



REQUEST FOR CITY COUNCIL ACTION

MEETING DATE: April 20, 2016

DEPARTMENT: Finance

DIVISION: Administration

- ☐ Motion
- ☒ Resolution
- ☐ Ordinance - Introduction
- ☐ Ordinance - Adoption
- ☐ Public Hearing

TITLE:

Amendment: Modification of Assessment Nos. 1.1 and 1.2 of Improvement District No. 68

SUMMARY RECOMMENDATION:

Approve Petition for Modification of Assessment Numbers 1.1 and 1.2 for City of Yuma, Arizona Improvement District No. 68.

REPORT:

In 2006, the City Council created Improvement District No. 68 to fund public improvements adjacent to the construction of the Las Palmillas Shopping Center and Rio Vista Commerce Center. Yuma Land Company, LLC, the developer of the shopping center and commerce center, agreed with the City to construct infrastructure improvements including the extension of Castle Dome Avenue to 8th Street and intersection construction thereon.

As part of the improvement district, the City issued bonds to finance the construction of these public improvements. Tied to the improvement district, bond principal and interest payments are the responsibility of the land owner and the City holds a lien on the property of the district until the bonds are retired. During the life of the bonds, the lien stays with the property whenever parcels within the district are sold.

When the district was created in 2006, the developer had subdivided the land into a southern section for the Las Palmillas Shopping Center and a northern section to accommodate the commerce center. The intent of the developer was to further subdivide the northern section of the district as sales dictated. The recession halted these plans temporarily.

In 2008, the City Council approved a first modification of District No. 68 to split the northern parcel of the commerce center into eleven lots, one of which was sold to a national insurance company for a call center. A modification of this type allows the district to recognize officially the new parcel structure of the district and to allocate the remaining cost of the debt to the parcels of the revised district. This subdivision created eight smaller lots in their final configuration and three large parcels that were planned for further subdivision in the future.

In 2014, the developer further subdivided portions of two of the large lots creating six final parcels and leaving three larger lots to be divided in the future. The southerly-most parcel of this subdivision now houses the new Hobby Lobby store.

During this time, the developer has continued to pay the bond principal and interest as it becomes due on the unsold parcels. Lagging behind these changes has been the necessary revision to District No. 68 to realign the district with the actual configuration of the parcels within the district. The proposed resolution is the final step to document the second modification of Improvement District No. 68.

FISCAL REQUIREMENTS	CITY FUNDS:	\$0.00	BUDGETED:	\$0.00
	STATE FUNDS:	\$0.00	AVAILABLE TO TRANSFER:	\$0.00
	FEDERAL FUNDS:	\$0.00	IN CONTINGENCY:	\$0.00
	OTHER SOURCES:	\$0.00 \$0.00 \$0.00	FUNDING FOR THIS ITEM IS FOUND IN THE FOLLOWING ACCOUNT / FUND / CIP:	
	TOTAL:	\$0.00		
	FISCAL IMPACT STATEMENT: There is no fiscal impact on the City for the modification of the district.			
ADDITIONAL INFORMATION	SUPPORTING INFORMATION NOT ATTACHED TO THE CITY COUNCIL ACTION FORM THAT IS ON FILE IN THE OFFICE OF THE CITY CLERK: 1. 2. 3. 4. 5.			
	IF CITY COUNCIL ACTION INCLUDES A CONTRACT, LEASE OR AGREEMENT, WHO WILL BE RESPONSIBLE FOR ROUTING THE DOCUMENT FOR SIGNATURE AFTER CITY COUNCIL APPROVAL? <input type="radio"/> Department <input checked="" type="radio"/> City Clerk's Office <input checked="" type="checkbox"/> Document to be recorded			
SIGNATURES	CITY ADMINISTRATOR:		DATE:	
	Gregory K. Wilkinson		4/12/2016	
	REVIEWED BY CITY ATTORNEY:		DATE:	
	Richard W. Files for Steven W. Moore		4/11/2016	
	RECOMMENDED BY (DEPT/DIV HEAD):		DATE:	
Pat Wicks		4/4/2016		
WRITTEN/SUBMITTED BY:		DATE:		