



Board of Supervisors Memorandum

November 16, 2021

**Resolution No. 2021-78 and Resolution No. WCFD 2021-01
Wildflower Community Facilities District**

Background

Arizona counties are authorized to form community facilities districts ("CFDs") under Title 48, Chapter 4, Article 6 of the Arizona Revised Statutes (the "Act"). CFDs are separate political subdivisions that may be formed and governed by the Board of Supervisors. These districts have the authority to acquire, operate, and maintain public roads and other infrastructure. The acquisition of public infrastructure may be financed by general obligation debt issued by the CFD, and the general obligation debt may be repaid by a general obligation tax levy on property owners within the district. Similarly, maintenance of the CFD's public roads and other infrastructure may be financed by a general obligation tax levy on property owners within the district.

CFDs are formed when landowners and electors within the proposed district petition a County and file a general plan for the district. The general plan defines and describes the district including a general description of the public infrastructure to be acquired and the general areas to be improved. After reviewing the petition and general plan, the County may declare its intent to form a district. Following the County's declaration of intent to form are various public notices, hearings, and a formation election. If the district's formation is approved at election by a majority of landowners and registered voters within the proposed district, the County forms the district. If the petition is signed by all owners within the proposed district and there are no registered voters within the proposed district, the County may form the district without public notice, hearings, or a formation election.

Elections of the landowners and any registered voters within a district must be held in order to levy general obligation taxes and to issue general obligation debt.

Specific arrangements for the public infrastructure to be acquired by the district, the related general obligation tax levies and the related general obligation debt are documented in a community facilities district development agreement.

CFDs are separate legal entities. Counties are neither responsible nor liable for any of the costs of the district's public infrastructure, nor for any liability, debt or obligation of the district.

Application

An application was submitted by Pomegranate Farms – Tucson, LLC for consideration of formation of a CFD (Attachment A). The proposed CFD consists of approximately 644.6 acres and is located south of Valencia Road just east of the Valencia Road and Ajo Highway intersection. It

NOV 03 21 PM 04:12 PCD/KCFD

mm

is anticipated to include approximately 2,284 single-family homes and 373 apartments, as well as, approximately 42.8 acres of commercial development. The application was reviewed for compliance with the County's guidelines, and included ownership information, general experience, a proposed plan, phasing and cost of infrastructure. It was reviewed by staff for compliance with the existing Pomegranate Farms Specific Plan. After a conference with the applicants, an application was filed and the petition for formation was submitted.

Information for Board's consideration includes the following:

1. Ownership. The land is owned by Fidelity National Title Agency, Inc. as Trustee of Trust No. 60471 with the principal beneficiary being Pomegranate Farms. With 100 percent of the landowners requesting the petition, no election is required for the formation of the district.
2. Public Infrastructure. Infrastructure to be included for acquisition by the CFD includes the spine roads, on-site and off-site sewer, drainage, landscaping in right of way, and public parks and trails. A detailed listing is contained in Attachment A. A phasing plan for the infrastructure was submitted and reviewed and there were no conflicts with the existing development documents.
3. Maintenance. The CFD may levy a \$0.30 ad valorem tax rate per \$100 of assessed valuation to fund the operation, maintenance and administration (O and M) expense of the District.
4. Financing and Risk Assessment. The applicant's financing plan is achievable and conforms to the County's *Policy Guidelines and Application Procedures for the Establishment of Community Facilities Districts*.

The applicant plans for the CFD to issue up to \$40 million of CFD general obligation debt to purchase \$32.3 million of infrastructure improvements. The district's general obligation debt would be repaid by a property tax on property owners within the district. The applicant's plan proposes issuing debt eight times beginning in 2024 and continuing through 2036. The projected cost of issuing debt is \$3.5 million, not including interest. Interest costs over the life of the debt is projected to cost up to an additional \$25 million.

The applicant's financing plan is based on selling a total of 2,284 single-family homes at an average sales price of \$300,000 over a 10-year period beginning in 2024 and 373 multifamily homes in 2032, as well as 42.8 acres of commercial development beginning in 2027. A community facilities district development agreement will need to be executed by the County, the district, and the applicant limiting the amount of debt and when it can be issued. Without this agreement there is a significant financial risk if the district's debt is issued as planned without the homes selling for the planned price and at the planned rate. If this were to occur, the related property tax would not generate enough revenue to repay the district's debt. Similarly, the

applicant's financing plan relies on the sold homes increasing three percent in taxable value each year during the 12-year sale period and then by three percent each year thereafter. Property taxes would not generate enough revenue to repay the district's debt if the sold homes' taxable value does not increase at this rate.

The community facilities development agreement includes several important provisions. All public infrastructure that will be acquired by the CFD and financed by debt must be completed within 25 years of the formation of the district. CFD debt must be issued within 15 years of the completion of construction of the public infrastructure to be purchased. CFD debt will be limited to a maximum repayment term of 15 years, and the amount of district debt issued will be limited to the amount that can be supported by the actual assessed value of property within the district. Each time the CFD issues debt, the district's governing board will consider whether 85 percent of the assessed value can be relied on to support the debt. Also, each time the CFD issues debt, the district's governing board will consider whether an agreement is necessary requiring the applicant to provide additional security for the debt, including paying any difference between the district's tax revenues and its debt service payments.

To further reduce the district taxpayers' risk, the community facilities district development agreement will require that public infrastructure be completed and accepted by the County before any district debt will be issued to finance the CFD's purchase of the public infrastructure from the applicant.

To help ensure that the CFD's property taxes are not overly burdensome on the homebuyers, the County's guidelines for community facilities districts limits the maximum district tax rate to \$3.00 per \$100 of taxable value. This \$3.00 limit includes any other possible overlapping CFDs. The original target tax rate for this district will be \$2.50 for debt service and an additional \$0.30 for operating and maintenance costs. Three years after formation the district may call for an election to increase the \$0.30 tax rate for future operating and maintenance costs up to a maximum of \$0.50. The applicant provided information showing that these tax rates are comparable to several other successful community facilities districts within Pima County. The applicant stated in the application that homes within the district will be competitively priced including the effect of the district's additional taxes.

Petition

Upon meeting the application requirements, Pomegranate Farms – Tucson, LLC has petitioned the Board of Supervisors to form a CFD known as Wildflower Community Facilities District. (part of Attachment B)

Proposed Resolutions

Approval of proposed Resolution No. 2021-78 (Attachment B) would result in the following:

1. Granting of the petition to form the proposed CFD;
2. Declaration that the County may form the proposed district without public notice, hearings, or a formation election because the petition was signed by the sole landowner and there are no registered voters within the proposed district;
3. Approval of the CFD's general plan (part of Attachment B);
4. Identification of the Board of Supervisors as the District's governing board, the County Administrator as the District Administrator, the County Treasurer as the District Treasurer, and the Clerk of the Board as the District Clerk;
5. Authorization and approval of the Development and Intergovernmental Agreement in substantially the form submitted to the Board;
6. Direction for the proper filing, recording, and distribution of the resolution.

Approval of proposed Resolution No. WCFD 2021-01 (Attachment C) would result in the following:

1. Identification of the Board of Supervisors Chair and Vice Chair as District Chair and Vice Chair, the County Administrator as District Administrator, the Clerk of the Board as District Clerk, the County Finance and Risk Management Director as District Director of Finance and the County Attorney as District Counsel;
2. Authorization and approval of the Development and Intergovernmental Agreement in substantially the form submitted to the Board;
3. Order and call an election on February 2, 2022. Elections of the landowners and any registered voters within a district must be held in order to levy property taxes for general obligation debt and operations and maintenance and to issue general obligation debt.
4. Direction for the proper filing, recording, and distribution of the resolution.

Should the Board of Supervisors decide not to approve the resolution to form the Wildflower Community Facilities District per A.R.S. §48-702 B, the Board would need to provide a written basis for not adopting the resolution and identify the specific changes needed for the application to be approved.

The Honorable Chair and Members, Pima County Board of Supervisors
Re: **Resolution No. 2021-78 and Resolution No. WCFD 2021-01 Wildflower Community
Facilities District**
November 16, 2021
Page 5

Recommendation:

I recommend the Board of Supervisors approve Resolution No. 2021-78 for the formation of the Wildflower Community Facilities District and Resolution No. WCFD 2021-01 for the authorization and approval of the Development Agreement in substantially the form submitted and the ordering and calling of an election to issue debt and levy property taxes on the landowners within the district.

Sincerely,



Jan Leshner
Chief Deputy County Administrator

JL/anc – November 9, 2021

Attachments

c: C.H. Huckelberry, County Administrator
Carmine DeBonis, Jr., Deputy County Administrator for Public Works
Michelle Campagne, Director, Finance and Risk Management
Carla Blackwell, Director, Development Services

ATTACHMENT A

APPLICATION
FOR FORMATION OF

WILDFLOWER
COMMUNITY FACILITIES DISTRICT
(PIMA COUNTY, ARIZONA)

SUBMITTED BY
POMEGRANATE FARMS - TUCSON, LLC

09/13, 2021

TABLE OF CONTENTS

	<u>Page</u>
Introduction	1
Application Information	2
Description of Proposed CFD	4
Proposed Improvements	5
Project Schedule	10
Financing Plan	12
Disclosure to Prospective Property Owners	16
Specific Plan	16
	<u>Appendix</u>
District Map	1
Title Report and Legal Description of Property	2
Wildflower Conceptual Phasing Plan	3
Schedules – Plan of Finance	4
Estimated Total Debt Burden Comparative Tax Rate Analysis	5
Draft Homeowner Disclosure Form	6
Specific Plan	7

INTRODUCTION

This application is being submitted by Pomegranate Farms - Tucson, LLC (the "Applicant"), for the formation of the Wildflower Community Facilities District (Pima County, Arizona) (the "District") pursuant to 48-701, *et seq.* Arizona Revised Statutes as amended (the "Act"). Pursuant to Arizona House Bill 2317, enacted on March 18, 2021, the Applicant proposes that the District be comprised of five district board members, made up of the five members of the Pima County board of Supervisors, and that it finance certain public infrastructure relating to the development of Wildflower (the "Project"), a master-planned community located within Pima County, Arizona (the "County").

Wildflower is visualized as a desirable master planned community in Pima County. With its sensitivity to the environment, Wildflower integrates the site's natural amenities such as natural undisturbed washes and open space as the foundation upon which to develop the community's character and theme. Natural features are utilized to provide an open space and trail system that interconnects neighborhoods, schools, and parks. The overall planning concept is the creation of a community that preserves and enhances the natural attributes of the property to create an exceptional locale to live and play. It is envisioned that Wildflower, with its diversity of housing, recreational and cultural opportunities, and abundant open space will be established as a distinct, complementary master planned community in which to reside.

The District provides a financing mechanism for portions of certain public infrastructure through the issuance of District general obligation bonds.

The District consists of approximately 644.57 acres. The Project is located south of Valencia Road just east of the Valencia Road and Ajo Highway intersection in Section 18 of Township 15-South, Range 12-East, GSR & M Pima County, Arizona.

The District is anticipated to include approximately 2,657 units or 2,284 single-family homes and 373 apartments as well as approximately 42.8 acres of commercial/mixed-use development.

The total acreage of the District can generally be characterized as follows:

Description	Approximate Acres
Residential Units	356.5
Commercial	42.8
Roads	39.2
Parks/Open Space	32.2
Natural Open Space	157.8
Schools	16.0
Total	644.49

The Project is scheduled to break ground in 2022, with home closings anticipated to begin in 2024.

APPLICANT INFORMATION

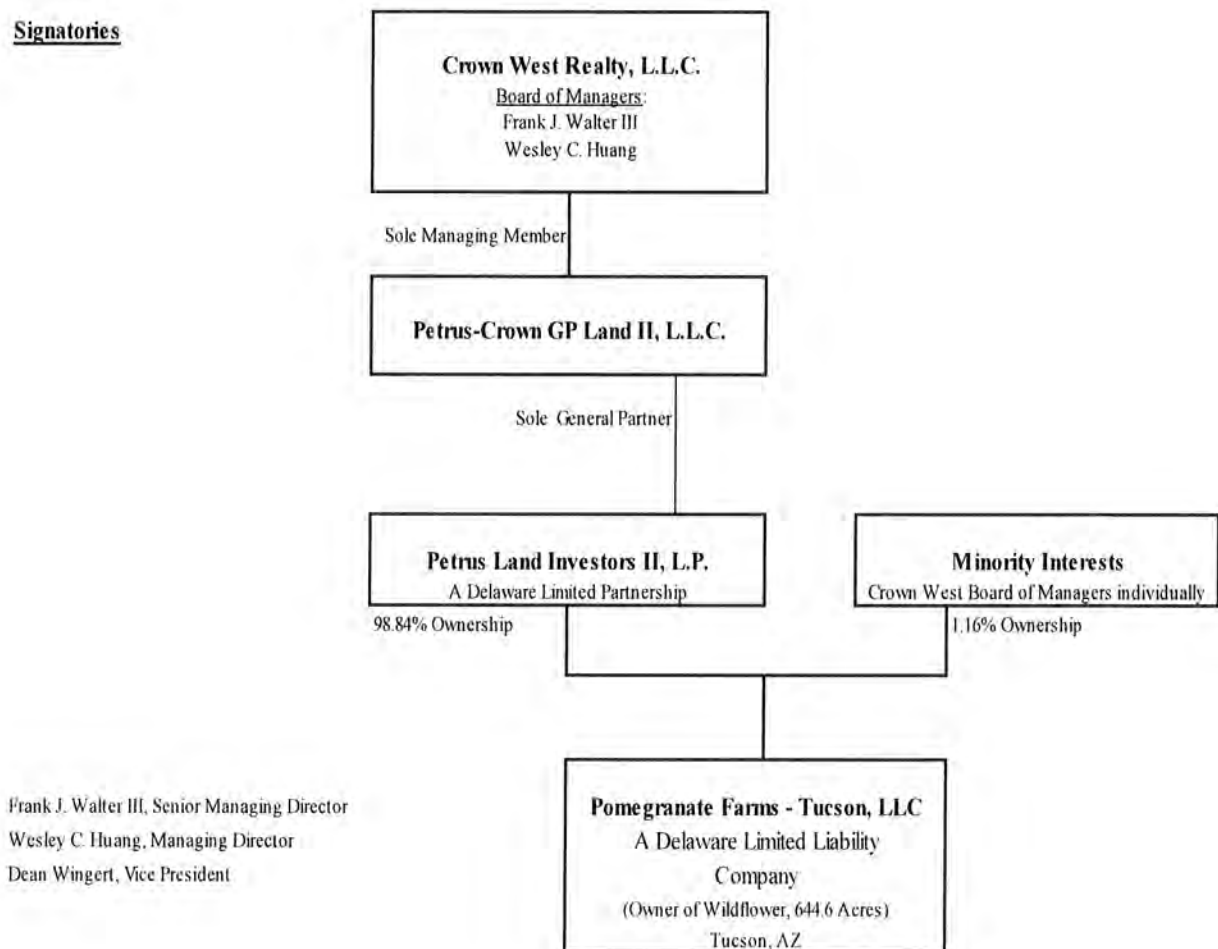
General Description

The Applicant is a Delaware limited liability company. Fidelity National Title Agency, Inc., as Trustee of Trust No. 60471, holds legal title to Wildflower; the Applicant is the sole beneficiary of Trust No. 60471 and will direct the Trust Officer to sign all necessary documents associated with formation of the District.

The names of officers and principal owners/stockholders are as follows:

Pomegranate Farms - Tucson, LLC - Organizational Chart *(As of July 31, 2021)*

Signatories



Contact Information

The primary contact for the Applicant is:

Dean Wingert
Pomegranate Farms - Tucson, LLC
c/o Crown West Land Group
333 East Wetmore Road, Suite 250
Tucson, Arizona 85705
(520) 888-3962

Consultants for Applicant are:

Nick Dodd
Piper Sandler & Co.
2525 East Camelback Road, Suite 950
Phoenix, Arizona 85016
(602) 808-5410

Jay Kramer
Fennemore Craig P.C.
2394 East Camelback Road, Suite 600
Phoenix, Arizona 85016
(602) 916-5341

Experience

Applicant is an affiliate of Crown West Realty, L.L.C. ("Crown West Realty"). Crown West Realty is a privately-owned real asset investment, development and management company with offices in New York, Phoenix, Denver, Tucson, and Spokane, Washington. Formed in 1996 Crown West Realty operates three separate divisions; [Crown West Commercial Group](#) controls a multi-market U.S. portfolio of office, flex, warehouse and manufacturing properties - more than 70 buildings and 9 million square feet in aggregate; [Crown West Land Group](#) ("CWLG") develops and manages residential master-planned communities and serves the U.S. homebuilding industry; and [Crown West Farm Group](#) manages both irrigated and dry land farmland located in the U.S. and leased to tenant farmers.

CWLG is a full-service residential land development firm specializing in value-add opportunities in Western United States markets. CWLG takes pride in its track record of successful development and sell-out of master planned communities and cost-effective and timely construction of residential lots and other improvements. CWLG is both a responsible steward of land and a reliable development partner for homebuilders. Since 2008, CWLG has acquired over 15,000 residential lots in over 30 projects and developed over 6,000 finished lots.

Importantly, in January of 2013, Gladden Phase I, LLC and Gladden Phase II, LLC, affiliates of CWLG, acquired the Gladden Farms master planned community in Marana, Pima County, Arizona. They became the Owners/Developers under both the Gladden Farms Community Facilities District and the Gladden Farms (Phase II) Community Facilities District. Uniformly they have met all of their obligations, including payment obligations, under these Districts over the last eight years.

Financial Capability

The financing of the private development of Wildflower will be derived from three sources as circumstances dictate, including equity capital provided as needed by the principals of the Applicant, internal cash flow, and third-party institutional development loans. The Applicant has no current plans to utilize third party institutional development loans.

DESCRIPTION OF PROPOSED CFD

Description and Purpose

The District consists of approximately 644.57 acres of real property and is located within the boundaries of the County. The land within the District encompasses all phases within the Project. The District provides a financing mechanism for public infrastructure necessary for the Project through the issuance of District general obligation bonds. The approved land use entitlements for the Project are consistent with the County's Comprehensive Plan Map, which designates the Project as a Planned Development Community. The Project and the use of the proposed District will promote orderly development consistent with growth management policies and zoning requirements by constructing infrastructure in phases in an area identified in the Comprehensive Plan for planned growth. The Project, with its focus on diversity of housing, anticipated commercial uses, and recreational and cultural opportunities, is consistent with the County's healthy community principles, enhancement of the local economy, and conservation values.

Location

A map detailing the boundaries of the District and the Project is included as Appendix 1 and a legal description of the District is included in Appendix 2. The District boundaries are appropriate by virtue that the boundaries reflect all of the owner's land as well as the public rights of way. The recorded Wildflower Final Block Plat has previously dedicated the major infrastructure "backbone" rights-of-way to the County. The improvements to be financed by the District will primarily and directly benefit residents within the District. The cost of any public infrastructure that benefits land within the District boundaries and land outside of the District boundaries will be allocated based on the benefits received by each and, if necessary and appropriate the District may enter into intergovernmental agreements to acquire, construct, install, and pay for such shared public infrastructure.

Ownership

Currently there are no residents or qualified electors living within the proposed District boundaries. Formation of the District will be requested by a petition of 100% of the landowners of property within the District boundaries.

A Qualified Electors Report and an Assessor's Report will be submitted to the County at the appropriate time as formation of the District moves forward. In addition to the landowners, lienholders of property within the District, if any, will sign the formation petition.

PROPOSED IMPROVEMENTS

Estimated Costs

The improvements listed below that are eligible for District financing represent costs, in current dollars and including contingency, associated with infrastructure that is significant not only to the Project but also to the region. The Public Infrastructure will be constructed in several phases over a period of approximately 15 years.

The Applicant will publicly procure all eligible Public Infrastructure in accordance with Title 34 and the County's public procurement provisions.

Estimated Costs of Project Improvements:

Description	Total Estimated Cost	Costs Not Eligible for CFD Financing	Costs Eligible for CFD Financing	Costs to be reimbursed by CFD
Regional Improvements:				
Spine Roads	\$ 6,653,547		\$ 6,653,547	\$ 6,653,547
Engineering	\$ 1,402,500		\$ 1,402,500	\$ 1,402,500
Surveying	\$ 2,406,095		\$ 2,406,095	\$ 2,406,095
On-Site Public Sewer	\$ 2,651,886		\$ 2,651,886	\$ 2,651,886
Off-Site Sewer	\$ 649,723		\$ 649,723	\$ 649,723
Public Water	\$ 4,011,843		\$ 4,011,843	\$ 4,011,843
Off-Site Water	\$ 1,609,328		\$ 1,609,328	\$ 1,609,328
Subgrade Prep for Utilities	\$ 1,798,133		\$ 1,798,133	\$ 1,798,133
Drainage	\$ 2,295,830		\$ 2,295,830	\$ 2,295,830
Dry Utilities	\$ 2,077,376	\$ 2,077,376	\$ -	\$ -
Landscaping in right of way	\$ 957,528		\$ 957,528	\$ 957,528
Public Parks, Trails, Monuments	\$ 5,900,000	\$ 3,395,300	\$ 2,504,700	\$ 2,504,700
Contingency 20%	\$ 6,482,758	\$ 1,094,535	\$ 5,388,223	\$ 5,388,223
Total Regional Improvements:	\$ 38,896,547	\$ 6,567,212	\$ 32,329,335	\$ 32,329,335
In-Tract Improvements:				
Production	\$ 85,024,000	\$ 85,024,000	\$ -	\$ -
Total In-Tract Improvements:	\$ 85,024,000	\$ 85,024,000	\$ -	\$ -
Total Improvements	\$ 123,920,547	\$ 91,591,212	\$ 32,329,335	\$ 32,329,335

Estimated Costs of Project Improvements by Phase:

The estimated costs of project improvements by phase is set forth below. The phases described below tie to the Wildflower Conceptual Phasing Plan included in Appendix 3. It should be noted that the phasing plan is conceptual in nature and may change over time based upon market demands or other conditions.

PHASE 1: 814 Units				
Description	Total Estimated Cost	Costs Not Eligible for CFD Financing	Costs Eligible for CFD Financing	Costs to be reimbursed by CFD
Regional Improvements:				
Spine Roads	\$ 1,745,488		\$ 1,745,488	\$ 1,745,488
Engineering	\$ 412,500		\$ 412,500	\$ 412,500
Surveying	\$ 863,719		\$ 863,719	\$ 863,719
On-Site Public Sewer	\$ 1,106,978		\$ 1,106,978	\$ 1,106,978
Off-Site Sewer	\$ 649,723		\$ 649,723	\$ 649,723
Public Water	\$ 1,294,552		\$ 1,294,552	\$ 1,294,552
Off-Site Water	\$ 1,609,328		\$ 1,609,328	\$ 1,609,328
Subgrade Prep for Utilities	\$ 540,334		\$ 540,334	\$ 540,334
Drainage	\$ 166,743		\$ 166,743	\$ 166,743
Dry Utilities	\$ 878,922	\$ 878,922	\$ -	\$ -
Landscaping in right of way	\$ 294,932		\$ 294,932	\$ 294,932
Public Parks, Trails, Monuments	\$ 394,902	\$ 394,902	\$ -	\$ -
Contingency 20%	\$ 1,991,624	\$ 254,765	\$ 1,736,859	\$ 1,736,859
Total Regional Improvements:	\$11,949,742	\$1,528,588	\$10,421,154	\$10,421,154
In-Tract Improvements:				
Production	\$ 26,048,000	\$ 26,048,000	\$ -	\$ -
Total In-Tract Improvements:	\$26,048,000	\$26,048,000	\$ -	\$ -
Total Improvements	\$37,997,742	\$27,576,588	\$10,421,154	\$10,421,154

PHASE 2: 720 Units				
Description	Total Estimated Cost	Costs Not Eligible for CFD Financing	Costs Eligible for CFD Financing	Costs to be reimbursed by CFD
Regional Improvements:				
Spine Roads	\$3,378,909		\$ 3,378,909	\$ 3,378,909
Engineering	\$330,000		\$ 330,000	\$ 330,000
Surveying	\$740,870		\$ 740,870	\$ 740,870
On-Site Public Sewer	\$1,052,858		\$ 1,052,858	\$ 1,052,858
Off-Site Sewer	\$0		\$ -	\$ -
Public Water	\$308,931		\$ 308,931	\$ 308,931
Off-Site Water	\$0		\$ -	\$ -
Subgrade Prep for Utilities	\$631,486		\$ 631,486	\$ 631,486
Drainage	\$1,070,711		\$ 1,070,711	\$ 1,070,711
Dry Utilities	\$620,796	\$620,796	\$ -	\$ -
Landscaping in right of way	\$456,896		\$ 456,896	\$ 456,896
Public Parks, Trails, Monuments	\$2,899,602	\$394,902	\$ 2,504,700	\$ 2,504,700
Contingency 20%	\$ 2,298,212	\$ 203,140	\$ 2,095,072	\$ 2,095,072
Total Regional Improvements:	\$ 13,789,269	\$ 1,218,837	\$ 12,570,432	\$ 12,570,432
In-Tract Improvements:				
Production	\$ 23,040,000	\$ 23,040,000	\$ -	\$ -
Total In-Tract Improvements:	\$ 23,040,000	\$ 23,040,000	\$ -	\$ -
Total Improvements	\$36,829,269	\$24,258,837	\$12,570,432	\$12,570,432

PHASE 3: 436 Units				
Description	Total Estimated Cost	Costs Not Eligible for CFD Financing	Costs Eligible for CFD Financing	Costs to be reimbursed by CFD
Regional Improvements:				
Spine Roads	\$ 662,077	\$ -	\$ 662,077	\$ 662,077
Engineering	\$ 495,000	\$ -	\$ 495,000	\$ 495,000
Surveying	\$ 404,442	\$ -	\$ 404,442	\$ 404,442
On-Site Public Sewer	\$ 267,413	\$ -	\$ 267,413	\$ 267,413
Off-Site Sewer	\$ -	\$ -	\$ -	\$ -
Public Water	\$ 1,236,733	\$ -	\$ 1,236,733	\$ 1,236,733
Off-Site Water	\$ -	\$ -	\$ -	\$ -
Subgrade Prep for Utilities	\$ 280,495	\$ -	\$ 280,495	\$ 280,495
Drainage	\$ 291,978	\$ -	\$ 291,978	\$ 291,978
Dry Utilities	\$ 283,466	\$ 283,466	\$ -	\$ -
Landscaping in right of way	\$ 96,976	\$ -	\$ 96,976	\$ 96,976
Public Parks, Trails, Monuments	\$ 1,820,124	\$ 1,820,124	\$ -	\$ -
Contingency 20%	\$ 1,167,740	\$ 420,718	\$ 747,023	\$ 747,023
Total Regional Improvements:	\$7,006,443	\$ 2,524,307	\$ 4,482,136	\$ 4,482,136
In-Tract Improvements:				
Production	13,952,000	13,952,000	-	-
Total In-Tract Improvements:	\$ 13,952,000	\$ 13,952,000	\$ -	\$ -
Total Improvements	\$ 20,958,443	\$ 16,476,307	\$ 4,482,136	\$ 4,482,136

PHASE 4: 687 Units					
Description	Total Estimated Cost	Costs Not Eligible for CFD Financing	Costs Eligible for CFD Financing	Costs to be reimbursed by CFD	
Regional Improvements:					
Spine Roads	\$ 867,074	\$ -	\$ 867,074	\$ 867,074	
Engineering	\$ 165,000	\$ -	\$ 165,000	\$ 165,000	
Surveying	\$ 397,065	\$ -	\$ 397,065	\$ 397,065	
On-Site Public Sewer	\$ 224,639	\$ -	\$ 224,639	\$ 224,639	
Off-Site Sewer	\$ -	\$ -	\$ -	\$ -	
Public Water	\$ 1,171,628	\$ -	\$ 1,171,628	\$ 1,171,628	
Off-Site Water	\$ -	\$ -	\$ -	\$ -	
Subgrade Prep for Utilities	\$ 345,818	\$ -	\$ 345,818	\$ 345,818	
Drainage	\$ 766,397	\$ -	\$ 766,397	\$ 766,397	
Dry Utilities	\$ 294,193	\$ 294,193	\$ -	\$ -	
Landscaping in right of way	\$ 108,724	\$ -	\$ 108,724	\$ 108,724	
Public Parks, Trails, Monuments	\$ 785,374	\$ 785,374	\$ -	\$ -	
Contingency 20%	\$ 1,025,182	\$ 215,913	\$ 809,269	\$ 809,269	
Total Regional Improvements:	\$ 6,151,093	\$ 1,295,480	\$ 4,855,613	\$ 4,855,613	
In-Tract Improvements:					
Production	\$ 21,984,000	\$ 21,984,000	\$ -	\$ -	
Total In-Tract Improvements:	\$ 21,984,000	\$ 21,984,000	\$ -	\$ -	
Total Improvements	\$ 28,135,093	\$ 23,279,480	\$ 4,855,613	\$ 4,855,613	

PROJECT SCHEDULE

The following table depicts an estimated completion schedule for the project improvements by phase. This schedule is an estimate only and may change depending upon the market demand or other conditions.

	<u>Description</u>	<u>Estimated Start Date</u> 2022	<u>Estimate Completion Date</u> 2024
Phase 1			
	<ul style="list-style-type: none">• Approximately 1 mile of South Scarlett Sage Trail roadway improvements from Valencia Road to the eastern Boundary of block 11. Includes associated drainage, dry utility, and landscape improvements.• Approximately 650 feet of West Wildflower Loop from South Scarlett Sage Trail east to the east property boundary of Block 15. Includes associated drainage, dry utility and landscape improvements.• Approximately 1,400 LF of offsite water.• Approximately 1 mile of onsite spine water mains.• Onsite water system (1 well, booster, reservoir).• Approximately 1,200 LF of offsite sewer mains requiring a bore underneath Ajo Highway.• Approximately 3,000 LF of onsite spine sewer mains.		
	<u>Description</u>	<u>Estimated Start Date</u> 2026	<u>Estimate Completion Date</u> 2027
Phase 2			
	<ul style="list-style-type: none">• Approximately 0.5 miles of Wildflower Loop roadway improvements including drainage, dry utility and landscape improvements.• Approximately 300 feet of South Dayflower roadway improvements including associated drainage, dry utility and landscape improvements.• Approximately 650 feet of South Rainflower road improvements and associated drainage, dry utility and landscape improvements.• Approximately 2,750 feet of onsite sewer mains.• 23 Acre public park and enhanced open space.		

Page 14 of 28

FINANCING PLAN

Capital Financing Plan

The capital financing plan includes the CFD plan of finance summarized below, as well as private funding sources which may include, as circumstances dictate, third party institutional development loans, internal cash flow and equity capital provided as needed by the principals of the Applicant.

Formation and Authorization

In response to a petition from the owners of 100% of the property within the District, it is requested that the County Board of Supervisors (the "Board") adopt a resolution forming the District in the second half of 2021. After formation of the District, an election will be held authorizing up to \$40 million of District general obligation bonds to be issued in multiple series over time provided the tax base is sufficient to support the debt service payments.

Proposed Debt

The general obligation bonds would be issued in multiple series over time primarily when the net limited assessed property value of the property within the District is sufficient to support bond debt service given a debt tax rate of \$2.50 per \$100 net limited assessed property value or at such time as the Applicant, at the option of the Applicant, provides collateral in amounts and type acceptable to the District governing board. The general obligation bond authorization anticipates costs related to the bond offerings and incidental costs as well as potential increases in infrastructure costs.

The estimated general obligation bond program for the District is included in Appendix 4 as Table Two. The proposed first issue of General Obligation Bonds (which may be a nominal amount) will be issued to enable the District Board to levy the \$2.50 tax rate for debt service and may occur prior to the first home closing in 2024.

Sale of the Bonds

The general obligation bonds will initially be unrated and will be issued pursuant to the requirements of State statute and any County guidelines regarding the sale of such bonds. The general obligation bonds are expected to have final maturities of no more than 15 years. The general obligation bonds will be structured such that the target debt tax rate is not expected to exceed \$2.50 per \$100 assessed value of the District. The Applicant will request the issuance of the general obligation bonds only after the assessed value of the property within the District has increased to support debt service on the general obligation bonds given a \$2.50 debt tax rate or

at such time as the Applicant provides collateral in amounts and type acceptable to the District governing board.

Subsequent Bond Issues

As the District's tax base growth occurs, it is anticipated that the Applicant will request the District issue subsequent series of general obligation bonds periodically.

Cost Study

A study of the public and private infrastructure costs, by phase, is included in the Project Improvements, above.

User Impact

At the \$2.80 tax rate level (\$2.50 for debt service and \$0.30 for the O&M expenses of the District) assuming a \$300,000 average home price with a limited assessed value of 80% of the sale price, the District portion of a tax bill for a homeowner is approximately \$56 per month or \$672 annually. A.R.S. Section 32-2181, *et seq.* requires the disclosure of all property taxes to be paid by the homeowner in the Subdivision Public Report. Prior to the home sale, each homebuyer must be supplied a Subdivision Public Report, and the homebuyer must acknowledge by signature that they have read and accepted the Subdivision Public Report. In addition, each homebuyer will receive a form detailing the existence of the District, the tax rate and its financial impact and receipt of the form will be acknowledged in writing by the homebuyer. A signed copy of the form will be kept on file with the County Clerk. The draft homebuyer disclosure form is attached as Appendix 6.

The CFD tax burden on homeowners living in Wildflower will be comparable to or lower than other CFD communities in the Pima County region. The table below provides a comparative analysis of the CFD tax burden for other community facilities districts located within Pima County. The projected taxes for Wildflower as a percentage of the sales price is 0.22% or $\$300,000 \times 80\% \times 0.28\% = \$672 / \$300,000 = 0.22\%$

Community Facilities District	Municipality	2020-2021 Combined CFD Tax Rate	Projected Future		Average Home Price	CFD Taxes	CFD Taxes As a % of Home Price
			CFD Tax Rate Not Yet Levied				
Gladden Farms CFD	Marana	\$2.8000	\$0.0000	\$	300,000	\$ 672	0.22%
Gladden Phase II CFD	Marana	\$2.8000	\$0.0000	\$	300,000	\$ 672	0.22%
Quail Creek	Sahuarita	\$3.3000	\$0.0000	\$	300,000	\$ 792	0.24%
Saguaro Springs CFD	Marana	\$2.8000	\$0.0000	\$	300,000	\$ 672	0.22%
Rancho Sahuarita CFD	Sahuarita	\$4.9900	\$0.0000	\$	300,000	\$ 1,198	0.40%
Rocking K South CFD	Pima County	\$2.6000	\$0.2000	\$	300,000	\$ 624	0.21%

Below is a summary of the overlapping tax rates of the property within the District including the proposed District levy:

	2020-2021	2020-2021	2020-2021
<u>Overlapping Jurisdiction</u>	<u>Primary Tax</u>	<u>Secondary Tax</u>	<u>Combined Tax</u>
	<u>Rate</u>	<u>Rate</u>	<u>Rate</u>
Pima County	\$4.3646	\$1.5704	\$5.9350
Pima County Community College District	\$1.3359	\$0.0000	\$1.3359
Tucson Unified School District No. 1	\$5.6429	\$0.4814	\$6.1243
Pima JTED	\$0.0000	\$0.0500	\$0.0500
Drexel Heights Fire District	\$0.0000	\$3.6300	\$3.6300
Wildflower CFD*	\$0.0000	\$2.8000	\$2.8000
			<u>\$19.8752</u>

* The tax rate for Wildflower CFD is not levied for fiscal year 2020-2021.

The following are comparative fiscal year 2020-2021 combined tax rates for other community facilities districts in Pima County.

<u>Community Facilities Districts</u>	<u>Total Tax</u>
	<u>Rate</u>
Pima County Community Facilities Districts:	
Gladden Farms CFD (Marana)	\$18.8798
Quail Creek CFD (Sahuarita)*	\$15.4756
Saguaro Springs CFD (Marana)*	\$18.8798
Gladden Farms (Phase II) CFD (Marana)	\$18.8798
Rancho Sahuarita CFD (Sahuarita)**	\$19.7322
Rocking K CFD	\$20.2399

* Public records indicate only an Elementary School District overlaps the Quail Creek CFD; all other CFDs have a Unified School District within their boundaries.

The Applicant believes that the overall price and tax structure will make the homes within the Project a competitive home building product for prospective buyers in Pima County.

Market Analysis

The Applicant estimates build-out within the District to be approximately 2,657 units or 2,284 single-family homes and 373 apartments, and approximately 42.8 acres of commercial development. Please refer to Table One in Appendix 4 for the estimated single-family residential home absorption for the District. The Applicant expects the first home closing to occur in 2024.

Operating and/or maintenance of the public infrastructure financed by the District

Any Public Infrastructure associated with the Project will be financed by the District and/or the Applicant and will be dedicated to the County or the appropriate public utility provider upon completion. The District may levy a \$0.30 ad valorem tax rate per \$100 of assessed valuation to fund the operation, maintenance and administration ("O&M") expenses of the District, unless a higher rate, not to exceed \$0.50 per \$100 of assessed valuation, is approved by a vote of the electors of the District, voting at an election not less than three years after the date of the formation of the District (or if no person has registered to vote within the District within fifty days immediately preceding such scheduled election date, by a vote of the owners of land within the District). Applying the \$0.30 ad valorem operations and maintenance tax rate over all of the estimated taxable real property contained within the District generates the revenue estimates depicted in the following table:

Wildflower Community Facilities District Estimated O&M Revenues

<u>Fiscal Year</u>	<u>Estimated Net Assessed Limited Property Value</u>	<u>Estimated O&M Revenues Generated by a \$0.30/Tax Rate</u>
2021-2022	\$434,318	\$1303
2022-2023	\$443,005	\$1329
2023-2024	\$451,865	\$1,156
2024-2025	\$6,000,000	\$18,000
2025-2026	\$12,390,000	\$37,170
2026-2027	\$19,189,050	\$57,657
2027-2028	\$28,265,989	\$84,798
2028-2029	\$35,999,106	\$107,997
2029-2030	\$46,054,157	\$138,163
2030-2031	\$54,811,314	\$164,434

(1) The estimated assessed value is based upon the estimated absorption schedule and assumptions included in Appendix 4 as Table One.

The ad valorem O&M tax shall be used by the District for District operation, maintenance, and administration expenses.

Operating and/or maintenance cost of the infrastructure not financed by the District

The Applicant intends to finance the operating and/or maintenance costs of the infrastructure that is not financed with CFD bonds through financial contributions from the Applicant and/or by forming a homeowner's association ("HOA") for the Project that will assess all property owners within the Project a monthly fee to be utilized primarily for the maintenance of landscaped areas, neighborhood parks and other areas which are deeded and/or are to be the maintenance obligation of the HOA.

DISCLOSURE FORM

The draft homebuyer disclosure form is attached as Appendix 6.

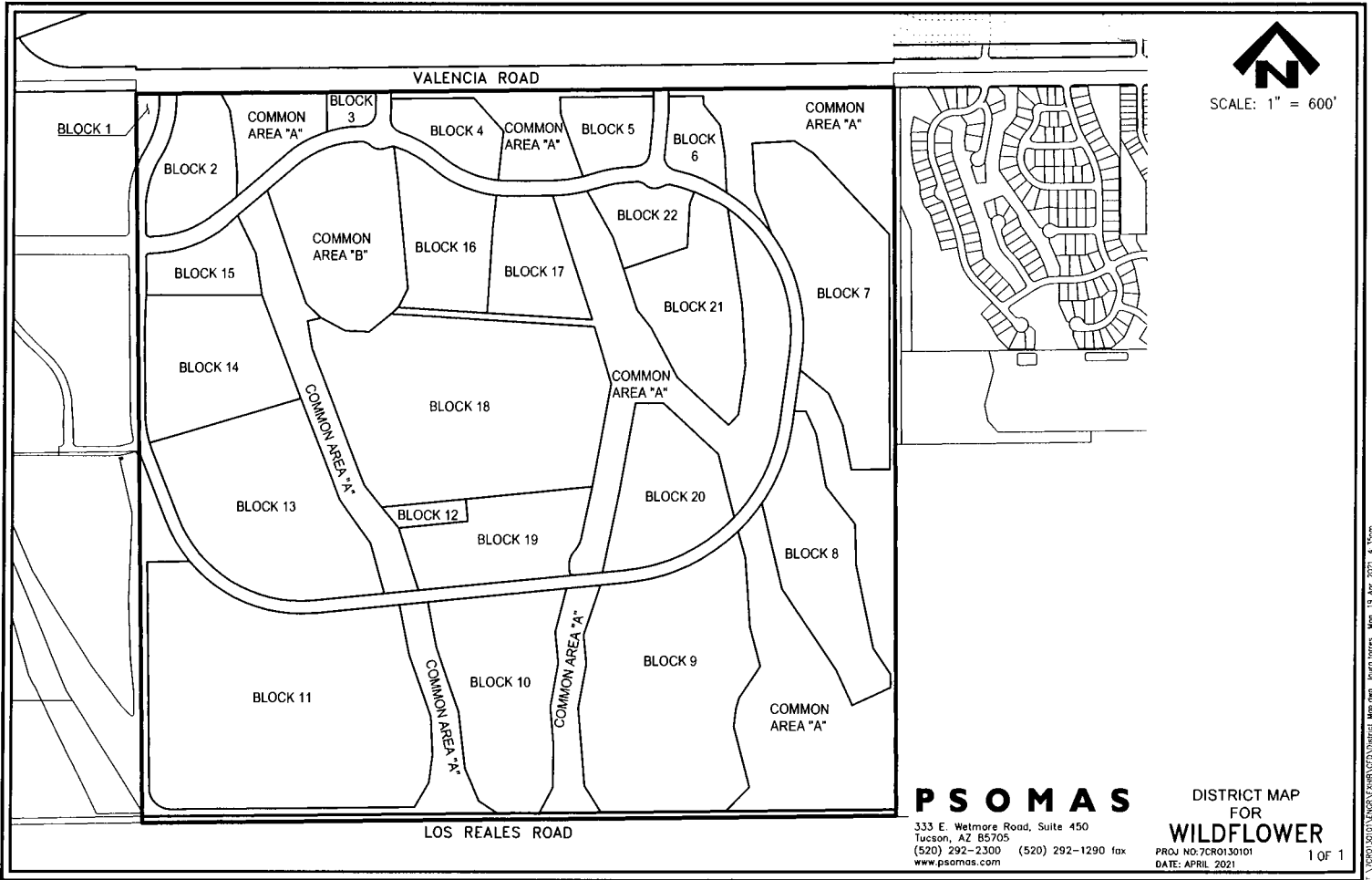
SPECIFIC PLAN

The Project land uses, and development are governed by the Pomegranate Farms Amended Specific Plan, adopted by Resolution 2017-3 on October 18, 2016, a copy of which is included as Appendix 7 (the "Specific Plan"). The Specific Plan does not require an amendment if the CFD is formed.

The Project is also subject to the Final Block Plat for Wildflower, blocks 1 – 22 and Common Areas "A" and "B", recorded in Sequence No. 20172440197 on September 1, 2017.

APPENDIX 1

DISTRICT MAP



APPENDIX 2

**TITLE REPORT AND
LEGAL DESCRIPTION OF PROPERTY**

The Final Block Plat for Wildflower Blocks 1-22 and Common Area “A” (Natural Open Space and Drainage) and Common Area “B” (Enhanced Natural Open space) Section 18, T15S, R12E, G&SRB&M, Pima County, Arizona, recorded by the Pima County Recorder under sequence No. 20172440197 on September 1, 2017.

APPLICATION FOR THE ISSUANCE OF CONDITION OF TITLE REPORT

Applicant is in the process of investigating the Ownership of and defects, liens and encumbrances against an Interest in Land. As a component of that investigation, Applicant hereby requests the Company to furnish Applicant with a Report based upon the hereinafter defined Title Instruments, which Report will disclose the Ownership of and defects, liens and encumbrances against the hereinafter identified Interest in the hereinafter described Land. Applicant does not at this time need nor desire the benefit or protection afforded by a Policy of Title Insurance. The Report provided will be solely for the purpose of facilitating Applicant's investigation and for the sole use and benefit of Applicant and may not be used or relied upon by any other party.

1. The following terms when used in the Application and the Report shall mean:
 - a. Applicant – The party or parties who have executed this Application and who are named in the Report.
 - b. Company – The Title Insurance Company making the Report.
 - c. Report – Condition of Title Report.
 - d. Land – The real property described in the Application.
 - e. Interest – The Estate in the Land described on the Application.
 - f. Ownership – The Vesting of title to the Interest identified in the Application.
 - g. Title Instruments:
 1. Documents recorded in the Office of the County Recorder of the County in which the land is located reviewed by the Company to facilitate the Company's issuance of title insurance policies excluding therefrom, however, any documents pertaining to (a) unpatented mining claims, (b) patents, (c) water rights, claims or title to water, (d) the lease, grant, exception or reservation of minerals or mineral rights.
 2. Documents, obtained by the Company to facilitate the issuance of title insurance policies, relating to the payment of Real Estate Taxes levied on the Interest in the Land excluding therefrom, however, any special assessments which are not collected by the Tax Collector for the County in which the Land is located.
2. The Land is described as follows:

See Exhibit A attached hereto and made a part hereof.
3. The Interest in the Land is a:

A FEE, as to Parcel Nos. 1, 2, 3 and 4

AN EASEMENT, as to Parcel No. 5
4. Applicant specifically instructs the Company to set forth in the Report only the Ownership of and defects, liens and encumbrances against the Interest in the Land as disclosed by the Title Instruments. Applicant understands that during the course of preparing the Report, the Company may become aware of other matters pertaining to the Land or other Interests therein. Even if the company knows or would have reason to know Applicant may have an interest in these other matters, Applicant imposes no duty or responsibility on the Company to disclose those matters to Applicant either through the Report or otherwise.
5. **BY THE EXECUTION AND SUBMISSION OF THIS APPLICATION TO THE COMPANY, APPLICANT ACKNOWLEDGES AND AGREES:**
 - a. That the Company's sole obligation under the Report, and this Application, shall be to set forth the Ownership of and defects, liens and encumbrances against the Interest in the Land as disclosed by the Title Instruments.

- b. That the Company shall not be obligated under this Report to pay costs, attorneys' fees, or expenses incurred in any action, proceeding, or other claim brought against Applicant.
- c. That the Report is not an abstract of title, title opinion, preliminary report or commitment to issue title insurance.
- d. That the Company's liability under the Report for an error or omission is, as stated below, limited and that if Applicant desires that the Company assume additional liability, a Policy of Title Insurance, Binder, Commitment, or Guarantee should be requested.
- e. That Applicant shall have no right of action against the Company, whether or not based on negligence, except under the terms and provisions of, and subject to all limitations of this Application and the Report.
- f. That the Report is not valid and the Company shall have no liability thereunder unless this Application is attached thereto.

LIMITATION OF LIABILITY

APPLICANT RECOGNIZES THAT IT IS EXTREMELY DIFFICULT, IF NOT IMPOSSIBLE, TO DETERMINE THE EXTENT OF LOSS WHICH COULD ARISE FROM ERRORS OR OMISSIONS IN THE REPORT. APPLICANT RECOGNIZES THAT THE FEE CHARGED IS NOMINAL IN RELATION TO THE POTENTIAL LIABILITY WHICH COULD ARISE FROM SUCH ERRORS OR OMISSIONS. THEREFORE, APPLICANT UNDERSTANDS THAT THE COMPANY IS NOT WILLING TO PROCEED IN THE PREPARATION AND ISSUANCE OF THE REQUESTED REPORT UNLESS THE COMPANY'S LIABILITY IS STRICTLY LIMITED. APPLICANT AGREES WITH THE PROPRIETY OF THIS LIMITATION AND AGREES TO BE BOUND BY ITS TERMS.

THIS LIMITATION IS AS FOLLOWS:

APPLICANT AGREES, AS PART OF THE CONSIDERATION FOR THE ISSUANCE OF THIS REPORT, THAT THE COMPANY SHALL BE LIABLE TO APPLICANT UNDER THIS REPORT SOLELY BY REASON OF AN ERROR OR OMISSION BY THE COMPANY IN FAILING TO SET FORTH THE OWNERSHIP OF AND DEFECTS, LIENS AND ENCUMBRANCES AGAINST THE INTEREST IN THE LAND AS DISCLOSED BY THE TITLE INSTRUMENTS, WHICH ERROR OR OMISSION BY THE COMPANY HAS CAUSED LOSS TO THE APPLICANT; AND THEN THE LIABILITY SHALL BE A ONE-TIME PAYMENT TO APPLICANT OF FIVE THOUSAND DOLLARS (\$5,000.00).

ACCORDINGLY, APPLICANT REQUESTS THAT THE REPORT BE ISSUED WITH THIS LIMITATION AS A PART OF THE CONSIDERATION THAT APPLICANT GIVES THE COMPANY TO PREPARE AND ISSUE THE REPORT.

APPLICANT CERTIFIES THAT HE HAS READ AND UNDERSTOOD ALL OF THE TERMS, LIMITATIONS AND CONDITIONS OF THIS APPLICATION.

EXECUTED THIS _____ day of _____, _____.

(This Application must be signed by the Applicant or an agent representing the Applicant.)

APPLICANT: _____
Print or Type Name

MAILING ADDRESS: _____

Signature

Telephone

AGENT FOR
APPLICANT _____
Print or Type Name

MAILING ADDRESS: _____

Signature

Telephone



Fidelity National Title Insurance Company

Title No.: **AZ-FCOP-IMP-N/A-1-16-51005177**

CONDITION OF TITLE REPORT

Fidelity National Title Insurance Company, a California corporation,
herein called the Company,

SUBJECT TO THE TERMS, LIMITATIONS AND CONDITIONS OF THE APPLICATION FOR THIS CONDITION OF TITLE REPORT, WHICH APPLICATION, OR COPY THEREOF, IS ATTACHED HERETO AND MADE A PART HEREOF

REPORTS

To the party named in Schedule A, that as disclosed by the Title Instruments, the ownership of and the defects liens and encumbrances against the Interest in the Land are as shown in Schedule B.

Any claim or other notice to the Company shall be in writing and shall be addressed to the Company at the issuing office or to:

*Fidelity National Title Insurance Company Claims Center
PO Box 45023
Jacksonville, Florida, 32232-5023
Attn: Claims Administration*

THIS REPORT IS NOT VALID AND THE COMPANY SHALL HAVE NO LIABILITY HEREUNDER UNLESS THE APPLICATION REFERRED TO ABOVE, OR COPY THEREOF, IS ATTACHED HERETO.

Countersigned by:

Natalie Bombardieri

Authorized Signature



By:

Randy Quirk
Randy Quirk
President

ATTEST

Marjorie Nemzura
Marjorie Nemzura
Corporate Secretary

CONDITION OF TITLE REPORT

SCHEDULE A

Fee: **\$0.00**

Date of Report: **August 2, 2021 at 7:30 AM**

1. Name of Party:

FNT Trust Department

2. The Interest referred to in the Application is:

A FEE

3. The Land referred to in the Application is described as follows:

See Exhibit A attached hereto and made a part hereof.

Issuing agent for Fidelity National Title Insurance Company

EXHIBIT A

LEGAL DESCRIPTION

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE COUNTY OF PIMA, STATE OF ARIZONA, AND IS DESCRIBED AS FOLLOWS:

Blocks 1-22 and Common Area "A" and Common Area "B", WILDFLOWER, a subdivision of Pima County Arizona, according to the Plat recorded on the office the County Recorder, Pima County Arizona at [Recording No. 20172440197](#); thereafter Declaration of Scrivener's Error recorded at [Recording No. 20182750563](#).

[APN: 210-40-0240](#) to 210-40-0450

CONDITION OF TITLE REPORT

SCHEDULE B

Fidelity National Title Insurance Company reports that Title Instruments, on the date hereof, disclose:

1. Ownership of the Interest is in the name of:

Fidelity National Title Agency, Inc., an Arizona corporation, as Trustee under Trust No. 60,471

2. The following defects, liens and encumbrances (which are not necessarily shown in their order of priority) against the Interest:

1. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the year 2021.

2. Reservations contained in the Patent

From: The United States of America

Recording Date: July 21, 1937

Recording No: Book 201 of Deeds, Page 196

Which among other things recites as follows:

Subject to any vested and accrued water rights for mining, agricultural, manufacturing or other purposes and rights to ditches and reservoirs used in connection with such water rights, as may be recognized and acknowledged by the local customs, laws and decisions of the courts; and also subject to the right of the proprietor of a vein or lode to extract and remove his ore therefrom should the same be found to penetrate or intersect the premises hereby granted, as provided by law; and the reservation from the lands hereby granted of a right of way thereon for ditches or canals constructed by the authority of the United States, Excepting and reserving, however, to the United States all the coal and minerals in the lands as entered and patented, together with the right to prospect for, mine and remove the same pursuant to the provisions and limitations of the Act of December 29, 1916 (39 Stats. 862).

3. The right of entry to prospect for, mine and remove the minerals excepted from the description of said Land in Schedule A.

4. All matters as set forth on the survey recorded in Recording No. 2014-0840044.

5. Matters contained in that certain document

Entitled: Resolution No. 2005-240; Land Use Planning and Development; Sewer Development Agreement; Sewer Treatment System Development

Recording Date: October 11, 2005

Recording No: Docket 12656, Page 8539

6. Matters contained in that certain document

Entitled: Resolution No. 2006-05; Drexel Heights Fire District

Recording Date: March 17, 2006

Recording No: Docket 12763, Page 6332

7. Intentionally Deleted

SCHEDULE B
(Continued)

8. Matters contained in that certain document

Entitled: Agreement Regarding Sewer Capacity
Recording Date: September 12, 2007
Recording No: [Docket 13138, Page 712](#)
9. Matters contained in that certain document

Entitled: Resolution No. 2009-23 – Planning and Land Use Map
Recording Date: February 23, 2009
Recording No: [Docket 13500, Page 538](#)
10. Matters contained in that certain document

Entitled: Resolution No. 2009-24 – Planning and Land Use Map
Recording Date: February 23, 2009
Recording No: [Docket 13500, Page 543](#)
11. Matters contained in that certain document

Entitled: Ordinance 2009-41 – Zoning and Rezoning
Recording Date: May 11, 2009
Recording No: [Docket 13555, Page 3475](#)
12. Intentionally Deleted
13. Matters contained in that certain document

Entitled: Agreement between the Metropolitan Domestic Water Improvement District and the City of Tucson relating to the delivery of Central Arizona Project Water
Recording Date: June 15, 2015
Recording No: [2015-1660680](#)
14. Intentionally Deleted
15. Matters shown on record of survey:

[Recording No.:](#) [2016-3120278](#)
16. Property taxes, which are a lien not yet due and payable, including any assessments collected with taxes to be levied for the year 2017.
17. Matters set forth in Resolution 2017-3 recorded March 15, 2017 in [Recording No. 2017-0740732](#).
18. Easement(s) for the purpose(s) shown below and rights incidental thereto as set forth in a document:

Purpose: drainageway
Recording Date: June 5, 2017
[Recording No:](#) [2017-1560584](#)

SCHEDULE B
(Continued)

19. Easement(s) for the purpose(s) shown below and rights incidental thereto as set forth in a document:

Purpose: drainageway
Recording Date: June 5, 2017
Recording No: 2017-1560585

20. Easements, covenants, conditions and restrictions as set forth on the plat recorded at:

Recording No: 20172440197
Thereafter Declaration of Scrivener's Error recorded at:
Recording No: 20182750563

21. Matters contained in that certain document

Entitled: Assurance Agreement for Construction of Subdivision Improvements (Third Party Trust)
Executed by: Pomegranate Farms-Tucson, LLC, a Delaware limited liability company
Recording Date: September 1, 2017
Recording No: 20172440198

Reference is hereby made to said document for full particulars.

21. Covenants, conditions and restrictions but omitting any covenants or restrictions, if any, including but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, source of income, gender, gender identity, gender expression, medical condition, or genetic information, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as set forth in the document

Recording No: 20172440199

Tax Note:

Year: 2020
Tax Parcel No: 210-40-0240
to 210-40-0450

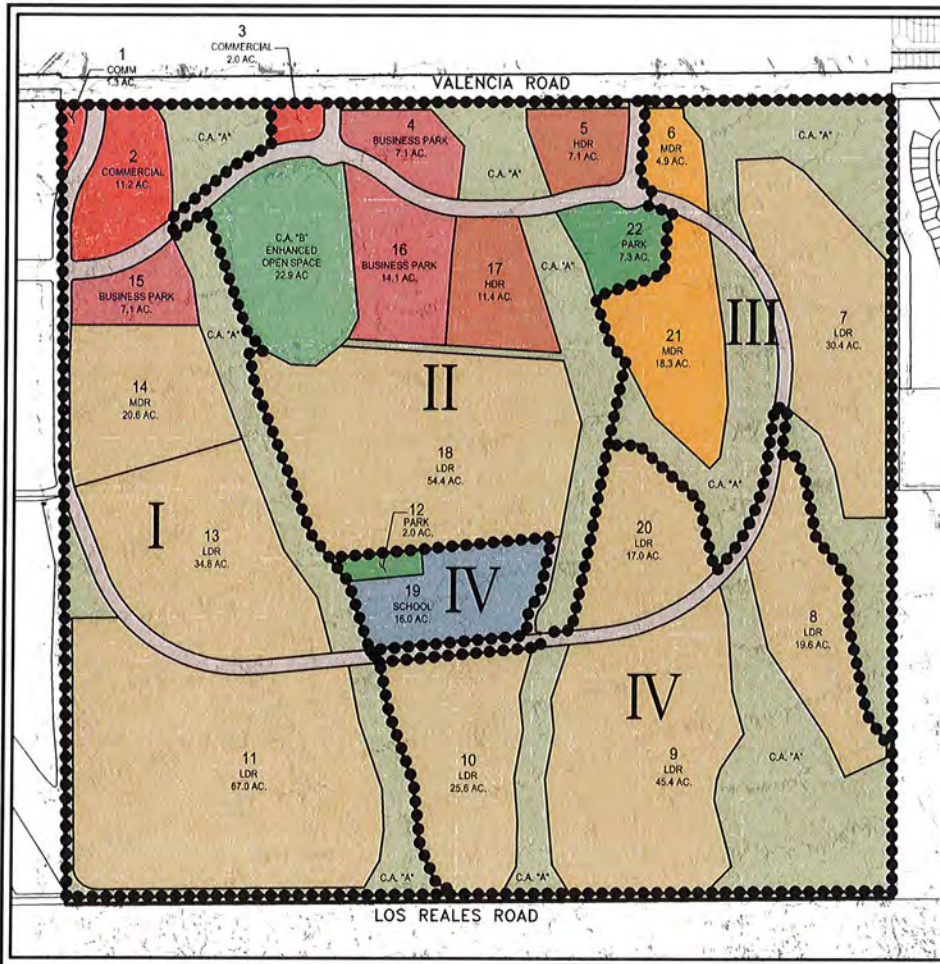
FULL YEAR 2020 TAXES PAID, SEE ATTACHED TAX SHEETS

3. The following matters are disclosed by name only and the Company, without additional information, is unable to determine whether any or all of these matters are defects, liens or encumbrances against the Interest:

None

APPENDIX 3

WILDFLOWER CONCEPTUAL PHASING PLAN



PHASE	PARCEL #	ACRES	LAND USE DESIGNATION	MAX UNITS	MAX DENSITY (RAC)
I	1	1.3	COMMERCIAL	-	-
	2	11.2	COMMERCIAL	-	-
	11	67.0	LDR	399	6
	13	34.8	LDR	209	6
	14	20.6	MDR	206	10
	15	7.1	BUSINESS PARK	-	-
TOTAL				814	
II	3	2.0	COMMERCIAL	-	-
	4	7.1	BUSINESS PARK	-	-
	5	7.1	HDR	144	20
	16	14.1	BUSINESS PARK	-	-
	17	11.4	HDR	229	20
	18	54.4	LDR	347	6
	22	7.3	PARK	-	-
	C.A. "B"	22.9	ENHANCED OPEN SPACE	-	-
TOTAL				720	
III	6	4.9	MDR	50	10
	7	30.4	LDR	202	6
	21	18.3	MDR	184	10
TOTAL				436	
IV	8	19.6	LDR	128	6
	9	45.4	LDR	301	6
	10	25.6	LDR	156	6
	12	2.0	PARK	-	-
	19	16.0	K-8 SCHOOL	-	-
	20	17.0	LDR	102	6
TOTAL				687	
C.A. "A"			157.8	NATURAL OPEN SPACE	-
ROADS			39.2	ROADS	-
TOTAL		644.49		2657	

PSOMAS BUILDER PARCEL PLAN FOR **WILDFLOWER**

333 E. Wetmore Road, Suite 450
Tucson, AZ 85705
(520) 292-2300 (520) 292-1290 fax
www.psomas.com

PROJ NO: 7CR0130101
DATE: APRIL 2021

1 OF 1

APPENDIX 4

SCHEDULES – PLAN OF FINANCE

**Wildflower Community Facilities District
(Pima County, Arizona)**

**RESIDENTIAL ABSORPTIONS (1)
As of 7-30-2021**

Residential Home Assumptions		Multifamily	Commercial	General Assumptions	
Starting Avg. Home \$	\$300,000			Delinquency Rate:	5% (assumes a 95% collection rate)
On the Rolls at:	80%	80%	80%	Debt Tax Rate:	\$2.50
Assessment Ratio:	10%	10%	18%	Existing NALPV Growth:	3.00%

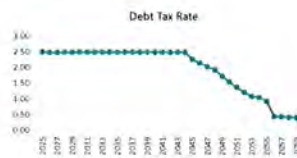
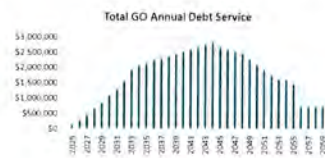
First Home Closing Feb. 2024

Residential/ Apartments									
Fiscal Year	Homes Added (Cal. Year)	Singlefamily Homes (Cumulative)	Multifamily Units	Total Units	Annual Home Price Inflation Rate	Average Home Price	Multifamily	Commercial	Absorption NALPV
2021									
2022									
2023									
2024	250	250			N/A	\$300,000			
2025	250	500			3.50%	310,500			\$6,000,000
2026	250	750			3.50%	321,368			6,210,000
2027	250	1,000			3.50%	332,615		\$12,840,000	6,427,350
2028	250	1,250			3.50%	344,257			8,501,267
2029	250	1,500			3.50%	356,306		12,840,000	6,885,138
2030	250	1,750			3.50%	368,777			8,975,078
2031	250	2,000			3.50%	381,684		12,840,000	7,375,532
2032	250	2,250	373		3.50%	395,043	\$74,600,000		9,482,636
2033	34	2,284			3.50%	408,869		12,840,000	13,868,854
2034									2,961,084
2035								12,840,000	-
2036									1,848,960
	2284		373	2657					

(1) Estimated home absorptions are based on home closings in a calendar year. The related values of the absorptions are included in the tax rolls in the fiscal year following the home closing at 80% for residential homes and vacant lot conversions. All estimates contained in these schedules including absorptions, home prices and annual growth percentages are provided by the Developer.

Wildflower Community Facilities District
(Pima County, Arizona)

Key Statistics	
General	
Total Net Proceeds Received by Developer	\$34,358,400
Total Net Assessed LPV Added (100%)	78,535,899
General Obligation Bond Program	
Total "GO" Par Amount Issued	\$35,790,000
Total # of "GO" Issuances	6
First GO Bond Issuance	2024
Final GO Bond Issuance	2036



Estimated \$35,790,000 General Obligation Bonding Program									
	Series 2024	Series 2025	Series 2026	Series 2027	Series 2028	Series 2030	Series 2032	Series 2036	Total
SOURCES OF FUNDS									
Par Amount of Bonds	\$2,655,000	\$2,665,000	\$2,625,000	\$2,700,000	\$2,785,000	\$2,975,000	\$8,960,000	\$10,405,000	\$35,790,000
Total Sources	\$2,655,000	\$2,665,000	\$2,625,000	\$2,700,000	\$2,785,000	\$2,975,000	\$8,960,000	\$10,405,000	\$35,790,000
USES OF FUNDS									
Deposit to Project Acquisition Fund	\$2,548,800	\$2,577,600	\$2,520,000	\$2,592,000	\$2,673,600	\$2,856,000	\$8,601,600	\$9,988,800	\$34,358,400
Costs of Issuance (a)	106,200	107,400	105,000	108,000	111,400	119,000	358,400	416,200	1,431,600
Total Uses	\$2,655,000	\$2,665,000	\$2,625,000	\$2,700,000	\$2,785,000	\$2,975,000	\$8,960,000	\$10,405,000	\$35,790,000

(a) Costs of issuance include estimates for the following: bond counsel, underwriter's discount, underwriter's counsel, financial advisor, preliminary and limited offering memorandum printing, trustee and trustee counsel and miscellaneous costs.

Wildflower Community Facilities District

(Pima County, Arizona)

Scenario 1: \$2.50 Tax Rate

Estimated \$35,790,000 Bond Program; Assumes Annual Absorptions and 3.0% Annual PAV Growth

Year (1-15)	Estimated Net Assessed Limited Property Valuation From Residential Absorptions	Estimated Net Assessed Limited Property Valuation (1)	% Change	\$2,555,000 General Obligation Bonds Series 2024 Dated 7/1/2024		\$2,843,000 General Obligation Bonds Series 2025 Dated 7/1/2025		\$2,835,000 General Obligation Bonds Series 2026 Dated 7/1/2026		\$2,709,000 General Obligation Bonds Series 2027 Dated 7/1/2027		\$2,785,000 General Obligation Bonds Series 2028 Dated 7/1/2028		\$2,875,000 General Obligation Bonds Series 2029 Dated 7/1/2029		\$3,880,000 General Obligation Bonds Series 2032 Dated 7/1/2032		\$10,465,000 General Obligation Bonds Series 2036 Dated 7/1/2036		Total Combined Debt Service	Consumed Tax Rate (2)	District Revenue at \$2.50 Tax Rate & 3% Excess	Estimated Revenue (Shortfall)	Year (15-16)
				Rate	\$50%	Rate	\$50%	Rate	\$50%	Rate	\$50%	Rate	\$50%	Rate	\$50%	Rate	\$50%	Rate	\$50%					
				Principal	Interest (2)	Principal	Interest (2)	Principal	Interest (2)	Principal	Interest (2)	Principal	Interest (2)	Principal	Interest (2)	Principal	Interest (2)	Principal	Interest (2)					
2021																								2021
2022																								2022
2023																								2023
2024																								2024
2025	\$6,000,000	\$6,000,000		\$10,000	\$132,750															\$142,750	2.50	\$142,500	\$142,500	2025
2026	6,210,000	12,390,000	106.20%	15,000	132,250	\$10,000	\$134,250													251,500	2.48	244,263	2,263	2026
2027	6,427,500	18,180,250	149.88%	20,000	131,500	15,000	133,750	\$10,000	\$135,250											451,500	2.46	455,740	4,240	2027
2028	6,501,247	28,285,989	47.30%	30,000	130,500	35,000	131,000	30,000	127,750	\$20,000	\$135,000									668,750	2.49	611,317	2,967	2028
2029	6,885,138	35,999,106	27.38%	50,000	129,000	50,000	131,250	50,000	127,750	20,000	133,750	\$20,000	\$139,250							851,000	2.49	834,979	3,979	2029
2030	8,975,078	40,054,157	27.93%	125,000	124,500	100,000	128,750	85,000	125,250	80,000	132,750	70,000	134,250							1,091,500	2.49	1,093,786	2,286	2030
2031	7,175,532	\$4,811,314	-19.51%	125,000	129,250	100,000	129,750	85,000	127,000	75,000	128,750	65,000	134,250	\$80,000	\$148,750					1,299,250	2.49	1,301,786	3,516	2031
2032	9,452,836	85,338,289	20.30%	125,000	114,000	125,000	118,150	125,000	118,750	125,000	125,000	100,000	130,000	210,000	145,750					1,562,250	2.49	1,566,034	3,784	2032
2033	13,868,854	81,785,292	-24.04%	125,000	107,750	125,000	112,500	125,000	112,500	125,000	118,750	125,000	125,000	80,000	135,250	\$75,000	\$448,000			1,938,750	2.50	1,942,491	2,651	2033
2034	7,961,054	87,199,935	6.62%	125,000	101,500	125,000	106,250	125,000	106,250	125,000	112,500	118,750	125,000	125,000	131,250	200,000	444,250			2,070,250	2.50	2,070,998	748	2034
2035	0	89,415,331	3.00%	125,000	91,250	125,000	106,000	125,000	106,000	125,000	109,000	112,500	125,000	125,000	128,000	279,000	434,250			2,128,250	2.45	2,133,128	8,878	2035
2036	-1,568,980	94,359,371	3.06%	250,000	81,500	250,000	93,750	125,000	91,750	125,000	100,000	125,000	125,000	125,000	128,000	220,000	490,500			2,240,500	2.50	2,241,035	535	2036
2037		97,190,152	3.00%	125,000	71,000	125,000	81,250	125,000	81,500	125,000	93,750	125,000	100,000	125,000	112,500	40,000	496,500	\$15,000	\$520,250	2,304,750	2.50	2,308,266	3,516	2037
2038		100,105,857	3.00%	125,000	64,750	125,000	73,000	125,000	73,000	125,000	87,500	125,000	80,750	125,000	106,250	100,000	496,500	85,000	581,500	2,379,500	2.50	2,377,514	4,014	2038
2039		103,100,032	3.00%	125,000	62,500	125,000	69,750	125,000	70,000	125,000	81,250	125,000	87,500	125,000	100,000	150,000	491,500	155,300	646,800	2,448,250	2.50	2,448,846	2,096	2039
2040		106,202,309	3.00%	125,000	58,250	125,000	62,500	125,000	64,750	125,000	75,000	125,000	81,250	125,000	93,750	220,000	384,000	250,000	634,000	2,519,000	2.50	2,522,308	3,308	2040
2041		109,388,373	3.00%	125,000	50,000	125,000	56,250	125,000	62,500	125,000	68,750	125,000	75,000	125,000	87,500	325,000	381,000	240,000	497,000	2,595,000	2.50	2,597,974	2,974	2041
2042		112,670,024	3.00%	125,000	41,750	125,000	50,000	125,000	50,250	125,000	62,500	125,000	68,750	125,000	81,250	375,000	366,750	315,000	485,000	2,674,250	2.50	2,675,913	1,663	2042
2043		116,050,424	3.00%	125,000	37,500	125,000	43,750	125,000	50,000	125,000	56,250	125,000	62,500	125,000	75,000	350,000	348,000	305,000	468,000	2,753,250	2.50	2,756,140	4,840	2043
2044		119,533,628	3.00%	125,000	31,250	125,000	41,750	125,000	50,000	125,000	56,250	125,000	62,500	125,000	75,000	410,000	328,250	315,000	445,000	2,838,750	2.50	2,838,876	3,126	2044
2045		123,117,537	3.00%	125,000	25,000	125,000	31,250	125,000	43,750	125,000	50,000	125,000	62,500	125,000	75,000	435,000	307,750	300,000	414,250	2,937,000	2.27	2,937,000	0	2045
2046		126,811,104	3.00%	125,000	18,750	125,000	25,000	125,000	37,500	125,000	43,750	125,000	50,000	125,000	62,500	450,000	286,000	300,000	384,250	3,032,500	2.19	3,032,790	0	2046
2047		130,615,437	3.00%	125,000	12,500	125,000	18,750	125,000	25,000	125,000	37,500	125,000	43,750	125,000	50,000	460,000	261,250	300,000	364,250	3,132,500	2.04	3,132,500	0	2047
2048		134,533,901	3.00%	125,000	6,250	125,000	12,500	125,000	18,750	125,000	25,000	125,000	37,500	125,000	43,750	500,000	239,250	300,000	339,250	3,246,000	1.93	3,246,000	0	2048
2049		138,569,918	3.00%													510,000	214,250	300,000	314,250	3,378,500	1.73	3,378,500	0	2049
2050		142,727,615	3.00%													505,000	186,250	300,000	286,250	3,510,000	1.96	3,510,000	0	2050
2051		147,008,826	3.00%													500,000	160,250	300,000	264,250	3,653,250	1.88	3,653,250	0	2051
2052		151,419,090	3.00%													500,000	131,250	300,000	239,250	3,805,500	1.22	3,805,500	0	2052
2053		155,961,663	3.00%													510,000	106,750	300,000	214,250	3,977,500	1.08	3,977,500	0	2053
2054		160,640,513	3.00%													500,000	86,750	300,000	186,250	4,163,000	1.06	4,163,000	0	2054
2055		165,459,728	3.00%													500,000	68,750	300,000	160,250	4,363,500	0.94	4,363,500	0	2055
2056		170,423,520	3.00%													510,000	51,250	300,000	131,250	4,577,500	0.84	4,577,500	0	2056
2057		175,536,226	3.00%													500,000	35,250	300,000	100,750	4,800,000	0.74	4,800,000	0	2057
2058		180,802,313	3.00%													500,000	20,000	300,000	70,750	5,030,000	0.63	5,030,000	0	2058
2059		186,225,382	3.00%													500,000	5,000	300,000	40,750	5,270,000	0.52	5,270,000	0	2059
2060		191,813,173	3.00%																	5,520,000	0.42	5,520,000	0	2060
				\$2,555,000	\$1,684,250	\$2,843,000	\$1,844,750	\$2,835,000	\$1,824,000	\$2,709,000	\$1,842,750	\$2,785,000	\$1,854,750	\$2,875,000	\$1,873,500	\$3,880,000	\$2,774,250	\$10,465,000	\$7,470,250					

(1) Estimated based on proposed residential and commercial absorptions, as provided by the Developer. Assumes 3.0% annual growth in existing net assessed limited property valuation (MLPV). Residential absorptions assumed to occur at an estimated 60% of market value.

(2) Interest rates estimated at 5.0% for all future bond issuances.

(3) Combined rate of estimated \$2.50 and assumed tax collection rate 95% is a 2.4% debt service yield against the Assessed MLPV.

APPENDIX 5

ESTIMATED TOTAL DEBT BURDEN COMPARATIVE TAX RATE ANALYSIS

PIMA COUNTY CFD COMPARISON TAX RATE ANALYSIS (TAX YEAR 2020 / FY 2020-21)

Gladden Farms CFD	
Target Tax Rate (includes O&M)	\$2.80
Average Home Price	\$300,000
Average Home Selling Price	80%
Assessment Ratio	10%
Assessor Secondary Value	\$24,000
CFD GO Annual Tax Amount	\$672
CFD GO Monthly Tax Amount	\$56

CFD Combined Tax Rate	\$18.8798
Total GO Annual Payments	\$4,531
Total Assessment Annual Payments	\$0

Quail Creek CFD	
Target Tax Rate (includes O&M)	\$3.30
Average Home Price	\$300,000
Average Home Selling Price	80%
Assessment Ratio	10%
Assessor Secondary Value	\$24,000
CFD GO Annual Tax Amount	\$792
CFD GO Monthly Tax Amount	\$66

CFD Combined Tax Rate	\$15.4756
Total GO Annual Payments	\$3,714
Total Assessment Annual Payments	\$0

Saguaro Springs CFD	
Target Tax Rate (includes O&M)	\$2.80
Average Home Price	\$300,000
Average Home Selling Price	80%
Assessment Ratio	10%
Assessor Secondary Value	\$24,000
CFD GO Annual Tax Amount	\$672
CFD GO Monthly Tax Amount	\$56

CFD Combined Tax Rate	\$18.8798
Total GO Annual Payments	\$4,531.15
Total Assessment Annual Payments	\$0

Gladden Farms (Phase II) CFD	
Target Tax Rate (includes O&M)	\$2.80
Average Home Price	\$300,000
Average Home Selling Price	80%
Assessment Ratio	10%
Assessor Secondary Value	\$24,000
CFD GO Annual Tax Amount	\$672
CFD GO Monthly Tax Amount	\$56

CFD Combined Tax Rate	\$18.8798
Total GO Annual Payments	\$4,531.15
Total Assessment Annual Payments	\$0

Ranch Sahuarita CFD	
Target Tax Rate (includes O&M)	\$4.99
Average Home Price	\$300,000
Average Home Selling Price	80%
Assessment Ratio	10%
Assessor Secondary Value	\$24,000
CFD GO Annual Tax Amount	\$1,198
CFD GO Monthly Tax Amount	\$100

CFD Combined Tax Rate	\$19.7322
Total GO Annual Payments	\$4,736
Total Assessment Annual Payments	\$369

Rocking K South CFD	
Target Tax Rate (includes O&M)	\$2.60
Average Home Price	\$300,000
Average Home Selling Price	80%
Assessment Ratio	10%
Assessor Secondary Value	\$24,000
CFD GO Annual Tax Amount	\$624
CFD GO Monthly Tax Amount	\$52

CFD Combined Tax Rate	\$20.2399
Total GO Annual Payments	\$4,858
Total Assessment Annual Payments	\$0

Gladden Farms CFD	
Average Assessment Amount per Lot	N/A
Interest Rate on Bonds	N/A
Amortization on Bonds (approx. years)	N/A
CFD Assessment Annual Payment	\$0
CFD Assessment Monthly Payment	\$0

Combined Annual Payments	\$4,531
Combined Monthly Payments	\$378
Taxes and Assessment as % of Sales Price	1.51%

Quail Creek CFD	
Average Assessment Amount per Lot	N/A
Interest Rate on Bonds	N/A
Amortization on Bonds (approx. years)	N/A
CFD Assessment Annual Payment	\$0
CFD Assessment Monthly Payment	\$0

Combined Annual Payments	\$3,714
Combined Monthly Payments	\$310
Taxes and Assessment as % of Sales Price	1.24%

Saguaro Springs CFD	
Average Assessment Amount per Lot	N/A
Interest Rate on Bonds	N/A
Amortization on Bonds (approx. years)	N/A
CFD Assessment Annual Payment	\$0
CFD Assessment Monthly Payment	\$0

Combined Annual Payments	\$4,531
Combined Monthly Payments	\$377.60
Taxes and Assessment as % of Sales Price	1.51%

Gladden Farms (Phase II) CFD	
Average Assessment Amount per Lot	N/A
Interest Rate on Bonds	N/A
Amortization on Bonds (approx. years)	N/A
CFD Assessment Annual Payment	\$0
CFD Assessment Monthly Payment	\$0

Combined Annual Payments	\$4,531
Combined Monthly Payments	\$378
Taxes and Assessment as % of Sales Price	1.51%

Ranch Sahuarita CFD	
Average Assessment Amount per Lot	\$4,337
Interest Rate on Bonds	6.50%
Amortization on Bonds (approx. years)	13
CFD Assessment Annual Payment	\$369
CFD Assessment Monthly Payment	\$31

Combined Annual Payments	\$5,105
Combined Monthly Payments	\$425
Taxes and Assessment as % of Sales Price	1.70%

Rocking K South CFD	
Average Assessment Amount per Lot	N/A
Interest Rate on Bonds	N/A
Amortization on Bonds (approx. years)	N/A
CFD Assessment Annual Payment	\$0
CFD Assessment Monthly Payment	\$0

Combined Annual Payments	\$4,858
Combined Monthly Payments	\$405
Taxes and Assessment as % of Sales Price	1.62%

APPENDIX 6

HOMEOWNER DISCLOSURE FORM

WILDFLOWER COMMUNITY FACILITIES DISTRICT

DISCLOSURE STATEMENT

Buyer(s): _____
Parcel: _____
Lot: _____
Homebuilder: _____

BACKGROUND

On September 30, 1988, the Arizona Community Facilities District Act became effective. This provision in State law was created to allow Arizona counties and municipalities to form community facilities districts for the primary purpose of financing the acquisition, construction, installation, operation and/or maintenance of public infrastructure improvements, including water and sewer improvements.

The home you are purchasing is within the Wildflower Community Facilities District (the "CFD", which was formed on _____, 2021, by the Board of Supervisors of Pima County. An election was held on _____, 2021, at which time the then owners of the property within the CFD voted to authorize up to \$40,000,000 of unlimited, *ad valorem* property tax supported bonds to be issued over time by the CFD to finance the acquisition or construction of certain public infrastructure. The infrastructure has been or will be dedicated to the County after acquisition or construction of such infrastructure by the CFD. The County will operate and maintain such infrastructure.

AD VALOREM TAXES ON THE CFD

General obligation bonds and the CFD operation and maintenance expenses are paid from ad valorem property taxes. It is currently estimated that the payment of the general obligation bonds and the CFD expenses will add approximately \$2.80 to the property tax rate; however, such tax rate increase could vary depending upon factors including the financing amount and terms, and the amount of the assessed valuation of property within the CFD for tax purposes. Payment of general obligation bonds and expenses are included as part of your regular Pima County property tax statement and are in addition to taxes levied by other political subdivisions.

BENEFITS TO RESIDENTS

The bond issues by the CFD will benefit all property owners and other residents within the CFD by financing such infrastructure. This benefit was taken into account by the builder in connection with establishing the price of the lot on which your home is to be located. Each property owner in the CFD will participate in the repayment of the bonds in the form of

property tax in addition to the current property taxes assessed by other government entities. This added tax is currently deductible for purpose of calculating federal and state income taxes.

EXAMPLE OF FINANCINGS' COSTS TO HOMEOWNERS

The following illustrates the additional annual tax liability imposed by the CFD, based on varying residential values within the CFD and a \$2.80 tax rate:

Home Sales Price	Estimated General Obligation and Expense Payment (1,2)
\$	\$
\$	\$
\$	\$
\$	\$

*Assumptions:

1. Market value is not the same as limited property value as reported by the County Assessor, which is typically 80% of market value.
2. Assumes residential property assessment ratio will remain at 10%

Additional information regarding the description of infrastructure improvements to be financed by the CFD, bond issue public disclosure documents, and other documents and agreements (including a copy of this Disclosure Statement) are available for review in the County Clerk's office.

Your signature below acknowledges that you have read this disclosure document at the time you made your decision to purchase property in the CFD and you signed your purchase contract and that you understand the property you are purchasing will be taxed to pay the CFD bonds described above.

.....
Home Buyer(s) Signature/Date

.....
Home Buyer(s) Printed Name(s)

.....
Home Buyer(s) Signature/Date

.....
Home Buyer(s) Printed Name(s)

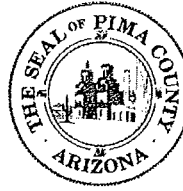
APPENDIX 7

SPECIFIC PLAN

Link to Specific Plan: [LVA-1614-COVER.psd \(pima.gov\)](#)

F. ANN RODRIGUEZ, RECORDER
Recorded By: KN
DEPUTY RECORDER
4890

PIMA C
PIMA CO CLERK OF THE BOARD
PICKUP



SEQUENCE: 20170740732
NO. PAGES: 10
RES 03/15/2017
18:00:00
PICK UP
AMOUNT PAID: \$0.00

RESOLUTION 2017- 3

A RESOLUTION OF THE BOARD OF SUPERVISORS OF PIMA COUNTY, ARIZONA; RELATING TO ZONING; IN CASE CO23-08-02 POMEGRANATE FARMS SPECIFIC PLAN; LOCATED SOUTH OF AJO HIGHWAY, APPROXIMATELY 2,000 FEET EAST OF THE INTERSECTION OF W. VALENCIA ROAD AND AJO HIGHWAY IN SECTION 18, T15S, R12E, AMENDING REZONING CONDITIONS SET FORTH IN SECTION 2 OF ORDINANCE NO. 2009-41 AND AMENDING POMEGRANATE FARMS SPECIFIC PLAN.

The Board of Supervisors of Pima County, Arizona finds that:

1. On February 17, 2009, in specific plan case Co23-08-02, the Pima County Board of Supervisors approved the rezoning of approximately 645 acres located on the south side of Ajo Highway, approximately 2,000 feet east of the intersection of W. Valencia Road and Ajo Highway in Section 18, T15S, R12E, as shown on Exhibit A from RH (Rural Homestead) to SP (Specific Plan) subject to conditions.
2. On May 5, 2009, the Pima County Board of Supervisors adopted rezoning Ordinance 2009-41, recorded in Docket 13555 at Page 3475, rezoning the approximate 645 acres described in rezoning case Co23-08-02 and memorializing the conditions.
3. On June 30, 2016, the owner(s) of the approximately 645 acres applied for a modification (substantial and non-substantial changes) to: 1) amend rezoning conditions #19, #23, and #24 of Ordinance 2009-41; 2) amend certain primary features of the Specific Plan; and, 3) amend certain design standards of the Specific Plan.
4. On October 18, 2016, the Board of Supervisors approved the requested modification.
5. Section 6 of Ordinance 2009-41 and the Pima County Code allow the Board of Supervisors to amend the rezoning conditions and the Specific Plan by resolution.

NOW, THEREFORE, IT IS RESOLVED:

Section 1: The rezoning conditions in Section 2 of Ordinance 2009-41 are restated and modified as follows:

1. Not more than 60 days after the Board of Supervisors approves the amended Specific Plan, the owner(s) / developer(s) shall submit to the Planning Director the amended specific plan document, including any necessary revisions of the specific plan document reflecting the final actions of the Board of Supervisors, and the specific plan text and exhibits in an electronic and written format acceptable to the Planning Division.

2. Submittal of a development plan, or acceptable site development plan, if determined necessary by the appropriate County agencies.
3. Recording of a covenant holding Pima County harmless in the event of flooding.
4. Recording of the necessary development related covenants as determined appropriate by the various County agencies.
5. Provision of development related assurances as required by the appropriate agencies.
6. Prior to the preparation of the development related covenants and any required dedication, a title report (current to within 60 days) evidencing ownership of the property shall be submitted to the Development Services Department, Document Services.
7. There shall be no subdividing or lot splitting without the written approval of the Board of Supervisors.
8. In the event of a conflict between two or more requirements in this specific plan, or conflicts between the requirements of this specific plan and another Pima County regulation not listed in Section 18.90.050B3, the more restrictive requirement shall apply.
9. This specific plan shall adhere to all applicable Pima County regulations that are not explicitly addressed within this specific plan. The specific plan's design standards shall be interpreted to implement the specific plan or relevant Pima County regulations.
10. Prior to the issuance of any permits, this specific plan is subject to the approval of a Master Subdivision Block Plat for the entire site. The subdivision block plat shall make all dedications (including roads, sewer, drainage, trails and open space), unless otherwise specified in the development agreement, and the plat shall identify all necessary improvements and provide a design and construction phasing plan. Upon submittal of the block plat, the studies, reports, information required by these specific plan conditions and the specific plan document itself, shall be provided for review and approval of the applicable Pima County department or departments. Subsequent site development requires submittal of subdivision plats or development plans prepared in accordance with the subdivision block plat.
11. No building permits shall be issued until all applicable specific plan requirements for or affecting the site are satisfied and the Planning Director issues a Certificate of Rezoning Compliance.
12. Transportation Department requirements:
 - A. The property owner/developer(s) shall dedicate 200 25 feet full of right-of-way, ~~or 400 feet half right-of-way as applicable,~~ for Valencia Road as designated by the Major Streets and Scenic Routes Plan. ~~The alignment of Valencia Road shall require approval by the Department of Transportation and shall be coordinated with adjacent development.~~ The right-of-way shall be dedicated within 90 days of Board of Supervisors approval of the modification of the specific plan.

B. The property owner/developer(s) shall dedicate ~~150~~ 45 feet ~~half~~ right-of-way, ~~or 75 feet half right-of-way as applicable, for Los Reales Road and 120 feet right-of-way, or 60 feet half right-of-way as applicable, for Desert Sunrise Trail per recommended findings of the Southwest Infrastructure Plan~~ necessary right-of-way for the internal loop road, north/south connector road, and shared access road to Valencia Road as indicated in the Traffic Impact Study, when approved.

C. ~~A building setback of 130 feet shall be provided on Valencia Road, 105 feet shall be provided on Los Reales Road and 90 feet on Desert Sunrise Trail shall be provided (half right-of-way plus 30 feet that is measured from the centerline of the right-of-way/roadway). For development along the portion of Valencia Road, Los Reales Road and Desert Sunrise Trail, within high density and commercial developed areas, reduction of setbacks to 10 feet plus half of the required right-of-way may be allowed as previously discussed by the Design Review Committee. The property owner/developer(s) shall provide improvements to Valencia Road and Los Reales Road as determined necessary by an approved traffic study. Construction of Los Reales Road is the responsibility of the property owner/developer(s).~~

D. ~~The property owner/developer(s) shall provide on-site and off-site improvements to Valencia Road, Los Reales Road and Desert Sunrise Trail as determined necessary by the Department of Transportation. Construction of Los Reales Road and Desert Sunrise Trail are the responsibility of the property owner/developer(s) and the property owner/developer(s) may be eligible to receive impact fee credits after construction is completed. Los Reales Road construction includes the north half ultimate cross section of a four-lane divided or five-lane desert parkway/urban major collector. Desert Sunrise Trail construction includes the full cross-section of a four-lane divided or five-lane desert parkway/urban major collector. Improvements to Valencia Road could include, but may not be limited to, additional pavement for travel, turn or multi-use lanes, outside curb and sidewalks. This condition may be clarified or amended pursuant to a Board of Supervisors approved Development Agreement between Pima County and the owner/developer(s). Adequate circulation shall be provided by including cross access between the project and all adjacent undeveloped areas.~~

E. ~~The property owner/developer(s) shall dedicate right-of-way and construct a major collector road (within E.1 and D.4 districts), to be located opposite Collector 2 that is located within the Town Center. The road shall provide a connection between Valencia Road and the north property line. It is located within the commercial and multiple use areas designated E.1 and D.4 to provide future access to property located north of the specific plan. The width of said road shall be subject to approval during platting process, depending upon what type of commercial development is planned. In the event that Valencia Road is not aligned as indicated in the Specific Plan, then this condition is not applicable. A detailed and up-to-date Traffic Impact Study shall be submitted with the Master Block Plat and shall be updated as determined necessary by the Department of Transportation throughout the development of the specific plan.~~

F. ~~Minimum separation between driveways and streets shall be 600 feet along Valencia Road, Los Reales Road and Desert Sunrise Trails. All access shall require~~

~~Department of Transportation approval. One Park and Ride facility shall be designated in the commercial area along Valencia Road and its location shall be coordinated with Suntran. Commercial parking lots with greater than 50 parking spaces shall not prohibit commuter parking.~~

~~G. Provision of access from the internal loop road to the southeast boundary of the specific plan to provide future access to undeveloped property to the east. Access shall be designed to provide cross access between commercial developments. Shared driveways shall be used along Valencia Road to minimize the number of access points.~~

~~H. Provision of a detailed and up to date Traffic Impact Study shall be submitted with the Master Block Plat and shall be updated as determined necessary by Department of Transportation throughout the development of the specific plan. Each parcel shall be designed to establish coordinated bicycle and pedestrian connections within the specific plan and plan for future connections beyond the limits of the specific plan.~~

~~I. Two Park & Ride facilities shall be provided for within the specific plan, one within the town center or commercial uses along Valencia Road and one along Los Reales Road. The property owner/developer(s) shall provide a study/report that addresses transit issues for the specific plan and how it interrelates within the southwest area.~~

~~J. Each district shall be designed to establish coordinated pedestrian and transit oriented connections within the specific plan and plan for future connections beyond the limits of the specific plan.~~

13. Regional Flood Control District requirements:

A. Drainage improvements required to remove the developable portions of the site from the FEMA floodplain will be identified in a drainage report to be finalized with the Master Block Plat. Approval of the Drainage Report and CLOMR shall be required prior to recordation of the Block Plat and approval of the Certificate of Compliance. Approval of the LOMRs by the District and submittal to FEMA is required prior to issuance of any building permits release of assurances for each Block.

B. Drainage corridors identified in the Specific Plan are to be enhanced to provide riparian habitat connectivity across the site as well as recreational and aesthetic amenity to the residents. ~~If a riparian mitigation plan is required, it~~ A Conservation Plan shall be submitted for approval with the Block Plat and prior to the Certificate of Compliance in order to ensure sustainability principles identified by the County and Specific Plan are implemented.

C. Drainage improvements shall be designed in coordination with Ajo Highway and neighboring developments.

D. Due to the proposed land use intensities and severe flood and erosion hazards, flood control improvements within the flow corridors and regulatory floodplains within the Blocks shall be constructed with natural bottoms and with channel banks protected with concrete, gunite, soil cement, or other structural methods. Unless otherwise justified as non-erosive, Earthen channels banks shall not be allowed. Channels associated with

non-regulatory flows may be fully lined.

E. Flow corridors shall be a minimum of 200 feet wide.

F. Water conservation measures identified in the Specific Plan shall be implemented with the development. Where necessary as determined at the time each subdivision plat or development plan is submitted, provisions for permanent maintenance of these measures may also be required to be included in the project's CC&Rs and final conservation measures shall be submitted to the District for review and approval.

G. Riparian habitat mitigation plans for each Block, if required, shall enhance the flow corridors by providing mitigation within the corridor and within the detention and first flush retention facilities located adjacent to the corridors.

14. Wastewater Reclamation Department requirements:

A. The owner / developer shall construe no action by Pima County as a commitment to provide sewer service to any new development within the rezoning area until Pima County executes an agreement with the owner / developer to that effect.

B. The owner / developer shall obtain written documentation from the PCRWRD that treatment and conveyance capacity is available for any new development within the rezoning area, no more than 90 days before submitting any tentative plat, development plan, sewer improvement plan or request for building permit for review. Should treatment and / or conveyance capacity not be available at that time, the owner / developer shall have the option of funding, designing and constructing the necessary improvements to Pima County's public sewerage system at his or her sole expense or cooperatively with other affected parties. All such improvements shall be designed and constructed as directed by the PCRWRD.

15. Natural Resources, Parks and Recreation Department requirements:

A. Prior to the release of assurances for ~~the 1,038th lot (30%~~ 75% of the lots), the approximate seven-acre park and all associated and required recreation elements shall be constructed.

B. Prior to the release of assurances for ~~the lots greater than~~ 75% of the ~~total~~ lots within each ~~district~~ parcel as shown on the Phasing Plan (Exhibit IV-A-6), recreation elements and trail locations shall be built as conceptually shown on Exhibit II-~~ML~~ within that ~~district~~ parcel.

C. The 10-foot shared-use path and eight-foot stabilized trail within the residential collector road shall be constructed by the developer and maintained by a Homeowners Association.

D. A Homeowners Association shall maintain all shared-use paths and stabilized trails throughout the development.

E. Final determination of recreation areas and elements required shall be determined with a Recreation Area Plan (RAP), which shall be submitted and approved prior to the approval of the tentative plat. A RAP shall be submitted for each ~~district~~ parcel. Each parcel shall meet the recreation requirements as stated in Section 18.69.090 and the Recreation Area Design Manual.

F. A Recreation Area Plan (RAP) shall be submitted with the Tentative Master Block Plat. The RAP shall show the alignment of the trails within the open space as shown on Exhibit II-~~ML~~. The RAP shall include the park and show the required recreation elements.

16. Cultural Resources requirements:

A. Two archaeological sites, AZ AA:16:481(ASM) and AZ AA:16:482(ASM), both eligible for listing in the National Register of Historic Places, are located on the property. Cultural resources mitigation of the archaeological sites is required. The preferred mitigation strategy is avoidance and preservation of sites AZ AA:16:481(ASM) and AZ AA:16:482(ASM). A mitigation plan shall include a preservation strategy that runs with the land; such as a Conservation Easement, a Restrictive Covenant, or recordation on the original Plat submitted to the County. In recording the sites, the Plat map must clearly delineate the spatial extents of the sites with buffer zones and must include a descriptive Plat Note. If avoidance and preservation are not possible, data recovery will be required. If data recovery should become necessary, all archaeological work shall be conducted by an archaeologist permitted by the Arizona State Museum. Any development requiring a Type II grading permit will be reviewed for compliance with Pima County's cultural resources requirements under Chapter 18.81 of the Pima County zoning Code.

B. In the event that human remains, including human skeletal remains, cremations, and/or ceremonial objects and funerary objects are found during excavation or construction, ground disturbing activities must cease in the immediate vicinity of the discovery. State Laws ARS 41-865 and/or ARS 41-844 require that the Arizona State Museum be notified of the discovery at (520) 621-4795 so that appropriate arrangements can be made for the repatriation and reburial of the remains by cultural groups who claim cultural or religious affinity to them. The human remains will be removed from the site by a professional archaeologist pending consultation and review by the Arizona State Museum and the concerned cultural groups.

17. In the event the subject property is annexed, the owner(s) / developer(s) shall adhere to all applicable rezoning conditions, including, but not limited to, development conditions which require financial contributions to, or construction of infrastructure, including without limitation, transportation, flood control, or sewer facilities.

18. The property owner shall execute and record the following disclaimer regarding Prop 207 rights. "Property Owner acknowledges that neither the rezoning of the Property nor the conditions of rezoning give Property Owner any rights, claims or causes of action under the Private Property Rights Protection Act (Arizona Revised Statutes Title 12, chapter 8, article 2.1). To the extent that the rezoning or conditions of rezoning may be construed to give Property Owner any rights or claims under the Private Property Rights Protection Act, Property Owner hereby waives any and all such rights and/or claims pursuant to A.R.S. § 12-1134(I)."

19. Adherence to the amended specific plan document as approved at the Board of Supervisor's public hearing.
20. If required by the Drexel Heights Fire District (District), the developer shall provide a fire station site within the project that is compatible with adjacent land use and acceptable to the developer and the District and to be shown on the applicable subdivision plat or development plan. The developer shall provide for the transfer of that property to the District.
21. The developers shall include disclosure statements regarding Ryan Airfield in all sales contracts, public reports, and the recorded covenants. The developers shall also establish aviation easements relative to Ryan Airfield. The specific language for inclusion in the disclosure statements and the enactment of the aviation easements shall be coordinated with the Tucson Airport Authority. Land use restrictions shall be coordinated with Ryan Airfield operations to ensure compatibility of proposed land uses with current and projected future airport operations.
- ~~22. At a minimum, the majority of infrastructure and transportation costs shall be self funded by the developer, including but not limited to impact fees. A development agreement to address, at minimum, infrastructure commitments, phasing, and funding shall be developed and approved by the Board of Supervisors prior to submittal of a Master Block Plat. No permits shall be issued until the revisions to the Pima County development impact fee program are adopted by the Board of Supervisors.~~
- ~~23. Any proposal or action which would result in a significant deviation from the objective of providing or reserving the necessary acreage for commercial services within ¼ - ½ mile of all residential development (as stated in the specific plan) or the general dispersal of commercial services to serve the residential development of the specific plan, would be considered a "Substantial Modification" of the specific plan requiring public hearings before the Planning and Zoning Commission and the Board of Supervisors per Section 18.90.080.~~
- ~~24.22. Owner/Developer shall reach an agreement with Tucson Unified School District (TUSD) or another public school provider regarding the provision of a school location within the development as shown and described in the sSpecific Plan. TUSD and Owner/Developer have begun negotiations. If the agreement is with TUSD, the agreement will be in substantial conformance with the Letter of Intent dated February 13, 2009 between Owner/Developer and TUSD or otherwise mutually acceptable to TUSD and Owner/Developer.~~

Section 2. The Pima County Board of Supervisors hereby amends the Pomegranate Farms Specific Plan, originally adopted in Section 3 of Ordinance No. 2009-41 and attached as Exhibit B to Ordinance No. 2009-41. The amended Pomegranate Farms Specific Plan is attached as Exhibit B to this Resolution (it is not recorded, but may be viewed at the office of the Pima County Development Services Department – Planning Division).

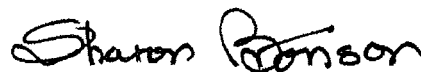
Section 3. The Pima County Board of Supervisors hereby reaffirms Section 4 of Ordinance No. 2009-41.

Section 4. No building permits shall be issued based on the rezoning approved by this Resolution until all conditions 1 through 22 are satisfied and the Planning Official issues a Certificate of Rezoning Compliance.

Section 5. The Pima County Board of Supervisors hereby reaffirms Section 6 of Ordinance No. 2009-41.


Section 6. This Resolution shall become effective upon adoption.

Passed and adopted, this 17th day of January, 2017.

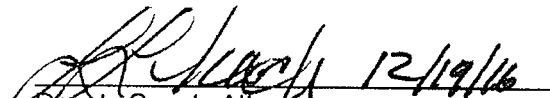


Chair, Pima County Board of Supervisors JAN 17 2017

ATTEST:


Clerk of the Board

APPROVED AS TO FORM:

 12/19/16
Deputy County Attorney
Lesley M. Lukach

APPROVED:

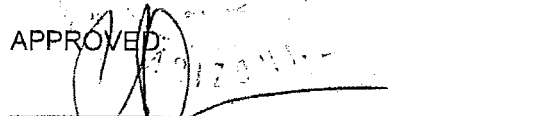
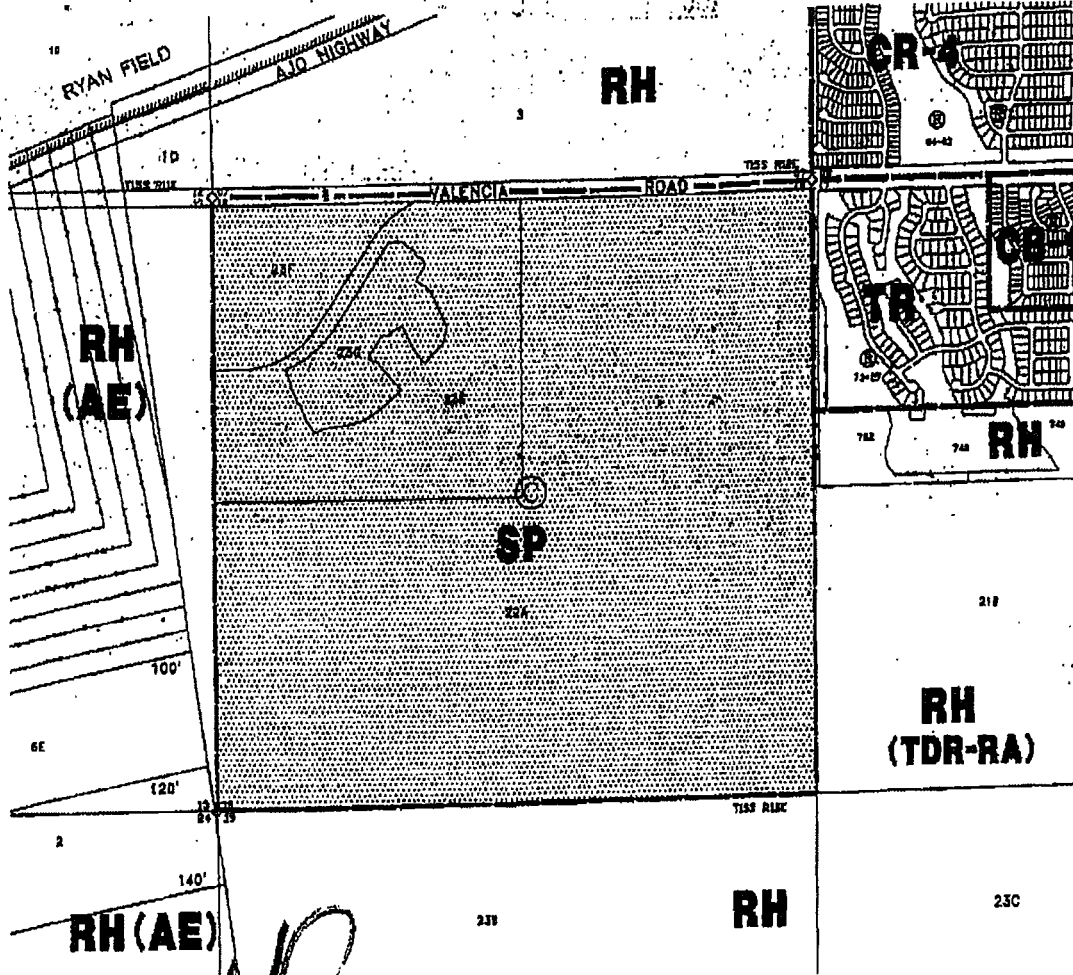

Executive Secretary
Planning and Zoning Commission

EXHIBIT A

AMENDMENT NO'S. 13, 4 BY ORDINANCE NO. 2009-41
TO PIMA COUNTY ZONING MAP NO'S. 65, 102 TUCSON, ARIZONA
PARCELS 22A, 23E, 23F & 23G BEING SECTION 18, T15S R12E.

ADOPTED MAY 5, 2009 EFFECTIVE JUNE 5, 2009



for 

EXECUTIVE SECRETARY PIMA COUNTY PLANNING AND ZONING COMMISSION

©NO BUILDING PERMITS WITHOUT CERTIFICATE OF COMPLIANCE
FROM RH 644.93 ac±
ds-APRIL 6, 2009

Co23-08-02
Co7-06-12
Co7-07-31
210-40-022A,
210-40-023E,
210-40-023F
21040023G

Page 9 OF 10

1-10-2010 09:43:09

EXHIBIT B

Exhibit B is the Pomegranate Farms Specific Plan document approved by the Pima County Board of Supervisors on February 17, 2009 and amended by the Pima County Board of Supervisors on October 18, 2016.

The document is not recorded but may be viewed at the office of the Pima County Development Services Department, Planning Division, at the following address:

County-City Public Works Building
201 N. Stone Avenue, 2nd Floor
Tucson, Arizona

ATTACHMENT B

RESOLUTION NO. 2021-78

RESOLUTION OF THE BOARD OF SUPERVISORS OF PIMA COUNTY, ARIZONA, DECLARING ITS INTENT AND ORDERING AND DECLARING FORMATION OF THE WILDFLOWER COMMUNITY FACILITIES DISTRICT AND APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A DEVELOPMENT AND INTERGOVERNMENTAL AGREEMENT (WILDFLOWER COMMUNITY FACILITIES DISTRICT).

BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF PIMA COUNTY, ARIZONA, as follows:

Section 1. Findings. This Board of Supervisors (this “Board”) of Pima County, Arizona (the “County”), hereby makes the following findings:

A. Fidelity National Title Agency, Inc., an Arizona corporation, in its capacity as trustee under Trust No. 60471, and not in its corporate capacity (the “Trust”), on behalf of the trust’s beneficiaries as represented by Pomegranate Farms – Tucson, LLC, a Delaware limited liability company (“Pomegranate Farms” and, together with the Trust, the “Petitioner”), has submitted a petition (the “Petition”) attached hereto as Appendix I and incorporated herein, asking this Board to adopt this Resolution declaring and ordering formation of a community facilities district pursuant to Title 48, Chapter 4, Article 6 of the Arizona Revised Statutes (A.R.S. §§ 48-701 through 48-729) (“the Act”), to be known as the “Wildflower Community Facilities District” (the “District”).

B. The District is to be composed of the land described on Exhibit “A” to the Petition (the “Land”) and shown on the map attached as Appendix 1 to the Application for Formation of Wildflower Community Facilities District submitted by Pomegranate Farms in connection with the Petition, each of which is made a part hereof for all purposes. The Land contains an area of approximately 644.6 acres, more or less, wholly within the unincorporated areas of the County and not within a county island.

C. The formation of the District may result in the levy of ad valorem taxes to pay costs of improvements constructed or acquired by the District and for their operation and maintenance if determined by the District.

D. There is on file with the Clerk of this Board a “General Plan for the Proposed Wildflower Community Facilities District” for the District, a copy of which is attached as Exhibit “B.” to the Petition, setting out a general description of the improvements for which the District is proposed to be formed and the general areas to be improved (the “General Plan”).

E. The purposes for which the District is to be formed are as described in the Petition and the General Plan and are purposes for which a community facilities district created pursuant to the Act may be lawfully formed.

F. The public convenience and necessity require the adoption of this Resolution and formation of the District.

G. The Petitioner represents that the Land is wholly owned by the Petitioner and that there are not now, and shall not be within fifty (50) days preceding the first anticipated election of the District, any residents on the Land; that Petitioner has therefore waived any and all requirements of posting, publication, mailing, notice, hearing and election otherwise required by the Act in connection with the adoption of the Resolution and formation of the District; and that this Board may, and Petitioner has requested that this Board in fact, adopt this Resolution to declare the District formed without complying with such provisions for posting, publication, mailing, notice, hearing or election.

H. Pursuant to the Act and A.R.S. § 11-1101, the County, the District and Pomegranate Farms are authorized to enter into a “development agreement” to specify, among other things, conditions, terms, restrictions and requirements for the construction and financing of public infrastructure (as such term is defined in the Act) within the District, and the advance of moneys by landowners for such construction, and subsequent reimbursements or repayments over time.

I. Under A.R.S. § 11-952, the District and the County may enter into an “intergovernmental agreement” with one another for joint or cooperative action for services and to jointly exercise any powers common to them, including the planning, design, inspection, ownership, control, maintenance, operation or repair of public infrastructure.

J. There has been placed on file with the Clerk of the Board of Supervisors of the County, and presented to the Board, a Development and Intergovernmental Agreement (Wildflower Community Facilities District), to be dated as of the date of this resolution (the “Development Agreement”), by and among the County, the District and Pomegranate Farms.

Section 2. Granting of Petition; Formation of District. The Petition is hereby granted, and the District is hereby formed as a district pursuant to the terms and provisions of, and with the powers and authority established by, the Act, subject to any restrictions and modifications set forth in this Resolution, with jurisdiction over the Land. As the Petition is signed by the sole owner of all the Land and there are not now, and shall not be within fifty (50) days preceding the first anticipated election of the District, residents on the Land, requirements of posting, publication, mailing, notices, hearing and election otherwise required by the Act with respect to formation of the District are hereby found to be unnecessary. The area included within the District shall consist of the Land. The County shall in no way be liable for the payment of any of the costs of the public infrastructure described in the General Plan, nor liable for any liability, debt or obligation of the District.

Section 3. Approval of the General Plan. The General Plan is hereby approved in all respects.

Section 4. District Board and Officers. The governing board of the District will be comprised of the members of this Board, ex officio. The County Administrator will serve as the

District Administrator of the District; the County Treasurer will serve as the District Treasurer; and the Clerk of this Board will serve as the District Clerk.

Section 5. Authorization and Approval of the Development Agreement. The Development Agreement attached hereto as Appendix II is hereby approved in substantially the form submitted to the Board, with such changes, additions, deletions, insertions and omissions, if any, as the Chair of the Board, with the advice of the County Administrator and the County Attorney's Office, shall authorize, the execution and delivery of the Development Agreement to be conclusive evidence of the propriety of such document and the authority of the person or persons executing the same. The County Administrator or his or her designee is hereby authorized to complete the Development Agreement by including the appropriate materials as necessary therein. The Chair of the Board, with the advice of the County Administrator and the County Attorney's Office, is hereby authorized and directed to execute, and the Clerk of the Board to attest, the Development Agreement on behalf of the County.

Section 6. Dissemination of this Resolution. The Clerk is hereby directed to file and record with the County Recorder a copy of this Resolution and the General Plan, and provide copies of those documents to the Arizona Department of Real Estate, as required by A.R.S. § 48-718, and deliver a copy of this Resolution to the County Assessor.

PASSED AND ADOPTED by the Board of Supervisors of Pima County,
Arizona, this 16th day of November, 2021.

Chair, Board of Supervisors

ATTEST:

Clerk, Board of Supervisors

APPROVED AS TO FORM:



Deputy County Attorney

APPENDIX I
TO RESOLUTION FORMING
WILDFLOWER COMMUNITY FACILITIES DISTRICT
COPY OF PETITION, WITH ALL EXHIBITS

PETITION FOR ADOPTION OF A RESOLUTION
ORDERING AND DECLARING
FORMATION OF
WILDFLOWER COMMUNITY FACILITIES DISTRICT

STATE OF ARIZONA)
)
COUNTY OF PIMA) ss.

Fidelity National Title Agency, Inc., an Arizona corporation, in its capacity as trustee under Trust No. 60,471 and not in its corporate capacity (the "Trust"), on behalf of the Trust's beneficiaries as represented by Pomegranate Farms – Tucson, LLC, a Delaware limited liability company ("Pomegranate Farms – Tucson, LLC"), in the parcel hereinafter described, acting pursuant to the provisions of Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended (hereinafter referred to as the "Act"), respectfully petitions The Honorable Board of Supervisors (hereinafter referred to as the "Board") of Pima County, Arizona (hereinafter referred to as the "Municipality"), to adopt a resolution (hereinafter referred to as the "Resolution") declaring and ordering formation of a community facilities district (hereinafter referred to as the "District") pursuant to the Act, and Pomegranate Farms – Tucson, LLC and the Trust, acting on behalf of all of its beneficiaries, each represent and warrant and respectfully request, as applicable, the following with respect thereto:

I.

The name of the District will be "Wildflower Community Facilities District",

II.

The District will be formed and exist pursuant to the terms and provisions of the Act as such terms and provisions are modified, waived or restricted pursuant to the agreements to be entered into by and among Petitioners, the Municipality and the District,

III.

The District will contain an area of approximately 644.6 acres of land, more or less, wholly within unincorporated Pima County, Arizona, and not within a county island and to be composed of the land included in the parcel, as provided in Exhibit "A" hereto (the "Land"), which is made a part hereof for all purposes,

IV.

The District will be a special purpose district for purposes of Article IX, Section 19, Constitution of Arizona, a tax levying public improvement district for the purposes of Article XIII, Section 7, Constitution of Arizona, and a municipal corporation for all purposes of Title 35, Chapter 3, Articles 3, 3.1, 3.2, 4 and 5, Arizona Revised Statutes, as amended; except as otherwise provided in the Act, will be considered a municipal corporation and political subdivision of the State of Arizona, separate and apart from the Municipality; and to be formed for, and to have, all the purposes of a “district” as such term is defined, and as provided, in the Act,

V.

The formation of the District may result in the levy of ad valorem taxes to pay costs of public infrastructure constructed or acquired by the District and for its operation and maintenance if determined by the District and for administration of the District,

VI.

There is on file with the Clerk of the Board a general plan for the District entitled “General Plan for the Proposed Wildflower Community Facilities District,” a copy of which is attached as Exhibit B to this Petition, setting out a general description of the improvements for which the District is proposed to be formed and the general areas to be improved (the “General Plan”),

VII.

The purposes for which the District is to be formed are as described in this Petition and the General Plan and are purposes for which a community facilities district created pursuant to the Act may be formed,

VIII.

The District will be governed by a District Board that consists of the members of the governing body, ex officio, only; the undersigned hereby waiving the right to designate two additional members of the District Board,

IX.

Pomegranate Farms – Tucson, LLC has the power and authority to act for and bind all the beneficiaries of the Trust,

X.

The Trust, on behalf of the Trust's beneficiaries, is the sole owner of all of the Land within the proposed District; there are no residents on the Land and there shall be no residents within fifty (50) days preceding the first anticipated election of the District; that the Land to be included in the District shall be benefited from the public infrastructure for which the District is proposed to be formed; the District shall be formed and exist pursuant to the terms and provisions of the Act; and the Municipality shall in no way be liable for the payment of any costs of the public infrastructure described in the General Plan, nor liable for any liability, debt or obligation of the District,

XI.

All information and documentation provided in the Application for Formation of Wildflower Community Facilities District, dated September 13, 2021, which Pomegranate Farms – Tucson, LLC previously submitted to the Municipality, and all statements in this Petition are true, complete, and accurate in all material respects,

XII.

Any requirements of posting, publication, mailing, notice, hearing and election otherwise required by the Act in connection with the adoption of the Resolution are waived, and the Board may, on receipt of this Petition, adopt the Resolution to declare the District formed without being required to comply with such provisions for posting, publication, mailing, notice, hearing or election.

WHEREFORE, Pomegranate Farms – Tucson, LLC and the Trust, acting on behalf of all of its beneficiaries, each respectfully pray that this Petition be properly filed as provided by law; that the Board adopt the Resolution and declare and order the District formed pursuant to the provisions of the Act but without complying with the provisions for posting, publication, mailing, notice, hearing and election otherwise required by the Act in connection with the Resolution and formation of the District; and that the Board take and direct such other acts as the Board deems proper, necessary and appropriate for the purposes of organizing the District and executing the purposes for which the District is organized.

RESPECTFULLY SUBMITTED this 27th day of September 2021.

[Signatures on following page]

FIDELITY NATIONAL TITLE AGENCY, INC., an Arizona corporation,
as trustee of Trust No. 60471 and not in its corporate capacity

By: Rachel Turnipseed
Rachel Turnipseed, Trust Officer

STATE OF ARIZONA)
) ss.
COUNTY OF PIMA)

The foregoing instrument was acknowledged before me on this 27 day of September, 2021,
by Rachel Turnipseed, Trust Officer of Fidelity National Title Agency, Inc., an Arizona corporation

Elsa P. Shanahan
Notary Public

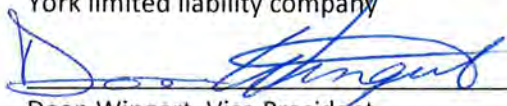
My commission expires:

May 18, 2023



POMEGRANATE FARMS - TUCSON, LLC, a Delaware limited liability company

By: Its Managing Member, Crown West Realty, LLC, a New York limited liability company

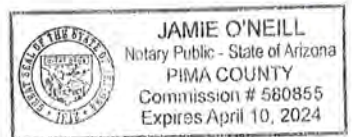
By: 
Dean Wingert, Vice President

STATE OF ARIZONA)
)
COUNTY OF PIMA) ss.

The foregoing instrument was acknowledged before me on this 27 day of September, 2021, by Dean Wingert, Vice President of Crown West Realty, LLC, a New York limited liability company, managing member of Pomegranate Farms-Tucson, LLC, a Delaware limited liability company, on behalf of the limited liability company.


Notary Public

My commission expires:
4/10/2024



ATTACHMENT:

- EXHIBIT A Legal Description of Property To Be Included In The District
- EXHIBIT B General Plan

EXHIBIT A
TO PETITION FOR FORMATION OF POMEGRANATE FARMS – TUCSON, LLC CFD

LEGAL DESCRIPTION OF PROPERTY TO
BE INCLUDED IN THE DISTRICT

The Final Block Plat for Wildflower Blocks 1-22 and Common Area “A” (Natural Open Space and Drainage) and Common Area “B” (Enhanced Natural Open space) Section 18, T15S, R12E, G&SRB&M, Pima County, Arizona, recorded by the Pima County Recorder under sequence No. 20172440197 on September 1, 2017.

EXHIBIT B

TO PETITION FOR FORMATION OF POMEGRANATE FARMS – TUCSON, LLC CFD

General Plan For The Proposed Pomegranate Farms – Tucson, LLC CFD

P
GABRIELLA CÁZARES-KELLY, RECORDER
Recorded By: LW

DEPUTY RECORDER
41

P0230
PIMA CO CLERK OF THE BOARD
PICKUP



SEQUENCE: 20212790611
NO. PAGES: 6
10/06/2021
14:09:08

Tucson, Arizona 85701

GENERAL PLAN
FOR
THE PROPOSED
WILDFLOWER COMMUNITY FACILITIES DISTRICT

TO: CLERK OF THE BOARD OF SUPERVISORS, PIMA COUNTY, ARIZONA

For the purposes of Section 48-702, Arizona Revised Statutes, as amended, the following is the general plan for the proposed, captioned district:

GENERAL AREA TO BE IMPROVED WITHIN THE PROPOSED CAPTIONED DISTRICT ("THE DISTRICT"):

All that area described in Exhibit "A" attached hereto and made a part hereof for all purposes.

GENERAL DESCRIPTION OF THE PUBLIC INFRASTRUCTURE IMPROVEMENTS FOR WHICH THE DISTRICT IS PROPOSED TO BE FORMED:

All that "public infrastructure" (as such term is defined in Section 48-701, Arizona Revised Statutes, as amended) described in Exhibit "B" attached hereto and made a part hereof for all purposes.

6

ESTIMATED COSTS OF CONSTRUCTION OR ACQUISITION OF THE PUBLIC INFRASTRUCTURE TO BE
FINANCED, CONSTRUCTED OR ACQUIRED BY THE DISTRICT:

See Exhibit "C" attached hereto and made a part hereof for all purposes.

ATTACHMENTS:

- | | | |
|-------------|----|--|
| EXHIBIT "A" | -- | Legal Description Of Property To Be Included In The District |
| EXHIBIT "B" | -- | Description of Public Infrastructure |
| EXHIBIT "C" | -- | Estimated Cost of Construction or Acquisition of Public Infrastructure |

RESPECTFULLY SUBMITTED this 27th day of September 2021.

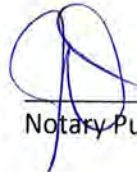
POMEGRANATE FARMS - TUCSON, LLC, a Delaware limited liability company

By: Its Managing Member, Crown West Realty, LLC, a New York limited liability company

By: 
Dean Wingert, Vice President

STATE OF ARIZONA)
)
COUNTY OF PIMA) ss.

The foregoing instrument was acknowledged before me on this 27 day of September 2021, by Dean Wingert, Vice President of Crown West Realty, LLC, a New York limited liability company, managing member of Pomegranate Farms-Tucson, LLC, a Delaware limited liability company, on behalf of the limited liability company.


Notary Public

My commission expires:

4/10/2024

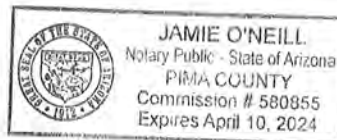


EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY TO
BE INCLUDED IN THE DISTRICT

The Final Block Plat for Wildflower Blocks 1-22 and Common Area "A" (Natural Open Space and Drainage) and Common Area "B" (Enhanced Natural Open space) Section 18, T15S, R12E, G&SRB&M, Pima County, Arizona, recorded by the Pima County Recorder under sequence No. 20172440197 on September 1, 2017.

EXHIBIT "B"

DESCRIPTION OF PUBLIC INFRASTRUCTURE

- (a) Sanitary sewage systems, including collection, transport, storage, treatment, dispersal, effluent use and discharge.
- (b) Drainage and flood control systems, including collection, transport, diversion, storage, detention, retention, dispersal, use and discharge.
- (c) Water systems for domestic, industrial, irrigation, municipal or fire protection purposes, including production, collection, storage, treatment, transport, delivery, connection and dispersal, but not including facilities for agricultural irrigation purposes unless for the repair or replacement of existing facilities when required by other improvements permitted by this article.
- (d) Highways, streets, roadways and parking facilities, including all areas for vehicular use for travel, ingress, egress and parking.
- (e) Areas for pedestrian, equestrian, bicycle or other nonmotor vehicle use for travel, ingress, egress and parking.
- (f) Pedestrian malls, parks, recreational facilities other than stadiums, and open space areas for the use of members of the public for entertainment, assembly and recreation.
- (g) Landscaping, including earthworks, structures, lakes and other water features, plants, trees and related water delivery systems.
- (h) Public buildings, public safety facilities and fire protection facilities.
- (i) Lighting systems.
- (j) Traffic control systems and devices, including signals, controls, markings and signage.
- (k) Equipment, vehicles, furnishings and other personalty related to the items listed in this paragraph.
- (l) Any and all other public infrastructure hereinafter included in the definition of such term in Section 48-701, Arizona Revised Statutes, as amended.

EXHIBIT "C"

ESTIMATED COSTS OF CONSTRUCTION OR ACQUISITION OF THE PUBLIC INFRASTRUCTURE

Estimated Costs of Project Improvements:

Description	Total Estimated Cost	Costs Not Eligible for CFD Financing	Costs Eligible for CFD Financing	Costs to be reimbursed by CFD
Regional Improvements:				
Spine Roads	\$ 6,653,547		\$ 6,653,547	\$ 6,653,547
Engineering	\$ 1,402,500		\$ 1,402,500	\$ 1,402,500
Surveying	\$ 2,406,095		\$ 2,406,095	\$ 2,406,095
On-Site Public Sewer	\$ 2,651,886		\$ 2,651,886	\$ 2,651,886
Off-Site Sewer	\$ 649,723		\$ 649,723	\$ 649,723
Public Water	\$ 4,011,843		\$ 4,011,843	\$ 4,011,843
Off-Site Water	\$ 1,609,328		\$ 1,609,328	\$ 1,609,328
Subgrade Prep for Utilities	\$ 1,798,133		\$ 1,798,133	\$ 1,798,133
Drainage	\$ 2,295,830		\$ 2,295,830	\$ 2,295,830
Dry Utilities	\$ 2,077,376	\$ 2,077,376	\$ -	\$ -
Landscaping in right of way	\$ 957,528		\$ 957,528	\$ 957,528
Public Parks, Trails, Monuments	\$ 5,900,000	\$ 3,395,300	\$ 2,504,700	\$ 2,504,700
Contingency 20%	\$ 6,482,758	\$ 1,094,535	\$ 5,388,223	\$ 5,388,223
Total Regional Improvements:	\$ 38,896,547	\$ 6,567,212	\$ 32,329,335	\$ 32,329,335
In-Tract Improvements:				
Production	\$ 85,024,000	\$ 85,024,000	\$ -	\$ -
Total In-Tract Improvements:	\$ 85,024,000	\$ 85,024,000	\$ -	\$ -
Total Improvements	\$ 123,920,547	\$ 91,591,212	\$ 32,329,335	\$ 32,329,335

APPENDIX II
TO RESOLUTION FORMING
WILDFLOWER COMMUNITY FACILITIES DISTRICT
COPY OF DEVELOPMENT AND INTERGOVERNMENTAL AGREEMENT, WITH ALL
EXHIBITS

When recorded, please return to:
Victoria Buchinger, Esq.
County Attorney's Office
32 N. Stone Avenue, Suite 2100
Tucson, Arizona 85701

DEVELOPMENT
AND INTERGOVERNMENTAL AGREEMENT
FOR
WILDFLOWER COMMUNITY FACILITIES DISTRICT
(PIMA COUNTY, ARIZONA)
by and among
PIMA COUNTY, ARIZONA,
WILDFLOWER COMMUNITY FACILITIES DISTRICT
(PIMA COUNTY, ARIZONA)
and
POMEGRANATE FARMS -- TUCSON, LLC

THIS DEVELOPMENT AND INTERGOVERNMENTAL AGREEMENT FOR WILDFLOWER COMMUNITY FACILITIES DISTRICT (PIMA COUNTY, ARIZONA) (“Agreement”), is entered into, effective as of _____, 2021 (the “Effective Date”), by and among Pima County, Arizona, a political subdivision of the State of Arizona (“County”), Wildflower Community Facilities District, a municipal corporation and political subdivision of the State of Arizona (“District”), and Pomegranate Farms – Tucson, LLC, a Delaware limited liability company (“Pomegranate Farms”) (each a “Party” and collectively the “Parties”).

1. Background and Purpose.

- 1.1 The County Board of Supervisors, on _____, 2021, (the “Formation Date”), pursuant to Pomegranate Farms’ petition, formed the District under A.R.S. §§ 48-701 through 48-725 (the “CFD Act”).
- 1.2 The District is comprised of the real property described and depicted in the attached **Exhibit A** (the “Property”).
- 1.3 Fidelity National Title Agency, Inc., an Arizona corporation, is signing this Agreement solely in its capacity as trustee under Trust No. 60471 and not in its corporate capacity (the “Trust”), to consent to its recordation on the Property. The Trust, on behalf of the Trust’s beneficiaries, is the owner of the Property. Pomegranate Farms is a beneficiary of the Trust and is the developer of the real property in the District.
- 1.4 The Property is subject to (i) the Pomegranate Farms Specific Plan, Co23-08-02 by Ordinance No. 2009-41 on May 5, 2009 and the First Amendment to Pomegranate Farms Specific Plan, Co23-08-02, by Ordinance 2017-3 on January 17, 2017, each adopted by the Board of Supervisors of the County (together, the “Pomegranate Farms Specific Plan”); (ii) the Final Block Plat for Wildflower Blocks 1-22 and Common Area “A” (Natural Open Space and Drainage) and Common Area “B” (Enhanced Natural Open Space) Section 18, T15S, R12E, G&SRB&M, Pima County, Arizona, recorded by the Pima County Recorder under sequence No. 20172440197 on September 1, 2017; and (iii) the Off-Site Roadway Improvements, along with required phasing, sequencing, and dwelling-unit triggers for the construction of the Off-Site Roadway Improvements, contained in the Off-Site Improvement Analysis for Wildflower prepared by Psomas (Project No. 7CR0130103) dated March 2017 (“Traffic Report”), which has been approved by County. A copy of the Traffic Report and County approval letter is on file in the Wildflower Specific Plan File, Co23-08-02, with the Development Services Department of the County.
- 1.5 A general plan for the District (the “General Plan”) is on file with the District Clerk, describing certain public infrastructure that the District has authority to construct or acquire. The portions of the Infrastructure that are eligible for reimbursement as provided in this Agreement are described in the attached **Exhibit B**(the “Eligible Infrastructure”).

- 1.6 The Board of Directors of the District (the “District Board”), on the Effective Date, has called an election to authorize the District Board to:
- A. Issue general obligation bonds of the District (“Bonds”) in an amount up to \$40,000,000, with an interest rate not in excess of 8%.
 - B. Annually levy, assess and collect an ad valorem property tax against all taxable property in the District at a rate sufficient to pay debt service on any issued and outstanding Bonds (the “Debt Service Tax”).
 - C. Annually levy, assess and collect an ad valorem property tax at a rate of up to \$0.30 per \$100.00 of the District’s taxable net assessed value (“NAV”) to pay the operational expenses of the District (the “O/M Tax”).
- 1.7 This Agreement is a “development agreement” under the CFD Act and A.R.S. § 11-1101 and, as between the District and the County, an “intergovernmental agreement” under A.R.S. §§ 11-951 through 11-955.
- 1.8 The Parties are entering into this Agreement, among other things, in order to establish a method by which Pomegranate Farms can submit one or more reports to the District concerning an identified, separately functional, portion of the Eligible Infrastructure (a “Project”) that has been or will be built by or on behalf of Pomegranate Farms and conveyed to the County. Projects that have been approved by the District Board and conveyed to the County are eligible for reimbursement if there are available Bond proceeds, as provided in this Agreement.
- 1.9 This Agreement is consistent with the County’s Comprehensive Plan, as applicable to the Property on the Effective Date.

2. Project Financing.

- 2.1 References to Projects. As used in this Agreement, a “Proposed Project” is a Project with respect to which Pomegranate Farms has submitted a Report as provided in Section 3 below; an “Approved Project” is a Proposed Project that has been approved by the District; a “Completed Project” is a Proposed Project that has been both approved and completed in compliance with this Agreement; and an “Accepted Project” is a Completed Project that has, under the terms of this Agreement, been accepted by the County and District and conveyed to the County.
- 2.2 Project Eligibility. In order for a Project to be eligible for reimbursement under this Agreement, it must primarily benefit the Property and be:
- A. “Public infrastructure” with the meaning of the Act;
 - B. Part of the “Eligible Infrastructure” described on **Exhibit B**;
 - C. Consistent with the General Plan and the Specific Plan;

- D. Built in compliance with applicable County standards and legal requirements, the information in the Report (as defined in Section 3 below), and all requirements in this Agreement, including specifically those in Section 4; and
- E. Completed by or on behalf of Pomegranate Farms and accepted by the County before the 25th anniversary of the Formation Date.

2.3 No District Obligation. Pomegranate Farms acknowledges and agrees that:

- A. The approval of any Report, the issuance and sale of Bonds (even when a Report that contemplates such a bond issuance has been approved), and the levy of District taxes, fees or charges, are subject to the sole, absolute and unfettered discretion of the District Board.
- B. Nothing in this Agreement creates or imposes, and no action or inaction taken at any time by the District under this Agreement can create or impose, either expressly or impliedly, any District obligation to issue or continue to issue Bonds of any amount or levy or continue to levy any tax of any type or amount.
- C. Pomegranate Farms has no, and expressly waives any future, claim or cause of action against the District or County, or any elected official, officer or employee of the District or County, related to any failure to approve a Proposed Project Report; issue Bonds, even if scheduled in an Approved Project Report; or levy any tax (except the Debt Service Tax necessary to pay debt service on outstanding Bonds).
- D. Pomegranate Farms is not now relying and will not in the future rely, for the development of the Property, on the issuance of any District Bonds, the imposition of any District taxes, assessments, or fees, or the approval of any Proposed Project Report.

2.4 Limitations on Bond Issuances. Pomegranate Farms specifically acknowledges all of the following:

- A. Target Tax Rate. The District does not intend to issue a series of Bonds if the debt service for that series, when added to the debt service of all outstanding Bonds, would cause the Debt Service Tax Rate for any year to exceed \$2.50 per one hundred dollars of NAV as of the year of issuance. To help ensure the Target Tax Rate will not be exceeded, even if property values decrease in the future, when calculating the amount of debt that may be issued, the District will use only 85% of the NAV within the District as shown on the certified tax roll for the current tax year, and will assume a delinquency factor for tax collections equal to the greater of (i) 5% and (ii) the average annual delinquency factor for the District for the previous 5 years (or since formation if less than 5 years).

- B. Terms. The District may issue Bonds in amounts, and subject to such terms and conditions as the District Board, in its sole discretion, directs, regardless of whether this is consistent with the financing plan set forth in any Report. The District intends that Bonds will have a maximum maturity of 15 years, and, except for the first series of Bonds issued, does not intend to issue any series of Bonds with a principal amount less than \$1,500,000.
 - C. Reserve Fund. A portion of the proceeds of a series of Bonds may, if the District Board in its sole discretion deems it necessary, be used to fund a reserve fund securing payment of debt service on that series of the Bonds. The amount so used will not exceed the maximum amount permitted by the Internal Revenue Code of 1986, as amended, and the related Treasury Regulations.
 - D. Other Issuances. The District, at any time, may issue and sell Bonds if the proceeds of such Bonds are, in the District Board's sole discretion, necessary to alleviate or otherwise contain a bona fide threat to public health and safety within the District or repair or replace an Accepted Project.
 - E. Marketability. The District and County make no representation or warranty that the Bonds can be sold.
3. Standby Contribution Agreements. If Pomegranate Farms requests that the District use greater than 85% of the NAV within the District as shown on the certified tax roll for the current tax year to calculate the Target Tax Rate pursuant to paragraph 2.4(A) above, the District Board may condition the issuance of any series of Bonds on the execution by Pomegranate Farms of an agreement (a "Standby Contribution Agreement"), in a form acceptable to the District Administrator, in which Pomegranate Farms agrees to pay to the District, on the date of initial issuance and delivery of the corresponding series of Bonds, and in each subsequent fiscal year of the District while any portion of those Bonds are outstanding, an amount necessary to maintain the tax rate for debt service on all outstanding Bonds at no more than \$2.50 per \$100.00 of NAV, assuming a delinquency as set forth in Section 2.4 above, and after giving credit for any balance in the debt service fund.
- 3.1 To provide adequate assurances for payment of any amounts due under a Standby Contribution Agreement, Pomegranate Farms will deposit a letter of credit in the District's name with a depository specified by the District, using a form of depository agreement acceptable to the District Administrator. The depository agreement will provide that amounts held by the depository will be paid to the District if either of the following occurs: (i) Pomegranate Farms fails to pay any amount due under the Standby Contribution Agreement after expiration of any applicable notice and cure period; or (ii) the letter of credit is terminated or expires, and Pomegranate Farms has failed to provide a substitute letter of credit.
 - 3.2 Each Standby Contribution Agreement will provide that it will terminate, and any remaining funds held by the depository will be returned to Pomegranate Farms, when one of the following occurs:

- A. The District has paid or made provision for payment in full of all outstanding Bonds of the series with respect to which that Standby Contribution Agreement was executed.
 - B. The District Administrator determines that, for each of the most recent 3 fiscal years, a levy at the rate of \$2.50 for each \$100 of NAV would have been sufficient, if applied to only 85% of the NAV of the District, to cover the debt service on all outstanding Bonds, assuming a delinquency factor as set forth in Section 2.4 above, and without credit for any debt service fund balance.
- 4. Initial Bond Issuance. Without limiting the District's sole discretion pertaining to a decision whether to issue Bonds, the District currently intends to issue the first series of Bonds no later than necessary to have the debt service tax rate of \$2.50 appear on the first tax bill applicable to any single family residential dwelling unit within the District after it is conveyed, as a single lot, to other than a homebuilder.
- 5. Proposed Project Reports.
 - 5.1 Submission. Pomegranate Farms may from time to time submit to the District a report ("Report") pertaining to a particular Project, prepared by the Pomegranate Farms Engineer and other qualified persons. "Pomegranate Farms Engineer" means a firm of professional licensed engineers, approved by the District Engineer and hired by Pomegranate Farms in compliance with the Procurement Requirements (as defined in Section 6.1 below).
 - 5.2 Contents. The Report must comply with the Act, and contain the following elements:
 - A. A detailed description of the Proposed Project, and any preliminary designs or concept plans or, if the Proposed Project has already been completed, the final plans.
 - B. A map showing the location of the Proposed Project and the area it benefits or will benefit.
 - C. An itemized estimate of the cost to design and construct the Proposed Project or, if the Proposed Project has been completed, the Engineers' Certificate described in paragraph 5.3 below.
 - D. An estimate of future maintenance costs for the Proposed Project, and a schedule showing total estimated or actual maintenance costs for all existing Approved Projects, Completed Projects, and Accepted Projects.
 - E. If the Proposed Project has not already been completed, a proposed design and construction schedule, together with an explanation of any factors that might reasonably be expected to cause a delay in either commencement or completion.

- F. Title, environmental, and any other appropriate reports showing the legal and physical condition of the real property on which the Proposed Project is or will be located, if it is not already owned by the County or District.
 - G. A financing plan, including a proposed schedule for the sale of Bonds. This must include calculations showing the estimated impact of each such Bond issuance on the Debt Service Tax rate, taking into account the estimated interest rate, the debt service on all outstanding Bonds, the timing and impact of other Bond issuances included in the financing plans of other Approved Projects, and any reasonably anticipated increases or decreases in NAV.
- 5.3 Report Review. The District Administrator will cause the submitted Report to be reviewed by the District Engineer and any other appropriate County or District staff or outside consultants. Pomegranate Farms will cooperate fully during this review process, and will provide any additional information or clarification requested. Once this review is completed, the District Administrator will cause the public hearing required by § 48-715 to be scheduled and noticed, and will present the Report to the District Board, along with a staff report and recommendation.
- 5.4 Withdrawal. Pomegranate Farms may withdraw the Report at any time before the conclusion of the public hearing. Pomegranate Farms will reimburse the District and County for any costs incurred prior to the withdrawal in reviewing the Proposed Project and Report, including compensation for staff time, and any payments to outside consultants.
- 5.5 Hearing and Board Action. After the public hearing the District Board will approve or reject the Report in its sole and unfettered discretion. Pomegranate Farms may amend or supplement the rejected Report and resubmit it as a new Report.
6. Design and Construction of Project. Pomegranate Farms will, at its sole cost and expense, cause each Project for which it intends to seek reimbursement from the District to be designed and constructed as provided below.
- 6.1 Procurement. Contracts for all engineering, design, and construction work for the Project (“Project Contracts”) will be awarded and administered in compliance with the requirements of Title 34, Arizona Revised Statutes, and the County’s Procurement Code (the “Procurement Requirements”). Pomegranate Farms will require contractors to provide the payment and performance bonds required by Title 34, and will pay contractors as provided in Title 34.
- 6.2 No Recourse to County or District. Each Project Contract must advise the contractor/vendor (“Project Contractor”) that it will have no recourse, directly or indirectly, to the District or the County for the payment of any amounts due under the Project Contract, and that Pomegranate Farms is solely liable for such payments.

- 6.3 Liabilities and Risks. As between Pomegranate Farms and the District and County, Pomegranate Farms will bear all risks, liabilities, obligations and responsibilities under the Project Contracts and all risk of loss of or damage to the Project occurring before conveyance to the County.
- 6.4 Insurance. Pomegranate Farms will cause the County and the District to be named as additional insureds on any and all liability insurance policies required under the Project Contracts.
- 6.5 Assignment of Warranties. Pomegranate Farms will provide, in each Project Contract, that it has the right to assign all its warranties, guarantees and owner's rights under the Project Contract to the District or the County, without requiring the consent of the Project Contractor.
- 6.6 County Review and Inspections. Pomegranate Farms will cause plans and specifications for the Project to be prepared and will submit them for County review and approval in accordance with the County's normal practice. After plans and specifications are approved, Pomegranate Farms will cause the Project to be constructed in compliance with the approved plans and specifications, and all applicable County standards, and in a good and workmanlike manner. The County may inspect the work as it progresses, according to normal County practices.
7. Conveyance of Completed Project and Reimbursement of Pomegranate Farms.
- 7.1 Conveyance. Pomegranate Farms will convey each Completed Project to the County, the County will accept it, and the District will pay the approved Acquisition Price from available Bond proceeds as provided below, subject to all applicable limitations and conditions in this Agreement.
- A. The County's acceptance will be subject to the requirements and conditions precedent that normally apply and are used by the County when accepting completed public infrastructure from developers, and to the County Engineer's review and approval of the documentation provided under paragraph 7.3 below.
- B. The conveyance will include fee title to or, at the County's discretion, an easement on the land on which the Completed Project was built, if it is not already owned by the County or District. The width of any rights-of-way will be as stated in the Specific Plan or according to County standards.
- C. Conveyance of the Completed Project will be accomplished using a document substantially in the form of **Exhibit C**, or another form approved by the District Engineer.
- 7.2 Acquisition Price. The "Acquisition Price" for a Completed Project is the sum of all costs incurred by Pomegranate Farms specifically for design and construction of the Completed Project, except for any costs incurred in connection with acquisition of real property interests, and any other items that **Exhibit B** identifies

as ineligible for reimbursement, or that are identified by the District Engineer as ineligible for reimbursement. The Acquisition Price will be established by the Engineers' Certificate, as defined below. The District's acceptance of the Acquisition Price will be evidenced by the District Engineer's signature on the Engineers' Certificate.

7.3 Documentation and Engineers' Certificate. With respect to each Completed Project, Pomegranate Farms will provide to the District Engineer evidence of final payment; lien releases; assignments of warranties, Project Contracts, and payment and performance bonds; a sworn certificate in the form of **Exhibit D** (the "Engineers' Certificate") signed by the Pomegranate Farms Engineer; and any other documents required by the District Administrator or District Engineer. The District Engineer will review all the documentation provided and will, if it is satisfactory, sign the Engineers' Certificate, evidencing acceptance of the Acquisition Price.

7.4 Reimbursement from Available Bond Proceeds. The District will, subject to all the conditions and limitations set forth in this Agreement, pay Pomegranate Farms the approved Acquisition Price for each Accepted Project, but only when and to the extent it has available, unrestricted Bond proceeds for that purpose. Payment by the District is not a condition precedent to Pomegranate Farms' obligation to convey the Completed Project to the County. The District's obligation to pay for an Accepted Project will expire 15 years after the project was completed, regardless of whether the entire Acquisition Price was paid. If there are not sufficient Bond proceeds to pay the entire Acquisition Price at the time of conveyance, the District may include the unpaid portion in one or more future Bond financings.

8. Administration and Operation of District.

8.1 County Maintenance of Accepted Projects; Administrative Services.

- A. The County will (i) repair and maintain all Accepted Projects; (ii) provide all staff and administrative services to the District, which does not have its own employees; and (iii) procure supplies and services for the District from outside consultants and vendors, including independent financial advisors, attorneys, bond counsel, underwriters, and engineers, using standard County procurement procedures. All the costs associated with providing all such services and supplies, including charges for staff time, are "District Expenses." "Administrative Expenses" means all District Expenses other than the cost of maintaining and repairing Accepted Projects (which are referred to in this Agreement as "Maintenance Expenses").
- B. District Expenses may be incurred by the District, or by the County on the District's behalf, subject to the District's approved budget but otherwise in the sole discretion of the District Board or District Administrator or his designees, as appropriate.

- 8.2 Payment of District Expenses. The District will, to the extent of available funds, on an annual or other administratively convenient basis, reimburse the County for District Expenses from the proceeds of the O/M Tax and the District Shortfall payments made by Pomegranate Farms under paragraph 8.3. Pomegranate Farms agrees that the District may call an election not less than three years after the date of formation of the District to increase the O/M Tax to an amount up to \$0.50 per \$100.00 of assessed valuation against all taxable property in the District. The proceeds of any O/M Tax in excess of \$0.30 shall be used exclusively for Maintenance Expenses.
- 8.3 Shortfalls. For each fiscal year during the “Shortfall Period,” as defined below, Pomegranate Farms will pay to the District any amount by which that year’s Administrative Expenses exceed the amount of O/M Tax receipts remaining after payment of that year’s Maintenance Expenses (a “District Shortfall”), provided that the District has levied or will levy for that entire fiscal year the O/M Tax at the maximum authorized rate. The “Shortfall Period” is a 30-year period commencing on the Effective Date.
- A. Pomegranate Farms, or, if approved by the District Administrator in his sole discretion, in lieu of Pomegranate Farms, a homeowners association or similar association (an “HOA”), will, on or before July 1 each year during the Shortfall Period, pay the District the amount of the District Shortfall projected in the adopted District Budget for the fiscal year beginning on July 1, plus or minus (as appropriate) any amount by which the actual shortfall in the fiscal year that ended June 30 of the previous calendar year exceeded or was less than the amount actually paid by Pomegranate Farms for that year.
 - B. Notwithstanding the foregoing, Pomegranate Farms is not obligated to pay a District Shortfall in excess of \$10,000.00 per Fiscal Year.
 - C. The District may set off any overdue District Shortfall payments against Acquisition Price payments to Pomegranate Farms.

9. Indemnification.

- 9.1 Indemnified Parties. As used in this Section, “Indemnified Parties” means the County, the District, and all County and District elected officials, officers, and employees.
- 9.2 Pomegranate Farms Indemnity. Except as set forth in the next paragraph, Pomegranate Farms will indemnify, defend, and hold each Indemnified Party harmless for, from and against any and all losses, claims, damages or liabilities, joint or several, to the extent arising in whole or in part from any alleged action or inaction related to the formation, activities or administration of the District or the carrying out of the provisions of this Agreement. This includes, but is not limited to, anything related to (i) the levy or collection of the Debt Service Tax; (ii) the

offer or sale of Bonds pursuant to an approved Report submitted by Pomegranate Farms; (iii) any alleged violation of state and federal laws that regulate the issuance and sale of securities pursuant to an approved Report submitted by Pomegranate Farms; and (iv) any Project Contract or any Approved, Completed, or Accepted Project undertaken by Pomegranate Farms, including claims of any contractor, vendor, subcontractor or supplier.

9.3 Exclusions. The above indemnity obligation does not extend to any loss, claim, damage or liability to the extent that it:

- A. Is caused by the gross negligence or willful misconduct of any Indemnified Party.
- B. Is covered by insurance (excluding any self-insurance or coverage provided pursuant to any insurance contracts obtained by the County in the course of its normal business and not specifically for District purposes) that names the District as an insured or beneficiary, or by a contractual indemnity given by another entity. Pomegranate Farms will indemnify and defend the Indemnified Party to the extent that such coverage is insufficient to fully do so, but that obligation is secondary to and in excess of the primary insurance, risk retention or other indemnification options or remedies of the Indemnified Party.
- C. Arises from a construction defect in any Accepted Project that was not known to Pomegranate Farms and is discovered one (1) year or more following acceptance by the County or District.
- D. Is caused by a breach of this Agreement by the District, County or other Indemnified Party.
- E. Arises from any District administrative activity, tax or assessment levy, or offer or sale of Bonds, that is not related to any activity of Pomegranate Farms, or to infrastructure that was constructed by Pomegranate Farms, or to infrastructure that was the subject of an approved Report submitted by Pomegranate Farms.

9.4 Defense; Notification.

- A. An Indemnified Party will promptly notify Pomegranate Farms after receiving any written claim or threat of legal action against the Indemnified Party that is covered by the above indemnity obligation. The notification will be in writing and include a copy of the claim or threat. If an Indemnified Party fails to give the required notice, Pomegranate Farms' liability on its indemnity will be reduced by, and only by, the amount of any damages attributable to that failure.
- B. If a legal action is commenced against an Indemnified Party, Pomegranate Farms may, or if requested by the Indemnified Party will, participate in the

action or defend the Indemnified Party with counsel satisfactory to the Indemnified Party and Pomegranate Farms. Except as provided below, Pomegranate Farms will not be liable for the litigation expenses, including attorney fees, if an Indemnified Party retains their own counsel after Pomegranate Farms notifies the Indemnified Party that Pomegranate Farms is electing to assume the party's defense.

- C. Pomegranate Farms will, however, pay litigation expenses, including attorney fees for counsel retained by an Indemnified Party, if Pomegranate Farms does not provide counsel when the Indemnified Party asks it to do so, or if an Indemnified Party reasonably concludes that there may be defenses available to it and/or other Indemnified Parties that are different from or additional to those available to Pomegranate Farms (in which case Pomegranate Farms shall not have the right to direct the defense of such action on behalf of such Indemnified Party).

9.5 District Indemnity. To the extent permitted by applicable law, the District will indemnify, defend and hold harmless the County and each individual Indemnified Party (the "District Indemnified Parties") for, from and against any and all liabilities, claims or demands for injury or death to persons or damage to property arising from, in connection with, or relating to the performance of this Agreement. The District is not, however, obligated to indemnify the District Indemnified Parties with respect to damages caused by the gross negligence or willful misconduct of the District Indemnified Parties. This indemnity obligation is secondary to Pomegranate Farms' obligations under Section 9.2 above.

10. Tax-Exempt Status of Bonds. No Party will knowingly take, or cause to be taken, any action that would cause interest on any Bond to be includable in gross income for federal income tax purposes of the Internal Revenue Code of 1986, as amended.

11. Disclosure.

11.1 "Disclosure statement" as used in this section means a written notice, in a form reasonably satisfactory to the District Administrator, that the Property is within the boundaries of the District, that Bonds may currently be outstanding and/or issued by the District in the future, and that the District will levy taxes to pay the debt service on Bonds and pay the administrative and operational expenses of the District.

11.2 Obligation to Provide Disclosure Statement. Pomegranate Farms, and each successor owner of any portion of the Property upon entering into a contract to sell any portion of the Property, will provide a Disclosure Statement to the purchaser, and file a copy of the Disclosure Statement, signed by the new owner, with the District Administrator. Any owner's failure to provide a purchaser with the Disclosure Statement will not relieve that subsequent owner from the obligation to pay District taxes and assessments.

- 11.3 Additional Information. Pomegranate Farms and successor developers of any portion of the Property will provide any information and documents, including audited financial statements, to the District or to any necessary repository or depository, to the extent necessary for the underwriters of the Bonds to comply with Rule 15c2-12 of the Securities Exchange Act of 1934.
12. Successors; Assignments.
- 12.1 Binding Agreement. Each Party's rights and obligations under this Agreement will inure to the benefit of, and be binding upon, its legal representatives, successors and assigns.
- 12.2 City as Successor to County. If any portion of the Property is incorporated or annexed into a municipality, that municipality will be the successor to the County's rights and obligations under this Agreement with respect to the annexed property, from and after the effective date of the annexation.
- 12.3 Right to Assign. No Party may assign its rights or obligations under this Agreement to another without the prior written consent of the other Parties, who may not unreasonably withhold that consent. Notwithstanding the foregoing, Pomegranate Farms may assign its rights and obligations under this Agreement to an affiliated entity without the prior written consent of the County and the District, but that assignment will not operate as a release of Pomegranate Farms unless the District consents to such a release in writing.
- 12.4 Sale of Individual Lots. Unless prohibited by law, this Agreement will automatically terminate as to, and will not constitute a title condition or encumbrance on, any individual lot upon conveyance of that lot to an individual purchaser (not as part of a bulk sale). In this Section, "lot" means any lot upon which a home or commercial building has been completely constructed and with respect to which a certificate of occupancy has been issued, that is shown on a recorded subdivision plat or unrecorded site plan that has been approved by the County. Any title insurer may rely on this Section when issuing any commitment or policy of title insurance to the purchaser of any individual lot.
13. Entire Agreement. This Agreement sets forth the entire understanding of the parties as to the matters addressed, as of the date this Agreement is executed. It is intended to reflect the mutual intent of the Parties, and will not be strictly construed against any Party.
14. Amendment. This Agreement cannot be altered or otherwise amended except by an instrument in writing signed by each of the Parties, except that an amendment signed by only Pomegranate Farms and the District will be effective as between Pomegranate Farms and the District, provided it does not amend any right, benefit or obligation of the County.
15. Applicable Law. This Agreement will be governed by and interpreted in accordance with the laws of the State of Arizona.

16. Waiver. The waiver by any Party hereto of any right granted to it under this Agreement shall not be deemed to be a waiver of any other right granted in this Agreement nor shall the same be deemed to be a waiver of a subsequent right obtained by reason of the continuation of any matter previously waived under or by this Agreement.
17. Counterparts. This Agreement may be executed in any number of counterparts, each of which, when executed and delivered, shall be deemed to be an original, but all of which taken together shall constitute one of the same instrument.
18. Conflict of Interest. The County and the District each have the right, within three years after its execution, to cancel this Agreement, without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the County or the District, is, at any time during that three-year period, an employee or agent of Pomegranate Farms in any capacity or a consultant to Pomegranate Farms with respect to the subject matter of this Agreement. In addition, the County and District may each recoup from Pomegranate Farms any fee or commission paid or due any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of that entity. Pomegranate Farms has not taken and will not take any action that would give rise to a right of cancellation under this paragraph.
19. Term. Unless terminated earlier by agreement of the Parties, this Agreement will automatically terminate on December 31, 2051, or on such earlier date as all authorized Bonds have been issued and then paid in full, or such later date as any Bonds outstanding as of December 31, 2051, are paid in full.
20. Notices.
- 20.1 All notices, certificates or other communications under this Agreement will be sufficiently given and will be deemed to have been received 48 hours after deposit in the United States mail in registered or certified form with postage fully prepaid addressed as follows:
- | | |
|----------------------------------|---|
| If to County
or the District: | Pima County, County Administrator
115 N. Church Ave. 2 nd Floor, Ste. 231
Tucson, Arizona 85701
(520) 724-8661 |
| With a copy to: | Pima County, County Attorney
32 N. Stone Ave., Suite 2100
Tucson, Arizona 85701-1412
(520) 724-8289 |
| If to Pomegranate Farms: | Dean Wingert
Pomegranate Farms -- Tucson, LLC
c/o Crown West Land Group
333 East Wetmore, Suite 250
Tucson, Arizona 85705
(520) 888-3962 |

With a copy to:

Jay Kramer, Esq.
Fennemore Craig P.C.
2394 East Camelback Road, Suite 600
Phoenix, Arizona 85016
(602) 916-5341

- 20.2 Any Party, by notice given in compliance with this Section, may designate different or additional addresses to which subsequent notices, certificates or other communications must be sent.
21. Severability. If a court finds that a provision of this Agreement is invalid or unenforceable, that will not invalidate or render unenforceable any other provision of the Agreement.
22. Other Obligations. This Agreement does not relieve any Party of any obligation or responsibility imposed upon it by law, and the provisions of this Agreement shall not affect the Parties' rights and obligations contained in the Traffic Report and Specific Plan.
23. Recordation. No later than ten (10) days after this Agreement is executed and delivered by each of the Parties, Pomegranate Farms will on behalf of the County and the District record a copy of this Agreement with the County Recorder of Pima County, Arizona.
24. Force Majeure. No Party will be in default under this Agreement due to a failure to observe or perform any restriction or obligation under this Agreement if the failure is due to *Force Majeure*, so long as the Party uses its best efforts to remedy with all reasonable dispatch the event or condition causing such inability and such event or condition can be cured within a reasonable amount of time. "*Force Majeure*" means any condition or event not within the control of a party obligated to perform hereunder, including, without limitation, "acts of God"; strikes, lock-outs, or other disturbances of employer/employee relations; acts of public enemies; orders or restraints of any kind of the government of the United States or any state thereof or any of their departments, agencies, or officials, or of any civil or military authority; insurrection; civil disturbances; riots; pandemics and epidemics; landslides; lightning; earthquakes; subsidence; fires; hurricanes; storms; droughts; floods; arrests; restraints of government and of people; explosion; and partial or entire failure of utilities. Failure of a Party to settle strikes, lock-outs and other disturbances of employer/employee relations or to settle legal or administrative proceedings by acceding to the demands of an opposing party, in either case when such course is in the judgment of the Party unfavorable to the Party, does not constitute failure to use its best efforts to remedy such a condition or event.
25. Legislative Acts. Notwithstanding any provision of this Agreement to the contrary, neither the District nor the County is required to do anything under this Agreement that requires a formal act of that entity's governing board until such formal act is taken. This Agreement in no way acquiesces to or obligates the County or the District Board to perform a legislative act.

26. Default.

- 26.1 Failure or unreasonable delay by any Party to perform or otherwise act in accordance with any term or provision of this Agreement for a period of thirty (30) days after written notice from any other Party of the failure or delay constitutes a default under this Agreement; provided, however, that if the failure or delay is such that more than thirty (30) days would reasonably be required to perform such action, then the Party will have such additional time as is reasonably necessary to perform or comply so long as the Party commences performance or compliance within the 30-day period and diligently proceeds to complete such performance or fulfill such obligation.
- 26.2 The default notice must specify the nature of the alleged default and the manner in which said default may be satisfactorily cured, if possible. In the event the default is not timely cured as provided above, any non-defaulting Party may exercise any legal rights or remedies for the default.

IN WITNESS WHEREOF, the officers of the County and of the District have duly affixed their signatures and attestations, and the officers of Pomegranate Farms their signatures, all as of the day and year first written above.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK;
SIGNATURE PAGES FOLLOW]

PIMA COUNTY

By: _____
Sharon Bronson, Chair of the Board of Supervisors

Date: _____

STATE OF ARIZONA)
)ss.
COUNTY OF PIMA)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021, by Sharon Bronson as Chair of the Board of Supervisors of Pima County, a political subdivision of the State of Arizona.

My commission expires:

Notary Public

(Affix Seal Here)

ATTEST:

Julie Castaneda, Clerk of the Board of Supervisors

Pursuant to A.R.S. Section 11-952(D), this Agreement has been reviewed by the undersigned attorney for the County who has determined that this Agreement is in proper form and is within the powers and authority granted pursuant to the laws of this State to the County.

Deputy County Attorney

**WILDFLOWER COMMUNITY FACILITIES
DISTRICT**

By: _____
Sharon Bronson,
Chair of the District Board of Directors

STATE OF ARIZONA)
)ss.
COUNTY OF PIMA)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021,
by Sharon Bronson as Chair of the Board of Directors of Wildflower Community Facilities
District, an Arizona community facilities district.

My commission expires:

Notary Public

(Affix Seal Here)

ATTEST:

Julie Castaneda, District Clerk

Pursuant to A.R.S. Section 11-952(D), this Agreement has been reviewed by the undersigned attorney for the District, who has determined that this Agreement is in proper form and is within the powers and authority granted pursuant to the laws of this State to the District.

Deputy County Attorney

POMEGRANATE FARMS – TUCSON, LLC, a
Delaware limited liability company

By: _____
Dean Wingert, Authorized Agent

STATE OF ARIZONA)
)ss.
COUNTY OF PIMA)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021, by Dean Wingert, the Authorized Agent of Pomegranate Farms – Tucson, LLC, a Delaware limited liability company, on behalf of the limited liability company.

My commission expires:

Notary Public

**CONSENT TO DISTRICT DEVELOPMENT, FINANCING PARTICIPATION,
WAIVER AND INTERGOVERNMENTAL AGREEMENT (WILDFLOWER
COMMUNITY FACILITIES DISTRICT)**

Fidelity National Title Agency, Inc., an Arizona corporation, in its capacity as trustee under Trust No. 60471 and not in its corporate capacity (the "Trust"), hereby signs this Agreement solely to consent to its recordation on the real property in the District.

FIDELITY NATIONAL TITLE AGENCY, INC., an
Arizona corporation, as trustee of Trust No. 60471
and not in its corporate capacity

By: _____
Rachel Turnipseed, Trust Officer

STATE OF ARIZONA)
)ss.
COUNTY OF PIMA)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021, by Rachel Turnipseed, Trust Officer of Fidelity National Title Agency, Inc., an Arizona corporation.

My commission expires:

Notary Public

EXHIBIT A

THE PROPERTY

The Final Block Plat for Wildflower Blocks 1-22 and Common Area “A” (Natural Open Space and Drainage) and Common Area “B” (Enhanced Natural Open space) Section 18, T15S, R12E, G&SRB&M, Pima County, Arizona, recorded by the Pima County Recorder under sequence No. 20172440197 on September 1, 2017.

EXHIBIT B
ELIGIBLE INFRASTRUCTURE

Description

Phase 1

- **Approximately 1 mile of South Scarlett Sage Trail roadway improvements from Valencia Road to the eastern Boundary of block 11. Includes associated drainage, dry utility, and landscape improvements.**
- **Approximately 650 feet of West Wildflower Loop from South Scarlett Sage Trail east to the east property boundary of Block 15. Includes associated drainage, dry utility and landscape improvements.**
- **Approximately 1,400 LF of offsite water.**
- **Approximately 1 mile of onsite spine water mains.**
- **Onsite water system (1 well, booster, reservoir).**
- **Approximately 1,200 LF of offsite sewer mains requiring a bore underneath Ajo Highway.**
- **Approximately 3,000 LF of onsite spine sewer mains.**

Phase 2

- **Approximately 0.5 miles of Wildflower Loop roadway improvements including drainage, dry utility and landscape improvements.**
- **Approximately 300 feet of South Dayflower roadway improvements including associated drainage, dry utility and landscape improvements.**
- **Approximately 650 feet of South Rainflower road improvements and associated drainage, dry utility and landscape improvements.**
- **Approximately 2,750 feet of onsite sewer mains.**
- **23 Acre public park and enhanced open space.**

Phase 3

- **Approximately ½ miles of Wildflower Loop roadway improvements including drainage, dry utility and landscape improvements.**
- **Approximately 2,300 feet of onsite sewer mains.**
- **Approximately 2,300 feet of onsite water mains.**
- **Approximately 7.25 acres Community Association park.**

Phase 4

- **Approximately 2/3 miles of Wildflower Loop roadway improvements including drainage, dry utility and landscape improvements.**
- **Approximately 3,000 feet of onsite sewer mains.**
- **Approximately 3,600 feet of onsite water mains.**
- **Approximately 2 acres Community Association park.**

EXHIBIT C

FORM OF CONVEYANCE INSTRUMENT

(insert description of Project)

STATE OF ARIZONA)
COUNTY OF PIMA)
WILDFLOWER COMMUNITY)
FACILITIES DISTRICT)

KNOW ALL MEN BY THESE PRESENTS THAT:

Pomegranate Farms -- Tucson, LLC (the “Developer”), in consideration of the promise to pay *[INSERT ACQUISITION PRICE]* to the Developer by Wildflower Community Facilities District, a community facilities district formed by Pima County (the “County”) and duly organized and validly existing pursuant to the laws of the State of Arizona (“District”), such amount in accordance with the hereinafter described Agreement, does by these presents grant, bargain, sell and convey, at the request of the District, to the County, all right, title and interest in and to the following described property, being the subject of the Development and Intergovernmental Agreement for Wildflower Community Facilities District (Pima County, Arizona), dated as of _____, 2021, by and among the County, the District and Pomegranate Farms, as amended from time to time (the “Agreement”), as follows:

[insert description of Project]

Together with any and all benefits, including warranties and performance and payment bonds, under the Project Contract(s) (as such term is defined in the Agreement) relating thereto, all of which are or shall be located within public rights-of-way, public utility or other public easements dedicated by map of dedication, plat, or otherwise, free and clear of any and all liens, easements, restrictions, conditions, or encumbrances affecting the same, but subject to all reservations in patents, and all easements, rights-of-way, encumbrances, liens, covenants, conditions, restrictions, obligations, leases, and liabilities or other matters as set forth on Schedule 1 hereto.

TO HAVE AND TO HOLD the above-described property, together with all and singular the rights and appurtenances thereunto in anywise belonging, including all necessary rights of ingress, egress, and regress, subject, however, to the above-described exception(s) and reservation(s), unto the County, its successors and assigns, forever; and the Developer does hereby bind itself, its successors and assigns to warrant and forever defend, all and singular, the above-described property, subject to such exception(s) and reservations unto the District or the County, its successors, and assigns, against the acts of the Developer and all others.

The Developer binds and obligates itself, its successors and assigns, to execute and deliver at the request of the District any other or additional instruments of transfer, bills of sale, conveyances, or other instruments or documents which may be necessary or desirable to evidence more completely or to perfect the transfer to the District of the above-described property, subject to the exception(s) and reservation(s) hereinabove provided.

This conveyance is made pursuant to the Agreement, and the Developer hereby agrees that the amounts specified above and paid or promised to be paid to the Developer hereunder satisfies in full the obligations of the District under such Agreement and hereby releases the District from any further responsibility to make payment to the Developer under the Agreement except as above provided.

The Developer, in addition to the other representations and warranties herein, specifically makes the following representations and warranties:

1. The Developer has the full legal right and authority to make the sale, transfer, and assignment herein provided.
2. The Developer is not a party to any written or oral contract that would prevent the execution of this Conveyance.
3. The Developer is not subject to any bylaw, agreement, mortgage, lien, lease, instrument, order, judgment, decree, or other restriction of any kind or character that would prevent the execution of this Conveyance.
4. The Developer is not engaged in or threatened with any legal action or proceeding, nor is it under any investigation that prevents the execution of this Conveyance.
5. The person executing this Conveyance on behalf of the Developer has full authority to do so, and no further official action need be taken by the Developer to validate this Conveyance.
6. The facilities conveyed hereunder are all located within property owned by the Developer, public rights-of-way or public utility or other public easements dedicated by deed, map of dedication, plat or otherwise.

IN WITNESS WHEREOF, the Developer has caused this Conveyance to be executed and delivered this ____ day of _____, 20__.

By_____

Title_____

STATE OF ARIZONA)
)ss.
COUNTY OF PIMA)

The foregoing instrument was acknowledged before me this ____ day of _____,
20__, by _____, the _____ of _____, a(n)
_____, on behalf thereof.

My commission expires:

Notary Public

EXHIBIT D

FORM OF ENGINEERS' CERTIFICATE

(insert description of project)

STATE OF ARIZONA)
COUNTY OF PIMA)
WILDFLOWER COMMUNITY)
FACILITIES DISTRICT)

Capitalized terms used in this Certificate have the meanings assigned by the Agreement described below.

We the undersigned, being Registered Engineers in the State of Arizona and, respectively, the duly appointed District Engineer for the Wildflower Community Facilities District (the "District") and the engineer employed by Pomegranate Farms -- Tucson, LLC (the "Developer"), each hereby certify for purposes of the Development and Intergovernmental Agreement for Wildflower Community Facilities District (Pima County, Arizona), dated as of _____, 2021, by and among Pima County (the "County"), the District and Pomegranate Farms, as amended from time to time (the "Agreement"), that:

1. The Project described above has been completed in accordance with plans and specifications approved by the County and the Project Contract(s) for such Project.
2. The Acquisition Price for such Project is \$_____.
3. The Developer complied with the Procurement Requirements as required by the Agreement (including, particularly but not by way of limitation, Title 34, Arizona Revised Statutes, as amended) in connection with the award of the Project Contract(s) for such Project.
4. The Developer filed all construction plans, specifications, contract documents, and supporting engineering and cost data for the construction or installation of such Project with the District Engineer and the County.
5. The Developer obtained and has supplied to the District evidence of good and sufficient performance and payment bonds or other such equivalent payment and performance financial guarantees acceptable to the District Manager and the District Engineer in connection with such Project Contract(s).

DATED AND SEALED THIS _____ DAY OF _____, 20__.

By _____
District Engineer

[P.E. Seal]

By _____
Developer's Engineer

[P.E. Seal]

ATTACHMENT C

RESOLUTION NO. WCFD 2021-01

(WILDFLOWER COMMUNITY FACILITIES DISTRICT)

A RESOLUTION OF THE DISTRICT BOARD OF WILDFLOWER COMMUNITY FACILITIES DISTRICT TAKING CERTAIN ACTIONS WITH REGARD TO ORGANIZATION OF THE DISTRICT; APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A DEVELOPMENT AND INTERGOVERNMENTAL AGREEMENT FOR WILDFLOWER COMMUNITY FACILITIES DISTRICT; AND ORDERING AND CALLING AN ELECTION WITH RESPECT TO ISSUANCE OF BONDS BY THE DISTRICT AND THE LEVY OF AN *AD VALOREM* PROPERTY TAX THEREFOR AND THE LEVY OF A SEPARATE *AD VALOREM* PROPERTY TAX ATTRIBUTABLE TO THE OPERATION AND MAINTENANCE EXPENSES OF THE DISTRICT

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF WILDFLOWER COMMUNITY FACILITIES DISTRICT as follows:

1. Findings.

a. On November 16, 2021, the Board of Supervisors of Pima County, Arizona (the “County”), adopted Resolution No. 2021-__ which, among other things, (i) ordered and declared formation of Wildflower Community Facilities District (the “District”) and (ii) approved a “general plan” for the District, which sets out a general description of the public infrastructure improvements for which the District was formed and the general areas to be improved (the “General Plan”).

b. The District is a special purpose district for purposes of Article IX, Section 19, Constitution of Arizona, a tax levying public improvement district for the purposes of Article XIII, Section 7, Constitution of Arizona, and a municipal corporation for all purposes of Title 35, Chapter 3, Articles 3, 3.1., 3.2, 4 and 5, Arizona Revised Statutes, as amended, and, except as otherwise provided in Section 48-708(B), Arizona Revised Statutes, as amended, is considered to be a municipal corporation and political subdivision of the State of Arizona, separate and apart from the County.

c. Certain matters relating to the organization of the District must be determined by the Board of Directors of the District (the “District Board”).

d. There was filed with the Clerk of the Board of Supervisors of the County a “general plan” for the District, which sets out a general description of the public infrastructure improvements for which the District was formed, the general areas to be improved the estimated costs of construction and acquisition of the public infrastructure to be financed, constructed and acquired by the District and the County (the “General Plan”).

e. Pursuant to Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended (the “Act”), and Section 11-1101, Arizona Revised Statutes, as amended, the County, the District and Pomegranate Farms – Tucson, LLC (“Pomegranate Farms”) are entering into a

“development agreement” to specify, among other things, conditions, terms, restrictions and requirements for public infrastructure (as such term is defined in the Act) and the financing of public infrastructure and subsequent reimbursements or repayments over time.

f. Pursuant to the Act and Title 11, Chapter 7, Article 3, Arizona Revised Statutes, as amended, the District and the County may enter into an “intergovernmental agreement” with one another for joint or cooperative action for services and to jointly exercise any powers common to them and for the purposes of the planning, design, inspection, ownership, control, maintenance, operation or repair of public infrastructure.

g. Pursuant to the Act, the District may also enter into an agreement with Pomegranate Farms with respect to the advance of moneys for public infrastructure purposes and the repayment of such advances and to obtain credit enhancement for, and process disbursement and investment of proceeds of, the hereinafter-described Bonds.

h. There has been placed on file with the Clerk of the Board of Supervisors of the County, acting as the designated Clerk of the District (the “District Clerk”), and presented to the District Board a Development and Intergovernmental Agreement (Wildflower Community Facilities District), to be dated as of the date of this resolution (the “Development Agreement”), by and among the County, the District and Pomegranate Farms relating to, among other things, the Bonds.

i. The District is authorized by Section 48-719, Arizona Revised Statutes, as amended, to issue and sell general obligation bonds of the District to provide moneys for public infrastructure purposes consistent with the General Plan and (2) by Section 48-709(G), Arizona Revised Statutes, as amended, to repay all or part of fees and charges collected from landowners for public infrastructure purposes, the advance of moneys by landowners for public infrastructure purposes or the granting of real property by the landowner for public infrastructure purposes from the proceeds of such bonds pursuant to agreements entered into with landowners and the County pursuant to Section 48-709(A)(10), Arizona Revised Statutes, as amended.

j. Pursuant to Section 48-723, Arizona Revised Statutes, as amended, the District is authorized to levy an *ad valorem* tax on the assessed value of all real and personal property in the District at a rate which does not exceed the maximum rate specified in the ballot with respect thereto as hereinafter described, including taxes attributable to the operation and maintenance expenses of the District, but not in excess of thirty cents (30¢) per one hundred dollars (\$100) of such assessed valuation for such operation and maintenance.

k. Such bonds may not be issued and such tax may not be levied unless approved at an election ordered and called to submit to the qualified electors of the District or to those persons who are qualified to vote pursuant to Section 48-707(G), Arizona Revised Statutes, as amended being, if no person has registered to vote within the District within fifty (50) days immediately preceding any scheduled election date, the owners of land within the District who are qualified electors of the State of Arizona and other landowners according to Section 48-3043, Arizona Revised Statutes, as amended) the question of authorizing the District Board to issue such bonds for such purposes (the “Bonds”) and to levy such tax (the “Operation and Maintenance Expenses Tax”).

2. District Officers and Consultants. The Chair and Vice Chair of the Board of Supervisors of the County are hereby appointed “Chair” and “Vice Chair” respectively, of the District Board; the County Administrator of the County is hereby appointed “District Administrator,” the Clerk of the Board of Supervisors of the County is hereby appointed the Clerk of this Board, the Finance and Risk Management Director of the County is hereby appointed “District Director of Finance” and the County Attorney of the County is hereby appointed “District Counsel.”

3. Approval of General Plan. The General Plan as previously submitted to the Clerk of the Board of Supervisors is hereby approved in all respects.

4. Development Agreement.

a. Approval of Development Agreement. The Development Agreement is hereby approved in substantially the form submitted herewith, with such changes, additions, deletions, insertions and omissions, if any, as the Chair of the District Board, with the advice of the District Administrator and the District Counsel, shall authorize, the execution and delivery of the Development Agreement to be conclusive evidence of the propriety of such document and the authority of the person or persons executing the same.

b. Completion of Development Agreement. The District Administrator or his or her designee is hereby authorized to complete the Development Agreement by including the appropriate materials as necessary therein.

c. Execution of Development Agreement. The Chair of the District Board, with the advice of the District Administrator and the District Counsel, is hereby authorized and directed to execute, and the District Clerk to attest, the Development Agreement on behalf of the District.

5. Call for Election.

a. Order and Call of Election. A special election be and the same is hereby ordered and called to be held on February 2, 2022 (the “Election”), at which time there shall be submitted to those who will be qualified electors of the District the question with respect to the Bonds and the Operations and Maintenance Expenses Tax set forth in the official ballot described in Section 5c. of this Resolution.

b. Posting and Publishing of Matters Relating to Election. The Election shall be called by posting notices in three (3) public places within the proposed boundaries of the District not less than twenty (20) days before the date of the Election in substantially the form hereto attached and marked Exhibit “A.” Notice shall also be published in the Daily Territorial, a newspaper of general circulation in the County, once a week for two consecutive weeks before the Election in substantially the form hereto attached and marked Exhibit “A.”

c. Form of Ballot. The official ballot for the Election shall be in substantially the form hereto attached and marked Exhibit “B.”

d. Polling Place. The polling place and the time the polls shall be opened and closed shall be as provided in Exhibit "A." While outside the boundaries of the District, the District Board hereby finds that such polling place is appropriate as it is the polling place for the precinct in which the area of the District is included for County-wide elections.

e. Affidavit of Landowners. Prospective electors voting in the Election shall execute an affidavit substantially in the form hereto attached and marked Exhibit "C."

f. Preparation of Ballots and Affidavits. The District Clerk is hereby authorized and directed to have printed and delivered to the election officers at such polling place such ballots and, if necessary, such affidavits, to be by them furnished to the qualified electors of the District offering to vote at the Election, in substantially the forms as hereto attached and marked Exhibits "B" and "C."

g. Compliance with Voting Rights Act of 1965. In order to comply with the Voting Rights Act of 1965, as amended, the following shall be translated into Spanish and posted, published and recorded in each instance where posting, publication and recording of such proceedings are required, to wit: Exhibits "A," "B" and "C," all absentee/early voting materials and all instructions at the polls.

h. Applicable Law. The Election shall be held, conducted and canvassed in conformity with the provisions of the general election laws of the State of Arizona, except as otherwise provided by law, and only such persons shall be permitted to vote at the Election who are the qualified electors. Absentee/early voting shall be permitted in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended.

i. Canvassing. Within fourteen (14) days after the date of the Election, the District Board shall meet and canvass the returns, and if a majority of the votes cast at the Election are in favor of issuing the Bonds and levying the Operations and Maintenance Expenses Tax, the District Board shall enter the fact on its minutes.

6. No Liability of or for the County. Neither the County nor the State of Arizona or any political subdivision of either (other than the District) shall be directly, indirectly or morally liable or obligated for the payment or repayment of any indebtedness, liability, cost, expense or obligation of the District, and neither the credit nor the taxing power of the County, the State of Arizona or any political subdivision of either (other than the District) shall be pledged therefor.

7. Severability; Amendment.

a. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, para-graph, clause or provision shall not affect any of the remaining provisions of this Resolution.

b. All resolutions or parts thereof inconsistent herewith are hereby waived to the extent only of such inconsistency.

8. Effective Date.

This Resolution shall be effective immediately.

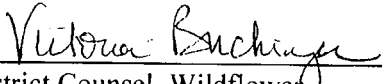
PASSED by the District Board of Wildflower Community Facilities District this 16th day of November, 2021.

Chair, District Board, Wildflower Community
Facilities District

ATTEST:

District Clerk, Wildflower Community
Facilities District

APPROVED AS TO FORM:



District Counsel, Wildflower
Community Facilities District

ATTACHMENT:

EXHIBIT "A" -- Form of Notice of Election
EXHIBIT "B" -- Form of Official Ballot
EXHIBIT "C" -- Form of Affidavit of Elector

EXHIBIT "A"

FORM OF NOTICE OF ELECTION

TO THE QUALIFIED RESIDENT AND LANDOWNER ELECTORS OF WILDFLOWER COMMUNITY FACILITIES DISTRICT (THE "DISTRICT"):

A special election to establish certain matters will be held on February 2, 2022, at the following precinct's polling place, such precinct being the precinct in which the area within the District is located:

Precinct

Polling Place

The polling place will open at 8:00 a.m. and close at 2:00 p.m.

The purpose of the election is to permit those who would be the qualified resident and landowner electors of the District to vote on the following questions:

SHALL THE DISTRICT BOARD (THE "BOARD") OF WILDFLOWER COMMUNITY FACILITIES DISTRICT (THE "DISTRICT") BE AUTHORIZED TO ISSUE GENERAL OBLIGATION BONDS OF THE DISTRICT, IN THE DENOMINATION OF THE BONDS, THE SIZE OF EACH ISSUE AND THE FORM OF THE BONDS PRESCRIBED, AND HAVING THE MATURITIES (NOT EXCEEDING FIFTEEN (15) YEARS), INTEREST PAYMENT DATES AND INTEREST RATES, WHETHER FIXED OR VARIABLE, NOT EXCEEDING EIGHT PERCENT (8%) PER ANNUM, ESTABLISHED, BY THE BOARD AND CONTAINING SUCH TERMS, CONDITIONS, COVENANTS AND AGREEMENTS AS THE BOARD DEEMS PROPER, IN THE MAXIMUM AMOUNT OF FORTY MILLION DOLLARS (\$40,000,000) TO PROVIDE MONEYS (A)(1) FOR PLANNING, DESIGN, ENGINEERING, CONSTRUCTION, ACQUISITION OR INSTALLATION OF ANY OR ALL OF THE FOLLOWING IMPROVEMENTS, INCLUDING NECESSARY OR INCIDENTAL WORK, WHETHER NEWLY CONSTRUCTED, RENOVATED OR EXISTING, AND ALL NECESSARY OR DESIRABLE APPURTENANCES ("PUBLIC INFRASTRUCTURE"): (a) SANITARY SEWAGE SYSTEMS, INCLUDING COLLECTION, TRANSPORT, STORAGE, TREATMENT, DISPERSAL, EFFLUENT USE AND DISCHARGE, (b) DRAINAGE AND FLOOD CONTROL SYSTEMS, INCLUDING COLLECTION, TRANSPORT, DIVERSION, STORAGE, DETENTION, RETENTION, DISPERSAL, USE AND DISCHARGE, (c) WATER SYSTEMS FOR DOMESTIC, INDUSTRIAL, IRRIGATION, MUNICIPAL OR FIRE PROTECTION PURPOSES INCLUDING PRODUCTION, COLLECTION, STORAGE, TREATMENT, TRANSPORT, DELIVERY, CONNECTION AND DISPERSAL, BUT NOT INCLUDING FACILITIES FOR AGRICULTURAL IRRIGATION PURPOSES UNLESS FOR THE REPAIR OR REPLACEMENT OF EXISTING FACILITIES

WHEN REQUIRED BY OTHER IMPROVEMENTS DESCRIBED HEREIN, (d) HIGHWAYS, STREETS, ROADWAYS AND PARKING FACILITIES INCLUDING ALL AREAS FOR VEHICULAR USE FOR TRAVEL, INGRESS, EGRESS AND PARKING, (e) AREAS FOR PEDESTRIAN, EQUESTRIAN, BICYCLE OR OTHER NON-MOTOR VEHICLE USE FOR TRAVEL, INGRESS, EGRESS AND PARKING, (f) PEDESTRIAN MALLS, PARKS, RECREATIONAL FACILITIES OTHER THAN STADIUMS, AND OPEN SPACE AREAS FOR THE USE OF MEMBERS OF THE PUBLIC FOR ENTERTAINMENT, ASSEMBLY AND RECREATION, (g) LANDSCAPING INCLUDING EARTHWORKS, STRUCTURES, LAKES AND OTHER WATER FEATURES, PLANTS, TREES AND RELATED WATER DELIVERY SYSTEMS, (h) PUBLIC BUILDINGS, PUBLIC SAFETY FACILITIES AND FIRE PROTECTION FACILITIES, (i) LIGHTING SYSTEMS, (j) TRAFFIC CONTROL SYSTEMS AND DEVICES INCLUDING SIGNALS, CONTROLS, MARKINGS AND SIGNAGE, (k) EQUIPMENT, VEHICLES, FURNISHINGS AND OTHER PERSONALTY RELATED TO ANY OF THE FOREGOING, AND (l) ANY AND ALL OTHER PUBLIC INFRASTRUCTURE HEREINAFTER INCLUDED IN THE DEFINITION OF SUCH TERM IN SECTION 48-701, ARIZONA REVISED STATUTES, AS AMENDED; (2) ACQUIRING, CONVERTING, RENOVATING OR IMPROVING EXISTING FACILITIES FOR PUBLIC INFRASTRUCTURE; (3) ACQUIRING INTERESTS IN REAL PROPERTY FOR PUBLIC INFRASTRUCTURE; (4) ESTABLISHING, MAINTAINING AND REPLENISHING RESERVES FROM ANY SOURCE IN ORDER TO SECURE PAYMENT OF DEBT SERVICE ON BONDS; (5) FUNDING AND PAYING FROM BOND PROCEEDS INTEREST ACCRUING ON BONDS FOR A PERIOD OF NOT TO EXCEED THREE (3) YEARS FROM THEIR DATE OF ISSUANCE; (6) PROVIDING FOR THE TIMELY PAYMENT OF DEBT SERVICE ON BONDS OR OTHER INDEBTEDNESS OF THE DISTRICT; (7) REFINANCING ANY MATURED OR UNMATURED BONDS, WITH NEW BONDS; AND (8) EXPENSES OF THE DISTRICT INCIDENT TO AND REASONABLY NECESSARY TO CARRY OUT THE PURPOSES SPECIFIED IN THIS PARAGRAPH (CLAUSES (1) THROUGH (8), BOTH INCLUSIVE, BEING "PUBLIC INFRASTRUCTURE PURPOSES") AND (B) FOR REPAYING ALL OR PART OF FEES OR CHARGES COLLECTED FROM LANDOWNERS FOR PUBLIC INFRASTRUCTURE PURPOSES, THE ADVANCE OF MONEYS BY LANDOWNERS FOR PUBLIC INFRASTRUCTURE PURPOSES OR THE GRANTING OF REAL PROPERTY BY THE LANDOWNER FOR PUBLIC INFRASTRUCTURE PURPOSES PURSUANT TO AGREEMENTS ENTERED INTO WITH LANDOWNERS AND PIMA COUNTY, ARIZONA, PURSUANT TO SECTION 48-709 (A) (10), ARIZONA REVISED STATUTES, AS AMENDED, AND IN AN AMOUNT NOT IN EXCESS OF ONE AND ONE-HALF (1 ½) TIMES THE AMOUNT OF BONDS PREVIOUSLY ISSUED BY THE DISTRICT FOR THE PURPOSE OF REFUNDING ANY BONDS ISSUED BY THE DISTRICT FOR EITHER OF THE FOREGOING PURPOSES, PAYABLE FROM AN *AD VALOREM* TAX

LEVIED AND COLLECTED ANNUALLY ON ALL TAXABLE PROPERTY IN THE DISTRICT, SUFFICIENT TO PAY DEBT SERVICE ON SUCH BONDS WHEN DUE, AS AUTHORIZED BY THE CONSTITUTION AND LAWS OF THE STATE OF ARIZONA, INCLUDING, WITHOUT LIMITATION, TITLE 48, CHAPTER 4, ARTICLE 6, ARIZONA REVISED STATUTES, TOGETHER WITH ALL AMENDMENTS AND ADDITIONS THERETO?

SHALL THE DISTRICT BOARD OF WILDFLOWER COMMUNITY FACILITIES DISTRICT (THE "DISTRICT") BE AUTHORIZED TO LEVY AND COLLECT AN ANNUAL *AD VALOREM* TAX ON THE ASSESSED VALUE OF ALL REAL AND PERSONAL PROPERTY IN THE DISTRICT AT A RATE NOT TO EXCEED THIRTY CENTS (30¢) PER ONE HUNDRED DOLLARS (\$100) OF ASSESSED VALUATION OF ALL REAL AND PERSONAL PROPERTY IN THE DISTRICT, ALL ATTRIBUTABLE TO THE OPERATION AND MAINTENANCE EXPENSES OF THE DISTRICT, IN ACCORDANCE WITH THE CONSTITUTION AND LAWS OF THE STATE OF ARIZONA, INCLUDING, WITHOUT LIMITATION, SECTION 48-723, ARIZONA REVISED STATUTES, AS AMENDED?

Absentee/early voting shall be permitted in accordance with the provisions of Title 16, Chapter 4, Article 8, Arizona Revised Statutes, as amended. Absentee/early voting information may be obtained by contacting the office of the Pima County Elections Department, 6550 South Country Club Road, District Clerk, 130 West Congress, Tucson, Arizona 85756, telephone number (520) 724-6830.

The "general plan" for the District required by Section 48-702(C)(3), Arizona Revised Statutes, as amended, is on file with the District Clerk at the same location described in the preceding paragraph.

EXHIBIT “B”

FORM OF OFFICIAL BALLOT

OFFICIAL BALLOT
SPECIAL ELECTION
WILDFLOWER
COMMUNITY FACILITIES DISTRICT
February 2, 2022

SHALL THE DISTRICT BOARD (THE “BOARD”) OF WILDFLOWER COMMUNITY FACILITIES DISTRICT (THE “DISTRICT”) BE AUTHORIZED TO ISSUE GENERAL OBLIGATION BONDS OF THE DISTRICT, IN THE DENOMINATION OF THE BONDS, THE SIZE OF EACH ISSUE AND THE FORM OF THE BONDS PRESCRIBED, AND HAVING THE MATURITIES (NOT EXCEEDING FIFTEEN (15) YEARS), INTEREST PAYMENT DATES AND INTEREST RATES, WHETHER FIXED OR VARIABLE, NOT EXCEEDING EIGHT PERCENT (8%) PER ANNUM, ESTABLISHED, BY THE BOARD AND CONTAINING SUCH TERMS, CONDITIONS, COVENANTS AND AGREEMENTS AS THE BOARD DEEMS PROPER, IN THE MAXIMUM AMOUNT OF FORTY MILLION DOLLARS (\$40,000,000) TO PROVIDE MONEYS (A)(1) FOR PLANNING, DESIGN, ENGINEERING, CONSTRUCTION, ACQUISITION OR INSTALLATION OF ANY OR ALL OF THE FOLLOWING IMPROVEMENTS, INCLUDING NECESSARY OR INCIDENTAL WORK, WHETHER NEWLY CONSTRUCTED, RENOVATED OR EXISTING, AND ALL NECESSARY OR DESIRABLE APPURTENANCES (“PUBLIC INFRASTRUCTURE”): (a) SANITARY SEWAGE SYSTEMS, INCLUDING COLLECTION, TRANSPORT, STORAGE, TREATMENT, DISPERSAL, EFFLUENT USE AND DISCHARGE, (b) DRAINAGE AND FLOOD CONTROL SYSTEMS, INCLUDING COLLECTION, TRANSPORT, DIVERSION, STORAGE, DETENTION, RETENTION, DISPERSAL, USE AND DISCHARGE, (c) WATER SYSTEMS FOR DOMESTIC, INDUSTRIAL, IRRIGATION, MUNICIPAL OR FIRE PROTECTION PURPOSES INCLUDING PRODUCTION, COLLECTION, STORAGE, TREATMENT, TRANSPORT, DELIVERY, CONNECTION AND DISPERSAL, BUT NOT INCLUDING FACILITIES FOR AGRICULTURAL IRRIGATION PURPOSES UNLESS FOR THE REPAIR OR REPLACEMENT OF EXISTING FACILITIES WHEN REQUIRED BY OTHER IMPROVEMENTS DESCRIBED HEREIN, (d) HIGHWAYS, STREETS, ROADWAYS AND PARKING FACILITIES INCLUDING ALL AREAS FOR VEHICULAR USE FOR TRAVEL, INGRESS, EGRESS AND PARKING, (e) AREAS FOR PEDESTRIAN, EQUESTRIAN, BICYCLE OR OTHER NON-MOTOR VEHICLE USE FOR TRAVEL, INGRESS, EGRESS AND PARKING, (f) PEDESTRIAN MALLS, PARKS,

RECREATIONAL FACILITIES OTHER THAN STADIUMS, AND OPEN SPACE AREAS FOR THE USE OF MEMBERS OF THE PUBLIC FOR ENTERTAINMENT, ASSEMBLY AND RECREATION, (g) LANDSCAPING INCLUDING EARTHWORKS, STRUCTURES, LAKES AND OTHER WATER FEATURES, PLANTS, TREES AND RELATED WATER DELIVERY SYSTEMS, (h) PUBLIC BUILDINGS, PUBLIC SAFETY FACILITIES AND FIRE PROTECTION FACILITIES, (i) LIGHTING SYSTEMS, (j) TRAFFIC CONTROL SYSTEMS AND DEVICES INCLUDING SIGNALS, CONTROLS, MARKINGS AND SIGNAGE, (k) EQUIPMENT, VEHICLES, FURNISHINGS AND OTHER PERSONALTY RELATED TO ANY OF THE FOREGOING, AND (l) ANY AND ALL OTHER PUBLIC INFRASTRUCTURE HEREINAFTER INCLUDED IN THE DEFINITION OF SUCH TERM IN SECTION 48-701, ARIZONA REVISED STATUTES, AS AMENDED; (2) ACQUIRING, CONVERTING, RENOVATING OR IMPROVING EXISTING FACILITIES FOR PUBLIC INFRASTRUCTURE; (3) ACQUIRING INTERESTS IN REAL PROPERTY FOR PUBLIC INFRASTRUCTURE; (4) ESTABLISHING, MAINTAINING AND REPLENISHING RESERVES FROM ANY SOURCE IN ORDER TO SECURE PAYMENT OF DEBT SERVICE ON BONDS; (5) FUNDING AND PAYING FROM BOND PROCEEDS INTEREST ACCRUING ON BONDS FOR A PERIOD OF NOT TO EXCEED THREE (3) YEARS FROM THEIR DATE OF ISSUANCE; (6) PROVIDING FOR THE TIMELY PAYMENT OF DEBT SERVICE ON BONDS OR OTHER INDEBTEDNESS OF THE DISTRICT; (7) REFINANCING ANY MATURED OR UNMATURED BONDS, WITH NEW BONDS; AND (8) EXPENSES OF THE DISTRICT INCIDENT TO AND REASONABLY NECESSARY TO CARRY OUT THE PURPOSES SPECIFIED IN THIS PARAGRAPH (CLAUSES (1) THROUGH (8), BOTH INCLUSIVE, BEING "PUBLIC INFRASTRUCTURE PURPOSES") AND (B) FOR REPAYING ALL OR PART OF FEES OR CHARGES COLLECTED FROM LANDOWNERS FOR PUBLIC INFRASTRUCTURE PURPOSES, THE ADVANCE OF MONEYS BY LANDOWNERS FOR PUBLIC INFRASTRUCTURE PURPOSES OR THE GRANTING OF REAL PROPERTY BY THE LANDOWNER FOR PUBLIC INFRASTRUCTURE PURPOSES PURSUANT TO AGREEMENTS ENTERED INTO WITH LANDOWNERS AND PIMA COUNTY, ARIZONA, PURSUANT TO SECTION 48-709 (A) (10), ARIZONA REVISED STATUTES, AS AMENDED, AND IN AN AMOUNT NOT IN EXCESS OF ONE AND ONE-HALF (1 ½) TIMES THE AMOUNT OF BONDS PREVIOUSLY ISSUED BY THE DISTRICT FOR THE PURPOSE OF REFUNDING ANY BONDS ISSUED BY THE DISTRICT FOR EITHER OF THE FOREGOING PURPOSES, PAYABLE FROM AN AD VALOREM TAX LEVIED AND COLLECTED ANNUALLY ON ALL TAXABLE PROPERTY IN THE DISTRICT, SUFFICIENT TO PAY DEBT SERVICE ON SUCH BONDS WHEN DUE, AS AUTHORIZED BY THE CONSTITUTION AND LAWS OF THE STATE OF ARIZONA, INCLUDING, WITHOUT LIMITATION, TITLE 48, CHAPTER 4, ARTICLE 6, ARIZONA REVISED STATUTES, TOGETHER WITH ALL AMENDMENTS AND ADDITIONS THERETO?

Place an "X" in the box beside the way you wish to vote.

☐ BONDS, YES

☐ BONDS, NO

SHALL THE DISTRICT BOARD OF WILDFLOWER COMMUNITY FACILITIES DISTRICT (THE "DISTRICT") BE AUTHORIZED TO LEVY AND COLLECT AN ANNUAL AD VALOREM TAX ON THE ASSESSED VALUE OF ALL REAL AND PERSONAL PROPERTY IN THE DISTRICT AT A RATE NOT TO EXCEED THIRTY CENTS (30¢) PER ONE HUNDRED DOLLARS (\$100) OF ASSESSED VALUATION OF ALL REAL AND PERSONAL PROPERTY IN THE DISTRICT, ALL ATTRIBUTABLE TO THE OPERATION AND MAINTENANCE EXPENSES OF THE DISTRICT, IN ACCORDANCE WITH THE CONSTITUTION AND LAWS OF THE STATE OF ARIZONA, INCLUDING, BUT NOT LIMITED TO, SECTION 48-723, ARIZONA REVISED STATUTES, AS AMENDED?

Place an "X" in the box beside the way you wish to vote.

☐ TAX, YES

☐ TAX, NO

EXHIBIT "C"

FORM OF AFFIDAVIT OF ELECTOR

**AFFIDAVIT OF PROSPECTIVE ELECTOR
AS TO OWNERSHIP OF LAND OR
OTHER QUALIFICATION TO VOTE
PURSUANT TO SECTIONS 16-121 AND 48-3043,
ARIZONA REVISED STATUTES, AS AMENDED**

STATE OF ARIZONA)
COUNTY OF PIMA) ss.
WILDFLOWER COMMUNITY FACILITIES DISTRICT)

COMES NOW the undersigned and deposes and says "I am (place a mark next to 1, 2 or 3 to indicate your eligibility)

1. a qualified elector in _____
2. precinct and resident at _____
where I resided at the date of my registration, OR
3. a qualified elector in _____
precinct and resident at _____
where I resided at the date of my registration, AND a qualified voter pursuant to § 48-3043 (complete section 4)
OR
4. I am an owner of land in the community facilities district to which this affidavit applies who is a qualified elector of such district; or otherwise qualified to vote pursuant to Section 48-3043, Arizona Revised Statutes, as amended (being a bona fide owner of land within the district holding title or evidence of title of record, including: an entrymen upon public lands under the public land laws of the United States or a certificate of purchase from the State of Arizona, who has held such title for ninety (90) days and who is a resident of the State of Arizona; when the holder of record title is a married person, the spouse in whose name the title stands; if record title is held in more than one name, an owner otherwise possessing the qualifications of an elector voting the number of fractions of acres represented by my legal interest or proportionate share of and in the lands; the administrator or executor of a deceased person or the guardian of a minor or an incompetent person, appointed and qualified under the laws of the State of Arizona, representing such person or estate; an officer of a corporation designated and authorized by a resolution of the Board of Directors of the corporation representing the corporation; the general partner of a partnership in whose name title to property within the district is vested as a holder of title or evidence of title, who is designated and authorized in writing by all of the general partners; or the trustee of a trust or the trustee who is designated and authorized in writing by all of the trustees of a trust in which there is more than one trustee, in whose name title to property within such district is vested as a holder of title or evidence of title)."

My vote represents _____ acres OR _____ square feet.

Signature of Affiant

Printed Name of Affiant

Printed Name of Entity Represented by Affiant, if
any

SUBSCRIBED AND SWORN to before me this _____ day of _____,
2022.

Election Board Member

TO BE COMPLETED BY AN ELECTION BOARD MEMBER ONLY:

Ballot Stub No. _____