

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE CITY MANAGER TO ENTER INTO A DEVELOPMENT AGREEMENT, GROUND AND AIR LEASE, AND LICENSE AGREEMENT WITH 3W MANAGEMENT, LLC, FOR THE DEVELOPMENT OF COMMERCIAL, RESIDENTIAL, AND PUBLIC IMPROVEMENTS ON CITY-OWNED PROPERTY GENERALLY LOCATED AT THE SOUTHWEST CORNER OF MAIN STREET AND SOUTH POMEROY AND 34 SOUTH POMEROY AND GRANTING OPTION RIGHTS TO ALLOW FOR THE SALE OF CERTAIN CITY-OWNED REAL PROPERTY AND AIR-RIGHTS THAT ARE PART OF THE DEVELOPMENT.

WHEREAS, 3W Management, LLC., an Arizona limited liability company (and its permitted assigns) (“Developer”) desires to construct certain commercial, residential, and public improvements on City-owned property (the “Project”) generally located at the southwest corner of Main Street and South Pomeroy and 34 South Pomeroy (the “Premises”); all of which is more fully described and depicted in the Development Agreement.

WHEREAS, the Project will enhance the economic welfare for the inhabitant of the City of Mesa by, but not limited to, (i) providing for planned and orderly development of the Project and Premises consistent with the City's General Plan and Zoning; (ii) increasing tax revenues to City arising from or relating to the improvements to be constructed on the Premises; (iii) creating new jobs and otherwise enhancing the economic welfare of the residents of City; (iv) providing a new residential area in City’s downtown; (v) providing certain new public infrastructure to benefit City and its residents; (vi) providing a vibrant, new commercial/retail/restaurant area in City’s downtown to benefit the City’s residents; and (vii) otherwise advancing the redevelopment goals of City.

WHEREAS, for the Project, City and Developer need to, and desire to, enter into a Development Agreement, Ground and Air Lease, License Agreement, and other agreements and amendments as contemplated therein.

WHEREAS, The Project includes the Premises as depicted in the attached Exhibit A, and the Ground and Air Lease is for the lease of real property as depicted on Exhibit A as “Land,” “Pomeroy Parcel,” and “ROW”; and the lease of air rights above the Pomeroy Garage as depicted on Exhibit A as “Air Rights” (collectively, the “Premises”).

WHEREAS, the Ground and Air Lease also grants to Developer an option to purchase the Premises (at fair market value) subject to terms and conditions as provided therein (the “Option”).

WHEREAS, the License Agreement is to license certain portions of the Pomeroy Garage generally for parking and improvements to the garage to facilitate the Project and an adjacent area for trash/sanitation to facilitate the Project; the License Area is depicted in the attached Exhibit B.

WHEREAS, the City Council hereby determines and finds that the Project will assist in the creation of jobs and will otherwise improve and enhance the economic welfare of the inhabitants of the City of Mesa in accordance with A.R.S. § 9-500.11.

WHEREAS, the City Council hereby determines it is appropriate to enter into a Development Agreement, Ground and Air Lease, License Agreement, and other agreements and amendments as contemplated therein, and to grant the Option to convey the Premises.

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

Section 1: The City Council approves the Development Agreement, Ground and Air Lease, License Agreement, and authorizes the other agreements and amendments as contemplated therein, and approves the Option to convey the Premises and authorizes the execution of future documents and agreements as necessary to carry out the provisions of the Option (all the foregoing, collectively, the “Project Documents”). The City Manager, or his designee, is authorized to execute the Project Documents. Additionally, the City Manager may agree to, and enter into, amendments and modifications to the Project Documents as necessary to carry out the intent of the Project Documents or that are necessary to facilitate the development of the Project and do not materially alter the terms of the Project Documents.

Section 2: That the City Clerk is authorized and directed to attest to the signature of the City Manager, or his designee, on all such documents.

PASSED AND ADOPTED by the Council of the City of Mesa, Maricopa County, Arizona this 20<sup>th</sup> day of November, 2017.

APPROVED:

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Mayor

ATTEST:

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City Clerk