

ORDINANCE S-47129

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO ENTER INTO A DEVELOPMENT AGREEMENT WITH TAIWAN SEMICONDUCTOR MANUFACTURING COMPANY AND TO EXECUTE ANY OTHER INSTRUMENTS OR DOCUMENTS NECESSARY; FURTHER AUTHORIZING THE CITY TREASURER TO ACCEPT FUNDS AND THE CITY CONTROLLER TO DISBURSE FUNDS.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PHOENIX as follows:

SECTION 1. The City Manager or his designee is authorized to enter into a development agreement ("DA") and to execute any other instruments or documents necessary (collectively, the "Agreements") with Taiwan Semiconductor Manufacturing Company or its City-approved affiliate ("TSMC"), for the development of a semiconductor manufacturing campus in Phoenix, and related public infrastructure.

SECTION 2. The terms of the Agreements are as follows:

- A. TSMC agrees to expand into the City with an approximately \$12 billion advanced semiconductor manufacturing campus located within the City of Phoenix.**
- B. TSMC intends to create up to 1,900 total new jobs within five years of entering into the DA.**
- C. Within five years from execution of the DA, TSMC shall complete construction of the first phase of the project.**

- D. The City shall construct and install certain regional public infrastructure improvements, in an amount not to exceed 205 million dollars (\$205,000,000), as generally described below:
- a. **Streets:** Approximately three miles of full arterial streets including streets, curb, gutter, sidewalk, streetlights and landscaping that will serve the project and surrounding region totaling not more than \$60 million. Additionally, the City would design and install one traffic signal at a cost of approximately \$500,000 and potentially one additional signal at \$500,000 depending on a future traffic study. The total amount of street infrastructure will not exceed \$61 million.
 - b. **Water:** New regional public water infrastructure improvements totaling \$37 million to service the project and surrounding area, that may include a pressure reducing station, 16-inch to 54-inch diameter water transmission mains, and possible booster pump station upgrades. The City would provide adequate water to meet the demands of the Project at the standard City water rates.
 - c. **Sewer:** new public wastewater infrastructure improvements totaling \$107 million to service the project and surrounding area, which may include 15-inch to 60-inch gravity sewer mains. The City would provide wastewater services for the project at standard City wastewater rates.
- E. TSMC shall dedicate any properties and easements needed for installation of the public infrastructure improvements on terms to be specified in the DA.
- F. The City shall provide a professional team on-site, dedicated to the Project to ensure responsiveness with plan review and inspections.
- G. The DA may contain other terms and conditions deemed necessary by City staff.

SECTION 3. The City Treasurer is authorized to accept, and the City
Controller is authorized to disburse, funds necessary for the purposes of this
Ordinance.

PASSED by the Council of the City of Phoenix this 18th day of November,

2020.




MAYOR

ATTEST:



Denise Archibald, City Clerk

APPROVED AS TO FORM:
Cris Meyer, City Attorney

BY: 

Chief Counsel TGS

REVIEWED BY:



Ed Zuercher, City Manager EZ

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City of Phoenix

OFFICE OF THE CITY ATTORNEY

To: Milton Dohoney
Assistant City Manager

Date: December 22, 2020

From: Cris A. Meyer
City Attorney

Subject: CORRECTION MEMO – ORDINANCE S-47129

This correction memo requests that changes be made to Ordinance S-47129 passed by the City Council at the formal meeting held on November 18, 2020.

Ordinance S-47129 should be corrected to clarify the name of the entity contracting with the City of Phoenix to "Taiwan Semiconductor Manufacturing Company **or its City-approved affiliate** ('TSMC')." (Corrected language in bold). Taiwan Semiconductor Manufacturing Company has created a subsidiary entity, TSMC Arizona Corporation, that will be entering into the development agreement approved by the Ordinance. Please contact me if you have any questions or need any additional information.

A copy of the corrected ordinance is attached to this memo.

Approved: 
Milton Dohoney, Assistant City Manager