

TOWN
Of
PARADISE VALLEY



STAFF REPORT

TO: Mayor Stanton and Town Council Members

FROM: Andrew Ching, Town Manager
Chad Weaver, Community Development Director
Brad Mecham, Building Official

DATE: June 11, 2026

DEPARTMENT: Community Development
Chad Weaver, 480.348.3522

AGENDA TITLE:

Authorize the Town Manager to execute Amendment Nine to the Professional Services Agreement with Brown and Associates for Third Party Plan Review and Inspection Services Related to Construction Activities at the Five Star Development, and Amendment Eight to the Third Party Inspection Agreement with Five Star Resort Owner, LLC and Five Star Land Owner, LLC.

RECOMMENDATION:

1. Authorize the Town Manager to execute Amendment Nine to the Professional Services Agreement with Brown and Associates for Third Party Plan Review and Inspection Services Related to Construction Activities at the Five Star Development, and
2. Authorize the Town Manager to execute Amendment Eight to the agreement with Five Star Resort Owner, LLC and Five Star Land Owner, LLC for third-party inspection services.

SUMMARY STATEMENT:

In November 2018 the Town Council authorized the Town Manager to execute a contract with Brown and Associates in an amount not to exceed \$240,000 for plan review and inspection services related to the Five Star Development. This contract was necessary due to the lack of resources, including limited number of existing staff to provide the required services. This contract was also anticipated in the approved 2016 Development Agreement between the Town and Five Star Development Resort Communities (the "Development Agreement").

Particularly, Section 6.2 of the Development Agreement states:

6.2 Review Process. The Parties agree that it is desirable for Owner to proceed rapidly with the implementation of this Agreement and the redevelopment of the Property. The Town acknowledges the necessity for review by the Town of all plans and other materials submitted by the Owner to the Town hereunder or pursuant to any zoning procedure, permit procedure, or other governmental procedure pertaining to the development of the Property and agrees to use its reasonable but diligent efforts to review all plans and submittals. Upon the request of Owner, Town will select and retain third-party plan reviewers, inspectors, and other relevant professionals. These third-party contractors shall be funded by the Owner to the extent such costs and expenses are approved in advance, in writing, by Owner. Such third-party contractors shall work for the Town and report to the Town.

In connection with the contract with Brown and Associates, the Town entered into a contract with Five Star Resort Owner, LLC and Five Star Land Owner, LLC ("Five Star"), by which Five Star agreed to reimburse the Town for services provided by Brown, in an amount up to \$200,000.

Since the initial date, both contracts with Brown and Associates and Five Star have been updated several times to maintain the relationship and ensure project progress. Third party plan check and inspection services have been working well for both Town staff and Five Star Development and both wish to extend the contract amount an additional \$400,000 to continue utilizing Brown and Associates for plan review and inspections.

In 2025 Brown and Associates billed \$310,738 for services at Five-star. In 2026 (YTD) they have billed \$116,723.52.

BUDGETARY IMPACT:

The existing contract and its executed amendments with Brown and Associates are for an amount not to exceed \$2,770,000. With Council approval of this amendment for an additional \$400,000, which was included in the Community Development budget for 2027. Expenditures in this contract will be initially paid by the Town, and reimbursed by Five Star.

ATTACHMENTS:

- A: Staff Report
- B1: Proposed CON-19-046-CMD-A9
- B2: Contract CON-19-046-CMD
- C1: Proposed CON-19-053-CMD-A8
- C2: Contract CON-19-053-CMD