

WHEN RECORDED MAIL TO:

CYNTHIA SALCIDO
P.O. BOX 1170
SAN LUIS, ARIZONA 85349



OFFICIAL RECORDS OF
YUMA COUNTY RECORDER
SUSAN MARLER



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REQ BY: CITY OF SAN LUIS
REG BY: Samantha Vaughan

OFFICE OF THE
MAYOR
CITY OF SAN LUIS

Ordinance

ORDINANCE #180

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF SAN LUIS, ARIZONA, AMENDING ORDINANCE #13, AS AMENDED, REZONING EIGHTY (80) ACRES LOCATED WEST OF TENTH AVENUE, 1000 FEET NORTH OF JUAN SANCHEZ BLVD. FROM COUNTY RURAL AGRICULTURAL 10 ACRE PARCELS (RA-10) TO LOW DENSITY RESIDENTIAL (R-1-6) 13 ACRES, INTERMEDIATE DENSITY RESIDENTIAL (R-2) 55 ACRES, AND RESIDENCE-MANUFACTURED HOUSING (RMH) 12 ACRES; AMENDING THE ZONING MAP TO CONFORM THERETO AND AUTHORIZING A DEVELOPMENT AGREEMENT.

Be it ordained by the Mayor and Council of City of San Luis, Arizona, as follows:

Section 1: That Ordinance #13, as amended, be further amended in that the real property described as follows:

A parcel of land located in the south half of the east half of the east half of Section 6, Township 11 South, Range 24 West Gila and Salt River Base and Meridian being more particularly described as follows;

Commencing at the southeast corner of said Section 6; Thence north 00° 41' 32" west a distance of 995.33 feet to the True Point of Beginning. From that point thence south 89° 41' 11" west a distance of 816.25 feet to a point. From that point thence north 00° 33' 15" west a distance of 698.48 feet to a point. From that point, thence north 89° 26' 45" east a distance of 814.56 feet to a point. From that point, thence south 00° 41' 32" east a distance of 701.91 feet to the True Point of Beginning, containing 13 Acres more or less.

Be rezoned from County RA-10 to Low Density Residential (R-1-6) as defined in Ordinance #13, as amended, that said property upon this ordinance taking

effect, shall be subject to all rules, regulations, and requirements of Ordinance #13, as amended.

Section 2: That Ordinance #13, as amended, be further amended in that the real property described as follows:

A parcel of land located in the south half of the east half of the east half of Section 6, Township 11 South, Range 24 West, Gila and Salt River Base and Meridian being more particularly described as follows;

Commencing at the north west corner of the northeast one-quarter of the southeast one-quarter of said Section 6, Thence south $00^{\circ} 32' 53''$ east a distance of 388.44 feet to a point the True Point of Beginning. From that point, thence north $58^{\circ} 13' 42''$ east a distance of 751.14 feet to a point, From that point, thence south $31^{\circ} 46' 18''$ east a distance of 315.02 feet to a point. From that point, thence south $00^{\circ} 33' 15''$ east for a distance of 557.34 feet to a point. From that point, thence south $89^{\circ} 26' 45''$ west a distance of 805.7 feet to a point. From that point, thence N $00^{\circ} 32' 53''$ W a distance of 437.43 feet to the True Point of Beginning, containing twelve (12) acres more or less.

Be rezoned from County RA-10 to Residential Manufacturing Housing (RMH) as defined in Ordinance #13, as amended, that said property, upon this ordinance taking effect, shall be subject to all rules, regulations and requirements of Ordinance #13. Once the subdivision is recorded, the above described area is lot 260 through lot 318 inclusive, in Bienestar Estates 7b.

Section 3: That ordinance #13, as amended, be further amended in that the real property described as follows:

A parcel of land located is the east half of the east half of Section 6, Township 11 South, Range 24 West, Gila and Salt River Base and Meridian, being more particularly described as follows:

Commencing at the north east corner of said Section 6. Thence South $00^{\circ} 02' 45''$ East a distance of 1653.91 feet to the True Point of Beginning; thence South $89^{\circ} 39' 04''$ west a distance of 1316.24 feet to a point. From that point, thence South $00^{\circ} 13' 39''$ East a distance of 997.00 feet to the north west corner of the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 6. From that point thence South $00^{\circ} 32' 53''$ East a distance of 1322.48 feet to the north west corner of SE $\frac{1}{4}$ SE $\frac{1}{4}$ of said Section 6. From that point thence South $00^{\circ} 33' 15''$ East a distance of 330.77 feet to a

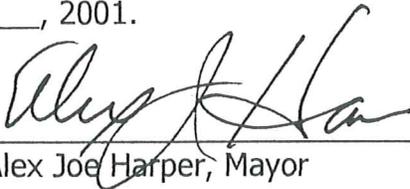
point. From that point thence North 89° 41' 11" East a distance of 1317.22 feet to a point on the east line of said Section 6. From that point thence north along the east line of said Section 6 a distance of 2651.1 feet to the True Point of Beginning, excepting therefrom the parcels of land described in Sections #1 and #2 of this ordinance. Containing fifty-five (55) acres more or less.

Be rezoned from County RA-10 to Intermediate Density Residential (R-2) as defined in Ordinance #13, as amended, that said property, upon this ordinance taking effect, shall be subject to all rules, regulations, and requirements of Ordinance #13, as amended.

Section 4: That the zoning map adopted under said Ordinance #13, as amended, is hereby ordered to be changed and amended so as to show that said real property described in this ordinance is located within the district herein provided.

Section 5: That certain document known as a Development agreement between Comite de Bien Estar Inc. and the City of San Luis, Arizona, three copies of which are on file in the office of the City Clerk of the City of San Luis, Arizona, which document is a public record, is hereby referred to, adopted and made a part hereof as if fully set out in this Ordinance.

PASSED AND ADOPTED by the Mayor and Council of the City of San Luis, Arizona this 10th day of OCT., 2001.



Alex Joe Harper, Mayor

ATTEST:



Enrique Castillo, City Clerk

APPROVED AS TO FORM:



Glenn Gimbut, City Attorney

EXHIBIT "A"

CITY OF SAN LUIS

AND

COMITE DE BIEN ESTAR, INC. AN ARIZONA 501(c)(3)

DEVELOPMENT AGREEMENT

FOR BIENESTAR ESTATES VII

This Agreement is made and entered into pursuant to A.R.S. § 9-500.05, on the 10th day of Oct., 2001 by and between the Comite de Bien Estar, Inc., an Arizona 501(c)(3) non-profit corporation, hereinafter referred to as "Developer", and the City of San Luis, Arizona, a municipal corporation, hereinafter referred to as the "City".

RECITALS:

A. That Developer is developing a tract of land of eighty (80) acres, more or less, to be known as Bienestar Estates VII, in two phases, Bienestar Estates 7A and Bienestar Estates 7B, located in Yuma County, Arizona legally described as follows:

Bienestar Estates 7A N ½, E ½, E ½ Section 6, 29.72 acres,
T. 11 S., R. 24W., G&S R B M, Yuma County, Arizona.

Bienestar Estates 7B S ½, E ½, E ½ Section 6, 50.28 acres,
T. 11 S., R. 24W., G&S R B M, Yuma County Arizona.

B. That the City has zoned said property R-2 (Bienestar Estates 7A) and R-2, R-1-6, and RMH (Bienestar Estates 7B) to allow for residential development and to provide city water and sewer service to serve the same, and the City, under certain conditions and stipulations, as herein set forth.

NOW, THEREFORE, in consideration of the mutual agreements and covenants set forth herein, the parties agree as follows:

SECTION ONE

Purpose

The purpose of this Development Agreement is to set forth terms and conditions for the subdivision of certain territory, within the boundaries of City and to allow, within the limits of legislative and administrative powers of City, the Developer to develop the territory and to provide water and sewer service to the Territory to allow for its development.

SECTION TWO

Development Agreement

This Agreement is a "Development Agreement" within the meaning of Arizona Revised Statutes § 9-500.05.

SECTION THREE

Consistency with General Plan

As required by State law, the City and Developer stipulate that the residential development of the property is consistent with the City of San Luis General Plan, as amended. In the event that it is not presently consistent, to the extent permitted by law, City promises, to amend the General Plan so that development, as desired by Developer as hereinafter set forth, will be consistent. In the event that the current General Plan of the City of San Luis is incomplete the City agrees to incorporate this Agreement into its General Plan when so adopted.

SECTION FOUR

Extension of Water and Sewer Service

Water and Sewer service is available for the above-mentioned territory of Developer, subject to certain terms, limitations, and conditions. All costs for extending or otherwise constructing the water and/or sewer lines and other needed improvements for service to the proposed residential development of territory shall be borne by Developer subject to the following terms, conditions and understandings.

A. Development of Sewer Extension.

(1) Developer is developing its lands in conjunction with the proposed subdivisions known as Los Quintas being developed by Riedel Construction. The Developer has represented to the City, and this agreement is contingent upon said representation, that the Comite de Bien Estar, Inc. will be paying for the development of a 18" sewer main extension line and all related improvements needed or necessary to provide the availability of wastewater service to the territory from 8th Avenue to 10th Avenue on the north side of Juan Sanchez Boulevard. It is understood that Developer has an agreement with Riedel Construction to be reimbursed for one half the costs with this development. It is understood and agreed that the City is not a party to said agreement with Riedel Construction and that no municipal funds are, or will be, involved whatsoever, in the construction of the aforementioned sewer improvements.

(2) Developer also represents that it has agreed to share in the costs of the development of a 15" sewer main extension line and all related improvements needed or necessary to provide the availability of wastewater service to the territory from

behind the San Luis Post Office and Mesa West, about 200', to the first manhole. With respect to the aforementioned 15" line, as well as the aforementioned 18" line set forth in subsection 4(A)(1) above, it is understood this is a temporary solution and that it will need to be replaced with a pump station and a 20" force main traveling from 8th Street to the Waste Water Treatment Plant sometime within the next two years.

(3) Developer will be responsible for all water and sewer improvements on 10th Ave. in front of the lands of Developer and Riedel Construction will be responsible for all improvements in front of its proposed subdivision(s) as they front on 10th Ave.

It is further understood that the aforementioned Sewer Extension connect to mains and/or lines may be inadequate to provide service beyond the next 24 to 36 months. In addition, the capacity of the plant may need to be increased to be able to adequately serve full development of the lands of Developer. Developer understands that funding for the development of such future infrastructure as may be needed or necessary to provide continued service does not presently exist. As a result, at present time, the City can grant authority only for the development of 375 residential units, for all development, that may connect to the lines described above, based upon the current status of City infrastructure and the improvements referred to above. The City is aware of other developments, including the aforementioned developments of Riedel Construction, which may desire to develop residential units that may connect to the aforementioned sewer lines and improvements. Developer understands that the City will issue building permits and allow sewer hook-ups on a "first-come, first serve" basis, for any and all development that may connect to the

aforementioned sewer lines and improvements, until the total of 375 residential units, or its equivalent residential wastewater capacity, is reached. At such time as the aforementioned limit of 375 residential units, or its equivalent residential wastewater capacity, is reached, no permission of any kind, whatsoever, for any further development will be given, until or unless development of all the infrastructure needed or necessary to provide proper sewer service, including but not limited to mains, lines, lift stations, increased sewer plant capacity or other improvements, has been fully constructed.

Developer understands that the creation of special districts, imposition of impact fees, future agreements, increase in hook-up fees or monthly sewer charges, or other funding vehicles may be needed or necessary to provide for the infrastructure needs for the continued development of the territory. Developer understands that the City has not promised and will not promise either continued service, nor full service to its lands until or unless funding for the development of all proper future infrastructure becomes available, and that any promise or approval for and further development is so conditioned.

B. Design Standards and Governmental Approvals. The Sewer Extension shall be designed, built and constructed to the City's full satisfaction, and the construction and installation of the Sewer Extension shall be completed in compliance with all applicable City standards and specifications for sanitary sewer line construction and all work in connection therewith shall be subject to the approval of the City by and through the City Engineer. Developer hereby agrees that the installation of all said sanitary sewer line construction must comply with the requirements of the Arizona State Department of Health Services and A.D. E. Q. regulations.

At all times Developer will be responsible for meeting said requirements and obtaining all appropriate approvals from the State of Arizona.

C. Title to Sewer Extension; No Liens. Developer agrees to cause the granting to the City of all right and title to the Sewer Extension, and the City hereby agrees to accept and own the Sewer Extension, subject to the terms and conditions herein, free and clear of all consensual liens and encumbrances, if any. In addition to the Agreement to hold harmless as hereinafter set forth, the Developer hereby agrees to indemnify and hold harmless City from any and all claims, known or unknown, of whatsoever kind or nature, regarding the construction of said Sewer Extension, including but not limited to any and all claims of liens or encumbrances including, but not limited to, mechanics' liens and/or consensual liens or encumbrances otherwise attaching to the property upon which the Sewer Extension may be constructed. All sewer lines, mains, equipment and appurtenances to be installed as referenced in this Agreement shall be, and remain the property of the City, and Developer shall have no right, title or interest therein or thereto.

D. Easements and Rights of Way. Developer shall obtain and grant to City any and all perpetual sewer easements needed or necessary for the construction and maintenance of the Sewer Extension at its sole cost and expense. Developer shall deliver to the City fully executed, acknowledged, and recordable utility easements in a form acceptable to the City. Developer agrees to grant to the City the permanent right and easement to install, operate, maintain, replace and remove such portions of the Sewer Extension as may be located on property owned and/or controlled by Developer. If any part or all of the sewer system is, or is to be, installed on property owned by other than Developer, Developer shall procure from

the owners thereof in the name of City all necessary permanent rights-of-way for the construction, operation, maintenance and replacement of the Sewer Extension on such property, all in form satisfactory to City without cost to it.

E. Extension of Water Service. Extension of water lines shall be done in accordance with the City's standards and specifications. Developer shall obtain and grant to the City any and all perpetual easements needed or necessary for the construction and maintenance of the extensions for water service at its sole cost and expense. Developer shall deliver to the City fully executed, acknowledged, and recordable utility easements in a form acceptable to the City. Developer agrees to grant to the City the permanent right and easement to install, operate, maintain, replace and remove such portions of the Water Extension as may be located on property owned and/or controlled by Developer. If any part or all of the water system is, or is to be, installed on property owned by other than Developer, developer shall procure from the owners thereof in the name of City all necessary permanent rights-of-way for the construction, operation, maintenance and replacement of the Water Extension on such other property, all in form satisfactory to City without cost to it.

Developer agrees to cause the granting to the City of all right and title to the Water Extension, and the City hereby agrees to accept and own the Water Extension, subject to the terms and conditions herein, free and clear of all consensual liens and encumbrances, if any. In addition to the agreement to hold harmless as hereinafter set forth, the Developer hereby agrees to indemnify and hold harmless City from any and all claims, known or unknown, of whatsoever kind or nature, regarding the construction of said Water Extension, including but not limited to any and all claims of liens or encumbrances including, but not limited to,

mechanics' liens and/or consensual liens or encumbrances otherwise attaching to the property upon which the Water Extension may be constructed. All water lines, mains, equipment and appurtenances to be installed as referenced in this Agreement shall be, and remain the property of the City, and Developer shall have no right, title or interest therein or thereto.

SECTION FIVE

Water/Sewer Fees

The following water & sewer hookup fees shall be paid at the time each building permit is pulled. Those fees are in the amount of \$450.00 for water and \$1,000.00 for sewer for a total of \$1,450.00. It is understood development pursuant to any issued permit is expected within two years of the date of issuance. For any such permit where the development does not occur within two years of the date of issuance, the then current charges for water and/or sewer hookup will be paid.

SECTION SIX

Bonds or Assurances

Prior to recordation of the final subdivision plat, Developer shall assure its full and faithful performance thereof by either:

A. Constructing the required improvements and repairing the existing streets and other public facilities damaged in the development of the property, or

Filing with the City one of the following:

i. A surety bond executed by a surety company authorized to transact business in the State of Arizona;

ii. An irrevocable letter of credit made by or through a lending institution, insurance or title company regulated by the State of Arizona and made payable to the City of San Luis;

iii. A cash deposit.

Such assurance of full and faithful performance shall be in a form approved by the City and shall be for a sum sufficient to cover the cost of the improvements and related engineering and incidental expenses.

All assurances shall be released upon issuance of the Notice of Project Acceptance and payment of the impact fees to the City. If Developer fails to construct the improvements within five (5) years from the date of this Agreement and the City has non-reimbursed costs or expenses resulting from such failure, the City shall call on the posted assurances for reimbursement. If the amount of the posted assurances exceeds the cost and expense incurred by the City, the City shall release the remainder. If the amount of the posted assurances are less than the cost and expense incurred by the City, Developer shall be liable to the City for the difference. The security shall be in an amount acceptable to the City and in compliance with A.R.S. § 34.222.

SECTION SEVEN

Applicability of Existing Law

On selection of any area or development, Developer shall be required to comply with all City ordinances (including subdivision ordinances) codes, policies and standards affecting the development, construction, marketing and sale of the project in effect, as of the date this Agreement is executed, which will govern the development, construction,

marketing and sale of the project together with any subsequent amendments to the Development Plan. The development and use of the property shall be subject to all other applicable city, state, or federal rules, laws or regulations.

SECTION EIGHT

Retention Basins/Street Lights/ Assessment Districts

Developer further agrees to set aside retention basins or such other amounts of said property for retention basins in accordance with Yuma County Storm Drainage requirements or as the City Engineer can justify as necessary to be used by the City as it in its sole discretion deems necessary or justifiable, and the retention basins will be utilized for park areas. Developer, at Developer's costs, shall pay for formation of retention basin operation and maintenance assessment district and streetlights operation and maintenance assessment districts. The assessment districts may include such other considerations, including but not limited to, maintenance and operation, sidewalks, drainage, water rights, reimbursement, and other improvements and expenses as required by the City.

Furthermore the Developer agrees that the sum of five hundred dollars (\$500.00) per acre of development to be used solely for the establishment and improvement of public recreation areas in the subdivision as designed by the City. The total assessment (\$500.00 x 80 acres) for recreational equipment shall not exceed \$40,000 and shall be assessed one time only, on a pro rata per acre basis, upon completion of each phase of subdivision development. The total amount due for phase 7A is \$15,000 (37.5% of subdivision acreage), and the total amount due for phase 7B is \$25,000 (62.5% of subdivision acreage).

Each retention area will receive improvements in relation to its size as compared to the total retention basin acreage, and the improvements shall include, but not be limited to, playground equipment, ramadas, benches, bar-b-que pits, and other equipment related to recreation activities on a timetable which is in the City's sole discretion. The maintenance and replacement of equipment is specifically included within the scope of proper expenses for these assessment districts, and shall be the responsibility of the City and not the Developer.

SECTION NINE

Retention Basin Landscaping/Irrigation

Developer shall provide landscaping, initial year-round grass seeding and an appropriate irrigation system to the retention basin within the subdivision and shall include water meter, meter box, and timer, backflow device and all valves, fittings, and appurtenances and shall provide a plan for said improvements for approval by the City. Specific details on retention basin and landscaping are as follows:

1) Grass

The retention basin should be seeded with winter rye for establishing the turf for the winter season or Bermuda for the spring and summer months. An alternative type of perennial grass may be substituted with approval from the Parks and Recreation Director.

2) Sprinkler System Requirements

- a) Rainbird Timing Clocks
- b) Hunter Commercial sprinklers I-25 Adjustables
- c) Each sprinkler should have an adjustable swing arm

- d) A back flow valve with metal pipes
- e) Schedule 40 PVC pipe and fittings

SECTION TEN

Installations to be provided by Developer

Developer shall install all utilities, including telephone lines, sewer lines, water lines, electrical and all other service lines underground, and conduit for future underground installation of telecommunication lines for the subdivision in a manner acceptable to the City . Developer shall also install street lighting within the subdivision according to APS design approved by the City, and street identification signs, stop signs, and other traffic signs, street striping, monumentation, lot corner staking, water mains and services, fire hydrants, manholes, sewer interceptors and sewer collection lines, sewer side services, streets, curbs and gutters, sidewalks, and retention basins.

The Developer's Contractor shall provide the engineer and the City of San Luis with certified soil compaction, asphalt, and concrete tests as required by Yuma County Standard Specifications.

SECTION ELEVEN

Special Conditions

Developer agrees to contribute twenty-five (25) percent of costs of traffic signals and streetlights at the intersection of 10th Avenue and Juan Sanchez Blvd.

Developer agrees to construct a subdivision wall using 6" concrete masonry units along all subdivision borders as required by subdivision regulations..

All of the foregoing special conditions shall be subject to the requirements and conditions of the San Luis Public Works Director, and the plans shall include such requirements as he/she directs. In addition, any funds that are due shall be due and payable by Developer on receipt of a written statement. Work not paid within thirty (30) days shall accrue interest at ten per cent (10%) from the date of the notice until paid.

SECTION TWELVE

Impact Fees

The Developer shall be responsible for Impact Fees of \$300.00 per lot. There are 135 lots in phase 7A of the Bienestar Estates VII Subdivision, so the amount due will be \$40,500. This is due and payable before the first building permit for construction of a residence in phase 7A is obtained. There are 183 lots in phase 7B so the amount due will be \$54,900; this is due and payable before the first building permit for construction of a residence in 7B. The City is allowing five years from the date of this agreement for the completion of construction of both phases.

In the event the development of Bienestar Estates is not otherwise complete within five years of the date of this agreement, the impact fees shall be adjusted to whatever the impact fees are at the date building permits are issued for the residential units being developed after said five year period; in no event shall the development fees be reduced below the \$300 per lot initially assessed .

SECTION THIRTEEN

Ownership of Systems

The water and sewer systems referred to herein and contemplated hereby as well as conduit for future installation of telecommunication lines as well shall be and remain the sole and exclusive property of the City. Developer and the persons to whom Developer sells shall have no interest, right, title or ownership therein. City shall have the right to extend, improve, maintain and enlarge the same as it deems necessary, fix the rates applicable thereto, change the same from time to time, and adopt rules and regulations to control, regulate and govern the use of such facilities.

The Developer agrees to extend to the City a warranty period of one year covering all construction, lighting systems, retention basins, and subdivision walls to commence immediately upon subdivision acceptance by the City.

The City reserves the right to request from the Developer materials tests for any items included in the subdivision construction.

SECTION FOURTEEN

Easements, Permits and Covenants

If any easements, permits, or rights of way are or become necessary within the territory of Developer, except as may be otherwise provided for herein, they shall be furnished by Developer, at Developer's sole expense, to the City, and they shall extend to and be in the name of the City.

The covenants set forth in this Agreement are intended to run with the land.

SECTION FIFTEEN

Attorney Fees

Developer agrees to pay reasonable attorney fees of the City incident to the preparation of this Agreement and any related documents, as well as any attorney fees incurred in the enforcement of this Agreement or any part thereof.

SECTION SIXTEEN

Waiver

The failure of either party to insist upon strict performance of any of the provisions of this Agreement or to exercise any of the rights or remedies provided by the Agreement, or any delay in the exercise of any rights or remedies, shall not release either party from any of the responsibilities or obligations imposed by law or by this Agreement, and shall not be deemed a waiver of any right of either party to insist upon strict performance of this Agreement, unless such waiver is in writing signed by the party to be charged.

SECTION SEVENTEEN

Governing Law

This Agreement shall be interpreted in accordance with the substantive law of the State of Arizona.

SECTION EIGHTEEN

Severability

It is understood and agreed by the parties hereto that if any part, term or provision of this Agreement is held to be illegal or in conflict with any law of the State of Arizona, the validity of the remaining portions or provisions shall not be affected, and

shall be enforced as if the contract did not contain the particular part, term or provision held to be invalid.

SECTION NINETEEN

Default

If either party fails to comply with any of the terms and conditions of this Agreement or defaults in any of its obligations under this Agreement (the “Defaulting Party”), the non-defaulting party shall give Defaulting Party written notice of such failure or default. The Defaulting Party shall have thirty (30) days from the receipt of such notice to cure said failure or default.

In any case where a cure has not been completed within sixty (60) days after a Defaulting Party’s receipt of such notice, the non-defaulting party shall have the right to demand the posting of a performance bond as security for the completion of such cure and the Defaulting Party shall post such bond within twenty (20) days of its receipt of such demand.

If the Defaulting Party fails to cure the failure or default within the time limits provided above, the non-defaulting party shall have the right to terminate this Agreement as well as any other rights or remedies provided by law.

SECTION TWENTY

Authority of Developer

Developer specifically warrants and represents that Developer has the capacity to enter into this Agreement and has or will provide the City with the appropriate verifying documentation.

SECTION TWENTY-ONE

Entire Agreement

This Agreement contains the entire agreement between the parties and no oral or written statement, promises, or inducements made by either party or agents of either party not contained in this Agreement or specifically referred to herein shall be valid or binding. This Agreement may not be enlarged, modified or altered except in writing signed by the parties and endorsed thereon.

SECTION TWENTY-TWO

Interest of City Agents

No member, official or employee of the City (collectively "City Agents") shall have any direct or indirect interest in this Agreement nor participate in any decision relating to the Agreement prohibited by law. If either party reasonably believes that a City Agent will participate in a decision relative to this Agreement prohibited by law, then that party may request an independent person to replace such City Agent in participating in that decision.

SECTION TWENTY-THREE

Arbitration

In the event of any dispute arising between the parties, the parties agree to binding arbitration to be conducted pursuant to the rules of arbitration utilized in Yuma County Superior Court Local Rule X, and if any action is brought by either party to

enforce the terms of this Agreement, the prevailing party shall be entitled to all costs incurred in connection with such action, including reasonable attorney fees.

SECTION TWENTY-FOUR

Effective Date of Agreement

The effective date of this Agreement shall be the date of the Resolution in which this Agreement is incorporated by reference and approved by the City Council of the City of San Luis.

SECTION TWENTY-FIVE

Binding Agreement

This Agreement and the covenants, terms and conditions thereof shall be binding upon and inure to the benefit of the heirs, executors, administrators, successors in interest and the assigns of the parties hereto.

SECTION TWENTY-SIX

Notices

Notices to the City under this Agreement shall be sent to:

City Manager
City of San Luis
P.O. Box 1170
San Luis, AZ 85349

Or at any other place hereafter designated by the City in writing.

Notices to Developer under this Agreement shall be sent to:

Comite de Bien Estar, Inc.
PO Box 2844
San Luis, AZ 85349

My Commission Expires:

STATE OF ARIZONA)
) ss.
County of Yuma)

The foregoing acknowledged before me this 11th day of October,
2001 by Enrique Castillo, City Manager of the City of San Luis.



Notary Public

My Commission Expires:

11/7/01

STATE OF ARIZONA)
) ss.
County of Yuma)

The foregoing acknowledged before me this 16th day of October, 2001
by Marco Antonio "Tony" Reyes, Executive Director, Comite de Bien Estar, Inc..



Notary Public

My Commission Expires:

11/07/01