

**CITY OF GOODYEAR
COUNCIL ACTION REPORT (CAR)**

SUBJECT: Adopt Resolution No. 17-1833 approving a Development Agreement for Estrella Parcel 9.1	STAFF PRESENTER: Rebecca Zook, Director of Engineering
	CASE NUMBER: N/A
	OTHER PRESENTER: N/A

PROPOSED ACTION:

ADOPT RESOLUTION NO. 17-1833 APPROVING DEVELOPMENT AGREEMENT FOR ESTRELLA PARCEL 9.1 REGARDING THE DEVELOPMENT OF APPROXIMATELY 22.91 ACRES, PROVIDING AUTHORIZATION AND DIRECTION TO TAKE ACTIONS AND EXECUTE DOCUMENTS NECESSARY TO CARRY OUT INTENT OF RESOLUTION AND THE DEVELOPMENT AGREEMENT FOR ESTRELLA PARCEL 9.1; AND PROVIDING FOR AN EFFECTIVE DATE.

BACKGROUND AND PREVIOUS ACTIONS:

Estrella Parcel 9.1 is part of the Montecito PAD within Estrella, which was adopted by the City Council on May 12, 2008. A preliminary plat for Estrella Parcel was approved by the City Council on August 21, 2017. A final plat for Estrella Parcel 9.1 is being processed concurrently with this Agreement.

STAFF ANALYSIS:

Briefly summarized, this Agreement addresses means of financial assurance to ensure the completion of public infrastructure.

Property owners developing in within the City are required to construct public infrastructure improvements within and along or adjacent to the boundaries of their properties, and, when required to provide service to their properties, outside the properties. To ensure the completion of these improvements, the City's current development regulations require that a subdivision bond be provided equal to 100% of the estimated cost to construct the public infrastructure improvements that are to be constructed. City staff has been repeatedly approached about developing an alternative mechanism for ensuring the completion of the required public infrastructure that would reduce the cost of development in the City. Newland is one of the property owners that have approach the City seeking an alternative means of financial assurances.

Staff has identified an alternative to the traditional subdivision bond that affords the City the protection needed to insure the completion of public infrastructure. The proposed development agreement would allow this method to be used in connection with the development of Estrella Parcel 9.1. The Agreement addresses financial assurances required for External Infrastructure and Internal Infrastructure.

With respect to Internal Infrastructure, which includes all public infrastructure improvements that are to be constructed within the boundaries of the property, the City will use building permit holds to secure the completion of the Internal Infrastructure. That is the City will not issue building permits for residential, except for model homes, or commercial structures until all of the Internal Public Infrastructure required to be constructed within the platted property has been completed. If the development of the property is being developed pursuant to an approved phasing plan, building permits will be withheld until the Internal Infrastructure needed to serve the portion of the property that is being developed under the phasing plan is completed. If the developer or owner want to begin pulling building permits before the completion of the required Internal Infrastructure, a subdivision bond in an amount sufficient to cover the estimated costs of completing the Internal Infrastructure can be provided and building permits will be issued.

With respect to External Infrastructure, which includes the infrastructure improvements that are to be constructed along, or, or adjacent to the external boundaries of the property and the public infrastructure that is to be constructed off the property, the more traditional forms of financial assurances will still be required. To secure the completion of the External Infrastructure that is to be constructed in connection with the recordation of a final plat or site plan, the following forms of financial assurances may be used: (i) a subdivision bond that meets the requirements set forth in the City of Goodyear Engineering Design Standards and Policies as they may be amended from time to time; (ii) the establishment of an escrow account with funds in an amount sufficient to cover the estimated costs of the External Infrastructure; or (iii) an irrevocable letter of credit, in a form acceptable to the City Attorney or his designee, in an amount sufficient to cover the estimated costs of the External Infrastructure. If the development of the property is being developed pursuant to an approved phasing plan, the financial assurances will apply to the costs of the External Infrastructure that is required to be constructed in connection with the portion of the property that is being developed under the phasing plan.

FISCAL ANALYSIS:

There is no fiscal impact to the City as a result of this Agreement as it merely provides an alternative mechanism for insuring the completion of public infrastructure.

RECOMMENDATION:

Staff supports the proposed Development Agreement for EMR Parcel 9.1. The terms related to financial assurance will encourage development while providing adequate assurances that required public infrastructure will be completed.

ATTACHMENTS:

Resolution No. 17-1833

- Exhibit 1 – Legal Description
- Exhibit 2 – Development Agreement for Estrella Parcel 9.1
 - Development Agreement Exhibit A – Legal Description