

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, March 22, 2012 at 7:02 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
*Trinity Donovan	Councilmember
Kevin Hartke	Councilmember
Rick Heumann	Councilmember
Jack Sellers	Councilmember

*Councilmember Donovan initially participated in the meeting telephonically.

Councilmember Orlando was absent and excused as he was out of town.

Also in attendance:

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

INVOCATION: COUNCILMEMBER KEVIN HARTKE

PLEDGE OF ALLEGIANCE: COUNCILMEMBER SELLERS led the Pledge of Allegiance.

UNSCHEDULED PUBLIC APPEARANCES:

None.

Councilmember Donovan joined the meeting in person.

CONSENT:

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

MOTION CARRIED UNANIMOUSLY 6-0.

1. MINUTES:

APPROVED the following minutes:

- 1a. Chandler City Council Regular Meeting of February 23, 2012
- 1b. Chandler City Council Budget Connect of February 29, 2012
- 1c. Chandler City Council Special Meeting of March 5, 2012
- 1d. Chandler City Council Regular Meeting of March 8, 2012

2. REZONING: North East Cooper & Riggs

Ord. #4334

ADOPTED Ordinance No. 4334, DVR10-0014 North East Cooper and Riggs, rezoning from AG-1 to PAD for an 84-lot single-family residential subdivision on 32 acres and PAD zoning for commercial development on 7.5 acres located at the NEC of Cooper and Riggs roads.

3. R-O-W VACATION: Gilbert Road and Iris Drive Ord. #4342

ADOPTED Ordinance No. 4342 authorizing the vacation of the right-of-way on the east side of Gilbert Road and the Iris Drive alignment.

4. AGREEMENT RENEWAL: Zayo Group, LLC Ord. #4354

ADOPTED Ordinance No. 4354 authorizing renewal of the agreement with Zayo Group, LLC for the use of facilities in the City's rights-of-way and public places executed May 15, 2007.

5. REZONING: Covo Café Ord. #4355

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4355, DVR11-0045 Covo Café, rezoning from Community Commercial with a Planned Area Development overlay (C-2/PAD) to PAD with PDP for a new restaurant at 55 W. Chicago Street approximately 200 feet west of Arizona Avenue at the SWC of Chicago and Wall streets. (Applicant: PSCI Investments LLC; Owner: 55 Chicago LLC.)

The application requests rezoning from C-2/PAD to PAD in order to allow for elimination of minimum building setbacks in conjunction with a building renovation. The proposed use, a restaurant, and all other aspects of the proposal are allowed under the existing zoning. No changes are requested to the existing zoning except for the setback relief. The existing zoning allows C-2 uses and has a PAD overlay addressing parking.

The 0.125-acre subject site is part of the Site 8 block bounded by Chicago Street, Arizona Avenue, Frye Road and Oregon Street in Downtown Chandler that contains the Olde Towne Market Square (Wall Street shops). The Wall Street alley is immediately east of the subject site. The site's historic building was originally constructed in the 1940s to house a welding shop. More recently, the building was split by interior walls into a bead store (south half) and beauty salon (north half). The building is currently vacant. In January 2012, the City agreed to purchase a façade conservation easement that will help pay for the building's renovation while preserving key elements of its historic nature.

In June 2011, the subject site and the rest of Site 8 were rezoned from C-2 to C-2/PAD in order to relax the parking requirements for new construction, expansions, or intensifications on the block that would have otherwise required private parking to be provided. The zoning change allowed parking requirements to be reduced or waived by the Zoning Administrator depending on the availability of nearby public parking to handle the demand. Under this zoning, the Zoning Administrator has already determined that the subject development does not need to provide any private parking because of the sufficient availability of nearby public parking.

The proposal is consistent with the SAZACAP. The SAZACAP designates the site for Cultural & Entertainment uses such as the proposed restaurant use. Though the SAZACAP's design standards do not apply in full because this is a renovation rather than new construction, the proposed development furthers the goals of the design standards in several ways. Primarily, the development helps enhance the pedestrian-oriented street environment by providing a new

outdoor dining space adjacent to the public sidewalk. The elimination of C-2 minimum setbacks allows this new dining space to be shaded by a new patio cover structure that extends almost to the west property line. The development's landscaping, architecture and entry water feature are also in tune with the design standards and further the overarching goal of enhancing the pedestrian-oriented streetscape.

Along Chicago Street, the development's patio will actually extend beyond the existing property line via two instruments: a 5'-wide right-of-way vacation (from the City to the property owner) and an additional 2'-wide encroachment into the City-owned right-of-way. City Staff have determined that the 5' vacation is appropriate given the scope of planned sidewalk and street improvements on Chicago Street, which is designated as a main pedestrian corridor by the SAZACAP. Though many details of future Chicago Street improvements have not yet been determined, it has been established that the south side of Chicago Street will have minimum 8'-wide sidewalks, minimum 6'-wide clear path for pedestrians, and shade, all of which are provided by the proposal. The subject development provides approximately 8' from the patio screen wall to the curb and approximately 6' from the proposed tree trunks to the curb, measurements that are more exactly specified in the recommended conditions of approval. A row of shrubs beyond the trees will likely have to be eliminated in order to abide by the conditions. As required for right-of-way encroachments, the 34"-high screen wall along Chicago Street will be changed (by recommended condition) from a concrete material to metal mesh panels like those used around other portions of the patio.

The subject development involves considerable interior and exterior renovation of the site nearly all of which (except only the setback encroachments) could be accomplished without the rezoning. The existing dual north-south building access is maintained, though the north entrance becomes more primary through the planned enhancements. A large new outdoor patio wraps around the building's west and north sides, much of it covered with a new metal canopy and the rest shaded by new trees. The new patio canopy extends to approximately 3'-6" from the west property line. A handicap parking space (perhaps also used for loading) is provided southeast of the building. The building will have new roll-up garage doors on the north and west façades that will blur the distinction between indoor and outdoor space during temperate months. More than a dozen new full size trees are proposed on this small site, which will contribute to a "garden oasis" type of atmosphere. Three of the trees, a Palo Blanco and two Cathedral Oaks, are placed in the Chicago Street right-of-way and will provide shade to pedestrians on the public sidewalk. The new façade consists mainly of concrete wall board siding and corrugated metal that present a creative, modern appearance. The existing CMU wall along the west property line is to be replaced by a variety of 6'- to 8'-high metal panes and masonry walls that complement the new façades.

The application proposes wall signage on all sides of the building that consists of individual letters affixed directly to the façade. The letters, which are about 2'-high, will be either internally illuminated or indirectly illuminated. A logo in the form of a small cabinet might be added to the sign. No monument signage is proposed.

A small water feature to be made out of an existing barrel on the site is proposed adjacent to the Chicago Street entrance. Small, pedestrian-oriented water features are encouraged by the SAZACAP, especially adjacent to business entrances.

The Planning Commission and Staff support the requested rezoning and PDP, finding the project to be a creative re-use of an existing historic building that embodies many of the goals of the

SAZACAP. Clearly, the requested minimum setback relief improves the project and enhances the area.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on February 13, 2012. One neighbor in support of the project attended to view the plans. Staff has received no correspondence in opposition to the request.

RECOMMENDED ACTIONS

Rezoning:

Upon finding consistency with the General Plan and the South Arizona Avenue Corridor Area Plan, the Planning Commission and Staff recommend approval subject to the conditions listed in the ordinance.

Preliminary Development Plan:

Upon finding consistency with the General Plan and the South Arizona Avenue Corridor Area Plan, the Planning Commission and Staff recommend approval subject to the following conditions:

1. Development shall be in substantial conformance with Exhibit A, Development Booklet, entitled "Covo Café", kept on file in the City of Chandler Planning Division, in File No. DVR11-0045, except as modified by condition herein.
2. Any portion of the screen wall or other improvements in the right-of-way shall require an encroachment permit and shall abide by the requirements of said permit, including those pertaining to screen wall materials
3. The subject development shall allow for an 8' separation between the screen wall and the existing curb.
4. The subject development shall allow for a 6'-wide pedestrian path in the right-of-way that is unencumbered by landscaping.

6. DEDICATION IN FEE: SEC McQueen and Queen Creek Roads Ord. #4357

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4357 authorizing the dedication in fee of portions of a future park site located at the SEC of McQueen and Queen Creek roads for public roadway purposes.

The acquisition of property rights for the McQueen Road Improvement Project from Queen Creek Road to Riggs Road, ST-0810, was previously approved by Council at its November 20, 2008, meeting by Resolution No. 4238. As part of the project, it is necessary to acquire, for roadway purposes, a portion of a vacant parcel owned by the City's Community Services Department that is being held for a future park site. The parcel is located at the southeast corner of McQueen Road and Queen Creek Road.

By way of a separate instrument in the form of a deed, the City will grant the road right-of-way to the public in trust. The document will be in a form approved by the City Attorney and will correct Maricopa County records.

7. POWER DISTRIBUTION EASEMENT: SRP Ord. #4358

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4358 granting a no-cost power distribution easement to Salt River Project (SRP) at the SWC of Gilbert and Ocotillo roads as part of the Gilbert Road Improvement Project from Queen Creek Road to Hunt Highway.

As part of the Gilbert Road Improvement Project, ST-0809, from Queen Creek Road to Hunt Highway, it is necessary to relocate some of Salt River Project's (SRP) power facilities along the west side of Gilbert Road south of Ocotillo Road. As a result, SRP requires a new power distribution easement for the relocated power line. The easement will be at no cost as it was required by a City project and benefits the public. Construction on this project has been started.

8. REZONING: The Presidio

Ord. #4359

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4359, DVR11-0016 The Presidio, rezoning from PAD to PAD Amended to increase the allowed percentage of Medical Office, with PDP, utilizing an off-site shared parking model for a business park on approximately 6.35 acres south of the SWC of Pecos and Dobson roads. (Applicant: Stephen C. Earl, Earl, Curley & Lagarde, P.C.)

The subject site is located south of the southwest corner of Pecos and Dobson roads. The site is surrounded to the north by property zoned Planned Area Development (PAD) for a medical office complex. To the west is the Santan Dobson Business Park Phase I and Phase II. The existing Cantera Apartment complex is located west of the Santan Dobson Business Park. To the east is the residential neighborhood Silverton Ranch. Adjacent to the site's south side is the Tempe Korean Presbyterian Church (formerly Wellspring Church) Phase I of the master planned church campus.

The subject site received PAD zoning for a General/Medical Office development in December 2005. The site includes a total of 86,130 square feet comprised within two, two-story and one single-story office buildings. The 2005 approval included provisions for the utilization of an off-site shared parking model comprised of 378 parking spaces provided on-site, 29 designated parking spaces provided on the adjacent church parcel, and an additional 53 undesignated parking spaces provided by the adjacent Santan Dobson Business Park Phase II. The shared parking model has functioned well since approval. In fact, the church frequently utilizes the reciprocal parking rights with parishioners parking within The Presidio on Sundays. Based upon the available amount of on-site and adjacent off-site parking, the development was limited to a maximum of 20% Medical Office. The approving Ordinance No. 3760 included condition 10 indicating as such.

The application requests zoning approval to eliminate condition no. 10 of Ordinance No. 3760, in essence to increase the allowed parentage of Medical Office with PDP approval to utilize an amended off-site shared parking model. The subject site's proximity to Chandler Regional Hospital, as well as the development's architectural quality, has made it a natural location for medical office tenants.

The Presidio representatives have worked closely with the Tempe Korean Presbyterian Church to amend the 2006 reciprocal easement agreement for parking (recorded at the Maricopa County Recorder), increasing the allowed use of the church parking lot for a total of 43 additional parking spaces. As represented in the exhibits and Development Booklet, The Presidio will construct 30 new covered parking spaces along the church's southern boundary of which the church will have exclusive use of 4. In exchange, the church will allow the use of 8 additional un-covered spaces along the northern boundary, for a total of 43 additional spaces available to The Presidio. The 39

new parking spaces will bring the total number of on-site church parking spaces from 122 to 161. The church currently utilizes an average of 6 parking spaces on a day to day basis, with a maximum of 22 spaces used at any one time during the week.

The additional 43 available parking spaces brings the total provided parking spaces on-site and off-site for The Presidio to 507 spaces. This amount of parking is sufficient to support an increase in the percentage of Medical Office use from 20% to 50%. The requested PDP approval to utilize an amended off-site shared parking model will no longer include a specified Medical Office percentage limitation and will instead regulate the General vs. Medical Office percentages based upon a demonstrated amount of available parking. This approach is preferable to Staff as any changes to the City's Parking Code could adjust the ultimate percentages. As well, at such time the church constructs future phases including additional parking and The Presidio is successful in amending the reciprocal easement agreement for parking yet again, Staff will be able to administratively adjust the two office percentages.

Staff supports the requested zoning amendment and PDP. The subject site's original shared parking model has successfully functioned for more than 5 years and has been used as a model for other shared parking scenarios. The construction of 39 additional covered parking spaces upon the church property benefits both properties, while finishing off the eastern southern edge for the church. Additionally, Staff supports the amended off-site shared parking model without a specified percentage finding the administrative flexibility will enable both property owners and the City to more quickly respond to market demands following anticipated future phase church expansions. The recordation of a reciprocal easement agreement for parking ensures to the City that the off-site parking will remain unless accommodated elsewhere.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on February 15, 2012. There were no neighbors in attendance. Staff has received no correspondence in opposition to this request.

RECOMMENDED ACTIONS

Rezoning:

Upon finding consistency with the General Plan, the Planning Commission and Staff recommend approval of a zoning amendment from PAD to PAD Amended to increase the allowed percentage of Medical Office by eliminating Condition No. 10 of Ordinance No. 3760 limiting Medical Office to 20%.

Preliminary Development Plan:

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

1. Development shall be in substantial conformance with Exhibit A, Development Booklet, entitled "The Presidio", kept on file in the City of Chandler Planning Services Division, in File No. DVR11-0016, except as modified by condition herein.
2. The General Office vs. Medical Office percentages will be based upon a demonstrated amount of available parking through a recorded Reciprocal Easement Agreement for Parking, or other similar instrument.
3. All new off-site parking shall be constructed by City standards.

ADOPTED Resolution No. 4559 authorizing an amendment to the Intergovernmental Agreement (IGA) with the Regional Public Transportation Authority (RPTA) for Dial-A-Ride Services for senior citizens and persons with disabilities for FY 2011/12 in an estimated amount of \$283,550.00.

This is the seventh of seven annual amendments to adjust costs for changes in service levels, procurement of capital equipment and inflation.

This agreement will provide 19,404 hours of Dial-A-Ride service at a total net cost of \$1,403,713.00. As part of Proposition 400, RPTA will fund the cost of service for persons with disabilities in accordance with the Americans With Disabilities Act (ADA) in the amount of \$1,120,163.00, which is 79.8% of the total contract. Non-ADA service will be funded by the City at an estimated amount of \$283,550.00.

This current East Valley Dial-A-Ride (EVDAR) contract with Veolia is set to expire on June 30, 2012. In an effort to reduce costs and provide enhanced service, RPTA issued a request for proposal for the EVDAR service upon the current contract's expiration. On January 19, 2012, the RPTA Board awarded the contract to Total Transit, the company that runs Discount Cab. The contract provides for one year of service with an option to extend service for one additional year and a second option to extend service for an additional three years, for a total maximum contract length of five years.

Under the new contract, which will begin July 1, 2012, with Total Transit, EVDAR passengers will continue to experience high quality service. Although Total Transit operates primarily as a taxi cab organization (Discount Cab), non-ambulatory residents will continue to be accommodated with larger passenger vans.

It is estimated that the overall program will save approximately \$430,000.00 to \$480,000.00 in FY 12/13 for East Valley Dial-A-Ride services. The City of Chandler will save approximately \$86,000.00 – \$96,000.00 and Proposition 400 funded service will save approximately \$344,000.00 - \$384,000.00.

the Transportation Commission recommended approval.

10. INTERGOVERNMENTAL AGREEMENT AMENDMENT: RPTA Res. #4560

ADOPTED Resolution No. 4560 authorizing Amendment No. 4 to the Intergovernmental Agreement (IGA) with the Regional Public Transportation Authority (RPTA) for Alternative Transportation Services (Cab Coupon Program) for senior citizens and persons with disabilities for FY 2011/12 in an estimated amount of \$62,312.00.

The City of Chandler initiated a subsidized taxicab coupon program with the Regional Public Transportation Authority (RPTA) in FY 2006/07. This program provides subsidized taxicab coupons for Chandler residents who are eligible for Dial-A-Ride services. The program is intended to provide additional transportation options for senior citizens and persons with disabilities at a lower cost than traditional Dial-A-Ride service. In FY 10/11, participants utilized 8,556 cab trips providing an estimated savings to the City of about \$302,000.00 in the Dial-A-Ride program.

Based on the need of the citizens, transportation options with the Dialysis Voucher Program and the Recurring Medical Trips Program were added. These additional programs provide seniors

and persons with disabilities transportation to and from life-sustaining medical appointments such as dialysis and chemotherapy treatments. These services continue to provide the individual with a more direct and convenient trip at a lower cost for the City compared to utilizing a trip on Dial-A-Ride.

The total amount of this contract is \$124,625.00. The New Freedom Grant provides 50% which is \$62,313.00 of the funding and the City funds 50% which is \$62,312.00. This grant enables the City to provide more cab service to citizens and save on the Dial-A-Ride costs.

This agreement was reviewed at the February 16, 2012, meeting of the Transportation Commission and recommended for approval by a vote of 7-0.

11. INTERGOVERNMENTAL AGREEMENT AMENDMENT: RPTA Res. #4561

ADOPTED Resolution No. 4561 authorizing an amendment to the Intergovernmental Agreement (IGA) with the Regional Public Transportation Authority (RPTA) for fixed route bus service for FY 2011/12 in an estimated amount of \$4,685,831.00 funded by Proposition 400.

In January 2012, Staff made reductions to fixed route service due to a decline in Proposition 400 transportation tax revenues. These changes were approved at the September 6, 2011, City Council meeting. They became effective on January 23, 2012. However, the cost of these changes was not finalized until recently. This contract amendment is for fixed route bus service in Chandler for FY 11/12.

This contract was delayed due to the process needed for RPTA to modify and finalize the Transit Life Cycle Program funding and cost and to revise the operating contract schedules. In the past, Chandler used Local Transportation Assistance Funds (LTAF) funding for a portion of Chandler's fixed route bus service. However, since the loss of the LTAF funding in 2010, Chandler's fixed route bus service now only uses Proposition 400 funding.

In 2008, Council approved a five-year agreement with the provision for annual funding agreements with the RPTA for fixed route and express bus service through June 30, 2013. This is the third of four annual amendments to adjust for changes in operating costs and service levels.

Proposition 400 is Chandler's only funding source for fixed route transit. Last year, Chandler faced an approximately \$20 million service cut due to a decline in Proposition 400 revenue. As a result, the City was forced to make several cuts to existing and planned future transit service.

Although projected funding is down again, the region is exploring opportunities to increase efficiencies in an effort to avoid or minimize additional service reductions. Additionally, LTAF II funding from the State is expected to be restored this year and could help balance any Proposition 400 deficit facing Chandler.

The Transportation Commission recommended approval.

12. BOND PROCEEDS TRANSFER: Museum/Streets Res. #4581

ADOPTED Resolution No. 4581 amending Resolution Nos. 3825 and 4219 to reflect utilization of ballot question authorization and authorize the transfer of remaining bond proceeds of \$530,000.00 from the Museum GO (General Obligation) Bond Fund and \$564,000.00 from the

Public Buildings GO Bond Fund to the Streets GO Bond Fund; and \$500,000.00 from the Parks GO Bond Fund to the Center for the Arts GO Bond Fund.

As part of the ongoing review of current bond proceeds and planned spending, Staff has identified proceeds from two prior bond sales that are not expected to be used in the next five years. These bonds were sold in 2005 for the Museum project design and in 2009 for Public Buildings – Expansion of the Public Works Building and Public Parking Garage which were included in the Capital Improvement Program (CIP) at that time. With the downturn in the economy, reduction in assessed values and reduced capital program, none of the above mentioned projects are planned for construction in the next five years.

To avoid arbitrage and to make better use of cash on hand, Staff is proposing to reallocate the remaining bond proceeds from these projects (a total of \$1,094,000.00) to the Streets GO Bond Fund where they can be put to use immediately as part of the FY 12/13 CIP budget. In addition, the resolution shifts \$500,000.00 of Parks GO Bond proceeds to the Center for the Arts GO Bond Fund and adjusts the remaining voter-approved balance accordingly. Lastly, the resolution corrects amounts shown in the original resolution to reflect the final approved amounts of the 2009 Series bond sale.

These transfers of voter authorization require adjustments to prior bond sale records to reflect the shift in the use of voter-authorized bonds. These actions have been incorporated into Resolution 4581 prepared by the City's bond attorney which details the specific election, voter question and sale involved with each transfer and amends the specific resolution associated with each sale.

Basically, voter approved bond records will be updated to restore voter bond authorization to the Museum bond question from the 2004 bond election, to the Public Buildings bond questions from 2007, and the Parks GO Bond question from 2007. This will provide additional voter authorization for projects supported by these bonds when they eventually move forward in the CIP. At the same time, Streets GO voter bond authorization from the 2004 and 2009 elections will be adjusted and reduced by an equal amount to reflect the cash that will move in to the Streets GO Bond fund and the Center for the Arts bond will be reduced as a result of the transfer of funds from the Parks GO Bond fund.

FINANCIAL IMPLICATIONS

This resolution does not impact current year budget authorizations. At the fund level, approval by Council will result in a transfer of \$530,000.00 from the Museum GO Bond Fund and \$564,000.00 from the Public Buildings GO Bond Fund to the Streets GO Bond Fund and a transfer of \$500,000.00 from the Parks GO Bond Fund to the Center for the Arts GO Bond Fund.

13. PROJECT SUBMISSION: AZ 2013 Highway Safety Plan Res. #4586

ADOPTED Resolution No. 4586 pertaining to the submission of projects for consideration in Arizona's 2013 Highway Safety Plan for Hydrogen Generator and Criminalist Training, DUI Enforcement Overtime and Occupant Protection (Seatbelt) Enforcement Overtime; and authorizing the Police Chief to conduct all negotiations and to execute and submit all documents necessary in connection with such grant.

In the past, the Police Department has experienced success obtaining awards from GOHS, including three awards under the FY 2012 program for DUI Overtime, Occupant Protection Overtime and Criminalist Training. Staff anticipates submitting applications for award consideration in the FY 2013 program; however, City Council must approve a resolution that must

become part of the application package. This year, the Police Department is submitting the following requests to GOHS for consideration in their 2013 budget:

1. Hydrogen Generator and Criminalist Training - \$19,925.00
2. DUI Enforcement Overtime - \$80,000.00 (OT and related benefits)
3. Occupant Protection (Seatbelt) Enforcement Overtime - \$75,000.00 (OT and related benefits)

GOHS may award all three requests, break the requests up into smaller awards (i.e. – Occupant Protection could be broken into Occupant Protection, Click It or Ticket, Child Safety Week, etc.) or award a program not formally requested (such as DUI training conference).

14. INTERGOVERNMENTAL AGREEMENT: City of Glendale Res. #4587

ADOPTED Resolution No. 4587 authorizing an Intergovernmental Agreement (IGA) with the City of Glendale for the Chandler Police Department to provide law enforcement security services at the University of Phoenix Stadium and authorizing the Police Chief to conduct all negotiations and to execute and submit all documents necessary in connection with such agreement. Glendale will pay CPD's participating officers directly.

The Police Department's participation is beneficial in that it is an opportunity for CPD officers to gain experience in crowd control in an organized environment, it fosters a good working relationship with GPD and provides service to Chandler residents that may attend events.

15. PRELIMINARY DEVELOPMENT PLAN: Tempe Korean Presbyterian Church

APPROVED Preliminary Development Plan PDP 11-0015 Tempe Korean Presbyterian Church, for the construction of a shade ramada in conjunction with outdoor fellowship and playground space on approximately 11.5 acres at the NWC of Dobson Road and the Loop 202 Santan Freeway. (Applicant: Susan Billings, Elevated Design Studio, LLC.)

The subject site received initial zoning for a church facility in July 2002, and was extended for an additional 3 years in 2004. The original approval, formerly known as Wellspring Church, included an elaborate campus master plan consisting of a 27,000 square foot/1,200 seat worship center, a 26,000 square foot multi-use building (Building A) that contained additional classrooms and an auditorium/sports court, and a 30,000 square foot multi-use building (Building B) containing classrooms and meeting rooms. Additional site features included a wedding grove, a prayer garden, playgrounds, fountains, pedestrian connections and recreational fields at the western end of the property. A subsequent PDP approval enabled the construction of a scaled-down 15,400 square foot multi-use building (Building A) as Phase I with associated site improvements. The remaining buildings and site improvements as part of the campus master plan have not been constructed.

The Tempe Korean Presbyterian Church (TKPC) recently purchased the church property. The congregation has identified the need for outdoor fellowship space as well as an outdoor playground. The subject request is PDP approval for the construction of a 2,000 square foot Fellowship Ramada, adjacent to a 3,000 square foot Playground Ramada, to be located in the area originally identified in the campus master plan as the 'Wedding Grove'. This area will remain important connective space for the future 30,000 square foot Building B and the balance of the campus.

The two shade ramadas are essentially one 45-foot wide by 96-foot long structure featuring independent canopy heights and shading material. The structure will be constructed using metal columns and beams. The beams will include chamfered ends similar to the existing building's exposed tapered decorative beams. All frame work will be painted dark brown to match the building's rim color. Canopy heights have been set in accordance to the activities beneath them. The large Playground Ramada is set at 16-feet in height to accommodate the playground equipment. The smaller Fellowship Ramada portion is set at 10'-9" in height. The shading material over the Playground Ramada will be flat, laced shade fabric. Metal hat channel will be used for shading over the Fellowship Ramada adding material diversity and complimenting the existing architecture.

Landscaping improvements will include a row of 24" box Desert Museum Palo Verde trees lining the east and west sides of the ramadas. Three additional Shoestring Acacia trees will be added along the southern property line adjacent to the freeway. Finally, the existing storage container and 6-foot block wall will be relocated further west and include a full-height block wall painted to match the building. This temporary storage container will be removed once the future classroom building is constructed.

Staff supports the proposed PDP finding the simplistic design to complement the existing architecture. Shaded outdoor gathering space has always been contemplated within the campus master plan, and the proposed location will remain central to the overall campus.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed according to the provisions of the City of Chandler Zoning Code with a neighborhood meeting being held January 30, 2012. There were no neighbors in attendance. Staff has received no correspondence in opposition to this request.

RECOMMENDED ACTION

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

1. Development shall be in substantial conformance with Exhibit A, Development Booklet, entitled "Tempe Korean Presbyterian Church", kept on file in the City of Chandler Planning Services Division, in File No. PDP11-0015, except as modified by condition herein.
2. Compliance with the original stipulations adopted by the City Council as Ordinance No. 3384, case DVR011-0011 Wellspring Church On Dobson, except as modified by condition herein.
3. The site shall be maintained in a clean and orderly manner.
4. The landscaping shall be maintained at a level consistent with or better than at the time of planting.
5. The canvas shade structures shall be maintained in a manner similar to that at the time of installation.

16. BOARD AND COMMISSION APPOINTMENTS

APPROVED the following Board and Commission appointments:

Housing and Human Services Commission: Richard Becker

Mayor's Youth Commission

Christopher Hacnik (term expires in 2013)
Katherine Campagna (term expires in 2014)
Andrew Yuwen (term expires in 2014)

17. 2011 CELEBRATION PLAZA HONOREES

APPROVED the Chandler Parks and Recreation Board recommendations to recognize Najeeby Basha and Jerry Brooks as the 2011 Celebration Plaza Honorees:

BACKGROUND

Each year, the City of Chandler accepts nominations from the public for inductees into Celebration Plaza, a permanent monument at Tumbleweed Park.

Staff received nominations for two individuals during this year's nomination process. These nominations were forwarded to the Celebration Plaza Nomination subcommittee for evaluation and recommendation. The subcommittee met and analyzed the nominees, then formulated their recommendations. The subcommittee based its evaluation on the following criteria:

- Community leader(s) whose outstanding personal service has resulted in significant and enduring contributions to the community.
- An individual or individuals who have made exceptional contributions to the City of Chandler.
- An individual or individuals who have added to the quality of life for Chandler residents through their involvement or financial contribution to short or long-term City projects or activities.
- An individual who has demonstrated leadership, innovation and creativity, which have made Chandler a better place to live and work.
- City of Chandler Employees killed in the line of duty and local heroes.

The subcommittee recommendations were presented to the Parks and Recreation Board at their March 6, 2012, meeting. The Board endorsed the recommendations and unanimously voted to recommend them to the City Council for approval.

The nominees selected for the 2011 induction will be honored at an induction ceremony this fall.

18. AGREEMENT AMENDMENT: Water Works Supplies

APPROVED Agreement Amendment No. 1 with Arizona Water Works Supply, Dana Kepner Company, Empire West, Inc., and HD Supply Waterworks for the purchase of water works supplies for one year in a combined total amount not to exceed \$350,000.00. This is the first of 4 one-year extensions.

19. AGREEMENT AMENDMENT: Accela, Inc.

APPROVED an Agreement Amendment with Accela, Inc., for maintenance of the Citywide Permitting & Inspections system in an amount not to exceed \$135,325.83.

20. AGREEMENT AMENDMENT: Water Treatment Chemicals

APPROVED Agreement #MU1-885-2936, Amendment No. 1, with General Chemical, Univar (formerly Basic Chemical), Brenntag Pacific, Cal-Pacific, F2 Industries, DPC Enterprises, Polydyne, Thatcher company, Hill Brothers, Commercial Pool Repair, A&M Corsons and Applied Products Group for the purchase of water treatment, wastewater treatment and swimming pool chemicals in an amount not to exceed \$4,007,322.00. This is the first of four one-year extensions.

21. AGREEMENT/CONTINGENCY TRANSFER: Altec Industries Inc.

APPROVED Agreement #TE2-065-3073 with Altec Industries Inc., for the purchase of two bucket trucks in the amount of \$221,381.89.

APPROVED a contingency transfer in the amount of \$51,382.00 to the Fleet Replacement Fund. Traffic Engineering. Motor Vehicle account.

22. AGREEMENT: Gavan and Barker, Inc.

APPROVED Agreement #PR1201-201 with Gavan and Barker, Inc., for design services for Stonegate Park Improvements in an amount not to exceed \$39,560.00.

Stonegate Park is an 8.32-acre neighborhood park located in the square mile bounded by Arizona Avenue, McQueen, Ray and Warner roads. Developed and dedicated to the City in 1984, the site was originally maintained by the Streets Division and its primary purpose was to fulfill the retention needs of the surrounding residential development. In 1996, the site was transferred to the Parks Division and several park amenities were added. This design contract will focus on further improvements to the park.

23. AGREEMENT: Chasse Building Team, Inc.

APPROVED Agreement #GG1203-403 with Chasse Building Team, Inc., for construction services for ASU Downtown Interior Building Demolition, pursuant to JOC1202-401, in an amount not to exceed \$86,580.25.

On February 23, 2012, Council approved the Arizona State University lease for the Chicago Yard and authorization for improvements. The former Public Works yard is a +/- 33,000-foot industrial building that is ideal for the uses of the ASU College of Technology and Innovation. ASU has proposed three programs to operate in the facility, expanding from the Polytechnic campus. Initially, the building will house approximately 100 students and faculty, expanding over the next three years to house approximately 1,000 students and faculty.

To house the classroom, faculty and engineering labs, the Chicago Yard will need a complete interior demolition and rebuild of the tenant improvements to create classrooms, labs, offices and collaborative space. This project is for the first phase of the renovation, the interior demolition of the building.

24. CONTRACT: Combs Construction Co., Inc.

APPROVED Contract #ST501-402 with Combs Construction co., Inc. for construction of Chandler Park and Ride Germann Road and Hamilton Street Permanent Improvements in an amount not to exceed \$599,488.00. Federal Transit Authority (FTA) funds will be used for this contract.

25. AGREEMENT: Y.S. Mantri & Associates LLC

APPROVED Agreement #ST1201-201 with Y.S. Mantri & Associates LLC for the Ray, Dobson and Elliot Fiber Optic Design in an amount not to exceed \$168,975.00.

This project will design the fiber optic communications cable installation along Ray Road from 54th Street to Dobson Road, Dobson Road from Ray Road to Elliot Road, and Elliot Road from Dobson Road to Arizona Avenue. This fiber will replace the existing twisted copper on Ray Road and Dobson Road and add an additional two miles of fiber optic communication on Elliot Road to provide more reliable and higher speed video and data transmission between field controllers and the Traffic Management Center. The City has received Federal Congestion Mitigation and Air Quality (CMAQ) funds for the design of this fiber optic communication system in the amount of \$150,000.00 for FY 2011 and will use \$18,975.00 of HURF funding for the design. The City will receive continuing CMAQ funding for construction and installation in the amount of \$814,134.00 in FY 2014.

26. CONTRACT: Nesbitt Contracting Co., Inc.

APPROVED Contract #ST0806-401 with Nesbitt Contracting Co., Inc., for construction of Chandler Boulevard and Price Loop 101 Intersection Improvements in an amount not to exceed \$2,118,761.60. The City has received Federal Congestion Mitigation and Air Quality (CMAQ) funding for a portion of the cost of this project.

27. JOB ORDER CONTRACT: Achen-Gardner Construction, LLC

APPROVED Job Order Contract #JOC11-01 with Achen-Gardner Construction, LLC, for emergency on-call right-of-way repair and capital repair services for one year in an amount not to exceed \$2,000,000.00, with the option of four one-year extensions.

28. JOB ORDER CONTRACT: PCL Construction, Inc.

APPROVED Job Order Contract #JOC11-02 with PCL Construction, Inc., for emergency on-call right-of-way repair and capital repair services for one year in an amount not to exceed \$2,000,000.00, with the option of four one-year extensions.

29. PURCHASE: Public Safety Communication Equipment

APPROVED the purchase of public safety communication equipment from Motorola Solutions, utilizing the State of Arizona contract, in an amount not to exceed \$399,960.90.

The Federal Communications Commission (FCC) has ruled that by the year 2017, all radios must be capable of narrow band reception/transmission. The Police Department currently utilizes Motorola two-way radios for police, fire and municipal departments. The City just completed the construction and implementation of the Regional Wireless Cooperative Expansion with Motorola, and in order to maintain the compatibility and security of the system, it is not recommended that an additional radio vendor be introduced into the radio system. The Police Department needs to replace approximately 66 portable and mobile vehicle radios that have exceeded their recommended lifespan. This is also the first phase of purchases to replace the current radios, in ordered to be compliant with the 2017 FCC mandate. Other agencies within the Regional Wireless Cooperative have purchased radios using the State of Arizona contract including Glendale, Buckeye, Avondale and Goodyear.

30. USE PERMIT: Circle K Store

APPROVED Use Permit #ZUP12-0002 Circle K Store, to allow a new fuel station and convenience store to operate as a "late hour business" at the SWC of Arizona Avenue and Elliot Road. (Applicant: Circle K Stores, Inc.; Owner: Arizona Elliot Holdings, LLC.)

The currently vacant site is located at the southwest corner of Elliot Road and Arizona Avenue. In January 2012, the site received zoning approval and Preliminary Development Plan (PDP) approval for a 6.6-acre multi-use development including the fuel station and convenience store, a car wash, a self-storage complex, and two fast-food pads. The car wash, fuel station, and convenience store are anticipated to be developed in 2012 as Phase I. Only the fuel station and convenience store are requested to be open 24 hours.

To the west are townhomes, to the southwest is an apartment complex and to the south, along Arizona Avenue, is a truck rental facility. The intersection's other corners are either existing commercial (northwest corner) or planned commercial uses (northeast and southeast corners). The Late Hour Policy is applicable because the apartments south of the site are within 300 feet of the planned fuel station and convenience store.

The fuel station and associated 4,450 square foot convenience store are located in the sites northeast portion, closest to the intersection of Elliot Road and Arizona Avenue. The closest wall of the convenience store is approximately 250' from the apartments parcel to the southwest and 360' from the townhomes parcel to the west. A dissimilar land use landscape buffer, including minimum 12'-high trees planted every 20' on-center, will be planted along the site's west and south property lines as part of Phase I.

The Late Hour Policy sets out several compatibility considerations for evaluating the land use compatibility of applicable late hour uses. The compatibility considerations include noise, traffic, light, odor, litter, site maintenance, and security issues. The compatibility considerations are not intended to be a checklist or punch-card, but rather are guidelines to help answer the overarching question of whether the use is compatible.

DISCUSSION

The Planning Commission and Staff find the requested late hour uses to be appropriate at this arterial intersection location. Noise and traffic from the uses are of little negative consequence with the adjacent arterial streets presenting more of both and with no vehicular access from the commercial site to the residential areas. The convenience store does not employ loudspeakers mounted on the store to communicate with fuel station customers; rather, there are only small speakers adjacent to the pumps. Lighting will not negatively affect the neighbors due to the considerable separation distance and the code requirements for shielding. Odor is not likely to be an issue at this distance from residential uses. Litter and site maintenance will not be problematic if management fulfills their code obligations, though a recommended condition also emphasizes the site will be maintained in a clean and orderly manner. The store is designed to minimize security concerns sometimes associated with convenience stores, including the provision of 14 security cameras and the lack of places to loiter (tables, phones, etc.) adjacent to the store. Additionally, it is noted that the residential properties are separated by a 6'-high wall with no breaks or obvious hiding spots that could encourage pedestrian or criminal spillover near the residences.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held February 27, 2012. There were no neighbors in attendance. One neighbor called primarily in opposition to the associated requests for alcohol sales. The neighbor also had concerns with the store being open late hours and potentially generating crime or other negative effects, especially if there are alcohol sales.

RECOMMENDED ACTION

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

1. Expansion beyond the approved Narrative shall void the Use Permit and require new Use Permit application and approval.
2. The site shall be maintained in a clean and orderly manner.
3. Site maintenance activities such as trash pickup, parking lot sweeping and landscape maintenance shall not occur between the hours of 12 a.m. and 6 a.m.

31. USE PERMIT: Irish Republic Public House

APPROVED Use Permit #LUP11-0026 Irish Republic Public House, Series 8 Liquor License, to sell and serve all spirituous liquor within a restaurant and pub that includes an outdoor patio at 58 S. San Marcos Place in Historic Downtown Chandler. (Applicant: Roger B. Baldwin; Owner: D and B Rental Properties LLC.)

The subject business is an Irish-themed restaurant and pub, formerly known as Murphy's Law that has operated at this location in Downtown Chandler's historic square since 2008. An outdoor patio was added in 2010. The facility provides seating for 99 inside and 20 on the patio. Hours of operation are 11 a.m. to 12 a.m. Monday through Thursday, 11 a.m. to 2 a.m. on Friday, 8 a.m. to 2 a.m. on Saturday and 8 a.m. to 12 a.m. on Sunday. Live music or karaoke occurs up to twice weekly, indoors only. No changes are requested to the floor plan or business operations from previous approvals, except to change from a Series 12 Restaurant License to a Series 6 Bar License.

The Planning Commission and Staff support the request finding a Series 6 Bar License to be appropriate at this location. Live music is conducted indoors only and has proven to be compatible over the past several years. Besides previously approved conditions, the Planning Commission and Staff also recommend a condition regarding control of the music volume given the change in license.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held February 22, 2012. There were no neighbors in attendance. Staff has received no correspondence in opposition to this request.

RECOMMENDED ACTION

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

1. The Use Permit granted is for a Series 6 license only and any change of license shall require reapplication and new Use Permit approval.
2. Expansion or modification beyond the approved exhibits (Narrative and Floor Plans) shall void the Use Permit and require new Use Permit application and approval.

3. The Use Permit shall be in substantial conformance with previous Use Permit approvals (LUP10-0027 & UP08-0042) except as modified by condition herein.
4. Music shall be controlled so as to not unreasonably disturb area residences.

32. LIQUOR LICENSE: Irish Republic Public House

APPROVED a Series 6 Bar Liquor License (Chandler #120887 L06) for Randy D. Nations, Agent, Murphy's Law 58 LLC, dba Irish Republic Public House, 58 S. San Marcos Place. A recommendation for approval of State Liquor License #06070685 will be forwarded to the State Department of Liquor Licenses and Control. The Police Department reports no objections to the issuance of this license and no written protests have been received. All licenses, permits and fees have been paid and the applicant is in compliance with the City's Tax Code.

33. USE PERMIT: Circle K Store

APPROVED USE Permit LUP12-0004 Circle K Store, Series 10 Wine & Beer Store License, to sell wine and beer for off-premise consumption only at a new convenience store at the SWC of Arizona Avenue and Elliot Road. (Applicant: Circle K Stores, Inc.; Owner: Arizona Elliot Holdings, LLC.)

The request is for Use Permit approval to sell alcohol for off-premise consumption from a planned fuel station/convenience store in conjunction with a Series 10 Wine & Beer Store License. The currently vacant site is located at the southwest corner of Elliot Road and Arizona Avenue. In January 2012, the site received zoning approval and Preliminary Development Plan (PDP) approval for a 6.6-acre multi-use development, including the fuel station and convenience store, a car wash, a self-storage complex and two fast-food pads. The car wash, fuel station and convenience store are anticipated to be developed in 2012 as Phase I.

To the west are townhomes; to the southwest is an apartment complex, and to the south, along Arizona Avenue, is a truck rental facility. The intersection's other corners are either existing commercial (northwest corner) or planned commercial uses (northeast and southeast corners). The northwest corner's retail center has several businesses with alcohol sales, including two restaurants (Series 12 License), a bar (Series 6 License) and a convenience store (Series 10 License).

The 4,450 square foot convenience store will sell beer and wine seven days a week during the hours permitted by the State of Arizona (currently 6 a.m. to 2 a.m.). A separate Use Permit application has been submitted that would allow for the store to be open 24 hours, though alcohol sales would still be limited to those hours allowed by state law.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held February 27, 2012. There were no neighbors in attendance. One neighbor called in opposition to the request because he believes there are too many places in the area already to buy alcohol and that it will have a negative effect on crime in the nearby apartment complexes. He requests that Circle K provide 24-hour security if they are approved to sell alcohol. The Police Department has been informed of the application and has not responded with any issues or concerns.

RECOMMENDED ACTION

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

1. The Use Permit granted is for a Series 10 License only and any change of license shall require reapplication and new Use Permit approval.
2. The Use Permit is non-transferable to any other location.
3. Expansion beyond the approved Floor Plan and Narrative shall void the Use Permit and require new Use Permit application and approval.
4. The site shall be maintained in a clean and orderly manner.

34. LIQUOR LICENSE: Circle K Store #3445

APPROVED a Series 10 Beer & wine Store Liquor License (Chandler #139978 L10) for Kim Kenneth Kwiatkowski, Agent, Circle K Stores, Inc., dba Circle K Store #3445, 2990 N. Arizona Avenue. A recommendation for approval of State Liquor License #10076246 will be forwarded to the State Department of Liquor Licenses and Control. The Police Department reports no objections to the issuance of this license and no written protests have been received. All licenses, permits and fees have been paid and the applicant is in compliance with the City's Tax Code.

35. LIQUOR LICENSE: Iguana Mack's

APPROVED a Series 6 Bar Liquor License (Chandler #139973 L06) for Randy D. Nations, Agent, Iguana Ventures LLC, dba Iguana Mack's, 1371 N. Alma School Road. A recommendation for approval of State Liquor License #06070034 will be forwarded to the State Department of Liquor Licenses and Control. This application reflects a change in ownership. Transportation and Development advises that a new Use Permit is not required since this will be a continuation of the location's previous use as Iguana Mack's. The Police Department reports no objections to the issuance of this license and no written protests have been received. All licenses, permits and fees have been paid and the applicant is in compliance with the City's Tax Code.

36. LIQUOR LICENSE: Hon Machi Sushi & Teppanyaki

APPROVED a Series 12 Restaurant Liquor License (Chandler #131913 L12) for Young Shin, Agent, PUSANKR, Inc., dba Hon Machi Sushi & Teppanyaki, 2975 S. Alma School Road, Suite 1. A recommendation for approval of State Liquor License #12079017 will be forwarded to the State Department of Liquor Licenses and Control. This application reflects a change in ownership. Transportation and Development advises that a new Use Permit is not required since this will be a continuation of the location's previous use as Hon Machi Sushi & Teppanyaki. The Police Department reports no objections to the issuance of this license and no written protests have been received. All licenses, permits and fees have been paid and the applicant is in compliance with the City's Tax Code.

37. LIQUOR LICENSE: My Big Fat Greek Restaurant

APPROVED a Series 12 Restaurant Liquor License (Chandler #140084 L12) for Lauren Kay Merrett, Agent, Europa Dining LLC, dba My Big Fat Greek Restaurant, 3305 W. Chandler Boulevard, Suite 8. A recommendation for approval of State Liquor License #12079017 will be forwarded to the State Department of Liquor Licenses and Control. This application reflects a change in ownership. Transportation and Development advises that a new Use Permit is not required since this will be a continuation of the location's previous use as My Big Fat Greek

Restaurant. The Police Department reports no objections to the issuance of this license and no written protests have been received. All licenses, permits and fees have been paid and the applicant is in compliance with the City's Tax Code.

38. CONTINUED LIQUOR LICENSE: Yummy Grill Buffet

CONTINUED TO MAY 24, 2012, Liquor License, Series 12, for Min Feng Lu, Agent, Yummy Buffet LLC, dba Yummy Grill Buffet, 2100 S. Gilbert Road, Suite 5, to allow the applicant time to complete the zoning requirements for their Use Permit.

39. FINAL PLAT: Waters at Ocotillo Parcels 5 and 6

APPROVED Final Plat FPT11-0005 Waters at Ocotillo Parcels 5 and 6, for a 31-lot single-family development on approximately 10.5 acres at the intersection of Market Place and Jacaranda Parkway, east of the intersection of Dobson and Price roads. (Applicant: Bowman Consulting.) The plat creates the lots and tracts, establishes the necessary easements, and dedicates the required rights-of-way.

PUBLIC HEARING:

PH1. ANNEXATION: NEC Queen Creek and Gilbert Roads

ANNEXATION of approximately 2.3 acres east of the northeast corner of Queen Creek and Gilbert roads. (Applicant: Palmer Chinchon; The Grove Church.)

MAYOR TIBSHRAENY opened the public hearing at 7:05 p.m.

The subject site is located east of the northeast corner of Queen Creek and Gilbert roads and is currently zoned R-43. The Chandler Land Use Element of the General Plan designates the area for Low Density (single-family) Residential. Directly north of the site is the remainder of the 20-acre church campus. East is the Paseo Trail single-family residential neighborhood. South is vacant land planned for commercial development as part of the Layton Lakes master-planned community. West, adjacent to the site, is land zoned R-43 in the county and currently being used for residential purposes. The subject site previously went through the annexation process in 2010, however, was never completed due to the property owner not signing the annexation petition.

CITY PLANNER, ERIK SWANSON, stated that the church has requested that the process be started again. MR. SWANSON stated that following this Public Hearing, staff will obtain the necessary signatures, formalize the annexation process, and go through the City's initial zoning process.

MR. SWANSON said that the church currently has a project in review and they will likely submit a formal zoning application in the next few months. MR. SWANSON noted that the church utilities are located at Queen Creek and Gilbert.

MR. SWANSON said that staff circulated this request among City Departments and received no negative comments relative to the property's annexation.

MAYOR TIBSHRAENY asked if the Council or members of the audience have any questions.

There were no questions.

MAYOR TIBSHRAENY asked MR. SWANSON if the project is in conformance with the City's General Plan.

MR. SWANSON advised that the church's ultimate proposed goals are in conformance.

THE MAYOR closed the public hearing at 7:06 p.m.

BRIEFING:

1. Four-Corner Retail Committee Final Report

MAYOR TIBSHRAENY advised that staff, along with the Four-Corner Retail Committee, started reviewing vacant retail centers located along the key corridors of Chandler including, Arizona Avenue, and Alma School and Dobson Roads. As a result, the Committee compiled a report with tools to address the commercial vacancy issue. The report is not only helpful when dealing with the current issues, but it will also be helpful for future zoning issues.

MAYOR TIBSHRAENY further stated that the report provides ideas and ways to improve some of the older and infill areas, as well as collaboration strategies to help lower the vacancy rates.

ECONOMIC DEVELOPMENT SPECIALIST, JAMES SMITH, presented some of the findings of the report. MR. SMITH thanked the members of the Committee and commended the Mayor for establishing the group.

MR. SMITH said that the Committee was put together September of last year. He advised there were three meetings in the Fall with representation from approximately 22 members. The members represented a broad range of experience including, builders, architects, retail brokers, citizens, multi-family, retail, office and industrial representation. The Chandler Chamber was also represented.

MR. SMITH said Chandler is competing with other East Valley cities for those retail users. MR. SMITH explained that there is also the potential redevelopment site competition. He noted that the retail market has changed considerably. There are fewer retailers and there is a future trend of retailers wanting smaller spaces. It is believed that the trend is that retailers will continue to downsize. MR. SMITH said this is problematic for the City because it will leave remnant pieces or result in retails wanting to leave our market.

MR. SMITH said that cities that are considered business-friendly are the ones that will be considered for projects. This was seen recently with the Longhorn Steakhouse that will build in West Chandler. With five potential capital projects this year, Chandler was fortunate to get one. He also shared the news of some significant development over the past year in Chandler: Pruitt's, which is scheduled to open in May or June; Hobby Lobby opened; and Ahwatukee Prep School, which is located in the old movie theatre site at Kyrene and Ray.

MR. SMITH said that staff just learned that Fulton Ranch Charter School will lease 28,000 square feet at the stalled shopping center at Arizona Avenue and Chandler Heights Road. He said that Planet Fitness will open in the next few weeks at San Tan Plaza and some batting cages opened in the old Paddock Pools space.

MR. SMITH displayed a list of some key restaurant space that was reused. He compared vacancy rates, stating Chandler is slightly higher than Metro Phoenix. MR. SMITH said that represents a change because Chandler was traditionally about a point below Metro Phoenix. He said that the East Valley is much higher than the Valley as a whole.

MR. SMITH said that CBRE did an analysis on big box vacancies, which they defined as more than 10,000 square feet. In the East Valley there are 117 of those buildings, which represent 3.46 million square feet. That amount is about 36% of the Valley's buildings in that category and 39% of the total space. MR. SMITH said that in Chandler alone, there are 30 buildings defined as big boxes, noting that Chandler would not define those as big boxes. He said that one of the challenges going forward is that Chandler will probably never have enough retailers to fill the vacant space. MR. SMITH noted that the U.S. per capita is about 47 sq. ft. per person. In Chandler, it is approximately 71 sq. ft. per person. MR. SMITH noted that Chandler is about 50% higher than the U.S. average. He said that the U.S. is much higher than most other industrialized nations. MR. SMITH explained that how this relates to the Committee is that revitalization is likely going to have a heavy focus on redevelopment or reuse versus finding retail tenants. The introduction of a higher housing density is likely to be one of the preferred solutions to introduce more people to support the retail that exists.

MR. SMITH provided an overview of some of the suggested recommendations that the Committee developed and are contained in the report.

COUNCILMEMBER SELLERS said that he found the suggestion on shared parking interesting, since Council approved the same type of item on the tonight's agenda for a property on Dobson Road, where a Korean church and a medical office had shared parking. He noted that it is apparent that staff is already looking at those types of opportunities. COUNCILMEMBER SELLERS said that the developers that he has listened to over the past few years talk about densities of 30 to 40. However, according to the report that number only becomes practical with underground parking, which is not economically feasible. He asked Mr. Smith if he could elaborate on that further.

MR. SMITH advised that the members of the Committee did not feel that there would be that level of development in Chandler, due to the associated costs of underground parking. They felt that the 22 to 24 was a more feasible number because underground parking would not be necessary.

COUNCILMEMBER HARTKE asked Mr. Smith for further clarification on increased density of mixed uses and asked about the number of stories for the residential market when increasing from 18 to 22 to 24.

MR. SMITH said it really depends on the size of the parcel. He said it is probably not more than three stories.

COUNCILMEMBER HARTKE asked if there would be Code changes for the areas that were discussed.

KEVIN MAYO, PLANNING MANAGER, responded to that question advising that there is an obstacle in the General Plan, which caps density at 18. He advised that if number were taken away, staff has some ideas on how to produce a minor General Plan amendment. MR. MAYO advised regarding the feasibility of 22 to 24 units per acre in a suburban model, it becomes difficult because most multi-family developers want to have stick developments, which is capped

at four floors and work primarily with surface grade parking, 22 to 24 becomes a tight number. Higher numbers have multiple podium levels. MR. MAYO noted that there are specific areas in the General Plan that are identified that don't have the 18 unit per acre cap. South Arizona Avenue is one example. He said that staff is contemplating amending the General Plan to open up that infill area to remove that road block. Staff does not anticipate any other necessary zoning code amendments.

COUNCILMEMBER HEUMANN asked Mr. Mayo if the overlay on Arizona Avenue a few years ago pertains to the density of Downtown being higher than other areas.

MR. MAYO confirmed that is correct and advised that the South Arizona Corridor Area Plan encourages densities that really don't have a cap. Six floors are encouraged. MR. MAYO explained that to get into that type of construction the costs are quite high. The cost of underground and even the deck parking increases quite a bit. He said initially it is still the General Plan that currently has the cap at 18. With the 2008 General Plan Update, that cap was removed in specific areas; South Arizona Avenue was one of them.

COUNCILMEMBER HEUMANN said that the market will have to dictate some of these items. Right now, the market doesn't justify going to 24 to 30 per acre because the undergrounding is very expensive.

MR. MAYO said that there is a site gap between what is economically feasible for the market and what our General Plan says. 18 is our cap, 22 can be achieved without going underground and without going into something other than stick frame building. MR. MAYO said once you get above 22 or 23, it is difficult to do that. He said there is a slight difference between what the General Plan caps throughout most of the City and what is economically feasible.

COUNCILMEMBER HEUMANN commented that the quality of a project is important, particularly on the multi-family side. He noted that quality does not mean expensive. Quality means things like amenities or other features. COUNCILMEMBER HEUMANN said he understands that there will be challenges with infill. He stated that Mr. Smith was correct in saying that the trend with many of these businesses is downsizing in terms of building size.

MR. SMITH advised that the Committee looked at seven intersections in the City. Initially, internal staff looked at 20 intersections and narrowed it to seven key intersections. The seven that were examined are those that lost a big anchor store.

MR. SMITH said that the Committee was asked if one was to re-tenant, re-use, or redevelop the space at each of the various locations, what type of tenant or things would work well. As noted in the report, some of the locations examined include Alma School and Elliot, which lost Mervyn's and Pure Fitness; Alma School and Warner, which is 97% vacant on the northeast corner. MR. SMITH said that the village development has a lot of character and a lot of opportunity; Alma School and Queen Creek, which lost Bashas' and Target on the northwest corner; Alma School and Ray, which has recently secured Pruitt's; Arizona and Warner, East Valley Mall, which has a large amount of vacancy; and Cooper and Ray, which lost a Bashas' anchor; McQueen and Pecos, which also lost a Bashas' anchor.

COUNCILMEMBER DONOVAN commented on the creativity from members of the Committee in terms of potential tenants for the vacant space. COUNCILMEMBER DONOVAN said she believes this will be a great tool as staff looks for good companies to come to Chandler.

VICE-MAYOR WENINGER thanked Mr. Smith and agreed that it was a great report and appreciated the work that went into it. VICE-MAYOR WENINGER said he noticed that the City is being more flexible and he liked the recommendations for certain corners.

VICE-MAYOR WENINGER said that the Small Business Team is praised within the report and he believes they should be.

VICE-MAYOR WENINGER asked if this information could be shared, especially to landlords and tenants in the problematic centers, noting that it speeds the process up so much. VICE-MAYOR WENINGER recognized R.J. Zeder and his team for their involvement.

MR. SMITH responded to Vice-Mayor Weninger and said that staff is planning a broker event for this summer and there are plans to make individuals aware of some of the opportunities outlined in the report, including services provided by the Small Business Team. When someone signs a lease, he/she can request help from the Small Business Team.

COUNCILMEMBER HEUMANN asked if any of the conversations between staff and the Committee included doing away with retail or was it focused more on allowing the market to dictate. He is concerned that a lot of resources will be utilized to try to fix a corner that is probably not fixable.

MR. SMITH advised that was a large topic of discussion. Staff does not want to use the CRP to pursue every retail corner. He noted that one of the discussion points was that staff would like to see intersections go away from retail, although the costs of the buildings and the cost of the land may make it cost-prohibitive to completely scrap them. He explained that is why a lot of the focus was on re-tenanting or re-using. But there were discussions on completely redeveloping some of the sites.

COUNCILMEMBER HEUMANN said it will be challenging. He noted that there are some buildings that are a lot more viable in terms of design, citing the East Valley Mall is a center that was poorly designed.

COUNCILMEMBER SELLERS said he would like to express his appreciation to everyone that was involved in this process, including Mayor Tibshraeny. COUNCILMEMBER SELLERS said he was really impressed with the quality and cross-section of people who participated and expressed his thanks to everyone involved.

MAYOR TIBSHRAENY said that Chandler has done a really good job in creating a favorable economic climate for the business community. He said because of the lingering effects of the Great Recession, this is one area that needs extra emphasis. Unlike other cities with the same problem, Chandler is being proactive and he explained that is why the Mayor's Four-Corner Committee was formed. MAYOR TIBSHRAENY said it is a long-term process and strategies such as this will help solve the problem.

MAYOR TIBSHRAENY said he would like to thank the Committee and staff from Economic Development, James Smith for his leadership, Chris Mackay, and others.

MAYOR TIBSHRAENY noted that there were several committee members in the audience this evening. He asked James Smith to introduce the committee members and asked that each of

them come forward to receive a small token of appreciation and have a photo taken with the group:

Michael Tibshraeny – Tibshraeny Companies
Terri Kimble – Chandler Chamber of Commerce
Tammy Carr – Howard S. Wright Constructors
Teri Ferguson – American Title

CURRENT EVENTS:

A. Mayor's Announcements

MAYOR TIBSHRAENY said he hosted the Listening Tour meeting at San Marcos Elementary School last Tuesday and approximately 25 residents attended.

MAYOR TIBSHRAENY announced the Wounded Warrior Softball Game on Saturday at 6:30 p.m. at the Snedigar Sports Complex. The Team will play against members of the Chandler Police Department on Saturday night. MAYOR TIBSHRAENY said he is proud to have been asked, along with Police Chief Sherry Kiyler, to throw out the first pitch. He encourages everyone to come out for this free event. Donations will be accepted.

MAYOR TIBSHRAENY announced the Chandler Jazz Festival for the 13th consecutive year on March 30 and 31 throughout the Downtown Square.

MAYOR TIBSHRAENY announced the Family Easter Celebration on Saturday, April 7 9:00 to Noon at Snedigar Sportsplex.

B. Councilmembers' Announcements

COUNCILMEMBER HEUMANN announced the Chandler BBQ Festival, Saturday, March 24, 2012.

COUNCILMEMBER HEUMANN announced that he and Councilmember Hartke plan to ride in the Century Bike Ride on Saturday, March 24.

COUNCILMEMBER SELLERS announced that he and Chris Mackay received a tour of the Sky Train at Sky Harbor this week. He said that luggage can be checked at the light rail station and travelers can then board the Sky Train to go directly to the terminal.

VICE-MAYOR WENINGER encouraged attendance at the Wounded Warrior Softball game and thanked the Mayor and Chief Kiyler for throwing out the first pitch.

VICE-MAYOR WENINGER announced the kickoff of Chandler National Little League season.

VICE-MAYOR WENINGER said he had the honor of speaking to the East Valley Retired and Senior Volunteers who volunteer in Chandler. He said that he would like to announce the names of the award recipients from Chandler: Phyllis Bleakley, Gold Award; Joyce Breclaw, Silver Award; Charles Kishiyame, Bronze Award; and Verla Morris, over 90 award. Verla is also a Centenarian who turns 100 in August.

