

**CITY OF PEORIA, ARIZONA
CITY MANAGER REPORT**

RCM #: 3d

Date Prepared: October 1, 2008

Council Meeting Date: October 7, 2008

TO: Mayor and Council

FROM: Katie Gregory, Development Agreement Coordinator (KLG)

THROUGH: Carl Swenson, City Manager

SUBJECT: Peoria Place 100, LLC Development Agreement

SUMMARY:

The City and Peoria Place 100, LLC, entered into a Development Agreement dated December 22, 2006 (LCON12906) for development of the property located at the south east corner of 83rd Avenue and Monroe Street. The Development Agreement included specific performance requirements related to the following activities:

1. Dedication of the required rights-of-way for Cotton Crossing and 79th Avenue from Olive Avenue to Cotton Crossing
2. Commencement of construction on Cotton Crossing to no later than July 1, 2008.
3. Completion of Cotton Crossing and 79th Avenue no later than July 1, 2009.

This past June, the developer requested that City staff administratively adjust the required time frames of the Development Agreement. At the time, the Developer had made significant progress in the design of Cotton Crossing and was working diligently with the Engineering Department to finalize design plans and execute the formal bid process. City staff granted a 60 day extension to the date requirements and proceeded to work collaboratively with the Developer to attain final plan approval.

In exchange for the extension, staff was able to negotiate a staging area for the Court Expansion Project for a term of two years.

In mid-September, it became clear that the requirements of the public bid process would delay construction commencement past the 60 day extension. The Developer again requested an administrative adjustment to the timeframes to accommodate these process requirements. The new proposed timeline for this project is as follows:

Bid advertisement	Sept. 25 and Oct. 02
Award of contract	Oct. 23
Execution of contract	Oct. 30

Commence construction

Nov. 13

City staff met with the developer to and agreed to an administrative adjustment to commence construction no later than November 30, 2008. However, the city requested, and the developer agreed, to begin a number of non-Title 34 activities, namely clearing and grubbing and survey work on the site prior to October 24, 2008.

Assuming construction is commenced no later than November 30, 2008; the Cotton Crossing and 79th Avenue roadways must be complete no later than November 15, 2009.