



To: Mayor and Town Council  
From: Mark C. Meyers, Town Manager  
Date: February 13, 2026  
Subject: Palmer Development Agreement

### **Background**

In September of 2025, Town Council considered and approved a rezoning request from Desert Pearl Inn, LLC for two adjacent parcels located at SR-9 and Sheep Bridge Road. The properties were rezoned, subject to a development agreement, from Rural Residential (RR) to Commercial on the North parcel with the future use of the South parcel subject to a second development agreement if any proposed uses are not allowed under RR.

Per Town Council's motion on the matter, Town Attorney Heath Snow drafted an agreement which was discussed at the February 11, 2026, council work meeting. Paragraphs 3 and 4 are the ones council focused on as they provide the essence of the agreement. Concerns were expressed by council members related to language in paragraph 4 regarding, "...proposed uses may include any use that is listed as a Permitted or Conditional in any other zoning district..."

**Please note** that since the agreement was discussed by council, Mr. Snow advised staff that he had sent us the *wrong* draft. The one that was subject of the work meeting discussion was his first draft and *not* the tentative agreement reached with the developer's attorney (i.e., it did not include any of the developer's proposed revisions). Therefore, attached is a *revised* agreement showing said revisions (as well as clean copy).

Note that the agreement does not reflect revisions per Council's discussion at the February 11, 2026, work meeting. Any revisions would be pending discussion with Desert Pearl Inn, LLC.

### **Recommendation**

It is recommended that Town Council further discuss the agreement and consider it in its new form at the February 17, 2026, regular meeting.