

RESOLUTION NO. 2021-2174

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF GOODYEAR, MARICOPA COUNTY, ARIZONA, AUTHORIZING THE CITY MANAGER OR HER DESIGNEE TO EXECUTE A TEN-YEAR LEASE AGREEMENT AND ASSOCIATED DOCUMENTS FOR THE LEASE OF A PORTION OF BUILDING A OF THE GOODYEAR MUNICIPAL COMPLEX TO FRANKLIN PIERCE UNIVERSITY; AUTHORIZING THE CITY MANAGER TO EXECUTE A MUTUAL TERMINATION OF THE EXISTING LEASE AGREEMENT; AUTHORIZING AND DIRECTING THE CITY MANAGER TO APPROVE THE REQUIRED BUDGET TRANSFERS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City owns the Goodyear Municipal Complex located at 14455 W. Van Buren Street, Goodyear Arizona. This facility currently houses the City's Fire Administration, Police Administration, Parks Administration, the City Library, Economic Development, Community Development Department, Engineering Department, City Court, City Prosecutor's Office and Franklin Pierce University; and

WHEREAS, in 2012 Franklin Pierce University identified Building A, of the Goodyear Municipal Complex, as their selected site for the expansion of their programs in Goodyear and the City and Franklin Pierce University entered into a 10-year sublease of approximately 14,741 square feet within Building A; and

WHEREAS, Franklin Pierce University has continuously leased the Building A location since 2012 and their existing lease is set to expire in December 2021, subject to two five-year extensions; and

WHEREAS, Franklin Pierce University has requested a new 10-year lease incorporating an additional area of approximately 3,467 square feet into the leased area for a total of approximately 18,208 square feet and a mutual termination of their existing lease; and

WHEREAS, the City and Franklin Pierce University have negotiated a new 10-year lease, with a market rental rate, which includes a tenant improvement allowance (amortized in the lease) not to exceed \$400,000, which is required to construct the tenant improvements within the expansion area and the existing lease space, along with other terms and conditions consistent with typical leasing practices and local market conditions; and

WHEREAS, the new lease provides the ability for Franklin Pierce University to terminate the lease after the end of the sixtieth (60th) month of the term of lease, subject to the prepayment of the unamortized tenant improvements with the follow exceptions:

(a). If Franklin Pierce University elects to the Early Termination defined in the lease and they enter into a new lease of a property within the City of Goodyear, for a period of not less than ten (10) years, the City of Goodyear (as "Landlord") agrees to forgive fifty percent (50%) of the cost of the unamortized costs for Tenant Improvements; or

(b). If Franklin Pierce and Landlord enter into a new lease of a property owned by Landlord for a period of not less than ten (10) years, Landlord, agrees to roll fifty percent (50%) of the unamortized costs for Tenant Improvements into the new lease and agrees to forgive fifty percent (50%) of the cost of the unamortized costs for Tenant Improvements; and

WHEREAS, in order for the City to construct the required improvements it is necessary to create new CIP project accounts and to complete a budget transfer in the amount of \$400,000 from the general fund to the CIP project accounts; and

WHEREAS, the transactions being proposed to enter into a new lease with Franklin Pierce University for undergraduate and graduate education use is in the best interest of the City.

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

SECTION 1. The City Manager is hereby authorized to execute a ten-year lease agreement and associated documents, attached hereto as Exhibit A, for the lease of a portion of Building A of the Goodyear Municipal Complex to Franklin Pierce University.

SECTION 2. The City Attorney is hereby authorized to make non-substantive changes to the lease agreement.

SECTION 3. The City Manager is hereby authorized to approve the necessary budget transfers in the total amount of \$400,000.00 to the appropriate CIP accounts.

SECTION 4. The City Manager is hereby authorized to execute a mutual termination of the existing lease with Franklin Pierce University, upon the Scheduled Term Commencement Date of the new ten-year lease.

SECTION 5. The Effective date of this Resolution shall be the approval date of this Resolution by the City Council.

PASSED AND ADOPTED by the Mayor and Council of the city of Goodyear, Maricopa County, Arizona, this _____ day of _____, 20_____.

Georgia Lord, Mayor

Date: _____

ATTEST:

APPROVED AS TO FORM:

Darcie McCracken, City Clerk

Roric Massey, City Attorney

CERTIFICATION OF RECORDING OFFICER

STATE OF ARIZONA)
) ss.
County of Maricopa)

I, the undersigned Darcie McCracken, being the duly appointed, qualified City Clerk of the city of Goodyear, Maricopa County, Arizona, certify that the foregoing Resolution No. 2021-2174 is a true, correct and accurate copy of Resolution No. 2021-2174, passed and adopted at a regular meeting of the Council of the city of Goodyear, Maricopa County, Arizona, held on the _____ day of _____, 20____, at which a quorum was present and, by a _____ vote, _____ voted in favor of said resolution.

Given under my hand and sealed this _____ day of _____, 20____.

seal

City Clerk

EXHIBIT "A"

LEASE AGREEMENT
MULTI-TENANT