

ORDINANCE NO. O2016.59

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, APPROVING THE SALE OF CITY-OWNED LAND AND AUTHORIZING THE MAYOR (OR HIS DESIGNEE) TO EXECUTE A DEVELOPMENT AND DISPOSITION AGREEMENT, DEEDS, A LAND AND IMPROVEMENTS LEASE, A MEMORANDUM OF LEASE AND ADDITIONAL DOCUMENTS WITH EASTLINE LAND VENTURES, LLC WITH RESPECT TO THE PROJECT TO BE CONSTRUCTED ALONG APACHE BOULEVARD FROM SMITH ROAD TO RIVER DRIVE.

A. City issued Request for Qualifications (RFQ 16-086) offering the opportunity to acquire and redevelop certain City-owned land located on Apache Boulevard (the “City Property”), and identified DMB Associates, Inc. (“DMB”) as the developer having demonstrated the best qualifications for producing a successful development on the City Property; and

B. Pursuant to Resolution No. R2016.15, DMB was given the right to negotiate for the acquisition of the City Property; and

C. Eastline Land Ventures, LLC (“Developer”), an affiliate of DMB, owns or controls various parcels of land along Apache Boulevard between Smith Road and River Drive (the “**Property**”), which is adjacent to the City Property, and intends to develop the Property and the City Property as a mixed-use project consisting of various residential, retail and office uses; and

D. Significant benefits will accrue to City from the development of the Property and redevelopment of the City Property by Developer, including, without limitation, increased tax revenues, and the creation of jobs in the City, and the development of the Property will otherwise improve or enhance the economic welfare of the inhabitants of the City, as well as eliminate certain blighted areas along Apache Boulevard; and

E. City hereby finds that upon execution of the Development Agreement, the conditions stated in Resolution 2010.76 will have been satisfied provided that the Government Property Lease is executed on or before May 20, 2020; and

F. City and Developer have concluded their negotiations and now desire to formalize their agreements with respect to the project, including the sale of the City Property, and to enter into a development agreement within the meaning of A.R.S. §9-500.05.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, as follows:

Section 1: That the sale of the City Property is hereby approved, and the Mayor (or his designee) is authorized to execute a Development and Disposition Agreement (the “Development Agreement”) in substantially the form on file with the City Clerk’s Office, and to execute all other documents reasonably necessary or appropriate to effectuate the transactions contemplated in the Development Agreement or this Ordinance, including without limitation those documents referenced in or attached as exhibits to the Development Agreement (which documents include, without limitation, deeds, one or more land and improvements lease, one or more memorandum of lease and other documents).

Section 2: Pursuant to City Charter, Section 2.12, this ordinance will be effective thirty (30) days after adoption.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, this _____ day of _____, 2016.

Mark W. Mitchell, Mayor

ATTEST:

Brigitta M. Kuiper, City Clerk

APPROVED AS TO FORM:

Judith R. Baumann, City Attorney