

NOTICE AND AGENDA

ATTENTION

THIS MEETING WILL BE IN-PERSON (with a virtual option) AT CITY HALL
in COUNCIL CHAMBERS

To participate in the meeting virtually click the following link:
[Click here to join the meeting](#)

Planning & Zoning Commission meetings will be live streamed on the city's website (<https://www.flagstaff.az.gov/1461/Streaming-City-Council-Meetings>)

The public can submit comments that will be read at the dais by a staff member to CDPandZCommission@flagstaffaz.gov.

**PLANNING & ZONING COMMISSION-SPECIAL MEETING
WEDNESDAY
APRIL 19, 2023**

**COUNCIL CHAMBERS
211 WEST ASPEN AVENUE
4:00 P.M.**

1. Call to Order

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the Commission and to the general public that, at this regular meeting, the Commission may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. Roll Call

NOTE: One or more Commission Members may be in attendance telephonically or by other technological means.

MARIE JONES, CHAIR
CAROLE MANDINO, VICE CHAIR
DR. RICARDO GUTHRIE
BOB HARRIS, III

MARY NORTON
IAN SHARP
MARCHELL CAMP

3. Public Comment

At this time, any member of the public may address the Commission on any subject within their jurisdiction that is not scheduled before the Commission on that day. Due to Open Meeting Laws, the Commission cannot discuss or act on items presented during this portion of the agenda. To address the Commission on an item that is on the agenda, please wait for the Chair to call for Public Comment at the time the item is heard.

4. APPROVAL OF MINUTES

Approval of the minutes from the regular meeting on Wednesday, April 12, 2023.

5. PUBLIC HEARING

- A. **PZ-21-00126-01:** Specific Plan request, by Northern Arizona Healthcare (NAH) Corporation, of approximately 172.6 acres located at 1120 W Purple Sage Trail for the NAH Health Village currently zoned Rural Residential (RR – 74.62 acres), Estate Residential (ER – 97.76 acres), and Single Family Residential (R1 – 0.25 acres).

STAFF RECOMMENDED ACTION:

Staff believes that the proposed NAH Health Village Specific Plan is in substantial conformance with the required findings and recommends the Planning & Zoning Commission forward the request to the City Council with a recommendation approving the adoption of the NAH Health Village Specific Plan, subject to the thirteen conditions identified in the staff summary.

This is a continuation of the last public hearing. Please refer to the March 22 agenda for the original staff summaries and attachments. A new staff memo, draft development agreement, draft public open space easement, and mitigation requirements from the approved Transportation Impact Analysis are attached.

- B. **PZ-21-00126-02:** Concept Zoning Map Amendment request, by Northern Arizona Healthcare (NAH) Corporation, of approximately 98.39 acres located at 1120 W Purple Sage Trail for Phase 1 of the NAH Health Village from Rural Residential (RR – 40.47 acres) and Estate Residential (ER – 57.92 acres) to Highway Commercial (HC – 63.18 acres) and Public Facilities (PF – 35.21 acres). Of the 14 parcels included in this request, all but three (APN 112-10-036, 112-10-037, and 112-05-125) are currently within the Resource Protection Overlay (RPO). These remaining three parcels will be added to the RPO as part of this request.

STAFF RECOMMENDED ACTION:

Staff believes that the proposed Zoning Map amendment is in substantial conformance with the required findings and recommends the Planning & Zoning Commission forward the request to the City Council with a recommendation approving an amendment to the Zoning Map for a total of 93.39 acres from the Rural Residential (RR) and Estate Residential (ER) to the Highway Commercial (HC) zone for 63.18 acres and to the Public Facility zone for 35.21 acres. Additionally, three parcels (112-10-036, 112-10-037, and 112-05-125) will be added to the Resource Protection Overlay (RPO), subject to the eleven conditions in the staff report.

6. **MISCELLANEOUS ITEMS TO/FROM COMMISSION MEMBERS**

7. **ADJOURNMENT**

CERTIFICATE OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Flagstaff City Hall on 4/17/2023, at 10:00 a.m. This notice has been posted on the City's website and can be downloaded at www.flagstaff.az.gov.

Dated this 17 day of APRIL, 2023.

Tammy Bishop, Administrative Specialist



Planning & Zoning Commission

5. A.

Meeting Date: 04/19/2023

From: Tiffany Antol, Zoning Code Manager

Information

TITLE:

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This is a continuation of the last public hearing. Please refer to the March 22 agenda for the original staff summaries and attachments. A new staff memo, draft development agreement, draft public open space easement, and mitigation requirements from the approved Transportation Impact Analysis are attached.

Attachments

Staff Report

Draft Development Agreement

Draft Public Easement

Phase 1 TIA Mitigation

NAH Slides from 4-12-23



**Community Development Department
Planning and Development Services**

Date: April 13, 2023
TO: Planning and Zoning Commission
FROM: Tiffany Antol, AICP, Zoning Code Manager
Through: Michelle McNulty, Planning Director
Alaxandra Pucciarelli, Current Planning Manager
RE: NAH Health Village Phase 1 Specific Plan & Concept Zoning Map Amendment

Request:

1. **PZ-21-00126-01:** Specific Plan request, by Northern Arizona Healthcare (NAH) Corporation, for approximately 172.6 acres located at 1120 W Purple Sage Trail for the NAH Health Village currently zoned Rural Residential (RR – 74.62 acres), Estate Residential (ER – 97.76 acres), and Single Family Residential (R1 – 0.25 acres).
2. **PZ-21-00126-02:** Concept Zoning Map Amendment request, by Northern Arizona Healthcare (NAH) Corporation, of approximately 98.39 acres located at 1120 W Purple Sage Trail for Phase 1 of the NAH Health Village from Rural Residential (RR – 40.47 acres) and Estate Residential (ER – 57.92 acres) to Highway Commercial (HC – 63.18 acres) and Public Facilities (PF – 35.21 acres). Of the 14 parcels included in this request, all but three (APN 112-10-036, 112-10-037, and 112-05-125) are currently within the Resource Protection Overlay (RPO). These remaining three parcels will be added to the RPO as part of this request.

Information Requested by Commission at 4-12-23 Meeting:

1. A draft copy of the Development Agreement to be presented to Council on May 16, 2023, is attached for the Commission's review. This draft was only recently completed for noticing of the Council review on April 15, 2023.
2. A draft of the easement for the open space areas within the proposed NAH Health Village is attached for the Commission's review.
3. A list of the required Phase 1 Transportation Impact Analysis (TIA) mitigation requirements is attached for the Commission's review. This list does not reflect the current list shown in the Specific Plan. The draft conditions of approval of the Specific Plan include several conditions that require modification of the Specific Plan text. Staff will work with the applicant after a recommendation is made by the Planning & Zoning Commission to incorporate comments into a

final document. The draft Development Agreement includes the required mitigations as approved within the TIA.

4. The draft Development Agreement includes the following regarding Outdoor Fitness Equipment.

“The parties acknowledge that programming for Land Use Area 1b has not occurred beyond conceptual descriptions and depictions. NAH shall consult with the City’s Parks Section in developing plans for this area, and it must further goals and policies set forth in the City’s Parks and Recreation Organizational Master Plan (Feb. 2013). Specifically, NAH will include and maintain an outdoor fitness loop with equipment and/or small active fitness court(s) or outdoor gym (reference National Fitness Campaign website). In addition, the City and NAH will cooperate to explore grants or other funding mechanisms to assist in the implementation of these objectives.”

5. The draft Development Agreement details the required infrastructure improvements to be provided by NAH. These infrastructure improvements focus on water and sewer, stormwater, and transportation infrastructure based off of the associated impact analysis completed for each. Cost estimates for all these improvements have not yet been developed as civil engineering plans have not been submitted for review and approval. It is typical for a developer to wait until entitlements are completed to go through the expense of developing full construction documents. Construction estimates are provided in conjunction with civil engineering plans so that adequate financial assurances will be obtained prior to the issuance of permits for construction. The City holds these financial insurances to ensure that all work is completed. Some of the infrastructure improvements will be completed together such as the 16” water main extension from the project site to University Heights Drive South which will be completed as part of the overall Beulah roadway improvements. A cost estimate of the Beulah Boulevard improvements was estimated at \$45 million for the recently submitted RAISE grant.
6. NAH has agreed to cover 50% of the capital cost (including land acquisition) of the relocation of Fire Station #6 currently located on Lake Mary road. The City has agreed to cover the remaining 50% of this capital cost. The estimated cost of the new fire station is between \$8 and \$10 million dollars. The City has already identified funds for their portion of this capital improvement. Additionally, the City has agreed to cover the cost of additional equipment estimated at \$1.6 million dollars. Lastly, the City has agreed to cover the cost of the nine Fire Personnel with an estimated cost of \$1.4 million dollars annually. Funding has not yet been identified for the \$1.4 million-dollar on-going personnel costs.

Recommendations:

Staff believes that the proposed NAH Health Village Specific Plan is in substantial conformance with the required findings and recommends the Planning & Zoning Commission forward the request to the City Council with a recommendation approving the adoption of the NAH Health Village Specific Plan, subject to the following conditions:

1. The subject property shall be developed in substantial conformance with the Specific Plan and project narrative including but not limited to the density and intensity and general layouts provided except as modified herein.

2. A high-quality public amenity that serves as an active recreation feature shall be provided within the Wellness Retreat as determined by the PROSE Division Director.
3. The Specific Plan shall be revised to include all transportation improvements as required by the approved Traffic Impact Analysis (TIA) and any conditions of approval.
4. The access points for Phase 2 shown on Images 10, 12, 15, 18 & 19 are not approved. The Specific Plan shall be revised to include a note on these images that these driveways are conceptual only. Final driveway location will be determined during development review and will need to be studied in the Phase 2 TIA.
5. Image 17 shall be revised to include curb and gutter on the east side of Beulah Boulevard with a 4.5-foot bike lane and 2-foot bike buffer.
6. The Specific Plan shall be revised to reflect all required and approved engineering modifications.
7. Image 33 on the Infrastructure Phasing Plan shall be revised to relocate the sewage collection system indicated within Purple Sage Trail along the north frontage of Block G to a location outside the right-of-way. Public mains may not discharge into a private collection system. This gravity sewer must be private and placed outside of the right-of-way within a private easement and permitted separately by ADEQ. Service laterals may cross perpendicular to the right-of-way.
8. The existing aggregate trail from that point north to Lake Mary Road will be paved to facilitate year-round travel. This section of trail (approximately 370-feet), that is adjacent to Beulah Boulevard, needs to be brought up to the roadway grade so there is adequate sight distance of cyclists for vehicles traveling southbound in the right turn lane. The profile is currently too low for vehicles to adequately see cyclists.
9. The Phasing Plan in the Specific Plan shall be revised accordingly:
 - a. Phase One –Beulah Boulevard will consist of 11-foot travel lanes (not 12-foot) and the east side of the roadway will need to include curb and gutter and a 4.5-foot bike lane with a 2-foot bike buffer.
 - b. Phase One –The intersection of Beulah Boulevard and Purple Sage Trail (Intersection C) shall be designed and constructed to the grades for the future underpass at I-17 per the approval of the City Engineer. This design shall be approved by the Arizona Department of Transportation.
 - c. Phase One – FUTS and Other Multipurpose Paths: A beacons pedestrian crossing will be provided at Intersection M (parking garage driveway) crossing the west leg. A beacons pedestrian crossing at Purple Sage Trail and Getaway Trail (Intersection O) shall be studied as part of the Phase 2 TIA.
 - d. Phase One –The six (6) intersections that are listed to include conduit for a future signal need to also be designed and constructed at the correct grades for a future signal.
 - e. Phase Two – Traffic Control – Paragraph Two: Shall state, "If the above traffic signals are not required-after the hospital opening..."
 - f. Phase Two – Traffic Control – Paragraph Three: Shall state, "The original (full) TIA will need to be revised based on actual counts generated by Phase 1. Phase 1 will be considered background traffic and new trips will be estimated for the proposed Phase 2 development. Any additional mitigation required for Phase 2 that was not agreed to as part of the Phase 1 TIA or development agreement will be proposed as part of a completed TIA for Phase 2, under the original TIA scope, and will be addressed through the Phase 2 development agreement."
10. All references to paved FUTS or multimodal paths shall be revised to concrete FUTS or multimodal paths in accordance with current standards and requirements.
11. A final Specific Plan shall be provided to the City of Flagstaff in both paper and digital format with all conditions of approval incorporated. This document shall denote that it includes all required

revisions as well as include copies of both relevant ordinances and resolutions.

12. All other requirements of the Zoning Code and other City codes, ordinances, and regulations shall be met by the proposed development.
13. All terms, conditions, and restrictions detailed within the “NAH Health Village Development Agreement” must be fully satisfied.

Staff believes that the proposed Zoning Map amendment is in substantial conformance with the required findings and recommends the Planning & Zoning Commission forward the request to the City Council with a recommendation approving an amendment to the Zoning Map for a total of 93.39 acres from the Rural Residential (RR) and Estate Residential (ER) to the Highway Commercial (HC) zone for 63.18 acres and to the Public Facility zone for 35.21 acres. Additionally, three parcels (112-10-036, 112-10-037, and 112-05-125) will be added to the Resource Protection Overlay (RPO), subject to the following conditions:

1. The subject property shall be developed in substantial conformance with the approved Specific Plan and concept zoning plan (included in the Specific Plan) and combined project narrative including but not limited to the density and intensity and general layout except as modified herein.
2. All on-site and off-site transportation improvements as identified in the approved TIA shall be completed prior to issuance of the first certificate of occupancy on the Property. Assurances shall be provided prior to the issuance of any building permits.
3. The intersection of Beulah Boulevard and Purple Sage Trail shall be designed and constructed to allow for the future underpass across I-17. Final design shall be approved by the City Engineer.
4. All intersections shall be designed and constructed as “protected intersections” for enhanced bicycle and pedestrian safety as feasible subject to the City Engineer’s approval.
5. A fully staffed ladder company shall be relocated to Fire Station #6 per the approval of the Fire Department. If Fire Station #6 is not able to accommodate the new equipment and staff a new fire station shall be provided within the immediate vicinity of the existing station.
6. The Cosmic Ray Tunnel at Sheep’s Trail Crossing shall be redesigned/reconstructed to work with the Beulah Boulevard improvements that include widening the road.
7. NAH shall provide at a minimum 20-minute shuttle service daily from the Property to the nearest transit stop. This shuttle service shall be open to the public (including employees) and shall not require additional fares.
8. Foundation landscaping may be located further than 25 feet from the building to comply with Firewise landscaping requirements as recommended by the Wildfire Mitigation Analysis.
9. All other requirements of the Zoning Code and other City codes, ordinances, and regulations shall be met by the proposed development as amended within the NAH Health Village Phase 1 Specific Plan.
10. All terms, conditions, and restrictions detailed within the “NAH Health Village Development Agreement” must be fully satisfied.
11. If the property is rezoned, and the applicant fails to obtain final Civil Plan approval within two (2) years of the effective date of the rezoning ordinance, then the City may schedule a public hearing before the City Council for the purpose of causing the zoning on the Property to revert to the former classification of Rural Residential (RR) and Estate Residential (ER) in accordance with A.R.S. § 9-462.01.

Attachments:

1. Draft Development Agreement

2. Draft Open Space Easement
3. Phase 1 Transportation Impact Analysis Mitigation Requirements
4. NAH's presentation slides from 4-12-23

DRAFT

When recorded, mail to:

City Clerk
City of Flagstaff
211 W. Aspen Ave.
Flagstaff, AZ 86001

DEVELOPMENT AGREEMENT

NAH Health Village

THIS DEVELOPMENT AGREEMENT (“**Agreement**”) is entered into this ____ day of _____, 2023 by and between the City of Flagstaff, an Arizona municipal corporation (“**City**”), and Northern Arizona Healthcare Corporation, an Arizona nonprofit corporation (“**NAH**”). City and NAH may be referred to in this agreement as “**Party**” in the singular, and collectively as the “**Parties**.”

RECITALS

- A. Section 9-500.05 of the Arizona Revised Statutes authorizes the City to enter into development agreements with landowners and persons having an interest in real property in order to facilitate development of property.
- B. NAH owns approximately 172.62 acres in gross located generally north and east of the Fort Tuthill County Park, which is depicted and legally described in Exhibit “A” hereto (collectively, the “**Property**”).
- C. NAH intends to develop the Property in accordance with the Concept Zoning Map Amendment and the Phase 1 Specific Plan (defined below) for use as a regional hospital, an ambulatory care facility, medical office and administration buildings. The Specific Plan is intended to be adopted in two phases. In the first phase, the Specific Plan will serve as a regulatory document for Land Use Areas 1a, 1b, and 2b (defined in the Land Use Plan, Appendix 10), and it will provide a planning framework for all of the Planning Area.
- D. The Parties desire to enter into this Agreement in order, among other things, to facilitate development of the Property as depicted and described in the Concept Zoning Map Amendment and the Phase 1 Specific Plan.
- E. This Agreement, and the Project (defined below) described and conditioned as set forth in this Agreement, are consistent with the Flagstaff Regional Plan 2030, as amended, in effect on the Effective Date of this Agreement.
- F. NAH acknowledges that development of the Property pursuant to this Agreement will be beneficial and advantageous to NAH because it provides assurances to NAH that it will have

the ability to develop the Property in accordance with the Concept Zoning Map Amendment and the Phase 1 Specific Plan and as set forth herein.

- G. The City has an interest in ensuring that development of the Property complies with City standards for development and engineering improvements, and the City believes that development of the Property pursuant to this Agreement will result in planning, safety, and other benefits to the City and its residents.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and representations, and the mutual promises contained in this Agreement, the Parties agree as follows:

1. DEFINITIONS

The following terms shall have the meanings set forth below whenever used in this Agreement, except where the context clearly indicates otherwise:

“**City**” means the City of Flagstaff, an Arizona municipal corporation and any successor public body or entity.

“**NAH**” means Northern Arizona Healthcare Corporation, an Arizona nonprofit corporation and any successor-in-interest or assignee of Northern Arizona Healthcare Corporation as provided in in Section 6.6, below.

“**Notice**” means notice as defined in Section 6.1, below.

“**Project**” means the development of the Property for the uses, intensities, and densities, and subject to the Concept Zoning Map Amendment and the Phase 1 Development Plan and Development Standards, all as shown and described in the Phase 1 Specific Plan.

“**Property**” means all of the real property legally described in Exhibit “A” hereto.

“**Infrastructure Improvement**” means any improvement, facility, or service, together with customary improvements and appurtenances thereto, necessary to provide for public or Project needs such as: streets, alleys, pedestrian/bikeway walks or paths, storm sewers, flood control improvements, water supply and distribution facilities, sanitary sewage disposal and treatment, public utility and energy services. *See* Zoning Code § 10-80.20.160.

“**Specific Plan**” means the Phase 1 Specific Plan identified in Sections 2.1 and 3.1, below.

“**Zoning Code**” means Title 10 of the Flagstaff City Code.

2. EFFECTIVE DATE AND TERM

2.1. Effective Date. This Agreement will not become effective, and no Party will have any obligation under this Agreement, unless each of the following occurs: (a) this Agreement is executed by all Parties and recorded in compliance with A.R.S. 9-500.05(D); (b) the City enacts Ordinance No. 2023-___ amending the City's Zoning Map as defined in Zoning Code § 10-80.20.260; (c) the City enacts Ordinance No. 2023-___ adopting the NAH Health Village Specific Plan.

2.2. Term. The term of this Agreement begins on the Effective Date and automatically terminates on the fortieth (40th) anniversary of the Effective Date without necessity of any notice, agreement, or recording by or between the Parties.

3. ENTITLEMENTS

3.1. Concept Zoning Map Amendment, Phase 1 Specific Plan, and Zoning. NAH is bound by all the terms, conditions, and stipulations of Ordinance No. 2023-___ amending the City's Zoning Map and Ordinance No. 2023-___ adopting the NAH Health Village Specific Plan.

3.2. Reversion of Zoning Amendments. In addition to the provisions for reversion set forth in Ordinance No. 2023-___ and the Flagstaff City Code, NAH's failure to obtain vertical building permits (not grading) for the entirety of the Project within five (5) years of the effective date of the rezoning ordinance shall entitle the City, in its sole discretion, to conduct a public hearing for the purpose of reverting to the initial zoning on the Property to its former zoning classification, in accordance with Arizona Revised Statutes § 9-462.01. The time requirement of this Section 3.2 shall not apply to planned future expansion of the Project as described in Section III(A) of the Specific Plan.

3.3. Development Standards. For a period of five (5) years from the Effective Date, development of the Property, as well as the requirements for Improvements, will be governed by the Flagstaff Zoning Code, ordinances, regulations, rules, guidelines, and standards in effect on the Effective Date. For any development application(s) made after five (5) years from the Effective Date, the codes, ordinances, regulations, rules, guidelines, and standards in effect at the time of application, including the Specific Plan, shall apply. Regardless of the time of development, current City Engineering Standards, Building Code, Fire Code and other Code provisions, regulations, rules and guidelines shall apply to the Project.

3.4. Permits and Fees. Construction and building permit fees, fees enacted under A.R.S. § 9-463.05, and all other usual and customary fees applicable to construction within the City will apply to construction of all on-site and off-site improvements related to the Project. The amount of such fees are set at the discretion of the City, and the fees in effect at the time of any application will apply to the Project.

4. SUPPLEMENTAL TO SPECIFIC PLAN - GENERAL

4.1. Project Description; Incorporation of Concept Zoning Map Amendment, Phase 1 Specific Plan. The NAH Health Village is intended to comprise a regional hospital, an ambulatory care center (“ACC”), medical office and administration buildings as set forth in the Concept Zoning Map Amendment, Phase 1.

4.2. Open Space and Civic Space in Land Use Areas 1a and 1b.

4.2.1. Public Access to Open Space. Land Use Areas 1a and 1b, as defined in the Concept Zoning Map Amendment and Phase 1 Specific Plan, will be open to the general public, subject to a public access easement substantially in the form set forth in Exhibit “B” hereto, and incorporated by reference into the final block plat. The public access easement covering these Land Use Areas will include terms necessary to ensure public access while also protecting the Project, including uses by NAH, its employees, patients, vendors and the like. Accordingly, proposed restrictions in the public access easement will include open hours, and prohibitive language regarding camping, possession of firearms, open fires, etc.

4.2.2. Planning and Development of Land Use Area 1b. Section III(B) of the Specific Plan discusses open space and civic space within the Project. The parties acknowledge that programming for Land Use Area 1b has not occurred beyond conceptual descriptions and depictions. NAH shall consult with the City’s Parks Section in developing plans for this area, and it must further goals and policies set forth in the City’s Parks and Recreation Organizational Master Plan (Feb. 2013). Specifically, NAH will include and maintain an outdoor fitness loop with equipment and/or small active fitness court(s) or outdoor gym (reference National Fitness Campaign website). In addition, the City and NAH will cooperate to explore grants or other funding mechanisms to assist in the implementation of the objectives of this Section 4.2.2.

4.3. Residential Density. Section III(A) of the Specific Plan discusses the land use plan and program for the Project. Phase 2 of the development, if approved, will include not less than 315 residential units across the Property, and of this number, not less than ten percent (10%) or 32 dwelling units will qualify as Category 1- Permanent Affordability as defined in Division 10-30.20: Affordable Housing Incentives. Development applications consistent with the Phase 1 Specific Plan and this Section 4.3 will set forth the type, size, and location of residential units once the required rezonings have been approved. NAH shall be entitled to all development incentives defined in Division 10-30.20 for which it qualifies, including the commitment to Affordable Housing set forth in this Section 4.3.

4.4. Sustainability. Section III(L) of the Specific Plan sets forth NAH’s sustainability plan. NAH has committed to promoting sustainable design and incorporating sustainable practices, as set forth in the goals and policies of the sustainability plan, throughout the Project. In addition to following the sustainability guidelines provided within Section III(L)

of the Specific Plan, development within the Project will be subject to the following sustainability commitments:

4.4.1. Buildings will be designed to perform in the top 25th percentile (EnergyStar 75 or higher) and will be required to demonstrate first year performance within the top 25th percentile based on an initial annual energy performance report.

4.4.2. [ADDITIONAL COMMITMENTS TO BE REWORKED FOR DA]

- Providing as close to a balanced site (cut and fill) as possible
 - If all goes to plan we will be close to a net zero sum, meaning all dirt excavated gets plugged back into our site and it's surroundings
- Current calculations show an energy usage that is 15% below the EnergyStar 75 target
 - This would put us at 45% less usage than the current facility's on-peak demand
- Water demand is greatly reduced by utilizing a vacuum waste system
 - This system reduces a standard gravity waste system water usage by 10,000,000 gallons or more a year.
- Baseline heating provided by Electric not Natural Gas
 - This greatly reduces our dependency on fossil fuels
- Long term Solar Strategy
 - Portions of the 55 acre site and it's buildings will be structured to receive future solar panel arrays.

4.5. Private Shuttle Service/Transit Stops. Shuttle service to the regional hospital and ACC will begin no later than the issuance of a certificate of occupancy for any improvements within Land Use Area 2b, as defined in the Phase 1 Specific Plan. Transit stops for public transportation will be provided within Land Use Area 2b for use in the future should a public transit route be in operation. Stop locations will be determined during site planning. Private shuttle service will include, at minimum, (a) continuation of NAH's current program of providing point-to-point shuttle service from the regional hospital to Flagstaff Shelter Services facilities and other locations at no cost to riders; (b) continuation of NAH's current program of coordinating shuttle service through private providers at no cost to riders; and (c) 30-minute peak hour service when the ACC opens, and then 20-minute peak hour shuttle service between the regional hospital and one or more connections to Mountain Line, open to everyone (including employees) free of charge. The parties further agree that the foregoing private shuttle service may be replaced substituted in whole or in part through NAH's consummation of a service agreement with Mountain Line, upon written consent of the City Manager.

4.6. Fire Protection Impacts. A Fire Service Impact Assessment was completed by FACETS Consulting on December 29, 2021. This Assessment recommended that given the expansion of the urban core of Flagstaff to the South, that an analysis of Flagstaff Fire

Department fire station locations, station capacity, and service delivery depth be completed to determine if the existing station locations, apparatus housing capabilities, and emergency service capabilities are appropriate for the longer term. In response to this recommendation NAH paid the cost for the expansion of a Standards of Cover Analysis for The Property. On November 22, 2022, the City received a Community Risk Assessment and Standards of Cover Analysis, which includes a discussion of fire protection requirements for the Project. The following are recommendations from this analysis.

4.6.1. Fire Protection Capital Requirements. The Community Risk Assessment and Standards of Cover Analysis recommends that a fully staffed ladder company be relocated to Fire Station #6 located on Lake Mary Road due to the location of this high-risk facility. This Fire Station is unable to accommodate the required equipment on site and a new station within the immediate vicinity is required in order to accommodate the ladder company in this area. The City will be responsible for the capital costs associated with a new quint, engine, and Battalion Chief SUV as well as 50% of the capital costs (including land acquisition) associated with constructing a new fire station to house the resources previously located at Fire Station #6 as well as the new ladder company required to serve the Property. NAH will be responsible for the remaining 50% of capital costs (including land acquisition) associated with constructing the new fire station. The City will credit the facilities portion of NAH's fire impact fees for the hospital and ACC toward NAH's capital contribution.

4.6.2. [OMITTED]

4.6.3. Avigation Easement. Pursuant to Zoning Code Section 10-20.40.020, NAH will grant to the City an avigation easement in form approved by the City and incorporated in any final plat.

4.7. Conference Center. Section IV(B) of the Specific Plan permits meeting facilities in Land Use Areas 2a, 2b, 2c and 2d, as defined in the Specific Plan. In the event NAH submits development plans that would include construction of public meeting facilities, the parties agree such application will be subject to the City's major approval process for site plan review.

4.8. Legacy Campus. NAH's development of the Project will result in moving the Flagstaff Medical Center to the Property and away from its current location at 1200 N. Beaver Street. NAH and the City will coordinate a public participation and planning process in conjunction with community members and facilitated by a private consultant team to develop a Vision Plan for the existing medical campus. The Vision Plan will be advanced by a steering committee that represents Flagstaff's diverse community with the intention that the Vision Plan will inform the FMC-centered activity center (U3) of the Regional Plan that the City is concurrently preparing. The steering committee will be co-led by a community leader and an NAH representative, and will include City representatives. The steering committee will coordinate a public participation process that will result in a Vision Plan for the legacy campus that includes, among other things, proposed uses of the land and/or buildings at the existing medical campus, timing of redevelopment, and, if necessary, transportation impact analyses

for the proposed redevelopment. Upon completion of the steering committee's public participation and formulation of the Vision Plan, and once NAH has approved the Vision Plan, then NAH will submit the Vision Plan to the City Council for consideration and approval and as a supplement to the Regional Plan. The Vision Plan may be amended from time to time by NAH, with City Council approval in accordance with City Code, as needed to facilitate final redevelopment of the legacy campus. Notwithstanding the foregoing, in the event the City and NAH do not mutually agree on redevelopment of the existing campus under a Vision Plan, NAH retains the right to develop the existing campus as of right under then applicable provisions of the Flagstaff Zoning Code, ordinances, regulations, rules, guidelines, and standards.

4.9. Heritage Preservation. In accordance with findings and recommendations presented to and approved by the Flagstaff Heritage Preservation Commission at hearing on July 21, 2021, NAH will implement these conditions: (a) Identified stone piers/fence remains and impacted rail alignment are to be avoided; and (b) If not avoided additional archival research is to be conducted along with appropriate mitigation that can include but not limited to interpretive signage/installation(s).

5. INFRASTRUCTURE IMPROVEMENTS

The Project will include certain Infrastructure Improvements relating to drainage, water, sewer and traffic circulation. The following impact analyses are approved in connection with the Phase 1 Specific Plan and Concept Zoning Map Amendment:

- Preliminary Drainage Report and Drainage Impact Analysis, each stamped August 30, 2022 (herein collectively, the "DIA")
- Public Water & Sewer Impact Analysis stamped February 9, 2022, as amended December 5, 2022 by letter (herein, the "WSIA")
- Transportation Impact Analysis – Confined Scope 2027 Study Year stamped March 30, 2023, which includes the Hospital and Ambulatory Care Center. (herein, the "TIA")

5.1. Modifications to Infrastructure Improvements. Modifications to Infrastructure Improvements required or desirable for the Project may be necessary or advisable from time to time to adapt to the progress, sequence, and scope of development of the Project. The Parties may agree to any such modifications from time to time without the need to amend this Agreement so long as such modifications are not inconsistent with the terms of the Concept Zoning Map Amendment, Phase 1 Specific Plan or approved impact analyses.

5.2. Sequence and Construction of Infrastructure Improvements. NAH shall have the right and obligation, at any time subsequent to the Effective Date of this Agreement, to construct or cause to be constructed and installed, in accordance with the applicable rules, regulations, construction standards, and governmental review processes, all portions of the Infrastructure Improvements that relate to the portion of the Property to be developed by NAH at any given time subject to approved civil plans. NAH shall construct all Infrastructure Improvements in accordance with the approved Phasing Plan as set forth in Section III(K) of the Specific Plan. NAH shall ensure that each phase of the Project shall have improvements

designed to be fully operational and function in perpetuity without reliance on the development of future phases.

5.3. Necessary Easements. As a condition precedent of NAH's obligation to construct any Infrastructure Improvements, NAH shall have obtained any and all easements, rights of entry, or other use rights on or about all real property, other than the Property, upon, through or under which will be installed all or any portion of such improvements (collectively, the "Easements").

5.4. Right of Entry. NAH, its agents and employees, pursuant to any applicable encroachment permit issued by the City, may enter, cross, and remain upon City easements or rights-of-way to the extent reasonably necessary to facilitate such construction, or to perform maintenance or repairs of Infrastructure Improvements. NAH, promptly upon completion of construction activity, will restore City easements and rights-of-way used under an encroachment permit to their condition prior to NAH's entry and use.

5.5. Infrastructure Assurance. The parties acknowledge and agree that the City, prior to recording the final block plat or issuance of a permit for the commencement of construction in connection with the Project, shall require NAH and/or its designees, grantees, or buyers under contract, to provide appropriate assurances in such form and amount as required by City Code to assure the installation of Infrastructure Improvements as required for the Project.

5.6. Right-of-Way Acquisition. NAH shall be responsible for acquiring the right(s)-of-way necessary for all required Infrastructure Improvements. If NAH is unable to acquire the necessary rights-of-way within a reasonable timeframe and after the exercise of reasonable diligence, then NAH may request that the City initiate eminent domain proceedings to acquire the rights-of-way. A request by NAH under this paragraph shall not bind the City. The City, at its sole option, shall determine whether to proceed and upon such terms as it may determine.

5.7. Rights-of-Way Dedication. All right-of-way dedications required for the Project will be completed in conjunction with the final block plat. If the City determines in its sole discretion through additional analysis that there is excess right-of-way, then that right-of-way may be returned to NAH at no cost.

6. WATER & SEWER IMPROVEMENT REQUIREMENTS

6.1. Water & Sewer Improvement Requirements. NAH will construct, in accordance with City rules and regulations, Infrastructure Improvements as specified in the approved WSIA and as identified below.

6.2. On-Site Water & Sewer Improvements Phasing. As identified in the approved Phasing Plan as set forth in Section III(K) of the Specific Plan, construction of On-Site Water and Sewer Improvements shall be phased appropriately as provided for in this Agreement to ensure standalone water and sewer availability within each Phase. All phased on-site water and sewer infrastructure shall be designed and built in accordance with the City of Flagstaff Engineering Standards and Arizona Department of Environmental Quality. NAH agrees to

provide all on-site water and sewer systems required to support the overall development plan. Each of the development blocks will be connected to the water main within the collector or arterial roadways. The water system will be extended in coordination with the phasing and as needed for individual parcels. Except as provided in this Agreement, all required improvements must be completed and accepted by the City prior to the issuance of any certificates of occupancy for the Project.

6.3. Water Storage. NAH will construct a water storage tank and the associated waterlines to connect it to the Zone 'B' system. The tank shall store a minimum net volume of 685,000 gallons and must be placed at an elevation that will provide adequate pressure for the zone 'B' system. The City of Flagstaff has confirmed that there is sufficient storage capacity for the ACC, but anything constructed after the ACC will require the tank to be constructed prior to certificate of occupancy. The City of Flagstaff has agreed to acquire the appropriate land rights necessary to place the tank(s) and convey the water from the tanks(s) to the public distribution system. In the event the City is unable to obtain the necessary land rights, NAH will be responsible for finding an appropriate location for the 685,000-gallon water tank prior to any certificate of occupancy beyond the ACC. The City of Flagstaff is currently evaluating an upsize of the tank to approximately 2 million gallons. If requested by the City, NAH will construct an upsized water tank. Any additional costs affiliated with the upsized storage will be reimbursed by the City beyond the required 685,000 gallons.

6.4. Offsite Water Improvements. NAH will complete the remainder of the 16-inch waterline loop in pressure zone 'B'. The improvements will begin at the termination of the Phase 1 and Phase 2 waterline improvement for Fort Tuthill and connect to the existing 12-inch waterline in University Heights. The extension is approximately 9,125 linear feet and must comply with Section 13-09-001-0008A & B of the Flagstaff City Code. The City may choose to extend the waterline from West University Heights Drive South to Lake Mary Road as part of the improvement to be installed by NAH, in which case the City will credit or reimburse NAH the cost of the extension.

6.5. On-site Sewer Improvements. A private lift station and private pressure sewer line are intended to provide sewer service to future development along Purple Sage Trail (Land Use Areas 2c, 2d, and 3 as shown on Image 10 of the Specific Plan). If NAH can demonstrate through a Water Sewer Impact Analysis that other alternative sewer designs are feasible, the City will allow future development to deviate from the pressure system to a gravity system design as approved by the City of Flagstaff Water Services Division. NAH is responsible for any required property acquisition, upsizing or design to accommodate the alternative sewer design.

6.6. Sewer Reimbursement to Coconino County. The main sewer service for this project is the completed 18" sewer extension from Fort Tuthill to University Heights. The County paid for the cost to complete this infrastructure improvement and has elected to participate in the reimbursement agreement. NAH will be required to reimburse the County the cost of their proportionate share as determined by the City in the reimbursement agreement. NAH will be required to build the minimum 8" sewer lines to connect to the new 18" main.

7. STORMWATER DRAINAGE.

7.1. Stormwater Improvements. NAH shall meet all City of Flagstaff storm water, pre versus post retention, peak flow mitigation, Low Impact Development, and rainwater harvesting requirements per the approved drainage impact analysis, drainage report, and Specific Plan. The Parties agree that except as described in approved preliminary drainage report, no off-site infrastructure improvements are required other than to serve the Project.

8. TRANSPORTATION IMPROVEMENTS

8.1. Transportation Improvements. NAH will construct, in accordance with all applicable City, State, and Federal rules, regulations, and design standards the Transportation Improvements as specified in the approved TIA and as identified below.

8.1.1. On-Site Transportation Improvements. NAH will be responsible for all transportation improvements within the Property as set forth in the TIA approved with conditions and as shown on the approved NAH Health Village Block Plat and Specific Plan including but not limited to curb, gutter, sidewalks, pedestrian ways, multi-modal paths, FUTS trails, bicycle ways, medians, and turn lanes. On-site improvements include all property frontage improvements along Beulah Boulevard, Woody Mountain Boulevard, and Purple Sage Trail. All on-site transportation improvements shall be completed prior to the issuance of the first certificate of occupancy within the Project, unless otherwise approved by the City Engineer. The following intersection improvements are included in the on-site transportation improvements:

- Signalized intersection for Beulah Blvd and Woody Mountain Rd
- Stop-Controlled intersection for Beulah Blvd and Main Entrance of the Hospital and ACC to include underground utilities for a future signal and to be constructed with correct approach grades and signal ramp slopes.
- Re-alignment of Purple Sage Rd
- Signalized intersection at Beulah Blvd and the re-aligned Purple Sage Rd to include construction at the correct grades for a future underpass at I-17
- Improvements to the intersection of Beulah Blvd and Infantry Rd (current Purple Sage Rd) to include underground utilities for a future signal and to be constructed with correct approach grades and signal ramp slopes.
- Improvements to the Cosmic Ray Tunnel on Sheep Crossing Trail to accommodate the widening of Beulah Blvd
- Internal intersection improvements as determined by the TIA

Commented [A1]: NAH to propose alternate language:

Proposed alternative language would add (maybe 8.1.1.1):
"Upon notice from the City that it is preparing to move forward with an I-17 underpass, NAH shall construct improvements at the Beulah/Purple Sage intersection, including grading and underground utilities as specified by the City and necessary to accommodate the underpass. NAH's obligation to construct these improvements will be to the same extent as any on-site transportation improvement set forth in this section, with only the timing of the improvement to be determined later by the City."
Alternatively, we could leave the language as is and just add something like: "Notwithstanding the requirements of the first paragraph of this section pertaining to the issuance of a certificate of occupancy, the City may allow Nah to delay improvements t the intersection of Beulah and Purple Sage until such as as the City notifies NAH of its intent to proceed with the I-17 underpass."

8.1.2. Off-Site Transportation Improvements. Prior to issuance of a certificate of occupancy for the hospital or ACC unless otherwise approved by the City Engineer, NAH, at its cost, shall have constructed and dedicated to the City, and the City shall have accepted, the Off-Site Traffic Improvements. NAH will be responsible for certain off-site improvements as identified within the TIA including:

- Widening Beulah Blvd from University Heights Drive N/Lake Mary Road to JW Powell Blvd to a 4-lane cross section with 10-foot FUTS and 5-foot parkway on the west side, buffered bicycle lanes, a median, drainage improvements, and curb and gutter on the east side.
- Improvements to the intersection of Beulah Blvd and McConnell Dr to include:
 - Addition of a second westbound left turn lane
 - Restriping the eastbound left turn lane to add storage capacity
 - Make the driveway into Walmart right in/right out
 - Restrict the lefts out of the driveway at the Comfort Inn 1-17 & I40
- Improvements to the intersection of Beulah Blvd and Woodlands Village Blvd:
 - Addition of a second northbound left turn lane and extending the storage
- Improvements to the intersection of Beulah Blvd and University Heights Dr N/Lake Mary Rd:
 - Configuring the dedicated northbound right turn lane into a shared through/right turn lane
 - Configuring the westbound channelized right turn lane into a dedicated right turn lane
 - Addition of northbound and southbound buffered bicycle lanes.
- Improvements to the intersection of Beulah Blvd and University Heights Dr S:
 - Addition of a signal,
 - Addition of a new northbound left turn lane
 - Addition of a second northbound and southbound through lane
 - Addition of northbound and southbound buffered bicycle lanes
 - Providing dedicated eastbound left and right turn lanes
- Re-alignment of Mountain Dell Rd and improvements to the intersection of Beulah Blvd and the re-aligned Mountain Dell Rd:
 - Addition of underground utilities for a future signal and intersection constructed with correct approach grades and signal ramp slopes
 - Addition of a new southbound right turn lane
 - Addition of a new northbound left turn lane
 - Addition of a second northbound and southbound through lane
 - Addition of a northbound and southbound buffered bicycle lanes
 - Providing an eastbound left turn refuge lane for at least one vehicle on Beulah Blvd
- Improvements to the intersection of Beulah Blvd and Fairgrounds Rd:
 - Addition of underground utilities for a future signal and intersection constructed with correct approach grades and signal ramp slopes
 - Addition of a second northbound and southbound through lane
 - Addition of a northbound and southbound buffered bicycle lanes

- Improvements to the roundabout at Beulah Blvd and JW Powell Blvd:
 - Addition of a westbound right by-pass/U-turn lane adjacent to the dual roundabouts
 - Addition of a southbound left turn approach lane and a second eastbound receiving lane
 - Addition of a north leg receiving lane and transitioning bicycle lanes and buffers into the roundabout
- Improvements to the roundabout at JW Powell Blvd and the I-17 southbound ramps:
 - Addition of a southbound right by-pass/U-turn lane adjacent to the dual roundabouts
 - Addition of an eastbound right to southbound channelized right turn lane and a south leg receiving lane
- Improvements to the intersection of JW Powell Blvd and the I-17 northbound ramps:
 - Addition of a single lane roundabout with two approach lanes northbound and eastbound, and one approach lane westbound, and, if necessary, bicycle and pedestrian facilities

8.2. Phased Transportation Impact Analysis. The proposed NAH Health Village entitlements will be approved in two phases. The first phase includes the Hospital, ACC, affiliated medical offices, and wellness retreat. The Phase 1 TIA has been approved in conjunction with the Phase 1 Concept Zoning Map Amendment and Specific Plan. Phase 1 required transportation mitigation has prioritized improvements within the Project and the immediate surrounds over regional improvements. Within one year of completion of the initial build out of the hospital and ACC, NAH shall submit a transportation impact analysis evaluating the Beulah and University Heights Drive N/Lake Mary Road intersection. If the intersection needs additional mitigation, NAH will undertake that mitigation immediately. An approved Phase 2 TIA will be required prior to processing of the Phase 2 Concept Zoning Map Amendment and Phase 2 Specific Plan for the remainder of the NAH Health Village.

8.3. Continuing Cooperation Between the City and NAH. The City will work in cooperation with NAH, and support where feasible NAH's efforts, if any, to seek grants to support regional traffic improvements. Specific grant opportunities may include, but are not limited to, Safe Street and Roads for All (SS4A) grants, Bridge Investment Program grants, RAISE grants, and Bus Rapid Transit (BRT) grants. Additional funding for Transportation Improvements may become available through the Arizona Department of Transportation or other sources. To the extent feasible, the City and NAH will cooperate to schedule Transportation Improvements in order to take advantage of any third-party funding opportunities.

9. DEFAULT; REMEDIES

- 9.1. Events Constituting Default. A party hereunder shall be deemed to be in default under this Agreement if such party breaches any obligation required to be performed by the

respective party hereunder within any time period required for such performance and such breach or default continues for a period of thirty (30) days after written notice thereof from the party not in default hereunder; provided, however, that if the nature of the default is such that it cannot reasonably be cured within the 30-day period, no default shall be deemed to exist if the party failing to perform commences a cure within such 30-day period and thereafter diligently and expeditiously pursues such cure to completion within sixty (60) days.

- 9.2. Dispute Resolution. In the event that there is a dispute hereunder which the parties cannot resolve between themselves, the parties agree that there shall be a forty-five (45) day moratorium on litigation during which time the parties agree to attempt to settle the dispute by nonbinding mediation before the commencement of litigation. The mediations shall be held under the commercial mediation rules of the American Arbitration Association. The mediator selected shall have at least five (5) years' experience in mediating or arbitrating disputes relating to commercial property development. The costs of any such mediation shall be divided equally between the City and NAH or in such other fashion as the mediator may order. The results of the mediation shall be nonbinding on the parties and any party shall be free to initiate litigation upon the conclusion of mediation.
- 9.3. NAH's Remedies. In the event that the City is in default under this Agreement and fails to cure any such default within the time period required therefore as set forth in Section 8.1 above, then, in that event, in addition to all other legal and equitable remedies which NAH may have, NAH may terminate this Agreement by written notice delivered to the City.
- 9.4. City's Remedies. In the event that NAH is in default under this Agreement, and NAH thereafter fails to cure any such default within the time period described in Section 6.1 above, then, in that event, in addition to all other legal and equitable remedies which the City.
- 9.5. Development Rights in the Event of Termination. Upon the termination of this Agreement as provided herein, NAH shall have no rights to develop the Property pursuant to this Agreement.
- 9.6. No Personal Liability. No current or former member, manager, officer, director, agent, representative, official, employee or other natural person of the City or NAH when acting within the scope of their official capacity shall be personally liable (a) in the event of any default or breach by the City or NAH, as applicable; (b) for any amount which may become due to the nonbreaching party or its successor or assign; or (c) pursuant to any obligation of the City or NAH, as applicable, under the terms of this Agreement.

9.7. **Liability and Indemnification.** NAH shall indemnify, protect, defend and hold harmless the City, its Council members, officers, employees, and agents for, from and against any and all claims, demands, losses, damages, liabilities, fines, charges, penalties, administrative and judicial proceedings and orders, judgments, remedial actions of any kind, including, without limitation, reasonable attorney's fees and costs of defense arising, directly or indirectly, in whole or in part, out of the performance of this Agreement by City or NAH, or nonperformance of this Agreement by the City or NAH.

10. GENERAL PROVISIONS

10.1. **Notice.** Any notice required or permitted to be given under this Agreement must be in writing and will be deemed to have been given if (a) delivered during normal business hours to the Party at the address(es) set forth below; (b) deposited in the U.S. Mail, registered or certified, return receipt requested, with sufficient postage, to the address(es) set forth below; or (c) given to a recognized and reputable overnight delivery service, for overnight delivery, with payment for all required charges, to the address(es) set forth below.

If to City:

City of Flagstaff
Attn: City Manager
211 W. Aspen Ave.
Flagstaff, AZ 86001

Copy to:

City of Flagstaff
Attn: City Attorney
211 W. Aspen Ave.
Flagstaff, AZ 86001

If to NAH:

Northern Arizona Healthcare Corp.
Attn: Chief Executive Officer
1200 N. Beaver St.
Flagstaff, AZ 86001

Copy to:

Northern Arizona Healthcare Corp.
Attn: Chief Legal Officer
1200 N. Beaver St.
Flagstaff, AZ 86001

Notices will be deemed received (a) when delivered to the Party; (b) three business days after being sent by U.S. Mail; or (3) the following business day after being sent by overnight delivery service. The notice recipients and addresses may be updated from time to time by either Party by giving Notice as required in this Section.

10.2. Incorporation of Recitals. Each of the recitals set forth at the beginning of this Agreement is incorporated into this Agreement as though fully set forth herein.

10.3. Entire Agreement; Incorporation of Exhibits. This Agreement, including the following exhibits which are incorporated in this Agreement by reference, constitutes the entire agreement between the parties and supersedes any prior written or oral understandings or agreements between the parties. This provision applies only to the entirety of this Agreement; additional and separate zoning stipulations and agreements with the City may apply to the Property, and this provision has no effect on them.

Exhibit "A" Legal Descriptions
Exhibit "B" Public Access Easement

10.4. Amendment. This Agreement may be amended, in whole or in part, and with respect to all or any portion of the Property, only with the mutual, written consent of the Parties. The City shall record any amendment pursuant to A.R.S. § 9-500.05(D).

10.5. Successors and Assigns. The rights and obligations of the Parties under this Agreement are covenants that run with the land. This Agreement will inure to the benefit of and be binding upon the Parties' respective successors and assigns.

10.5.1. Restriction on Assignment by NAH. Until completion of construction of the Project, the right of NAH to assign its rights, duties, and obligations under this Agreement is limited to the following:

10.5.1.1. An assignment made by NAH as security in connection with obtaining financing and the exercise of lender remedies with respect thereto;

10.5.1.2. An assignment of rights and obligations of NAH under this Agreement to a person or entity reasonably acceptable to and approved by the City; provided, however, that if NAH retains an ownership interest in and management control over such entity, then in that event the City's prior approval shall not be required; or

10.5.1.3. An assignment of rights and obligations of NAH under this Agreement to a corporation, partnership, joint venture, limited liability company, trust, or other legal entity that is controlled by, or under common control with, or which controls, NAH.

With the exception of those instances set forth above, NAH shall not transfer or assign any part of its rights or obligations arising under this Agreement without the prior written approval of the City, which approval shall not be unreasonably withheld, conditioned, or delayed. After the completion of the construction of the Project, NAH may assign this Agreement to any purchaser without the City's consent, provided that the City is timely notified of such assignment. The restrictions on NAH's right to transfer or assign rights and obligations under this Agreement shall not apply to, and shall not restrict, NAH's ability to lease or sublease all or part of the Property, in which event NAH shall remain in privity with the City to exercise its rights and fulfill its obligations under this Agreement. Notwithstanding anything contained in the foregoing to the contrary, no assignment of this Agreement or any specific rights, obligation, or duties of NAH under this Agreement shall release NAH, its successors, or assigns, from its obligations hereunder, unless specifically agreed to by the City.

10.5.2. Restriction on Assignment by City. The City may not transfer or assign all or any part of its rights and obligations under this Agreement without the prior written consent of NAH, which consent may not be unreasonably withheld, conditioned, or delayed.

10.6. Time of the Essence. Time is of the essence in implementing the terms of this Agreement.

10.7. Waiver. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by the Parties of the breach of any provision of this Agreement shall be construed as a waiver of any preceding or succeeding breach of the same or of any other provision of this Agreement.

10.8. Governing Law; Venue; Fees & Costs. This Agreement will be interpreted and enforced under the laws of the State of Arizona. This Agreement has been made and entered into in Coconino County, Arizona, and any lawsuit to dispute or enforce any provision of this Agreement must be brought in Coconino County, Arizona. If legal action by any Party is brought because of a default of this Agreement or to enforce a provision of this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees and court costs.

10.9. Headings and Terms. The descriptive headings of the sections and paragraphs of this Agreement are inserted for convenience only and shall not control or affect the meaning

or construction of any of the provisions of this Agreement. Common nouns and pronouns will be deemed to refer to the masculine, feminine, neuter, singular and plural, as the identity of the person in context requires, and the words “person” and “party” will include a corporation, limited liability company, partnership proprietorship, or other form of association.

10.10. Severability. If any provision of this Agreement, or the application thereof to any person or circumstance, is determined to be invalid or unenforceable to any extent, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is so determined invalid or unenforceable, will not be affected thereby, and each provision hereof will be valid and will be enforced to the fullest extent permitted by law.

10.11. Recordation of Agreement and Subsequent Amendment. The City will record this Agreement in the Official Records of Coconino County no later than ten (10) days after the City and NAH execute the Agreement, as required by A.R.S. § 9-500.05.

10.12. No Partnership. The Parties acknowledge the Project will be developed as private property, that no Party is acting as the agent of any other Party in any respect, and that each Party is an independent contracting entity with respect to the terms, covenants, and conditions contained in this Agreement. None of the terms or provisions of this Agreement are intended to create a partnership or other joint enterprise between the Parties.

10.13. Cancellation for Conflict of Interest. This Agreement is subject to the cancellation provisions of A.R.S. § 38-511.

10.14. Authority. The undersigned represent to each other that they have full power and authority to enter into this Agreement, and that all necessary actions have been taken to give full force and effect to this Agreement. NAH represents and warrants that it is duly formed and validly existing under the laws of the State of Arizona and that it is duly qualified to do business in the State of Arizona and is in good standing under applicable state laws. NAH and the City warrant to each other that the individuals executing this Agreement on behalf of their respective Parties are authorized and empowered to bind the Party on whose behalf each individual is signing. NAH represents to the City that by entering into this Agreement, NAH has bound the Property and all persons and entities having any legal or equitable interest therein to the terms of this Agreement.

10.15. Counterparts. This Agreement may be executed in any number of counterparts, each of which will constitute an original, but all of which will constitute one and the same agreement.

10.16. No Third-Party Beneficiaries. No term or provision of this Agreement is intended to, or shall, be for the benefit of any person not a Party hereto. No third party may claim any right under, or seek to enforce, this Agreement.

10.17. Compliance with All Laws. NAH will comply with all applicable Federal, State, and County laws, as well as with all applicable City ordinances, regulations and policies.

11. WAIVER OF CLAIM FOR DIMINUTION OF VALUE

NAH waives and fully releases any and all financial loss, injury, claims, and causes of action that NAH may have, now or in the future, for any “diminution of value” and for any “just compensations” under the Private Property Rights Protection Act, codified in A.R.S. §§ 12-1131 through 12-1138 (the “Act”), in connection with the application of the City’s existing land use laws. This waiver constitutes a complete release of any and all claims and causes of action that may arise or may be asserted under the Act with regard to the subject Property. NAH will indemnify, hold harmless, and defend the City, its officers, employees, and agents, from any and all claims, causes of action, demands, losses, and expenses, including attorney’s fees and litigation costs, that may be asserted by or may result from any of the present or future owners of any interest in the Property seeking potential compensation, damages, attorney’s fees, or costs under the Act that they may have, as a result of the application of the City’s existing land use laws including Ordinance 2023-XX, upon the property.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the City and NAH have caused this Agreement to be executed by their duly authorized representatives.

City of Flagstaff

Northern Arizona Healthcare Corp.

Becky Daggett, Mayor

Joshua Tinkle, President & CEO

Attest:

Stacy Saltzburg, City Clerk

Approved as to form and authority:

Sterling Solomon, City Attorney

STATE OF ARIZONA)
) ss.
County of Coconino)

On this the ____ day of _____, 2023, before me, the undersigned Notary Public, personally appeared Becky Daggett, Mayor of the City of Flagstaff, known to me or satisfactorily shown to be the person whose signature appears above, and acknowledged to me that he executed the foregoing Development Agreement for the purposes therein contained.

Seal: _____
Notary Public

STATE OF ARIZONA)
) ss.
County of Coconino)

On this the ____ day of _____, 2023, before me, the undersigned Notary Public, personally appeared Joshua Tinkle, President & CEO of Northern Arizona Healthcare Corporation, known to me or satisfactorily shown to be the person whose signature appears above, and acknowledged to me that she executed the foregoing Development Agreement for the purposes therein contained.

Seal: _____
Notary Public

Exhibit A
Legal Description of Property

Exhibit A-1
Legal Description of Land Use Areas 1a and 1b

Exhibit A-2
Legal Description of Land Use Area 2b

Exhibit B
Public Access Easement

DRAFT

When recorded, mail to:
Aspey, Watkins & Diesel, PLLC
Attn: Whitney Cunningham
123 N. San Francisco St, Suite 300
Flagstaff, Arizona 86001

EXEMPTION: ARS Section 11-1134(A)2

DECLARATION OF PUBLIC ACCESS EASEMENT

This PUBLIC ACCESS EASEMENT (the “Easement”) is made this ____ day of 2022, by NORTHERN ARIZONA HEALTHCARE CORPORATION, an Arizona non-profit corporation, (the “Grantor”) and the CITY OF FLAGSTAFF, a municipal corporation, organized and existing under and by virtue of the laws of the State of Arizona (the “City”), in favor of the General Public (the “Public”).

RECITALS

WHEREAS Grantor is the owner of that certain parcel of land situated in the City of Flagstaff, State of Arizona, more particularly described and set forth in Exhibit “A” attached hereto and incorporated by reference herein (the “Open Space Parcel”); and

WHEREAS as part of its development of its Health Village concept, the Grantor desires to provide an open space for pedestrian access and use for the Public, subject to the conditions and limitations herein.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing and the mutual promises and covenants contained herein, and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree as follows:

- 1. Grant of Easement.** Grantor hereby grants to the Grantee, in favor of the Public, a non-exclusive easement over the entire Open Space Parcel for pedestrian access and use, subject to the terms herein.
- 2. Allowed Uses.** The Public may utilize the Open Space Parcel for passive outdoor recreational and educational opportunities, subject to the terms and limitations contained herein.
- 3. Motorized Use Prohibited.** Motorized travel on the Open Space Parcel by the Public is prohibited.

4. Easement Hours. The Open Space Parcel may be used by the Public pursuant to this instrument only during those times when the Open Space Parcel is open to the Public, as the Grantor may decide from time to time. Grantor reserves the right to impose reasonable open hour restrictions regarding the use of the Open Space Parcel and Grantor shall post such hours on the Open Space Parcel.

5. Maintenance Restrictions. Grantor reserves the right to impose reasonable restrictions on the Public's use of the Open Space Parcel to enable Grantor to repair and maintain the Open Space Parcel and any improvements thereon provided that such restrictions do not substantially impair or diminish the rights of the Public provided herein.

6. General Restrictions. The following are prohibited within the Open Space Parcel: accessing the Open Space Parcel during closed hours, alcohol, drugs, all other impairment inducing substances, campfires, camping, dumping, vandalism, encampment, fuelwood collection, firearms, any activities that may result in damage to the Open Space Parcel or nearby property, any activities that may result in harm to the Grantor, the Grantor's property, or members of the Public, including but not limited to excessive noise or other nuisance. The Grantor reserves the right to impose other reasonable restrictions from time to time.

7. Reserved Rights. Grantor reserves the right to cause any member of the Public to be removed from the Open Space Parcel if such member of the Public is engaged in any activity in violation of the terms herein. Grantor reserves the right to conduct all legally permitted activities within the Open Space Parcel and to alter and improve the Open Space Parcel, provided that such activities, alterations, and/or improvements do not substantially interfere with the Public's right to access the Open Space Parcel as detailed herein. Grantor reserves the right to barricade off certain parts of the Open Space Parcel from Public access if necessary to protect Grantor's property or to protect members of the Public.

8. Representations. Grantor and Grantee each hereby represent and warrant to each other that (a) it has all necessary power and authority to execute and deliver this Easement and to carry out its obligations hereunder, and (b) the execution and delivery of this Easement and the consummation of the transactions contemplated hereby have been duly authorized by all requisite approvals.

9. Waiver of Liability. Nothing contained in this Easement shall be construed to entitle Grantee to bring any action against Grantor for any injury to or change in the Open Space Parcel resulting from causes beyond Grantor's control, including, without limitation, natural processes, by force majeure, without limitation, fire, flood, storm, and earth movement, or from any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Open Space Parcel, or the Grantor's surrounding property, resulting from such causes. The parties agree that any member of the Public utilizing the Open Space Parcel pursuant to this Easement does so at their own risk and that Grantor shall not be held liable for damage, injury, or death to any member of the Public caused by any action outside of Grantor's control.

10. Binding Agreement. This Easement shall be binding upon said Grantor and its heirs, assigns, and successors in interest to the Property. The parties further agree that this

Easement shall represent in all respects a covenant which shall run with the land and shall be recorded in the office of the County Recorder of Coconino County, Arizona.

11. Modification. This Agreement may be modified or revoked by agreement of Grantor and the City. No modification of this Agreement shall be deemed effective unless in writing and signed by the parties thereto, and any waiver granted shall not be deemed effective except for the instance and in the circumstances particularly specified therein and unless in writing, executed by the party against whom enforcement of the waiver is sought.

12. Entire Agreement. This Agreement constitutes the entire agreement, whether written or oral, between the parties. Any written or oral understandings, terms or conditions between the parties regarding the Easement not set forth herein shall be deemed to be superseded hereby.

13. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona.

IN WITNESS WHEREOF, the Grantor hereby executes this Agreement on the date set forth above.

GRANTOR:
Northern Arizona Healthcare Corp.

By:
Its:

STATE OF ARIZONA)
County of Coconino) ss.
)

On this ____ day of _____, 2023, before me, the undersigned Notary Public, personally appeared _____, on behalf of Northern Arizona Healthcare Corp., who executed the foregoing instrument for the purposes herein contained.

Notary Public

Seal:

ACCEPTANCE

The City of Flagstaff, Arizona, a municipal corporation, does hereby accept the foregoing grant of easement and the terms and conditions thereof.

IN WITNESS THEREOF, the City of Flagstaff has caused this acceptance to be executed by its Mayor pursuant to authority granted by its City Council, this ____ day of _____, 2023.

CITY OF FLAGSTAFF

By: _____
Mayor

Attest:

City Clerk

Approved as to Form: _____

City Attorney

Table 6 – Recommendations

ID	Intersection	Recommended Mitigation/Improvements
1.	Beulah Blvd. & J.W. Powell Blvd.	Add bypass lane from southbound I-17 Off Ramp to northbound travel lanes north of J. W. Powell Blvd. Add a southbound left-turn approach lane and 2 nd eastbound receiving lane.
2.	Beulah Blvd. & University Heights Dr. South	Signalize. Add an exclusive northbound left-turn lane. Add separate eastbound exclusive left-turn and dedicated right-turn lanes.
3.	Beulah Blvd. & University Heights Dr. North/Lake Mary Rd.	Configure the dedicated northbound right-turn lane into a shared thru/right-turn lane. Configure the channelized westbound right-turn lane into a dedicated right-turn lane. Change eastbound and westbound left-turn phases from lagging to leading. Adjust northbound and southbound recall mode from minimum to maximum.
4.	Beulah Blvd. & Woodlands Village Blvd.	Add a second northbound left-turn lane. Adjust signal timing.
5.	Beulah Blvd. & McConnell Dr.	Add a second westbound left-turn lane. Adjust signal timing.
6.	Beulah Blvd. & Forest Meadows St.	None.
7.	I-17 SB On-Ramp & McConnell Dr.	Remove the eastbound through lane. Replace the eastbound dedicated right-turn lane with a shared eastbound through/right-turn lane.
9.	Beulah Blvd. & Fairgrounds Drwy.	Add a second northbound and second southbound through lane.
10.	I-17 SB Ramps & J.W. Powell Blvd.	Add a southbound bypass lane which feeds directly to northbound Beulah Blvd. Add a second eastbound channelized right-turn lane.
11.	I-17 NB Ramps & J.W. Powell Blvd.	Improve to a single lane roundabout with two approach lanes northbound and eastbound, and one approach lane westbound. Improve to have two receiving lanes on the west leg (eastbound exiting the roundabout).
12.	Beulah Blvd. & Mountain Dell Rd.	Realign Mountain Dell Rd. to intersect Beulah Blvd. at right angles. Add an exclusive northbound left-turn lane and a second northbound through lane. Add a second southbound through lane. Construct a refuge lane for eastbound two-stage left-turns.
A	Beulah Blvd. & Healthcare Blvd.	Add an exclusive northbound left-turn lane and a second northbound through lane. Add a dedicated southbound right-turn lane and a second southbound through lane. Construct dual exclusive left-turn lanes and a dedicated right-turn lane.
B	Beulah Blvd. & Main Driveway	Add an exclusive northbound left-turn lane and a second northbound through lane. Add a dedicated southbound right-turn lane and a second southbound through lane. Construct an exclusive eastbound left-turn lane and a dedicated eastbound right-turn lane. Construct a refuge lane for eastbound two-stage left-turns.

ID	Intersection	Recommended Mitigation/Improvements
C	Beulah Blvd. & Purple Sage Blvd.	Add an exclusive northbound left-turn lane and a second northbound through lane. Add a dedicated southbound right-turn lane and a second southbound through lane. Construct dual exclusive left-turn lanes and a dedicated right-turn lane.
F	Driveway & Healthcare Blvd.	Construct an exclusive northbound left-turn lane and a dedicated northbound right-turn lane. Construct two eastbound through lanes and a dedicated eastbound right-turn lane. Provide for a future exclusive eastbound left-turn lane. Construct an exclusive westbound left-turn lane and two westbound through lanes. Provide for a future dedicated westbound right-turn lane.
G	Grey Mint St. & Purple Sage Blvd.	Construct an exclusive southbound left-turn lane and a dedicated southbound right-turn lane. Construct an exclusive eastbound left-turn lane and an eastbound through lane. Provide for a future dedicated eastbound right-turn lane. Construct two westbound through lanes and a dedicated westbound right-turn lane. Provide for a future exclusive westbound left-turn lane.
M	Driveway & Purple Sage Blvd.	Construct separate southbound exclusive left-turn and dedicated right-turn lanes. Construct an exclusive eastbound left-turn lane and an eastbound through lane. Construct a westbound through lane and a channelized yield controlled westbound right-turn lane. Include westbound TWLTL.

(1) The improvements listed here are minimum recommended improvements and should not be construed as a limit on what can be constructed beyond these recommendations.



Northern Arizona Healthcare **Health and Wellness Village**

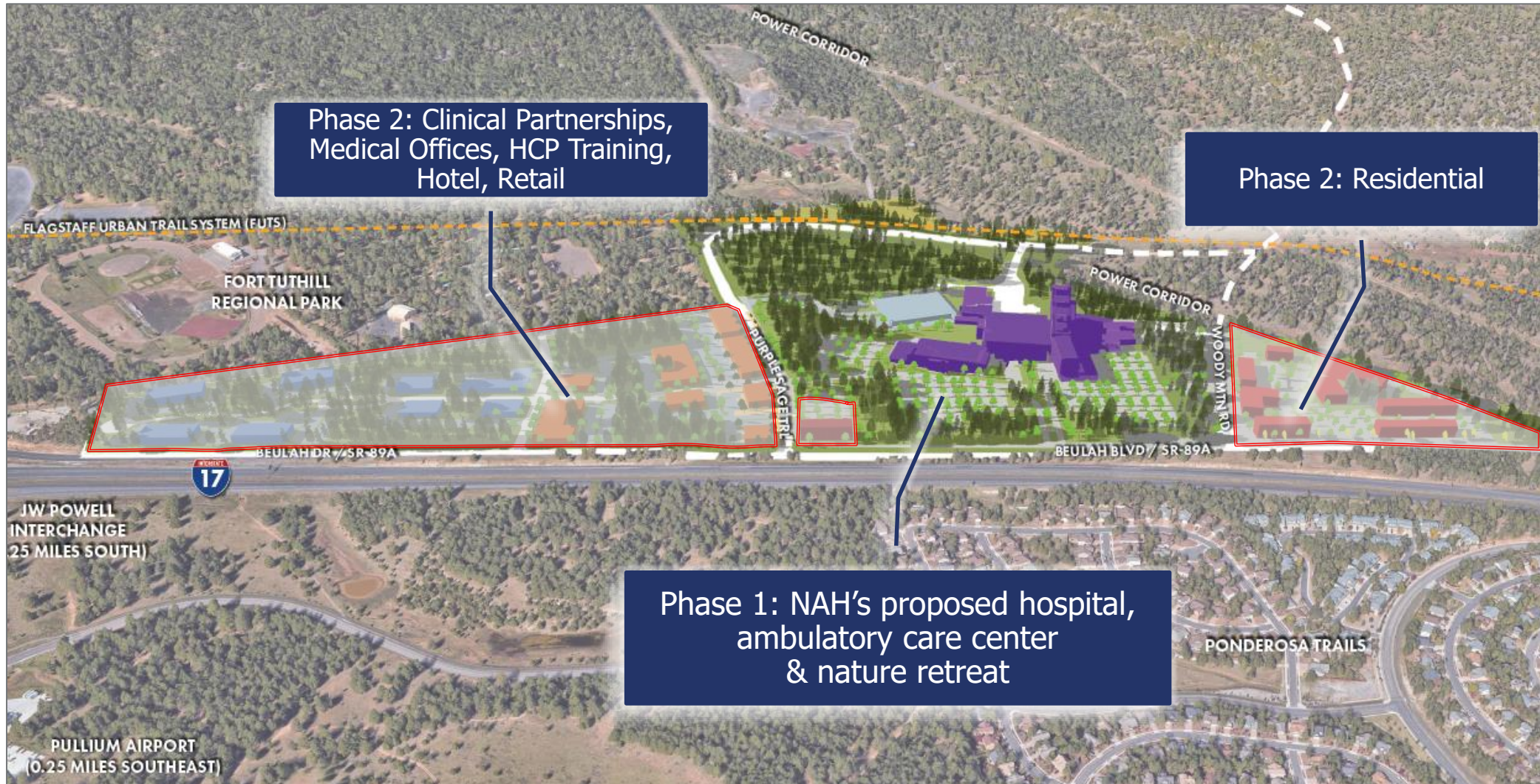
Planning and Zoning Commission

April 12, 2023



HEALTH AND WELLNESS VILLAGE

Proposed campus will be developed in two phases





HEALTH AND WELLNESS VILLAGE

Aligned with Social Determinants of Health

Lifestyle and behavior along with economic, environmental, and social gradient form the Social Determinants of Health

Social Determinants of Health account for 80% of health outcomes, medical factors determine 10%





HEALTH AND WELLNESS VILLAGE

Our goals for the proposed Health and Wellness Village

Build a state-of-the-art medical facility with advanced technologies to **meet the growing patient needs of northern Arizona**

Create an environment that improves **recruitment and retention of industry-leading health care professionals** to address anticipated future workforce challenges

Improve access to specialized, tertiary care – reducing travel to Phoenix for northern Arizona patients

Break down barriers that are limiting operational excellence in Flagstaff



HEALTH AND WELLNESS VILLAGE

Who we are





HEALTH AND WELLNESS VILLAGE

Making health care available to all

25% of patients are considered **financially disadvantaged**

Sole community provider health system in northern Arizona

Apache and Navajo counties are two of the **most impoverished counties** in the country; disproportionately and historically underserved communities

1/3 of our patients at Flagstaff Medical Center are **enrolled members of Native American tribes**

NAH provided **more than \$125 million in care for patients** who would not have been able to afford those services otherwise in FY2021

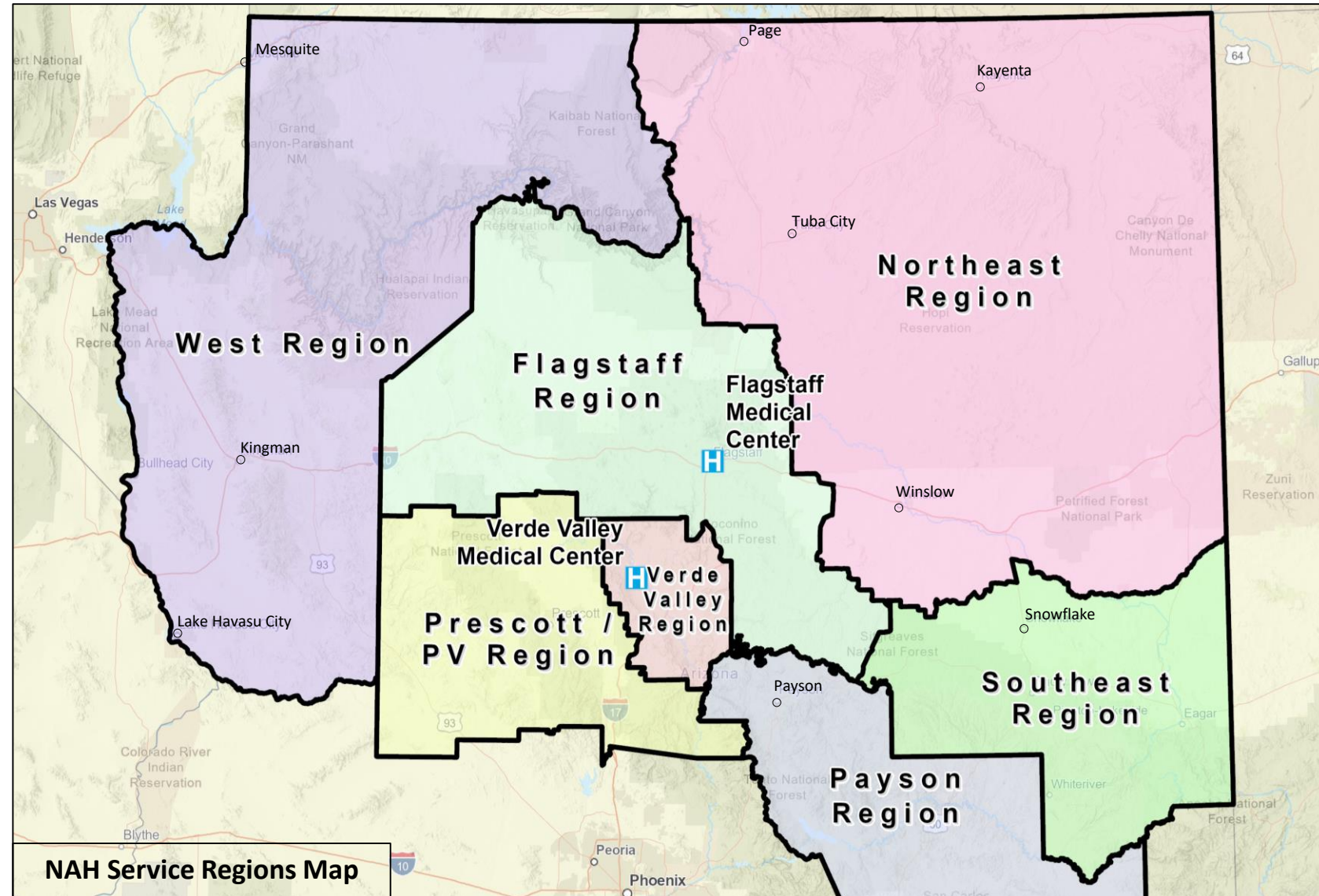


HEALTH AND WELLNESS VILLAGE

Serving Flagstaff and northern Arizona communities

50,000 square miles that's home to more than 1 million people

- Providing secondary and tertiary care to large, medically underserved areas, and tribal nations and sovereign lands
- The only Level 1 Trauma facility north of Phoenix, providing critical, life-saving care to residents and visitors





HEALTH AND WELLNESS VILLAGE

Growing with our community since the beginning

From Dr. Secrist's original location in the 1930s to today, our health care services have evolved to meet the needs of Flagstaff and northern Arizona

Flagstaff Hospital built in 1971 – A community hospital providing limited services

Expansion to the East Campus in 1987 – Serving more acute health care needs and a growing population

Level 1 Trauma Center Designation in 2005 – Providing the highest level of trauma care for critically ill or injured patients





HEALTH AND WELLNESS VILLAGE

Planning for the future of health care

We've conducted multiple, thorough analyses of how best to meet region's need for the next generations

- Over the past 20 years, NAH has developed recommendations for 5 plans for growth at the current location
- Earlier plans were not viable options
- Each would have led to an unacceptable disruption of care for patients or were insufficient in addressing the region's long-term needs and growth

The reality is that Flagstaff Medical Center cannot be expanded or remodeled to meet patient needs

- Renovations or expansions would require closing or limiting available services during and after remodeling or new construction

Considerations for our proposal focus on the importance of planning for the next 50+ years, not just the next 5 to 10 years

- We assessed multiple locations for a new campus, including greenfield and in-fill options
- The proposed location and design address current and future needs
- We also have learned from the challenges of the current campus, and planned the flexibility required for future needs of the community



HEALTH AND WELLNESS VILLAGE

Improving health, healing people

Designed for efficient, effective patient care – from exam and patient rooms to the operating room and recovery

- Optimal nurse-to-patient ratios in all areas of the hospital
- Universal exam and treatment rooms to maximize clinical and operational excellence
- Emergency department will address current limitations → Patients can be seen quickly so they can be treated and discharged or admitted for additional care



NAHOSC Outpatient Surgery Operating Room



HEALTH AND WELLNESS VILLAGE

What the new campus will provide

We are committed to delivering on our vision of always better care for our patients and community

- Designed to grow with the community and to accommodate future growth of the campus
- Incorporating the lessons learned from the COVID-19 and its impact on patient care
- All patient rooms will be single occupancy, providing privacy and improved infection control
- Bringing new state-of-the-art health care services to Flagstaff and reducing travel to Phoenix for health care needs



Example of a current FMC ICU Room



HEALTH AND WELLNESS VILLAGE

Improving the Emergency Department experience

Optimal layout and design of an ED, based on the needs of patients

Linear Design

- Provides more direct observation of patients and access for care givers, without compromising the ability for the care team to collaborate
- Allows for flexing up/down of the overall department, as patient volumes and acuity change throughout the day
- Ideal for future growth/expansion, as the line can simply extend to the North

Patient Segmentation

- More isolated exam rooms for intoxicated patients, reducing the risk of cross-patient incidents
- Introduction of quick-look bays, close to the entrance, to speed the triage and treatment of low-acuity visits





HEALTH AND WELLNESS VILLAGE

Flagstaff is the regional hub of northern Arizona

Education

Northern Arizona University
Coconino Community College

Transportation

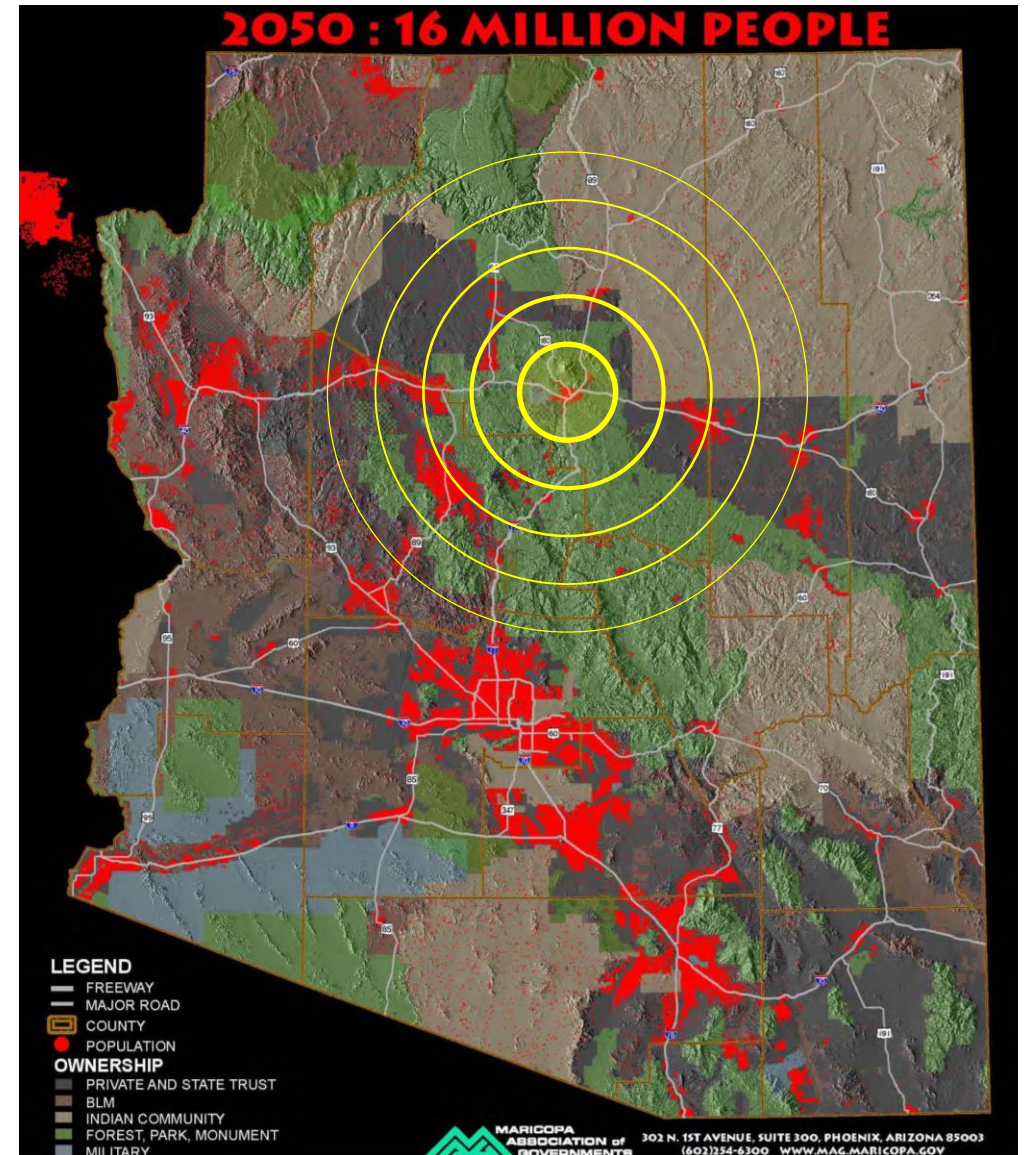
Regional Airport (with direct flights out of state)
I-17 / I-40 Interchange

Tourism

Grand Canyon National Park
Arizona Snowbowl
Ft. Tuthill County Park

Health Care

Flagstaff Medical Center (only Level 1 Trauma Center in the region)
North Country HealthCare (largest Federally Qualified Health Center in the area)



Arizona Population Projections, Maricopa Association of Governments

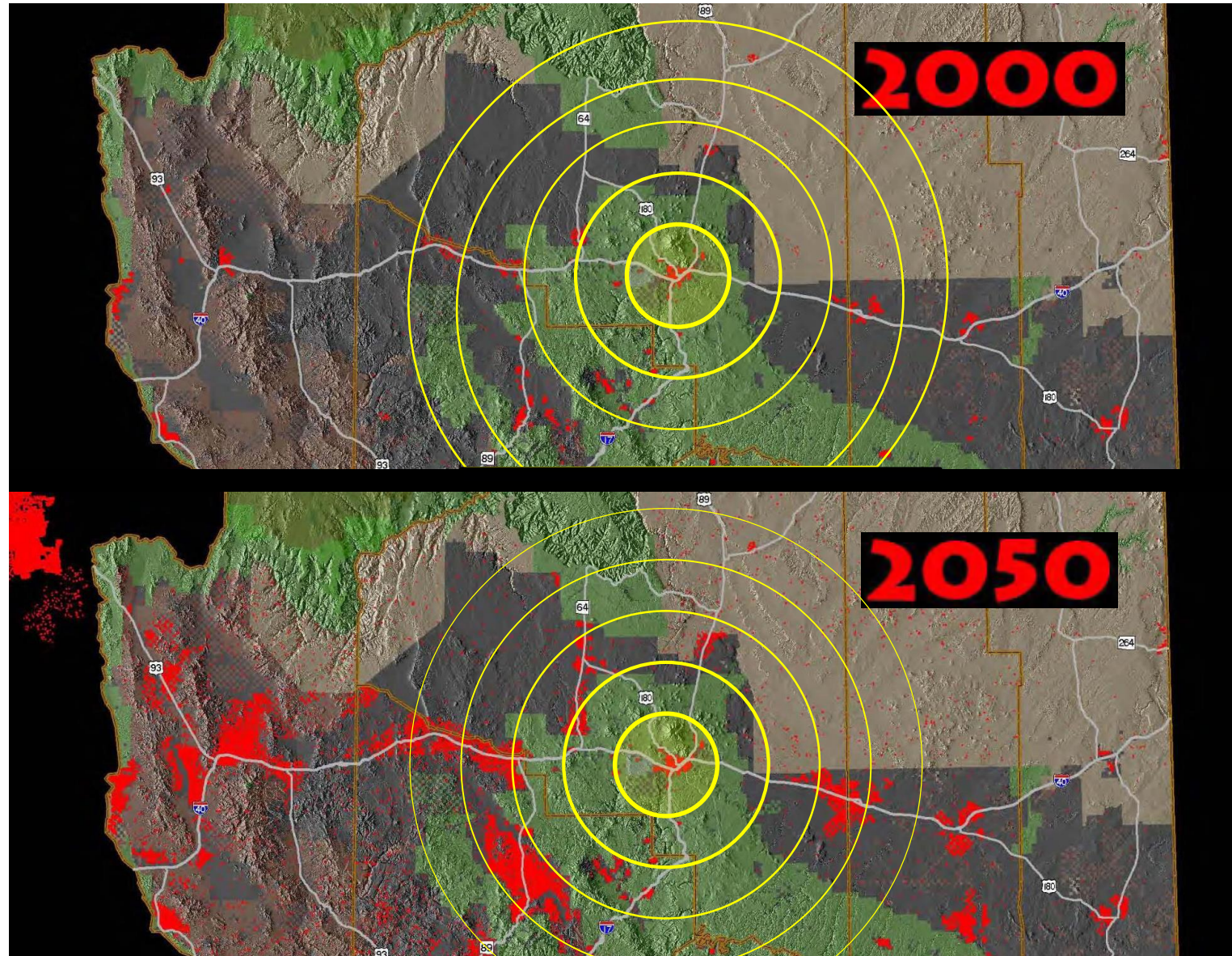


HEALTH AND WELLNESS VILLAGE

We are preparing for the region's future health care needs

Projected population growth will increase demand for:

- In-patient hospital beds
- Emergency Department visits
- Trauma services
- In-patient and out-patient surgical treatment
- Diagnostic imaging services
- Chronic disease treatment and management
- Cancer care and support services
- Timely and integrated care





HEALTH AND WELLNESS VILLAGE

Hyperbaric and Wound Healing Center

Medically Underserved Populations

Our region has more than 1 million people in communities across northern Arizona, including large, medically underserved areas.

Chronic Wounds

Medically underserved communities have higher average numbers of patients suffering from chronic wounds that often require amputation.

NAH's Plan

We have received federal funding to build a new wound and hyperbaric care center. This specialized care will expand treatment options and reduce the number of patients requiring amputations.





HEALTH AND WELLNESS VILLAGE

Other health village concepts

“A place where you can live, work and play, it’s all based on health and wellness.”

– Craig Johnson, Union Village

Union Village, Henderson, Nevada

Acute Care Hospital; Ambulatory Surgical Center; Retail; Entertainment; Residential Apartments; Senior Living

Minnesota Health Village, Maple Grove

Maple Grove Hospital; Retail; Green Spaces; Public Trails; Multifamily Housing; Senior Living; Research and Education Uses



Minnesota Health Village in Maple Grove



HEALTH AND WELLNESS VILLAGE

A Health and Wellness Village fit for northern Arizona

**Honoring our commitment to providing always better care
with a focus on holistic wellbeing**

- Keeping high-quality health care closer to home for the patients and community we're honored to serve
- Strengthening regional development and job creation
- Partnering for HCP training and education opportunities
- Helping address the local housing crisis
- Increasing access to outdoor activities and the city's vibrant parks and trails





ADDRESSING RECENT PUBLIC COMMENTS & QUESTIONS



HEALTH AND WELLNESS VILLAGE

Promoting or achieving nearly 100 goals and policies set forth in Flagstaff's Regional Plan

- **Providing high-quality emergency response and public safety services including medical and ambulance transport service. (Goal PF.3)**
- Increasing the variety of housing options and expanding opportunities for employment and neighborhood shopping within a suburban neighborhood. (Goals NH.3 & LU.13)
- Promoting varied modes of mobility, especially pedestrian and bicycle access. (Goal T.2 & T.6)
- **Investing in the development of a new, planned activity center, which promotes the continued physical and economic viability of the region's commercial districts. (Goals ED.8, LU.15., LU.18)**
- Completing significant portions of the planned Road Network. (Goal T.1)
- **Accomplishing new development, on the periphery, which will contribute to completing neighborhoods, including interconnecting with other neighborhoods; providing civic space, and a variety of housing types; all while protecting sensitive natural features. (Policy NH.1.6)**
- Achieving the grouping of medical and professional offices, research, and skill training with other necessary workforce services and transportation options. (Policy LU.15.1)
- Promoting and improving the region's healthy system of convenient and accessible trails. (Goal REC.1)



HEALTH AND WELLNESS VILLAGE

Emergency response services: Fire and EMS

Residential development near J.W. Powell is already driving increased need for more robust emergency response services

NAH's Guardian Transport

- New location will lessen emergency vehicle traffic through downtown
- Residential development along I-17 will require that NAH expand Guardian Transport operations
- Emergency response times will be similar

Flagstaff Fire Department

- NAH will cover half the capital costs to relocate and enhance Flagstaff Fire Department Station 6 on Lake Mary Road to a new location



Guardian Medical Transport Services, on Milton Rd during peak traffic



HEALTH AND WELLNESS VILLAGE

Ease of access for Flagstaff and northern Arizona

With a regional service area of 50,000 square miles, more than 60% of NAH patients live outside of Flagstaff

- Downtown traffic makes it difficult for many patients to get to FMC today
- Most NAH employees will have a more convenient commute from their existing addresses
- The maturity of downtown development will make it increasingly difficult to add capacity to the traffic network
- Flagstaff residents will continue to have access to a hospital providing tertiary and Level 1 Trauma care close to home vs. traveling to Phoenix

Neighborhood	Time to FMC	Time to New Hosp.	Gain (Red.) in Commute
Cheshire	8 min	24 min	16 min
Coconino Estates	4 min	20 min	16 min
Southside	6 min	12 min	6 min
Sunnyside	7 min	14 min	7 min
Doney Park	20 min	20 min	0 min
Country Club Estates	13 min	13 min	0 min
Pine Canyon	13 min	9 min	(4 min)
Ponderosa Trails	16 min	6 min	(10 min)
University Heights	17 min	5 min	(12 min)
Railroad Springs	13 min	9 min	(4 min)
Flagstaff Ranch	18 min	11 min	(7 min)
Kachina Village	22 min	10 min	(12 min)



HEALTH AND WELLNESS VILLAGE

Noise and traffic impact

Helicopter traffic

- Guardian Air provides lifesaving, critical transport for patients who need to receive immediate care
- Guardian Air's Flagstaff base is located at Pulliam Airport and will remain there
- Impact for neighbors and Ft. Tuthill will be comparable to current experience





HEALTH AND WELLNESS VILLAGE

Ease of access: Transit and road design

Mountain Line

- We are and will support Mountain Line's efforts to secure funding for future expansions of the public transit system
- NAH will provide shuttle service between the nearest current bus stop and the future campus at no cost to any rider

NAH's Patient Transportation

- We have partnered with Mountain Line to locate and design bus shelters on the campus
- All roads being improved will support bus transit, bikes and pedestrian traffic, with enhanced safety features
- We will continue to provide Lyft and Uber rides for patients who do not live on a bus line (~1,600 trips/yr)
- Patients covered by Arizona Health Care Cost Containment System (AHCCCS) are provided rides to and from healthcare services at no cost

Road Design

- We have partnered with the City of Flagstaff and MetroPlan, to submit for a \$45 million USDOT grant (to assist with the improvements to Beulah Boulevard)
- Beulah improvements will include a re-aligned Mountain Dell Rd intersection, improving safety with a 90-degree intersection and protected refuge lanes

J.W. Powell & I-17 Interchange

- We are working with ADOT to accommodate for the widening of the J.W. Powell and I-17 bridge, as part of their planned in-kind replacement
- The City of Flagstaff has agreed to be the lead applicant for a Bridge Improvement Program grant that could bring upwards of \$36 million in federal funds to Flagstaff



H E A L T H A N D W E L L N E S S V I L L A G E

Ft. Tuthill and event traffic

Accessing the Ft. Tuthill events

- Widening J.W. Powell Bridge and Beulah will provide additional capacity and improve safety for during events

Special events

- As is required now, special event organizers must plan and implement traffic mitigation plans for events held at Ft. Tuthill
- Improvements to Beulah and the J.W. Powell/I-17 bridge will provide additional options for special event traffic

Current campus vs. proposed location

- NAH patients currently must navigate traffic congestion from events hosted downtown
- Seasonal tourism contributes to downtown traffic that impedes patient access to FMC
- Proposed campus will be more easily accessible via I-17 and I-40 for patients and ambulances – even during special events





HEALTH AND WELLNESS VILLAGE

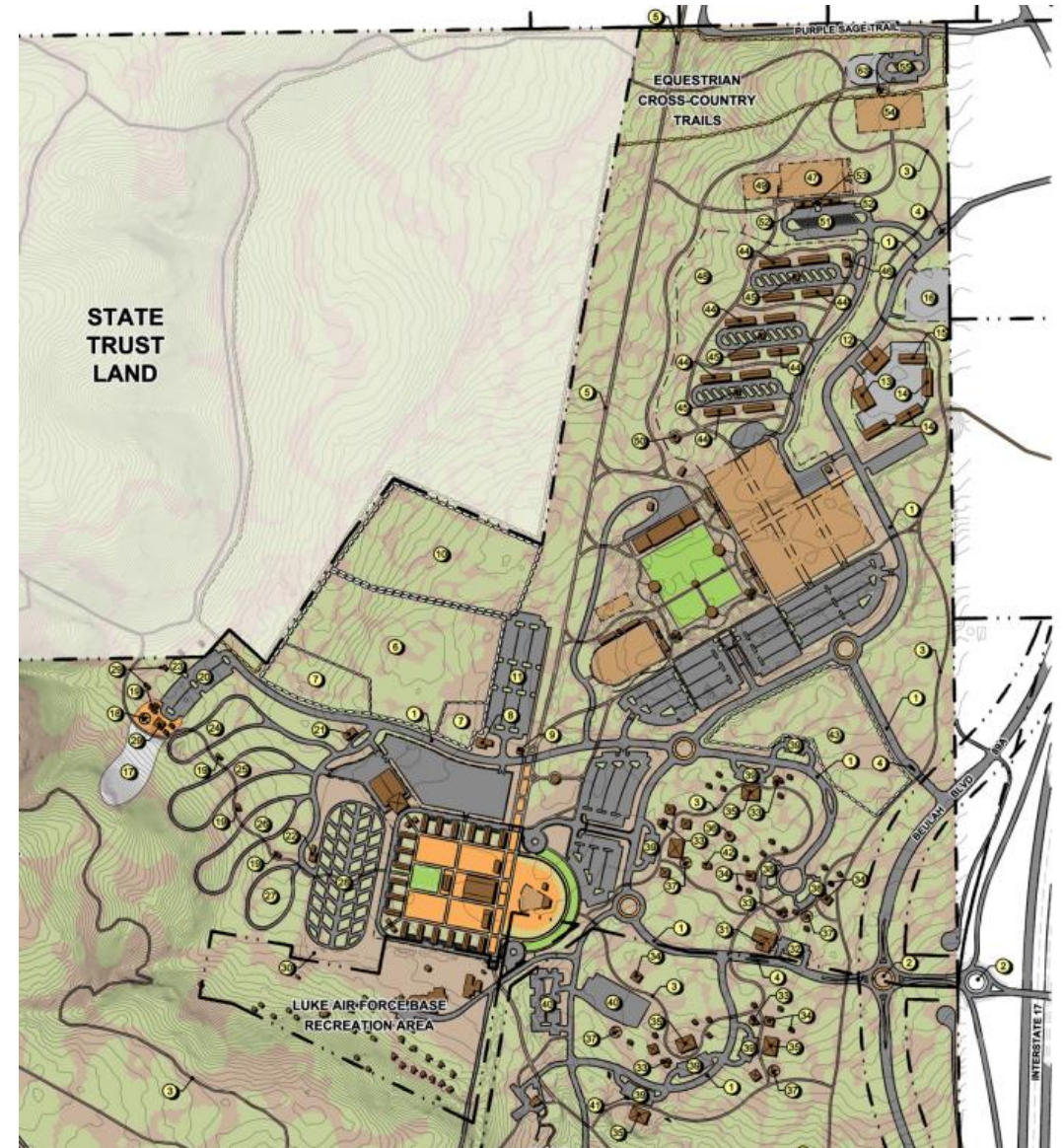
Partnering with Coconino County

Protecting the park's boundaries, while maintaining and improving access

- The Health and Wellness Village was re-envisioned, with the more intense/dense development occurring to the north
- Our plan aligns with the County's master plan as we incorporate connectivity with roads and trails

Preservation of existing trail network

- Re-alignment of Purple Sage Rd north of the existing road, providing additional buffer between Soldiers Trail and the road
- The shift of Purple Sage Rd will give back 14 feet of current roadway easement to the County
- Throughout the 172-acre Health and Wellness Village, there are multiple integrations with the existing park and FUTS trails



Ft. Tuthill County Park Master Plan



HEALTH AND WELLNESS VILLAGE

Guiding principles for the campus design

Create a campus and facility that is connected to its community, site, nature, and the future development

- Create an authentic building design that is respectful and responsive to its natural environment
- Respect the natural resources of the development and model good stewardship of the environment

Creating environment and operations that provide for innovation

- Operational excellence for continuity of care
- Staff retention
- Patient and family experience

Sustainability and resiliency

- Natural environment influence on the built environment
- Resiliency that's measurable and has a lasting impact

All risk ready and flexible

- Flexibility and infrastructure to meet emerging care and response models
- Living laboratory



Exterior Facade Design from Elevated Perspective



HEALTH AND WELLNESS VILLAGE

Sustainability and resiliency

Hospital operations focus: Use reduction and resiliency

Reduce Energy

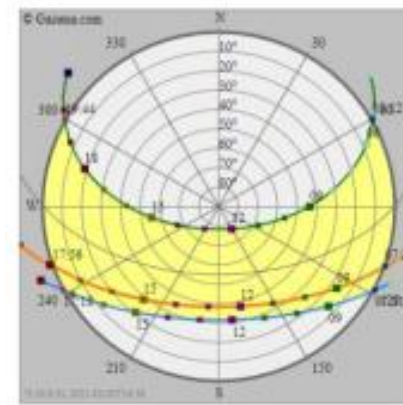
- 15% below Energy Star 75 Target
- 45% reduction, compared to existing peak demand use
- Energy recovery and required life cycle

Reduce Water Demand

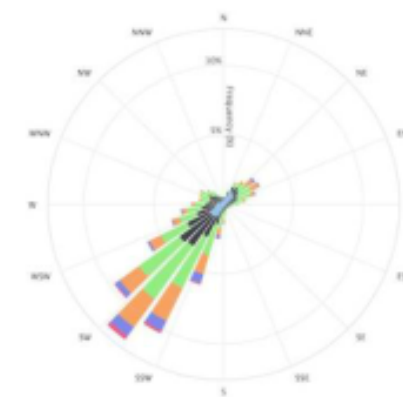
- 10 million gallon reduction, annually
 - Heat recovery chiller technology
 - Vacuum sanitary system

Focus on supply chain and reuse

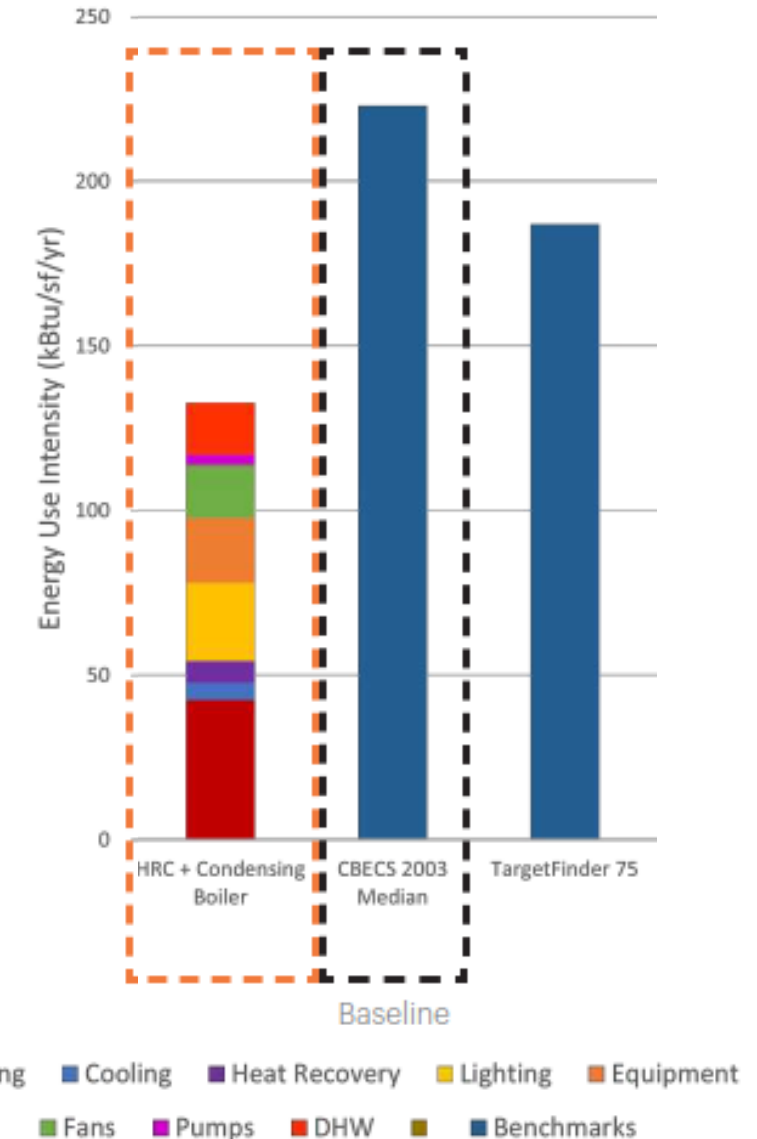
- Reuse materials
- Efficient scheduling and on-demand services
- Design for changing trends in climate and care



SOLAR



WINDROSE

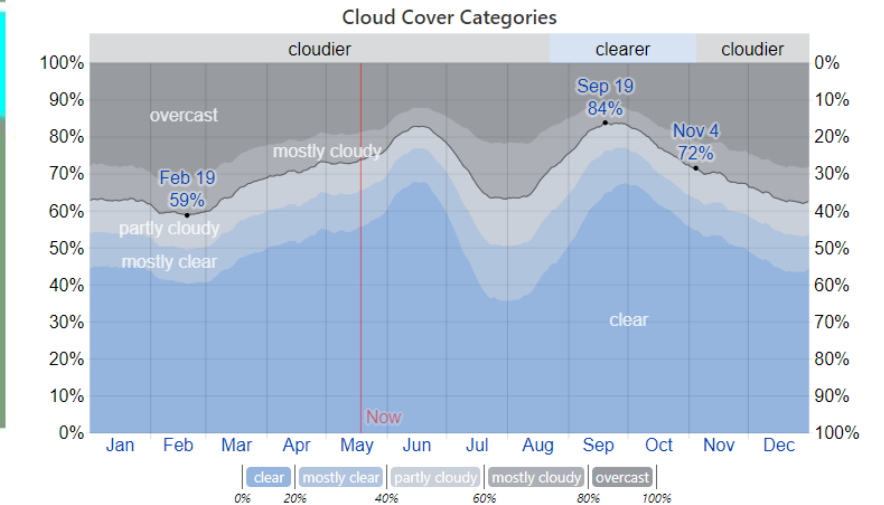
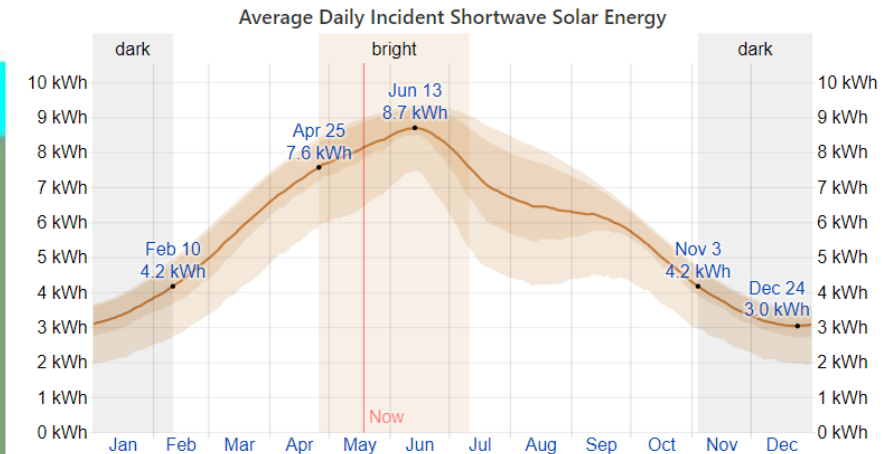
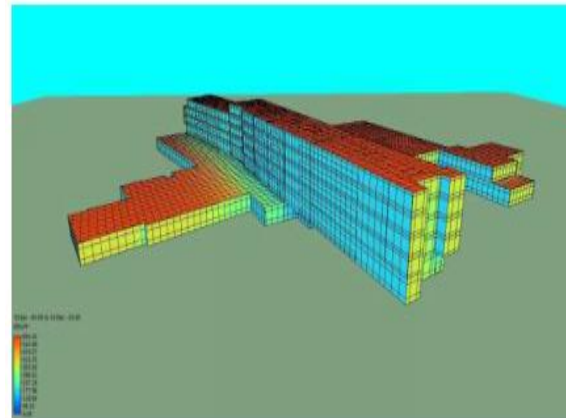
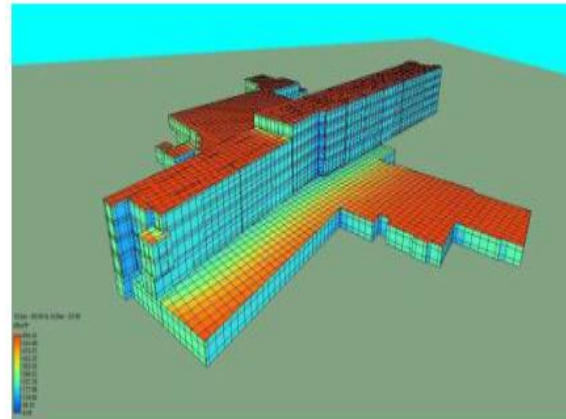




HEALTH AND WELLNESS VILLAGE

Carbon reduction strategy

- Baseline heating provided by electricity in place of natural gas
- Select medical and kitchen equipment evaluated for electric requirements in place of natural gas
- Vendor partners in alignment with NAH Sustainability & Carbon strategies
- Embodied carbon considered in design
- Long-term solar strategy
 - Hospital and ACC in Phase I are structured for solar
 - Phase II development to meet precedent and goals





HEALTH AND WELLNESS VILLAGE

Redeveloping FMC

Committed to seeing the current campus enhance the surrounding neighborhoods and the downtown district

- This will be a transparent, collaborative process through a community redevelopment advisory council
- We are engaging P.U.M.A., who partnered with the Downtown Business Alliance and the City of Flagstaff on a downtown vision plan
- P.U.M.A. has already spent days meeting with City representatives, downtown business leaders, residents around the FMC campus, and other community organizations
- We are meeting with City Planning and Development leadership to align the FMC visioning exercise with the regional plan update



Flagstaff Downtown Vision Planning (P.U.M.A.)



HEALTH AND WELLNESS VILLAGE

Impact on private practice and medical office buildings





HEALTH AND WELLNESS VILLAGE

Advocates for improved health care

**Approximately 300+ individuals
and community leaders**

**Arizona Health Care Cost
Containment System**

**Arizona Medical
Association**

**Northern Arizona
Association of Realtors**

**Arizona Nurses
Association**

**Arizona Osteopathic
Medical Association**

**Arizona
Commerce
Authority**

**Arizona Public Health
Association**

**Dr. Richard Carmona
Former U.S. Surgeon General**

**Flagstaff Unified
School District**

**Sen. Kyrsten Sinema
(I-Ariz.)**



HEALTH AND WELLNESS VILLAGE

Continued community engagement

ADOT & City Traffic

Coconino County
Representatives

Flagstaff City Manager

ECONA

Flagstaff Chamber of Commerce

Airport Commission

Mountain Line/NAIPTA

Navajo Nation

Northern Arizona University

Townsite Homes

Flagstaff City Support Divisions

Sustainability Commission

Neighboring Landowners

Sen. Mark Kelly

Sen. Kyrsten Sinema

Rep. Tom O'Halleran

Forest Highlands HOA

Vision Communities

University Heights

Northern Arizona Association of
Realtors

Downtown Business Alliance

Sterling Real Estate

Assistance League of Flagstaff

Friends of Flagstaff

Mountain Dell Ridge HOA

Continuum of Care Flagstaff

Verde Valley Mayors,
Managers, Supervisors, Tribe
and Nation Bi-Weekly Meeting

City of Cottonwood

Coconino Community College

Northern Arizona Leadership
Alliance

City of Flagstaff Sustainability
Planning

Northern Arizona Building
Association

City of Flagstaff Development

Arizona Department of Health
Services

Public Meetings per City
Guidelines on 01/04, 01/18,
10/10

Recent meetings include:

- Coconino County Leadership (2/15)
- Mountain Line (3/7)
- ADOT (3/31)
- Coconino County Parks & Public Works (4/4)
- Arizona Commerce Authority (4/4)
- Congressman Eli Crane (4/6)



HEALTH AND WELLNESS VILLAGE

Responding to public comment

We request the opportunity to respond to public comments and questions during today's meeting

Our formal ask of the P&Z Commission

Forward this request to the Flagstaff City Council with a recommendation approving the adoption of the NAH Health Village Specific Plan and amendment to the Zoning Map



Exterior Facade Design



HEALTH AND WELLNESS VILLAGE

Mission

Improving health, healing people.

Vision

Always better care.
Every person, every time...**together**.

Values





Planning & Zoning Commission

5. B.

Meeting Date: 04/19/2023

From: Tiffany Antol, Zoning Code Manager

Information

TITLE:

PZ-21-00126-02: Concept Zoning Map Amendment request, by Northern Arizona Healthcare (NAH) Corporation, of approximately 98.39 acres located at 1120 W Purple Sage Trail for Phase 1 of the NAH Health Village from Rural Residential (RR – 40.47 acres) and Estate Residential (ER – 57.92 acres) to Highway Commercial (HC – 63.18 acres) and Public Facilities (PF – 35.21 acres). Of the 14 parcels included in this request, all but three (APN 112-10-036, 112-10-037, and 112-05-125) are currently within the Resource Protection Overlay (RPO). These remaining three parcels will be added to the RPO as part of this request.

STAFF RECOMMENDED ACTION:

Staff believes that the proposed Zoning Map amendment is in substantial conformance with the required findings and recommends the Planning & Zoning Commission forward the request to the City Council with a recommendation approving an amendment to the Zoning Map for a total of 93.39 acres from the Rural Residential (RR) and Estate Residential (ER) to the Highway Commercial (HC) zone for 63.18 acres and to the Public Facility zone for 35.21 acres. Additionally, three parcels (112-10-036, 112-10-037, and 112-05-125) will be added to the Resource Protection Overlay (RPO), subject to the eleven conditions in the staff report.
