

MINUTES OF THE REGULAR MEETING OF THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, held in the Council Chambers, 88 E. Chicago Street, on Thursday, January 26, 2012 at 7:05 p.m.

THE MEETING WAS CALLED TO ORDER BY MAYOR JAY TIBSHRAENY.

The following members answered roll call:

Jay Tibshraeny	Mayor
Jeff Weninger	Vice-Mayor
Kevin Hartke	Councilmember
Rick Heumann	Councilmember
Matt Orlando	Councilmember
Jack Sellers	Councilmember
Trinity Donovan	Councilmember

Also in attendance:

Rich Dlugas	City Manager
Pat McDermott	Assistant City Manager
Mary Wade	City Attorney
Marla Paddock	City Clerk

INVOCATION: Pastor Larry Lee - Greater Phoenix Chinese Christian Church

PLEDGE OF ALLEGIANCE: Boy Scout Troop #882

UNSCHEDULED PUBLIC APPEARANCES:

None.

CONSENT:

VICE MAYOR WENINGER questioned the advertising rights as it relates to Item 33 (Lacor/Streetscape Bus Shelters).

MR. R.J. ZEDER, Transportation and Development Director, explained that this is related, but separate. As part of the City's contract, CBS Outdoor either rebuilt or put in new bus shelters throughout the City. He stated that the terms of the previous contract were met. CBS Outdoor is authorized to advertise. He advised that bus shelters were replaced using transit-specific funds.

COUNCILMEMBER HEUMANN asked for clarification on the timeframe for Item No. 37, Alma School and Ray Road Improvements (Contract #ST0704-401 with Standard Construction Company). He asked if there are penalties for not completing the work on time.

MR. ZEDER confirmed that there are penalties for failure to perform the work under contract and explained that in the specifications the City mandated a six-day work week for the construction crews throughout the course of the project. He also noted that there is the ability to require evening work when there are opportunities; but noted there would be a cost implication.

COUNCILMEMBER HEUMANN expressed concern for the businesses located at Alma School and Ray Road during the construction period. He asked about the staff's comfort level with this project compared to the work previously performed at the Dobson Road and Chandler Boulevard intersection. He noted that there were several change orders on that project, which resulted in a delayed completion date.

MR. ZEDER explained that unlike the Dobson and Chandler Boulevard project where utilities were being relocated at the same time that the street work was being performed, the relocation of private utilities at the Alma School and Ray Road intersection were completed in late 2011. Therefore, there should be no conflicts in that regard. Mr. Zeder believes this is of great benefit to the work being performed. He stated while he could not commit that there would be no change orders, he felt confident about the scope of this project and believes it will move forward in the timeframe stated.

MOVED BY VICE MAYOR WENINGER, SECONDED BY COUNCILMEMBER ORLANDO, to approve the Consent Agenda as presented.

COUNCILMEMBER HEUMANN noted that he would be voting nay on Item No. 36, 37 and 38, all items that are related to the Alma School and Ray Road Intersection Improvements. He stated that based on the economic times and the potential damage to the businesses on that corner, he cannot support the project at this time.

MAYOR TIBSHRAENY noted that he would be voting nay on Item No. 3.

MOTION CARRIED UNANIMOUSLY (7-0) with the exceptions noted.

1. MINUTES:

Approved the minutes of the Chandler City Council Regular meeting of January 12, 2012.

2. REZONING: Arizona-Elliot Commerce Center Ord. #4335

ADOPTED Ordinance No. 4335, DVR11-0017 Arizona-Elliot Commerce Centre, rezoning from AG-1 to PAD for a new commercial development that includes a fuel station on 6.6 acres located at the SWC of Elliot Road and Arizona Avenue.

3. REZONING: Norton's Crossing Ord. #4336

ADOPTED by a majority (6-1) Ordinance No. 4336, DVR11-0033 Norton's Crossing, rezoning from PAD for office, retail and multi-family development to PAD, to eliminate a zoning condition requiring the development of the 8.3-acre commercial component as the first phase of development located at the NWC of Chandler Boulevard and Gilbert Road.

MAYOR TIBSHRAENY VOTED NAY ON THIS ITEM.

4. REZONING: Pastorino Dairy Ord. #4337

ADOPTED Ordinance No. 4337, DVR11-0029/PPT11-0005 Pastorino Dairy, rezoning from AG-1 to PAD with PDP for a 74-lot single-family residential subdivision on approximately 23.8 acres currently being used as a dairy farm located east of the SEC of Lindsay and Ocotillo roads.

5. CITY CODE AMENDMENT: Chapter 43 Ord. #4338

ADOPTED Ordinance No. 4338 adopting updated versions of existing construction standards and drainage policies and amending Chapter 43, Section 43-5, Subsections 43-5.1, 43-5.2, 43-5.4, 43-5.5, 43-5.7, 43-5.8 and 43-5.10, Code of the City of Chandler

6. ANNEXATION: SWC of Ocotillo Road and 148th Street Ord. #4339

ADOPTED Ordinance No. 4339 annexing approximately 40.83 acres located at the SWC of Ocotillo Road and 148th Street.

7. EASEMENT/DEDICATION: Continuum Project Ord. #4341

ADOPTED Ordinance No. 4341 authorizing the grant of a landscape easement to CCI-B Chandler LLC, at no cost, and the dedication of public sidewalk, electrical and water easement from City-owned property located east of Price Road on Continuum Street to accommodate the development of the Continuum project.

8. CONTINUED ZONING: North East Cooper and Riggs

CONTINUED TO FEBRUARY 9, 2012, Zoning, DVR10-0014/PPT10-002 North East Cooper and Riggs, rezoning from AG-1 to PAD along with PDP and PPT for an 84-lot single-family residential subdivision on 3 acres and PAD zoning for commercial development on 75 acres located at the NEC of Cooper and Riggs roads. The applicant is requesting a continuance in order to finalize some of the design details associated with the development booklet and to obtain necessary signatures.

9. CITY INITIAL ZONING: Finisterra Ord. #4340

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4340, DVR11-0049 Finisterra – City Initial Zoning, the establishment of initial City zoning of Single-family residential (SF-18) on approximately 40 acres located at the SWC of Ocotillo Road and the future 148th Street alignment. (Applicant: City of Chandler.)

The subject site is currently zoned R-18 within the county. Directly north, across Ocotillo Road, is vacant land and single-family homes, both within the jurisdiction of the Town of Gilbert. East of the site is vacant land that is currently being farmed located within the Town of Gilbert. South is vacant land in the County zoned R-43. West is vacant land that is currently in the process of being rezoned for a single-family residential subdivision.

This request, initiated by Staff, serves to establish the site with a zoning designation of SF-18. Consistent with State Statutes, when a property is annexed into a municipality's jurisdiction, the municipality must grant a zoning designation equivalent to the zoning designation in the county; the SF-18 zoning designation meets this requirement. The approval of this zoning action ensures that any future development on the site shall occur in conformance with City standards. A rezoning and Preliminary Development Plan application for a single-family residential subdivision has been filed with the City and is currently under review.

This request was noticed in accordance with the requirements of the Chandler Zoning Code.

Upon finding consistency with the General Plan and the SECAP, the Planning Commission and Staff recommend approval.

10. PAD AMENDMENT: Western State Bank

Ord. #4344

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4344, DVR11-0041 Western State Bank, amendment of PAD zoning with PDP for modified signage on a new bank building at the NEC of Chandler Boulevard and Alma School Road. (Applicant: Royal Sign Co.; Owner: WSA Properties.)

The application requests the ability to use “black/white” regular pan-channel building signage in place of the previously mandated reverse pan-channel style upon a new bank building at the northeast corner of Chandler Boulevard and Alma School Road. Two actions are required to make this change: (1) a PAD zoning amendment to eliminate Condition No. 11 of Ordinance No. 4088 that required building signage to use reverse pan-channel letters; and (2) PDP approval for the new signage design. No changes are requested to monument signage or any other details of the previous approval.

The subject site received PAD zoning and PDP approval in 2008 for a bank that is currently under construction. The monument signage and building signage were both proposed to use “black/white” technology, meaning that the letters would appear black during the day and white at night when lighted by an internal source. The monument signage was proposed with routed out letters and the building signage was to be regular pan-channel individual letters. The proposed signage met (and still would meet) the Commercial Design Standards for signage quality and design. However, the Planning Commission added a stipulation that building signage be changed to reverse pan-channel, perhaps because that style of signage is usually seen to be of a higher quality than the regular pan-channel style. The bank agreed to that condition at that time, but now wishes to eliminate the condition after more closely examining their signage plans.

The requested building signage uses the relatively new “black/white” technology that makes the letters appear black during the day and white at night. This effect is accomplished by covering the letter faces with black acrylic perforated by many small holes. Those small holes are imperceptible in daylight, but are sufficiently sized and numbered to allow white light to escape at night. The black/white pan-channel letter is generally seen to be of a higher quality and more sophisticated appearance than regular pan-channel lettering.

The subject site is surrounded to the north and east by office uses that share similar architectural elements with the bank. The intersection’s other three corners are developed with commercial uses, including two other banks.

DISCUSSION:

The Planning Commission and Staff recommend approval of the requests finding that the requested signage conforms to the Commercial Design Standards and represents a quality appearance appropriate to the area. The Planning Commission and Staff also note that reverse pan-channel building signage is not prevalent in the immediate area, with the surrounding offices featuring unlit individual letters and the other commercial corners featuring mostly regular pan-channel letters or internally illuminated cabinets for building signage.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held December 8, 2011. There were no neighbors in attendance. Staff has received no correspondence in opposition to this request.

Upon finding consistency with the General Plan, the Planning Commission and Staff recommend approval of the rezoning request to eliminate Zoning Condition No. 11 as listed in Ordinance No. 4088.

The Planning Commission and Staff recommend approval of the PDP request to amend approved building signage, subject to the following condition:

1. Substantial conformance with application materials kept on file in the City of Chandler Planning Division in File No. DVR11-0041, except as modified by condition herein.

11. EXEMPTION CONTINUATION: Industrial Commission of Arizona Res. #4562

ADOPTED Resolution No. 4562 requesting continuation of exemption from the Industrial Commission of Arizona to post security for the City of Chandler self-insured workers' compensation program.

The City of Chandler was approved to self-insure workers' compensation benefits on January 1, 2003. A requirement of self-insured programs is to post a security bond with the ICA in order to ensure performance in the event that a self-insured becomes insolvent.

On April 4, 2005, the ICA implemented new rules governing management of the workers' compensation self-insurance program. The new rule, R20-5-114, includes an Exemption from Requirement to Post Security. "A public entity applicant or public entity self-insurer is exempt from the requirement under this Article to post or provide security if the public entity:

1. has a fully funded risk management fund sufficient to cover actuarial liabilities for workers' compensation as determined by the self-insurer in accordance with Government Accounting Standards Board Statement #10; and
2. provided funding to the risk management fund each year sufficient to cover actuarial liabilities for workers' compensation as determined by the self-insurer in accordance with Government Accounting Standards Board Statement #10."

Since the inception of the City's self-insured program in January 2003, \$16,745.00 has been expended to purchase Security Bonds. The City's application for exemption to post security was accepted and the City no longer incurs expenditures for bonds.

12. INVESTMENT MANAGEMENT AGREEMENT: Wells Capital Management Res. #4566

ADOPTED Resolution No. 4566 authorizing the Investment Management Agreement with Wells Capital Management, Inc.

The City engages investment management firms to invest City funds that are not otherwise expended immediately. Each firm manages about half of the entire portfolio, which at any one time amounts in total to approximately \$400 million. The firms invest according to the City's investment policies to ensure safety, liquidity and yield objectives and maintain conformance with Arizona Revised Statutes. City Staff meets quarterly with investment managers to review the performance of the portfolios, discuss short-and long-term investment strategies, and review cash

flow projections. These contracts allow the City to gain the advantage of expert investment advice and management that it could not afford to develop and maintain on its own. Investment managers are compensated on a percentage basis scaled to the size of the portfolio (currently 8 basis points). For all funds, the FY 2011-12 budget estimates that investment earnings will generate over \$3.4 million in the current fiscal year.

Wells Capital Management has been one of the City's investment managers since 2003. The term of this agreement will expire at the end of calendar year 2013.

13. HOME APPLICATION: Newton Community Development Corporation Res. #4567

ADOPTED Resolution No. 4567 certifying compliance with the Consolidated Plan and the Administrative Commitment by the City Council of the City of Chandler, Maricopa County, Arizona, supporting an application for Federal HOME Funds by Newtown Community Development Corporation, an Arizona non-profit corporation, to the Maricopa County HOME Consortium.

The City of Chandler, along with seven other local municipalities and Maricopa County, formed the Maricopa HOME Consortium for purposes of administering the federal HOME Investment Partnerships Program (HOME). Of the total funds allocated to each jurisdiction under the HOME Program, 15% must be reserved for specific types of nonprofit organizations known as Community Housing Development Organizations (CHDO's). CHDO funds may be used to provide incentives to develop and support affordable rental housing and homeownership opportunities through activities such as acquisition, construction, reconstruction, rehabilitation, and/or various housing subsidies.

DISCUSSION

Newtown Community Development Corporation is a non-profit that provides first time homebuyer programs to individuals and families in Tempe, Glendale and Chandler. Newtown first began providing its Community Land Trust (CLT) program in Chandler in 2009 when it received an allocation of Neighborhood Stabilization Program (NSP) funds. Since that time, the City has awarded an additional allocation of NSP funds, as well as City of Chandler HOME funds, to Newtown.

The matter before the City Council is a request for support of Newtown's application to the Maricopa HOME Consortium for federal HOME program CHDO funding. If Newtown is awarded funding from the County, Newtown will acquire and rehabilitate four additional single-family homes in the City of Chandler. These homes will be made available to low to moderate income first time homebuyers. Newtown's application to the Maricopa County Consortium is for \$340,000.00 or 41% of the total projected development costs for the project. Other resources that will support the project include conventional loan sources, Federal Home Loan Bank funds and Individual Development Account (DA) funds. All properties acquired and rehabilitated with HOME funds will be placed in the Newtown Community Land Trust Program.

As part of their application, Newtown must submit a resolution of support from the governmental jurisdiction where the project is to be located. Approval of the resolution meets that requirement and certifies compliance with the City of Chandler's Consolidated Plan. The City of Chandler is willing to administer the contract in support of Newtown's application for federal HOME funds to the Maricopa County Consortium, if the application is funded.

All costs associated with the HOME program will be paid by the U.S. Department of Housing and Urban Development (HUD) and do not require repayment on the part of the City of Chandler.

14. INVESTMENT MANAGEMENT AGREEMENT: PFM Asset Management Res. #4568

ADOPTED Resolution No. 4568 authorizing the Investment Management Agreement with PFM Asset Management, L.L.C.

The City engages investment management firms to invest City funds that are not otherwise expended immediately. Each firm manages about half of the entire portfolio, which at any one time amounts in total to approximately \$400 million. The firms invest according to the City's investment policies to ensure safety, liquidity and yield objectives and maintain conformance with Arizona Revised Statutes. City Staff meets quarterly with investment managers to review the performance of the portfolios, discuss short-and long-term investment strategies, and review cash flow projections. These contracts allow the City to gain the advantage of expert investment advice and management that it could not afford to develop and maintain on its own. Investment managers are compensated on a percentage basis scaled to the size of the portfolio (ranging from 6 to 12 basis points). For all funds, the FY 2011-12 budget estimates that investment earnings will generate over \$3.4 million in the current fiscal year.

PFM Asset Management, which specializes in investment of public funds, has been one of the City's investment managers since 2005. In addition to the City's general portfolio, PFM manages investments for the City's Industrial Development Authority and Health Care Benefits Trust.

The term of the contract is three years with the option for the City to extend for two, two-year periods.

15. INVESTMENT MANAGEMENT AGREEMENT ADD: PFM Asset Mgmt. Res. #4569

ADOPTED Resolution No. 4569 authorizing the Addendum to the Investment Management Agreement with PFM Asset Management, L.L.C.

This addendum to the proposed investment management agreement between the City and PFM Asset Management, authorizes the provision of investment management services to the Chandler Health Care Benefits Trust by PFM. When the City appointed trustees to the Trust to oversee the management and administration of the Trust, the City anticipated that the Trust Board would authorize Staff to invest Trust funds in the same manner as it does for City funds. Subsequently, the Trust Board granted that authority, including the use of services by one of the City's investment management firms. PFM has been providing investment management services to the Trust since the Board's inception in 2010. This addendum authorizes those services to continue with the approval of the proposed investment management agreement between the City and PFM.

16. RELEASE & EXTINGUISHMENT: Public Utility Easements Res. #4572

ADOPTED Resolution No. 4572 authorizing the release and extinguishment of several Public Utility Easements located on the east side of Gilbert Road between Markwood Drive on the north and Ocotillo Road on the south.

Several Public Utility Easements (PUE's) were recently recorded along the east side of Gilbert Road as part of the Gilbert Road Improvement Project from Queen Creek Road to Ocotillo Road.

These PUE's were recorded prematurely and need to be released and extinguished so that several power easements to Salt River Project (SRP) can be recorded first pursuant to a prior agreement with SRP. After the SRP Easements are recorded, the City will record new PUE's to replace the ones that are the subject of this resolution.

17. AREA PLAN AMENDMENT/REZONING: Hamilton Heights Res #4574 & Ord. #4343

ADOPTED Resolution No. 4574, Area Plan Amendment APL11-0001 Hamilton Heights, Area Plan Amendment of Section 16 Area Plan from multi-family residential development to allow for single-family residential development.

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4343 DVR10-0023/PPT10-005 Hamilton Heights, rezoning from PAD for multi-family residential to PAD for single-family residential along with PDP and PPT for a 47-lot single-family residential subdivision on approximately 12 acres located west of the SWC of Arizona Avenue and Queen Creek Road. (Applicant: Jason Morris; Withey Morris PLC.)

The subject site is located west of the southwest corner of Queen Creek Road and Arizona Avenue and is approximately 12 acres. The site is part of the larger 50-acre Chandler Center development which included approximately 20 acres of commercial development at the immediate southwest corner of the intersection, 20 acres of multi-family apartments located south of the immediate intersection corner, with the remaining 10 acres zoned for multi-family development in the form of condominiums (during the design process, 2 acres were removed from the commercial development and incorporated into the subject site). The subject site is the location of the originally approved condominium development. Surrounding the entire Chandler Center project on the west and south are single-family homes. The site is adjacent to Queen Creek Road on the north. East is vacant land zoned for commercial development.

AREA PLAN AMENDMENT

In 2008, an Area Plan amendment along with a Rezoning and PDP was approved addressing the entire 50-acre parcel of which the subject site is a piece. With the 2008 approval, the Area Plan for the subject site was amended from Commercial to Multi-Family residential. The current request includes an amendment to the existing Area Plan amending the subject site from Multi-Family Residential to Single-Family Residential. Prior to the 2008 Area Plan amendment, the entire 50 acres was planned for regional commercial development. The designation of commercial stemmed from historic plans designating Arizona Avenue as a major commercial and employment corridor; however, throughout the year with various Area Plan amendments, General Plan updates, rezoning and development occurring Along Arizona Avenue and elsewhere, the Regional Commercial designation was no longer warranted at the site and the amendment to Multi-Family development was granted.

SUBDIVISION LAYOUT

As part of the review for single-family residential development, subdivisions requesting a designation of PAD have to meet a number of design elements as outlined in the Council adopted Residential Development Standards (RDS). Depending on the size of the residential lots, a certain number of points need to be obtained. In this case, since all of the lots are 7,000 square feet or less, all of the development standards for subdivision diversity need to be met (eight required), along with meeting all of the 21 optional subdivision diversity elements. Additionally, in the event that any lots are less than 7,000 square feet, the same number of lots shall be required to be at least 10,000 square feet. When the RDS were initially envisioned, the standards were designed more towards larger subdivision development such as the Dobson Crossing subdivision adjacent to the west, where large amounts of land allowed for design creativity where the

potential existed for curvilinear streets, lake systems and multiple lot sizes within a single subdivision. In addition to the standards outlined in the RDS, infill projects were granted relief from meeting the standards, assuming unique aspects could be provided; however, the subject site does not represent an infill parcel.

The proposal is for a 47-lot single-family residential subdivision, with an overall density of 4.01 dwelling units per acre. The average lot size is 6,269 square feet with a maximum lot size of 9,281 square feet and a minimum lot size of 5,657 square feet. Typical lot dimensions are 52' x 115'.

Currently, the proposed subdivision meets six of the eight standard requirements and eight of the 21 optional elements. While Staff realizes that a subdivision of this size cannot meet all of the diversity standards as outlined in the RDS, the development team and Staff worked diligently to try and create a subdivision that provides diversity in the spirit of the RDS.

Two points of access are provided for the subdivision, with the main western entry providing a more enhanced formal entry that includes stamped asphalt, a tree-lined element, passive landscape terminus with low-wall seating and terraced landscaping. The main entry terminates in a cul-de-sac that provides views into a larger outdoor area in the adjacent apartment complex to the southeast of the subject site. In an effort to provide active outdoor amenity areas, the design team reviewed ways in which they could enhance the elements provided. A shade ramada along with picnic tables is provided on the northern end of the open space area; the picnic tables will incorporate a chess table pattern as an additional active element. Additionally, a tot lot area and boulder climbing area is provided. A secondary seating area is provided at the southern end of the outdoor area. Due to the proximity to the open space area of the adjacent apartment complex and the overall historic design of providing an open space/view corridor element from the intersection corner, the design team looked at the potential for providing view corridors into the adjacent open space area. By doing this, the outdoor area acts as an extension for the larger outdoor area and provides a safe place for users of the open space area by reducing the amount of frontage along the streets. Additionally, a pedestrian link is provided at the southern end of the subdivision as envisioned with the original Dobson Crossing development.

HOUSING PRODUCT

In addition to the constraints of meeting the necessary subdivision layout, architectural constraints tend to arise when dealing with relatively small lots. As outlined in the RDS, housing product is required to provide the nine architectural diversity elements and a minimum of at least seven optional points. The housing product, as represented, provides the nine required elements and provides eight of the optional elements (seven required).

Architectural styles include Spanish Colonial, Traditional Cottage and Territorial Ranch. Stone is a standard element on the Territorial Ranch elevation. Five floor plans are provided; two two-story plans and three single-story plans. Four of the five plans are garage forward; plan 4017 will provide a side-loaded garage and plan 4018 will provide a casita option that will be designed similar to a side-loaded single-car garage; the applicant is working with Staff for a final design. Floor plans range in size from 1,756 square feet to 2,701 square feet.

In an effort to provide strong architectural theming, each elevation will provide specific coach light design, front door design, and window mullions specific to the architectural style. Additionally, window pop-out elements are provided specific to the elevation as well as window shutters and treatments to the rear patios.

DISCUSSION

The subject site represents a unique opportunity for single-family residential development. Of late, single-family residential subdivisions are typically between 20-40 acres, allowing for creative design making it easier to meet the requirements of the RDS. Staff believes that the development team has done a good job providing a unique subdivision that meets a number of the development standards in light of the site constraints.

Two deviations from the RDS are requested for the subdivision. Those deviations are: requirement 3) *Vehicular access to rear yards*; and requirement 4) *Deeper rear yard setbacks – 30 ft. for a two-story home*. Addressing the concern for vehicular access, the applicant is proposing a side yard setback of five-feet, and a side yard setback of seven-feet. Due to the reduced setback, providing access to rear yards is impossible. In an effort to address this, the design team has developed the housing product to include two and one-half and three car garages to allow for storage of additional vehicles, etc. The second deviation, requesting relief from the 30 ft. rear yard setback, the applicant is requesting a deviation of three feet. The Planning Commission and Staff believe that the difference of three feet is inconsequential since it pertains to one of the two story plans.

The Planning Commission and Staff support the request citing that the design team has worked carefully on the subdivision layout to provide an attractive addition to Chandler's housing stock, while working with difficult site constraints. Additionally, the Planning Commission and Staff believe the development team has done a good job incorporating various architectural elements into the housing product creating strong architectural interest.

This request was noticed in accordance with the requirements of the Chandler Zoning Code. Two neighborhood meetings were held; one addressing the Area Plan amendment and the other addressing the Rezoning/PDP. A total of five neighbors participated in the meetings, all generally supporting the request.

Staff has received a couple of telephone calls regarding the request. All of the callers had general questions and were in support of the request. Staff has not received any correspondence in opposition to the request. Prior to the Planning Commission hearing, the applicant submitted a petition of surrounding property owners in support of the proposal.

Upon finding consistency with the General Plan, the Planning Commission and Staff recommend approval of the Area Plan amendment.

Upon finding consistency with the General Plan, the Planning Commission and Staff recommend approval of the Rezoning subject to the conditions listed in the ordinance.

Upon finding consistency with the General Plan, the Planning Commission and Staff recommend approval of the Preliminary Development Plan subject to the following conditions:

1. Development shall be in substantial conformance with the Development Booklet entitled "Hamilton Heights", and kept on file in the City of Chandler Planning Division, in File No. APL11-0001/DVR10-0023, except as modified by condition herein.
2. No more than two identical side-by-side roof slopes should be constructed along arterial or collector streets or public open space.
3. The same elevation shall not be built side-by-side or directly across the street from one another.
4. All homes built on corner lots within the residential subdivision shall be single-story.

5. For lots adjacent to an arterial street, two-story homes are limited to every third lot, with no more than two, two-story homes built side-by-side.

18. ZONING TIME EXTENSION: Greywood Professional Offices

APPROVED a three-year timing extension for Zoning, DVR11-0024 Greywood Professional Offices for an office building on approximately 2 acres located south of the SWC of Frye and Gilbert roads. (Applicant: Scott Fey, Omni American LLC.)

In July 2008, City Council approved rezoning this site from AG-1 (Agricultural) to Planned Area Development (PAD) for one, single-story 15,000 square foot office building for general, medical and dental uses with Preliminary Development Plan (PDP). The office development is designed to allow 50% general office and 50% medical/dental office. The PAD zoning was approved with a 3-year development timing condition. Time limits are calculated from the previous zoning approval's expiration date, which is calculated from the ordinance's effective date, not the Council meeting date. The PAD zoning for this project expired September 13, 2011.

This application requests a time extension approval to maintain the PAD zoning for office use for an additional three (3) years in which the zoning would expire September 13, 2014. All other conditions in the original approval will remain in effect.

BACKGROUND

The property is undeveloped and adjacent to existing single-family residential subdivisions Country Cove and Country Cove 2 to the west and north. South of the site is vacant, undeveloped property owned by the Maricopa Community College District. Gilbert Road abuts the site's eastern side, which is the City limit line for Chandler and the Town of Gilbert.

This application does not seek to modify the previously approved land use, site or building design. There are no development plans at this time. If any other alternative design or use is proposed, an amendment to the PAD zoning and/or PDP will be required. The Planning Commission and Planning Staff have no concerns with the conditions in the original approval.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held December 14, 2011. There were no neighbors in attendance. Staff has received no correspondence in opposition to the request.

Upon finding consistency with the General Plan, the Planning Commission and Planning Staff recommend approval to extend the timing condition for three (3) years with all of the conditions in the original approval remaining in effect.

19. CONTINUED ZONING EXTENSION: Light of Christ Lutheran Church

CONTINUED TO FEBRUARY 23, 2012, Zoning DVR11-0030 Light of Christ Lutheran Church, action on the existing PAD zoning to extend the conditional schedule for development, remove, or determine compliance with the three-year schedule for development or to cause the property to revert to the former zoning district of PAD for multi-family development. The existing PAD zoning is for a church located at 1500 N. W. Jacaranda Parkway on approximately 6.3 acres. The applicant requests a continuance due to a conflict of schedules and to be heard by the Planning Commission.

20. ZONING EXTENSION: Chandler Airpark Business Center

APPROVED a three-year extension for Zoning DVR11-0031 Chandler Airpark Business Center for a business park development with aviation-related uses on approximately 19.2 acres at the NWC of Cooper and Queen Creek roads. (Applicant: Brennan Ray; Burch & Cracchiolo, PA.)

In 2008, the site was rezoned from AG-1 to PAD for an 18-lot business park with aviation related uses. The PAD zoning was conditioned to start construction above foundation walls within three (3) years of the ordinance effective date. This is the first zoning time extension requested for the property. The current application requests a three-year time extension; the timing condition expired on October 25, 2011. The proposed three-year time extension would be in effect until October 25, 2014, as the time limit is calculated from the previous zoning approval's expiration. All other conditions in the original approval will remain in effect.

BACKGROUND

The subject site is bordered to the south by Queen Creek Road. South of Queen Creek Road is a retail and office commercial development. West of the commercial development is Twin Acres, an existing rural-residential subdivision. The Chandler Municipal Airport borders the subject site's northwest side. Cooper Road abuts the property's east side with vacant land zoned AG-1 east of Cooper Road.

Chandler Airpark Business Center represents one of the first through-the-fence taxiway-access developments for the Chandler Municipal Airport. The proposed development will include industrial, office and retail showroom/warehouse land uses including aviation-related uses. Permitted uses for the business park will include all light industrial uses permitted in the Light Industrial District (I-1), office uses including medical and dental, and retail showroom uses where the display area is generally limited to 30% of the floor area. Additionally, permitted aviation related uses include uses such as charter operations, pilot training, aircraft sales and leasing, aircraft hangar sub-leasing and other aeronautical activity uses. Prohibited aviation-related uses include uses such as flying clubs, aircraft sightseeing, crop dusting, aerial advertising and aircraft repair and maintenance businesses.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on December 12, 2011. Twelve interested parties were in attendance; of the twelve, four are residents in the subdivision south of Queen Creek Road. Staff has received no correspondence in opposition to the request.

Upon finding consistence with the General Plan and Chandler Airpark Area Plan, the Planning Commission and Staff recommend approval of a three (3) year timing extension with all of the conditions in the original approval remaining in effect.

21. AGREEMENT AMENDMENT: Ammunition

APPROVED Agreement #PD0-680-2807, Amendment No. 2, with Adamson Police Products, San Diego Police Equipment Co. Inc., International Cartridge Corporation and Lawmen's & Shooters' Supply, Inc., for the purchase of ammunition in a combined total amount not to exceed \$130,000.00. This is the second of four optional one-year extensions.

22. AGREEMENT: Starkweather Roofing, Inc.

APPROVED Agreement #BF2-964-3074 with Starkweather Roofing, Inc. for roofing replacements at Fire Stations #3 and #5 in an amount not to exceed \$109,382.09.

The existing coated gravel roofs at Fire Stations #3 and #5 are in poor condition and are in need of replacement. Both stations have original roofs on them with Fire Station #3 installed in 1999 and Fire Station #5 in 1998. Various maintenance repairs have been made through the years to keep the roofs from leaking but the conditions of both roofs is beyond repair and are in need of replacement. City Staff is recommending a poly membrane roof be installed on both stations. The cost for Fire Station #3 is \$57,012.13 and Fire Station #5 is \$52,369.96. These poly roofs have become a standard in the City and provide a 20-year labor and material warranty with them as long as the roofs are maintained annually. The maintenance requires cleaning of the roofs and an annual visual inspection walk with the manufacturer.

23. AGREEMENT: Buck Consultants

APPROVED an Agreement with Buck Consultants for assisting Human Resources and Procurement with the RFP and negotiation processes in an amount not to exceed \$55,000.00 and authorized a General Fund Contingency appropriation transfer for this purpose.

Buck Consultants has established an ongoing professional relationship with the City due to their role of providing employee Benefit Consulting Services. In addition to assisting the City with the administrative management of all group and voluntary insurance plans, Buck Consultants assisted Human Resources and Procurement with the development of the City's RFP to award a Medical Health Plan Provider. They assisted with the facilitation and evaluation process with members of the City's Healthcare Task Force as well as technical advisors from Risk Management, Procurement and Accounting.

It is Staff's intention to have Buck Consultants use a similar model for the RFP to award a 457 Deferred Compensation Plan and Retirement Health Savings Plan. They will work extensively with Human Resources, Procurement and the RFP committee (representing each of the employee groups). The City has not engaged in a review of its Deferred Compensation Plan in 25 plus years. In addition, there has been increasing interest expressed by various employee groups to engage in a RFP process.

24. LEASE AGREEMENT: Chandler Air Service

Ord. #4346

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4346 authorizing a new lease agreement with Chandler Air Service at Chandler Municipal Airport.

The City of Chandler currently has two ground leases with Chandler Air Service (CAS). CAS's primary businesses are an FAA approved flight school and a Fixed Based Operator (FBO). Lease No. 001, which became effective on November 8, 1983, is a ground lease of ±86,400 square feet and Lease No. 4, which became effective on June 1, 1987, is a ground lease of ±92,250 square feet. Both leases were approved with a term of 25 years, with an option to continue for an additional 10 and 5 years successively. Lease No. 001 was amended in 2001 to make the lease period coterminous with Lease No. 004. This provided that both leases reach their initial expiration on May 31, 2012.

CAS has proposed a new 30 year lease that includes leasing an additional ±38,400 square-foot parcel situated between the Lease 001 and Lease 004 parcels. This would bring the entire property leased to ±220,000 square feet or just over 5 acres. CAS has indicated this expansion is necessary for their growth plans. As part of this new lease agreement, CAS would be required to make a significant capital investment on the property within a five-year period, similar to what would be required of a new tenant with a new lease. That investment will be to remove the older

of the two existing buildings and to construct a new 15,000 square-foot building suitable for FBO and other aviation uses. If CAS does not complete the capital investment within the 5-year period, then the new lease period becomes 15 years. In addition to the expanded property area and new building, the lease contains a new lease rate of 21 cents per square foot plus an annual escalator.

The Airport Commission met on January 18, 2012, and voted unanimously to recommend approval to the City Council for the new lease with Chandler Air Service.

25. AGREEMENT: SDB, Inc.

APPROVED Agreement #WW1206-401 with SDB, Inc. for construction services for the Lone Butte Wastewater Treatment Facility Sand Filter and Traveling Bridge Rehabilitation, pursuant to The Cooperative Purchasing Network (TCPN) job order contract, in an amount not to exceed \$687,918.13.

26. AGREEMENT: McCarthy Building Companies, Inc.

Approved Agreement #WW101-251 with McCarthy Building Companies, Inc. for Construction Manager at Risk pre-construction services for the Airport Water Facility Expansion in an amount not to exceed \$500,000.00, contingent upon written notification from Intel and appropriate funding.

The Airport Water Reclamation Facility is located on Queen Creek Road just west of McQueen Road. Design and construction of new wastewater treatment capacity is necessary to accommodate Intel's plant expansion on South Dobson Road. Public information meetings will be held with residents neighboring the facility to present the expansion project and measures to be taken to mitigate any impact to the surrounding community.

27. AGREEMENT AMENDMENT: Wilson Engineers

APPROVED Agreement #WW1104-201 Contract Amendment No. 1, with Wilson Engineers for the OWRP/AWRF Lift Station, in an amount not to exceed \$89,380.00 for a revised total contract amount not to exceed \$943,580.00, contingent upon written notification from Intel and appropriate funding.

Staff identified the need for a lift station and sewer force main to transfer increasing volumes of wastewater flows from the Ocotillo Water Reclamation Facility (OWRF) to the Airport Water Reclamation Facility (AWRF) for treatment. The increased pumping capacity is due to Intel's expansion on South Dobson Road. This new lift station will also add system redundancy to the existing smaller pump back and force main system.

The additional design effort covered by this amendment is necessary due to a redefinition in the wastewater characteristics from Intel requiring modification to the design of the OWRP/AWRF Lift Station to accommodate these characteristics.

28. AGREEMENT AMENDMENTS: Wilson Engineers

APPROVED Agreement #WW1009-201 Staff approved Contract Amendment No. 1 in the amount of \$12,936.00 and awarded Contract Amendment No. 2 in an amount not to exceed \$96,180.00 to Wilson Engineers for the South Chandler Sewer Line Expansion, for a revised total contract

amount not to exceed \$320,246.00, contingent upon written notification from Intel and appropriate funding.

This project will provide design services for a new large diameter gravity relief sewer line that will convey planned flows from Intel to the Ocotillo Water Reclamation Facility. Additional capacity is required due to an expected increase in industrial wastewater flows.

The additional design effort covered by this amendment is necessary due to a redefinition in the wastewater characteristics from Intel requiring modification to the South Chandler Sewer Line design to accommodate these characteristics.

29. AGREEMENT CHANGE ORDER: Achen Gardner Construction, LLC

APPROVED Agreement #WW1101-251, Change Order No. 1, with Achen Gardner Construction, LLC for wastewater lift station, junction structure, and 42" sewer line pre-construction services, in an amount not to exceed \$76,168.00 for a revised total contract amount not to exceed \$326,168.00, contingent upon written notification from Intel and appropriate funding.

Staff identified the need for new wastewater infrastructure to accommodate Intel's plant expansion on South Dobson Road. Facilities to be constructed include a lift station to transfer increasing volumes of wastewater from the Ocotillo Water Reclamation Facility (OWRF) to the Airport Water Reclamation Facility (AWRF). Additional work includes a 42" sewer line from Intel's property line north to a junction structure, connecting to a 66" diameter sewer line upstream of the proposed lift station. The new lift station will also add system backup to the City's smaller existing lift station and force main system.

The additional effort covered by this change order is necessary due to a redefinition in the wastewater characteristics from Intel requiring modification to the South Chandler Sewer Line and OWRF/AWRF Lift Station design to accommodate these characteristics.

30. AGREEMENT AMENDMENT: Wilson Engineers

APPROVED Agreement #WW1013-20, Amendment No. 1, with Wilson Engineers, LLC for the Airport Water Reclamation Facility expansion, in an amount not to exceed \$252,310.00 for a revised total contract amount not to exceed \$6,233,650.00, contingent upon written notification from Intel and appropriate funding.

The Airport Water Reclamation Facility is located on Queen Creek Road just west of McQueen Road. Staff identified the need for design and construction of new wastewater treatment capacity to accommodate Intel's plant expansion on South Dobson Road. Public information meetings will be held with residents neighboring the facility to present the expansion project and measures to be taken to mitigate any impact to the surrounding community. Construction will begin in 2012 and is expected to be completed in the spring of 2014.

Work under this amendment will include a redefinition of wastewater characteristics for Intel and design modification of the Airport Water Reclamation Facility Expansion to accommodate these characteristics. The facility's treatment capacity will increase from 15 million gallons per day (MGD) to 22 MGD.

31. AGREEMENT: Caliente Construction

APPROVED Agreement #IT1001-410 with Caliente Construction for design/preconstruction service for Design/Build contract of the IT Building Data Center Cooling Renovation/Expansion Design in an amount not to exceed \$140,672.58.

The City's existing Data Center is approximately 580 square feet and is located in the former garage bay of the original Fire Station #1. The space was converted into Data Center space in 1991 and a used cooling system was moved to the building to provide cooling. This system is estimated to be 25 years old and difficult to maintain due to lack of parts. The City's Data Center needs have also expanded over time requiring additional cooling assistance devices including the installation of 7 wall pack and 3 under floor AC units just to meet the summertime cooling requirements. These temporary solutions are very inefficient and put the City's entire technology infrastructure at risk for failure and downtime. In addition, the City has outgrown the space set aside for this Data Center and needs to expand the floor space in order to keep up with the computing requirements of all City departments.

The City originally used the APS audit to look at the suitability of this project for American Recovery and Reinvestment Act of 2009 grant funds, but it did not meet the criteria.

Due to the complexity of the need for the Data Center to remain completely operational during the renovation process, there are very few firms with the necessary background and expertise necessary to work in this type of environment. It is also the City's desire to ensure that the contractor is committed to providing a design that meets or exceeds the City's needs, and can be constructed to the design specifications. The City originally issued the requirements as a CM@Risk project in order to meet this goal. The design portion of the total project is small compared to the construction cost. So the inherent financial risk of a City-wide IT service disruption caused the CM@Risk design contractor to object to the City's standard Indemnification and Consequential Damages contract language. This requirement was not acceptable to the shortlisted contractors. Since Design/Build includes all construction aspects, the liability risk is acceptable to the selected contractor. It was then determined that, due to the highly specialized nature of this project and the high risk to multiple City departments, it was in the City's best interests to pursue this project as a Design/Build construction contract.

The contractor shall provide design/preconstruction services for an existing 580-square foot computer room plus a 350-square foot expansion of the Data Center.

32. AGREEMENT EXTENSION: American Telephone

APPROVED Agreement #CS8-915-2526, one-year extension, with American Telephone for NEC Telephone System maintenance, equipment and services in an amount not to exceed \$80,500.00.

The contract is for the maintenance and support of the City's telephone system and for the purchase of related components including all parts and labor. The City will be in its third year term with American Telephone. Service will be provided seven days a week, twenty-four hours a day, with a maximum two-hour response time for emergency and twenty-four hour response time for non-emergency outages. The amount of the agreement is comprised of \$60,500.00 for basic maintenance and support functions and \$20,000.00 for unforeseen repairs billed at a cost of \$75.00 per hour. The agreement also includes a purchasing provision that enables the City to acquire equipment for upgrades and additions.

33. AGREEMENT AMENDMENT: Lacor/Streetscape

APPROVED Agreement #TE0-155-2766, Amendment No. 1, with Lacor/Streetscape for the purchase of bus shelters and bus shelter furniture, for a two-year period, in an amount not to exceed \$65,000.00.

In February 2009, City Council approved a bus shelter replacement program for older bus shelters located throughout the City. In November 2009, City Council approved the award of an agreement for the purchase of shelters and related furniture to upgrade the quality of bus shelter amenities used by the public. Under the original program, 23 new solar-lit bus shelters replaced existing older shelters at locations throughout the City. It also included the refurbishment of shelter benches, advertising kiosks, and trash receptacles. The original agreement provided for two, two-year renewal term options for additional bus shelter and furniture purchases. This amendment to extend is the first two-year renewal term option.

Under this extension, the City would replace dilapidated bus shelter furniture along bus routes in the City with the majority of work being done along Alma School Road between Chandler Boulevard and Elliot Road. This extension includes the purchase of three new shelters, the refurbishment of two shelters, as well as the purchase of new trash receptacles and advertising kiosks. Additionally, aging shelters that can be refurbished will be refurbished, saving the City on the cost of a new shelter. This request is for an amount up to \$65,000.00 and does not guarantee the contractor the full contract amount; the City will only spend as much as needed.

34. AGREEMENT: Southwest Slurry Seal, Inc.

APPROVED Agreement #ST2-745-3068 with Southwest Slurry Seal, Inc. for slurry seal and micro seal materials in an amount not to exceed \$964,995.00, for one year with the option to renew for up to two additional one-year periods.

35. AGREEMENT: Regional Pavement Maintenance of AZ, Inc.

APPROVED Agreement #ST2-745-3067 with Regional Pavement Maintenance of AZ, Inc. for recycled tire rubber modified surface seal (TRMSS) in the amount of \$163,000.00, for one year with the option to renew for two additional one-year periods.

36. AGREEMENT: Ritoch-Powell & Associates, Inc.

APPROVED by a majority (6-1) Agreement #ST0704-451 with Ritoch-Powell & Associates, Inc. for professional services for Alma School Road and Ray Road Intersection Improvements Construction Management Services in an amount not to exceed \$301,703.00.

COUNCILMEMBER HUEMANN VOTED NAY ON THIS ITEM.

37. CONTRACT: Standard Construction Company

APPROVED by a majority (6-1) Contract #ST0704-401 to Standard Construction Company for Alma School Road and Ray Road Intersection Improvements in an amount not to exceed \$7,090,112.50. The City has received federal Highway Safety Improvement Project (HSIP) funds for construction of the Alma School Road and Ray Road Intersection Improvements.

COUNCILMEMBER HUEMANN VOTED NAY ON THIS ITEM.

38. CONTRACT: Salt River Project

APPROVED by majority (6-1) Contract #ST0704-307 with Salt River Project (SRP) for the installation of an irrigation delivery structure for the Alma School Road and Ray Road Improvements in an amount not to exceed \$56,867.00.

COUNCILMEMBER HUEMANN VOTED NAY ON THIS ITEM.

39. CONTRACT: Kimbrell Electric, Inc.

APPROVED Contract #GG0901-401 to Kimbrell Electric, Inc. for courts back-up generator in an amount not to exceed \$241,698.10.

City Staff determined that the courts building needed two back-up generators to provide emergency power to the building and elevators in case of an extended power outage. These natural gas fueled generators will ensure that the building is fully functional as well as equipment, elevators and light when outages are experienced. Work includes purchase and installation of two standby generators, associated electrical and gas line plumbing, and extension of the existing screening wall in the exterior patio on the northeast corner of the facility.

40. PURCHASE: Paratech Equipment

APPROVED the purchase of Paratech trench rescue stabilization equipment from L.N. Curtis & Sons, sole source, in an amount not to exceed \$56,718.00.

The Urban Areas Security Initiative (UASI) program is a federally funded grant program that provides homeland security funding to the top thirty urban areas in the country as determined by population and risk assessment. The Phoenix metropolitan area is one of the urban areas identified as eligible for funding and has been receiving funds since 2004. The State of Arizona Homeland Security Initiative allocates UASI funding to fund Rapid Response Teams (RRTs) in Chandler, Glendale, Phoenix, Mesa, Tempe and Tucson. The RRTs consist of Police and Fire Department Special Response Teams that are trained and equipped to provide a local, and if needed, statewide first response for terrorist events (to include Weapons of Mass Destruction). Chandler has received a portion of this grant funding for this year. Chandler's Fire RRT needs to purchase additional equipment to complement its structural search and rescue component. Equipment and training for all RRT participants is standardized among the participants. The Paratech stabilization equipment is used for trench rescue and/or building collapse rescue situations.

Paratech stabilization equipment is already used by all the cities in their Rapid Response Teams. To maintain continuity and familiarity of the equipment used by the RRTs, the Paratech brand of stabilization equipment must be purchased by Chandler Fire. The equipment on this order will add to the extrication ensemble currently carried by Chandlers RRT. L.N. Curtis & Sons is the only distributor who can supply all of the needed equipment and is the only authorized trade-in and warranty evaluation center in Arizona.

41. PURCHASE: Network Storage Drives

APPROVED the purchase of network storage drives from EMC Corporation, utilizing the AZ State/Western States contract Alliance contract, in an amount not to exceed \$130,025.00.

The City has two types of storage systems used for electronic file storage which are the EMC Network Attached Storage (NAS) units and the EMC Storage Area Network (SAN) units. Neither system has an adequate amount of space to sustain the City's increase in data storage in the near term.

The NAS units provide file system storage to numerous departments and applications including user, backup, EDMS and CJIS data files. Although the system was purchased in 2009 with planned growth, a number of projects recently implemented are growing faster than anticipated. The applications with the largest need for additional space are primarily electronic document management solutions storing large volumes of document images throughout multiple City departments.

The SAN units store data used for the Oracle financial applications and databases. The City's financial system upgrade included changing several business process improvements and their supporting system configurations as well as implementing modules that were deemed beneficial to City business. These changes included implementing the Projects iExpense and iProcurement modules as well as several Human Resource enhancements. As a result of the upgrade process and implementation of these new enhancements, storage needs are growing at a rate faster than anticipated.

Purchasing the additional storage drives for both the NAS and SAN will ensure adequate space for the next few years. EMC is providing a 60% volume discount through the end of January versus the normal 40% discount. Weather-related disasters in East Asia have caused storage manufacturers to increase storage pricing over the next 12 months, so purchasing storage now increases the City's savings.

42. PURCHASE: Cisco Network Equipment

APPROVED the purchase of Cisco network equipment for the McQueen Yard Refresh Project from Nippon Electric corporation (NEC), utilizing the City of Tempe contract, in an amount not to exceed \$196,990.00.

Networking equipment at the McQueen yard is over seven years old and due for replacement. The existing equipment does not have the newer features that are being used by the City and has reached its useful end of life. The upgraded equipment will be more efficient, provide faster throughput, power over Ethernet for telephony consolidation and improved monitoring capabilities. This new equipment will allow for continued Voice Over IP telephone deployment on the network and wireless access points using the power over Ethernet setup. The City recently discontinued using leased circuits for connectivity at this site and has moved the connectivity to City owned fiber optic cable. This equipment upgrade is necessary to fully utilize the new, improved connectivity.

43. USE PERMIT EXTENSION: Jay Pages Jiu-Jitsu & MMA, LLC

APPROVED Use Permit ZUP11-0019 Jay Pages Jiu-Jitsu & MMA, LLC, time extension to allow a mixed martial arts training facility within the I-1/PAD (Planned Industrial District with a Planned Area Development overlay) zoning located at 114 S. Southgate Drive, Suite 1, south of Chandler Boulevard and west of 54th Street. (Applicant: Jay Pages, owner.)

The subject site is a warehouse building with ancillary offices located in an industrial business park south of Chandler Boulevard and west of 54th Street in the Southgate Commerce Center (formerly named Southgate Business Park). The subject site is zoned Light Industrial (I-1) with a Planned Area Development (PAD) overlay, I-1/PAD. The property is located within a larger industrial business park that includes a mix of industrial and office uses. In 1980, the Southgate Business Park was rezoned from AG-1 to I-1 at which time it was envisioned for a mix of high quality light industrial and would consider commercial uses through Use Permit approvals. In 1986, there were requests for a mix of office uses with light warehouse uses and potential development of additional office space. Rather than filing Use Permits for each request, Staff recommended a PAD overlay for the multi-building complex to more clearly identify and describe the types of uses allowed, thus making the office more compatible with the light industrial use. In 1986, a portion of the business park was rezoned from I-1 to I-1/PAD for the purpose of identifying the types of uses permitted.

The I-1 zoning district allows a variety of storage, warehousing, manufacturing and assembly type uses, not all of which would be compatible within a mixed-use business park allowing office, showrooms, research and development and light warehousing. The property's PAD overlay included a statement of characteristics, which generally described the types of compatible uses allowed within the business park. Some permitted uses include professional, business, administrative and executive offices with no storage of equipment or commodities, accountants, contractors, medical clinics, research and development, assembly or fabrication of products not including transforming material from a raw or natural state and offices that are incidental to a permitted use.

Uses not permitted include businesses emitting odor, dust, noxious gas, noise, vibration, smoke, heat, or glare beyond the boundaries of the lot, no outside storage of stock, materials, or equipment, no dismantling, servicing, repairing, etc. of vehicles and/or equipment in an exterior service yard, no processing of raw materials, food, or large quantities of hazardous chemicals, no outside areas for assembly, dining or occasional events, and no lodges and meeting halls for places of general assembly indoors.

Phoenix Combat Academy is a mixed martial arts training facility which offers classes in Muay Thai kickboxing, Brazilian Jiu Jitsu, Combat Fit, Woman's Only Class, Boxing and Mixed Martial Arts. The tenant space is approximately 3,000 square feet which occupies half of the building. The adjacent tenant is a Lamps Plus warehouse. The martial arts business has two employees. The maximum class size is 20 to 30 students per instructor. The business operates Monday through Saturday from 5 a.m. to 8:30 p.m. The majority of classes occur between the hours of 5 p.m. and 8 p.m. Morning classes are for one-on-one personal instruction or very small group classes with 3 to 4 people.

The interior space of the business is an open plan with heavy foam mat flooring. There are several heavy punching bags. The facility does not have a boxing ring or like equipment, weight machines or other workout equipment. The business does not conduct events or competitions.

DISCUSSION

Planning Staff had previously requested the applicant complete an evaluation of parking and type of uses in the business park through the first Use Permit case. The evaluation determined that many of the businesses are open during the hours of Jay Pages' classes; however, the number of clients in the morning and afternoon classes is less than those in the evening requiring less daytime parking. The applicant confirmed businesses are the same surrounding the subject site and on-site parking remains the same as represented in the original parking analysis. Planning

Staff visited the site and noticed parking spaces tend to be occupied the majority of the workday by existing businesses. There are several vacant building/tenant spaces and available parking spaces in the business park; however, Planning Staff advised that parking for the martial arts business should occur in close proximity to the business where there are available parking spaces versus parking in outlying areas of the business park that are unoccupied and do not provide convenient pedestrian access to the business.

The business park's property management company does not reserve or designate parking to an individual business. Employees of existing businesses have a day-to-day tendency to park in particular parking spaces nearest the business' frontage. One company in the complex contacted Planning Staff to state they would not want shaded parking spaces used by the Jiu Jitsu business as their business has parked there for years and want preference for those parking spaces. The applicant has agreed to advise their staff and clients not to park in spaces the business uses. There are no other concerns or opposition expressed by any other tenants or building owners.

Furthermore, given most of the businesses are closed shortly after evening classes begin at Jay Pages, adjacent businesses consented to the martial arts business using their parking spaces. Most of the surrounding businesses are offices and contractors. Planning Staff is of the opinion the proposed mixed martial arts training facility is compatible with the mix of office and light industrial uses in the area. The location provides adequate parking to accommodate classes as represented by the application.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on December 15, 2011. There were no neighbors in attendance. Planning Staff has received no correspondence in opposition to the request.

Upon finding consistency with the General Plan, the Planning Commission and Planning Staff recommend approval subject to the following conditions:

1. Expansion or modification beyond the approved exhibits (Floor Plan, Narrative, Parking Plan) shall void the Use Permit and require new Use Permit application and approval.
2. The Use Permit shall remain in effect for three (3) years from the effective date of City Council approval. Continuation of the Use Permit beyond the expiration date shall require re-application to and approval by the City of Chandler.
3. The use shall be in substantial conformance with exhibits and representations.
4. The property shall be maintained in a clean and orderly manner.

44. USE PERMIT: Apex Tint LLC

APPROVED Use Permit ZUP11-0025 Apex Tint LLC, to allow a window tinting business with one-site automotive tinting within the I-1 (Planned Industrial District) zoning located at 500 N. 56th Street, Suite 8, north of Chandler Boulevard. (Applicant: Jody Nelson, owner.)

The subject site is located at 500 N. 56th Street, Suite 8, which is north of Chandler Boulevard and west of 56th Street. The industrial development consists of two, multi-tenant one-story light industrial warehouse buildings which include an ancillary office space and warehouse area.

The I-1 zoning district allows a variety of storage, wholesale, warehousing, manufacturing, assembly type uses, and accessory/incidental office and retail sales. Since the late 1980's, there have been several Use Permits granted for commercial uses within this industrial development including a wholesale auto dealership, an auto detail shop, an equipment rental store, a

lawnmower sales and repair store, a swim school, and an auto sales broker. In 1988, an auto wholesaler with a car detail business was granted Use Permit approval in this development. The auto wholesaler occupied four tenant spaces. The Use Permit was in effect until 1993. A condition was added to ensure there would be no outside storage of vehicles. At this time, there are no existing auto related businesses within the development.

Businesses within the development include Oracle Forensics, Audio Recording Studio, Magic Touch Carpet Cleaning, Global Electronics, Pest Tube System, One Stop Signs, Choice Health Care, Energy 1st, Fastenal, Scion Gypsy Trading, ProEdge Performance Training and Tribal Crossfit Bootcamp. Both ProEdge Performance Training and Tribal Crossfit Bootcamp have been notified of zoning violations and require a Use Permit. A Use Permit has been filed and is being processed for ProEdge. Tribal Crossfit is in the process of relocating to a commercial zoned property in the area awaiting completion of tenant improvements that are in progress. There are several vacant tenant spaces. The development's property management company received a notice from the City advising of the site's zoning and that uses not permitted cannot occupy a tenant space without first receiving Use Permit approval.

Apex Tint is a window tinting company specializing in commercial and industrial buildings with tinting performed off-site and automotive tinting performed on-site. The business has been at this location since June 2011. The business includes a front lobby, an installation area and an administrative office. The business is open by appointment only on Mondays from 8 a.m. to 3 p.m., Tuesday and Thursday 8 a.m. to 5 p.m., Friday and Saturday 8 a.m. to 3 p.m. and closed Sunday. There are two owners and two installation technicians on-site.

Apex Tint is allocated four parking spaces by the landlord. Two spaces are for employee parking and two spaces are for customer parking. There are approximately 92 parking spaces throughout the development. Automotive window tinting appointments are staggered throughout the day to avoid overlap. Each installation process takes approximately 2 hours. There is always a parking space or two available. The business also works with dealerships and will bring vehicles from the dealership to the site one at a time for tinting service. Vehicles are brought to the rear of the tenant space where the warehouse area is located.

DISCUSSION

The proposed automotive window tinting use is compatible with existing businesses in the development. The business does not generate much traffic and is limited to the four parking spaces and use of the warehouse only for vehicle window tinting. The Planning Commission and Planning Staff recommend a one year approval with conditions.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held December 5, 2011. There were no neighbors in attendance. Planning Staff has received no correspondence in opposition to the request.

Upon finding consistency with the General Plan, the Planning Commission and Planning Staff recommend approval subject to the following conditions:

1. Expansion or modification beyond the approved exhibits (Site Plan, Floor Plan, Narrative and Parking Plan) shall void the Use Permit and require new Use Permit application and approval.
2. The Use Permit shall remain in effect for one (1) year from the effective date of City Council approval. Continuation of the Use Permit beyond the expiration date shall require re-application to and approval by the City of Chandler.

3. The use shall be in substantial conformance with exhibits and representations.
4. The property shall be maintained in a clean and orderly manner.
5. Overnight outdoor storage of vehicles is prohibited.

45. USE PERMIT: ICEV Parking Lot

APPROVED Use Permit ZUP11-0036 ICEV Parking Lot, to allow for a temporary parking lot on approximately 75 acres located at the NWC of Erie Street and Pleasant Drive. (Applicant: David Hadley; Board of Trustees, ICEV.)

The subject site is located at the northwest corner of Erie Street and Pleasant Drive. Directly north of the site and east across Pleasant Drive, are single-family homes. South, across Erie Street, is St. Matthew's church. West is a small apartment complex with a commercial building beyond the apartment complex. The subject site is currently vacant.

The subject site shares its northwest corner with the recently approved Medinah Plaza commercial development, which also recently received a Use Permit for a temporary parking lot. The subject site will primarily be used during the Friday services at the Mosque and during the holiday season, but will also allow for overflow parking of St. Matthew's Episcopal Church on Sundays. The intent of the parking lot is to allow for shared access and parking between the Mosque and the commercial users of the Medinah Plaza commercial building once the commercial center is developed. The ICEV Board of Trustees has indicated that they are in the process of designing the site for a permanent parking lot to operate in conjunction with the Medinah Plaza development.

As proposed, the parking lot will provide 66 parking spaces meeting requirements for drive aisle width and stall dimensions. Due to the temporary nature of the parking lot, Staff is not requiring typical development standards such as landscaping, screen walls and lighting as these will be provided once development of the site occurs. The temporary parking lot will be designed to work in conjunction with the existing temporary parking lot that shares the northwest portion of the site. Combined with the previously approved parking lot, ingress and egress will be provided both along Alma School Road and on Erie Street. A point of access is not provided along Pleasant Drive in an effort to keep traffic entering into the subdivision at a minimum.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held November 25, 2011. Two neighbors attended as well as some representatives from St. Matthew's Episcopal Church and the ICEV. The neighbors had general questions and supported the nature of the request. Staff has received no correspondence in opposition to the request.

Upon finding consistency with the General Plan, the Planning Commission and Staff recommend approval subject to the following conditions:

1. The Use Permit shall remain in effect for two (2) years from the effective date of City Council approval. Continuation of the use of such parking lot beyond the expiration date shall require re-application to and approval by the City of Chandler.
2. The temporary parking lot shall be surfaced with gravel or other suitable material and type of dust palliative in accordance with the current Maricopa County regulations. The parking lot shall be maintained at all times in a dust-free and weed-free manner.
3. The expansion or modification beyond the approved site plans shall void the Use Permit and require new Use Permit application and approval.

46. SPECIAL EVENT LIQUOR LICENSE: Chandler Cultural Foundation

APPROVED a Special Event Liquor License for the Chandler Cultural Foundation for the Lorrie Morgan & Pam Tillis Fundraiser Concert on February 4, 2012, at the Chandler Center for the Arts, 250 N. Arizona Avenue. A recommendation for approval will be forwarded to the State Department of Liquor Licenses and Control. With a Special Event Liquor License, the organization can sell all alcoholic beverages within the confines of the event during the designated event periods. The Police Department reports no objections to the issuance of this license. As this applicant is a non-profit organization, no sales tax license is required; however, the special event liquor fee has been paid.

47. SPECIAL EVENT LIQUOR LICENSE: Chandler Cultural Foundation

APPROVED a Special Event Liquor License for the Chandler Cultural Foundation for the Kathleen Madigan Fundraiser Concert on February 18, 2012, at the Chandler Center for the Arts, 250 N. Arizona Avenue. A recommendation for approval will be forwarded to the State Department of Liquor Licenses and Control. With a Special Event Liquor License, the organization can sell all alcoholic beverages within the confines of the event during the designated event periods. The Police Department reports no objections to the issuance of this license. As this applicant is a non-profit organization, no sales tax license is required; however, the special event liquor fee has been paid.

48. SPECIAL EVENT LIQUOR LICENSE: Chandler Cultural Foundation

APPROVED a Special Event Liquor License for the Chandler Cultural Foundation for the Los Lonely Boys Fundraiser Concert on March 2, 2012, at the Chandler Center for the Arts, 250 N. Arizona Avenue. A recommendation for approval will be forwarded to the State Department of Liquor Licenses and Control. With a Special Event Liquor License, the organization can sell all alcoholic beverages within the confines of the event during the designated event periods. The Police Department reports no objections to the issuance of this license. As this applicant is a non-profit organization, no sales tax license is required; however, the special event liquor fee has been paid.

49. SPECIAL EVENT LIQUOR LICENSE: Chandler Cultural Foundation

APPROVED a Special Event Liquor License for the Chandler Cultural Foundation for the Awesome 80's Prom Fundraiser Performances, March 20 thru March 24, 2012, at the Chandler Center for the Arts, 250 N. Arizona Avenue. A recommendation for approval will be forwarded to the State Department of Liquor Licenses and Control. With a Special Event Liquor License, the organization can sell all alcoholic beverages within the confines of the event during the designated event periods. The Police Department reports no objections to the issuance of this license. As this applicant is a non-profit organization, no sales tax license is required; however, the special event liquor fee has been paid.

50. SPECIAL EVENT LIQUOR LICENSE: Chandler Cultural Foundation

APPROVED a Special Event Liquor License for the Chandler Cultural Foundation for the Joan Rivers Fundraiser Concert on March 30, 2012, at the Chandler Center for the Arts, 250 N. Arizona Avenue. A recommendation for approval will be forwarded to the State Department of Liquor Licenses and Control. With a Special Event Liquor License, the organization can sell all

alcoholic beverages within the confines of the event during the designated event periods. The Police Department reports no objections to the issuance of this license. As this applicant is a non-profit organization, no sales tax license is required; however, the special event liquor fee has been paid.

51. SPECIAL EVENT LIQUOR LICENSE: Mahnah Club of the East Valley

APPROVED a Special Event Liquor License for the Mahnah Club of the East Valley for their Inspired by Heart Fundraiser on March 31, 2012, at Inspirador, 63 E. Boston Street. A recommendation for approval will be forwarded to the State Department of Liquor Licenses and Control. With a Special Event Liquor License, the organization can sell all alcoholic beverages within the confines of the event during the designated event periods. The Police Department reports no objections to the issuance of this license. As this applicant is a non-profit organization, no sales tax license is required; however, the special event liquor fee has been paid.

52. SPECIAL EVENT LIQUOR LICENSE: Downtown Chandler Community Foundation

APPROVED a Special Event Liquor License for the Downtown Chandler Community Foundation for the Chandler Classic Car and Hot Rod Show on February 25, 2012, at 53 S. San Marcos Place. A recommendation for approval will be forwarded to the State Department of Liquor Licenses and Control. With a Special Event Liquor License, the organization can sell all alcoholic beverages within the confines of the event during the designated event periods. The Police Department reports no objections to the issuance of this license. As this applicant is a non-profit organization, no sales tax license is required; however, the special event liquor fee has been paid.

53. SPECIAL EVENT LIQUOR LICENSE: Downtown Chandler Community Foundation

APPROVED a Special Event Liquor License for the Downtown Chandler Community Foundation for The Great American BBQ and Beer Festival on March 24, 2012, at Dr. A.J. Chandler Park, 3 S. Arizona Place. A recommendation for approval will be forwarded to the State Department of Liquor Licenses and Control. With a Special Event Liquor License, the organization can sell all alcoholic beverages within the confines of the event during the designated event periods. The Police Department reports no objections to the issuance of this license. As this applicant is a non-profit organization, no sales tax license is required; however, the special event liquor fee has been paid.

54. BOARD AND COMMISSION APPOINTMENT

APPROVED the appointment of Louise Moskowitz to the Housing and Human Services Commission

55. AGREEMENT: Piper Jaffray & Co.

APPROVED an agreement with Piper Jaffray & Co. for financial advisory services for a period of two years.

The City engages a financial advisor for their expertise in debt financing necessary for additions and improvements to the City's capital infrastructure. Services include the development of issuance strategies, preparation of official statement documents and management of relations

with credit rating agencies, bond underwriters and trustees for the City's general obligation, street and highway, water and sewer revenue, excise tax and other municipal debt.

Financial advisory fees associated with bond sales and incidental expenses related to a bond issue will be paid from bond proceeds. Advisory fees for special projects that are not related to a specific bond transaction will be charged an hourly fee per the agreement, if the project requires four (4) or more hours of work/research.

CURRENT EVENTS:

A. Mayor's Announcements

The Mayor announced that he recently attended several of the surrounding community's State of the City presentations.

The Mayor also announced that he had the pleasure to greet and welcome President Obama during his visit to Chandler yesterday. He described the event as an "awesome experience" and made note that the visit was historical in that it was the first visit of a sitting president in the history of Chandler and he was excited that it happened during Chandler's Centennial year.

The Mayor advised that staff from the White House extended their compliments to City staff, specifically the Police Department, for all of the efforts made in preparation for the President's visit.

He also thanked Intel, along with this and past Councils, for the efforts put into making Chandler a great community. The Mayor said he was proud to represent Chandler during the visit.

The Mayor also announced the Centennial Kick Off and State of the City Address. Both are being held on Tuesday, February 7, 5:30 – 8:00 p.m. at Chandler City Hall. The Kick Off begins at 5:30 p.m., with the State of the City starting at 6:30 p.m.

The Birthday Cake contest winner, Birthday Weekend Program cover design winner, and the Centennial Scholarship winner will be announced during the event. The Whiskerino Contest will also begin on that day.

The Mayor also mentioned that the public can bring items to be placed in the community time capsule that will be dedicated on May 17, 2012.

The Mayor announced Chandler's Traditional Neighborhood Academy is accepting applications for its free series of workshops designed for residents of non-HOA communities. The Academy begins Wednesday, February 15, and continues every Wednesday thereafter through March 7. For more information and to register, residents can contact the Neighborhood Programs Office at 480-782-4320.

He mentioned that the Chandler Police Department is also accepting applications for its citizen's academy. For more information visit www.chandlerpd.com.

The Mayor announced that the City is asking for the public's help in completing an online Budget Survey to help aid in the development of the City's budgetary priorities for the upcoming fiscal year.

The survey asks participants to prioritize City spending among five service categories by allocating portions of \$100 that serves as a mock budget amount.

The survey is available online at www.chandleraz.gov/budget and can be submitted through January 31.

The Mayor announced that starting January 30 and running through April 12, the City will provide free tax preparation services at four Volunteer Income Tax Assistance (VITA) sites in an effort to help low to moderate income residents claim their refunds Earned Income Tax Credits. Last year, Chandler's VITA program assisted more than 1,000 individuals and families with their tax returns, helping residents claim \$1.4 million in refunds. The Mayor extended a special thank you to all the VITA volunteers for donating their time to help with this important program.

The Mayor announced that Bashas' has become an important partner with the City on its centennial and said that one of the ways they are supporting the celebration is by sponsoring a cake design contest among the four Bashas' Family of Stores located in Chandler.

Each bakery has created a special cake to commemorate Chandler's 100th birthday and the public will choose the winning design. Residents are asked to visit www.chandler100th.com and cast their vote for their favorite cake.

B. Councilmembers' Announcements

COUNCILMEMBER HEUMANN concurred with Mayor Tibshraeny's comments about the President's visit to Chandler. He said it was a very impressive day.

He reminded everyone that the Chandler Sci-Tech Festival is taking place on February 16, 17, and 18th. Councilmember Heumann announced that Chandler Intel, Microchip, Innovations, and Air Products are opening their doors to the public on February 16. For more information visit our Website (www.chandleraz.gov/science).

COUNCILMEMBER HEUMANN also wished Councilmember Orlando a belated Happy Birthday.

COUNCILMEMBER SELLERS explained the context of his comments during his "30 seconds of fame" recently on FOX news. He said that when he was asked about the significance of President Obama coming to Intel and Chandler he told them that it's not just important to the State and to Chandler; it is probably the most significant project going on in the world today. It is of major significance to the United States. Councilmember Sellers pointed out that he felt it was political, but if he was President, he would take advantage of this too and couldn't blame the President for trying capitalizing on the good things we are doing here in Chandler.

VICE-MAYOR WENINGER announced a softball game being played on March 24, the Wounded Warrior Project taking on the Chandler police officers. He encouraged support for the fundraising event.

COUNCILMEMBER ORLANDO said that the President's visit was exciting. He was impressed that the President mentioned Chandler several times and complimented local officials on trying to keep work here. He said it was also gratifying to see bi-partisan individuals coming out to

represent the state. Councilmember Orlando gave kudos to the Police and Fire Chiefs and their staff. He said everything was handled well.

COUNCILMEMBER DONOVAN concurred with the other comments regarding the President's visit. She said that the event was well run and went smoothly. She felt it was great exposure for Chandler and Intel and mentioned that this project showcased President Obama's statement, "America is built to last." She was happy to have been a part of this event.

COUNCILMEMBER HARTKE said that it is an honor to serve in this community with leaders who preceded us and had a vision to make this happen. He said we will continue to look ahead and envision a Chandler that will continue to grow in prosperity.

COUNCILMEMBER HARTKE announced a Bike Race in conjunction with the Centennial, scheduled for March 31.

COUNCILMEMBER HARTKE also announced a volunteer initiative for the Centennial with a challenge of completing 1,000,000 volunteer hours as a community. He said he visited a Chandler company last week and learned that the employees had donated 100,000 volunteer hours last year. So, he believes it should be easy to attain 1,000,000 in Chandler this year.

C. City Manager's Announcements

None.

Adjournment: The meeting was adjourned at approximately 7:35 p.m.

ATTEST: _____
City Clerk

Mayor

Approved: February 9, 2012

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular meeting of the City Council of Chandler, Arizona, held on the 26th day of January 2012. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this _____ day of February 2012.

City Clerk