

RESOLUTION NO. 9988

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESA, MARICOPA COUNTY, ARIZONA, DECLARING AN AGREEMENT BETWEEN THE CITY AND THE MESA HOUSING ASSOCIATES, LLC TO PROVIDE PRELIMINARY CITY SITE CONTROL FOR CITY-OWNED PROPERTY IN DOWNTOWN MESA.

WHEREAS, the Mesa Housing Associates submitted a proposal to the Mesa City Council related to building a residential development in Downtown Mesa to replace the existing parking lot east of Mesa City Plaza, located at 20 East Main Street;

WHEREAS, in an effort to compete for housing tax credit financing and to meet a deadline dictated by the Arizona State Housing Department, Mesa Housing Associates, LLC requires Mesa Housing Associates to enter into a purchase agreement, lease agreement or purchase option with the government property owner (City of Mesa) to indicate preliminary site control;

WHEREAS, if this residential development is approved by the Arizona Housing Department, the City is also in agreement to continue to negotiate other possible City participation, such as a negotiated lease rate and long-term lease, expedited processing and other funding;

WHEREAS, the Mesa City Council has directed the creation of this resolution because final site control and decisions related to other City participation or the lease/sale of government property are contingent on: 1) Mesa Housing Associates, LLC's successful completion of their financing plan; and 2) Mesa Housing Associates, LLC's successful negotiation with and receipt of City formal approval of a site plan, development agreement and terms related to the sale/lease of this City property;

WHEREAS, the process for the City of Mesa's decision-making is an open, public process required by Arizona State and local laws, and as such, the City of Mesa agrees to provide expedited administrative reviews for entitlements and to work within the public, open meeting structure to attempt to meet the deadlines required by the Arizona Department of Housing for the retention of tax credit financing;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESA, ARIZONA as follows:

Section 1. That the Mesa City Council hereby approves this Agreement of Preliminary Site Control with Mesa Housing Associates, LLC for the possible residential development of a City-owned parking lot, parcels 138-37-001A and 138-37-006A ("The Property"), located east of Mesa City Plaza at 20 E. Main Street, Mesa, AZ 85211. The City of Mesa agrees to lease the land with terms and conditions to be outlined in a Development Agreement and will record the lease in accordance with the 2012 QAP. The City further agrees to assist Mesa Housing Associates in securing support in accordance to section 2.7(j) of the ADOH 2012 QAP. This preliminary site control is contingent on Mesa Housing Associates obtaining a tax credit allocation from the Arizona Department of Housing; obtaining City and/or City Council reviews and approvals of site plans, sale or lease of the Property from City to Mesa Housing Associates, and a development agreement consistent with ARS Section 9-500.05.

Section 2: That the City Manager, Christopher J. Brady, or his designated representative, is authorized to seek appropriate City Council or Board approvals, and is directed to execute all documents necessary to carry out the intent of this Resolution and attached letter of support; and the City Clerk, Linda Crocker, or her designated representative is authorized and directed to attest to the signature of the City Manager or his authorized designated representative on such documents.

Section 3: The City Manager, Christopher J. Brady, or his designated representative is further authorized to approve minor, administrative, technical, procedural and non-material modifications to all documents necessary to carry out this Resolution and the related letter of support, as needed.

PASSED AND ADOPTED by the City Council of the City of Mesa, Maricopa County, Arizona, this 27th day of February, 2012.

APPROVED:



Mayor

ATTEST:



City Clerk





February 27, 2012

Ms. Ruby Dhillon
Rental Programs Administrator
Arizona Department of Housing
1110 W. Washington Street, Suite 310
Phoenix, AZ 85007

RE: Mesa Housing Associates, LLC

Dear Ms. Dhillon:

This letter is to confirm that the City of Mesa and the Mesa Housing Associates, LLC have an agreement to allow the Mesa Housing Associates, LLC to enter into a purchase agreement, lease agreement or purchase option have preliminary site control, per Resolution No. 9988, of the City's east parking lot, which is directly east of Mesa City Plaza at 20 E. Main Street.

It is our understanding that providing this agreement and resolution of preliminary site control will enable this team to complete their application in compliance with the Arizona State Department of Housing 2012 Qualified Allocation Plan and to compete for housing tax credit financing. If approved for this financing, Mesa believes this project can fit with the City Council's strategic initiatives in creating additional residential living environments near the planned light rail alignment. This preliminary site control is granted with the complete understanding and agreement between the City of Mesa and Mesa Housing Associates, LLC that final site control will be conditioned upon the following: 1) Mesa Housing Associates, LLC's successful completion of their financing plan; and 2) Mesa Housing Associates, LLC's successful negotiation with and receipt of City formal approval of a site plan, development agreement and terms related to the sale/lease of this City property.

In addition to site control, Mesa Housing Associates, LLC has requested City participation which could be related to lease rates, expedited entitlement processes, and other possible funding. The City of Mesa is willing to consider requests for City financial and other participation, again with the complete understanding and agreement between the City and Mesa Housing Associates, LLC that these decisions are contingent on the terms being further defined, negotiated and ultimately approved by the Mesa City Council. In addition, while the City of Mesa will provide administrative expedited reviews and strive to meet the timelines required by the State, the City must also meet all public process, meeting and open meeting law requirements.

Sincerely,

A handwritten signature in black ink, appearing to read "Natalie N. Lewis".

Natalie N. Lewis
Asst. to City Manager

c: Mesa Mayor and City Council, City Manager's Office, Mesa Housing Associates, LLC

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City of Mesa, AZ 20 East Main Street, Mesa, Arizona 85211