

Tempe City Council

Harry E. Mitchell Government Center
Tempe City Hall – City Council Chambers
31 East Fifth Street, Tempe, Arizona
Virtual meeting option also available
Thursday, June 2, 2022 - 2:00 PM



REVISED

CITY COUNCIL SPECIAL MEETING AGENDA

Members of the City Council may attend virtually or by electronic means.

Visit www.tempe.gov/CouncilMeetingInfo for public viewing and attendance information.

Members of the public who attend the meeting physically are strongly encouraged to wear masks. Alternatively, members of the public may attend the meeting virtually through Cisco Webex Events by visiting www.tempe.gov/CouncilMeetingInfo for more information. Council meetings can also be watched in real time via Cox Cable Channel 11 and at www.tempe.gov/tempe11.

Conflict of Interest: Councilmembers who may have a conflict of interest may abstain from voting on a matter and the City Clerk will provide the Councilmembers with a [disclosure form](#).

1. **CALL TO ORDER**
2. **PRESENTATION BY BLUEBIRD DEVELOPMENT LLC REGARDING PROPOSAL ON CITY-OWNED PROPERTY AT PRIEST DRIVE AND RIO SALADO PARKWAY (*Revised title*)**
3. **PRESENTATION BY SKY HARBOR/PHOENIX REGARDING BLUEBIRD DEVELOPMENT LLC PROPOSAL ON CITY-OWNED PROPERTY AT PRIEST DRIVE AND RIO SALADO PARKWAY (*New item*)**
4. **BLUEBIRD DEVELOPMENT LLC RESPONSE TO SKY HARBOR/PHOENIX PRESENTATION (*New item*)**
5. **CALL TO THE AUDIENCE**

The City Council welcomes public comment at this time for the Council Action Item on this Special Council Meeting agenda. Speaker cards may be filled out via the City's website at www.tempe.gov/clerk no later than 12 p.m. noon the day of the meeting, or they may be filled out inside the Council Chambers and provided to the City Clerk at the beginning of the meeting. Speakers will be taken first come, first serve in the order in which the cards are received.

6. CITY COUNCIL DISCUSSION

7. EXECUTIVE SESSION FOR COUNCIL TO CONFER

Legal Advice: If necessary, the City Council may vote to recess or adjourn to executive session for the purpose of obtaining legal advice from the Council's attorney on any matter listed on the agenda pursuant to A.R.S. § 38-431.03(A)(3).

8. COUNCIL ACTION ITEMS

- 8A.** Authorize the City Manager or designee to proceed to a formal negotiation phase with Bluebird Development LLC to formulate an agreement for the purchase and development of City-owned land consisting of approximately 46 acres located at the northeast corner of Rio Salado Parkway and Priest Drive, which agreement will require approval from Council on a future agenda.

Fiscal Impact: Financial details will be determined through negotiation of the terms of the Development Agreement and subject to City Council approval.

9. ADJOURNMENT

According to the Arizona Open Meeting Law, the City Council may only discuss matters listed on the agenda. The City of Tempe endeavors to make all public meetings accessible to persons with disabilities. Special assistance can be provided for sight and/or hearing impaired persons at public meetings. To accommodate attendees with allergies, breathing conditions, or multiple chemical sensitivities, please do not smoke or wear scented products when attending this meeting. To request an accommodation to participate in the City Council meeting, please contact the City Clerk's Office with 72 hours' notice to ensure availability at (480) 350-4311 (voice), 7-1-1 (Relay users), or clerk@tempe.gov.



CITY OF TEMPE REQUEST FOR COUNCIL ACTION

Meeting Date: 6/2/2022
Agenda Item: 8A

ACTION: Authorize the City Manager or designee to proceed to a formal negotiation phase with Bluebird Development LLC to formulate an agreement for the purchase and development of City-owned land consisting of approximately 46 acres located at the northeast corner of Rio Salado Parkway and Priest Drive, which agreement will require approval from Council on a future agenda.

FISCAL IMPACT: Financial details will be determined through negotiation of the terms of the Development Agreement and subject to City Council approval.

RECOMMENDATION: Authorize City Manager or designee to negotiate with Bluebird Development LLC.

BACKGROUND INFORMATION: (RFP 22-030) The City issued a Request for Proposal (RFP) for the purchase and development of approximately 46 acres of City-owned land located at the northeast corner of Rio Salado Parkway and Priest Drive. The land is located on Rio Salado Parkway immediately west of the IDEA Campus and east of Priest Drive. The area is a known brownfield site that will require remediation

Notices of this opportunity were issued to an extensive list of firms for the development of a mixed-use project with the following minimum components:

- Development of a mixed-use Sports and Entertainment District that is home to a professional sports franchise
- 1,000 residential units
- 200,000 square feet of retail
- Sports stadium/arena and practice facility
- Large plaza area with numerous amenities and shaded, which will be made available for public gatherings and events
- Strategy and uses to activate the district allowing for large public gatherings
- Name recognition for Tempe and an opportunity for Tempe public service announcements
- Open space and walkability connecting to Innovation Discovery Education Arts (IDEA) Tempe, the Tempe Center for the Arts and Tempe Town Lake trail system
- Appropriate parking and transit options for multi-modal transportation
- Local retail tenants
- Preference for green sustainable building practices

Evaluation Process

Procurement sent notification of this opportunity to over 171 companies and advertised this project in the *Arizona Capitol Times*. A single proposal was received from Bluebird Development LLC.

The response was evaluated by a committee comprised of staff from the City Attorney's Office, City Manager's Office, Community Development, Economic Development, Municipal Budget Office and

Procurement. Specialized advisors provided financial, economic, and legal advice to the committee from Dickinson Wright PLLC, Gammage & Burnham PLC, Gust Rosenfeld, PLC, Hunden Strategic Partners, and RBC Capital Markets,

The evaluation criteria along with scoring is shown in the table below:

Criteria Description	Points Possible	Bluebird Development LLC
Experience developing large mixed-use entertainment projects	200	140
Demonstrated financial strength/ability	200	80
Organizational capacity to include project team	200	180
Project design	200	180
Project feasibility from a financial, public benefit, and local economic impact perspective	200	140
Interview of proposed team	200	170
Total Points	1,200	890

Bluebird Development LLC is proposing a two-phase mixed-use “Entertainment District” project with a professional sports arena, practice facility, music venue, plaza amenity, retail and restaurant experience with office and high-density residential. The total project at full build-out is projected to include 3.4 million square feet of new development valued at approximately \$1.95 billion. After an extensive and thorough evaluation period that included interviews, clarifications, and independent analysis, the evaluation committee is recommending that Bluebird Development LLC be selected to negotiate the terms of a Disposition and Development Agreement for the 46-acre site.

ATTACHMENTS: Offer Page

STAFF CONTACT(S): Donna Kennedy, Economic Development Director, (480) 858-2395

Department Director: Tom Duensing, Deputy City Manager

Legal review by: Dave Park, Assistant City Attorney

Prepared by: Michael Greene, Procurement Administrator

Offer Form

"Return this Section with your Response"

It is **MANDATORY** that Offeror **COMPLETE, SIGN** and **SUBMIT** the original of this form to the City of Tempe Procurement Office with the (your) offer. An unsigned "Offer Form" and/or late RFP response will be considered non-responsive and rejected.

This Offer is offered by: Bluebird Development LLC
Company/Organization Name

To the City of Tempe:

By signing this Offer, Offeror acknowledges acceptance of all conditions contained herein. Offeror certifies that the Offer was independently developed without consultation with any other offerors or potential offerors.

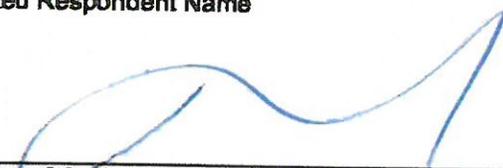
For clarification of this Offer, contact:

Xavier Gutierrez President and CEO 623-772-3274
Respondent Contact Name Title Phone

Arizona Coyotes
Name of Company
9400 W. Maryland Ave. Glendale Arizona 85305
Company Address (or PO Box) City State Zip

This Offer is offered by:

Alex Meruelo Manager of Poder Development LLC, the Offeror's Manager 623-772-3274
Authorized Respondent Name Title Phone


Signature of Authorized Respondent Required 9/1/2021
Date of Offer