amount of the Bond Obligation shall be limited to \$[PAR AMOUNT] except for any Master Note authenticated and delivered in lieu of another Master Note as provided in the Bond Supplemental Master Indenture with respect to the mutilation, destruction, loss or theft of the Bond Obligation or, subject to the provisions of subsection (c) below, upon registration of transfer of the Bond Obligation. Issuance and delivery of the Bonds by the Authority shall be a condition of the issuance and delivery of the Bond Obligation by the Corporation.

(c) The Corporation agrees that, except as provided in subsection (d) of this Section, so long as any Bonds remain Outstanding, the Bond Obligation shall be issuable only as a single obligation without coupons, registered as to principal and interest in the name of the Bond Trustee, and no transfer of the Bond Obligation shall be registered under the Master Indenture or be recognized by the Corporation except for transfers to a successor Bond Trustee.

(d) Upon the principal of all Master Notes Outstanding (within the meaning of that term as used in the Master Indenture) being declared immediately due and payable, the Bond

Obligation may be transferred if and to the extent that the Bond Trustee requests that the restrictions of subsection (c) of this Section on transfers be terminated.

Section 3.02 Disbursements from Costs of Issuance Fund. The Corporation will authorize and direct the Bond Trustee, upon compliance with Section 3.03 of the Bond Indenture, to disburse the moneys in the Costs of Issuance Fund to or on behalf of the Corporation solely for payment of Costs of Issuance. All such payments shall be made upon receipt by the Bond Trustee of a Requisition in the form prescribed by Section 3.03 of the Bond Indenture, signed by an Authorized Representative of the Corporation.

#### ARTICLE IV LOAN PROCEEDS; REPAYMENT PROVISIONS

##### Section 4.01 Loan of Bond Proceeds; Loan Repayments.

(a) Pursuant to the Bond Indenture, the Authority has authorized the issuance of the Bonds and hereby loans and advances to the Corporation, and the Corporation hereby borrows and accepts from the Authority (solely from the proceeds of the sale of such Bonds), the proceeds of the Bonds to be applied under the terms and conditions of this Loan Agreement and the Bond Indenture. In consideration of the loan of such proceeds to the Corporation, the Corporation agrees to pay, or cause to be paid, "Loan Repayments" in an amount sufficient to enable the Bond Trustee to make the transfers and deposits required at the times and in the amounts pursuant to Sections 5.03 and 5.04 of the Bond Indenture. Each Loan Repayment shall be made in immediately available funds. Notwithstanding the foregoing, the Corporation agrees to make payments, or cause payments to be made, at the times and in the amounts required to be paid as principal, Purchase Price and Redemption Price of and interest on the Bonds from time to time Outstanding under the Bond Indenture and other amounts required to be paid under the Bond Indenture, as the same shall become due whether at maturity, upon redemption, by declaration of acceleration or otherwise.

(b) Except as otherwise expressly provided herein, all amounts payable hereunder by the Corporation to the Authority shall be paid to the Bond Trustee as assignee of the Authority and this Loan Agreement and all right, title and interest of the Authority in any such payments are hereby assigned and pledged to the Bond Trustee so long as any Bonds remain Outstanding.

(c) Notwithstanding the foregoing provisions of this Section 4.01, the Corporation shall receive credit against Loan Repayments required to be made hereunder on any Interest Payment Date, Sinking Fund Installment date or Maturity Date to the extent that payments are received by the Bond Trustee in an amount sufficient to pay the interest on or principal of the Bonds becoming due and payable on such Interest Payment Date, Sinking Fund Installment date or Maturity Date, respectively, from a drawing on any Credit Facility (if any) pursuant to Section 5.07 of the Bond Indenture.

(d) Notwithstanding the foregoing provisions, the Authority and the Corporation agree, that as further provided in Section 2.02(f) of the Bond Indenture, for so long as the Bonds are owned by the Direct Purchaser, the Corporation will make payments of principal, interest and any other amounts due on the Bonds directly to the Direct Purchaser rather than to the Bond Trustee.



Section 4.02 Additional Payments.

(a) In addition to the Loan Repayments, the Corporation shall also pay to the Authority, the Bond Trustee, the Remarketing Agent (if any), the Liquidity Facility Provider (if any), the Credit Facility Provider (if any) or their respective designated agents, as the case may be, “Additional Payments,” as follows:

(i) All taxes and assessments of any type or character charged to the Authority or to the Bond Trustee affecting the amount available to the Authority or the Bond Trustee from payments to be received hereunder or in any way arising due to the transactions contemplated hereby (including taxes and assessments assessed or levied by any public agency or governmental authority of whatsoever character having power to levy taxes or assessments) but excluding franchise taxes based upon the capital and/or income of the Bond Trustee and taxes based upon or measured by the net income of the Bond Trustee; provided, however, that the Corporation shall have the right to protest any such taxes or assessments and to require the Authority or the Bond Trustee, as the case may be, at the Corporation’s expense, to protest and contest any such taxes or assessments assessed or levied upon them and that the Corporation shall have the right to withhold payment of any such taxes or assessments pending disposition of any such protest or contest unless such withholding, protest or contest would adversely affect the rights or interests of the Authority, the Bond Trustee or the Bondholders;

(ii) All reasonable fees, charges and expenses of the Bond Trustee for services rendered under the Bond Indenture, the reasonable fees, charges, expenses and indemnities of the Remarketing Agent (if any) under the Remarketing Agreement, the Liquidity Facility Provider (if any) under the Liquidity Facility (if any), and the Credit Facility Provider (if any) under the Credit Facility Agreement (if any) and all Administrative Fees and Expenses, as and when the same become due and payable;

(iii) The reasonable fees and expenses of such accountants, consultants, attorneys and other experts as may be engaged by the Authority or the Bond Trustee to prepare audits, financial statements, reports, opinions or provide such other services required under this Loan Agreement, the Master Indenture, the Bond Supplemental Master Indenture, the Bondholder Agreement Supplemental Master Indenture, the Tax Agreement, the Bond Obligation, the Bondholder Agreement Obligation, the Bonds or the Bond Indenture (the Authority and/or the Bond Trustee shall furnish to the Corporation information concerning the proposed fees and expenses of any such experts at the time of engagement of such experts, but the Corporation shall have no approval rights over the retention of such experts); and

(iv) The annual fee of the Authority and the reasonable fees and expenses of the Authority or any agent or attorney selected by the Authority to act on its behalf in connection with this Loan Agreement, the Master Indenture, Bond Supplemental Master Indenture, the Bondholder Agreement Supplemental Master Indenture, the Tax Agreement, the Bond Obligation, the Bondholder Agreement Obligation the Bonds or the Bond Indenture, including, without limitation, any and all reasonable expenses incurred in connection with the authorization, issuance, sale and delivery of any such Bonds or

incurred in connection with any litigation, investigation, inquiry or other proceeding which may at any time be instituted involving this Loan Agreement, the Master Indenture, Bond Supplemental Master Indenture, the Bondholder Agreement Supplemental Master Indenture, the Tax Agreement, the Bond Obligation, the Bondholder Agreement Obligation, the Bonds or the Bond Indenture or any of the other documents contemplated thereby, or incurred in connection with the supervision or inspection of the Corporation, its properties, assets or operations or otherwise in connection with the administration of this Loan Agreement, the Master Indenture, Bond Supplemental Master Indenture, the Bondholder Agreement Supplemental Master Indenture, the Tax Agreement, the Bond Obligation, the Bondholder Agreement Obligation, the Bonds or the Bond Indenture.

(v) Such Additional Payments shall be billed to the Corporation by the Authority, the Bond Trustee, the Remarketing Agent (if any), the Liquidity Facility Provider (if any) or the Credit Facility Provider (if any) from time to time. After such a demand, amounts so billed shall be paid by the Corporation within thirty (30) days after receipt of the bill by the Corporation.

Section 4.03 Credits for Payments. The Corporation shall receive credit against its payments required to be made under Section 4.01, in addition to any credits resulting from payment or repayment from other sources (including payments or prepayments made directly to the Direct Purchaser), as follows:

(a) on installments of interest in an amount equal to moneys deposited in the Interest Fund, which amounts are available to pay interest on the Bonds, to the extent such amounts have not previously been credited against such payments;

(b) on installments of principal in an amount equal to moneys deposited in the Bond Sinking Fund, which amounts are available to pay principal or Sinking Fund Installments of the Bonds, to the extent such amounts have not previously been credited against such payments;

(c) on installments of principal and interest in an amount equal to the principal amount of Bonds for the payment at maturity or redemption of which sufficient amounts (as determined by Section 10.03 of the Bond Indenture) in cash or United States Government Obligations are on deposit as provided in Section 10.03 of the Bond Indenture to the extent such amounts have not previously been credited against such payments, and the interest on such Bonds from and after the date fixed for payment at maturity or redemption thereof. Such credits shall be made against the installments of principal and interest which would have been used, but for such call for redemption, to pay principal of and interest on such Bonds when due or called for mandatory redemption; and

(d) on installments of principal and interest in an amount equal to the principal amount of Bonds acquired by the Corporation and delivered to the Bond Trustee for cancellation or purchased by the Bond Trustee and cancelled, and the interest on such Bonds from and after the date interest thereon has been paid prior to cancellation. Such credits shall be made against the installments of principal and interest which would have been used, but for such cancellation, to pay principal of and interest on such Bonds when due, and with respect to Bonds called for mandatory redemption, against principal installments which would have been used to pay Bonds of the same date.

Section 4.04 Prepayment. The Corporation shall have the right at any time or from time to time to prepay all or any part of the Loan Repayments and the Authority agrees that the Bond Trustee shall accept such prepayments when the same are tendered by the Corporation, and the Bond Trustee shall call for redemption Bonds as directed by the Corporation. The Corporation shall be required to prepay Loan Repayments in the amounts and at the times that Bonds are subject to optional or mandatory redemption pursuant to the Bond Indenture. All such prepayments (and the additional payment of any amount necessary to pay the Redemption Price payable upon the redemption of Bonds) shall be deposited upon receipt at the Corporation's direction in (i) the Bond Sinking Fund or (ii) the Optional Redemption Fund (or in such other Bond Trustee escrow account as may be specified by the Corporation) and, at the request of and as determined by the Corporation, credited against payments due hereunder or used for the redemption or purchase of Outstanding Bonds in the manner and subject to the terms and conditions set forth in the Bond Indenture.

Section 4.05 Payment of Purchase Price. The Corporation agrees that, if a Liquidity Facility or a Credit Facility is not in effect with respect to the Bonds or if the Liquidity Facility Provider or Credit Facility Provider, as applicable, has not paid the full amount required by the Bond Indenture at the times required under the Bond Indenture, it shall pay to the Bond Trustee the Additional Funding Amount, to the extent required pursuant to Section 4.10(d)(iii) of the Bond Indenture. Each such payment by the Corporation to the Bond Trustee pursuant to this Section shall be in immediately available funds and paid to the Bond Trustee at its Corporate Trust Office by 2:45 p.m., New York City time, on each date upon which a payment is to be made pursuant to Section 4.10(d)(iii) of the Bond Indenture.

Section 4.06 Obligations of the Corporation Unconditional; Net Contract. The obligations of the Corporation to make the Loan Repayments, Additional Payments and other payments required hereunder and to perform and observe the other agreements on its part contained herein shall be absolute and unconditional, and shall not be abated, rebated, setoff, reduced, abrogated, terminated, waived, diminished, postponed or otherwise modified in any manner or to any extent whatsoever, while any Bonds remain Outstanding or any Additional Payments or other payments remain unpaid, regardless of any contingency, event or cause whatsoever, including, without limiting the generality of the foregoing, any natural disaster, acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, the taking by eminent domain or destruction of or damage to its facilities, commercial frustration of purpose, any changes in the laws of the United States of America or of the State or any political subdivision of either or in the rules or regulations of any governmental authority, or any failure of the Authority or the Bond Trustee to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with this Loan Agreement or the Bond Indenture. This Loan Agreement shall be deemed and construed to be a "net contract," and the Corporation shall pay absolutely net the Loan Repayments, Additional Payments and all other payments required hereunder, regardless of any rights of setoff, recoupment, abatement or counterclaim that the Corporation might otherwise have against the Authority or the Bond Trustee or any other party or parties.

ARTICLE V  
PARTICULAR COVENANTS

Section 5.01 Consent to Assignment of Loan Agreement Rights to the Bond Trustee. The Corporation acknowledges and consents to the pledge and assignment of this Loan Agreement and the Bond Obligation and payments to be made hereunder (other than those rights specifically retained by the Authority pursuant to the Bond Indenture) and thereunder and of the Authority's rights hereunder to the Bond Trustee pursuant to the Bond Indenture to secure payment of the Bonds and agrees that the Bond Trustee may, on behalf of the owners of the Bonds, enforce the rights, remedies and privileges granted to the Authority hereunder, other than those rights specifically retained by the Authority pursuant to the Bond Indenture, and thereunder.

Section 5.02 Maintenance; Recording; Corporate Reorganization.

(a) The Corporation will, at its expense, take all necessary action to maintain and preserve this Loan Agreement so long as the Bond Obligation is outstanding. The Corporation will, forthwith after the execution and delivery of this Loan Agreement and thereafter from time to time, cause this Loan Agreement and all documents securing the Loan Agreement or any document securing the Bond Obligation and any financing statements in respect thereof to be filed, registered and recorded in such manner and in such places as may be required by law in order to publish notice hereof and thereof and fully to perfect and protect the lien of the Bond Indenture upon the trust estate referred to therein or any part thereof and, from time to time, will perform or cause to be performed any other act as provided by law and will execute or cause to be executed any and all continuation statements and further instruments that may be requested by the Bond Trustee for such publication, perfection and protection. Except to the extent it is exempt therefrom, the Corporation will pay or cause to be paid all filing, registration and recording fees incident to such filing, registration and recording, and all expenses incident to the preparation, execution and acknowledgment of such instruments of further assurance and all federal or state fees and other similar fees, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Loan Agreement, the Bond Obligation and such instruments of further assurance.

(b) Subject to compliance with the applicable provisions of the Master Indenture and the Bondholder Agreement, the Corporation may cause a portion of its operations to be separately incorporated or otherwise organized or reorganized (the "New Entity"), but all such operations, whether separately incorporated or not, shall remain bound by this Loan Agreement and the New Entity shall be liable with respect hereto; provided, however, that prior to effecting any such reorganization, the Corporation shall deliver to the Authority and the Bond Trustee, an (i) opinion of Counsel to the effect that after such reorganization such New Entity will be an Obligated Group Member (as defined in the Master Indenture) and shall be liable under this Loan Agreement and shall be jointly and severally liable under the Bond Obligation and (ii) Opinion of Bond Counsel that such reorganization will not affect the validity of the Bonds or the exclusion from gross income under Section 103 of the Code of interest paid on the Bonds.

Section 5.03 Tax Status and Eligibility for Financing. The Corporation represents and warrants that (i) it is an organization described in Section 501(c)(3) of the Code; (ii) it has received a determination letter from the Internal Revenue Service to that effect; (iii) such letter has not been

adversely modified, limited or revoked; (iv) it is in compliance with all material terms, conditions and limitations, if any, contained in such letter; (v) the facts and circumstances that form the basis of such letter continue substantially to exist as represented to the Internal Revenue Service; (vi) it is not aware of any facts or circumstances that could cause a revocation of that letter; and (vii) it is exempt from federal income taxes under Section 501(a) of the Code, except for unrelated business income subject to taxation. The Corporation agrees that it will not take any action or omit to take any action or cause or permit any circumstance within its control to arise or continue if such action or circumstance or omission would cause any revocation or adverse modification of such federal income tax status unless it first obtains a Favorable Opinion of Bond Counsel, addressed to the Bond Trustee, that such revocation or modification will not, in and of itself, adversely affect the exclusion from gross income under Section 103(a) of the Code of interest paid on the Bonds.

Section 5.04 Tax Covenant. The Corporation covenants and agrees that it will, at all times, do and perform all acts and things permitted by law and this Loan Agreement which are necessary in order to assure that interest paid on the Bonds will be excluded from gross income for federal income tax purposes and will take no action that would result in such interest not being so excluded. Without limiting the generality of the foregoing, the Corporation agrees to comply with the provisions of the Tax Agreement. This covenant shall survive payment in full or defeasance of the Bonds.

Section 5.05 Rebate Payments. The Corporation agrees to comply with the requirements of the Tax Agreement, the provisions in Section 5.09 of the Bond Indenture governing the Rebate Fund and of Section 148 of the Code relating to the rebate of earnings on non-purpose investments to the United States.

Section 5.06 Notice of Internal Revenue Service Audits. The Corporation and the Authority each agree to provide prompt written notice to the other upon receipt of a notice from the Internal Revenue Service that any of the Bonds are being audited or otherwise investigated or that the Internal Revenue Service or another agency on its behalf has requested documents or other information relating to the Bonds.

Section 5.07 Post-Issuance Compliance Undertaking for Bonds.

(a) The Corporation acknowledges that the Internal Revenue Service mandates certain filing requirements with respect to post-issuance tax compliance, private use and/or unrelated trade or business use, including the proper method for computing whether any such use has occurred under Section 145 of the Code. The Corporation covenants that it will undertake to determine (or have determined on its behalf) the information required to be reported on the IRS Form 990 (Schedule K) Supplemental Information on Tax-Exempt Bonds on an annual basis and will undertake to comply with the aforementioned filing requirements and any related requirements that may be applicable to the Bonds (collectively, the “Post-Issuance Requirements”). Further, the Corporation covenants that it has adopted, or, if not, will promptly adopt, management practices and procedures to ensure the Corporation complies with the Post-Issuance Requirements with respect to the Bonds.

(b) The Corporation initially has designated [the Chief Financial Officer] of the Corporation, to be responsible for providing or causing to be provided certain post-issuance tax compliance services that may be required from time to time with respect to the Bonds.

(c) The Corporation acknowledges receiving the post-issuance tax compliance procedures adopted by the Authority and agrees to comply therewith as a borrower of bond proceeds.

Section 5.08 Continuing Disclosure. The Corporation hereby covenants and agrees that it will comply with the continuing disclosure requirements promulgated under Rule 15c2-12, as it may from time to time hereafter be amended or supplemented, if and to the extent that such requirements are applicable to any of the Bonds. Notwithstanding any other provision of this Loan Agreement or the Bond Indenture, failure of the Corporation to comply with the requirements of Rule 15c2-12, as it may from time to time hereafter be amended or supplemented, shall not be considered a Loan Default Event or an Event of Default; however, the Bond Trustee may, and, at the request of Holders of at least 25% in aggregate principal amount of Outstanding Bonds after receiving indemnification to its satisfaction, shall, or any Bondholder or Beneficial Owner may, take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Corporation to comply with its obligations under this Section 5.08.

Section 5.09 Liquidity Facility; Alternate Liquidity Facility.

(a) There will be no Liquidity Facility in effect during the Initial Period while the Bonds bear interest at the Direct Purchase Fixed Rate. Following the Initial Period, the Corporation may, at any time at its sole option, deliver to the Bond Trustee a Liquidity Facility or an Alternate Liquidity Facility in substitution for a Liquidity Facility (subject to the applicable provisions set out in the Bond Indenture), or may, at any time at its sole option (subject to applicable provisions set out in the Bond Indenture) proceed without a Liquidity Facility with respect to the Bonds available for use by the Bond Trustee to provide for the purchase of Bonds upon their optional or mandatory tender in accordance with the Bond Indenture. Any Liquidity Facility (or Alternate Liquidity Facility) shall be a facility provided by a commercial bank or other financial institution in an amount equal to the Required Stated Amount with a term of at least 360 days from the effective date thereof and shall be subject to the approval of the Credit Facility Provider (if any). The Corporation shall give at least twenty-five (25) days' advance written notice to the Bond Trustee, the Credit Facility Provider (if any) and the Liquidity Facility Provider (if any) and the Bond Trustee of (1) its intent to furnish a Liquidity Facility or Alternate Liquidity Facility to the Bond Trustee, which notice shall specify the nature of such Liquidity Facility, the identity of the Liquidity Facility Provider and the proposed effective date of the Liquidity Facility and (2) its intent to terminate a Liquidity Facility then in effect, which notice shall specify the proposed termination date for such Liquidity Facility. The Liquidity Facility specified in this Section 5.09 and the Credit Facility specified in Section 5.11 may be the same instrument. The Liquidity Facility Provider providing the Alternate Liquidity Facility shall purchase all Liquidity Facility Bonds by the effective date of the Alternate Liquidity Facility.

(b) If a Liquidity Facility has been delivered or otherwise made available to the Bond Trustee in accordance with subsection (a) of this Section, the Corporation (1) shall maintain the Liquidity Facility or an Alternate Liquidity Facility, in an amount equal to the Required Stated

Amount prior to its termination, and (2) shall not voluntarily terminate the Liquidity Facility or any Alternate Liquidity Facility without the written consent of the Credit Facility Provider (if any), if such Credit Facility Provider is a separate entity from the applicable Liquidity Facility Provider.

(c) So long as no Credit Facility Provider failure, default or event (as described in Section 11.18 of the Bond Indenture) has occurred and is continuing, the Credit Facility Provider (if any), if such Credit Facility Provider is a separate entity from the Liquidity Facility Provider, may require the Corporation to provide an Alternate Liquidity Facility upon at least sixty (60) days' notice to the Corporation, the Authority and the Bond Trustee if the Liquidity Facility Provider receives a short-term rating downgrade below the top two highest short-term Rating Categories of any Rating Agency then rating such Bonds, the Liquidity Facility Provider defaults in payment under such Liquidity Facility or the Liquidity Facility Provider makes a demand for increased fees or costs resulting from regulatory or reserve requirements applicable to the Liquidity Facility Provider.

#### Section 5.10 Self-Liquidity Arrangements.

The Corporation, at its sole option, may maintain a Self-Liquidity Arrangement in lieu of a Liquidity Facility. Not less than 30 days prior to the expiration or termination of any existing Liquidity Facility, the Corporation shall notify the Bond Trustee and the Authority of its intention to provide a Self-Liquidity Arrangement, and the amendments, if any, to this Loan Agreement and the Bond Indenture reasonably necessary to accommodate such self-liquidity. The notice will be accompanied by a Favorable Opinion of Bond Counsel, including to the effect that such changes will not require the Bonds to be registered under the Securities Act, or the Bond Indenture to be qualified under the Trust Indenture Act or, if such registration or qualification is required, that it has been accomplished. The notice will also be accompanied by written evidence from each Rating Agency then rating the Bonds of the rating to be assigned to the Bonds by such Rating Agency on and after the date such Self-Liquidity Arrangement becomes effective.

#### Section 5.11 Credit Facility; Alternate Credit Facility.

(a) There will be no Credit Facility in effect during the Initial Period while the Bonds bear interest at the Direct Purchase Fixed Rate. Following the Initial Period, the Corporation may, at any time at its sole option (subject to the provisions of the Master Indenture and the applicable provisions set out in the Bond Indenture), furnish a Credit Facility or an Alternate Credit Facility in substitution for a Credit Facility, or may, at any time at its sole option (subject to the applicable provisions set out in the Bond Indenture) proceed without a Credit Facility with respect to the Bonds. Any Credit Facility (or Alternate Credit Facility) shall be a facility provided by a commercial bank or other financial institution in an amount equal to the Required Stated Amount with a term of at least 360 days from the effective date thereof and shall be subject to the approval of the Liquidity Facility Provider (if any) for such Bonds if the Liquidity Facility Provider is a separate entity from the Credit Facility Provider (if any). The Corporation shall give at least twenty-five (25) days' advance written notice to the Bond Trustee, the Credit Facility Provider (if any) and the Liquidity Facility Provider (if any) of (1) its intent to furnish a Credit Facility or Alternate Credit Facility to the Bond Trustee, which notice shall specify the nature of such Credit Facility, the identity of the Credit Facility Provider and the proposed effective date of the Credit Facility and (2) its intent to terminate a Credit Facility then in effect, which notice shall specify

the proposed termination date for such Credit Facility. The Credit Facility required by this Section 5.11 and the Liquidity Facility required by Section 5.09 may be the same instrument.

(b) If a Credit Facility has been delivered or otherwise made available to the Bond Trustee in accordance with subsection (a) of this Section, the Corporation (1) shall maintain the Credit Facility or an Alternate Credit Facility, in an amount equal to the Required Stated Amount prior to its termination, and (2) shall not voluntarily terminate the Credit Facility or any Alternate Credit Facility without the written consent of the Liquidity Facility Provider (if any), if such Liquidity Facility Provider is a separate entity from the applicable Credit Facility Provider.

Section 5.12 Compliance with Bond Indenture. The Corporation hereby agrees to all of the terms and provisions of the Bond Indenture as they relate to the Corporation and accepts each of its rights and obligations thereunder. Without limiting the foregoing, the Authority may assign its rights under this Loan Agreement as set forth in the Bond Indenture. The Corporation hereby approves the initial appointment under the Bond Indenture of the Bond Trustee and agrees to appoint a Remarketing Agent, when required under the Bond Indenture, or a Calculation Agent, when required under the Bond Indenture, for the Bonds.

## ARTICLE VI NON-LIABILITY OF AUTHORITY; EXPENSES; INDEMNIFICATION

Section 6.01 Non-Liability of Authority. The Authority shall not be obligated to pay the principal, Purchase Price or Redemption Price of and interest on the Bonds, except from Revenues. Neither the faith and credit nor the taxing power of the State, the City or any political subdivision of either is pledged to the payment of the principal, Purchase Price or Redemption Price of or interest on the Bonds. The Authority has no taxing power.

The Corporation hereby acknowledges that the Authority's sole source of moneys to repay the Bonds will be provided by the payments made by the Corporation pursuant to this Loan Agreement and by the Obligated Group pursuant to the Bond Obligation, and otherwise as provided in the Bond Indenture, and hereby agrees that if the payments to be made hereunder or under the Bond Obligation shall ever prove insufficient to pay all principal, Purchase Price and Redemption Price of and interest on the Bonds as the same shall become due (whether by maturity, redemption, acceleration or otherwise), then upon notice from the Bond Trustee, the Corporation shall pay such amounts as are required from time to time to prevent any deficiency or default in the payment of such principal, Purchase Price, Redemption Price or interest, including, but not limited to, any deficiency caused by acts, omissions, nonfeasance or malfeasance on the part of the Bond Trustee, the Corporation, the Authority or any third party.

Section 6.02 Expenses. The Corporation covenants and agrees to pay and to indemnify the Authority and, subject to the limitations set forth in Section 6.03, the Bond Trustee for, from and against all costs and charges, including reasonable fees of attorneys, accountants, consultants and other experts, incurred in good faith or arising out of or in connection with this Loan Agreement, the Bond Obligation, the Bonds, the Bond Indenture, or the Master Indenture.

Section 6.03 Indemnification.



(a) The Corporation will pay, defend, protect, indemnify, and save the Authority, the members of its Board of Directors, its officers, counsel, financial advisors and agents, the City of Yuma, its officers, employees, counsel and agents, and the Bond Trustee and its directors, officers, agents, attorneys and employees (each of the foregoing is individually referred to herein as an “Indemnified Party” and collectively are referred to herein as the “Indemnified Parties”) harmless for, from and against all liabilities, losses, damages, costs, expenses (including, without limitation, legal fees and expenses), causes of action (whether in contract, tort, or otherwise), suits, claims, demands, and judgments of every kind, character and nature whatsoever (collectively referred to herein as the “Liabilities”) directly or indirectly arising from or relating to the authorization, issuance, sale or delivery of the Bonds, or in any way relating to or arising out of the administration of the trust estate created pursuant to Bond Indenture or this Loan Agreement including, but not limited to, the following: (i) any injury to or death of any person or damage to the property of the Corporation or growing out of or connected with the use, non-use, condition, or occupancy of such property or any part thereof; (ii) violation of any provision or condition of this Loan Agreement or the Bond Indenture; (iii) violation by the Corporation of any contract, agreement, or restriction relating to such property; (iv) violation of any law, ordinance, or regulation affecting such property or any part thereof or the ownership, occupancy, or use thereof, including but not limited to environmental laws of any type; (v) the issuance and sale of the Bonds or any of them; (vi) any statement, information, or certificate furnished by the Corporation to the Authority or the Bond Trustee which is misleading, untrue, or incorrect in any material respect; (vii) the execution, delivery, or performance of the Bonds or of this Loan Agreement or the Bond Indenture or of any document required hereby or thereby or in furtherance of the transactions contemplated hereby or thereby; (viii) any action or failure to act by the Bond Trustee; (ix) any error, fraud, misrepresentation, or omission contained in the proceedings before the Authority or any other body with respect to the Bonds or in any information contained in any offering or disclosure document with respect to the Bonds (exclusive of material relating to the Authority) or otherwise affecting a purchase of the Bonds, whether upon the initial issuance or sale of the Bonds, upon any resale thereof, or in connection with any ongoing disclosure with respect thereto; and (x) the breach, untruthfulness, or default with respect to any of the Corporation's covenants, representations, or warranties contained herein or in any other document executed in connection herewith.

(b) Provided, however, that nothing in subsection (a) shall be deemed to provide indemnification to the Indemnified Parties with respect to liabilities directly arising from the fraud, gross negligence, or willful misconduct of the Indemnified Parties and, in the case of the Bond Trustee, its officers, agents, attorneys and employees, also successfully alleged to have arisen from the negligence or breach of trust of the Bond Trustee, its officers, agents, attorneys or employees.

(c) Any party entitled to indemnity shall, promptly after the receipt of notice of a written threat of commencement of any action to which the Corporation's indemnification obligations would apply, notify the Authorized Representative of the Corporation in writing of the commencement thereof; provided that the failure to give such notice shall not result in the loss of rights to indemnity hereunder, except that the liability of the Corporation shall be reduced by the amount of any loss, damage or expense incurred by the Corporation as the direct result of such failure to give notice. The Corporation may, or if so requested by the Indemnified Party shall, participate therein and assume the defenses thereof; with counsel satisfactory to such Indemnified Party and the Corporation. If the Indemnified Party is advised in an opinion of counsel that there may be legal defenses available to it which are different from or in addition to those available to

the Corporation (in which case the Corporation shall not have the right to direct the defense of such action on behalf of the Indemnified Party), or if the Corporation shall, after notice and within a period of time necessary to preserve any and all defenses to any claim asserted, fail to assume the defense or to employ counsel for that purpose satisfactory to the Indemnified Party, the Indemnified Party shall have the right, but not the obligation, to undertake the defense of, and to compromise or settle the claim or other matter on behalf of, for the account of, and at the risk of, the Corporation, and the Corporation shall be responsible for the reasonable fees, costs, and expenses of the Indemnified Party in conducting the Indemnified Party's defense. Nothing in this subsection, however, is intended to waive or supersede the attorney-client relationship and its attendant benefits between the Indemnified Party and counsel hired to represent said Indemnified Party.

(d) The Indemnified Parties, other than the Authority, shall be considered to be third party beneficiaries of this Loan Agreement for purposes of this Section 6.03.

Section 6.04 Survive Termination. The provisions of this Article shall survive payment in full of the Bonds, discharge of the Bond Indenture and termination or expiration of this Loan Agreement.

## ARTICLE VII LOAN DEFAULT EVENTS AND REMEDIES

Section 7.01 Loan Default Events. The following events shall be "Loan Default Events:"

(a) Failure by the Corporation to pay in full any payment required hereunder or under the Bond Obligation when due, whether on an Interest Payment Date at maturity, upon a date fixed for prepayment, by declaration, upon tender of the Bonds for purchase pursuant to the Bond Indenture, or otherwise pursuant to the terms hereof or thereof;

(b) Failure by the Corporation to observe and perform any other covenant, condition or agreement on its part to be observed or performed herein for a period of sixty (60) days after written notice, specifying such failure and requesting that it be remedied, shall have been given to the Corporation by the Authority, the Credit Facility Provider or the Bond Trustee; provided, however, that if the failure is such that it can be corrected but not within such 60-day period, and corrective action is instituted by the Corporation within such period and diligently pursued until such failure is corrected, then such failure or breach shall not become a Loan Default Event for so long as the Corporation shall diligently proceed to remedy such failure or breach in accordance with and subject to any directions of time established by the Authority (with respect to the rights specifically retained by the Authority pursuant to the Bond Indenture) or the Bond Trustee (with respect to rights other than the Authority's reserved rights);

(c) Any representation or warranty made by the Corporation in any document delivered by the Corporation to the Bond Trustee or the Authority in connection with the sale and delivery of the Bonds or the Bond Obligation proves to be untrue when made in any material respect;

(d) An Event of Default under the Bond Indenture or under the Master Indenture or under the Bondholder Agreement shall occur; or

(e) The Corporation (i) shall admit in writing its inability to pay its debts generally, (ii) shall make a general assignment for the benefit of creditors, (iii) shall institute any proceeding or voluntary case (A) seeking to adjudicate it a bankrupt or insolvent or (B) seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief or protection of debtors or (C) seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property, (iv) shall take any action to authorize any of the actions described above in this subsection (e), or (v) shall have instituted against it any proceeding (A) seeking to adjudicate it a bankrupt or insolvent or (B) seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief or protection of debtors or (C) seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property, and, if such proceeding is being contested by the Corporation in good faith, such proceeding shall remain undismissed or unstayed for a period of 60 days.

Upon having actual knowledge or written notice of the existence of a Loan Default Event, the Bond Trustee shall give written notice thereof to the Corporation, the Liquidity Facility Provider (if any), the Credit Facility Provider (if any) and the Direct Purchaser (if any) unless the Corporation has expressly acknowledged the existence of such Loan Default Event in a writing delivered by the Corporation to the Bond Trustee or filed by the Corporation in any court.

**Section 7.02 Remedies on Default.** If a Loan Default Event shall occur, then, and in each and every such case during the continuance of such Loan Default Event, the Bond Trustee on behalf of the Authority, subject to the limitations and its protections in the Bond Indenture as to the enforcement of remedies, may take such action as it deems necessary or appropriate to collect amounts due hereunder, to enforce performance and observance of any obligation or agreement of the Corporation hereunder or to protect the interests securing the same, and may, without limiting the generality of the foregoing:

(a) Exercise any or all rights and remedies given hereby or available hereunder or given by or available under any other instrument of any kind securing the Corporation's performance hereunder (including, without limitation, the Bond Obligation and the Master Indenture);

(b) By written notice to the Corporation, declare an amount equal to all amounts then due and payable on the Bonds, whether by acceleration of maturity or otherwise, to be immediately due and payable under this Loan Agreement, whereupon the same shall become immediately due and payable; and

(c) Take any action at law or in equity to collect the payment required hereunder then due, whether on the stated due date or by declaration of acceleration or otherwise, for damages or for specific performance or otherwise to enforce performance and observance of any obligation, agreement or covenant of the Corporation hereunder.

**Section 7.03 Remedies Not Exclusive; No Waiver of Rights.** No remedy herein conferred upon or reserved to the Authority or the Bond Trustee is intended to be exclusive of any other available remedy or remedies, but each and every such remedy, to the extent permitted by

law, shall be cumulative and shall be in addition to every other remedy given under this Loan Agreement or now or hereafter existing at law or in equity or otherwise. In order to entitle the Authority or the Bond Trustee to exercise any remedy, to the extent permitted by law, reserved to it contained in this Loan Agreement, it shall not be necessary to give any notice, other than such notice as may be herein expressly required. Such rights and remedies as are given to the Authority hereunder (other than those rights specifically retained by the Authority pursuant to the Bond Indenture) shall also extend to the Bond Trustee, and the Bond Trustee may exercise any rights of the Authority (other than those rights specifically retained by the Authority pursuant to the Bond Indenture) and its own rights under this Loan Agreement, and the Bond Trustee and the Holders of the Bonds shall be deemed third-party beneficiaries of all covenants and conditions herein contained.

No delay in exercising or omitting to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 7.04 Expenses on Default. In the event the Corporation should default under any of the provisions of this Loan Agreement and the Authority or the Bond Trustee should employ attorneys or incur other expenses for the collection of the payments due hereunder, the Corporation agrees that it will on demand therefor pay to the Authority or the Bond Trustee the fees and expenses of such attorneys and such other expenses so incurred by the Authority or the Bond Trustee.

Section 7.05 Notice of Default. The Corporation agrees that, as soon as is practicable, and in any event within ten (10) days of a Loan Default Event, the Corporation will furnish the Bond Trustee, the Liquidity Facility Provider (if any), the Credit Facility Provider (if any) and the Direct Purchaser (if any) notice of any event which is a Loan Default Event pursuant to Section 7.01 hereof which has occurred and is continuing on the date of such notice, which notice shall set forth the nature of such event and the action which the Corporation proposes to take with respect thereto; provided, however, that with respect to a Loan Default Event pursuant to Section 7.01(a), the Bond Trustee shall give the Corporation and the Credit Facility Provider (if any) immediate notice on the date such default occurs. The Corporation shall contemporaneously provide the Authority with a copy of any notice given to the Bond Trustee under this section.

Section 7.06 Assignment by Authority or Bond Trustee. This Loan Agreement, including the right to receive payments required to be made by the Corporation hereunder and to compel or otherwise enforce performance by the Corporation of its other obligations hereunder and thereunder, may be assigned and reassigned in whole or in part to one or more assignees or subassignees by the Authority or the Bond Trustee at any time subsequent to its execution without the necessity of obtaining the consent of the Corporation. The Authority expressly acknowledges that all right, title and interest of the Authority in and to this Loan Agreement (other than those rights specifically retained by the Authority pursuant to the Bond Indenture) have been assigned to the Bond Trustee, as security for the Bonds under and as provided in the Bond Indenture, and that if any Loan Default Event shall occur, the Bond Trustee shall be entitled to act hereunder in the place and stead of the Authority.

Section 7.07 Application of Moneys Collected. Any amounts collected pursuant to action taken under this Article shall be applied in accordance with the provisions of Article VII of the Bond Indenture, and to the extent applied to the payment of amounts due on the Bonds shall be credited against amounts due on the Bond Obligation.

## ARTICLE VIII MISCELLANEOUS

Section 8.01 Notices. All notices or communications herein required or permitted to be given shall be in writing and shall be deemed to have been sufficiently given or served for all purposes by being deposited, postage prepaid, in a post office letter box, addressed, as the case may be, to the respective addresses set forth in Section 11.07 of the Bond Indenture. A duplicate copy of each notice or communication given hereunder by either the Authority or the Corporation to the other shall also be given to the Bond Trustee. The Authority, the Corporation and the Bond Trustee may, by notice given hereunder, designate any further or different address to which subsequent notices, certificates and other communications shall be sent.

Section 8.02 Waiver of Personal Liability. No recourse shall be had for the payment of any payment required hereunder or for any claim based thereon or upon any obligation, covenant or agreement in this Loan Agreement contained, for, from or against any past, present or future incorporator, officer, director, trustee, member, employee, attorney or agent of the Corporation, the City or the Authority, or of any successor corporation, as such, either directly or through the Corporation, the City or the Authority or of any successor corporation of either the Corporation, the City or the Authority, under any rule of law or equity, statute or constitution or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such incorporators, officers, directors, members, trustees, employees, attorneys or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Loan Agreement

Section 8.03 Governing Law; Venue. This Loan Agreement shall be governed by and construed in accordance with and governed by the Constitution and laws of the State and any action filed to enforce this Loan Agreement shall be filed in the County of Yuma, Arizona, unless waived by the Authority in writing.

Section 8.04 Binding Effect. This Loan Agreement shall inure to the benefit of and shall be binding upon the Authority, the Corporation and their respective successors and assigns, subject, however, to the limitations contained herein. This Loan Agreement may not be assigned by the Corporation without the prior consent of the Authority and the Bond Trustee and any assignment in contradiction hereof shall be void.

Section 8.05 Severability of Invalid Provisions. If any covenant, agreement or provision, or any portion thereof contained in this Loan Agreement, where the application thereof to any person or circumstance is held to be unconstitutional, invalid or unenforceable, the remainder of this Loan Agreement and the application of such covenant, agreement or provision, or portion thereof, to other persons or circumstances, shall be deemed severable and shall not be affected thereby, and this Loan Agreement shall remain valid, and the Bondholders shall retain all valid

rights and benefits accorded to them under this Loan Agreement and the Constitution and laws of the State of Arizona.

Section 8.06 Loan Agreement Represents Complete Agreement; Amendments. This Loan Agreement represents the entire agreement between the parties. This Loan Agreement may not be effectively amended, changed, modified, altered or terminated except by the written agreement of the Corporation and the Authority and the concurring written consent of the Bond Trustee, given in accordance with the provisions of Section 6.08 of the Bond Indenture.

Section 8.07 Execution of Counterparts. This Loan Agreement may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute but one and the same instrument.

Section 8.08 Term of Loan Agreement. This Loan Agreement shall be in full force and effect from the date hereof and shall continue in effect as long as any of the Bonds is Outstanding or the Bond Trustee holds any moneys under the Bond Indenture, whichever is later.

Section 8.09 Survival of Covenants. Notwithstanding the payment in full of the Bonds, the discharge of the Bond Indenture, and the termination or expiration of this Loan Agreement, all provisions in this Loan Agreement concerning (a) the tax-exempt status of the Bonds (including, but not limited to provisions concerning rebate), (b) the interpretation of this Loan Agreement, (c) the governing law, (d) the forum for resolving disputes, (e) the Authority's right to rely on facts or certificates, (f) the immunity of the Authority's directors, officers, counsel, financial advisors, and agents, (g) the Authority's lack of pecuniary liability, and (h) the Corporation's obligations under Section 4.02, Section 6.02 and Section 6.03 hereof, shall survive and remain in full force and effect.

Section 8.10 Cancellation. To the extent required by the provisions of Arizona Revised Statutes Section 38-511, as amended, notice is hereby given that the State, its political subdivisions (including the Authority) or any department or agency of either may, within three years after its execution, cancel any contract, without penalty or further obligation, made by the State, its political subdivisions, or any of the departments or agencies of either if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the State, its political subdivisions, or any of the departments or agencies of either is, at any time while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract. The State, its political subdivisions or any department or agency of either may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the State, its political subdivisions or any department or agency of either from any other party to the contract arising as the result of the contract. The Authority hereby certifies that it is not presently aware of any violation of Arizona Revised Statutes Section 38-511 which would adversely affect the enforceability of this Loan Agreement and covenants that it will take no action which would result in a violation of such Section. The Authority agrees to use its best efforts not to create an event that could lead to the Authority having the right to cancel this Loan Agreement pursuant to Section 38-511 of the Arizona Revised Statutes.

Section 8.11 Bond Indenture Provisions. The Bond Indenture provisions concerning the Bonds and the other matters therein are an integral part of the terms and conditions of the Loan made by the Authority to the Corporation pursuant to this Loan Agreement, and the execution of this Loan Agreement shall constitute conclusive evidence of approval of the Bond Indenture by the Corporation to the extent it relates to the Corporation. Additionally, the Corporation agrees that, whenever the Bond Indenture by its terms imposes a duty or obligation upon the Corporation, such duty or obligation shall be binding upon the Corporation to the same extent as if the Corporation were an express party to the Bond Indenture, and the Corporation hereby agrees to carry out and perform all of its obligations under the Bond Indenture as fully as if the Corporation were a party to the Bond Indenture.

IN WITNESS WHEREOF, the Authority and the Corporation have each caused this Loan Agreement to be executed in its respective names by its duly Authorized Representative, all as of the date first written above.

THE INDUSTRIAL DEVELOPMENT  
AUTHORITY OF THE CITY OF YUMA,  
ARIZONA

By: \_\_\_\_\_  
President

YUMA REGIONAL MEDICAL CENTER

By: \_\_\_\_\_  
Authorized Representative