

AGENDA ITEM #: \_\_\_\_\_

DATE: October 26, 2020

CAR #: 2020-7088



## CITY COUNCIL ACTION REPORT

**SUBJECT:** Approve the Termination and Release of Job Creation Agreement with NIKE IHM, Inc.

**STAFF PRESENTER(S):** Lori Gary, Economic Development Director

**OTHER PRESENTER(S):** None

**Summary:** Seeking Council approval for the termination and release of the Job Creation Agreement with NIKE IHM, Inc., upon meeting all the specified terms and conditions and upon NIKE IHM, Inc.'s notification of its decision not to move forward with the Goodyear Facility.

**Recommendation:**

Approve the Job Creation Agreement Termination and Release Agreement with NIKE IHM, Inc. a Missouri corporation, d/b/a Air Manufacturing Innovation.

**Fiscal Impact:** The terms of the initial job creation agreement allowed the city to waive 75% of all non-expedited plan review and permit fees and 100% of any expedited portion of plan review fees. The city has been fully reimbursed for all plan review and permit fees that were previously waived per the terms of the initial job creation agreement.

### Background and Previous Actions

On July 1, 2019, Council adopted Resolution No. 2019-1979 approving the Job Creation Agreement with NIKE IHM, Inc., a Missouri corporation, d/b/a Air Manufacturing Innovation ("Air MI") relating to Air MI's planned opening of a new manufacturing facility to be located at 575 S. 143<sup>rd</sup> Avenue in Goodyear.

On August 3, 2020, Air MI notified the city of its decision not to move forward with its manufacturing facility in Goodyear. The city acknowledged Air MI's termination by way of a letter dated August 11, 2020, in which the city requested that Air MI reimburse the city for certain plan fees waived by the city in connection with Development Process Assistance and the Air MI remove certain temporary trailers from the Goodyear Facility site.

### Staff Analysis

The initial Job Creation Agreement provided for amendment or cancellation of the agreement upon written agreement. Air MI has fully reimbursed the city for all plan review and permit fees as required by the agreement and no further action is needed as both parties have met all terms and conditions specified in the agreement. Therefore, staff recommends Council approval of the proposed Job Creation Agreement Termination and Release of with Nike IHM, Inc.

## **Attachments**

Job Creation Termination & Release Agreement