

**TOWN OF PRESCOTT VALLEY
REQUEST FOR COUNCIL ACTION
Date: September 2, 2010**

SUBJECT: Northcentral University Annual Surcharge Tax Proceeds

SUBMITTING DEPARTMENT: Management Department

PREPARED BY: Ryan Judy, Deputy Town Manager for Larry Tarkowski, Town Manager

AGENDA LOCATION: Comments/Communications , Consent , Work/Study ,
New Business , Public Hearing , Second Reading

ATTACHMENTS: 1) Letter from Clinton Gardner, 2) NCU Development Agreement Excerpt (Full Agreement Available from Town Clerk's Office)

SUMMARY BACKGROUND: On March 25, 2004, the Town Council entered into a development agreement with Northcentral University for the location of its new facility, including extension of a road and utilities to the site.

As part of the development agreement, NorthCentral is required to submit to the Town quarterly a \$2 surcharge per course enrolled. The agreement says the Town and NCU shall decide mutually how best to utilize these funds.

Per the attached letter from NCU, they would like half of the proceeds of this year's allocation to go toward Yavapai Regional Medical Center's new Breast Cancer Center which expects to break ground in October, 2010. It is proposed that the remaining half be used to incentivize job creation in the area. The Town expects to receive approximately \$50,000.

OPTION ANALYSIS: For Discussion Only

ACTION OPTION: For Discussion Only

RECOMMENDATION: For Discussion Only

FISCAL ANALYSIS: The Town anticipates receiving approximately \$50,000 from the proceeds of this surcharge in FY 2010-11. Because the destination for these funds was unknown at budget time, the budget includes some flexibility on how to disburse the funds.

REVIEWED BY:

Management Services Director _____ Town Clerk _____

Town Attorney _____

Town Manager _____

COUNCIL ACTION:

Approved Denied Tabled/Deferred Assigned to _____