

**CITY OF GOODYEAR
COUNCIL ACTION REPORT**

SUBJECT: Second Amendment to the Development and Fire Services Agreement between the City of Goodyear, NNP III-Estrella Mountain Ranch, LLC and AV Homes of Arizona.	STAFF PRESENTER: Roric Massey, City Attorney CASE NUMBER: None OTHER PRESENTER: None
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PROPOSED ACTION:

ADOPT RESOLUTION 2018-1875 AUTHORIZING AND DIRECTING THE EXECUTION OF THE SECOND AMENDMENT TO THE DEVELOPMENT AND FIRE SERVICES AGREEMENT; PROVIDING AUTHORIZATION AND DIRECTION TO TAKE ACTIONS AND EXECUTE DOCUMENTS NECESSARY TO CARRY OUT INTENT OF RESOLUTION AND SECOND AMENDMENT; AND PROVIDING FOR AN EFFECTIVE DATE.

BACKGROUND AND PREVIOUS ACTIONS:

In 2006, the City entered into a Development and Fire Services Agreement with TOUSA Homes, Inc., and NNP III –Estrella Mountain Ranch, LLC, which detailed obligations regarding contributions by the developers toward the construction of a second fire station in the Estrella community. In January 2017, Council approved the First Amendment to the Agreement which required NNP III – Estrella Mountain Ranch and AV Homes of Arizona, now the successor of TOUSA Homes, to provide capital funding toward construction and equipping of a new fire station site, in addition to Operation and Maintenance (O&M) funding, as well as to work with the City to identify a new site for the construction of a new fire station in the Estrella development.

STAFF ANALYSIS:

During the site evaluation process for the new station and due to challenges with potential new sites, staff determined it would be best to stay with the fire station site previously conveyed to the City generally located near the intersection of Willis and Rainbow Valley Roads. It was determined by City staff, in consultation with the Fire Department, that the existing site provided emergency response times that were comparable with other sites under consideration, and would require less site work and infrastructure than other potential sites. This Second Amendment deletes language in the First Amendment that referenced identifying a new fire station site and conveying the former site back to NNP III-Estrella Mountain Ranch.

The First Amendment to the Development and Fire Services Agreement also provided that NNP III and AV Homes begin their Fire O&M payments when the City pulled the permit for the new station. While the City has begun the design process for the new station, the site evaluation process has delayed the construction schedule for the new station. In a recent firefighter recruitment, the City made conditional job offers to seven new firefighters and secured fire

academy spots beginning July 23, 2018 for them based on an anticipated July 1, 2018 hire date. However, under the First Amendment, the developer funding will not begin until the building permit is issued for the new fire station. Through this Second Amendment, NNP III-Estrella Mountain Ranch and AV Homes have agreed to begin providing O&M funding effective July 1, 2018 so that the City can complete the hiring of the new firefighters and utilize the reserved Academy training slots.

FISCAL ANALYSIS:

This Second Amendment does not modify either the required Capital contributions of up to \$5,420,000, or the previously agreed to O&M contributions of \$1,808,000 annually for 5 years, it merely modifies the start date to July 1, 2018 for the commencement of the O&M contribution schedule to allow the City to move forward with the hiring and training of the seven firefighters.

RECOMMENDATION:

It is recommended that Council adopt the resolution that approves the Second Amendment to the Development and Fire Services Agreement allowing for the commencement of developer funding on July 1, 2018.

ATTACHMENTS:

1. Resolution
2. Agreement (Exhibit A to Resolution)