



MEMORANDUM Economic Development - Council Memo No. ED15-023

DATE: May 28, 2015

TO: MAYOR AND CITY COUNCIL

THRU: RICH DLUGAS, CITY MANAGER RD
MARSHA REED, ASSISTANT CITY MANAGER MR
MICAH MIRANDA, ECONOMIC DEVELOPMENT DIRECTOR M721

FROM: KIM MOYERS, DOWNTOWN REDEVELOPMENT MANAGER KM

SUBJECT: RESOLUTION NO. 4867 AUTHORIZING EXTENDING THE AWARD OF THE SITE 6 REQUEST FOR PROPOSAL LOCATED AT THE NORTHWEST CORNER OF FRYE ROAD AND ARIZONA AVENUE TO RYAN COMPANIES US, INC.

RECOMMENDATION: Staff recommends City Council adopt Resolution No. 4867, authorizing extending the award of the Site 6 Request For Proposal (RFP) to Ryan Companies US, Inc., authorize staff to continue to negotiate the terms of a mutually acceptable Development Agreement and related documents consistent with the Ryan Companies US, Inc., development proposal; and direct staff to present the negotiated Development Agreement to the City Council for consideration and possible action on or before the last regularly scheduled City Council meeting in October 2015 (October 22, 2015), or the award of the RFP will automatically terminate.

BACKGROUND/DISCUSSION: Site 6 is a 4.25 acre site directly across from Chandler City Hall, located at the northwest corner of Frye Road and Arizona Avenue. The site is vacant and entirely owned by the City. It is currently utilized for overflow and event parking, but is otherwise unencumbered.

On August 14, 2014, City Council adopted Resolution No. 4795, which awarded the Site 6 Request For Proposal to Ryan Companies US, Inc., and authorized Staff to begin Development Agreement deal terms between the City of Chandler and Ryan Companies US, Inc.; and directed staff to present the negotiated Development Agreement to the City Council for consideration and possible action on or before the last regularly scheduled City Council meeting in May 2015, or the award of the RFP will automatically terminate.

Ryan Companies US, Inc., is a 75-year nationally recognized company specializing in office development, construction, and management experience in the Phoenix area. Over the last 17

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years, Ryan Companies US, Inc., has developed more than 18 million square feet of office, industrial, and mixed-use product throughout metropolitan Phoenix.

Ryan Companies Chandler Site 6 team proposed to develop and lease a mixed-use project consisting of two office buildings, and related retail and restaurants focused on bringing significant jobs into downtown Chandler. The project was proposed to be built in two phases, based on market conditions and meeting pre-leasing requirements.

Economic Development Staff has been in active negotiations with Ryan Companies US, Inc., on deal terms of a Development Agreement throughout the past nine months. While the negotiations have been positive and on-going, the Development Agreement is not complete. The extension would allow staff and Ryan Companies US, Inc., to complete the Development Agreement.

FINANCIAL IMPLICATIONS: Contingent upon final site design, parking, and public infrastructure details, as well as a land sale.

PROPOSED MOTION: Move City Council adopt Resolution No. 4867, authorizing extending the award of the Site 6 Request For Proposal to Ryan Companies US, Inc., authorize staff to continue to negotiate the terms of a mutually acceptable Development Agreement and related documents consistent with the Ryan Companies US, Inc., development proposal; and direct staff to present the negotiated Development Agreement to the City Council for consideration and possible action on or before the last regularly scheduled City Council meeting in October 2015 (October 22, 2015), or the award of the RFP will automatically terminate.

Attachments: Resolution No. 4867
Resolution No. 4795

RESOLUTION NO. 4795

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, APPROVING AND AUTHORIZING THE AWARD OF THE SITE 6 REQUEST FOR PROPOSAL LOCATED AT THE NORTHWEST CORNER OF FRYE ROAD AND ARIZONA AVENUE TO RYAN COMPANIES US, INC.

WHEREAS, the City issued a request for proposals to solicit proposals for development of Site 6, an approximately 4.25 acre site located in the City's Downtown; and

WHEREAS, Ryan Companies US, Inc., submitted a response to the request for proposal; and

WHEREAS, the City has determined Ryan Companies US, Inc., is qualified and capable of acting as the Master Developer for the 4.25 acre Site 6 in a manner that will facilitate the redevelopment of Downtown Chandler and to the benefit the citizens of Chandler.

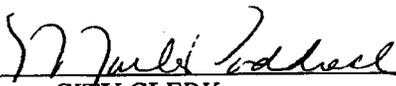
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, AS FOLLOWS:

SECTION 1. That the City Council of the City of Chandler hereby awards the Site 6 Request for Proposal to Ryan Companies, US, Inc., on the condition that Ryan Companies, US, Inc. and City of Chandler are able to negotiate a mutually acceptable development agreement and related documents consistent with the development proposal submitted by Ryan Companies US, Inc.,

SECTION 2. Further the Chandler City Council authorizes staff to negotiate the terms of a mutually acceptable development agreement and related documents consistent with the Site 6 Request for Proposal development proposal submitted by Ryan Companies US, Inc., and to present the negotiated development agreement and related documents to the City Council of the City of Chandler for consideration and possible action on or before the last regularly scheduled City Council meeting in May 2015 or this award to Ryan Companies, US Inc., for the Site 6 Request for Proposals will terminate automatically without further action of the City Council.

PASSED AND ADOPTED by the Mayor and City Council of the City of Chandler, Arizona, this 14th day of August 2014.

ATTEST:


CITY CLERK




MAYOR

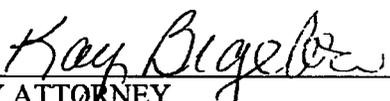
CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Resolution No. 4795 was duly passed and adopted by the City Council of the City of Chandler, Arizona, at a regular meeting held on the 14th day of August 2014, and that a quorum was present thereat.



CITY CLERK

APPROVED AS TO FORM:



CITY ATTORNEY

RESOLUTION NO. 4867

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, EXTENDING THE AWARD OF THE SITE 6 REQUEST FOR PROPOSAL LOCATED AT THE NORTHWEST CORNER OF FRYE ROAD AND ARIZONA AVENUE TO RYAN COMPANIES US, INC.

WHEREAS, the City issued a request for proposals to solicit proposals for development of Site 6, an approximately 4.25 acre site located in the City's Downtown; and

WHEREAS, Ryan Companies US, Inc., submitted a response to the request for proposal; and

WHEREAS, the City determined Ryan Companies US, Inc., was qualified and capable of acting as the Master Developer for Site 6 in a manner that will facilitate the redevelopment and revitalization of Downtown Chandler and benefit the citizens of Chandler.

WHEREAS, the City had previously awarded, through Resolution No. 4795, the Request for Proposal ("RFP") to Ryan Companies US Inc., which will expire on May 28, 2015.

WHEREAS, the negotiation of the terms and conditions of a development agreement between City and Ryan Companies US, Inc. while positive and on-going, has not resulted in a completed development agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, AS FOLLOWS:

SECTION 1. That the City Council of the City of Chandler hereby extends the award of the Site 6 RFP to Ryan Companies, US, Inc., on the condition that Ryan Companies, US, Inc. and City of Chandler are able to negotiate a mutually acceptable development agreement and related documents consistent with the development proposal submitted by Ryan Companies US, Inc.

SECTION 2. Further the Chandler City Council authorizes staff to continue to negotiate the terms of a mutually acceptable development agreement and related documents consistent with the Ryan Companies US, Inc. development proposal and to present the negotiated development agreement and related documents to the City Council of the City of Chandler for consideration and possible action on or before October 22, 2015 or this award to Ryan Companies, US Inc., for the Site 6 RFP will terminate automatically without further action of the City Council.

PASSED AND ADOPTED by the City Council of the City of Chandler, Arizona, this

____ day of May, 2015.

ATTEST:

CITY CLERK

MAYOR

APPROVED AS TO FORM:

Chandler City Attorney (*kb*)

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Resolution No. 4867 was duly passed and adopted by the City Council of the City of Chandler, Arizona, at a regular meeting held on the ____ day of May, 2015, and that a quorum was present thereat.

CITY CLERK