

## AGENDA

### TUSAYAN TOWN COUNCIL SPECIAL MEETING

PURSUANT TO A.R.S. § 38-431.02 & §38-431.03

Thursday, January 29, 2015 at 8:00am

TUSAYAN TOWN HALL BUILDING

845 Mustang Drive, Tusayan Arizona

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Tusayan Town Council and to the general public that the Tusayan Town Council will hold a Meeting open to the public on Thursday, January 29, 2015 at the Tusayan Town Hall Building. If authorized by a majority vote of the Tusayan Town Council, an executive session may be held immediately after the vote and will not be open to the public. The Council may vote to go into executive session pursuant to A.R.S. § 38-431.03.A.3 for legal advice concerning any matter on the agenda, including those items set forth in the consent and regular agenda sections. The Town Council may change, in its discussion, the order in which any agenda items are discussed during the course of the meeting.

Persons with a disability may request a reasonable accommodation by contacting the Town Manager at (928) 638-9909 as soon as possible.

As a reminder, if you are carrying a cell phone, electronic pager, computer, two-way radio, or other sound device, we ask that you silence it at this time to minimize disruption of today's meeting.

### TOWN COUNCIL MEETING

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE
2. ROLL CALL

**MAYOR GREG BRYAN**  
**VICE MAYOR CRAIG SANDERSON**

**COUNCILMEMBER BILL FITZGERALD**  
**COUNCILMEMBER AL MONTOYA**  
**COUNCILMEMBER JOHN RUETER**

*\* One or two Councilmembers may attend by telephone*

3. DISCUSSION AND CONSIDERATION OF POSSIBLE NOTICE TO STILO DEVELOPMENT GROUP REGARDING THE DEADLINE TO SUBMIT A PRELIMINARY CAMPER VILLAGE LIMITED COMMERCIAL DEVELOPMENT SITE PLAN.

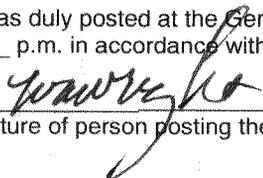
The Town Council may decide to go into executive session pursuant to A.R.S. § 38-431.03(A)(3) and (4) for consultation with and to give direction to the Town attorney regarding the terms of the First Amendment to Pre-annexation and Development Agreement by and between the Town and Stilo Development Group, dated as of January 22, 2014, and the deadline for submitting a preliminary Camp Village Limited Commercial Development Site Plan.

Following the Executive Session, Council may wish to take action in open session regarding a possible notice of non-performance.

4. MOTION TO ADJOURN

### CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at the General Store in Tusayan, Arizona on this 27 day of January, 2015, at 4:37 p.m. in accordance with the statement filed by the Tusayan Town Council

  
Signature of person posting the agenda

When Recorded, Return to:  
Town Clerk  
Town of Tusayan  
PO Box 709  
Tusayan, AZ 86023

With a copy to:  
Grady Gammage, Jr.  
Gammage & Burnham  
Two North Central Avenue  
Fifteenth Floor  
Phoenix, AZ 85004

**FIRST AMENDMENT  
TO  
PRE-ANNEXATION AND  
DEVELOPMENT AGREEMENT  
Agreement No. 2011-11-02**

**BETWEEN THE TOWN OF TUSAYAN,  
an Arizona municipal corporation**

**and**

**STILO DEVELOPMENT GROUP USA, LP**

The installed units may be a mixture of "double wide" and single wide" units and shall be installed in accordance with the Camper Village Interim Housing Site Plan. As of the Effective Date of this First Amendment, the parties acknowledge that eight (8) of the required sixteen (16) units have been installed on spaces occupied by lessees and four (4) additional spaces are committed pending permitting approvals. The Interim Housing installed shall be available for lease or purchase and, in either case, a separate lease shall be provided for the real property upon which the Interim Housing is located. A minimum term of two (2) years on all leases for the Interim Housing and associated real property shall each be offered to prospective lessees. Stilo shall respond to the demand for the units and provide an appropriate mix of "double wide" and "single wide" units. The Town acknowledges receipt of two letters: one from Stilo dated November 13, 2013 ("**Stilo Letter**") and the other from the other party owning an interest in Camper Village (the "**Third-Party CV Owner**") dated January 24, 2012. The letter from Stilo and the letter from the Third-Party CV Owner offer to provide funds to establish a program to assist individuals with purchasing either interim or permanent housing units. Pursuant to the Stilo Letter, Stilo shall provide matching funds in an amount equal to the amount contributed by the Third-Party CV Owner. Such funds may only be used to provide financial assistance to qualifying individuals desiring to purchase housing units.

(c) Transition of CV to Commercial Uses. The parties intend CV to ultimately become a commercial/mixed use site, and the PCD zoning application for Camper Village reflects this long-term plan. Subject to conditions set forth below, the owner of Camper Village (the "**CV Owner**") or an affiliate of the CV Owner shall have the right, but not the obligation, to construct Limited Commercial Development (as defined below) at CV during the "**Camper Village Limited Commercial Development Period**" (as defined below). At the point at which housing (other than housing on the Town Housing Parcels) becomes available at Kotzin or TenX, Stilo shall phase out the Interim Housing at CV which is required by this First Amendment and shall provide relocation assistance for owners of Interim Housing provided pursuant to this Section 8 to either a Town Housing Parcel or to the Initial Subdivision (as that term is defined in Section 10(a) of this First Amendment); provided, however, that the obligation to provide such relocation assistance shall be limited to providing relocation to individuals who have purchased Interim Housing and shall not be available for businesses that have purchased Interim Housing.

(i) The CV Owner must deposit into a jointly established escrow account (the "**CV Escrow Account**") a surety bond or cash in an amount equal to the greater of Three Million and 00/100 Dollars (\$3,000,000) or two-thirds of an Engineer's Estimate as a

form of financial assurance for the construction of the Necessary Infrastructure to Kotzin (the "**CV Financial Assurance**"). The CV Financial Assurance shall be provided to the Town on or before the date of the first building permit for Limited Commercial Development is issued (the "**CV Limited Commercial Development Commencement Date**"). The CV Escrow Account instructions shall provide that interest on any deposited funds shall be paid to the CV Owner and that no withdrawals from the CV Escrow Account, other than quarterly disbursements of any interest paid to the CV Owner, may be made without the prior written approval of the Town; and

(ii) Camper Village Limited Commercial Development (as defined below) shall be subject to a site plan (the "**Camper Village Limited Commercial Development Site Plan**") which shall be submitted to the Town Council for preliminary consideration within three hundred and sixty-five (365) days after the Effective Date for preliminary Town Council review. Thereafter, the Camper Village Limited Commercial Development Site Plan shall be subject to review and approval pursuant to Section 13 of the Town Zoning Code, except that: any determination by the Planning and Zoning Commission is subject to the review and approval of the Town Council, and those portions of Camper Village where Interim Housing has been installed as permitted by Section 8(a) shall be subject to the exceptions to Section 13 of the Town Zoning Code as permitted by Section 8(a). Those exceptions to Section 13 of the Town Zoning Code as permitted by Section 8(a) shall not be applicable to those portions of Camper Village developed pursuant to the Camper Village Limited Commercial Development Site Plan. Stilo must provide sufficient residential housing on Camper Village to serve prospective employees who will work in the Camper Village Limited Commercial Development ("**Camper Village Employee Housing**"). The constructed Camper Village Employee Housing shall be in addition to and shall not supplant those temporary homes that constitute the Interim Housing and are the subject of leases or purchase agreements pursuant to Section 8(b) of this First Amendment. Camper Village Employee Housing may only consist of (A) multifamily dwellings authorized pursuant to the CV Zoning Approval and (B) those Interim Housing units that are not the subject of leases or purchase agreements pursuant to Section 8(b) of this First Amendment. Notwithstanding the foregoing provisions of this subsection (ii), Stilo shall be authorized to move the location of the temporary homes/sites that comprise the Interim Housing to construct the Limited Commercial Development but may not reduce the number of such temporary homes/sites.

(iii) The “Camper Village Limited Commercial Development Period” shall commence on the Effective Date and shall terminate on the date that is four hundred ten (410) days after the Effective Date if Stilo has not submitted all required documents and information as required by the Town Zoning Code in order to allow the Town to review the Camper Village Limited Commercial Development Site Plan by such date. Thereafter, the Camper Village Limited Commercial Development Period shall terminate upon Forest Service Final Approval. Notwithstanding the preceding sentence, if Stilo has been issued building permits for Camper Village Limited Commercial Development as of the date of Forest Service Final Approval, Stilo may complete the construction authorized by such permits.

(iv) “Limited Commercial Development” at CV shall mean that the CV Owner or affiliate may develop CV pursuant to the CV Vested Zoning subject to the conditions set forth above. If adequate Camper Village Employee Housing is not provided, then no commercial development may occur at CV until the Initial Subdivision is established at Kotzin or TenX. If the Limited Commercial Development at CV is constructed, and if Stilo constructs the Initial Subdivision (as defined in Section 10(a)) at either Kotzin or TenX, Stilo may thereafter convert the Camper Village Employee Housing to uses permitted by the CV Vested Zoning, provided the number of dwelling units in the Camper Village Employee Housing is replaced by an equal or greater number of dwelling units on Kotzin or TenX consistent with Stilo’s Vested Zoning.

(v) An event of force majeure (as defined herein) shall have no effect on the ability to commence Limited Commercial Development subject to satisfaction of the foregoing conditions.

9. Vesting of Zoning. Section 9 of the Prior Agreement shall be deleted in its entirety and replaced with the following:

(a) Vested Zoning. Upon the execution and delivery to the Town of: this First Amendment, the First Town Housing Parcel Recordable Deed, the Second Town Housing Parcel Escrow Instructions and the Additional Housing Parcel Escrow Instructions, zoning at all Stilo Parcels shall be considered fully “vested” (the “**Vested Zoning**”). Stilo’s agreement to transfer forty (40) acres of land and the contingent obligation to transfer the Additional Housing Parcel to the Town is being made in furtherance of the long term development plans of the Town and for the Stilo Parcels pursuant to the zoning approvals granted by the Town, and in order to