

RESOLUTION NO. 2021-2128

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF GOODYEAR, MARICOPA COUNTY, ARIZONA, SUPPORTING AN APPLICATION FOR THE ACTIVATION OF A SINGLE-USER USER DRIVEN FOREIGN TRADE ZONE SITE FOR PROJECT SPRING SUBJECT TO CONDITIONS; PROVIDING AUTHORITY AND DIRECTION; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, a site within the City of Goodyear is being considered for the development of an economic development project that will be located somewhere within approximately 1,100 acres generally bounded by Indian School Road to the north, Perryville Road to the west, Citrus Road to the east, and McDowell Road to the south, excluding the developed Perryville Prison site west of Citrus Road in the City of Goodyear which has been identified as Project Spring; and

WHEREAS, development of Project Spring will require substantial capital expenditures and when operational will create a substantial number of higher wage manufacturing jobs within the City of Goodyear; and

WHEREAS, the development and subsequent operation of the Project Spring facilities within the City of Goodyear will result in significant benefits to the City that include, among others, taxes collected for capital expenditures for the development of the Project Spring, the creation of higher wage manufacturing jobs within the City, and the benefits to local restaurants and businesses that accrue from having a local employment base that is able to frequent their establishments during the day; and

WHEREAS, the part of the site selection criteria is the availability of having Project Spring activated as a User Driven Foreign Trade Zone site; and

WHEREAS, the City of Goodyear has long used its ability to support the applications for activation of sites as User Driven Foreign Trade Zone as a means of attracting business to develop and operate sites, within the City of Goodyear, that meet the conditions as set forth herein, most recently with the adoption of Resolution 14-1687 on December 15, 2014 that pre-approved support for applications for activation of sites as a User Driven Foreign Trade Zone pursuant to a temporary Spec Building Policy for User Driven Sites; and

WHEREAS, because of the benefits that will accrue from the development and operation of Project Spring in the City of Goodyear, the Mayor and Council of the City of Goodyear find that it is in the best interests of the City of Goodyear and its residents to pre-approve an application for activation of Project Spring as a User Driven Foreign Trade Zone site, subject to the terms and conditions set forth below.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GOODYEAR, MARICOPA COUNTY, ARIZONA, AS FOLLOWS:

SECTION 1. The Mayor and Council of the City of Goodyear hereby agree to and support an application for the activation of a single-user User Driven Foreign Trade Zone Site for Project Spring subject to satisfaction of all of the following conditions:

- a) Documentation is provided to the City that demonstrates a capital expenditure of at least \$25,000,000 has been or shall be made in the development of Project Spring; and
- b) Documentation is provided to the City that demonstrates that manufacturing operations will be carried out in at least 75,000 square feet of any building(s) constructed on the Project Spring site; and
- c) The operator of Project Spring has executed an agreement agreeing: (i) to employ a minimum of 75 Full-Time Employees at the User Driven Foreign Trade Site; (ii) that at least 51% of the operator's full-time employees are paid at least 125% of the median annual wage computed annually by the Arizona Department of Commerce; and (iii) all full-time employees are offered health insurance, for which the employer pays at least 75% of the premium or membership costs of such insurance. Operators who are self-insured for health care shall establish annual up-front fixed costs that is to be paid by employees as described in the Arizona Commerce Authority Qualified Facility Tax Credit Program's requirements for employers who self-insure for employee health care. The agreement will require the payment of a Payment in Lieu of Taxes Fee "PILOT FEE" equal to the amount of the property taxes that would have been assessed upon Project Spring real and personal property if Project Spring had not been activated as a User Driven Foreign Trade Zone Site; and
- d) The owner and/or operator of Project Spring has executed a PILOT Fee Agreement for the payment of a PILOT Fee if required under the City's Foreign Trade Zone Policy in effect at the time a request for activation is to be submitted to the Greater Maricopa Foreign Trade Zone, Inc. (the "Grantee") requesting Activation concurrence from the Grantee as required under 19 CFR Part 146; and
- e) The application for the activation of Project Spring as a User Driven Foreign Trade Site is submitted to the Grantee within five years of the date this Resolution is approved.

SECTION 2. Subject to the satisfaction of all of the conditions set forth in Section 1 of this Resolution, the City Manager is hereby authorized and directed to approve and execute all documents necessary to support an application for the inclusion within FTZ No. 277, the Greater Maricopa Foreign Trade Zone ("GMFTZ") the site where Project Spring will be developed.

SECTION 4. This Resolution shall be effective upon its passage and adoption by the Mayor and Council of the City of Goodyear.

Georgia Lord, Mayor

Date: _____

APPROVED AS TO FORM:

Roric Massey, City Attorney

STATE OF ARIZONA)
) ss.
County of Maricopa)

Given under my hand and sealed this _____ day of _____, 20____.

City Clerk