



County of Los Alamos

Council Meeting Staff Report

June 6, 2017

Agenda No.: A.
Indexes (Council Goals):
Presenters: Harry Burgess; Paul Andrus
Legislative File: 9498-17

Title

Amendment To Development Agreement Which Governs Development Of Tract A-19-A-1, A Subdivision Of Tract A-19-A Per Paragraph 9 Of The Purchase And Sale Agreement Entered Between The Parties On May 27, 2015 As Amended On February 8, 2016.

Recommended Action

I Move that Council Approve the Amendment to the A-19-A-1 Development Agreement.

Manager's Recommendation

The County Manager recommends that Council approve this Amendment as requested.

Body

This Amendment (Attachment A) makes specific changes to the Development Agreement (DA) (Attachment B) which authorized the sale of County-owned property located on the A-19-A site located approximately on the North side of New Mexico State Road 4, between the intersections of Sherwood Boulevard and New Mexico State Road 4 on the east and La Vista Boulevard and New Mexico State Road 4 on the West. While this Amendment makes a number of minor changes to the DA, including an updated Construction Schedule, the more substantive changes are as follows:

1. Section III. Paragraph 1, **County's Improvements**, has been changed to **Improvements** which authorizes the developer, Site A-19-A-1 Acquisition Group, LLC, to design and construct public infrastructure improvements for the site on behalf of the County that will adequately serve the site and be owned and maintained by the County. The public infrastructure improvements that the developer will be designing and constructing is shown in this amendment and includes public utilities and a section of La Vista Road. The route that these public utilities will be brought into the site has changed from the DA and is generally described in this amendment in **Exhibit B**. The La Vista roadway section remains the same from the original DA.

2. Section III Paragraph 1.1 **Funding of Improvements**, acknowledges the expenditure of \$464,208.55 of the \$2,000,000.00 set aside for County Improvements provided for in the original Development Agreement and that the County shall reimburse the Developer funding in an amount not to exceed Developer's actual costs to design, engineer, and construct the Improvements, but in no case shall the County's obligation for reimbursement exceed \$1,535,791.45. If the costs to design, engineer, and construct the Improvements exceeds \$1,535,791.45, it will be Developer's obligation to pay those costs, and complete the design, engineering, and construction of the Improvements. In addition to the funding, pertinent information, data, and materials acquired by the County through its initial expenditure of \$464,208.55 (of which \$203,934.08 was expended for acquired materials) for the Improvements shall be provided to the Developer. An inventory of the materials to be provided to the Developer is contained in Exhibit A of the Amendment.

Due to a number of issues that have risen in the process of developing the site, including the geological difficulties experienced by the County when constructing the utility infrastructure under the original configuration along State Road 4, the Purchase and Sale Agreement for A-19-A-1 has been

amended once on February 8, 2016 and extended through to June 30, 2018.

With Council's approval of this Amendment, a brief due diligence period ends on August 29th, with closing scheduled to occur on September 12, 2017. Construction on the site infrastructure is estimated to begin by December of 2017.

Alternatives

One alternative is to not approve the Amendment to the Development Agreement.

Attachments

A - Amendment

B - Development Agreement dated May 27, 2015