



City of Maricopa

Legislation Text

File #: CON 15-14, **Version:** 1

The Mayor and City Council shall discuss and possibly take action on approval of a one-year extension of the Master Planning and Marketing Agreement with The Boyer Company L.C. for the planning, design, marketing, disposition and future development of land within the Estrella Gin Business Park for light industrial, flex and office space purposes. Discussion and Action.

On May 20, 2014, City Council approved a Master Planning and Marketing Agreement with The Boyer Company L.C. for the planning, design, marketing, disposition and future development of land within the City-owned Estrella Gin Business Park site. The agreement was executed on June 25, 2014. Since that time, Boyer has proceeded to fulfill the requirements of the agreement by developing a conceptual master plan, conceptual building designs, and marketing materials. Boyer is now marketing the site for lease and build-to-suit opportunities, and has retained brokerage firm DTZ (formerly known as Cassidy Turley) to assist in securing tenants. Boyer is working to obtain pre-leasing commitments so it can develop the first phase of the project which, per the agreement, is a building of at least 36,000 square feet. The initial term of the City's agreement with Boyer is for one year and is set to expire on June 24, 2015. This term can be extended for one additional year upon mutual agreement of the parties. Boyer wishes to extend the term for one year beginning on June 25, 2015, so it can continue marketing the site, securing tenants and progress to negotiating a disposition and development agreement with the City and starting construction.

Master Planning and Marketing Agreement Summary:

Boyer agrees to provide a conceptual master plan, conceptual building designs, draft Covenants, Conditions and Restrictions and marketing services to potential building tenants for the Estrella Gin Business Park. In exchange for the services noted above and provided Boyer has obtained pre-leasing commitments for at least sixty percent (60%) of a building that is at least 36,000 square feet to be located on the premises, or a lesser percentage agreed upon by Boyer and City, during the term of this Agreement, Boyer shall have the right, in the City's sole discretion, to either purchase the premises or lease the premises with an option to purchase the premises in the future. Once Boyer has obtained the minimum pre-leasing commitments, Boyer shall notify City of its intent to begin construction and its desire to lease or purchase the premises. Upon receipt of notice from Boyer, City and Boyer will begin negotiating a Disposition and Development Agreement ("DDA") for the sale or lease and development of the premises.

Estrella Gin Business Park Site Background Information:

The Estrella Gin Business Park site is an approximately 52-acre, City-owned parcel located just west of the intersection of Edison Road and Roosevelt Avenue. Planned to be developed through a public-private partnership, it is the City's leading project to spur local economic growth. The goal for the business park is to provide employment opportunities for local residents by allowing expanding businesses to remain in the community and facilitating the relocation of industry to Maricopa. Approximately 40 acres will be available for commercial development, anticipated to include a mix of industrial, office and flex space. Fire Station 575 is already located on two acres at the south end of the site, a Public Works/Fire/Fleet Maintenance facility is under development, and land has been set aside for the potential relocation of the existing Amtrak station to the site. The City has also reserved funds in its CIP budget and secured grant funding to extend Edison Road through the site to State Route 238. The road extension is in the design phase with construction expected to start in summer 2015 and be completed in early 2016.

Staff recommends the Mayor and Council approve a one-year extension of the Master Planning and Marketing Agreement with The Boyer Company L.C.

