

**TOWN OF PINETOP-LAKESIDE**

**RESOLUTION NO. 17-1415**

**A RESOLUTION OF THE MAYOR AND TOWN COUNCIL OF THE TOWN OF PINETOP-LAKESIDE, ARIZONA ADOPTING A SIXTH AMENDMENT TO THE DEVELOPMENT AGREEMENT BETWEEN THE TOWN OF PINETOP-LAKESIDE, ASPEN MEADOW AT PINETOP, LLC AZG MEADOWS, LLC AZG LOT 9, LLC, AZG SOUTHERN OASIS, INC., AND FLAG HOLLOW INVESTMENT GROUP, LLC.**

**WHEREAS**, the Planning and Zoning Commission of Pinetop-Lakeside held a public meeting on June 8, 2017 and has recommended approval and is in agreement with the terms and conditions of the Sixth Amendment to the Development Agreement between the Town of Pinetop-Lakeside, Aspen Meadow at Pinetop, LLC, AZG Meadows, LLC, AZG Lot 9, LLC, AZG Oasis, Inc., and Flag Hollow Investment Group, LLC attached hereto as Exhibit "A."

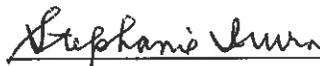
**WHEREAS**, the Town of Pinetop-Lakeside is in agreement with the terms and conditions of the Sixth Amendment to the Development Agreement between the Town of Pinetop-Lakeside, Aspen Meadow at Pinetop, LLC, AZG Meadows, LLC, AZG Lot 9, LLC, AZG Oasis, Inc., and Flag Hollow Investment Group, LLC attached hereto as Exhibit "A."

**NOW, THEREFORE, BE IT RESOLVED**, that the Mayor and Council of the Town of Pinetop-Lakeside, Arizona, hereby adopt the Sixth Amendment to the Development Agreement between the Town of Pinetop-Lakeside, Aspen Meadow at Pinetop, LLC, AZG Meadows, LLC, AZG Lot 9, LLC, AZG Oasis, Inc., and Flag Hollow Investment Group, LLC attached hereto as Exhibit "A."

**BE IS FURTHER RESOLVED** that the Mayor is hereby authorized to execute the agreement on behalf of the Town and to take all actions reasonably necessary to implement the terms of the Agreement and execute any and all documents related to the Agreement.

**PASSED AND ADOPTED** by the Mayor and Council of the Town of Pinetop-Lakeside, Arizona, this 15<sup>th</sup> day of June 2017.

**TOWN OF PINETOP-LAKESIDE**

  
\_\_\_\_\_  
Stephanie Irwin  
Mayor

**ATTEST:**

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Remilie S. Miller, MMC  
Town Clerk



  
\_\_\_\_\_  
William J. Sims, III  
Town Attorney

**EXHIBIT "A"**

## SIXTH AMENDMENT TO DEVELOPMENT AGREEMENT

This SIXTH AMENDMENT TO DEVELOPMENT AGREEMENT (the "Sixth Amendment") is entered into the 15<sup>th</sup> day of June, 2017 (the "Effective Date") by and among the Town of Pinetop-Lakeside, an Arizona Municipal Corporation (the "Town") and [1] Aspen Meadow at Pinetop, LLC, an Arizona limited liability company (the "Developer"), [2] AZG Meadows, LLC, an Arizona limited liability company, [3] AZG Lot 9, LLC, an Arizona limited liability company, [4] AZG Southern Oasis, Inc., an Arizona corporation, and [5] Flag Hollow Investment Group, LLC, an Arizona limited liability company, (individually referred to as "Owner" and collectively referred to as the "Owners").

### RECITALS:

- A. The Town, Owners and Owners' predecessors-in-interest, are parties to: (i) the Development Agreement dated March 16, 2006, with respect to the development of certain real property (the "Property") as legally described in **Exhibit A** attached hereto and incorporated herein by this reference, (ii) the First Amendment to Development Agreement dated as of March 1, 2007 recorded on March 9, 2007 as Document No. 2007-6289, Records of Navajo County, Arizona ("First Amendment"), (iii) the Addendum to First Amendment to Development Agreement dated February 28, 2007 recorded on March 9, 2007 as Document No. 2007-6288 ("Addendum"), (iv) the Third Amendment to Development Agreement dated April 3, 2008 ("Third Amendment"), (v) the Fourth Amendment to Development Agreement dated June 17, 2010, ("Fourth Amendment") and (vi) the Fifth Amendment to Development Agreement dated November 11, 2011 ("Fifth Amendment") (collectively referred to as "Development Agreement").
- B. During the development of the infrastructure for the Project, the economy for Arizona has taken a downturn, the real estate market and financing for both developers and prospective purchasers has not fully recovered, and the Owners and Developer believe that additional time is needed to develop and to sell the Project;
- C. The Parties agree that allowing the Owners additional time for the completion of the Phase I subdivision improvements of the Project until July 1, 2022 is reasonable at this time and that a delay in developing the remaining phases is also reasonable.

**NOW, THEREFORE**, in consideration of the premises above and the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Town and

Owners and Developer, intending to be legally bound, covenant and agree, for themselves, and their successors-in-ownership and assigns as follows:

1. **Recitals.** The Recitals set forth above are acknowledged by the parties to be true and correct and are incorporated herein by this reference.
2. **Definitions.** Except as otherwise defined herein, all capitalized terms used herein shall have the meanings ascribed thereto in the Development Agreement.
3. **Phase I Subdivision Improvements and Phase II Final Plat and financial Assurances.** The Parties agree that notwithstanding any other provision in the Development Agreement, the Owners shall have until July 1, 2022 to complete the Phase I subdivision improvements and until December 31, 2022 to record the final plat for Phase II and deposit with the Town the financial assurances for Phase II.
4. **Signing This Sixth Amendment and Title Report.** The signers of this Sixth Amendment all state and avow that they have the requisite authority to sign this Sixth Amendment on behalf of their respective companies or organizations which companies and organizations are all authorized to do business and are in good standing with the State of Arizona.
5. **Reaffirmation of Development Agreement.** Except as modified by this Sixth Amendment, all provisions of the Development Agreement remain in full force and effect, and are hereby reaffirmed by the Parties.
6. **Conflicts of Interest.** The Parties acknowledge that this Sixth Amendment is subject to cancellation pursuant to Arizona Revised Statutes Section 38.511.

DATED: 15<sup>th</sup> June 2017

**TOWN OF PINETOP-LAKESIDE**

**Aspen Meadow at Pinetop, LLC,  
An Arizona Limited Liability Company**

Stephanie Erwin  
Mayor

Dan Shreeve, Manager

ATTEST:

Jennifer S. M...  
Town Clerk,



APPROVED AS TO FORM:

William J. Siro  
Town Attorney

**AZG Meadows, LLC,**  
An Arizona Limited Liability Company  
By: The David and Julie Benson Trust  
Dated November 8, 2006, Its Member

**AZG Lot 9, LLC,**  
An Arizona Limited Liability Company  
By: The David and Julie Benson Trust  
Dated November 8, 2006, Its Member

David Benson, Trustee

David Benson, Trustee

**AZG Southern Oasis, Inc.,**  
An Arizona Corporation

**Flag Hollow Investment Group, LLC,**  
An Arizona Limited Liability Company

Daniel A. Shreeve, President

Clinton O. Shreeve, Manager





STATE OF ARIZONA     )  
  ) ss.  
County of Maricopa     )

The foregoing was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2017, by Daniel A. Shreeve, President of AZG Southern Oasis, Inc., an Arizona corporation, for and on behalf thereof.

\_\_\_\_\_  
Notary Public

My Commission Expires:  
  
\_\_\_\_\_

STATE OF ARIZONA     )  
  ) ss.  
County of Maricopa     )

The foregoing was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2017, by Clinton O. Shreeve, the Manager of Flag Hollow Investment Group, L.L.C., an Arizona limited liability company, for and on behalf thereof.

\_\_\_\_\_  
Notary Public

My Commission Expires:  
  
\_\_\_\_\_