

**CITY OF GOODYEAR
CITY COUNCIL ACTION FORM**

**SUBJECT: Adopt Resolution No. 17-1781
Approving the First Amendment to the
Second Amended & Restated Development
Agreement for La Jolla Vista**

STAFF PRESENTER: Rebecca Zook,
Director of Engineering

CASE NUMBER: N/A

OTHER PRESENTER: N/A

RECOMMENDATION:

ADOPT RESOLUTION NO. 17-1781 ARIZONA, APPROVING, AUTHORIZING, AND DIRECTING THE EXECUTION OF THE FIRST AMENDMENT TO THE SECOND AMENDED & RESTATED DEVELOPMENT AGREEMENT FOR LA JOLLA VISTA REGARDING THE DEVELOPMENT OF A 198.5 ACRE PARCEL GENERALLY LOCATED AT THE NORTHEAST CORNER OF LOWER BUCKEYE ROAD AND CITRUS ROAD, PROVIDING AUTHORIZATION AND DIRECTION TO TAKE ACTIONS AND EXECUTE DOCUMENTS NECESSARY TO CARRY OUT INTENT OF RESOLUTION AND THE FIRST AMENDMENT TO THE SECOND AMENDED & RESTATED DEVELOPMENT AGREEMENT FOR LA JOLLA VISTA; AND PROVIDING FOR AN EFFECTIVE DATE.

PURPOSE:

Extend the deadline for recording an approved final plat for La Jolla Vista for three months (from January 24, 2017 – April 24, 2017) to allow city staff and owners of certain West Goodyear properties to negotiate details of a proposed agreement with the city. The agreement is for the construction of offsite water and sewer infrastructure in advance of development of onsite subdivision construction.

BACKGROUND AND PREVIOUS ACTIONS:

On April 25, 2016, the City and Citrus & Lower Buckeye, LLC entered into the Second Amended and Restated Development Agreement for La Jolla Vista.

Between May and September 2016, the owners/developers for La Jolla Vista, Pradera and Amber Meadows completed engineering and project improvement plans for their properties, including regional offsite wastewater & water line construction plans (which service these properties as well as other West Goodyear properties), parcel specific subdivision construction plans, landscape park and open space construction plans and RID irrigation tiling construction plans.

The five West Goodyear property owners (those properties noted above along with Las Ventanas and Paseo Place Parcel I & II) worked together to explore the possibility of initiating a privately funded construction project to build 3.5 miles / \$2.7M of a West Goodyear Regional Wastewater & Water Trunk Line.

The Property Owners prepared bid packages using the offsite regional (3.5 mile) wastewater and water line construction plans completed and approved through the city. Construction of the lines is anticipated to commence between March 15 and April 15, 2017.

Conversations with city staff regarding the regional sewer and water infrastructure agreement among the five owners commenced in October 2016. In order for this new development strategy to move forward, the existing approved final plat for each of the three properties, including La Jolla Vista, need to be extended to facilitate an opportunity for negotiating the new infrastructure agreement.

STAFF ANALYSIS:

In 2005, the impetus for the creation of the a new contractual framework to assist the West Goodyear Property Owners to develop their properties was the absence of plans on the part of the City to provide infrastructure needed to serve this area. Acknowledging the lack of wastewater treatment capacity and the lack of regional lines needed to provide water service, the City worked with the Owners to set forth a Memorandum of Understanding (MOU), which the City Council adopted in May 2005.

However, the collapse of the residential real estate market that occurred subsequent to the MOU brought all development in this area of the city to a halt. It wasn't until 2013 that the West Goodyear Property Owners and city staff began seeing an increase in interest from potential homebuilders and developers that the need to re-examine infrastructure requirements in the West Goodyear Central Planning Area brought about a new round of conversations and eventually, new agreements for the West Goodyear Properties in 2016.

The relationship between the West Goodyear Property Owners and the city consistently reflects collaboration, flexibility and a shared interest in trying to put Goodyear in the forefront as a community that wants to grow and develop so that we can further economic development throughout the city. Staff considers development an overall partnership between the city and the development community. Their success is our success. Our philosophy is that growth pays for growth, and the city is open to opportunities to ensure that the developments in our city are successful.

Staff is in support of this amendment to extend the final plat for each of the three West Goodyear properties for a period of three months to allow staff to negotiate the new infrastructure agreement proposed by the West Goodyear Property Owners.

FISCAL ANALYSIS:

The fiscal impact for the development of this parcel is directly correlated to the recordation of the final plat.

Approval to extend the final plat for La Jolla Vista allows the developer to:

- Proceed with conversations/negotiations with staff regarding a privately funded construction project to build 3.5 miles/\$2.7M of a West Goodyear Regional Wastewater & Water Trunk Line;
- Receive final approval of Engineering plans;
- Begin marketing the property to homebuilders

If the existing approved final plat for La Jolla Vista is not extended, the developer will need to resubmit plans and fees and re-start the development process from the preliminary plat stage, subjecting the developer to significant additional costs estimated at just over \$500,000.

ATTACHMENTS:

Resolution No. 17-1781

First Amendment to Second ARDA – La Jolla Vista