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RESOLUTION NO. 4553

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, APPROVING A DEVELOPMENT AGREEMENT WITH RG-101, LLC RELATING TO PROPERTY LOCATED AT THE SOUTHEAST CORNER OF CHANDLER BOULEVARD AND THE LOOP 101 PRICE FREEWAY IN CHANDLER, ARIZONA.

WHEREAS, RG-101, LLC is the owner of an approximately 24-acre site at the southeast corner of Chandler Boulevard and the Loop 101 Price Freeway, legally described on Exhibit A to the Development Agreement (the "Property"); and

WHEREAS, the Property has been rezoned from Planned Industrial District (I-1) to Planned Area Development (PAD) with a mid-rise overlay and Preliminary Development Plan, which allows for the Property to be developed with one or more mid-rise office buildings, and possibly a hotel and conference center; and

WHEREAS, extensive public infrastructure, which is needed to serve both the site and the general region in which the site is located, is an impediment to timely development of the site as planned and desired by the City of Chandler; and

WHEREAS, the City desires to advance installation of the public infrastructure and provide for the timely development of the site; and

WHEREAS, the City and RG-101 desire to enter into a development agreement, in accordance with A.R.S. § 9-500.05, to address the above-stated issues in a manner that is mutually beneficial to both parties;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chandler, Maricopa County, Arizona, as follows:

The City of Chandler is authorized to enter into a Development Agreement with RG-101, LLC for the Property, subject to terms in substantial conformance with the terms attached hereto as Exhibit "A" (the "Significant Deal Terms"), and the Mayor of the City of Chandler, or his designee, is hereby authorized to execute the Development Agreement on behalf of the City upon the document being approved as to form by the Chandler City Attorney.

PASSED AND ADOPTED by the City Council of the City of Chandler, Arizona, this 17th day of November, 2011.

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
MAYOR

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY GAB

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Resolution No. 4553 was duly passed and approved by the City Council of the City of Chandler, Arizona, at a regular meeting held on the 17th day of November, 2011, and that a quorum was present thereat.

\_\_\_\_\_  
CITY CLERK

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**NARRATIVE SUMMARY FOR ROCKEFELLER CHANDLER 101  
CITY OF CHANDLER RESOLUTION AUTHORIZING  
ADOPTION OF DEVELOPMENT AGREEMENT**

November 17, 2011

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BASIC PROVISIONS

1. Developer is the owner of approximately twenty-four (24) acres of land, legally described on Exhibit A (the "**Property**"). The Property is located within the corporate limits of Chandler.
2. Chandler has approved a Planned Area Development District ("**PAD**") zoning designation for the Property, with two alternative preliminary development plans (collectively referred to in this Agreement as the "**Preliminary Development Plan**" or "**PDP**"). The Preliminary Development Plan describes the Property as divided into two (2) parcels. "**Parcel A**" is approximately 16 acres in size and has frontage on Chandler Boulevard and Price Road. "**Parcel B**" is approximately 8 acres in size, and will have frontage on the future Coronado Street. Parcel A and Parcel B are collectively depicted as a single tract of land identified as "PROPERTY" on Exhibit B.
3. Developer intends to develop the Property in substantial conformance with the zoning action described in zoning case DVR09-0015, which includes a phasing plan described in the PDP (the "**Zoning Designation**"). The development in accordance with the PDP is known as the "**Project**".
4. Chandler and Developer will cooperate reasonably in processing the approval or issuance of any permits, site plans, subdivision plats or other development approvals requested in connection with development of the Project. Chandler further agrees to process all submissions for such permits, site plan, subdivision plats, or other development approvals on an expedited basis within ten (10) business days after such submission is filed with Chandler, at no additional cost to Developer.
5. Chandler agrees that Developer or any owner of all or any portion of the Property shall have the right to undertake and complete the development of the Property with the Project, in accordance with the Zoning Designation, the PDP, any site plans or subdivision plats for the Property approved by Chandler through its normal and customary site plan or subdivision plat approval process. This right to undertake and complete the development of the Project is vested as of the effective date of the Development Agreement for a period of seven (7) years, provided that if construction on the Property does not commence above the foundation walls within five (5) years after the effective date of Ordinance No. 4186 (the "**Zoning Ordinance**"), Chandler reserves the right to schedule a public hearing to take administrative action to extend, remove or determine compliance with the schedule for development or take legislative action to cause the Property to revert to its former zoning classification. Chandler staff, in such

case, will process Developer's request to extend the schedule for an such an additional period of time as needed to match the vesting period of the Development Agreement as stated above and cause such request to be placed on the Chandler City Council agenda for consideration. The Zoning Designation, the PDP and any approved site plans or subdivision plats are permanently vested upon either (i) Developer's "material reliance" on the issuance of a building permit for the construction of any improvement on the Property, as the term "material reliance" is described under Arizona case law, or (ii) the construction of substantial off-site or on-site infrastructure improvements for the Project, subject to satisfactions of all conditions of the Zoning Ordinance.

6. This Agreement provides for the construction, in and around the Property, of certain public improvements to serve regional needs. The Parties further intend to provide for the acquisition of property required for certain of these public improvements, as further described herein.
7. Chandler and Developer shall coordinate the acquisition of public right-of-way for the creation of Coronado Street as follows:
  - (a) Developer shall, at its own cost and expense, dedicate Parcel 1 (Exhibit C) to Chandler for use as a public right-of-way through a plat dedication contained on the first final Subdivision Plat approved for the Property.
  - (b) Chandler shall, at its sole cost and expense, acquire title to the area on Exhibits D & E, for Parcels 2 & 3, for the benefit of the public, for use as a public right-of-way to complete Coronado Street.
    - (1) Acquisition of title or the obtaining of an order of immediate possession shall be complete within 150 days after Developer provides Chandler with (i) approved engineering plans for the improvements to Coronado Street (the "**Improvement Plans**"), and (ii) security to assure installation of said improvements.
    - (2) Chandler may acquire Parcels 2 & 3 at any time after the effective date of the Development Agreement. If Chandler notifies Developer in writing of its intention to do so, Developer shall provide the Improvement Plans within 120 days after receipt of the notice.
  - (c) Developer shall dedicate, at its sole cost and expense, an 8' wide easement adjacent to Parcels 1&2 to create a public sidewalk and for the location of streetlights serving the Coronado Street ROW.
8. Subject to Chandler acquiring title to the area on Exhibits D & E for use as a public right-of-way, Developer shall, at its sole cost and expense, construct the full-street improvements for Coronado Street from Price Road to Chandler Boulevard, along the alignment set forth in Exhibit B, for the purpose of improving the movement of traffic throughout the area and relieving traffic on the intersection of Chandler Blvd. & 101.
9. Notwithstanding the provisions of Section 7 and Section 8 above, if City Council does not approve the designation and finding of necessity for Parcel A of the Property under

A.R.S. Title 36, Chapter 12, Article 3 (designation of a Redevelopment Area), Developer's obligation with respect to Coronado Street shall be limited to (i) a half-street dedication along the eastern boundary of the Property, and (ii) the construction of the half-street road improvements for Coronado Street, to be located on the Property. Additionally, Developer shall have no obligation to connect Coronado Street to Price Road (i.e., install the "ring road").

10. Chandler will be the applicant for and use its best efforts to obtain one or more ADOT permits to address the ingress and egress to the properties abutting Price Road for the ROW (Exhibit F) as follows:
  - (a) Provide ingress and egress to Coronado Street from Price Road, as public right-of-way;
  - (b) Provide for the modification of the joint driveway currently located on the Property to allow for two separate driveways, one for the Property and the other for the Nikko Property;
  - (c) Provide any Temporary Construction Rights and Permits.
11. Chandler shall relocate the access for the City Property/Fire Maintenance Facility from Price Road to Coronado Street so that a deceleration lane can be constructed on Price Road. (Exhibit G). Chandler shall acquire, at its sole cost and expense, access over the land described in Exhibit G.
12. Developer shall provide an easement for ingress and egress from Coronado Street to the southeast corner of the parcel of real property adjacent to the Property identified as APN303-24-173, at its sole cost and expense.
13. Chandler shall use its best efforts to cause the relocation of any and all improvements within the ADOT right-of-way which is necessary for the construction of a deceleration lane on Price Road. Chandler shall also acquire and/or provide an eight-foot wide public utilities easement for the relocation of utility improvements which is necessary for the construction and installation of the new deceleration lane.
14. Chandler shall use its best efforts to enforce its rights under the Coronado Street PUE existing 30' access and utility easement along the SanTan Mini Storage property to provide for the relocation of the SRP power poles, or acquire the additional easement rights necessary to allow for placement of the SRP Utility Poles (Exhibit I), therein as required for the installation of Coronado Street on the Property, or otherwise for the development of the Project. Developer shall pay the costs and expenses associated with the physical installation of such SRP utility poles.
15. Chandler approves in accordance with the initial traffic engineering drawings (Exhibit J) the redesign of the intersection of Coronado Street and Chandler Blvd. with respect to the relocation and modification of the traffic signal and installation of other utilities. Furthermore, Chandler approves the Coronado Street Standards and agrees that Coronado Street may be designed to such Coronado Street Standards (Exhibit K). If Chandler

requires that Coronado Street be designed and constructed at a width that is greater than the Coronado Street Standards, then Chandler shall acquire the additional right-of-way necessary and shall design and construct that portion of Coronado Street.

16. Chandler agrees that (i) storm water runoff for the north 14.8 acres of the Property (shown on Exhibit L) may drain directly into the existing ADOT storm drainage conveyance structure in accordance with rights granted under that certain Right of Way Contract, dated May 7, 1993, recorded as document number 1993-0751827; (ii) Chandler will allow the incorporation of the off-site drainage described herein into any and all site plans and/or subdivision plats for the Property; and (iii) no on-site detention or on-site retention of storm water runoff shall be required for the aforementioned portion of the Property.
17. Chandler and its Fire Marshall have reviewed the location of the buildings to be constructed on the Property, as shown in the PDP, and have determined that no fire lanes are required behind the Parking Structure *provided that* an approved automatic fire sprinkler system is installed. If Chandler should require one or more buildings on the Property to be relocated north, so as to be closer to Chandler Boulevard, from the locations depicted in the PDP Site Plan, the minimum building setbacks from the future 65' half-street right-of-way line along Chandler Boulevard shall be reduced from 50 feet to a distance equal to the difference between 50' and the maximum distance by which Chandler has required one or more of the buildings on the Property to be relocated north.
18. Developer may install landscaping within the Coronado Street PUE in accordance with all development approvals issued by Chandler for the Project, subject to any requirements imposed by SRP related to its facilities located within the PUE and subject to the terms of the existing public utility easement located within the Coronado Street PUE.
19. Developer shall dedicate to Chandler a reasonably sufficient amount of property to locate a public transportation bus bay on Chandler Blvd. Chandler shall install a bus shelter adjacent to the bus bay, but Developer reserves the right to enhance the structure to match the development architecture of the Project. Chandler shall pay typical maintenance costs for the bus shelter; Developer shall pay any additional maintenance costs caused by its enhanced nature.
20. Developer shall, at its own cost and expense, dedicate to Chandler, as public right-of-way, an eight-foot wide strip on the portion of the Property abutting Chandler Blvd. for Chandler's use in the future widening of Chandler Blvd. (Exhibit M). At the next annual update of its CIP, Chandler shall add an improvement that will reduce the median on Chandler Blvd. adjacent to Chandler 101 by 3' and restripe the eastbound lanes. This will allow for two deceleration lanes, including the right turn lane onto Coronado Street.
21. In May 2010, Chandler City Council adopted Resolution No. 4413, which authorized a GPLET Lease for the Property between the City of Chandler and the Rockefeller Group, subject to certain specific conditions having been satisfied. One of the conditions was

Chandler and Developer having entered into this Development Agreement. Accordingly, the following provisions apply:

(a) Determination of Benefits. Chandler determines that the development of the Property with the Project and the lease of all or a portion of the Project Improvements to End Users (i) will enhance the economic viability of the City in numerous ways, including, without limitation, (A) increasing transaction privilege tax revenues and other revenues to the City, (B) increasing the City's employment base, (C) stimulating further economic development, and (D) otherwise improving or enhancing the economic welfare of the residents of the City; and (ii) is not likely to occur without the benefits provided in the Development Agreement; and (iii) will generate revenues and other benefits to the City that outweigh or are not disproportionate to the costs associated with these benefits.

(b) Certificate of Completion. After the completion of the first shell or pre-lease Principal Project Improvement in accordance with Applicable Laws, Chandler will issue to Developer a Certificate of Completion stating that such Principal Project Improvement has been completed. On or before one year after the issuance of such Certificate of Completion, and Developer may transfer ownership of all or any portion of the Property and the Project Improvements (whether constructed or to be constructed in the future) to Chandler, and Chandler shall lease such Property and Project Improvements back to the Developer (the "**GPLET Lease**"), provided that the execution by Chandler of the GPLET Lease complies with all applicable procedural requirements of the Chandler City Charter that may be in effect at the time of execution of the lease. As used herein, the term "**Principal Project Improvement**" means one of the following as described in the PAD: (i) an Office Building, (ii) a Hotel, or (iii) a Conference Center.

(c) GPLET. City and Developer agree that, upon the transfer and lease back described in the Section 18(b) above, the Project Improvements will be subject to tax liability under the Government Property Lease Excise Tax (A.R.S. § 42-6201, et seq.) ("**GPLET**"). City and Developer shall perform any administrative acts and execute, acknowledge and/or deliver any instruments and consents necessary for the Property and Project Improvements to qualify for the GPLET treatment as contemplated under the terms of the Development Agreement.

22. The terms and conditions of the GPLET Lease shall include the following material provisions:

(a) The term of such lease shall be twenty (20) years after issuance of the Certificate of Occupancy for the last building constructed within the portion of the Property included within the GPLET Lease, provided that such term shall expire no later than December 31, 2045.

(b) The lease shall allow for the Tenant, and its successors and assigns, (each a "**Tenant**") to transfer, convey, assign, sublease, pledge, encumber, or mortgage (each a "**Transfer**") any of its rights, obligations, interests to or under the lease, or its leasehold estate in any legally identifiable portion of the Property (each portion a "**Lease Parcel**") without the consent of Chandler.

(c) The lease shall further grant Tenant the option to purchase the Property or any Lease Parcel (and the improvements thereon) for nominal consideration.

(d) The lease shall include standard mortgagee and non-disturbance provisions and provide that upon the delivery of an instrument in which any transferee under a Transfer assumes all of Tenant's obligations under the lease with respect to the Lease Parcel to which the Transfer applies, Tenant shall be relieved from liabilities and obligations under the lease accruing thereafter with respect to such Lease Parcel. Prior to Developer's conveyance of all or any portion of the Property to City, Developer shall provide City with a Phase I environmental site assessment of the property to be conveyed, certified to Chandler and dated within one hundred eighty (180) days prior to the date of the conveyance.

(e) The lease shall require Tenant to obtain, as minimum coverage, public liability insurance against claims for personal injury, death or property damage occurring in, upon or about any portion of the Premises, with minimum coverage limits that are customary for similarly situated properties, and naming City as an additional insured under such policy. The lease shall further require Tenant to indemnify, defend and hold harmless City, its Council members, officers, employees, volunteers and agents from liability and claim for damages by reason of any injury to any person or persons, including Tenant, or property of any kind whatsoever and to whomsoever while in, upon or in any way connected with the Premises during the term of the lease, except for any claims and liabilities which (i) could have been asserted against City if City were not the owner of the Premises or a party to the lease, or (ii) caused by the sole negligence of City. Tenant's indemnification obligations shall cover all claims, demands, losses, damages, liabilities, fines, charges, penalties, administrative and judicial proceedings and orders, judgments, remedial actions of any kind, all cleanup actions of any kind, and all costs and expenses incurred in connection therewith (including reasonable attorney fees).

(f) The lease shall include those provisions required by A.R.S. § 42-6206(A).

23. Developer agrees that, upon the conveyance to and leaseback from Chandler of the Property and Project Improvements, provided that the Property and Project Improvements qualify and continue to qualify for the GPLET treatment, as contemplated under the terms of this Agreement, it will use commercially reasonable methods to lease space within the Project Improvements to End Users.

24. If the Chandler City Council does approve the designation and finding of necessity for Parcel A of the Property under A.R.S. Title 36, Chapter 12, Article 3 (designation of a "Redevelopment Area"), then the following additional provisions shall apply to the Development Agreement:

(a) If the term of the GPLET Lease has commenced and in effect, Chandler shall take no action to terminate the designation of Parcel A as a Redevelopment Area until the expiration of the term of the GPLET Lease.

(b) The Chandler City Council may, in its sole and absolute discretion, terminate the designation of Parcel A as a Redevelopment Area if it finds that substantial action has not been taken to remove the slum conditions, as described in paragraph (c) below.

(c) As used herein, “substantial action” shall be deemed to have been taken if the Developer: (1) provides evidence to the City Manager of a commitment by one or more users to occupy a minimum of 100,000 square feet of space within Parcel A within three (3) years after the effective date of the Development Agreement (the “Effective Date”); (2) commences construction on the first building within Parcel A within three (3) years from the Effective Date; and (3) applies to Chandler for a Certificate of Occupancy for the first building within Parcel A within five (5) years from the Effective Date. Notwithstanding anything above to the contrary, if Developer has provided evidence to Chandler in the form of a commitment to occupy space from a user so that Developer has satisfied condition 24(c)(1), but, through no fault of Developer, will be unable to break ground by the 3rd anniversary of the Effective Date as required in 24(c)(2), Chandler agrees to reasonably extend the three (3) year time limit to allow Developer to perform its obligations hereunder. Furthermore, in the event Developer has provided evidence to Chandler as set forth above, that it has satisfied condition 24(c)(1) and has commenced construction, but, through no fault of Developer, will be unable to complete construction of the first building on the Property by the 5th anniversary of the Effective Date, Chandler agrees to reasonably extend the five (5) year time limit to allow Developer to perform its obligations hereunder within a reasonable period of time.

(d) Nothing within this Development Agreement or in the GPLET Lease shall be deemed to bar or prohibit Chandler from taking further action in its discretion to declare Parcel B of the Property as a slum or blighted area in need of redevelopment, provided that the statutory prerequisites for such a determination are deemed satisfied by the Chandler City Council.

(e) Termination of the designation of Parcel A as a Redevelopment Area shall not result in the termination of the GPLET Lease. Further, in the event of such termination of the designation of Parcel A, City, at Developer’s written request, shall allow Developer to reserve the right to reduce the office intensity on the Property to below five hundred thousand square feet (500,000sf). City agrees that the reduction in intensity is authorized under the existing PAD, and that such reduction will eliminate, as an infrastructure requirement for the Project, the connection of Coronado Street to Price Road through the Property (i.e., the “ring road”). Additionally, City agrees that Developer’s infrastructure requirement for Coronado Road is limited to the dedication of land and construction of improvements for the half-street to be located on the Property, and the obligation to dedicate land and construct improvements for the other half-street of Coronado Road is the obligation of the real property located to the east of the Property.

(f) The provisions concerning what constitutes a substantial action set forth in 24(c) above is applicable solely to Developer and shall not be assignable by Developer. This provision prohibiting such an assignment is intended to be a disincentive for Developer to “speculate” by selling the Property in bulk to another entity as a result of the designation

of Parcel A as a Redevelopment Area. Nothing herein is intended to prohibit the sale by Developer of a building site on the Property to another entity who agrees to develop and occupy any of the buildings in accordance with the approved PDP/PAD.

25. Developer agrees that, consistent with its letter dated May 20, 2011 to the Chandler Unified School District (“CUSD”) and its letter dated October 31, 2011 to Arizona State University (“ASU”), it has or will enter into the following arrangements with the CUSD and with ASU, respectively, through separate written agreements executed between the Developer and CUSD or ASU, as the case may be, in which Chandler is a not party:

(a) Developer has determined to offer CUSD a Technology Grant in the total amount of \$600,000 (the “Grant”), for so long as Parcel A remains designated as a Redevelopment Area and the GPLET Lease is in effect. The Grant will be paid in three installments of \$200,000 each (each a “Grant Installment”). Each Grant Installment will be paid to CUSD, in cash, prior to occupancy of each of the three (3) planned buildings to be developed along the Property’s Chandler Blvd. frontage, provided both the Redevelopment Area designation of Parcel A and the GPLET Lease are in effect at the time of the applicable Grant Installment.

(b) In addition, provided both the Redevelopment Area designation and the GPLET Lease are in effect, Developer will provide to CUSD, a small retail space (600 – 800sf) within the Project, at a base rent of \$1 per year, at a location mutually acceptable to CUSD and Developer. Developer hopes this will provide a source of revenue to CUSD as well as give CUSD students an opportunity to gain valuable work experience. Details including location, lease provisions, staffing, utilities, etc. to be worked out with CUSD as plans for the buildings are developed. Developer will further work with CUSD to include additional information about CUSD on the project’s website.

(c) Provided both the Redevelopment Area designation and the GPLET Lease are in effect, Developer agrees to offer Arizona State University (“ASU”) approximately 5,000sf of rentable space on the Property for class rooms to accommodate its WP Carey School of Business Evening MBA or other master degree programs in a location mutually acceptable to Developer and ASU under the following conditions:

(1) Annual shell lease rent to be \$1 per year for a ten (10) year term. In the event the Redevelopment Area designation and/or the GPLET Lease are terminated, for any reason, the lease with ASU may be immediately terminated at the Developer’s option.

(2) ASU will be responsible for all costs associated with its tenant improvements within the leased space subject to design and construction plans mutually acceptable to ASU and Developer. Alternatively, ASU and Developer may agree to a rent schedule which allows ASU a Tenant Improvement Allowance (“TIA”) of up to forty dollars (\$40.00) per usable square foot of the leased space, with Developer constructing ASU’s tenant improvements, and a rental rate to reimburse Developer by fully amortizing the TIA over the ten (10) year term, using an interest rate of nine percent (9%).

(3) The lease space will be available for use by Chandler 101 tenants and their employees at no cost when ASU is not using the space for the term of the lease. The space will be made available to Chandler 101 tenants and their employees for a reasonable amount of time each month.

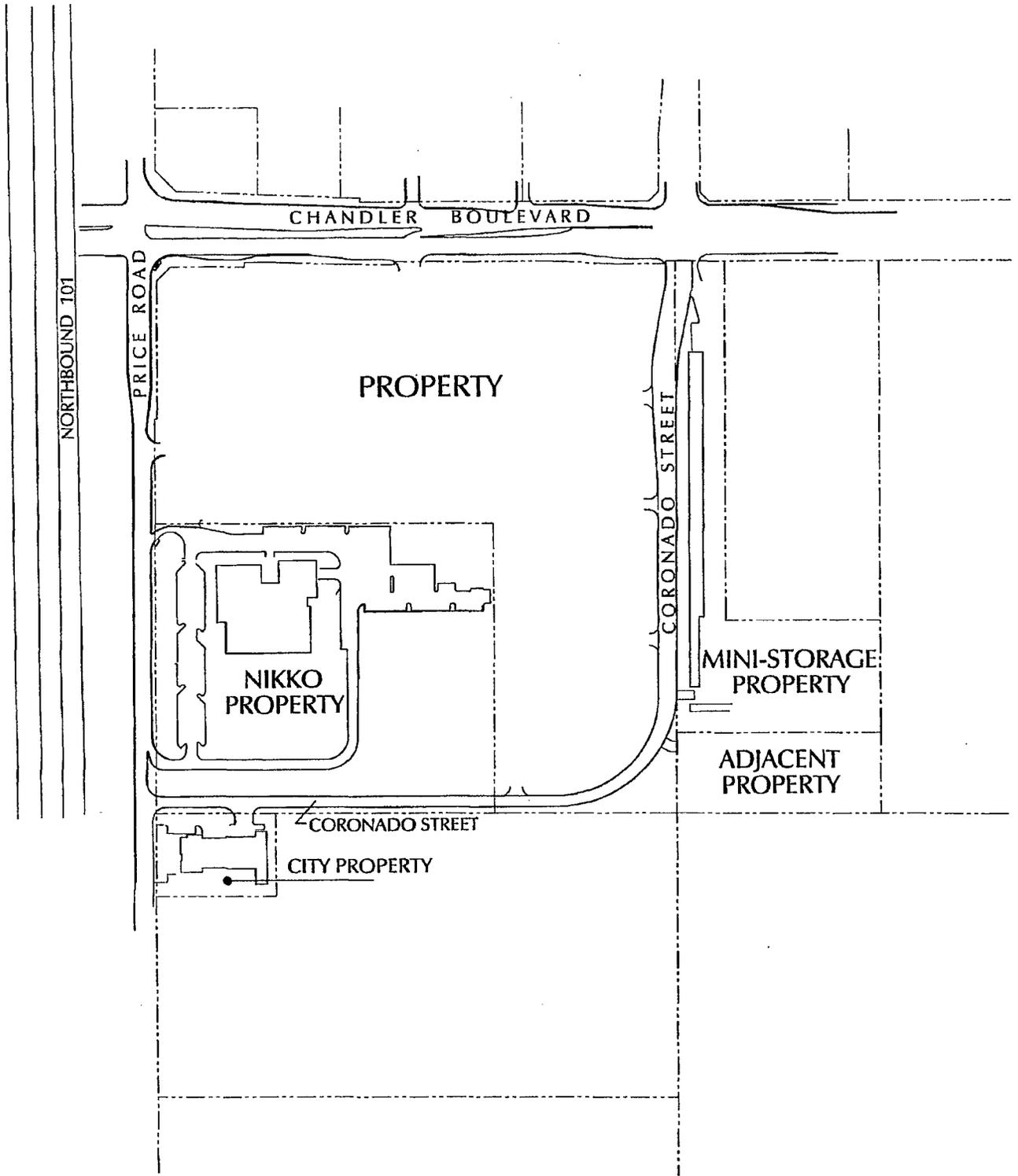
(4) ASU shall be responsible for its pro rata share of monthly common area maintenance costs and structured parking space rental rates used during normal business hours, in effect from time to time during the lease term. Structured parking spaces used after normal business hours will be at no charge to ASU.

(5) ASU shall have thirty (30) calendar days after receipt of a written notice from Developer that the lease space is available in a building on the Property, to provide written acceptance of the space. Such written acceptance shall also confirm that the purpose for which ASU will use the space is its WP Carey Business School Evening MBA or other master degree programs. Failure to timely respond shall render the proposal contained in this Section 25(c) null and void and Developer's obligations hereunder shall be deemed to have been satisfied.

(6) Provided ASU satisfies the conditions in Section 25(c)(5) above, Developer shall promptly submit to ASU a lease that includes, among other things, the terms described in this Section 22(c). ASU shall, within thirty (30) days after its receipt thereof, execute the lease and return it to Developer. Failure by ASU to execute the lease within such thirty (30) days will render this offer null and void and Developer's obligations hereunder shall be deemed to have been satisfied.

**EXHIBIT A**  
**Legal Description**

LOT 1 OF MINOR LAND DIVISION FOR "GOULD", A SUBDIVISION AS SET FORTH IN BOOK 902 OF MAPS, PAGE 20, RECORDS OF MARICOPA COUNTY, ARIZONA.



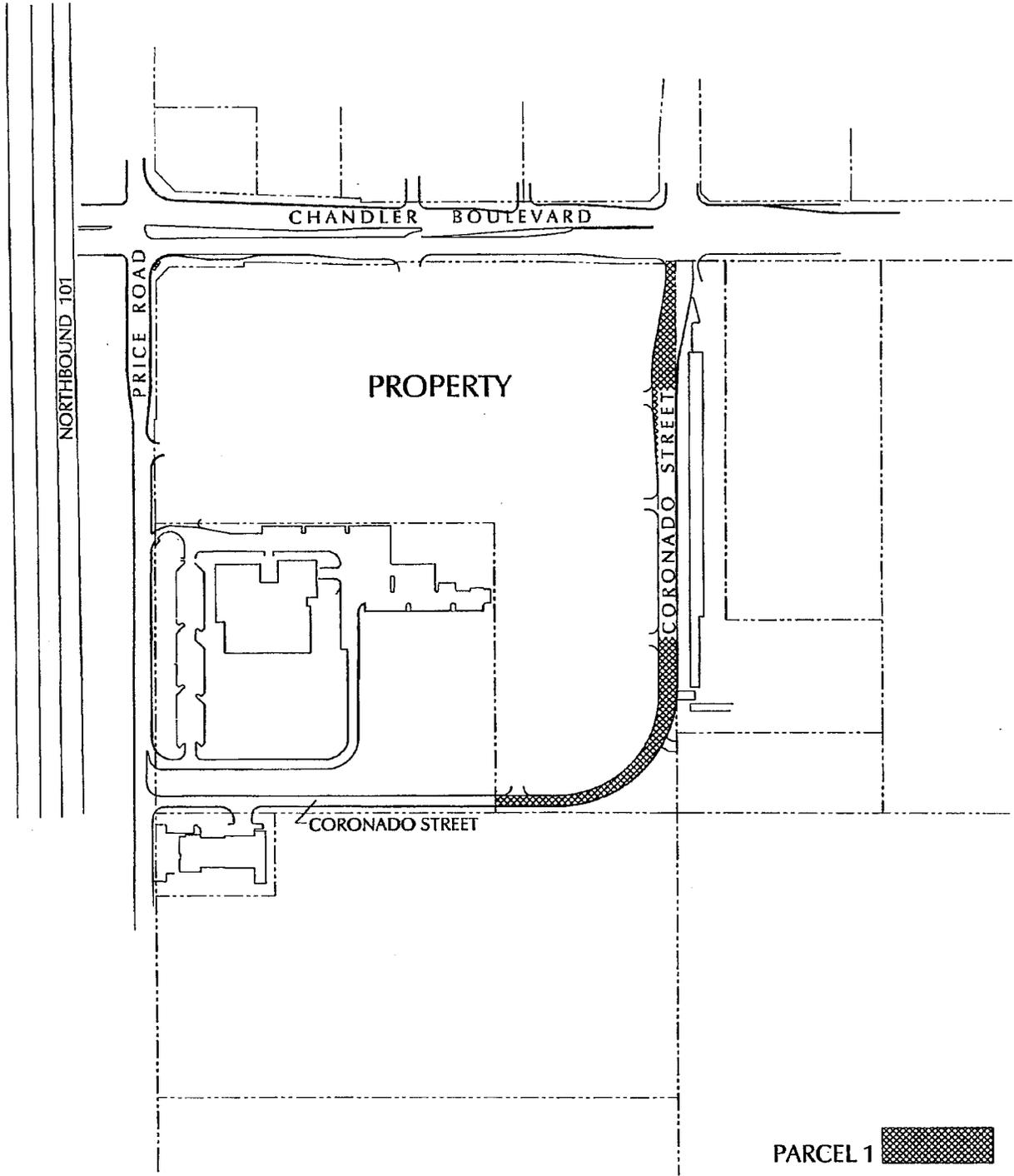
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 facilities management  
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 landscape architecture  
 graphic design

**Rockefeller Group - Chandler 101**  
**Chandler, Arizona**

All calculations are approximate and subject to change.



EXHIBIT B  
 PROPERTY DEPICTIONS  
 AND  
 CORONADO STREET  
 ALIGNMENT



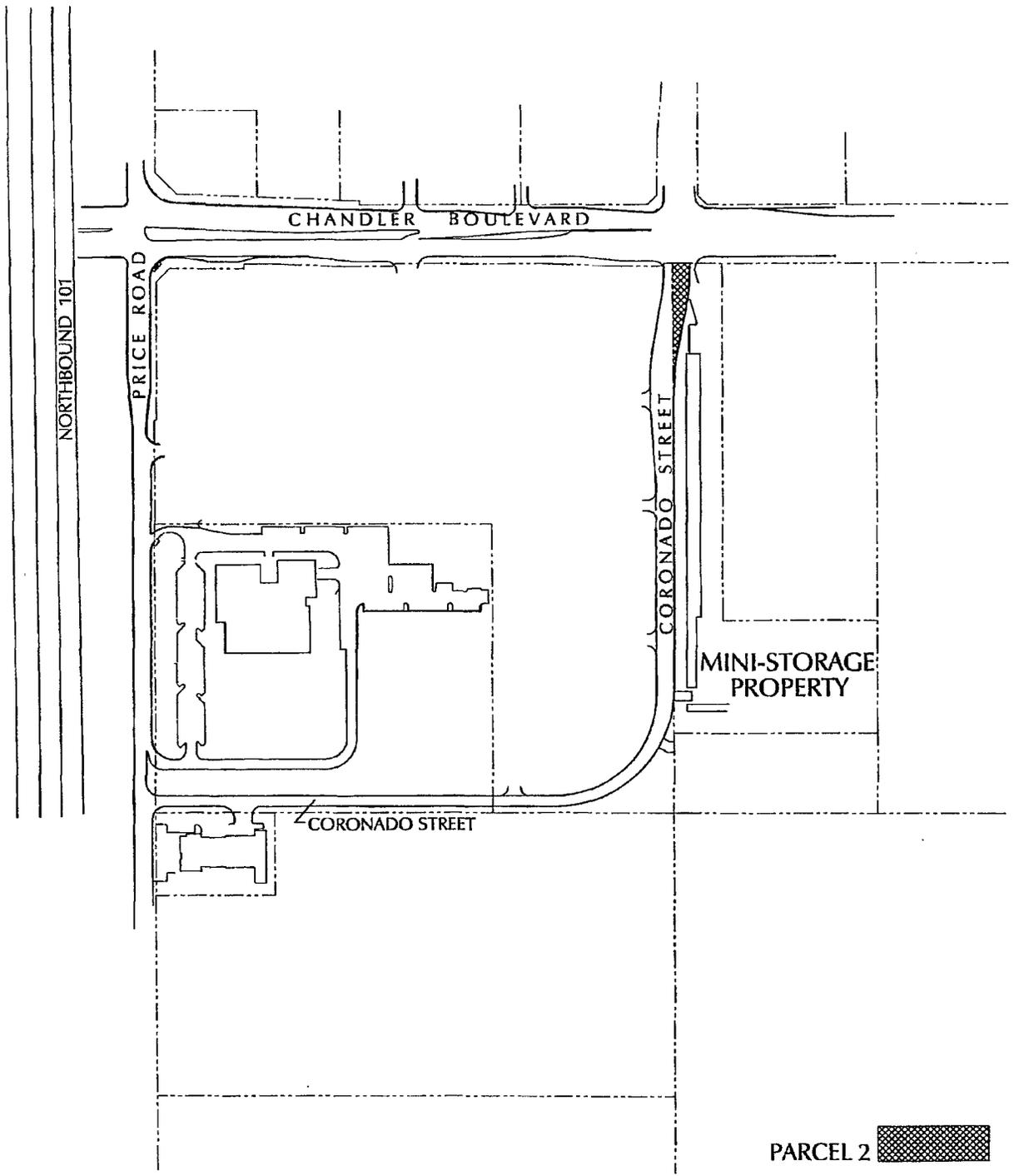
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**Rockefeller Group - Chandler 101**  
 Chandler, Arizona

EXHIBIT C  
 PARCEL 1 DEPICTION

All calculations are approximate and subject to change.





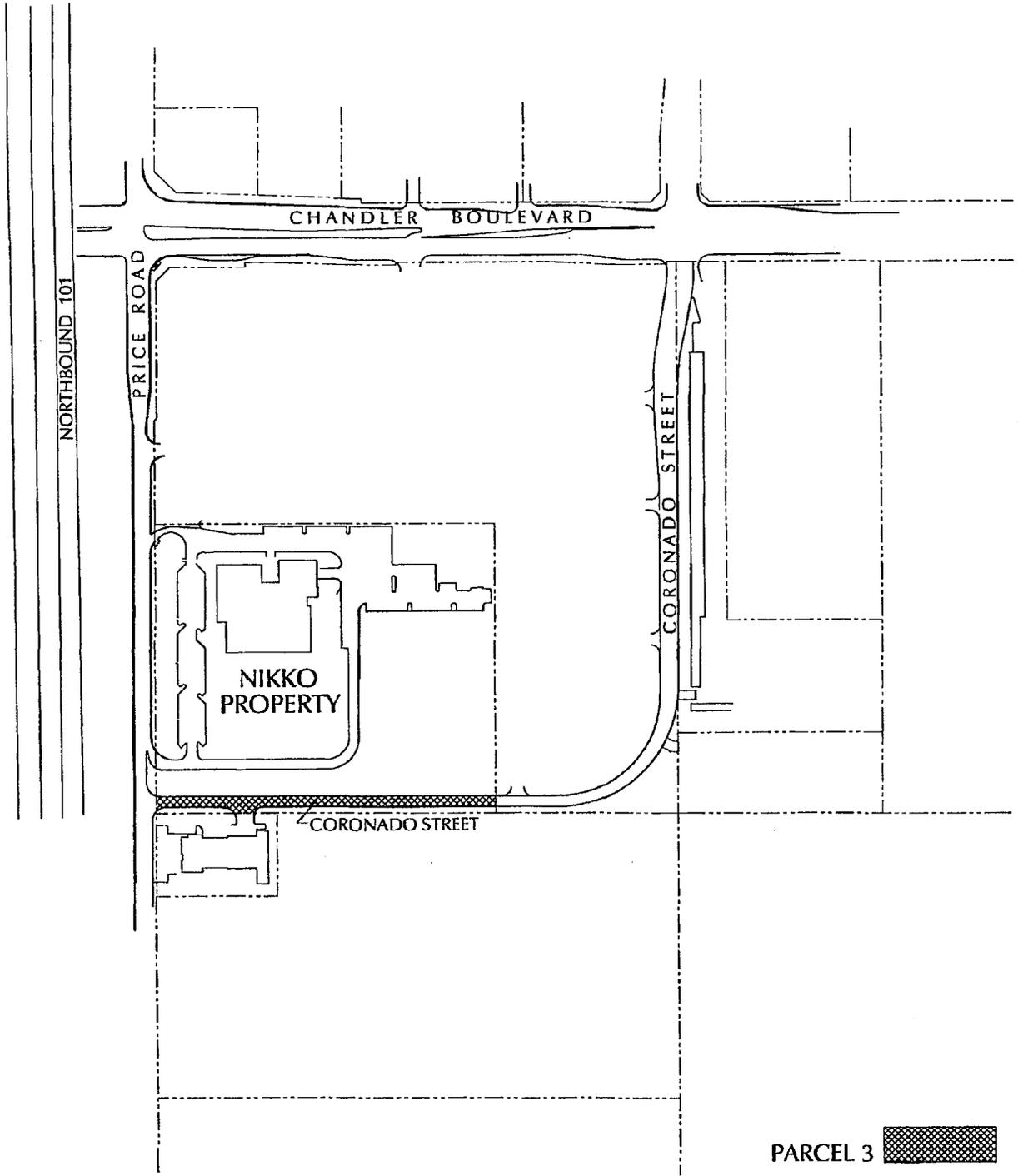
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**Rockefeller Group - Chandler 101**  
 Chandler, Arizona

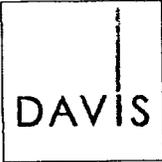
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EXHIBIT D  
 PARCEL 2 DEPICTION



PARCEL 3 



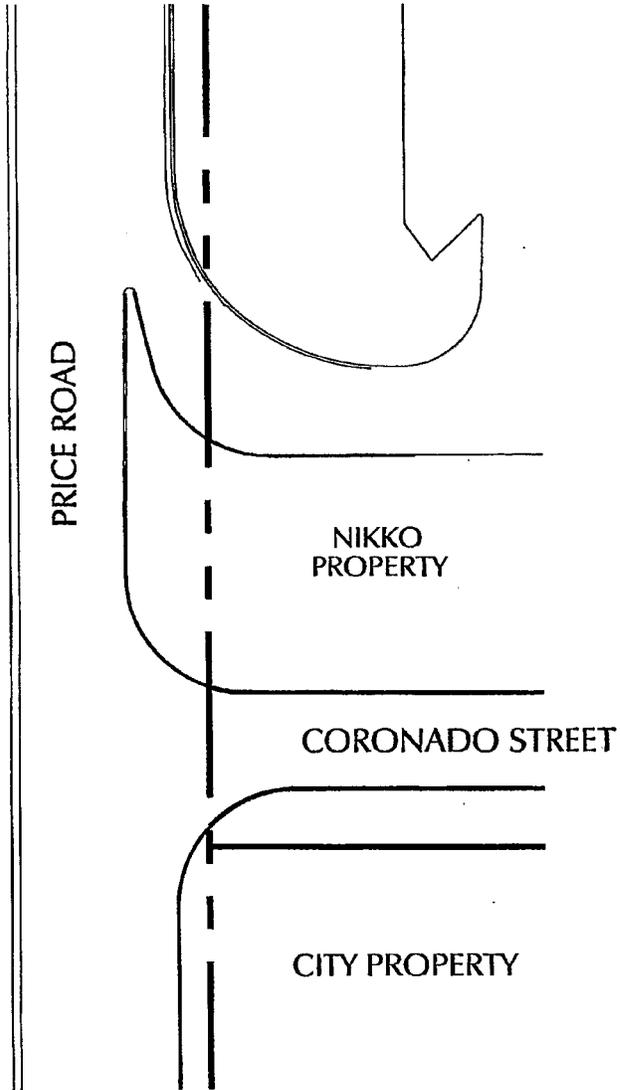
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**Rockefeller Group - Chandler 101**  
 Chandler, Arizona

EXHIBIT E  
 PARCEL 3 DEPICTION

All citations are approximate and subject to change.





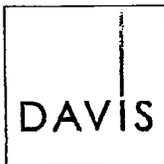
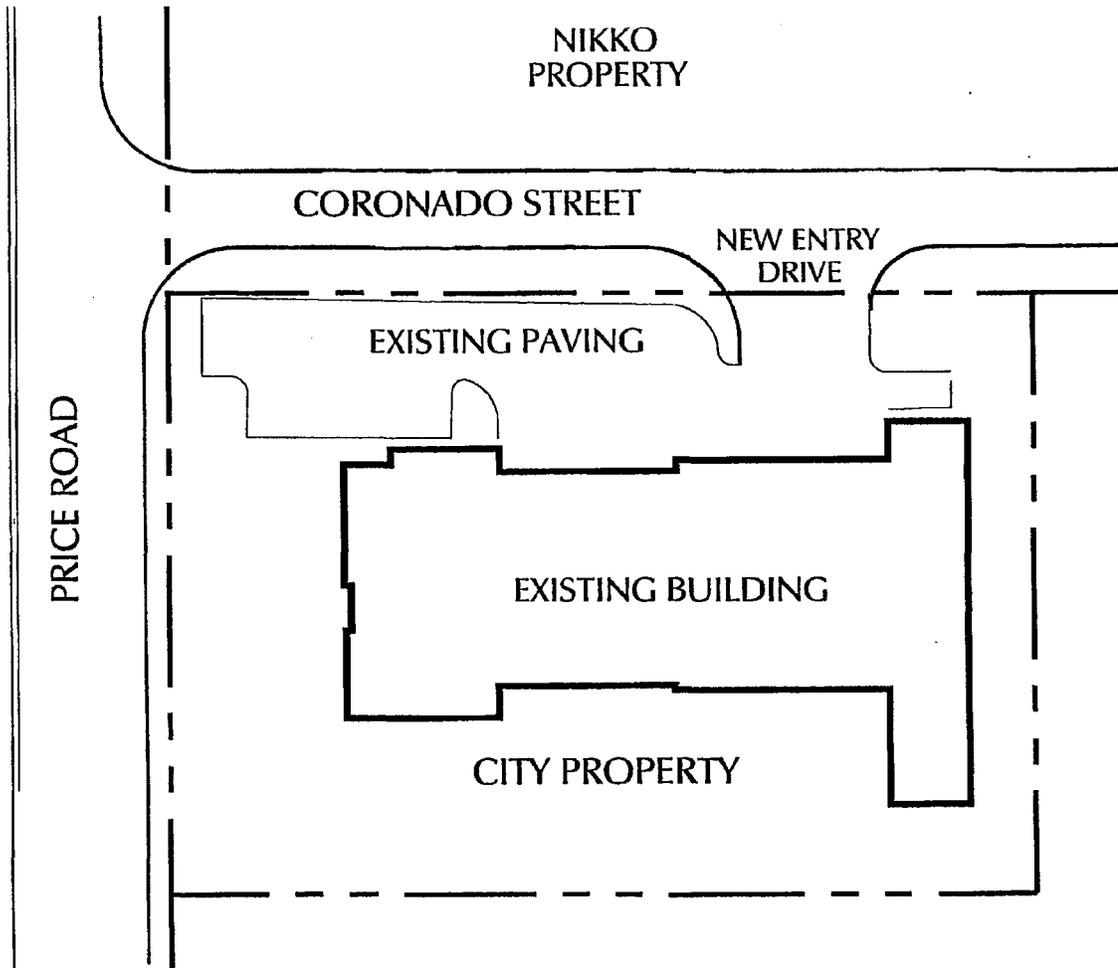
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 graphic design

**Rockefeller Group - Chandler 101**  
 Chandler, Arizona

All dimensions are approximate and subject to change.



**EXHIBIT F**  
**CORONADO STREET /**  
**PRICE ROAD**  
**INTERSECTION**



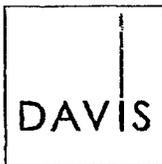
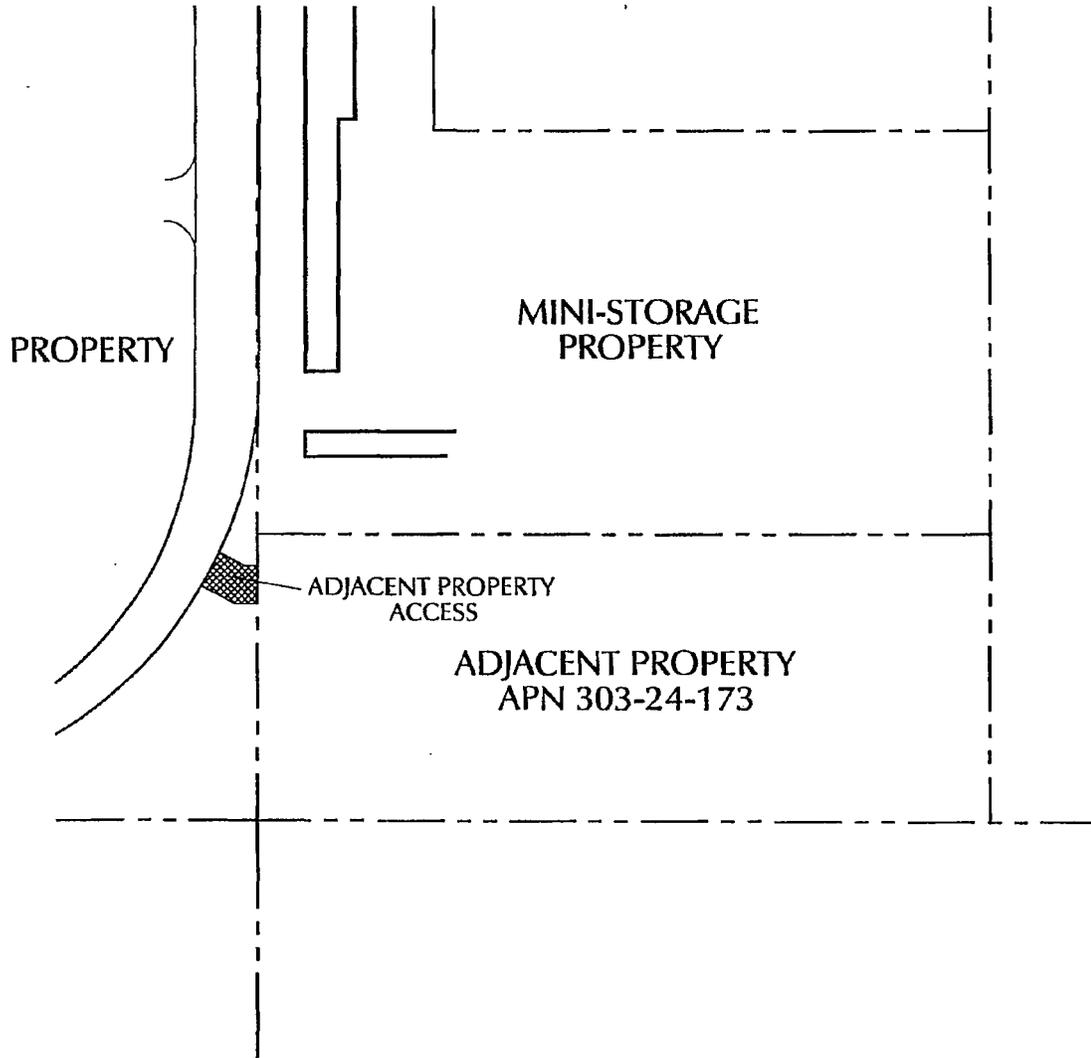
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landscape architecture  
graphic design

**Rockefeller Group - Chandler 101**  
Chandler, Arizona

All calculations are approximate and subject to change.



**EXHIBIT G**  
**NEW ACCESS TO**  
**CITY PROPERTY**  
**PROPERTY**



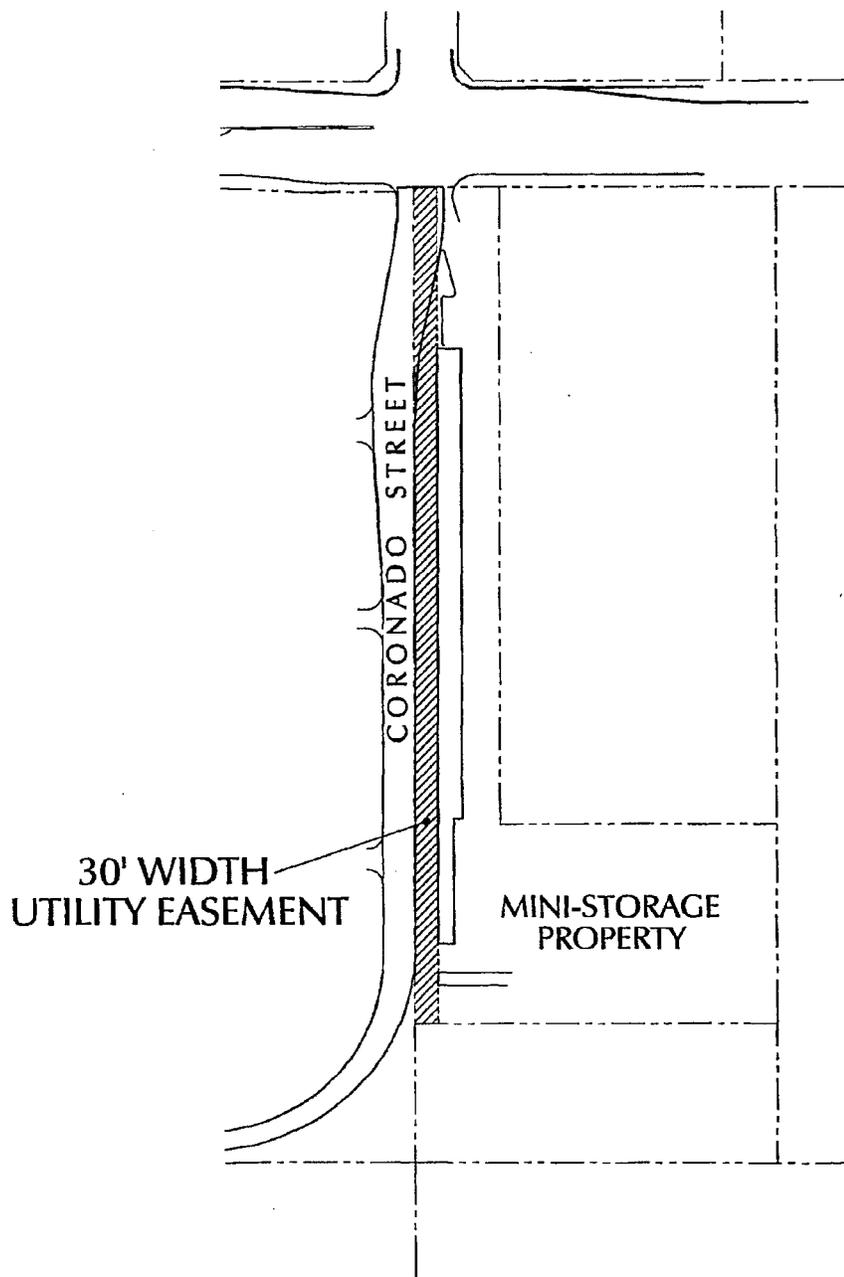
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space planning  
facilities management  
land planning  
landscape architecture  
graphic design

**Rockefeller Group - Chandler 101**  
Chandler, Arizona

All calculations are approximate and subject to change.



EXHIBIT H  
ADJACENT PROPERTY  
ACCESS



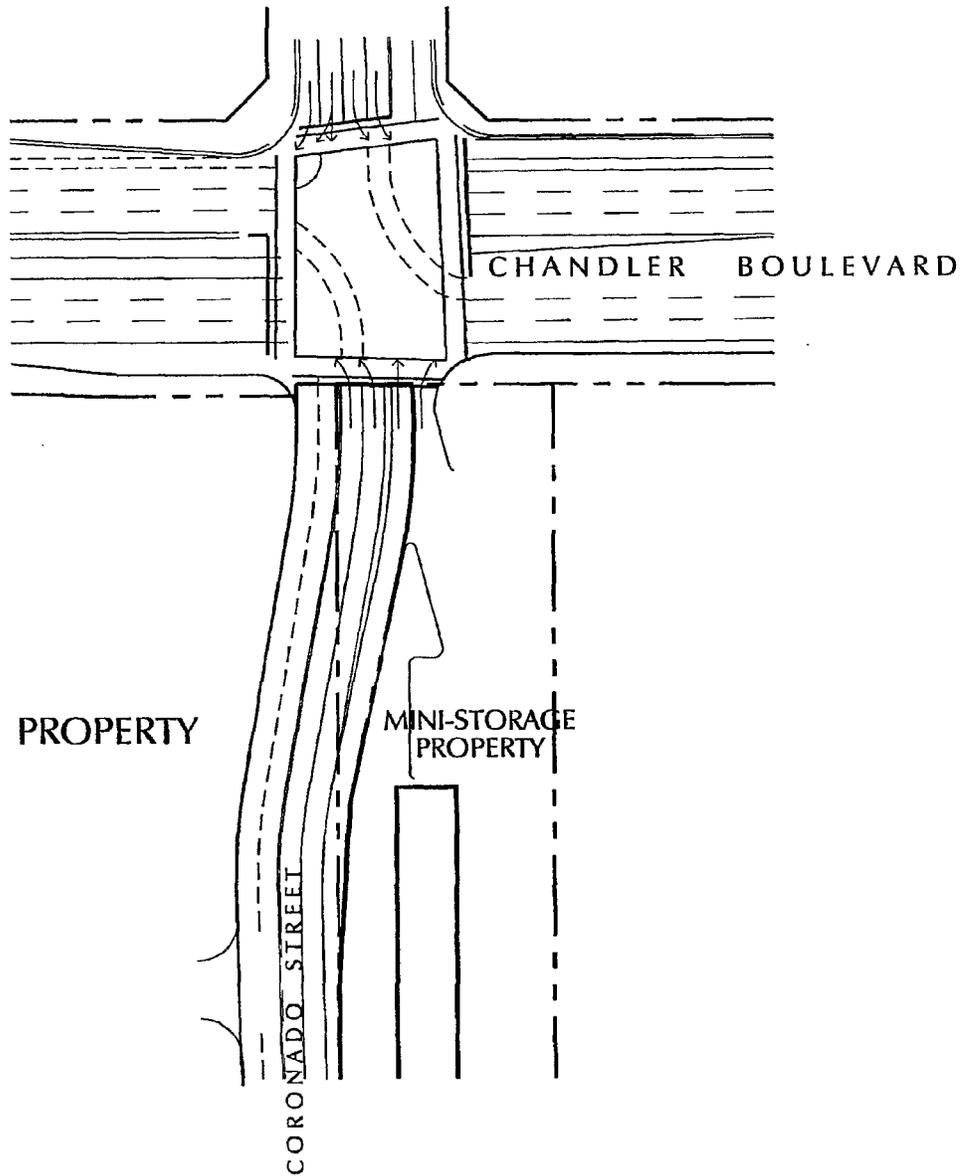
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 space planning  
 facilities management  
 food planning  
 landscape architecture  
 graphic design

**Rockefeller Group - Chandler 101**  
**Chandler, Arizona**

All calculations are approximate and subject to change.



**EXHIBIT 1**  
**30' WIDTH CORONADO**  
**STREET PUE**



architecture  
 interior architecture  
 space planning  
 facilities management  
 land planning  
 landscape architecture  
 graphic design

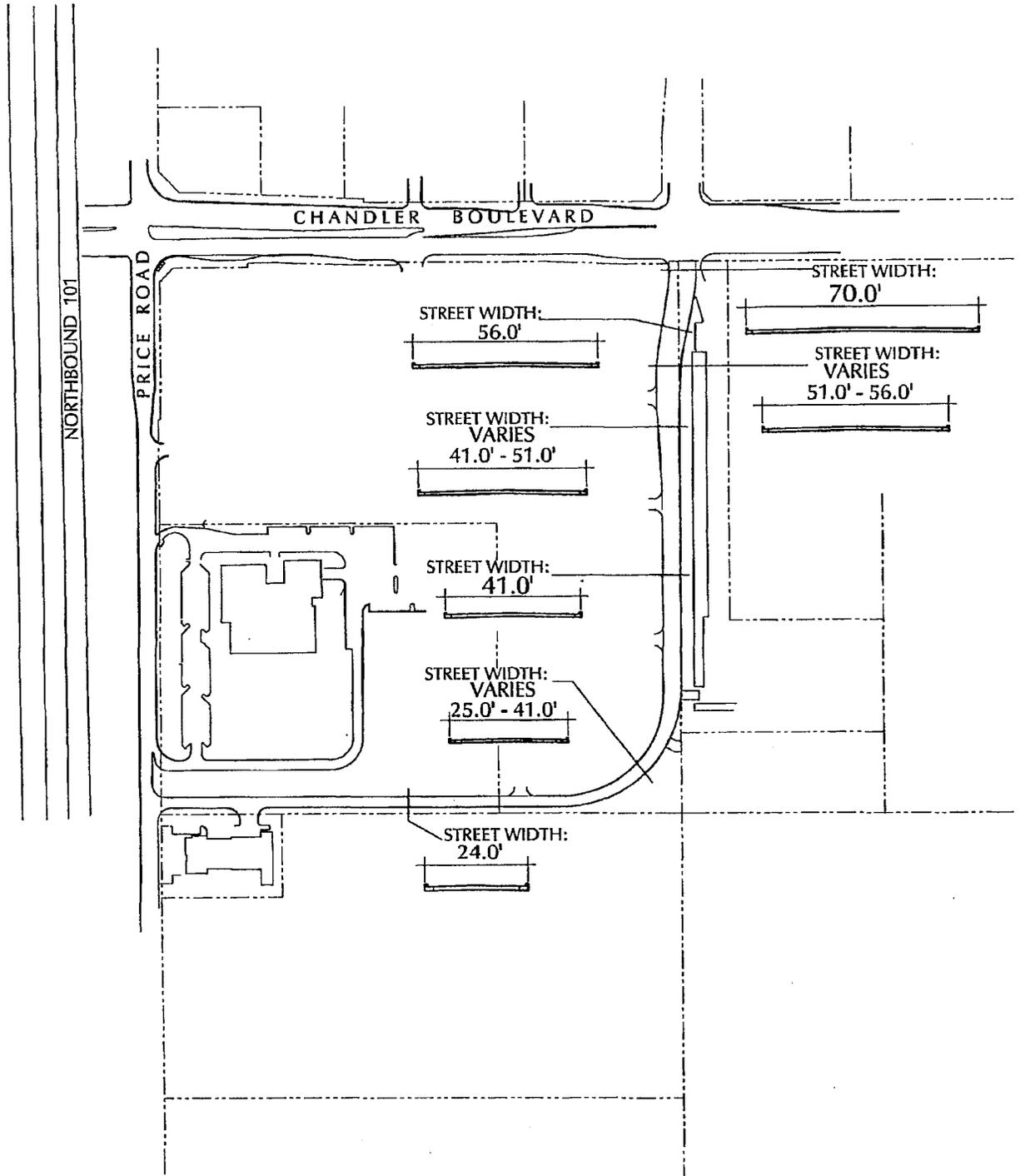
**Rockefeller Group - Chandler 101**  
**Chandler, Arizona**

07350  
 18.AUG.09

EXHIBIT J  
 CORONADO STREET /  
 CHANDLER BLVD.  
 INTERSECTION



All calculations are approximate and subject to change.



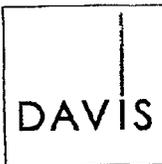
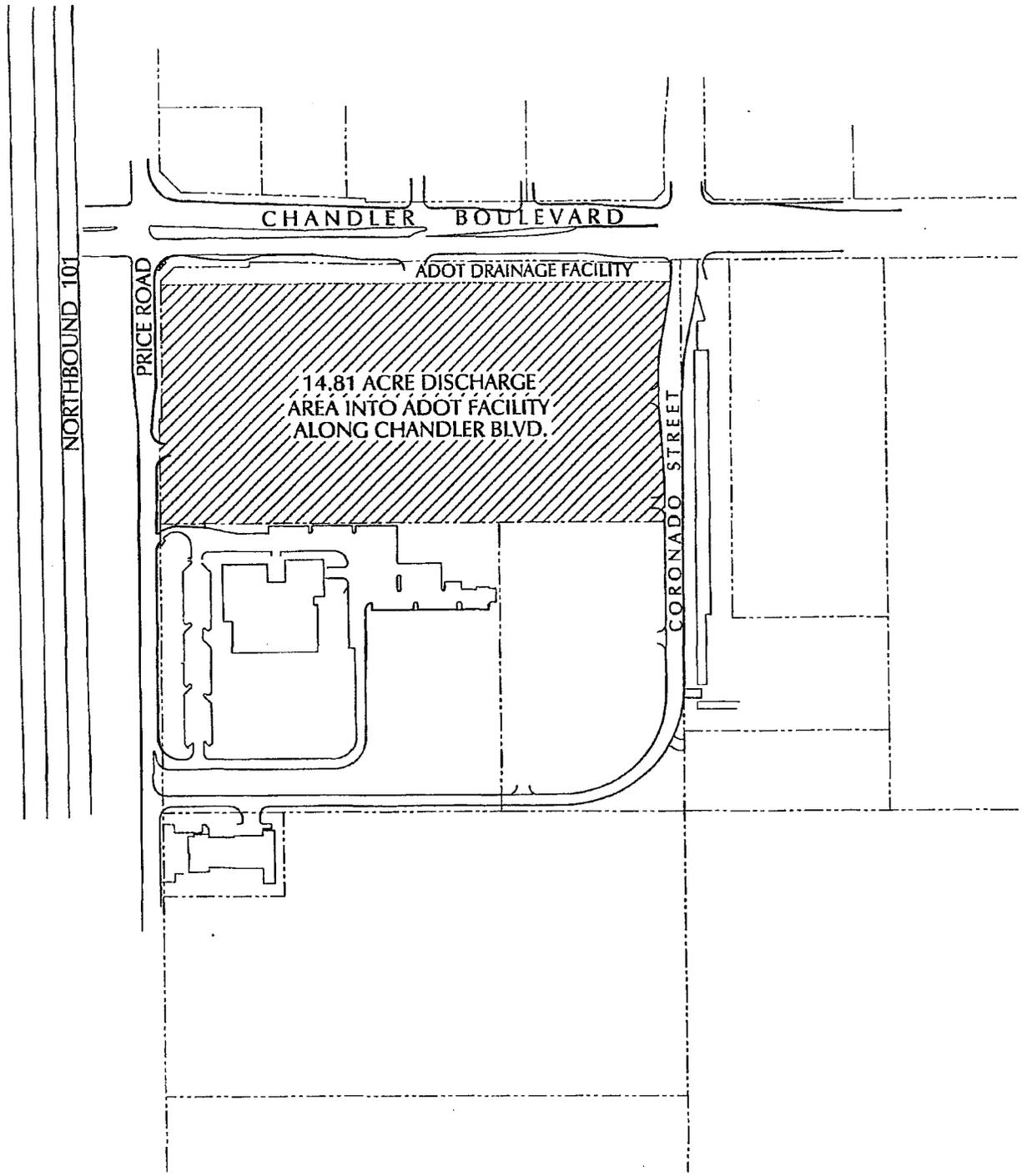
architecture  
 interior architecture  
 space planning  
 facilities management  
 land planning  
 landscape architecture  
 graphic design

**Rockefeller Group - Chandler 101**  
 Chandler, Arizona

All calculations are approximate and subject to change.



EXHIBIT K  
 RING ROAD  
 STREET WIDTHS



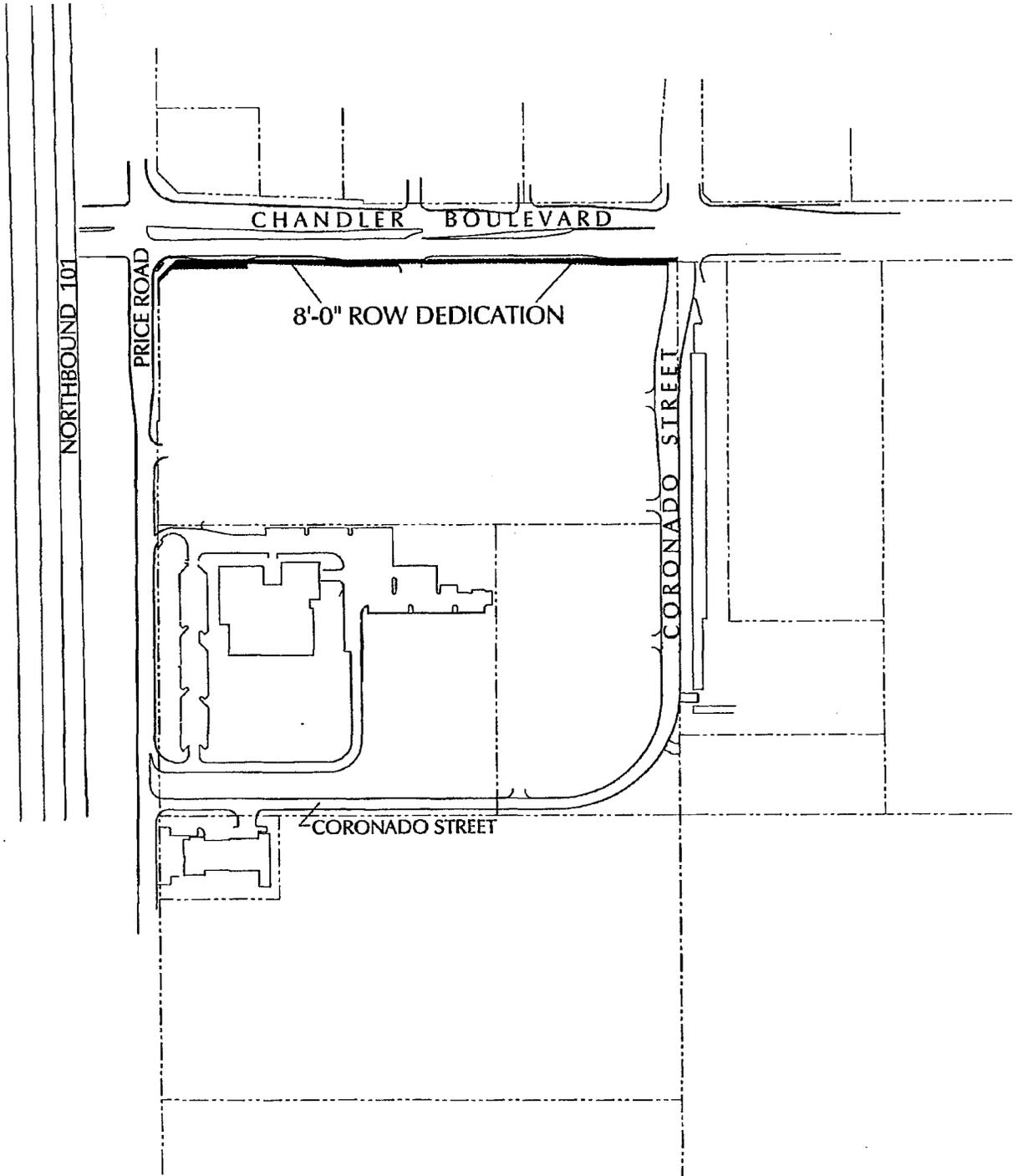
architecture  
 interior architecture  
 space planning  
 facilities management  
 road planning  
 landscape architecture  
 graphic design

**Rockefeller Group - Chandler 101**  
 Chandler, Arizona

All calculations are approximate and subject to change.



**EXHIBIT L**  
**14.81 ACRE**  
**NORTHERN PARCEL**



architecture  
 interior architecture  
 space planning  
 facilities management  
 food planning  
 landscape architecture  
 graphic design

**Rockefeller Group - Chandler 101**  
 Chandler, Arizona

All calculations are approximate and subject to change.



**EXHIBIT M**  
 8'-0" ROW DEDICATION  
 ON CHANDLER BLVD.

NOV 17 2011

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**NARRATIVE SUMMARY FOR ROCKEFELLER CHANDLER 101  
CITY OF CHANDLER RESOLUTION AUTHORIZING  
ADOPTION OF DEVELOPMENT AGREEMENT**

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November 8, 2011

BASIC PROVISIONS

1. Developer is the owner of approximately twenty-four (24) acres of land, legally described on Exhibit A (the “**Property**”). The Property is located within the corporate limits of Chandler.
2. Chandler has approved a Planned Area Development District (“**PAD**”) zoning designation for the Property, with two alternative preliminary development plans (collectively referred to in this Agreement as the “**Preliminary Development Plan**” or “**PDP**”). The Preliminary Development Plan describes the Property as divided into two (2) parcels. “**Parcel A**” is approximately 16 acres in size and has frontage on Chandler Boulevard and Price Road. “**Parcel B**” is approximately 8 acres in size, and will have frontage on the future Coronado Street. Parcel A and Parcel B are collectively depicted as a single tract of land identified as “**PROPERTY**” on Exhibit B.
3. Developer intends to develop the Property in substantial conformance with the zoning action described in zoning case DVR09-0015, which includes a phasing plan described in the PDP (the “**Zoning Designation**”). The development in accordance with the PDP is known as the “**Project**”.
4. Chandler and Developer will cooperate reasonably in processing the approval or issuance of any permits, site plans, subdivision plats or other development approvals requested in connection with development of the Project. Chandler further agrees to process all submissions for such permits, site plan, subdivision plats, or other development approvals on an expedited basis within ten (10) business days after such submission is filed with Chandler, at no additional cost to Developer.
5. Chandler agrees that Developer or any owner of all or any portion of the Property shall have the right to undertake and complete the development of the Property with the Project, in accordance with the Zoning Designation, the PDP, any site plans or subdivision plats for the Property approved by Chandler through its normal and customary site plan or subdivision plat approval process. This right to undertake and complete the development of the Project is vested as of the effective date of the Development Agreement for a period of seven (7) years, provided that if construction on the Property does not commence above the foundation walls within five (5) years after the effective date of Ordinance No. 4186 (the “**Zoning Ordinance**”), Chandler reserves the right to schedule a public hearing to take administrative action to extend, remove or determine compliance with the schedule for development or take legislative action to cause the Property to revert to its former zoning classification. Chandler staff, in such

case, will process Developer's request to extend the schedule for development for an additional two (2) years and cause such request to be placed on the Chandler City Council agenda for consideration. The Zoning Designation, the PDP and any approved site plans or subdivision plats are permanently vested upon either (i) Developer's "material reliance" on the issuance of a building permit for the construction of any improvement on the Property, as the term "material reliance" is described under Arizona case law, or (ii) the construction of substantial off-site or on-site infrastructure improvements for the Project, subject to satisfactions of all conditions of the Zoning Ordinance.

6. This Agreement provides for the construction, in and around the Property, of certain public improvements to serve regional needs. The Parties further intend to provide for the acquisition of property required for certain of these public improvements, as further described herein.
7. Chandler and Developer shall coordinate the acquisition of public right-of-way for the creation of Coronado Street as follows:
  - (a) Developer shall, at its own cost and expense, dedicate Parcel 1 (Exhibit C) to Chandler for use as a public right-of-way through a plat dedication contained on the first final Subdivision Plat approved for the Property.
  - (b) Chandler shall, at its sole cost and expense, acquire title to the area on Exhibits D & E, for Parcels 2 & 3, for the benefit of the public, for use as a public right-of-way to complete Coronado Street.
    - (1) Acquisition of title or the obtaining of an order of immediate possession shall be complete within 150 days after Developer provides Chandler with (i) approved engineering plans for the improvements to Coronado Street (the "**Improvement Plans**"), and (ii) security to assure installation of said improvements.
    - (2) Chandler may acquire Parcels 2 & 3 at any time after the effective date of the Development Agreement. If Chandler notifies Developer in writing of its intention to do so, Developer shall provide the Improvement Plans within 120 days after receipt of the notice.
  - (c) Developer shall dedicate, at its sole cost and expense, an 8' wide easement adjacent to Parcels 1&2 to create a public sidewalk and for the location of streetlights serving the Coronado Street ROW.
8. Subject to Chandler acquiring title to the area on Exhibits D & E for use as a public right-of-way, Developer shall, at its sole cost and expense, construct the full-street improvements for Coronado Street from Price Road to Chandler Boulevard, along the alignment set forth in Exhibit B, for the purpose of improving the movement of traffic throughout the area and relieving traffic on the intersection of Chandler Blvd. & 101.
9. Notwithstanding the provisions of Section 7 and Section 8 above, if City Council does not approve the designation and finding of necessity for Parcel A of the Property under

A.R.S. Title 36, Chapter 12, Article 3 (designation of a Redevelopment Area), Developer's obligation with respect to Coronado Street shall be limited to (i) a half-street dedication along the eastern boundary of the Property, and (ii) the construction of the half-street road improvements for Coronado Street, to be located on the Property. Additionally, Developer shall have no obligation to connect Coronado Street to Price Road (i.e., install the "ring road").

10. Chandler will be the applicant for and use its best efforts to obtain one or more ADOT permits to address the ingress and egress to the properties abutting Price Road for the ROW (Exhibit F) as follows:
  - (a) Provide ingress and egress to Coronado Street from Price Road, as public right-of-way;
  - (b) Provide for the modification of the joint driveway currently located on the Property to allow for two separate driveways, one for the Property and the other for the Nikko Property;
  - (c) Provide any Temporary Construction Rights and Permits.
11. Chandler shall relocate the access for the City Property/Fire Maintenance Facility from Price Road to Coronado Street so that a deceleration lane can be constructed on Price Road. (Exhibit G). Chandler shall acquire, at its sole cost and expense, access over the land described in Exhibit G.
12. Developer shall provide an easement for ingress and egress from Coronado Street to the southeast corner of the parcel of real property adjacent to the Property identified as APN303-24-173, at its sole cost and expense.
13. Chandler shall use its best efforts to cause the relocation of any and all improvements within the ADOT right-of-way which is necessary for the construction of a deceleration lane on Price Road. Chandler shall also acquire and/or provide an eight-foot wide public utilities easement for the relocation of utility improvements which is necessary for the construction and installation of the new deceleration lane.
14. Chandler shall use its best efforts to enforce its rights under the Coronado Street PUE existing 30' access and utility easement along the SanTan Mini Storage property to provide for the relocation of the SRP power poles, or acquire the additional easement rights necessary to allow for placement of the SRP Utility Poles (Exhibit I), therein as required for the installation of Coronado Street on the Property, or otherwise for the development of the Project. Developer shall pay the costs and expenses associated with the physical installation of such SRP utility poles.
15. Chandler approves in accordance with the initial traffic engineering drawings (Exhibit J) the redesign of the intersection of Coronado Street and Chandler Blvd. with respect to the relocation and modification of the traffic signal and installation of other utilities. Furthermore, Chandler approves the Coronado Street Standards and agrees that Coronado Street may be designed to such Coronado Street Standards (Exhibit K). If Chandler

requires that Coronado Street be designed and constructed at a width that is greater than the Coronado Street Standards, then Chandler shall acquire the additional right-of-way necessary and shall design and construct that portion of Coronado Street.

16. Developer shall dedicate to Chandler a reasonably sufficient amount of property to locate a public transportation bus bay on Chandler Blvd. Chandler shall install a bus shelter adjacent to the bus bay, but Developer reserves the right to enhance the structure to match the development architecture of the Project. Chandler shall pay typical maintenance costs for the bus shelter; Developer shall pay any additional maintenance costs caused by its enhanced nature.
17. Developer shall, at its own cost and expense, dedicate to Chandler, as public right-of-way, an eight-foot wide strip on the portion of the Property abutting Chandler Blvd. for Chandler's use in the future widening of Chandler Blvd. (Exhibit M). At the next annual update of its CIP, Chandler shall add an improvement that will reduce the median on Chandler Blvd. adjacent to Chandler 101 by 3' and restripe the eastbound lanes. This will allow for two deceleration lanes, including the right turn lane onto Coronado Street.
18. In May 2010, Chandler City Council adopted Resolution No. 4413, which authorized a GPLET Lease for the Property between the City of Chandler and the Rockefeller Group, subject to certain specific conditions having been satisfied. One of the conditions was Chandler and Developer having entered into this Development Agreement. Accordingly, the following provisions apply:
  - (a) Determination of Benefits. Chandler determines that the development of the Property with the Project and the lease of all or a portion of the Project Improvements to End Users (i) will enhance the economic viability of the City in numerous ways, including, without limitation, (A) increasing transaction privilege tax revenues and other revenues to the City, (B) increasing the City's employment base, (C) stimulating further economic development, and (D) otherwise improving or enhancing the economic welfare of the residents of the City; and (ii) is not likely to occur without the benefits provided in the Development Agreement; and (iii) will generate revenues and other benefits to the City that outweigh or are not disproportionate to the costs associated with these benefits.
  - (b) Certificate of Completion. After the completion of the first shell or pre-lease Principal Project Improvement in accordance with Applicable Laws, Chandler will issue to Developer a Certificate of Completion stating that such Principal Project Improvement has been completed. On or before one year after the issuance of such Certificate of Completion, and Developer may transfer ownership of all or any portion of the Property and the Project Improvements (whether constructed or to be constructed in the future) to Chandler, and Chandler shall lease such Property and Project Improvements back to the Developer (the "**GPLET Lease**"), provided that the execution by Chandler of the GPLET Lease complies with all applicable procedural requirements of the Chandler City Charter that may be in effect at the time of execution of the lease. As used herein, the term "**Principal Project Improvement**" means one of the following as described in the PAD: (i) an Office Building, (ii) a Hotel, or (iii) a Conference Center.

- (c) GPLET. City and Developer agree that, upon the transfer and lease back described in the Section 18(b) above, the Project Improvements will be subject to tax liability under the Government Property Lease Excise Tax (A.R.S. § 42-6201, et seq.) (“**GPLET**”). City and Developer shall perform any administrative acts and execute, acknowledge and/or deliver any instruments and consents necessary for the Property and Project Improvements to qualify for the GPLET treatment as contemplated under the terms of the Development Agreement.
19. The terms and conditions of the GPLET Lease shall include the following material provisions:
- (a) The term of such lease shall be twenty (20) years after issuance of the Certificate of Occupancy for the last building constructed within the portion of the Property included within the GPLET Lease, provided that such term shall expire no later than December 31, 2045.
- (b) The lease shall allow for the Tenant, and its successors and assigns, (each a “**Tenant**”) to transfer, convey, assign, sublease, pledge, encumber, or mortgage (each a “**Transfer**”) any of its rights, obligations, interests to or under the lease, or its leasehold estate in any legally identifiable portion of the Property (each portion a “**Lease Parcel**”) without the consent of Chandler.
- (c) The lease shall further grant Tenant the option to purchase the Property or any Lease Parcel (and the improvements thereon) for nominal consideration.
- (d) The lease shall include standard mortgagee and non-disturbance provisions and provide that upon the delivery of an instrument in which any transferee under a Transfer assumes all of Tenant’s obligations under the lease with respect to the Lease Parcel to which the Transfer applies, Tenant shall be relieved from liabilities and obligations under the lease accruing thereafter with respect to such Lease Parcel. Prior to Developer’s conveyance of all or any portion of the Property to City, Developer shall provide City with a Phase I environmental site assessment of the property to be conveyed, certified to Chandler and dated within one hundred eighty (180) days prior to the date of the conveyance.
- (e) The lease shall require Tenant to obtain, as minimum coverage, public liability insurance against claims for personal injury, death or property damage occurring in, upon or about any portion of the Premises, with minimum coverage limits that are customary for similarly situated properties, and naming City as an additional insured under such policy. The lease shall further require Tenant to indemnify, defend and hold harmless City, its Council members, officers, employees, volunteers and agents from liability and claim for damages by reason of any injury to any person or persons, including Tenant, or property of any kind whatsoever and to whomsoever while in, upon or in any way connected with the Premises during the term of the lease, except for any claims and liabilities which (i) could have been asserted against City if City were not the owner of the Premises or a party to the lease, or (ii) caused by the sole negligence of City. Tenant’s indemnification obligations shall cover all claims, demands, losses, damages, liabilities,

finances, charges, penalties, administrative and judicial proceedings and orders, judgments, remedial actions of any kind, all cleanup actions of any kind, and all costs and expenses incurred in connection therewith (including reasonable attorney fees).

- (f) The lease shall include those provisions required by A.R.S. § 42-6206(A).
20. Developer agrees that, upon the conveyance to and leaseback from Chandler of the Property and Project Improvements, provided that the Property and Project Improvements qualify and continue to qualify for the GPLET treatment, as contemplated under the terms of this Agreement, it will use commercially reasonable methods to lease space within the Project Improvements to End Users.
21. If the Chandler City Council does approve the designation and finding of necessity for Parcel A of the Property under A.R.S. Title 36, Chapter 12, Article 3 (designation of a “Redevelopment Area”), then the following additional provisions shall apply to the Development Agreement:
- (a) If the term of the GPLET Lease has commenced and in effect, Chandler shall take no action to terminate the designation of Parcel A as a Redevelopment Area until the expiration of the term of the GPLET Lease.
  - (b) The Chandler City Council may, in its sole and absolute discretion, terminate the designation of Parcel A as a Redevelopment Area if it finds that substantial action has not been taken to remove the slum conditions, as described in paragraph (c) below.
  - (c) As used herein, “substantial action” shall be deemed to have been taken if the Developer: (1) provides evidence to the City Manager of a commitment by one or more users to occupy a minimum of 100,000 square feet of space within Parcel A within three (3) years after the effective date of the Development Agreement (the “Effective Date”); (2) commences construction on the first building within Parcel A within three (3) years from the Effective Date; and (3) applies to Chandler for a Certificate of Occupancy for the first building within Parcel A within five (5) years from the Effective Date. Notwithstanding anything above to the contrary, if Developer has provided evidence to Chandler in the form of a commitment to occupy space from a user so that Developer has satisfied condition 21(c)(1), but, through no fault of Developer, will be unable to break ground by the 3rd anniversary of the Effective Date as required in 21(c)(2), Chandler agrees to reasonably extend the three (3) year time limit to allow Developer to perform its obligations hereunder. Furthermore, in the event Developer has provided evidence to Chandler as set forth above, that it has satisfied condition 21(c)(1) and has commenced construction, but, through no fault of Developer, will be unable to complete construction of the first building on the Property by the 5th anniversary of the Effective Date, Chandler agrees to reasonably extend the five (5) year time limit to allow Developer to perform its obligations hereunder within a reasonable period of time.
  - (d) Nothing within this Development Agreement or in the GPLET Lease shall be deemed to bar or prohibit Chandler from taking further action in its discretion to declare

Parcel B of the Property as a slum or blighted area in need of redevelopment, provided that the statutory prerequisites for such a determination are deemed satisfied by the Chandler City Council.

(e) Termination of the designation of Parcel A as a Redevelopment Area shall not result in the termination of the GPLET Lease. Further, in the event of such termination of the designation of Parcel A, City, at Developer's written request, shall allow Developer to reserve the right to reduce the office intensity on the Property to below five hundred thousand square feet (500,000sf). City agrees that the reduction in intensity is authorized under the existing PAD, and that such reduction will eliminate, as an infrastructure requirement for the Project, the connection of Coronado Street to Price Road through the Property (i.e., the "ring road"). Additionally, City agrees that Developer's infrastructure requirement for Coronado Road is limited to the dedication of land and construction of improvements for the half-street to be located on the Property, and the obligation to dedicate land and construct improvements for the other half-street of Coronado Road is the obligation of the real property located to the east of the Property.

(f) The provisions concerning what constitutes a substantial action set forth in 21(c) above is applicable solely to Developer and shall not be assignable by Developer. This provision prohibiting such an assignment is intended to be a disincentive for Developer to "speculate" by selling the Property in bulk to another entity as a result of the designation of Parcel A as a Redevelopment Area. Nothing herein is intended to prohibit the sale by Developer of a building site on the Property to another entity who agrees to develop and occupy any of the buildings in accordance with the approved PDP/PAD.

22. Developer agrees that, consistent with its letter dated May 20, 2011 to the Chandler Unified School District ("CUSD") and its letter dated October 31, 2011 to Arizona State University ("ASU"), it has or will enter into the following arrangements with the CUSD and with ASU, respectively, through separate written agreements executed between the Developer and CUSD or ASU, as the case may be, in which Chandler is a not party:

(a) Developer has determined to offer CUSD a Technology Grant in the total amount of \$600,000 (the "Grant"), for so long as Parcel A remains designated as a Redevelopment Area and the GPLET Lease is in effect. The Grant will be paid in three installments of \$200,000 each (each a "Grant Installment"). Each Grant Installment will be paid to CUSD, in cash, prior to occupancy of each of the three (3) planned buildings to be developed along the Property's Chandler Blvd. frontage, provided both the Redevelopment Area designation of Parcel A and the GPLET Lease are in effect at the time of the applicable Grant Installment.

(b) In addition, provided both the Redevelopment Area designation and the GPLET Lease are in effect, Developer will provide to CUSD, a small retail space (600 – 800sf) within the Project, at a base rent of \$1 per year, at a location mutually acceptable to CUSD and Developer. Developer hopes this will provide a source of revenue to CUSD as well as give CUSD students an opportunity to gain valuable work experience. Details including location, lease provisions, staffing, utilities, etc. to be worked out with CUSD

as plans for the buildings are developed. Developer will further work with CUSD to include additional information about CUSD on the project's website.

(c) Provided both the Redevelopment Area designation and the GPLET Lease are in effect, Developer agrees to offer Arizona State University ("ASU") approximately 5,000sf of rentable space on the Property for class rooms to accommodate its WP Carey School of Business Evening MBA or other master degree programs in a location mutually acceptable to Developer and ASU under the following conditions:

(1) Annual shell lease rent to be \$1 per year for a ten (10) year term. In the event the Redevelopment Area designation and/or the GPLET Lease are terminated, for any reason, the lease with ASU may be immediately terminated at the Developer's option.

(2) ASU will be responsible for all costs associated with its tenant improvements within the leased space subject to design and construction plans mutually acceptable to ASU and Developer. Alternatively, ASU and Developer may agree to a rent schedule which allows ASU a Tenant Improvement Allowance ("TIA") of up to forty dollars (\$40.00) per usable square foot of the leased space, with Developer constructing ASU's tenant improvements, and a rental rate to reimburse Developer by fully amortizing the TIA over the ten (10) year term, using an interest rate of nine percent (9%).

(3) The lease space will be available for use by Chandler 101 tenants and their employees at no cost when ASU is not using the space for the term of the lease. The space will be made available to Chandler 101 tenants and their employees for a reasonable amount of time each month.

(4) ASU shall be responsible for its pro rata share of monthly common area maintenance costs and structured parking space rental rates used during normal business hours, in effect from time to time during the lease term. Structured parking spaces used after normal business hours will be at no charge to ASU.

(5) ASU shall have thirty (30) calendar days after receipt of a written notice from Developer that the lease space is available in a building on the Property, to provide written acceptance of the space. Such written acceptance shall also confirm that the purpose for which ASU will use the space is its WP Carey Business School Evening MBA or other master degree programs. Failure to timely respond shall render the proposal contained in this Section 22(c) null and void and Developer's obligations hereunder shall be deemed to have been satisfied.

(6) Provided ASU satisfies the conditions in Section 22(c)(5) above, Developer shall promptly submit to ASU a lease that includes, among other things, the terms described in this Section 22(c). ASU shall, within thirty (30) days after its receipt thereof, execute the lease and return it to Developer. Failure by ASU to execute the lease within such thirty (30) days will render this offer null and void and Developer's obligations hereunder shall be deemed to have been satisfied.

#6

NOV 17 2011



**Chandler • Arizona**  
*Where Values Make The Difference*

**MEMORANDUM                      Economic Development – Council Memo ED12-012**

**DATE:**            NOVEMBER 4, 2011

**TO:**                MAYOR AND COUNCIL

**THRU:**            RICH DLUGAS, CITY MANAGER *rd*  
                          PATRICK MCDERMOTT, ASSISTANT CITY MANAGER *PM*

**FROM:**            CHRISTINE MACKAY, ECONOMIC DEVELOPMENT DIRECTOR *CM*

**SUBJECT:**        ROCKEFELLER DEVELOPMENT AGREEMENT

**RECOMMENDATION:** Staff recommends approval of Resolution No. 4553 for the Significant Deal Terms on the proposed Development Agreement on approximately 22-acres at the southeast corner of Chandler Blvd. and Loop 101 for the development known as Chandler 101 and authorize the Mayor to sign the Development Agreement and related documents as approved by the City Attorney.

**BACKGROUND/DISCUSSION:** In September 2009, Chandler City Council approved a PAD and PDP for a project known as Rockefeller Group Chandler 101. This zoning case allowed for the construction of two different options. Option 1 includes 725,000 square feet of office space that would include a hotel/conference center and Option 2 includes 820,000 square feet of office space, both options include a parking structure, incidental retail and public infrastructure improvements in an extension of Coronado Street. Prior to the 2009 zoning case, this site was the former location of Gould Electronics from 1977 to 2007, a 68,640 square foot industrial facility that has since been closed and demolished.

As part of the demolition of the existing structures, Gould selected to “crush” the existing building and place it back into the base hole left by the former tenant. This action, along with a number of other items put in place by the previous owner, has made this site incredibly challenging to develop in accordance with the approved PAD and PDP that exist on the site today. These items include removal of the former building and its infrastructure, removal of underground components such as a previous waste treatment facility and concrete pylons, and completion of a roadway that was never finished.

Due to the challenges faced on this site for future development, the Developer has initiated and finalized a third party independent site analysis of the existing site conditions and their effect on future development of the site. This study was conducted on this site by LVA Urban Design Studio, which finds cause to declare this site as a Redevelopment Area. This would be a single owner Redevelopment Area and would only include the subject Property.

During the process to close the Gould facility, staff met with the City of Chandler Traffic Engineer. He advised that the intersection of Chandler Blvd and Price Road was close to the limits it could handle on a daily traffic count so any development on this site in excess of the amount over what existed with Gould would cause additional challenges to this intersection. Chandler's Traffic Engineer and Economic Development staff proposed an extension of Coronado Road from its current location, ending southbound at Chandler Blvd., to create a ring road terminating on Price Road. The extension of Coronado Street from Chandler Blvd. to Price Road will provide as a reliever for northbound traffic on Price Road who can now turn right on Coronado on access eastbound Chandler Blvd. without adding to the congestion at Price Road and Chandler Blvd. This new extension of Coronado Road also provides access to a small parcel that is land-locked south of the mini-storage, an additional outlet for Nikko Materials and realigns the entry into the City maintenance facility to allow for easier drive-through access. This Transportation Plan was approved by both the Transportation Commission and Chandler City Council in 2007. As part of this Development Agreement, the Rockefeller Group will construct future Coronado Street as part of the first phase of this development.

Furthermore, through the design and planning process, a number of additional items have come up that are now commemorated and attached as part of these Significant Deal Terms, which shall be used to create the Development Agreement to provide for clarification as this project develops in the future.

**FINANCIAL IMPLICATIONS:** Varied depending on timing and option chosen for future Coronado Street.

**PROPOSED MOTION:** Move to adopt Resolution No. 4553 authorizing the Significant Deal Terms for the Development Agreement between City of Chandler and RG-101, LLC and authorize the Mayor to sign the Development Agreement and related documents as approved by the City Attorney.

Attachments: Resolution No. 4553  
Significant Deal Terms

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**NARRATIVE SUMMARY FOR ROCKEFELLER CHANDLER 101  
CITY OF CHANDLER RESOLUTION AUTHORIZING  
ADOPTION OF DEVELOPMENT AGREEMENT**

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November 8, 2011

BASIC PROVISIONS

1. Developer is the owner of approximately twenty-four (24) acres of land, legally described on Exhibit A (the “**Property**”). The Property is located within the corporate limits of Chandler.
2. Chandler has approved a Planned Area Development District (“**PAD**”) zoning designation for the Property, with two alternative preliminary development plans (collectively referred to in this Agreement as the “**Preliminary Development Plan**” or “**PDP**”). The Preliminary Development Plan describes the Property as divided into two (2) parcels. “**Parcel A**” is approximately 16 acres in size and has frontage on Chandler Boulevard and Price Road. “**Parcel B**” is approximately 8 acres in size, and will have frontage on the future Coronado Street. Parcel A and Parcel B are collectively depicted as a single tract of land identified as “**PROPERTY**” on Exhibit B.
3. Developer intends to develop the Property in substantial conformance with the zoning action described in zoning case DVR09-0015, which includes a phasing plan described in the PDP (the “**Zoning Designation**”). The development in accordance with the PDP is known as the “**Project**”.
4. Chandler and Developer will cooperate reasonably in processing the approval or issuance of any permits, site plans, subdivision plats or other development approvals requested in connection with development of the Project. Chandler further agrees to process all submissions for such permits, site plan, subdivision plats, or other development approvals on an expedited basis within ten (10) business days after such submission is filed with Chandler, at no additional cost to Developer.
5. Chandler agrees that Developer or any owner of all or any portion of the Property shall have the right to undertake and complete the development of the Property with the Project, in accordance with the Zoning Designation, the PDP, any site plans or subdivision plats for the Property approved by Chandler through its normal and customary site plan or subdivision plat approval process. This right to undertake and complete the development of the Project is vested as of the effective date of the Development Agreement for a period of seven (7) years, provided that if construction on the Property does not commence above the foundation walls within five (5) years after the effective date of Ordinance No. 4186 (the “**Zoning Ordinance**”), Chandler reserves the right to schedule a public hearing to take administrative action to extend, remove or determine compliance with the schedule for development or take legislative action to cause the Property to revert to its former zoning classification. Chandler staff, in such

case, will process Developer's request to extend the schedule for development for an additional two (2) years and cause such request to be placed on the Chandler City Council agenda for consideration. The Zoning Designation, the PDP and any approved site plans or subdivision plats are permanently vested upon either (i) Developer's "material reliance" on the issuance of a building permit for the construction of any improvement on the Property, as the term "material reliance" is described under Arizona case law, or (ii) the construction of substantial off-site or on-site infrastructure improvements for the Project, subject to satisfactions of all conditions of the Zoning Ordinance.

6. This Agreement provides for the construction, in and around the Property, of certain public improvements to serve regional needs. The Parties further intend to provide for the acquisition of property required for certain of these public improvements, as further described herein.
7. Chandler and Developer shall coordinate the acquisition of public right-of-way for the creation of Coronado Street as follows:
  - (a) Developer shall, at its own cost and expense, dedicate Parcel 1 (Exhibit C) to Chandler for use as a public right-of-way through a plat dedication contained on the first final Subdivision Plat approved for the Property.
  - (b) Chandler shall, at its sole cost and expense, acquire title to the area on Exhibits D & E, for Parcels 2 & 3, for the benefit of the public, for use as a public right-of-way to complete Coronado Street.
    - (1) Acquisition of title or the obtaining of an order of immediate possession shall be complete within 150 days after Developer provides Chandler with (i) approved engineering plans for the improvements to Coronado Street (the "**Improvement Plans**"), and (ii) security to assure installation of said improvements.
    - (2) Chandler may acquire Parcels 2 & 3 at any time after the effective date of the Development Agreement. If Chandler notifies Developer in writing of its intention to do so, Developer shall provide the Improvement Plans within 120 days after receipt of the notice.
  - (c) Developer shall dedicate, at its sole cost and expense, an 8' wide easement adjacent to Parcels 1&2 to create a public sidewalk and for the location of streetlights serving the Coronado Street ROW.
8. Subject to Chandler acquiring title to the area on Exhibits D & E for use as a public right-of-way, Developer shall, at its sole cost and expense, construct the full-street improvements for Coronado Street from Price Road to Chandler Boulevard, along the alignment set forth in Exhibit B, for the purpose of improving the movement of traffic throughout the area and relieving traffic on the intersection of Chandler Blvd. & 101.
9. Notwithstanding the provisions of Section 7 and Section 8 above, if City Council does not approve the designation and finding of necessity for Parcel A of the Property under

A.R.S. Title 36, Chapter 12, Article 3 (designation of a Redevelopment Area), Developer's obligation with respect to Coronado Street shall be limited to (i) a half-street dedication along the eastern boundary of the Property, and (ii) the construction of the half-street road improvements for Coronado Street, to be located on the Property. Additionally, Developer shall have no obligation to connect Coronado Street to Price Road (i.e., install the "ring road").

10. Chandler will be the applicant for and use its best efforts to obtain one or more ADOT permits to address the ingress and egress to the properties abutting Price Road for the ROW (Exhibit F) as follows:
  - (a) Provide ingress and egress to Coronado Street from Price Road, as public right-of-way;
  - (b) Provide for the modification of the joint driveway currently located on the Property to allow for two separate driveways, one for the Property and the other for the Nikko Property;
  - (c) Provide any Temporary Construction Rights and Permits.
11. Chandler shall relocate the access for the City Property/Fire Maintenance Facility from Price Road to Coronado Street so that a deceleration lane can be constructed on Price Road. (Exhibit G). Chandler shall acquire, at its sole cost and expense, access over the land described in Exhibit G.
12. Developer shall provide an easement for ingress and egress from Coronado Street to the southeast corner of the parcel of real property adjacent to the Property identified as APN303-24-173, at its sole cost and expense.
13. Chandler shall use its best efforts to cause the relocation of any and all improvements within the ADOT right-of-way which is necessary for the construction of a deceleration lane on Price Road. Chandler shall also acquire and/or provide an eight-foot wide public utilities easement for the relocation of utility improvements which is necessary for the construction and installation of the new deceleration lane.
14. Chandler shall use its best efforts to enforce its rights under the Coronado Street PUE existing 30' access and utility easement along the SanTan Mini Storage property to provide for the relocation of the SRP power poles, or acquire the additional easement rights necessary to allow for placement of the SRP Utility Poles (Exhibit I), therein as required for the installation of Coronado Street on the Property, or otherwise for the development of the Project. Developer shall pay the costs and expenses associated with the physical installation of such SRP utility poles.
15. Chandler approves in accordance with the initial traffic engineering drawings (Exhibit J) the redesign of the intersection of Coronado Street and Chandler Blvd. with respect to the relocation and modification of the traffic signal and installation of other utilities. Furthermore, Chandler approves the Coronado Street Standards and agrees that Coronado Street may be designed to such Coronado Street Standards (Exhibit K). If Chandler

requires that Coronado Street be designed and constructed at a width that is greater than the Coronado Street Standards, then Chandler shall acquire the additional right-of-way necessary and shall design and construct that portion of Coronado Street.

16. Developer shall dedicate to Chandler a reasonably sufficient amount of property to locate a public transportation bus bay on Chandler Blvd. Chandler shall install a bus shelter adjacent to the bus bay, but Developer reserves the right to enhance the structure to match the development architecture of the Project. Chandler shall pay typical maintenance costs for the bus shelter; Developer shall pay any additional maintenance costs caused by its enhanced nature.
17. Developer shall, at its own cost and expense, dedicate to Chandler, as public right-of-way, an eight-foot wide strip on the portion of the Property abutting Chandler Blvd. for Chandler's use in the future widening of Chandler Blvd. (Exhibit M). At the next annual update of its CIP, Chandler shall add an improvement that will reduce the median on Chandler Blvd. adjacent to Chandler 101 by 3' and restripe the eastbound lanes. This will allow for two deceleration lanes, including the right turn lane onto Coronado Street.
18. In May 2010, Chandler City Council adopted Resolution No. 4413, which authorized a GPLET Lease for the Property between the City of Chandler and the Rockefeller Group, subject to certain specific conditions having been satisfied. One of the conditions was Chandler and Developer having entered into this Development Agreement. Accordingly, the following provisions apply:
  - (a) Determination of Benefits. Chandler determines that the development of the Property with the Project and the lease of all or a portion of the Project Improvements to End Users (i) will enhance the economic viability of the City in numerous ways, including, without limitation, (A) increasing transaction privilege tax revenues and other revenues to the City, (B) increasing the City's employment base, (C) stimulating further economic development, and (D) otherwise improving or enhancing the economic welfare of the residents of the City; and (ii) is not likely to occur without the benefits provided in the Development Agreement; and (iii) will generate revenues and other benefits to the City that outweigh or are not disproportionate to the costs associated with these benefits.
  - (b) Certificate of Completion. After the completion of the first shell or pre-lease Principal Project Improvement in accordance with Applicable Laws, Chandler will issue to Developer a Certificate of Completion stating that such Principal Project Improvement has been completed. On or before one year after the issuance of such Certificate of Completion, and Developer may transfer ownership of all or any portion of the Property and the Project Improvements (whether constructed or to be constructed in the future) to Chandler, and Chandler shall lease such Property and Project Improvements back to the Developer (the "**GPLET Lease**"), provided that the execution by Chandler of the GPLET Lease complies with all applicable procedural requirements of the Chandler City Charter that may be in effect at the time of execution of the lease.
  - (c) GPLET. City and Developer agree that, upon the transfer and lease back described in the Section 18(b) above, the Project Improvements will be subject to tax

liability under the Government Property Lease Excise Tax (A.R.S. § 42-6201, et seq.) (“**GPLET**”). City and Developer shall perform any administrative acts and execute, acknowledge and/or deliver any instruments and consents necessary for the Property and Project Improvements to qualify for the GPLET treatment as contemplated under the terms of the Development Agreement.

19. The terms and conditions of the GPLET Lease shall include the following material provisions:

(a) The term of such lease shall be twenty (20) years after issuance of the Certificate of Occupancy for the last building constructed within the portion of the Property included within the GPLET Lease.

(b) The lease shall allow for the Tenant, and its successors and assigns, (each a “**Tenant**”) to transfer, convey, assign, sublease, pledge, encumber, or mortgage (each a “**Transfer**”) any of its rights, obligations, interests to or under the lease, or its leasehold estate in any legally identifiable portion of the Property (each portion a “**Lease Parcel**”) without the consent of Chandler.

(c) The lease shall further grant Tenant the option to purchase the Property or any Lease Parcel (and the improvements thereon) for nominal consideration.

(d) The lease shall include standard mortgagee and non-disturbance provisions and provide that upon the delivery of an instrument in which any transferee under a Transfer assumes all of Tenant’s obligations under the lease with respect to the Lease Parcel to which the Transfer applies, Tenant shall be relieved from liabilities and obligations under the lease accruing thereafter with respect to such Lease Parcel. Prior to Developer’s conveyance of all or any portion of the Property to City, Developer shall provide City with a Phase I environmental site assessment of the property to be conveyed, certified to Chandler and dated within one hundred eighty (180) days prior to the date of the conveyance.

(e) The lease shall require Tenant to obtain, as minimum coverage, public liability insurance against claims for personal injury, death or property damage occurring in, upon or about any portion of the Premises, with minimum coverage limits that are customary for similarly situated properties, and naming City as an additional insured under such policy. The lease shall further require Tenant to indemnify, defend and hold harmless City, its Council members, officers, employees, volunteers and agents from liability and claim for damages by reason of any injury to any person or persons, including Tenant, or property of any kind whatsoever and to whomsoever while in, upon or in any way connected with the Premises during the term of the lease, except for any claims and liabilities which (i) could have been asserted against City if City were not the owner of the Premises or a party to the lease, or (ii) caused by the sole negligence of City. Tenant’s indemnification obligations shall cover all claims, demands, losses, damages, liabilities, fines, charges, penalties, administrative and judicial proceedings and orders, judgments, remedial actions of any kind, all cleanup actions of any kind, and all costs and expenses incurred in connection therewith (including reasonable attorney fees).

- (f) The lease shall include those provisions required by A.R.S. § 42-6206(A).
20. Developer agrees that, upon the conveyance to and leaseback from Chandler of the Property and Project Improvements, provided that the Property and Project Improvements qualify and continue to qualify for the GPLET treatment, as contemplated under the terms of this Agreement, it will use commercially reasonable methods to lease space within the Project Improvements to End Users.
21. If the Chandler City Council does approve the designation and finding of necessity for Parcel A of the Property under A.R.S. Title 36, Chapter 12, Article 3 (designation of a Redevelopment Area), then the following additional provisions shall apply to the Development Agreement:
- (a) If the term of the GPLET Lease has commenced and in effect, Chandler shall take no action to terminate the designation of Parcel A as a slum or blighted area until the expiration of the term of the GPLET Lease.
- (b) The Chandler City Council may, in its sole and absolute discretion, terminate the designation of Parcel A as a slum or blighted area if it finds that substantial action has not been taken to remove the slum or blighted conditions, as described in paragraph (c) below.
- (c) As used herein, “substantial action” shall be deemed to have been taken if the Developer: (1) provides evidence to the City Manager of a commitment by one or more users to occupy a minimum of 100,000 square feet of space within Parcel A within three (3) years after the effective date of the Development Agreement (the “Effective Date”); (2) commences construction on the first building within Parcel A within three (3) years from the Effective Date; and (3) applies to Chandler for a Certificate of Occupancy for the first building within Parcel A within five (5) years from the Effective Date. Notwithstanding anything above to the contrary, if Developer has provided evidence to Chandler in the form of a commitment to occupy space from a user so that Developer has satisfied condition 21(d)(1), but, through no fault of Developer, will be unable to break ground by the 3rd anniversary of the Effective Date as required in 21(d)(2), Chandler agrees to reasonably extend the three (3) year time limit to allow Developer to perform its obligations hereunder. Furthermore, in the event Developer has provided evidence to Chandler as set forth above, that it has satisfied condition 21(d)(1) and has commenced construction, but, through no fault of Developer, will be unable to complete construction of the first building on the Property by the 5th anniversary of the Effective Date, Chandler agrees to reasonably extend the five (5) year time limit to allow Developer to perform its obligations hereunder within a reasonable period of time.
- (e) Nothing within this Development Agreement or in the GPLET Lease shall be deemed to bar or prohibit Chandler from taking further action in its discretion to declare Parcel B of the Property as a slum or blighted area in need of redevelopment, provided

that the statutory prerequisites for such a determination are deemed satisfied by the Chandler City Council.

(f) Termination of the designation of Parcel A as a slum or blighted area shall not result in the termination of the GPLET Lease. Further, in the event of such termination of the designation of Parcel A, City, at Developer's written request, shall allow Developer to reserve the right to reduce the office intensity on the Property to below five hundred thousand square feet (500,000sf). City agrees that the reduction in intensity is authorized under the existing PAD, and that such reduction will eliminate, as an infrastructure requirement for the Project, the connection of Coronado Street to Price Road through the Property (i.e., the "ring road"). Additionally, City agrees that Developer's infrastructure requirement for Coronado Road is limited to the dedication of land and construction of improvements for the half-street to be located on the Property, and the obligation to dedicate land and construct improvements for the other half-street of Coronado Road is the obligation of the real property located to the east of the Property.

(g) The provisions concerning what constitutes a substantial action set forth in 21(d) above is applicable solely to Developer and shall not be assignable by Developer. This provision prohibiting such an assignment is intended to be a disincentive for Developer to "speculate" by selling the Property in bulk to another entity as a result of the designation of Parcel A as a slum or blighted area in need of redevelopment. Nothing herein is intended to prohibit the sale by Developer of a building site on the Property to another entity who agrees to develop and occupy any of the buildings in accordance with the approved PDP/PAD.

22. Developer agrees that, consistent with its letter dated May 20, 2011 to the Chandler Unified School District ("CUSD") and its letter dated October 31, 2011 to Arizona State University ("ASU"), it has or will enter into the following arrangements with the CUSD and with ASU, respectively, through separate written agreements executed between the Developer and CUSD or ASU, as the case may be, in which Chandler is a not party:

(a) Developer has determined to offer CUSD a Technology Grant in the total amount of \$600,000 (the "Grant"), for so long as Parcel A remains designated as a slum or blighted area and the GPLET Lease is in effect. The Grant will be paid in three installments of \$200,000 each (each a "Grant Installment"). Each Grant Installment will be paid to CUSD, in cash, prior to occupancy of each of the three (3) planned buildings to be developed along the Property's Chandler Blvd. frontage, provided both the slum or blight designation of Parcel A and the GPLET Lease are in effect at the time of the applicable Grant Installment.

(b) In addition, provided both the slum or blight designation and the GPLET Lease are in effect, Developer will provide to CUSD, a small retail space (600 – 800sf) within the Project, at a base rent of \$1 per year, at a location mutually acceptable to CUSD and Developer. Developer hopes this will provide a source of revenue to CUSD as well as give CUSD students an opportunity to gain valuable work experience. Details including location, lease provisions, staffing, utilities, etc. to be worked out with CUSD as plans for

the buildings are developed. Developer will further work with CUSD to include additional information about CUSD on the project's website.

(c) Provided both the slum and blight designation and the GPLET Lease are in effect, Developer agrees to offer Arizona State University ("ASU") approximately 5,000sf of rentable space on the Property for class rooms to accommodate its WP Carey School of Business Evening MBA or other master degree programs in a location mutually acceptable to Developer and ASU under the following conditions:

(1) Annual shell lease rent to be \$1 per year for a ten (10) year term. In the event the slum or blight designation and/or the GPLET Lease are terminated, for any reason, the lease with ASU may be immediately terminated at the Developer's option.

(2) ASU will be responsible for all costs associated with its tenant improvements within the leased space subject to design and construction plans mutually acceptable to ASU and Developer. Alternatively, ASU and Developer may agree to a rent schedule which allows ASU a Tenant Improvement Allowance ("TIA") of up to forty dollars (\$40.00) per usable square foot of the leased space, with Developer constructing ASU's tenant improvements, and a rental rate to reimburse Developer by fully amortizing the TIA over the ten (10) year term, using an interest rate of nine percent (9%).

(3) The lease space will be available for use by Chandler 101 tenants and their employees at no cost when ASU is not using the space for the term of the lease. The space will be made available to Chandler 101 tenants and their employees for a reasonable amount of time each month.

(4) ASU shall be responsible for its pro rata share of monthly common area maintenance costs and structured parking space rental rates used during normal business hours, in effect from time to time during the lease term. Structured parking spaces used after normal business hours will be at no charge to ASU.

(5) ASU shall have thirty (30) calendar days after receipt of a written notice from Developer that the lease space is available in a building on the Property, to provide written acceptance of the space. Such written acceptance shall also confirm that the purpose for which ASU will use the space is its WP Carey Business School Evening MBA or other master degree programs. Failure to timely respond shall render the proposal contained in this Section 22(c) null and void and Developer's obligations hereunder shall be deemed to have been satisfied.

(6) Provided ASU satisfies the conditions in Section 22(c)(5) above, Developer shall promptly submit to ASU a lease that includes, among other things, the terms described in this Section 22(c). ASU shall, within thirty (30) days after its receipt thereof, execute the lease and return it to Developer. Failure by ASU to execute the lease within such thirty (30) days will render this offer null and void and Developer's obligations hereunder shall be deemed to have been satisfied.

*Group*

November 7, 2011

City of Chandler  
175 S. Arizona Avenue  
Chandler, AZ 85225  
Attn: Glenn Brockman

RE: +/-24 acres at the SEC Chandler Blvd. & Price Rd.  
Chandler, AZ.

Dear Glenn:

This letter is to confirm that The Rockefeller Group acknowledges that the City of Chandler plans to designate the above reference property owned by its affiliate, RG-101 LLC, a Redevelopment Area and agrees with that action. Should you need any additional information or wish to discuss this further, please feel free to contact me.

Sincerely,



Mark Singerman  
Regional Director - Arizona

RESOLUTION NO. 4553

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, APPROVING A DEVELOPMENT AGREEMENT WITH RG-101, LLC RELATING TO PROPERTY LOCATED AT THE SOUTHEAST CORNER OF CHANDLER BOULEVARD AND THE LOOP 101 PRICE FREEWAY IN CHANDLER, ARIZONA.

WHEREAS, RG-101, LLC is the owner of an approximately 24-acre site at the southeast corner of Chandler Boulevard and the Loop 101 Price Freeway, legally described on Exhibit A to the Development Agreement (the “Property”); and

WHEREAS, the Property has been rezoned from Planned Industrial District (I-1) to Planned Area Development (PAD) with a mid-rise overlay and Preliminary Development Plan, which allows for the Property to be developed with one or more mid-rise office buildings, and possibly a hotel and conference center; and

WHEREAS, extensive public infrastructure, which is needed to serve both the site and the general region in which the site is located, is an impediment to timely development of the site as planned and desired by the City of Chandler; and

WHEREAS, the City desires to advance installation of the public infrastructure and provide for the timely development of the site; and

WHEREAS, the City and RG-101 desire to enter into a development agreement, in accordance with A.R.S. § 9-500.05, to address the above-stated issues in a manner that is mutually beneficial to both parties;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chandler, Maricopa County, Arizona, as follows:

The City of Chandler is authorized to enter into a Development Agreement with RG-101, LLC for the Property, subject to terms in substantial conformance with the terms attached hereto as Exhibit “A” (the “Significant Deal Terms”), and the Mayor of the City of Chandler, or his designee, is hereby authorized to execute the Development Agreement on behalf of the City upon the document being approved as to form by the Chandler City Attorney.

PASSED AND ADOPTED by the City Council of the City of Chandler, Arizona, this 17th day of November, 2011.

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
MAYOR

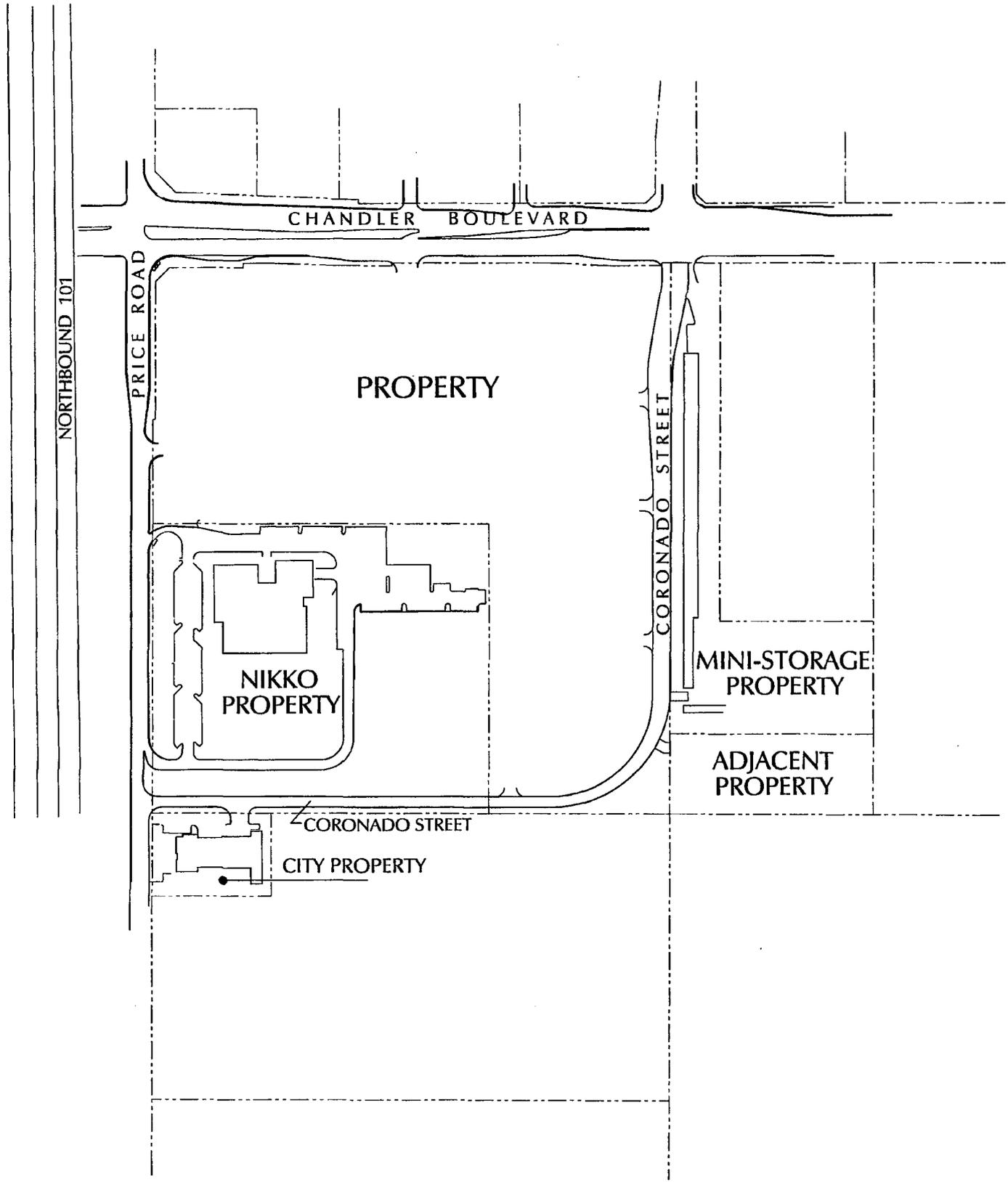
APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY GAB

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Resolution No. 4553 was duly passed and approved by the City Council of the City of Chandler, Arizona, at a regular meeting held on the 17th day of November, 2011, and that a quorum was present thereat.

\_\_\_\_\_  
CITY CLERK



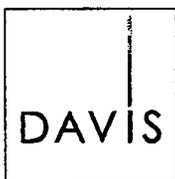
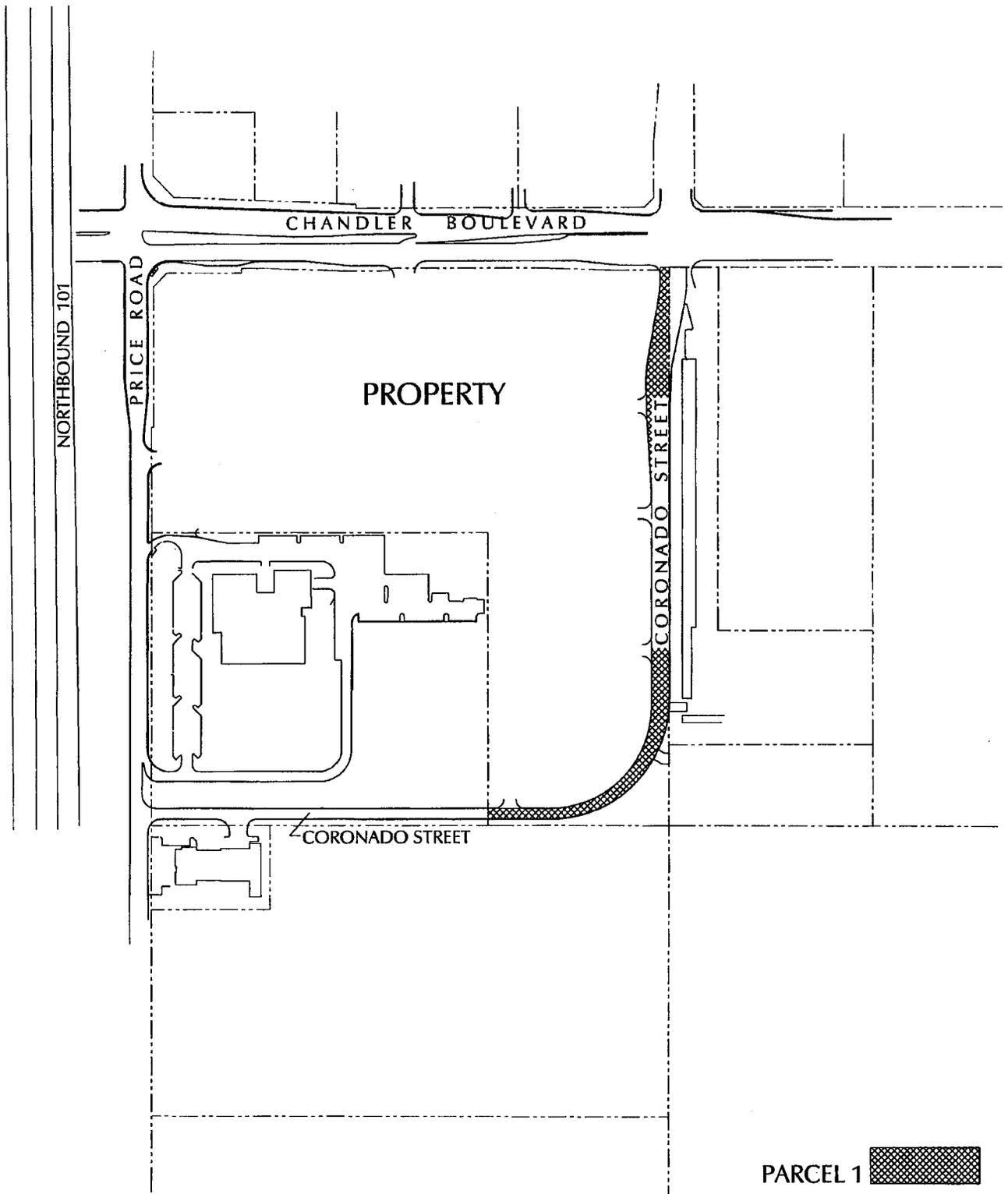
architecture  
 interior architecture  
 space planning  
 facilities management  
 land planning  
 landscape architecture  
 graphic design

**Rockefeller Group - Chandler 101  
 Chandler, Arizona**

All calculations are approximate and subject to change.



EXHIBIT B  
 PROPERTY DEPICTIONS  
 AND  
 CORONADO STREET  
 ALIGNMENT



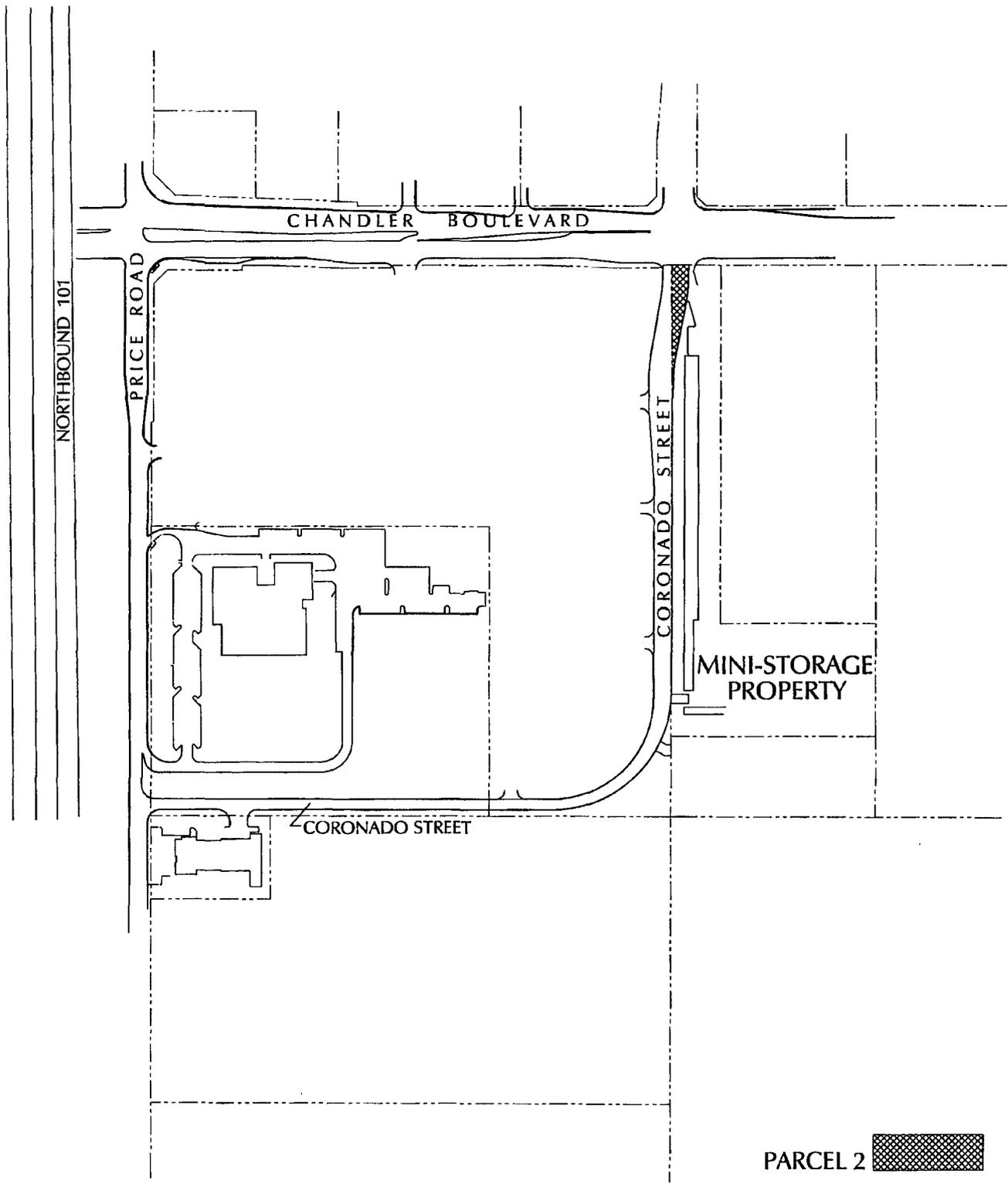
architecture  
 interior architecture  
 space planning  
 facilities management  
 land planning  
 landscape architecture  
 graphic design

**Rockefeller Group - Chandler 101**  
 Chandler, Arizona

All calculations are approximate and subject to change.



EXHIBIT C  
 PARCEL 1 DEPICTION



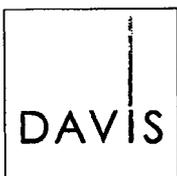
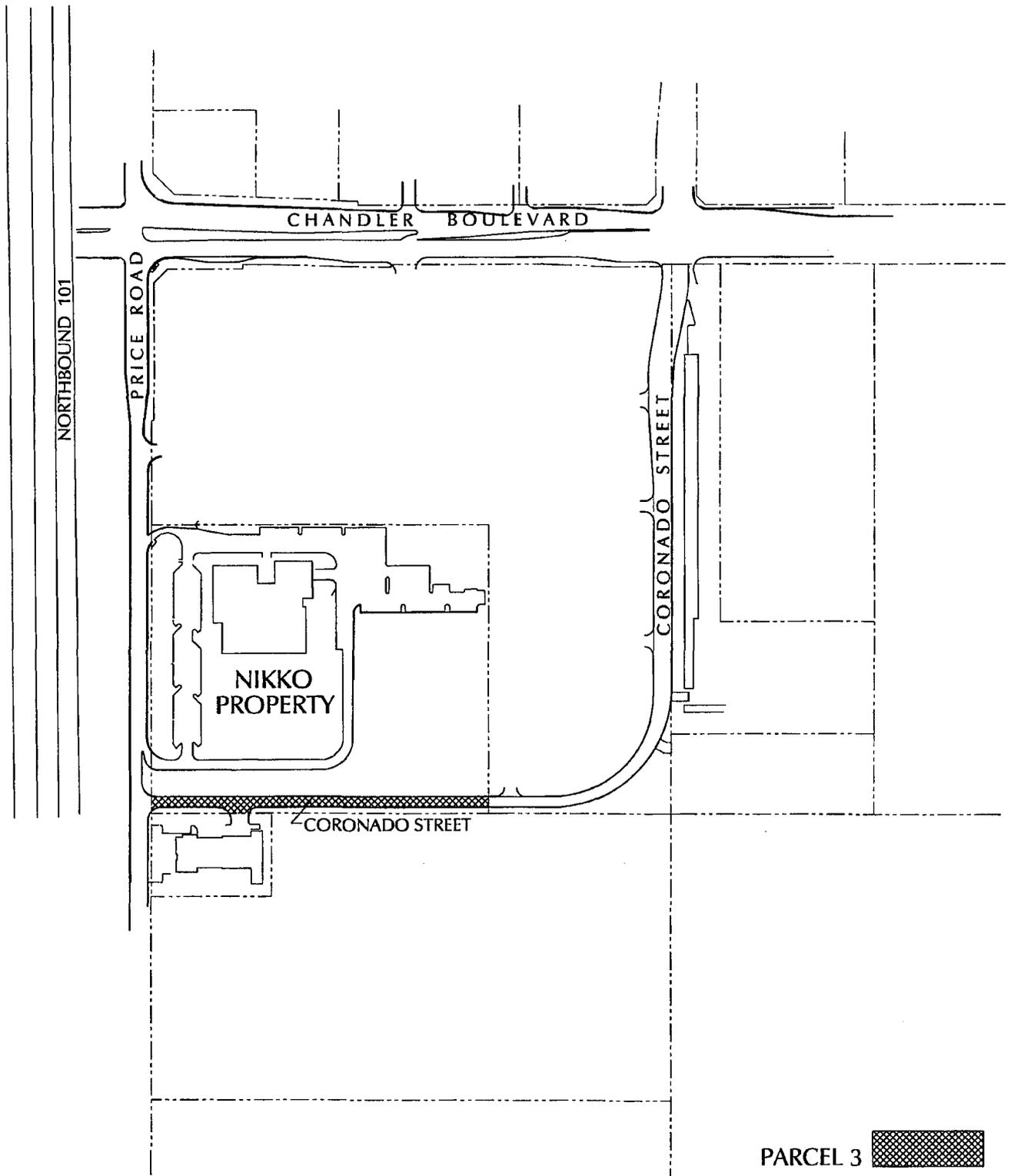
architecture  
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 space planning  
 facilities management  
 land planning  
 landscape architecture  
 graphic design

**Rockefeller Group - Chandler 101**  
 Chandler, Arizona

All calculations are approximate and subject to change.



EXHIBIT D  
 PARCEL 2 DEPICTION



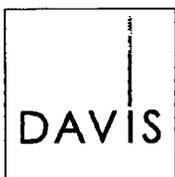
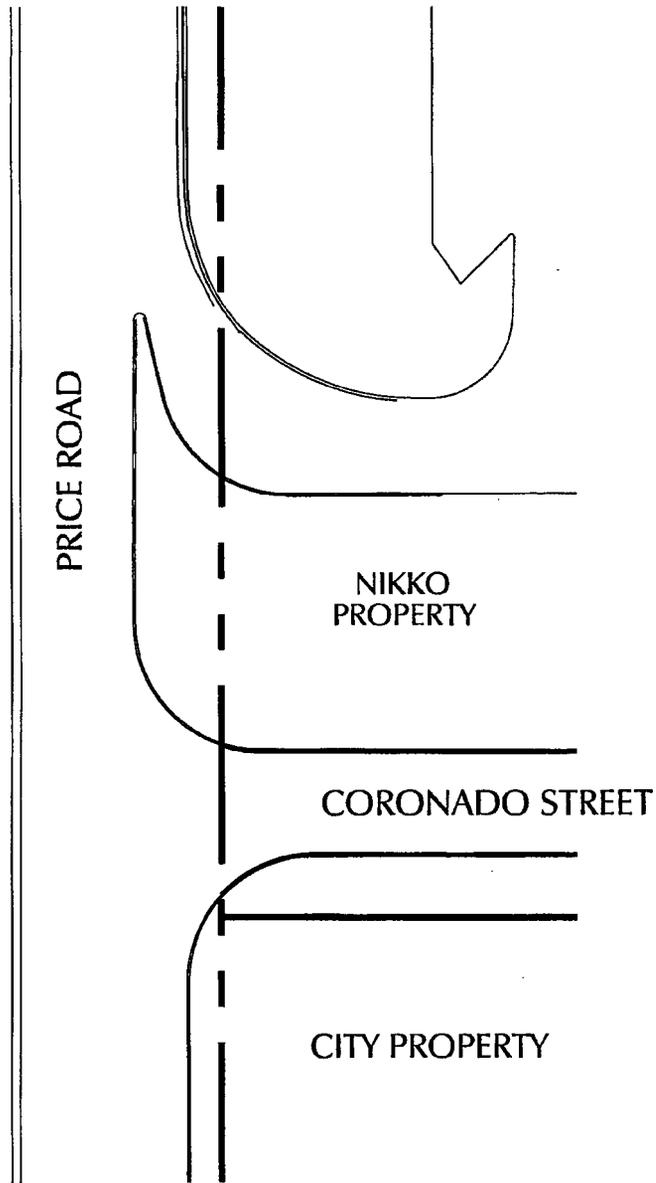
architecture  
 interior architecture  
 space planning  
 facilities management  
 land planning  
 landscape architecture  
 graphic design

**Rockefeller Group - Chandler 101**  
 Chandler, Arizona

All calculations are approximate and subject to change.



EXHIBIT E  
 PARCEL 3 DEPICTION



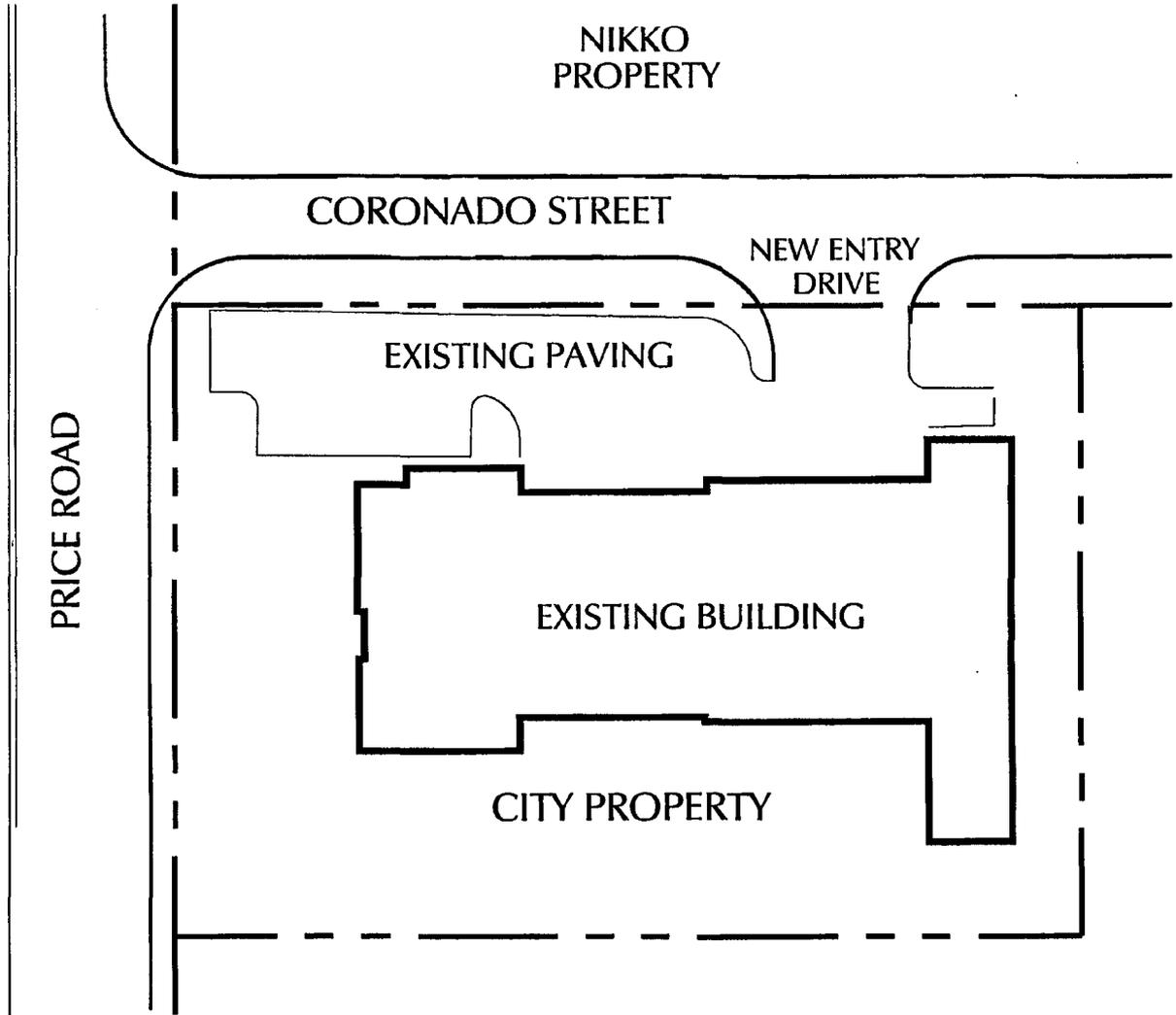
architecture  
 interior architecture  
 space planning  
 facilities management  
 land planning  
 landscape architecture  
 graphic design

**Rockefeller Group - Chandler 101**  
**Chandler, Arizona**

All calculations are approximate and subject to change.



**EXHIBIT F**  
**CORONADO STREET /**  
**PRICE ROAD**  
**INTERSECTION**



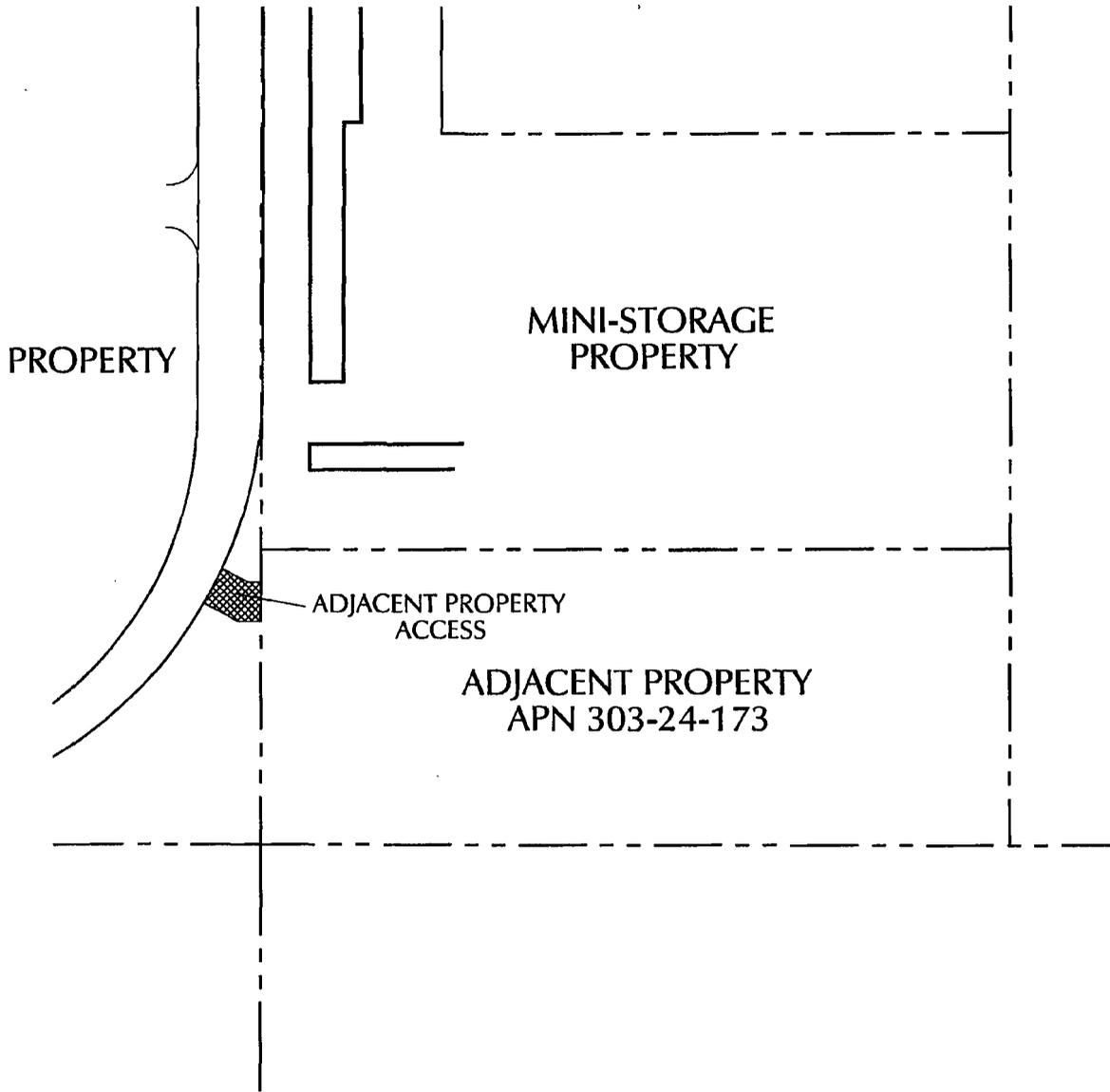
architecture  
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 space planning  
 facilities management  
 land planning  
 landscape architecture  
 graphic design

**Rockefeller Group - Chandler 101**  
**Chandler, Arizona**

All calculations are approximate and subject to change.



**EXHIBIT G**  
**NEW ACCESS TO**  
**CITY PROPERTY**  
**PROPERTY**



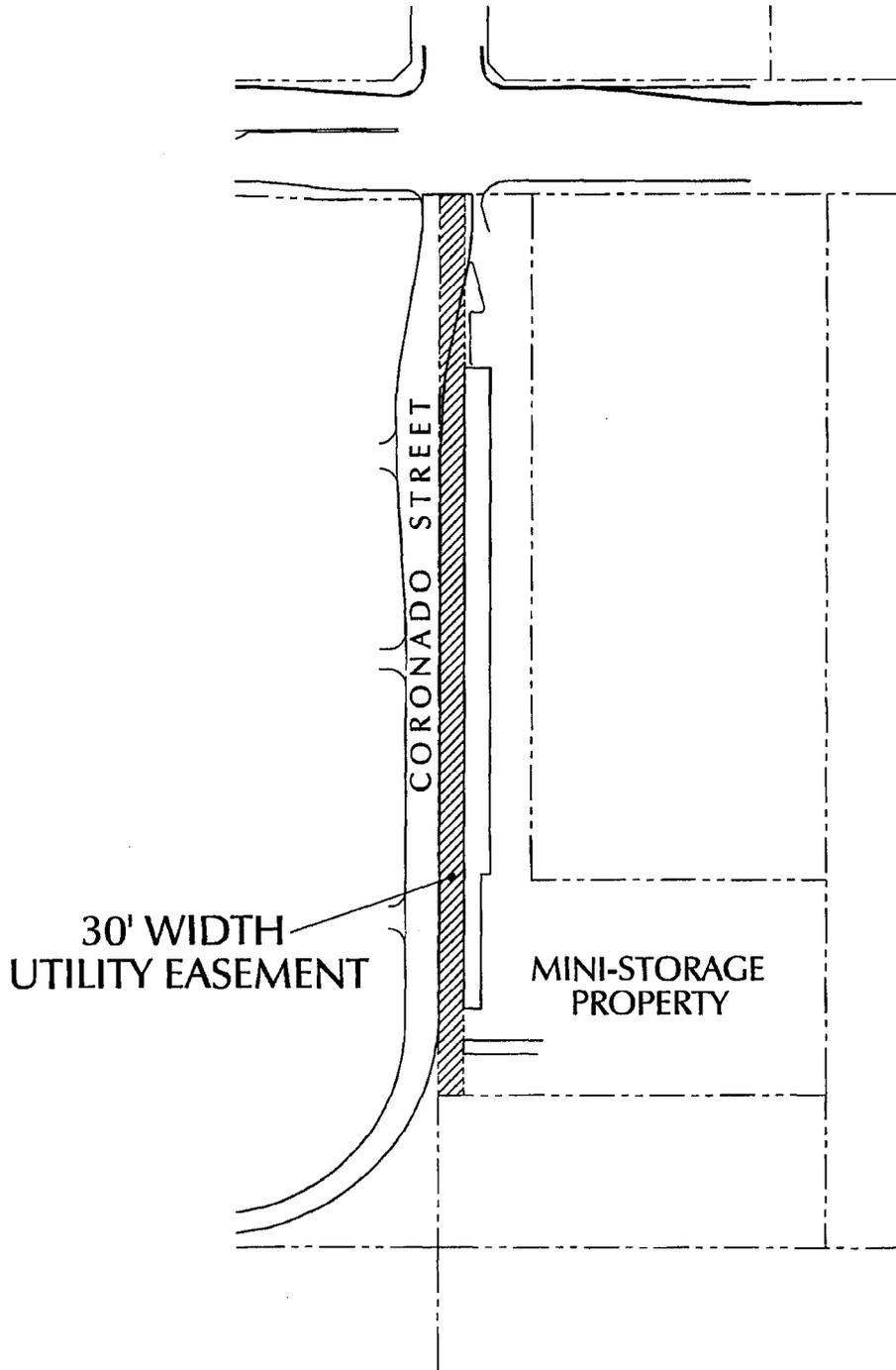
architecture  
interior architecture  
space planning  
facilities management  
land planning  
landscape architecture  
graphic design

**Rockefeller Group - Chandler 101**  
Chandler, Arizona

All calculations are approximate and subject to change.



**EXHIBIT H**  
**ADJACENT PROPERTY ACCESS**



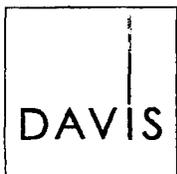
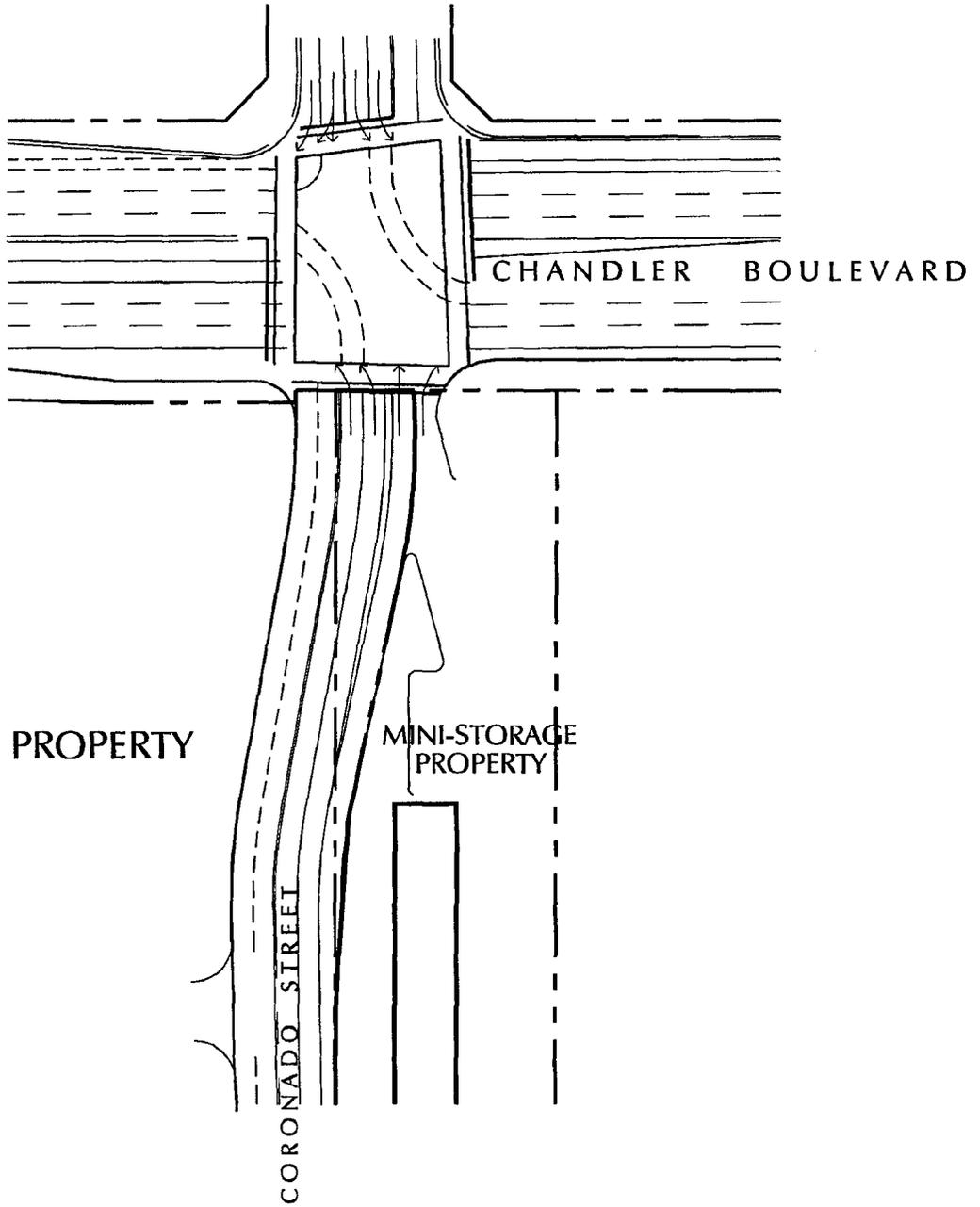
architecture  
 interior architecture  
 space planning  
 facilities management  
 land planning  
 landscape architecture  
 graphic design

**Rockefeller Group - Chandler 101**  
 Chandler, Arizona

All calculations are approximate and subject to change.



EXHIBIT I  
 30' WIDTH CORONADO  
 STREET PUE



architecture  
 interior architecture  
 space planning  
 facilities management  
 land planning  
 landscape architecture  
 graphic design

**Rockefeller Group - Chandler 101**  
 Chandler, Arizona

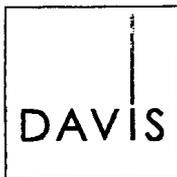
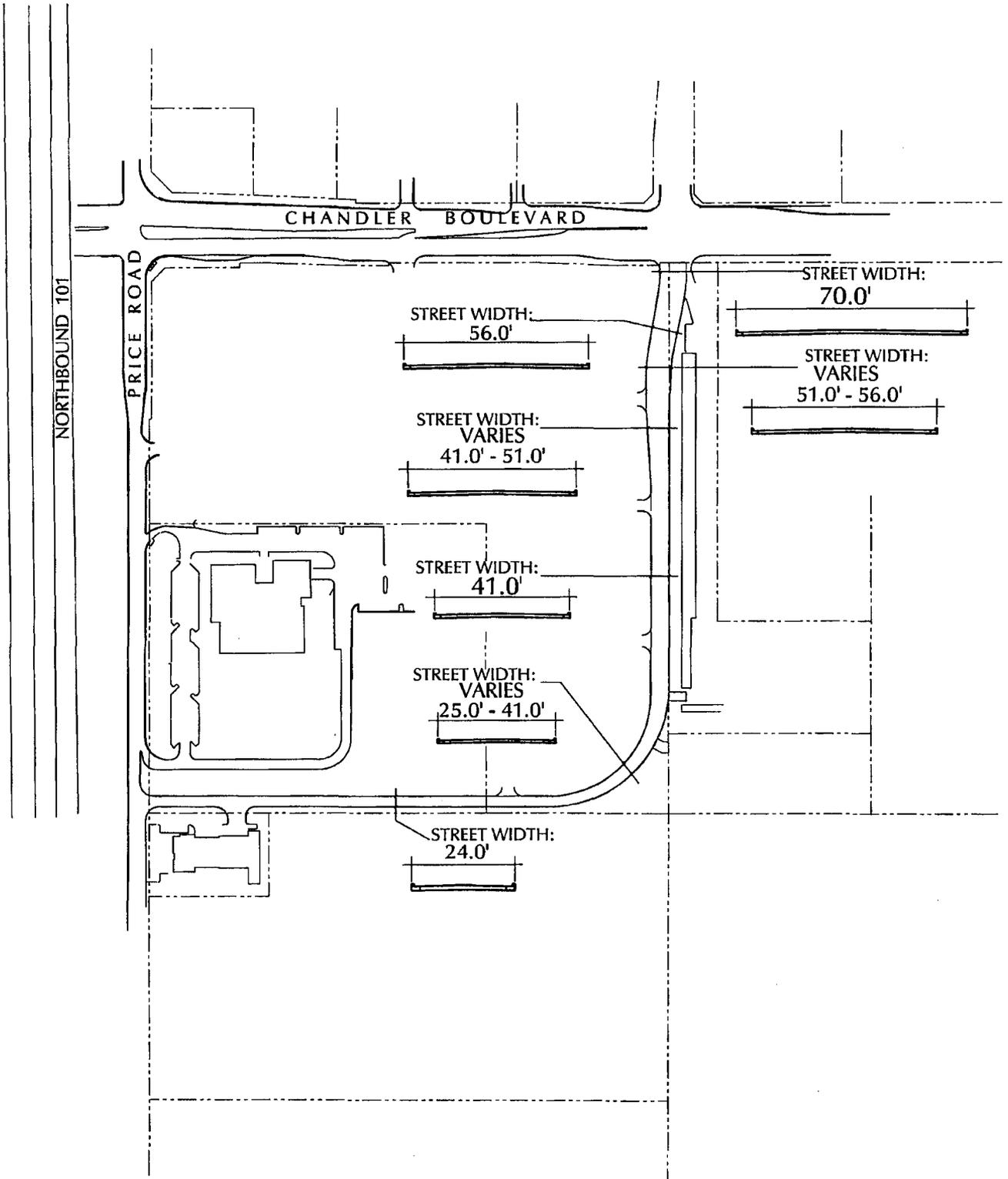
07350  
 18.AUG.09

EXHIBIT J  
 CORONADO STREET /  
 CHANDLER BLVD.  
 INTERSECTION

0' | 80' | 160' | 240' | 320'

All calculations are approximate and subject to change.





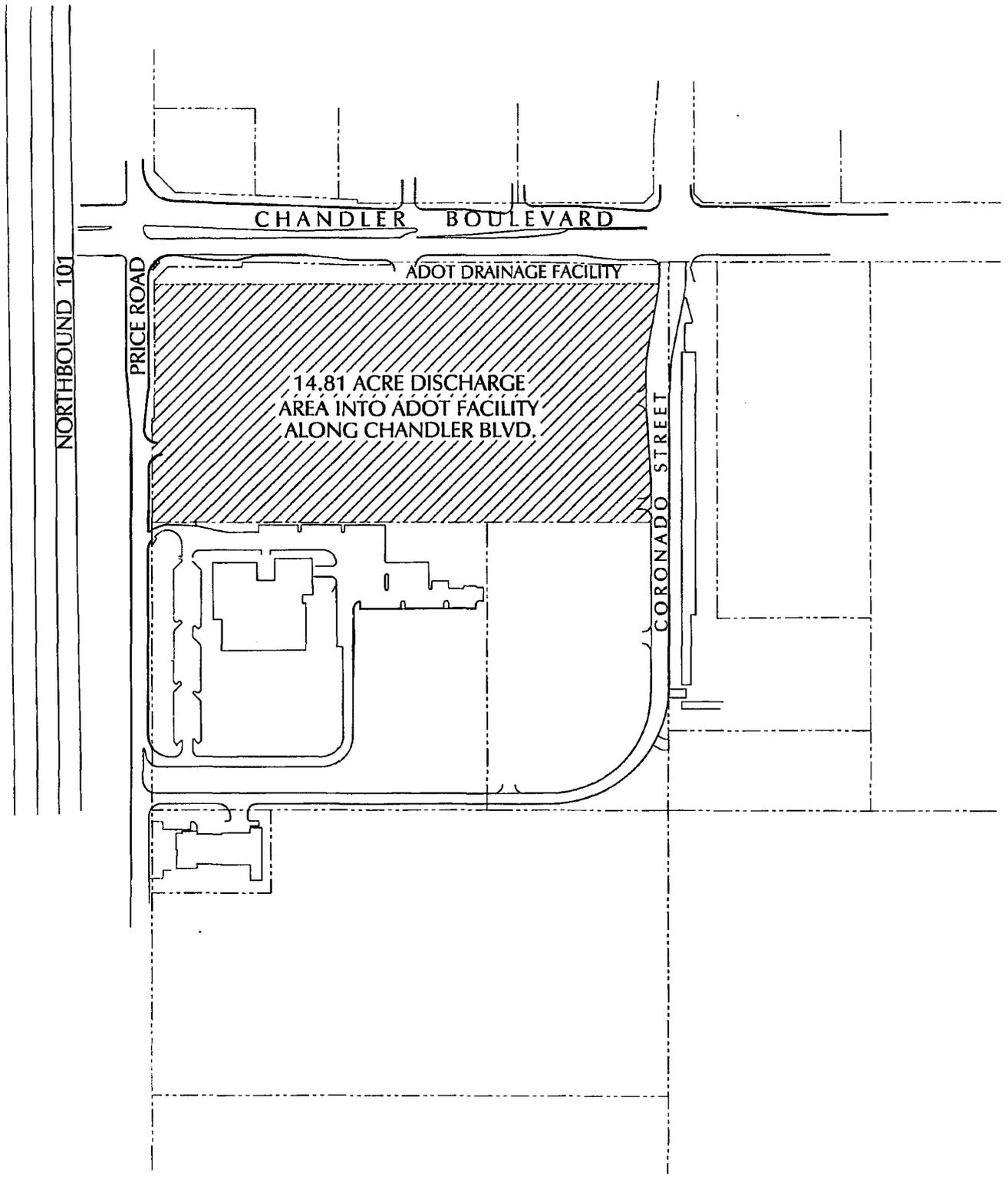
architecture  
 interior architecture  
 space planning  
 facilities management  
 land planning  
 landscape architecture  
 graphic design

**Rockefeller Group - Chandler 101**  
 Chandler, Arizona

All calculations are approximate and subject to change.



EXHIBIT K  
 RING ROAD  
 STREET WIDTHS



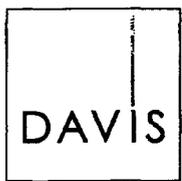
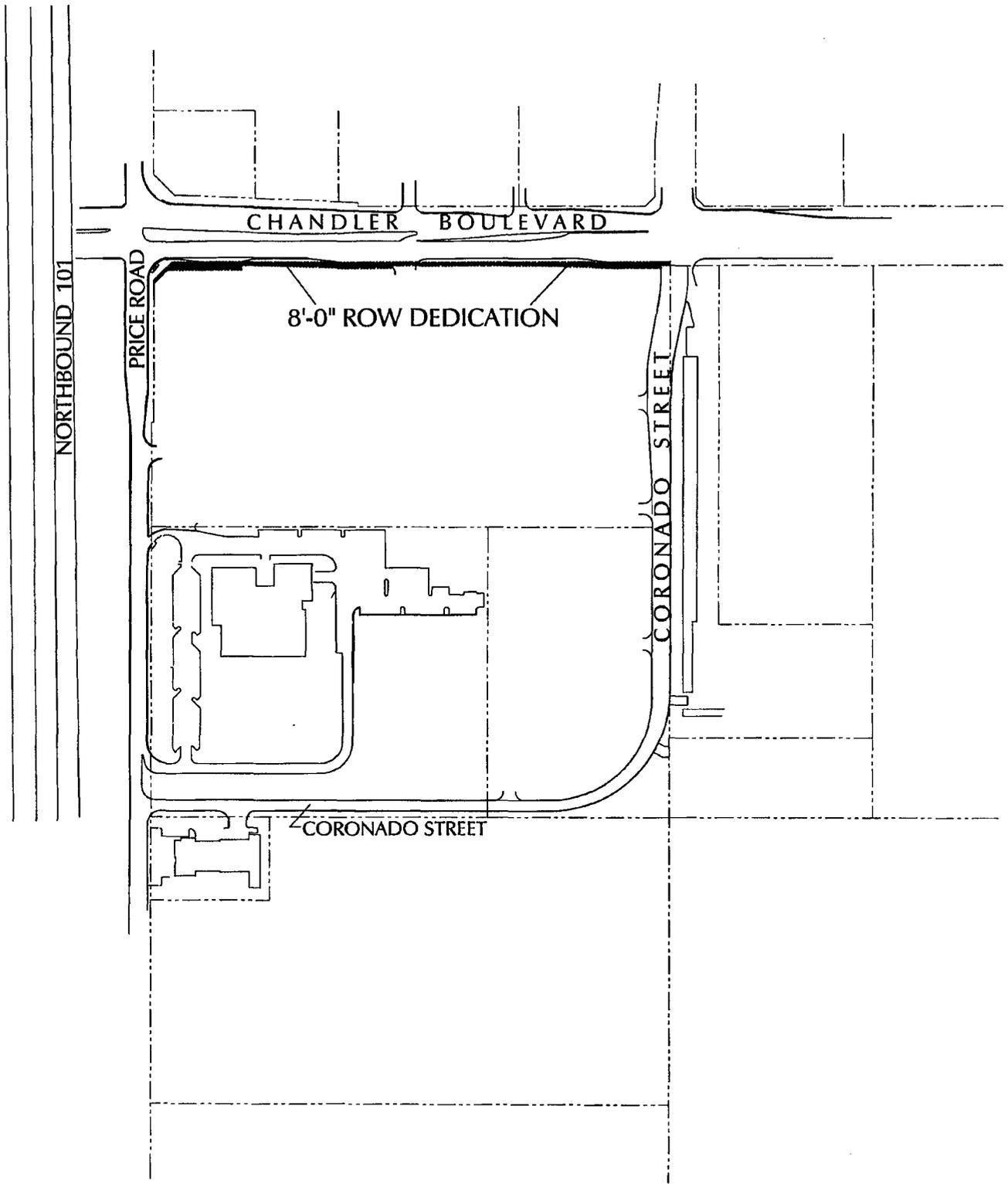
architecture  
 interior architecture  
 space planning  
 facilities management  
 land planning  
 landscape architecture  
 graphic design

**Rockefeller Group - Chandler 101**  
 Chandler, Arizona

All calculations are approximate and subject to change.



**EXHIBIT L**  
**14.81 ACRE**  
**NORTHERN PARCEL**



architecture  
 interior architecture  
 space planning  
 facilities management  
 food planning  
 landscape architecture  
 graphic design

**Rockefeller Group - Chandler 101**  
**Chandler, Arizona**

All calculations are approximate and subject to change.



EXHIBIT M  
 8'-0" ROW DEDICATION  
 ON CHANDLER BLVD.