The mission of the City of Sedona government is to provide exemplary municipal services that are consistent with our values, history, culture and unique beauty.

AGENDA
REVISED 4:30 P.M.
CITY OF SEDONA, CITY COUNCIL MEETING
TUESDAY, JULY 28, 2015

NOTES:
Listed times are approximate and may vary.

• Public Forum:
  Comments are generally limited to 3 minutes.

• Consent Items:
  Items listed under Consent Items have been distributed to Council Members in advance for study and will be enacted by one motion. Any member of the Council, staff or the public may remove an item from the Consent Items for discussion. Items removed from the Consent Items may be acted upon before proceeding to the next agenda item.

• Meeting room is wheelchair accessible. American Disabilities Act (ADA) accommodations are available upon request. Please phone 928-282-3113 at least two (2) business days in advance.

• City Council Meeting Agenda Packets are available on the City’s website at:
  www.SedonaAZ.gov

GUIDELINES FOR PUBLIC COMMENT

PURPOSE:
• To allow the public to provide input to the City Council on a particular subject scheduled on the agenda.
• This is not a question/answer session.

PROCEDURES:
• Fill out a “Comment Card” and deliver it to the City Clerk.
• When recognized, use the podium/microphone.
• State your:
  1. Name and
  2. City of Residence
• Limit comments to 3 MINUTES.
• Submit written comments to the City Clerk.

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE/MOMENT OF SILENCE/ROLL CALL

2. CITY’S VISION STATEMENT

3. CONSENT ITEMS - APPROVE

  c. Minutes - July 15, 2015 City Council Special Meeting.
  d. Approval of Proclamation, National Night Out, August 4, 2015.
  e. AB 1976 Approval of a two-year service contract, in the amount of $25,000 annually, with the Verde Valley Caregivers Coalition for special needs transportation services to Sedona residents from July 1, 2015 through June 30, 2017.
  f. AB 1978 Approval of a Series 12 Liquor License Application for Karma Café of Sedona LLC, located at 1950 West SR 89A, Sedona (License #12133626).
  g. AB 1984 Approval of an Interim Permit and a Series 10 Liquor License Application for The Art of Wine located at 101 N. SR 89A, Suite B9, Sedona (License #10033207).
  h. AB 1985 Approval of an Interim Permit and Person to Person Transfer Series 7 Liquor License Application for The Art of Wine located at 101 SR 89A, Suite B9, Sedona (License #07030060).
  i. AB 1924 Approval of a Resolution adopting the revised Single-Family Housing Rehabilitation Guidelines as part of the Community Development Block Grant application for FY2015.
  j. AB 1990 Approval of a Resolution adopting an Official City of Sedona Vision.

4. APPOINTMENTS - None.

5. CITIZENS ENGAGEMENT PROGRAM UPDATE - Discussion/Report - 5 minutes.

6. SUMMARY OF CURRENT EVENTS BY MAYOR/COUNCILORS/CITY MANAGER

7. PUBLIC FORUM
   (This is the time for the public to comment on matters not listed on the agenda. The City Council may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. § 38-431.01(H), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism, or scheduling the matter for further consideration and decision at a later date.)

8. PROCLAMATIONS, RECOGNITIONS & AWARDS
   a. Presentation of Proclamation, National Night Out, August 4, 2015.

9. REGULAR BUSINESS
   a. AB 1975 Discussion/possible action on the distribution of funding awards in the categories of community building, economic stimulation, and arts & culture through the City’s Small Grants Program for the 2016 fiscal year. (5:00-6:00 p.m. 1 hour)
   b. Reports/discussion on Council Assignments. (10 minutes)

CITY COUNCIL CHAMBERS
102 ROADRUNNER DRIVE, SEDONA, AZ

The mission of the City of Sedona government is to provide exemplary municipal services that are consistent with our values, history, culture and unique beauty.
Page 2, City Council Meeting Agenda Continued

9. REGULAR BUSINESS
   c. Discussion/possible action on Future Meeting/Agenda Items. (5 minutes)

10. EXECUTIVE SESSION
    If an Executive Session is necessary, it will be held in the Vultee Conference Room at 106 Roadrunner Drive. Upon a public majority vote of the members constituting a quorum, the Council may hold an Executive Session that is not open to the public for the following purposes:
    a. To consult with legal counsel for advice on matters listed on this agenda per A.R.S. § 38-431.03(A)(3).
    b. Return to open session. Discussion/possible action on executive session items.

11. ADJOURNMENT

Posted: ________________________________
By: ________________________________
Susan L. Irvine, CMC
City Clerk

Note: Pursuant to A.R.S. § 38-431.02(B) notice is hereby given to the members of the City Council and to the general public that the Council will hold the above open meeting. Members of the City Council will attend either in person or by telephone, video, or internet communications. The Council may vote to go into executive session on any agenda item, pursuant to A.R.S. § 38-431.03(A)(3) and (4) for discussion and consultation for legal advice with the City Attorney. Because various other commissions, committees and/or boards may speak at Council meetings, notice is also given that four or more members of these other City commissions, boards, or committees may be in attendance.

A copy of the packet with material relating to the agenda items is available for review by the public in the Clerk’s office after 1:00 p.m. the Friday prior to the Council meeting and on the City’s website at www.SedonaAZ.gov. The Council Chambers is accessible to people with disabilities, in compliance with the Federal 504 and ADA laws. Those with needs for special typeface print, may request these at the Clerk’s Office. All requests should be made twenty-four hours prior to the meeting.
1. Call to Order
Mayor Moriarty called the meeting to order at 3:00 p.m.

2. Roll Call
Roll Call: Mayor Sandy Moriarty, Vice Mayor Mark DiNunzio, Councilor Scott Jablow, Councilor John Martinez, Councilor Jon Thompson, Councilor Jessica Williamson. Councilor Angela LeFevre was tardy without an excuse and arrived at 3:04 p.m.

Staff in attendance: City Manager Justin Clifton, Contract City Attorney Mike Goimarac, City Clerk Susan Irvine.

3. Executive Session
Motion: Councilor Williamson moved to enter into Executive Session at 3:01 p.m. Seconded by Councilor Martinez. Vote: Motion carried unanimously with six (6) in favor and zero (0) opposed.

Councilor LeFevre arrived at 3:04 p.m.

Upon a public majority vote of the members constituting a quorum, the Council may hold an Executive Session that is not open to the public for the following purposes:

a. To consult with legal counsel for advice on matters listed on this agenda per A.R.S. § 38-431.03(A)(3).

b. For discussion and consultation with designated representatives of the City in order to consider its position and instruct its representatives regarding negotiations for the purchase of the following real property per A.R.S. § 38-431.03(A)(7): 55 Sinagua Drive, Sedona, AZ, Yavapai County Parcel Numbers 408-24-325 & 408-24-326.

c. Return to open session. Discussion/possible action on executive session items.

Motion: Councilor Williamson moved to return to open session at 3:46 p.m. Seconded by Councilor Martinez. Vote: Motion carried unanimously with seven (7) in favor and zero (0) opposed.

Mike Goimarac gave the admonition.

Motion: Councilor Williamson moved to direct the City Manager to make an offer to purchase the real property located at 55 Sinagua Drive in conformance with the direction given in the Executive Session. Seconded by Councilor Thompson. Vote: Motion carried with six (6) in favor and one (1) opposed. Councilor Martinez opposed.
4. Adjournment

Mayor Moriarty adjourned the meeting at 3:48 p.m.

I certify that the above are the true and correct actions of the Special City Council Meeting held on July 14, 2015.

__________________________       ______________________
Susan L. Irvine, CMC, City Clerk       Date
1. **Call to Order/Pledge of Allegiance/Moment of Silence/Roll Call**

Mayor Moriarty called the meeting to order at 4:30 p.m.

Roll Call: Mayor Sandy Moriarty, Vice Mayor Mark DiNunzio, Councilor Scott Jablow, Councilor Angela LeFevre, Councilor John Martinez, Councilor Jon Thompson, Councilor Jessica Williamson.

Staff Present: City Manager Justin Clifton, Contract City Attorney Mike Goimarac, Director of Community Development Audree Juhlin, Assistant Director of Community Development/City Engineer Andy Dickey, Engineering Supervisor Stephen Craver, Chief of Police Ray Cota, Arts & Culture Coordinator Nancy Lattanzi, Deputy City Clerk JoAnne Cook, City Clerk Susan Irvine.

2. **City’s Vision Statement/Moment of Art**

Councilor Williamson read the City’s vision statement.

Nancy Lattanzi introduced Chris Spheeris a Sedona resident who is an internationally renowned recording artist, composer, performer, and writer. He has earned platinum and gold records for his instrumental works and has also won an Emmy as a film composer. Mr. Spheeris performed an interactive art moment.

3. **Consent Items**

a. Minutes - June 23, 2015 City Council Special Meeting - Executive Session.

b. Minutes - June 23, 2015 City Council Special Meeting - Budget.


d. Minutes - June 24, 2015 City Council Special Meeting.

e. AB 1972 Approval of a resolution authorizing the execution of an Intergovernmental Agreement (IGA) between the City of Sedona and the Yavapai County Flood Control District (YCFCD) contributing $350,000 in drainage funds to be used for the Casa Bonita Channel Project.

f. AB 1973 Approval of an Interim Permit and New Series 12 Liquor License for Nortons Tap and Grill restaurant located at 671 State Route 179, Sedona, Arizona (License #1203379).

g. AB 1974 Approval of a Special Event Liquor License for the Rotary Club of Sedona Red Rocks’ fundraising event scheduled for Saturday, October 3, 2015.

Motion: Councilor Thompson moved to approve consent items 3a, 3b, 3c, 3d, 3e, 3f, and 3g. Seconded by Councilor Martinez. Vote: Motion carried unanimously with seven (7) in favor and zero (0) opposed.

4. **Appointments – None.**

5. **Citizen Engagement Program (CEP) Update**
Justin Clifton advised that the City of Sedona has received a prestigious award for Strategic Leadership and Governance from ICMA for our Citizen Engagement Program. This was a competitive process and included cities with populations of 10,000-49,999. He applauded Karen Daines, Audree Juhlin, and Lauren Browne for their work on instilling this program. Lauren Browne gave more thanks and information on the award. Mayor Moriarty thanked staff and Lauren for their hard work. Councilor Williamson recognized staff for persevering on this issue given all of the feedback they received from the public. Councilor LeFevre thanked the 215 plus citizens for their contributions and involvement in this program which demonstrates its success.

6. Summary of Current Events

Councilor Martinez stated that the 4th of July festival was very successful, and the laser show inside of SPAC was fabulous. He gave credit to Rachel Murdoch, her staff, and the volunteers for the success of this program. He stated that the Sedona Library is hosting a health fair on July 29th. On July 21st, the Library is providing information on immigration issues. Councilor Martinez suggested that the public check the City’s website for information on Parks & Recreation programs including Yappy Hour for dogs, the Suddenlink Flick and Float on Saturday, July 25th, and Wet Wednesdays at Sunset Park. Councilor LeFevre stated that KSB is involved in a process to create a national monument in the area. They have a website where people can get additional information which is: www.sedonaverdevalleyredrocknationalmonument.org. There is an informational meeting on this subject on July 16th at 6:00 p.m. at the Library. Vice Mayor DiNunzio stated that the Day of the Cowboy is in Uptown on July 25th with a full day events and celebration.

7. Public Forum

Joe DeSalvo, Sedona, member of GAASP, spoke about his desire to rid the skies of the toxic chemicals being sprayed. He encouraged everyone to look up, pay attention to the clouds overhead, and to get additional information on this topic.

John Tricomi, Sedona, spoke about chemtrails and an article from India related to this topic. The data from the gentleman who authored the article indicates that coal fly ash is being used to spray in the skies

Jenine-LeCett Dshazer, Sedona, spoke about chemtrails and an article from Carolyn Williams Palit on the subject.

8. Proclamations, Recognitions and Awards – None.

9. Regular Business

a. AB 1977 Discussion/possible action on numerous revisions to the City Council Rules of Procedure and Policies including but not limited to addition of City of Sedona Principles of Ethical Conduct for Elected Officials.

Presentation by Justin Clifton, Mike Goimarac, and Susan Irvine.

Questions and comments from Council.

Break at 6:30 p.m. Reconvened at 6:41 p.m.

Further questions and comments from Council.
Motion: Councilor Williamson moved to approve the changes to the City of Sedona City Council Rules of Procedure and Policies as presented with the amendments as discussed. Seconded by Councilor Thompson. Vote: Motion carried unanimously with seven (7) in favor and zero (0) opposed.

b. Reports/discussion on Council Assignments – None.

c. Discussion/possible action on Future Meeting/Agenda Items – None.

10. Executive Session

Upon a public majority vote of the members constituting a quorum, the Council may hold an Executive Session that is not open to the public for the following purposes:

a. To consult with legal counsel for advice on matters listed on this agenda per A.R.S. § 38-431.03(A)(3).

b. Return to open session. Discussion/possible action on executive session items.

No Executive Session was held.

10. Adjournment

Mayor Moriarty adjourned the meeting at 8:07 p.m. without objection.

I certify that the above are the true and correct actions of the Regular City Council Meeting held on July 14, 2015.

________________________________________
Susan L. Irvine, CMC, City Clerk

Date
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1. Call to Order/Pledge of Allegiance/Moment of Silence

Mayor Moriarty called the meeting to order at 3:03 p.m.

2. Roll Call

Roll Call: Mayor Sandy Moriarty, Vice Mayor Mark DiNunzio, Councilor Scott Jablow, Councilor Angela LeFevre, Councilor John Martinez, Councilor Jon Thompson, and Councilor Jessica Williamson.

Staff Present: City Manager Justin Clifton, Deputy City Clerk JoAnne Cook.

3. Special Business


Introduction by Justin Clifton. Presentation by Keep Sedona Beautiful representatives Tom O’Halleran, President, and Norris Peterson, Vice-President. Mr. O’Halleran advised that there will be a public meeting on Thursday, July 16, 2015 from 5:30-7:30 p.m. at the Sedona Public Library, and on July 21, 2015 from 5:30-7:30 p.m. at the Cottonwood Recreation Center.

Questions and comments from Council.

Opened to the public at 4:25 p.m.

Paul Schwartz, Village of Oak Creek, spoke in favor of the Sedona Verde Valley Red Rock National Monument. He has concerns about the deterioration of local archeological sites due to the lack of funding and resources to protect them. He feels gaining this status is the best plan to solve problem.

Joanne Kendrick, Village of Oak Creek, spoke in favor of the Sedona Verde Valley Red Rock National Monument. She is the trustee of Keep Sedona Beautiful (KSB). She stated that she sees parallels between the process to gain the national monument designation and the process to attain the Dark Sky Designation. She urged council to support this endeavor.

Dick Ellis, Sedona, spoke in favor of the Sedona Verde Valley Red Rock National Monument. He said that Council designated KSB to protect the beauty of Sedona during their 2015 priority setting process. He encouraged them to move this item to top of list.


Brent Bitz, Sedona, spoke in favor of Sedona Verde Valley Red Rock National Monument. He is a spoke on behalf of the Verde Valley River Basin Partnership, stating their support of KSB’s pursuit of the national monument status. He feels this will
enhance the brand of Sedona, the economy, and increase home values in Sedona. He encouraged Council to support the national monument designation.

Cindy Wilmer, Sedona, spoke against the Sedona Verde Valley Red Rock National Monument. She is concerned that it will be another layer of government control. She feels the forest fees that are currently enforced are in violation of federal law. She is concerned this designation will increase traffic and traffic pollution. She would like to see an audit of the forest fees completed.

Birgit Loewenstein, Sedona, spoke in favor of the Sedona Verde Valley Red Rock National Monument. She read comments she has received from citizens in support of the designation.

Carole Piszezek Shefield, Sedona, spoke in favor of the Sedona Verde Valley Red Rock National Monument. She has lived here fifteen years. She commented that people who do not live here are surprised that Sedona does not already have the designation status. She said that only lands that belong to the Federal Government can receive this designation, not private land. She feels this will generate more funding opportunities to support the Forest Service operations.

Peggy Chaikin, Sedona, spoke in favor of the Sedona Verde Valley Red Rock National Monument. She thanked the City Manager and Council for their efforts to include the community in this process. She asked Council to visualize tourist who come here to visit Slide Rock and other recreational areas and to promote their use of the land in a clean and efficient manner by their support of this designation.

Christine Adams, Sedona, spoke in favor of Sedona Verde Valley Red Rock National Monument. She stated she is an active realtor in Sedona and said there are a lot of realtors in support. She thanked KSB for their commitment to maintain the beauty of Sedona. She urged Council to take a leap of commitment, step forward, and not worry about the unknowns.

Fred Johnson, Sedona, spoke about the Sedona Verde Valley Red Rock National Monument. He spoke regarding the citizens who live here and feels they recognize the beauty of Sedona. He stated an economic message to remember is that the value of property rest on the presence of the beauty that is here. He feels value property value will increase with the designation.

Ron Volkman, Sedona, spoke against the Sedona Verde Valley Red Rock National Monument. He said that the Verde Valley Reality Association has not taken a stance on whether or not they support this designation. He said as an individual he is concerned about the management plan, and cautioned that words matter and are highly important when adopting a resolution. He feels that Sedona would be starting over with new management plan, throwing the current Forest Service plan out of window. He said there is no guarantee that additional funds will increase to assist with management. He is concerned about the influx of people the designation would bring. He stated that the outreach KSB has done is less than complete and they need more input from various entities. He is concerned that the designation would bring more bureaucracy and regulations.

Gay Chandler, Village of Oak Creek, spoke about her concerns of the management plan, the uncertainty of the role of the Forest Service, the impact on tourism, and the
uncertainty of additional funding. She said she would be happy to vote after more
details are brought forward to the public.

Returned to Council at 4:57 p.m.

Council directed staff to take the reins to continue the research efforts. They would like
specific information from other communities of any issues and the benefits to the
community since attaining the designation. Council mentioned more specific details
including the amount of additional funds other cities received once the status was
attained, how the increase of tourism has impacted those cities, and if any grant funds
could be attained due to the status. Council would like more input from the community,
and request a draft of the proclamation along with resolution including all details and
specific wording prior to voting.

Discussion/possible action on Future Meeting/Agenda Items.

Councilor Thompson requested that Council discuss the possibility of adopting the 2002
version of the City Vision Statement, by proclamation, as the City’s official vision
statement. Vice Mayor DiNunzio seconded the request.

4. Executive Session

Upon a public majority vote of the members constituting a quorum, the Council may
hold an Executive Session that is not open to the public for the following purposes:

a. To consult with legal counsel for advice on matters listed on this agenda
   per A.R.S. § 38-431.03(A)(3).

b. Return to open session. Discussion/possible action on executive session
   items.

No Executive Session was held.

5. Adjournment

Mayor Moriarty adjourned the meeting at 5:12 p.m. without objection.

I certify that the above are the true and correct actions of the Special City Council
Meeting held on July 15, 2015.

________________________________   ________________
JoAnne Cook, Deputy City Clerk    Date
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<table>
<thead>
<tr>
<th><strong>Full Name of Contact Person</strong></th>
<th>Sherri O'Connor</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Contact Phone Number</strong></td>
<td>203-5170</td>
</tr>
<tr>
<td><strong>Contact Mailing Address</strong></td>
<td>100 Roadrunner Drive</td>
</tr>
<tr>
<td><strong>Contact Email Address</strong></td>
<td><a href="mailto:soconnor@sedonaaz.gov">soconnor@sedonaaz.gov</a></td>
</tr>
<tr>
<td><strong>Group, Organization, Activity or Event Being Recognized</strong></td>
<td>National Association of Town Watch (NNO)</td>
</tr>
<tr>
<td><strong>Website Address (if applicable)</strong></td>
<td>nationalnightout.org</td>
</tr>
<tr>
<td><strong>Name of the sponsor(s) of the Proclamation</strong> (2 Council members or the City Manager)</td>
<td></td>
</tr>
<tr>
<td><strong>What is the proclaimed day, days, week or month?</strong> (e.g. 10/11/12, October 11-17, 2012, October 2012)</td>
<td>August 4, 2015</td>
</tr>
<tr>
<td><strong>Would you like to attend a Council meeting for formal presentation of the Proclamation or would you like to pick it up?</strong></td>
<td>Presentation at Meeting</td>
</tr>
<tr>
<td><strong>If you would like the Proclamation presented at a Council meeting, please provide the full name and contact information (phone number and email address) of the party who will accept it on behalf of the group.</strong></td>
<td>Chief Cota</td>
</tr>
</tbody>
</table>
Provide information about the organization/event including a mission statement, founding date, location and achievements.

"National Night Out" has become an annual event in the City of Sedona for the past 16 years provides an exceptional opportunity for Sedona to join forces with thousands of other communities across the country promoting cooperative police-community crime prevention efforts. The event will be held on Tuesday, August 4th from 5:00 p.m. to 7:00 p.m. at Posse Ground Park on Posse Ground Road in Sedona.

The City of Sedona and the Sedona Police Department are committed to enhancing the public trust through partnerships with residents, businesses and visitors that they serve through programs like "National Night Out".

All our local public and private education, community service, public safety, health, recreational, business and volunteer organizations play a vital role in assisting the Sedona Police Department with crime, drug and violence prevention efforts in the City of Sedona and are supporting "National Night Out".

Please explain why this Proclamation and any events accompanying it are important to the Community and are consistent with the City’s vision statement and Community Plan goals. What is the clear reason for the Proclamation and why are you requesting this honor? What activities/events are planned around this Proclamation and how do you plan to promote this to the community?

It is essential that all residents of the City of Sedona be aware of the importance of crime prevention programs and recognize the impact that their participation can have on reducing crime, drugs and violence in Sedona.

Free barbecue, fun games and activities for adults and children such as water slide ride, live music and demonstrations from Sedona Fire District, Sedona Police Department and other local public programs.

Public notices, press releases, flyers, banners, Facebook, City of Sedona website, and newspaper advertisements will promote this event.

Please include a draft of the proposed Proclamation with this request, preferably a Word file in electronic format.
Proclamation
National Night Out
August 4, 2015

WHEREAS, the National Association of Town Watch (NATW), Target, Nextdoor.Com, and ASSOCIA are sponsoring a unique, nationwide crime, drug, and violence prevention program entitled “National Night Out”; and

WHEREAS, “National Night Out” has become an annual event in the City of Sedona for the past 16 years and provides an exceptional opportunity for Sedona to join forces with thousands of other communities across the country promoting cooperative police-community crime prevention efforts; and

WHEREAS, all our local public and private education, community service, public safety, health, recreational, business, and volunteer organizations play a vital role in assisting the Sedona Police Department with crime, drug, and violence prevention efforts in the City of Sedona and are supporting “National Night Out 2015”; and

WHEREAS, it is essential that all residents of the City of Sedona be aware of the importance of crime prevention programs and recognize the impact that their participation can have on reducing crime, drugs, and violence in Sedona; and

WHEREAS, the City of Sedona and the Sedona Police Department are committed to enhancing the public trust through partnerships with residents, businesses, and visitors that they serve through programs like “National Night Out”; and

WHEREAS, police-community partnerships, neighborhood safety, awareness, and cooperation are important themes of the “National Night Out” program.

NOW THEREFORE, I, Sandy Moriarty, Mayor of the City of Sedona, on behalf of the Sedona City Council, call upon all residents of the City of Sedona to participate in “National Night Out” on Tuesday, August 4, 2015 and proclaim this date as “National Night Out” in the City of Sedona.

Issued this 28th day of July, 2015.

______________________________
Sandra J. Moriarty, Mayor

ATTEST:

______________________________
Susan L. Irvine, CMC, City Clerk
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Agenda Item: 3e
Proposed Action & Subject: Approval of a two-year service contract, in the amount of $25,000 annually, with the Verde Valley Caregivers Coalition for special needs transportation services to Sedona residents from July 1, 2015 through June 30, 2017.

Department
City Manager’s Office

Time to Present
N/A

Total Time for Item
N/A

Other Council Meetings
December 9, 2014 – AB #1879
April 30- 31 Budget Work Sessions

Exhibits
A. Draft Contract Between VVCC and City of Sedona

<table>
<thead>
<tr>
<th>City Attorney Approval</th>
<th>Reviewed 6/30/15 RCR</th>
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<tbody>
<tr>
<td>City Manager’s Recommendation</td>
<td>Approve the two year service contract with VVCC.</td>
</tr>
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Expenditure Required
$ 25,000

Amount Budgeted
$ 25,000

Account No. 10-5245-01-6720

Finance Approval

SUMMARY STATEMENT

Background: For the past 18 years, community organizations have received funding from the City. Some of these are for services the City does not provide, but may otherwise have to, and others are intended to provide additional public benefit.

A supplemental funding request and City Manager recommendation to fund Verde Valley Caregivers Coalition (VVCC) at $25,000 annually was presented to the City Council during the April 30 – May 1 City Council Budget Work Session. The Council expressed support for that recommendation and has approved the fiscal year 2016 budget with that allocation.

Discussion

VVCC is organized to provide supportive services to older adults and adults with disabilities by using a combination of volunteers, professional staff, and linking individuals in need to a wide variety of available assistance, so that they may maintain their independence and quality of life at home. VVCC provides the following services to eligible adults: transportation to medical appointments and for other errands, assistance with grocery shopping, minor home and safety repairs, visitation, assistance with organizing bills, assistance with caring for...
pets, transitional care services from hospital to home, and information and assistance with accessing other services. The majority of services are provided by volunteers with the direction and guidance of professional staff.

**The City of Sedona is contracting with VVCC specifically to provide Demand-Response Special Needs Transportation:** The City shall pay VVCC to provide door-to-door Demand-Response Special Needs Transportation to eligible Sedona residents to destinations within Sedona, throughout the Verde Valley, and to Flagstaff, Prescott and the Phoenix region for health care appointments. VVCC will provide transportation for eligible Sedona residents to destinations throughout the Verde Valley for grocery shopping and other errands. VVCC will complete an eligibility screening for each resident requesting transportation services. VVCC will provide transportation in wheelchair accessible vehicles for eligible residents requiring the use of a wheelchair.

Approximately 90% of the City of Sedona residents participating in VVCC programs utilize demand response special needs transportation. The five-year history of City residents participating in VVCC programs is as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015 (est)</th>
</tr>
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<tr>
<td>Sedona Participants</td>
<td>212</td>
<td>300</td>
<td>390</td>
<td>430</td>
<td>572</td>
<td>660</td>
</tr>
</tbody>
</table>

Staff is proposing a two-year term for VVCC’s agreement so that it will expire at the same time as the other service contracts. For the next funding cycle (FY2018-2021), in order to continue to be considered for future funding, VVCC will go through the same review, interview, and evaluation process as the other organizations.

The VVCC contract does contain language that makes annual funding contingent on the availability of funds as provided in the City’s annual budget, and the ultimate realization of budgeted revenues being received by the City. This gives the City the ability to modify next year’s funding amount should availability of City funds be an issue.

Additionally the contract can be revisited during the two-year period if circumstances changed significantly and staff or the City Council believe there is a valid reason to reevaluate these contract terms.

Like the others, it will include an automatic inflationary escalator for FY16-17 tied to the Consumer Price Index.

**Community Plan Compliant:** □ Yes - □ No - ☑ Not Applicable

**Board/Commission Recommendation:** □ Applicable - ☑ Not Applicable

**Alternative(s):** The City could provide these services directly, the funding level could be modified, or Council could elect not to fund these services.

**MOTION**

I move to: approve the proposed service contract for $25,000 annually with the Verde Valley Caregivers Coalition and authorize the City Manager to sign said contract.
This is an AGREEMENT entered into this 28 of July, 2015 by and between the VERDE VALLEY CAREGIVERS COALITION, a non-profit corporation, hereinafter referred to as “VVCC” and the CITY OF SEDONA, a municipal corporation, hereinafter referred to as “City.”

WHEREAS, the City is a municipal corporation organized under the laws of the State of Arizona and entitled to provide services and enter into contracts for the purpose of obtaining services or benefits which it otherwise could provide; and

WHEREAS, VVCC is a non-profit corporation that provides special needs transportation services and programs that benefit the residents who reside within the local community; and

WHEREAS, the City desires to contract for demand response special needs transportation for the benefit of the residents of the City, and VVCC desires to provide the City certain services for the benefit of the residents of the City.

NOW, THEREFORE, in consideration of the mutual promises and covenants of the parties, and other good and valuable consideration, the parties agree as follows:

1. **Term:** The term of this Agreement shall be two years from July 1, 2015 to June 30, 2017, unless either party gives written notice to the other on or before May 1, 2016 of its intent not to renew for the following year.

2. **Payment:** The VVCC and the City acknowledge that the services and programs to be provided to Sedona residents are a direct public benefit to the City. The services benefiting the City are set forth in section 4 below. In consideration of that value, the City agrees to pay to the VVCC the sum of TWENTY FIVE THOUSAND DOLLARS ($25,000.00), subject to the availability of funds from the City, for the first year of the contract beginning July 1, 2015 and ending June 30, 2016.

   The City agrees to base the funding for the subsequent year of the contract on the FY16 base amount with an annual inflationary escalator. The FY16-17 funding amount will be Twenty Five Thousand Dollars ($25,000) base amount plus the inflationary escalator in accordance with the Bureau of Labor Statistics CPI-U for the West Region for the previous 12 month period ending December of the prior year. The inflationary escalator shall not exceed 5%.

   The City agrees to make payments to the VVCC in two installments each year of the agreement; by the 30th of the month in August and February.

3. **Funding Obligation:** The City's obligation to provide the funding herein stated is conditioned on the availability of funds as provided in the City’s annual budget, and
the ultimate realization of budgeted revenues being received by the City. The City’s fiscal year ends on June 30th of each year. Otherwise the City warrants and represents it will not reduce VVCC funding during any period on account of private donations received by the VVCC.

4. **Services:** VVCC shall provide door-to-door Demand-Response Special Needs Transportation to eligible Sedona residents to destinations within Sedona, throughout the Verde Valley, and to Flagstaff, Prescott and the Phoenix region for health care appointments. VVCC will provide transportation for eligible Sedona residents to destinations throughout the Verde Valley for grocery shopping and other errands. VVCC will complete an eligibility screening for each resident requesting transportation services. VVCC will provide transportation in wheelchair accessible vehicles for eligible residents requiring the use of a wheelchair.

5. **Marketing:** The VVCC shall provide two (2) PowerPoint slides to be utilized on the City’s public cable channel slideshow for the purpose of marketing.

   a. The VVCC agrees that all printed materials created and distributed by the VVCC with funds from the City contain a statement recognizing and acknowledging that funding has been provided by the City for such documents.

6. **Financials:** The VVCC shall use City funds only for VVCC purposes and provide written accounting to the City describing the manner and use of City funds at the City’s request. In addition, the VVCC shall provide a copy of the IRS 990 and a copy of its audited annual financial statements. The City shall have the right to audit the books of the VVCC at all reasonable times for the purpose of confirming the expenditures of City funds with reasonable notice to the VVCC.

7. **Reporting:** VVCC will provide quarterly performance reports that will include statistics related to City resident usage for Demand-Response Special Needs Transportation. Upon the request of the City Council or City Manager VVCC will provide an annual presentation to City Council on the activities and accomplishments of the agency and the service provision within the City of Sedona.

8. **City Liaison:** The City will appoint one (1) non-voting liaison to attend the VVCC Board meetings to provide two-way communication between the City and the VVCC.

9. **Termination:** Either party may terminate this Agreement, without penalty, upon 30 days written notice to the other. Upon such termination, the parties shall assess the services rendered to the date of termination and the City shall make any necessary payment or VVCC shall make any necessary reimbursement as may be required so that payment for the services rendered to the date of termination shall have been paid by the City on a proportional basis over the term of the Agreement.
10. **ADA**: VVCC must conform to the Americans with Disabilities Act of 1990, including changes made by the ADA Amendments Act of 2008 (P.L. 110-325) (ADA) and the Rehabilitation Act of 1973, as amended. This includes prohibiting discrimination against the handicapped in employment, programs, services and activities and making reasonable accommodations to allow their full and equal access to all such employment, programs, services, and activities. VVCC shall also comply with all other federal, state and local regulations prohibiting unlawful discrimination in employment, programs, services, activities and contracting.

11. **Legal Compliance**: The VVCC agrees to comply with all Federal, State, and City laws or regulations applicable to the VVCC’s business or services or to the performance of these services.

12. **Written Changes**: This Agreement contains the entire Agreement of the parties with respect to the subject matters hereof and it may be amended or modified only by an instrument in writing signed by both parties.

   a. Written notices to City shall be sent to:
      
      City Manager
      City of Sedona
      102 Roadrunner Drive
      Sedona, AZ  86336

   b. Notices to the VVCC, shall be addressed to:
      
      Executive Director
      Verde Valley Caregivers Coalition
      299 Van Deren Rd., Ste. 2
      Sedona, AZ  86336

**INDEPENDENT CONTRACTOR**

1. The parties agree that VVCC provides specialized services and that the VVCC enters this agreement with the City as an independent contractor. Nothing in this contract shall be construed to constitute the VVCC, nor any of its personnel, volunteers, or directors, as agents, employees, or representatives of the City.

2. As an independent contractor, the VVCC is solely responsible for all labor and expenses in connection with this agreement and for any and all damages that may arise during the operation of this Agreement.

3. VVCC shall carry appropriate insurance and shall indemnify and hold the City and its officials, employees and agents harmless from any and all claims, demands, actions and causes of action (including administration or alternative dispute resolution proceedings) penalties or costs (including attorneys' fees) or liability for damages for personal injury or property damage resulting from the acts or omissions of VVCC’s officers, directors, agents, employees, or volunteers, in
connection with this agreement or in any way arising from the activities or services of VVCC as set forth in this agreement. The VVCC shall provide a copy of the insurance certificate, which lists the City of Sedona as an additional insured, to the City Manager’s Office prior to the first installment release.

4. It is understood and agreed that VVCC is free to contract with other parties or to otherwise provide additional services.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officials on the aforementioned date.

CITY OF SEDONA, ARIZONA

Verde Valley Caregivers Coalition

By: ___________________________     By: ___________________________
  Justin Clifton, City Manager                             Board President

Date: _________________________  Date: _________________________

ATTEST:                                  ATTEST:

________________________________             _______________________________
  Susan L. Irvine, CMC, City Clerk                        Executive Director

Date: _________________________  Date: _________________________

APPROVED AS TO FORM:

_________________________________
  Robert L. Pickels, Jr., City Attorney

Date: _________________________
**Agenda Item: 3f**  
**Proposed Action & Subject:** Approval of a Series 12 Liquor License Application for Karma Café of Sedona LLC, located at 1950 West SR 89A, Sedona (License #12133626).

<table>
<thead>
<tr>
<th>Department</th>
<th>Community Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time to Present</td>
<td>N/A</td>
</tr>
<tr>
<td>Total Time for Item</td>
<td>N/A</td>
</tr>
<tr>
<td>Other Council Meetings</td>
<td>N/A</td>
</tr>
<tr>
<td>Exhibits</td>
<td>A. Liquor License Application</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>City Attorney Approval</th>
<th>Reviewed 7/21/15 RLP</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Manager's Recommendation</td>
<td>Approve the liquor license application for Karma Café.</td>
</tr>
</tbody>
</table>

**Expenditure Required**  
$ 0  

**Amount Budgeted**  
$ 0  
Account No. N/A  
(Description) Finance Approval

**SUMMARY STATEMENT**

**Background:** State liquor laws require Sedona’s City Council to forward a recommended approval or denial of applications for liquor licenses.

The City has received a new Series 12 Liquor License application for Karma Café of Sedona LLC located in the Bashas’ Shopping Complex at 1950 West SR89A in Sedona.

A Series 12 liquor license is a non-transferable, on-sale retail privileges liquor license that allows the holder of a restaurant license to sell and serve spirituous liquor solely for consumption on the premises of an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food. Failure to meet the 40% food requirement shall result in revocation of the license.

Community Development staff, and both the Sedona Police Department and Sedona Fire District do not have any objections regarding approval of this application. Staff recommends the City Council approve this application.
Community Plan Consistent: ☐ Yes - ☐ No - ☑ Not Applicable

Board/Commission Recommendation: ☐ Applicable - ☑ Not Applicable

Alternative(s): Not approve the Series 12 Liquor License Application for Karma Café of Sedona LLC, located at 1950 West SR 89A (License #12133626).

MOTION

I move to: approve the Series 12 Liquor License Application for Karma Café of Sedona LLC, located at 1950 West SR 89A (License #12133626).
Arizona Department of Liquor Licenses and Control
800 West Washington, 5th Floor
Phoenix, Arizona 85007
www.azlicor.az.gov
602-542-5141
APPLICATION FOR LIQUOR LICENSE
TYPE OR PRINT WITH BLACK INK

APPLICATION FOR LIQUOR LICENSE

Notice: Effective Nov. 1, 1997, All Owners, Agents, Partners, Stockholders, Officers, or Managers actively involved in the business must attend a Department approved liquor law training course or provide proof of attendance within the last five years. See page 5 of the Liquor Licensing requirements.

SECTION 1 This application is for a:
☐ MORE THAN ONE LICENSE
☐ INTERIM PERMIT Complete Section 5
☐ NEW LICENSE Complete Sections 2, 3, 4, 13, 14, 15, 16
☐ PERSON TRANSFER (Bars & Liquor Stores ONLY)
  Complete Sections 2, 3, 4, 11, 13, 14, 15, 16
☐ LOCATION TRANSFER (Bars and Liquor Stores ONLY)
  Complete Sections 2, 3, 4, 12, 13, 15, 16
☐ PROBATE/WILL ASSIGNMENT/DIVORCE DECREES
  Complete Sections 2, 3, 4, 9, 13, 16 (fee not required)
☐ GOVERNMENT Complete Sections 2, 3, 4, 10, 13, 15, 16

SECTION 2 Type of ownership:
☐ J.T.W.R.O.S. Complete Section 6
☐ INDIVIDUAL Complete Section 6
☐ PARTNERSHIP Complete Section 6
☐ CORPORATION Complete Section 7
☐ LIMITED LIABILITY CO. Complete Section 7
☐ CLUB Complete Section 8
☐ GOVERNMENT Complete Section 10
☐ TRUST Complete Section 6
☐ OTHER (Explain)

SECTION 3 Type of license and fees LICENSE #:12
1. Type of License(s): Restaurant

2. Total fees attached:

Application Fee and Interim Permit Fees (if applicable) are not refundable.
The fees allowed under A.R.S. 44-6852 will be charged for all dishonored checks.

SECTION 4 Applicant:

1. Owner/Agent's Name: Spina, Cathy
   (Insert one name only to appear on license)
   Mr. Ms. First Middle Last

2. Corp./Partnership/L.L.C.: Karma Café of Sedona L.L.C.
   (Exactly as it appears on Articles of Inc. or Articles of Org.)
   B1054680

3. Business Name: Karma Café of Sedona
   (Exactly as it appears on the exterior of premises)
   B10447996

4. Principal Street Location 1950 W. SR 89A Sedona
   (Do not use PO Box Number)
   City: County: Zip: Yavapai 86336

5. Business Phone: 928-282-4910 Daytime Phone: 848-333-9673 Email: mnyk1429@msn.com

6. Is the business located within the incorporated limits of the above city or town? □ Yes □ No

7. Mailing Address: 1950 W. SR 89A Sedona
   City: State: Zip: AZ 86336

8. Price paid for license only bar, beer and wine, or liquor store: Type ______ $_____
   Type ______ $_____

DEPARTMENT USE ONLY

Fees:

Application Interim Permit Site Inspection Finger Prints
$100.00 $50.00 $25.00 $25.00
TOTAL OF ALL FEES $172.00

Is Arizona Statement of Citizenship & Alien Status For State Benefits complete? □ Yes □ No

Accepted by: Date: 10/18/15 Lic. #: 13313626

1/7/2013

*Disabled individuals requiring special accommodation, please call (602) 542-9027.
SECTION 5  Interim Permit:

1. If you intend to operate business when your application is pending you will need an Interim Permit pursuant to A.R.S. 4-203.01.

2. There MUST be a valid license of the same type you are applying for currently issued to the location.

3. Enter the license number currently at the location. ______________________

4. Is the license currently in use? ☐ YES ☐ NO  If no, how long has it been out of use? _______________

ATTACH THE LICENSE CURRENTLY ISSUED AT THE LOCATION TO THIS APPLICATION.

I, ______________________, declare that I am the CURRENT OWNER, AGENT, CLUB MEMBER, PARTNER, MEMBER, STOCKHOLDER, OR LICENSEE (circle the title which applies) of the stated license and location.

State of ______________  County of ______________

X ______________________

(Signature)

My commission expires on: _______________

The foregoing instrument was acknowledged before me this day of __________, Month __________, Year __________

______________________

(Signature of NOTARY PUBLIC)

SECTION 6  Individual or Partnership Owners:

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND $22 PROCESSING FEE FOR EACH CARD.

1. Individual:

<table>
<thead>
<tr>
<th>Last</th>
<th>First</th>
<th>Middle</th>
<th>% Owned</th>
<th>Mailing Address</th>
<th>City State Zip</th>
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</table>

Partnership Name: (Only the first partner listed will appear on license)

<table>
<thead>
<tr>
<th>General-Limited</th>
<th>Last</th>
<th>First</th>
<th>Middle</th>
<th>% Owned</th>
<th>Mailing Address</th>
<th>City State Zip</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐</td>
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☐ Y R A S S E C E N F I T

2. Is any person, other than the above, going to share in the profits/losses of the business? ☐ YES ☐ NO

If Yes, give name, current address and telephone number of the person(s). Use additional sheets if necessary.

<table>
<thead>
<tr>
<th>Last</th>
<th>First</th>
<th>Middle</th>
<th>Mailing Address</th>
<th>City, State, Zip</th>
<th>Telephone#</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</table>
SECTION 7 Corporation/Limited Liability Co.:

Each person listed must submit a completed questionnaire, Form LIC0101, an "Applicant" type fingerprint card, and $22 processing fee for each card.

☐ Corporation Complete questions 1, 2, 3, 5, 6, 7, and 8.
☒ L.L.C. Complete 1, 2, 4, 5, 6, 7, and 8.

1. Name of Corporation/L.L.C.: Karma Care of Sedona L.L.C.
   (Exactly as it appears on Articles of Incorporation or Articles of Organization)


3. AZ Corporation Commission File No.: Date authorized to do business in AZ:

4. AZ L.L.C. File No: 19915576 Date authorized to do business in AZ: 10/31/2014

5. Is Corp./L.L.C. Non-profit? ☐ YES ☐ NO

6. List all directors, officers and members in Corporation/L.L.C.:

<table>
<thead>
<tr>
<th>Last</th>
<th>First</th>
<th>Middle</th>
<th>Title</th>
<th>Mailing Address</th>
<th>City State Zip</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spina</td>
<td>Cathy</td>
<td>Ann</td>
<td>Member</td>
<td>Starview Ct. Sedona, AZ 85351</td>
<td></td>
</tr>
</tbody>
</table>

(ATTACH ADDITIONAL SHEET IF NECESSARY)

7. List stockholders who are controlling persons or who own 10% or more:

<table>
<thead>
<tr>
<th>Last</th>
<th>First</th>
<th>Middle</th>
<th>% Owned</th>
<th>Mailing Address</th>
<th>City State Zip</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spina</td>
<td>Cathy</td>
<td>Ann</td>
<td>100</td>
<td>10 Starview Ct. Sedona, AZ 85351</td>
<td></td>
</tr>
</tbody>
</table>

(ATTACH ADDITIONAL SHEET IF NECESSARY)

8. If the corporation/L.L.C. is owned by another entity, attach a percentage of ownership chart, and a director/officer/member disclosure for the parent entity. Attach additional sheets as needed in order to disclose personal identities of all owners.

SECTION 8 Club Applicants:

Each person listed must submit a completed questionnaire, Form LIC0101, an "Applicant" type fingerprint card, and $22 processing fee for each card.

1. Name of Club: Date Chartered: (Exactly as it appears on Club Charter or Bylaws)
   (Attach a copy of Club Charter or Bylaws)

2. Is club non-profit? ☐ YES ☐ NO

3. List officer and directors:

<table>
<thead>
<tr>
<th>Last</th>
<th>First</th>
<th>Middle</th>
<th>Title</th>
<th>Mailing Address</th>
<th>City State Zip</th>
</tr>
</thead>
</table>

(ATTACH ADDITIONAL SHEET IF NECESSARY)
SECTION 9  Probate, Will Assignment or Divorce Decree of an existing Bar or Liquor Store License:

1. Current Licensee's Name: ____________________________________________  Last  First  Middle
   (Exactly as it appears on license)

2. Assignee's Name: ____________________________________________  Last  First  Middle

3. License Type: __________________ License Number: __________________ Date of Last Renewal: __________

4. ATTACH TO THIS APPLICATION A CERTIFIED COPY OF THE WILL, PROBATE DISTRIBUTION INSTRUMENT, OR DIVORCE DECREE THAT SPECIFICALLY DISTRIBUTES THE LIQUOR LICENSE TO THE ASSIGNEE TO THIS APPLICATION.

SECTION 10  Government: (for cities, towns, or counties only)

1. Governmental Entity: ________________________________________________

2. Person/designee: ____________________________________________  Last  First  Middle  Contact Phone Number

   A SEPARATE LICENSE MUST BE OBTAINED FOR EACH PREMISES FROM WHICH SPIRITUOUS LIQUOR IS SERVED.

SECTION 11  Person to Person Transfer:

Questions to be completed by CURRENT LICENSEE (Bars and Liquor Stores ONLY-Series 06,07, and 09).

1. Current Licensee's Name: ____________________________________________  Entity: __________________
   (Exactly as it appears on license)  (Indiv., Agent, etc.)

2. Corporation/L.L.C. Name: ____________________________________________
   (Exactly as it appears on license)

3. Current Business Name: ____________________________________________
   (Exactly as it appears on license)

4. Physical Street Location of Business: Street __________________________
   City, State, Zip ________________________________________________

5. License Type: __________________ License Number: __________________

6. If more than one license to be transferred: License Type: __________________ License Number: __________________

7. Current Mailing Address: Street __________________________
   (Other than business)
   City, State, Zip ________________________________________________

8. Have all creditors, lien holders, interest holders, etc. been notified of this transfer?  ☐ YES ☐ NO

9. Does the applicant intend to operate the business while this application is pending?  ☐ YES ☐ NO  If yes, complete Section 5 of this application, attach fee, and current license to this application.

10. I, ____________________________, hereby authorize the department to process this application to transfer the
    privilege of the license to the applicant, provided that all terms and conditions of sale are met. Based on the fulfillment of these
    conditions, I certify that the applicant now owns or will own the property rights of the license by the date of issue.
    I, ____________________________, declare that I am the CURRENT OWNER, AGENT, MEMBER, PARTNER
    STOCKHOLDER, or LICENSEE of the stated license. I have read the above Section 11 and confirm that all statements are
    true, correct, and complete.

   ________________________________________________
   (Signature of CURRENT LICENSEE)

   State of __________________  County of __________________
   The foregoing instrument was acknowledged before me this ______________________
   Day  ____________________  Month  ____________________  Year

   ________________________________________________
   (Signature of NOTARY PUBLIC)
1. Current Business: Name __________________________________________________________
   Address __________________________________________________________

2. New Business: (Physical Street Location)
   Name __________________________________________________________
   Address __________________________________________________________

3. License Type: __________________ License Number: ____________________________

4. If more than one license to be transferred: License Type: __________________ License Number: ____________________________

5. What date do you plan to move? ____________________ What date do you plan to open? __________________

SECTION 13 Questions for all in-state applicants excluding those applying for government, hotel/motel, and restaurant licenses (series 5, 11, and 12):

A.R.S. § 4-207 (A) and (B) state that no retailer’s license shall be issued for any premises which are at the time the license application is received by the director, within three hundred (300) horizontal feet of a church, within three hundred (300) horizontal feet of a public or private school building with kindergarten programs or grades one (1) through (12) or within three hundred (300) horizontal feet of a fenced recreational area adjacent to such school building.

The above paragraph DOES NOT apply to:

a) Restaurant license (§ 4-205.02)
   b) Hotel/motel license (§ 4-205.01)
   c) Government license (§ 4-205.03)
   d) Fenced playing area of a golf course (§ 4-207 (B)(5))

1. Distance to nearest school: 316 ft. Name of school: Sedona Elementary School
   Address: 570 Posse Ground Rd. Sedona, AZ 86336
   City, State, Zip

2. Distance to nearest church: 316 ft. Name of church: Seventh Day Adventist Church
   Address: 80 S. Sunset Dr. Sedona, AZ 86334
   City, State, Zip

3. I am the: □ Lessee □ Sublessee □ Owner □ Purchaser, (of premises)

4. If the premises is leased give lessors: Name: Rams Shopping Center
   Address: 1111 N. Stadium Blvd., Suite 201 Columbia, MO 65203

4a. Monthly rental/lease rate $735.25 What is the remaining length of the lease? 10 yrs. 6 mos.
4b. What is the penalty if the lease is not fulfilled? $ __________ or other: ______________________
   (give details if necessary)

5. What is the total business indebtedness for this license/location excluding the lease?: 14,384

   Please list lenders you owe money to.

<table>
<thead>
<tr>
<th>Last Name</th>
<th>First Name</th>
<th>Middle Name</th>
<th>Amount Owed</th>
<th>Mailing Address</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
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<tbody>
<tr>
<td>Amex</td>
<td></td>
<td></td>
<td>14,384</td>
<td>P.O. Box 29-7812 Ft. Lauderdale, FL 33320</td>
<td></td>
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</tbody>
</table>

(ATTACH ADDITIONAL SHEET IF NECESSARY)

6. What type of business will this license be used for (be specific): Restaurant (full service)
SECTION 13 - continued

7. Has a license or a transfer license for the premises on this application been denied by the state within the past one (1) year? □ YES ☑ NO If yes, attach explanation.

8. Does any spirituous liquor manufacturer, wholesaler, or employee have any interest in your business? □ YES ☑ NO

9. Is the premises currently licensed with a liquor license? □ YES ☑ NO If yes, give license number and licensee’s name:
   License #__________________________ (exactly as it appears on license) Name _____________________________

SECTION 14 Restaurant or hotel/motel license applicants:

1. Is there an existing restaurant or hotel/motel liquor license at the proposed location? □ YES ☑ NO
   If yes, give the name of licensee, Agent or a company name: ____________________________ and license #: __________________________

2. If the answer to Question 1 is YES, you may qualify for an Interim Permit to operate while your application is pending; consult A.R.S. § 4-203.01; and complete SECTION 5 of this application.

3. All restaurant and hotel/motel applicants must complete a Restaurant Operation Plan (Form LIC0114) provided by the Department of Liquor Licenses and Control.

4. As stated in A.R.S. § 4-205.02,G.2, a restaurant is an establishment which derives at least 40 percent of its gross revenue from the sale of food. Gross revenue is the revenue derived from all sales of food and spirituous liquor on the licensed premises. By applying for this ☑ hotel/motel ☑ restaurant license, I certify that I understand that I must maintain a minimum of 40 percent food sales based on these definitions and have included the Restaurant Hotel/Motel Records Required for Audit (form LIC 1013) with this application.

   [Signature]

   applicant’s signature

As stated in A.R.S § 4-205.02 (B), I understand it is my responsibility to contact the Department of Liquor Licenses and Control to schedule an inspection when all tables and chairs are on site, kitchen equipment, and, if applicable, patio barriers are in place on the licensed premises. With the exception of the patio barriers, these items are not required to be properly installed for this inspection. Failure to schedule an inspection will delay issuance of the license. If you are not ready for your inspection 90 days after filing your application, please request an extension in writing, specify why the extension is necessary, and the new inspection date you are requesting. To schedule your site inspection visit www.azliquor.gov and click on the “Information” tab.

   [Signature]

   applicants initials

SECTION 15 Diagram of Premises: (Blueprints not accepted, diagram must be on this form)

1. Check ALL boxes that apply to your business:
   ☑ Entrances/Exits ☑ Liquor storage areas ☑ Patio: ☐ Contiguous ☐ Non Contiguous
   ☑ Service windows ☑ Drive-in windows

2. Is your licensed premises currently closed due to construction, renovation, or redesign? □ YES ☑ NO
   If yes, what is your estimated opening date? _______ month/day/year

3. Restaurants and hotel/motel applicants are required to draw a detailed floor plan of the kitchen and dining areas including the locations of all kitchen equipment and dining furniture. Diagram paper is provided on page 7.

4. The diagram (a detailed floor plan) you provide is required to disclose only the area(s) where spirituous liquor is to be sold, served, consumed, dispensed, possessed, or stored on the premises unless it is a restaurant (see #3 above).

5. Provide the square footage or outside dimensions of the licensed premises. Please do not include non-licensed premises, such as parking lots, living quarters, etc.

   As stated in A.R.S. § 4-207.01(B), I understand it is my responsibility to notify the Department of Liquor Licenses and Control when there are changes to boundaries, entrances, exits, added or deleted doors, windows or service windows, or increase or decrease to the square footage after submitting this initial drawing.

   [Signature]

   applicants initials

Page 30
SECTION 15 Diagram of Premises
4. In this diagram please show only the area where spirituous liquor is to be sold, served, consumed, dispensed, possessed or stored. It must show all entrances, exits, interior walls, bars, bar stools, hi-top tables, dining tables, dining chairs, the kitchen, dance floor, stage, and game room. Do not include parking lots, living quarters, etc. When completing diagram, North is up ↑.
If a legible copy of a rendering or drawing of your diagram of premises is attached to this application, please write the words "diagram attached" in box provided below.

DIAGRAM ATTACHED

SECTION 16 Signature Block

I, Cathy Ann Spina, hereby declare that I am the OWNER/AGENT filing this application as stated in Section 4, Question 1. I have read this application and verify all statements to be true, correct and complete.

x Cathy Ann Spina
(signature of applicant stated in Section 4, Question 1)

My commission expires on: 29 09 2018

State of Arizona County of Yavapai

The foregoing instrument was acknowledged before me this

4th of June 2015

My Comm. Expires: 09-29-2018

signature of Notary Public

Trisch Ricci
Notary Public
Yavapai County, Arizona
My Comm. Expires: 09-29-2018
ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL
800 W Washington 5th Floor
Phoenix, AZ 85007-2934
www.azliquor.gov
(602) 542-5141

RESTAURANT OPERATION PLAN

<table>
<thead>
<tr>
<th>Store</th>
</tr>
</thead>
<tbody>
<tr>
<td>License #: 10133424 - L Borner</td>
</tr>
</tbody>
</table>

1. List by Make, Model and Capacity of your:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Grill</td>
<td>AP Wyott Model GCB-241, 24&quot; x 25&quot;</td>
</tr>
<tr>
<td>Oven</td>
<td>Vulcan Model VC4D-1 Deck</td>
</tr>
<tr>
<td>Freezer</td>
<td>True Mfg. Co. Model T49F-Double Door</td>
</tr>
<tr>
<td>Refrigerator</td>
<td>Harford Systems Walk In 16 ft x 8 ft</td>
</tr>
<tr>
<td>Sink</td>
<td>3 Compartment</td>
</tr>
<tr>
<td>Dish Washing Facilities</td>
<td>3 Compartment + Dishwashing Sink + Dishwasher</td>
</tr>
<tr>
<td>Food Preparation Counter (Dimensions)</td>
<td>22 Feet x 4 ft</td>
</tr>
<tr>
<td>Other</td>
<td>Deep Fryer: Royal 50lb oil capacity</td>
</tr>
<tr>
<td>Griddle</td>
<td>Royal Range 48&quot;</td>
</tr>
</tbody>
</table>

2. Print the name of your restaurant: Karma Cafe of Sedona

3. Attach a copy of your menu (Breakfast, Lunch and Dinner including prices).

4. List the seating capacity for:

   a. Restaurant area of your premises (do not include patio seating) [112]
   b. Bar area of your premises [0]
   c. Total area of your premises [112]

5. What type of dinnerware and utensils are utilized within your restaurant?
   - Reusable [x]  Disposable [ ]

6. Does your restaurant have a bar area that is distinct and separate from the restaurant seating? (If yes, what percentage of the public floor space does this area cover.)
   - Yes: __________ %  No

7. What percentage of your public premises is used primarily for restaurant dining? (Does not include kitchen, bar, cocktail tables or game area.) 25 %

   25% is a gift shop.

*Disabled individuals requiring special accommodations, please call (602) 542-9027

12/17/2013
8. Does your restaurant contain any games or television? □ Yes □ No
If yes, specify what types and how many of each type (Televisions, Pool tables, Video Games, Darts, etc).

9. Do you have live entertainment or dancing? (If yes, what type and how often?)
   □ Yes □ No
   I may have live music on Friday and/or Saturday nights. Music will end before 10 PM. Guitar player with singer.

10. Use space below or attach a list of employee positions and their duties to fully staff your business.
    Exec. Chef - In charge of kitchen and all kitchen staff.
    Sous Chef - In charge of kitchen when exec. is off
    Line Cooks - Prepare and plate food to order.
    Prep Cooks - Prep all food.
    Dishwashers - Clean dishes and prep food in downtime.
    Servers - Take customer orders and deliver food.
    Bussers - Clean tables, fill water, clean restrooms.
    Hostess - Seat customers, take care of gift shop.

I, ____________________________, hereby declare that I am the APPLICANT filing this application. I have read this application and the contents and all statements true, correct and complete.

x ____________________________
(Signature of APPLICANT)

State of Arizona County of Yavapai
The foregoing instrument was acknowledged before me this ________ day of June, 2015.
Day of Month Month Year

My commission expires on: 07/29/2018

(Signature of NOTARY PUBLIC)
Trisch Ricci
Notary Public
Yavapai County, Arizona
My Comm. Expires 09-29-2018
BURGERS

Made with certified Angus Beef. All Burgers come with French Fries.

Plain Jane Burger*
With or without cheese, Lettuce, Tomato and Chipotle Mayo. - 8.95

Coffee Pot Rock Burger*
Bacon, Cheese, Avocado - 9.95

Cheeeeeeese Burger*
1/3 lb. burger topped with 1/4 lb. of cheddar cheese. - 10.95

Red Rock Burger*
A tasty diversion with green chilies, chipotle aioli and topped with pepper jack cheese. - 10.95

Karma Burger*
1/2 lb. burger stuffed with any of the following: Avocado, Salami, Onion Jam, Ham, Bleu Cheese or bacon crunches. - 11.95

VEGETARIAN

Sweet Potato Fries
Made with Ancho chili, maple syrup and brown sugar. - 4.95

Sauteed Seasonal Vegetables
Best and freshest available, sautéed to perfection. - 3.95

Brussel Sprouts
Braised Brussels Sprouts in chicken stock, topped with parmesan and bacon crumbles. - 3.95

LINGUINE

With snow peas and mushrooms in a peanut sauce. - 11.95

Fettuccine Alfredo
With cheesy garlic bread. - 12.95

Linguine Marinara
Served with cheesy garlic bread. - 9.95

Black Bean Burger
House made with cilantro lime hummus and chipotle aioli. - 8.95

Vegetarian Savory Pies
Yellow Squash and mozzarella cheese pie. - 9.95
Mushroom and cream cheese pie. - 9.95

SIDES

Nanna’s Mashed Potatoes
A combination of Kennebec and Yukon gold potatoes in blend of cream cheese, heavy cream, milk and butter. - 3.95

Chef’s Cheesy Spinach Polenta
Old fashioned polenta made with garlic confit, sauteed spinach and parmesan cheese. - 4.95

Rice Pilaf
A blend of wild rice with stock, onions, carrots, celery and seasonings. - 3.95

Four Cheese Mac
A fantastic blend of cheeses with shells. - 4.95

French Fries
Without a dip. - 3.95

Take out available.

BEVERAGES

Iced Tea - Barq's - Root Beer - Dr. Pepper Sprite
Fuzzy Raspberry Iced Tea - Fanta Orange - Coca Cola - 2.00

*This facility uses wheat, milk, peanuts, tree nuts and shellfish. Our Caesar dressing contains raw eggs. Consumption of raw eggs may increase your risk of foodborne illness. All hamburgers are cooked to required minimum temperatures. Upon request we will cook to your specifications. However, consuming raw or undercooked hamburgers may increase your risk of foodborne illness.

1950 W. State Route 89A
Sedona
Ph: 928 282 4190

Karma Café
OF SEDONA
State of Arizona
Department of Liquor Licenses and Control
800 W. Washington, 5th Floor
Phoenix, Arizona 85007-2934
www.azliquor.gov
(602)542-5141

RECORDS REQUIRED FOR AUDIT
Applies to Series 11 (Hotel/Motel W/Restaurant) & Series 12 (Restaurant) Only

MAKE A COPY OF THIS DOCUMENT AND KEEP IT WITH RECORDS REQUIRED BY THE STATE
In the event that your business is audited by the Department of Liquor, you will be asked to provide documentation of compliance with A.R.S. §4-205.02(H). Other documents that may be required for audit include and are not limited to:

1. All invoices and receipts for the purchase of food and spirituous liquor for the licensed premises.

2. A list of all food and liquor vendors.

3. The restaurant menu reflecting prices during the audit period.

4. A price list for alcoholic beverages on menu during the audit period.

5. Mark-up figures on food and alcoholic products during the audit period.

6. A recent, accurate inventory of food and liquor (taken within two weeks of the Audit Interview Appointment)

7. Monthly Inventory Figures - beginning and ending figures for food and liquor.

8. Chart of accounts (copy).


10. General Ledger
    A. Sales Journals/Monthly Sales Schedules
        1) Daily Sales Reports (to include the name of wait staff, bartender, etc. with sales for that day)
        2) Daily Cash Register Tapes - Journal Tapes and Z-tapes
        3) Dated Guest Checks
        4) Coupons/Specials/Discounts
        5) Any other evidence to support income from food and liquor sales
    B. Cash Receipts/Disbursement Journals
        1) Daily Bank Deposit Slips
        2) Bank Statements and canceled checks

11. Tax Records
    A. Transaction Privilege Sales, Use and Severance Tax Return (copies)
    B. Income Tax Return - city, state and federal (copies)
    C. Any supporting books, records, schedules or documents used in preparation of tax returns

12. Payroll Records
    A. Copies of all reports required by the State and Federal Government
    B. Employee Log (A.R.S. §4-119)
    C. Employee time cards (actual document used to sign-in and -out each work day)
    D. Payroll records for all employees showing hours worked each week and hourly wages

13. Off-Site Catering records (must be complete and separate from restaurant records)
    A. All documents which support the income derived from the sale of food to be consumed off of the licensed premises
    B. All documents which support purchases made for food to be consumed off of the licensed premises
    C. All coupons/specials/discounts

2/26/2013
The sophistication of record keeping varies from establishment-to-establishment. Regardless of each licensee's accounting methods, the amount of gross revenue derived from the sale of food and liquor must be substantially documented.

REVOCATION OF YOUR LIQUOR LICENSE MAY OCCUR IF YOU FAIL TO COMPLY WITH A.R.S. §4-210(A)(7) AND A.R.S. §4-205.02(H)

A.R.S. §4-210(A)(7)

The Licensee fails to keep for two years and make available to the department upon reasonable request all invoices, records, bills or other papers and documents relating to the purchase, sale and delivery of spirituous liquors and, in the case of a restaurant or hotel-motel licensee, all invoices, records, bills or other papers and documents relating to the purchase, sale and delivery of food.

A.R.S. §4-205.02 (H)

1. "Gross Revenue" means the revenue derived from all sales of food and spirituous liquor on the licensed premises, regardless of whether the sales of spirituous liquor are made under a restaurant license issued pursuant to this section or under any other license that has been issued for the premises pursuant to this article.

2. "Restaurant" means an establishment which derives at least forty per cent of its gross revenue from the sale of food, including sales of food for consumption off the licensed premises if the amount of these sales included in the calculation of gross revenue from the sale of food does not exceed fifteen percent of all gross revenue of the restaurant.

I, ________________________________ have read and fully understand all aspects of this statement.

______________________________
Print Full Name (first, middle, last)

______________________________
Signature of Licensee

Notary

State of ____________________________
County of __________________________

The foregoing instrument was acknowledged before me this

4th day of __________________________, 2015

Day Month Year

My Commission Expires on: __________________________

Day Month Year

______________________________
Signature of Notary

Trisch Ricci
Notary Public
Yavapai County, Arizona
My Comm. Expires 09-29-2018

MAKE A COPY OF THE DOCUMENT AND KEEP IT WITH RECORDS REQUIRED BY THE STATE
ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL
800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

QUESTIONNAIRE

Attention all Local Governing Bodies: Social Security and Birthdate Information is Confidential. This information may be given to local law enforcement agencies for the purpose of background checks only but must be blocked to be unreadable prior to posting or any public view.

Read carefully. This instrument is a sworn document. Type or print with BLACK INK. An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH CONTROLLING PERSON, AGENT, OR MANAGER. EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD AVAILABLE AT THIS OFFICE. FINGERPRINTS ON FBI-APPROVED CARDS ARE ACCEPTED FROM LAW ENFORCEMENT AGENCIES, BONA FIDE FINGERPRINT SERVICES, OR THE DEPARTMENT OF LIQUOR. THE DEPARTMENT CHARGES A $13 FEE. In addition to other fingerprint fees, a $22 DPS background check fee will be charged for each fingerprint card.

Liquor License #
12345678
(if the location is currently licensed)

1. Check appropriate box
   Controlling Person
   Agent
   (Complete Questions 1-19)
   Controlling Person or Agent must complete #21 for a Manager
   Manager (Only)
   (Complete All Questions except #14, 14a & 21)
   Controlling Person or Agent must complete #21

2. Name: Spina Cathy Ann
   Last
   First
   Middle
   Date of Birth:

3. Social Security Number:
   (NOT a public record)
   Drivers License:
   (NOT a public record)
   State:

4. Place of Birth:
   Conway SC U.S.A.
   Height:
   Weight:
   Eyes:
   Hair:

5. Marital Status: Single Married Divorced Widower
   City
   State
   County
   (incl. county)

6. Name of Current or Most Recent Spouse:
   Spina Cayton Joseph
   Last
   First
   Middle
   Maiden
   Date of Birth:
   (NOT a public record)
   Arizona
   If Arizona, date of residency:
   7/2014

7. You are a bone fide resident of what state? Arizona
   If Arizona, date of residency:
   7/2014

8. Telephone number to contact you during business hours for any questions regarding this document:
   848-333-9672

9. If you have been an Arizona resident for less than three (3) months, submit a copy of your Arizona driver's license or voter registration card.

10. Name of Licensed Premises:
    Karma Cafe of Sedona
    Premises Phone:
    928-282-4190

11. Physical Location of Licensed Premises Address:
    1950 W SR 89A
    Sedona
    Yavapai 86336

12. List your employment or type of business during the past five (5) years. If unemployed part of the time, list those dates. List most recent 1st.

<table>
<thead>
<tr>
<th>FROM Month/Year</th>
<th>TO Month/Year</th>
<th>DESCRIBE POSITION OR BUSINESS</th>
<th>EMPLOYER'S NAME OR NAME OF BUSINESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/2014 CURRENT</td>
<td></td>
<td>Restaurant Mgr. Karma Cafe of Sedona</td>
<td>1950 W SR 89A</td>
</tr>
</tbody>
</table>

13. Indicate your residence address for the last five (5) years:

<table>
<thead>
<tr>
<th>FROM Month/Year</th>
<th>TO Month/Year</th>
<th>Rent or Own</th>
<th>RESIDENTIAL Street Address</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
</tr>
</thead>
<tbody>
<tr>
<td>7/2014 CURRENT</td>
<td></td>
<td></td>
<td>378 Jerome St.</td>
<td>Brick</td>
<td>NJ</td>
<td>08723</td>
</tr>
</tbody>
</table>

April 16, 2012

Disabled individuals requiring special accommodations, please call the Department (602) 542-9027 Page 38
Rental Agent
Foothills Prop. Mgt.
1615 W. SR 89A
Sedona, AZ 86356
If you checked the Manager box on the front of this form skip to # 15

14. As a Controlling Person or Agent, will you be physically present and operating the licensed premises? [ ] YES [ ] NO
If you answered YES, how many hrs/day? [ ] 0 ___ and answer #14a below. If NO, skip to #15.

14a. Have you attended a DLLC-approved Liquor Law Training Course within the past 5 years? (Must provide proof)
If the answer to # 14a is “NO”, course must be completed before issuance of a new license or approval on
an existing license. [ ] YES [ ] NO

I will schedule training

15. Have you been cited, arrested, indicted or summoned into court for violation of ANY law or ordinance, regardless of the disposition, even if dismissed or expunged, within the past ten (10) years?
In addition, please include all traffic tickets and complaints within the last ten (10) years that resulted in a
warrant for arrest AND any traffic tickets and complaints that are alcohol or drug-related. [ ] YES [ ] NO

16. Are there ANY administrative law citations, compliance actions or consents, criminal arrest, indictments
or summonses PENDING against you or ANY entity in which you are now involved? Include only criminal
traffic tickets and complaints. [ ] YES [ ] NO

17. Have you or any entity in which you have held ownership, been an officer, member, director or manager
EVER had a business, professional or liquor application or license rejected, denied, revoked, suspended
or fined in this or any other state? [ ] YES [ ] NO

18. Has anyone EVER filed suit or obtained a judgment against you, the subject of which involved fraud or
misrepresentation? [ ] YES [ ] NO

19. Are you NOW or have you EVER held ownership, been a controlling person, been an officer, member,
director or manager on any other liquor license in this or any other state? [ ] YES [ ] NO

If any answer to Questions 15 through 19 is “YES” YOU MUST attach a signed statement.
Give complete details including dates, agencies involved, and dispositions.

SUBSTANTIVE CHANGES TO THIS APPLICATION WILL NOT BE ACCEPTED

20. I, Cathy Ann Spina, hereby declare that I am the APPLICANT/REPRESENTATIVE
(fill full name of Applicant)
filing this questionnaire. I have read this questionnaire and all statements are true, correct and complete.

X ______________________________

Cathy Ann Spina

(Signature of Applicant)

My commission expires on: 09 09 2018

21. The applicant hereby authorizes the person named on this questionnaire to act as manager for the named liquor license.
The manager named must be at least 21 years of age.

X ______________________________

Signature of Controlling Person or Agent (circle one)

Print Name

My commission expires on: ___ ___ ___

State of Arizona County of Yavapai

The foregoing instrument was acknowledged before me this 4th day of June 2015

Month Year

Trish Ricci

Notary Public

Yavapai County, Arizona

My Comm. Expires 09-29-2018

COMPLETE THIS SECTION ONLY IF YOU ARE A CONTROLLING PERSON OR AGENT
APPROVING A MANAGER’S APPLICATION

The foregoing instrument was acknowledged before me this day of .

Month Year

(Signature of NOTARY PUBLIC)
ARIZONA STATEMENT OF CITIZENSHIP
OR ALIEN STATUS FOR STATE PUBLIC BENEFITS

Title IV of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (the "Act"), 8 U.S.C. § 1621, provides that, with certain exceptions, only United States citizens, United States non-citizen nationals, non-exempt "qualified aliens" (and sometimes only particular categories of qualified aliens), nonimmigrant, and certain aliens paroled into the United States are eligible to receive state, or local public benefits. With certain exceptions, a professional license and commercial license issued by a State agency is a State public benefit.

Arizona Revised Statutes § 41-1080 requires, in general, that a person applying for a license must submit documentation to the license agency that satisfactorily demonstrates the applicant's presence in the United States is authorized under federal law.

Directions: All applicants must complete Sections I, II, and IV. Applicants who are not U.S. citizens or nationals must also complete Section III.

Submit this completed form and a copy of one or more document(s) from the attached "Evidence of U.S. Citizenship, U.S. National Status, or Alien Status" with your application for license or renewal. If the document you submit does not contain a photograph, you must also provide a government issued document that contains your photograph. You must submit supporting legal documentation (i.e. marriage certificate) if the name on your evidence is not the same as your current legal name.

SECTION I – APPLICANT INFORMATION

APPLICANT'S NAME (Print or type) Cathy Ann Spina

TYPE OF APPLICATION (Check one) ☑ INITIAL APPLICATION ☐ RENEWAL

SECTION II – CITIZENSHIP OR NATIONAL STATUS DECLARATION

Are you a citizen or national of the United States? ☑ Yes ☐ No

If Yes, indicate place of birth:

City Conway State (or equivalent) SC Country or Territory U.S.A.

If you answered Yes, 1) Attach a legible copy of a document from the attached list.

Name of document: AZ. Drivers License

2) Go to Section IV.

If you answered No, you must complete Section III and IV.

November 5, 2014

1 of 3
SECTION III – ALIEN STATUS DECLARATION

To be completed by applicants who are not citizens or nationals of the United States. Please indicate alien status by checking the appropriate box. Attach a legible copy of a document from the attached list or other document as evidence of your status.

Name of document provided

Qualified Alien Status (8 U.S.C. §§ 1621(a)(1), 1641(b) and (c))

☐ 1. An alien lawfully admitted for permanent residence under the Immigration and Nationality Act (INA)

☐ 2. An alien who is granted asylum under Section 208 of the INA.

☐ 3. A refugee admitted to the United States under Section 207 of the INA.

☐ 4. An alien paroled into the United States for at least one year under Section 212(d)(5) of the INA.

☐ 5. An alien whose deportation is being withheld under Section 243(h) of the INA.

☐ 6. An alien granted conditional entry under Section 203(a)(7) of the INA as in effect prior to April 1, 1980.

☐ 7. An alien who is a Cuban/Haitian entrant.

☐ 8. An alien who has, or whose child or child's parent is a "battered alien" or an alien subject to extreme cruelty in the United States.

Nonimmigrant Status (8 U.S.C. § 1621(a)(2))


Alien Paroled into the United States For Less Than One Year (8 U.S.C. § 1621(a)(3))

☐ 10. An alien paroled into the United States for less than one year under Section 212(d)(5) of the INA

Other Persons (8 U.S.C § 1621(c)(2)(A) and (C))

☐ 11. A nonimmigrant whose visa for entry is related to employment in the United States, or

☐ 12. A citizen of a freely associated state, if section 141 of the applicable compact of free association approved in Public Law 99-239 or 99-658 (or a successor provision) is in effect [Freely Associated States include the Republic of the Marshall Islands, Republic of Palau and the Federate States of Micronesia, 48 U.S.C. § 1901 et seq.]:

Otherwise Lawfully Present


SECTION IV - DECLARATION

All applicants must complete this section.
I declare under penalty of perjury under the laws of the state of Arizona that the answers and evidence I have given are true and correct to the best of my knowledge.

Cathy Ann Spring 6/4/15
Applicant's printed name  Today's date

Cathy Ann Spring
Applicant's signature

EVIDENCE OF U.S. CITIZENSHIP, U.S. NATIONAL STATUS, OR ALIEN STATUS

You must submit supporting legal documentation (i.e. marriage certificate) if the name on your evidence is not the same as your current legal name.

Evidence showing authorized presence in the United State includes the following:

1. An Arizona driver license issued after 1996 or an Arizona non-operating identification card.
2. A driver license issued by a state that verifies lawful presence in the United States.
3. A birth certificate or delayed birth certificate showing birth in one of the 50 states, the District of Columbia, Puerto Rico (on or after January 13, 1941), Guam, the U.S. Virgin Islands (on or after January 17, 1917), American Samoa, or the Northern Mariana Islands (on or after November 4, 1986, Northern Mariana Islands local time)
5. A United States passport. ***Passport must be signed***
6. A foreign passport with a United States visa.
7. An I-94 form with a photograph.
8. A United States citizenship and immigration services employment authorization document or refugee travel document.
10. A United States certificate of citizenship.
11. A tribal certificate of Indian blood.
12. A tribal or bureau of Indian affairs affidavit of birth.
13. Any other license that is issued by the federal government, any other state government, an agency of this state or a political subdivision of this state that requires proof of citizenship or lawful alien status before issuing the license.
Arizona
DRIVER LICENSE
USA

1. SPINA
2. CATHY A
3. CLASS D
4. END NONE
5. REST NONE
6. EXP
7. SEX F
8. EYES BLU
9. HGT
10. WGT
11. HAIR BLN
12. DONOR
13. DD 13840475450853CB

11/20/2014
ARTICLES OF ORGANIZATION
OF
KARMA CAFE OF SEDONA, LLC

Cathy Spina, organizer of this Arizona limited liability company, certifies as follows in accordance with Arizona Revised Statutes, section 29-632 et seq.:

1. Name of organization: The name of the organization is Karma Cafe of Sedona, LLC.

2. Known place of business: The known place of business in Arizona for this organization is 10 Star View Court, Sedona, Arizona 86351.

3. Name and address of statutory agent: The name and address of the statutory agent of this organization are Dale Dallas, 5444 West Greenway Road, Glendale, Arizona 85302.

4. Acceptance of appointment by statutory agent: I, Dale Dallas, having been designated to act as statutory agent, hereby consent to act in that capacity until removed or until I resign in accordance with Arizona Revised Statutes.

   Agent signature: ____________________________ Date: 10/15/14
   Dale Dallas

5. Life period of the limited liability company: The limited liability life period is perpetual.

6. Management structure: Management of the limited liability company is reserved to its sole member whose name and address are Cathy Spina, 10 Star View Court, Sedona, Arizona 86351.

7. Signature: Signed this 27th day of October, 2014 by Cathy Spina.

   ____________________________
   Cathy Spina
   Organizer/Member
Douglas C. Fitzpatrick  
49 Bell Rock Plaza  
Sedona, Arizona 86351  
928-284-2190

Via Federal Express

October 27, 2014

Arizona Corporation Commission  
1300 West Washington Street  
Phoenix, Arizona 85007

RE: Karma Café of Sedona, LLC

Dear Sir or Madam:

I am enclosing a check in the sum of $85 along with your cover sheet and the Articles of Organization for Karma Café of Sedona, LLC. Please process these enclosures on an expedited basis and notify my office when this has been accomplished.

Thank you.

Yours Truly,

Douglas C. Fitzpatrick

DCF: nkf
**Agenda Item: 3g**
**Proposed Action & Subject:** Approval of an Interim Permit and a Series 10 Liquor License Application for The Art of Wine located at 101 N. SR 89A, Suite B9, Sedona (License #10033207).

**Department**
Community Development

**Time to Present**
N/A

**Total Time for Item**
N/A

**Other Council Meetings**
N/A

**Exhibits**
A. Interim Permit and Series 10 Liquor License application

**Expenditure Required**
$0

**Amount Budgeted**
$0
Account No. N/A
(Description) Finance Approval

**SUMMARY STATEMENT**

**Background:** State liquor laws require Sedona’s City Council to forward a recommended approval or denial of applications for liquor licenses.

The Art of Wine has submitted an Interim Permit and Series 10 Liquor License application (Beer/Wine Store).

A Series 10 Liquor License (Beer and Wine) is a non-transferable retail liquor license that allows a retail store to sell beer and wine (no other spirituous liquors), in the original unbroken package, to be taken away from the premises of the retailer and consumed off the premises. A retailer with this type of liquor license may deliver spirituous liquor off of the licensed premises in connection with a retail sale. Payment must be made no later than the time of delivery.

Community Development staff, and both the Sedona Police Department and Sedona Fire District do not have any objections regarding approval of this application. Staff recommends the City Council approve this application.
Community Plan Compliant: ☐ Yes - ☐ No - ☑ Not Applicable

Board/Commission Recommendation: ☐ Applicable - ☑ Not Applicable

Alternative(s): Not recommend approval of the Interim Permit and Series 10 Liquor License application.

MOTION

I move to: approve an Interim Permit and a Series 10 Liquor License Application for The Art of Wine located at 101 N. SR 89A, Suite B9, Sedona (License #10033207).
Arizona Department of Liquor Licenses and Control  
800 West Washington, 5th Floor  
Phoenix, Arizona 85007  
www.azliquor.gov  
602-542-5147

APPLICATION FOR LIQUOR LICENSE  
TYPE OR PRINT WITH BLACK INK

Notice: Effective Nov. 1, 1997, all owners, agents, partners, shareholders, officers, or managers actively involved in the day to day operations of the business must attend a Department approved liquor law training course or provide proof of attendance within the last five years. See page 5 of the Liquor Licensing requirements.

SECTION 1 This application is for a:
☐ MORE THAN ONE LICENSE  
☐ INTERIM PERMIT Complete Section 5  
☐ NEW LICENSE Complete Sections 2, 3, 4, 13, 14, 15, 16  
☐ PERSON TRANSFER (Bars & Liquor Store ONLY)  
Complete Sections 2, 3, 4, 11, 13, 15, 16  
☐ LOCATION TRANSFER (Bars and Liquor Stores ONLY)  
Complete Sections 2, 3, 4, 12, 13, 15, 16  
☐ PROBATE/WILL ASSIGNMENT/DIVORCE DECREES  
Complete Sections 2, 3, 4, 9, 13, 16 (fee not required)  
☐ GOVERNMENT Complete Sections 2, 3, 4, 10, 13, 15, 16

SECTION 2 Type of ownership:
☐ J.I.C.O.S. Complete Section 6  
☐ INDIVIDUAL Complete Section 6  
☐ PARTNERSHIP Complete Section 6  
☐ CORPORATION Complete Section 7  
☐ LIMITED LIABILITY CO. Complete Section 7  
☐ CLUB Complete Section 8  
☐ GOVERNMENT Complete Section 10  
☐ TRUST Complete Section 6  
☐ OTHER (Explain) ____________________________________________________________________

SECTION 3 Type of license and fees  LICENSE # (s): 10033207
1. Type of License(s): Series 10 - Beer and Wine Bar

2. Total fees attached: $200

APPLICATION FEE AND INTERIM PERMIT FEES (IF APPLICABLE) ARE NOT REFUNDABLE. The fees allowed under A.R.S. 44-6852 will be charged for all dishonored checks.

SECTION 4 Applicant
1. Owner/Agent's Name: ☑ Mr. HOWELL  
   BRIAN DELO
   (insert one name only on license)  
   Last First Middle

2. Corp./Partnership/L.L.C.: HOWELL ADVENTURES, LLC  
   (Exactly as it appears on Articles of Inc. or Articles of Org.)

3. Business Name: THE ART OF WINE  
   (Exactly as it appears on the exterior of premises)

4. Principal Street Location: 101 N. Highway 89A, suite B9 SEDONA Coconino 86336  
   (Do not use PO Box Number) City County Zip

5. Business Phone: 928-203-9463 Daytime Phone: 928-707-0864 Email: BRIAN.D.HOWELL@ME.COM

6. Is the business located within the incorporated limits of the above city or town? ☑ YES ☐ NO

7. Mailing Address: 220 ARCH DR SEDONA AZ 86351  
   City State Zip

8. Price paid for license only bar, beer and wine, or liquor store: Type 10 $_________ Type $_________

DEPARTMENT USE ONLY

Fees: Application  $100.00  Interim Permit  $100.00  Site Inspection  $100.00  Finger Prints  $200.00  TOTAL OF ALL FEES $700.00

Is Arizona Statement of Citizenship & Alien Status for State Benefits complete? ☑ YES ☐ NO

Accepted by: ☑ 6/1/15 Date: Lic. # 10033207

1/7/2013

*Disabled individuals requiring special accommodation, please call (602) 542-9027.
BEER & WINE LICENSE

DEPARTMENT OF LIQUOR LICENSES

STATE OF ARIZONA

License 10033196

Issued To:
JODY T. LALEME
LALEME ADVENTURES LLC
101 N HWY 89A B-9
SEDONA, AZ 86336

Mailing Address:
LALEME ADVENTURES LLC
ART OF WINE
PO BOX 2035
SEDONA, AZ 86339

Beer & Wine Store
Location:
ART OF WINE
101 N HWY 89A B-9
SEDONA, AZ 86336

Issue Date: 11/4/2014
Expiration Date: 5/31/2016

Exp 5/1/2016

POST THIS LICENSE IN A CONSPICUOUS PLACE

Page 50
SECTION 5  Interim Permit:

1. If you intend to operate business when your application is pending you will need an Interim Permit pursuant to A.R.S. 4-203.01.

2. There MUST be a valid license of the same type you are applying for currently issued to the location.

3. Enter the license number currently at the location. 10032196

4. Is the license currently in use? ☒ YES ☐ NO  If no, how long has it been out of use? ________________

ATTACH THE LICENSE CURRENTLY ISSUED AT THE LOCATION TO THIS APPLICATION.

I, [Print full name], declare that I am the CURRENT OWNER, AGENT, CLUB MEMBER, PARTNER, MEMBER, STOCKHOLDER, OR LICENSEE (circle the title which applies) of the stated license and location.

[Signature]

My commission expires on: June 1, 2017

SECTION 6  Individual or Partnership Owners:

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND $22 PROCESSING FEE FOR EACH CARD.

1. Individual:

<table>
<thead>
<tr>
<th>Last</th>
<th>First</th>
<th>Middle</th>
<th>% Owned</th>
<th>Mailing Address</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
</tr>
</thead>
</table>

Partnership Name: (Only the first partner listed will appear on license)

<table>
<thead>
<tr>
<th>General-Limited</th>
<th>Last</th>
<th>First</th>
<th>Middle</th>
<th>% Owned</th>
<th>Mailing Address</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐ ☐ ☐ ☐ ☐ ☐ ☐</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2. Is any person, other than the above, going to share in the profits/losses of the business? ☐ YES ☒ NO

If Yes, give name, current address and telephone number of the person(s). Use additional sheets if necessary.

<table>
<thead>
<tr>
<th>Last</th>
<th>First</th>
<th>Middle</th>
<th>Mailing Address</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
<th>Telephone#</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Page 51
**SECTION 7 Corporation/Limited Liability Co.:**

Each person listed must submit a completed questionnaire (Form LIC0101), an “Applicant” type fingerprint card, and $22 processing fee for each card.

- **CORPORATION** Complete questions 1, 2, 3, 5, 6, 7, and 8.
- **L.L.C.** Complete 1, 2, 4, 5, 6, 7, and 8.

1. Name of Corporation/L.L.C.: HOWELL ADVENTURES, LLC
   
   (Exactly as it appears on Articles of Incorporation or Articles of Organization)

2. Date Incorporated/Organized: April 24, 2015  
   State where Incorporated/Organized: Arizona

3. AZ Corporation Commission File No.:
   Date authorized to do business in AZ: April 28, 2015

4. AZ L.L.C. File No.: L-2000800-5
   Date authorized to do business in AZ: April 28, 2015

5. Is Corp./L.L.C. Non-profit?  
   - **YES** ☑️ NO

6. List all directors, officers and members in Corporation/L.L.C.:

<table>
<thead>
<tr>
<th>Last</th>
<th>First</th>
<th>Middle</th>
<th>Title</th>
<th>Mailing Address</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
</tr>
</thead>
<tbody>
<tr>
<td>Howell, Brian DeLoy</td>
<td></td>
<td></td>
<td>Member</td>
<td>220 Arch Dr Sedona, AZ 86351</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Howell, Jeanne R.</td>
<td></td>
<td></td>
<td>Member</td>
<td>220 Arch Dr Sedona, AZ 86351</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(ATTACH ADDITIONAL SHEET IF NECESSARY)

7. List stockholders who are controlling persons or who own 10% or more:

<table>
<thead>
<tr>
<th>Last</th>
<th>First</th>
<th>Middle</th>
<th>% Owned</th>
<th>Mailing Address</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
</tr>
</thead>
<tbody>
<tr>
<td>Howell, Brian DeLoy</td>
<td></td>
<td></td>
<td>50</td>
<td>220 Arch Dr Sedona, AZ 86351</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Howell, Jeanne R.</td>
<td></td>
<td></td>
<td>50</td>
<td>220 Arch Dr Sedona, AZ 86351</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(ATTACH ADDITIONAL SHEET IF NECESSARY)

8. If the corporation/L.L.C. is owned by another entity, attach a percentage of ownership chart, and a director/officer/member disclosure for the parent entity. Attach additional sheets as needed in order to disclose personal identities of all owners.

**SECTION 8 Club Applicants:**

Each person listed must submit a completed questionnaire (Form LIC0101), an “Applicant” type fingerprint card, and $22 processing fee for each card.

1. Name of Club:  
   Date Chartered:  
   (Exactly as it appears on Club Charter or Bylaws)  
   (Attach a copy of Club Charter or Bylaws)

2. Is club non-profit?  
   - **YES** ☑️ NO

3. List officer and directors:

<table>
<thead>
<tr>
<th>Last</th>
<th>First</th>
<th>Middle</th>
<th>Title</th>
<th>Mailing Address</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
</tr>
</thead>
</table>

(ATTACH ADDITIONAL SHEET IF NECESSARY)
SECTION 9  Probate, Will Assignment or Divorce Decree of an existing Bar or Liquor Store License:

1. Current Licensee's Name: ____________________________________________________________
   Last                      First                      Middle
(Exactly as it appears on license)

2. Assignee's Name: ________________________________________________________________
   Last                      First                      Middle
   License Number: __________________ Date of Last Renewal: _________________________

3. ATTACH TO THIS APPLICATION A CERTIFIED COPY OF THE WILL, PROBATE DISTRIBUTION
   INSTRUMENT, OR DIVORCE DECREE THAT SPECIFICALLY DISTRIBUTES THE LIQUOR LICENSE TO
   THE ASSIGNEE TO THIS APPLICATION.

SECTION 10  Government: (for cities, towns, or counties only)

1. Governmental Entity: ____________________________________________________________

2. Person/designee: ________________________________________________________________
   Last                      First                      Middle                      Contact Phone Number

A SEPARATE LICENSE MUST BE OBTAINED FOR EACH PREMISES FROM WHICH SPIRITUOUS LIQOUR IS SERVED.

SECTION 11  Person to Person Transfer:

Questions to be completed by CURRENT LICENSEE (Bars and Liquor Stores ONLY-Series 06, 07, and 09).

1. Current Licensee's Name: ____________________________________________________________
   (Exactly as it appears on license) Entity: ____________________________
   Last                      First                      Middle

2. Corporation/L.L.C. Name: _________________________________________________________
   (Exactly as it appears on license)

3. Current Business Name: ____________________________________________________________
   (Exactly as it appears on license)

4. Physical Street Location of Business: Street _________________________________________
   City, State, Zip __________________________

5. License Type: ______________________ License Number: _____________________________

6. If more than one license to be transferred: License Type: ____________________________
   License Number: __________________________

7. Current Mailing Address: Street ___________________________________________________
   (Other than business) City, State, Zip __________________________

8. Have all creditors, lien holders, interest holders, etc. been notified of this transfer?  ☐ YES  ☐ NO

9. Does the applicant intend to operate the business while this application is pending?  ☐ YES  ☐ NO
   If yes, complete Section 5 of this application, attach fee, and current license to this application.

10. I, ________________________________, hereby authorize the department to process this application to transfer the
     privilege of the license to the applicant, provided that all terms and conditions of sale are met. Based on the fulfillment of
     these conditions, I certify that the applicant now owns or will own the property rights of the license by the date of issue.

     I, ________________________________, declare that I am the CURRENT OWNER, AGENT, MEMBER, PARTNER
     STOCKHOLDER, or LICENSEE of the stated license. I have read the above Section 11 and confirm that all statements are
     true, correct, and complete.

     ________________________________ (Signature of CURRENT LICENSEE)

     State of ____________________ County of ____________________
     The foregoing instrument was acknowledged before me this
     Day _______ Month _______ Year _______

     ________________________________ (Signature of NOTARY PUBLIC)

My commission expires on: ____________________________
SECTION 12 Location to Location Transfer: (Bars and Liquor Stores ONLY)

APPLICANTS CANNOT OPERATE UNDER A LOCATION TRANSFER UNTIL IT IS APPROVED BY THE STATE

1. Current Business: Name ___________________________________________________________
   (Exactly as it appears on license)
   Address ________________________________________________________________

2. New Business: Name ___________________________________________________________
   (Physical Street Location)
   Address ________________________________________________________________

3. License Type: __________________________ License Number: _________________________

4. If more than one license to be transferred: License Type: _________________________ License Number: _________________________

5. What date do you plan to move? __________________________ What date do you plan to open? _________________________

SECTION 13 Questions for all in-state applicants excluding those applying for government, hotel/motel, and restaurant licenses (series 5, 11, and 12):

A.R.S. § 4-207 (A) and (B) state that no retailer's license shall be issued for any premises which are at the time the license application is received by the director, within three hundred (300) horizontal feet of a church, within three hundred (300) horizontal feet of a public or private school building with kindergarten programs or grades one (1) through (12) or within three hundred (300) horizontal feet of a fenced recreational area adjacent to such school building.

The above paragraph DOES NOT apply to:

   a) Restaurant license (§ 4-205.02)
   b) Hotel/motel license (§ 4-205.01)
   c) Government license (§ 4-205.03)
   d) Fenced playing area of a golf course (§ 4-207 (B)(5))

1. Distance to nearest school: 12,672 ft. Name of school West Sedona Elementary School
   Address 570 Posse Grand Rd. Sedona, AZ 86336
   City, State, Zip

2. Distance to nearest church: 2,112 ft. Name of church Wayside Chapel
   Address 401 N. State Route 89A, Sedona, AZ 86336
   City, State, Zip

3. I am the: ☑ Lessee ☐ Sublessee ☐ Owner ☐ Purchaser (of premises)

4. If the premises is leased give lessor: Name HTS-CHC (Sedona) LLC
   Address 200 West Madison St. Chicago, Ill 60606
   City, State, Zip

4a. Monthly rental/lease rate $ 2,608.00 What is the remaining length of the lease 3 yrs. 0 mos.

4b. What is the penalty if the lease is not fulfilled? $ 2,604.00 or other : remainder of lease commitment
   (give details - attach additional sheet if necessary)

5. What is the total business indebtedness for this license/location excluding the lease? $ 0

   Please list lenders you owe money to.

<table>
<thead>
<tr>
<th>Last</th>
<th>First</th>
<th>Middle</th>
<th>Amount Owed</th>
<th>Mailing Address</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</table>

(ATTACH ADDITIONAL SHEET IF NECESSARY)

6. What type of business will this license be used for (be specific)? wine tasting, bottle sales plus wire related merchandise
SECTION 13 - continued

7. Has a license or a transfer license for the premises on this application been denied by the state within the past one (1) year?  □ YES ☒ NO If yes, attach explanation.

8. Does any spiruous liquor manufacturer, wholesaler, or employee have any interest in your business?  □ YES ☒ NO

9. Is the premises currently licensed with a liquor license? ☒ YES □ NO If yes, give license number and licensee's name:

License # 10033196.07030060 (exactly as it appears on license) Name Jody T. Laleme

SECTION 14 Restaurant or hotel/motel license applicants:

1. Is there an existing restaurant or hotel/motel liquor license at the proposed location?  □ YES ☒ NO
   If yes, give the name of licensee, Agent or a company name:

   ______________________ ______________________ ______________________
   Last First Middle and license #:

2. If the answer to Question 1 is YES, you may qualify for an Interim Permit to operate while your application is pending; consult A.R.S. § 4-203.01; and complete SECTION 5 of this application.

3. All restaurant and hotel/motel applicants must complete a Restaurant Operation Plan (Form LIC0114) provided by the Department of Liquor Licenses and Control.

4. As stated in A.R.S. § 4-205.02.G.2, a restaurant is an establishment which derives at least 40 percent of its gross revenue from the sale of food. Gross revenue is the revenue derived from all sales of food and spiruous liquor on the licensed premises. By applying for this ☒ hotel/motel ☐ restaurant license, I certify that I understand that I must maintain a minimum of 40 percent food sales based on these definitions and have included the Restaurant Hotel/Motel Records Required for Audit (form LIC 1013) with this application.

   ____________________________________________
   applicant's signature

As stated in A.R.S § 4-205.02 (B), I understand it is my responsibility to contact the Department of Liquor Licenses and Control to schedule an inspection when all tables and chairs are on site, kitchen equipment, and, if applicable, patio barriers are in place on the licensed premises. With the exception of the patio barriers, these items are not required to be properly installed for this inspection. Failure to schedule an inspection will delay issuance of the license. If you are not ready for your inspection 90 days after filing your application, please request an extension in writing, specify why the extension is necessary, and the new inspection date you are requesting. To schedule your site inspection visit www.azliquor.gov and click on the "Information" tab.

   ______________________
   applicants initials

SECTION 15 Diagram of Premises: (Blueprints not accepted, diagram must be on this form)

1. Check ALL boxes that apply to your business:

   ☒ Entrances/Exits ☐ Liquor storage areas
   ☐ Service windows ☐ Drive-in windows

   Patio: ☐ Contiguous ☒ Non Contiguous

2. Is your licensed premises currently closed due to construction, renovation, or redesign?  □ YES ☒ NO
   If yes, what is your estimated opening date?  ______________________

   month/day/year

3. Restaurants and hotel/motel applicants are required to draw a detailed floor plan of the kitchen and dining areas including the locations of all kitchen equipment and dining furniture. Diagram paper is provided on page 7.

4. The diagram (a detailed floor plan) you provide is required to disclose only the area(s) where spiruous liquor is to be sold, served, consumed, dispensed, possessed, or stored on the premises unless it is a restaurant (see #3 above).

5. Provide the square footage or outside dimensions of the licensed premises. Please do not include non-licensed premises, such as parking lots, living quarters, etc.

As stated in A.R.S. § 4-207.01(B), I understand it is my responsibility to notify the Department of Liquor Licenses and Control when there are changes to boundaries, entrances, exits, added or deleted doors, windows or service windows, or increase or decrease to the square footage after submitting this initial drawing.

   ______________________
   applicants initials
SECTION 15 Diagram of Premises
4. In this diagram please show only the area where spirituous liquor is to be sold, served, consumed, dispensed, possessed or stored. It must show all entrances, exits, interior walls, bars, bar stools, hi-top tables, dining tables, dining chairs, the kitchen, dance floor, stage, and game room. Do not include parking lots, living quarters, etc. When completing diagram, North is up ↑.

If a legible copy of a rendering or drawing of your diagram of premises is attached to this application, please write the words "diagram attached" in box provided below.

SECTION 16 Signature Block

I, Brian J. Howell
(print full name of applicant)

, hereby declare that I am the OWNER/AGENT filing this application as stated in Section 4, Question 1. I have read this application and verify all statements to be true, correct and complete.

X
(signature of applicant listed in Section 4, Question 1)

Dana Kyle Blavat
Notary Public
Yavapai County, Arizona
My Comm. Expires 03-20-17

State of ARIZONA County of YAVAPA

The foregoing instrument was acknowledged before me this 24 of APRIL, 2015

My commission expires on: 20 MAR 2017

signature of NOTARY PUBLIC
EXHIBIT A
THE PREMISES
SPACE B-9
**ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL**

800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

**QUESTIONNAIRE**

Attention all Local Governing Bodies: Social Security and Birthdate Information is Confidential. This information may be given to local law enforcement agencies for the purpose of background checks only but must be blocked to be unreadable prior to posting or any public view.

Read carefully. This instrument is a sworn document. Type or print with BLACK INK.

An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH CONTROLLING PERSON, AGENT, OR MANAGER. EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD AVAILABLE AT THIS OFFICE. FINGERPRINTS ON FBI-APPROVED CARDS ARE ACCEPTED FROM LAW ENFORCEMENT AGENCIES, BONA FIDE FINGERPRINT SERVICES, OR THE DEPARTMENT OF LIQUOR. THE DEPARTMENT CHARGES A $13 FEE.

In addition to other fingerprint fees, a $22 DPS background check fee will be charged for each fingerprint card.

The fees allowed by A.R.S. § 44-6852 will be charged for all dishonored checks.

<table>
<thead>
<tr>
<th>Liquor License #</th>
</tr>
</thead>
<tbody>
<tr>
<td>10-633076</td>
</tr>
</tbody>
</table>

*(If the location is currently licensed)*

1. Check appropriate box →
   - Controlling Person
   - Agent
   - Manager (Only)

   **Controlling Person or Agent must complete #21 for a Manager**

   **Manager (Only)***

   **Controlling Person or Agent must complete #21**

   **Controlling Person or Agent must complete #21**

   **Controlling Person or Agent must complete #21**

2. Name: **Howell, Brian DELO®**
   - Last: 
   - Middle: 
   - First: 

3. Social Security Number: **(N/A a public record)**
   - Drivers License #: **(N/A a public record)**
   - State: **Arizona**

4. Place of Birth: **Salt Lake City, Utah USA**
   - City: 
   - State: 
   - Country (not county): 
   - Height: 
   - Weight: 
   - Eyes: 
   - Hair: 

5. Marital Status: Single □ Married □ Divorced □ Widowed □
   **Howell, Jeanne Roblez**
   - Date of Birth: **March 28, 2015**

6. Name of Current or Most Recent Spouse:
   **(List all for last 5 years - Use additional sheet if necessary)**

7. You are a bona fide resident of what state? **Arizona**
   **If Arizona, date of residency:**

8. Telephone number to contact you during business hours for any questions regarding this document.
   **928-707-0864**

9. If you have been an Arizona resident for less than three (3) months, submit a copy of your Arizona driver's license or voter registration card.

10. Name of Licensed Premises:
    **The Art of Wine**
    **Premises Phone:**
    **City:**
    **State:**
    **Zip:**

11. Physical Location of Licensed Premises Address:
    - Street Address: **101 N. Highway 89A, Suite B9 Sedona Conconino 86336**
    - Do not use PO Box #
    - City:
    - County:

12. List your employment or type of business during the past five (5) years. If unemployed part of the time, list those dates. List most recent 1st.

<table>
<thead>
<tr>
<th>FROM Month/Year</th>
<th>TO Month/Year</th>
<th>DESCRIBE POSITION OR BUSINESS</th>
<th>EMPLOYER'S NAME OR NAME OF BUSINESS</th>
<th>(street address, city, state &amp; zip)</th>
</tr>
</thead>
<tbody>
<tr>
<td>03/2015</td>
<td>CURRENT</td>
<td>retired</td>
<td>220 Arch, Sedona, AZ, 86351</td>
<td></td>
</tr>
<tr>
<td>01/2010</td>
<td>03/2015</td>
<td>VP Asset Planning</td>
<td>BHPBilliton South Africa, 6 Hollard, JNB, GP South Africa</td>
<td></td>
</tr>
</tbody>
</table>

13. Indicate your residence address for the last five (5) years:

<table>
<thead>
<tr>
<th>FROM Month/Year</th>
<th>TO Month/Year</th>
<th>Rent or Own</th>
<th>RESIDENTIAL Street Address</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
</tr>
</thead>
<tbody>
<tr>
<td>03/15</td>
<td>CURRENT</td>
<td>own</td>
<td>220 Arch Dr</td>
<td>Sedona</td>
<td>AZ</td>
<td>86351</td>
</tr>
<tr>
<td>01/10</td>
<td>03/15</td>
<td>rent</td>
<td>company subsidized housing as part of expat pkg</td>
<td>JNB</td>
<td>GP</td>
<td>SoAfrica</td>
</tr>
</tbody>
</table>

*Disabled individuals requiring special accommodations, please call the Department (602) 542-6077*
Question 13.

01/10 - 03/12 Rent 1636 Cambourne, JNB, GP, S.Africa
03/12 - 03/14 Rent 935 Fernwood Close, JNB, GP, S.Africa
03/14 - 03/15 Rent 295 Castillef, JNB, GP, S.Africa
Citation explanation

While traveling back to Sedona from a trip to visit family in Salt Lake was cited for speeding – excessive speed while trying to pass a motorcycle who kept speeding up.

Officer cited both of us.

Have not had any other citations since the 80's.

Am almost through the online course and will complete prior to the deadline in July.

Brian Howell
June 01, 2015
IN THE JUSTICE OF THE PEACE COURT, 547 VISTA AVE., PO BOX 1565, PAGE, AZ (928) 645-8871

STATE OF ARIZONA

VS.

Howell, Brian D

Defendant

COMPLAINT # 91034761512022

PAYMENT ORDER/ CONTRACT

CR/TR # TR2015-498

AMENDED

UPDATED

The above named Defendant having indicated an inability to pay the fine and/or restitution imposed this date in the amount of:

FINE/SANCTION $ 340.00

SUSP. FEE $

RESTITUTION $ 18.00

INSTALLMENT SET UP $ 0.00

TIME PAYMENT FEE $ 10.00

COURT COSTS $ 20.00

** 90 DAY MAINT. FEE

*A $20.00 TIME PAYMENT FEE PER ARS 12-116.A WILL BE ADDED TO ANY FINE(S) NOT PAID IN FULL ON THE SAME DATE OF THE JUDGMENT/ SENTENCE.

**ANY INSTALLMENT ACCOUNT OVER 90 DAYS OLD WILL BE ASSESSED AN ADDITIONAL $30.00 FEE.

IT IS ORDERED that Defendant shall contact the Page Justice of the Peace Court Clerk immediately to determine a payment schedule. IT IS FURTHER ORDERED the payment schedule determined below shall be part of this order.

DATE: May 13, 2015 JUDGE: ____________________________

PAYMENT SCHEDULE: To be completed by the clerk or judge of the court

YOU ARE HEREBY ORDERED TO PAY THE BALANCE DUE OF $ 370.00 (See suspension)

Installments as follows: (Failure to pay an installment by the date due will make the entire balance due and payable without further notice) 7/30/15

7/30/15 $ 370.00 due July 21, 2015

$ 0 due (90 Days) completed

** 90 Day Review - Accounts over 90 days, Add $30.

$ 0 due

$ 0 due

OTHER: is due payable by the of each month until the fine is paid in full

NOTE: There will be a $25.00 fee for all returned checks. DO NOT SEND CASH IN THE MAIL.
INTERNET PAYMENT OF FINE IS AVAILABLE AT www.coconino.az.gov

READ AND INITIAL: I acknowledge that I have been ordered to make time payments on this court matter. I agree to these payments and understand that if I am late or fail to make payments, the balance I owe the court is due and payable immediately, a warrant may be issued and I may be sentenced to pay additional fines, fees or serve time in jail. Requests for extension(s), amendments or alternative methods (i.e. community service) must be submitted in writing 5 days in advance. NOTE: Requests may be denied. It shall remain the defendant’s responsibility to follow up with the

I agree to report to the Page Justice court any change of address, phone or employment within five (5) days of such change.

I ALSO UNDERSTAND THAT THE COURT MAY:

issue a warrant for my arrest. If arrested, I will be taken to jail and held until I post bond and/or see a Judge.

Suspend my Driver’s License or Privilege to Drive. Reinstatement of my suspended driver’s license may required full payment of my fines/fees plus a reinstatement fee to the Department of Motor Vehicles. Driving on a suspended license is a Class 1 Misdemeanor with potential imprisonment up to six months and/or fines up to $2500.00 plus surcharges and/or three years probation.

Hold me in “contempt of court” for non-payment of a fine and there may be additional fines/fees and/or incarceration (jail).

Assign my case to a collection agency and add 36% (percent) to the total of the outstanding amount. The Court may also notify a credit bureau about my failure to pay, defaults, and or judgments rendered against me.

WARNING: The time payments approved by this court must be paid on the dates ordered. Failure to pay on time or failure to report to a summons could result in a warrant being issued for your arrest and a finding that you are in contempt of court, for which you could serve time in jail.

DATE: May 13, 2015 DEFENDANT’S SIGNATURE: ____________________________

OVER

Page 62
IN THE JUSTICE OF THE PEACE COURT, 547 VISTA AVE., FO BOX 1565, PAGE, AZ (928) 645-8871

STATE OF ARIZONA,

COMPLAINT # 010347611502001

VS.

HOWELL, BRIAN D. CASE# TR2015-498

Defendant

JUDGMENT & SENTENCE

This Court having found the Defendant GUILTY/RESPONSIBLE for the following violation(s):

#1: Offense: ARS §§ 28-701.02A3: EXCEED 85 MPH (90 IN 65) and imposes;
- Base Fine $156.67 + 83% Surcharges $130.01 + $18.30 CR/TR Enhance + $13.00 Additional Assessment + $20.00
- Probation Surcharge + $2.00 Victim's Rights = $340.00
- County Jail for __ days and/or __ hours, 20
- Community Service for __ days and/or __ hours
- Other:

#2: Offense: ARS §§ and imposes;
- Base Fine $__ + 83% Surcharges $__ + $18.30 CR/TR Enhance + $13.00 Additional Assessment + $20.00
- Probation Surcharge + $2.00 Victim's Rights = $__
- County Jail for __ days and/or __ hours, 20
- Community Service for __ days and/or __ hours
- Other:

#3: Offense: ARS §
- Base Fine $__ + 83% Surcharges $__ + $18.30 CR/TR Enhance + $13.00 Additional Assessment + $20.00
- Probation Surcharge + $2.00 Victim's Rights = $__
- County Jail for __ days and/or __ hours, 20
- Community Service for __ days and/or __ hours
- Other:

A combined amount of $__ + (a $20.00 Time Payment Fee), + (a $10.00 Installment Fee),

The Total Amount of $________ is to be paid in accordance to the 'PAYMENT ORDER/CONTRACT' as shall be made through the Clerk of the Court. Defendant shall contact the clerk regarding the schedule.

I agree to notify the court in person or in writing at least five (5) days in advance of any dates or deadlines imposed by this sentence regarding review for any requests, conflicts and/or amendments for consideration by the Judge.

I understand that I have the right to seek post conviction relief concerning my sentence and conviction by this court within ninety (90) days. I understand that it is my responsibility to process any appeal with due diligence.

DO NOT SIGN THIS FORM UNLESS YOU HAVE READ IT COMPLETELY OR HAVE IT READ TO YOU

* By my Signature, I acknowledge that I have been informed of the Judgment & Sentence of this court and I have received a copy of this form.

Date: __/__/2015

[Signature]

[Defendant]
ARIZONA STATEMENT OF CITIZENSHIP
OR ALIEN STATUS FOR STATE PUBLIC BENEFITS

Title IV of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (the "Act"), 8 U.S.C. § 1621, provides that, with certain exceptions, only United States citizens, United States non-citizen nationals, non-exempt "qualified aliens" (and sometimes only particular categories of qualified aliens), nonimmigrant, and certain aliens paroled into the United States are eligible to receive state, or local public benefits. With certain exceptions, a professional license and commercial license issued by a State agency is a State public benefit.

Arizona Revised Statutes § 41-1080 requires, in general, that a person applying for a license must submit documentation to the license agency that satisfactorily demonstrates the applicant’s presence in the United States is authorized under federal law.

Directions: All applicants must complete Sections I, II, and IV. Applicants who are not U.S. citizens or nationals must also complete Section III.

Submit this completed form and a copy of one or more document(s) from the attached "Evidence of U.S. Citizenship, U.S. National Status, or Alien Status" with your application for license or renewal. If the document you submit does not contain a photograph, you must also provide a government issued document that contains your photograph. You must submit supporting legal documentation (i.e. marriage certificate) if the name on your evidence is not the same as your current legal name.

SECTION I – APPLICANT INFORMATION

APPLICANT’S NAME (Print or type) 
Brian Howell

TYPE OF APPLICATION (Check one) ■ INITIAL APPLICATION □ RENEWAL

SECTION II – CITIZENSHIP OR NATIONAL STATUS DECLARATION

Are you a citizen or national of the United States? ■ Yes □ No

If Yes, indicate place of birth:
Salt Lake City UT USA
City State (or equivalent) Country or Territory

If you answered Yes, 1) Attach a legible copy of a document from the attached list.
Name of document: Passport

2) Go to Section IV.

If you answered No, you must complete Section III and IV.

November 5, 2014

1 of 3

Otherwise Lawfully Present


SECTION IV - DECLARATION

All applicants must complete this section.
I declare under penalty of perjury under the laws of the state of Arizona that the answers and evidence I have given are true and correct to the best of my knowledge.

DELOY
Brian Howell

Applicant’s printed name

Today’s date

[Signature]

Applicant’s signature

EVIDENCE OF U.S. CITIZENSHIP, U.S. NATIONAL STATUS, OR ALIEN STATUS

You must submit supporting legal documentation (i.e. marriage certificate) if the name on your evidence is not the same as your current legal name.

Evidence showing authorized presence in the United State includes the following:

1. An Arizona driver license issued after 1996 or an Arizona non-operating identification card.
2. A driver license issued by a state that verifies lawful presence in the United States.
3. A birth certificate or delayed birth certificate showing birth in one of the 50 states, the District of Columbia, Puerto Rico (on or after January 13, 1941), Guam, the U.S. Virgin Islands (on or after January 17, 1917), American Samoa, or the Northern Marianna Islands (on or after November 4, 1986, Northern Mariana Islands local time)
5. A United States passport. **Passport must be signed**
6. A foreign passport with a United States visa.
7. An I-94 form with a photograph.
8. A United States citizenship and immigration services employment authorization document or refugee travel document.
10. A United States certificate of citizenship.
11. A tribal certificate of Indian blood.
12. A tribal or bureau of Indian affairs affidavit of birth.
13. Any other license that is issued by the federal government, any other state government, an agency of this state or a political subdivision of this state that requires proof of citizenship or lawful alien status before issuing the license.
Certificate # 0426158

Certificate of Completion
For
Title 4 BASIC Liquor Law Training

A Certificate of Completion must be on a form provided by the Arizona Department of Liquor. Certificates are completed by a state-approved training provider and, when issued, the Certificate is signed by the course participant.

The State requires BASIC Title 4 training only as a prerequisite for MANAGEMENT Title 4 training or as a result of a liquor law violation. Persons required to have BASIC Title 4 training are listed at the date of the Certificate. Licenses sometimes require BASIC Title 4 training a condition of employment.

A replacement Certificate of Completion for Title 4 training must be available through the training provider for two years after the training completion date.

Student Information

BRIAN D. HOWELL
Full Name (please print)

Signature

April 26, 2015

Training Completion Date

April 25, 2015

Certificate Expiration Date

(Three years from completion date)

Training Provider Information

Red Mountain Liquor Consultants
Company Name

6445 East Princess Drive, Mesa, Arizona 85227-1662
Mailing Address

480-830-2768
Daytime Contact Phone Number

I, Larry Eustis, certify that the above named individual did successfully complete

Title 4 BASIC Training in accordance with A.R.S. §4-112(G)(2) and Arizona Administrative Code (A.A.C.) R19-1-103 using training course content and materials approved by the Arizona Department of Liquor Licenses and Control.

I understand that misuse of this Certificate of Completion can result in the revocation of State approval for the Title 4 Training Provider named in this section as provided by A.A.C. R19-1-103(E) and (F).

Instructor Signature

26/04/2015
Day Mo Year

Persons required to complete BASIC & MANAGEMENT Title 4 training: 1) owner(s) actively involved in the daily business operations of a liquor-licensed business of a series listed below

2) licensees, agents and managers actively involved in the daily business operations of a liquor-licensed business of a series listed below

In-state Microbrewery (series 3) Government (series 5) Bar (series 6) Beer & Wine Bar (series 7)
Conveyance (series 8) Liquor Store (series 9) Private Club (series 14) Hotel/Motel w/restaurant (series 11)
Restaurant (series 12) In-state Farm Winery (series 13) Beer & Wine Store (series 10)

Liquor license applications (initial and renewal) are not complete until valid Certificates of Completion for all required persons have been submitted to the Department of Liquor.

The questionnaire (which designates a manager to a location) and the agent change form (which assigns a new agent to active liquor licenses) are not complete until valid Certificates of Completion for all required persons have been submitted to the Department of Liquor.

July 11, 2013
Certificate of Completion
For
Title 4 MANAGEMENT Liquor Law Training

A Certificate of Completion must be on a form provided by the Arizona Department of Liquor. Certificates are completed by a state-approved training provider and, when issued, the Certificate is signed by the course participant.

Basic Title 4 training is a prerequisite for MANAGEMENT Title 4 training. A valid Certificate of Completion for BASIC Title 4 training must be on file at the Department of Liquor and satisfactory completion of a State-approved BASIC Title 4 course must be verified by the training provider prior to issuing a Certificate of Completion for MANAGEMENT Title 4 training.

A replacement Certificate of Completion for Title 4 training must be available through the training provider for two years after the training completion date.

Student Information

BRIAN D. HOWELL
Surname (please print)

Signature

April 26, 2015  April 25, 2018
Training Completion Date  Certificate Expiration Date
(three years from completion date)

Training Provider Information

Red Mountain Liquor Consultants

Company Name

6445 East Princess Drive, Mesa, Arizona 85227-1662
Mailing Address

480-830-2768
Daytime Contact Phone Number

Larry Emery
Instructor (please print)

26/04/2015
Day  Mo  Year

I certify that the above named individual did successfully complete Title 4 MANAGEMENT Training in accordance with A.R.S. §4-112(G)(2) and Arizona Administrative Code (A.A.C.) R19-1-103 using training course content and materials approved by the Arizona Department of Liquor Licenses and Control. I understand that misuse of this Certificate of Completion can result in the revocation of State-approval for the Title 4 Training Provider named in this section as provided by A.A.C. R19-1-103(E) and (F).

Instructor Signature

Persons required to complete BASIC & MANAGEMENT Title 4 training: 1) owner(s) actively involved in the daily business operations of a liquor-licensed business of a series listed below
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In-state Microbrewery (series 3)  Government (series 5)  Bar (series 6)  Beer & Wine Bar (series 7)
Conveyance (series 8)  Liquor Store (series 9)  Private Club (series 14)  Hotel/Motel w/restaurant (series 11)
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The questionnaire (which designates a manager to a location) and the agent change form (which assigns a new agent to active liquor licenses) are not complete until valid Certificates of Completion for all required persons have been submitted to the Department of Liquor.

July 11, 2013
ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL
800 W Washington 5th Floor
Phoenix AZ 85007-2934
(602) 542-5141

QUESTIONNAIRE

Attention all Local Governing Bodies: Social Security and Birthdate Information is Confidential. This information may be given to local law enforcement agencies for the purpose of background checks only but must be blocked to be unreadable prior to posting or any public view.

Read carefully. This instrument is a sworn document. Type or print with BLACK INK.

An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH CONTROLLING PERSON, AGENT, OR MANAGER. EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD AVAILABLE AT THIS OFFICE. FINGERPRINTS ON FBI-APPROVED CARDS ARE ACCEPTED FROM LAW ENFORCEMENT AGENCIES, BONA FIDE FINGERPRINT SERVICES, OR THE DEPARTMENT OF LIQUOR. THE DEPARTMENT CHARGES A $13 FEE. In addition to other fingerprint fees, a $22 DPS background check fee will be charged for each fingerprint card.

The fees allowed by A.R.S. § 44-6852 will be charged for all dishonored checks.

Liquor License #

<table>
<thead>
<tr>
<th>Check appropriate box</th>
<th>Controlling Person</th>
<th>Agent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Complete Questions 1-19)</td>
<td>(Complete All Questions except #14, 14a &amp; 21)</td>
</tr>
<tr>
<td></td>
<td>Controlling Person or Agent must complete #21 for a Manager</td>
<td>Controlling Person or Agent must complete #21</td>
</tr>
</tbody>
</table>

Maldonado, Johnathan

Name

Date of Birth: [Redacted]

First

Middle

State: AZ

Drivers License # [Redacted]

Place of Birth:

San Antonio, TX United States

City State Country

Height: [Redacted]

Weight: [Redacted]

Eyes: [Redacted]

Hair: BLK

Date of Birth: [Redacted]

Marital Status: Single

You are a bona fide resident of what state? Arizona

If Arizona, date of residency: 6-1-12

Telephone number to contact you during business hours for any questions regarding this document:

928-963-0843

The Art of Wine

Premises Phone:

928-203-9463

10. Name of Licensed Premises:

11. Physical Location of Licensed Premises Address:

101 N. Highway 89A, Suite B9 Sedona Conconino 86336

Street Address

12. List your employment or type of business during the past five (5) years. If unemployed part of the time, list those dates. List most recent first.

<table>
<thead>
<tr>
<th>FROM Month/Year</th>
<th>TO Month/Year</th>
<th>DESCRIBE POSITION OR BUSINESS</th>
<th>EMPLOYER'S NAME OR NAME OF BUSINESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>06/12 CURRENT</td>
<td></td>
<td>Bar tender</td>
<td>Marketplace Cafe, 6645 HWY 176, Sedona, AZ 86351</td>
</tr>
<tr>
<td>01/11 06/12</td>
<td></td>
<td>Bar tender</td>
<td>Chilies Bar and Grill, 2057 E Camelback, Phoenix, AZ 85016</td>
</tr>
</tbody>
</table>

13. Indicate your residence address for the last five (5) years:

<table>
<thead>
<tr>
<th>FROM Month/Year</th>
<th>TO Month/Year</th>
<th>Rent or Own</th>
<th>RESIDENTIAL Street Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>6-1-12 CURRENT</td>
<td></td>
<td>Rent</td>
<td>200 E Cortez Dr. #11 Sedona, AZ 86351</td>
</tr>
<tr>
<td>2-1-11 6-1-12</td>
<td></td>
<td>Rent</td>
<td>5115 N 40th St. Phoenix, AZ 85016</td>
</tr>
<tr>
<td>2-1-10 2-1-11</td>
<td></td>
<td>Own</td>
<td>2550 Palmeto Way San Antonio, TX 78251</td>
</tr>
</tbody>
</table>

Disabled individuals requiring special accommodations, please call the Department (800) 542-8333. Page 70
**ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL**

800 W Washington 5th Floor
Phoenix AZ 85007-2934

(602) 542-5141

**QUESTIONNAIRE**

Attention all Local Governing Bodies: Social Security and Birthdate Information is Confidential. This information may be given to local law enforcement agencies for the purpose of background checks only but must be blocked to be unreadable prior to posting or any public view.

Read carefully. This instrument is a sworn document. Type or print with BLACK INK.

An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH CONTROLLING PERSON, AGENT, OR MANAGER. EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICATION" TYPE FINGERPRINT CARD AVAILABLE AT THIS OFFICE. FINGERPRINTS ON FBI-APPROVED CARDS ARE ACCEPTED FROM LAW ENFORCEMENT AGENCIES, BONA FIDE FINGERPRINT SERVICES, OR THE DEPARTMENT OF LIQUOR. THE DEPARTMENT CHARGES A $10 FEE.

In addition to other fingerprint fees, a $22 DPS background check fee will be charged for each fingerprint card.

The fees allowed by A.R.S. § 44-6852 will be charged for all dishonored checks.

<table>
<thead>
<tr>
<th>Liquor License #</th>
</tr>
</thead>
<tbody>
<tr>
<td>1003207</td>
</tr>
</tbody>
</table>

(if the location is currently licensed)

**1. Check appropriate box**

<table>
<thead>
<tr>
<th>✓ Controlling Person</th>
<th>Agent</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Complete Questions 1-19)</td>
<td></td>
</tr>
</tbody>
</table>

**Manager (Only)**

<table>
<thead>
<tr>
<th>(Complete All Questions except # 14, 14a &amp; 21)</th>
<th>Controlling Person or Agent must complete #21</th>
</tr>
</thead>
</table>

**2. Name:**

<table>
<thead>
<tr>
<th>Howell, Jeanne R.</th>
</tr>
</thead>
</table>

**Date of Birth:**

<table>
<thead>
<tr>
<th>(NOT a Public Record)</th>
</tr>
</thead>
</table>

**State:**

<table>
<thead>
<tr>
<th>NM</th>
</tr>
</thead>
</table>

**3. Social Security Number:**

<table>
<thead>
<tr>
<th>(NOT a Public Record)</th>
</tr>
</thead>
</table>

**Drivers License #:**

<table>
<thead>
<tr>
<th>(NOT a Public Record)</th>
</tr>
</thead>
</table>

**State:**

| NM |

**Height:**

| (not county) |

**Weight:**

| (not county) |

**Eyes:**

| BN |

**Hair:**

| BN |

**4. Place of Birth:**

| Salt Lake City Utah USA |

**5. Marital Status**

| Single ✓ Married Divorced Widowed |

**Name of Current or Most Recent Spouse:**

| Howell, Brian DELOY |

**Date of Birth:**

| June 15, 2014 |

**6. Name of Current or Most Recent Spouse:**

| (List all for last 5 years - Use additional sheet if necessary) |

**7. You are a bona fide resident of what state?**

| Arizona |

**If Arizona, date of residency:**

| 928-300-2308 |

**8. Telephone number to contact you during business hours for any questions regarding this document.**

| 928-203-9463 |

**9. If you have been an Arizona resident for less than three (3) months, submit a copy of your Arizona driver’s license or voter registration card.**

| The Art of Wine |

**Premises Phone:**

| 928-203-9463 |

**10. Name of Licensed Premises:**

| 101 N. Highway 89A, Suite B9 Sedona Conconino 86336 |

**Street Address (Do not use PO Box #)**

| 101 N. Highway 89A, Suite B9 Sedona Conconino 86336 |

**11. Physical Location of Licensed Premises Address:**

| Street Address (Do not use PO Box #) |

| 220 Arch Dr Sedona AZ 86331 |

**12. List your employment or type of business during the past five (5) years. If unemployed part of the time, list those dates. List most recent 1st.**

<table>
<thead>
<tr>
<th>FROM Month/Year</th>
<th>TO Month/Year</th>
<th>DESCRIBE POSITION OR BUSINESS</th>
<th>EMPLOYER’S NAME OR NAME OF BUSINESS (street address, city, state &amp; zip)</th>
</tr>
</thead>
<tbody>
<tr>
<td>06/2014 CURRENT</td>
<td>teacher/ H.S.</td>
<td>Verde Valley School, VVS Road, Sedona, AZ 1131</td>
<td></td>
</tr>
<tr>
<td>07/2010 06/2010</td>
<td>teacher/ H.S.</td>
<td>American Int School, JNB, GP South Africa 1165 Manord Road 2055</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FROM Month/Year</th>
<th>TO Month/Year</th>
<th>Rent or Own</th>
<th>RESIDENTIAL Street Address</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
</tr>
</thead>
<tbody>
<tr>
<td>09/14 CURRENT</td>
<td>01/10</td>
<td>own</td>
<td>220 Arch Dr Sedona AZ 86331</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01/10 07/14</td>
<td>rent</td>
<td>company subsidized housing as part of expat pkg JNB GP SoAfrica</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**13. Indicate your residence address for the last five (5) years:**

<table>
<thead>
<tr>
<th>FROM Month/Year</th>
<th>TO Month/Year</th>
<th>Rent or Own</th>
<th>RESIDENTIAL Street Address</th>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Blanked individually meeting special recommendations, please call the Department 1-800-232 6027*

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Question 13.

01/10 - 03/12  Rent  1636 Cambourne, JNB, GP, S.Africa
03/12 - 03/14  Rent  935 Fernwood Close, JNB, GP, S.Africa
03/14 - 03/15  Rent  295 Casellet, JNB, GP, S.Africa
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OF

HOWELL ADVENTURES, LLC
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12.1 Notices
12.2 Validity of Agreement
12.3 Titles and Captions
12.4 Singular and Plural
12.5 Applicable Law
12.6 Including
12.7 Incorporation of Documents and Exhibits
12.8 Entire Agreement
12.9 Successors and Assigns
12.10 Time
12.11 Counterparts
THIS OPERATING AGREEMENT is made and entered into between Howell Adventures, LLC (the "Company") and Brian Howell and Jeanne Howell (collectively, the "Members"). The Members agree to form a limited liability company under the laws of the State of Arizona, and agree to operate the Company according to the terms and provisions in this document.

ARTICLE 1
DEFINITIONS

In this document, the following terms have these meanings:


1.2. "Agreement" means this Operating Agreement, as amended.

1.3. "Capital Contribution" means cash, other property, use of property, services rendered or any other valuable consideration transferred to the Company as consideration for an interest in the Company.


1.5. "Company Property" means all assets held by the Company from time to time, including all capital contributions and revenues received by the Company.

1.6. "Fair Market Value" of an interest in the Company or other asset will be determined by agreement among the Members. If the Members do not agree on the Fair Market Value, an appraiser may be appointed by (a) the disinterested Member(s) of the Company (on behalf of the Company) and (b) the Member whose interest is to be appraised or who requested the determination of Fair Market Value. The appointed appraisers will attempt to agree on the Fair Market Value of the interest in the Company or other asset.

1.7. "Majority" means more than half of the total Percentage Interests of all Members. The approval of a Majority is required for certain acts of the Company set forth in this Agreement.

1.8. "Percentage Interest" means, for each Member, the percentage derived by dividing the Capital Contribution of a Member by the aggregate Capital Contributions of all Members.

1.9. "Person" includes a corporation, firm, partnership or other form of association or entity.

1.10. "Profits and Losses" means net taxable income, or loss, of the Company for federal income tax purposes and all items (including items of income, loss, gain, deduction, credit or expenditure) of the Company that are separately stated for federal income tax purposes.

1.11. "Super Majority" means two-thirds of the total Percentage Interests of all Members. The approval of a Super Majority is required for certain acts of the Company set forth in this Agreement.
ARTICLE 2
ORGANIZATIONAL MATTERS

2.1. Name. The name of the Company is Howell Adventures, LLC.

2.2. Purpose. The Company may conduct any lawful business permitted in the State of Arizona. The initial purpose of the Company is to operate a wine bar.

2.3. Registered Office and Statutory Agent. The Company will maintain a registered office and statutory agent in the State of Arizona.

2.3.1. The registered office of the Company will be:

220 Arch Dr.
Sedona, AZ 86351

2.3.2. The registered statutory agent for service of process on the Company is:

Whitney Cunningham,
ASPEY, WATKINS & DIESEL, PLLC
123 N. San Francisco St., 3rd Floor,
Flagstaff, AZ 86001

2.4. Principal Place of Business. The principal place of business of the Company is:

220 Arch Dr.
Sedona, AZ 86351

The Members may change the principal place of business to any other place within the continental United States.

2.5. Term. The term of the Company will continue in perpetuity, unless the Company is dissolved earlier as set forth in this Agreement.

2.6. Filings. Articles of Organization have been filed with the Arizona Corporation Commission according to the provisions of the Act and when required by law. Notice of the articles and all amendments have been or will be published according to the requirements of the Act.

2.7. Business Transactions with Company. Any Member or Manager and any affiliated person may engage in business transactions of any kind with the Company. These dealings must be on terms no less favorable to the Company than those that could be obtained from an unaffiliated party. The Manager has a fiduciary duty to the Company, but not to its Members.

ARTICLE 3
CAPITAL CONTRIBUTIONS

3.1. Capital Contributions of Members. Each Member has or agrees to make a Capital Contribution to the Company in the amount stated on Exhibit A.
3.2. **Capital Accounts.** An individual capital account must be maintained for each Member. Each capital account must consist of the Member’s original contribution of capital, increased by: additional Capital Contributions and the Member’s share of the Company’s income or gains, and decreased by: distributions to the Member of cash or other property and the Member’s share of Company losses. Capital accounts must be maintained according to federal income tax principles.

3.3. **Default.** If any Member fails to make the Capital Contribution required in this Agreement, the Company has all rights and remedies, at law or equity, to enforce this Agreement.

3.4. **No Additional Capital Contribution Obligations.** No Member has any obligation to make capital contributions to the Company above the amounts stated in Section 3.1, except with the consent of the Members and the consent of the Member making the contribution.

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**ARTICLE 4**

**MANAGEMENT OF THE COMPANY**

4.1. **Management of Company Business.** The Members will appoint one or more Managers, who have full discretion, responsibility and authority for the management of the Company’s business. The Managers have all rights and powers generally conferred by the Act, except those acts reserved to the Members in this agreement. The Managers have a fiduciary duty to the Company, but not to its Members. The initial Manager of the Company is:

Brian Howell  
220 Arch Dr.  
Sedona, AZ 86351

4.2. **Members’ Voting Rights.** Each Member has votes in proportion to the Member’s Percentage Interest. Unless this Agreement indicates an action must be approved by a Super Majority, approval will be by Majority vote, as defined in Section 1.7.

4.3. **Approval by a Super Majority.** Approval of a Super Majority of Members is required to:

4.3.1. Adopt this Agreement, amend this Agreement, amend and restate this Agreement, or revoke this Agreement;

4.3.2. Issue an interest in the Company to any Person, or permit the withdrawal of a Member or the reduction of a Member’s Capital Account;

4.3.3. Incur debt outside the normal course of business;

4.3.4. Approve a plan of merger or consolidation of the Company according to the Act;

4.3.5. Authorize an amendment to the articles of organization of the Company;

4.3.6. Approve a plan to terminate the Company;

4.3.7. Elect a trustee to liquidate or distribute the Company assets upon a dissolution caused by one of the events in Section 9.1;
4.3.8. Designate or move the Company's registered office or principal place of business, or appoint or remove a statutory agent;

4.3.9. Retain in office, remove from office, or appoint to office a Manager, or set or change a Manager's compensation; and

This list is not exclusive, the Agreement and other incorporated documents may indicate other acts requiring approval of a Super Majority of the Members.

4.4. Action by Written Consent. Members may act by written consent. Each written consent must state the action taken and be signed by Members representing the required Percentage Interests necessary under this Agreement to approve the action.

4.5. Meetings. It is not contemplated that there will be regular annual meetings of the Company. Meetings of the Company may be called at any time by a Manager and must be called upon the written request of a Member.

4.6. Written Minutes. If requested by a Member, written minutes of the business transacted at Company meetings, if any, must be made and retained at the Company's registered office.

ARTICLE 5
ALLOCATIONS AND DISTRIBUTIONS

5.1. Allocation of Profits and Losses. All Profits and Losses of the Company for any year will be allocated among the Members according to their Percentage Interests.

5.2. Distribution of Company Funds. Interim distributions will be disbursed among the Members according to their Percentage Interests. No other distributions or payments of any kind can be made to any Member or any Manager without the approval of a Super Majority. Amounts available upon dissolution as stated in this Agreement will be distributed among the Members according to their Percentage Interests.

ARTICLE 6
LIABILITY, INDEMNITY AND LITIGATION

6.1. Limited Liability of Members. No Member will be bound by, or be personally liable for, the expenses, liabilities or obligations of the Company whether arising in tort or contract solely by reason of being a Member. Each Member's liability is limited as set forth in the Act and any other applicable laws.

6.2. Company Indemnity of Managers and Members. Acting or failing to act by a Member or agent that does not constitute fraud or intentional, wrongful misconduct (or breach by a Manager of a fiduciary duty) in pursuance of the authority granted, that may cause or result in loss or damage to the Company, if done in good faith, will not subject a Member or Manager, its affiliates, officers, directors, employees or successors and assigns, to any liability; and, in such event, the Company will indemnify and hold harmless a Member or Manager, its affiliates, officers, directors, employees or successors and assigns, from any claim, loss, expense, liability, action or damage resulting from or relating to the act or omission (failure to act), including, without limitation, reasonable fees and
expenses of attorneys engaged by them in defense of the act or omission and other reasonable costs and expenses of litigation and appeal.

6.3. *Litigation.* The Members may, in their sole discretion, prosecute, defend and settle such actions at law or in equity as they deem necessary to enforce or protect the interests of the Company. The Company and the Members must respond to any final decree, judgment or decision of any court, board or authority having jurisdiction. The Members must satisfy any such judgment, decree or decision first out of any insurance proceeds available, next out of assets of the Company, and finally, as provided by law.

6.4. *Cost of Litigation.* In any action between the parties to enforce any of the terms of this Agreement, any other contract relating to the Company, or any action in any other way pertaining to Company affairs or this Agreement, the prevailing party is entitled to recover expenses, including reasonable attorney's fees and costs, including expenses and fees of any appeals.

### ARTICLE 7

**TRANSFER OF COMPANY INTERESTS**

7.1. *No Right to Transfer Interest.* A Member has no right to transfer its interest in the Company. If a transfer does occur, the transferring-Member is no longer entitled to vote with respect to the transferred interest or exercise any other rights of a Member.

7.2. *Recipient Not a Member.* A recipient will not be admitted to the Company as a Member unless Super Majority approved by a Super Majority vote of the Members. An unapproved owner may receive allocations and distributions, but is not entitled to vote with respect to the transferred interest or exercise any other rights of a Member.

7.3. *Satisfactory Written Documentation Required.* A transfer has to be correctly executed and acknowledged by the transferring-Member and recipient. Until written documentation that meets all requirements of this Article has been received by and recorded on the Company's books, both the Company and the Members will treat the transferring-Member as a Member and will incur no liability for distributions made in good faith to the transferring-Member.

7.4. *Allocations and Distributions after Transfer.* Profits and Losses will be divided and allocated between the transferring-Member and the recipient according to Code § 706(d) using a method selected by the Members. The recipient will receive allocations of the Profits and Losses of the Company and distributions attributable to the ownership interest after the effective date of the transfer.Allocations and distributions on or before the effective date will be made to the transferring-Member. The "effective date" is the date stated on the written transfer agreement in Section 7.3.

7.5. *Limitation on Sale or Exchange.* Even if a transfer meets the requirements of this agreement, no interest in the Company may be sold or exchanged if the transaction, in light of the total of all other Company interests sold or exchanged within the period of twelve consecutive months prior, might, in the opinion of counsel for the Company, result in the termination of the Company under Code § 708.
ARTICLE 8
MEMBER WITHDRAWAL

8.1. Covenant Not to Withdraw. A Member has no right to withdraw from the Company or reduce the Member’s Capital Contribution, except as a result of the Company’s dissolution or as expressly permitted by this Agreement.

8.2. Distributable Amounts. Upon a Member withdrawal, any amounts that would otherwise be distributable to the withdrawing Member by operation of applicable law, will be (a) reduced by the amount of damages the Company is entitled from the Member as a result of the withdrawal; and (b) distributed to the Member, without interest, at the time of the final distribution made to all Members when the Company is dissolved and its assets liquidated.

ARTICLE 9
DISSOLUTION AND WINDING UP

9.1. Dissolution. The Company must dissolve when the first of the following events occurs:

9.1.1. The expiration of the Term of the Company, if applicable;

9.1.2. The sale or other disposition of all assets to which the Company has any right, title and interest, and the distribution to the Members of the proceeds from the sale or other disposition;

9.1.3. An order of dissolution by a court of competent jurisdiction or upon any recognized process of dissolution as provided by the laws of the State of Arizona;

9.1.4. Approval of a Super Majority of the Members;

9.1.5. Unless the Company is continued according to Section 9.5 below, on event of withdrawal as provided in A.R.S. § 29-733, excluding A.R.S. §§ 29-733(4) and 29-733(5).

9.2. Winding Up. Upon dissolution of the Company, the Members or a trustee elected by the Members must take full account of the Company’s liabilities and Company Property. Company Property must be liquidated as promptly as possible to obtain the fair value. The proceeds, to the extent sufficient, will be applied and distributed in the following order and priority:

9.2.1. To the payment and discharge of all of the Company’s debts and liabilities (including those to Members), and the establishment of any necessary reserves; and then

9.2.2. To the reimbursement of expenses of the Members and payment of any fees to which the Members are entitled; and then

9.2.3. To the Members according to, and in proportion to, their Capital Accounts.

9.3. Distribution in Kind. Instead of liquidating the Company’s assets, the Members or trustee, may choose to distribute all, or a portion of, the assets in kind.
9.4. Rights of Members. Although the Members or trustee may distribute property other than cash, no Member has the right to demand or receive property other than cash upon dissolution or to demand the return of the Member’s Capital Contributions.

9.5. Nondissolution Upon Withdrawal. A Member’s withdrawal from the Company (including by death) will cause a dissolution of the Company unless, within ninety days of the withdrawal, at least one Member elects to continue the business of the Company.

ARTICLE 10
DEATH, INCOMPETENCY, BANKRUPTCY OR DISSOLUTION OF A MEMBER

10.1. Individual Member. Upon the death, legal incompetency, or bankruptcy of an individual Member, the Member’s personal representative, guardian, trustee in bankruptcy, or comparable person (“representative”) has all of the rights of a Member for the purpose of settling or managing the Member’s estate, but he representative will not become a Member of the Company. The representative will have the same power as the Member would to transfer the Member’s interest and to assist the recipient in seeking approval to become a Member of the Company.

10.2. Members Other Than Individuals. Upon the bankruptcy, insolvency, dissolution or other cessation to exist as a legal entity of a Member which is not an individual, the authorized representative or trustee in bankruptcy of the Member (“representative”) has all of the rights of a Member for the purpose of settling or managing the Member’s estate, but he representative will not become a Member of the Company. The representative will have the same power as the Member would to transfer the Member’s interest and to assist the recipient in seeking approval to become a Member of the Company.

ARTICLE 11
BOOKS, RECORDS, ACCOUNTING, REPORTS AND CERTAIN TAX MATTERS

11.1. Fiscal Year. The fiscal year of the Company will be the calendar year.

11.2. Records. The Company must keep at its registered office proper and complete books of account adequate for its purposes which include the following information: (a) the name and address of each Member; (b) a copy of the Company’s articles of organization and any amendments; (c) a copy of the Company’s operating agreement and any amendments; (d) a copy of any Member’s written promise to make a capital contribution to the Company; (e) copies of the Company’s federal, state, and local income tax returns and reports, if any, for the three most recent years; and (f) copies of any financial statements of the Company for the three most recent years. These records and information regarding the affairs of the Company that are reasonably related to a Member’s interest are open to inspection and copying by any Member or by the Member’s authorized representative at any reasonable time during business hours.

11.3. Basis of Accounting. The Company books will be kept on a cash basis method of accounting unless applicable federal income tax law requires the Company to use an accrual method. The Company may change its accounting method to an accrual method or to any other permissible method of accounting the Members designate.
11.4. **Bank Accounts.** All funds of the Company are to be deposited in the Company's name in a bank account, money-market account, or accounts as may be designated by the Members. Company funds may be withdrawn on the signature of a person or persons the Members may authorize.

11.5. **Tax Matters Member.** The Members must appoint a “tax matters partner” of the Company within the meaning of Code § 6231(a)(7).

11.6. **Annual Reports.** Within seventy-five days after the close of the Company’s fiscal year, there shall be prepared and delivered, at the direction of the Members, a copy of the Internal Revenue Service Form K-1 as attached to the federal partnership tax return to be filed for the Company. Upon request of a Member, the Managers will provide a written report stating the following:

11.6.1. The assets and liabilities of the Company;

11.6.2. The net profit or net loss of the Company;

11.6.3. The Member’s Capital Account and the manner of its calculation; and/or

11.6.4. Any other information necessary to enable the Member to prepare the Member’s individual income tax returns.

**ARTICLE 12**

**MISCELLANEOUS**

12.1. **Notices.** All notices required under this Agreement must be in writing and given to Members at the addresses listed on Exhibit A. Notice must be given by (a) personal service; (b) mail service with delivery confirmation; (c) recognized courier service; and (d) electronic mail, if Member replies with confirmation of receipt. All notices will be considered given upon the actual receipt.

12.2. **Validity of Agreement.** The invalidity of any portion of this Agreement does not affect the validity of the remainder.

12.3. **Titles and Captions.** Article and section titles or captions in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision.

12.4. **Singular and Plural.** Whenever the singular number is used in this Agreement and when required by the context, it will include the plural.

12.5. **Applicable Law.** The terms and provisions of this Agreement and any dispute arising under it will be governed by the laws of the State of Arizona. The Courts of the State of Arizona have the sole and exclusive jurisdiction in any matter arising under this Agreement or by reason of this Agreement, and for this purpose each Member (and each person becoming a Member) expressly and irrevocably consents to the jurisdiction of these Courts.

12.6. **Including.** Whenever the term “including” is used in this Agreement, it will be construed to mean “including, without limitation.”
12.7. *Incorporation of Documents and Exhibits.* All documents and exhibits referred to in this Agreement are a part of the Agreement as though fully set forth in the Agreement.

12.8. *Entire Agreement.* This Agreement is the final integration of the agreement of the parties with respect to the matters it covers. This Agreement supersedes any prior understanding or agreements, oral or written, with respect thereto.

12.9. *Successors and Assigns.* This Agreement is binding upon and for the benefit of the parties and their respective successors-in-interest and assigns, but in no event will any party be relieved of its obligations under the Agreement without the express written consent of each other party.

12.10. *Time.* Time is of the essence of this Agreement and each provision.

12.11. *Counterparts.* This Agreement may be executed in any number of counterparts, all of which taken together will constitute one and the same agreement. The parties may execute this Agreement by signing any of the counterparts.

**THE EFFECTIVE DATE OF THIS AGREEMENT IS:** 24 April 2015

**THE PARTIES EXECUTE THIS AGREEMENT ON THE DATES BELOW:**

Brian Howell, Member  
Date: April 24, 2015

Jeanne Howell, Member  
Date: April 24, 2015
## EXHIBIT A

### SCHEDULE OF MEMBERS

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<th>Member</th>
<th>Address</th>
<th>% Interest</th>
<th>Capital Contribution</th>
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<td>Brian Howell / Jeanne Howell</td>
<td>220 Arch Dr. Sedona, AZ 86351</td>
<td>100% as community property with right of survivorship</td>
<td>$1,000</td>
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\[\text{Accept as Both members} \]

\[\text{Signed} \, \text{as} \, \text{of} \, \text{today} \, \text{is} \, \text{10/15/15} \]

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ARTICLES OF ORGANIZATION

Howell Adventures, LLC

1. The name of this limited liability company is: Howell Adventures, LLC

2. The known place of business is:
   220 Arch Dr.
   Sedona, AZ 86351

3. The name and business address of the statutory agent is:

   Whitney Cunningham
   ASPEY, WATKINS & DIESEL, PLLC
   123 N. San Francisco St., 3rd Floor
   Flagstaff, AZ 86001

4. Management is vested in one or more managers. At the time of the formation of the limited liability company, there shall be one manager. The manager, including address, of the limited liability company is:

   Brian Howell
   220 Arch Dr.
   Sedona, AZ 86351

5. The member who owns a twenty per cent or greater interest in the capital or profits of the limited liability company is:

   Brian Howell
   220 Arch Dr.
   Sedona, AZ 86351

   Jeanne Howell
   220 Arch Dr.
   Sedona, AZ 86351

6. There is no date by which this limited liability company must dissolve.

   
   Brian Howell

I, Whitney Cunningham, accept appointment as the statutory agent for service of process on the limited liability company, Howell Adventures, LLC.

Whitney Cunningham
Agenda Item: 3h
Proposed Action & Subject: Approval of an Interim Permit and Person to Person Transfer Series 7 Liquor License Application for The Art of Wine located at 101 SR 89A, Suite B9, Sedona (License #07030060).

Department: Community Development
Time to Present: N/A
Total Time for Item: N/A
Other Council Meetings: N/A
Exhibits: A. Liquor License Application

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<td>Amount Budgeted</td>
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<td>Recommendation</td>
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<td></td>
<td>person transfer of</td>
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<tr>
<td></td>
<td>liquor license</td>
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<td></td>
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<td>Art of Wine.</td>
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SUMMARY STATEMENT

Background: State liquor laws require Sedona’s City Council to forward a recommended approval or denial of applications for liquor licenses.

The City has received an Interim Permit and Person to Person Transfer Series 7 Liquor License application (beer and wine bar) for Art of Wine located at 101 SR 89A, Suite B9, Sedona. The Series 7 application liquor license is a “quota” license available only through the Lottery or for purchase on the open market. Once issued, this license allows a beer and wine bar retailer to sell and serve beer and wine, primarily by individual portions, to be consumed on the premises and in the original container for consumption on or off the premises.

This retail licensee also has limited off-sale (“to go”) privileges. Liquor may be delivered off of the licensed premises in connection with a retail sale. Payment must be made no later than the time of delivery. Off-sale (“to go”) package sales of liquor can be made on the bar premises as long as the area of off-sale operation does not utilize a separate entrance and exit from the ones provided for the bar. The total of all off-sale liquor sales shall not exceed 30% of on-sale retail liquor sales per license/location. It is the responsibility of the licensee to
provide sales receipts upon request to the Arizona Department of Liquor Licenses and Control. The Series 7 liquor license holder may fill and sell "growlers".

Community Development staff, and both the Sedona Police Department and Sedona Fire District do not have any objections regarding approval of this application. Staff recommends the City Council approve this application.

**Community Plan Consistent:** [ ] Yes - [ ] No - [X] Not Applicable

**Board/Commission Recommendation:** [X] Applicable - [ ] Not Applicable

**Alternative(s):** Not approve the Series 7 Liquor License Application for The Art of Wine located at 101 SR 89A, Suite B9 (License #07030060).

**MOTION**

I move to: approve the Interim Permit and Person to Person Transfer Series 7 Liquor License Application for The Art of Wine located at 101 SR 89A, Suite B9, Sedona (License #07030060).
Arizona Department of Liquor Licenses and Control
800 West Washington, 5th Floor
Phoenix, Arizona 85007
www.azliquor.gov
602-542-5141

APPLICATION FOR LIQUOR LICENSE
TYPE OR PRINT WITH BLACK INK

Notice: Effective Nov. 1, 1997, all owners, agents, partners, stockholders, officers, or managers actively involved in the day to day operations of the business must attend a department approved liquor law training course or provide proof of attendance within the last five years. See page 5 of the liquor licensing requirements.

SECTION 1 This application is for a:
☐ MORE THAN ONE LICENSE
☒ INTERIM PERMIT Complete Section 5
☐ NEW LICENSE Complete Sections 2, 3, 4, 13, 14, 15, 16
☒ PERSON TRANSFER (Bars & Liquor Stores ONLY)
Complete Sections 2, 3, 4, 11, 13, 15, 16
☐ LOCATION TRANSFER (Bars and Liquor Stores ONLY)
Complete Sections 2, 3, 4, 12, 13, 15, 16
☐ PROBATE/WILL ASSIGNMENT/DIVORCE DECREES
Complete Sections 2, 3, 4, 9, 13, 16 (fee not required)
☐ GOVERNMENT Complete Sections 2, 3, 10, 13, 15, 16

SECTION 2 Type of ownership:
☐ J.T.W.R.O.S. Complete Section 6
☐ INDIVIDUAL Complete Section 6
☐ PARTNERSHIP Complete Section 6
☐ CORPORATION Complete Section 7
☒ LIMITED LIABILITY CO. Complete Section 7
☐ CLUB Complete Section 8
☐ GOVERNMENT Complete Section 10
☐ TRUST Complete Section 6
☐ OTHER (Explain)

SECTION 3 Type of license and fees
LICENSING #1: 07030060
1. Type of License(s): Beer and Wine Bar
2. Total fees attached:

APPLICATION FEE AND INTERIM PERMIT FEES (IF APPLICABLE) ARE NOT REFUNDABLE.
The fees allowed under A.R.S. 44-6852 will be charged for all dishonored checks.

SECTION 4 Applicant
Mr. HOWELL BRIAN DELOY
1. Owner/Agent's Name: (Insert one name only to appear on license)

2. Corp./Partnership/L.L.C.: HOWELL ADVENTURES, LLC
(Exactly as it appears on Articles of Inc. or Articles of Org.)

3. Business Name: THE ART OF WINE
(Exactly as it appears on the exterior of premises)

4. Principal Street Location 101 N. Highway 89A, suite B9 SEDONA Coconino 86336
(Do not use PO Box Number)

5. Business Phone: 928-203-9463 Daytime Phone: 928-707-0864 Email: BRIAN.D.HOWELL@ME.COM

6. Is the business located within the incorporated limits of the above city or town? ☒ YES ☐ NO

7. Mailing Address: 220 ARCH DR SEDONA AZ 86331

8. Price paid for license only bar, beer and wine, or liquor store: Type 7 $15,000 Type $ 260

DEPARTMENT USE ONLY

<table>
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<tr>
<th>Fees</th>
<th>Application</th>
<th>Interim Permit</th>
<th>Site Inspection</th>
<th>Finger Prints</th>
<th>TOTAL OF ALL FEES</th>
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<td>100$</td>
<td>600$</td>
<td>2600$</td>
<td>3500$</td>
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Is Arizona Statement of Citizenship & Alien Status For State Benefits complete? ☒ YES ☐ NO

Accepted by: CS Date: 6/15/13 Lic. # 07030060

1/7/2013

*Disabled individuals requiring special accommodation, please call (602) 542-9027.
SECTION 5  Interim Permit:

1. If you intend to operate business when your application is pending you will need an Interim Permit pursuant to A.R.S. 4-203.01.

2. There MUST be a valid license of the same type you are applying for currently issued to the location.

3. Enter the license number currently at the location, 07030060

4. Is the license currently in use? ☒ YES ☐ NO  If no, how long has it been out of use? n/a

ATTACH THE LICENSE CURRENTLY ISSUED AT THE LOCATION TO THIS APPLICATION.

I, Jody Lamerne, declare that I am the CURRENT OWNER, AGENT, CLUB MEMBER, PARTNER, MEMBER, STOCKHOLDER, OR LICENSEE (circle the title which applies) of the stated license and location.

State of Arizona  County of Maricopa

The foregoing instrument was acknowledged before me this 15 day of June, 2015

My commission expires on: June 1, 2017

(Stamp of NOTARY PUBLIC - State of Arizona)

SECTION 6  Individual or Partnership Owners:

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND $22 PROCESSING FEE FOR EACH CARD.

1. Individual:

<table>
<thead>
<tr>
<th>Last</th>
<th>First</th>
<th>Middle</th>
<th>% Owned</th>
<th>Mailing Address</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
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Partnership Name: (Only the first partner listed will appear on license)

<table>
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<tr>
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<th>Last</th>
<th>First</th>
<th>Middle</th>
<th>% Owned</th>
<th>Mailing Address</th>
<th>City</th>
<th>State</th>
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2. Is any person, other than the above, going to share in the profits/losses of the business? ☐ YES ☒ NO
   If Yes, give name, current address and telephone number of the person(s). Use additional sheets if necessary.

<table>
<thead>
<tr>
<th>Last</th>
<th>First</th>
<th>Middle</th>
<th>Mailing Address</th>
<th>City, State, Zip</th>
<th>Telephone#</th>
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</tbody>
</table>
Bill of Sale

THE STATE OF ARIZONA)
COUNTY OF COCONINO

KNOW ALL MEN BY THESE PRESENTS:

That Laleme Adventures LLC, an Arizona limited liability company ("Seller"), for good and valuable consideration paid by Howell Adventures LLC ("Buyer"), the receipts and sufficiency of which are hereby acknowledged and confessed, has bargained, sold, assigned and delivered, and by these presents does bargain, sell, assign and deliver unto Buyer, all of the Seller’s right, title and interest in and to all of the following described personal property in Coconino, Arizona, to wit:

Arizona Series 7 (Wine & Beer Bar) License #07030060

FURTHERMORE, Seller warrants that it is the lawful owner of said goods and hereby certifies, under oath, that it has good right to sell the same as aforesaid. Seller further agrees to warrant and defend same against the lawful claims and demands of all persons claiming by, through or under Seller whomsoever which shall arise prior to the date hereof.

This Bill of Sale shall be binding on Seller, its successors and assigns, and shall inure to the benefit of Buyer, its successors and assigns.

EXECUTED this 15th day of June, 2015

SELLER: Laleme Adventures, LLC

Brian R. Laleme, Member

Jody T Lalame, Member

Notary Public—Arizona
Mancopa County
Expires 08/11/2016
License 07030060

Alcoholic Beverage Licenses

Department of Liquor Licenses

State of Arizona
SECTION 7  Corporation/Limited Liability Co.:  

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND $22 PROCESSING FEE FOR EACH CARD.

☐ CORPORATION  Complete questions 1, 2, 3, 5, 6, 7, and 8.

☒ L.L.C.  Complete 1, 2, 4, 5, 6, 7, and 8.

1. Name of Corporation/L.L.C.:  HOWELL ADVENTURES, LLC
   (Exactly as it appears on Articles of Incorporation or Articles of Organization)

2. Date Incorporated/Organized:  April 24, 2015  State where Incorporated/Organized:  Arizona

3. AZ Corporation Commission File No.:  852009-5  Date authorized to do business in AZ:  April 28, 2015

4. AZ L.L.C. File No.:  1L-2000860-5  Date authorized to do business in AZ:  April 28, 2015

5. Is Corp./L.L.C. Non-profit?  ☐ YES  ☒ NO

6. List all directors, officers and members in Corporation/L.L.C.:

<table>
<thead>
<tr>
<th>Last</th>
<th>First</th>
<th>Middle</th>
<th>Title</th>
<th>Mailing Address</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
</tr>
</thead>
<tbody>
<tr>
<td>Howell, Brian DeLoy</td>
<td></td>
<td></td>
<td>Manager, Member</td>
<td>220 Arch Dr Sedona, AZ 86351</td>
<td></td>
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<tr>
<td>Howell, Jeanne R.</td>
<td></td>
<td></td>
<td>Member</td>
<td>220 Arch Dr Sedona, AZ 86351</td>
<td></td>
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</tr>
</tbody>
</table>

(ATTACH ADDITIONAL SHEET IF NECESSARY)

7. List stockholders who are controlling persons or who own 10% or more:

<table>
<thead>
<tr>
<th>Last</th>
<th>First</th>
<th>Middle</th>
<th>% Owned</th>
<th>Mailing Address</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
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<tr>
<td>Howell, Brian DeLoy</td>
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<td>50</td>
<td>220 Arch Dr Sedona AZ 86351</td>
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<tr>
<td>Howell, Jeanne R.</td>
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<td>50</td>
<td>220 Arch Dr Sedona AZ 86351</td>
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</table>

(ATTACH ADDITIONAL SHEET IF NECESSARY)

8. If the corporation/L.L.C. is owned by another entity, attach a percentage of ownership chart, and a director/officer/member disclosure for the parent entity. Attach additional sheets as needed in order to disclose personal identities of all owners.

SECTION 8  Club Applicants:

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND $22 PROCESSING FEE FOR EACH CARD.

1. Name of Club:  

   (Exactly as it appears on Club Charter or Bylaws)

   Date Chartered:  

   (Attach a copy of Club Charter or Bylaws)

2. Is club non-profit?  ☐ YES  ☒ NO

3. List officer and directors:

<table>
<thead>
<tr>
<th>Last</th>
<th>First</th>
<th>Middle</th>
<th>Title</th>
<th>Mailing Address</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
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</table>

(ATTACH ADDITIONAL SHEET IF NECESSARY)
SECTION 9 Probate, Will Assignment or Divorce Decree of an existing Bar or Liquor Store License:

1. Current Licensee's Name: ________________________  Last  First  Middle
(Exactly as it appears on license)

2. Assignee's Name: ________________________  Last  First  Middle

3. License Type: ________________________  License Number: _____________  Date of Last Renewal: _____________

4. ATTACH TO THIS APPLICATION A CERTIFIED COPY OF THE WILL, PROBATE DISTRIBUTION INSTRUMENT, OR DIVORCE DECREE THAT SPECIFICALLY DISTRIBUTES THE LIQUOR LICENSE TO THE ASSIGNEE TO THIS APPLICATION.

SECTION 10 Government: (for cities, towns, or counties only)

1. Governmental Entity: ________________________

2. Person/designee: ________________________  Last  First  Middle  Contact Phone Number

A SEPARATE LICENSE MUST BE OBTAINED FOR EACH PREMISES FROM WHICH SPIRITUOUS LIQUOR IS SERVED.

SECTION 11 Person to Person Transfer:

Questions to be completed by CURRENT LICENSEE (Bars and Liquor Stores ONLY-Series 06,07, and 09).

1. Current Licensee's Name: Lalame, Jody T.  Entity: Agent
(Exactly as it appears on license)  Last  First  Middle  (Indiv., Agent, etc.)

2. Corporation/L.L.C. Name: Lalame Adventures, LLC
(Exactly as it appears on license)

3. Current Business Name: The Art of Wine
(Exactly as it appears on license)

4. Physical Street Location of Business: Street  101 N. Highway 89A, suite B9
   City, State, Zip  Sedona, AZ, 86336

5. License Type: Series 7  License Number: 07030060

6. If more than one license to be transferred: License Type: n/a  License Number:

7. Current Mailing Address:
   (Other than business)  Street  220 Arch Dr
   City, State, Zip  Sedona, AZ, 86351

8. Have all creditors, lien holders, interest holders, etc. been notified of this transfer? ☑ YES ☐ NO

9. Does the applicant intend to operate the business while this application is pending? ☑ YES ☐ NO  If yes, complete Section 5 of this application, attach fee, and current license to this application.

10. I, Jody Lalame ________________________, hereby authorize the department to process this application to transfer the privilege of the license to the applicant, provided that all terms and conditions of sale are met. Based on the fulfillment of these conditions, I certify that the applicant now owns or will own the property rights of the license by the date of issue.

I, Jody Lalame ________________________, declare that I am the CURRENT OWNER, AGENT, MEMBER, PARTNER STOCKHOLDER, or LICENSEE of the stated license. I have read the above Section 11 and confirm that all statements are true, correct, and complete.

(State of Arizona)  County of Maricopa
The foregoing instrument was acknowledged before me this
____________  Month  ____________  Year

(Signature of CURRENT LICENSEE)

My commission expires on:  JUNE 1, 2017

(Signature of NOTARY PUBLIC)
SECTION 12  Location to Location Transfer: (Bars and Liquor Stores ONLY)

APPLICANTS CANNOT OPERATE UNDER A LOCATION TRANSFER UNTIL IT IS APPROVED BY THE STATE

1. Current Business: Name ____________________________
   (Exactly as it appears on license)
   Address _________________________________________

2. New Business: Name ______________________________
   (Physical Street Location)
   Address _________________________________________

3. License Type: _______ License Number: ______________

4. If more than one license to be transferred: License Type: _______ License Number: ______________

5. What date do you plan to move? ______________ What date do you plan to open? ______________

SECTION 13  Questions for all in-state applicants excluding those applying for government, hotel/motel, and restaurant licenses (series 5, 11, and 12):

A.R.S. § 4-207 (A) and (B) state that no retailer’s license shall be issued for any premises which are at the time the license application is received by the director, within three hundred (300) horizontal feet of a church, within three hundred (300) horizontal feet of a public or private school building with kindergarten programs or grades one (1) through (12) or within three hundred (300) horizontal feet of a fenced recreational area adjacent to such school building. The above paragraph DOES NOT apply to:

a) Restaurant license (§ 4-205.02)  b) Hotel/motel license (§ 4-205.01)
   c) Government license (§ 4-205.03)  d) Fenced playing area of a golf course (§ 4-207 (B)(5))

1. Distance to nearest school: __________ ft.  Name of school: West Sedona Elementary School
   Address 570 Posse Grand Rd.  Sedona, AZ  86336
   City, State, Zip ____________________________________________

2. Distance to nearest church: __________ ft.  Name of church: Wayside Chapel
   Address 401 N. State Route 89A, Sedona, AZ  86336
   City, State, Zip ____________________________________________

3. I am the:  ☒ Lessee  ☐ Sublessee  ☐ Owner  ☐ Purchaser (of premises)

4. If the premises is leased give lessors: Name: HTS-CHC (Sedona) LLC
   Address 200 West Madison St.  Chicago, III.  60606
   City, State, Zip ____________________________________________

   4a. Monthly rental/lease rate $ __________  What is the remaining length of the lease: __________ yrs. __________ mos.

   4b. What is the penalty if the lease is not fulfilled? $ __________ or other remainder of lease commitment
   (give details – attach additional sheet if necessary)

5. What is the total business indebtedness for this license/location excluding the lease? $ __________

   Please list lenders you owe money to.

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<th>Last Name</th>
<th>First Name</th>
<th>Middle Name</th>
<th>Amount Owed</th>
<th>Mailing Address</th>
<th>City, State, Zip</th>
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   (ATTACH ADDITIONAL SHEET IF NECESSARY)

6. What type of business will this license be used for (be specific)? Beer and Wine Bar
SECTION 13 - continued

7. Has a license or a transfer license for the premises on this application been denied by the state within the past one (1) year? ☐ YES ☒ NO If yes, attach explanation.

8. Does any spirituous liquor manufacturer, wholesaler, or employee have any interest in your business? ☐ YES ☒ NO

9. Is the premises currently licensed with a liquor license? ☒ YES ☐ NO If yes, give license number and licensee’s name:

License # 10033196,07030060 (exactly as it appears on license) Name Jody T. Laleme

SECTION 14 Restaurant or hotel/motel license applicants:

1. Is there an existing restaurant or hotel/motel liquor license at the proposed location? ☐ YES ☐ NO
   If yes, give the name of licensee, Agent or a company name:
   ____________________________ and license #:
   ___________ Last ___________ First ___________ Middle

2. If the answer to Question 1 is YES, you may qualify for an Interim Permit to operate while your application is pending; consult A.R.S. § 4-203.01; and complete SECTION 5 of this application.

3. All restaurant and hotel/motel applicants must complete a Restaurant Operation Plan (Form LIC0114) provided by the Department of Liquor Licenses and Control.

4. As stated in A.R.S. § 4-205.02.G.2, a restaurant is an establishment which derives at least 40 percent of its gross revenue from the sale of food. Gross revenue is the revenue derived from all sales of food and spirituous liquor on the licensed premises. By applying for this ☐ hotel/motel ☐ restaurant license, I certify that I understand that I must maintain a minimum of 40 percent food sales based on these definitions and have included the Restaurant Hotel/Motel Records Required for Audit (form LIC 1013) with this application.

   ____________________________
   applicant’s signature

   ____________________________ applicants initials

SECTION 15 Diagram of Premises: (Blueprints not accepted, diagram must be on this form)

1. Check ALL boxes that apply to your business:
   ☒ Entrances/Exits ☒ Liquor storage areas
   ☐ Service windows ☐ Drive-in windows
   ☐ Contiguous ☐ Non Contiguous

2. Is your licensed premises currently closed due to construction, renovation, or redesign? ☐ YES ☒ NO
   If yes, what is your estimated opening date? ____________________________ month/day/year

3. Restaurants and hotel/motel applicants are required to draw a detailed floor plan of the kitchen and dining areas including the locations of all kitchen equipment and dining furniture. Diagram paper is provided on page 7.

4. The diagram (a detailed floor plan) you provide is required to disclose only the area(s) where spirituous liquor is to be sold, served, consumed, dispensed, possessed, or stored on the premises unless it is a restaurant (see #3 above).

5. Provide the square footage or outside dimensions of the licensed premises. Please do not include non-licensed premises, such as parking lots, living quarters, etc.

As stated in A.R.S. § 4-207.01(B), I understand it is my responsibility to notify the Department of Liquor Licenses and Control when there are changes to boundaries, entrances, exits, added or deleted doors, windows or service windows, or increase or decrease to the square footage after submitting this initial drawing.

   ____________________________
   applicants initials

Page 98
SECTION 15  Diagram of Premises
4. In this diagram please show only the area where spirituous liquor is to be sold, served, consumed, dispensed, possessed or stored. It must show all entrances, exits, interior walls, bars, bar stools, hi-top tables, dining tables, dining chairs, the kitchen, dance floor, stage, and game room. Do not include parking lots, living quarters, etc. When completing diagram, North is up 1.

If a legible copy of a rendering or drawing of your diagram of premises is attached to this application, please write the words "diagram attached" in box provided below.

SECTION 16  Signature Block

I, Brian A. Howell, hereby declare that I am the OWNER/AGENT filing this application as stated in Section 4, Question 1. I have read this application and verify all statements to be true, correct and complete.

X

(signature of applicant listed in Section 4, Question 1)

Dana Kyle Blavat
Notary Public
Yavapai County, Arizona
My Comm. Expires 03-20-17

State of ARIZONA  County of YAVAPA
The foregoing instrument was acknowledged before me this
24 of APRIL 2015

Day Month Year
signature of NOTARY PUBLIC

My commission expires on: 80 MAR 2017
Day Month Year
EXHIBIT A
THE PREMISES
SPACE B-9

GROSS SQUARE FOOTAGE - 6,400

NET - 5,400 SF

NET - 620 SF

NET - 170 SF

NET - 156 SF

NET - 176 SF

NET - 141 SF

NET - 80 SF

NET - 49 SF

NET - 36 SF

NET - 25 SF

NET - 13 SF

NET - 8 SF

NET - 4 SF

NET - 2 SF
Attention all Local Governing Bodies: Social Security and Birthdate Information is Confidential. This information may be given to local law enforcement agencies for the purpose of background checks only but must be blocked to be unreadable prior to posting or any public view.

Read carefully. This instrument is a sworn document. Type or print with BLACK INK. An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH CONTROLLING PERSON, AGENT, OR MANAGER. EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD AVAILABLE AT THIS OFFICE. FINGERPRINTS ON FBI-APPROVED CARDS ARE ACCEPTED FROM LAW ENFORCEMENT AGENCIES, BONA FIDE FINGERPRINT SERVICES, OR THE DEPARTMENT OF LIQUOR. THE DEPARTMENT CHARGES A $13 FEE.

In addition to other fingerprint fees, a $22 DPS background check fee will be charged for each fingerprint card.

The fees allowed by A.R.S. § 44-6852 will be charged for all dishonored checks.

Liquor License #
07-030660
(If the location is currently licensed)

1. Check appropriate box
Controlling Person
Agent
(Complete Questions 1-19)

Controlling Person or Agent must complete #21 for a Manager
Manager (Only)
(Complete All Questions except #14, 14a & 21)
Controlling Person or Agent must complete #21

2. Name:
Last, First Middle
Maldonado, Johnathan P

3. Social Security Number:
(NOT a public record)

4. Place of Birth:
City
State
Country (not county)

San Antonio, TX United States

5. Marital Status
✓ Single Married Divorced Widowed

6. Name of Current or Most Recent Spouse:
(List all for last 5 years - Use additional sheet if necessary)

7. You are a bona fide resident of what state?
Arizona
If Arizona, date of residency:
6-1-12
928-963-0843

8. Telephone number to contact you during business hours for any questions regarding this document.

9. If you have been an Arizona resident for less than three (3) months, submit a copy of your Arizona driver's license or voter registration card.

10. Name of Licensed Premises:
The Art of Wine
Premises Phone:
928-203-9463

11. Physical Location of Licensed Premises Address:
Street Address
(Do not use PO Box #)
City
County
Zip

12. List your employment or type of business during the past five (5) years. If unemployed part of the time, list those dates. List most recent 1st.

<table>
<thead>
<tr>
<th>FROM Month/Year</th>
<th>TO Month/Year</th>
<th>DESCRIBE POSITION OR BUSINESS</th>
<th>EMPLOYER'S NAME OR NAME OF BUSINESS (street address, city, state &amp; zip)</th>
</tr>
</thead>
<tbody>
<tr>
<td>06/12 CURRENT</td>
<td></td>
<td>Bar tender</td>
<td>Marketplace Cafe, 6645 HWY 176, Sedona, AZ 86351</td>
</tr>
<tr>
<td>01/11 06/12</td>
<td></td>
<td>Bar tender</td>
<td>Chilies Bar and Grill, 2057 E Camelback, Phoenix, AZ 85016</td>
</tr>
</tbody>
</table>

13. Indicate your residential address for the last five (5) years:

<table>
<thead>
<tr>
<th>FROM Month/Year</th>
<th>TO Month/Year</th>
<th>Rent or Own</th>
<th>RESIDENTIAL Street Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>6-1-12 CURRENT</td>
<td></td>
<td>Rent</td>
<td>200 E Cortez Dr. #11</td>
</tr>
<tr>
<td>2-1-11 6-1-12</td>
<td></td>
<td>Rent</td>
<td>5115 N 40th St.</td>
</tr>
<tr>
<td>2-1-10 2-1-11</td>
<td></td>
<td>Own</td>
<td>2550 Palermo Way</td>
</tr>
</tbody>
</table>

Disabled individuals requiring special accommodations, please call the Department (602) 542-5327

Page 102
If you checked the Manager box on the front of this form skip to #15  

14. As a Controlling Person or Agent, will you be physically present and operating the licensed premises?  
   If you answered YES, how many hrs/day? ________, and answer #14a below. If NO, skip to #15.  
   14a. Have you attended a DLLC-approved Liquor Law Training Course within the past 5 years?  (Must provide proof)  
      If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on  
      an existing license.  

   YES NO  

15. Have you been cited, arrested, indicted or summoned into court for violation of ANY law or ordinance,  
   regardless of the disposition, even if dismissed or expunged, within the past ten (10) years?  
   In addition, please include all traffic tickets and complaints within the last ten (10) years that resulted in  
   a warrant for arrest AND any traffic tickets and complaints that are alcohol or drug-related.  

   YES NO  

16. Are there ANY administrative law citations, compliance actions or consents, criminal arrest, indictments  
   or summonses PENDING against you or ANY entity in which you are now involved? Include only criminal  
   traffic tickets and complaints.  

   YES NO  

17. Have you or any entity in which you have held ownership, been an officer, member, director or manager  
   EVER had a business, professional or liquor application or license rejected, denied, revoked, suspended  
   or fined in this or any other state?  

   YES NO  

18. Has anyone EVER filed suit or obtained a judgment against you, the subject of which involved fraud or  
   misrepresentation?  

   YES NO  

19. Are you NOW or have you EVER held ownership, been a controlling person, been an officer, member,  
   director or manager on any other liquor license in this or any other state?  

   YES NO  

   If any answer to Questions 15 through 19 is "YES" YOU MUST attach a signed statement.  
   Give complete details including dates, agencies involved, and dispositions.  
   SUBSTANTIVE CHANGES TO THIS APPLICATION WILL NOT BE ACCEPTED  

20. I, Nathan Maldonado, hereby declare that I am the APPLICANT/REPRESENTATIVE  
   (print full name of Applicant) filing this questionnaire. I have read this questionnaire and all statements are true, correct and complete.  

   X  
   (Signature of Applicant)  

   JULIE B. SPECTOR  
   Notary Public— Arizona  
   Maricopa County  
   Expires 08/11/2016  

   My commission expires on: 08 11 2016  
   Day Month Year  

   State of Arizona  
   County of Maricopa  
   The foregoing instrument was acknowledged before me this  
   2nd day of June 2015  
   (Signature of NOTARY PUBLIC)  

   COMPLETE THIS SECTION ONLY IF YOU ARE A CONTROLLING PERSON OR AGENT  
   APPROVING A MANAGER'S APPLICATION  

21. The applicant hereby authorizes the person named on this questionnaire to act as manager for the named liquor license.  
   The manager named must be at least 21 years of age.  

   X  
   Signature of Controlling Person or Agent (circle one)  
   Brian Howell  

   Print Name  

   My commission expires on: 08 31 2015  
   Day Month Year  

   State of Arizona  
   County of Coconino  
   The foregoing instrument was acknowledged before me this  
   29 day of May 2015  
   (Signature of NOTARY PUBLIC)  

   MERILEE N. AREND  
   Notary Public - State of Arizona  
   COCONINO COUNTY  
   My Commission Expires August 31, 2015  

Page 103
ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL
800 W Washington Blvd
Phoenix AZ 85007-2934
(602) 542-5141

QUESTIONNAIRE

Attention all Local Governing Bodies: Social Security and Birthdate Information is Confidential. This information may be given to local law enforcement agencies for the purpose of background checks only but must be blocked to be unreadable prior to posting or any public view.

Read carefully. This instrument is a sworn document. Type or print with BLACK INK.
An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH CONTROLLING PERSON, AGENT, OR MANAGER. EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD AVAILABLE AT THIS OFFICE. FINGERPRINTS ON FBI-APPROVED CARDS ARE ACCEPTED FROM LAW ENFORCEMENT AGENCIES, BONA FIDE FINGERPRINT SERVICES, OR THE DEPARTMENT OF LIQUOR. THE DEPARTMENT CHARGES A $13 FEE.

In addition to other fingerprint fees, a $22 DPS background check fee will be charged for each fingerprint card.

The fees allowed by A.R.S. § 44-6852 will be charged for all dishonored checks.

Liquor License # 07030060
(If the location is currently licensed)

1. Check appropriate box □ Controlling Person □ Agent
   (Complete Questions 1-19)
   Controlling Person or Agent must complete #21 for a Manager

2. Name: Howell, Brian Deloy

3. Social Security Number: [Redacted]
   First
   Middle
   Last
   Drivers License #: [Redacted]
   State: Arizona
   (Not a public record)

4. Place of Birth: Salt Lake City, Utah USA
   Country: Not applicable
   City: Salt Lake City
   State: UT

5. Marital Status: Single □ Married □ Divorced □ Widowed
   (List all for last 5 years - Use additional sheet if necessary)

6. Name of Current or Most Recent Spouse:
   Howell, Jeanne Roblez
   Last Name
   First Name
   Maiden Name
   (Not a public record)

7. You are a bona fide resident of what state? Arizona
   If Arizona, date of residency: March 28, 2015
   Telephone number to contact you during business hours for any questions regarding this document: 928-707-0864

8. If you have been an Arizona resident for less than three (3) months, submit a copy of your Arizona driver's license or voter registration card.

9. Name of Licensed Premises: The Art of Wine
   Premises Phone: 928-203-9463

10. Physical Location of Licensed Premises Address: 101 N. Highway 89A, Suite B9 Sedona Conconino 86336
    Street Address: (Do not use PO Box #)

11. List your employment or type of business during the past five (5) years. If unemployed part of the time, list those dates. List most recent 1st.

<table>
<thead>
<tr>
<th>FROM Month/Year</th>
<th>TO Month/Year</th>
<th>DESCRIBE POSITION OR BUSINESS</th>
<th>EMPLOYER'S NAME OR NAME OF BUSINESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>03/2015</td>
<td>CURRENT</td>
<td>retired</td>
<td>220 Arch, Sedona, AZ, 86351</td>
</tr>
<tr>
<td>01/2010</td>
<td>03/2015</td>
<td>VP Asset Planning</td>
<td>BHP Billiton South Africa, 6 Holland, JNB, GP South Africa</td>
</tr>
</tbody>
</table>

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION:

12. Indicate your residence address for the last five (5) years:

<table>
<thead>
<tr>
<th>FROM Month/Year</th>
<th>TO Month/Year</th>
<th>Rent or Own</th>
<th>RESIDENTIAL Street Address</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
</tr>
</thead>
<tbody>
<tr>
<td>03/15 CURRENT</td>
<td>OWN</td>
<td>220 Arch Dr</td>
<td>Sedona</td>
<td>AZ</td>
<td>86351</td>
<td></td>
</tr>
<tr>
<td>01/10 03/15</td>
<td>rent</td>
<td>company subsidized housing as part of expat pkg</td>
<td>JNB</td>
<td>GP</td>
<td>50AA-5</td>
<td></td>
</tr>
</tbody>
</table>

Disabled individuals requiring special accommodations, please call the Department (602) 542-5141.

Page 104
If you checked the Manager box on the front of this form skip to #15

14. As a Controlling Person or Agent, will you be physically present and operating the licensed premises? If you answered YES, how many hrs/day? __________ , and answer #14a below. If NO, skip to #15.

14a. Have you attended a DLLC-approved Liquor Law Training Course within the past 5 years? (Must provide proof) If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you been cited, arrested, indicted or summoned into court for violation of ANY law or ordinance, regardless of the disposition, even if dismissed or expunged, within the past ten (10) years? In addition, please include all traffic tickets and complaints within the last ten (10) years that resulted in a warrant for arrest AND any traffic tickets and complaints that are alcohol or drug-related.

16. Are there ANY administrative law citations, compliance actions or consents, criminal arrest, indictments or summonses PENDING against you or ANY entity in which you are now involved? Include only criminal traffic tickets and complaints.

17. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor application or license rejected, denied, revoked, suspended or fined in this or any other state?

18. Has anyone EVER filed suit or obtained a judgment against you, the subject of which involved fraud or misrepresentation?

19. Are you NOW or have you EVER held ownership, been a controlling person, been an officer, member, director or manager on any other liquor license in this or any other state?

If any answer to Questions 15 through 19 is "YES" YOU MUST attach a signed statement. Give complete details including dates, agencies involved, and dispositions.

SUBSTANTIVE CHANGES TO THIS APPLICATION WILL NOT BE ACCEPTED

---

20. I, ____________________________, hereby declare that I am the APPLICANT/REPRESENTATIVE filing this questionnaire. I have read this questionnaire and all statements are true, correct and complete.

21. The applicant hereby authorizes the person named on this questionnaire to act as manager for the named liquor license. The manager named must be at least 21 years of age.

---

COMPLETE THIS SECTION ONLY IF YOU ARE A CONTROLLING PERSON OR AGENT APPROVING A MANAGER'S APPLICATION

21. The applicant hereby authorizes the person named on this questionnaire to act as manager for the named liquor license. The manager named must be at least 21 years of age.

Signature of Controlling Person or Agent (circle one)

Brian Howell

Print Name

My commission expires on: ________________

Day Month Year

---

Page 105
Question 13.

01/10 - 03/12 Rent 1636 Cambourne, JNB, GP, S.Afr.
03/12 - 03/14 Rent 935 Fernwood Close, JNB, GP, S.Afr.
03/14 - 03/15 Rent 295 Castleton, JNB, GP, S.Afr.
Citation explanation

While traveling back to Sedona from a trip to visit family in Salt Lake was cited for speeding – excessive speed while trying to pass a motorcycle who kept speeding up.

Officer cited both of us.

Have not had any other citations since the 80's.

Am almost through the online course and will complete prior to the deadline in July.

[Signature]
Brian Howell
June 01, 2015
IN THE JUSTICE OF THE PEACE COURT, 547 VISTA AVE., PO BOX 1565, PAGE, AZ (928) 645-8871

STATE OF ARIZONA
VS
Howell, Brian O
Defendant

COMPLAINT # 090347615
CR/TR # TRA05-498
PAYMENT ORDER/ CONTRACT
AMENDED
UPDATED

The above named Defendant having indicated an inability to pay the fine and/or restitution imposed this date in the amount of:

FINE/SANCTION $340.00
WARRANT FEE $0
DEF PROS FEE $0
PUB DEF FEE $0
SUSP. FEE $0
RESTITUTION $0
CR/TR FEE $19.30

INSTALLMENT SET UP
TIME PAYMENT FEE $10.00
COURT COSTS $20.00
** 90 DAY MAINT. FEE

*A $20.00 TIME PAYMENT FEE PER ARS 12-116. A WILL BE ADDED TO ANY FINE(S) NOT PAID IN FULL ON THE SAME DATE OF THE JUDGMENT / SENTENCE.
**ANY INSTALLMENT ACCOUNT OVER 90 DAYS OLD WILL BE ASSESSED AN ADDITIONAL $30.00 FEE.

IT IS ORDERED that Defendant shall contact the Page Justice of the Peace Court Clerk immediately to determine a payment schedule. IT IS FURTHER ORDERED the payment schedule determined below shall be part of this order.

DATE: May 13, 2015
JUDGE: Robert

PAYMENT SCHEDULE: To be completed by the clerk or judge of the court

YOU ARE HEREBY ORDERED TO PAY THE BALANCE DUE OF $370.00

Installments as follows: (Failure to pay an installment by the date due will make the entire balance due and payable without further notice)
All payments must be made by 4:30 p.m. on due dates.

$ Balance due July 20, 2015 $ due
$ due
$ due
$ due
$ due

** 90 Day Review - Accounts over 90 days, Add $30.
$ due
$ due
$ due

OTHER: is due & payable by the of each month until the fine is paid in full

NOTE: There will be a $25.00 fee for all returned checks. DO NOT SEND CASH IN THE MAIL.
INTERNET PAYMENT OF FINE IS AVAILABLE AT www.coconino.az.gov

READ AND INITIAL: I acknowledge that I have been ordered to make time payments on this court matter. I agree to these payments and understand that if I am late or fail to make payments, the balance I owe the court is due and payable immediately, a warrant may be issued and I may be sentenced to pay additional fines, fees or serve time in jail. Requests for extension(s), amendments or alternative methods (i.e. community service) must be submitted in writing 5 days in advance. NOTE: Requests may be denied. It shall remain the defendant’s responsibility to follow up with the

I agree to report to the Page Justice court any change of address, phone or employment within five (5) days of such change.

I ALSO UNDERSTAND THAT THE COURT MAY:

Issue a warrant for my arrest. If arrested, I will be taken to jail and held until I post bond and/or see a Judge.
Suspend my Driver’s License or Privilege to Drive. Reinstatement of my suspended driver’s license may required full payment of my fines/fees
plus a reinstatement fee to the Department of Motor Vehicles. Driving on a suspended license is a Class 1 Misdemeanor with potential imprisonment up to six months and/or fines up to $2500.00 plus surcharges and/or three years probation.
Hold me in “contempt of court” for non-payment of a fine and there may be additional fines/fees and/or incarceration (jail).
Assign my case to a collection agency and add 36% (percent) to the total of the outstanding amount. The Court may also notify a credit bureau about my failure to pay, defaults, and or judgments rendered against me.

WARNING: The time payments approved by this court must be paid on the dates ordered. Failure to pay on time or failure to respond to a summons could result in a warrant being issued for your arrest and a finding that you are in contempt of court, for which you could serve time in jail.

DATE: May 13, 2015
DEFENDANT'S SIGNATURE: L

OVER -----------------
IN THE JUSTICE OF THE PEACE COURT, 547 VISTA AVE., PO BOX 1565, PAGE, AZ (928) 645-8871

STATE OF ARIZONA, COMPLAINT # 910347615102003

VS.

HOWELL BRIAN D CASE# TR2015-498

Defendant

JUDGMENT & SENTENCE

This Court having found the Defendant GUILTY/RESPONSIBLE for the following violation(s):

#1: Offense: ARS §§ 28-701.02A3: EXCEED 85 MPH (90 IN 65) and imposes;

□ Base Fine $156.67 + 83 % Surcharges $130.03 + $18.30 CR/TR Enhance + $13.00 Additional Assessment + $20.00
□ Probation Surcharge+ $2.00 Victim's Rights = $340.00
□ County Jail for ______ days and/or ______ hours; 20
□ Community Service for ______ days and/or ______ hours
□ Other:

#2: Offense: ARS § ______ and imposes;

□ Base Fine $____ + 83 % Surcharges $____ + $18.30 CR/TR Enhance + $13.00 Additional Assessment + $20.00
□ Probation Surcharge+ $2.00 Victim's Rights = $____
□ County Jail for ______ days and/or ______ hours; 20
□ Community Service for ______ days and/or ______ hours
□ Other:

#3: Offense: ARS § ______ and imposes;

□ Base Fine $____ + 83 % Surcharges $____ + $18.30 CR/TR Enhance + $13.00 Additional Assessment + $20.00
□ Probation Surcharge+ $2.00 Victim's Rights = $____
□ County Jail for ______ days and/or ______ hours; 30
□ Community Service for ______ days and/or ______ hours
□ Other:

A combined amount of $_________________ + (a $20.00 Time Payment Fee), + (a $10.00 Installment Fee),

The Total Amount of $_________________ is to be paid in accordance to the 'PAYMENT ORDER/CONTRACT' as shall be made through the Clerk of the Court. Defendant shall contact the clerk regarding the schedule.

I agree to notify the court in person or in writing at least five (5) days in advance of any dates or deadlines imposed by this sentence regarding review for any requests, conflicts and/or amendments for consideration by the Judge.

I understand that I have the right to seek post conviction relief concerning my sentence and conviction by this court within ninety (90) days. I understand that it is my responsibility to process any appeal with due diligence.

DO NOT SIGN THIS FORM UNLESS YOU HAVE READ IT COMPLETELY OR HAVE IT READ TO YOU

* By my Signature, I acknowledge that I have been informed of the Judgment & Sentence of this court and I have received a copy of this form.

Date: May 13, 2015

Judge:

Defendant:
ARIZONA STATEMENT OF CITIZENSHIP
OR ALIEN STATUS FOR STATE PUBLIC BENEFITS

Title IV of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (the "Act"), 8 U.S.C. § 1621, provides that, with certain exceptions, only United States citizens, United States non-citizen nationals, non-exempt "qualified aliens" (and sometimes only particular categories of qualified aliens), nonimmigrant, and certain aliens paroled into the United States are eligible to receive state, or local public benefits. With certain exceptions, a professional license and commercial license issued by a State agency is a State public benefit.

Arizona Revised Statutes § 41-1080 requires, in general, that a person applying for a license must submit documentation to the license agency that satisfactorily demonstrates the applicant's presence in the United States is authorized under federal law.

Directions: All applicants must complete Sections I, II, and IV. Applicants who are not U.S. citizens or nationals must also complete Section III.

Submit this completed form and a copy of one or more document(s) from the attached "Evidence of U.S. Citizenship, U.S. National Status, or Alien Status" with your application for license or renewal. If the document you submit does not contain a photograph, you must also provide a government issued document that contains your photograph. You must submit supporting legal documentation (i.e. marriage certificate) if the name on your evidence is not the same as your current legal name.

SECTION I – APPLICANT INFORMATION

APPLICANT'S NAME (Print or type)  
Brian Howell

TYPE OF APPLICATION (Check one)  □ INITIAL APPLICATION  □ RENEWAL

SECTION II – CITIZENSHIP OR NATIONAL STATUS DECLARATION

Are you a citizen or national of the United States?  □ Yes  □ No

If Yes, indicate place of birth:

Salt Lake City  UT  USA

City _______ State (or equivalent) _______ Country or Territory _______

If you answered Yes, 1) Attach a legible copy of a document from the attached list.

   Name of document: ____________________________
   Passport

   2) Go to Section IV.

If you answered No, you must complete Section III and IV.

November 5, 2014
SECTION III – ALIEN STATUS DECLARATION

To be completed by applicants who are not citizens or nationals of the United States. Please indicate alien status by checking the appropriate box. Attach a legible copy of a document from the attached list or other document as evidence of your status.

Name of document provided

Qualified Alien Status (8 U.S.C. §§ 1621(a)(1),-1641(b) and (c))

☐ 1. An alien lawfully admitted for permanent residence under the Immigration and Nationality Act (INA)

☐ 2. An alien who is granted asylum under Section 208 of the INA.

☐ 3. A refugee admitted to the United States under Section 207 of the INA.

☐ 4. An alien paroled into the United States for at least one year under Section 212(d)(5) of the INA.

☐ 5. An alien whose deportation is being withheld under Section 243(h) of the INA.

☐ 6. An alien granted conditional entry under Section 203(a)(7) of the INA as in effect prior to April 1, 1980.

☐ 7. An alien who is a Cuban/Haitian entrant.

☐ 8. An alien who has, or whose child or child’s parent is a “battered alien” or an alien subject to extreme cruelty in the United States.

Nonimmigrant Status (8 U.S.C. § 1621(a)(2))


Alien Paroled into the United States For Less Than One Year (8 U.S.C. § 1621(a)(3))

☐ 10. An alien paroled into the United States for less than one year under Section 212(d)(5) of the INA

Other Persons (8 U.S.C § 1621(c)(2)(A) and (C)

☐ 11. A nonimmigrant whose visa for entry is related to employment in the United States, or

☐ 12. A citizen of a freely associated state, if section 141 of the applicable compact of free association approved in Public Law 99-239 or 99-658 (or a successor provision) is in effect [Freely Associated States include the Republic of the Marshall Islands, Republic of Palau and the Federate States of Micronesia, 48 U.S.C. § 1901 et seq.];

Otherwise Lawfully Present


SECTION IV - DECLARATION

All applicants must complete this section.
I declare under penalty of perjury under the laws of the state of Arizona that the answers and evidence I have given are true and correct to the best of my knowledge.

DELOY
Brian Howell

Applicant’s printed name

June 15, 2015

Today’s date

Applicant’s signature

EVIDENCE OF U.S. CITIZENSHIP, U.S. NATIONAL STATUS, OR ALIEN STATUS

You must submit supporting legal documentation (i.e. marriage certificate) if the name on your evidence is not the same as your current legal name.

Evidence showing authorized presence in the United State includes the following:

1. An Arizona driver license issued after 1996 or an Arizona non-operating identification card.
2. A driver license issued by a state that verifies lawful presence in the United States.
3. A birth certificate or delayed birth certificate showing birth in one of the 50 states, the District of Columbia, Puerto Rico (on or after January 13, 1941), Guam, the U.S. Virgin Islands (on or after January 17, 1917), American Samoa, or the Northern Mariana Islands (on or after November 4, 1986, Northern Mariana Islands local time)
5. A United States passport. **Passport must be signed**
6. A foreign passport with a United States visa.
7. An I-94 form with a photograph.
8. A United States citizenship and immigration services employment authorization document or refugee travel document.
10. A United States certificate of citizenship.
11. A tribal certificate of Indian blood.
12. A tribal or bureau of Indian affairs affidavit of birth.
13. Any other license that is issued by the federal government, any other state government, an agency of this state or a political subdivision of this state that requires proof of citizenship or lawful alien status before issuing the license.
Certificate of Completion
For
Title 4 - BASIC Liquor Law Training

A Certificate of Completion must be on a form provided by the Arizona Department of Liquor. Certificates are completed by a state-approved training provider and, when issued, the Certificate is signed by the course participant.

The State requires BASIC Title 4 training only as a prerequisite for MANAGEMENT Title 4 training or as a result of a liquor law violation. Persons required to have BASIC Title 4 training are listed at the bottom of this Certificate. Licenses sometimes require BASIC Title 4 Training as a condition of employment.

A replacement Certificate of Completion for Title 4 Training must be available through the training provider for two years after the training completion date.

Student Information

Brain D. Howell
Full Name (please print)

Signature

April 26, 2015
Training Completion Date

April 25, 2015
Certificate Expiration Date (three years from completion date)

Training Provider Information

Red Mountain Liquor Consultants
Company Name

6445 East Princess Drive, Mesa, Arizona 85227-1662
Mailing Address

480-830-2768
Daytime Contact Phone Number

Larry Ewalt
Instructor Name (please print)

I, Larry Ewalt, certify that the above named individual did successfully complete Title 4 BASIC Training in accordance with A.R.S. § 4-112(G)(2) and Arizona Administrative Code (A.A.C.) R19-1-103 using training course content and materials approved by the Arizona Department of Liquor Licenses and Control. I understand that misuse of this Certificate of Completion can result in the revocation of State-approval for the Title 4 Training Provider named in this section as provided by A.A.C. R19-1-103(E) and (F).

Signature

26/04/2015
Day Mo Year

Persons required to complete BASIC & MANAGEMENT Title 4 training: 1) owner(s) actively involved in the daily business operations of a liquor-licensed business of a series listed below
2) licensees, agents and managers actively involved in the daily business operations of a liquor-licensed business of a series listed below

In state Microbrewery (series 3) Government (series 5) Bar (series 6) Beer & Wine Bar (series 7)
Conveyance (series 8) Liquor Store (series 9) Private Club (series 14) Hotel/Motel w/restaurant (series 11)
Restaurant (series 12) In-state Farm Winery (series 13) Beer & Wine Store (series 10)

Liquor license applications (initial and renewal) are not complete until valid Certificates of Completion for all required persons have been submitted to the Department of Liquor.

The questionnaire (which designates a manager to a location) and the agent change form (which assigns a new agent to active liquor licenses) are not complete until valid Certificates of Completion for all required persons have been submitted to the Department of Liquor.

July 11, 2013
Certificate of Completion
For
Title 4 MANAGEMENT Liquor Law Training

A Certificate of Completion must be on a form provided by the Arizona Department of Liquor. Certificates are completed by a state-approved training provider and, when issued, the Certificate is signed by the course participant.

Basic Title 4 training is a prerequisite for MANAGEMENT Title 4 training. A valid Certificate of Completion for BASIC Title 4 training must be on file at the Department of Liquor and satisfactory completion of a State-approved BASIC Title 4 course must be verified by the training provider prior to issuing a Certificate of Completion for MANAGEMENT Title 4 training.

A replacement Certificate of Completion for Title 4 training must be available through the training provider for two years after the training completion date.

Student Information

Brian D. Howell

Signature

April 26, 2018
Training Completion Date

April 25, 2018
Certificate Expiration Date (three years from completion date)

Training Provider Information

Red Mountain Liquor Consultants

Company Name

6445 East Princess Drive, Mesa, Arizona 85227-1662

Mailing Address

480-830-2768
Daytime Contact Phone Number

Larry Elliott
Instructor Name (please print)

certify that the above named individual did successfully complete Title 4 MANAGEMENT Training in accordance with A.R.S. §4-112(G)(2) and Arizona Administrative Code (A.A.C.) R19-1-103 using training course content and materials approved by the Arizona Department of Liquor Licenses and Control. I understand that misuse of this Certificate of Completion can result in the revocation of State-approval for the Title 4 Training Provider named in this section as provided by A.A.C. R19-1-103(E) and (F).

Signature

26/04/2015
Day Mo Year

Persons required to complete BASIC & MANAGEMENT Title 4 training: 1) owner(s) actively involved in the daily business operations of a liquor-licensed business of a series listed below

2) licensees, agents and managers actively involved in the daily business operations of a liquor-licensed business of a series listed below

In-state Microbrewery (series 3) Government (series 5) Bar (series 6)
Conveyance (series 8) Liquor Store (series 9) Private Club (series 14)
Restaurant (series 12) In-state Farm Winery (series 13) Hotel/Motel w/restaurant (series 11)

Beer & Wine Bar (series 7) Beer & Wine Store (series 10)

Liquor license applications (initial and renewal) are not complete until valid Certificates of Completion for all required persons have been submitted to the Department of Liquor.

The questionnaire (which designates a manager to a location) and the agent change form (which assigns a new agent to active liquor licenses) are not complete until valid Certificates of Completion for all required persons have been submitted to the Department of Liquor.

July 11, 2013
Your permanent credential will be mailed to: 220 ARCH DR SEDONA, AZ 86351-8848 US
Issued 05/27/2015 Expires 06/27/2015

This is an official document. The decision to accept this document for proof of identity exists solely with the reviewing authority. It is a violation of Arizona Revised Statute 13-2002 to alter, forge or counterfeit this document. Any violation of ARS 13-2002 is a Class 4 Felony.

You must report a change of address within 10 days
CLASS: O Operator
ENDORSEMENTS: MEDICAL ALERT: A-Corrective Lenses NONE
Restrictions: NONE

Arizona TEMPORARY DRIVER LICENSE USA
CLASS: D END: NONE DLN: 0661054035
REST: A, DOB: 01/07/1956
HOWELL BRIAN 06/27/15 05/27/2015
220 ARCH DR SEX: M, EYES BLU
SEDONA, AZ 86351-8848 US
HEIGHT: 170, HAIR: GRY
WEIGHT: 70

0689638

NEW MEXICO DRIVER'S LICENSE
License #: 03/28/2012 EXPIRES 02/07/2020
HOWELL BRIAN D
920 CR 5150
BLOOMFIELD, NM 87413
SEX: M
HEIGHT: 170
EYES: BLU
WEIGHT: 70
CLASS: D
ENDORS.: NONE
DONOR: 03/28/2012

Incorrect Date of Birth
Send in copy of Corrected Driver's License

Page 116
Attention all Local Governing Bodies: Social Security and Birthdate information is Confidential. This information may be given to local law enforcement agencies for the purpose of background checks only but must be blocked to be unreadable prior to posting or any public view.

Read carefully. This instrument is a sworn document. Type or print with BLACK INK. An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH CONTROLLING PERSON, AGENT, OR MANAGER. EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD AVAILABLE AT THIS OFFICE. FINGERPRINTS ON FBI-APPROVED CARDS ARE ACCEPTED FROM LAW ENFORCEMENT AGENCIES, BONA FIDE FINGERPRINT SERVICES, OR THE DEPARTMENT OF LIQUOR. THE DEPARTMENT CHARGES A $13 FEE. In addition to other fingerprint fees, a $22 DPS background check fee will be charged for each fingerprint card.

The fees allowed by A.R.S. § 44-6852 will be charged for all dishonored checks.

1. Check appropriate box.

- Controlling Person
- Agent

2. Name:


3. Social Security Number: ___________ (NOT a public record)

4. Place of Birth: ___________ USA

5. Marital Status: Single ✔ Married Divorced Widowed

6. Name of Current or Most Recent Spouse: ___________

7. You are a bona fide resident of what state? Arizona

8. Telephone number to contact you during business hours for any questions regarding this document: ___________

9. If you have been an Arizona resident for less than three (3) months, submit a copy of your Arizona driver's license or voter registration card.

The Art of Wine

10. Name of Licensed Premises: ___________

11. Physical Location of Licensed Premises Address:

12. List your employment or type of business during the past five (5) years. If unemployed part of the time, list those dates. List most recent 1st.

<table>
<thead>
<tr>
<th>FROM Month/Year</th>
<th>TO Month/Year</th>
<th>DESCRIBE POSITION OR BUSINESS</th>
<th>EMPLOYER'S NAME OR NAME OF BUSINESS (street address, city, state &amp; zip)</th>
</tr>
</thead>
<tbody>
<tr>
<td>06/2014</td>
<td>CURRENT</td>
<td>teacher/ H.S.</td>
<td>Verde Valley School, VVS Road, Sedona, AZ 86355</td>
</tr>
<tr>
<td>07/2010</td>
<td>06/2010</td>
<td>teacher/ H.S.</td>
<td>American Int School, JNB GP South Africa 86355</td>
</tr>
</tbody>
</table>

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION.

13. Indicate your residence address for the last five (5) years:

<table>
<thead>
<tr>
<th>FROM Month/Year</th>
<th>TO Month/Year</th>
<th>Rent or Own</th>
<th>RESIDENTIAL Street Address</th>
<th>City</th>
<th>State</th>
<th>Zip</th>
</tr>
</thead>
<tbody>
<tr>
<td>09/14</td>
<td>CURRENT</td>
<td>own</td>
<td>220 Arch Dr</td>
<td>Sedona</td>
<td>AZ</td>
<td>86351</td>
</tr>
<tr>
<td>01/10</td>
<td>07/14</td>
<td>rent</td>
<td>company subsidized housing as part of expat pkg</td>
<td>JNB</td>
<td>GP</td>
<td>SAfrica</td>
</tr>
</tbody>
</table>
If you checked the Manager box on the front of this form skip to # 15

14. As a Controlling Person or Agent, will you be physically present and operating the licensed premises? YES  NO
If you answered YES, how many hrs/day 7/24, and answer #14a below. If NO, skip to #15.

14a. Have you attended a DLLC-approved Liquor Law Training Course within the past 5 years? (Must provide proof) YES  NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.

15. Have you been cited, arrested, indicted or summoned into court for violation of ANY law or ordinance, regardless of the disposition, even if dismissed or expunged, within the past ten (10) years? YES  NO
In addition, please include all traffic tickets and complaints within the last ten (10) years that resulted in a warrant for arrest AND any traffic tickets and complaints that are alcohol or drug-related.

16. Are there ANY administrative law citations, compliance actions or consents, criminal arrest, indictments or summonses PENDING against you or ANY entity in which you are now involved? Include only criminal traffic tickets and complaints. YES  NO

17. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor application or license rejected, denied, revoked, suspended or fined in this or any other state? YES  NO

18. Has anyone EVER filed suit or obtained a judgment against you, the subject of which involved fraud or misrepresentation? YES  NO

19. Are you NOW or have you EVER held ownership, been an officer, member, director or manager on any other liquor license in this or any other state? YES  NO

If any answer to Questions 15 through 19 is "YES" YOU MUST attach a signed statement. Give complete details including dates, agencies involved, and dispositions.
SUBSTANTIVE CHANGES TO THIS APPLICATION WILL NOT BE ACCEPTED

Jeanne R. Howell
(print full name of Applicant)

filing this questionnaire. I have read this questionnaire and all statements are true, correct and complete.

X ________________________________
(Signature of Applicant)

State of ARIZONA  County of YAVAPA

The foregoing instrument was acknowledged before me this 2nd day of JUNE, 2015

Signature of NOTARY PUBLIC

COMPLETE THIS SECTION ONLY IF YOU ARE A CONTROLLING PERSON OR AGENT APPROVING A MANAGER'S APPLICATION

21. The applicant hereby authorizes the person named on this questionnaire to act as manager for the named liquor license. The manager named must be at least 21 years of age.

X ________________________________
(Signature of Controlling Person or Agent (circle one))

Print Name

My commission expires on: Day  Month  Year

X ________________________________
(Signature of NOTARY PUBLIC)
Question 13.

01/10 - 03/12 Rent 1636 Cambourne, JNB, GP, S. Africa
03/12 - 03/14 Rent 935 Fernwood Close, JNB, GP, S. Africa
03/14 - 03/15 Rent 295 Castleton, JNB, GP, S. Africa
OPERATING AGREEMENT

OF

HOWELL ADVENTURES, LLC
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THIS OPERATING AGREEMENT is made and entered into between Howell Adventures, LLC (the “Company”) and Brian Howell and Jeanne Howell (collectively, the “Members”). The Members agree to form a limited liability company under the laws of the State of Arizona, and agree to operate the Company according to the terms and provisions in this document.

ARTICLE I
DEFINITIONS

In this document, the following terms have these meanings:


1.2. “Agreement” means this Operating Agreement, as amended.

1.3. “Capital Contribution” means cash, other property, use of property, services rendered or any other valuable consideration transferred to the Company as consideration for an interest in the Company.


1.5. “Company Property” means all assets held by the Company from time to time, including all capital contributions and revenues received by the Company.

1.6. “Fair Market Value” of an interest in the Company or other asset will be determined by agreement among the Members. If the Members do not agree on the Fair Market Value, an appraiser may be appointed by (a) the disinterested Member(s) of the Company (on behalf of the Company) and (b) the Member whose interest is to be appraised or who requested the determination of Fair Market Value. The appointed appraisers will attempt to agree on the Fair Market Value of the interest in the Company or other asset.

1.7. “Majority” means more than half of the total Percentage Interests of all Members. The approval of a Majority is required for certain acts of the Company set forth in this Agreement.

1.8. “Percentage Interest” means, for each Member, the percentage derived by dividing the Capital Contribution of a Member by the aggregate Capital Contributions of all Members.

1.9. “Person” includes a corporation, firm, partnership or other form of association or entity.

1.10. “Profits and Losses” means net taxable income, or loss, of the Company for federal income tax purposes and all items (including items of income, loss, gain, deduction, credit or expenditure) of the Company that are separately stated for federal income tax purposes.

1.11. “Super Majority” means two-thirds of the total Percentage Interests of all Members. The approval of a Super Majority is required for certain acts of the Company set forth in this Agreement.
ARTICLE 2
ORGANIZATIONAL MATTERS

2.1. Name. The name of the Company is Howell Adventures, LLC.

2.2. Purpose. The Company may conduct any lawful business permitted in the State of Arizona. The initial purpose of the Company is to operate a wine bar.

2.3. Registered Office and Statutory Agent. The Company will maintain a registered office and statutory agent in the State of Arizona.

2.3.1. The registered office of the Company will be:

220 Arch Dr.
Sedona, AZ 86351

2.3.2. The registered statutory agent for service of process on the Company is:

Whitney Cunningham,
ASPEY, WATKINS & DIESEL, PLLC
123 N. San Francisco St., 3rd Floor,
Flagstaff, AZ 86001

2.4. Principal Place of Business. The principal place of business of the Company is:

220 Arch Dr.
Sedona, AZ 86351

The Members may change the principal place of business to any other place within the continental United States.

2.5. Term. The term of the Company will continue in perpetuity, unless the Company is dissolved earlier as set forth in this Agreement.

2.6. Filings. Articles of Organization have been filed with the Arizona Corporation Commission according to the provisions of the Act and when required by law. Notice of the articles and all amendments have been or will be published according to the requirements of the Act.

2.7. Business Transactions with Company. Any Member or Manager and any affiliated person may engage in business transactions of any kind with the Company. These dealings must be on terms no less favorable to the Company than those that could be obtained from an unaffiliated party. The Manager has a fiduciary duty to the Company, but not to its Members.

ARTICLE 3
CAPITAL CONTRIBUTIONS

3.1. Capital Contributions of Members. Each Member has or agrees to make a Capital Contribution to the Company in the amount stated on Exhibit A.
3.2. *Capital Accounts.* An individual capital account must be maintained for each Member. Each capital account must consist of the Member’s original contribution of capital, increased by: additional Capital Contributions and the Member’s share of the Company’s income or gains, and decreased by: distributions to the Member of cash or other property and the Member’s share of Company losses. Capital accounts must be maintained according to federal income tax principles.

3.3. *Default.* If any Member fails to make the Capital Contribution required in this Agreement, the Company has all rights and remedies, at law or equity, to enforce this Agreement.

3.4. *No Additional Capital Contribution Obligations.* No Member has any obligation to make capital contributions to the Company above the amounts stated in Section 3.1, except with the consent of the Members and the consent of the Member making the contribution.

**ARTICLE 4**

**MANAGEMENT OF THE COMPANY**

4.1. *Management of Company Business.* The Members will appoint one or more Managers, who have full discretion, responsibility and authority for the management of the Company’s business. The Managers have all rights and powers generally conferred by the Act, except those acts reserved to the Members in this agreement. The Managers have a fiduciary duty to the Company, but not to its Members. The initial Manager of the Company is:

Brian Howell  
220 Arch Dr.  
Sedona, AZ 86351

4.2. *Members’ Voting Rights.* Each Member has votes in proportion to the Member’s Percentage Interest. Unless this Agreement indicates an action must be approved by a Super Majority, approval will be by Majority vote, as defined in Section 1.7.

4.3. *Approval by a Super Majority.* Approval of a Super Majority of Members is required to:

4.3.1. Adopt this Agreement, amend this Agreement, amend and restate this Agreement, or revoke this Agreement;

4.3.2. Issue an interest in the Company to any Person, or permit the withdrawal of a Member or the reduction of a Member’s Capital Account;

4.3.3. Incur debt outside the normal course of business;

4.3.4. Approve a plan of merger or consolidation of the Company according to the Act;

4.3.5. Authorize an amendment to the articles of organization of the Company;

4.3.6. Approve a plan to terminate the Company;

4.3.7. Elect a trustee to liquidate or distribute the Company assets upon a dissolution caused by one of the events in Section 9.1;
4.3.8. Designate or move the Company’s registered office or principal place of business, or 
appoint or remove a statutory agent;

4.3.9. Retain in office, remove from office, or appoint to office a Manager, or set or change a 
Manager’s compensation; and

This list is not exclusive, the Agreement and other incorporated documents may indicate other acts 
requiring approval of a Super Majority of the Members.

4.4. Action by Written Consent. Members may act by written consent. Each written consent must 
state the action taken and be signed by Members representing the required Percentage Interests 
necessary under this Agreement to approve the action.

4.5. Meetings. It is not contemplated that there will be regular annual meetings of the Company. 
Meetings of the Company may be called at any time by a Manager and must be called upon the written 
request of a Member.

4.6. Written Minutes. If requested by a Member, written minutes of the business transacted at 
Company meetings, if any, must be made and retained at the Company’s registered office.

ARTICLE 5 
ALLOCATIONS AND DISTRIBUTIONS

5.1. Allocation of Profits and Losses. All Profits and Losses of the Company for any year will be 
allocated among the Members according to their Percentage Interests.

5.2. Distribution of Company Funds. Interim distributions will be disbursed among the Members 
according to their Percentage Interests. No other distributions or payments of any kind can be made to 
any Member or any Manager without the approval of a Super Majority. Amounts available upon 
dissolution as stated in this Agreement will be distributed among the Members according to their 
Percentage Interests.

ARTICLE 6 
LIABILITY, INDEMNITY AND LITIGATION

6.1. Limited Liability of Members. No Member will be bound by, or be personally liable for, the 
expenses, liabilities or obligations of the Company whether arising in tort or contract solely by reason 
of being a Member. Each Member’s liability is limited as set forth in the Act and any other applicable 
laws.

6.2. Company Indemnity of Managers and Members. Acting or failing to act by a Member or 
agent that does not constitute fraud or intentional, wrongful misconduct (or breach by a Manager of a 
fiduciary duty) in pursuance of the authority granted, that may cause or result in loss or damage to the 
Company, if done in good faith, will not subject a Member or Manager, its affiliates, officers, 
directors, employees or successors and assigns, to any liability; and, in such event, the Company will 
indemnify and hold harmless a Member or Manager, its affiliates, officers, directors, employees or 
successors and assigns, from any claim, loss, expense, liability, action or damage resulting from or 
relating to the act or omission (failure to act), including, without limitation, reasonable fees and
expenses of attorneys engaged by them in defense of the act or omission and other reasonable costs and expenses of litigation and appeal.

6.3. Litigation. The Members may, in their sole discretion, prosecute, defend and settle such actions at law or in equity as they deem necessary to enforce or protect the interests of the Company. The Company and the Members must respond to any final decree, judgment or decision of any court, board or authority having jurisdiction. The Members must satisfy any such judgment, decree or decision first out of any insurance proceeds available, next out of assets of the Company, and finally, as provided by law.

6.4. Cost of Litigation. In any action between the parties to enforce any of the terms of this Agreement, any other contract relating to the Company, or any action in any other way pertaining to Company affairs or this Agreement, the prevailing party is entitled to recover expenses, including reasonable attorney’s fees and costs, including expenses and fees of any appeals.

ARTICLE 7
TRANSFER OF COMPANY INTERESTS

7.1. No Right to Transfer Interest. A Member has no right to transfer its interest in the Company. If a transfer does occur, the transferring-Member is no longer entitled to vote with respect to the transferred interest or exercise any other rights of a Member.

7.2. Recipient Not a Member. A recipient will not be admitted to the Company as a Member unless Super Majority approved by a Super Majority vote of the Members. An unapproved owner may receive allocations and distributions, but is not entitled to vote with respect to the transferred interest or exercise any other rights of a Member.

7.3. Satisfactory Written Documentation Required. A transfer has to be correctly executed and acknowledged by the transferring-Member and recipient. Until written documentation that meets all requirements of this Article has been received by and recorded on the Company’s books, both the Company and the Members will treat the transferring-Member as a Member and will incur no liability for distributions made in good faith to the transferring-Member.

7.4. Allocations and Distributions after Transfer. Profits and Losses will be divided and allocated between the transferring-Member and the recipient according to Code § 706(d) using a method selected by the Members. The recipient will receive allocations of the Profits and Losses of the Company and distributions attributable to the ownership interest after the effective date of the transfer. Allocations and distributions on or before the effective date will be made to the transferring-Member. The “effective date” is the date stated on the written transfer agreement in Section 7.3.

7.5. Limitation on Sale or Exchange. Even if a transfer meets the requirements of this agreement, no interest in the Company may be sold or exchanged if the transaction, in light of the total of all other Company interests sold or exchanged within the period of twelve consecutive months prior, might, in the opinion of counsel for the Company, result in the termination of the Company under Code § 708.
ARTICLE 8
MEMBER WITHDRAWAL

8.1. Covenant Not to Withdraw. A Member has no right to withdraw from the Company or reduce the Member’s Capital Contribution, except as a result of the Company’s dissolution or as expressly permitted by this Agreement.

8.2. Distributable Amounts. Upon a Member withdrawal, any amounts that would otherwise be distributable to the withdrawing Member by operation of applicable law, will be (a) reduced by the amount of damages the Company is entitled from the Member as a result of the withdrawal; and (b) distributed to the Member, without interest, at the time of the final distribution made to all Members when the Company is dissolved and its assets liquidated.

ARTICLE 9
DISSOLUTION AND WINDING UP

9.1. Dissolution. The Company must dissolve when the first of the following events occurs:

9.1.1. The expiration of the Term of the Company, if applicable;

9.1.2. The sale or other disposition of all assets to which the Company has any right, title and interest, and the distribution to the Members of the proceeds from the sale or other disposition;

9.1.3. An order of dissolution by a court of competent jurisdiction or upon any recognized process of dissolution as provided by the laws of the State of Arizona;

9.1.4. Approval of a Super Majority of the Members;

9.1.5. Unless the Company is continued according to Section 9.5 below, on event of withdrawal as provided in A.R.S. § 29-733, excluding A.R.S. §§ 29-733(4) and 29-733(5).

9.2. Winding Up. Upon dissolution of the Company, the Members or a trustee elected by the Members must take full account of the Company’s liabilities and Company Property. Company Property must be liquidated as promptly as possible to obtain the fair value. The proceeds, to the extent sufficient, will be applied and distributed in the following order and priority:

9.2.1. To the payment and discharge of all of the Company’s debts and liabilities (including those to Members), and the establishment of any necessary reserves; and then

9.2.2. To the reimbursement of expenses of the Members and payment of any fees to which the Members are entitled; and then

9.2.3. To the Members according to, and in proportion to, their Capital Accounts.

9.3. Distribution in Kind. Instead of liquidating the Company’s assets, the Members or trustee, may choose to distribute all, or a portion of, the assets in kind.
9.4. Rights of Members. Although the Members or trustee may distribute property other than cash, no Member has the right to demand or receive property other than cash upon dissolution or to demand the return of the Member’s Capital Contributions.

9.5. Nondissolution Upon Withdrawal. A Member’s withdrawal from the Company (including by death) will cause a dissolution of the Company unless, within ninety days of the withdrawal, at least one Member elects to continue the business of the Company.

ARTICLE 10
DEATH, INCOMPETENCY, BANKRUPTCY OR DISSOLUTION OF A MEMBER

10.1. Individual Member. Upon the death, legal incompetency, or bankruptcy of an individual Member, the Member’s personal representative, guardian, trustee in bankruptcy, or comparable person (“representative”) has all of the rights of a Member for the purpose of settling or managing the Member’s estate, but he representative will not become a Member of the Company. The representative will have the same power as the Member would to transfer the Member’s interest and to assist the recipient in seeking approval to become a Member of the Company.

10.2. Members Other Than Individuals. Upon the bankruptcy, insolvency, dissolution or other cessation to exist as a legal entity of a Member which is not an individual, the authorized representative or trustee in bankruptcy of the Member (“representative”) has all of the rights of a Member for the purpose of settling or managing the Member’s estate, but he representative will not become a Member of the Company. The representative will have the same power as the Member would to transfer the Member’s interest and to assist the recipient in seeking approval to become a Member of the Company.

ARTICLE 11
BOOKS, RECORDS, ACCOUNTING, REPORTS
AND CERTAIN TAX MATTERS

11.1. Fiscal Year. The fiscal year of the Company will be the calendar year.

11.2. Records. The Company must keep at its registered office proper and complete books of account adequate for its purposes which include the following information: (a) the name and address of each Member; (b) a copy of the Company’s articles of organization and any amendments; (c) a copy of the Company’s operating agreement and any amendments; (d) a copy of any Member’s written promise to make a capital contribution to the Company; (e) copies of the Company’s federal, state, and local income tax returns and reports, if any, for the three most recent years; and (f) copies of any financial statements of the Company for the three most recent years. These records and information regarding the affairs of the Company that are reasonably related to a Member’s interest are open to inspection and copying by any Member or by the Member’s authorized representative at any reasonable time during business hours.

11.3. Basis of Accounting. The Company books will be kept on a cash basis method of accounting unless applicable federal income tax law requires the Company to use an accrual method. The Company may change its accounting method to an accrual method or to any other permissible method of accounting the Members designate.
11.4. *Bank Accounts.* All funds of the Company are to be deposited in the Company’s name in a bank account, money-market account, or accounts as may be designated by the Members. Company funds may be withdrawn on the signature of a person or persons the Members may authorize.

11.5. *Tax Matters Member.* The Members must appoint a “tax matters partner” of the Company within the meaning of Code § 6231(a)(7).

11.6. *Annual Reports.* Within seventy-five days after the close of the Company’s fiscal year, there shall be prepared and delivered, at the direction of the Members, a copy of the Internal Revenue Service Form K-1 as attached to the federal partnership tax return to be filed for the Company. Upon request of a Member, the Managers will provide a written report stating the following:

11.6.1. The assets and liabilities of the Company;

11.6.2. The net profit or net loss of the Company;

11.6.3. The Member’s Capital Account and the manner of its calculation; and/or

11.6.4. Any other information necessary to enable the Member to prepare the Member’s individual income tax returns.

ARTICLE 12
MISCELLANEOUS

12.1. *Notices.* All notices required under this Agreement must be in writing and given to Members at the addresses listed on Exhibit A. Notice must be given by (a) personal service; (b) mail service with delivery confirmation; (c) recognized courier service; and (d) electronic mail, if Member replies with confirmation of receipt. All notices will be considered given upon the actual receipt.

12.2. *Validity of Agreement.* The invalidity of any portion of this Agreement does not affect the validity of the remainder.

12.3. *Titles and Captions.* Article and section titles or captions in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision.

12.4. *Singular and Plural.* Whenever the singular number is used in this Agreement and when required by the context, it will include the plural.

12.5. *Applicable Law.* The terms and provisions of this Agreement and any dispute arising under it will be governed by the laws of the State of Arizona. The Courts of the State of Arizona have the sole and exclusive jurisdiction in any matter arising under this Agreement or by reason of this Agreement, and for this purpose each Member (and each person becoming a Member) expressly and irrevocably consents to the jurisdiction of these Courts.

12.6. *Including.* Whenever the term “including” is used in this Agreement, it will be construed to mean “including, without limitation.”

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12.7. *Incorporation of Documents and Exhibits.* All documents and exhibits referred to in this Agreement are a part of the Agreement as though fully set forth in the Agreement.

12.8. * Entire Agreement.* This Agreement is the final integration of the agreement of the parties with respect to the matters it covers. This Agreement supersedes any prior understanding or agreements, oral or written, with respect thereto.

12.9. *Successors and Assigns.* This Agreement is binding upon and for the benefit of the parties and their respective successors-in-interest and assigns, but in no event will any party be relieved of its obligations under the Agreement without the express written consent of each other party.

12.10. *Time.* Time is of the essence of this Agreement and each provision.

12.11. *Counterparts.* This Agreement may be executed in any number of counterparts, all of which taken together will constitute one and the same agreement. The parties may execute this Agreement by signing any of the counterparts.

THE EFFECTIVE DATE OF THIS AGREEMENT IS: **24 April 2015**

THE PARTIES EXECUTE THIS AGREEMENT ON THE DATES BELOW:

Brian Howell, Member  
Date:  **Apr. 29, 2015**

Jeanne Howell, Member  
Date:  **April 24, 2015**
## EXHIBIT A

### SCHEDULE OF MEMBERS

<table>
<thead>
<tr>
<th>Member</th>
<th>Address</th>
<th>% Interest</th>
<th>Capital Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brian Howell / Jeanne Howell</td>
<td>220 Arch Dr.</td>
<td>100% as community property with right of survivorship</td>
<td>$1,000</td>
</tr>
</tbody>
</table>

*Allotted as both members.*

*So long Besen 6-25-15*
ARTICLES OF ORGANIZATION

Howell Adventures, LLC

1. The name of this limited liability company is: Howell Adventures, LLC

2. The known place of business is:

   220 Arch Dr.
   Sedona, AZ 86351

3. The name and business address of the statutory agent is:

   Whitney Cunningham
   ASPEY, WATKINS & DIESEL, PLLC
   123 N. San Francisco St., 3rd Floor
   Flagstaff, AZ 86001

4. Management is vested in one or more managers. At the time of the formation of the limited liability company, there shall be one manager. The manager, including address, of the limited liability company is:

   Brian Howell
   220 Arch Dr.
   Sedona, AZ 86351

5. The member who owns a twenty per cent or greater interest in the capital or profits of the limited liability company is:

   Brian Howell
   220 Arch Dr.
   Sedona, AZ 86351

   Jeanne Howell
   220 Arch Dr.
   Sedona, AZ 86351

6. There is no date by which this limited liability company must dissolve.


   [Signature]

I, Whitney Cunningham, accept appointment as the statutory agent for service of process on the limited liability company, Howell Adventures, LLC.

   [Signature]
**Agenda Item:** 3i  
**Proposed Action & Subject:** Approval of a Resolution adopting the revised Single-Family Housing Rehabilitation Guidelines as part of the Community Development Block Grant application for FY2015.

**Department**  
Community Development

**Time to Present**  
N/A

**Total Time for Item**  
N/A

**Other Council Meetings**  
January 27, 2015, March 24, 2015

**Exhibits**  
A. Resolution with Revised Single-Family Housing Rehabilitation Guidelines

<table>
<thead>
<tr>
<th>City Attorney Approval</th>
<th>Reviewed 6/30/15 RCR</th>
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</thead>
<tbody>
<tr>
<td><strong>Expenditure Required</strong></td>
<td>$ 0</td>
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</table>

<table>
<thead>
<tr>
<th>City Manager's Recommendation</th>
<th>Adopt a resolution revising guidelines for CDBG application.</th>
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</thead>
<tbody>
<tr>
<td><strong>Amount Budgeted</strong></td>
<td>$ 0</td>
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<tr>
<td>Account No.</td>
<td>N/A</td>
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<tr>
<td>(Description)</td>
<td>Finance Approval</td>
</tr>
</tbody>
</table>

**SUMMARY STATEMENT**

**Background:** This item allows City Council to take action that meets newly implemented application submittal requirements as part of the Community Development Block Grant (CDBG) program.

On March 25, 2015, City Council took action to approve the revised single-family housing rehabilitation guidelines as part of the City's CDBG application for a single-family rehabilitation program. In May 2015, the City of Sedona, working with NACOG, submitted the City's CDBG application to the Arizona Department of Housing (ADOH). In late June 2015, the City was notified by ADOH that the State has changed its CDBG application requirements and now requires that these guidelines be approved through a Resolution and included with the application. Therefore, City Council is being asked to approve a Resolution adopting the guidelines adopted in March 2015.

**Community Plan Consistent:** ☑ Yes - ☐ No - ☐ Not Applicable

It supports one of the Six Major Outcomes of the Community Plan – Housing Diversity. “Sedona has fostered the building of different housing types to provide more options for all
ages and income levels by using innovative public policies and programs and nurturing partnerships with private developers.” One of the goals in Chapter 3 of the Community Plan (Land Use, Housing and Growth) states: “Encourage diverse and affordable housing options”. Land Use Policies include: “Provide funding support to help maintain the integrity of older neighborhoods to ensure a diverse range of housing options”; and “Encourage the retention of low to moderate income housing opportunities in the redevelopment of existing mobile home parks through retention of existing densities and other incentives”.

**Board/Commission Recommendation:** □Applicable - ☒Not Applicable

**Alternative(s):** Not approve the Resolution of the revised CDBG Single-Family Housing Rehabilitation Guidelines. By not approving the revised Guidelines, the City jeopardizes its eligibility for CDBG funds for the FY2015.

**MOTION**

I move to: approve Resolution 2015- _____ adopting the revised Single-Family Housing Rehabilitation Guidelines as part of the Community Development Block Grant application for FY2015.
RESOLUTION NO. 2015-_______

ADOPTION OF 2015 REVISED CDBG SINGLE-FAMILY HOUSING REHABILITATION GUIDELINES

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SEDONA AUTHORIZING THE ADOPTION OF REVISED 2015 CDBG SINGLE-FAMILY HOUSING REHABILITATION GUIDELINES IN RELATION TO AN APPLICATION FOR FY 2015 STATE COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FOR A HOUSING REHABILITATION PROGRAM.

WHEREAS, the City of Sedona ("City") is desirous of undertaking an owner occupied housing rehabilitation program; and

WHEREAS, this program is anticipated to be funded with Community Development Block Grant Program (CDBG) funds provided by the State of Arizona CDBG Program, and

WHEREAS, the State CDBG Program requires that every local government requesting CDBG funds for housing rehabilitation adopt specific guidelines for such a program;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF SEDONA, ARIZONA:


2. Application. The City shall utilize such guidelines, without revisions, except such authorized by the chief elected official or a person authorized in writing to approve such revisions via the CDBG Program's CD-1 Form; with such revisions submitted to the CDBG Program within a maximum of 10 working days of authorization.

PASSED AND ADOPTED by the Mayor and Council of the City of Sedona, Arizona, this 28th day of July, 2015.

________________________________________
Sandy J. Moriarty, Mayor

ATTEST:

________________________________________
Susan L. Irvine, CMC, City Clerk
APPROVED AS TO FORM:

__________________________________
Robert L. Pickels, Jr., City Attorney
I. **OVERALL GOAL**

The City of Sedona intends to apply for Community Development Block Grant funds from the Arizona Department of Housing to assist low-to-moderate income owner-occupied households with Rehabilitation Services. The program will be available citywide to eligible participants.

The maximum investment per residence will be $50,000. Exceptions to the maximum allowed investment can be made by the City Manager or his designee and must be approved by the Arizona Department of Housing.

The management of hazardous materials (lead paint, asbestos, etc.) will comply with current Housing and Urban Development (HUD) standards.

II. **PROGRAM CRITERIA**

A. **Eligible Applicants**

- Eligible applicants must be residents of the City of Sedona whose incomes do not exceed 80% of the area median income adjusted for their family size for the county in which they live.
- Eligible applicants must be legal residents of the United States.
- Eligible applicants must have owned and lived in their homes for at least a year prior to applying for the program.
- Eligible applicants must have fee simple title to the property.
- Eligible applicants must reside permanently and full-time in their homes.
- Eligible applicants cannot own or have an ownership interest in another home.

B. **Eligible Property**

- Eligible properties must be located within the incorporated limits of Sedona.
- Homes located in a floodplain are not eligible for assistance.
- Mobile homes and stick-built homes are eligible for the program.
- The property must be owned and occupied by the applicant.
- Mobile homes must be permanently affixed and connected to permanent utility hookups.
Mobile home applicants must own the land on which the mobile home sits as well as the mobile home itself.

- The home must be suitable for assistance under the time and monetary constraints of the program.
- Funds will not be granted to a property with the potential for repossession, pending judgments or bankruptcy.
- Properties must require a minimum of $3,000 in eligible repairs. The City, with the approval of NACOG, reserves the right to determine that a lesser amount of work is warranted.

C. Eligible Activities

Eligible home repairs include but are not limited to:
- Roofs
- Heating system
- Cooling system
- Plumbing system
- Water heater
- Electrical system
- Bathrooms
- Accessibility retrofits
- Flashing
- Doors and windows
- Exterior steps
- Foundation
- Lateral sewer connections

D. Ineligible Activities

- Luxury items, such as pools, Jacuzzis, and fireplaces, are not eligible.
- Additions to existing structures are not eligible unless overcrowding is determined by HUD standards.

III. APPLICATION PROCESS

A. Marketing

Either NACOG or the City of Sedona will notify the community of the availability of applications for the program and provide information about the program, program requirements, and the date when applications are due. Applications will be received throughout the application period.
B. **Creation of Applicant List**

When completed applications with backup are received, they will be date and time stamped and kept in a secure location. Incomplete applications will be kept in a ‘Pending’ file. Each applicant will then be assigned a number of points based on the point ranking system below. Eligible applicants will be placed on the waiting list in ranked order.

Applicants will be contacted to begin the verification process according to the number of points they receive. Applicants with the highest number of points will be contacted first. If there are more applicants with the same number of points than the program has funds to serve, then applicants with the same number of points will be contacted according to the order in which their completed applications were received.

C. **Point Ranking System**

Applicants will receive points according to the following criteria:

- Meet minimum requirements: 10 points
- Disabled: 5 points
- Elderly: 5 points
- Households with minor children: 3 points per child
- Require ADA upgrades: 3 points
- Income under 50% of AMI: 3 points
- Resided in community for more than 10 years: 3 points

The City of Sedona reserves the right to waive the ranking in a case where the City determines the need is extreme. Prior approval from the Arizona State Department of Housing will be obtained before a waiver is granted.

D. **Eligibility Certification Process**

NACOG will receive all applications; open the applications; assign points according to the Point Ranking System; and create the waiting list. NACOG will review the applications to determine whether, based on the information provided, applicants appear to be eligible for the program and notify each applicant as to ineligibility or potential ineligibility. Potentially eligible applicants will be invited to supply further required verification information according to their ranking on the list as described in the Creating of Applicant List process specified above. NACOG will manage this task, but applicants are responsible for gathering and submitting all information by a deadline that will be established. If the information is not
returned by the deadline, the applicant’s name will go to the bottom of the
waiting list.

NACOG will verify that applicants meet eligibility requirements. Documentation will include, but is not limited to, the following, which must be current within the last six months:

- Proof of all household income. NACOG will verify income according to the Section 8 income determination guidelines as described in the Technical Guide for Determining Income and Allowances for the HOME Program.
- Copies of birth certificates, photo I.D.s, or social security cards for all household members
- Proof of disability (if applicable)
- Proof of home ownership by deed and verified fee simple title to the property. NACOG will obtain a limited title report for the property.
- Property tax statement
- Proof of one-year residency in home.

Property must be free of liens that unduly restrict the marketable ownership interest.

Owner must have the ability to pay any existing mortgage, must carry homeowner insurance, and must be current in taxes at all times during the term of the loan, as described in Section VIII.C.

Applicants will attend a NACOG counseling session that will explain to applicants the rehabilitation processes and requirements.

Applicants will be recertified if more than six months elapse prior to receiving services.

IV. STANDARDS FOR REPAIR/REHABILITATION

All work will meet the State of Arizona’s Rehabilitation Standards, Weatherization Standards for OOHR Housing Rehabilitation, and applicable state and local building codes.

Other City adopted ordinances and codes will be followed.

Contractors will be required to conform to existing City of Sedona building codes and regulations and obtain all required permits.

Energy and water conservation features will be included in the scope of work if practical and economically feasible, and in accordance with ADOH Weatherization Standards. Appliances will be Energy Star and plumbing fixtures will be low-flow.
Contractor will test for lead-based paint or other hazardous materials as appropriate and conduct all work and disposal activities in accordance with all applicable federal, state, county and local codes.

Homeowners will receive a 2-year warranty on repairs.

V. GRIEVANCE PROCEDURE

If a complaint cannot be resolved informally, the City and/or NACOG will advise an individual of the formal procedure outlined in the Grievance Procedure detailed below that will be given to each applicant at the time of application. All efforts will be made to resolve complaints at the lowest possible level. All complaints and grievances will be documented.

The grievance procedure has been created by the City of Sedona to resolve any complaints resulting from the Program operated by the City. The Homeowner is given a copy of procedures and signs a statement of receipt of such. If assistance is needed in processing a complaint, the City Program Administrator may be contacted at (928) 204-7107 and a reasonable assistance will be arranged.

The grievance procedure applies to Homeowners, Contractors, and Vendors.

A. Informal Complaint

1. An informal complaint can be filed with the City’s Program Administrator through verbal notification of the complaint.
2. The Program Administrator will review the complaint and attempt to resolve the complaint through negotiation.
3. The complainant will be notified of the proposed resolution within 5 working days of the complaint.
4. If the proposed resolution is not satisfactory to complainant, a formal complaint may be filed.

B. Formal Complaint

1. Formal complaints shall be made in writing and directed to the Community Development Director of the City of Sedona.
2. The Community Development Director will review the complaint and attempt to resolve the complaint through negotiation.
3. The Community Development Director will notify the complainant, in writing, of the proposed resolution within 10 working days of the receipt of the complaint.
4. If the resolution proposed by the Community Development Director is not satisfactory to the complainant, an appeal can be made. Appeals must be in writing and directed to the City Manager of the City of Sedona. Appeals must be filed within 5 working days of receipt of the Director of Community Development’s decision.

5. The City Manager will review the complaint as appropriate. Review of the complaint may include an informal hearing of the parties involved. The City Manager will make a decision regarding the complaint, in writing, within 30 days of receipt of the appeal.

6. The City Manager’s determination is final.

VI. PROJECT WRITE-UP AND PROCUREMENT

When an applicant has been declared eligible and is at the top of the waiting list, NACOG will schedule an initial assessment to explain the project, collect any needed back-up documentation, and conduct a thorough assessment of the property to determine the scope of work and approximate cost.

A. List of Repairs

For each home in the program NACOG will prepare a list of repairs in priority order according to the following system:

Level 1: Items that must be repaired or replaced:
- Hazardous materials
- Health and safety hazards
- Inadequate roof
- Inadequate/unsafe electrical service
- Inadequate/unsafe heating and cooling systems
- Inadequate egress
- Accessibility retrofits

Level 2: Items should be repaired or replaced:
- Rotted or deteriorating materials and those impacted by termites/other insects
- Water penetration affecting structural integrity
- Inadequate kitchen facilities/lack of a sink
- Items as determined by NACOG

Level 3: Items may be repaired or replaced:
- Items as determined by NACOG

If sufficient funds are not available to accomplish all three levels of repairs on a home, repairs will be done in priority order starting with Level 1 repairs.
B. Cost Estimates

NACOG will develop cost estimates prior to procurement. Cost estimates will be based on:
- Cost of materials;
- Estimated number of labor hours and cost of labor;
- Cost of subcontractors/installers;
- Any other items deemed necessary by NACOG.

C. Minority-and Women-Owned Businesses

NACOG will make all attempts to identify minority-and women-owned businesses. Public notices will state that minority- and women-owned businesses are encouraged to submit bids.

D. Procurement

The Program will adhere to the procurement procedures established by the City of Sedona, the federal Community Development Block Grant Program, and the Arizona Department of Housing.

Homeowners will not be allowed to perform their own work to avoid warranty or workmanship issues in the future.

NACOG will prepare bid documents and send them to interested contractors.

NACOG will conduct a mandatory walk-through of the properties for potential bidders to give them ample opportunity to gather the information they need to prepare accurate bids. Changes to the project specifications may be made at this time. Bids from entities that did not attend the walk-through will not be accepted.

In the case of mobile homes where the estimates indicate the possibility that rehabilitation costs may exceed 75% of replacement costs, NACOG will obtain bids for replacement at the same time that it obtains bids for rehabilitation.

NACOG will work to ensure that the homeowner receives at least three bids whenever possible. A bid may be rejected if all or part of the bid is unreasonable or impractical or may result in substandard work.

**Housing Rehab Services will recommend the lowest responsible and responsive bid to the Homeowner. The lowest bid may be rejected if all or**
part of the bid is unreasonable or impractical and may result in substandard work. The Homeowner may award a higher bid if the dollar difference between the low bid and the selected contractor is paid for by the Homeowner and deposited into the Program account before the start of construction.

NACOG will check the Contractor on the HUD’s List of Excluded Parties to assure they are not disbarred from working a federal project and with the Arizona Registrar of Contractors to assure they are currently licensed in the appropriate field. The Contractor will present a copy of his insurance and complete tax forms prior to beginning work.

Contractor bonds will not be required. The Arizona Registrar of Contractors regulations require that currently licensed contractors carry bonds; proof of current license and ability to contract will suffice as proof of bonding.

E. Determining After Rehab Value

The after-rehabilitation value of homeownership units assisted will not exceed ninety five percent (95%) of the area median purchase price for single family housing, as determined and published by HUD. To determine project eligibility, NACOG will establish after-rehabilitation value prior to any work being performed. The after-rehabilitation value will be established through estimates of value. Each individual project file will include the estimate of value and document the basis by which the value estimate was derived.

VII. CONSTRUCTION

Contracts will be between the owner and the contractor and will identify the role and responsibilities of the City, NACOG, and the contractor.

A meeting at the property will be scheduled between all parties to assure understanding of the contract documents. NACOG will take the lead in explaining the contract and the responsibilities of all parties to include, at a minimum: the extent of the work to be done, work that will not be done, the schedule for the work to be performed, the schedule for inspections, who is notified if there are problems, special contract conditions, and the grievance procedure. Notes shall be taken of the meeting with sign-off by all present.

NACOG will ensure that homeowners receive copies of all documents they have signed.
A. Notice to Proceed

When accord is reached and all parties have signed the contract, NACOG will issue a Notice to Proceed, which will be signed by the homeowner, with work being done at a time most agreeable to the homeowner.

B. Inspection/Monitoring of Work

NACOG will perform regular inspections to assure completeness and timeliness of work. The City of Sedona building inspectors will also perform inspections when a building permit has been issued. Quality of workmanship issues are determined by the Registrar of Contractors.

C. Payments and Change Orders

Contractors will be paid in accordance with the payment schedule in the contract. To encourage timely completion of projects, payment will be made upon completion whenever possible.

If the contractor is receiving progress payments rather than payment at completion, upon submission of an Application for Payment, and upon approval by the rehabilitation specialist and homeowner of the completed work, the contractor shall be paid ninety percent (90%) of the approved estimate of the work performed, with ten percent (10%) retained until final completion and acceptance of all material, equipment and work covered by the contract.

Contractors may request a change order, but only for problems that arose from work included in the bid package and cost proposal and only for problems that were unforeseeable at the time of the walk-through. NACOG may approve a change order request with the written consent of the homeowner and the City of Sedona.

D. Final Inspection

NACOG will conduct a final inspection upon completion of all work. NACOG will determine that work has been completed in accordance with the work write-up and the cost proposal in order to approve final payment to the contractor. Payments to contractors will be withheld pending satisfaction of any problems or deficiencies identified during final inspection. Quality of workmanship issues are determined by the Registrar of Contractors.
E. Approval of Payment

When work is accepted as substantially completed, NACOG will issue an Approval for Payment that is co-signed by the owner. Included with the Approval for Payment will be the contractor’s billing, the Waiver of Lien, the General Contractor’s Certificate, and a full copy of the owner's file.

For mobile home projects, NACOG will also ensure that an Affidavit of Affixture is recorded in the Recorder’s Office in the county in which the mobile home is located.

VIII. HOMEOWNER COUNSELING AND EDUCATION

NACOG will be available to provide homeowners with guidance on the standard operation and maintenance of systems installed in their homes – i.e., smoke detectors requiring periodic battery replacements, furnace filters, recommended water heater settings, the importance of maintaining adequate ventilation in occupied spaces, and any other items related to energy efficiency or water conservation. A home maintenance checklist and other educational materials are provided as well.

IX. RECORDS

A. Files

NACOG will collect and maintain all housing rehabilitation files for each household. Files will be organized per the file checklist. Files will be maintained at NACOG and available for monitoring. Files will be turned over to the City for permanent storage when the project is complete and a Certificate of Completion is received from the ADOH.

B. Recordation of Required Liens

NACOG will ensure that liens are filed by NACOG, the City of Sedona, or a title company in the Recorder’s Office in the county in which the mobile homes are located equal to the loan amount on each project. The loan amounts will be the amount of CDBG Funds invested in the unit. All loans are secured with a Promissory Note and Deed of Trust. Recorded documents are returned to the City and copies of all documents are given to the homeowner and placed in the City’s project files.
C. Repayment

1. Conditions of Repayment

The loan will be repayable under the following conditions:

a. If the owner moves and does not use the home as his/her principal residence and/or rents the home, and the City may call the loan due and payable within thirty days. The City may waive this requirement in a hardship case and reserves the right to make such decisions on a case-by-case basis.

b. If title to the property changes, a pro-rata share of the loan will be paid back to the City to be returned to the Arizona Department of Housing. The City may waive this requirement in hardship cases after consultation with the Arizona Department of Housing.

c. If the homeowner dies or is required to move into an assisted living or nursing facility, no repayment will be required and the City will release the lien.

2. Repayment Schedules

If the amount of the loan is under $15,000, the lien will be in place for 5 years. If the amount of the loan is between $15,000 and $40,000, the lien will be in place for 10 years. If the amount of the loan is over $40,000, the lien will be in place for 15 years.

The amount of the loan that must be paid back will decline as follows:

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D. **Loan Servicing**

The City's Community Development Department will keep the originals of all recorded Deeds of Trust and Promissory Notes, which include loan amounts, conditions and rate and term of deferral, for all applicants. If a deferred payment loan defaults and the owner does not own the property for the required period of time, the repaid loan amount will be returned to the City of Sedona who will remit those funds to the Arizona Department of Housing unless the Arizona Department of Housing approves a revolving loan fund or similar program for Sedona.

The City may subordinated the loan if the first loan (mortgage) on the home will be refinanced at a lower interest rate and if your home payment is less. The Homeowner may NOT receive cash from the transaction.
E. **Program Income**

Program income does not currently apply to this program. Any funds that are recaptured from homeowners who are required to repay their assistance subsidy are Recaptured Funds, not Program Income.

F. **Accounting Procedures**

All accounting reports are available for monitoring/auditing purposes through the City’s Finance Department. All grant funds are included in the City’s annual audit. Audits are submitted annually to the funding source.

G. **Program Payments**

When home repairs are complete or when a draw is due, NACOG will authorize payment. Approval for final payment will include Waiver of Lien and the final contractor’s invoice.

X. **AFFIRMATIVE MARKETING**

The City of Sedona will be responsible for marketing the program. The marketing plan includes, but is not limited to, the following:

- Press releases
- Outreach to social service providers
- Notices posted in public, highly trafficked areas
- Other appropriate marketing methods

XI. **ADMINISTRATION**

A. **Coordination**

Audree Juhlin, Community Development Director, City of Sedona, will be the Program Administrator and will coordinate Program activities with NACOG. NACOG will perform day-to-day operations, application intake, income verification, applicant counseling, assessments and scope of work, procurement, change orders, approval of work, payment authorization, performance reports, fiscal accountability, and program reporting.

B. **Disability Accessibility**

NACOG will perform interviews in the applicant’s home, if necessary. The TDD number will be included in all advertisements. Hearing impaired persons will be communicated with through a signing person or in writing, whichever is more comfortable to the applicant.
C. **Non-English Speaking Persons**

NACOG will use the services of an interpreter for assisting persons who speak other than English, when necessary. NACOG will ensure that applicants have a full understanding of the program.

D. **Affirmatively Furthering Fair Housing**

Neither the City nor NACOG discriminates on the basis of race, color, religion, sex, national origin, familial status or disability.

The City and NACOG shall notify the public by the posting of posters and the use of the Fair Housing Logo on all printed materials for the program.

XII. **TEMPORARY RELOCATION PLAN**

If the scope of work requires temporary relocation, NACOG will plan and coordinate the project so that the displacement is no longer than necessary. There will be provisions in the contractor’s contract to encourage timely completion and to require compensation if deadlines are not met.

The owner will be notified that Temporary Relocation Assistance is available and the maximum amounts of assistance. The owner may stay with a family member or friend and does not have to accept full assistance.

Owners will select a motel from a list maintained by the City. The owner will sign the agreement with the motel and send the agreement to the City of Sedona. The City of Sedona will pay the motel directly for either the actual lodging cost or the maximum lodging allowance, whichever is less. The owner is responsible for any additional costs.

NACOG or the City of Sedona reserves the right to make the final determination of who is a permanent household member for the purposes of lodging and meal reimbursement.

The owner will not be entitled to reimbursement for any travel costs.

A. **Lodging Allowance**

Maximum lodging allowance (as periodically reviewed and adjusted by the city of Sedona):

- $80 per night/two beds
B. **Meal Allowance**
   The owner and other household members will be entitled to a meal allowance during the period of temporary relocation as follows:
   
   - Breakfast   $5.00 per person
   - Lunch        $6.00 per person
   - Dinner       $15.00 per person

   Only one breakfast, lunch, and dinner for each household member can be reimbursed for any day.

C. **Pets**
   It may be necessary to board a family pet when the household is temporarily relocated. The owner will get at least two quotes of per day costs from local pet boarding facilities. The City of Sedona will pay the lowest rate. If the owner selects a facility other than the one with the lowest rate, the owner will be responsible for the difference in cost.

D. **Negotiated Amounts**
   NACOG or the City of Sedona may negotiate lesser amounts for lodging and/or meal allowance.

E. **Modifications**
   Modifications of this Temporary Relocation Plan may be made for reasonable accommodation to provide equal program accessibility.

XIII. **CONFLICT OF INTEREST**

Employees, agents, consultants, officers, elected officers or appointed officials of the City of Sedona who have responsibilities related to this program or have access to inside information may not obtain a financial benefit or interest for themselves or those with whom they have family or business ties during their tenure or for one year thereafter.
XIV. INFORMATION AND FORMS THAT WILL BE A PART OF THE REHABILITATION PACKAGE FOR EACH PROJECT

1. Income Guidelines
2. Ranking Sheet
3. Eligibility Criteria
4. Income Eligibility Worksheet (NACOG excel sheet)
5. After Rehab Value Form
6. Protect Your Family from Lead in your Home
7. Client Application Form/Grievance Procedures
8. Verification of Disability
9. Verification of Social Security
10. Verification of Employment
11. Verification of Public Assistance
12. Certification of Zero Income
13. Notification of Potential Eligibility/Ineligibility
14. Inspection Checklist
15. Homeowner Understanding and Agreement
16. Contractor Information Form
17. Pre-Construction Conference Report
18. Homeowner/Contractor Contract
19. Notice to Proceed
20. Interim Inspection (Client Contact) Log
21. Change Order
22. Conditional Waiver and Release on Final Payment
23. Final Inspection and Approval for Payment
24. Homeowner Maintenance Checklist
25. Homeowner Education and Counseling Form
26. Promissory Note
27. Deed of Trust
28. Program Evaluation Form
29. Client File Checklist
30. Cost Estimates (no form; computer generated)

The State Rehabilitation Standards and Weatherization Standards for OOHR Housing Rehabilitation are herein included by reference, and can be found on the Arizona Department of Housing website at azhousing.gov
Agenda Item: 3j
Proposed Action & Subject: Approval of a Resolution adopting an Official City of Sedona Vision.

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SUMMARY STATEMENT

Background: The City Council reads or plays, at the beginning of each City Council meeting, a vision statement which was created as part of the original 1991 Community Plan. This statement was also carried over to the 1998 and 2002 versions of the Community Plans. However, when the Community Plan was updated in 2014, this statement was eliminated and a chapter entitled “Vision” was created. This new chapter includes a brief overview vision statement and then more detailed statements which address issues such as traffic and walkability which are more specific to this version of the Community Plan and issues of the next 10 years. The original 1991 vision statement is not as specific and was written in a more poetic fashion. The 1991 vision statement has been read at the beginning of City Council meetings since February of 2003. In 2011, a video was created with a montage of photos to accompany the reading of the vision statement. The 1991 vision statement is still relevant and holds true today. It is felt that this could be the Official City of Sedona Vision which would continue to be played or read at the beginning of each meeting. This Vision would not compete with nor diminish the importance and value of the Vision Chapter of the Community Plan.

Community Plan Consistent: ☑Yes - ☐No - ☐Not Applicable
On Page 7 of the Community Plan under Vision it states: “Sedona is a community that nurtures connections between people, encourages healthy and active lifestyles, and supports a diverse and prosperous economy, with priority given to the protection of the environment.”

**Board/Commission Recommendation:** ☑Applicable - ☒Not Applicable

**Alternative(s):**

**MOTION**

I move to: approve Resolution 2015-____, a Resolution of the City of Sedona adopting an Official City of Sedona Vision.
RESOLUTION NO. 2015-__

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SEDONA, ARIZONA, ADOPTING AN “OFFICIAL CITY OF SEDONA VISION”.

WHEREAS, a vision statement for the City of Sedona was created as part of the original 1991 Community Plan; and

WHEREAS, this vision statement was carried over to the 1998 and 2002 versions of the Community Plan; and

WHEREAS, this statement was eliminated and a chapter entitled “Vision” was created when the Community Plan was updated in 2014; and

WHEREAS, the original 1991 vision statement is less specific and was written in a more poetic fashion; and

WHEREAS, the 1991 vision statement is still relevant and holds true today; and

WHEREAS, the 1991 vision statement would not compete with nor diminish the importance and value of the Vision Chapter of the Community Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF SEDONA, ARIZONA:

That the City of Sedona, by and through the Sedona City Council, adopts the vision as shown on Exhibit A as the “Official City of Sedona Vision”.

APPROVED AND ADOPTED by the Mayor and City Council of the City of Sedona, Arizona this 28th day of July, 2015.

__________________________________
Sandra J. Moriarty, Mayor

ATTEST:

__________________________________
Susan L. Irvine, CMC, City Clerk

APPROVED AS TO FORM:

__________________________________
Robert L. Pickels, Jr. City Attorney
Exhibit A
Official City of Sedona
Vision

• To be a City that is constantly vigilant over the preservation of its natural beauty, scenic vistas, pristine environment, and cultural heritage.

• To be a City that retains its small-town character and creates its manmade improvements in strict harmony with nature.

• To be a City that is animated by the arts, and lives with a spirit of volunteerism to help achieve our common goals.

• To be a City that offers equal opportunities for all and fosters a sense of community.

• To be a City that welcomes and accommodates all of its visitors and future residents with a spirit of fellowship.

• To be a City that retains and enhances a strong and vital economy which preserves existing lifestyles without exploiting the natural beauty.

• To be a City that lives up to the challenges of proper stewardship of one of the earth’s great treasures.
Agenda Item: 9a

Proposed Action & Subject: Discussion/possible action on the distribution of funding awards in the categories of community building, economic stimulation and arts & culture through the City’s Small Grants Program for the 2016 fiscal year.

Department: City Manager's Office

Time to Present: 15 minutes
Total Time for Item: 1 hour

Other Council Meetings: April 29-30 Council budget work sessions

Exhibits:
A. Summary of Funding Recommendations by Organization
B. Copies of the complete grant applications are available in the City Clerk’s office for review and are not included due to size

City Attorney Approval: Reviewed 6/30/15 RCR

City Manager's Recommendation: Consider, discuss, and approve recommended awards for the City’s small grants program.

Expenditure Required:

<table>
<thead>
<tr>
<th>Amount Budgeted</th>
<th>$ 150,000</th>
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</thead>
</table>

Account No. 10-5245-01-6720 (Description: Finance Approval)

SUMMARY STATEMENT

Background: The City of Sedona created a small grants program in order to encourage and fund activities, programs, or events developed by 501(c) organizations that serve a public purpose, provide a fair return value to the City, and are consistent with the City’s funding priorities. Programs, activities, or events that may be funded include those that enhance the City’s commitment to arts and culture, civic, and community service that foster the well-being and prosperity of the City and its residents.

During the FY2016 Budget Work Sessions, City Council approved a $150,000 allocation, which is consistent with the previous fiscal year level of funding, for the small grants program. A citizen-driven work group, made up of the same members as had participated in the FY15 process, came together to review and make recommendations regarding funding of the FY2016 grant applications.
The citizen participants are as follows:
1. Stephanie Giesbrecht – Chair
2. Larry Lineberry
3. Pat Livingston

Vice Mayor Mark DiNunzio served as the City Council Liaison to the group and was a non-voting member.

Assistant City Manager Karen Daines served as the City staff liaison to the group and was also a non-voting member.

On February 18, 2015, a news release was issued inviting eligible organizations to submit a City of Sedona Grant Application to request City funding for programs and/or projects in the categories of Arts & Culture, Economic Stimulation, and Community Building. Previous year grant recipients of City funding were directly notified of the FY2016 grant process. Applicants had approximately 60 days to complete an application and submit their requests to the City. By April 30, 2015, twenty (20) grant applications were received totaling $206,200 in requests for the categories of Arts & Culture (AC), Community Building (CB), and Economic Stimulation (ES).

The citizen work group used the current City grants procedure, including its qualification/evaluation criteria (Exhibit B), applications, interview process, and publicly posted open meeting process. The chair of the work group also took on the administrative burden of vetting the grant applications for completeness, reproducing and distributing the applicants to the reviewers, leading the evaluation process, scheduling the applicant interviews, and summarizing committee recommendations for grant awards to the City.

As was initiated last year, the committee chairman conducted an applicant workshop to provide technical assistance and answer applicant questions.

The purpose of this agenda item is to finalize and distribute the FY16 grant awards. The final funding recommendations total $150,000, which is the budgeted total for FY16.

The funding recommendations are as follows:

<table>
<thead>
<tr>
<th>Organization</th>
<th>Category</th>
<th>Requested</th>
<th>Recommended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefactors of Red Rock State Park</td>
<td>CB</td>
<td>$1,250</td>
<td>$1,250</td>
</tr>
<tr>
<td>Chamber Music Sedona</td>
<td>CB</td>
<td>$15,000</td>
<td>$13,000</td>
</tr>
<tr>
<td>Gardens for Humanity</td>
<td>AC</td>
<td>$1,200</td>
<td>$1,200</td>
</tr>
<tr>
<td>Hummingbird Society</td>
<td>ES</td>
<td>$6,000</td>
<td>$5,000</td>
</tr>
<tr>
<td>Rotary Club of Sedona Red Rocks</td>
<td>CB</td>
<td>$10,000</td>
<td>$9,000</td>
</tr>
<tr>
<td>Sedona Arts Center – School Art Immersion</td>
<td>AC</td>
<td>$5,500</td>
<td>$20,000 (to support all)</td>
</tr>
<tr>
<td>Sedona Arts Center - Cowboy Artists of America</td>
<td>CB</td>
<td>$4,500</td>
<td></td>
</tr>
<tr>
<td>Sedona Arts Center – Plein Air &amp; PhotoFest</td>
<td>ES</td>
<td>$38,000</td>
<td></td>
</tr>
<tr>
<td>Sedona Arts Festival</td>
<td>ES</td>
<td>$10,000</td>
<td>$8,000</td>
</tr>
<tr>
<td>Organization</td>
<td>Category</td>
<td>Requested</td>
<td>Recommended</td>
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<td>--------------------------------------------------</td>
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<tr>
<td>Sedona Chamber Ballet</td>
<td>AC</td>
<td>$10,000</td>
<td>$9,000</td>
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<tr>
<td>Sedona Community Food Bank</td>
<td>ES</td>
<td>$10,000</td>
<td>$10,000</td>
</tr>
<tr>
<td>Sedona Wine Fest</td>
<td>AC</td>
<td>$5,000</td>
<td>$5,000</td>
</tr>
<tr>
<td>Sedona Historical Society/Heritage Museum</td>
<td>CB</td>
<td>$7,800</td>
<td>$7,800</td>
</tr>
<tr>
<td>Sedona Historical Society/Heritage Museum</td>
<td>AC</td>
<td>$1,200</td>
<td>(to support all)</td>
</tr>
<tr>
<td>Sedona International Film Festival</td>
<td>ES</td>
<td>$30,000</td>
<td>$28,000</td>
</tr>
<tr>
<td>Sedona Marathon Event (Chamber of Commerce)</td>
<td>ES</td>
<td>$10,000</td>
<td>$8,000</td>
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<tr>
<td>Sedona Marathon In-Kind Services</td>
<td>ES</td>
<td>$5,000</td>
<td>$5,000</td>
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<tr>
<td>Sedona Red Rock Trail Fund</td>
<td>CB</td>
<td>$5,750</td>
<td>$5,750</td>
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<tr>
<td>Sedona Visual Artists Coalition</td>
<td>AC</td>
<td>$10,000</td>
<td>$5,000</td>
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<tr>
<td>Yavapai Big Brothers &amp; Big Sisters</td>
<td>CB</td>
<td>$10,000</td>
<td>$0</td>
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<tr>
<td>Yavapai Food Council</td>
<td>CB</td>
<td>$10,000</td>
<td>$9,000</td>
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<tr>
<td><strong>Total</strong></td>
<td></td>
<td>$206,200</td>
<td>$150,000</td>
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</tbody>
</table>

The following pie chart reflects the distribution of funding by category as recommended by the Citizen Work Group. Many of the applications, however, could fall into multiple categories. The pie chart reflects how the organizations classified their own applications. The applicants self-select the grant application category under which they apply. However, for instance, the Wine-fest could apply under Arts and Culture, Community Building, or Economic Stimulation. This is the case for many of the applications.
Also included as Exhibit A of the Council packet is a summary description of each grant application, a summary of the Grant Evaluation Work Group’s comments and funding recommendations.

**Community Plan Consistent:** ☐ Yes - ☐ No - ☒ Not Applicable

**Board/Commission Recommendation:** ☐ Applicable - ☒ Not Applicable

**Alternative(s):** Modify existing funding recommendations for the various applicants.

**MOTION**

I move to: approve the Grant Evaluation Committee Fiscal Year 2016 recommendations in the total amount of $150,000 as itemized in Agenda Bill 1975.
# Fiscal Year 2016 Grant Review Committee Recommendations

<table>
<thead>
<tr>
<th>ORGANIZATION</th>
<th>REQUESTED</th>
<th>RECOMMENDATION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Benefactors of Red Rock State Park</strong></td>
<td>$1,250</td>
<td>$1,250</td>
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<tr>
<td>Complimentary park passes to be distributed to Sedona residents for 2nd annual Yavapai-Apache Nation Cultural Awareness and Park familiarization day.</td>
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<tr>
<td><strong>Chamber Music Sedona</strong></td>
<td>$15,000</td>
<td>$13,000</td>
</tr>
<tr>
<td>Grant monies will assist this long-standing community organization in its reorganization and refocus on offering high-quality chamber music to residents and visitors to Sedona and the Verde Valley. Full funding would have been recommended had additional monies been available.</td>
<td></td>
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</tr>
<tr>
<td><strong>Gardens for Humanity</strong></td>
<td>$1,200</td>
<td>$1,200</td>
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<tr>
<td>These monies will allow Gardens to continue its earth/plant/nutritious food education of middle-school children using various expressive mediums including art crafts, music and dance.</td>
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<tr>
<td><strong>Hummingbird Society</strong></td>
<td>$6,000</td>
<td>$5,000</td>
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<tr>
<td>This annual festival has shown steady growth in attendance, quality, scope, and organization stability. Full funding would have been recommended had additional monies been available.</td>
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<tr>
<td><strong>Rotary Club of Sedona Red Rocks</strong></td>
<td>$10,000</td>
<td>$9,000</td>
</tr>
<tr>
<td>These funds will be used to finance 50% of tent rental cost for the organization’s annual Oktober Fest event, proceeds from which fund several Sedona-specific community services. The tent rental is in collaboration with Winefest which will pay the other 50% of tent rental cost. Full funding would have been recommended if additional funds been available.</td>
<td></td>
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<tr>
<td><strong>Sedona Arts Center</strong></td>
<td>$48,000</td>
<td>$20,000</td>
</tr>
<tr>
<td>SAC’s total request encompassed Arts Immersion in the Schools (Arts &amp; Culture), Cowboy Artists of America (Community Building) and Plein Air/Photofest festival/workshops (Economic Stimulation). Arts Immersion and the festivals have been successful annual programs and if SAC can do Cowboy Artists we are certain it also will be a successful program. Again this year we are recommending this award to be used as SAC sees fit to support these programs.</td>
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<tr>
<td><strong>Sedona Arts Festival</strong></td>
<td>$10,000</td>
<td>$8,000</td>
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<tr>
<td>These funds will be used to target market those demographic groups who are more likely to purchase quality art in an effort to make it worthwhile for higher end artists to exhibit at the Festival. The target demographic group is also more likely to visit longer and purchase art from Sedona galleries. Full funding would have been recommended if additional funds been available.</td>
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</tr>
<tr>
<td><strong>Sedona Chamber Ballet</strong></td>
<td>$10,000</td>
<td>$9,000</td>
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<tr>
<td>The passion and personal financial commitment by a few individuals successfully brought professional ballet to Sedona in 2014 via collaboration with Phoenix ballet. These funds will be used to rent SPAC for a repeat offering of the Nutcracker with Phoenix ballet this Christmas Holiday season. Full funding would have been recommended had additional funds been available.</td>
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<tr>
<td>ORGANIZATION</td>
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<td>RECOMMENDATION</td>
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<tr>
<td>--------------------------------------------------</td>
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</tr>
<tr>
<td>Sedona Community Food Bank</td>
<td>$10,000</td>
<td>$10,000</td>
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<tr>
<td>This is the Food Banks first request to the City for funding. These funds will be used toward the purchase of a covered van to be used for the pick-up and delivery of food. The Food Bank’s current vehicle is an open-bed pickup truck with 275K+ miles which has become unreliable and in need of on-going high-ticket repairs. The Food Bank is a fully-volunteer organization which has come to serve an essential service in our community.</td>
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<tr>
<td>Sedona Wine Fest</td>
<td>$5,000</td>
<td>$5,000</td>
</tr>
<tr>
<td>These funds will be used to offset a portion of tent rental expense in collaboration with Oktoberfest as described above. Wine fest has shown itself to be a much enjoyed popular event for residents and visitors the past few years.</td>
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<tr>
<td>Historical Society/Heritage Museum</td>
<td>$9,000</td>
<td>$7,800</td>
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<tr>
<td>The funded monies will be used to offset expenses for the annual Veteran’s Day activities at the Museum ($600). The remaining funds will be used to create a permanent exhibit depicting the history of wine-making in the Verde Valley. The funded amount fully covers the Veteran’s Day event and the exhibit construction. The additional $1,200 requested was to fund a grand opening celebration for the wine exhibit.</td>
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<tr>
<td>Sedona International Film Festival</td>
<td>$30,000</td>
<td>$28,000</td>
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<tr>
<td>Requested funds will be used for SIFF’s annual “new” programming designed to enhance the annual festival with innovative programming and destination marketing. This year SIFF will honor film’s “living legends”. Full funding would have been recommended had additional funds been available.</td>
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<tr>
<td>Sedona Marathon</td>
<td>$10,000</td>
<td>$8,000</td>
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<tr>
<td>$5,000 in kind</td>
<td></td>
<td>$5,000 in kind</td>
</tr>
<tr>
<td>On-going support for this successful “signature” event shown to deliver significant financial benefits to the community. Full funding would have been recommended had additional funds been available.</td>
<td></td>
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</tr>
<tr>
<td>Sedona Red Rock Trail Fund</td>
<td>$5,750</td>
<td>$5,750</td>
</tr>
<tr>
<td>This 2-year old organization works closely with the US Forest Service to recommend and maintain Sedona area trails. It also develops, prints and distributes detailed trail maps and informational brochures designed for hikers, bikers and equestrian trail users emphasizing safety. Printed information is distributed via kiosk displays placed with local businesses and by using a local brochure distribution service. These funds will be used to purchase 5 kiosks and to print the maps and informational brochures.</td>
<td></td>
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<tr>
<td>Sedona Visual Arts Coalition</td>
<td>$10,000</td>
<td>$5,000</td>
</tr>
<tr>
<td>The Visual Arts Coalition was given $5,000 last year for marketing of its 3-day Open Studio Tour program. In spite of a terrible winter storm, the event produced the same attendance as previous years. One can assume had the additional marketing not been done, the event would have produced lower attendance numbers. The group has developed and continues to improve its tracking of attendees. We would like to see what the same amount of money does this year with hopefully cooperative weather.</td>
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</table>
### CITY OF SEDONA

**Fiscal Year 2016 Grant Review Committee Recommendations**

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<tbody>
<tr>
<td><strong>Yavapai Big Brothers &amp; Big Sisters</strong></td>
<td>$10,000</td>
<td>-0-</td>
</tr>
<tr>
<td>The ONLY reason we did not fund this very worthy program this year is that the other requestors, all being local organizations, have less chance of securing funds outside the City. YBBBS is a national organization which is more likely able to secure funding outside the City. Full funding would have been recommended had additional funds been available.</td>
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</tbody>
</table>

| **Yavapai Food Council**                  | $10,000   | $9,000         |
| Requested funds will be used to construct a kitchen in Sedona which will create “brown bag” meals for local qualified food assistance school children in an effort to replace the currently contracted provider who has been providing meals the children do not find appealing and thus do not eat. The kitchen construction budget is $90,000. The City’s award represents a vote of confidence for this worthy project so the organization may stand a better chance of securing the remaining 90% of required funds. Should it not secure the necessary funds, the project will not proceed and the monies will be returned to the City. Full funding would have been recommended had additional funds been available. |