

Joint Community Facilities District Meeting
Goodyear Municipal Court and Council Chambers
14455 W. Van Buren St., Suite B101
Goodyear, AZ 85338



Monday, October 4, 2021

**Immediately following the
Regular Meeting that begins
at 6:00 p.m.**

Meeting Agenda

COMMUNITY FACILITIES DISTRICTS - CITY OF GOODYEAR, ARIZONA

- 1. COMMUNITY FACILITIES GENERAL DISTRICT NO. 1**
- 2. PALM VALLEY COMMUNITY FACILITIES DISTRICT NO. 3**
- 3. COMMUNITY FACILITIES UTILITIES DISTRICT NO. 1**
- 4. WILDFLOWER RANCH COMMUNITY FACILITIES DISTRICT**
- 5. WILDFLOWER RANCH COMMUNITY FACILITIES DISTRICT NO. 2**
- 6. COTTONFLOWER COMMUNITY FACILITIES DISTRICT**
- 7. ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT**
- 8. KING RANCH COMMUNITY FACILITIES DISTRICT**
- 9. CENTERRA COMMUNITY FACILITIES DISTRICT**
- 10. CORTINA COMMUNITY FACILITIES DISTRICT**

Board members of the ten above mentioned Community Facilities Districts will attend either in person or by telephone conference call or video communications.

CALL TO ORDER

ROLL CALL

CITIZEN COMMENTS

Non-Agenda items: This is the time for citizens who would like to address the District Board on any non-agenda item within the jurisdiction of the Goodyear Community Facilities District Board. Please complete a speaker card and give it to the Secretary. Each speaker is limited to three (3) minutes. Before you begin to speak, identify yourself by clearly stating for the record your name and whether you are a Goodyear resident. The Board will listen to comments and may take any one of the following actions:

- Respond to criticism
- Request that staff investigate and report on the matter
- Request that the matter be scheduled for on a future agenda.

Agenda items: The Chairman will call for public comments as each agenda item is up for discussion. Please complete a speaker card for the Secretary, listing the agenda item on which you would like to speak. Each speaker is limited to three (3) minutes. Before you begin to speak, identify yourself by clearly stating for the record your name and whether you are a Goodyear resident.

CONSENT

The Community Facilities District Board may vote upon all matters contained within the consent agenda by a unanimous single vote of all those present at the meeting entitled to vote. Any matter may be removed from the consent agenda and considered as a singular item upon the request of any member of the District Board or any member of the public in attendance at the meeting.

1. **APPROVAL OF MINUTES**

Recommendation

Approve the draft minutes from the Joint Community Facilities District Meeting held on August 30, 2021. (Darcie McCracken, District Clerk)

2. **CONSENT TO ASSIGNMENT OF ESTRELLA AGREEMENTS**

Recommendation

Approve and authorize District Manager to execute a Consent to Assignment in the draft form attached as Exhibit 1, allowing a limited liability company that includes as its members and/or managers, Harvard Investments, Toll Brothers and Varde Partners, that will be acquiring interests of NNP III — Estrella Mountain Ranch, a Delaware Limited Liability Company, NNP III – EMR 3, LLC, a Delaware limited liability company, NNP III – EMR 4, LLC, a Delaware limited liability company, and Special AZ Properties I, LLC, an Arizona limited liability (collectively the “NNP Entities”) in real property subject to the various agreement to assume the NNP Entities rights, title, interest, in, and obligations under various agreements with the District. (Jared Askelson, Deputy Finance Director)

INFORMATION ITEMS

Comments, Commendations, Report on Current Events and Presentations by Chairman, Boardmembers, staff or members of the public. The Board may not propose, discuss, deliberate or take any legal action on the information presented pursuant to A.R.S. § 38-431.02.

ADJOURNMENT

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the District Board of the Community Facilities Districts and to the general public that the Board will hold a meeting open to the public. Public body members of the city of Goodyear will attend either in person or by telephone conference call and/or video communication.

THE CITY OF GOODYEAR ENDEAVORS TO MAKE ALL PUBLIC MEETINGS ACCESSIBLE TO PERSONS WITH DISABILITIES. With 48-hour advance notice, special assistance can be provided for sight and/or hearing-impaired persons at this meeting. Reasonable accommodations will be made upon request for persons with disabilities or non-English speaking residents. Please call the City Clerk (623) 882-7830 or Arizona Relay (TDD) 7-1-1 to request an accommodation to participate in this public meeting.

LA CIUDAD DE GOODYEAR PROCURA HACER TODA JUNTA PUBLICA ACCESIBLE A PERSONAS CON DISCAPACIDADES. Con un aviso de 48 horas por adelantado se puede proveer asistencia especial a personas con discapacidades visuales o auditivas durante la junta. Se harán adaptaciones razonables con previa solicitud para personas con discapacidades o para residentes que no hablan inglés. Favor de llamar a la Secretaria Municipal al (623) 882-7830 o Retransmisión de Arizona (TDD) 7-1-1 para solicitar

adaptaciones para participar en la junta pública.

POSTING VERIFICATION

This agenda was posted on 09/30/2021 at 4:55 p.m. by vm.

ITEM #: 1.
DATE: 10/04/2021
AI #:508



APPROVAL OF MINUTES

SUBJECT

APPROVAL OF MINUTES

Recommendation

Approve the draft minutes from the Joint Community Facilities District Meeting held on August 30, 2021. (Darcie McCracken, District Clerk)

Attachments

August 30, 2021 Draft CFD Meeting Minutes

Community Facilities District

Goodyear Municipal Court and Council Chambers
14455 W. Van Buren St., Suite B101
Goodyear, AZ 85338

**Monday, August 30, 2021****6:00 p.m.****Meeting Minutes****COMMUNITY FACILITIES DISTRICTS - CITY OF GOODYEAR, ARIZONA**

1. COMMUNITY FACILITIES GENERAL DISTRICT NO. 1
2. PALM VALLEY COMMUNITY FACILITIES DISTRICT NO. 3
3. COMMUNITY FACILITIES UTILITIES DISTRICT NO. 1
4. WILDFLOWER RANCH COMMUNITY FACILITIES DISTRICT
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8. KING RANCH COMMUNITY FACILITIES DISTRICT
9. CENTERRA COMMUNITY FACILITIES DISTRICT
10. CORTINA COMMUNITY FACILITIES DISTRICT

Board members of the ten above mentioned Community Facilities Districts will attend either in person or by telephone conference call or video communications.

CALL TO ORDER

Chairman Lord called the Community Facilities District Meeting to order at 5:55 p.m.

ROLL CALL

Present: Chairman Georgia Lord; Vice Chairman Brannon Hampton; Board Member Joe Pizzillo; Board Member Sheri Lauritano; Board Member Wally Campbell; Board Member Bill Stipp; Board Member Laura Kaino

Staff District Manager Julie Karins; District Clerk Darcie McCracken

Present:

CITIZEN COMMENTS

There were no citizen comments.

CONSENT

MOTION BY Board Member Wally Campbell, **SECONDED BY** Vice Chairman Brannon Hampton to APPROVE Item 1 on the Consent Agenda. The motion carried as follows:

AYE: Chairman Georgia Lord, Vice Chairman Brannon Hampton, Board Member Joe Pizzillo, Board Member Sheri Lauritano, Board Member Wally Campbell, Board Member Bill Stipp, Board Member Laura Kaino

Passed - Unanimously

1. **APPROVAL OF MINUTES**

Recommendation

Approve draft minutes from a Community Facilities District Meeting held on June 21, 2021, and August 23, 2021. (Darcie McCracken, City Clerk)

PUBLIC HEARINGS

2. **HEARING FOR THE FINAL ASSESSMENT FOR THE MONTECITO #3 ASSESSMENT DISTRICT WITHIN THE ESTRELLA MOUNTAIN RANCH CFD**

Chairman Lord opened the public hearing at 5:57 p.m.

Deputy Finance Director Jared Askelson presented information on the final assessment for the Montecito #3 Assessment District within the Estrella Mountain Ranch CFD. He reviewed the location of the assessment district stating that there were 73 single family lots on 27 acres and it is the seventh district within Estrella Mountain Ranch. He reviewed the project along Calistoga Drive, west of 184th Lane. He added that it was 1,401 linear feet and the work was completed in January of 2019. Mr. Askelson reviewed the financing plan with a total amount of \$778,000 with the developer contributing \$180,000 leaving \$598,000 on the bond proceeds.

Mr. Askelson added that the district engineer had determined that the work has been completed, it benefits the district and the assessments are in proportion to the benefit. He reviewed the actions needed at this meeting and stated this presentation covered the other items on the agenda.

There being no additional comments, Chairman Lord closed the public hearing at 6:00 p.m.

BUSINESS

3. **EMRCFD MONTECITO #3 ASSESSMENT DISTRICT ORDERING THE COLLECTION OF ASSESSMENT**

Council asked if the lots were occupied and if the notification referenced in the presentation was the notification to the buyers. Deputy Finance Director Jared Askelson responded that the lots were not occupied and the disclosure referenced in the presentation was a report produced for the CFD and separate from the notice to buyers. He clarified that the disclosure to buyers of the homes would still be mandatory.

MOTION BY Board Member Laura Kaino, **SECONDED BY** Board Member Joe Pizzillo **to ADOPT RESOLUTION NO. EMRCFD RES 2021-144, APPROVING THE ASSESSMENT AND THE PROCEEDINGS HERETOFORE HAD AND TAKEN FOR THE ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT (CITY OF GOODYEAR, ARIZONA) MONTECITO ASSESSMENT DISTRICT NO. 3; DETERMINING THE WORK HAS BEEN COMPLETED IN ACCORDANCE WITH THE PLANS AND SPECIFICATIONS; AND ORDERING THE COLLECTION OF THE AMOUNT ASSESSED.** The motion carried as follows:

AYE: Chairman Georgia Lord, Vice Chairman Brannon Hampton, Board Member Joe Pizzillo, Board Member Sheri Lauritano, Board Member Wally Campbell, Board Member Bill Stipp, Board Member Laura Kaino

Passed - Unanimously

4. **EMRCFD MONTECITO #3 ASSESSMENT DISTRICT BOND ISSUANCE**

MOTION BY Board Member Bill Stipp, **SECONDED BY** Board Member Joe Pizzillo **to ADOPT RESOLUTION NO. EMRCFD RES 2021-145, AUTHORIZING THE ISSUANCE OF ITS MONTECITO ASSESSMENT DISTRICT NO. 3 SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2021, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$598,000; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND REGISTRAR, TRANSFER AGENT AND PAYING AGENT CONTRACT, A PURCHASE CONTRACT RELATING TO THE BONDS, A CONTINUING DISCLOSURE UNDERTAKING, AND CERTAIN OTHER DOCUMENTS SECURING THE PAYMENT OF OR RELATING TO THE BONDS; RATIFYING AND APPROVING A PRELIMINARY OFFICIAL STATEMENT RELATING TO THE BONDS; APPROVING A FINAL OFFICIAL STATEMENT RELATING TO THE BONDS; AWARDING THE BONDS TO THE PURCHASER THEREOF; APPOINTING A REGISTRAR, TRANSFER AGENT AND PAYING AGENT FOR THE BONDS; AND TAKING OTHER ACTIONS SECURING THE PAYMENT OF AND RELATING TO THE BONDS.** The motion carried as follows:

AYE: Chairman Georgia Lord, Vice Chairman Brannon Hampton, Board Member Joe Pizzillo, Board Member Sheri Lauritano, Board Member Wally Campbell, Board Member Bill Stipp, Board Member Laura Kaino

Passed - Unanimously

ADJOURNMENT

There being no further business to discuss, Mayor Lord adjourned the CFD Meeting at 6:05 p.m.

Darcie McCracken, District Clerk

Georgia Lord, District Chairman

Date:_____

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the COMMUNITY FACILITIES DISTRICT MEETING of the city of Goodyear, Arizona, held on August 30, 2021. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this ____ day of _____, 2021.

Darcie McCracken, District Clerk

ITEM #: 2.
DATE: 10/04/2021
AI #:510



COMMUNITY FACILITIES DISTRICT REPORT

SUBJECT: CONSENT TO ASSIGNMENT OF ESTRELLA AGREEMENTS

STAFF PRESENTER(S): Jared Askelson, Deputy Finance Director

SUMMARY

Approve and authorize execution of Consent to Assignment of various agreements related to development within Estrella (formerly known as Estrella Mountain Ranch).

Recommendation

Approve and authorize District Manager to execute a Consent to Assignment in the draft form attached as Exhibit 1, allowing a limited liability company that includes as its members and/or managers, Harvard Investments, Toll Brothers and Varde Partners, that will be acquiring interests of NNP III — Estrella Mountain Ranch, a Delaware Limited Liability Company, NNP III – EMR 3, LLC, a Delaware limited liability company, NNP III – EMR 4, LLC, a Delaware limited liability company, and Special AZ Properties I, LLC, an Arizona limited liability (collectively the “NNP Entities”) in real property subject to the various agreement to assume the NNP Entities rights, title, interest, in, and obligations under various agreements with the District. (Jared Askelson, Deputy Finance Director)

FISCAL IMPACT

There will be no fiscal impact as a result of the assignment. The assignment will modify the parties entitled to the rights and interests and responsible for the obligations and liabilities under the various agreements.

BACKGROUND AND PREVIOUS ACTIONS

NNP III — Estrella Mountain Ranch, a Delaware Limited Liability Company, NNP III – EMR 3, LLC, a Delaware limited liability company, NNP III – EMR 4, LLC, a Delaware limited liability company, and Special AZ Properties I, LLC, an Arizona limited liability (collectively the “NNP Entities”) are currently parties to individually or collectively to a number of agreements with the District related to the development of a master planned community known as Estrella (formerly known as Estrella Mountain Ranch).

STAFF ANALYSIS

The NNP Entities are in the process of selling certain property located within Estrella to a limited liability company that has yet to be formed, but that will include as members and/or managers the following entities: Harvard Investments, which has served as a master developer of planned communities in Arizona similar in character as Estrella; Toll Brothers, which is a national home builder and developer; and Varde Partners, which is a global investment advisor. (The entity to be formed as described above is referred to as the “Newly Formed Entity.”) The NNP Entities are asking the District to consent to the assignment by the NNP Entities of their respective rights, title, interest in, and obligations under the agreements itemized in Exhibit 1, to the Newly Formed Entity’s upon the Newly Formed Entity’s acquisition of the property that is subject to such agreements. The execution of the consent will have

the effect of releasing the NNP Entities from liability under these agreements with respect to the property that is acquired by the Newly Formed Entity.

Although the newly formed entity referred to above will be formed prior to closing, the only board meeting before the closing is the meeting on October 4, 2021. Accordingly, staff is asking the District to authorize the District Manager to execute a consent to assignment substantially in the form attached hereto as Exhibit 1 upon the formation of the Newly Formed Entity as described above. Based on communications with parties involved in the acquisition, the District will likely benefit from the assignment because the Newly Formed Entity is planning on the continued development of Estrella.

Attachments

DRAFT Form of Consent

Form of CFD Consent to Assignment

Consent to Assignment

The undersigned, being the District Manager of the Estrella Mountain Ranch Community Facilities District, an Arizona municipal corporation (the "District"), in the City of Goodyear, Arizona, as authorized by the District Board, hereby consents to the assignment by NNP III-Estrella Mountain Ranch, a Delaware limited liability company, NNP III-EMR 3, LLC, a Delaware limited liability company, NNP III-EMR 4, LLC, a Delaware limited liability company, and Special AZ Properties I, LLC, an Arizona limited liability company (collectively, the "NNP Entities") of their respective rights, title, interest in, and obligations under the following agreements with respect to any property subject to this such agreement that is acquired by _____ ("Assignee"). The NNP Entities will remain liable for all obligations under these agreements with respect to any property covered by such agreements until the property subject to such agreements has been acquired by Assignee. This consent, in no way modifies the terms of any of the following agreements, and each agreement continues to run with the land and bind all future successors in interest to title to any or all of the real property subject to the following agreements:

1. Development, Financing Participation and Intergovernmental Agreement No. 1, dated 08/01/00, recorded at 2000-0635059.
 - 1st Amendment, recorded at 2019-0076277
 - Any Reports or other approvals in favor of the NNP Entities in connection with any property acquired by Assignee pursuant to the foregoing referenced documents.
2. Any Agreement between the NNP Entities and the City of Goodyear (or the District) related to or arising from the property acquired by Assignee to the extent of any rights set forth therein related to the District or the right to reimbursement or payments from Bonds issued by the District.