

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE CITY MANAGER TO ENTER INTO FIRST AMENDMENTS TO THE DEVELOPMENT AGREEMENT, GROUND AND AIR LEASE, AND LICENSE AGREEMENT WITH 3W MANAGEMENT, LLC, FOR THE DEVELOPMENT (WHICH IS COMMONLY KNOWN AS THE GRID) ON CITY-OWNED PROPERTY GENERALLY LOCATED AT THE SOUTHWEST CORNER OF MAIN STREET AND SOUTH POMEROY AND 34 SOUTH POMEROY.

Whereas, the City and 3W Development Management, LLC, (“Developer”) entered into that certain Development Agreement dated December 7, 2017, and recorded in the Maricopa County Recorder’s Office as Recording No. 20170915520 (the “Development Agreement”). The Development Agreement is for a mixed-use commercial and residential development that includes a minimum of 18,000 rentable square feet of commercial, retail/restaurant or office space; 180,000 square feet of apartment space; 24,200 square feet of row homes; certain described parking garage improvements; and certain required public improvements; all of which are collectively described and defined as the “Project” in the Development Agreement.

Whereas, as set forth in the Development Agreement, upon the completion of certain conditions precedent, Developer (or it’s permitted assignee) and City are to enter into a Ground and Air Lease (the “Lease”), which is Exhibit P to the Development Agreement and are to enter into a License Agreement (the “License”), which is Exhibit B to the Lease.

Whereas, Developer (or its permitted assignee) desires to attract and retain an anchor tenant in the Project that provides collaborative co-working spaces and to encourage entrepreneurial endeavors (particularly emphasizing technology and innovation) the “Targeted Subtenant.”

Whereas, Developer (or its permitted assignee) intends to enter into a sublease of not less than ten (10) years with the Targeted Subtenant for approximately 13,000 square feet of space within the Project.

Whereas, the City is willing to provide certain economic development credits and permit reimbursements subject to certain terms and conditions including job and business creation and increased educational opportunities (such as coding, programming and related business technology classes) all as set forth in the First Amendment to Development Agreement, First Amendment to Lease, and First Amendment to License.

Whereas, the City desires to encourage and promote employment and education to create jobs, attract employers, stimulate economic activity, and improve the economic opportunities for the residents of Mesa; accordingly, the City Council hereby determines and finds that bringing and retaining the Targeted Subtenant to 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 these First Amendments and other agreements and amendments as contemplated therein.

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 First Amendment to Development Agreement, First Amendment to Lease, First Amendment to License and authorizes any other agreements or amendments as contemplated therein (all the foregoing, collectively, the “First Amendments”). The City Manager, or his designee, is authorized to execute the First Amendments. Additionally, the City Manager may agree to, and enter into, modifications to the First Amendments as necessary to carry out the intent of the parties or that are necessary to facilitate the development of the Project as contemplated and do not materially alter the terms of the agreements.

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 5th day of February, 2018.

APPROVED:

Mayor

ATTEST:

City Clerk