



City of Yuma City Council Meeting Agenda

Wednesday, July 2, 2025

5:30 PM

Yuma City Hall Council Chambers
One City Plaza, Yuma

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.

Those wishing to speak on an agenda item or during Call to the Public must complete a Speaker Request Form prior to the start of the meeting. Speaker Request Forms can be found on the City's website, in the Clerk's Office, as well as in the Council Chambers.

"Call to the Public" comments are limited to non-agenda items that pertain to City business under the authority and legislative functions of the City Council. The total time for "Call to the Public" is limited to 30 minutes.

Speaker Request Forms should be submitted to City clerk staff prior to the start of each meeting. All speakers, whether speaking on an agenda item or during "Call to the Public" are provided 3 minutes, with no more than 5 speakers permitted per topic/issue.

City Council Worksessions and Regular City Council Meetings can be viewed through the following platforms:

- Cable – Meetings are broadcast live on Spectrum Cable Channel 73.
- Live Stream – Residents can watch meetings on their computer or mobile device at www.yumaaz.gov/telvue. Previous Council meetings are also available on-demand.
- Virtual – Residents can watch meetings via Teams on their computer or mobile device at www.yumaaz.gov/publicmeetings. Click on "Calendar" then select the City meeting and click "Join".

CALL TO ORDER

INVOCATION

PLEDGE OF ALLEGIANCE

FINAL CALL

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

ROLL CALL**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 2025-102](#) **Regular Council Worksession Draft Minutes June 3, 2025**

Attachments: [2025 06 04 RCM Minutes](#)

2. [MC 2025-103](#) **Regular Council Meeting Draft Minutes June 4, 2025**

Attachments: [2025 06 04 RCM 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 2025-091](#) **Liquor License: Del Sol #4**

Approve a Series #10: Beer and Wine Store Liquor License application submitted by Andres Salcido, agent for Del Sol #4 located at 280 S. 4th Avenue. (LL25-10) (City Administration/City Clerk) (Lynda L. Bushong)

Attachments: [1. MAP Del Sol #4](#)

2. [MC 2025-092](#) **Bid Award: Patrol Motorcycles**

Authorize the award and purchase of patrol motorcycles, for a one-year contract with the option to renew for four additional one-year periods, one period at a time, depending on the appropriation of funds and satisfactory performance, for an estimated amount of \$105,275.49 to Bobby's Territorial Harley-Davidson, Yuma, Arizona. (Police Department-RFB-25-174) (Thomas Garrity/Robin R. Wilson)

3. [MC 2025-093](#) **Cooperative Purchase Agreement: Information Technology Products and Services**
Authorize the purchase of Information Technology Products and Services utilizing vendors awarded from the 15 cooperative purchasing agencies noted below, at an estimated amount of \$8,251,630.00. (IT-CPA-26-001) (Isaiah Kirk/Robin R. Wilson)
- Attachments:** [1. Information Technology Products and Services Attachment](#)
4. [MC 2025-094](#) **Cooperative Purchase Agreement: Cyclical Network Refresh Project**
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 \$340,000.00 (IT-CPA-26-002) (Isaiah Kirk/Robin R. Wilson)
5. [MC 2025-095](#) **Cooperative Purchase Agreement: Cyclical Laptops and Monitors Refresh Project**
Authorize the purchase of laptops, monitors, and docks utilizing a Cooperative Purchase Agreement with Dell Technologies in the estimated amount of \$575,000.00. (IT-CPA-26-003) (Isaiah Kirk/Robin R. Wilson)
6. [MC 2025-096](#) **Sole Source: Human Resources Information System Subscription Renewal**
Authorize the renewal of a Software Subscription from Governmentjobs.com, dba NeoGov, El Segundo, California, at a one-year estimated expenditure of \$305,000.00. (IT/HR-SS-26-004) (Isaiah Kirk/Monica Welch/Robin R. Wilson)
7. [MC 2025-097](#) **Sole Source: Automated Meter Infrastructure (AMI) City wide**
Authorize the sole source purchase of Badger Water Meters, encoders, and endpoints to replace existing water meters at an expenditure of \$1,596,126.78 to Badger Meter, Milwaukee, Wisconsin. (Utilities SS-26-005) (Jeremy McCall/Robin Wilson)
8. [MC 2025-099](#) **2025 Annual Action Plan - Community Development Block Grant and HOME Investment Partnerships Program**
Approve the City of Yuma 2025 Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) Annual Action Plan and authorize the City Administrator to execute funding agreements with the U.S. Department of Housing and Urban Development (HUD). (Planning & Neighborhood Services/Neighborhood Services) (Kassandra Granados)
- Attachments:** [1. CDBG and HOME 2025 Annual Action Plan](#)

9. [MC 2025-100](#) **Infrastructure and Services Report: ANEX-43789-2025 Vision Assets, LLC**
Approve an Infrastructure and Services Report for Annexation Area No. ANEX-43789-2025, identified as the Vision Assets, LLC Annexation, located at the northeast corner of W. 27th Street and S. 21st Drive. (Planning and Neighborhood Services/Community Planning) (Alyssa Linville)
10. [MC 2025-101](#) **Ratification: Renewal of City Insurance Coverage for Fiscal Year 2026**
Authorize binding of insurance coverage for Property, Public Liability (including Employee Benefits, Public Officials, Employment Practices, Liquor, Law Enforcement and Auto), Excess Liability, Crime/Dishonesty, Excess Workers Compensation, Cyber Liability, Automobile Damage, Drone, and Deadly Weapon coverage for Fiscal Year (FY) 2026 for the total amount of \$2,283,039.02 to: Alliant Insurance Services, Inc., of Phoenix, AZ (City Attorney-RFB-23-110) (Richard W. Files/Robin 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. [R2025-074](#) **Intergovernmental Agreement: Arizona Department of Transportation**
Authorize the City Administrator to execute an Intergovernmental Agreement (IGA) with Arizona Department of Transportation (ADOT) to utilize Highway User Revenue Fund (HURF) Exchange funding to assist in paying for the roadway infrastructure located on 40th Street from Avenue 6¾ E to Avenue 7½ E. (Engineering) (David Wostenberg)

Attachments:

- [1. RES IGA HURF Exchange Agreement](#)
- [2. IGA HURF Exchange Agreement](#)

2. [R2025-075](#)**Intergovernmental Agreement Amendment: Arizona Department of Transportation - HSIP Pavement Markings Project**

Authorize the City Administrator to execute Amendment No. One to the Intergovernmental Agreement with the Arizona Department of Transportation for the design and construction of the Upgrade Pavement Markings at four Citywide Locations. This is a Highway Safety Improvement Program (HSIP) project and is 100% grant funded with a total amount of \$705,390.00. (Engineering) (Dave Wostenberg)

Attachments:[1. RES IGA ADOT Amendment One](#)[2. IGA ADOT Amendment One](#)**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. [O2025-022](#)**Amendment: Ordinance O2021-007 - City Departments**

Authorize an amendment of the current listing of City Departments to combine the Building Safety and Planning and Neighborhood Services Departments to reconstitute the Department of Community Development; Move the Economic Development Division from City Administration to the Department of Community Development; and separating the Facilities Management Division from the Building Safety Division to be a stand-alone Facilities Management Department. (Administration/Finance) (Jay Simonton/Doug Allen)

Attachments:[1. ORD Amend the current listing of City Departments](#)2. [O2025-023](#)**Rezoning of Property: Southeast Corner of State Route SR-195 and 40th Street**

Rezone approximately 50.55 acres from the Agriculture (AG) District to the High Density Residential (R-3) District, for the property located at the southeast corner of State Route SR-195 and 40th Street, Yuma, AZ. (Planning and Neighborhood Services) (Alyssa Linville)

Attachments:[1. P&Z RPT Rezoning of Property: SEC State Route SR-195 and 40th Street](#)[2. ORD Rezoning of Property: SEC State Route SR-195 and 40th Street](#)

3. [O2025-024](#) **Adopt the Fiscal Year 2026 City of Yuma Primary Property Tax Levy, the Main Street Mall and Off-Street Parking Maintenance District No. 1 Property Tax Levy, and 13 Municipal Improvement District Tax Levies**

Adopt the Fiscal Year 2026 Primary Property Tax Levy, the Main Street Mall and Off Street Parking Maintenance District No. 1 Property Tax Levy, and 13 Municipal Improvement District Tax Levies. (Administration/Finance) (Jay Simonton/Douglas Allen)

Attachments: [1. ORD Property Tax Levies FY 2026](#)

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. [O2025-025](#) **Annexation Area No. ANEX-43789-2025 Vision Assets**

Authorize annexation of properties located at the northeast corner of W. 27th Street and S. 21st Drive. (ANEX-43789-2025) (Planning and Neighborhood Services/Community Planning) (Alyssa Linville)

Attachments: [1. PET Annex Vision Assets](#)
[2. ORD Annex Vision Assets](#)

2. [O2025-026](#) **GPLET Lease: Spencrazi, L.L.C.**

Adopt an ordinance authorizing: (1) accepting title to land and improvements on Parcel B of the Center Pointe Commons Lot Tie/Lot Split at the southwest corner of 16th Street and 4th Avenue; (2) an eight-year government property land and improvements lease with Spencrazi, L.L.C., as the statutory prime lessee; (3) abatement of the government property lease excise tax for the term of the lease; and, (4) reconveyance of the land and improvements to the prime lessee at the conclusion of the lease. (This item must be adopted by a simple majority vote without the use of the consent calendar) (City Attorney) (Richard Files)

Attachments: [1. ORD GPLET Lease Spencrazi LLC - Bubba's 33](#)
[2. GPLET Lease Spencrazi LLC - Bubba's 33](#)
[3. MEMO GPLET Lease Spencrazi LLC - Bubba's 33](#)
[4. NOTICE GPLET Lease Spencrazi LLC - Bubba's 33](#)

3. [O2025-027](#)**Acquisition of Union Pacific Railroad Property**

Authorize the acquisition of approximately 14.32 acres of real property for future downtown redevelopment. (City Administrator) (Jay Simonton)

Attachments: [1. ORD Acquisition of Property](#)

V. APPOINTMENTS, ANNOUNCEMENTS AND SCHEDULING

Discussion and possible action on the following items:

1. Appointments:

- Parks, Arts, and Recreation Commission

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 June 19, 2025, through July 2, 2025. 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.

VI. 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.

VII. CALL TO THE PUBLIC

Members of the public may address the City Council on matters within City Council's authority and jurisdiction that are not listed on the agenda during the "Call to the Public" segment of the meeting. All speakers must complete a Speaker Request Form and submit it to City Clerk staff no later than the "Final Call for Speaker Request Forms" is made at the beginning of each meeting.

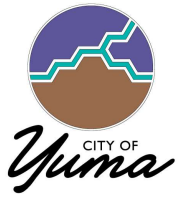
VIII. EXECUTIVE SESSION

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:

A. Discussion, consultation with and/or instruction to legal counsel regarding a potential Development Agreement with Juniper Tree Academy. (A.R.S. 38-431.03 A3, A4 & A7)

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

File #: MC 2025-102

Agenda Date: 7/2/2025

Agenda #: 1.

Regular Council Worksession Draft Minutes June 3, 2025

MINUTES
REGULAR CITY COUNCIL MEETING
CITY COUNCIL OF THE CITY OF YUMA, ARIZONA
CITY COUNCIL CHAMBERS, YUMA CITY HALL
ONE CITY PLAZA, YUMA, ARIZONA
JUNE 4, 2025
5:30 p.m.

CALL TO ORDER

Mayor Nicholls called the City Council meeting to order at 5:33 p.m.

INVOCATION/PLEDGE

Deacon Joel Olea, Immaculate Conception Church, gave the invocation. **Lieutenant Robert Wright**, Yuma Police Department, led the City Council in the Pledge of Allegiance.

FINAL CALL

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

ROLL CALL

Councilmembers Present:	Martinez, Morris, McClendon, Smith, Morales, Watts, and Mayor Nicholls
Councilmembers Absent:	None
Staffmembers Present:	Acting City Administrator, John D. Simonton Chief of Police, Thomas Garrity Associate Planner, Meredith Rojas Senior Planner, Erika Peterson Director of Finance, Douglas Allen Various Department Heads or their representative City Attorney, Richard W. Files City Clerk, Lynda L. Bushong

I. MOTION CONSENT AGENDA

Motion (McClendon/Morales): To approve the Motion Consent Agenda as recommended. Voice vote: **approved 7-0.**

A. Approval of minutes of the following City Council meetings:

Regular Council Worksession	April 15, 2025
Regular Council Meeting	April 16, 2025

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. Award a construction services contract for the Avenue 3E and 32nd Street Median Landscape to the lowest responsive and responsible bidder in the amount of \$1,432,599.40 to Gutierrez Canales Engineering, Yuma, Arizona. (RFB-25-299) (Eng)
2. Authorize a change order in the amount of \$431,889.43 to CORE Construction, Inc. of Phoenix, Arizona for preconstruction and post design services of the Hotel Del Sol Multi-Modal Transportation Center. (RFQ 2020-20000136) (Eng)
3. Approve a memorandum of understanding between Flock Safety Group Inc. and the City of Yuma to allow the Yuma Police Department access to their Automated License Plate Reader system and database. (YPD/Admin)

II. RESOLUTION CONSENT AGENDA

Mayor Nicholls declared a conflict of interest on Resolutions R2025-062, R2025-063, and R2025-064, turned the meeting over to **Deputy Mayor Smith**, and left the dais.

Morris declared a conflict of interest on Resolutions R2025-063 and R2025-064 as his firm did some work within that subdivision and left the dais.

Resolution R2025-062 – Preannexation Development Agreement: Avenue 9E South of 32nd Street (allow connection to City services until the property can be included in a larger annexation) (Plng & Nbhd Svcs/Cmty Plng)

Resolution R2025-063 – Order Improvements: Municipal Improvement District No. 134 Butler Estates Unit No. 1 Subdivision (create a dedicated funding stream for the Landscape Improvements serving the neighborhood and provide neighborhood input for the implementation of those improvements) (Plng & Nbhd Svcs/Cmty Plng)

Resolution R2025-064 – Order Improvements: Municipal Improvement District No. 132 Butler Estates Unit No. 2 Subdivision (create a dedicated funding stream for the Landscape Improvements serving the neighborhood and provide neighborhood input for the implementation of those improvements) (Plng & Nbhd Svcs/Cmty Plng)

Motion (Morales/Watts): To adopt Resolutions R2025-063 and R2025-064.

Bushong displayed the following titles:

Resolution R2025-063

A resolution of the City Council of the City of Yuma, Arizona, ordering improvements for Municipal Improvement District No. 134, serving Butler Estates Unit No. 1 Subdivision, to operate, maintain and repair landscaping improvements included within, near and adjacent to the retention and detention basins and parkings and parkways and related facilities together with appurtenant structures of Butler Estates Unit No. 1 Subdivision, as more particularly described in this resolution, and declaring the landscape improvements to be of more than local or ordinary public benefit, and

the cost of the landscape improvements assessed upon Municipal Improvement District No. 134; improvements shall be performed under Arizona Revised Statutes Title 48, Chapter 4, Article 2 (provide long-term maintenance for subdivision landscaping, resulting in an appealing environment for neighborhood residents) (Plng & Nbhd Svcs/Cmty Plng)

Resolution R2025-064

A resolution of the City Council of the City of Yuma, Arizona, ordering improvements for Municipal Improvement District No. 132, serving Butler Estates Unit No. 2 Subdivision, to operate, maintain and repair landscaping improvements included within, near and adjacent to the retention and detention basins and parkings and parkways and related facilities together with appurtenant structures of Butler Estates Unit No. 2 Subdivision, as more particularly described in this resolution, and declaring the landscape improvements to be of more than local or ordinary public benefit, and the cost of the landscape improvements assessed upon Municipal Improvement District No. 132; improvements shall be performed under Arizona Revised Statutes Title 48, Chapter 4, Article 2 (provide long-term maintenance for subdivision landscaping, resulting in an appealing environment for neighborhood residents) (Plng & Nbhd Svcs/Cmty Plng)

Roll call vote: **adopted** 5-0-2, **Mayor Nicholls** and **Morris** abstaining due to conflict of interest.

Morris returned to the dais.

Motion (Morales/Watts): To adopt Resolution R2025-062.

Bushong displayed the following title:

Resolution R2025-062

A resolution of the City Council of the City of Yuma, Arizona, authorizing and approving the execution of a Preannexation Development Agreement with John Condon for Assessor Parcel Number 699-36-208 located on Avenue 9E, South of 32nd Street (allow connection to City services; the owner intends to develop the property with a tiny home development for veterans) (Plng & Nbhd Svcs/Cmty Plng)

Roll call vote: **adopted** 6-0-1, **Mayor Nicholls** abstaining due to conflict of interest.

Mayor Nicholls returned to the dais.

Resolution R2025-051 – Memorandum of Understanding: Yuma Regional Mental Health Court (authorize the Yuma Police Department to participate in the Yuma Regional Mental Health Court) (YPD)

Discussion

- The Yuma Police Department has been participating in the Yuma Regional Mental Health Court, a diversion program for people suffering through mental illness, for over 15 years. **(Smith/Garrity)**
-

Motion (Morris/Smith): To adopt the Resolution Consent Agenda with the exception of Resolutions R2025-062, R2025-063, and R2025-064, which were adopted through a previous motion.

Bushong displayed the following titles:

Resolution R2025-051

A resolution of the City Council of the City of Yuma, Arizona, authorizing the participation of the Yuma Police Department in the Yuma Regional Mental Health Court through a Memorandum of Understanding (to offer justice-involved individuals with serious mental illness an alternative to traditional prosecution and incarceration) (YPD)

Resolution R2025-052

A resolution of the City Council of the City of Yuma, Arizona, authorizing the City of Yuma to enter into an intergovernmental agreement with the City of San Luis on behalf of the San Luis Police Department for use of the City of Yuma Public Safety Training Facility (the intergovernmental agreement will further the cooperative working relationship between the entities) (YPD)

Resolution R2025-053

A resolution of the City Council of the City of Yuma, Arizona, authorizing and approving Amendment No. One to the Intergovernmental Agreement with Arizona Department of Transportation dated March 3, 2023, for the design and construction of pedestrian hybrid beacons at 24th Street and 6th Avenue and Giss Parkway between 1st Avenue and Madison Avenue (the amendment will reduce the scope of work from five beacons to two beacons due to funding and right-of-way acquisition issues) (Eng)

Resolution R2025-054

A resolution of the City Council of the City of Yuma, Arizona, authorizing and approving a Fourth Amendment to an Intergovernmental Agreement with Yuma County Intergovernmental Public Transportation Authority for the Yuma Multi-Modal Transportation Center (for final design and pre-construction costs associated with the rehabilitation of the Hotel del Sol as a multimodal transportation center) (Eng)

Resolution R2025-055

A resolution of the City Council of the City of Yuma, Arizona, authorizing and approving a Development Agreement permitting the deferral of City of Yuma Development Fees and water and sanitary sewer capacity charges for Desert Sands Unit No. 4 Subdivision (deferral for a period of three years upon collection of a \$500.00 administrative fee) (Eng)

Resolution R2025-057

A resolution of the City Council of the City of Yuma, Arizona, authorizing and approving the execution of a Preannexation Development Agreement with Yuma Investment Partners, LLC for Assessor Parcel Numbers 632-58-128 and 632-58-129 located at 594 S. May Avenue (allow connection to City services; the owner intends to develop a new multi-family development) (Plng & Nbhd Svcs/Cmty Plng)

Resolution R2025-058

A resolution of the City Council of the City of Yuma, Arizona, authorizing and approving the execution of a Preannexation Development Agreement with Everardo J. Avendano for Assessor Parcel Number 699-54-007 located at 9381 E. Stetson Street (the well serving the Jones Co-op Water Association has exceeded recommended contaminant levels; the Arizona Department of Environmental Quality will cover the costs of water line extensions and connection fees for all affected residences) (Plng & Nbhd Svcs/Cmty Plng)

Resolution R2025-059

A resolution of the City Council of the City of Yuma, Arizona, authorizing and approving the execution of a Preannexation Development Agreement with Everardo Avendano for Assessor Parcel Number 699-54-008 located at 9365 E. Stetson Street (the well serving the Jones Co-op Water

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Association has exceeded recommended contaminant levels; the Arizona Department of Environmental Quality will cover the costs of water line extensions and connection fees for all affected residences) (Plng & Nbhd Svcs/Cmty Plng)

Resolution R2025-060

A resolution of the City Council of the City of Yuma, Arizona, authorizing and approving the execution of a Preannexation Development Agreement with Pedro and Raquel Gonzales for Assessor Parcel Number 699-54-003 located at 9453 E. Stetson Street (the well serving the Jones Co-op Water Association has exceeded recommended contaminant levels; the Arizona Department of Environmental Quality will cover the costs of water line extensions and connection fees for all affected residences) (Plng & Nbhd Svcs/Cmty Plng)

Resolution R2025-061

A resolution of the City Council of the City of Yuma, Arizona, authorizing and approving the execution of a Preannexation Development Agreement with Nohemy Echavarria and Sergio Echavarria for Assessor Parcel Number 631-56-159 located at 530 S. Avenue C (property owners have received Yuma County approval for a septic permit and now seek to connect to City water services for their planned single-family residence) (Plng & Nbhd Svcs/Cmty Plng)

Resolution R2025-065

A resolution of the City Council of the City of Yuma, Arizona, ordering improvements for Municipal Improvement District No. 133 serving Kahuna Estates, to operate, maintain and repair landscaping improvements included within, near and adjacent to the retention and detention basins and parkings and parkways and related facilities, together with appurtenant structures of Kahuna Estates as more particularly described in this resolution, and declaring the landscape improvements to be of more than local or ordinary public benefit, and the cost of the landscape improvements assessed upon Municipal Improvement District No. 133 shall be performed under Arizona Revised Statutes (A.R.S.) Title 48, Chapter 4, Article 2 (provide long-term maintenance for subdivision landscaping resulting in an appealing environment for neighborhood residents) (Plng & Nbhd Svcs/Cmty Plng)

Resolution R2025-067

A resolution of the City Council of the City of Yuma, Arizona, supporting the Arizona Department of Environmental Quality proposal to identify a new water body in Arizona's surface water quality standards and assign appropriate designated uses to maintain the status quo for the discharge of treated effluent from Yuma's Figueroa Avenue Water Pollution Control Facility (the proposal aims to preserve an important mitigation wetland and allow the Figueroa Avenue facility to continue discharging treated effluent without the need for expensive upgrades to meet inappropriate standards) (Utl)

Roll call vote: **adopted** 7-0.

III. ADOPTION OF ORDINANCES CONSENT AGENDA

Ordinance O2025-019 – Text Amendment: Accessory Dwelling Units (update development regulations to expand the residential zoning districts which permit accessory dwelling units) (Plng & Nbhd Svcs/Cmty Plng)

Discussion

- There is a small scrivener's error in the proposed ordinance; it does not constitute a material change, and the ordinance can be adopted without correction (**Mayor Nicholls/Morris/Files**)

Motion (Smith/McClendon): To adopt the Ordinances Consent Agenda as recommended.

Bushong displayed the following titles:

Ordinance O2025-016

An ordinance of the City Council of the City of Yuma, Arizona, amending Chapter 154 of the Yuma City Code, rezoning certain property located in the Agriculture (AG) District to the Heavy Industrial (H-I) District, and amending the zoning map to conform with the rezoning (rezone approximately 160 acres located at the northeast corner of 96th Street and Avenue A) (Plng & Nbhd Svcs/Cmty Plng)

Ordinance O2025-017

An ordinance of the City Council of the City of Yuma, Arizona, amending Chapter 130 of the Yuma City Code, as amended, relating to animals and fowl, to comply with State statute (address the requirements of Arizona House Bill 2325, regulating domestic fowl numbers and enclosure standards for residential properties, and clarifies animal definitions and restrictions) (Plng & Nbhd Svcs/Cmty Plng)

Ordinance O2025-018

An ordinance of the City Council of the City of Yuma, Arizona, amending Chapter 154 of the Yuma City Code, as amended, relating to the keeping of large animals (provide a uniform method for calculating the allowed number of large animals throughout the Yuma City Code) (Plng & Nbhd Svcs/Cmty Plng)

Ordinance O2025-019

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 the zoning code to amend development regulations and expand the permitted zoning districts for accessory dwelling units (support the development of new accessory dwellings by expanding the permitted zoning districts, while also relaxing associated development standards) (Plng & Nbhd Svcs/Cmty Plng)

Ordinance O2025-020

An ordinance of the City Council of the City of Yuma, Arizona, amending Chapter 154 of the Yuma City Code, as amended, relating to development regulations within the Planned Unit Development Overlay (update development standards within the Planned Unit Development (PUD) Overlay, aimed at allowing increased densities within residential developments) (Plng & Nbhd Svcs/Cmty Plng)

Roll call vote: **adopted** 7-0.

IV. INTRODUCTION OF ORDINANCES

Bushong displayed the following title:

Ordinance O2025-021

An ordinance of the City Council of the City of Yuma, Arizona, amending Chapter 154 of the Yuma City Code, rezoning certain property located in the Light Industrial/Infill Overlay (L-I/IO) District to the Low Density Residential/Infill Overlay (R-1-6/IO) District, and amending the zoning map to conform with the rezoning (rezone approximately 6,300 square feet of property located at 1720 S. Maple Avenue) (Plng & Nbhd Svcs/Cmty Plng)

V. PUBLIC HEARING AND RELATED ITEMS

Resolution R2025-066 – Minor General Plan Amendment: 3064 and 3116 S. Avenue B (change the land use designation from Commercial to High Density Residential for approximately 6.65 of property) (GP-43670-2025) (Plng & Nbhd Svcs/Cmtty Plng)

Mayor Nicholls opened the public hearing at 5:50 p.m.

Rojas presented the following information:

- Proposed change to the land use designation from Commercial to High Density Residential for approximately 6.65 acres located at 3064 and 3116 South Avenue B
- Existing structures include an office building and the Yuma Lumber Company
- Property owners within 660 feet were notified
- Neighborhood meeting held in March; one neighbor attended and was supportive
- No opposition from the public or external agencies
- Increase in dwelling units from zero to 86–200 units
- Expected population growth of between 163 and 380 people
- After amendment approval, the applicant plans to pursue rezoning to High Density Residential (R-3) to allow the development of multi-family units
- The Planning and Zoning Commission recommended approval at their meeting on May 12

Motion (Morales/Watts): To close the public hearing. Voice vote: **approved** 7-0. The public hearing closed at 5:52 p.m.

Motion (Smith/Morales): To adopt Resolution R2025-066.

Bushong displayed the following title:

Resolution R2025-066

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 of approximately 6.65 acres at 3064 and 3116 S. Avenue B from Commercial to High Density Residential (the applicant intends to pursue a rezoning of the site to allow for the development of multi-family units) (Plng & Nbhd Svcs/Cmtty Plng)

Roll call vote: **adopted** 7-0.

MC 2025-082 – Annexation Area No. ANEX-43789-2025 Vision Assets (consider the annexation of approximately 4.46 acres of property located at the northeast corner of W. 27th Street and 21st Drive) (Dept/Div)

Mayor Nicholls opened the public hearing at 5:53 p.m.

Peterson presented the following information:

- Annexation request is for 4.46 acres of property located on the northeast corner of 27th Street and 21st Drive.

- Annexation area includes four parcels and the adjacent right-of-way (27th Street, 20th Drive, 20th Avenue, 21st Drive), and consists of two undeveloped parcels and two parcels with single-family homes or structures.
- Applicant intends to rezone the parcels and subdivide into a single-family home subdivision.
- Two parcels (ending in 003 and 004) are subject to Preannexation Development Agreements adopted in 2001 and 2006.
- The fourth parcel is being included for a seamless annexation boundary.
- The City of Yuma General Plan identifies the land use designation as Low Density Residential, and the County zoning is Manufactured Home Subdivision (MHS-20).
- Upon annexation to the City, the zoning will be Residential Manufactured Housing (R-MH-20).
- Future development will require connection to City utilities.
- Pending receipt of signed annexation agreements from property owners.
- Ordinance introduction is schedule for July 2 and will then be presented for adoption on July 16.

Motion (Smith/McClendon): To close the public hearing. Voice vote: **approved** 7-0. The public hearing closed at 5:56 p.m.

VI. BUDGET DISCUSSION

City Council discussed the proposed Fiscal Year 2026 Budget as follows:

- The property tax rate was initially posted at the maximum to allow the flexibility to lower the rate prior to adoption of the resolution at the next City Council Meeting. Even if City Council decides to keep the tax rate the same as last year, due to changes in assessed valuation and new construction the tax levy (the amount collected by the City) could increase. (**McClendon/Allen**)
- The preliminary budget sets a ceiling for tax rates but does not implement changes until the final budget is adopted. Although the City and County often take the same action on property tax, differences in how it is reported can create confusion. (**Mayor Nicholls**)
- Historically, the City has maintained the same tax rate for two consecutive years before making an adjustment. The last two years have held steady, while the two years prior saw lower rates. (**Morris/Allen**)
- **Morris, Smith, and Morales** voiced their desire to maintain the property tax rate the same as last year.

VII. ANNOUNCEMENTS AND SCHEDULING

Announcements

Morales, Watts, Smith, McClendon, Martinez, and Mayor Nicholls reported on the following meetings attended and upcoming events:

- White Coat Tour at Onvida Health
- Keynote speaker at Educational Opportunity Center Charter High School graduation
- Clean and Beautiful Commission Meeting
- Betteryuma.org meeting
- Yuma County Chamber of Commerce Chamber Mixer
- Yuma Metropolitan Planning Organization Meeting
- Investiture of Justice Maria Elena Cruz
- 9/11 Heroes Run Planning Meeting
- Letter of support for grant to remodel Carver Park

- 2025 Grad Night
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- Upcoming U.S. Army 250th birthday celebration
- Tour of Downtown Yuma with El Centro Mayor, Councilmembers, and staff
- Memorial Day activities at Gateway Park and Desert Memorial Park
- Arizona Space Commission meeting
- Meeting and tour of Yuma with Phoenix Mayor Gallegos
- Elevate Southwest board meeting

Scheduling – No meetings were scheduled at this time.

VIII. SUMMARY OF CURRENT EVENTS

Simonton reported the following events:

- June 6th – Gallery exhibit opening reception at the Yuma Art Center
- June 7th – Water Safety Day at the Valley Aquatic Center
- June 9th – Beginning of closure of the Ocean-to-Ocean Bridge for installation of new letters and lighting

IX. CALL TO THE PUBLIC

Edna Mae Simon-Kidd, City resident, invited City Council to participate in the upcoming Juneteenth Celebration on behalf of the National Association for the Advancement of Colored People Chapter 1016. The event will take place on June 14, 2025, from 6:30-10:30 p.m. at Carver Park.

The following people expressed concern regarding the potential privacy and civil liberty risks of surveillance technology such as automated license plate readers:

- **Charlene Young**, City resident
- **Sofia Ramirez**, City resident
- **Cody Pease**, City resident
- **Priscilla Ruedas**, City resident

Anthony Felix, City resident, spoke regarding allegations of longstanding negligence, suppression of evidence, police misconduct, and financial injustices that have affected him since his youth.

X. EXECUTIVE SESSION/ADJOURNMENT

There being no further business, **Mayor Nicholls** adjourned the meeting at 6:38 p.m. No Executive Session was held.

Lynda L. Bushong, City Clerk

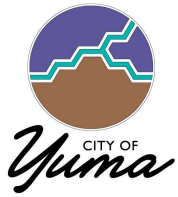
APPROVED:

Douglas J. Nicholls, Mayor

DRAFT

Approved at the City Council Meeting of:

City Clerk: _____



City of Yuma

City Council Report

File #: MC 2025-103

Agenda Date: 7/2/2025

Agenda #: 2.

Regular Council Meeting Draft Minutes June 4, 2025

MINUTES
REGULAR CITY COUNCIL MEETING
CITY COUNCIL OF THE CITY OF YUMA, ARIZONA
CITY COUNCIL CHAMBERS, YUMA CITY HALL
ONE CITY PLAZA, YUMA, ARIZONA
JUNE 4, 2025
5:30 p.m.

CALL TO ORDER

Mayor Nicholls called the City Council meeting to order at 5:33 p.m.

INVOCATION/PLEDGE

Deacon Joel Olea, Immaculate Conception Church, gave the invocation. **Lieutenant Robert Wright**, Yuma Police Department, led the City Council in the Pledge of Allegiance.

FINAL CALL

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

ROLL CALL

Councilmembers Present:	Martinez, Morris, McClendon, Smith, Morales, Watts, and Mayor Nicholls
Councilmembers Absent:	None
Staffmembers Present:	Acting City Administrator, John D. Simonton Chief of Police, Thomas Garrity Associate Planner, Meredith Rojas Senior Planner, Erika Peterson Director of Finance, Douglas Allen Various Department Heads or their representative City Attorney, Richard W. Files City Clerk, Lynda L. Bushong

I. MOTION CONSENT AGENDA

Motion (McClendon/Morales): To approve the Motion Consent Agenda as recommended. Voice vote: **approved 7-0.**

A. Approval of minutes of the following City Council meetings:

Regular Council Worksession	April 15, 2025
Regular Council Meeting	April 16, 2025

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. Award a construction services contract for the Avenue 3E and 32nd Street Median Landscape to the lowest responsive and responsible bidder in the amount of \$1,432,599.40 to Gutierrez Canales Engineering, Yuma, Arizona. (RFB-25-299) (Eng)
2. Authorize a change order in the amount of \$431,889.43 to CORE Construction, Inc. of Phoenix, Arizona for preconstruction and post design services of the Hotel Del Sol Multi-Modal Transportation Center. (RFQ 2020-20000136) (Eng)
3. Approve a memorandum of understanding between Flock Safety Group Inc. and the City of Yuma to allow the Yuma Police Department access to their Automated License Plate Reader system and database. (YPD/Admin)

II. RESOLUTION CONSENT AGENDA

Mayor Nicholls declared a conflict of interest on Resolutions R2025-062, R2025-063, and R2025-064, turned the meeting over to **Deputy Mayor Smith**, and left the dais.

Morris declared a conflict of interest on Resolutions R2025-063 and R2025-064 as his firm did some work within that subdivision and left the dais.

Resolution R2025-062 – Preannexation Development Agreement: Avenue 9E South of 32nd Street (allow connection to City services until the property can be included in a larger annexation) (Plng & Nbhd Svcs/Cmty Plng)

Resolution R2025-063 – Order Improvements: Municipal Improvement District No. 134 Butler Estates Unit No. 1 Subdivision (create a dedicated funding stream for the Landscape Improvements serving the neighborhood and provide neighborhood input for the implementation of those improvements) (Plng & Nbhd Svcs/Cmty Plng)

Resolution R2025-064 – Order Improvements: Municipal Improvement District No. 132 Butler Estates Unit No. 2 Subdivision (create a dedicated funding stream for the Landscape Improvements serving the neighborhood and provide neighborhood input for the implementation of those improvements) (Plng & Nbhd Svcs/Cmty Plng)

Motion (Morales/Watts): To adopt Resolutions R2025-063 and R2025-064.

Bushong displayed the following titles:

Resolution R2025-063

A resolution of the City Council of the City of Yuma, Arizona, ordering improvements for Municipal Improvement District No. 134, serving Butler Estates Unit No. 1 Subdivision, to operate, maintain and repair landscaping improvements included within, near and adjacent to the retention and detention basins and parkings and parkways and related facilities together with appurtenant structures of Butler Estates Unit No. 1 Subdivision, as more particularly described in this resolution, and declaring the landscape improvements to be of more than local or ordinary public benefit, and

the cost of the landscape improvements assessed upon Municipal Improvement District No. 134; improvements shall be performed under Arizona Revised Statutes Title 48, Chapter 4, Article 2 (provide long-term maintenance for subdivision landscaping, resulting in an appealing environment for neighborhood residents) (Plng & Nbhd Svcs/Cmty Plng)

Resolution R2025-064

A resolution of the City Council of the City of Yuma, Arizona, ordering improvements for Municipal Improvement District No. 132, serving Butler Estates Unit No. 2 Subdivision, to operate, maintain and repair landscaping improvements included within, near and adjacent to the retention and detention basins and parkings and parkways and related facilities together with appurtenant structures of Butler Estates Unit No. 2 Subdivision, as more particularly described in this resolution, and declaring the landscape improvements to be of more than local or ordinary public benefit, and the cost of the landscape improvements assessed upon Municipal Improvement District No. 132; improvements shall be performed under Arizona Revised Statutes Title 48, Chapter 4, Article 2 (provide long-term maintenance for subdivision landscaping, resulting in an appealing environment for neighborhood residents) (Plng & Nbhd Svcs/Cmty Plng)

Roll call vote: **adopted** 5-0-2, **Mayor Nicholls** and **Morris** abstaining due to conflict of interest.

Morris returned to the dais.

Motion (Morales/Watts): To adopt Resolution R2025-062.

Bushong displayed the following title:

Resolution R2025-062

A resolution of the City Council of the City of Yuma, Arizona, authorizing and approving the execution of a Preannexation Development Agreement with John Condon for Assessor Parcel Number 699-36-208 located on Avenue 9E, South of 32nd Street (allow connection to City services; the owner intends to develop the property with a tiny home development for veterans) (Plng & Nbhd Svcs/Cmty Plng)

Roll call vote: **adopted** 6-0-1, **Mayor Nicholls** abstaining due to conflict of interest.

Mayor Nicholls returned to the dais.

Resolution R2025-051 – Memorandum of Understanding: Yuma Regional Mental Health Court (authorize the Yuma Police Department to participate in the Yuma Regional Mental Health Court) (YPD)

Discussion

- The Yuma Police Department has been participating in the Yuma Regional Mental Health Court, a diversion program for people suffering through mental illness, for over 15 years. **(Smith/Garrity)**
-

Motion (Morris/Smith): To adopt the Resolution Consent Agenda with the exception of Resolutions R2025-062, R2025-063, and R2025-064, which were adopted through a previous motion.

Bushong displayed the following titles:

Resolution R2025-051

A resolution of the City Council of the City of Yuma, Arizona, authorizing the participation of the Yuma Police Department in the Yuma Regional Mental Health Court through a Memorandum of Understanding (to offer justice-involved individuals with serious mental illness an alternative to traditional prosecution and incarceration) (YPD)

Resolution R2025-052

A resolution of the City Council of the City of Yuma, Arizona, authorizing the City of Yuma to enter into an intergovernmental agreement with the City of San Luis on behalf of the San Luis Police Department for use of the City of Yuma Public Safety Training Facility (the intergovernmental agreement will further the cooperative working relationship between the entities) (YPD)

Resolution R2025-053

A resolution of the City Council of the City of Yuma, Arizona, authorizing and approving Amendment No. One to the Intergovernmental Agreement with Arizona Department of Transportation dated March 3, 2023, for the design and construction of pedestrian hybrid beacons at 24th Street and 6th Avenue and Giss Parkway between 1st Avenue and Madison Avenue (the amendment will reduce the scope of work from five beacons to two beacons due to funding and right-of-way acquisition issues) (Eng)

Resolution R2025-054

A resolution of the City Council of the City of Yuma, Arizona, authorizing and approving a Fourth Amendment to an Intergovernmental Agreement with Yuma County Intergovernmental Public Transportation Authority for the Yuma Multi-Modal Transportation Center (for final design and pre-construction costs associated with the rehabilitation of the Hotel del Sol as a multimodal transportation center) (Eng)

Resolution R2025-055

A resolution of the City Council of the City of Yuma, Arizona, authorizing and approving a Development Agreement permitting the deferral of City of Yuma Development Fees and water and sanitary sewer capacity charges for Desert Sands Unit No. 4 Subdivision (deferral for a period of three years upon collection of a \$500.00 administrative fee) (Eng)

Resolution R2025-057

A resolution of the City Council of the City of Yuma, Arizona, authorizing and approving the execution of a Preannexation Development Agreement with Yuma Investment Partners, LLC for Assessor Parcel Numbers 632-58-128 and 632-58-129 located at 594 S. May Avenue (allow connection to City services; the owner intends to develop a new multi-family development) (Plng & Nbhd Svcs/Cmtty Plng)

Resolution R2025-058

A resolution of the City Council of the City of Yuma, Arizona, authorizing and approving the execution of a Preannexation Development Agreement with Everardo J. Avendano for Assessor Parcel Number 699-54-007 located at 9381 E. Stetson Street (the well serving the Jones Co-op Water Association has exceeded recommended contaminant levels; the Arizona Department of Environmental Quality will cover the costs of water line extensions and connection fees for all affected residences) (Plng & Nbhd Svcs/Cmtty Plng)

Resolution R2025-059

A resolution of the City Council of the City of Yuma, Arizona, authorizing and approving the execution of a Preannexation Development Agreement with Everardo Avendano for Assessor Parcel Number 699-54-008 located at 9365 E. Stetson Street (the well serving the Jones Co-op Water

JUNE 4, 2025

Association has exceeded recommended contaminant levels; the Arizona Department of Environmental Quality will cover the costs of water line extensions and connection fees for all affected residences) (Plng & Nbhd Svcs/Cmty Plng)

Resolution R2025-060

A resolution of the City Council of the City of Yuma, Arizona, authorizing and approving the execution of a Preannexation Development Agreement with Pedro and Raquel Gonzales for Assessor Parcel Number 699-54-003 located at 9453 E. Stetson Street (the well serving the Jones Co-op Water Association has exceeded recommended contaminant levels; the Arizona Department of Environmental Quality will cover the costs of water line extensions and connection fees for all affected residences) (Plng & Nbhd Svcs/Cmty Plng)

Resolution R2025-061

A resolution of the City Council of the City of Yuma, Arizona, authorizing and approving the execution of a Preannexation Development Agreement with Nohemy Echavarria and Sergio Echavarria for Assessor Parcel Number 631-56-159 located at 530 S. Avenue C (property owners have received Yuma County approval for a septic permit and now seek to connect to City water services for their planned single-family residence) (Plng & Nbhd Svcs/Cmty Plng)

Resolution R2025-065

A resolution of the City Council of the City of Yuma, Arizona, ordering improvements for Municipal Improvement District No. 133 serving Kahuna Estates, to operate, maintain and repair landscaping improvements included within, near and adjacent to the retention and detention basins and parkings and parkways and related facilities, together with appurtenant structures of Kahuna Estates as more particularly described in this resolution, and declaring the landscape improvements to be of more than local or ordinary public benefit, and the cost of the landscape improvements assessed upon Municipal Improvement District No. 133 shall be performed under Arizona Revised Statutes (A.R.S.) Title 48, Chapter 4, Article 2 (provide long-term maintenance for subdivision landscaping resulting in an appealing environment for neighborhood residents) (Plng & Nbhd Svcs/Cmty Plng)

Resolution R2025-067

A resolution of the City Council of the City of Yuma, Arizona, supporting the Arizona Department of Environmental Quality proposal to identify a new water body in Arizona's surface water quality standards and assign appropriate designated uses to maintain the status quo for the discharge of treated effluent from Yuma's Figueroa Avenue Water Pollution Control Facility (the proposal aims to preserve an important mitigation wetland and allow the Figueroa Avenue facility to continue discharging treated effluent without the need for expensive upgrades to meet inappropriate standards) (Utl)

Roll call vote: **adopted** 7-0.

III. ADOPTION OF ORDINANCES CONSENT AGENDA

Ordinance O2025-019 – Text Amendment: Accessory Dwelling Units (update development regulations to expand the residential zoning districts which permit accessory dwelling units) (Plng & Nbhd Svcs/Cmty Plng)

Discussion

- There is a small scrivener's error in the proposed ordinance; it does not constitute a material change, and the ordinance can be adopted without correction (**Mayor Nicholls/Morris/Files**)

Motion (Smith/McClendon): To adopt the Ordinances Consent Agenda as recommended.

Bushong displayed the following titles:

Ordinance O2025-016

An ordinance of the City Council of the City of Yuma, Arizona, amending Chapter 154 of the Yuma City Code, rezoning certain property located in the Agriculture (AG) District to the Heavy Industrial (H-I) District, and amending the zoning map to conform with the rezoning (rezone approximately 160 acres located at the northeast corner of 96th Street and Avenue A) (Plng & Nbhd Svcs/Cmtly Plng)

Ordinance O2025-017

An ordinance of the City Council of the City of Yuma, Arizona, amending Chapter 130 of the Yuma City Code, as amended, relating to animals and fowl, to comply with State statute (address the requirements of Arizona House Bill 2325, regulating domestic fowl numbers and enclosure standards for residential properties, and clarifies animal definitions and restrictions) (Plng & Nbhd Svcs/Cmtly Plng)

Ordinance O2025-018

An ordinance of the City Council of the City of Yuma, Arizona, amending Chapter 154 of the Yuma City Code, as amended, relating to the keeping of large animals (provide a uniform method for calculating the allowed number of large animals throughout the Yuma City Code) (Plng & Nbhd Svcs/Cmtly Plng)

Ordinance O2025-019

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 the zoning code to amend development regulations and expand the permitted zoning districts for accessory dwelling units (support the development of new accessory dwellings by expanding the permitted zoning districts, while also relaxing associated development standards) (Plng & Nbhd Svcs/Cmtly Plng)

Ordinance O2025-020

An ordinance of the City Council of the City of Yuma, Arizona, amending Chapter 154 of the Yuma City Code, as amended, relating to development regulations within the Planned Unit Development Overlay (update development standards within the Planned Unit Development (PUD) Overlay, aimed at allowing increased densities within residential developments) (Plng & Nbhd Svcs/Cmtly Plng)

Roll call vote: **adopted** 7-0.

IV. INTRODUCTION OF ORDINANCES

Bushong displayed the following title:

Ordinance O2025-021

An ordinance of the City Council of the City of Yuma, Arizona, amending Chapter 154 of the Yuma City Code, rezoning certain property located in the Light Industrial/Infill Overlay (L-I/IO) District to the Low Density Residential/Infill Overlay (R-1-6/IO) District, and amending the zoning map to conform with the rezoning (rezone approximately 6,300 square feet of property located at 1720 S. Maple Avenue) (Plng & Nbhd Svcs/Cmtly Plng)

V. PUBLIC HEARING AND RELATED ITEMS

Resolution R2025-066 – Minor General Plan Amendment: 3064 and 3116 S. Avenue B (change the land use designation from Commercial to High Density Residential for approximately 6.65 of property) (GP-43670-2025) (Plng & Nbhd Svcs/Cmtty Plng)

Mayor Nicholls opened the public hearing at 5:50 p.m.

Rojas presented the following information:

- Proposed change to the land use designation from Commercial to High Density Residential for approximately 6.65 acres located at 3064 and 3116 South Avenue B
- Existing structures include an office building and the Yuma Lumber Company
- Property owners within 660 feet were notified
- Neighborhood meeting held in March; one neighbor attended and was supportive
- No opposition from the public or external agencies
- Increase in dwelling units from zero to 86–200 units
- Expected population growth of between 163 and 380 people
- After amendment approval, the applicant plans to pursue rezoning to High Density Residential (R-3) to allow the development of multi-family units
- The Planning and Zoning Commission recommended approval at their meeting on May 12

Motion (Morales/Watts): To close the public hearing. Voice vote: **approved** 7-0. The public hearing closed at 5:52 p.m.

Motion (Smith/Morales): To adopt Resolution R2025-066.

Bushong displayed the following title:

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Roll call vote: **adopted** 7-0.

MC 2025-082 – Annexation Area No. ANEX-43789-2025 Vision Assets (consider the annexation of approximately 4.46 acres of property located at the northeast corner of W. 27th Street and 21st Drive) (Dept/Div)

Mayor Nicholls opened the public hearing at 5:53 p.m.

Peterson presented the following information:

- Annexation request is for 4.46 acres of property located on the northeast corner of 27th Street and 21st Drive.

- Annexation area includes four parcels and the adjacent right-of-way (27th Street, 20th Drive, 20th Avenue, 21st Drive), and consists of two undeveloped parcels and two parcels with single-family homes or structures.
- Applicant intends to rezone the parcels and subdivide into a single-family home subdivision.
- Two parcels (ending in 003 and 004) are subject to Preannexation Development Agreements adopted in 2001 and 2006.
- The fourth parcel is being included for a seamless annexation boundary.
- The City of Yuma General Plan identifies the land use designation as Low Density Residential, and the County zoning is Manufactured Home Subdivision (MHS-20).
- Upon annexation to the City, the zoning will be Residential Manufactured Housing (R-MH-20).
- Future development will require connection to City utilities.
- Pending receipt of signed annexation agreements from property owners.
- Ordinance introduction is schedule for July 2 and will then be presented for adoption on July 16.

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- The property tax rate was initially posted at the maximum to allow the flexibility to lower the rate prior to adoption of the resolution at the next City Council Meeting. Even if City Council decides to keep the tax rate the same as last year, due to changes in assessed valuation and new construction the tax levy (the amount collected by the City) could increase. (**McClendon/Allen**)
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- Meeting and tour of Yuma with Phoenix Mayor Gallegos
- Elevate Southwest board meeting

Scheduling – No meetings were scheduled at this time.

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IX. CALL TO THE PUBLIC

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The following people expressed concern regarding the potential privacy and civil liberty risks of surveillance technology such as automated license plate readers:

- **Charlene Young**, City resident
- **Sofia Ramirez**, City resident
- **Cody Pease**, City resident
- **Priscilla Ruedas**, City resident

Anthony Felix, City resident, spoke regarding allegations of longstanding negligence, suppression of evidence, police misconduct, and financial injustices that have affected him since his youth.

X. EXECUTIVE SESSION/ADJOURNMENT

There being no further business, **Mayor Nicholls** adjourned the meeting at 6:38 p.m. No Executive Session was held.

Lynda L. Bushong, City Clerk

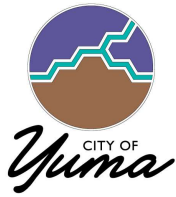
APPROVED:

Douglas J. Nicholls, Mayor

DRAFT

Approved at the City Council Meeting of:

City Clerk: _____



City of Yuma

City Council Report

File #: MC 2025-091

Agenda Date: 7/2/2025

Agenda #: 1.

DEPARTMENT: City Administration	STRATEGIC OUTCOMES	ACTION
DIVISION: City Clerk	<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	<input checked="" type="checkbox"/> Motion <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance - Introduction <input type="checkbox"/> Ordinance - Adoption <input type="checkbox"/> Public Hearing

TITLE:

Liquor License: Del Sol #4

SUMMARY RECOMMENDATION:

Approve a Series #10: Beer and Wine Store Liquor License application submitted by Andres Salcido, agent for Del Sol #4 located at 280 S. 4th Avenue. (LL25-10) (City Administration/City Clerk) (Lynda L. Bushong)

STRATEGIC OUTCOME:

Approval of this Liquor License aligns with City Council's Respected and Responsible strategic outcome as it provides notification to the public and transparency of City business.

REPORT:

Andres Salcido, agent for Del Sol #4 located at 280 S. 4th Avenue, has applied for a Series #10: Beer and Wine Store Liquor License.

The subject property has been posted for the required 20-day period and no arguments in favor of or opposed to the issuance of the license have been received.

The application has been reviewed by Planning & Neighborhood Services, the Police Department, the Fire Department, and Business Licensing.

Upon City Council's recommendation, this application will be forwarded to the Arizona Department of Liquor Licenses and Control for final processing.

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:

Application Fee: \$250.00

ADDITIONAL INFORMATION:

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

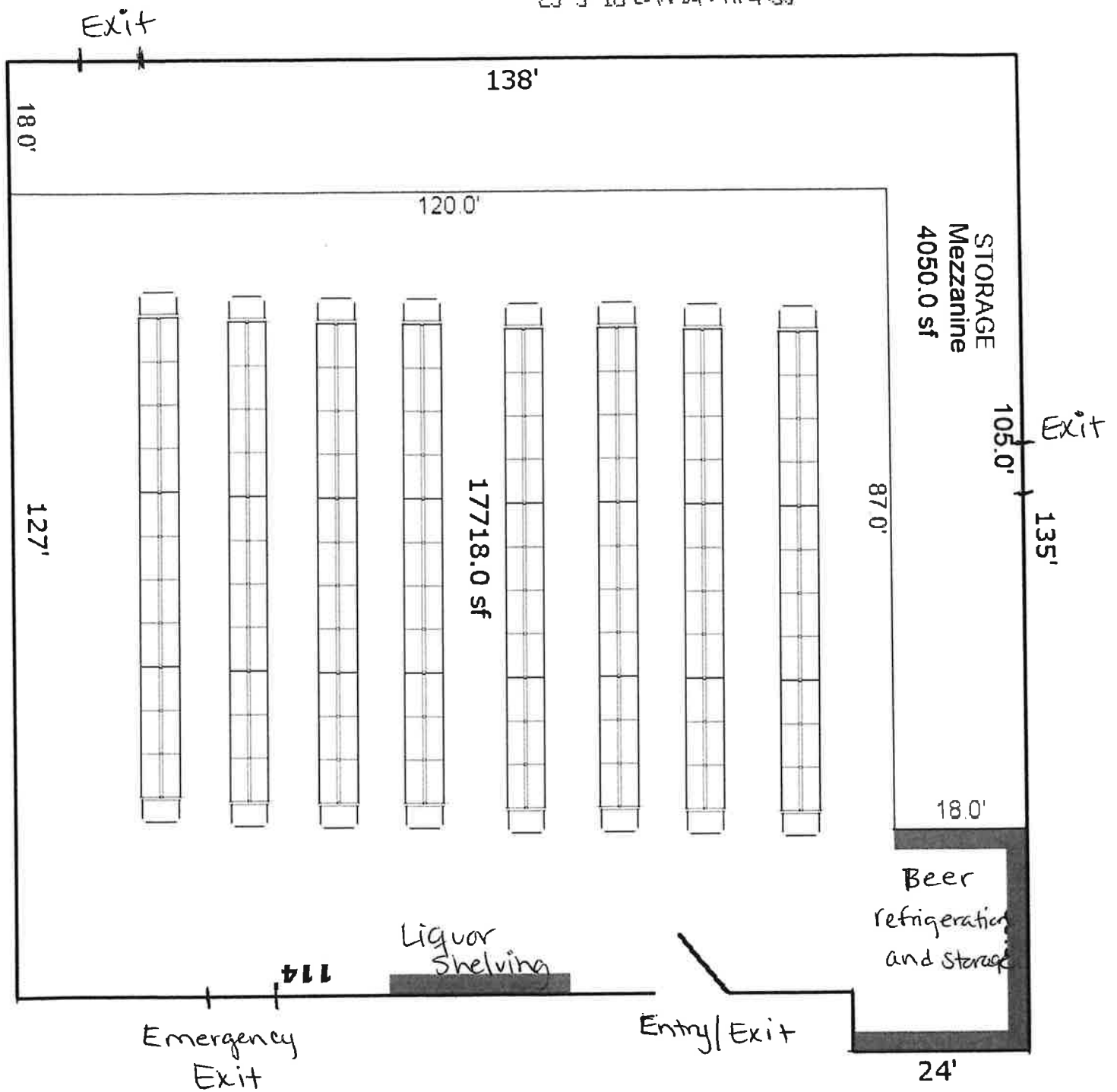
Series #10: Beer and Wine Store Liquor License application

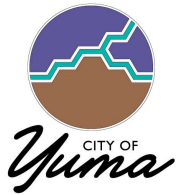
IF CITY COUNCIL ACTION INCLUDES A CONTRACT, LEASE OR AGREEMENT, WHO WILL BE RESPONSIBLE FOR ROUTING THE DOCUMENT FOR SIGNATURE AFTER CITY COUNCIL APPROVAL?

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

Acting City Administrator: John D. Simonton	Date: 06/26/2025
Reviewed by City Attorney: Richard W. Files	Date: 06/25/2025

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City of Yuma

City Council Report

File #: MC 2025-092

Agenda Date: 7/2/2025

Agenda #: 2.

	STRATEGIC OUTCOMES	ACTION
DEPARTMENT: Finance	<input type="checkbox"/> Safe & Prosperous	<input checked="" type="checkbox"/> Motion
	<input type="checkbox"/> Active & Appealing	<input type="checkbox"/> Resolution
DIVISION: Procurement	<input checked="" type="checkbox"/> Respected & Responsible	<input 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:

Bid Award: Patrol Motorcycles

SUMMARY RECOMMENDATION:

Authorize the award and purchase of patrol motorcycles, for a one-year contract with the option to renew for four additional one-year periods, one period at a time, depending on the appropriation of funds and satisfactory performance, for an estimated amount of \$105,275.49 to Bobby's Territorial Harley-Davidson, Yuma, Arizona. (Police Department-RFB-25-174) (Thomas Garrity/Robin R. Wilson)

STRATEGIC OUTCOME:

This item supports the City Council's strategic outcome of Respected and Responsible by awarding to the sole qualified bidder, following a fair and transparent process. The purchase supports public safety operations while ensuring responsible stewardship of City resources.

REPORT:

The City processed a solicitation to award to a vendor the purchase of three patrol motorcycles. The Request for Bid procedure resulted in receiving one response to this solicitation.

The existing units will be relinquished to surplus and sold on-line through Public Surplus or at the annual City Auction. Funds are included in the FY2026 Equipment Replacement Fund for the replacement of the three patrol motorcycles. Future purchases could use other funding such as General Funds, Public Safety Fund or Grant Funds.

This procurement supports continued public safety operations by replacing aging patrol units with updated equipment. The estimated lead time for delivery is approximately 90 days from the date of order.

FISCAL REQUIREMENTS:

CITY FUNDS:	\$105,275.49	BUDGETED:	\$132,072.00
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 \$105,275.49

Equipment Replacement Fund		
To total; right click number & choose "Update Field"		

FISCAL IMPACT STATEMENT:

Sufficient budget capacity is provided in the City Council FY 2026 approved budget.

ADDITIONAL INFORMATION:

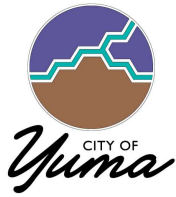
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None

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

Acting City Administrator: John D. Simonton	Date: 06/26/2025
Reviewed by City Attorney: Richard W. Files	Date: 06/25/2025



City of Yuma

City Council Report

File #: MC 2025-093

Agenda Date: 7/2/2025

Agenda #: 3.

	STRATEGIC OUTCOMES	ACTION
DEPARTMENT: Finance	<input 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: Procurement	<input checked="" type="checkbox"/> Connected & Engaged	<input type="checkbox"/> Ordinance - Adoption
	<input type="checkbox"/> Unique & Creative	<input type="checkbox"/> Public Hearing

TITLE:

Cooperative Purchase Agreement: Information Technology Products and Services

SUMMARY RECOMMENDATION:

Authorize the purchase of Information Technology Products and Services utilizing vendors awarded from the 15 cooperative purchasing agencies noted below, at an estimated amount of \$8,251,630.00. (IT-CPA-26-001) (Isaiah Kirk/Robin R. Wilson)

STRATEGIC OUTCOME:

The purchase of Information Technology Products and Services directly supports the City Council's strategic outcome of Connected and Engaged. These investments ensure that all citywide core services remain secure and operational, enhancing the day-to-day capabilities of all departments to provide exceptional citizen services throughout the City. By maintaining up-to-date technology, the City enables better communication, improves public safety, and ensures responsible management of resources, fostering a more engaged and prosperous community.

REPORT:

Each year, the City procures various Information Technology Products and Services through cooperative purchase agreements. These products and services include, but are not limited to, voice and video communication, security, data communication hardware and software, computers, printers, scanners, telephones, and IT training and consulting services.

In Fiscal Year 2026, the City anticipates spending \$8,251,630.00 on computer hardware, software, communications equipment, and technical support for all City communications services. Staff has determined that current technology and contract prices, as well as savings, can be obtained by utilizing these cooperative purchase agreements. These agreements, established by various agencies with multiple vendors after competitive bids, provide cost savings opportunities through volume purchasing and reduce administrative overhead by eliminating the need to bid for the same commodities repeatedly.

The City aims to leverage cooperative purchase agreements from the agencies listed below to procure Information Technology Products and Services for all City departments. The breakdown of estimated expenditures by department is attached and included in each department's Fiscal Year 2026 budget. Staff will consider pricing and product availability before making each purchase. Any single purchase over \$100,000.00 will be brought separately before the City Council for approval.

Below is a list of the proposed Cooperative Purchase Agencies:

- | | |
|--|--|
| 1. 1 Government Procurement Alliance | 9. Public Purchasing Authority |
| 2. General Service Administration | 10. National Purchasing Partners |
| 3. Houston-Galveston Area Council | 11. Strategic Alliance for Volume Expenditures |
| 4. Mohave Educational Services Cooperative, Inc. | 12. Sourcewell |
| 5. National Association of Procurement Officials | 13. State of Arizona |
| 6. National Cooperative Purchasing Alliance | 14. The Interlocal Purchasing System |
| 7. Omnia Partners | 15. Texas Department of Information Resources |
| 8. Premier Educational Purchasing Program | |

FISCAL REQUIREMENTS:

CITY FUNDS:	\$ 8,251,630.00	BUDGETED:	\$ 8,251,630.00
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 \$8,251,630.00			
Multiple Funds			
To total; right click number & choose "Update Field"			

FISCAL IMPACT STATEMENT:

To continue annual expenditures and subscription renewals, sufficient budget authority is programmed in the City Council approved FY 2026 Budget and multi-year financial forecast.

ADDITIONAL INFORMATION:

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

None

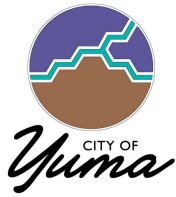
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Acting City Administrator: John D. Simonton	Date: 06/26/2025
Reviewed by City Attorney: Richard W. Files	Date: 06/25/2025

CITY OF YUMA
IT PRODUCTS AND SERVICES

Department	Total
Mayor and City Council	\$5,800.00
City Administration	\$336,150.00
Building Safety	\$53,500.00
City Attorney's Office	\$12,360.00
Engineering	\$268,300.00
Finance	\$188,550.00
Fire	\$361,070.00
General Government	\$198,100.00
Human Resources	\$389,370.00
Information Technology	\$3,434,300.00
Municipal Court	\$18,700.00
Parks and Recreation	\$73,950.00
Planning & Neighborhood Services	\$522,040.00
Police	\$1,681,600.00
Public Works	\$217,300.00
Utilities	\$490,540.00
TOTAL	\$8,251,630.00



City of Yuma

City Council Report

File #: MC 2025-094

Agenda Date: 7/2/2025

Agenda #: 4.

	STRATEGIC OUTCOMES	ACTION
DEPARTMENT: Finance	<input 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: Procurement	<input checked="" type="checkbox"/> Connected & Engaged	<input type="checkbox"/> Ordinance - Adoption
	<input type="checkbox"/> Unique & Creative	<input type="checkbox"/> Public Hearing

TITLE:

Cooperative Purchase Agreement: Cyclical Network Refresh Project

SUMMARY RECOMMENDATION:

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 \$340,000.00 (IT-CPA-26-002) (Isaiah Kirk/Robin R. Wilson)

STRATEGIC OUTCOME:

The cyclical replacement strategy of networking equipment aligns with the City Council's strategic outcome of Connected and Engaged by ensuring that citywide core services remain secure and operational. Networking and its components are critical to all forms of communication, providing essential infrastructure that keeps the City connected. This strategy ensures that the City's communication systems are up-to-date, enhancing the City's ability to engage with the community, respond promptly to needs, and maintain active communication. Additionally, it supports the outcome by ensuring that City operations remain efficient and reliable through the use of robust and dependable networking technology.

REPORT:

To improve the City's current networking infrastructure and ensure consistent availability and functionality, it is essential to address aging hardware and software. This alignment with best practices will bolster the City's security posture. The City's network infrastructure is aging, with devices no longer supported by the manufacturer. The purchase of new equipment will continue the City's annual lifecycle plan to replace aging hardware and ensure ongoing support for future equipment.

The City's networking infrastructure is the foundation for all communication between City employees, departments, locations, and community members. It comprises both hardware components (switches, routers, telephony, and firewalls) and software components that operate the networking devices. All City business, applications, software, servers, and storage depend on this network.

Due to the close integration of hardware and software components, dependencies have developed. Manufacturers often offer optional or necessary upgrades or enhancements to their products. IT staff must adhere to manufacturer guidelines to maintain normal operations and support for all products, ensuring secure and reliable data.

By addressing the aging hardware and continuing the City's lifecycle plan, the City can maintain a secure,

reliable, and up-to-date networking infrastructure. This proactive approach will prevent the City from falling out of support for its equipment in the future and ensure the continued efficiency and effectiveness of City operations.

Each purchase includes configuration and warranty support. Viable refreshed networking devices will be repurposed as ready spares, while the remaining equipment will be donated or surplus. This strategy not only modernizes the technology but also aligns with the City's goal of maintaining an efficient, connected, and engaged City workforce.

FISCAL REQUIREMENTS:

CITY FUNDS:	\$ 340,000.00	BUDGETED:	\$ 340,000.00
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 \$340,000.00			
General			
To total; right click number & choose "Update Field"			

FISCAL IMPACT STATEMENT:

To continue this multi-year replacement project sufficient budget authority is programmed in the City Council approved FY 2026 Budget and financial forecast.

ADDITIONAL INFORMATION:

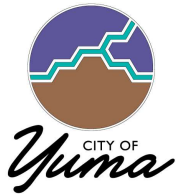
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None

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

Acting City Administrator: John D. Simonton	Date: 06/26/2025
Reviewed by City Attorney: Richard W. Files	Date: 06/25/2025



City of Yuma

City Council Report

File #: MC 2025-095

Agenda Date: 7/2/2025

Agenda #: 5.

	STRATEGIC OUTCOMES	ACTION
DEPARTMENT: Finance	<input 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: Procurement	<input checked="" type="checkbox"/> Connected & Engaged	<input type="checkbox"/> Ordinance - Adoption
	<input type="checkbox"/> Unique & Creative	<input type="checkbox"/> Public Hearing

TITLE:

Cooperative Purchase Agreement: Cyclical Laptops and Monitors Refresh Project

SUMMARY RECOMMENDATION:

Authorize the purchase of laptops, monitors, and docks utilizing a Cooperative Purchase Agreement with Dell Technologies in the estimated amount of \$575,000.00. (IT-CPA-26-003) (Isaiah Kirk/Robin R. Wilson)

STRATEGIC OUTCOME:

The cyclical technology replacement strategy of purchasing laptops, monitors, and docks aligns with the City Council's strategic outcome of Connected and Engaged by enabling City employees to become mobile quickly and securely, with minimal disruption to City services. This strategy ensures that the City's workforce is equipped with the latest technology, enhancing the City's ability to engage with the community, respond promptly to needs, and maintain active communication. The replacement strategy ensures that City operations remain efficient and reliable using up-to-date and dependable technology.

REPORT:

To improve the City's current end-user computing infrastructure and ensure consistent availability and functionality, it is essential to address aging hardware and evolving technology needs. This alignment with best practices will bolster the City's operational flexibility and security posture. Many of the City's existing desktop and laptop devices are aging or no longer supported by the manufacturer. The purchase of new laptops, monitors, and docking stations will continue the City's annual lifecycle plan to replace aging equipment and ensure ongoing support for future computing needs.

The Information Technology (IT) Department maintains roughly 1,200 computers throughout the City, and the City has implemented a cyclical technology replacement program, aiming to replace 25% of end-user computer equipment annually (approximately 300 computers with laptops and 300 monitors). This approach ensures that the inventory remains current and functional, with an average equipment age of four years for computers and six years for monitors. By refreshing the City's technology, the City enhances employee mobility and operational efficiency, improving the ability to engage and serve the community effectively.

Each purchase includes configuration and warranty support. Viable refreshed computers will be repurposed as kiosk or shared computer replacements, while the remaining equipment will be donated or surplus. This strategy not only modernizes our technology but also aligns with the City's goal of maintaining an efficient, connected, and engaged City workforce.

FISCAL REQUIREMENTS:

CITY FUNDS:	\$ 575,000.00	BUDGETED:	\$ 575,000.00
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 \$575,000.00			
General			
To total; right click number & choose "Update Field"			

FISCAL IMPACT STATEMENT:

To continue this multi-year replacement project sufficient budget authority is programmed in the City Council approved FY 2026 Budget and financial forecast.

ADDITIONAL INFORMATION:

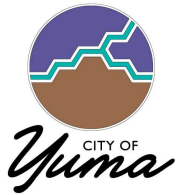
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- ☒ Department
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Acting City Administrator: John D. Simonton	Date: 06/26/2025
Reviewed by City Attorney: Richard W. Files	Date: 06/25/2025



City of Yuma

City Council Report

File #: MC 2025-096

Agenda Date: 7/2/2025

Agenda #: 6.

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

TITLE:

Sole Source: Human Resources Information System Subscription Renewal

SUMMARY RECOMMENDATION:

Authorize the renewal of a Software Subscription from Governmentjobs.com, dba NeoGov, El Segundo, California, at a one-year estimated expenditure of \$305,000.00. (IT/HR-SS-26-004) (Isaiah Kirk/Monica Welch/Robin R. Wilson)

STRATEGIC OUTCOME:

The NEOGOV software suite supports the City Council's strategic outcome of Connected and Engaged by serving as the City's core Human Resources (HR) platform. It enhances the City's digital infrastructure, strengthens communication between employees and the organization, and promotes efficient, transparent management of HR processes. By improving access to HR services and streamlining internal workflows, NEOGOV fosters a more responsive, informed, and connected workforce.

REPORT:

To support the City's Human Resources operations and provide a modern, integrated platform for employee lifecycle management, the City utilizes NEOGOV as its full-suite Human Resources Information System. Accessible through a subscription service, NEOGOV automates and streamlines key HR functions such as recruitment, onboarding, performance management, time and attendance tracking, benefits administration, payroll, training, certification tracking, and applicant management.

NEGOV offers a secure, high-speed, cloud-based platform tailored for the public sector, ensuring seamless access to HR resources for employees and applicants alike. Its intuitive interface promotes digital self-service, enhances real-time communication between HR and staff, and supports employee engagement across all departments. The platform's integrated training tools also empower employees and managers to navigate HR processes confidently and efficiently.

This system aligns with the City's goals of improving operational efficiency, reducing manual data entry, and maintaining compliance with labor laws and public sector reporting requirements.

Key modules included in the subscription:

- **Recruitment** - Manages job postings, applicant tracking, interview scheduling, and candidate communication. Enhances transparency, reduces time-to-hire, and improves applicant experience.

- **Onboarding** - Digitizes new hire paperwork and automates onboarding steps, ensuring a smooth and consistent employee experience.
- **Training** - Tracks required certifications, delivers online training, and monitors compliance and ongoing development.
- **Time and Attendance** - Automates timekeeping, leave balances, and scheduling. Integrates with payroll and enables employee self-service for time management.
- **Benefits Management** - Centralizes benefits enrollment and updates, simplifying administration and ensuring compliance with public sector benefit policies.
- **Payroll Services** - Automates payroll processing, supports complex compensation structures, and offers employees self-service access to pay stubs, tax forms, and earnings history.

Annual renewal of the NEOGOV platform ensures uninterrupted use of these integrated services, supporting a compliant, efficient, and employee-focused HR operation.

FISCAL REQUIREMENTS:

CITY FUNDS:	\$ 305,000.00	BUDGETED:	\$ 305,000.00
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 \$305,000.00			
General			
To total; right click number & choose "Update Field"			

FISCAL IMPACT STATEMENT:

Sufficient budget authority for this renewal is programmed in the City Council-approved FY 2026 Budget and financial forecast.

ADDITIONAL INFORMATION:

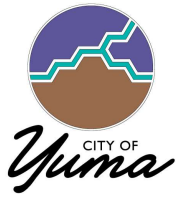
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Acting City Administrator: John D. Simonton	Date: 06/26/2025
Reviewed by City Attorney: Richard W. Files	Date: 06/25/2025



City of Yuma

City Council Report

File #: MC 2025-097

Agenda Date: 7/2/2025

Agenda #: 7.

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:

Sole Source: Automated Meter Infrastructure (AMI) City wide

SUMMARY RECOMMENDATION:

Authorize the sole source purchase of Badger Water Meters, encoders, and endpoints to replace existing water meters at an expenditure of \$1,596,126.78 to Badger Meter, Milwaukee, Wisconsin. (Utilities SS-26-005) (Jeremy McCall/Robin Wilson)

STRATEGIC OUTCOME:

This item supports the City Council's strategic outcome of Safe and Prosperous by ensuring real time customer engagements and notifications. The proposed system will provide leak notifications, track water usage, and eliminate the need for City staff drive time to read data.

REPORT:

The Utilities Department standardized the use of water meters manufactured by Badger Meter, Inc. over 20 years ago. In 2006 the Utilities Department began implementing an Automated Meter Reading (AMR) metering system. The water meters and AMR endpoints are now reaching their end-of-life cycle. In response to the end-of-life water meters and AMR technology, beginning in 2023, the Utilities Department transitioned to an Automated Metering Infrastructure (AMI) metering system.

The AMI system provides real-time readings of water use and allows Yuma customers to interface with their water account via a cellular phone application. In addition to the customers' ability to interact with their accounts real-time, the City will be able to access meter usage data and generate a monthly water bill without having to utilize Meter Readers in the field. The water meters, encoders, and endpoints will be utilized for replacement of existing units that have reached the end-of-life cycle and for new service installations. The total cost of each replacement including the meter is \$252.65 plus tax.

FISCAL REQUIREMENTS:

CITY FUNDS:	\$ 1,596,126.78	BUDGETED:	\$ 2,000,000.00
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	\$1,596,126.78	Water CIP 0121-WATER17
To total; right click number & choose "Update Field"		

FISCAL IMPACT STATEMENT:

Sufficient budget authority is available in the City Council FY 2026 approved budget.

ADDITIONAL INFORMATION:

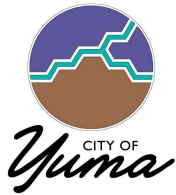
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None

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- ☐ Department
- ☐ City Clerk's Office
- ☐ Document to be recorded
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Acting City Administrator: John D. Simonton	Date: 06/26/2025
Reviewed by City Attorney: Richard W. Files	Date: 06/25/2025



City of Yuma

City Council Report

File #: MC 2025-099

Agenda Date: 7/2/2025

Agenda #: 8.

DEPARTMENT:	STRATEGIC OUTCOMES	ACTION
Planning & Neighborhood Svc	<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
Neighborhood Services	<input type="checkbox"/> Unique & Creative	<input type="checkbox"/> Public Hearing

TITLE:

2025 Annual Action Plan - Community Development Block Grant and HOME Investment Partnerships Program

SUMMARY RECOMMENDATION:

Approve the City of Yuma 2025 Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) Annual Action Plan and authorize the City Administrator to execute funding agreements with the U.S. Department of Housing and Urban Development (HUD). (Planning & Neighborhood Services/Neighborhood Services) (Kassandra Granados)

STRATEGIC OUTCOME:

The projects designated for funding under the 2025 Annual Action Plan further the City Council's strategic outcome of Safe and Prosperous by providing resources to meet the needs of the community, especially low-income residents.

REPORT:

Staff is requesting City Council approval of the City of Yuma's 2025 Annual Action Plan (AAP), which is required under federal regulations for the administration of CDBG and HOME funds. As a recipient of these funds, the City must submit an AAP to the U.S. Department of Housing and Urban Development (HUD) each program year. The purpose of the AAP is to outline the City's goals, objectives, and expected outcomes for the program year, along with a detailed budget for how the allocated funds will be used to address community needs.

Development of the AAP was carried out in accordance with the City's adopted Citizen Participation Plan. This plan ensures that residents have multiple opportunities to provide input on the draft AAP. Public engagement activities included public hearings, meetings, and consultations with the CDBG Citizen Advisory Committee. Public notices were published in both the Yuma Sun and Bajo El Sol.

On May 20, 2025, staff provided a briefing to the City Council on the draft AAP. The official public comment period opened on May 30, 2025, and closed on June 30, 2025. During this time, the draft AAP was made available for public review on the City's website, at City Hall, local libraries, and other public locations throughout Yuma County. No public comments were received during this period.

The CDBG Citizen Advisory Committee participated in developing CDBG funding recommendations. The

Committee reviewed applications, listened to presentations from each of the agencies/organizations requesting funds, and offered recommendations for funding. The City of Yuma will receive \$984,398 in CDBG funding that benefits the residents of the City of Yuma. The Yuma County HOME Consortium (YCHC) Board actively participated in the development of the HOME funding recommendations for Program Year 2025. As part of this process, the Consortium reviewed submitted proposals, received information from agencies and organizations requesting funding, and made final funding recommendations. For 2025, the YCHC will receive \$237,028 in HOME entitlement funding to support eligible housing activities throughout Yuma County. The City of Yuma serves as the lead entity for the Yuma County HOME Consortium and is responsible for administering the HOME Program on behalf of the Consortium.

Specific projects funded with CDBG and HOME awards are shown in the charts below:

2025 CDBG Projects (within City of Yuma limits)	
Public Services (15% maximum)	
Crossroads Mission - Homeless Men's Shelter	92,280
Subtotal	\$ 92,280
Housing & Public Facilities	
City of Yuma - Housing Rehabilitation	320,238
City of Yuma - Code Enforcement	60,000
Housing America - Colorado St. Apartment Improvements	185,000
Mesa Heights Infrastructure to support Housing Devp.	130,000
Subtotal	\$ 695,238
CDBG Planning & Administration (20% maximum)	
CDBG Planning & Administration	181,880
Southwest Fair Housing Council - Fair Housing	15,000
Subtotal	\$ 196,880
Total CDBG Activities	\$ 984,398
Available Resources	
2025 CDBG Entitlement Funds	984,398
Reprogrammed Funds	-
Total CDBG Available	\$ 984,398

2025 HOME Projects (Countywide)	
City of Yuma-Housing Rehabilitation Program	177,771
Affordable Housing (15% CHDO set-aside)	35,554
HOME Planning & Admin (10% maximum)	23,703
Total HOME Activities	\$ 237,028
Available Resources	
2025 HOME Allocation	237,028
Reprogrammed Funds	-
Total HOME Available	\$ 237,028

This action approves the 2025 Annual Action Plan and authorizes the City Administrator to execute all documents and agreements with HUD to accept the funds that will be used to implement the Plan.

This reservation of funds is subject to the satisfactory completion of National Environmental Protection Act (NEPA)/ Part 58 environmental review - where required - and prohibits the City and any subrecipient or contractor from undertaking or committing any funds to physical or choice-limiting actions, including property acquisition, demolition, movement, rehabilitation, conversion, repair, or construction prior to obtaining the Notice to Proceed.

FISCAL REQUIREMENTS:

CITY FUNDS:	\$ 0.00	BUDGETED:	\$ 1,221,426.00
STATE FUNDS:	\$ 0.00	AVAILABLE TO TRANSFER:	\$ 0.00
FEDERAL FUNDS:	\$ 1,221,426.00	IN CONTINGENCY:	\$ 0.00
OTHER SOURCES:	\$ 0.00	FUNDING: ACCOUNT/FUND #/CIP	
TOTAL \$ 1,221,426.00			
CDBG/HOME			
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: 06/26/2025
Reviewed by City Attorney: Richard W. Files	Date: 06/25//2025



CITY OF
Yuma

2025 CDBG & HOME Annual Action Plan

City of Yuma

Yuma County HOME Consortium



Neighborhood Services

One City Plaza, Yuma, AZ 85364

(928) 373 5187

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Note on Formatting

The U.S. Department of Housing and Urban Development (HUD) requires recipients of HOME Investment (HOME), Community Development Block Grant (CDBG), and Emergency Solutions Grant (ESG) funding to submit the Five-Year Consolidated Plan and Annual Action Plan electronically, using an automated tool in a template prescribed by HUD. The following Plan is the downloaded version of that electronic template (with formatting improvements).

OMB Control No: 2506-0117 (exp. 07/31/2015)

Executive Summary

AP-05 Executive Summary - 91.200(c), 91.220(b)

1. Introduction

As a recipient of Community Development Block Grant (CDBG) and HOME Investment Partnership funds, each year the City of Yuma, Arizona is required to submit an Annual Action Plan (AAP) under Federal Regulations at 24 CFR Part 91. The purpose of the Annual Action Plan is to describe the goals, objectives, and anticipated outcomes for the year. The Action Plan must detail the specific allocation and utilization of funds throughout the program year.

The City of Yuma (City) is in the 5th year of implementation of the 2021-2025 Consolidated Plan. As a CDBG entitlement community, the City will receive \$984,398 from the Department of Housing and Urban Development (HUD) for Program Year (PY) 2025. These funds will be used to meet the goals and objectives established in the Consolidated Plan. The primary objective for the use of CDBG funds is to improve living conditions for low- and moderate-income (LMI) persons. CDBG funds must be used within the City of Yuma boundaries.

In 2017, the Yuma County HOME Consortium (YCHC) was approved by HUD as a participating jurisdiction to receive annual allocations of HOME Investment Partnership funds. The City of Yuma serves as the lead entity for the YCHC, which includes Yuma County, the City of Somerton, the City of San Luis, and the Town of Wellton. The consortium will receive an allocation of \$237,028 in HOME funds. The primary objective for the use of HOME is to create affordable housing for LMI households throughout Yuma County.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

Goals for 2021-2025 Consolidated Plan

Goal 1. Increase affordable rental housing options through the creation of new units and tenant-based rental assistance.

Goal 2. Improve the quality of existing affordable rental and owner-occupied housing stock, including home accessibility modifications.

Goal 3. Facilitate homeownership options through down payment assistance, financial counseling, and/or support the creation of more diverse and affordable housing products.

Goal 4. Support low- and moderate-income families through public services including, but not limited to, childcare and afterschool programming, nutrition and food assistance, and public facility improvements.

Goal 5. Provide supportive services to low-income households, people with special needs, and the homeless.

Goal 6. Improve community infrastructure in qualified neighborhoods to support community revitalization and housing affordability.

Goal 7. Continue to improve the quality of neighborhoods with low-income concentrations.

With PY 2025-26 (Year 5 of the Consolidated Plan) funds, the YCHC and its partners plan to use HOME to accomplish the following throughout Yuma County:

- 1 Owner-occupied housing unit
- Develop 1 CHDO housing unit

Using CDBG, the City of Yuma and its subrecipients plan to accomplish the following within the city:

- Rehabilitate up to 3 owner-occupied housing units
- Create major improvements to 32 affordable rental units
- Provide furniture for the new homeless men's shelter
- Conduct Fair Housing testing and enforcement, offer Fair Housing counseling, and educate the public on Fair Housing rights
- Provide Public infrastructure improvements to support the development of 80 affordable rental units, and conduct code enforcement

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

At the end of each program year, the City is required to submit a Consolidated Annual Performance and Evaluation Report (CAPER). The CAPER outlines the objectives and outcomes set in the Annual Action Plan for each year, providing the progress made towards the goals established in the Consolidated Plan. The CAPER submitted in September 2024 reported on PY 2023 (7/1/23 – 6/30/24). Tables A – C below summarize the accomplishments made with CDBG and HOME funds in PY 2023 as reported in the CAPER.

Goals	Performance Objective	Activity	5 Year Goals	5 Year Accomplishments	2023 Goals	2023 Accomplishments	People Served 2023 Income Levels	Expended 2023
Increase affordable rental housing options through the creation of new units and tenant based rental assistance.	Provide decent affordable housing	Tenant Based Rental Assistance	60 households	81 Households	30 households	26 households	21 Ext Low 5 Low	173,227
		Rental Housing Development (CHDO)	5 housing units	Pre-Development Process	1 housing unit	Predevelopment Process	N/A	0
Improve the quality of existing affordable rental and owner-occupied housing stock, including home accessibility modifications	Provide decent affordable housing	Housing Rehabilitation	40 housing units	15 Housing Units	0 housing units	2 housing units	2 Low	249,209
Facilitate homeownership options through down payments assistance, financial counseling, and/or supporting the creation of more diverse and affordable housing products.	Provide decent affordable housing	Down Payment Assistance	20 households	1 household	0 households	N/A	N/A	0

Table A – Summary HOME Goals and Accomplishments

Goals	Performance Objective	Activity	5 Year Goals	2023 Accomplishments	People Served Income Levels	Expended 2023
Increase affordable rental housing options through the creation of new units and tenant-based rental assistance.	Provide decent affordable housing	Rental Housing Development	12 household units	Planning Underway		90,343

Table B – Summary HOME-ARP Goals and Accomplishments

Goals	Performance Objective	Activity	Nat'l Obj	5 Year Goals	5 Year Accomplishments	2023 Goals	2023 Accomplishments	People Served Income Levels	Expended 2023
Improve the quality of existing affordable rental and owner-occupied housing stock, including home accessibility modifications.	Create Suitable Living Environment	Housing Rehabilitation	LMH	35 housing units	11 housing units	6 housing units	6 housing units	1 Low 5 Mod	326,859
Improve the quality of existing affordable rental and owner-occupied housing stock, including home accessibility modifications.	Create Suitable Living Environment	Housing Rehabilitation – Mesa Heights	LMH	5 housing units	3 housing units	1 housing unit	0 housing units	N/A	0
		ACHIEVE Window Replacement	LMC	7 housing units	7 housing units	N/A	N/A	N/A	0
		Saguaro 9th Ave Group Home	LMC	1 Facility	1 Facility	N/A	N/A	N/A	0
Support low and moderate-income families through public services including, but not limited to, childcare and after school programming, nutrition and food assistance and public facility improvements.	Create Suitable Living Environment	Fair Housing Activities	N/A	6,000 people	214 people	N/A	214 people	N/A – Plan/Admin	21,992
		Infrastructure Supporting Housing Development	LMA	80 units	Pre-construction planning underway	80 household units	Pre-construction planning underway	2,180 LMI 1,675 Non-LMI	0
		WACOG Housing Counseling	LMC	90 households	116 households	70 households	67 households	22 Ext Low 10 Low, 21 Mod 14 Non-LMI	32,584
		Crossroads Mission-Homeless Outreach Program	LMC	500 people	349 People	200 People	349 People	349 Ext Low	35,001
		Crossroads Mission-Eating Healthy Program	LMC	500 people	2192 People	N/A	N/A	N/A	0
		Mesa Heights Neighborhood Sports Program	LMA	100 people	718 People	N/A	N/A	N/A	0
Improve community infrastructure in qualified neighborhoods to support community revitalization and housing affordability.	Create Suitable Living Environment	Joe Henry Park Restrooms	LMA	3,855 people	2,180 LMI 1,675 Non-LMI	N/A	N/A	N/A	0
		Carver Park Restrooms	LMA	4,950 people	Population –4,955 60.51% Low Mod	4,950 People	Population –4,955 60.51% Low Mod	2,995 Low Mod Non-LMI 1,955	94,881
Continue to improve the quality of neighborhoods with low-income concentrations	Create Suitable Living Environment	Code Enforcement/Rental Inspection Program	LMA	9,055 people	Population – 9,055, 57.92% LMI	9,055 people	Population – 9,055, 57.92% LMI	5,245 LMI 3,810 Non-LMI	74,994
		Voluntary Demolition Program	SBS	5 housing units	2 housing units	N/A	N/A	N/A	0
		MHN Outreach	LMA	3,855 people	Population – 3,855 56.55% LMI	N/A	N/A	N/A	0
		MHN Cleanup	LMA	3,855 people	Population – 3,855 56.55% LMI	N/A	N/A	N/A	0
		MHN Façade Improvements	LMA	2 businesses	3 businesses	2 businesses	N/A	N/A	1,150
Provide Public Services for LMI people.	Create Suitable Living Environment	SHINE Childcare Center	LMC	30 households	53 households	N/A	N/A	N/A	0
		Walk-In Freezer Replacement-Food Programs	LMC	800 people	894 people	N/A	N/A	N/A	0

Table C – Summary CDBG Goals and Accomplishments

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The City provided several opportunities for consultation and input on the Action Plan, including notices published in the Yuma Sun and in Spanish in the Bajo el Sol newspaper, posted on the City of Yuma website, and emailed to area nonprofit organizations and other interested parties. Additionally, there were public hearings and consultation with the CDBG Citizen Advisory Committee and Yuma County HOME Consortium board. See Table 4 in Section AP-12 for more detailed information.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

No comments were received during the Citizen Participation process.

6. Summary of comments or views not accepted and the reasons for not accepting them

All comments are taken into consideration when determining which applications to fund.

7. Summary

The 2025 Annual Action Plan addresses the goals and objectives in the Consolidated Plan for the use of CDBG and HOME funds. The City followed the Citizen Participation Plan and there were several opportunities for the public to provide input. The CDBG Citizen Advisory Committee and members of the Yuma County HOME Consortium were an integral part of the Citizen Participation process.

PR-05 Lead & Responsible Agencies - 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	Yuma, AZ	
CDBG Administrator	Yuma, AZ	Planning & Neighborhood Services Department, Neighborhood Services Division
HOME Administrator	Yuma, AZ	Planning & Neighborhood Services Department, Neighborhood Services Division

Table 1 – Responsible Agencies

Narrative

The lead agency that prepared the PY 2025 Annual Action Plan was the City of Yuma Planning and Neighborhood Services Department, Neighborhood Services Division. The Division is responsible for the administration of the City's CDBG Program and the Yuma County HOME Consortium's HOME Investment Partnership Program.

Consolidated Plan Public Contact Information

For questions regarding the PY 2025 Annual Action Plan, or questions relating to the CDBG or HOME Programs, contact the Program Administrator:

Cynthia Blot
Assistant Director
Neighborhood Services Division
One City Plaza - Yuma, AZ 85364
Phone: (928) 373-5187 TTY: (928) 373-5149
Cynthia.Blot@yumaaz.gov

AP-10 Consultation - 91.100, 91.200(b), 91.215(l)

1. Introduction

This section describes the consultation efforts undertaken to: 1) Coordinate the development of the Annual Action Plan with the efforts of housing providers, social service providers, health care current providers, and relevant government agencies; 2) Coordinate the development of the Annual Plan with current Continuum of Care efforts; 3) Elicit public input.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).

The City of Yuma maintains partnerships with several nonprofit organizations to implement the goals of the Consolidated Plan. Yuma is a small community with limited resources; therefore, local nonprofit organizations collaborate closely to reduce service duplication and ensure efficient use of available resources.

The Yuma Coalition to End Homelessness (YCEH) holds bi-monthly meetings at Yuma City Hall. These meetings are well attended by social service, housing, mental health, and veteran service providers, as well as local government representatives. These meetings offer opportunities to discuss homelessness prevention strategies, network on related issues, receive updates on new services, and learn about funding opportunities. ACHIEVE Human Services coordinates the YCEH, with City staff actively participating in various committees and in the Point-in-Time count.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The Yuma Coalition to End Homelessness (YCEH) is a member of the Arizona Balance of State Continuum of Care (BOSCoC). Members with access to the Homeless Management Information System (HMIS) regularly meet for case conferencing. These meetings coordinate efforts between homeless service providers, mental health, veterans, housing, and other social services agencies to identify the services needed by individuals experiencing homelessness.

The City supports homeless service providers through CDBG and HOME funding. This year, CDBG funds will be used to provide new furniture for the new homeless men's shelter, which will have the capacity to house twice the number of individuals. The beds will be designed for easy cleaning, helping to reduce the spread of germs and improve overall hygiene for shelter residents. Catholic Community Services and the Housing Authority of the City of Yuma will continue to use HOME funding to provide Tenant-Based Rental Assistance for people experiencing homelessness or those at risk of becoming homeless.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

Not applicable. The City does not receive ESG funds.

2. Agencies, groups, organizations and others who participated in the process and consultations

The table below provides a list of agencies, groups, committees, and organizations that actively participated in the process and consultations.

1	Agency/Group/Organization	ACHIEVE Human Services
	Agency/Group/Organization Type	Housing, Services – Persons with Disabilities, Services-Employment
	What section of the Plan was addressed by Consultation?	Housing Needs Assessment, Homeless Needs – Chronically Homeless, Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted through dialogue at Yuma Coalition to End Homelessness (YCEH) meetings.
2	Agency/Group/Organization	Catholic Community Services
	Agency/Group/Organization Type	Services-Housing, Services-Victims of Domestic Violence, Services-Elderly Persons
	What section of the Plan was addressed by Consultation?	Homeless Needs – Families with children, Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted through continuous staff dialogue and participation at bi-monthly YCEH meetings.
3	Agency/Group/Organization	Yuma Coalition to End Homelessness (YCEH)
	Agency/Group/Organization Type	Services – Homeless, Planning Organization, Regional Organization COC
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless, Homeless Needs – Veterans, Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation was provided during bi-monthly YCEH meetings.
4	Agency/Group/Organization	Yuma County
	Agency/Group/Organization Type	Other Government – County
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted through attendance at a public hearing and ongoing staff dialogue.

5	Agency/Group/Organization	City of San Luis
	Agency/Group/Organization Type	Other Government – Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation at Yuma County HOME Consortium meetings concerning affordable housing needs throughout Yuma County.
6	Agency/Group/Organization	City of Somerton
	Agency/Group/Organization Type	Other Government – Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation at Yuma County HOME Consortium meetings concerning affordable housing needs throughout Yuma County.
7	Agency/Group/Organization	Town of Wellton
	Agency/Group/Organization Type	Other Government – Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation at Yuma County HOME Consortium meetings concerning affordable housing needs throughout Yuma County.
8	Agency/Group/Organization	Western AZ Council of Governments (WACOG)
	Agency/Group/Organization Type	Housing, Services – Housing, Services – Children Services – Elderly Persons, Services - Education Services – Fair Housing, Regional Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment, Homelessness Strategy, Anti-Poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The agency was consulted through staff dialogue and consultation during bi-monthly YCEH meetings.

9	Agency/Group/Organization	City of Yuma Housing Authority
	Agency/Group/Organization Type	Housing, PHA, Services – Housing, Services – Education, Services – Employment
	What section of the Plan was addressed by Consultation?	Public Housing Needs, Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Ongoing staff dialogue. Staff also provided input by email.
10	Agency/Group/Organization	National Community Health Partners (NCHP)
	Agency/Group/Organization Type	Housing, Services – Persons with Disabilities, Services-Homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment, Non-Homeless Special Needs, Homelessness Needs-Veterans
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation was provided during bi-monthly YCEH meetings.
11	Agency/Group/Organization	The Salvation Army
	Agency/Group/Organization Type	Services – Housing, Services – Children, Services – Elderly Persons, Services – homeless
	What section of the Plan was addressed by Consultation?	Homeless Special Needs, Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Consultation was provided during bi-monthly YCEH meetings.
12	Agency/Group/Organization	Crossroads Mission
	Agency/Group/Organization Type	Services – Housing, Services – homeless, Services – Education, Services – Employment
	What section of the Plan was addressed by Consultation?	Homeless Needs – Chronically homeless, Homeless Needs – Families with children, Homeless Needs – Unaccompanied youth, Homelessness Strategy, Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Crossroads Mission was consulted through staff dialogue, and participation in the YCEH meetings.

Table 2 – Agencies, groups, organizations who participated

Identify any Agency Types not consulted and provide rationale for not consulting

All known local social service and housing organizations were invited to participate in public hearings and submit CDBG and HOME grant applications. No relevant agencies were intentionally excluded from the consultation process.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
General Plan – Housing & Redevelopment Elements	City of Yuma	Many of the goals in the City’s General Plan align with the Consolidated Plan - the need for affordable housing, housing rehabilitation, neighborhood revitalization, and code enforcement.
Analysis of Impediments to Fair Housing Choice	City of Yuma	Reduce impediments to fair housing choice for residents by aligning its fair housing efforts with recommendations made in the AI.
Continuum of Care	AZ Dept of Housing, Yuma Coalition to End Homelessness	The City of Yuma aligned its homeless strategies with the Balance of State’s homeless strategies.

Table 3 – Other local / regional / federal planning efforts

Narrative

The City solicited public comments on the 2025 Action Plan in accordance with its Citizen Participation Plan. Public notices were published in the Yuma Sun and in the Bajo el Sol (Spanish). Public hearings and meetings were held both virtually and in person to gather input from citizens, nonprofit organizations, and public agencies. The CDBG Citizens Advisory Committee reviewed applications, heard presentations from applicants, and recommendations were provided to City Council. The Yuma County HOME Consortium also reviewed applications and held discussions before finalizing funding allocations.

AP-12 Participation - 91.401, 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation

Summarize citizen participation process and how it impacted goal-setting

The City provides nonprofit organizations serving low- and moderate-income individuals the opportunity to apply for Community Development Block Grant (CDBG) funding, while all housing providers are eligible to apply for HOME funding. Both programs follow a competitive application process. To promote these opportunities, a flyer is posted on the City’s website, published in the Yuma Sun and Bajo El Sol, and emailed to organizations that have expressed interest in the CDBG or HOME programs. The flyer includes an invitation to apply, the application schedule, a link to the application portal, and an estimate of available funding. Applications are submitted through Neighborly, an online grant management system. One-on-one technical assistance is available to guide applicants through the process, including an overview of application requirements, Consolidated Plan priorities and goals, and compliance with CDBG and HOME regulations.

CDBG applicants are required to give a presentation to the CDBG Citizen Advisory Committee before the Committee makes any funding recommendations. For HOME funding, The HOME Consortium board reviews applications and addresses any questions before discussing funding recommendations. City staff presents funding recommendations to City Council and are published in the local newspaper, starting a 30-day public comment period. A public hearing will be held during the comment period before the final draft is presented to City Council for approval on July 2, 2025.

The City provides several opportunities for input from citizens, local government agencies, and nonprofit organizations—including those providing services for the homeless, housing, mental health, education, senior care, and other social services. To ensure broad citizen participation, the community was given various opportunities to comment while the plan was being developed.

The draft will be available for a 30-day public comment period, with notices published in English in the Yuma Sun and in Spanish in Bajo El Sol. Public outreach included hearings, email notifications sent to 91 organizations, residents, and stakeholders, as well as 259 emails distributed by the Yuma Coalition to End Homelessness (YCEH) to its members. Flyers were also posted at City Hall and the Housing Authority of the City of Yuma.

Accommodations were made for individuals with disabilities and those with limited English proficiency, including Spanish-speaking staff available for translation during meetings. To ensure accessibility, meetings were scheduled at convenient times for working community members.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of Comments received	Summary of comments not accepted & reasons	URL (If applicable)
1	Other Direct Emailing	Other Nonprofit Organizations and other interested stakeholders	Flyers were sent to 91 parties on the CDBG/HOME email list, 259 YCEH members, and sent to public agencies to post in their facilities. The flyers included details on the schedule, available funding, and an invitation to apply for grant funds and participate in the process.	No comments were received	N/A	
2	Newspaper Ad	Non-targeted/ broad community Non-English Speaking: Spanish	Public Notices were published in both English and Spanish newspapers announcing the public hearings, one-on-one application technical assistance and how to provide comments on the Action Plan.	No comments were received	N/A	
3	Public Hearing	Non-targeted/broad community	At the beginning of the process, the City held a virtual and in-person public hearing to solicit input on the development of this Action Plan. There was one attendee.	No comments were received	N/A	
4	Public Meeting	Non-targeted/ broad community	Held one-on-one HOME and CDBG application technical assistance.	No comments were received	N/A	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of Comments received	Summary of comments not accepted & reasons	URL (if applicable)
5	Public Meeting	Non-targeted/ broad community	Staff presented the Action Plan to City Council, including funding proposals and recommendations for CDBG and HOME. The meeting was open to the public, televised, and live-streamed. The public could participate in-person or virtually.	No comments were received	N/A	
6	Newspaper Ad	Non-targeted/ broad community Non-English Speaking- Spanish	A summary of the Annual Action Plan draft and an invitation to the Public Hearing were published in the Yuma Sun and Bajo El Sol (Spanish). The draft plan was available on the City website and hard copies were distributed at various locations throughout Yuma County for public review and input.	No comments were received	N/A	
7	Public Hearing	Non-targeted/ broad community	A public hearing was held to provide a summary of the AAP draft. Attendees were given an opportunity to comment on the draft.	No comments were received	N/A	
8	Public Meeting	Non-targeted/ broad community	Staff presented the final Action Plan to City Council for approval. The meeting was televised, live-streamed, and available virtually. Comments could be provided virtually or in-person.	No comments were received	N/A	

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)

Introduction

In PY 2025 (Year 5 of the 2021-2025 Consolidated Plan), the City of Yuma is receiving \$984,398 in CDBG. YCHC is receiving \$237,028 in HOME funds.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Amount Available Year 5				Amount Available Remainder of ConPlan	Narrative Description
			Annual Allocation:	Program Income: \$	Prior Year Resources:	Total: \$		
CDBG	Public - Federal	Admin & Planning Housing Public Services Public Infrastructure	984,398	0	0	984,398	984,398	CDBG will be used for housing rehabilitation, code enforcement, public infrastructure, and public services.
HOME	Public - Federal	Admin & Planning New Rental Construction	237,028	0	0	237,028	237,028	HOME will be used for affordable rental housing development and housing rehabilitation.

Table 2 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The City of Yuma will leverage a combination of federal, state, local and private funds to address priority needs and objectives identified in this Action Plan. The City will allocate over \$458,530 from its general fund to support Neighborhood Services operations to implement goals outlined in the Consolidated Plan. The City will also provide \$94,880 in general funds to Catholic Community Services Safe House to assist victims of domestic violence, the Crossroads Mission Detox Program, and Amberly's Place Victims Advocacy Center to support abused victims.

HOME Match Requirements – The Yuma County Home Consortium has received a 100% match reduction each year since its first allocation in 2017 and expects the same for 2025. This means HUD waived 100% of the match requirements for YCHC. Subrecipients and Community Housing Development Organization's (CHDO) are still encouraged to provide matching funds, despite the waiver. Any HOME-eligible match contributed this year will be "banked" for use in a future year.

In PY 2018, the YCHC allocated HOME funds to the Arizona Housing Development Corporation (AHDC) for the acquisition of property to construct three rental homes on Magnolia Avenue. AHDC received \$572,043 from Cenpatico (now called Arizona Complete Health) to construct the units. If the YCHC does not receive a 100% match reduction this year, a portion of these matching funds will be used to meet the PY 2025 match obligation.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City owns three properties on Arizona Avenue within the Mesa Heights neighborhood, an area designated as low- and moderate-income. The first property is a 15-unit apartment complex located on 20th Street, and a triplex on 23rd Street. Both properties managed by the Housing Authority of the City of Yuma (HACY) are used for affordable housing.

The City conveyed surplus property located at the corner of 18th Street and Arizona Avenue to Arizona Housing Development Corporation (AHDC) for the development of affordable housing. AHDC plans to build 6 units on this site, with plans recently submitted for review. The units will only be available to low- to moderate-income households that receive various types of tenant-based rental assistance. Construction is currently underway and is expected to be completed by June 2025.

Discussion

The City continuously explores new grant opportunities, partnerships, and private investment to supplement HOME and CDBG funds to address the needs outlined in the 2021-2025 Consolidated Plan.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Improvements to Existing Rental and Owner Housing	2021	2026	Affordable Housing Non-Homeless Special Needs	City of Yuma: Citywide	Housing Repairs and Accessibility Modifications	CDBG - \$505,238 HOME- \$177,771	Homeowner Housing Rehabilitated – 4 Housing Units Rental Housing Rehabilitated: 32 Housing Units
2	Improvements to Low-income Neighborhoods	2021	2026	Non-Housing Community Development	Mesa Heights Carver Park Yuma High Neighborhoods	Community Development & Neighborhood Revitalization	CDBG - \$60,000	Housing Code Enforcement/ Foreclosed Property Care – 4,375 Household Units
3	Increase Affordable Rental Housing	2021	2026	Affordable Housing	City of Yuma: Citywide	Provide decent affordable housing	HOME-\$35,554	Increase affordable rental housing units options through the creation of new units –1 unit
4	Supportive Services for Low-income households	2021	2026	Homeless, Non-Homeless Special Needs, Non-Housing Community Development	City of Yuma: Citywide	Public Services	CDBG - \$92,280	Public service activities other than LMI Housing Benefit – 240 Persons Assisted
5	Improvements to Community Infrastructure	2021	2026	Non-Housing Community Development	Mesa Heights	Affordable Rentals and TBRA	CDBG - \$130,000	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 80 Households Assisted
6	Administer CDBG/HOME & Fund Planning/Fair Housing	2021	2026	Administration & Planning	City of Yuma: Citywide Yuma County	N/A	CDBG - \$196,880 HOME- \$23,703	CDBG includes Fair Housing

Goal Descriptions

1	Goal Name	Improvements to Existing Rental and Owner Housing
	Goal Description	Improve the quality of existing affordable rental and owner-occupied housing stock, including home accessibility modifications.
2	Goal Name	Improvements to Low Income Neighborhoods
	Goal Description	Continue to improve the quality of neighborhoods with low-income concentrations. This will include code enforcement, rental inspection, neighborhood clean-up, and property improvement programs in neighborhoods with more than 51% LMI people. The City is making targeted efforts to improve the safety and security of these areas.
3	Goal Name	Increase Affordable Rental Housing
	Goal Description	Increase affordable rental housing options through the creation of new units.
4	Goal Name	Public Services for LMI families
	Goal Description	Support low - and moderate-income families through public services including, but not limited to, childcare and afterschool programming, nutrition, and food assistance, and public facility improvements.
5	Goal Name	Supportive Services for Low Income Households
	Goal Description	Provide supportive services to low-income households, people with special needs, and the homeless.
6	Goal Name	Improvements to Community Infrastructure
	Goal Description	Improve community infrastructure in qualified neighborhoods to support community revitalization and housing affordability.
7	Goal Name	Administer CDBG/HOME & Fund Planning/Fair Housing
	Goal Description	Administer CDBG and HOME and fund planning and fair housing activities.

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b)

CHDO funds will be set-aside for a future affordable housing project, assisting one low-income family. HOME funds will be used to support one reconstruction project for a low- income household through the City's Housing Rehabilitation Program.

AP-35 Projects - 91.420, 91.220(d)

Introduction

This section describes the projects that the City of Yuma and the HOME Consortium will undertake with CDBG and HOME funds. The PY 2025, the City of Yuma will receive \$984,398 in CDBG funds. Any CDBG program income collected will be reported and allocated to CDBG-eligible activities. The Yuma County HOME Consortium will receive \$237,028.12 in HOME funds. The required 15% CHDO set-aside is \$35,554. No program income is expected.

#	Project Name
1	Housing Rehabilitation – City of Yuma
2	Code Enforcement/Rental Inspection – City of Yuma
3	Colorado Street Apartment Improvements - Housing America
4	Mesa Heights Neighborhood Infrastructure - Supporting Housing Development – Vistara III
5	Homeless Men’s Shelter- Crossroads Mission
6	CDBG Program Administration – City of Yuma
7	Fair Housing – Southwest Fair Housing Council
8	Affordable Housing Development Project
9	HOME Planning & Administration – City of Yuma

Table 3 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The allocation priorities are outlined in the 2021-2025 Consolidated Plan and are being implemented in the 2025 Action Plan. These priorities were developed with input from citizens, local public agencies, and nonprofit organizations based on what their clients are experiencing. The City and the YCHC are committed to meeting the underserved needs in the community.

The primary obstacle to meeting the community’s needs is insufficient funding for both housing and non-housing activities. In May 2021, HUD staff notified the City of an error in the 2017-2020 HOME formula, which resulted in an over-allocation of HOME funds to the YCHC during that period. The formula was corrected for the 2021 allocation. In 2022, HUD Headquarters staff explained that the overages needed to be recaptured, leading to a reduction in the YCHC’s allocation for the years (2022 – 2025). The past four HOME allocations have been as follows: 2022 - \$411,329; 2023 - \$378,564; 2024 - \$222,171.48; and 2025 - \$237,028.12. These funding reductions have impacted the ability to address the growing need for affordable housing in Yuma County.

The funding requests exceeded estimated amount by a significant margin. After setting aside 10% for Planning & Administration, only \$213,325 is available for HOME projects. The YCHC board reviewed all applications and decided to allocate \$177,771 to the Owner-Occupied Housing Rehabilitation Program. Due to the small size of this year’s CHDO set-aside (\$35,554), these funds will be combined with next year’s CHDO allocation to support the development of one affordable housing unit.

Other obstacles to addressing housing needs include:

- High rental housing costs relative to the income of low- and moderate-income (LMI) renters
- Loss of naturally occurring affordable housing due to rising rents in the public sector
- Lack of accessible housing
- Deferred maintenance on certain older rental units
- Limited diversity in both rental and ownership housing options
- Challenges faced by renters wanting to become homeowners, particularly in accumulating a down payment and obtaining a mortgage loan
- Significant increases in the housing market, making homeownership unattainable for low- and moderate-income families
- Rising rents leading to a lack of available units for voucher holders

The City will continue to seek additional resources to address these underserved needs and will support funding applications pursued by other agencies to further improve housing opportunities.

AP-38 Project Summary

Project Summary Information

1	Project Name	Housing Rehabilitation
	Target Area	City of Yuma: Citywide
	Goals Supported	Improvements to Existing Rental and Owner Housing
	Needs Addressed	Housing Repairs and Accessibility Improvements
	Funding	CDBG: \$320,238 HOME: \$177,771
	Description	The City will use funds to carry out owner-occupied housing rehabilitation activities, which will include one reconstruction project. National objective – LMH, Matrix Code-14A, Rehabilitation: Single-Unit Residential
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	CDBG: 3 Household Housing Unit HOME: 1 Household Housing Unit
	Location Description	City of Yuma: Citywide
	Planned Activities	Owner-occupied housing rehabilitation and a reconstruction project.
2	Project Name	Code Enforcement
	Target Area	Mesa Heights, Yuma High, and Carver Park Neighborhoods
	Goals Supported	Improvements to Low-Income Neighborhoods
	Needs Addressed	Community Development & Neighborhood Revitalization
	Funding	CDBG: \$60,000
	Description	The City will administer a proactive Code Enforcement Program in three low-income areas. National objective – LMA, Matrix Code -15 Code Enforcement
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	4,375 households will benefit. All three low-income neighborhoods have more than 51% LMI people.
	Location Description	Mesa Heights Neighborhood has over 56.5% LMI, Carver Park has approximately 60.5% LMI and Yuma High has approximately 57% LMI.
	Planned Activities	The Code Enforcement Program will address code violations in three low- and moderate-income areas.

3	Project Name	Colorado Street Apartment Improvements - Housing America
	Target Area	City of Yuma: Citywide
	Goals Supported	Improvements to Existing Rental and Owner Housing
	Needs Addressed	Roof replacement
	Funding	CDBG: \$185,000
	Description	Housing America Corporation will use CDBG funds to replace the roof on a 32-unit multifamily apartment complex, enhancing the building's structural integrity and energy efficiency. National objective – LMH, Matrix Code-14B, Rehabilitation: Multi-Unit Residential
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	32 Low-income Households
	Location Description	City of Yuma: Citywide
	Planned Activities	Housing America Corporation will replace the deteriorating roofing system on a 32-unit complex that provides housing for low-income households.
4	Project Name	Mesa Heights Neighborhood Infrastructure - Supporting Housing Development – Vistara III
	Target Area	Mesa Heights
	Goals Supported	Increase affordable rental housing
	Needs Addressed	Affordable rental units
	Funding	CDBG: \$130,000
	Description	CDBG funds will be used for public infrastructure improvements that may include sidewalks, curbs, and gutters to support affordable housing development in the Mesa Heights Neighborhood. National Objective – LMA, Matrix Code-03Z (Public Improvements)
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	80 Households assisted
	Location Description	Mesa Heights Neighborhood –18 th Street and Riley Avenue
	Planned Activities	The City will hire a contractor to install public infrastructure needed to support the development of affordable rental housing.

5	Project Name	Homeless Men's Shelter - Crossroads Mission
	Target Area	City of Yuma: Citywide
	Goals Supported	Supportive Services for low-income households
	Needs Addressed	Public Services
	Funding	CDBG: \$92,280
	Description	Crossroads Mission will utilize CDBG funds to provide 120 new bunkbeds for the homeless men's shelter. National Objective – LMC, Matrix Code - 03T (Homeless Programs)
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	240 Persons assisted
	Location Description	Crossroads Mission, 944 S. Arizona Avenue
	Planned Activities	Crossroads Mission will purchase 120 bunk beds for the new homeless men's shelter designed for easy cleaning to help reduce the spread of germs and improve overall hygiene for shelter residents.
6	Project Name	CDBG Program Administration
	Target Area	City of Yuma: Citywide
	Goals Supported	Administer CDBG/HOME and Fund Planning/Fair Housing
	Needs Addressed	Other – Administration & Planning
	Funding	CDBG: \$181,880
	Description	Administration of 2025-2026 CDBG Program. National Objective – N/A, Matrix Code- 21A (General Program Admin)
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	Not applicable
	Location Description	City of Yuma: Citywide
	Planned Activities	Administration of 2025/2026 CDBG Program

7	Project Name	Fair Housing – Southwest Fair Housing Council
	Target Area	City of Yuma: Citywide
	Goals Supported	Planning & Administration
	Needs Addressed	Public Services
	Funding	CDBG: \$15,000
	Description	Administer a Fair Housing program within the City of Yuma. National Objective – N/A, Matrix Code 21D (Fair Housing Activities Subject to Admin Cap)
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	Not applicable.
	Location Description	City of Yuma: Citywide
	Planned Activities	The Southwest Fair Housing Council will conduct outreach, education, testing, and Fair Housing counseling to inform the public about their Fair Housing rights.
8	Project Name	Affordable Housing Development Project-CHDO
	Target Area	Yuma County
	Goals Supported	Increase affordable rental housing
	Needs Addressed	Affordable Rental Units and TBRA
	Funding	HOME: \$35,554
	Description	CHDO funds will be set aside to develop an affordable unit that will be sold or rented to a low moderate-income family.
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	1 Household Housing Unit
	Location Description	Countywide
	Planned Activities	Develop 1 affordable housing unit

9	Project Name	HOME Planning & Administration
	Target Area	Yuma County
	Goals Supported	Planning and Administration
	Needs Addressed	N/A
	Funding	HOME: \$23,703
	Description	Administer the 2025/2026 HOME Program on behalf of the Yuma County HOME Consortium.
	Target Date	6/30/2026
	Estimate the number and type of families that will benefit from the proposed activities	Not applicable.
	Location Description	Countywide
	Planned Activities	The City of Yuma, the lead agency for the YCHC will administer the 2025 HOME program.

AP-50 Geographic Distribution - 91.420, 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

CDBG. CDBG funding is restricted to the City of Yuma limits. Service areas include the Mesa Heights Neighborhood (57% low- and moderate-income population), Carver Park Neighborhood (61% LMI population), the Yuma High Neighborhood (57% LMI population), and citywide.

HOME. The service area for the Yuma County HOME Consortium is Yuma County, including the City of Yuma, Yuma County, the City of Somerton, the City of San Luis, and the Town of Wellton. Activities funded this year will be available to all residents within Yuma County.

The Yuma County HOME Consortium allocates resources based on received funding proposals. Funding decisions consider geographic distribution, priority needs, project readiness, and the organization's capacity to successfully complete the proposed project.

Geographic Distribution

Target Area	Percentage of Funds
City of Yuma: Citywide	79%
Yuma County (HOME)	21%

Table 4 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The City of Yuma priorities areas with high percentages of low- and moderate-income residents. Efforts have been focused on the Carver Park, Yuma High, and Mesa Heights neighborhoods for several years and continue through initiatives such as code enforcement, public infrastructure improvements, affordable housing development, and housing rehabilitation.

Discussion

Please see discussion above.

Affordable Housing

AP-55 Affordable Housing - 91.420, 91.220(g)

Introduction

This section outlines the PY 2025 affordable housing goals for the 5th year of the 2021-2025 Consolidated Plan. Tables 5 and 6 provide an overview of the number of households receiving housing assistance and the distribution of support by program type. This table includes the affordable housing goals for HOME, CDBG, and the Public Housing Authorities of both the City and County.

Please see the AP-35 Projects section to view a detailed description of the projects.

One Year Goals for the Number of Households to be Supported	
Homeless	95
Non-Homeless	2,046
Special-Needs	0
Total	2,141

Table 5 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	2,025
The Production of New Units	81
Rehab of Existing Units	35
Acquisition of Existing Units	0
Total	2,141

Table 6 - One Year Goals for Affordable Housing by Support Type

Discussion

The City and its partners will undertake the following affordable housing activities:

- Owner-occupied housing rehabilitation
- Multi- rental unit housing rehabilitation
- Tenant-based rental assistance
-
- New construction of affordable housing (CHDO Activity)
- Public Infrastructure Improvements to support affordable rental development

The Housing Authority of the City of Yuma and the Yuma County Housing Department will continue to provide affordable rental housing, Housing Choice Vouchers for low-income renters, VASH vouchers for homeless veterans and other special purpose vouchers. They both successfully administer Family Self Sufficiency (FSS) Programs.

AP-60 Public Housing - 91.420, 91.220(h)

Introduction

This section summarizes the activities of the Housing Authority of the City of Yuma (HACY) and the Yuma County Housing Department (YCHD) that will support the Action Plan programs.

Actions planned during the next year to address the needs of public housing

In PY 2025, HACY and YCHD will continue their efforts to provide affordable rental housing to low-income families in the City of Yuma and Yuma County, while also supporting self-sufficiency programs and fostering strong partnerships with landlords who accept Section 8 vouchers—critical elements for a successful Public Housing Agency (PHA).

At the time this plan was prepared, HACY managed 235 Rental Assistance Demonstration (RAD) units across the City. All public housing units have been converted to RAD units. Although RAD units have higher rents, they are paired with project-based vouchers, allowing HACY to invest more in essential capital improvements.

The RAD housing stock is in excellent condition. The 20-year capital improvement plan includes improvements to roofing, cabinetry, and energy efficiency.

The Yuma County Housing Department manages 159 public housing units in non-incorporated Yuma County, Somerton, and San Luis.

As highlighted throughout this plan, there is a critical need for more landlords to accept vouchers. HACY has seen some success with offering landlord incentives for program participation in the past; however, additional funding is required to make this program more successful and widely utilized. The current market conditions are impacting voucher recipients, as they face increased competition from the private rental market.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

The Housing Authority of the City of Yuma (HACY) offers a Family Self-Sufficiency (FSS) program to approximately 240 residents in the Housing Choice Voucher (HCV) and Project-Based Voucher (PBV) programs. The FSS program provides support in education, employment, and various training opportunities. Additionally, HACY offers a Homeownership Program to help families prepare for first-time homeownership. On average, 25 residents graduate from the FSS program each year, with five becoming homeowners.

The Yuma County Housing Department also operates a Family Self-Sufficiency program for participants in the HCV and Public Housing programs. Currently, 160 families are enrolled, with an average of 34 graduates each year. Of these, nine become homeowners, and four pursue higher education annually.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

Not applicable. Neither HACY nor the Yuma County Housing Department is designated as a "troubled" PHA. HACY is classified as a "high performing" PHA, while YCHD is designated as a "standard performing" PHA.

Discussion

Yuma County currently administers 406 Section 8 Housing Choice Vouchers throughout the County.

HACY is currently managing 1,024 Section 8 Housing Choice Vouchers, 93 project-based vouchers, 235 tenant-based, 13 homeownerships, and 95 special purpose vouchers - for a total of 1,460 vouchers. The waiting list for vouchers exceeds 3 years and the HCV waiting list is currently closed. As rents continue to rise, it becomes increasingly difficult for voucher holders to find affordable rental units.

AP-65 Homeless and Other Special Needs Activities - 91.420, 91.220(i)

Introduction

The City of Yuma is a member of the Yuma Coalition to End Homelessness, a collaborative network of local agencies dedicated to providing services for individuals experiencing homelessness. YCEH strives to help those who are homeless or at risk of homelessness achieve housing stability, self-sufficiency, and an improved quality of life. As part of the Arizona Balance of State Continuum of Care (BOSCoC), YCEH works toward the goal of preventing and ultimately ending homelessness.

The Arizona Department of Housing (ADOH) contracts with Achieve Human Services to serve as the lead entity for YCEH, overseeing the implementation of a Strategic Action Plan to address the needs of Yuma's homeless population.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Several agencies in Yuma assist unsheltered individuals by providing basic needs and connecting them to community resources. These agencies include Achieve Human Services, National Community Health Partners, the Housing Authority of the City of Yuma (HACY), Catholic Community Services, the Western Arizona Council of Governments (WACOG), and Crossroads Mission. Crossroads Mission will use CDBG funding to purchase new furniture for its new Men's Shelter, which will accommodate up to 240 individuals. The furniture is designed to minimize the spread of germs while also supporting the assessment of residents' overall needs.

The City will continue supporting YCEH in coordinating the annual Point-In-Time (PIT) Count, which provides an unduplicated count of sheltered and unsheltered homeless individuals and families in the community. YCEH will recruit and train volunteers, establish survey protocols, and implement a plan for data collection. To better understand and address the needs of the homeless population, YCEH will gather input from service providers through meetings, town halls, and community events. The City will also assist in organizing the annual homeless conference, offering a platform for social service organizations to network and stay informed about available community resources.

Additionally, YCEH has formed a diverse decision-making group to implement an action plan with specific goals and strategies aimed at preventing and ultimately ending homelessness in Yuma.

Addressing the emergency shelter and transitional housing needs of homeless persons

The City is committed to supporting the health and well-being of homeless individuals by funding agencies that provide emergency shelter and essential services. It will continue allocating general funds to Crossroads Mission for its Detox Center/Shelter and to Catholic Community Services (CCS) for its Domestic Violence Shelter.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

Catholic Community Services will continue utilizing HOME funds for its Tenant-Based Rental Assistance (TBRA) Program, prioritizing existing domestic violence survivors with incomes below 60% of the area median income (AMI) who are transitioning from the Safe House Shelter. Throughout the 12-month assistance period, CCS will conduct monthly visits to provide ongoing support services, ensuring long-term housing stability once the subsidy ends.

HACY will continue its TBRA Program, initially funded with HOME funds in 2021. The program provides security, utility deposits, rental subsidies, and utility assistance. HACY will assist existing clients who are homeless or at risk of homelessness and have incomes below 60% of AMI.

In 2021, YCHC was awarded \$2,730,716 in HOME-American Rescue Plan (ARP) funds to support the development of affordable rental housing. While this will not fully bridge the gap in Yuma's affordable housing shortage, it will help reduce the deficit. Pre-construction planning and underwriting are currently in progress. More details can be found in HOME-ARP Allocation Plan at www.yumaaz.gov/government/community-development/neighborhood-services.

The Yuma Coalition to End Homelessness consists of agencies dedicated to preventing and eliminating homelessness. Members include ACHIEVE Human Services, Salvation Army, National Community Health Partners (NCHP), Western Arizona Council of Governments (WACOG), City of Yuma Housing Authority (HACY), behavioral health providers, local churches, and other organizations following HUD's Housing First model. These agencies offer permanent and rapid re-housing, rental and utility assistance, housing vouchers for veterans, case management, healthcare services,

education and vocational support, financial literacy programs, and strategies aligned with local and state homelessness initiatives.

YCEH follows Coordinated Entry Procedures, a structured referral process designed to improve the efficiency of the homeless response system. This process streamlines access to housing and services, prioritizes assistance based on need, and connects individuals and families to appropriate housing interventions. A Coordinated Entry Committee meets regularly to ensure individuals enrolled in the Homeless Management Information System (HMIS) are referred to agencies that can provide the necessary resources. Reducing homelessness among families with children remains one of YCEH's top priorities. City staff actively participates in YCEH committees, contributing to strategic planning and housing initiatives to help address community needs.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

This year, the City and YCHC will allocate CDBG and HOME funds, along with funding from the City's Utilities Division, to support programs aimed at preventing homelessness and assisting individuals experiencing housing instability.

- Catholic Community Services and HACV will continue offering Tenant-Based Rental Assistance for very low-income individuals, prioritizing domestic violence survivors, the homeless, and those at risk of homelessness.
- The City's Utilities Division will provide funds to WACOG to assist low-income residents with water utility payments.
- The Salvation Army and WACOG will offer rental and utility assistance, along with supportive services.

Discussion

Through the implementation of the YCEH's Strategic Plan and the City of Yuma's Consolidated Plan goals, the community aims to transition individuals and families from homelessness into stable, affordable housing.

AP-75 Barriers to affordable housing -91.420, 91.220(j)

Introduction

The number of affordable housing units in Yuma County falls short of meeting the needs of many residents, resulting in significant cost burdens, particularly for renters. Key barriers to affordable housing include:

- Approximately 4,866 renter households earn less than \$20,000 per year and require rental units priced at \$500 or less per month to avoid being cost-burdened. However, only 10% of the county's rental units—about 2,550—fall within this price range, creating a shortage of 2,316 units.
- In the city of Yuma, renter overcrowding increased from 9% in 2010 to 15% in 2023, further straining the limited affordable housing supply.
- Despite an increase in the homeownership rate from 61% in 2010 to 65% in 2023, Yuma still has the lowest homeownership rate in the region, highlighting a persistent gap in affordable housing.
- Many renters face challenges such as affording a down payment, overcoming credit issues, and finding housing options that accommodate their families' needs.

These factors emphasize the significant gap in affordable rental housing. To address this need, the City of Yuma remains committed to supporting the development of Low-Income Housing Tax Credit (LIHTC) projects within the community.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

In 2022, the City's Planning Division expanded manufactured housing districts to allow site-built homes in Recreational Vehicle Subdivision (RVS) Districts. Also, in 2022, voters approved the City's new General Plan, which increased high-density development from 18 dwelling units to 30 dwelling units per acre. Over the past year, the Planning Division completed the following code changes to help to reduce barriers to affordable housing development:

- Eliminated minimum lot area per unit requirements, increasing residential density opportunities within the Medium and High-Density Residential Districts
- Reduced parking requirements for multi-family development and residential development within the Infill Overlay District
- Redefined multi-family to increase development opportunities
- Updated accessory dwelling unit provisions to increase allowable sizes, allow tiny homes, and allow attached units
- Expand accessory dwelling units to most residential zoning districts

The City continues to explore opportunities for increasing access to housing and will begin to research the following ideas:

- Inclusive zoning opportunities, optional approach
- Updating the Planned Unit Development (PUD) Overlay to encourage mixed housing developments
- Remove requirements for deed restrictions for Accessory Dwelling Units (ADUs).

AP-85 Other Actions - 91.420, 91.220(k)

Introduction

This section describes additional actions the City of Yuma will take to address housing and community development needs.

Actions planned to address obstacles to meeting underserved needs

The primary obstacle to addressing the needs of Yuma residents is the lack of resources throughout Yuma County. To overcome this challenge, the City of Yuma will:

- Continue seeking new resources to fund essential housing projects.
- Foster strong partnerships to leverage available resources.
- Review the Arizona Department of Housing's (ADOH) Low-Income Housing Tax Credit Qualified Allocation Plan to ensure it fairly serves rural and semi-rural communities, and advocate for changes to improve equity if necessary.
- Support private developers' applications for Low-Income Housing Tax Credits submitted to ADOH.
- Collaborate with partner agencies to ensure American Rescue Plan (ARP) funding is distributed efficiently and equitably, benefiting as many low-income residents as possible.

Actions planned to foster and maintain affordable housing

The City is committed to expanding affordable housing through partnerships with a Community Housing Development Organization (CHDO) and other developers. Efforts will focus on rehabilitating dilapidated owner-occupied homes and providing Tenant-Based Rental Assistance to help very low-income families maintain stable housing. To further support affordable rental development, the City will collaborate with a developer to install essential public infrastructure. Additionally, the Yuma County HOME Consortium will leverage HOME-ARP funds to create much-needed affordable rental units.

Actions planned to reduce lead-based paint hazards

While most residential areas in the City of Yuma feature relatively new housing, older neighborhoods and parts of the city may still have lead-based paint hazards. As these areas undergo revitalization and rehabilitation, any lead-based paint hazards will be addressed through abatement by EPA-certified

firms and workers. The City and its subrecipients will provide information about lead paint risks to all program participants in both English and Spanish.

Actions planned to reduce the number of poverty-level families

The City of Yuma's housing and community development activities are dedicated to improving housing and neighborhood conditions of low- and moderate-income residents and special needs populations. The City, in collaboration with members of the HOME Consortium and other agencies will continue to combine resources to assist individuals and families with obtaining the tools to overcome poverty and become self-sufficient. Ongoing efforts will include:

- The Center will continue its partnership with AZ@Work by offering the MLK Neighborhood Center for services to unemployed individuals, including job training, resume writing, and interview assistance.
- Family Self-Sufficiency Programs will be offered to assisted housing residents through both Housing Authorities.
- The Mesa Heights Resource Center supports nonprofit organizations by providing space for essential services, including resume writing, job interview workshops, youth employment assistance, financial literacy classes, and adult literacy programs. It also offers a leadership program for high school students, an afterschool program, and hosts supportive groups like the Healing Journey and Youth Peer Support.
- Continue enhancing low-income neighborhoods by expanding residents' access to opportunities and upgrading housing quality.
- The Prosperity Business and Learning Center will be created using State and Local Fiscal Recovery Funds, with HACY offering workshops and training to help participants secure better employment, start their own businesses, or improve existing ones.

Actions planned to develop institutional structure

The City of Yuma has established strong partnerships with nonprofit housing providers, including HACY, economic development organizations, and social service agencies. Staff will continue to build on these relationships to address housing needs through coordinated efforts.

To foster more integrated responses, the City has merged its economic development and neighborhood services departments, allowing for closer collaboration.

The City will remain actively involved in the Yuma Coalition to End Homelessness, hosting bi-monthly meetings at City Hall to drive further collaboration.

The Yuma County HOME Consortium, which includes the City of Yuma, Yuma County, the City of Somerton, the City of San Luis, and the Town of Wellton, has developed a strong collaborative framework. As the Lead Entity, the City is gaining a comprehensive understanding of housing resources across Yuma County and will continue to strengthen partnerships with nonprofit housing developers in these areas.

Actions planned to enhance coordination between public and private housing and social service agencies

The City leverages both public and private agencies as resources and partners to enhance housing and community development programs that support the low-income population. These partner agencies include, but are not limited to, local schools, the Housing Authority of the City of Yuma, homeless service providers, nonprofit organizations, mortgage lenders, construction companies, social service providers, and affordable housing developers. Additionally, the Yuma Coalition to End Homelessness plays a key role in improving the coordination of homeless services throughout Yuma.

Discussion

Broadband - The 2021-2025 City of Yuma Strategic Plan aims to make Yuma "connected and engaged through active communication, forward-looking partnerships, and ongoing public involvement." To achieve this, one of the City Council's priority initiatives is expanding broadband infrastructure. As part of the City's Proposed Capital Improvement Program (CIP) for Fiscal Years 2022 to 2026, \$5.5 million is allocated over two years for phase one of the Fiber Optic Network Buildout. This phase involves designing and constructing a fiber optic communication backbone to connect all City facilities to a City-owned fiber network, reducing reliance on leased communication networks and providing reliable, self-managed services. Additionally, the backbone will support the implementation of a traffic management system for approximately half of the City's traffic signals.

In alignment with these efforts, Yuma County's 2020 Five-Year Economic Development Plan also prioritizes broadband infrastructure improvements. The plan includes key objectives such as amending the zoning ordinance to incentivize the placement of cellular towers and broadband infrastructure in rural areas, submitting broadband projects to the Arizona Commerce Authority and the Economic Development Administration, and advocating for enhancements to the federal Reconnect Program to increase funding access for local entities. In April 2021, the Yuma Regional Broadband Task Force was formed, comprising representatives from Yuma County, the cities of Yuma, Somerton, and San Luis, the Town of Wellton, as well as economic development and agricultural stakeholders.

Yuma County was awarded \$10 million from the Arizona Commerce Authority's AZ Broadband Development Grant program to build a new 140-mile Broadband Middle-Mile Network. This network, utilizing the latest fiber optic technology, will provide high-speed, reliable, and affordable internet access to all residents, with a focus on serving underserved areas in the county. While some areas of the network have been completed, other areas are still under construction.

Hazard Mitigation - The Yuma County Multi-Jurisdictional Hazard Mitigation Plan, adopted in 2019, includes Yuma County, the Cocopah Tribe, and local municipalities. It outlines mitigation measures and an implementation strategy based on vulnerability analysis, public input, and expert assessment. The plan details project priorities, costs, funding sources, and responsible agencies, guiding ongoing mitigation efforts and Capital Improvement Plans (CIP).

Program Specific Requirements

AP-90 Program Specific Requirements - 91.420, 91.220(l)(1,2,4)

Introduction

In PY 2025, the City of Yuma will receive \$984,398 in CDBG. The YCHC is expected to receive \$237,028 in HOME funds. No repayments or program income is expected to be received this year. If recaptured funds or program income are received for the HOME program, the funds will remain in the local account and programmed in the following year's Annual Action Plan.

Community Development Block Grant Program (CDBG) Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan.	0
5. The amount of income from float-funded activities	0
Total Program Income	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income	100%

HOME Investment Partnership Program (HOME) Reference 24 CFR 91.220(l)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The Yuma County HOME Consortium (YCHC) is not using forms of investment beyond those identified in Section 92.205(b).

A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

The Yuma County Housing Commission (YCHC) enforces Recapture Provisions when HOME funds are provided to a homebuyer. Under these provisions, YCHC will recapture the full amount of direct HOME subsidy granted to the homebuyer. To ensure compliance, YCHC requires subrecipients, Community Housing Development Organizations (CHDOs), and other entities to uphold these recapture provisions.

HOME assistance enables homebuyers to purchase homes at an affordable cost by providing financial support. This support includes any assistance that reduces the purchase price from fair market value to an affordable amount. If HOME funds contribute to the development of a property and the unit is sold below market value, the difference between the fair market value and the purchase price is considered a direct result of HOME funding.

The Recapture approach mandates that YCHC funds be repaid from the net proceeds of the sale. If the homebuyer transfers ownership of the property, whether voluntarily or involuntarily, YCHC will recapture only the HOME funds used as a direct subsidy for the home purchase. Recapture is limited to the "net proceeds" of the sale, which are defined as the sales price minus superior loan repayment (excluding HOME funds) and any closing costs. YCHC will not recover more than what is available from these net proceeds.

To enforce the recapture provisions, YCHC will implement an upfront loan agreement with the homebuyer, accompanied by a recorded Deed of Trust and Promissory Note. The amount documented in the note and deed of trust will include:

- Any HOME funds provided to the buyer at the time of purchase, including down payment assistance, closing costs, or housing rehabilitation support. This applies whether the funds are provided directly by the program administrator or through a developer using program funds.
- Any reduction in the purchase price from fair market value to an affordable purchase price.

By establishing these provisions, YCHC ensures the responsible use and recapture of HOME funds, reinforcing its commitment to maintaining affordability and sustainability within the housing program.

2. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

The YCHC's policies and procedures manual uses the following to determine the Period of Affordability for the Recapture provisions of homebuyer activities:

Total HOME Investment in Unit period of Affordability:

HOME Assistance	Number of Years
Under \$15,000	5
Between \$15,001 - \$40,000	10
Over \$40,001+	20

Direct HOME Subsidy in Unit Period of Affordability:

HOME Assistance	Number of Years
Under \$15,000	5
Between \$15,001 - \$40,000	10
Over \$40,001+	20

YCHC will utilize the recapture provisions outlined in Number 2 above to enforce the period of affordability for homebuyers. All written agreements with the homebuyers will clearly define the period of affordability, the principal residence requirement, and the recapture provision to ensure compliance with the affordability period. To secure all HOME investments, the YCHC will use appropriate security instruments, such as promissory notes and deeds of trust, placed on the property.

Once the homebuyer has satisfied the affordability period, they will be entitled to all "net proceeds" from the sale of the property and will no longer be obligated to use the property as their principal residence.

3. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The YCHC does not permit the use of HOME funds to refinance existing debt.

4. If applicable to a planned HOME TBRA activity, a description of the preference for persons with special needs or disabilities. (See 24 CFR 92.209(c)(2)(i) and CFR 91.220(l)(2)(vii)).

The YCHC provides funding for two organizations to offer TBRA. HACY's TBRA program gives preference to homeless individuals, at risk of homelessness, or victims of domestic violence. Catholic Community Services' TBRA program gives preference to victims of domestic violence.

5. **If applicable to a planned HOME TBRA activity, a description of how the preference for a specific category of individuals with disabilities** (e.g. persons with HIV/AIDS or chronic mental illness) will narrow the gap in benefits and the preference is needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2)(ii) and 91.220(l)(2)(vii)).

No preference is given for individuals with disabilities.

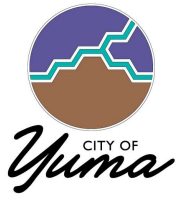
6. **If applicable, a description of any preference or limitation for rental housing projects.** (See 24 CFR 92.253(d)(3) and CFR 91.220(l)(2)(vii)).

Note: Preferences cannot be administered in a manner that limits the opportunities of persons on any basis prohibited by the laws listed under 24 CFR 5.105(a).

A rental development project funded with HOME-ARP and HOME funds is currently in the pre-construction phase. No preference will be given for the HOME-funded units. However, the HOME-ARP units will prioritize Qualifying Populations as required by the HOME-ARP program. Qualifying populations include individuals who are homeless or at risk of homelessness, as well as those fleeing domestic violence.

Discussion

The YCHC will not apply limits or preferences that violate nondiscrimination requirements and will not provide preference to jurisdiction employees or students.



City of Yuma

City Council Report

File #: MC 2025-100

Agenda Date: 7/2/2025

Agenda #: 9.

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

TITLE:

Infrastructure and Services Report: ANEX-43789-2025 Vision Assets, LLC

SUMMARY RECOMMENDATION:

Approve an Infrastructure and Services Report for Annexation Area No. ANEX-43789-2025, identified as the Vision Assets, LLC Annexation, located at the northeast corner of W. 27th Street and S. 21st Drive. (Planning and Neighborhood Services/Community Planning) (Alyssa Linville)

STRATEGIC OUTCOME:

This annexation assists in furthering the City Council's strategic outcome of Respected and Responsible, as it clarifies jurisdiction for access to City resources and services.

REPORT:

The annexation area, as shown in the map attached to Ordinance O2025-025 (Introduced later in this agenda), totals approximately 4.46 acres consisting of four parcels and the adjacent 27th Street, 20th Avenue and 21st Drive right-of-way.

The properties are owned by:

1. Vision Assets, LLC, parcel 694-14-006,
2. Cynthia Ann Ray Sub-Trust, parcel 694-14-005,
3. Ignacio R. Covarrubias, parcel 694-14-004, and
4. Adrian Covarrubias, parcel 694-14-003.

Arizona Revised Statutes § 9-471 (the state's annexation law) requires that, "On or before the date the governing body adopts the ordinance annexing territory, the governing body shall have approved a plan, policy or procedure to provide the annexed territory with appropriate levels of infrastructure and services to serve anticipated new development within 10 years after the date when the annexation becomes final pursuant to Subsection D of this Section."

Approval of this Infrastructure and Services Report will fulfill the statutory requirement to have an approved plan, policy or procedure to provide the annexed territory with appropriate levels of infrastructure and services

to serve anticipated new development within ten years of annexation.

The 2022 General Plan (adopted April 6, 2022, R2022-011) establishes the foundational blueprint and policies for providing infrastructure and services to all property within the City of Yuma. The following policy and plans will provide the lands within newly annexed areas with an appropriate level of infrastructure and services within 10 years of annexation.

Plan and Policy for Land Use

The City of Yuma 2022 General Plan identifies the land use designation for the property as Low Density Residential. Upon annexation, the property will be zoned to the Residence-Manufactured Housing (R-MH-20) District.

The City of Yuma Growth and Development Policy (R99-30) notes that it is in the best interest of the citizens and taxpayers of the City that urban land uses in the vicinity of the City should be part of the City of Yuma.

Plan and Policy for Roads

City Council policy is to require the dedication of needed rights-of-way and appropriate contributions toward the construction of arterials and collectors, linear parks or pathways, when warranted by proposed development projects. The dedications and contributions will be consistent with the City of Yuma's Transportation Master Plan (October 2014) and 2018 Yuma Bikeways Plan (adopted March 6, 2019, R2019-004).

Arterial Roads: Deficiencies in rights-of-way can be corrected via dedications as adjacent land is rezoned or subdivided for development, as warranted. Fair-share contributions for the improvement of existing roadways can be collected from development projects as they are approved by the City of Yuma, as warranted. The annexation area is adjacent to 27th Street, which is identified as a Local road and 21st Drive, which is identified as a Collector road.

Plan and Policy for Water and Sewer Systems

All development projects must have approved water systems and sewer treatment available to serve the project, consistent with the City of Yuma's 2023 Integrated Water Resources Master Plan (September 2023).

Water Systems: The property is within the service area of the Main Street Water Treatment Plant but there is no current water service to the site. The extension of any water mains to serve a proposed development project will be paid for by the development project seeking the water service.

Sewer Systems: The property is located within the Figueroa Avenue Water Pollution Control Facility service area but there is no current sewer service to the site. The extension of any sewer mains to serve a proposed development project will be paid for by the development project seeking the sewer service.

Plan and Policy for Emergency Services

Fire and Emergency Medical Services will be provided in a manner consistent with the City of Yuma Fire Services and Facilities Plan (adopted July 19, 2023, R2023-027). The site is in the current service area for Fire Station No. 6.

Public Safety services will be provided in a manner consistent with the City of Yuma 2022 General Plan. The site is within the service area of the City of Yuma Police Department Headquarters located at 1500 S. 1st Avenue.

Plan and Policy for Parks

Park sites will be acquired consistent with the City of Yuma's adopted Parks, Arts, Recreation & Trails Master Plan (adopted July 17, 2024, R2024-036), subject to the availability of funds. City Council policy is to require the dedication of needed rights-of-way and appropriate contributions toward the construction of linear parks or

pathways when warranted by the development of the parcels of land.

Plan and Policy for Stormwater Collection and Disposal

All development projects must have approved stormwater collection and disposal systems available to serve the project, consistent with that master plan, as well as the City of Yuma Drainage Policy (Ordinance Nos. 1670 and 1836) and 2003 Stormwater Management Program, as amended. The creation of new facilities or extension of any pre-existing stormwater facilities to serve a proposed development project will be paid for by the development project seeking the stormwater collection and disposal service.

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:

Not applicable

ADDITIONAL INFORMATION:

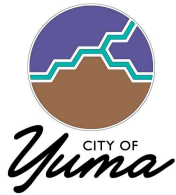
SUPPORTING DOCUMENTS NOT ATTACHED TO THE CITY COUNCIL ACTION FORM THAT ARE ON FILE IN THE OFFICE OF THE CITY CLERK:

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: 06/26/2025
Reviewed by City Attorney: Richard W. Files	Date: 06/25/2025



City of Yuma

City Council Report

File #: MC 2025-101

Agenda Date: 7/2/2025

Agenda #: 10.

	STRATEGIC OUTCOMES	ACTION
DEPARTMENT: Finance	<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
DIVISION: Procurement	<input type="checkbox"/> Connected & Engaged <input type="checkbox"/> Unique & Creative	<input type="checkbox"/> Ordinance - Adoption <input type="checkbox"/> Public Hearing

TITLE:

Ratification: Renewal of City Insurance Coverage for Fiscal Year 2026

SUMMARY RECOMMENDATION:

Authorize binding of insurance coverage for Property, Public Liability (including Employee Benefits, Public Officials, Employment Practices, Liquor, Law Enforcement and Auto), Excess Liability, Crime/Dishonesty, Excess Workers Compensation, Cyber Liability, Automobile Damage, Drone, and Deadly Weapon coverage for Fiscal Year (FY) 2026 for the total amount of \$2,283,039.02 to: Alliant Insurance Services, Inc., of Phoenix, AZ (City Attorney-RFB-23-110) (Richard W. Files/Robin Wilson)

STRATEGIC OUTCOME:

This action supports the City Council strategic outcome of Respected and Responsible by obtaining required and proper insurance coverage for City assets.

REPORT:

To protect the City of Yuma and its taxpayers, the City purchases insurance coverages through policies of insurance every fiscal year. The City's insurance broker, Alliant Insurance Services, Inc. (AIS), evaluates the City's insurance needs and obtains quotes/proposals each year for the City of Yuma's insurance coverage. For the last several years, the City Attorney's Office has identified three overarching goals when obtaining insurance for the City: (1) no reduction in coverage limits; (2) no increase in the self-insurance retention (SIR) amount; and (3) a total Premium that is about equal to the prior year's premiums. These goals are somewhat ambitious as every year private insurance carriers leave the marketplace, leaving less competition in a litigious climate, especially litigation against governmental entities.

Based on the analysis and the City's stated goals, AIS is providing a recommendation for the City's insurance policies for FY 2026. All insurance companies recommended have A.M. Best's rating of A (Excellent) or A+ or A++ (Superior) and a minimum of \$50 million in Policyholders' Surplus. The City's current primary insurance carrier is Travelers Insurance Company, which provided the recommended quote for Property Coverage (including Equipment and Auto coverage), General Liability and Excess Liability Coverage. The recommended Excess Workers' Compensation carrier is Safety National, the recommended Crime coverage carrier is American International Group (AIG), the recommended Cyber liability coverage carrier is Beazley Insurance Company, the recommended Drone coverage carrier is Global Aerospace, and the recommended Alliant Deadly Weapon Response Program is offered through Underwriters at Lloyd's of London.

All of the coverages remain consistent with the FY 2025 policies of insurance.

SUMMARY OF COVERAGE:

Property Coverage: Property coverage includes City-owned real property, City-owned lease property, and real properties operated by the independent Housing Authority of the City of Yuma (HACY). For FY 2026, there are 149 insured properties, many of which consist of multiple units. Under this insuring agreement, the Property coverage deductible remains at \$25,000. The insuring agreement also provides for flood and earthquake coverage, subject to a \$100,000 deductible. The City Property coverage is on a 110% Margin Clause per location at replacement cost.

City Equipment coverage includes all (non-auto) City Equipment valued over \$15,000 with a \$5,000 deductible. For insuring FY 2026, City Equipment Value limit is \$10,637,932.

City Auto Physical Damage coverage includes all City Vehicles valued over \$30,000 (or year 2022 and newer) with a \$5,000 deductible as well as any leased vehicles. For insuring FY 2026, there are 545 covered vehicles for auto liability and City Auto Physical Damage Value limit is \$35,285.897.

Liability and Excess Liability Coverage: Liability and Excess Liability Coverage totals \$15 million with a \$1 million base liability policy (\$2 million aggregate) and a \$14 million excess liability (umbrella) policy. Coverage examples include liquor liability, employee benefits, public entity management, employment practices, law enforcement liability and automobile liability.

For insuring FY 2026, the City's SIR for Liability coverage remains \$300,000 per occurrence. The base coverage and excess umbrella coverage limits apply to all insured perils with two exceptions: emergency medical technician (EMT) liability has a sublimit per occurrence, which caps coverage for these occurrences at \$4 million; sewer backup liability also has a sublimit cap at \$4 million and general liability coverage contains a lead exclusion.

Cyber Coverage: City's Cyber Coverage for FY 2026 is a \$1 million limit base policy with a reduced \$50,000 retention. Coverage examples include third-party liability coverages, regulatory defense and credit card payment liabilities and costs, as well as first party coverages data restoration expenses, cyber extortion loss and e-storage extortion and business interruption.

Excess Workers Comp: The City is self-funded through an SIR for its statutorily mandated workers compensation insurance. Excess insurance will limit the City exposure to workers compensation claims above the SIR. The FY 2026 excess workers compensation coverage for firefighters remains the same, with a City SIR of \$2,000,000. The other workers compensation coverages also remain the same, with a City SIR of \$700,000 for police employees, and \$600,000 for all other City employees.

Crime/Dishonesty: Crime insurance coverage provides for situations such as employee theft, depositor forgery and alteration, theft, disappearance and destruction (money, securities and other property), computer and funds transfer fraud coverage and credit, debit or charge card forgery. Crime coverages have policy limits of \$1,000,000 with a \$10,000 deductible. The policy also endorses coverage for Impersonation Fraud for a limit of \$100,000 and deductible of \$25,000.

Drone: Drone insurance coverage provides coverage for incidents stemming from the use of unmanned aircrafts. The liability limit is \$2 million with a 10% retention. For insuring FY 2026, there are 10 covered drones for drone liability.

Deadly Weapon: Deadly Weapon coverage provides \$500,000 in coverage for incidents involving deadly

weapons. A weapon is broadly defined as any portable or handheld device, instrument, or substance which is used by the Assailant(s) in a manner to deliberately cause death or bodily injury. The policy covers third-party bodily injury, first-party property damage, bodily injury, and crisis management for events occurring at City-owned locations. The retention for each event is \$10,000.

For reference, the table below summarizes the total premium costs.

Type of Coverage	Insurer	Premium
Property, Liability, Excess Liability, Vehicle Auto Damage	Travelers	\$ 1,825,122.00
Cyber Liability	Beazley	\$ 41,850.00
Excess Work Comp	Safety National	\$ 392,149.00
Crime and Dishonesty	AIG	\$ 5,944.00
Drone	Global Aerospace	\$ 11,846.00
Deadly Weapon	Underwriters at Lloyd's of London	\$ 6,128.02
Total Insurance Premiums		\$ 2,283,039.02

The total insuring premium increased by \$300,704.16 for FY 2026 over FY 2025. The insuring agreements not only protect City and taxpayer assets, but also protect against liabilities. On assets, the costs to replace existing City assets in the event of a loss has greatly increased over the last two years. As such, the total liability and values have increased significantly. The increases in asset value increase liability for the carrier and result in a premium increase. The increases in liability premiums stem from two factors: market increases throughout the United States and large payouts in municipal litigation that have made national news.

The premium for insuring FY 2026 coverages presented represents a 15.1% overall increase over FY 2025. The number includes the increases in property value and liability exposure described above.

The current policies of insurance expire at midnight June 30, 2025. By adopting this motion, the City Council ratifies the City Administrator binding the insurance coverages offered and the offered policies of insurance are in effect beginning at 12:01am on July 1, 2025, and expire at midnight on June 30, 2026.

FISCAL REQUIREMENTS:

CITY FUNDS:	\$ 2,283,039.02	BUDGETED:	\$ 2,283,039.02
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 502 Insurance	
		531 Workers Compensation	
TOTAL	\$2,283,039.02	.	
To total; right click number & choose "Update Field"			

FISCAL IMPACT STATEMENT:

There is sufficient budget capacity in the City Council approved FY2026 budget.

ADDITIONAL INFORMATION:

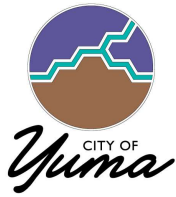
SUPPORTING DOCUMENTS NOT ATTACHED TO THE CITY COUNCIL ACTION FORM THAT ARE ON FILE IN THE OFFICE OF THE CITY CLERK:

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: 06/26/2025
Reviewed by City Attorney: Richard W. Files	Date: 06/25/2025



City of Yuma

City Council Report

File #: R2025-074

Agenda Date: 7/2/2025

Agenda #: 1.

	STRATEGIC OUTCOMES	ACTION
DEPARTMENT: Engineering	<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
DIVISION: Engineering	<input type="checkbox"/> Connected & Engaged <input type="checkbox"/> Unique & Creative	<input type="checkbox"/> Ordinance - Adoption <input type="checkbox"/> Public Hearing

TITLE:

Intergovernmental Agreement: Arizona Department of Transportation

SUMMARY RECOMMENDATION:

Authorize the City Administrator to execute an Intergovernmental Agreement (IGA) with Arizona Department of Transportation (ADOT) to utilize Highway User Revenue Fund (HURF) Exchange funding to assist in paying for the roadway infrastructure located on 40th Street from Avenue 6¾ E to Avenue 7½ E. (Engineering) (David Wostenberg)

STRATEGIC OUTCOME:

Executing this IGA meets the desired outcome of Respected and Responsible, as well as Safe and Prosperous, as the agreement utilizes HURF Exchange Funding made available by ADOT to assist the City of Yuma in paying for the construction of the roadway infrastructure project from 6¾ E to 7½ E on 40th Street. Building this roadway section will provide the communities in the vicinity a safe alternative to access 32nd Street. Currently the communities in the area need to utilize Avenue 8E to reach 32nd Street, which has multiple impacts.

REPORT:

The City of Yuma desires to utilize HURF Exchange Funding for roadway construction from Avenue 6¾ E to Avenue 7½ E, along 40th Street (Project). The primary purpose of the project is to improve the efficiency, reliability, and safety of the traveling public.

Through the attached IGA, ADOT will make \$900,000 available to the City for this project. The payments to the City will be allocated to the project as follows:

- 1) First 30% - Prior to the start of the Project
- 2) Second 30% - After 30% of the Project is complete
- 3) Third 30% - After 60% of the Project is complete
- 4) Final 10% - After final completion of the Project

The City will be responsible for paying the remaining amount of the project costs which is \$1,488,750.

FISCAL REQUIREMENTS:

CITY FUNDS:	\$ 1,488,750.00	BUDGETED:	\$ 3,500,00.00
STATE FUNDS:	\$ 900,000.00	AVAILABLE TO TRANSFER:	\$ 0.00
FEDERAL FUNDS:	\$ 0.00	IN CONTINGENCY:	\$ 113,750.00
OTHER SOURCES:	\$ 0.00	FUNDING: ACCOUNT/FUND #/CIP	
TOTAL\$ 2,388,750.00			
HURF Exchange, Development Fee, City Road Tax			
To total; right click number & choose "Update Field"			

FISCAL IMPACT STATEMENT:

This Project will use the following funding sources:

- City funding from the City Road Tax Fund 102 in the amount of \$1,088,750.
- City funding from Development Fee Fund 348 in the amount of \$400,000.
- Exchange of \$1,000,000 Federal Surface Transportation Block Grant Funding for \$900,0000 State funds through the HURF Exchange Program.

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: 06/26/2025
Reviewed by City Attorney: Richard W. Files	Date: 06/25/2025

RESOLUTION NO. R2025-074

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUMA, ARIZONA, AUTHORIZING AND APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH ARIZONA DEPARTMENT OF TRANSPORTATION FOR THE CONSTRUCTION OF THE AVENUE 7E AND 40TH STREET INTERSECTION AND ROADWAY SEGMENTS

WHEREAS, the City of Yuma (City) desires to enter into an Intergovernmental Agreement (IGA) with the Arizona Department of Transportation (ADOT) for the construction of the Avenue 7E and 40th Street Intersection and the Avenue 7E and 40th Street roadway segments, hereafter referred to as the "Project."

WHEREAS, the Project lies within the jurisdiction of the City of Yuma; and,

WHEREAS, the Yuma Metropolitan Planning Organization (YMPO) has confirmed the Project's eligibility for Federal Surface Transportation Block Grant Funding (STBG); and,

WHEREAS, YMPO will transfer \$1,000,000 of STBG funds to ADOT in exchange for \$900,000 in State of Arizona Highway User Revenue Funds; and,

WHEREAS, the Parties agree that the completion of the Project is essential to public safety and public welfare and desire to cooperate in the completion of the Project; and,

WHEREAS, it is to the mutual benefit of ADOT and the City to enter into an IGA to share the remaining costs required for the construction of the Project.

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

SECTION 1: The IGA between ADOT and the City for the construction and financing of the Project for the benefit of the citizens and residents of Yuma, attached as Exhibit A and incorporated by reference, is approved in accordance with its terms.

SECTION 2: The City Administrator is authorized and directed to execute the Agreement for and on behalf of the City.

Adopted this _____ day of _____, 2025

APPROVED:

Douglas J. Nicholls
Mayor

ATTESTED:

APPROVED AS TO FORM:

Lynda L. Bushong
City Clerk

Richard W. Files
City Attorney

ADOT CAR No.: IGA 25-0011122-I
AG Contract No.: P0012025000427
Project Location/Name: 40th Street from
6 ¾ E to Avenue 7 ½ E
Type of Work: Roadway Construction
ADOT Project No.: T0697 01C
TIP/STIP No.: YU-23-10C
CFDA No.: 20.205 – Highway Planning
and Construction
Budget Source Item No.: HURF Exchange

INTERGOVERNMENTAL AGREEMENT

BETWEEN
THE STATE OF ARIZONA
AND
THE CITY OF YUMA

THIS AGREEMENT is entered into this date _____, pursuant to the Arizona Revised Statutes §§ 11-951 through 11-954, as amended, between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the “State” or “ADOT”) and the CITY OF YUMA, acting by and through its MAYOR and CITY COUNCIL (the “CITY” or the “Local Agency”). The State and the Local Agency are each individually referred to as a “Party” and are collectively referred to as “Parties.”

I. RECITALS

1. The State is empowered by Arizona Revised Statutes § 28-334 and § 28-401 to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of the State.
2. The Local Agency is empowered by Arizona Revised Statutes § 48-572 to enter into this Agreement and has by resolution, if required, a copy of which is attached hereto and made a part hereof, resolved to enter into this Agreement and has authorized the undersigned to execute this Agreement on behalf of the Local Agency.
3. The Local Agency desires to utilize HURF Exchange funding for roadway construction from Avenue 7 and ½ E to 6 ¾ E along 40th Street, hereinafter referred to as the “Project.” The primary purpose of this Project is the improvement of the efficiency, reliability and safety of the traveling public.
4. The Project is located on a Major Collector on the federal aid system. The Yuma Metropolitan Planning Organization (YMPO) has confirmed the Project’s eligibility for federal Surface Transportation Block Grant Program (STBGP) funds for areas with population of 200,000 or less according to the most recent annual population estimates produced by the Arizona Department of Administration.

5. All phases of the Project are programmed in the approved, fiscally-constrained portion of the applicable Transportation Improvement Program (TIP) as "HURF Exchange."
6. No phase of the Project has previously been funded with any category of federal aid funding.
7. No phase of the Project is currently programmed with any category of federal aid funding.
8. The Local Agency has represented to the State that it will be able to, and will, meet the schedule requirements of this Agreement.
9. The foregoing Recitals shall be incorporated into this Agreement.

In consideration of the mutual terms expressed herein, the Parties agree as follows:

II. DEFINITIONS AND ACRONYMS

Apportionments	Surface Transportation Block Grant Program funds provided by ADOT to COGs, MPOs, and Transportation Management Areas on a discretionary basis.
Authorization	The approval by ADOT of the use of HURF Exchange funding for a Project phase.
Change in Scope	Any change to a project or project phase which increases the footprint or adds or decreases features to a project (for example: pedestrian bridge, roundabout, traffic signal, etc.).
COG	Council of Governments
Date of Authorization	The date on which the State approves the use of HURF Exchange funding for a Project phase. This is also the date on which HURF Exchange funded costs for the Project phase may begin to be incurred.
Eligible Costs	Costs directly associated with the design, acquisition or right of way, and construction of the Project, including necessary safety items. Other items unavoidably required for the primary purpose of the Project, which is to improve the efficiency and safety of motor vehicle travel on the roadway, may be considered part of the Eligible Costs. These items may include utility relocation, sidewalks, the Americans with Disabilities Act (ADA) ramps and safety features.
Federal Highway Administration (FHWA)	A division of the US Department of Transportation specializing in highway transportation.
Final Project Phase Amount	Total cost of the Project phase based on the contract, less any Ineligible Costs but including a reasonable amount for construction engineering and contingency. For Project phases performed using the Local Agency's own

Final Voucher	<p>forces, the Final Project Phase Amount is the amount for the respective phase as estimated in the "Project Cost Estimate" in the HURF Exchange Cost and Schedule tool workbook.</p> <p>The final accounting of the Project, prepared by ADOT after the Project is fully complete.</p>
Fully Executed Intergovernmental Agreement (IGA)	An IGA which has received all required approvals and opinions and has been signed by all parties.
Arizona Highway User Revenue Fund (HURF)	The State of Arizona taxes motor fuels and collects a variety of fees and charges relating to the registration and operation of motor vehicles on the public highways of the State. These collections include gasoline and use-fuel taxes, motor-carrier taxes, vehicle-license taxes, motor vehicle registration fees and other miscellaneous fees. These revenues are deposited in the Arizona HURF and are then distributed to the cities, towns and counties and to the State Highway Fund. These taxes represent a primary source of revenues available to the State for highway construction, improvements and other related expenses.
HURF Exchange Funding	State Highway Funds which are exchanged for federal Surface Transportation Block Grant Program funds for areas of under 200,000 population and under 5,000 population pursuant to Arizona Revised Statutes §28-6993.G. HURF Exchange Funding will be credited to the applicable COG or MPO at 90% of the amount of the federal Surface Transportation Block Grant Program funds programmed for the Project in the TIP.
HURF Exchange Project Forms	<p>The forms in Attachment One, prescribed by ADOT and to be used by the Local Agency for HURF Exchange Projects, completed, approved and signed as required. The forms include:</p> <ul style="list-style-type: none"> • HURF Exchange Project Scoping Form • HURF Exchange Project Cost Estimate • HURF Exchange Project and Draw Schedule • HURF Exchange Draw and Final Reimbursement Invoice
IGA	Intergovernmental agreement
Ineligible Costs	<p>Costs which are not eligible. Ineligible Costs include, but are not limited to, the following:</p> <ul style="list-style-type: none"> • Maintenance, which is scheduled or unscheduled work that is performed to preserve existing infrastructure, in reaction to an event (crash) or season (potholes), or work requiring regular recurring attention, such as fence repair, culvert cleanouts, etc. • Scoping • Costs incurred prior to finance Date of Authorization • Any items outside of the Project right of way

- Utility relocation which is not directly and unavoidably caused by the HURF Exchange Project
- Betterments of utilities
- Any other costs which are not Eligible Costs as defined above

Maintenance	Scheduled or unscheduled work that is performed to preserve existing infrastructure, in reaction to an event (such as an accident) or season (such as potholes), or work requiring regular recurring attention, such as fence repair, culvert cleanouts, and other ongoing work.
MPO	Metropolitan Planning Organization
Obligation	The application of State Highway Funds on a project phase in the State's accounting system.
Obligation Authority (OA)	The amount of Apportionments which may be obligated in a federal fiscal year. ADOT provides Obligation Authority, on a discretionary basis, to COGs/MPOs.
Substantial Completion	<p>The Project is substantially complete when all of the following, as applicable, have occurred:</p> <ul style="list-style-type: none"> • All lanes of traffic of the completed Project are finished and accepted and traffic can move unimpeded through the Project at the posted speed. • All signage is in place and accepted. • All guardrails, drainage devices, ditches, excavation and embankment have been accepted. • The only work left for completion is incidental, away from the paved portion of the road, and does not affect the safety or convenience of the traveling public.
Surface Transportation Block Grant Program (STBGP)	A category of funding under the federal aid highway program. The subcategories of STBGP applicable to the HURF Exchange program are Under 200,000 Population categories.
TIP	Transportation Improvement Program

III. SCOPE OF WORK

1. The Local Agency has represented to the State that it will be able to complete the Project phases according to the Funding Transfer and Authorization Schedule table below.

Funding Transfer and Authorization Schedule Table				
Project Phase(s) Programmed in TIP Intended as HURF Exchange	Fiscal Year Programmed	STBGP Apportionments and OA Charged to COG/MPO*	HURF Exchange Funding Credited to COG/MPO	Deadline to Submit Authorization Request to ADOT
Design				
Right of Way				
Construction	2025	\$1,000,000	\$900,000	May 15, 2025
Other:				
TOTAL		\$1,000,000	\$900,000	
*STBGP Apportionments <u>and</u> Obligation Authority will be charged to the COG/MPO at 100% of this amount.				

2. The State will:
 - a. Make the following funding transfers prior to the Authorization of each Project phase:
 - (1) Transfer 100% of the applicable STBGP Apportionments and Obligation authority for the respective Project phase from the applicable COG/MPO to the State.
 - (2) Transfer HURF Exchange funding to the COG/MPO in the amount of 90% of the applicable STBGP Apportionments and Obligation Authority for the respective Project phase.

These transfers will be made only after, and are conditioned upon, completion of the prior phase, if any, and receipt of an Authorization request and required documents for the phase to which the transfer applies.

- b. After completion of the above transfers for each Project phase, give Authorization, obligate HURF Exchange funding, and notify the Local Agency that the phase may be advertised, consultants or contractors may be selected, or work can begin.
 - c. After receipt of the final itemized budget and Final Project Phase Amount for each Project phase, review and adjust the amount authorized and obligated in the State's accounting system, as necessary, to be equivalent to the Final Project Phase Amount.

If the Final Project Phase Amount is:

- (1) Less than the amount obligated for that phase, release any excess HURF Exchange Funding from the Project phase and return it to the COG/MPO for reprogramming.
 - (2) Greater than the amount of HURF Exchange Funding obligated, the Local Agency is solely responsible for the difference.

- d. Pay State Highway Funds to the Local Agency for Eligible Costs for each obligated Project phase as follows:
 - (1) First 30% - Prior to the start of the Project phase and within 30 days approval of an invoice from the Local Agency.
 - (2) Second 30% - Within 30 days of approval of an invoice and copies of Project phase invoices received and paid by the Local Agency which demonstrate the work has progressed, or is progressing, to 30% completion.
 - (3) Third 30% - Within 30 days of approval of an invoice and copies of further Project phase invoices received and paid by the Local Agency which demonstrate the work has progressed, or is progressing, to 60% completion.
 - (4) Final 10% of each phase, except the final phase, will be reimbursed to the Local Agency by the State within 30 days of approval of invoice, copies of final Project phase invoices received and paid by the Local Agency which demonstrate the phase is completed. For the final phase, the final 10% will be reimbursed within 30 days of the completion of the Final Voucher. Upon payment of the final 10%, no further invoices will be accepted or paid.
 - e. After each subsequent phase is authorized and upon payment of the final invoice from the Local Agency for the preceding phase, close the preceding phase in the State's accounting system and return any remaining funds to the applicable COG/MPO for reprogramming.
 - f. After all phases have been completed, conduct a final Project walk-through in conjunction with the Local Agency, and the applicable COG/MPO.
 - g. Prepare a Final Voucher for the Project upon completion of all phases, and return any remaining funds to the applicable COG/MPO for reprogramming.
3. The Local Agency will:
- a. Utilize the HURF Exchange Funding only for the Project and phase(s) which are the subject of this Agreement.
 - b. Adhere to the Project schedule in Section III.1.
 - c. Begin work, initiate selection of consultants or contractors or advertise the Project, as applicable, within 60 days of the Date of Authorization.
 - d. Approve and expend any funds required for the Project in excess of the HURF Exchange Funding to ensure the Project is successfully completed on schedule.
 - e. Pay the final 10% of Project costs, to be reimbursed by ADOT within 30 days of the completion of the Final Voucher.

- f. Submit an Authorization request for each HURF Exchange Project phase to the ADOT Project Manager (PM) which includes the following documents, updated as necessary for each successive Project phase:

- (1) HURF Exchange Project Cost Estimate form;
- (2) HURF Exchange Project and Draw Schedule;
- (3) A map indicating the location, functional class and limits of the Project;
- (4) A copy of the TIP reflecting the HURF Exchange programming; and
- (5) Other documents as may be required by the State.

Include an invoice for first 30% progress payment with the Authorization request if the Project phase is being performed with the Local Agency's own forces.

- g. Within sixty (60) days of the selection of consultant or award of a contract for each Project phase, submit to the ADOT PM:

- (1) The final Project phase scope with itemized costs;
- (2) The final schedule, including the dates the work will start and end and the anticipated dates of each progress payment request; and
- (3) The final itemized budget with Final Project Phase Amount.

- h. If the Final Project Phase Amount is greater than the amount of HURF Exchange Funding obligated, be solely responsible for the difference.

- i. Invoice ADOT for Eligible Costs for each obligated Project phase as follows using the HURF Exchange Draw and Final Reimbursement Invoice:

- (1) First 30% - Prior to the start of the Project phase.
- (2) Second 30% - A minimum of 30 days but not more than 60 days prior to when the funds will be required. The invoice must be accompanied by documents which demonstrate the work has progressed, or is progressing, to 30% completion including:
 - i. Copies of Project phase invoices, pay requests, estimates and other cost records received by the Local Agency and indicating payment status, or, if the Local Agency is performing the work with its own forces, a summary of costs expended, and
 - ii. A status report related to the Project phase schedule.
- (3) Third 30% - A minimum of 30 days but not more than 60 days prior to when the funds will be required. The invoice must be accompanied by documents which

demonstrate the work has progressed, or is progressing, to 60% completion, including:

- i. Copies of further Project phase invoices, pay requests, estimates and other cost records received by the Local Agency and indicating payment status, or if the Local Agency is performing the work with its own forces, a summary of costs expended, and
 - ii. A status report related to the Project phase schedule.
 - j. After all phases have been completed, participate in the final Project walk-through in conjunction with ADOT and the COG/MPO as applicable.
 - k. Within 15 business days of Substantial Completion of the construction phase, notify the ADOT PM to schedule a final Project walk-through.
 - l. Within 60 days of completion of the construction phase, submit the close out package to the ADOT PM which includes:
 - (1) An invoice for the final 10%;
 - (2) Copies of warrants or checks reflecting total costs paid by the Local Agency for construction;
 - (3) The Project Acceptance letter from the Local Agency to the contractor; and
 - (4) A close-out letter to ADOT.
 - m. Be responsible for complying with any federal requirements applicable to the Project.
 - n. If the Local Agency files a condemnation action, the Local Agency shall request an order of immediate possession.
 - o. Repay all HURF Exchange payments to ADOT if the Project is not constructed within two years of the completion of design and obtaining all rights of possession of right of way parcels. Upon receipt of an invoice from ADOT, the Local Agency shall pay the full amount within 30 days, as provided in paragraph III.4.d. of this Agreement.
 - p. After completion and final acceptance of the Project, agree to maintain and assume full responsibility of the Project and all Project components.
4. The Parties agree:
- a. The HURF Exchange program is offered at ADOT's discretion. ADOT reserves the right to discontinue the HURF Exchange program at any time. Such termination will not affect the validity of this Agreement.
 - b. A Fully Executed IGA does not guarantee funding or constitute permission to begin work. The Local Agency must request and receive Authorization and a Notice To Proceed from the ADOT PM for each Project phase in advance of starting work.

- c. No Change in Scope is authorized under this Agreement. If the Local Agency desires a Change in Scope, a formal amendment to the Agreement is required, signed by both Parties.
- d. If the construction phase is not complete within two years from the completion of design, or if all phases of the Project are not completed within three years from the date of the initial financial authorization of the first HURF Exchanged funded phase, whichever is earlier, this Agreement will terminate and the Local Agency will be required to repay all HURF Exchange advances and reimbursements received to date.

The two year period will be calculated as two years from the date the close out letter for the design phase was received by ADOT. Termination under this section will be executed as follows:

- (1) Thirty days prior to termination, the State will send a letter to the Local Agency and the ADOT PM, indicating:
 - i. The close out package required in section III.3.l. was not received by ADOT within two years of the completion of design or three years from the date of the initial financial authorization of the first HURF Exchanged funded phase, whichever is earlier; and
 - ii. The steps necessary to avoid termination of this Agreement.
- (2) If the close out package is not received by ADOT within 30 days of the date of the letter:
 - i. Any funding remaining on the Project will be de-obligated and returned to the respective COG/MPO for reprogramming on another Project;
 - ii. No further invoices will be accepted from, and no additional payments will be made to, the Local Agency for the Project; and
 - iii. The Local Agency must repay to ADOT all funds which have been previously paid by ADOT under this Agreement, including all current and previous phases.
 - iv. The State will send an invoice to the Local Agency for all HURF Exchange Funding advanced or reimbursed for each phase of the Project with the due date by which such funds must be repaid to ADOT.
- e. Expenditures incurred prior to the Date of Authorization of the applicable phase are not eligible for HURF Exchange.
- f. The amount obligated for each Project phase will be adjusted to the Final Project Phase Amount.
- g. If there is no billing activity in the State's accounting system for 180 days, the Local Agency shall provide documentation which justifies the Project phase is still active to

the State within 10 days of request. If the Local Agency cannot demonstrate such justification, the Project phase will be de-obligated as follows:

- (1) Thirty days prior to de-obligation, the State will send an email to the Local Agency and ADOT PM, providing notification of the funds available on the Project phase, number of days since the last billing activity in the State's accounting system and the steps necessary to remove the Project phase from pending de-obligation status.
 - (2) If the Project phase is not closed or billing activity generated within 30 days of the date of the email, any remaining funding will be de-obligated and returned to the respective COG/MPO for reprogramming on another Project. No further invoices will be accepted from, and no additional payments will be made to, the Local Agency for the applicable Project phase.
 - (3) Upon de-obligation of funds from the inactive Project phase, ADOT will send a letter to the Local Agency with notification of the date of de-obligation, the treatment of the de-obligated funds and, if applicable, an invoice for any funding which must be repaid to ADOT with the due date(s).
- h. All HURF Exchange submissions and invoices are to be submitted to the assigned ADOT PM.
 - i. Any HURF Exchange funds de-obligated or released from Project phases will be returned to the applicable COG/MPO for reprogramming.

IV. MISCELLANEOUS PROVISIONS

1. Effective Date. This Agreement shall become effective upon signing and dating of all Parties.
2. Amendments. Any change or modification to this Agreement will only occur with the mutual written consent of both Parties.
3. Duration. The terms, conditions and provisions of this Agreement shall remain in full force and effect until all payments contemplated under the Agreement have been made, unless specifically otherwise contemplated in this Agreement.
4. Cancellation. This Agreement may be canceled at any time prior to the exchange of any HURF funds and after 30 days written notice to the other Party. It is understood and agreed that, in the event the Local Agency terminates this Agreement, the Local Agency shall be responsible for all costs incurred by the State up to the time of termination. It is further understood and agreed that in the event the Local Agency terminates this Agreement, the HURF Exchange Program will no longer be available for use by the Local Agency for this Project.
5. Indemnification. The Local Agency shall indemnify, defend, and hold harmless the State, any of its departments, agencies, boards, commissions, officers or employees (collectively referred to in this paragraph as the "State") from any and all claims, demands, suits, actions, proceedings, loss, cost and damages of every kind and description, including reasonable attorneys' fees and/or litigation expenses (collectively referred to in this paragraph as the

“Claims”), which may be brought or made against or incurred by the State on account of loss of or damage to any property or for injuries to or death of any person, to the extent caused by, arising out of, or contributed to, by reasons of any alleged act, omission, professional error, fault, mistake, or negligence of the Local Agency, its employees, officers, directors, agents, representatives, or contractors, their employees, agents, or representatives in connection with or incident to the performance of this Agreement. The Local Agency’s obligations under this paragraph shall not extend to any Claims to the extent caused by the negligence of the State, except the obligation does apply to any negligence of the Local Agency which may be legally imputed to the State by virtue of the State’s ownership or possession of land. The Local Agency’s obligations under this paragraph shall survive the termination of this Agreement.

6. Liability. ADOT assumes no liability or financial responsibility for HURF Exchange Projects. The Local Agency is solely responsible for complying with all applicable laws, rules and regulations, for any additional funding required to complete the Project and for any claims due to delays, change orders or any other circumstances.
7. HURF Exchange Funds. ADOT reserves the right to refuse to enter into further HURF Exchange transactions with the Local Agency if the Local Agency owes repayment of previous HURF Exchange funding or has misused HURF Exchange funds.
8. Governing Law. This Agreement shall be governed by and construed in accordance with Arizona laws.
9. Conflicts of Interest. This Agreement may be canceled in accordance with A.R.S. § 38-511.
10. Records. The Local Agency is required to retain all records related to a HURF Exchange Project for a period of five years after the date of the final payment of HURF Exchange funding from ADOT.
11. Audit. All HURF Exchange Projects are subject to audit. The State may refer Projects to the State Auditor General or ADOT’s Internal Audit unit in cases of suspected misuse of HURF Exchange funding.
12. Title VI. The Local Agency acknowledges and will comply with Title VI of the Civil Rights Act of 1964.
13. Non-Discrimination. This Agreement is subject to all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, including 28 CFR Parts 35 and 36. The Parties to this Agreement shall comply with Executive Order Number 2009-09, as amended by Executive Order 2023-01, issued by the Governor of the State of Arizona and incorporated in this Agreement by reference regarding “Non-Discrimination”.
14. Non-Availability of Funds. Every obligation of the State under this Agreement is conditioned upon the availability of funds appropriated or allocated for the fulfillment of such obligations. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by the State at the end of the period for which the funds are available. No liability shall accrue to the State in the event this provision is exercised,

and the State shall not be obligated or liable for any future payments as a result of termination under this paragraph.

15. Arbitration. In the event of any controversy, which may arise out of this Agreement, the Parties agree to abide by arbitration as is set forth for public works contracts if required by A.R.S. § 12-1518.
16. E-Verify. The Parties shall comply with the applicable requirements of A.R.S. § 41-4401.
17. Anti-Discrimination. The Local Agency must comply with all applicable anti-discrimination laws and regulations.
18. Contractor Certifications. The Local Agency shall certify that all contractors comply with the applicable requirements of A.R.S. §§ 35-393.01 and 35-394.
19. Other Applicable Laws. The Parties shall comply with all applicable laws, rules, regulations and ordinances, as may be amended.
20. Notices. All notices or demands upon any Party to this Agreement shall be in writing and shall be delivered electronically, in person, or sent by mail, addressed as follows:

For Agreement Administration:

Arizona Department of Transportation
Joint Project Agreement Section
205 S. 17th Avenue, Mail Drop 637E
Phoenix, AZ 85007
JPABranch@azdot.gov

City of Yuma
Attn: Alex Tipton
155 W. 14th Street
Yuma, AZ 85364
928.373.4510
Alex.Tipton@YumaAZ.gov

For Project Administration:

Arizona Department of Transportation
Local Public Agency Section
205 S. 17th Avenue, Suite 291
Phoenix, AZ 85007
602.712.4173

City of Yuma
Attn: Alex Tipton
155 W. 14th Street
Yuma, AZ 85364
928.373.4510
Alex.Tipton@YumaAZ.gov

For Financial Administration:

Arizona Department of Transportation
Financial Management Services, Resource
Administration
205 S. 17th Avenue, Mail Drop 200B
Phoenix, AZ 85007

City of Yuma
Attn: Alex Tipton
155 W. 14th Street
Yuma, AZ 85364
928.373.4510
Alex.Tipton@YumaAZ.gov

21. Revisions to Contacts. Any revisions to the names and addresses above may be updated administratively by either Party with written notice to the other Party.
22. Legal Counsel Approval. In accordance with A.R.S. § 11-952 (D), the written determination of each Party's legal counsel providing that the Parties are authorized under the laws of this

State to enter into this Agreement and that the Agreement is in proper form is set forth below.

23. Electronic Signatures. This Agreement may be signed in an electronic format including DocuSign.
-

Remainder of this page is intentionally left blank.

(Signatures begin on the next page)

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective upon the full completion of signing and dating by all Parties to this Agreement.

CITY OF YUMA

By _____ Date _____
JOHN SIMONTON
City Administrator

ATTEST:

By _____ Date _____
LYNDA BUSHONG
City Clerk

I have reviewed the above referenced Intergovernmental Agreement between the State of Arizona, acting by and through its Department of Transportation, and the City of Yuma, an agreement between public agencies which, has been reviewed pursuant to A.R.S. §§ 11-951 through 11-954 and A.R.S. § 48-572 and declare this Agreement to be in proper form and within the powers and authority granted to the City under the laws of the State of Arizona.

No opinion is expressed as to the authority of the State to enter into this Agreement.
Approved as to Form:

By _____ Date _____
City Attorney

ARIZONA DEPARTMENT OF TRANSPORTATION

By _____ Date _____

AUDRA MERRICK, PE

Infrastructure Delivery and Operations Division

Division Director

This Agreement between public agencies, the State of Arizona and City of Yuma, has been reviewed pursuant to A.R.S. §§ 11-951 through 11-954, A.R.S. § 28-334 and § 28-401, by the undersigned Assistant Attorney General who has determined that it is in the proper form and is within the powers and authority granted to the State of Arizona. No opinion is expressed as to the authority of the remaining Parties, other than the State or its agencies, to enter into said Agreement.

By _____ Date _____

Assistant Attorney General

IGA 25-0011122-I

ATTACHMENT ONE
(Cover Sheet)

HURF EXCHANGE PROJECT FORMS

1. HURF Exchange Project Scoping Form
2. HURF Exchange Project Cost Estimate
3. HURF Exchange Project and Draw Schedule
4. HURF Exchange Draw and Final Reimbursement Invoice

HURF Exchange Project Scoping Form

Note: The Project Scoping Form, Project Cost Estimate and Project and Draw Schedule forms (all contained in this file) must be completed and submitted with the project initiation request. Each phase requires advanced authorization by ADOT. HURF Exchange funding may not be combined with federal aid.

INSTRUCTIONS: This form is required to accompany a HURF Exchange Project Initiation request.

Enter information into GREEN CELLS

PROJECT INFORMATION

(information provided in this section will auto-populate to the Project Cost Estimate and Draw Schedule tabs)

Project Sponsor	City of Yuma
Sponsor Contact	Alex Tipton
Contact Phone #	928.373.4510
Contact Email	Alex.Tipton@YumaAZ.gov
Project Name	40th Street: 6 3/4 E to 7 1/2 E (3/4 mile)
Project Location	40th Street: 6 3/4 E to Avenue 7 1/2 E (3/4 mile)
Functional Classification (select from)	Major Collector
Termini Begin/End	
ADOT District (select from list)	Southwest District

ADOT USE ONLY

ADOT Project Number (5 digit)		IGA Number	
-------------------------------	--	------------	--

Funding Information

COG/MPO (select from list)	YMPO			
TIP Information	Description	Design	Right of Way	Construction
	Year Programmed	2023	2023	2025
	TIP Number	YU-23-10D	n/a	YU-23-10C
	HURF Exchange Amount	\$0.00	\$0.00	\$900,000.00
	Sponsor Amount	\$100,000.00	\$0.00	\$2,447,961.00
	Total Amount	\$100,000.00	\$0.00	\$3,347,961.00

Scope of Work Summary

Delivery Method (select from list)	Advertise for bids
Scoping document attached? (select from list)	No

Major Items of Work (press Alt-Tab to create a new line; press Alt-Tab-Tab to create a new paragraph)	Construct a Roadway providing access to future residents from Avenue 7 and 1/2 E to 6 3/4 E along 40th Street. This project is approximately 3/4 of a mile in length. The work includes but is not limited to subgrade preparation, placement of aggregate base course, placement of hot mixed asphaltic concrete paving, concrete paving for medians, underground infrastructure for roadway lighting, underground infrastructure for future traffic signal at 7E and 40th Street, underground infrastructure for future median landscaping, stripping, street signs, etc.
--	---

HURF Exchange Project and Draw Schedules

Note: The Project Scoping Form, Project Cost Estimate and Project and Draw Schedule forms (all contained in this file) must be completed and submitted with the project initiation request. Each phase requires advanced authorization by ADOT. HURF Exchange funding may not be combined with federal aid.

INSTRUCTIONS: This form is required to accompany a HURF Exchange Project Initiation request. Enter the Estimated Completion Dates as requested for each Stage of Development and Construction. Also enter the Expected Draw Dates for these phases. Draw amounts for each phase are auto-calculated based on the amount programmed in the TIP as entered on the Project Scoping Form.

**Enter dates into
GREEN CELLS**

Project Information

(fields below will be populated based on information entered on the Project Scoping Form tab)

Project Sponsor	City of Yuma
Sponsor Contact	Alex Tipton
Contact Phone #	928.373.4510
Contact Email	Alex.Tipton@YumaAZ.gov
Project Name	40th Street: 6 3/4 E to 7 1/2 E (3/4 mile)
Project Location	40th Street: 6 3/4 E to Avenue 7 1/2 E (3/4 mile)
Termini Begin/End	0
COG/MPO	YMPO
Design TIP Number	YU-23-10D
Right of Way TIP Number	n/a
Construction TIP Number	YU-23-10C

ADOT USE ONLY

ADOT Project Number

0

Project Development

Development Schedule		HURF Exchange Funding Draw Schedule		
Stage	Estimated Completion Date	Draw %	Amount	Expected Draw Date
Project Initiation	4/30/2025	30%	\$ -	n/a
IGA Executed	7/18/2025	30%	\$ -	n/a
Request for Authorization to ADOT	n/a	30%	\$ -	n/a
Authorization/Start of Work Phase	n/a	10%	\$ -	n/a
Stage II	10/24/2023	Total	\$ -	
Stage III	9/27/2024			
Stage IV	11/19/2024			
Bid Ready	2/22/2025			

Right of Way

Acquisition Schedule		HURF Exchange Funding Draw Schedule		
Activity	Estimated Completion Date	Draw %	Amount	Expected Draw Date
Request for Authorization to ADOT	n/a	30%	\$ -	n/a
Authorization/Start of Work Phase	n/a	30%	\$ -	n/a
All Parcels Acquired By	n/a	30%	\$ -	n/a
		10%	\$ -	n/a
		Total	\$ -	

Construction

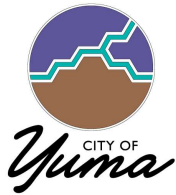
Construction Schedule		HURF Exchange Funding Draw Schedule		
Activity	Estimated Completion Date	Draw %	Amount	Expected Draw Date
Request for Authorization to ADOT	7/28/2025	30%	\$ 270,000.00	8/4/2025
Authorization/Start of Work Phase	8/4/2025	30%	\$ 270,000.00	9/30/2025
Bid Advertisement	4/4/2025	30%	\$ 270,000.00	11/30/2025
Bid Opening	5/6/2025	10%	\$ 90,000.00	12/30/2025
Bid Award	6/4/2025	Total	\$ 900,000.00	
Notice to Proceed to Contractor	6/30/2025			
Substantial Completion	10/28/2025			
Final Project Walk-through	11/30/2025			
Final Acceptance	12/15/2025			

* The Final 10% is reimbursed to the Sponsor as follows:

- ▶ For projects involving multiple phases funded with HURF Exchange - the final 10% for each phase, except for the last, will be reimbursed within 30 days of the receipt and approval of an invoice and documentation demonstrating the phase is complete.
- ▶ At final Project completion - the final 10% will be reimbursed upon completion of the project final voucher by ADOT.

**ARIZONA DEPARTMENT OF TRANSPORTATION
HURF EXCHANGE DRAW AND FINAL REIMBURSEMENT INVOICE**

COG/MPO:	NACOG / YMPO			Project Phase:	Construction
Local Entity:	City of Yuma				
TIP ID Number:	YU-23-10C				
Project Number:	T0697 01C				
Project Name/Location Description:	40th Street from 6 ¼ E to Avenue 7 ½ E				
REMIT PAYMENT TO: (Entity Name and Address Project Sponsor)	City of Yuma				
Date Started:	Estimated Completion Date:	% Billed:	% Complete:		
	Expected Draw Date	Actual Draw Date	Actual Invoice Amount	Estimated Draw Amount	Actual Draw Amount
Draw # 1 (30%)	8/4/2025				
Draw # 2 (30%)	9/30/2025				
Draw # 3 (30%)	11/30/2025				
Draw # 4 (10% - Final Reimbursement)	12/30/2025				
SUMMARY OF WORK FOR WHICH PAYMENT IS REQUESTED					
Items	Description	Previous Accumulative Amount	Current Month	Accumulative Amount	
					\$0.00
					\$0.00
					\$0.00
					\$0.00
					\$0.00
					\$0.00
				Total To Date	\$0.00
Submitted By: _____ Date: _____				Total Previous Report	\$0.00
Approved By: _____ Date: _____ ADOT Project Manager				Current Report	\$0.00
Approved By: _____ Date: _____ FMS Resource Admin					
Attachments:					
Invoices					
Status Reports					



City of Yuma

City Council Report

File #: R2025-075

Agenda Date: 7/2/2025

Agenda #: 2.

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

TITLE:

Intergovernmental Agreement Amendment: Arizona Department of Transportation - HSIP Pavement Markings Project

SUMMARY RECOMMENDATION:

Authorize the City Administrator to execute Amendment No. One to the Intergovernmental Agreement with the Arizona Department of Transportation for the design and construction of the Upgrade Pavement Markings at four Citywide Locations. This is a Highway Safety Improvement Program (HSIP) project and is 100% grant funded with a total amount of \$705,390.00. (Engineering) (Dave Wostenberg)

STRATEGIC OUTCOME:

This item supports the City Council's vision and strategic outcome of Safe and Prosperous. The Upgrade Pavement Marking Project will improve the safety at these locations and will address safety at these arterial roadway segments.

REPORT:

Amendment No. One has been revised for the City to administer the construction instead of the State. In addition, the scope of work has been reduced from five Citywide locations to four locations.

The proposed improvement is for the pavement markings upgrade at the following locations: Giss Parkway, 16th Street, 32nd Street and Avenue B. The project contemplates the installation of wider pavement markings and upgrade with thermoplastic paint.

ADOT Project Development Administration (PDA) Cost	\$ 30,000.00
Design Cost	\$ 106,500.00
Construction Cost	<u>\$ 568,890.00</u>
Total Cost (ADOT HSIP Grant Funds)	\$ 705,390.00

FISCAL REQUIREMENTS:

CITY FUNDS:	\$ 0.00	BUDGETED:	\$ 705,390.00
STATE FUNDS:	\$ 0.00	AVAILABLE TO TRANSFER:	\$ 0.00
FEDERAL FUNDS:	\$ 705,390.00	IN CONTINGENCY:	\$ 0.00
OTHER SOURCES:	\$ 0.00	FUNDING: ACCOUNT/FUND #/CIP	
TOTAL \$ 705,390.00			
0032-ROAD13			
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: 06/26/2025
Reviewed by City Attorney: Richard W. Files	Date: 06/25/2025

RESOLUTION NO. R2025-075

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUMA, ARIZONA, AUTHORIZING AND APPROVING AMENDMENT NO. ONE TO THE INTERGOVERNMENTAL AGREEMENT WITH ARIZONA DEPARTMENT OF TRANSPORTATION DATED MARCH 3, 2023, FOR THE DESIGN AND CONSTRUCTION OF THE UPGRADE PAVEMENT MARKINGS AT FOUR CITYWIDE LOCATIONS

WHEREAS, the City of Yuma desires to amend the Intergovernmental Agreement (“IGA”) between the Arizona Department of Transportation (ADOT) and the City of Yuma (Yuma), dated March 3, 2023; and,

WHEREAS, a public need exists for improvements on the following locations: Giss Parkway, 16th Street, 32nd Street and Avenue B hereafter referred to as the “Project”; and,

WHEREAS, Highway Safety Improvement Program (HSIP) funding requires the City to enter into an IGA with the State of Arizona; and,

WHEREAS, Federal Aid funding using HSIP funding is available for the Project through the Yuma Metropolitan Planning Organization (YMPO); and,

WHEREAS, the Parties have agreed that the completion of the Project is essential to the public safety and welfare and desire to cooperate in the completion of the Project; and,

WHEREAS, it is to the mutual benefit of ADOT and Yuma to enter into an amended Intergovernmental Agreement to share the remaining costs required for the construction of the Project.

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

SECTION 1: Amendment No. One to the Intergovernmental Agreement between ADOT and Yuma for the design, construction, and financing of the Project, attached as Exhibit A and incorporated as part of this resolution by reference is approved.

SECTION 2: The City Administrator is authorized and directed to execute said Amendment No. One to the Intergovernmental Agreement for and on behalf of the City of Yuma.

Adopted this ____ day of _____, 2025.

APPROVED:

Douglas J. Nicholls
Mayor

ATTESTED:

APPROVED AS TO FORM:

Lynda L. Bushong
City Clerk

Richard W. Files
City Attorney

ADOT File No.: IGA 23-0009048-I
Amendment No. One: 25-0011102-I
AG Contract No.: P0012023000292
Project Name/Location: City of Yuma; 4
City Wide Locations
Type of Work: Upgrade Pavement
Markings
Federal-aid No.: HSIP-YUM-0(226)T
ADOT Project No.: T0419 01D 03D
TIP/STIP No.: YU-23-09
CFDA No.: 20.205 - Highway Planning and
Construction
Budget Source Item No.: 101670

**AMENDMENT NO. ONE
TO
INTERGOVERNMENTAL AGREEMENT**

BETWEEN
THE STATE OF ARIZONA
AND
THE CITY OF YUMA

THIS AMENDMENT NO. ONE to INTERGOVERNMENTAL AGREEMENT (the “Amendment No. One”), is entered into this date _____, pursuant to Arizona Revised Statutes (“A.R.S.”) §§ 11-951 through 11-954, as amended, between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the “State” or “ADOT”) and the “CITY OF YUMA”, acting by and through its MAYOR and CITY COUNCIL (the “City” or “Local Agency”). The City and State are collectively referred to as the “Parties.”

WHEREAS, the INTERGOVERNMENTAL AGREEMENT, IGA 23-0009048-I, A.G. Contract No. P0012023000292, was executed on March 3, 2023, (the “Original Agreement”);

WHEREAS, the State is empowered by A.R.S. § 28-401 to enter into this Amendment No. One and has delegated to the undersigned the authority to execute this Amendment No. One on behalf of the State;

WHEREAS, the City is empowered by A.R.S. § 48-572 to enter into this Amendment No. One and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this Amendment No. One and has authorized the undersigned to execute this Amendment No. One on behalf of the City; and

NOW THEREFORE, in consideration of the mutual terms expressed herein, the purpose of this Amendment No. One is to revise the Project description and the Parties responsibilities; Exhibit A is revised and replaced accordingly. The Parties desire to amend the Original Agreement, as follows:

Sections I and II of the Original Agreement are restated in their entirety:

I. RECITALS

1. The State is empowered by A.R.S. § 28-401 to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of the State.
2. The City is empowered by A.R.S. § 48-572 to enter into this Agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this Agreement and has authorized the undersigned to execute this Agreement on behalf of the City.
3. The work proposed under this Agreement consists of the design of wider thermoplastic pavement markings (from 4-inch to 6-inch) on approximately 21.30 miles of arterial streets (the "Project"). The Project cost, shown in Exhibit A, is estimated at \$705,390, which includes federal aid. The State will administer the design. The City will advertise, bid and award, and administer the construction of the Project.
4. The interest of the State in this Project is the acquisition of federal funds for the use and benefit of the Local Agency and authorization of such federal funds for the Project pursuant to federal law and regulations. The State shall be the designated agent for the Local Agency for the Project, if the Project is approved by Federal Highway Administration (FHWA) and funds for the Project are available.
5. The foregoing Recitals and Exhibit A shall be incorporated into this Agreement.

In consideration of the mutual terms expressed herein, the Parties agree as follows:

II. SCOPE OF WORK

1. The Parties agree:
 - a. The Project will be completed, accepted, and paid for in accordance with the requirements of the Project plans and specifications.
 - b. The final Project amount may exceed the initial estimate(s) identified in Exhibit A, and in such case, the Local Agency is responsible for, and agrees to pay, any and all actual costs exceeding the initial estimate. If the final Project amount is less than the initial estimate, the difference between the final bid amount and the initial estimate will be de-obligated or otherwise released from the Project. De-obligated federal aid will be returned to the State. The Local Agency acknowledges it remains responsible for actual costs and agrees to pay according to the terms of this Agreement.

2. The State will:

- a. Execute this Agreement, and if the Project is approved by FHWA and funds for the Project are available, be the Local Agency's designated agent for the Project.
- b. If Project Development Administration (PDA) or design costs exceed the estimate during the development of design, notify the Local Agency, obtain concurrence prior to continuing with the development of design, and invoice as determined by ADOT and the Local Agency for additional PDA costs to complete the design the Project. If design costs exceed the estimate prior to completion of design, invoice the Local Agency for Project costs exceeding design. After the Project costs are finalized invoice or reimburse the Local Agency for the difference between actual costs and the amount the Local Agency has paid for PDA and design.
- c. Submit all required documentation pertaining to the Project to FHWA with the recommendation that the maximum federal funds programmed for this Project be approved for scoping/design. After receipt of FHWA authorization, proceed to advertise for and enter into contract(s) with the consultant(s) for the design and post-design of the Project. Should costs exceed the maximum federal funds available it is understood and agreed that the Local Agency will be responsible for any overage.
- d. Prepare and provide all documents pertaining to the design and post-design of the Project, incorporating comments from the Local Agency, as appropriate. Review and approve documents required by FHWA to qualify the Project for and to receive federal funds. Perform tasks that may consist of, but are not limited to, preparation of environmental documents; analysis and documentation of environmental categorical exclusion determinations; geologic materials testing and analysis; right of way related oversight and stewardship activities; preparation of reports, design plans, maps, specifications and cost estimates and other related tasks essential to the design development of the Project.
- e. After completion of design and receipt of actual PDA costs, if applicable, submit all required documentation to FHWA with the recommendation that the maximum federal funds programmed for construction of this Project be approved. Should costs exceed the maximum federal funds available, it is understood and agreed that the Local Agency will be responsible for any overage.

3. The Local Agency will:

- a. Designate the State as the Local Agency authorized agent for the Project.
- b. Agree to be responsible for actual PDA and design costs, if during the development of design, such costs exceed the initial estimate. Be responsible and pay for the difference between the estimated and actual PDA and design costs of the Project within 30 days of receipt of an invoice.
- c. Review design plans, specifications, cost estimates and other such documents required for the construction bidding and construction of the Project, including scoping/design

plans and documents required by FHWA to qualify projects for and to receive federal funds; provide design review comments to the State as appropriate.

- d. Be responsible for all costs not covered by federal funding that are incurred in performing and accomplishing the work as set forth under this Agreement. Should costs be deemed ineligible or exceed the maximum federal funds available, it is understood and agreed that the Local Agency is responsible for these costs; payment for these costs shall be made within 30 days of receipt of an invoice from the State.
- e. Certify that all necessary rights of way have been or will be acquired prior to advertisement for bid and also certify that all obstructions or unauthorized encroachments of whatever nature, either above or below the surface of the Project area, shall be removed from the proposed right of way, or will be removed prior to the start of construction, in accordance with The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended; 49 CFR 24.102 Basic Acquisition Policies; 49 CFR 24.4 Assurances, Monitoring and Corrective Action, parts (a) & (b) and ADOT Right of Way Procedures Manual: 8.02 Responsibilities, 8.03 Prime Functions, 9.06 Monitoring Process and 9.07 Certification of Compliance. Coordinate with the appropriate State's Right of Way personnel during any right of way process performed by the Local Agency, if applicable.
- f. Certify that the City has adequate resources to discharge the City's real property related responsibilities and ensures that its Title 23-funded projects are carried out using their ADOT approved and certified Local Agency Right of Way Manual and that the City will comply with current FHWA requirements whether or not the requirements are included in their ADOT approved Local Agency Right of Way Manual (23 CFR 710.201).
- g. Not permit or allow any encroachments on or private use of the right of way, except those authorized by permit. In the event of any unauthorized encroachment or improper use, the Local Agency shall take all necessary steps to remove or prevent any such encroachment or use. Provide a copy of encroachment permits issued within the Project limits to the State.
- h. Investigate and document utilities within the Project limits; submit findings to ADOT determining prior rights or no prior rights; approve a location within the final right of way to re-establish the prior right location for those utilities with prior rights.
- i. Be obligated to incur any expenditure should unforeseen conditions or circumstances increase Project costs. Be responsible for the cost of any Local Agency requested changes to the scope of work of the Project, such changes will require State and FHWA approval. Be responsible for any contractor claims for additional compensation caused by Project delay attributable to the Local Agency. Payment for these costs will be made to the State within 30 days of receipt of an invoice from the State.

III. MISCELLANEOUS PROVISIONS

(NO CHANGES)

EXCEPT AS AMENDED, ALL OTHER terms and conditions of the Original Agreement remain in full force and effect.

THIS AMENDMENT NO. ONE shall become effective upon the full completion of signing and dating by all Parties to this Amendment No. One.

IN ACCORDANCE WITH A.R.S. § 11-952 (D), the written determination of each Party's legal counsel providing that the Parties are authorized under the laws of this State to enter into this Amendment No. One and that the Amendment No. One is in proper form is set forth below.

IN WITNESS WHEREOF, the Parties have executed this Amendment No. One the day and year first above written.

CITY OF YUMA

By _____ Date _____
JOHN D. SIMONTON
Acting City Administrator

ATTEST:

By _____ Date _____
LYNDA L. BUSHONG
City Clerk

I have reviewed the above referenced Amendment No. One to the Original Agreement between the State of Arizona, acting by and through its Department of Transportation, and the City of Yuma, an agreement among public agencies which, has been reviewed pursuant to A.R.S. §§ 11-951 through 11-954 and A.R.S. § 48-572 and declare this Amendment No. One to be in proper form and within the powers and authority granted to the City under the laws of the State of Arizona.

No opinion is expressed as to the authority of the State to enter into this Amendment No. One.
Approved as to Form:

By _____ Date _____
RICHARD FILES
City Attorney

ARIZONA DEPARTMENT OF TRANSPORTATION

By _____ Date _____
AUDRA MERRICK, PE
Infrastructure Delivery and Operations Division
Division Director

By _____ Date _____
GREG BYRES, PE
Deputy Directory for Transportation
State Engineer

This Amendment No. One to the Original Agreement between public agencies, the State of Arizona and the City of Yuma, has been reviewed pursuant to A.R.S. §§ 11-951 through 11-954 and A.R.S. § 28-401, by the undersigned Assistant Attorney General who has determined that it is in the proper form and is within the powers and authority granted to the State of Arizona. No opinion is expressed as to the authority of the remaining Parties, other than the State or its agencies, to enter into said Amendment No. One.

By _____ Date _____
Assistant Attorney General

EXHIBIT A
City of Yuma; 4 City Wide Locations
Cost Estimate

IGA:23-0009048-I
 Amendment No. One: 25-0011102-I

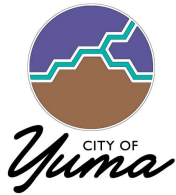
T0419 01D 03D

The Project costs are estimated as follows:

	Original	Amend #1*	AMENDED TOTAL
Executed Date:	March 3, 2023	<i>Pending</i>	
<u>ADOT Project Development Administration (PDA) Cost:</u>			
Federal-aid funds @ 100%	\$ 30,000		\$ 30,000
<u>Scoping/Design:</u>			
Federal-aid funds @ 100%	\$ 106,500		\$ 106,500
<u>Construction:**</u>			
Federal-aid funds @ 100%	\$ 568,890		\$ 568,890
Estimated TOTAL Project Cost	\$ 705,390		\$ 705,390

*Construction will be administered by Yuma

**Includes 15% construction engineering (CE) and administration cost (this percentage is subject to change, any change will require concurrence from the City) and 5% Project contingencies



City of Yuma

City Council Report

File #: O2025-022

Agenda Date: 6/18/2025

Agenda #: 1.

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

TITLE:

Amendment: Ordinance O2021-007 - City Departments

SUMMARY RECOMMENDATION:

Authorize an amendment of the current listing of City Departments to combine the Building Safety and Planning and Neighborhood Services Departments to reconstitute the Department of Community Development; Move the Economic Development Division from City Administration to the Department of Community Development; and separating the Facilities Management Division from the Building Safety Division to be a stand-alone Facilities Management Department. (Administration/Finance) (Jay Simonton/Doug Allen)

STRATEGIC OUTCOME:

This department restructure will accommodate customer needs with more efficient and effective services delivered to the community, while continuing to meet goals and objectives of the City Council's strategic outcome of connected and engaged.

REPORT:

Yuma City Charter Article VII, Section 6(g)(6) requires adoption of an ordinance to "establish, alter or abolish any City department, or office."

City Council adopted Ordinance O2015-030 on June 3, 2015, then amended with Ordinance O2021-007 on May 5, 2021, which established the current composition of City departments and titles.

The FY 2026 budget is guided by the theme "Progress with Purpose." As Customer needs and delivery methods evolve, organizational structure should remain purposefully adaptive.

This department restructure will accommodate customer needs with more efficient and effective services delivered to the community, while continuing to meet goals and objectives of the City Council.

The Tentative Budget Schedules A through G provide the outline for the following department restructuring via this City Ordinance by:

- a) Reconstituting the **Department of Community Development** by combining the Building Safety and Planning and Neighborhood Services Departments; and

- b) Moving the **Economic Development Division** from City Administration to the Department of Community Development; and
- c) Separating the Facilities Management Division from Building Safety to a stand-alone **Facilities Management Department**.

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: 06/10/2025
Reviewed by City Attorney: Richard W. Files	Date: 06/08/2025

ORDINANCE NO. O2025-022

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUMA, ARIZONA, ESTABLISHING CITY DEPARTMENTS PURSUANT TO THE YUMA CITY CHARTER ARTICLE VI, SECTION 15, AND ARTICLE VII, SECTION 6(g)(6), AND REPEALING OR AMENDING ANY PORTION OF AN ORDINANCE, RESOLUTION OR CITY CODE IN CONFLICT THEREWITH

WHEREAS, Article VII, Section 6(g)(6) of the Yuma City Charter provides that the City Council shall, by ordinance "establish, alter or abolish any City department, or office;" and,

WHEREAS, the City Council adopted Ordinance O2015-030 on June 3, 2015, then amended with Ordinance O2021-007 on May 5, 2021, which established the current composition of City departments and titles; and,

WHEREAS, the FY 2026 budget is guided by the theme "Progress with Purpose." As Customer needs and delivery methods evolve, organizational structure should remain purposefully adaptive. This department restructure will accommodate customer needs with more efficient and effective services delivered to the community, while continuing to meet goals and objectives of the City Council.

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

SECTION 1: That the City of Yuma shall be comprised of the following departments with titles as stated:

Mayor and Council	Fire
City Administration	Human Resources
City Attorney	Information Technology
Community Development	Municipal Court
Engineering	Parks and Recreation
Facilities Management	Police
Finance	Public Works
	Utilities

SECTION 2: Any part of a City ordinance, resolution or City Code in conflict with Section 1 of this Ordinance is repealed or amended to the extent of such conflict.

Adopted this ____ day of July, 2025.

APPROVED:

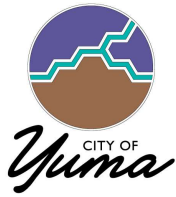
Douglas J. Nicholls
Mayor

ATTESTED:

Lynda L. Bushong
City Clerk

APPROVED AS TO FORM:

Richard W. Files
City Attorney



City of Yuma

City Council Report

File #: O2025-023

Agenda Date: 6/18/2025

Agenda #: 2.

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

TITLE:

Rezoning of Property: Southeast Corner of State Route SR-195 and 40th Street

SUMMARY RECOMMENDATION:

Rezone approximately 50.55 acres from the Agriculture (AG) District to the High Density Residential (R-3) District, for the property located at the southeast corner of State Route SR-195 and 40th Street, Yuma, AZ. (Planning and Neighborhood Services) (Alyssa Linville)

STRATEGIC OUTCOME:

Approval of this rezone supports residential development in the City that will be responsibly constructed, meeting all codes and requirements. This rezone assists in furthering the City Council's strategic outcomes of Safe and Prosperous and Respected and Responsible.

REPORT:

The subject property is located at the southeast corner of State Route SR-195 and 40th Street. While currently undeveloped, the intended development for the subject area is a multi-family project.

Further specified in Yuma City Code §154-07.03, the following are some of the development standards required of a development with the High Density Residential (R-3) District:

1. The maximum lot coverage in the High Density Residential (R-3) District shall not exceed 60% of the lot area;
2. A minimum front yard setback of 20 feet;
3. A minimum side yard setback of 5 feet;
4. A minimum rear yard setback of 10 feet; and
5. A 50-foot maximum building height.

In accordance with the current City codes and other applicable laws and principles, the developer will need to submit development plans to ensure the development standards for the High Density Residential (R-3) District are met including paved access, parking and landscaping.

The potential residential development could contain between 657 and 1,516 residential units based on the density limitation outlined in the General Plan. The request to rezone the property from the Agriculture (AG) District to the High Density Residential (R-3) District is in conformance with the Land Use Element of the General Plan.

On Map 12, 2025, the Planning and Zoning Commission voted to recommend APPROVAL of the rezoning from the Agriculture (AG) District to the High Density Residential (R-3) District, subject to the following conditions:

1. The conditions listed below are in addition to City codes, rules, fees and regulations that are applicable to this action.
2. The Owner's signature on the application for this land use action shall constitute a waiver of any claims for diminution in value pursuant to A.R.S. § 12-1134.
3. The Owner/Developer shall dedicate the south half right-of-way for 40th Street across the property frontage including the widening for the future bridge to cross the Area Service Highway (ASH) as follows:
 - The Owner/developer shall dedicate to the City of Yuma the fee title to the original 33 feet of south half right-of-way called out in the Yuma County Road Surveys for 40th Street, along the property frontage that was not purchased by the City of Yuma in Warranty Deed Fee # 2005-29535.
 - The Owner/developer shall dedicate via Warranty Deed to City of Yuma additional 40th Street right-of-way commencing at the Northwest corner of Assessor's Parcel Number (APN) 197-16-001, also being the point of intersection with the south right-of-way line of 40th Street and the east right-of-way line of the ASH highway; Thence South along the westerly property line also being the ASH highway right-of-way line a distance of 95.00 feet; Thence easterly along a line parallel to and 157.00 feet south of the North Section line of Section 16, a distance of 152.67 feet; Thence Northeasterly along a straight line, a distance of 651.42 feet to a point lying 62 feet south of the North section line of said Section 16, said point also lying on the north line of APN: 197-16-001; Thence Westerly along the North line of APN: 197-16-001 to the True Point of Beginning.
4. The Owner/developer shall dedicate a 1 ft non-access easement along the ASH and 40th street frontages except for approved access locations.
5. The Owner/developer shall construct sound attenuation walls along the ASH highway frontage as done similarly in the Ocotillo subdivisions, along the ASH Highway, within five (5) years of the effective date of the rezoning or issuance of a Certificate of Occupancy for the property, whichever occurs first.
6. The Owner/Developer shall make a payment in lieu for design and construction of 40th Street roadway from 6¾E westward to the west edge of property frontage. 40th Street improvements to consist of two travel lanes located on the south side of the road including ABC, pavement, curb, gutter, sidewalk/walking path, streetlights and landscaping per City construction standards.
7. With the exception of Conditions 2 and 5, each of the conditions listed above shall be completed within two (2) years of the effective date of the rezoning ordinance or prior to the issuance of a building permit or business license for this site, whichever occurs first. If the conditions of approval are not completed within the above time frame then the rezone shall be subject to A.R.S. § 9-462.01.

PUBLIC COMMENTS - EXCERPTS FROM PLANNING AND ZONING COMMISSION MEETING MINUTES:

“Amelia Domby - Principal Planner, summarized the staff report and recommended APPROVAL.

“Chris Hamel - Planning and Zoning Commissioner commented that he noticed on the original staff report for this case there were only six conditions and then asked if staff could explain the addition of Condition #7. **Domby** replied that there were seven conditions on the original staff report, and that conditions #5 and #7 were revised. **Hamel** then asked if the applicant was in agreement with the conditions. **Domby** replied yes.

APPLICANT/APPLICANT’S REPRESENTATIVE

None

PUBLIC COMMENT

None

MOTION

“Motion by Lorraine Arney, second by Commissioner Ashlie Pendleton to APPROVE ZONE-43816-2025 as presented. Motion carried unanimously, (6-0) with one vacancy.”

Planning and Zoning Staff Report - Attached**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:

NOT APPLICABLE

ADDITIONAL INFORMATION:

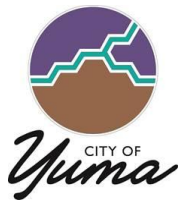
SUPPORTING DOCUMENTS NOT ATTACHED TO THE CITY COUNCIL ACTION FORM THAT ARE ON FILE IN THE OFFICE OF THE CITY CLERK:

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: 06/10/2025
Reviewed by City Attorney: Richard W. Files	Date: 06/08/2025



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

Hearing Date: May 12, 2025

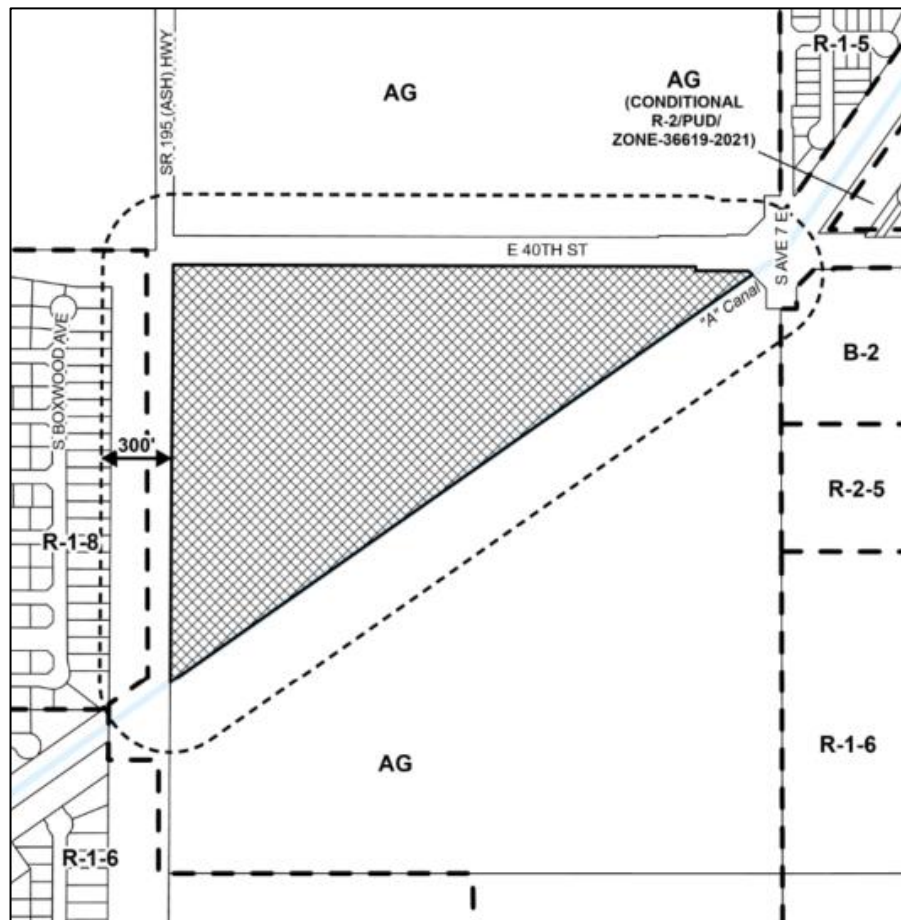
Case Number: ZONE-43816-2025

Project Description/
Location:

This is a request by Dahl, Robins & Associates, on behalf of Brian L. Hall Living Trust, to rezone approximately 50.55 acres from the Agriculture (AG) District to the High Density Residential (R-3) District, for the property located at the southeast corner of State Route SR-195 and 40th Street, Yuma, AZ.

	Existing Zoning	Use(s) on-site	General Plan Designation
Site	Agriculture (AG) District	Undeveloped	High Density Residential
North	Agriculture (AG) District	Undeveloped	Suburban Density Residential
South	Agriculture (AG) District	Agriculture	Commercial/ Low Density Residential
East	Agriculture (AG) District	Agriculture	Commercial/ Low Density Residential
West	Low Density Residential (R-1-8) District	SR-195 Highway/ Single Family Homes	Low Density Residential

Location Map



Prior site actions: Annexation, Ordinance O97-81, effective January 2, 1998; General Plan Amendment (RDR to P/Q-P), R98-02, adopted January 21, 1998; Rezoning (AG to R-1-8/P), Ordinance O98-89, adopted December 16, 1998; Time Extension for Rezoning, Ordinance #O2001-10, adopted January 17, 2001, expired January 16, 2003; General Plan Amendment (P/Q-P to MDR), R2004-89, adopted December 13, 2004; Rezoning (AG to R-2), Z2005-007, withdrawn May 10, 2007; General Plan Amendment (MDR to HDR) R2025-011, adopted February 5, 2025.

Staff Recommendation: Staff recommends **APPROVAL** of the rezoning from the Agriculture (AG) District to the High Density Residential (R-3) District, subject to the conditions shown in Attachment A.

Suggested Motion: Move to **APPROVE** Rezone ZONE-43816-2025 as presented, subject to the staff report, information provided during this hearing, and the conditions in Attachment A.

Effect of the Approval: By approving the rezone, the Planning and Zoning Commission is recommending approval to City Council for the request to rezone approximately 50.55 acres from the Agriculture (AG) District to the High Density Residential (R-3) District for the property located at the southeast corner of State Route SR-195 and 40th Street, subject to the conditions outlined in Attachment A, and affirmatively finds that the request is in conformance with the City of Yuma General Plan.

Staff Analysis: The subject property is located at the southeast corner of State Route SR-195 and 40th Street. While currently undeveloped, the intended development for the subject area is a multi-family project.

Further specified in §154-07.03, the following are some of the development standards required of a development with the High Density Residential (R-3) District:

1. The maximum lot coverage in the High Density Residential (R-3) District shall not exceed 60% of the lot area;
2. A minimum front yard setback of 20 feet;
3. A minimum side yard setback of 5 feet;
4. A minimum rear yard setback of 10 feet;
5. A 50-foot maximum building height

In accordance with the current City codes and other applicable laws and principles, the developer will need to submit development plans to ensure the development standards for the High Density Residential (R-3) District are met including paved access, parking and landscaping.

The potential residential development could contain between 1,516 and 657 residential units based on the density limitation outlined in the General Plan. The request to rezone the property from the Agriculture (AG) District to the High Density Residential (R-3) District is in conformance with the Land Use Element of the General Plan.

1. Does the proposed zoning district conform to the Land Use Element? Yes.

Land Use Element:									
Land Use Designation:				High Density Residential					
Issues:				None					
Historic District:	Brinley Avenue		Century Heights		Main Street		None	X	
Historic Buildings on Site:	Yes		No	X					

2. Are there any dedications or property easements identified by the Transportation Element?

Yes.

FACILITY PLANS							
Transportation Master Plan	Planned	Existing	Gateway	Scenic	Hazard	Truck	
40 th Street – Minor Arterial	50 FT HW	62 FT HW				X	
SR-195 – Expressway 4 Lanes	80 FT HW	73 FT HW			X	X	
Avenue 7E – Collector 2 Lanes	40 FT HW	65 FT HW					
Bicycle Facilities Master Plan	40 th Street – Proposed bike lane, SR-195 (Cycling Permitted)						
YCAT Transit System	32 nd Street at Araby Road – Orange Route 2 and Silver Route 9						
Issues:	Access to the property.						

3. Does the proposed rezoning of the property conform to the remaining elements of the general plan? Yes.

Parks, Recreation and Open Space Element:									
Parks and Recreation Facility Plan									
Neighborhood Park:	Existing: Saguaro Park				Future: Saguaro Park				
Community Park:	Existing: Smucker Memorial Park				Future: East Mesa Park				
Linear Park:	Existing: East Main Canal Linear Park				Future: "A" Canal Linear Park				
Issues:	None								
Housing Element:									
Special Need Household:	N/A								
Issues:	None								
Redevelopment Element:									
Planned Redevelopment Area:	N/A								
Adopted Redevelopment Plan:	North End:		Carver Park:		None:	X			
Conforms:	Yes		No		N/A				
Conservation, Energy & Environmental Element:									
Impact on Air or Water Resources	Yes		No	X					
Renewable Energy Source	Yes		No	X					
Issues:	None								
Public Services Element:									
Population Impacts Population projection per 2018-2022 American Community Survey Police Impact Standard: 1 officer for every 530 citizens; 2020 Conservation Plan Water demand: 207 gallons/day/person; Wastewater generation: 70 gallons per day per person		Dwellings & Type		Projected Population	Police Impact	Water Consumption		Wastewater Generation	
		<i>Multi-Family</i>							
		Maximum	Per Unit		Officers	GPD	AF	GPD	
		1517	1.6	2427	4.58	502,430	562.8	169,904	
		Minimum							
		657	1.6	1051	1.98	217,598	243.8	73,584	

Fire Facilities Plan:	Existing: Fire Station No. 5				Future: Fire Station No. 5			
Water Facility Plan:	Source:	City	X	Private		Connection:	30" transmission line on 40 th St.	
Sewer Facility Plan:	Treatment:	City	X	Septic		Private	Connection: 36" sewer main on 40 th Street	
Issues:	Connections to water and sewer are not available in this area. Line extensions from Avenue 7E to the site will be needed.							
Safety Element:								
Flood Plain Designation:	X				Liquefaction Hazard Area:	Yes	No	X
Issues:	None							
Growth Area Element:								
Growth Area:	Araby Rd & Interstate 8			Arizona Ave & 16 th St			Avenue B & 32 nd St.	
	North End		Pacific Ave & 8 th St			Estancia	None	X
Issues:	None							

4. Does the proposed rezoning conform to the adopted facilities plan?

Yes.

5. Does the proposed rezoning conform to Council's prior approval of rezonings, development agreements or subdivisions for this site?

Yes.

Public Comments Received: None Received.

External Agency See Attachment.
Comments:

Neighborhood Meeting No Meeting Required.
Comments:

Proposed conditions delivered to applicant on: 04/02/25

Final staff report delivered to applicant on: 04/18/25

- ☐ Applicant agreed with all of the conditions of approval on: (enter date)
- ☐ Applicant did not agree with the following conditions of approval: (list #'s)
- ☒ Emailed conditions of approval. The applicant is discussing with Engineering.

Attachments

A	B	C	D	E	F
Conditions of Approval	Agency Notifications	Agency Comments	Neighbor Notification List	Neighbor Postcard	Aerial Photo

Prepared By: *Amelia Domby*
Amelia Domby
Principal Planner
Amelia.Domby@YumaAZ.gov

Date: May 1, 2025

(928) 373-5000, x1234

Reviewed By: *Jennifer L. Albers*
Jennifer L. Albers
Assistant Director of Planning

Date: 5/2/25

Approved By: *Alyssa Linville*
Alyssa Linville
Director, Planning and Neighborhood Services

Date: 05/02/25

ATTACHMENT A
CONDITIONS OF APPROVAL

The following conditions have been found to have a reasonable nexus and are roughly proportionate to the impact of the proposed rezone for the site:

Department of Planning and Neighborhood Services Comments: Alyssa Linville, Director (928) 373-5000, x 3037:

1. The conditions listed below are in addition to City codes, rules, fees and regulations that are applicable to this action.
2. The Owner's signature on the application for this land use action shall constitute a waiver of any claims for diminution in value pursuant to A.R.S. § 12-1134.

Engineering: Andrew McGarvie, Engineering Manager, (928) 373-5000 ext. 3044

3. The Owner/Developer shall dedicate the south half right-of-way for 40th Street across the property frontage including the widening for the future bridge to cross the Area Service Highway (ASH) as follows:
 - The Owner/developer shall dedicate to the City of Yuma the fee title to the original 33 feet of south half right-of-way called out in the Yuma County Road Surveys for 40th Street, along the property frontage that was not purchased by the City of Yuma in Warranty Deed Fee # 2005-29535.
 - The Owner/developer shall dedicate via Warranty Deed to City of Yuma additional 40th Street right-of-way commencing at the Northwest corner of Assessor's Parcel Number (APN) 197-16-001, also being the point of intersection with the south right-of-way line of 40th Street and the east right-of-way line of the ASH highway; Thence South along the westerly property line also being the ASH highway right-of-way line a distance of 95.00 feet; Thence easterly along a line parallel to and 157.00 feet south of the North Section line of Section 16, a distance of 152.67 feet; Thence Northeasterly along a straight line, a distance of 651.42 feet to a point lying 62 feet south of the North section line of said Section 16, said point also lying on the north line of APN: 197-16-001; Thence Westerly along the North line of APN: 197-16-001 to the True Point of Beginning.
4. The Owner/developer shall dedicate a 1 ft non-access easement along the ASH and 40th street frontages except for approved access locations.
5. The Owner/developer shall construct sound attenuation walls along the ASH highway frontage as done similarly in the Ocotillo subdivisions, along the ASH Highway.
6. The Owner/Developer shall make a payment in lieu for design and construction of 40th Street roadway from 6¾E westward to the west edge of property frontage. 40th Street improvements to consist of two travel lanes located on the south side of the road including ABC, pavement, curb, gutter, sidewalk/walking path, streetlights and landscaping per City construction standards.

Community Planning, Amelia Domby, Principal Planner, (928) 373-5000 x3034

7. Each of the conditions listed above shall be completed within two (2) years of the effective date of the rezoning ordinance or prior to the issuance of a Building Permit, Certificate of Occupancy or City of Yuma Business License for this site, whichever occurs first. If the conditions of

approval are not completed within the above timeframe then the rezone shall be subject to ARS § 9-462.01.

Any questions or comments regarding the Conditions of Approval as stated above should be directed to the staff member who provided the comment. Name and phone numbers are provided.

ATTACHMENT B AGENCY NOTIFICATIONS

- **Legal Ad Published: The Sun** 04/04/25
- **300' Vicinity Mailing:** 03/10/25
- **34 Commenting/Reviewing Agencies noticed:** 03/13/25
- **Site Posted on:** 04/21/25
- **Neighborhood Meeting:** N/A
- **Hearing Date:** 04/28/25
- **Comments due:** 03/24/25

External List (Comments)	Response Received	Date Received	"No Comment"	Written Comments	Comments Attached
Yuma County Airport Authority	YES	03/17/25	X		
Yuma County Engineering	NR				
Yuma County Public Works	YES	03/13/25	X		
Yuma County Water Users' Assoc.	YES	03/17/25	X		
Yuma County Planning & Zoning	YES	03/13/25	X		
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 Fish and Game	NR				
USDA – NRCS	NR				
United States Postal Service	NR				
Yuma Metropolitan Planning Org.	NR				
El Paso Natural Gas Co.	NR				
Western Area Power Administration	YES	03/13/25	X		
Yuma Quechan Indian Tribe	YES	03/13/25	X		
City of Yuma Internal List (Conditions)	Response Received	Date Received	"No Conditions"	Written Conditions	Comments Attached
Police	NR				
Parks & Recreation	NR				
Development Engineer	NR				
Fire	YES	03/13/25	X		
Building Safety	NR				
City Engineer	NR				
Traffic Engineer	NR				
MCAS / C P & L Office	YES	03/14/25			X
Utilities	NR				
Public Works	NR				
Streets	NR				

ATTACHMENT C
AGENCY COMMENTS


Conditions of approval must be written in the form of a formal condition for use in staff's report. Your conditions will be used verbatim. If you also have a comment, please indicate below.

☒ Condition(s)

☐ No Condition(s)

☐ Comment

Enter conditions here: The subject parcel is located approximately 1.6 miles from the Barry M. Goldwater Range West (BMGR-W) northern boundary. It is requested that Avigation easement and Range Disclosure Statements be recorded to recognize the noise, interference, or vibrations due to aviation operations that may occur at the nearby Marine Corps Air Station Yuma, Yuma International Airport Aviation Complex, BMGR, and its associated flight paths. Please send a copy of the recorded easements to MCASYUMA_CPLO@usmc.mil. Thank you for the opportunity to review and comment.

DATE:	14 Mar 2025	NAME:	Antonio Martinez	TITLE:	Community Liaison Specialist
CITY DEPT:	MCAS Yuma				
PHONE:	928-269-2103				
RETURN TO:	Amelia Domby				
	Amelia.Domby@YumaAZ.gov				

ATTACHMENT D
NEIGHBOR NOTIFICATION LIST

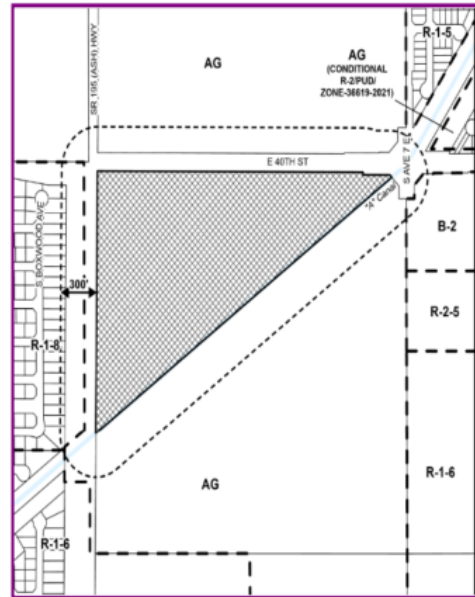
Property Owner	Mailing Address	City	State	ZIP
ADAME CARMEN	4135 S BOXWOOD AVE	YUMA	AZ	85365
ALVAREZ FERNANDO CECILIO & MARICELA	4183 S BOXWOOD AVE	YUMA	AZ	85365
BACALSO TEODORE C & ALICIA JT	4235 S BOXWOOD AVE	YUMA	AZ	85365
CAZARES JUAN	4057 S BOXWOOD AVE	YUMA	AZ	85365
CLANCY KEVIN B 1/2 &	4123 S BOXWOOD AVE	YUMA	AZ	85365
CURIEL FAVIAN G	4175 S BOXWOOD AVE	YUMA	AZ	85365
ESTRADA DAVID & LOPEZ YESICA GUADALUPE JT	4147 S BOXWOOD AVE	YUMA	AZ	85364
GAMBINO AUSTIN	4197 S BOXWOOD AVE	YUMA	AZ	85365
GAPASIN ROBERT A & ROSE L JT	4103 S BOXWOOD AVE	YUMA	AZ	85365
GARCIA OSCAR	4257 S BOXWOOD AVE	YUMA	AZ	85365
HALL BRIAN L LIVING TRUST 12-1-2005	3064 S AVENUE B	YUMA	AZ	85364
HALL BRIAN L TRUST 12-1- 2005	3064 S AVENUE B	YUMA	AZ	85364
HERNANDEZ DEREK & TANIA JT	8555 STATION VILLAGE LN APT 3337	SAN DIEGO	CA	92108
HOAG ANGELA REVOCABLE TRUST 4-28-10	4075 S BOXWOOD AVE	YUMA	AZ	85365
LOPEZ JOSEPH & KRISTIAN	4169 S BOXWOOD AVE	YUMA	AZ	85365
LOZANO NICHOLAS J	4213 S BOXWOOD AVE	YUMA	AZ	85365
LUCERO ANGEL	4243 S BOXWOOD AVE	YUMA	AZ	85365
ORTIZ VISITACION	4041 BOXWOOD AVE	YUMA	AZ	85365
POORMAN LINDSAY J II	6431 OAKBROOK DR	WHITEHOUSE	OH	43571
RICHARDSON FAMILY TRUST 5-29-2019	10052 NORTE MESA DR	SPRING VALLEY	CA	91977
RODRIGUEZ EDGAR CABRERA	4081 S BOXWOOD AVE	YUMA	AZ	85365
RODRIGUEZ MIGUEL A & MARIA G CPROS	4111 S BOXWOOD AVE	YUMA	AZ	85365
RUIZ RUBEN B & BLANCA JT	4151 S BOXWOOD AVE	YUMA	AZ	85365
SIMPSON JORDAN	4269 S BOXWOOD AVE	YUMA	AZ	85365
SINGER JAMES E TRUST 9-2- 2015	4063 S BOXWOOD AVE	YUMA	AZ	85365
WONG DANIEL F AZ LTD PART 7-1-95 ET AL	2857 PARADISE RD SP 3402	LAS VEGAS	NV	89109
YUMA CITY OF	ONE CITY PLAZA	YUMA	AZ	85364

**ATTACHMENT E
NEIGHBOR MAILING**

This is a request by Dahl, Robins & Associates, on behalf of Brian L. Hall Living Trust, to rezone approximately 50.55 acres from the Agriculture (AG) District to the High Density Residential (R-3) District, for the property located at the southeast corner of State Route SR-195 and 40th Street, Yuma, AZ.

**MEETING DATE,
TIME & LOCATION
FOR CASE #
ZONE-43816-2025**

PUBLIC HEARING
04/28/2025 @ 4:30 PM
City Hall Council Chambers
One City Plaza, Yuma, AZ.



Because you are a neighbor within 300' of southeast corner of State Route SR-195 and 40th Street, Yuma, AZ. You are invited to attend the meeting to voice your comments. If you have questions or wish to submit written comments, please contact Amelia Domby by phone at (928) 373-5000 ext. 3034 or by email at Amelia.Domby@YumaAz.gov

ATTACHMENT F
AERIAL PHOTO



ORDINANCE NO. O2025-023

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUMA, ARIZONA, AMENDING CHAPTER 154 OF THE YUMA CITY CODE, REZONING CERTAIN PROPERTY LOCATED IN THE AGRICULTURE (AG) DISTRICT TO THE HIGH DENSITY RESIDENTIAL (R-3) DISTRICT, AND AMENDING THE ZONING MAP TO CONFORM WITH THE REZONING

WHEREAS, the City of Yuma Planning and Zoning Commission held a public hearing on May 12, 2025 in Zoning Case No: ZONE-43816-2025 in the manner prescribed by law for the purpose of rezoning approximately 50.5 acres of real property hereafter described to the High Density Residential (R-3) District as provided in Chapter 154 of the Yuma City 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 April 4, 2025; and,

WHEREAS, the City Council has considered the recommendation of the Planning and Zoning Commission to approve the rezoning in Case No: ZONE-43816-2025 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: That the following described real property, depicted in Exhibit A, attached:

That portion of the Northeast quarter of Section 16, Township 9 South, Range 22 West, Gila and Salt River Base and Meridian, Yuma County, Arizona LYING East of the Robert A. Vaughan Expressway and North and West of the centerline of the USBR "A" Canal.

Containing 58.00 acres more or less.

shall be placed in the High Density Residential (R-3) District, as defined by Chapter 154 of the Yuma City Code as amended; that upon this Ordinance becoming final, the described real property shall be subject to all rules, regulations and requirements of Chapter 154 of the Yuma City Code, as amended, pertaining to the High Density Residential (R-3) District and that the zoning map adopted under Chapter 154 of the Yuma City Code, as amended, is ordered to be changed and amended so as to show that the real property described in this Ordinance will be located within the High Density Residential (R-3) District.

SECTION 2: That the following conditions (s) must be met and/or completed in order for the zoning amendment to be final:

1. The conditions listed below are in addition to City codes, rules, fees and regulations that are applicable to this action.
2. The Owner's signature on the application for this land use action shall constitute a waiver of any claims for diminution in value pursuant to A.R.S. § 12-1134.
3. The Owner/Developer shall dedicate the south half right-of-way for 40th Street across the property frontage including the widening for the future bridge to cross the Area Service Highway (ASH) as follows:
 - The Owner/developer shall dedicate to the City of Yuma the fee title to the original 33 feet of south half right-of-way called out in the Yuma County Road Surveys for 40th Street, along the property frontage that was not purchased by the City of Yuma in Warranty Deed Fee # 2005-29535.
 - The Owner/developer shall dedicate via Warranty Deed to City of Yuma additional 40th Street right-of-way commencing at the Northwest corner of Assessor's Parcel Number (APN) 197-16-001, also being the point of intersection with the south right-of-way line of 40th Street and the east right-of-way line of the ASH highway; Thence South along the westerly property line also being the ASH highway right-of-way line a distance of 95.00 feet; Thence easterly along a line parallel to and 157.00 feet south of the North Section line of Section 16, a distance of 152.67 feet; Thence Northeasterly along a straight line, a distance of 651.42 feet to a point lying 62 feet south of the North section line of said Section 16, said point also lying on the north line of APN: 197-16-001; Thence Westerly along the North line of APN: 197-16-001 to the True Point of Beginning.
4. The Owner/developer shall dedicate a 1 ft non-access easement along the ASH and 40th street frontages except for approved access locations.
5. Unless an alternative method of sound attenuation is approved by both City staff and the Arizona Department of Transportation, the Owner/developer shall construct sound attenuation walls along the ASH highway frontage as done similarly in the Ocotillo subdivisions, along the ASH Highway, within five (5) years of the effective date of the rezoning or issuance of a Certificate of Occupancy for the property, whichever occurs first.
6. The Owner/Developer shall make a payment in lieu for design and construction of 40th Street roadway from 6³/₄E westward to the west edge of property frontage. 40th Street improvements to consist of two travel lanes located on the south side of the road including ABC, pavement, curb, gutter, sidewalk/walking path, streetlights and landscaping per City construction standards.

SECTION 3: With the exception of Conditions 2 and 5, each of the conditions listed above shall be completed within two (2) years of the effective date of the rezoning ordinance or prior to the issuance of a building permit or business license for this site, whichever occurs first. If the conditions of approval are not completed within the above time frame then the rezone shall be subject to A.R.S. § 9-462.01.

Adopted this _____ day of _____, 2025.

APPROVED:

Douglas J. Nicholls
Mayor

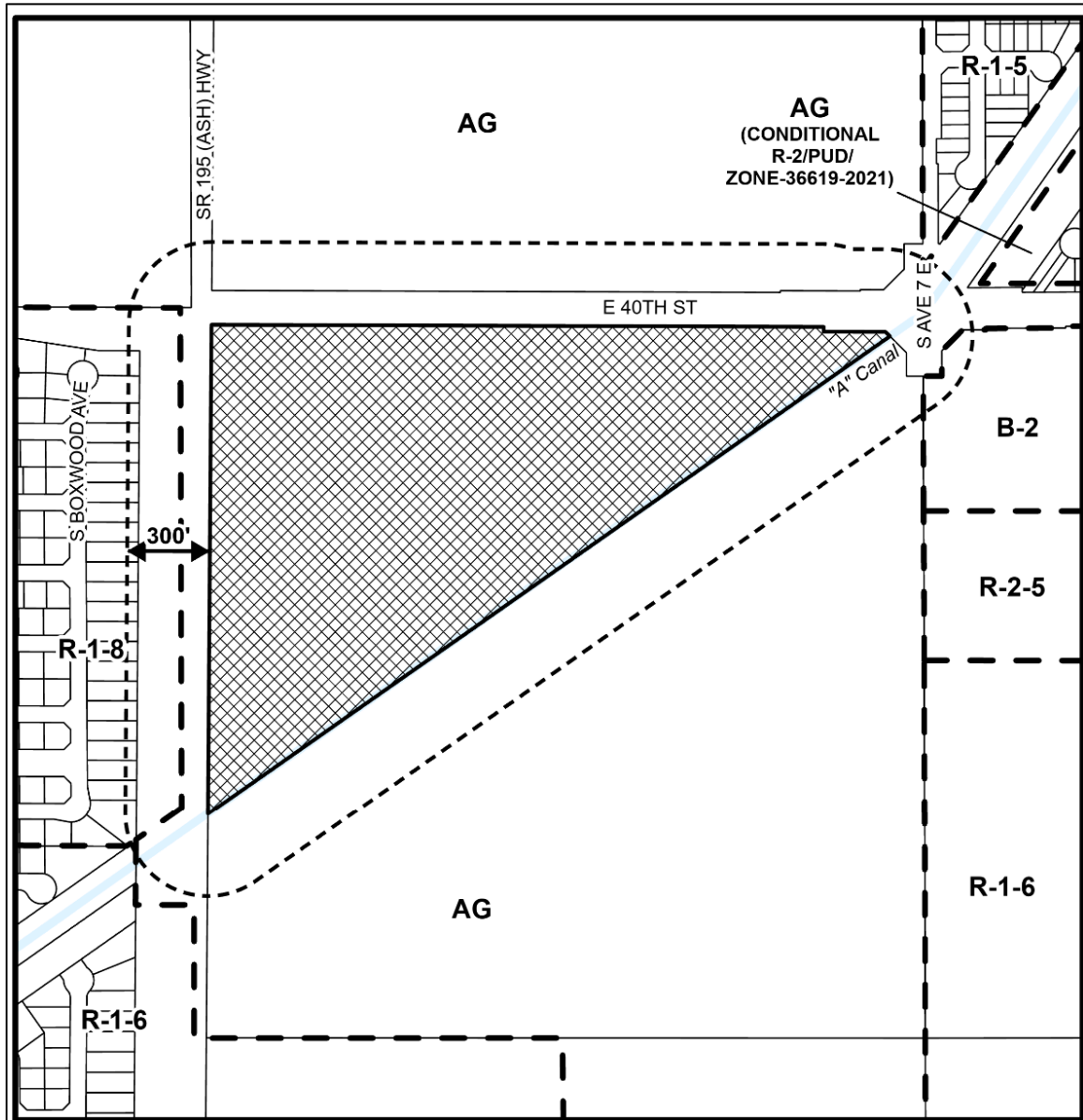
ATTESTED:

Lynda L. Bushong
City Clerk

APPROVED AS TO FORM:

Richard W. Files
City Attorney

Exhibit A



LOCATION MAP



LOCATION OF SUBJECT PROPERTY



Prepared by: DG

Checked by: AD



Community Planning and
Neighborhood Services GIS

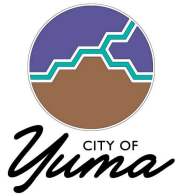
Date: 3/7/2025

Revised:

Revised:

Case #:

ZONE-43816-2025



City of Yuma

City Council Report

File #: O2025-024

Agenda Date: 6/18/2025

Agenda #: 3.

	STRATEGIC OUTCOMES	ACTION
DEPARTMENT: Finance	<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
DIVISION: Administration	<input type="checkbox"/> Connected & Engaged	<input checked="" type="checkbox"/> Ordinance - Adoption
	<input type="checkbox"/> Unique & Creative	<input type="checkbox"/> Public Hearing

TITLE:

Adopt the Fiscal Year 2026 City of Yuma Primary Property Tax Levy, the Main Street Mall and Off-Street Parking Maintenance District No. 1 Property Tax Levy, and 13 Municipal Improvement District Tax Levies

SUMMARY RECOMMENDATION:

Adopt the Fiscal Year 2026 Primary Property Tax Levy, the Main Street Mall and Off Street Parking Maintenance District No. 1 Property Tax Levy, and 13 Municipal Improvement District Tax Levies. (Administration/Finance) (Jay Simonton/Douglas Allen)

STRATEGIC OUTCOME:

The community relies on the City to provide core and other necessary services consistent with City Council's strategic outcome of Respected and Responsible.

REPORT:

The City of Yuma Fiscal Year 2026 Adopted Annual Budget is based in part upon an estimated primary property tax levy that is anticipated to raise \$17,291,632 in tax revenue. This estimate is derived from the assessed valuation as of February 2025 provided by the Yuma County Assessor and multiplied by a tax rate of \$2.1450 on each \$100.00 of assessed valuation. The tax rate increased from the Fiscal Year 2025 rate of \$2.1321. City Council adoption of this ordinance reflects an increase of the tax levy by \$358,189 attributable to new construction.

The levy ordinance for introduction is drafted at the maximum allowed levy for FY 2026 as posted for the truth-in-taxation public hearing notice. At the conclusion of the public hearing, City Council will have a roll call vote on the levy amount. The levy approved by City Council with the roll call vote will be the rate introduced in the Ordinance.

There has been no secondary property tax levy since 1992.

The tax rate for the Main Street Mall and Off-Street Parking Maintenance District No. 1 is \$4.3500 on each \$100.00 of assessed valuation, which is higher than the Fiscal Year 2025 tax rate of \$4.2750. The levy is anticipated to increase approximately \$3,023 to \$159,131 in tax revenue for Fiscal Year 2026. The City of Yuma will also contribute approximately \$200,645 to District No. 1 Mall Maintenance in Fiscal Year 2026.

The City will assess 13 Municipal Improvement Districts. The districts, their associated rates and levy are as

follows:

Improvement District	Tax Rate	Tax Levy
Park West Units 4 and 5	\$ 0.7000	\$ 28,953
Cielo Verde Unit 3 Phases 1 and 2	1.0000	16,599
Desert Sky Unit 1	1.6000	78,923
Saguaro Units 3 and 4	0.5000	28,722
Driftwood Ranch Units 1 and 2	0.5000	26,169
Livingston Ranch Unit No. 2	1.6000	44,531
Desert Sands Unit No. 1	1.6000	38,255
Villa Serena Unit No. 1	1.8000	12,659
Araby North Subdivision	3.6000	13,438
Autumn Valley Subdivision	1.8000	5,677
La Estancia Subdivision	1.6000	54,122
Santana Sub Units 1-4	1.8000	42,404
La Vida	1.8000	32,157

The statutory combined Public Hearings on the Budget and tax levies were held on June 18, 2025, and subsequently City Council adopted the Final Budget of Estimated Revenues and Expenditures for Fiscal Year 2026 by Resolution. Introducing and adopting this tax levy ordinance will complete the Fiscal Year 2026 Budget process in accordance with state law and the Yuma City Charter.

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: 06/10/2025
Reviewed by City Attorney: Richard W. Files	Date: 06/08/2025

ORDINANCE NO. O2025-024

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUMA, ARIZONA, FIXING, LEVYING, AND ASSESSING PRIMARY PROPERTY TAXES UPON PROPERTY WITHIN THE CITY OF YUMA SUBJECT TO TAXATION, EACH IN A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS OF VALUATION, SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET FOR THE FISCAL YEAR 2026 LESS THE AMOUNTS ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE AND THE UNENCUMBERED BALANCES FROM THE PREVIOUS FISCAL YEAR, PROVIDING A GENERAL FUND; AND FIXING, LEVYING, AND ASSESSING UPON PROPERTY SUBJECT TO TAXATION WITHIN THE BOUNDARIES OF EACH OF THE RESPECTIVE MAINTENANCE IMPROVEMENT DISTRICTS NUMBERED 100, 102, 104, 107, 108, 109, 110, 111, 112, 113, 115, 120, 124 AND ALSO UPON PROPERTY SUBJECT TO TAXATION WITHIN THE BOUNDARIES OF THE MAIN STREET MALL AND OFF STREET PARKING MAINTENANCE DISTRICT NO. 1, EACH IN A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS OF VALUATION, SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED FOR THE OPERATION, MAINTENANCE, REPAIR AND IMPROVEMENT OF THE FACILITIES OF SAID DISTRICT, ALL FOR THE FISCAL YEAR BEGINNING JULY 1, 2025 AND ENDING JUNE 30, 2026

WHEREAS, pursuant to the laws of the State of Arizona and Article XIII, Section 6 of the Charter of the City of Yuma, the City Council is required, following the public hearing and adoption of estimates of proposed revenues and expenditures for Fiscal Year 2026 to fix, levy, and assess a primary rate of taxation upon each one hundred dollars (\$100.00) of the assessed valuation of all real and personal property subject to taxation within the City sufficient to raise the amount estimated to be required in the annual budget, less the amounts estimated to be received from all other sources of revenue and unencumbered balances from the previous fiscal year; to pay municipal expenses during Fiscal Year 2026 beginning July 1, 2025 and ending June 30, 2026; and,

WHEREAS, pursuant to the laws of the State of Arizona, the City Council is required, following the public hearing and adoption of estimates of proposed revenues and expenditures for each of the maintenance improvement districts and the Main Street Mall and Off Street Parking Maintenance District No. 1 for Fiscal Year 2026, to fix, levy, and assess a rate of taxation upon each one hundred dollars (\$100.00) of the assessed valuation of all real and personal property included in the district and subject to taxation within the district, sufficient to raise the amount estimated to be required for the purpose of providing a fund for the operation, maintenance, repair and improvement of the facilities to be maintained by the district for Fiscal Year 2026 beginning July 1, 2025 and ending June 20, 2026; and,

WHEREAS, the combined public hearing for the purpose of hearing taxpayers was held on June 18, 2025 after which a meeting was duly convened in which an estimate of revenue and expenditures was adopted by the City Council in final form for Fiscal Year 2026 beginning July 1, 2025 and ending June 30, 2026; and,

WHEREAS, the County of Yuma is the assessing and collecting authority for the City of Yuma.
NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Yuma as follows:

SECTION 1: There is hereby levied a primary tax rate of \$2.1450 on each one hundred dollars (\$100.00) of assessed valuation on all property, both real and personal, within the corporate limits of the City of Yuma, except such property as may be by law exempt from taxation, for the purpose of providing a General Fund for the City of Yuma, for Fiscal Year 2026 beginning July 1, 2025 and ending June 30, 2026. Should such tax rate exceed the maximum allowable by law, the rate shall be reduced to such maximum allowable rate.

SECTION 2: In addition to the rates set in Section 1, hereof, there is hereby levied a tax rate of \$4.3500 on each one hundred dollars (\$100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City of Yuma and located within the boundaries of the Main Street Mall and Off Street Parking Maintenance District No. 1, except such property as may by law be exempt from taxation, for the purpose of providing a fund for the operation, maintenance, repair and improvement of the facilities to be maintained by the district for Fiscal Year 2026 beginning July 1, 2025 and ending June 30, 2026.

SECTION 3: In addition to the rates set in Section 1, hereof, there is hereby levied a tax rate of \$0.7000 on each one hundred dollars (\$100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City of Yuma and located within the boundaries of the Improvement District Number 100, Park West Units 4 and 5, except such property as may by law be exempt from taxation, for the purpose of providing a fund for the operation, maintenance, repair and improvement of the facilities to be maintained by the district for Fiscal Year 2026 beginning July 1, 2025 and ending June 30, 2026.

SECTION 4: In addition to the rates set in Section 1, hereof, there is hereby levied a tax rate of \$1.0000 on each one hundred dollars (\$100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City of Yuma and located within the boundaries of the Improvement District Number 102, Cielo Verde Unit 3 Phases 1 and 2, except such property as may by law be exempt from taxation, for the purpose of providing a fund for the operation, maintenance, repair and improvement of the facilities to be maintained by the district for Fiscal Year 2026 beginning July 1, 2025 and ending June 30, 2026.

SECTION 5: In addition to the rates set in Section 1, hereof, there is hereby levied a tax rate of \$1.6000 on each one hundred dollars (\$100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City of Yuma and located within the boundaries of the Improvement District Number 104, Desert Sky Unit 1, except such property as may by law be exempt from taxation, for the purpose of providing a fund for the operation, maintenance, repair and improvement of the facilities to be maintained by the district for Fiscal Year 2026 beginning July 1, 2025 and ending June 30, 2026.

SECTION 6: In addition to the rates set in Section 1, hereof, there is hereby levied a tax rate of \$0.5000 on each one hundred dollars (\$100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City of Yuma and located within the boundaries of the Improvement District Number 107, Saguaro Units 3 and 4, except such property as may by law be exempt from taxation, for the purpose of providing a fund for the operation, maintenance, repair and improvement of the facilities to be maintained by the district for Fiscal Year 2026 beginning July 1, 2025 and ending June 30, 2026.

SECTION 7: In addition to the rates set in Section 1, hereof, there is hereby levied a tax rate of \$0.5000 on each one hundred dollars (\$100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City of Yuma and located within the boundaries of the Improvement District Number 108, Driftwood Ranch Units 1 and 2, except such property as may by law be exempt from taxation, for the purpose of providing a fund for the operation, maintenance, repair and improvement of the facilities to be maintained by the district for Fiscal Year 2026 beginning July 1, 2025 and ending June 30, 2026.

SECTION 8: In addition to the rates set in Section 1, hereof, there is hereby levied a tax rate of \$1.6000 on each one hundred dollars (\$100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City of Yuma and located within the boundaries of the Improvement District Number 109, Livingston Ranch Unit No. 2, except such property as may by law be exempt from taxation, for the purpose of providing a fund for the operation, maintenance, repair and improvement of the facilities to be maintained by the district for Fiscal Year 2026 beginning July 1, 2025 and ending June 30, 2026.

SECTION 9: In addition to the rates set in Section 1, hereof, there is hereby levied a tax rate of \$1.6000 on each one hundred dollars (\$100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City of Yuma and located within the boundaries of the Improvement District Number 110, Desert Sands Unit No. 1, except such property as may by law be exempt from taxation, for the purpose of providing a fund for the operation, maintenance, repair and improvement of the facilities to be maintained by the district for Fiscal Year 2026 beginning July 1, 2025 and ending June 30, 2026.

SECTION 10: In addition to the rates set in Section 1, hereof, there is hereby levied a tax rate of \$1.8000 on each one hundred dollars (\$100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City of Yuma and located within the boundaries of the Improvement District Number 111, Villa Serena Unit No. 1, except such property as may by law be exempt from taxation, for the purpose of providing a fund for the operation, maintenance, repair and improvement of the facilities to be maintained by the district for Fiscal Year 2026 beginning July 1, 2025 and ending June 30, 2026.

SECTION 11: In addition to the rates set in Section 1, hereof, there is hereby levied a tax rate of \$3.6000 on each one hundred dollars (\$100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City of Yuma and located within the boundaries of the Improvement District Number 112, Araby North Subdivision, except such property as may by law be exempt from taxation, for the purpose of providing a fund for the operation, maintenance, repair and improvement of the facilities to be maintained by the district for Fiscal Year 2026 beginning July 1, 2025 and ending June 30, 2026.

SECTION 12: In addition to the rates set in Section 1, hereof, there is hereby levied a tax rate of \$1.8000 on each one hundred dollars (\$100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City of Yuma and located within the boundaries of the Improvement District Number 113, Autumn Valley Subdivision, except such property as may by law be exempt from taxation, for the purpose of providing a fund for the operation, maintenance, repair and improvement of the facilities to be maintained by the district for Fiscal Year 2026 beginning July 1, 2025 and ending June 30, 2026.

SECTION 13: In addition to the rates set in Section 1, hereof, there is hereby levied a tax rate of \$1.6000 on each one hundred dollars (\$100.00) of assessed valuation of all property, both real

and personal, within the corporate limits of the City of Yuma and located within the boundaries of the Improvement District Number 115, La Estancia Subdivision, except such property as may by law be exempt from taxation, for the purpose of providing a fund for the operation, maintenance, repair and improvement of the facilities to be maintained by the district for Fiscal Year 2026 beginning July 1, 2025 and ending June 30, 2026.

SECTION 14: In addition to the rates set in Section 1, hereof, there is hereby levied a tax rate of \$1.8000 on each one hundred dollars (\$100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City of Yuma and located within the boundaries of the Improvement District Number 120, Santana Subdivision Units 1-4, except such property as may by law be exempt from taxation, for the purpose of providing a fund for the operation, maintenance, repair and improvement of the facilities to be maintained by the district for Fiscal Year 2026 beginning July 1, 2025 and ending June 30, 2026.

SECTION 15: In addition to the rates set in Section 1, hereof, there is hereby levied a tax rate of \$1.8000 on each one hundred dollars (\$100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City of Yuma and located within the boundaries of the Improvement District Number 124, La Vida, except such property as may by law be exempt from taxation, for the purpose of providing a fund for the operation, maintenance, repair and improvement of the facilities to be maintained by the district for Fiscal Year 2026 beginning July 1, 2025 and ending June 30, 2026.

SECTION 16: The taxes assessed and levied in Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 and 15 of this Ordinance are, and shall become, due and payable to the County Treasurer, and Ex-officio Tax Collector of Yuma County, at the Yuma County Treasurer's Office in the City of Yuma in the same manner and in the same time as provided by law for the collection and payment of State and County taxes.

SECTION 17: The City Clerk is authorized and directed to cause certified copies of this Ordinance to be forthwith personally delivered to the Yuma County Treasurer and the Chairman of the Board of Supervisors of Yuma County, Arizona, and to cause this Ordinance to be published once in the official newspaper of the City of Yuma published and circulated in the City of Yuma.

Adopted this _____ day of July, 2025.

APPROVED:

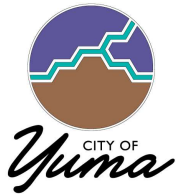
Douglas J. Nicholls
Mayor

ATTESTED:

Lynda L. Bushong
City Clerk

APPROVED AS TO FORM:

Richard W. Files
City Attorney



City of Yuma

City Council Report

File #: O2025-025

Agenda Date: 7/2/2025

Agenda #: 1.

DEPARTMENT:	STRATEGIC OUTCOMES	ACTION
Planning & Neighborhood Svc	<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 checked="" type="checkbox"/> Ordinance - Introduction
DIVISION:	<input type="checkbox"/> Connected & Engaged	<input type="checkbox"/> Ordinance - Adoption
Community Planning	<input type="checkbox"/> Unique & Creative	<input type="checkbox"/> Public Hearing

TITLE:

Annexation Area No. ANEX-43789-2025 Vision Assets

SUMMARY RECOMMENDATION:

Authorize annexation of properties located at the northeast corner of W. 27th Street and S. 21st Drive. (ANEX-43789-2025) (Planning and Neighborhood Services/Community Planning) (Alyssa Linville)

STRATEGIC OUTCOME:

The approval of this annexation will provide access to City resources and services. The annexation assists in furthering City Council's strategic outcome of Respected and Responsible.

REPORT:

The annexation area consists of four parcels of real property and the adjacent 27th Street, 20th Avenue, and 21st Drive right-of-way. The annexation area totals approximately 4.46 acres. The properties are owned respectively by:

1. Vision Assets, LLC parcel 694-14-005
2. Cynthia Ann Ray Sub-Trust, parcel 694-14-005
3. Ignacio R. Covarrubias, parcel 694-14-004
4. Adrian Covarrubias, parcel 694-14-003.

The City of Yuma received a request from Vision Assets, LLC, the larger easternmost parcel, to annex their property with the intent to rezone and subdivide within the City and develop single-family homes. In response, the City has initiated this annexation process and included the three adjacent parcels as well. Two of the parcels, APN 694-14-003 and 694-14-004, are the subject of a Pre-annexation Development Agreement adopted by City Council on July 18, 2001 (R2001-50) and January 4, 2006 (R2006-02). The property owners requested and have connected to City utility services. The Pre-annexation Development Agreement identifies specific responsibilities of both the property owners and the City of Yuma. A responsibility of the property owners is to agree to annexation at such time as the City of Yuma may initiate that action. The fourth parcel, APN 694-14-005, is being included as part of this annexation effort to provide a seamless annexation boundary. Future development of this undeveloped parcel will require connection to City utilities. Annexing this property now will minimize any delays when development does move forward. The annexation area is designated on the annexation map attached to the proposed ordinance.

In accordance with Arizona Revised Statutes § 9-471, a blank petition with a legal description and map of the area to be annexed was filed with the County Recorder on May 6, 2025. There was a 30-day waiting period after recording the map and petition with the County Recorder before signatures on the annexation petition could be obtained. During the waiting period, a public hearing for annexation ANEX-43789-2025 was held by the City Council on June 4, 2025, to comply with the state annexation law. All appropriate and necessary notice and posting requirements have been met.

After the 30-day waiting period and the public hearing, the following procedures were followed:

1. The signatures of the property owners were obtained such that at least one-half of the value of the real and personal property is represented and such that more than one-half of the parcel owners are represented. No modifications, including increases or decreases to the territory to be annexed, were made after the first property owners in the area signed the annexation petition.
2. Within one year after the last day of the 30-day waiting period, these completed petitions were received and recorded with the office of the Yuma County Recorder.

Following the recording of the completed petitions, an ordinance must be adopted by the City Council changing the City boundaries to include the annexation area.

The ordinance also identifies the zoning district to be placed on the property within the annexation area as Residence-Manufactured Housing (R-MH-20) District. This zoning designation matches the current County Zoning on the properties (MHS-20) and is in conformance with the City of Yuma General Plan, which identifies the land use of the property as Low Density Residential. This City Council action introduces the annexation ordinance prior to adoption.

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			

FISCAL IMPACT STATEMENT:

Not applicable

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: 06/26/2025
Reviewed by City Attorney: Richard W. Files	Date: 06/25/2025

ANNEXATION PETITION ANEX-43789-2025
Vision Assets Annexation

TO THE HONORABLE MAYOR AND COUNCIL OF THE CITY OF YUMA, ARIZONA:

We, the undersigned, owners of real and personal property, being the real property hereinafter described and all personal property that we may own in the area to be annexed, request the City of Yuma to annex our property, said property being located in a territory contiguous to the City of Yuma, Arizona, and being located within the following described area:

A portion of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter of Section 5, Township 9 South, Range 23 West, of the Gila and Salt River Base and Meridian, Yuma County, Arizona, being more particularly described as follows, Beginning at the Northwest Corner of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter of said Section 5 also being the True Point of Beginning, Thence Southerly along the West line of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter a distance of 657.32' feet to a point being the Southwest Corner of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter, Thence Easterly along the South line of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter a distance of 25.00' feet to a point, Thence Northerly along a line a distance of 20.00' feet to a point, Thence Easterly along a line being parallel to and 20.00' feet North of the South line of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter a distance of 470.28' feet to a point, Thence Southerly along a line a distance of 20.00' feet to a point on the South line of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter, Thence Easterly along the South line of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter a distance of 20.00' feet to a point, Thence Northerly along a line being located 145.00' feet West and parallel to the East line of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter a distance of 640.00' feet to a point, Thence Westerly along a line a distance of 20.00' feet to a point, Thence Northerly along a line a distance of 20.00' feet to a point on the North line of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter, Thence Westerly along the North line of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter a distance of 165.00' feet to a point, Thence Southerly along a line a distance of 454.00' feet to a point being 206.00' feet North of the South line of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter, Thence Westerly along a line a distance of 274.61' feet to a point being 55.69' feet East of the West line of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter, Thence Northerly along a concave curve to the West having a radius of 1038.00' feet and a curve length of 77.02' feet to a point on a reverse curve, Thence Northerly along a concave curve to the East having a radius of 962.00' feet and a curve length of 170.74' feet to a point being 28.03' feet East of the West line of the Northwest Quarter of the Southeast Quarter of

the Northwest Quarter, Thence Westerly a distance of 3.03' feet to a point, Thence Northerly along a line being 25.000' feet East of the West line of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter a distance of 206.00' feet to a point, Thence Westerly along the North line of the Northwest Quarter of the Northeast Quarter of the Northwest Quarter a distance of 25.00' feet to a point on the Northwest Corner of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter of said Section 5 also being the True Point of Beginning.

Containing 4.46 acres more or less.

In addition to the above description, any and all county rights-of-way and roadways with no taxable value that are within or contiguous to the exterior boundaries of the proposed annexation are part of the territory proposed to be annexed and will be included in any ordinance of annexation adopted as a result of this petition.

The City Council may determine the exact boundary of said territory to be annexed; provided, however, that said annexation area lies wholly within the above described area, and provided further, that the provisions of Section 9-471, Arizona Revised Statutes, are fully observed and complied with.

DATE	SIGNATURE	MAILING ADDRESS	PARCEL ID/ LEGAL DESCRIPTION

(Legal description can be Lot/Block/Subdivision; Book/Map/Parcel; or Metes and Bounds)

Print Name of Signatory above: _____

Property Owner

ORDINANCE NO. O2025-025

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUMA, ARIZONA, ANNEXING TO THE CITY OF YUMA, A PORTION OF SECTION 5, TOWNSHIP 9 SOUTH, RANGE 23 WEST OF THE GILA AND SALT RIVER BASE & MERIDIAN, YUMA COUNTY, ARIZONA, AND AMENDING CHAPTER 154 OF THE YUMA CITY CODE, AS AMENDED, DESIGNATING THE ZONING OF CERTAIN PROPERTY TO THE RESIDENCE-MANUFACTURED HOUSING (R-MH-20) ZONING DISTRICT, AND AMENDING THE ZONING MAP TO CONFORM THERETO, PURSUANT TO THE PROVISIONS OF TITLE 9, CHAPTER 4, ARTICLE 7, ARIZONA REVISED STATUTES AS AMENDED

WHEREAS, a petition in writing ("Petition"), accompanied by a map or plot of said property, having been filed and presented to the Mayor and City Council of the City of Yuma, Arizona, signed by the owners of more than one-half in value of the real and personal property and more than one-half of the persons owning real and personal property as would be subject to taxation by the City of Yuma in the event of annexation of the territory and land hereinafter described as shown by the last assessment of said property, which said territory is contiguous to the City of Yuma and not now embraced within its corporate limits, asking that the property more particularly hereinafter described be annexed to the City of Yuma, and to extend and increase the corporate limits of the City of Yuma so as to embrace the same; and,

WHEREAS, the Mayor and City Council of the City of Yuma, Arizona, are desirous of complying with the Petition and extending and increasing the corporate limits of the City of Yuma to include said territory; and,

WHEREAS, the Petition sets forth a true and correct description of all the exterior boundaries of the entire area proposed to be annexed to the City of Yuma and had attached thereto at all times an accurate map of the territory desired to be annexed; and,

WHEREAS, no alterations increasing or reducing the territory sought to be annexed have been made after the Petition had been signed by any owner of real and personal property in such territory; and,

WHEREAS, the provisions of A.R.S. § 9-471, as amended, have been fully observed; and,

WHEREAS, proper and sufficient certification and proof of the foregoing facts are now on file in the office of City Clerk of the City of Yuma, Arizona, together with a true and correct copy of the original Petition referred to herein, which is on file in the office of the Yuma County Recorder; and,

WHEREAS, upon annexation the initial designation for zoning of the property described in Section 2 shall be Residence-Manufactured Housing (R-MH-20) District, as provided for in A.R.S. § 9-471, and amendments thereto; and,

WHEREAS, the City Council has considered 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: That the following described territory be, and the same hereby is, annexed to the City of Yuma, and that the present corporate limits be, and the same hereby are, extended and increased to include the following described territory contiguous to the present City of Yuma corporate limits, to wit:

A portion of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter of Section 5, Township 9 South, Range 23 West, of the Gila and Salt River Base and Meridian, Yuma County, Arizona, being more particularly described as follows,

Beginning at the Northwest Corner of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter of said Section 5 also being the True Point of Beginning,

Thence Southerly along the West line of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter a distance of 657.32' feet to a point being the Southwest Corner of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter,

Thence Easterly along the South line of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter a distance of 25.00' feet to a point,

Thence Northerly along a line a distance of 20.00' feet to a point,

Thence Easterly along a line being parallel to and 20.00' feet North of the South line of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter a distance of 470.28' feet to a point,

Thence Southerly along a line a distance of 20.00' feet to a point on the South line of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter,

Thence Easterly along the South line of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter a distance of 20.00' feet to a point,

Thence Northerly along a line being located 145.00' feet West and parallel to the East line of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter a distance of 640.00' to a point,

Thence Westerly along a line a distance of 20.00' feet to a point,

Thence Northerly along a line a distance of 20.00' feet to a point on the North line of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter,

Thence Westerly along the North line of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter a distance of 165.00' feet to a point,

Thence Southerly along a line a distance of 454.00' feet to a point being 206.00' feet North of the South line of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter,

Thence Westerly along a line a distance of 274.61' feet to a point being 55.69' feet East of the West line of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter,

Thence Northerly along a concave curve to the West having a radius of 1038.00' feet and a curve length of 77.02' feet to a point on a reverse curve,

Thence Northerly along a concave curve to the East having a radius of 962.00' feet and a curve length of 170.74' feet to a point being 28.03' feet East of the West line of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter,

Thence Westerly a distance of 3.03' feet to a point,

Thence Northerly along a line being 25.000' feet East of the West line of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter a distance of 206.00' feet to a point,

Thence Westerly along the North line of the Northwest Quarter of the Northeast Quarter of the Northwest Quarter a distance of 25.00' feet to a point on the Northwest Corner of the Northwest Quarter of the Southeast Quarter of the Northwest Quarter of said Section 5 also being the True Point of Beginning.

Containing 4.46 acres more or less.

SECTION 2: That, pursuant to the provisions of §9-471(L), Arizona Revised Statutes, upon this Ordinance becoming final under the provisions of §9-471(D), Arizona Revised Statutes, the municipal zoning designation for the territory described in Section 1, shall be the Residence-Manufactured Housing (R-MH-20) District of the City of Yuma Zoning Ordinance.

SECTION 3: That a copy of this ordinance, together with the attached map of the territory hereby annexed to the City of Yuma, certified by the Mayor of the City of Yuma, be forthwith filed and recorded in the office of the County Recorder of Yuma County, Arizona.

Adopted this _____ day of _____, 2025.

APPROVED:

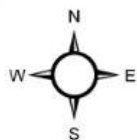
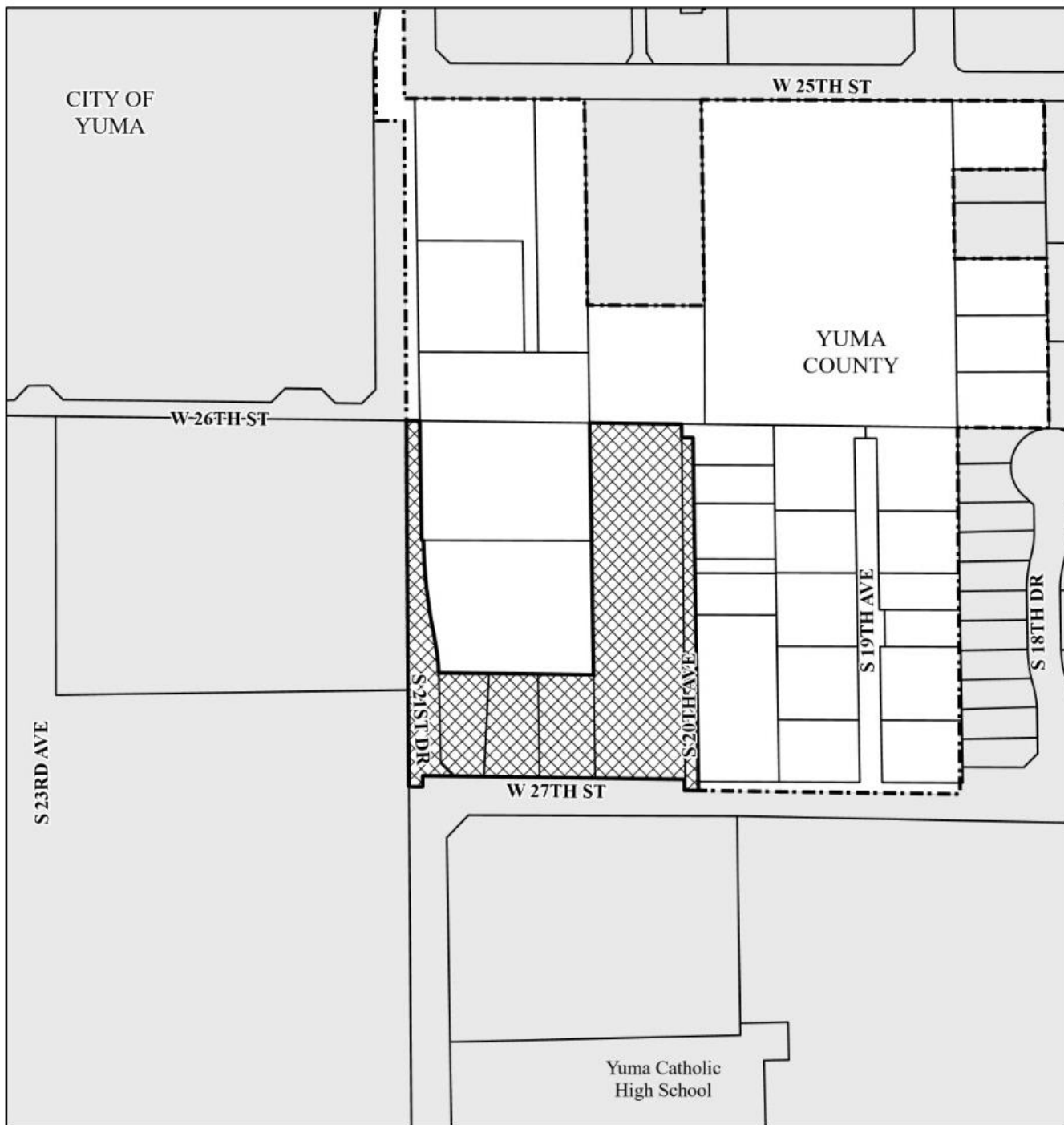
Douglas J. Nicholls
Mayor

ATTESTED:

Lynda L. Bushong
City Clerk

APPROVED AS TO FORM:



Richard W. Files
City Attorney



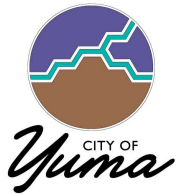
Annexation Map Produced Pursuant to A.R.S. §9-471

NOT TO SCALE
COMMUNITY PLANNING AND
NEIGHBORHOOD SERVICES GIS

City of Yuma, Arizona
Annexation Area No. 43789-2025

 City of Yuma
 Annexation Area

The City of Yuma shall maintain the rights-of-way and roadways that are within the annexation boundaries. Yuma County shall maintain the rights-of-way and roadways that are contiguous to and outside the annexation boundaries.



City of Yuma

City Council Report

File #: O2025-026

Agenda Date: 7/2/2025

Agenda #: 2.

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

TITLE:

GPLET Lease: Spencrazi, L.L.C.

SUMMARY RECOMMENDATION:

Adopt an ordinance authorizing: (1) accepting title to land and improvements on Parcel B of the Center Pointe Commons Lot Tie/Lot Split at the southwest corner of 16th Street and 4th Avenue; (2) an eight-year government property land and improvements lease with Spencrazi, L.L.C., as the statutory prime lessee; (3) abatement of the government property lease excise tax for the term of the lease; and, (4) reconveyance of the land and improvements to the prime lessee at the conclusion of the lease. (This item must be adopted by a simple majority vote without the use of the consent calendar) (City Attorney) (Richard Files)

STRATEGIC OUTCOME:

Pursuant to a development agreement previously entered with the developer, Spencrazi, L.L.C., a Bubba's 33 sports bar and restaurant will open soon in Yuma, furthering the City Council's strategic outcome of Active and Appealing.

REPORT:

On December 21, 2022, the City Council adopted Ordinance No. O2022-054, authorizing a Real Property Sale, Option, and Development Agreement (Agreement) between the City and Hardknocks, LLP, which then assigned the Agreement to Spencrazi, L.L.C. (Developer). The Agreement described, among other things, a real property sale of vacant, surplus City property, a lot tie/lot split into two parcels, Parcel A and Parcel B of the Center Pointe Commons Lot Tie/Lot Split, the redevelopment of the Parcel A property, an option to purchase and redevelop Parcel B, and the potential for the Developer, as a statutory incentive, to enter into a government property land and improvements lease with an eight year excise tax abatement on both Parcel A and Parcel B. Provided the Developer improves the property by a value of at least 100% of pre-redevelopment and deeds the improved property to the City, the City as owner and landlord then leases either or both parcels to Developer as the prime lessee. At the conclusion of the eight-year lease, the City must reconvey the property back to the Developer.

This Ordinance concerns Parcel B and authorizes acceptance of title to Parcel B by the City and the Lease of Parcel B to the Prime Lessee, Spencrazi, L.L.C., who will then sublease the parcel to Bubba's Holdings LLC (Bubba's 33). During the term of the lease, the leased land and improvements is subject to the Government Property Lease Excise Tax (GPLET), which, because the redevelopment property is in a statutory central business district and statutory redevelopment area, qualifies for abatement of the GPLET.

Pursuant to statute, GPLET abatement requires that prior to entering into the Land and Improvements Lease, "the government lessor determines that, within the term of the lease or development agreement, the economic and fiscal benefit to this state and the county, city or town in which the government property improvement is located will exceed the benefits received by the prime lessee as a result of the development agreement or lease on the basis of an estimate of those benefits prepared by an independent third party in a manner and method acceptable to the governing body of the government lessor." A.R.S. § 42-6209C(2).

In a February 3, 2025, report prepared by Elliott D. Pollack & Company titled, *Economic and Fiscal Impact of the Proposed Bubba's 33, Yuma Arizona*, the estimated fiscal benefit based on the proposed redevelopment of Parcel B over a 10-year period will generate \$8.6 million in revenues. This amount includes \$4.0 million for the State of Arizona, \$1.2 million for Yuma County, over \$2.9 million for the City of Yuma and approximately \$410,780 for local school districts. This information is summarized on page 8 of the report. In addition, the redevelopment of Parcel B will create approximately 62 local direct-employment jobs with an average annual wage of approximately \$32,830. The property tax abatement is estimated at \$281,680 over eight years or approximately \$35,210 per year. Of this amount the City would give up approximately \$49,600 in property tax payments over the eight-year period or \$6,200 per year. A copy of the report is on file with the Yuma City Clerk and included as a supplement to this City Council Report (CCR).

The Spencrazi L.L.C. Parcel B Project is the Bubba's 33 Restaurant, expected to open in the fall of 2025. The letters attached to this CCR demonstrate that City Staff has provided the required notice of a GPLET lease to all local taxing districts. To date, no comments from any of the taxing entities concerning the GPLET abatement request have been received by City staff.

Also attached to this CCR is a copy of the proposed form of the Parcel B Land and Improvements Lease which shall remain on file with the Yuma City Clerk. The final form of the Land and Improvements Lease shall be substantially similar.

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:

Impacts are noted in the report.

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: 06/26/2025
Reviewed by City Attorney: Richard W. Files	Date: 06/25/2025

ORDINANCE NO. O2025-026

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUMA, ARIZONA, AUTHORIZING AND APPROVING THE ACCEPTANCE OF TITLE TO CERTAIN REAL PROPERTY AND IMPROVEMENTS, THE EXECUTION OF A GOVERNMENT PROPERTY LAND AND IMPROVEMENTS LEASE FOR A TERM OF EIGHT YEARS WITH SPENCRAZI, L.L.C. AS THE PRIME LESSEE, THE RECONVEYANCE OF TITLE TO THE REAL PROPERTY AND IMPROVEMENTS AT THE CONCLUSION OF THE DESCRIBED LEASE, AND APPROVING THE ABATEMENT OF THE GOVERNMENT PROPERTY LEASE EXCISE TAX DURING THE TERM OF THE EIGHT YEAR LEASE

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

WHEREAS, on January 23, 2023, the City and The Spencer Companies, d/b/a Hardknocks, LLLP, an Arizona limited liability limited partnership entered into a Real Property Sale, Option and Development Agreement (Agreement), approved by City Council Resolution R2022-054 and recorded as Yuma County Recorder's Fee #2023-01843; and,

WHEREAS, pursuant to the terms of the Agreement and that certain Memorandum of Assignment dated January 25, 2023, recorded as Yuma County Recorder's Fee #2023-01813, the Agreement was assigned by Hardknocks, LLLP to Spencrazi, L.L.C., an Arizona limited liability company; and,

WHEREAS, the Agreement describes the purchase of surplus City property for redevelopment at the southwest corner of 16th Street and 4th Avenue (Redevelopment Project), including conveyance of one or both of Parcel A and Parcel B of the Center Point Commons Lot Tie/Lot Split (recorded as Yuma County Recorder's Fee #2023-09941), back to the City and the establishment of an eight-year government property lease with abatement of the government property lease excise tax (GPLET) on either or both parcels; and,

WHEREAS, pursuant to Arizona Revised Statutes (A.R.S.) § 42-6209, the Yuma City Council by Resolution R2004-01 and Resolution No. R2013-04 has designated a single Central Business District of the City of Yuma, Arizona; and,

WHEREAS, pursuant to A.R.S. § 36-1471 *et seq.*, the Yuma City Council by Resolution No. R2012-03 has made a finding of necessity, declaring the Yuma North End-16th Street and 4th Avenue Redevelopment Area a slum or blighted area, and directing City staff to prepare a redevelopment plan for the area; and,

WHEREAS, pursuant to A.R.S. § 36-1474, the Yuma City Council adopted Resolution No. R2013-10 approving the Yuma North End-16th Street & 4th Avenue Redevelopment Plan of 2013 (Redevelopment Plan); and,

WHEREAS, on September 16, 2020, the Yuma City Council adopted Resolution R2020-034 renewing the Redevelopment Plans, Central Business District and Slum and Blighted determinations; and,

WHEREAS, the Parcel B Redevelopment Project (Bubba's 33) is located in the City's statutory redevelopment area and Central Business District and may qualify for favorable tax treatment, including abatement of the government property lease excise tax (GPLET) after deeding title to the property and improvements to the City of Yuma and entering into a government property land and improvements lease (lease) with the City as lessor and Spencrazi, L.L.C., as prime lessee; and,

WHEREAS, an analysis of the economic and fiscal benefits to the State of Arizona, Yuma County and the City of Yuma and the benefits to be received by Spencrazi, L.L.C. was prepared by Elliot D. Pollack & Company in a report titled, *Economic and Fiscal Impact of the Proposed Bubba's 33, Yuma, Arizona*, dated February 3, 2025, which shall remain on file with the City Clerk,

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

SECTION 1: The City Council finds that in accordance with the report titled, *Economic and Fiscal Impact of the Proposed Bubba's 33, Yuma, Arizona*, dated February 3, 2025:

- a. The Parcel B Redevelopment Project will generate more than \$8.6 million in revenues during construction and operations over a ten-year period including approximately \$4.0 million for the State of Arizona; \$1.2 million for Yuma County; \$2.9 million for the City of Yuma and approximately \$410,780 for the school districts.
- b. The Parcel B Redevelopment Project will have an annual economic impact of approximately \$9 million (\$2 million in direct wages for 62 full and parttime jobs).
- c. Abatement of the government property lease excise tax on the Parcel B Redevelopment Project will total approximately \$281,680 (\$49,600 abatement of City property taxes) over the eight-year term of the proposed lease.

SECTION 2: The City Council finds that the report titled, *Economic and Fiscal Impact of the Proposed Bubba's 33, Yuma, Arizona*, was prepared using methods and in a manner acceptable to the City Council, and that the economic and fiscal benefit to the State of Arizona, Yuma County and the City of Yuma will exceed the benefits to Sixteen & Four, LLC, as prime lessee under the proposed *Spencrazi, L.L.C., Parcel B, Land and Improvements Lease*.

SECTION 3: The City Council further finds that in accordance with a letter dated May 13, 2025 (on file with the City Clerk), each of the appropriate taxing entities was notified at least 60 days prior to the adoption of this Ordinance, of the City's intent to enter into the described government property land and improvements lease together with a copy of the *Economic and Fiscal Impact of the Proposed Bubba's 33, Yuma, Arizona*, dated February 3, 2025, as required by statute.

SECTION 4: The City of Yuma shall accept title to the Parcel B, Center Point Commons Lot Tie/Lot Split (the Parcel B Redevelopment Project land and improvements at the southwest corner of 16th Street and 4th Avenue), and to lease the property and improvements to Spencrazi, L.L.C., as prime lessee for a term of eight years in accordance with the terms described in the *Spencrazi, L.L.C., Parcel B, Land and Improvements Lease* on file with the Yuma City Clerk and incorporated by reference.

SECTION 5: The City Administrator is authorized to execute the *Spencrazi, L.L.C., Parcel B, Land and Improvements Lease* in substantially the same form attached to the City Council Report accompanying this Ordinance and made a part of this Ordinance by reference, on behalf of the City.

SECTION 6: Abatement of the government property lease excise tax (GPLET) for the Parcel B Redevelopment Project is approved for the term of the lease.

SECTION 7: Title to the described land and improvements shall be re-conveyed by the City to the prime lessee at the termination or conclusion of the land and improvements lease.

Adopted this _____ day of _____, 2025.

APPROVED:

Douglas J. Nicholls
Mayor

ATTESTED:

Lynda L. Bushong
City Clerk

APPROVED AS TO FORM:

Richard W. Files
City Attorney

SPENCRAZI, L.L.C.
PARCEL B LAND AND IMPROVEMENTS LEASE

between

CITY OF YUMA, ARIZONA,
an Arizona municipal corporation,

and

SPENCRAZI, L.L.C.,
an Arizona limited liability company

_____, 202__

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- A. Legal Description of Land**
- B. Insurance Requirements**
- C. Memorandum of Lease**
- D. Form of Deed**

SPENCRAZI, L.L.C.
PARCEL B LAND AND IMPROVEMENTS LEASE

THIS SPENCRAZI, L.L.C. PARCEL B LAND AND IMPROVEMENTS LEASE (“**Lease**”) is made and entered into as of the ____ day of _____, 202__ (“**Execution Date**”) by and between the CITY OF YUMA, an Arizona municipal corporation (“**Landlord**” or “**City**”), and SPENCRAZI, L.L.C., an Arizona limited liability company, (“**Tenant**”). The Landlord and Tenant are sometimes referred to herein collectively as the “**Parties**” or individually as a “**Party**”.

RECITALS

- A. The City of Yuma and The Spencer Companies, d/b/a Hardknocks, LLLP, an Arizona limited liability limited partnership (“**Hardknocks**”), previously entered into that certain Real Property Sale, Option, and Development Agreement dated January 23, 2023, and recorded as Document No. 2023-01843 in the Official Records of the Yuma County, Arizona at (the “**Development Agreement**”). Hardknocks assigned its rights under the Development Agreement to Tenant pursuant to that certain Memorandum of Assignment dated January 25, 2023, and recorded as Document No. 2023-01813 in the Official Records of Yuma County, Arizona. The Development Agreement, in part, authorizes the Parties to enter into this Lease. Capitalized terms in this Lease which are not defined herein shall have the same meanings as set forth in the Development Agreement; capitalized terms in this Lease which are defined herein shall prevail over any conflicting definitions in the Development Agreement.
- B. Tenant previously held fee title to the land described in **Exhibit A** hereto (the “**Land**”) and entered into that certain Ground Lease Agreement with Bubba’s Holdings LLC, a Kentucky limited liability company (“**Bubba’s Holdings**”), as successor-in-interest to Texas Roadhouse, Inc., a Delaware corporation, dated April 8, 2024, as amended by the First Amendment to Lease Agreement dated September 23, 2024 and the Second Amendment to Lease Agreement dated February 10, 2025, and as evidenced by that certain Memorandum of Lease dated March 3, 2025 and recorded in the official records of Yuma County, Arizona as Document No. 2025-07425 (collectively, the “**Ground Lease**”).
- C. The Ground Lease requires Bubba’s Holdings to construct a building and other improvements, along with fixtures, furnishings and equipment therein consistent with the Development Agreement (the “**Improvements**”) which, together with the Land and all rights and privileges appurtenant thereto and all future additions thereto or alterations and replacements thereof, are collectively referred to herein as the “**Premises**”).
- D. Tenant has conveyed the Premises to the Landlord by special warranty deed (but reserving unto Tenant all right, title, interest in and to the Ground Lease), and Landlord has agreed to lease the Premises to the Tenant pursuant to this Lease and consents to the Ground Lease, which shall henceforth be converted to a sublease between Tenant, as Sublessor, and Bubba’s Holdings, as Sublessee. For purposes of this Lease, however, such sublease shall continue to be referred to as “Ground Lease” for convenience.

- E. The Premises are located in a single central business district in a redevelopment area established pursuant to Title 36, Chapter 12, Article 3, of the Arizona Revised Statutes (“**A.R.S.**”). The construction of the Improvements will result in an increase in the property value of the Premises of at least one hundred percent (100%).
- F. Pursuant to A.R.S. § 42-6206, notice is hereby given that the Premises will be subject to the government property lease excise tax under A.R.S. § 42-6201 through § 42-6210 (the “**GPLET**”). Landlord has or will abate the GPLET for the period beginning upon the issuance of the certificate of occupancy on those Improvements defined by A.R.S. § 42-6201 as a government property improvement and ending eight (8) years thereafter, as provided in A.R.S. §42-6210. But for the abatement, Tenant would not have agreed to cause the Improvements to be constructed.

AGREEMENT

IN CONSIDERATION of the mutual promises and covenants contained herein, and of other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant agree as follows:

ARTICLE 1 LEASE OF PREMISES

1.1 Lease. In consideration of the covenants of Tenant contained in this Lease, Landlord leases the Premises to Tenant, and Tenant leases the Premises from Landlord, effective as of the Commencement Date set forth in Section 2.1, in an “**AS IS**” “**WHERE IS**” condition and subject to: (a) current taxes and assessments, reservations in patents, all rights-of-way, easements, liens, encumbrances, covenants, conditions, restrictions, obligations, and liabilities of record as of the date hereof; (b) Bubba’s Holdings rights under the Ground Lease and the Leasehold Mortgage; (c) all matters which a current accurate survey or physical inspection of the Premises would disclose; and (d) all federal, state, county and local laws (statutory and common law) ordinances, rules, regulations, permit requirements, development fees (in accordance with A.R.S. § 9-463.05), and other requirements and official policies of the City, now or hereafter in effect, provided any such new laws (statutory and common law) ordinances, rules, regulations, permit requirements, development fees (in accordance with A.R.S. § 9-463.05), and other requirements and official policies shall be of general applicability (“**Applicable Laws**”).

1.2 Premises. The Premises are described in Recital C above.

1.3 Tenant’s Inspection of the Premises. Tenant has inspected and investigated the Premises to Tenant’s complete satisfaction, observed its physical characteristics and existing conditions, the operations thereon and on adjacent areas, and Tenant hereby waives any and all objections to, complaints about, or claims regarding the Premises and its physical characteristics and existing conditions, including, without limitation, subsurface soil and water conditions and solid and hazardous waste and any Hazardous Substance on, under or adjacent to the Premises. Tenant further hereby assumes the risk of changes in Applicable Laws and regulations relating to past, present and future environmental conditions on the Premises and the risk that adverse

physical characteristics and conditions, including, without limitation, the presence of any Hazardous Substance or other contaminants that may not have been revealed by its investigation. Landlord is hereby released from all responsibility and liability regarding the operation, condition (including the presence in the soil, air, structures, and surface and subsurface waters, of materials or substances that have been or may in the future be determined to be toxic, hazardous, undesirable or subject to regulation and that may need to be specially treated, handled and/or removed from the Premises under current or future federal, state and local laws and regulations), valuation or utility of the Premises, or its suitability for any purpose whatsoever. Tenant expressly acknowledges that Tenant has not relied on any warranties, promises, understandings or representations, express or implied, oral or written, of Landlord or of any agent of Landlord, relating to the Premises, except as specifically set forth in this Lease.

1.4 Quiet Enjoyment. Landlord covenants that so long as Tenant shall perform the obligations of Tenant contained in this Lease and shall not be in default in the performance of any of such obligations, Landlord shall not take any action, or fail to take any action, that would deny Tenant and its subtenants, licensees, successors and assigns the right to freely, peaceably, and quietly have, hold and enjoy full and exclusive use and enjoyment of the Premises.

ARTICLE 2 TERM

2.1 Commencement Date and Term. The term of this Lease (the “**Term**” or “**Lease Term**”) shall be for a period of eight (8) years, commencing on the later to occur of the date on which, (i) the Certificate of Occupancy for those Improvements referenced in Recital F above was issued by the City; and (ii) fee title to the Premises is conveyed from Spencrazi, L.L.C., to the City (the “**Commencement Date**”), and ending at midnight on the eighth (8th) anniversary of the Commencement Date, subject to the terms and conditions set forth in this Lease which may permit or provide for an earlier termination. However, and notwithstanding anything to the contrary herein, Tenant shall not be obligated to pay any Rent or perform any of its other obligations under this Lease until the Commencement Date of this Lease.

2.2 Option to Terminate. If no Event of Default under this Lease exists at the time, at any time during the Term of this Lease, it shall be the option of both the Tenant and the Landlord to terminate this Lease, subject to the continuance of the Ground Lease and the Leasehold Mortgagee protections provided in Article 14 herein, effective upon thirty (30) days after written notice of such termination.

2.3 Termination and Reconveyance. Upon the end of the Lease Term or any other termination of this Lease, this Lease shall terminate, and fee title to the Premises shall be promptly, but in no case more than sixty (60) days, reconveyed (the “**Reconveyance**”) by the City to Spencrazi, L.L.C., or its permitted successors or assigns, at the time of termination, pursuant to a special warranty deed executed and delivered by the City similar to the form of Exhibit D hereto.

ARTICLE 3 RENT

The consideration for this Lease includes, without limitation, the following payments by Tenant to Landlord (collectively, the “**Rent**”):

3.1 Annual Rental. Tenant shall pay to Landlord as annual rental for the Premises the sum of One Dollar (\$1) (the “**Annual Rent**”) on the Commencement Date and on each consecutive anniversary thereof. The Landlord accepts and acknowledges the receipt of prepayment of the Rent for the Term of this Lease.

3.2 Additional Rent. Upon ten (10) days prior written notice to Tenant, Landlord may pay any sum or do any act which Tenant has failed to do (however, Landlord shall have no obligation to do so), and Tenant agrees to pay Landlord, upon demand, all sums so expended by Landlord, together with interest at a rate (the “**Default Rate**”) equal to four (4) percentage points added to the prime lending rate of JP Morgan Chase Bank, N.A. or its successor bank, as it varies from time to time. In addition to Annual Rent, such sums expended by Landlord, interest thereon and all other payments to be made by Tenant under this Lease shall be deemed “**Additional Rent**” and shall be due and payable within ten (10) days after notice thereof to Tenant if no other time for payment is specified.

ARTICLE 4 UTILITIES

In addition to the Rent and other payments herein provided, Tenant during the Term of this Lease shall pay, prior to delinquency, for all water, gas, light, power, telephone, telecommunications, cabling, sewage, refrigeration, air conditioning, heat and ventilation, janitorial and all other materials and utilities used in connection with or supplied to the Premises. To the extent not already installed, Tenant at its cost and expense shall be obligated for all utility connections, disconnections and security deposit charges applicable to the Premises. Landlord shall not be liable for, and Tenant shall not be entitled to any other relief, by reason of the unavailability, limited availability, or interruption of any utilities and services.

ARTICLE 5 TAXES AND ASSESSMENTS

5.1 Payment of Taxes and Assessments. Subject to the GPLET Abatement provisions of this Lease, Tenant shall pay, prior to delinquency: (a) all real property taxes, personal property taxes, GPLET and other taxes, assessments, levies, fees, fines, penalties and all other governmental charges, general and special, ordinary and extraordinary, foreseen and unforeseen, which now or hereafter under existing or future Applicable Laws are imposed or levied upon, measured by or assessed during the Lease Term against (i) the Premises, (ii) any Annual Rent, or any Additional Rent or other sum payable by Tenant hereunder or (iii) this Lease, the leasehold estate hereby created or which arises in respect of the operation, possession or use of the Premises; and (b) all sales, transaction privilege, gross receipts or similar taxes imposed or levied upon, assessed against or measured by any Annual Rent, or other amounts payable to Landlord hereunder, but not income taxes (collectively, the “**Taxes**”). If Tenant fails to pay any Taxes before they become delinquent, Landlord, after notice to Tenant, may pay such delinquent Taxes, and all expenditures and costs incurred thereby shall be payable as Additional Rent hereunder within ten (10) days after such notice to Tenant. Tenant will furnish to Landlord, promptly after demand therefor, proof of

payment of all Taxes payable by Tenant. Tenant may pay such Taxes in installments if legally permitted to do so.

5.2 GPLET. Pursuant to A.R.S. § 42-6206, and in addition to the notice of the GPLET given in Recital F above, any failure by Tenant to pay the GPLET after notice and an opportunity to cure as set forth in Section 15.1(b) of this Lease is an Event of Default that could result in Reconveyance and the divesting Tenant of any leasehold interest in the Premises for the government property improvement.

5.3 Prorations. All Taxes due and payable in the first and last years of the Term hereof shall be prorated so that Tenant is obligated only for those Taxes accruing or due during the Lease Term.

5.4 Privilege of Contesting. Upon at least ten (10) days prior written notice to Landlord and Tenant furnishing to Landlord such bonds or other security in such form and by such issuers as reasonably approved by Landlord in an amount equal to one hundred fifty percent (150%) of the amount of Taxes being contested, Tenant shall have the right to protest, contest, object to or oppose the legality or amount of any such Taxes to be paid by Tenant hereunder. In the event of any such contest, Tenant may defer payment of any such Taxes so long as the legality or the amount thereof is being so contested, diligently and in good faith; provided, however, that if at any time payment of the whole or any part thereof shall become necessary in order to prevent the termination by sale or otherwise of the right of redemption of any property affected thereby or to prevent physical eviction of either Landlord or Tenant because of nonpayment thereof, Tenant shall pay the same in order to prevent such termination of the right of redemption or such eviction. Any such contest shall be at the sole cost and expense of Tenant and Tenant shall pay any costs or expenses incurred by Landlord as a result of any such contest. Each refund of any Taxes so contested shall be paid to Tenant, and Landlord shall not, without prior approval of Tenant, make or enter into or finally agree to any settlement, compromise or any deposition of any contest or discontinue or withdraw any contest or accept any refund, other adjustment or credit of or from any such Taxes as a result of any contest. If there are any refunds of the Taxes at the beginning or end of the Lease Term, the amounts will be prorated between Landlord and Tenant on the basis set forth in Section 5.3. Any and all penalties and interest that become due as a result of any such contest shall be paid by Tenant.

ARTICLE 6 USES; LEGAL AND ENVIRONMENTAL COMPLIANCE

6.1 Permitted Uses. Tenant shall use, occupy, and/or sublet the Premises only for the following uses and purposes and no other without the prior written consent of Landlord which consent shall not be unreasonably withheld, conditioned or delayed provided such use is consistent with the Development Agreement and Applicable Laws:

(a) for the construction, installation, furnishing, maintenance, repair, reconstruction, replacement, alteration and operation, in strict conformity with this Lease, the Development Agreement and Applicable Laws, of Improvements which use includes the development and operation of an approximately 7,575 square foot Bubba's 33 restaurant and sports bar, together with appurtenant asphalt or concrete

paving, landscaping, sidewalks and all necessary and appurtenant structures, machinery and equipment, all as more particularly described in the Site Plan approved by Landlord (the “**Bubba’s Holdings Development**”); and

(b) for construction, erection, maintenance, repair, reconstruction, replacement, alteration and operation of parking spaces in sufficient numbers to provide adequate parking, as may be approved by Landlord, for the uses to be developed and operated on the Premises.

6.2 Continuous Operation. After the issuance of a Certificate of Occupancy for the Improvements or any portion thereof, Tenant shall continuously operate and use (or cause to be operated and used) the Premises and all Improvements for which such Certificate(s) of Occupancy were issued, or such much thereof as may be sublet to third parties on terms acceptable to Tenant, for the operational purposes specified above, during all usual business hours and on all such days as similar businesses are operated in the same market area in which the Premises are located, except to the extent that Tenant is unable to operate or use (or cause to be operated and used) the Premises, or such much thereof as may be sublet to third parties on terms acceptable to Tenant, for reasons beyond the reasonable control of Tenant, such as during periods of damage or destruction.

6.3 Legal Compliance; Nuisance; Waste. Tenant shall fully comply with all Applicable Laws of all governmental authorities having jurisdiction over Premises, or any part thereof. Tenant shall pay all costs, expenses, liabilities, losses, fines, penalties, claims and demands including, without limitation, attorneys’ fees that may in any way arise out of or be imposed because of the failure of Tenant to comply with such Applicable Laws. Tenant shall not conduct or permit to be conducted any public or private nuisance on or from the Premises. Tenant shall not permit or commit any waste of the Premises.

6.4 Hazardous Substances.

(a) **Definitions.** As used herein, the term “**Hazardous Substance**” means any hazardous or toxic substance, material, or waste which is or becomes regulated by any federal, state or local governmental authority, including, without limitation, (i) any substance, chemical or waste that is or shall be listed or defined as hazardous, toxic or dangerous under Applicable Environmental Law, (ii) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any federal, state or local governmental authority pursuant to any environmental, health and safety or similar law, code, ordinance, rule, regulation, order or decree and which may or could pose a hazard to the health and safety of occupants or users of the Premises or any part thereof, any adjoining property or cause damage to the environment, (iii) any petroleum products, (iv) PCB’s, i.e. polychlorinated biphenyl (v) leaded paint, and (vi) asbestos. As used in this Lease, the term “**Applicable Environmental Law**” shall mean the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601 *et seq.*, the Resources Conservation Recovery Act, 42 U.S.C. §§ 6901 *et seq.*, the Federal Water Pollution Control Act, 33 U.S.C. §§ 1251 *et seq.*, the Clean Air Act, 42 U.S.C. §§ 7401 *et seq.*, the Hazardous Materials Transportation Act, 49 U.S.C. §§ 1801 *et seq.*, the Toxic Substances Control Act, 15 U.S.C. §§ 2601 *et seq.*, and the Safe Drinking Water Act, 42

U.S.C. §§ 300f through 300j-26, as such Acts have been or are hereafter amended from time to time; any so called Superfund or superlien law; and any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, relating to or imposing liability or standards of conduct concerning hazardous, toxic or dangerous waste, substance or material as now or any time hereafter in effect.

(b) **Restrictions on Hazardous Substances; Remedial Work.** Tenant shall not cause or knowingly permit any Hazardous Substance to be brought, kept or used in or about the Premises by Tenant, its members, managers, officers, directors, owners, agents, employees, subtenants, assignees, vendors, suppliers, contractors, subcontractors, invitees or concessionaires (“**Tenant’s Personnel**”) except in commercial quantities not in violation of Applicable Environmental Law and similar to those quantities usually kept on similar premises by others in the same businesses. Tenant shall store, use and dispose (and shall cause Tenant’s Personnel to store, use and dispose) of any Hazardous Substance in compliance with all Applicable Laws, including, without limitation, Applicable Environmental Law. If the presence of any Hazardous Substance on, in or under the Premises caused or permitted by Tenant or Tenant’s Personnel results in any contamination of the Premises, Tenant shall promptly take all actions, at its sole expense, as are necessary to return the affected area to the condition existing prior to the introduction of any such Hazardous Substance, including, without limitation, any investigation or monitoring of site conditions or any clean up, remediation, response, removal, encapsulation, containment or restoration work required because of the presence of any such Hazardous Substance on, in or under the Premises or any release or suspected release or threat of release of any such Hazardous Substance in the air, soil, surface water or ground water (collectively, “**Tenant’s Remedial Work**”). Tenant shall obtain all necessary licenses, manifests, permits and approvals to perform Tenant’s Remedial Work. Tenant shall promptly perform all of Tenant’s Remedial Work and the disposal of all waste generated by Tenant’s Remedial Work in accordance with all Applicable Environmental Law.

(c) **Compliance with Applicable Environmental Law.** Without limiting the generality of the foregoing or any other provision of this Lease, Tenant shall be solely and completely responsible for insuring that the Premises and all activities thereon (including activities of Tenant and Tenant’s Personnel) comply fully with Applicable Environmental Law and for responding to, defending against and/or complying with any administrative order, request or demand relating to potential or actual contamination on the Premises, or third party claims (including the claims of current or future subtenants in the Premises, or other tenants or subtenants in parcels adjoining or near the Premises) for Tenant’s Remedial Work or for the costs of any such remedial work or for the costs of any such Tenant’s Remedial Work which any third-party claimant has undertaken, whether such order, request, demand or claim names Landlord, Tenant or both, or refers to the Premises in any way. Tenant’s responsibility under this Section includes but is not limited to promptly responding to such order, requests, demands and claims on behalf of Landlord and defending against any assertion of Landlord’s financial responsibility or duty to perform thereunder.

(d) **Indemnification of Landlord.** Tenant shall indemnify, save harmless and defend Landlord, its council members, officers, officials, employees, agents, successors

and assigns (collectively with Landlord, the “**Landlord Indemnitees**”) for, from and against any and all claims (including, without limitation, third party claims for personal injury or real or personal property damage), actions, administrative proceedings (including informal proceedings), judgments, damages, punitive damages, penalties, fines, costs, liabilities, interest or losses (including, without limitation, diminution in value of the Premises and the Improvements to the Premises, damages for the loss or restriction on use of rentable space or of any amenity in the Improvements to the Premises, damages arising from any adverse impact on marketing of space in the Improvements to the Premises, and sums paid in settlement of claims, attorney’s fees, consultant fees, expert fees and any fees and expenses incurred in enforcing this indemnity) incurred by, sought from or asserted directly or indirectly against any Landlord Indemnitees during or after the Term of this Lease as a result of the presence of any Hazardous Substance on, in or under the Premises or any release of any Hazardous Substance into the air, soil, surface water or ground water, which Hazardous Substance was brought, kept or used in or about the Premises by Tenant or Tenant’s Personnel, or as a result of a breach by Tenant of its obligations under this Section 6.4. Tenant shall promptly provide Landlord copies of all communications, filings or other writings, photographs or materials given to or received from any person, entity or agency in connection with any cleanup or Tenant’s Remedial Work conducted by Tenant, and shall notify Landlord of, and permit Landlord’s representative to attend, any meetings or oral communications relating thereto.

(e) **Survival**. The forgoing obligations and indemnities set forth in this Section 6.4 shall survive the termination or expiration of this Lease.

ARTICLE 7

DEVELOPMENT OF THE PREMISES AND CONSTRUCTION OF IMPROVEMENTS; TRADE FIXTURES

7.1 Development. The planning and development of the Premises and Improvements has been or will be achieved pursuant to the applicable provisions of the Development Agreement and Landlord’s normal review and construction inspection process.

7.2 Alterations. In addition to the initial Improvements pursuant to Section 7.1 above, Tenant at its sole cost and expense may make, or permit to be made, additions and alterations to the Improvements now or hereafter located on the Premises, provided that (a) all such additions and alterations shall be constructed of new, high quality materials in a workmanlike manner, and shall not weaken or impair the structural strength or materially decrease the value of any existing Improvements; (b) all such additions and alterations shall comply with Applicable Laws, including without limitation obtaining all required permits and approvals of such construction from the governmental authorities and utilities having jurisdiction thereof; and (c) Tenant has complied with the provisions of Section 7.3 with respect thereto.

7.3 Plans and Specifications; Contractors. All construction work on the Premises, and all Major Alterations and additions thereto, shall be done in compliance with and pursuant to detailed plans, drawings and specifications first approved in writing by Landlord, such approval not to be unreasonably withheld or delayed and to be presumed given if written notice of disapproval is not given within fifteen (15) Business Days of Landlord’s receipt of a request for

approval (“**Business Days**” hereby defined to mean calendar days other than Fridays, Saturdays, Sundays and legal holidays observed by the City of Yuma), and by duly licensed and reputable contractors. Any modifications to any such Major Alteration plans, drawings and specifications shall also require the prior written approval of Landlord, such approval not to be unreasonably withheld or delayed and to be presumed given if written notice of disapproval is not given within fifteen (15) Business Days of Landlord’s receipt of a request for approval. As used herein, “**Major Alterations**” means Alterations involving any modifications to the structural, mechanical, electrical, plumbing, fire/life safety or heating, ventilation and air conditioning systems of the Building.

7.4 Ownership of Improvements. In addition to the Landlord’s Ownership of the Premises, all Improvements, and all alterations and additions thereto, constructed or to be constructed by or on behalf of Tenant are hereby conveyed to and shall remain the property of Landlord during the Term of this Lease, subject to any Leasehold Mortgage. Upon the expiration of this Lease, all such Improvements, and all alterations and additions thereto, shall be reconveyed and become the property of Tenant. This Section excludes Trade Fixtures and Personal Property (as defined in Section 18.1).

7.5 Mechanics’ Liens.

(a) **Tenant Not Agent of Landlord.** Notice is hereby given that Tenant is not the agent of Landlord for the construction, alteration or repair of any Improvements, the same being done at the sole direction and expense of Tenant. All contractors, materialmen, mechanics, and laborers are hereby charged with notice that they must look only to Tenant for the payment of any charge for work done or material furnished on the Premises during the Lease Term. Tenant shall have no right, authority or power to bind Landlord or any interest of Landlord for the payment of any claim for labor or material, or for any charge or expense, incurred by Tenant as to Improvements, additions, alterations or repairs on or to the Premises, and Tenant shall post notices on the Premises during all construction work of any nature whatsoever that Landlord is not responsible for any material and labor used on the Premises.

(b) **Landlord’s Protection.** Tenant shall not suffer or permit to be enforced against the Premises, or any part thereof, and shall indemnify, defend and hold Landlord and the Premises harmless for, from, and against (i) any mechanics’, materialman’s, contractor’s or subcontractor’s liens arising from, and (ii) any claim for damage arising from, the work or any construction, repair, restoration, replacement, or improvement done by or on behalf of Tenant. Tenant shall pay or cause to be paid all of such liens, claims, or demands before any action is brought to enforce the same against the Premises. If Tenant shall in good faith contest the validity of any such lien, claim, or demand, then Tenant shall, at its expense, defend itself and Landlord against the same and shall pay and satisfy any adverse judgment that may be rendered thereon prior to execution thereof and in the event of any such contest Tenant shall at the request of Landlord provide such security and take such steps as required by A.R.S. §33-1003 or other Applicable Laws to release the Premises from the effect of such lien.

7.6 Easements; Restrictive Covenants. In connection with the further development of the Premises, Landlord agrees to:

(a) **Easements.** Join with Tenant in granting to public utilities or public service corporations, for the purpose of serving only the Premises, reasonable easements on, under, or over the Premises for telephone, electricity, water, cable, sanitary or storm sewers or both, drainage facilities, and for other utilities; and

(b) **CC&Rs.** Consent to or join with Tenant in granting or otherwise subjecting portions of the Premises to such covenants, conditions, restrictions and reciprocal easements as are reasonably necessary or appropriate in connection with the further development of the Premises.

ARTICLE 8 REPAIRS AND MAINTENANCE

8.1 Obligations of Tenant. During the Lease Term, Tenant, at its sole cost and expense, shall keep and maintain (or cause to be kept and maintained) all of the Improvements now or hereafter located on the Premises, together with all additions and alterations thereto, and all fixtures and equipment therein, in good, attractive and safe condition and repair and shall make all necessary repairs, replacements and renewals, whether structural or non-structural, foreseen or unforeseen, ordinary or extraordinary, in order to maintain such state of repair and condition, it being understood and agreed that Landlord shall have no liability for any of the foregoing. Tenant's maintenance and repair obligations shall apply, without limitation, to the maintenance, repair and replacement of all buildings, heating, ventilation and air conditioning equipment, windows and plate glass, wiring, plumbing, roadways, driveways, parking areas, landscaping, sidewalks, fencing, lighting, retention ponds, drainage and utility facilities and other Improvements located on, in, or under the Premises. Tenant, at Tenant's expense, shall be responsible for all improvements, additions, alterations, maintenance, and repairs necessary or appropriate such that the Premises and all Improvements thereon are in substantial compliance with Applicable Laws. In addition, but notwithstanding anything contained in this Section 8.1 to the contrary (and subject to causes beyond Tenant's reasonable control which are described in Articles 10 and 11 hereof), Tenant shall cause the Improvements to be maintained in good repair and condition and in conformity with Applicable Laws. Tenant shall make or cause to be made such routine maintenance, repairs and minor alterations to the Premises as Tenant, from time to time, reasonably deems necessary. Tenant waives any provisions of Applicable Laws that may require any duty of repair by Landlord or permit Tenant to make repairs at the expense of Landlord.

ARTICLE 9 INDEMNITY AND INSURANCE

9.1 Indemnity. Tenant shall pay, defend, indemnify and hold harmless each and all Landlord Indemnitees from and against all claims, demands, fines, penalties, costs, expenses, damages, losses, obligations, judgments, liabilities, and suits (including attorneys' fees, experts' fees and court costs associated therewith) arising out of (a) any accident or other occurrence causing injury to or death of persons or damage to property by reason of construction or maintenance of any Improvements, of any additions, alterations or renovations thereto, or due to

the condition of the Premises or any Improvements thereon, or the use or neglect thereof by Tenant, Tenant's Personnel, or any other person, or otherwise occurring upon the Premises or any Improvements thereon, or (b) arising out of any failure of Tenant to comply with any of Tenant's obligations under this Lease; provided however, that the provisions of (a) and (b) of this Section 9.1 shall not apply to loss or damages or claims therefore which are attributable to acts or omissions of Landlord or any other Landlord Indemnitee, and their respective employees, contractors, subcontractors, agents or representatives, and Tenant shall have no defense obligations in any instance in which a claim is asserted based, in whole or in part, upon an act or omissions of Landlord, its employees, contractors, subcontractors, agents or representatives.

9.2 GPLET Release and Indemnity. Notwithstanding anything to the contrary in Section 9.1 or elsewhere in this Lease or the Development Agreement, Tenant shall defend, indemnify, release and hold harmless the City and its City Council members, officers, employees and agents from and against all claims, demands, fines, penalties, costs, expenses, damages, losses, liabilities and lawsuits or arbitration, mediation and other dispute resolution proceedings (including without limitation attorneys' fees, experts' fees and associated costs) which arise from or relate in any way to A.R.S. §§ 42-6201 through 42-6210 (the "**GPLET**"), regardless of any acts or omissions by the City or any other party, including without limitation (i) the repeal or amendment of the GPLET statutes as they exist on the Execution Date of this Lease; (ii) the failure of the GPLET Abatement for any cause; or (iii) the Premises not being located within the City's central business district or within a slum or blighted area pursuant to A.R.S. Title 36, Chapter 12, Article 3.

9.3 Liability, Etc. Insurance. Tenant shall, at all times during the Lease Term and at the sole cost and expense of Tenant, procure and maintain liability and other insurance in accordance with and in amounts and coverages set forth in Section 9.4 and on Exhibit B hereto.

9.4 Casualty Insurance. Tenant, at its sole cost and expense, shall obtain and continuously maintain in full force and effect during the Lease Term, policies of insurance covering the Improvements now or hereafter constructed, installed or located on the Premises naming the Landlord, as an additional insured, against (a) loss or damage by fire; (b) loss or damage from such other risks or hazards now or hereafter covered by a current ISO form "special causes of loss" (also known as "all-risk") policy (or similar policy providing comparable coverage), including, but not limited to, windstorm, hail, explosion, vandalism, riot and civil commotion, damage from vehicles, smoke damage, water damage and debris removal; (c) loss for flood, if required by Lender (as defined in the Development Agreement), if the Premises are in a designated flood or flood insurance area; (d) loss for damage by earthquake, if required by Lender, if the Premises are located in an earthquake-prone area; (e) loss from so-called explosion, collapse and underground hazards; (f) loss or damage covered by a customary policy of boiler and machinery insurance to the extent applicable to the Improvements; and (g) loss or damage from such other risks or hazards of a similar or dissimilar nature which are now or may hereafter be customarily insured against with respect to improvements similar in construction, design, general location, use and occupancy to the Improvements. Such insurance coverage at all times shall be in an amount equal to ninety percent (90%) of the then Full Replacement Cost of the Improvements. "**Full Replacement Cost**" means the cost of replacing the Improvements without deduction for depreciation or wear and tear, and shall include a reasonable sum for architectural, engineering, legal, administrative and supervisory fees connected with the restoration or

replacement of the Improvements in the event of damage thereto or destruction thereof. If a sprinkler system shall be located in any of the Improvements, sprinkler leakage insurance consistent with the foregoing general requirements shall be procured and continuously maintained by Tenant at Tenant's sole cost and expense. All such policies shall comply with the insurance requirements in Paragraphs D, E and F of Exhibit B hereto and shall provide that loss, if any, payable thereunder shall be payable to Tenant (or to the Leasehold Mortgagee, if required by the terms of any Leasehold Mortgage) to be held in trust and disbursed for the restoration and repair of the Premises pursuant to Section 10.3 or allocated between Landlord and Tenant after a termination of the Lease pursuant to Section 10.2, whichever is applicable.

9.5 Waiver of Subrogation and Release of Claims. Tenant, on behalf of Tenant and its insurers, waives, releases and discharges Landlord from all claims, actions, demands, liabilities, damages, costs, penalties, forfeitures, losses or expenses, including, without limitation, attorneys' fees and the costs and expenses of enforcing any indemnification, defense or hold harmless obligation under this Lease (collectively, "**Claims**"), arising out of personal injury or damage to or destruction of the Premises or Tenant's trade fixtures, other personal property or business, and any loss of use or business interruption, occasioned by any fire or other casualty or occurrence whatsoever (whether similar or dissimilar), regardless whether any of such Claims results from the negligence or fault of Landlord or otherwise, and Tenant will look only to Tenant's insurance coverage (regardless whether Tenant maintains any such coverage, regardless whether any such insurance covers such Claims and regardless of any self-insured retention maintained by Tenant) in the event of any such Claims. Tenant's Trade Fixtures and Personal Property and all other property in Tenant's care, custody or control, is located within the Premises at Tenant's sole risk, and Landlord is not liable for any damage to or for any theft, misappropriation or loss of such Trade Fixtures and Personal Property. Tenant is solely responsible for providing such insurance as may be required to protect Tenant and Tenant's Personnel against any injury, loss, or damage to persons or property occurring within the Premises, including, without limitation, any loss of business or profits from any casualty or other occurrence within the Premises.

9.6 Conflict. If any of the foregoing provisions of this Article 9 conflict with the Development Agreement, the provisions of this Article 9 shall prevail.

9.7 Survival. The foregoing provisions of this Article 9 shall survive the expiration or termination of this Lease for a period equal to the applicable statute of limitations period.

ARTICLE 10 DAMAGE AND DESTRUCTION

10.1 Damage or Destruction. Subject to the provisions of Sections 10.2 and 10.3, if any Improvements are damaged or destroyed during the Lease Term by fire, earthquake, flood or any other casualty covered or required to be covered by a policy of insurance to be maintained pursuant to Article 9, Tenant shall repair and/or rebuild, and or cause to be repaired and/or rebuilt, the same (a "**Restoration**") so that the repaired or rebuilt Improvements shall have at least the same values as such Improvements immediately prior to such damage or destruction, such construction to be undertaken and completed in accordance with the requirements of Article 7. In no event whatsoever shall Landlord be required to repair, replace, or restore any Improvements as a result of any such damage or destruction. No damage to or destruction of Improvements shall

effect an abatement or reduction in Rent or, except as provided in Section 10.2, a termination of this Lease, and Tenant waives any provisions of Applicable Laws that may be to the contrary.

10.2 Lease Termination by Tenant. If the Improvements are damaged or destroyed (a) at any time during the Term of this Lease by fire or other casualty covered or required to be covered by a policy of insurance to be maintained pursuant to Article 9 and the cost of repairing or rebuilding such Improvements exceeds twenty percent (20%) of the full replacement value thereof; or (b) at any time during the Term of this Lease by casualties not covered or required to be covered by a policy of insurance to be maintained pursuant to Article 9 and the cost of repairing or rebuilding such Improvements exceeds twenty-five percent (25%) of the full replacement value thereof, Tenant, by giving written notice to Landlord within sixty (60) days after the occurrence of such damage or destruction and by removing, if requested by Landlord and approved by any permitted Leasehold Mortgagee, any damaged or destroyed Improvements and leveling and grading that portion of the Premises underlying such removed Improvements, may elect to terminate this Lease. Also, if a Restoration of any damaged or destroyed Improvements shall not occur by reason of any Leasehold Mortgagee applying the insurance monies to the repayment of any amounts due under its Leasehold Mortgage as permitted by Section 10.3 below, either party, by giving written notice to the other, may elect to terminate this Lease with respect to that portion of the Premises underlying such damaged or destroyed Improvements, as well as the parking or common area therefor. Notwithstanding anything contained in this Lease to the contrary, in the event of a termination of the Lease pursuant to this Section 10.2, the balance of any insurance monies payable by reason of any damage or destruction shall be paid for the full cost to remove the damaged or destroyed Improvements and to level and grade that portion of the Premises underlying such removed Improvements, with the balance thereof to be disbursed to the permitted Leasehold Mortgagee(s) and applied to the repayment of its or their Leasehold Mortgage(s).

10.3 Application of Insurance Proceeds. All insurance monies on account of such damage or destruction, less the costs, if any, of such recovery, shall be disbursed to the permitted Leasehold Mortgagee(s) and, in the sole and absolute discretion of any permitted Leasehold Mortgagee(s), applied either to the cost of Restoration or to the repayment of any amounts due under the Leasehold Mortgage(s); provided, however, that if any Leasehold Mortgagee applies such insurance monies to the repayment of its Leasehold Mortgage, that portion of such insurance monies required to pay the full cost to remove the damaged or destroyed Improvements and to level and grade the portion of the Premises underlying such removed Improvements shall be excluded from the repayment of amounts due under the Leasehold Mortgage(s) and, instead, shall be paid for the full cost of removing the damaged or destroyed Improvements and leveling and grading the portion of the Premises underlying such removed Improvements. To the extent that a Leasehold Mortgagee elects to allow the insurance monies to be utilized for the Restoration, such insurance monies shall be applied to the payment of the costs of the Restoration and shall be paid out from time to time as the Restoration progresses upon the written request of Tenant (such written request to be made to Landlord and the insurer or, if the Leasehold Mortgagee requires such insurance proceeds to be held by the Leasehold Mortgagee, to Landlord, the Leasehold Mortgagee, and the insurer), accompanied by a certificate of the architect or a qualified professional engineer in charge of the Restoration stating that as of the date of such certificate (a) the sum requested is justly due to the contractors, subcontractors, materialmen, laborers, engineers, architects or persons, firms or corporations furnishing or supplying work, labor, services or materials for such Restoration, or is justly required to reimburse Tenant for any expenditures made by Tenant in

connection with such Restoration, and when added to all sums previously paid out by Landlord does not exceed the value of the Restoration performed to the date of such certificate by all of said parties; (b) except for the amount, if any, stated in such certificate to be due for work, labor, services or materials, there is no outstanding indebtedness known to the person signing such certificate, after due inquiry, which is then due for work, labor, services or materials in connection with such Restoration, which, if unpaid, might become the basis of a mechanic's lien or similar lien with respect to the Restoration or a lien upon the Premises, or any portion thereof; and (c) the costs, as estimated by the person signing such certificate, of the completion of the Restoration required to be done subsequent to the date of such certificate in order to complete the Restoration do not exceed the sum of the remaining insurance monies, plus the amount deposited by Tenant, if any, remaining in the hands of Landlord (or, if the Leasehold Mortgagee requires such insurance proceeds to be held by the Leasehold Mortgagee, in the hands of the Leasehold Mortgagee) after payment of the sum requested in such certificate. Landlord (or the Leasehold Mortgagee, if applicable) and Tenant shall not be required to pay out any insurance monies where Tenant fails to supply satisfactory evidence of the payment of work, labor, services or materials performed, furnished or supplied, as aforesaid. Upon completion of the Restoration and payment in full thereof by Tenant, Tenant shall be entitled to receive any insurance monies or other monies then remaining upon submission of proof reasonably satisfactory to Landlord that the Restoration has been paid for in full and the damaged or destroyed Improvements repaired, restored or rebuilt as nearly as possible to the condition there were in immediately prior to such damage or destruction, or with such additions or alterations as may be made in accordance with Section 7.2 above.

ARTICLE 11 CONDEMNATION

11.1 Entire or Substantial Condemnation. If all or Substantially all of the Premises shall be lawfully taken by condemnation or other eminent domain proceedings pursuant to any Applicable Laws, general or special, this Lease shall terminate on the date of such taking. All Rent required to be paid by Tenant under this Lease shall be paid up to the date of such termination and upon such termination this Lease shall be of no further force and effect, except that any obligation or liability of either Party, actual or contingent, under this Lease which has accrued on or prior to such termination date shall survive and any prepayment of Rent shall be prorated between the Parties. For purposes of this Section "**Substantially All of the Premises**" shall mean such portion of the Premises as, when so taken, would leave remaining a balance of the Premises which, due either to the area so taken or the location of the part so taken in relation to the part not so taken, would not under economic conditions, applicable zoning laws and building regulations then existing or prevailing, reasonably accommodate Tenant's business as conducted at the date of such taking. Tenant, in cooperation with Landlord, shall have the right to participate in any condemnation proceedings and be represented by legal counsel for the purpose of protecting its interests hereunder.

11.2 Continuation of Lease. In the event of a taking of less than all or Substantially All of the Premises, this Lease shall continue in effect with respect to the portion of the Premises not so taken, and Tenant at its expense, to the extent Tenant has received the award for the taking, shall proceed with reasonable diligence with restoring the remaining parts of the Premises, subject to Section 7.2, to substantially the condition existing immediately prior to the date of taking to the extent that the same may be feasible to constitute a complete and tenantable Premises.

11.3 Award. Except for a partial taking that does not result in a termination of this Lease, the Tenant shall receive the entire award. In the case of a partial taking which does not result in a termination of this Lease, and, provided no Default shall have occurred and be continuing, such award shall be paid in the same manner as insurance proceeds are paid pursuant to Section 10.3 for the cost of restoring the Premises pursuant to Section 11.2 hereof. Nothing herein contained shall prohibit Tenant from making a separate claim, to the extent permitted by Applicable Laws, for the value of Tenant's relocation expenses, Trade Fixtures and Personal Property.

11.4 Notice of Condemnation. In the event any action is filed to condemn the Premises or any part thereof by any public or quasi-public authority under the power of eminent domain, or in the event that action is threatened or any public or quasi-public authority communicates to Landlord or Tenant its desire to acquire the Premises or any part thereof by a voluntary conveyance or transfer in lieu of condemnation, either Landlord or Tenant shall give prompt notice thereof to the other Party and each shall have the right, at its own cost and expense, to represent its respective interest in each proceeding, negotiation or settlement with respect to any taking or threatened taking. No agreement, settlement, conveyance or transfer to or with the condemning authority affecting the Premises shall be made without the prior written approval of both Landlord and Tenant.

ARTICLE 12 NET LEASE

This Lease shall be interpreted and construed as an absolute net lease, and it is the express intent and agreement of Landlord and Tenant that (a) the obligations of Landlord and Tenant hereunder shall be separate and independent covenants and agreements and the Rent and all other charges payable by Tenant hereunder shall be payable in all events without abatement, deduction, diminution, deferment, suspension, reduction or setoff whatsoever, unless this Lease shall be terminated pursuant to Section 2.2 or Articles 10 or 11 hereof; (b) all costs or expenses of whatever character or kind, general or special, ordinary or extraordinary, foreseen or unforeseen, and of every kind and nature whatsoever that may be necessary, appropriate or required in and about the Premises or any part thereof, or in connection with Tenant's possession or authorized use thereof during the Term of this Lease, shall be paid by Tenant; (c) the Rent shall be absolutely net to Landlord; (d) all Taxes, insurance premiums, utility expenses, repair and maintenance expense, and all other costs, fees, interest, charges, expenses, reimbursement and obligations of every kind and nature whatsoever relating to the Premises, or any portion thereof, which may arise or become due during the Term of this Lease, or any extension or renewal thereof, shall be paid or discharged by Tenant as Additional Rent; and (e) Tenant shall indemnify, defend and save Landlord harmless from and against such costs, fees, charges, expenses, reimbursements and obligations, any interest thereon. Except as otherwise expressly provided in Articles 10 and 11 hereof, this Lease and the rights of Landlord and the obligations of Tenant hereunder shall not be affected by any event or for any reason, including without limitation: (i) any damage to or theft, loss or destruction of any of the Premises by fire, flood, earthquake or other casualty, (ii) any condemnation, (iii) any default on the part of Landlord hereunder, (iv) any latent or other defect in any of the Premises, (v) the bankruptcy, insolvency, reorganization, composition, readjustment, liquidation, dissolution or winding-up of, or other proceeding, affecting either of the Parties, (vi) the exercise of any remedy, including without limitation foreclosure, under any Leasehold Mortgage, collateral assignment or

other encumbrance, (vii) any action with respect to this Lease (including the disaffirmance hereof) which may be taken by any trustee, receiver or liquidator of either of the Parties or any court under the Federal bankruptcy laws or otherwise, (viii) any interference with Tenant's use of the Premises, (ix) market or economic changes or (x) any other cause, whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding. Landlord shall have no responsibility, obligation or liability under this Lease whatsoever with respect to disruption or unavailability of gas, heat, water, light, power, telephone, telecommunications, cabling, sewage, and any other utilities or services for or to the Premises; maintenance, repair or Restoration of the Premises; or any other cost, expense, duty, obligation, service or function whatsoever related to the Premises.

ARTICLE 13 ASSIGNMENT

13.1 Restrictions on Transfer. Except as permitted in Section 13.3 below, or in Article 14 hereof, Tenant shall not assign, mortgage, pledge, or otherwise encumber this Lease, or any interest therein, or in any manner assign, mortgage, pledge, or otherwise encumber its interest or estate in the Premises, or any portion thereof (each of which are herein referred to sometimes as a “**Transfer**”), without obtaining Landlord's prior written consent in each and every instance, such consent not to be unreasonably withheld, conditioned or delayed. Tenant's request for Landlord's consent to a Transfer must describe in detail the parties and portion of the Premises involved in the proposed Transfer. If Landlord consents to a Transfer, the following terms and conditions shall apply:

(a) Any assignment of this Lease shall transfer to the assignee all of Tenant's right, title and interest in this Lease and all of Tenant's estate or interest in the Premises.

(b) Any such assignee shall assume, by written, recordable instrument, in form and content reasonably satisfactory to Landlord, the due performance of all of Tenant's obligations under this Lease, including any accrued obligations at the time of the effective date of the assignment, and such assumption agreement shall state that the same is made by the assignee for the express benefit of Landlord as a third party beneficiary thereof, whereupon Tenant shall be released from all liability under this Lease. A copy of the assignment and assumption agreement, both in form and content reasonably satisfactory to Landlord, fully executed and acknowledged by the assignee, together with a certified copy of a properly executed corporate resolution (if assignee or its signatory is a corporation) authorizing the execution and delivery of such assumption agreement, shall be sent to Landlord within a reasonable time following the effective date of such assignment.

(c) No Event of Default under this Lease shall exist at any time of any assignment, nor when Tenant requests Landlord's written consent thereto.

(d) Any assignment shall be subject to all the provisions, terms, covenants and conditions of this Lease.

(e) No assignee shall further assign its interest in this Lease or in the Premises, or any portion thereof, without Landlord's prior written consent in each and every instance, which consent shall not be unreasonably withheld or unduly delayed.

(f) Tenant shall pay or reimburse Landlord as Additional Rent any and all costs of Landlord, including reasonable attorney's fees paid or payable to outside counsel, occasioned by such Transfer in an amount not to exceed One Thousand Dollars (\$1,000).

(g) Tenant's failure to comply with all of the provisions and conditions of this Section 13.1 shall (whether or not Landlord's consent is required under this Section 13), at Landlord's option, render any purported Transfer or sublease null and void and of no force and effect.

(h) Landlord consents to the Ground Lease.

13.2 Landlord's Consent Standard. For purposes of Section 13.1 and in addition to any other reasonable grounds for denial, Landlord's consent to any requested Transfer described in Section 13.1 will be deemed reasonably withheld if, in Landlord's good faith judgment, any one or more of the following apply: (i) a proposed assignee of the entire Premises does not have the financial strength to perform the Tenant's obligations under this Lease; (ii) the business and operations of the proposed assignee are not of comparable quality to the business and operations being conducted by Tenant in the Premises; (iii) the proposed assignee does not have a good business reputation; (iv) the use of the Premises by the proposed assignee would, in Landlord's reasonable judgment, impact the Premises in a negative manner; (v) the proposed assignee is a government entity (or agency or instrumentally thereof); or (vi) an Event of Default exists under this Lease at the time Tenant requests consent to the proposed transaction.

13.3 Transfer to Affiliate. Provided that no Event of Default exists under this Lease, Tenant may, without Landlord's consent, assign all or a portion of this Lease or the Premises to an Affiliate (as herein defined) if (a) Tenant notifies Landlord of such assignment, including the name of the Affiliate and terms of the assignment, at least twenty (20) days prior to such assignment; and (b) Tenant delivers to Landlord, not later than the effective date of the assignment, a written agreement reasonably acceptable to Landlord under which the assignee assumes and agrees to perform Tenant's obligations under this Lease and to observe all terms and conditions of this Lease. Tenant will also promptly provide Landlord with copies of any documents reasonably requested by Landlord to document the status and relationship between Tenant and its Affiliate. A Transfer to an Affiliate shall not release Tenant from any liability or obligation under this Lease. "**Affiliate**" means (i) any person or entity that, directly or indirectly, controls, is controlled by or is under common control with Tenant or any of its controlling principals; (ii) any trust or entity created by any of Tenant's controlling principals for estate planning purposes; (iii) any entity into which Tenant is consolidated or merged; and (iv) any entity to which substantially all of the assets of Tenant are transferred. For purposes of this definition, "**control**" means possessing the power to direct or cause the direction of management and policies of the entity by the ownership of a majority of the voting securities of the entity. In the event of consolidation of Tenant with one or more other entities or the sale or other disposition of all or substantially all of the assets of Tenant to one or more entities, the surviving entity or transferee of assets, as the case may be, shall deliver

to Landlord, and any assignee of any interest of Landlord, an acknowledged instrument assuming all obligations, covenants and responsibilities of Tenant hereunder.

ARTICLE 14

LEASEHOLD MORTGAGE OF PREMISES

14.1 Permitted Encumbrances. Tenant and/or Bubba's Holdings, from time to time during the Lease Term, may encumber either's respective leasehold interest in the Premises under this Lease, or any part thereof, or any of the Improvements, by one or more Leasehold Mortgages (as defined below), and assign their respective interest in this Lease and/or the Ground Lease, or any part or parts thereof, as collateral security therefor; subject to the following:

(a) For the purposes of this Lease, the term "**Leasehold Mortgage**" shall mean an encumbrance on a leasehold interest in the Premises under this Lease, including the leasehold interest created under the Ground Lease, which shall be deemed to include a deed of trust and such other types of security instruments as are commonly given to secure loans or advances for the construction and permanent financing and refinancing of improvements and property similar to the Improvements and the Premises, and the term "**Leasehold Mortgagee**" shall mean a bank, insurance company, pension fund or other financial institution which is the holder of record of a Leasehold Mortgage (including a beneficiary or trustee under a deed of trust).

(b) Tenant or the Leasehold Mortgagee shall promptly deliver to Landlord in the manner provided in this Lease for the giving of notice to Landlord a true and complete copy of the Leasehold Mortgage and of any assignment thereof and shall notify Landlord of the address to which notices to the Leasehold Mortgagee may be sent.

(c) The Leasehold Mortgage shall secure financing to be utilized only for the Premises, including, without limitation, the development and construction of the Improvements.

(d) The Leasehold Mortgage shall include provisions to the effect that any notice of default under the Leasehold Mortgage shall be delivered to Landlord, as well as to Tenant; that Landlord shall have the same time period as is available to Tenant within which to cure a default, with Landlord's time period for curing a default running concurrently with the time period available for Tenant's cure of such defaults; and that neither Landlord's right to cure a default nor Landlord's exercise of such right shall be deemed to be an assumption by Landlord of liability under the Leasehold Mortgage.

(e) In the event of an Event of Default by Tenant, Landlord shall provide notice of such Event of Default, at the same time notice is provided to Tenant, to not more than two (2) of such Leasehold Mortgagees, as previously designated by Tenant to receive such notice (the "**Designated Lenders**") whose names and addresses were provided by written notice to Landlord in accordance with Article 16. Landlord shall give Tenant copies of any such notice provided to such Designated Lenders and, unless Tenant notifies Landlord

that the Designated Lenders names or addresses are incorrect (and provides Landlord with the correct information) within three (3) Business Days after Tenant receives its copies of such notice from Landlord, Landlord will be deemed to have given such notice to the Designated Lenders even if their names or addresses are incorrect. Tenant may provide notices to other Leasehold Mortgagees.

(f) It may be necessary for the Leasehold Mortgagees to enter into an agreement among themselves, Tenant and/or its permitted assignees, acknowledging the various rights of the Leasehold Mortgagees (the “**Triparty Agreement**”). Landlord agrees that it shall execute such Triparty Agreement only for the purpose of acknowledging the rights of such Leasehold Mortgagees in this Lease, provided that such Triparty Agreement imposes no additional obligations upon nor diminishes any rights of Landlord other than those contained within this Lease. If a Leasehold Mortgagee is permitted, under the terms of its nondisturbance agreement with Landlord, or under a Triparty Agreement executed by Landlord, to cure the Event of Default and/or to assume Tenant’s position with respect to this Lease, Landlord agrees to recognize such rights of the Leasehold Mortgagee or Leasehold Mortgagees under the Triparty Agreement, and to otherwise permit each such Leasehold Mortgagee to assume all of its respective rights and obligations of Tenant under this Lease. Landlord shall, at any time upon reasonable request by Tenant, provide to any Leasehold Mortgagee an estoppel certificate or other document evidencing that this Lease is in full force and effect and that no Event of Default by Tenant exists hereunder (or, if appropriate, specifying the nature and duration of any existing Event of Default). Upon request by a Leasehold Mortgagee, Landlord will enter into a separate nondisturbance agreement with each such Leasehold Mortgagee, consistent with the provisions of this Article 14.

(g) From and after receiving notice of the existence of a Designated Lender’s Leasehold Mortgage, Landlord and Tenant shall not cancel, surrender, modify or amend this Lease in any respect without the prior written consent of the Designated Lender.

(h) Any Leasehold Mortgagee may be added as a named insured or to the "loss payable endorsement" of any and all insurance policies required to be carried by Tenant under this Lease on the condition that the insurance proceeds are to be applied in the manner specified in this Lease. The proceeds of any insurance policies or proceeds arising from a condemnation shall be held by any Leasehold Mortgagee and distributed pursuant to the provisions of this Lease, but the Leasehold Mortgagee may reserve its right to apply to the Leasehold Mortgage debt all, or any part of Tenant's share of such proceeds pursuant to such Leasehold Mortgage.

(i) Landlord consents to a provision in any Leasehold Mortgage for an assignment of rents due to Tenant from sublessees to the holder thereof, effective upon any default under Leasehold Mortgage, and to a provision in the Leasehold Mortgage that the holder thereof in any action to foreclose the same shall be entitled to the appointment of a receiver.

14.2 Leasehold Mortgagee’s Rights on Tenant’s Default.

(a) If Tenant shall Default under any of the provisions of this Lease, each Leasehold Mortgagee shall have the right and period of time as Tenant to cure such Default, whether the same consists of the failure to pay Rent or the failure to perform any other obligation which Tenant is required to do or perform, and Landlord shall accept such performance on the part of the Leasehold Mortgagee as though the same had been done or performed by Tenant; provided, that any of the Designated Lenders after receiving notice in accordance with Section 14.1 will have forty-five (45) days more than is given Tenant after notice to such Designated Lender, to remedy such default by Tenant.

(b) In the event any Leasehold Mortgagee becomes an owner of Tenant's interest under this Lease by foreclosure of its Leasehold Mortgage or as a result of the assignment of this Lease in lieu of foreclosure, the Leasehold Mortgagee shall not become liable under the provisions of this Lease unless and until such time as it becomes, and then only for as long as it remains, an owner of Tenant's interest under this Lease. Any purchaser at a foreclosure sale, other than a Leasehold Mortgagee, shall assume all of Tenant's obligations under this Lease and such purchaser shall have no right with respect to the Premises unless it so assumes and delivers a duplicate of the assumption agreement (to be executed in due form for recording) within ten (10) days after such purchaser acquires Tenant's interest under this Lease.

14.3 Right to New Lease. In the event of termination of this Lease for any reason (including but not limited to any Default by Tenant), Landlord, if requested by Bubba's Holdings or any Leasehold Mortgagee, will enter into a new lease of the Premises with Bubba's Holdings or the most senior Leasehold Mortgagee requesting a new lease, which new lease shall commence as of the date of termination of this Lease and shall run for the remainder of the original Term of this Lease, at the same Rent and upon the same terms, covenants and conditions herein contained; provided that

(a) Bubba's Holdings or such Leasehold Mortgagee shall make written request upon Landlord for the new lease within thirty (30) days after the date Bubba's Holdings or such Leasehold Mortgagee receives written notice from Landlord that the Lease is to be terminated;

(b) Bubba's Holdings or such Leasehold Mortgagee shall pay to Landlord, at the time of the execution and delivery of said new lease, any and all sums which would at the time of the execution and delivery thereof be due under this Lease but for such termination, and in addition pays to Landlord any and all expenses, including reasonable attorneys' fees, court costs and disbursements incurred by Landlord in connection with any such Default and termination, as well as in connection with the execution and delivery of such new lease;

(c) Each sublessee of the Premises whose sublease was in force and effect immediately prior to termination of this Lease, and which did not expire of its own terms prior to the delivery of said new lease, shall attorn to the tenant under said new lease; and

(d) Any new lease made in accordance with the provisions of this Section 14.3 and the leasehold estate thereby created shall, subject to the same conditions contained in

this Lease, continue to maintain the same priority as this Lease with regard to any then existing Leasehold Mortgage.

14.4 Leasehold Mortgage; Further Assurances. Landlord and Tenant shall cooperate in including in this Lease, by suitable amendment from time to time, any provision that may be reasonably requested by any proposed Leasehold Mortgagee which is a Designated Lender for the purpose of implementing the mortgagee protection provisions contained in this Lease by (i) allowing such Leasehold Mortgagee reasonable means to protect or preserve the lien of its Leasehold Mortgage upon the occurrence of a Default under the terms of this Lease, and (ii) confirming the elimination of the ability of Tenant to modify, terminate, or waive this Lease or any of its provisions without the prior written approval of such Leasehold Mortgagee. Landlord and Tenant each agree to execute and deliver (and to acknowledge, if necessary, for recording purposes) any such amendment; provided, however, that any such amendment shall not in any way affect the Term or Rent under this Lease nor otherwise in any material respect adversely affect any rights or obligations of Landlord under this Lease; and, provided further, that any such amendment shall be subject to approval by Landlord's City Council. Neither disapproval by Landlord's City Council of such an amendment for any reason whatsoever, nor any delay by Landlord's City Council in deciding to approve or disapprove such an amendment, shall result in any liability to Landlord or affect any time periods set forth in this Lease.

ARTICLE 15

EVENTS OF DEFAULT; REMEDIES

15.1 Events of Default. The occurrence of any of the following events shall be a default or breach of this Lease by Tenant (each a "**Default**" or "**Event of Default**"):

(a) if Tenant fails to pay any Rent for more than five (5) days after the same becomes due and payable; or

(b) if Tenant fails to pay, when the same becomes due and payable, any Taxes or charges other than Rent which Tenant is required to pay under this Lease, and such failure continues for more than ten (10) days after written notice of such non-payment has been given by Landlord to Tenant; or

(c) if Tenant fails to perform or comply with any other obligation of Tenant under this Lease, including without limitation the timely commencement or completion of the construction of the Improvements, and such failure shall continue for more than thirty (30) days after notice thereof has been given by Landlord to Tenant, and Tenant shall not, cure the same within such period; provided, that such period of thirty (30) days shall be extended by the number of additional days, if any, that the curing of such failure is delayed by reasons beyond the reasonable control of Tenant, financial inability and economic market conditions excepted;

(d) if Tenant shall make a general assignment for the benefit of creditors, or shall admit in writing its inability to pay its debts as they become due or shall file a petition in bankruptcy, or shall be adjudicated bankrupt or insolvent, or shall file a petition seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or

similar relief under any present or future statute, law or regulation due to its bankrupt or insolvent financial status; or

(e) if, as a result of any proceeding against Tenant, a decree or order of a court or agency or supervisory authority having jurisdiction in the premises for the appointment of a conservator or receiver or liquidator in any insolvency, readjustment of debt, marshalling of assets and liabilities or similar proceedings of or relating to the Tenant or of or relating to all or substantially all of its property, or for the winding-up or liquidation of its affairs or for the supervision of the business or affairs of Tenant, shall have been entered, and such decree or order shall remain in force for a period of more than sixty (60) days; or

(f) if Tenant is in Default under the Development Agreement.

15.2 Remedies. Upon the occurrence of any Default, and after the expiration of any applicable cure periods, Landlord at Landlord's option, without notice or demand, may do any one or more of the following, in any order, successively or concurrently:

15.2.1 Continuation of Lease without Reentry. Landlord may continue the Lease in full force and effect, without reentry, and may recover from Tenant, in one or more actions, all Rent and other sums due or coming due from Tenant, plus any added costs, expenses or damages caused by or arising out of Tenant's Default, and without any obligation of Landlord to reenter, terminate or take other action.

15.2.2 Termination of Lease. Landlord may terminate this Lease by written notice to Tenant of Landlord's election to do so, whether or not Landlord has previously elected to continue the Lease in effect without reentry. Upon Landlord's notice of termination, (i) Landlord shall immediately convey fee simple title to the Premises to Tenant as contemplated by Section 2.3 above and (ii) Tenant immediately shall pay to Landlord the amount of all Rent and other sums due under this Lease to the date of termination.

15.2.3 Landlord's Expenses and Damages. Landlord, in every case, shall be entitled to recover from Tenant all of Landlord's expenses, costs and damages arising out of any Event of Default, including, but not limited to, clean-up, repair, alterations, refurbishing, refurbishing, custodial and security expenses, bookkeeping, and accounting costs, attorneys' fees (whether or not suit is brought), and costs and expenses of litigation.

15.3 Landlord Default. Upon any failure by Landlord to perform any of its obligations hereunder, and the continuance thereof for thirty (30) days following written notice thereof from Tenant (or such longer period of time, not to exceed 90 days as may be reasonably required for Landlord to cure such failure so long as Landlord commences such cure within said 30 days and thereafter diligently pursues such cure to completion), Tenant shall be entitled to exercise any and all remedies available to it in law and/or equity, provided, however, in no event shall Tenant be entitled to seek or recover consequential, lost profit, punitive or similar monetary damages. Tenant shall not be entitled to seek any claim for damages against Landlord after the date of Landlord's conveyance of fee simple title to the Premises to Tenant described in Sections 2.2 and 2.3 above.

ARTICLE 16

NOTICES

All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered or if mailed by United States certified or registered mail, return receipt requested, postage prepaid, as follows:

If to Landlord:

City Administrator
City of Yuma
One City Plaza
Yuma, AZ 85364-1436

With a copy to:

City Attorney
City of Yuma
One City Plaza
Yuma, AZ 85364-1436

If to Tenant:

Spencrazi, L.L.C.
c/o A.T. Pancrazi Real Estate Services, Inc.
350 W. 16th Street, Suite 332
Yuma, Arizona 85364
Attn: Thomas J. Pancrazi

With a copy to:

Garcia, Kinsey & Villarreal, P.L.C.
2620 W. 24th Street
Yuma, Arizona 85364
Attn: John S. Garcia, Esq.

or at such other place or to such other persons as any Party shall from time to time notify the other in writing as provided herein. The date of service of any communication hereunder shall be the date of personal delivery or seventy-two (72) hours after the postmark on the certified or registered mail, as the case may be.

ARTICLE 17

NO MERGER

In no event shall the leasehold interest, estate or rights of Tenant hereunder, or of any Leasehold Mortgagee, merge with any interest, estate or rights of Landlord in or to the Premises. Such leasehold interest, estate and rights of Tenant hereunder, and of any Leasehold Mortgagee,

shall be deemed to be separate and distinct from Landlord's interest, estate and rights in or to the Premises, notwithstanding that any such interests, estates or rights shall at any time be held by or vested in the same person, corporation or other entity.

ARTICLE 18 TRADE FIXTURES AND PERSONAL PROPERTY

18.1 Tenant's Property. All trade fixtures and personal property, including, without limitation, all furniture, furnishings and inventories now or hereafter maintained, installed or used in or about the Premises by Tenant or Tenant's subtenant or permitted assignees (the "**Trade Fixtures and Personal Property**") shall remain the property of Tenant, or such subtenant or permitted assignee, as applicable, after the expiration or earlier termination of this Lease.

18.2 Landlord's Lien Waiver. Upon request of Tenant or Tenant's permitted assignees or subtenants, Landlord shall execute and deliver any commercially reasonable consent or waiver form submitted by any vendors, landlords, chattel mortgagees or holders or owners of any Trade Fixtures and Personal Property (each a "**Third Party Claimant**") located or installed in the Premises by Tenant or any such permitted assignee or subtenant, provided that such consent or waiver form shall be limited to (i) Landlord's waiver in favor of such Third Party Claimant of any lien, claim, interest or other right superior to that of such Third Party Claimant in such Trade Fixtures and Personal Property; (ii) Landlord's acknowledgement that the Trade Fixtures and Personal Property covered by such consent or waiver form is personal property and is not to become part of the realty no matter how affixed thereto; and (iii) Landlord's acknowledgment that such personal property may be removed from the Premises by the applicable Third Party Claimant at any time, upon default by Tenant or the assignee or subtenant in accordance with the terms of such chattel mortgage or other similar documents, free and clear of any claim or lien of Landlord, subject to the Third Party Claimant at its cost repairing any damage and restoring the damaged Improvements to substantially the same condition as existed prior to the removal of such Trade Fixtures and Personal Property.

ARTICLE 19 ESTOPPEL CERTIFICATES

19.1 By Landlord. Landlord will execute, acknowledge and deliver to Tenant, subtenant or any permitted Leasehold Mortgagee, within twenty (20) days of Tenant's written request, a certificate stating that:

- (a) this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect, as modified, and stating the modifications);
- (b) the dates, if any, to which Rent and other sums payable hereunder have been paid; and
- (c) whether or not, to the knowledge of Landlord, there then exists any Default under this Lease (and if so, specifying the same).

Any such certificate may be relied upon by Tenant and any permitted prospective Leasehold Mortgagee or permitted prospective assignee of Tenant's interest under this Lease.

19.2 By Tenant. Tenant will execute, acknowledge and deliver to Landlord within twenty (20) days of Tenant's written request, a certificate stating that:

(a) this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect, as modified, and stating the modifications);

(b) the dates, if any, to which Rent and other sums payable hereunder have been paid; and

(c) whether or not, to the knowledge of Tenant, there then exists any Default under this Lease (and if so, specifying the same).

Any such certificate may be relied upon by Landlord.

ARTICLE 20 GENERAL PROVISIONS

20.1 Time of Essence. Time is of the essence of each and every provision of this Lease.

20.2 Landlord's Access to Premises. Landlord and its agents, at all reasonable times and upon notice to Tenant, shall have free and full access to the Premises for the purposes of examining or inspecting the condition thereof, determining if Tenant is performing the covenants and agreements of this Lease, and posting such notices as Landlord may desire to protect the rights of Landlord, provided the exercise of such rights does not materially interfere with Tenant's use and enjoyment of the Premises.

20.3 Governing Law; Choice of Forum. This Lease shall be deemed to be made under, shall be construed in accordance with, and shall be governed by the internal, substantive laws of the State of Arizona (without reference to conflict of law principles). Any action brought to interpret, enforce or construe any provision of this Lease shall be commenced and maintained in the Superior Court of the State of Arizona in and for the County of Yuma (or, as may be appropriate, in the Justice Courts of Yuma County, Arizona, or in the United States District Court for the District of Arizona, if, but only if, the Superior Court lacks or declines jurisdiction over such action). The Parties irrevocably consent to jurisdiction and venue in such courts for such purposes and agree not to seek transfer or removal of any action commenced in accordance with the terms of this Section 20.3.

20.4 Successors and Assigns. This Lease and all of the covenants and conditions set forth herein shall inure to the benefit of and be binding upon the successors and permitted assigns of the Parties hereto.

20.5 Waiver. No waiver by either Party of any breach of any of the terms, covenants or conditions of this Lease shall be construed or held to be a waiver of any succeeding or preceding breach of the same for any other term, covenant or condition herein contained.

20.6 Limited Severability. Landlord and Tenant each believes that the execution, delivery and performance of this Lease is in compliance with all Applicable Laws. However, in the unlikely event that any phrase, clause, sentence, paragraph, section, article or other portion of this Lease is declared void or unenforceable (or is construed as requiring Landlord to do any act in violation of any Applicable Laws, constitutional provision, law, regulation, Yuma City Code or Yuma City Charter), such provision shall be deemed severed from this Lease and this Lease shall otherwise remain in full force and effect; provided that this Lease shall retroactively be deemed reformed to the extent reasonably possible in such a manner so that the reformed lease (and any related agreements effective as of the same date) provide essentially the same rights and benefits (economic or otherwise) to the Parties as if such severance and reformation were not required. The Parties further agree, in such circumstances, to do all acts and to execute all amendments, instruments and consents necessary to accomplish and to give effect to the purposes of this Lease, as reformed.

20.7 Exhibits; Recitals. All Exhibits referred to herein or attached hereto are incorporated herein by this reference as though fully set forth herein. The Recitals at the beginning of this Lease are hereby incorporated herein as covenants.

20.8 Entire Agreement; Amendments. This Lease and the Development Agreement constitute the entire agreement between the Parties hereto pertaining to the subject matter hereof, and all other prior and contemporaneous agreements, representations, negotiations and understandings of the Parties hereto, oral or written, are hereby superseded and merged herein. No amendment or modification of this Lease shall be effective unless in writing executed and delivered by the Parties hereto. Any amendment of this Lease to change the use of the GPLET Improvements during the period of the GPLET abatement shall require adherence to the notification and other requirements of A.R.S. § 42-6209(C)(3).

20.9 Successor Laws. Each reference in this Agreement to a particular City Ordinance, Arizona statute or other Applicable Laws shall include any successor City ordinance, successor Arizona statute or successor Applicable Laws provided such successor City ordinance, successor Arizona statute or successor Applicable Laws are of general applicability.

20.10 Memorandum of Land and Improvements Lease. The Parties shall, concurrently with the execution of this Lease, complete, execute, acknowledge and record (at Tenant's expense) a Memorandum of Land and Improvements Lease in substantially the form attached hereto as Exhibit C.

20.11 Negation of Partnership. The relationship of the Parties is solely that of landlord and tenant, and under no circumstances shall the Parties become or be deemed partners or joint venturers.

20.12 Time Periods. If the time for the performance of any obligation under this Lease expires on a Friday, Saturday, Sunday or legal holiday, the time for performance shall be extended to the next succeeding day which is not a Friday, Saturday, Sunday or legal holiday.

20.13 Conflict of Interest. Pursuant to Arizona law, rules and regulations, no member, official or employee of the City shall have any personal interest, direct or indirect, in this Lease,

nor shall any such member, official or employee participate in any decision relating to this Lease which affects his or her personal interest or the interest of any corporation, partnership or association in which he or she is, directly or indirectly, interested. This Lease is subject to cancellation pursuant to A.R.S. § 38-511.

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IN WITNESS WHEREOF, the Parties hereto have executed this Lease on the date and year first written above.

LANDLORD:

CITY OF YUMA, an Arizona municipal corporation

By: _____
John D. Simonton
City Administrator

TENANT:

SPENCRAZI, L.L.C., an Arizona limited liability company

By: _____
Thomas J. Pancrazi
Manager

ATTEST

By: _____
Lynda L. Bushong
City Clerk

APPROVED AS TO FORM

By: _____
Richard W. Files
City Attorney

Exhibit A

Legal Description of Land

Parcel B, Center Pointe Commons Lot Tie/Lot Split, recorded in Book 34 of Plats, page 93, records of Yuma County, Arizona.

Exhibit B

Insurance Requirements

Tenant (the term “Tenant” as used in this Insurance Exhibit shall not include Tenant’s sub-tenants or sub-lessees) shall procure and maintain for the Term of the Lease insurance against claims for injury to persons or damage to property which may arise from or in connection with this Lease by Tenant and Tenant’s agents, representatives, employees, contractors.

The insurance requirements herein are minimum requirements for this Lease and in no way limit the indemnity covenants contained in this Lease. Landlord in no way warrants that the minimum limits contained herein are sufficient to protect Tenant from liabilities that might arise out of this Lease and Tenant is free to purchase such additional insurance as may be determined necessary. The limits set forth below shall be adjusted every five (5) years by the percentage of change in the Consumer Price Index (the “CPI”) determined in accordance with this paragraph. In determining the percentage of change in the CPI for the adjustment of the insurance limits for any year, the CPI for the month October in the preceding year, as shown in the column for “All Items” in the table entitled “All Urban Consumers” under the “United States City Averages” as published by the Bureau of Labor Statistics of the United States Department of Labor, shall be compared with the corresponding index number for the month of October one (1) year earlier.

A. Minimum Scope and Limits of Insurance: Tenant shall provide coverage at least as broad with limits of liability not less than those listed below.

Commercial General Liability – Occurrence Form

General Aggregate or Umbrella Policy	\$2,000,000
Products-Completed Operations Aggregate	\$1,000,000
Personal Advertising Injury	\$1,000,000
Each Occurrence	\$2,000,000
Fire Damage (Any one fire)	\$100,000
Medical Expenses (Any one person)	Optional

Automobile Liability – Any Auto or Owned, Hired and Non-Owned Vehicles

Combined Single Limit per Accident for Bodily Injury	\$1,000,000
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Workers’ Compensation and Employer’s Liability

Workers’ Compensation	\$1,000,000
Employer’s Liability: Each Accident	\$500,000
Disease – Each Employee	\$500,000
Disease – Policy Limit	\$500,000

Liquor Liability

Combined Single Limit	\$1,000,000
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B. Self-Insured Retentions/Deductibles: Any self-insured retentions and deductibles greater than \$10,000 must be declared to and approved by Landlord.

C. Other Insurance Requirements: The policies are to contain, or be endorsed to contain, the following provisions:

1. Commercial General Liability and Automobile Liability Coverages: Landlord, its council members, officers, officials, agents, and employees are additional insureds with respect to liability arising out of the use and/or occupancy of the Premises subject to this Lease. Tenant's insurance shall contain broad form contractual liability coverage. Landlord, its officers, officials, agents, and employees shall be additional insureds to the full limits of liability purchased by Tenant even if those limits of liability are in excess of those required by this Lease. The commercial general liability additional insured endorsement will be at least as broad as the Insurance Services Office, Inc. (ISO) additional insured form B CG 20 10 1185. Tenant's insurance coverage shall be primary insurance with respect to Landlord, its officers, officials, agents, and employees. Any insurance or self-insurance maintained by Landlord, its officers, officials, agents, and employees shall be in excess of the coverage provided by Tenant and shall not contribute to it. Tenant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability. Coverage provided by Tenant shall not be limited to the liability assumed under the indemnification provisions of this Lease. The policies shall contain a waiver of subrogation against Landlord, its officers, officials, agents, and employees for losses arising from Tenant's operations, occupancy and use of the Premises that are subject of this Lease.

2. Workers' Compensation and Employer's Liability Coverage: The insurer shall agree to waive all rights of subrogation against Landlord, its council members, officers, officials, agents, and employees for losses arising from Tenant's operations, occupancy, and use of the Premises that are the subject of this Lease.

D. Notice of Cancellation: Each insurance policy required by the insurance provisions of this Lease shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days' prior written notice has been given to Landlord. Such notice shall be sent directly to Landlord's City Administrator, City of Yuma, One City Plaza, P. O. Box 13014, Yuma, AZ 85366-3014 and shall be sent by certified mail, return receipt requested.

E. Acceptability of Insurers: Insurance is to be placed with insurers duly licensed or approved unlicensed companies in the State of Arizona and with an "A.M. Best" rating of not less than A- VII. Landlord in no way warrants that the above-required minimum insurer rating is sufficient to protect Tenant from potential insurer insolvency.

F. Verification of Coverage: Tenant shall furnish Landlord with original certificates of insurance (Association for Cooperative Operation, Research and Development (ACCORD) form or equivalent approved by Landlord) as required by this Lease. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. Any policy endorsements that restrict or limit coverage shall be clearly noted on the certificate of insurance.

All certificates are to be received and approved by Landlord before the Lease Term commences. Each insurance policy required by this Lease must be in effect at or prior to the commencement of the Lease Term and must remain in effect for the duration of the Lease Term. Failure to maintain

the insurance policies as required by this Lease or to provide timely evidence of renewal will be considered a material breach of the Lease.

All certificates required by this Insurance Exhibit shall be sent directly to Landlord's City Administrator, City of Yuma, One City Plaza, P. O. Box 13014, Yuma, AZ 85366-3014. Landlord's City Department and the lease agreement number, and location description are to be noted on the certificate of insurance. Landlord reserves the right to require complete, certified copies of all insurance policies and endorsements required by this Insurance Exhibit at any time.

G. Approval: Any modification or variation from the insurance requirements in Insurance Exhibit must have prior approval from Landlord's City Administrator's Office whose decision shall be final. Such action will not require formal contract amendment but may be made by administrative action.

EXHIBIT C

MEMORANDUM OF LAND AND IMPROVEMENTS LEASE

DATE: _____, 202__ (“Execution Date”)

PARTIES: CITY OF YUMA, ARIZONA, an Arizona municipal corporation (“Landlord”)
SPENCRAZI, L.L.C., an Arizona limited liability company (“Tenant”)

RECITALS:

A. Landlord and Tenant are parties to that certain Spencrazi, L.L.C. Parcel B Land and Improvements Lease (“**Lease**”), dated as of _____, 202__, for the lease of certain land described in **Exhibit A** attached hereto and made a part hereof, together with all building(s) and other improvements now or hereafter constructed thereon, along with fixtures, furnishings and equipment therein, together with all rights and privileges appurtenant thereto and all future additions thereto or alterations and replacements thereof (collectively, the “**Premises**”).

B. This Memorandum of Land and Improvements Lease (“**Memorandum**”) is now executed and entered into for the purpose of recording the same and thereby giving notice of the Lease and this Memorandum.

COVENANTS:

For valuable consideration, receipt of which is hereby acknowledged, Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord, the Premises, upon all of the terms, covenants and provisions contained in the Lease and in this Memorandum, including without limitation the following:

1. **Term.** The term of the Lease and this Memorandum (the “**Term**” or “**Lease Term**”) shall be for a period of eight (8) years, commencing on the date which is the later to occur of the date on which, (i) the Certificate of Occupancy for the Improvements is issued by the City for Improvements which are subject to the government property lease excise tax under A.R.S. § 42-6201 through § 42-6210; and (ii) fee title to the Premises is conveyed from Tenant to the Landlord (the “**Commencement Date**”), and ending at midnight on eighth (8th) anniversary of the Commencement Date, subject to the terms and conditions set forth in this Lease which may permit or provide for an earlier termination.

2. **Rent.** Tenant shall pay to Landlord rents and other amounts as set forth in the Lease.

3. **Right to New Lease.** In the event of termination of the Lease for any reason (including but not limited to any Default by Tenant), Landlord, if requested by Bubba’s Holdings or any Leasehold Mortgagee, will enter into a new lease of the Premises with Bubba’s Holdings

or the most senior Leasehold Mortgagee requesting a new lease, which new lease shall commence as of the date of termination of the Lease and shall run for the remainder of the original Term of the Lease, at the same Rent and upon the same terms, covenants and conditions contained in the Lease, in accordance with the terms and conditions set forth in Section 14.3 of the Lease.

3. **Lease.** All of the covenants, conditions, defined terms and provisions of the Lease are, by this reference to the Lease, incorporated herein and made a part hereof, the same as though expressly set forth herein. If a conflict arises between the provisions of this Memorandum and the provisions of the Lease, the provisions of the Lease shall prevail.

IN WITNESS WHEREOF, Landlord and Tenant have executed this instrument to be effective as of the day and year first written above.

TENANT:

SPENCRAZI, L.L.C., an Arizona limited liability company

By: _____
Thomas J. Pancrazi, Manager

LANDLORD:

CITY OF YUMA, ARIZONA, an Arizona municipal corporation

By: _____
John D. Simonton, City Administrator

ATTEST:

By: _____
Lynda L. Bushong, City Clerk

APPROVED AS TO FORM:

Richard Files, City Attorney

EXHIBIT A TO MEMORANDUM OF LEASE

LEGAL DESCRIPTION OF PROPERTY

Parcel B, Center Pointe Commons Lot Tie/Lot Split, recorded in Book 34 of Plats, page 93, records of Yuma County, Arizona.

EXHIBIT D

FORM OF SPECIAL WARRANTY DEED

**RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:**

City of Yuma
Attn: City Attorney
One City Plaza
Yuma, Arizona 85364

SPECIAL WARRANTY DEED

FOR THE CONSIDERATION of Ten Dollars (\$10.00), and other valuable consideration, Spencrazi, L.L.C., an Arizona limited liability company ("Grantor"), hereby conveys to the City of Yuma, an Arizona municipal corporation ("Grantee"), the real property ("Property") situated in Yuma County, Arizona, and more particularly described on Exhibit "A" attached hereto and made a part hereof, together with the building(s) and other improvements thereon, the fixtures, furnishings and equipment therein, and all rights and privileges appurtenant thereto but excluding, and reserving unto Grantor, all right, title, and interest of Grantor in and to that certain Ground Lease Agreement dated April 8, 2024, the First Amendment to Ground Lease Agreement dated September 23, 2024, and the Second Amendment to Ground Lease dated February 10, 2025, by and between Grantor, as Landlord, and Bubba's Holdings, LLC, a Kentucky limited liability company, as successor-in-interest to Texas Roadhouse, Inc., a Delaware corporation, as Tenant.

SUBJECT to current taxes and assessments, reservations in patents, all easements, rights-of-way, encumbrances, liens, covenants, conditions, restrictions, obligations, and liabilities as may appear of record and to all matters which an accurate survey or inspection of the Property would disclose.

PROVIDED, that water rights, if any, appurtenant to the Property are excluded from the coverage of the warranties contained herein, and Grantor hereby quitclaims to Grantee all of the Grantor's right, title and interest in and to such water rights, if any, appurtenant to the Property.

And Grantor hereby binds itself and its successors to warrant and defend the title, as against all acts of Grantor herein and none other, subject to the matters above set forth.

Dated this _____ day of _____, 202__.

GRANTOR:

SPENCRAZI, L.L.C., an Arizona
limited liability company

By: _____
Thomas J. Pancrazi, Manager

STATE OF ARIZONA)
) ss.
County of Yuma)

On this, the _____ day of _____, 202__, before me, the undersigned Notary Public, personally appeared Thomas J. Pancrazi, who acknowledges himself to be the Manager of Spencrazi, L.L.C., an Arizona limited liability company, who acknowledged to me that he executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission Expires:

Notary Public

EXHIBIT A TO SPECIAL WARRANTY DEED

LEGAL DESCRIPTION OF PROPERTY

Parcel B, Center Pointe Commons Lot Tie/Lot Split, recorded in Book 34 of Plats, page 93, records of Yuma County, Arizona.



Economic and Real Estate Consulting

MEMORANDUM

To: Jenn Reichelt
City of Yuma

From: Jill Stevenson
Elliott D. Pollack & Company

Date: February 3, 2025

Re: Economic and Fiscal Impact of the Proposed Bubba's 33, Yuma, Arizona

Elliott D. Pollack & Company has been retained by the City of Yuma to perform an economic and fiscal impact analysis of the construction activity and ongoing operations of a proposed sports bar and restaurant, Bubba's 33, to be located on the southwest corner of 16th Street and 4th Avenue in Yuma, Arizona. The project plan calls for a 7,743 square-foot Bubba's 33 sports bar and restaurant and 148 parking stalls.

The property is currently located within the General Commercial (B-2) District and the Central Business District and Yuma North End—16th Street and 4th Avenue Redevelopment Area. The development agreement and lease will be in accordance with the Arizona Revised Statutes 42-6209 relating to the proposed use and abatement of the Government Property Lease Excise Tax (GPLET).

This economic and fiscal impact analysis focuses on the impacts derived from (a) the new construction activity, and (b) ongoing operations at the site that will occur annually. Economic impact analysis examines the regional implications of an activity in terms of three basic measures: output, earnings, and employment. Fiscal impact analysis evaluates the public revenues created by a particular activity. In a fiscal impact analysis, the primary revenue sources of a governing entity are analyzed to determine how the activity may financially affect them. ***Our report does not address the financial or market feasibility of the project, nor does it address costs associated with providing city services beyond the agreed upon incentives.***

Assumptions of Analysis

The assumptions used to estimate the impacts of the construction of the proposed sports bar and restaurant have been developed from a variety of sources. The construction costs, building size, employment, average wage, lease rates and projected annual sales were provided by the City of Yuma. Data internal to the model, such as consumer spending and tax rates have been collected from various government and private sources including the U.S. Bureau of



Census, Bureau of Labor Statistics, Consumer Expenditure Survey, Arizona Department of Revenue, and the Arizona Tax Research Association. Additional assumptions regarding utility usage and local supply purchases are based on industry standards from various sources.

The proposed sports bar and restaurant will employ 62 people with average annual wages estimated to be \$32,830 per year, excluding benefits. Construction at the site will total \$4.2 million with additional equipment projected to cost \$1.3 million. On average, the restaurant will generate an estimated \$5.5 million in sales each year. The limited property value will be about \$250 per square foot. The following table contains a summary of the primary assumptions of the study.

Assumptions Bubba's 33 (2025 Dollars)	
<i>Project Description</i>	
Total building square feet	7,743
Parking stalls	148
Value of new construction	\$4,200,000
Estimated FF&E	\$1,300,000
<i>Operating Assumptions</i>	
Total Jobs (full & part time)	62
Average Annual Wage (excluding benefits)	\$32,830
Annual lease	\$135,000
Estimated annual sales	\$5,500,000
Projected annual utility usage	\$18,583
Locally purchased supplies	\$62,000
Projected limited property value of building per sf	\$250
<i>Various City of Yuma Tax Rates</i>	
Construction sales tax	1.7%
Retail transaction privilege tax	1.7%
Restaurant & bar sales total (including additional tax)	3.7%
Commercial Assessment Ratio (post GPLET)	15.0%
Property tax rate per \$100 assessed value (City)	2.1321
Sources: Elliott D. Pollack & Co., City of Yuma	

All dollar values presented in this report are stated in constant 2025 dollars. No adjustment has been made for inflation over time.

Economic Impact Methodology

Economic impact analysis examines the economic implications of an activity in terms of output, earnings, and employment. For this study, the analysis focuses on the jobs and corresponding



output and wages that are created during construction as well as the jobs and output that are created through the operations of the project.

The different types of economic impacts are known as direct, indirect, and induced, according to the manner in which the impacts are generated. For instance, direct employment consists of permanent jobs held by the project employees. Indirect employment is those jobs created by businesses that provide goods and services essential to the operation or construction of the project. These businesses range from manufacturers (who make goods) to wholesalers (who deliver goods) to janitorial firms (who clean the buildings). Finally, the spending of the wages and salaries of the direct and indirect employees on items such as food, housing, transportation and medical services creates induced employment in all sectors of the economy throughout the region. These secondary effects are captured in this study. Multipliers have been developed to estimate the indirect and induced impacts of various direct economic activities. The Implan Group LLC developed the multipliers used in this study.

Fiscal Impact Methodology

Fiscal impact analysis quantifies the public revenues associated with a particular economic activity. The primary revenue sources of local, county, and state governments (i.e. taxes) are analyzed to determine how an activity may affect the various jurisdictions. This report will evaluate the impact of the proposed sports bar and restaurant on the City of Yuma, Yuma County, and other governmental entities with ad valorem (property tax) or transaction privilege (sales tax) authority. The major sources of tax revenue generation for governmental entities are related to the construction of the project and ongoing impact from the operations such as construction sales tax, sales tax from direct revenues and retail spending, utility taxes, lease taxes, property taxes and State shared revenues.

Economic Impact of the Proposed Bubba's 33

The economic impact of the project development is outlined in the following table. The construction would generate an estimated 37 direct jobs and approximately \$1.9 million in direct wages during the construction phase. Another 9 indirect and induced jobs would be created in the local economy and \$566,000 in wages. Altogether, the project would create approximately 47 jobs during the construction period, generating \$2.4 million in wages and nearly \$6.1 million in economic activity.

Once construction is complete and the sports bar and restaurant is up and running, a total of 62 people will be directly employed (both full and part time) with total wages of an estimated \$2.0 million. Taking into account the ripple effect of the regional multipliers, approximately 78 permanent direct, indirect, and induced jobs are supported throughout the Yuma area as a result of the operations of the project. In total approximately \$2.9 million in wages are paid out annually to these employees and nearly \$9.0 million in economic activity is produced each year.



Bubba's 33 Economic Impact Summary (2025 Dollars)			
Construction			
	Jobs	Wages	Economic Output
Direct	37	\$1,881,000	\$4,200,000
Indirect	3	\$216,000	\$689,000
Induced	6	\$350,000	\$1,173,000
Total	47	\$2,447,000	\$6,062,000
Operations (annual at buildout)			
	Jobs	Wages	Economic Output
Direct	62	\$2,035,491	\$6,039,983
Indirect	8	\$476,000	\$1,532,000
Induced	8	\$417,000	\$1,398,000
Total	78	\$2,928,491	\$8,969,983
Sources: Implan Group, LLC; Elliott D. Pollack & Co., City of Yuma			

Fiscal Impact of the Proposed Bubba's 33

The construction and operations associated with the sports bar and restaurant also creates tax revenues for the City of Yuma. Revenues have been defined in this analysis as either primary or secondary, depending on their source and how the dollars flow through the economy into tax accounts. For instance, some revenues, such as construction sales taxes, are straightforward calculations based on the cost of construction. These revenues are described in this study as direct revenues and include retail sales taxes, property taxes and lease taxes. Secondary revenues, on the other hand, flow from the wages of those direct, indirect and induced employees who are supported by the project. Revenue projections are based on typical wages of the employees working in the project, their spending patterns, and projections of where they might live.

The following table outlines the fiscal impact of the project on the City of Yuma during construction and over 10 years of operations (stated in 2025 dollars without an inflation factor). Approximately \$105,900 is estimated to be generated during the construction. This includes \$68,500 in direct City construction sales taxes and taxes collected on local equipment purchases, along with nearly \$37,400 in secondary tax revenues generated by state shared revenues and the construction employees. Additional revenues would likely be generated in terms of permit and fees and impact fees, not included in this analysis.

Annual operations of the sports bar and restaurant generate \$2.8 million over the 10 years for the City of Yuma. This includes an average of roughly \$208,540 in primary tax collections such as direct sales at the restaurant, taxes paid on local supply purchases, utility taxes and personal property taxes. Excluded from this amount are real property taxes during the first eight years if a



proposed GPLET agreement is finalized. Indeed, after the 8-year abatement, real property taxes to the city will be approximately \$6,200 on average each year (in 2025 dollars).

In addition to the revenues generated for the City of Yuma, nearly \$41,080 is generated annually for local school districts. This includes both the impact of direct property taxes at the proposed site (in years 9 and 10 – after the abatement) as well as additional annual taxes that will be generated by the employees on homes they occupy.

In total, during the construction period and over the 10 years of operations, the proposed sports bar and restaurant is expected to generate \$2.9 million in tax revenue for the City of Yuma and \$410,800 for school districts. A detailed table by year and category is provided on the following page. All figures are in 2025 dollars, no inflation has been added to the calculations.

Not included in the following table (that provides the taxes to be collected by the City of Yuma and its local school districts) are the taxes that would be collected by the State of Arizona, Yuma County and its special districts.

The State would collect prime contracting tax (\$135,000), annual sales taxes from the sports bar and restaurant sales (\$272,000 per year), as well secondary taxes generated by employees totaling an estimated \$4.1 million over 10 years.

Yuma County would similarly collect prime contracting tax (\$30,400), as well as direct sales taxes collected from the restaurant (\$61,200 annually). Yuma County and its special districts would also collect property taxes in years 9 and 10 from the site as well as property taxes generated by the employees. The total for the County and these jurisdictions is estimated to be \$1.2 million over the ten-year impact period.



Bubba's 33**Fiscal Impact of City of Yuma**

(2025 Dollars)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total 10 Years
Construction Impact											
Total Primary Construction Impact	\$68,500	--	--	--	--	--	--	--	--	--	\$68,500
Construction sales tax	\$46,400	--	--	--	--	--	--	--	--	--	\$46,400
Permit fees	N/A	--	--	--	--	--	--	--	--	--	--
Use tax	\$22,100	--	--	--	--	--	--	--	--	--	\$22,100
Secondary impact from const. employees	\$37,400	--	--	--	--	--	--	--	--	--	\$37,400
Employee spending sales tax	\$6,200	--	--	--	--	--	--	--	--	--	\$6,200
Residents property tax	\$11,500	--	--	--	--	--	--	--	--	--	\$11,500
State shared sales tax	\$12,400	--	--	--	--	--	--	--	--	--	\$12,400
State shared income tax	\$4,300	--	--	--	--	--	--	--	--	--	\$4,300
State shared vlt	\$800	--	--	--	--	--	--	--	--	--	\$800
State shared hurf	\$2,200	--	--	--	--	--	--	--	--	--	\$2,200
Total Impact from construction	\$105,900	--	--	--	--	--	--	--	--	--	\$105,900
Operations Impact											
Total Primary Operations Impact	\$207,300	\$207,300	\$207,300	\$207,300	\$207,300	\$207,300	\$207,300	\$207,300	\$213,500	\$213,500	\$2,085,400
Direct sales taxes on restaurant sales	\$203,500	\$203,500	\$203,500	\$203,500	\$203,500	\$203,500	\$203,500	\$203,500	\$203,500	\$203,500	\$2,035,000
Utility sales tax	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$3,000
Local taxable purchases sales tax	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$11,000
Lease tax	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$2,300	\$23,000
Personal property tax	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$1,000
Real property tax	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$6,200	\$6,200	\$12,400
Secondary impact from DIRECT employees	\$65,100	\$61,400	\$61,400	\$61,400	\$61,400	\$61,400	\$61,400	\$61,400	\$61,400	\$61,400	\$617,700
Employee spending sales tax	\$8,800	\$8,800	\$8,800	\$8,800	\$8,800	\$8,800	\$8,800	\$8,800	\$8,800	\$8,800	\$88,000
Residents property tax	\$15,200	\$15,200	\$15,200	\$15,200	\$15,200	\$15,200	\$15,200	\$15,200	\$15,200	\$15,200	\$152,000
State shared sales tax	\$32,500	\$28,800	\$28,800	\$28,800	\$28,800	\$28,800	\$28,800	\$28,800	\$28,800	\$28,800	\$291,700
State shared income tax	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$36,000
State shared vlt	\$1,400	\$1,400	\$1,400	\$1,400	\$1,400	\$1,400	\$1,400	\$1,400	\$1,400	\$1,400	\$14,000
State shared hurf	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$3,600	\$36,000
Secondary impact from INDIRECT & INDUCED employees	\$9,500	\$9,500	\$9,500	\$9,500	\$9,500	\$9,500	\$9,500	\$9,500	\$9,500	\$9,500	\$95,000
Employee spending sales tax	\$2,700	\$2,700	\$2,700	\$2,700	\$2,700	\$2,700	\$2,700	\$2,700	\$2,700	\$2,700	\$27,000
Residents property tax	\$3,800	\$3,800	\$3,800	\$3,800	\$3,800	\$3,800	\$3,800	\$3,800	\$3,800	\$3,800	\$38,000
State shared direct sales tax	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$200	\$2,000
State shared income tax	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$1,600	\$16,000
State shared vlt	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$3,000
State shared hurf	\$900	\$900	\$900	\$900	\$900	\$900	\$900	\$900	\$900	\$900	\$9,000
Secondary impact from operations employees	\$75,700	\$75,700	\$75,700	\$75,700	\$75,700	\$75,700	\$75,700	\$75,700	\$75,700	\$75,700	\$757,000
Employee spending sales tax	\$11,500	\$11,500	\$11,500	\$11,500	\$11,500	\$11,500	\$11,500	\$11,500	\$11,500	\$11,500	\$115,000
Residents property tax	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$19,000	\$190,000
State shared direct sales tax	\$33,800	\$33,800	\$33,800	\$33,800	\$33,800	\$33,800	\$33,800	\$33,800	\$33,800	\$33,800	\$338,000
State shared income tax	\$5,200	\$5,200	\$5,200	\$5,200	\$5,200	\$5,200	\$5,200	\$5,200	\$5,200	\$5,200	\$52,000
State shared vlt	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700	\$1,700	\$17,000
State shared hurf	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$4,500	\$45,000
Total Impact from operations	\$283,000	\$283,000	\$283,000	\$283,000	\$283,000	\$283,000	\$283,000	\$283,000	\$289,200	\$289,200	\$2,842,400
TOTAL CITY FISCAL IMPACT	\$388,900	\$283,000	\$283,000	\$283,000	\$283,000	\$283,000	\$283,000	\$283,000	\$289,200	\$289,200	\$2,948,300
Additional Impact on School Districts	\$58,500	\$36,500	\$36,500	\$36,500	\$36,500	\$36,500	\$36,500	\$36,500	\$48,400	\$48,400	\$410,800

NOTES:

All figures are intended only as a general guideline as to how the City could be impacted by the project(s).

The above figures are based on the current economic structure and tax rates of the City.

GPLET Payments

The proposed sports bar and restaurant may qualify for favorable tax treatment in the form of an eight-year property tax exemptions under the Government Property Lease Excise Tax (GPLET) program after deeding title to the property and improvements to the City of Yuma and entering into a government property lease with the City. The following table outlines the projected value of these GPLET payments by jurisdiction if the abatement is not awarded.

Without the proposed project, the vacant land property taxes that would be due annually would be approximately \$10,058 (Tax Year 2025) distributed according to the property tax rates for each jurisdiction.

Beyond the eight-year abatement period, taxes would revert back to taxes based on the net assessed value each year from the site. Not including inflation and using current property tax rates, the figures in the table also represent what would be collected by jurisdiction in years 9 and 10 after the abatement.

Bubba's 33 Estimated Property Taxes (2025 Dollars)		
Taxing Authority	Rate / \$100	Projected Annual Tax
Yuma County	2.4206	\$7,000
City of Yuma	2.1321	\$6,200
City of Yuma School Districts	4.0896	\$11,900
Fire District Assistance Tax	0.0045	\$10
Yuma County Library District	0.8815	\$2,600
Yuma County Flood Control District	0.2487	\$700
Arizona Western College	2.2954	\$6,700
S.T.E.D.Y	0.0500	\$100
Total	12.1224	\$35,210

Source: Yuma County Assessor, City of Yuma, EDPCo.

Summary

The proposed sports bar and restaurant will create annual economic and fiscal benefits for the City of Yuma. The economic benefits include local jobs and the ripple effect of these jobs throughout the economy. Indeed, the operations generate nearly \$9.0 million in economic activity each year in Yuma.

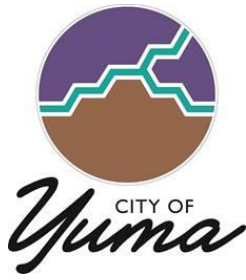
In terms of fiscal benefit, the site will generate an estimated \$8.6 million in government revenues during construction and operations over the 10-year period. This includes about \$4.1 million for the State of Arizona, \$1.2 million for Yuma County and its special districts, \$2.9 million for the City of Yuma and approximately \$410,800 for local school districts.



Based on the above analysis, the economic and fiscal benefits derived from the proposed sports bar and restaurant will exceed the incentives being offered by the City.

Bubba's 33 Summary			
Economic Impact Summary			
Construction			
	Jobs	Wages	Economic Output
Direct	37	\$1,881,000	\$4,200,000
Indirect	3	\$216,000	\$689,000
Induced	6	\$350,000	\$1,173,000
Total	47	\$2,447,000	\$6,062,000
Operations (annual at buildout)			
	Jobs	Wages	Economic Output
Direct	62	\$2,035,491	\$6,039,983
Indirect	8	\$476,000	\$1,532,000
Induced	8	\$417,000	\$1,398,000
Total	78	\$2,928,491	\$8,969,983
Fiscal Impact (Total over ten years)			
	Construction / FF&E	Operations	Total
State	\$285,100	\$3,792,000	\$4,077,100
County	\$58,100	\$1,154,600	\$1,212,700
City	\$105,900	\$2,842,400	\$2,948,300
Local school districts	--	\$410,800	\$410,800
Total	\$449,100	\$7,789,000	\$8,648,900
^{1/} Figures at stabilized operating levels Sources: Elliott D. Pollack & Co., ACA			





Date: May 13, 2025

Governing Bodies:

Yuma County Board of Supervisors
ATTN: County Administration
198 S. Main Street
Yuma, AZ 85364

Yuma Elementary School District
ATTN: Administration
450 W. 6th Street
Yuma, AZ 85364

Arizona Western College
ATTN: Administration
PO Box 929
Yuma, AZ 85366

Crane Elementary School District
ATTN: Administration
4250 W. 16th Street
Yuma, AZ 85364

Yuma Union High School District
ATTN: Administration
3150 S. Avenue A
Yuma, AZ 85364

Attention:

This letter is to provide you with the statutory 60-day notice that the City of Yuma City Council will meet at their regularly scheduled meeting on Wednesday, July 16, 2025, to review and adopt a Land and Improvements Lease Agreement (Lease) that the City of Yuma is negotiating with the following named Developer/Prime Lessee:

Name of Developer/Prime Lessee: SpenCrazi, L.L.C.

Address of Developer/Prime Lessee: Lane S. Heida, Manager
SpenCrazi, L.L.C.
c/o The Spencer Companies
190 S. Madison Avenue, Suite 2
Yuma, AZ. 85364

Project/Premises Location: Southwest Corner of 16th Street and
4th Avenue

Proposed Development/Use: Retail and future Restaurant

Proposed Length of Term(s):

Lease Agreement - Term 8 years

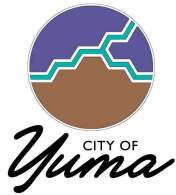
Pursuant to Arizona Revised Statutes, A.R.S. § 42-6201, *et seq.*, as part of this proposed Restaurant Project, the City of Yuma and the Developer/Lessee, collectively (the "Parties"), will enter into the Lease which will permit abatement of the Government Property Lease Excise Tax ("GPLET"). Pursuant to A.R.S. § 42-6209(C), the City must notify you as the governing bodies of the county and any school districts prior to taking action on the proposed lease at least sixty (60) days before the City Council considers approval of the Lease.

Additionally, A.R.S. § 42-6209(C)(2) requires that the City of Yuma determine that, within the term of the Lease, the economic and fiscal benefit to this state, county and the city in which the project is located will exceed the benefits received by the Developer/Prime Lessee as a result of the Lease on the basis of an estimate of those benefits prepared by an independent third party in a manner and method acceptable to the City Council. The estimate must be provided to the governing bodies of the county and any school district in which the project is located at least thirty (30) days before the vote of the City Council. Accordingly, please find attached the economic and fiscal benefit analysis for the Restaurant Project.

Should you have any further questions concerning the provisions of this notice or need further clarification or information about this proposed project, please contact: Cynthia Blot, Economic Development Manager, City of Yuma at (928) 373-5011 or by email at: Cynthia.Blot@YumaAZ.gov.

Enclosure:

Economic and Fiscal Impact of a Proposed Fast-Food Restaurant, Yuma, Arizona



City of Yuma

City Council Report

File #: O2025-027

Agenda Date: 7/2/2025

Agenda #: 3.

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

TITLE:

Acquisition of Union Pacific Railroad Property

SUMMARY RECOMMENDATION:

Authorize the acquisition of approximately 14.32 acres of real property for future downtown redevelopment. (City Administrator) (Jay Simonton)

STRATEGIC OUTCOME:

This action supports City Council's Safe and Prosperous and Active and Appealing strategic outcomes.

REPORT:

The proposed ordinance authorizes the acquisition of approximately 14.32 acres of real property described through six legal descriptions and an attached location map between South Madison Avenue and Gila Street. The property is owned by Union Pacific Railroad which has agreed to sell the property to the City for one million, seven hundred and fifteen thousand dollars (\$1,715,000) or approximately \$2.75 per square foot.

If authorized for acquisition, the property will be identified for future redevelopment of the downtown area in support of the Yuma Downtown Innovation District.

FISCAL REQUIREMENTS:

CITY FUNDS:	\$ 1,715,000	BUDGETED:	\$ 2,000,000.00
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 \$ 1,715,000			
To total; right click number & choose "Update Field"			

FISCAL IMPACT STATEMENT:

Sufficient budget capacity is provided in the City Council approved FY 2026 Budget and FY 2026-2030 Capital Improvement Program.

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: 06/26/2025
Reviewed by City Attorney: Richard W. Files	Date: 06/25/2025

ORDINANCE NO. O2025-027

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUMA,
ARIZONA, AUTHORIZING THE ACQUISITION OF APPROXIMATELY
14.32 ACRES OF REAL PROPERTY BY PURCHASE AND
AUTHORIZING PAYMENT, TOGETHER WITH COSTS NECESSARY
FOR THE ACQUISITION**

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

WHEREAS, the City has identified a need for the acquisition of a 14.32 acres of real property located between Madison Avenue and Gila Street.

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

SECTION 1: As a matter of public necessity and public welfare, the real property approximately described and depicted in Exhibit A, attached and by this reference made a part of this ordinance, shall be acquired by the City of Yuma by purchase, as such acquisition is necessary for redevelopment and establishment of the Yuma Downtown Innovation District in the public interest and public benefit for the City of Yuma and City residents.

SECTION 2: The City Administrator is authorized and directed to acquire the described real property for the sum of \$1,715,000, in addition to any sums necessary to acquire the described property such as due diligence costs, customary and usual recording fees, escrow costs, and title insurance.

Adopted this _____ day of _____, 2025.

APPROVED:

Douglas J. Nicholls
Mayor

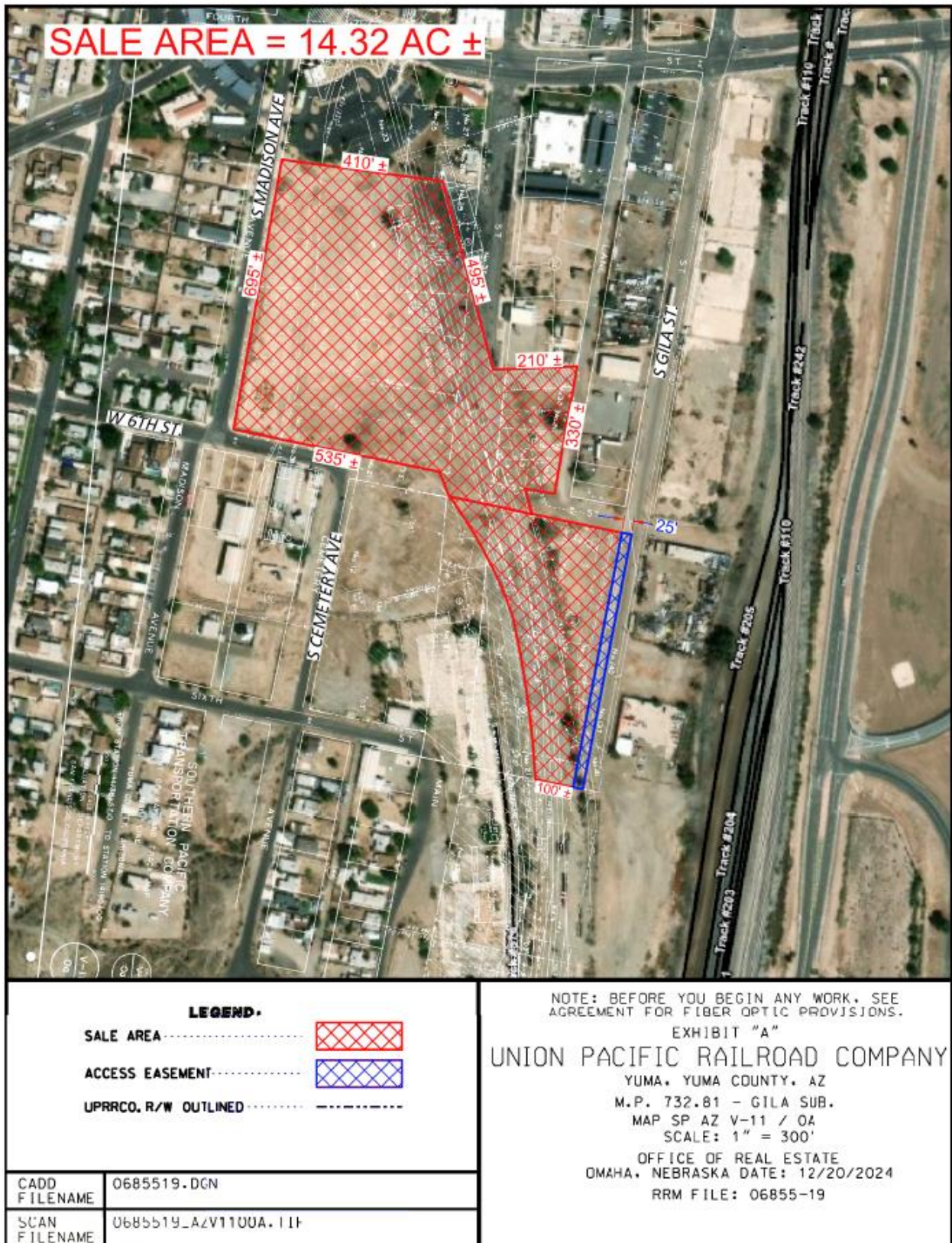
ATTESTED:

APPROVED AS TO FORM:

Lynda L. Bushong
City Clerk

Richard W. Files
City Attorney

EXHIBIT A
(14.32 Acres to be purchased from Union Pacific Railroad)



A portion of the East half of the Southeast quarter (E½SE¼) of Fractional Section 21, and a portion of the West half of the West half of the Southwest quarter (W ½W½SW¼) of Fractional Section 22, all in Township 8 South, Range 23 West of the Gila and Salt River Base and Meridian, City of Yuma, Yuma County, State of Arizona, also being a portion of Blocks 23, 24, and 139 of White's Official Survey of the Village of Yuma, dated April 4th, 1894, in the office of the Yuma County Recorder (YCR), Yuma County, Arizona, and more particularly described as follows:

Parcel 2 of the Union Pacific Railroad Historic Freight Depot Lot Split plat, dated 8/18/2005, Fee # 2005-36020, Recorded in Book 21 of Plats, Page 70, YCR;

AND

Lots 13, 14, 15, 16, and 17 all in Block 24 of said White's Official Survey of the Village of Yuma;

Except therefrom: any portions of the lots encompassed within Parcel 2 of the said Union Pacific Railroad Historic Freight Depot Lot Split plat;

AND

Commencing at the Southeast corner of Parcel 2 described in the Union Pacific Railroad Historic Depot Lot Split, dated 8/18/2005, Fee # 2005-36020, Recorded in Book 21 of Plats, Page 70, YCR, also being the Southeast corner of Parcel B in the Union Pacific Lot Tie / Lot Split & Street Dedication plat, dated 11/14/2002, Fee # 2002-32402, recorded in Book 18 of Plats, Pages 91 to 95, YCR, point being the True Point of Beginning;

Thence South 25°23'45" East along the East Union Pacific Railroad right-of-way line a distance of 33.32 feet to a point lying on the Centerline of the former 5th Street;

Thence North 89°36'58" West along the Centerline of 5th Street, a distance of 143.63 feet to the intersection of the Centerline of former Main Street;

Thence North 89°33'57" West along the Centerline of 5th Street, a distance of 84.21 feet to a point lying on the Western Union Pacific Railroad right-of-way line;

Thence North 47°42'49" West along the Western Union Pacific Railroad right-of-way line a distance of 44.92 feet to a point lying on the North line of 5th Street, also being the south line said Parcels 2 and B;

Thence South 89°33'57" East along the South line of said Parcels 2 and B, a distance of 59.31 feet, to a point that lay at the intersection of the west right-of-way line of the old Main Street and North right-of-way line of 5th Street;

Thence South $89^{\circ}35'23''$ East along the South line of said Parcels 2 and B, a distance of 110.57 feet to a point lying at the intersection of the Eastern former Main Street right-of-way line and the North right-of-way line of 5th Street;

Thence South $89^{\circ}36'58''$ East along the South line of said Parcels 2 and B, a distance of 76.91 feet to the True Point of Beginning;

AND

Commencing at the Southeast corner of Parcel 2 described in the Union Pacific Railroad Historic Depot Lot Split, dated 8/18/2005, Fee # 2005-36020, Recorded in Book 21 of Plats, Page 70, YCR, also being the Southeast corner of Parcel B in the Union Pacific Lot Tie / Lot Split & Street Dedication plat, dated 11/14/2002, Fee # 2002-32402, recorded in Book 18 of Plats, Pages 91 to 95, YCR;

Thence South $25^{\circ}23'45''$ East along the East Union Pacific right-of-way line a distance of 33.32 feet to a point lying on the Centerline of the former 5th Street, point also being the True Point of Beginning;

Thence North $89^{\circ}36'58''$ West along the Centerline of the former 5th Street a distance of 143.63 feet to a point lying on the Center line of the former Main Street;

Thence North $89^{\circ}33'57''$ West along the Centerline of the former 5th Street, a distance of 84.21 feet to a point lying on the West right-of-way line of the Union Pacific Railroad;

Thence South $47^{\circ}42'49''$ East along the Western Union Pacific Railroad right-of-way, a distance of 29.64 feet to the beginning of a tangent curve concave Southwest, of radius 607.28 feet;

Thence Southeasterly along a tangent curve, concave southwest, of radius 607.28 feet, through a central angle of $10^{\circ}51'10''$, of length 115.03 feet, to a point;

Thence South $36^{\circ}49'02''$ East, a distance of 95.46 feet to a point lying on the East line of the former Main Street, also being the West line of Block 139 of said White's Official Survey of the Village of Yuma;

Thence North $05^{\circ}21'40''$ West along the East line of the former Main Street and West line of said block 139, a distance of 150.97 feet to the Northwest corner of said Block 139, also being the intersection of the East line of the Former Main Street and the South line of the Former 5th Street;

Thence South $89^{\circ}36'58''$ East along the South line of the former 5th Street, also being the North line of said Block 139, a distance of 98.77 feet to the East edge of the Union Pacific Railroad right-ofway line;

Thence North $23^{\circ}45'13''$ West along the East edge of the Union Pacific Railroad right-of-way line, a distance of 32.87 feet to the True Point of Beginning;

AND

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12, all in Block 139 of said White's Official Survey of the

Village of Yuma, including previous 6th Street right-of-way located between Block 139 and Block 143 of said White's Official Survey of the Village of Yuma;

Except therefrom: any portions of the Lots and previous 6th Street right-of-way encompassed within Warranty Deed, dated 12/6/2023, recorded in FEE 2023-28007, Yuma County Records;

AND

Commencing at the Centerline intersection of 6th Street and Gila Street, marked with a 3 inch Diameter Brass Cap with LS 19329 as described on sheet 2, of the Union Pacific Lot Tie / Lot Split & Street Dedication, dated 11/14/2002, Fee # 2002-32402, recorded in Book 18 of Plats, Pages 91 to 95, also being the True Point of Beginning;

Thence N 23°45'13" W (calculated) along the Eastern right-of-way line of the Union Pacific Railroad Right-way, a distance of 89.84 feet (calculated) to a point lying on the West right-of-way line of Gila Street, also being the East line of Lot 6, Block 139 of said White's Official Survey of the Village of Yuma;

Thence S 00°49'58" E (recorded) along the West right-of-way line of Gila Street, and East line of said Lot 6, Block 139, a distance of 51.98 feet (calculated) to the Southwest corner of said Lot 6, Block 139;

Thence continuing S 00°49'58" E (calculated) along a projection of the West right-of-way line of Gila Street a distance of 60.00 feet (recorded) to the Northeast Corner of Lot 1, Block 143 of said White's Official Survey of the Village of Yuma;

Thence S 89°33'42" E (calculated) along a projection of the North line of said Block 143, a distance of 35.00 feet (calculated) to a point lying on the Centerline of Gila Street per said White's Official Survey of the Village of Yuma;

Thence N 00°49'58" W (calculated) along the Centerline of Gila Street, a distance of 30.00 feet (calculated) to the True Point of Beginning.

Legal Description Approved by City Engineer	<i>Andrew Mc Garvie</i>
Dated	