

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, August 16, 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
Trinity Donovan	Councilmember
Kevin Hartke	Councilmember
Rick Heumann	Councilmember
Matt Orlando	Councilmember
Jack Sellers	Councilmember

Also in attendance:

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

INVOCATION: Pastor Tyrone Stowe - Gospel 4 Life Church

PLEDGE OF ALLEGIANCE: St. Mary-Basha Cub Scout Pack #132 led the Pledge of Allegiance.

UNSCHEDULED PUBLIC APPEARANCES:

None.

CONSENT:

*ITEMS NO. 2 and 38 had public comment.

COUNCILMEMBER HEUMANN voted nay on Item number 37.

COUNCILMEMBER ORLANDO voted nay on Item number 37.

VICE-MAYOR WENINGER voted nay on Item numbers 26 and 27.

MAYOR TIBSHRAENY noted that he would not be voting on Items 10 and 11 due to a conflict of interest.

MAYOR TIBSHRAENY voted nay on Items 26 and 27.

MOVED BY COUNCILMEMBER HEUMANN, SECONDED BY COUNCILMEMBER ORLANDO, TO APPROVE THE CONSENT AGENDA AS PRESENTED WITH ITEM NUMBER 38 TO BE CONTINUED TO THE SEPTEMBER 13, 2012 COUNCIL MEETING.

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

1. REZONING: The Enclave

Ord. #4386

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4386, DVR12-0001 The Enclave, rezoning from PAD for commercial with a transit-oriented, multi-family residential overlay to PAD (Multi-Family Residential) with PDP for an apartment development and Preliminary Plat located at the SEC of Arizona Avenue and Chandler Heights Road. (Applicant: Mike Curley; Earle, Curley & Lagarde P.C.)

Condition No. 9 was added to the ordinance and requires the developer to disclose in individual lot/unit deeds the existence of the railroad adjacent to the proposed multifamily residential development. The disclosure advises the railroad use should be expected to continue indefinitely and may have adverse impacts.

BACKGROUND

The 21.78-acre subject site is located at the SEC of Arizona Avenue and Chandler Heights Road. West of the site is Arizona Avenue and across the street are the new Arco gas station and convenience store and the existing Ironwood Vistas single-family residential subdivision. North of the property is the incomplete Shoppes at Chandler Heights retail center surrounded by vacant land zoned for single-family residential. East of the site are the Union Pacific Railroad tracks and east of the railroad tracks are two manufacturing businesses zoned industrial in the county's jurisdiction. South of the property is vacant land and a manufacturing business zoned industrial in the County's jurisdiction.

This application request includes rezoning from Conceptual Planned Area Development (PAD) for commercial with a transit-oriented multi-family residential overlay to PAD (Multi-Family Residential) with Preliminary Development Plan (PDP) for an apartment development. The Enclave multi-family residential proposal is the second zoning request for this site. The site was previously zoned for a project named Algodon Park in 2002, which received zoning time extensions in 2004 and 2007. The PAD zoning was approved for a multi-use commercial/retail, transit oriented multi-family residential and high-turnover commercial/retail uses development. The project never developed. The zoning expired in October 2010 and was never extended.

The property was formerly the Chandler Ginning Company, a cotton gin that served many east valley cotton growers. The business closed down many years ago and the land has remained undeveloped even with the approval of PAD zoning and a PDP. The proposal includes a 21.78 net acres gated multi-family residential apartment development with 392 multi-family units at 17.99 dwelling units per acre.

There are 380 garden-style apartment units and 12 loft/carriage style units with 2- and 3-story buildings. The majority of the buildings are located on the site's interior. The Enclave is a creative, garden style multi-family residential project. Building designs and site layout create view corridors and access to green open spaces. Entrances to the site are highlighted with tree-lined landscape medians, decorative pavement features and theme walls and gates. There are two main entrances/exits, one off of Chandler Heights Road and one off of Arizona Avenue. Both are full movement access drives.

ARCHITECTURE AND SITE DESIGN

The Enclave is designed as a garden setting environment with high-density, multi-family residential offering diverse building forms and amenities. The community incorporates over 20% open space with expanses of turf along street frontages and within two interior open spaces.

There are two different building styles with varying exterior types. One building style is the unique design of a traditional apartment building with 2- to 3-floors of units. The building form includes three individual building sections connected by breezeways and a vestibule. The second building style is a loft/carriage style unit with garages on the ground floor and apartment units on the second floor. There are two different loft/carriage type buildings. Individual one-story garage buildings are provided in addition to a clubhouse. Apartment units range in size from 685 to 1,450 square feet. The clubhouse is a one-story building located off of the Arizona Avenue entrance and provides computer rooms, fitness center, a game room, kitchen and restrooms.

The overall architectural style is represented as traditional Mediterranean, a specific style for this project with a desert oasis theme. Buildings include a mix of gable, hip and shed roofline designs, varied massing, accents and elements, undulating wall planes, stone veneer, s-tile roofing and an earth-tone paint color palette. The choice and placement of paint colors, stone, vertical and horizontal plane changes, rooflines and wall plane variations in addition to building form provides a distinct building character.

The streetscape theme provides a sense of arrival to Southeast Chandler with turf landscape areas leading up to buildings extending over 1200 feet along Chandler Heights Road and 900 feet along Arizona Avenue. Each of the two interior open spaces is surrounded by several buildings. These green spaces include a swimming pool, cabana, ramadas, barbecues, and a putting green near the clubhouse. A tot lot playground is provided in the eastern open space area. The open spaces offer ample room for outdoor recreation and a pedestrian friendly environment.

The development meets required parking for each unit and guests. While the new parking code amendment has been approved, this project was filed under the old parking standards. The development provides 10 additional parking spaces under the old standards and provides the exact amount of required parking under the new standards.

Perimeter fence walls include a combination masonry wall and wrought-iron. The fencing does encroach into the 50-foot building setback, which is typical of gated multi-family community's. Planning Staff supports the proposed setback encroachment. There are no individual freestanding monument signs. The project's name and decorative wall is integrated with the perimeter view wall. Lettering on the wall is individual pin mounted.

GENERAL PLAN CONFORMANCE/AREA PLAN BACKGROUND

The General Plan Land Use Plan designates this property as Employment and a Commercial Node, within the Southeast Chandler Area Plan and as a Large Growth Tract Area. The General Plan's Employment designation includes light industrial parks, corporate offices, manufacturing, knowledge-intensive employers and a compatible mix of industrial support uses and residential densities as an integral component of a planned mixed-use development. The Commercial Nodes category denotes intersections appropriate for neighborhood or community commercial retail, office, commercial services, and institutional uses, as well as residential or employment where appropriate when allowed by the underlying land use, in this case Employment. The Large Tract Growth Area constitutes the City's prime inventory of economic development acreage.

The Southeast Chandler Area Plan designates this property as Mixed Use/Employment and Major Entry Gateway as well as emphasizes the General Plan designates this corner as a commercial node allowing multi-family. The property's original zoning incorporated multi-family along with commercial including large single use retailers and high turnover uses including a gas

station. The multi-family use was a component along the railroad tracks with the intent of supporting future rail transit.

The Southeast Chandler Area Plan specifically limited development of multi-family residential to property along Arizona Avenue up to the railroad tracks. The proposed higher density residential multi-family land use implements the City's goals of providing higher densities along Arizona Avenue's Employment corridor, in relation to the City's plans for Light Rail Transit, and as a part of the development plans for the Southeast Chandler Area Plan. Removal of commercial land use further enhances and balances the viability of available commercial property in the area.

The Land Use and Housing Element of the General Plan promote a variety of housing choices for all income levels. The multi-family residential land use provides a housing option in addition to single-family residential in the immediate area. The proposed development will serve a need for the Southeast Chandler area providing corporate housing, employee housing and commuter housing supporting existing and planned commercial and employment development along Arizona Avenue.

The project's streetscape, sense of arrival and creative architectural design make this an inviting project to support the entry into Southeast Chandler.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held June 5, 2012. There were four area residents in support of the project in attendance.

Planning Staff received an email from three property owners in the Pinelake Estates subdivision, which is northeast of this project. All three were mailed notice of the neighborhood meeting, but did not attend, and all were mailed a hearing notice postcard. Two of the three property owners are City Registered Neighborhood (RNO) contacts who received double notice, one as an RNO and one as a property owner. The email stated they do not want to see the community's density change dramatically due to large apartment complexes being built and they do not believe the density change is in line with the original purpose of Southeast Chandler's development. They feel the proposed apartment complex does not enhance the area or provide services they would like to see such as high-end restaurants and shops.

Their correspondence was forwarded to the applicant who contacted the email's author. The applicant attended the Pinelake Estates HOA Board meeting on July 31, 2012. The Pinelake Estates residential subdivision is located northeast across the railroad tracks from the proposed development. The applicant and developer presented details of the proposed apartment development. Following the meeting, the Board met privately to discuss this request and emailed the applicant and Planning Staff that the Board voted to not take an official position on this project.

The day of the Planning & Zoning Commission meeting, Planning Staff received several emails in opposition to this request. Residents reside in Pinelake Estates and conveyed concerns with property values, traffic and noisy transient apartment people if the apartments are approved.

The Planning Commission unanimously approved the request.

RECOMMENDATIONS

Rezoning

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

Preliminary Development Plan

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

1. Development shall be in substantial conformance with Exhibit A, Development Booklet, entitled "The Enclave", kept on file in the City of Chandler Planning Services Division, in File No. DVR12-0003, except as modified by condition herein.
2. Approval by the Director of Transportation & Development of plans for landscaping (open spaces and rights-of-way) and perimeter walls, and the Director of Transportation & Development for arterial street median landscaping.
3. The landscaping shall be maintained at a level consistent with or better than at the time of planning.
4. The landscaping in all open-spaces and rights-of-way shall be maintained by the adjacent property owner or association.
5. Sign packages, including free-standing signs as well as wall-mounted signs, shall be designed in coordination with landscape plans, planting materials, storm water retention requirements, and utility pedestals, so as not to create problems with sign visibility or prompt the removal of required landscape materials.
6. The parking space canopies shall incorporate building materials, forms and colors to match the development as represented in the Development booklet.

Preliminary Plat

1. Approval by the City Engineer and Director of Transportation & Development with regard to the details of all submittals required by code or condition.
2. SETBACK DECREASE: Chandler Airport Water Reclamation Facility Ord. #4387

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4387 authorizing a decrease in the setback area established in the Arizona Department of Environmental Quality (ADEQ) Rule R18-9-B201(I) for the Chandler Airport Water Reclamation Facility located on Queen Creek Road, west of McQueen Road.

William Davis, 1051 W. Laron Ln., Tempe, Arizona 85284, came forward to address the Council on this item. MR. DAVIS said that he owns property adjacent to the Wastewater Treatment Plant on Appleby Road. He stated that he has been working with staff from the City of Chandler Real Estate Division on the acquisition of a buffer easement for the wastewater treatment plant expansion. MR. DAVIS said that on Monday he learned that the previous negotiations and discussions are no longer necessary due to the proposed adoption of Ordinance #4387, which deals with an Arizona Department of Environmental Quality (ADEQ) ruling.

MR. DAVIS said that ADEQ previously required a 750 foot buffer easement, which would encroach onto MR. DAVIS' property. He noted that is the reason he was initially in negotiations with the City. MR. DAVIS has concerns because now it is proposed that only a 300 foot easement

and no buffer zone are necessary. MR. DAVIS stated that he is concerned about any future liability, whether it is held by the City of Chandler or by him. He said that his property is currently listed for sale and is not sure whether this needs to be part of his disclosure. MR. DAVIS said that it is not possible for him to monitor any odor or dust or emissions that may come from the plant in the future. He said that it is proposed that the plant increase its water processing from 22 million gallons per day currently to 30 million gallons per day. He asked if the same 300 foot buffer applies.

MUNICIPAL UTILITIES DIRECTOR, DAVE SIEGEL, came forward to address the questions posed by Mr. Davis. MR. SIEGEL explained that staff tried to work with the Davis' to try to obtain the 750 foot easement. He said that the rules provided three options: 1. Cover all of the equipment, which is very expensive. 2. Provide a 750 foot easement 3. Create a local control option for an easement.

MR. SIEGEL advised that staff was trying to accomplish the 750 foot easement. However, when the price was several times above the appraised value, it was decided to pursue the third option. MR. SIEGEL advised that staff met with ADEQ to confirm in writing that this is permissible. MR. SIEGEL noted that several communities around the state have created a local ordinance where a specific buffer boundary is set. The City is seeking a 300 foot buffer. MR. SIEGEL displayed a map with the 300 foot boundary noted. He explained that the ordinance is written in such a way that it restricts the installation of any odor causing equipment, treatment facilities, etc. within the 300 foot easement. MR. SIEGEL noted on the map two emergency basins. He said that in the last several years water has been present in the emergency basins only a few times. MR. SIEGEL said that treated wastewater that is not sent out for distribution in the system is placed in the basins and brought back into the plant to re-treat the water. MR. SIEGEL explained that reclaimed water that is used for irrigation in the southern part of the City is stored there.

MR. DAVIS stated that the ruling from ADEQ deals with an aquifer protection program for groundwater, but does not seem to address the dust and odor easement. He noted that while the conversations with City staff have been cordial, he felt like the rug was pulled out from his feet.

MAYOR TIBSHRAENY thanked Mr. Davis and Mr. Siegel.

BACKGROUND

In September 2011, Staff began the design process to increase the Airport Water Reclamation Facility wastewater treatment capacity from 15 mgd to 22 mgd. Construction began June 2012 and will be completed by June 2014.

As part of the expansion, new aeration basins and secondary clarifiers will need to be constructed, increasing the facility footprint. To meet odor control requirements, ADEQ advised the City of Chandler the odor control setback can be reduced to three hundred (300) feet. To that end, the City of Chandler is in the process of applying to ADEQ for an Aquifer Protection Permit (APP) to allow expansion of the Airport Water Reclamation Facility.

The City of Chandler owns the easement in the odor control setback boundary. No disposal component, treatment component, or any other odor emitting component of the Airport Water Reclamation Facility shall encroach into the setback area.

ADOPTED Resolution No. 4609 authorizing the acquisition of temporary rights of entry needed for a water main replacement project – east of Hartford Street from Chandler Boulevard to Erie Street, Project No. WA0401; authorizing such relocation assistance as may be required by law and authorizing the Real Estate Coordinator to sign the appropriate documents necessary to facilitate the acquisition of the rights of entry and relocation assistance as may be required for this project on behalf of the City.

BACKGROUND

The City will be relocating water mains from the alleys in the neighborhood east of Hartford Street from Chandler Boulevard to Erie Street. This project will require relocating the water services for approximately 100 homes so service will be provided from the street rather than the alley. In order to accomplish this, it will be necessary to obtain Rights-of-Entry from the property owners who will benefit from this project. Since this is an established neighborhood, it is possible relocation of some personal property or improvements may be required. It is not anticipated any businesses, property owners or tenants will be relocated.

This resolution authorizes acquisition of the required Rights-of-Entry at a fair value to be determined by the Real Estate Coordinator and relocation assistance where required by law.

4. REVISED AGREEMENT: Union Pacific Railroad Res. #4628

ADOPTED Resolution No. 4628 authorizing a revised agreement with the Union Pacific Railroad for the reconstruction and widening of Ocotillo Road across the Union Pacific Railroad east of Arizona Avenue in an estimated amount of \$621,251.00; and authorizing the City Engineer to execute, deliver and deposit into escrow the approved agreement, along with all other documents and instructions necessary to consummate the transaction.

BACKGROUND

In connection with the Ocotillo Road Improvements project, the existing at-grade public railroad crossing east of Arizona Avenue requires reconstruction and widening for a new four lane roadway. The work involves installation of new concrete panels, rail, automatic flashing crossing light signals with gates and construction flagging services. An agreement for a new Public Highway At-Grade Crossing Improvement with the Union Pacific Railroad is required to grant the City a property right to establish and construct the new crossing.

On March 8, 2012, the City Council passed and adopted Resolution No. 4580 authorizing an agreement with the Union Pacific Railroad for the reconstruction and widening of the existing railroad crossing at Ocotillo Road. The Union Pacific Railroad has required the agreement be revised as follows:

- The estimate for construction, engineering services and construction flagging of the crossing has increased from \$584,725.00 to \$593,851.00.
- The Union Pacific Railroad has added additional language to the agreement that maintains the Union Pacific Railroad's eligibility for any federal, state, local or other public funds that may become available for the maintenance and repair of the automatic flashing crossing light signals and gates.

Upon execution and delivery of the revised agreement, the City will pay the Union Pacific Railroad the sum of \$17,400.00 to establish the property right. The City will also reimburse the Union Pacific Railroad for actual costs incurred by the railroad for the installation of the crossing in an estimated amount of \$593,851.00, for a total estimated amount of \$621,251.00.

Additionally, the City will seek approval of the new crossing from the Arizona Corporation Commission.

5. AREA PLAN AMENDMENT/REZONING: Banner Health Center Chandler Res. #4629 & Ord. #4383

ADOPTED Resolution No. 4629, Area Plan Amendment, APL12-0002 Banner Health Center – Chandler, from Commercial/Retail/Office and Live/Work to Commercial/Retail/Office.

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4383 DVR12-0008, Banner Health Center – Chandler, rezoning from PAD (Commercial/Retail/Office and Live/Work) to PAD (Medical Office and Commercial) with a Mid-Rise Overlay and PDP for medical office use located at the NEC of Alma School and Willis roads, immediately south of the Loop 202 Santan Freeway. (Applicant: Bill Smith/Banner Health & Mike Withey/Withey Morris PLC.)

BACKGROUND

The property is located on the NEC of Alma School and Willis roads. The Loop 202 Santan Freeway abuts the northern boundary. Parcland Crossing apartments is under construction on the east side. South of Willis Road is Cornerstone Christian Church and west of Alma School Road is the Carrizal single-family subdivision. The site is currently vacant and undeveloped; however, there are right-of-way improvements under construction related to the apartment development.

The subject 18.3 acre site was originally planned for office use with single-family residential to the east; however, the site's Area Plan and zoning changed in November 2006 to allow an office with retail development in conjunction with a multi-family residential development on 40 acres named ParcLand Crossing. There have been a few zoning cases occurring in 2007, 2008 and 2010 addressing timing of development and zoning conditions. The last timing of development extension in 2010 retained the PAD zoning for an additional three years expiring January 10, 2013. The PAD zoning included 2- and 3-story general office buildings totaling 170,000 square feet, four retail/restaurant buildings totaling 35,000 square feet and multi-family residential with 383 units and 18 live/work residential units for a total of 401 units at 17.99 du/ac. The adjacent multi-family residential apartments have begun construction. The multi-family residential no longer includes the 18 live/work units and is proposed for elimination as part of this request.

The subject request includes an Area Plan amendment from Commercial/Retail/Office and Live/Work to Commercial/Retail/Office, rezoning from PAD (Commercial/Retail/Office and Live/Work) with a Mid-rise overlay to Pad (Medical Office and Commercial) with a Mid-Rise Overlay and Preliminary Development Plan (PDP) for medical office use. Banner Health intends to construct two medical office buildings in Phases 1 and 2 including one single-story and one two-story building totaling 87,410 square feet on approximately 10.9 acres of the 18.3-acre site. The medical office use is not represented as a hospital but a medical office center for patient-doctor appointments.

The remaining 7.4 acres, Phase 3, is planned for future Commercial/Retail/Office uses with a Mid-Rise Overlay allowing uses permitted by right in Community Commercial (C-2) zoning, which allows for additional medical office use if Banner Health were to expand. The mid-rise overlay requests approval to allow buildings to exceed 45 feet in height up to a maximum height of 60 feet. The mid-rise location is specified by an exhibit in the Development Booklet. The height proposed matches the height previously approved for this site. Phase 3 may develop with approximately 80,000 square feet of office and/or commercial uses including freestanding pads. The Development Booklet site plan includes a concept of Phase 3; however, the ultimate design

of site layout, number of buildings and freestanding pads, building architecture and signage will be determined through a separate PDP application request.

GENERAL PLAN/AREA PLAN CONFORMANCE

The subject site is designated by the General Plan under the Residential category which allows for commercial and mixed-use development. The property's land use is further defined by the Alma School Place Area Plan covering Alma School Road to Arizona Avenue and Pecos Road to Willis Road. The Area Plan currently designates the property for Commercial/Retail/Office and Live/Work residential. The land use designations were approved PAD zoning which included a condition prohibiting medical and dental offices. The PDP did not design the project to include parking for medical and dental office thus the uses were restricted. The request to amend the Area Plan to eliminate the Live/Work residential and add Medical Office use is appropriate for this intersection along the freeway. Developing medical office use on approximately half the site and transitioning to future commercial and/or office land use adjacent to the Loop 202 Santan Freeway and Alma School Road arterial street, furthers the City's expectations for commercial use at this freeway intersection. This application implements the adopted Area Plan and the General Plan by providing a transition with appropriate buffers including landscaping, setbacks and height gradations to surrounding properties.

ARCHITECTURE AND SITE DESIGN

The site layout and building architecture meet the intent of the City's commercial design standards. The architecture provides a unique, urban design element for the area. The buildings are designed with rectilinear shapes and angles incorporated with vertical elements such as projecting fin walls, wall openings, metal panels, metal shade canopies at entrances and above windows, and varied window types including floor to ceiling windows where offices and public spaces occur. Building materials include masonry block, metal elements and e.i.f.s. There are four different masonry wall materials varying in color and texture along with an interlocking wall panel system, prefinished metal screen panels, aluminum window frames and glazed windows. The overall color palette is a light sand and tan theme.

The one-story building is designed to connect with the Phase 2 two-story building. Where the buildings connect, an enlarged outdoor vestibule providing shade with landscape planters and seat walls creates a sense of arrival into the building amongst e.f.i.s. and masonry two-story facades with tall and narrow windows. The juxtaposition of the main entrance with the two-story building has a unique geometric shape. Banner Health refers to this area as a resemblance of canyon wall rock formations with cascading waterfalls within the canyon created by the window design. A secondary pedestrian space is provided at the west end of the interior retention basin where benches, tables and shade trees are provided.

The landscape palette is a desert motif with trees and shrubs located in a manner to compliment and accent the buildings and street frontages. The main entrance off of Alma School Road is highlighted by a landscape median, detached sidewalks, and tree-lined boulevard with Willow Acacia and Desert Museum Palo Verde trees. The east property line adjacent to the multi-family includes a row of Southern Live Oak trees planted 20-feet on center and 12-feet high at time of planting. The primary retention basin is located on the northeast corner of Phase 2. This is a lineal retention basin that was initially designed as part of the Parcland Crossing plan.

The medical office buildings are centrally located with parking areas surrounding the building which provides convenient access to public and employee entrances. There are three vehicular access points to the site. The primary access is off of Alma School Road where a new southbound left turn lane will be constructed. The main access provides right-in and right-out

turning movements only. The primary access serves traffic coming from the Loop 202 Santan Freeway and Alma School Road. There are two additional access points off of Willis Road including a full-movement access driveway closer to Alma School Road and another full access driveway on the east end adjacent to the apartments.

Parking spaces provided for the development are based upon a parking analysis specific to Banner Health's operational characteristics. The City's Zoning Code parking requirements are under review for amendment. Parking for medical office will remain at 1 space per each 150 square feet of building area (1/150). Banner Health requests approval for medical office parking at a ratio of 1/176, which yields fewer parking spaces. Based on the medical office at a total of 87,410 square feet, 583 parking spaces are required. The development provides 497 parking spaces, a reduction of 85 parking spaces. A parking space contingency plan was submitted to Planning Staff for review to ensure code required parking could be relocated on this site if needed in the future.

The request includes specific signage for the site and buildings in Phase 1 and 2. Banner Health's signage is a corporate signage program. There are specific designs for building-mounted signage and freestanding monument signs on all Banner Health sites. There are four freestanding monument signs provided along street frontages. The signs are 7 feet high as permitted by Sign Code which includes one-foot for architectural features. The signs state Banner Health Center with a logo. Monument sign panels are constructed of aluminum with perforated vinyl lettering for internal illumination, masonry block and paint colors to match the buildings. There is one directional freestanding sign at the entrance off of Willis Road that is 2 ft. 10 in. high. There is one building mounted sign on the one-story entrance façade stating Banner Health Center with a logo. The lettering is pan channel face illuminated letters. The logo is reverse pan channel with backlighting. Signage meets two of the three required additional quality standards providing letter size no greater than 15% of the building height for all wall-mounted signs and corporate logos no greater than 10% of the total allowable sign size. Due to Banner's corporate sign program, monument signs are not designed on low planter walls, utilize reverse pan channel lettering, or incorporate landscape planter features at the base of the signs. While the minimum standards are not met, Planning Staff finds the monument signs to deliver the architectural intent through integration with the building as well as limited text and panels on the signs.

The Planning Commission and Planning Staff are of the opinion that the proposed medical office development and established land uses for the entire property furthers the City's goal to promote development at freeway interchange nodes. The development incorporates techniques such as landscape buffers, building scale and open space to provide a transition to existing development and apartments under construction to the east. The development meets the intent of the City's Commercial Design Standards. There are standards not applicable since this project is not a commercial retail shopping center or a garden office type development. There is one required standard that is not directly applied; providing unique exterior public artwork such as sculptures and murals, gates/fences/walls, benches, fountains and walkways, etc. While there is not a specific representation in the Development Booklet for exterior artwork and its location, Banner Health conveys they work with organizations and philanthropic entities to install public art within the medical office facility when funding is available, acceptable to Banner and does not create added facility maintenance costs or risk exposure.

The Planning Commission and Planning Staff support the proposed Area Plan amendment and Rezoning with Preliminary Development Plan for the medical office and future development with

mid-rise overlay. The project compliments the surrounding area and existing development within the Alma School Place Area Plan.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code with neighborhood meetings being held on June 12 & 26, 2012. There were no attendees at either meeting. Planning Staff has received phone calls from area residents wanting information and conveying support. Planning Staff has received no correspondence in opposition to the request.

PLANNING COMMISSION VOTE

The Commission unanimously approved the request.

One area resident attended the hearing to ask for clarification on site design items. The resident wanted to ensure the following were provided for; along Alma School Road there is a sidewalk leading to the medical building entrance, shade trees along the street adjacent to the sidewalks and a future transit location for buses. Planning Staff confirmed all three are included in the development request.

RECOMMENDATION ACTION

Area Plan

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

Rezoning

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

Preliminary Development Plan

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

1. Development shall be in substantial conformance with Exhibit A, Development Booklet, entitled "Banner Health Center", kept on file in the City of Chandler Planning Division in Files No. APL12-0002 & D12-0008 except as modified by condition herein.
2. Phase Three requires a separate Preliminary Development Plan application for site layout, building design and signage.
3. This approval does not constitute Final Development Plan approval; compliance with the details required by all applicable codes and conditions of the City of Chandler and this Rezoning with Preliminary Development Plan shall apply.
4. Approval by the Director of the Transportation & Development Department of plans for landscaping (open spaces and rights-of-way), perimeter walls, and for arterial street median landscaping.
5. The landscaping in all open-spaces and rights-of-way shall be maintained by the adjacent property owner.
6. Landscaping shall be in compliance with current Commercial Design Standards.
7. The landscaping shall be maintained at a level consistent with or better than at the time of planting. The site shall be maintained in a clean and orderly manner.
8. Trees on the east side of the developments shall be a minimum of 12 feet in height at time of planting.
9. Sign packages, including free-standing signs as well as wall-mounted signs, shall be designed in coordination with landscape plans, planting materials, storm water retention

requirements, and utility pedestals, so as not to create problems with sign visibility or prompt the removal of required landscape materials.

10. The monument sign's sign panels shall have an integrated or decorative cover panel until a tenant name is added to the sign.
11. All raceway signage shall be prohibited within the development.
12. Parking space canopies to incorporate building materials, forms and colors to match the development.
13. Tenant panel names and logos shall utilize push through routed-out lettering.

6. GRANT AMENDMENT: Arizona Department of Transportation Res. #4632

ADOPTED Resolution No. 4632 authorizing Amendment No. 2 to Grant #E8S45 with the Arizona Department of Transportation (ADOT), Multi-modal Planning Division, to extend the grant expiration date to September 30, 2012.

BACKGROUND

The City received ADOT grant #E8S45 in 2008 for the design of the northwest apron project. This multi-phase project is included in the current and proposed Five-Year Capital Improvement Program.

The ADOT grant related to this project expired June 30, 2012. The City is requesting, and ADOT has agreed, to extend the expiration date to September 30, 2012. This action is necessary to allow time for final administrative actions by the engineering firm for this project.

FINANCIAL IMPLICATIONS

This grant is for \$186,750.00 from ADOT and required a minimum match of \$20,750.00 from the City. The estimated design cost of the project is \$207,500.00. There are no new financial responsibilities associated with the grant extension.

7. INTERGOVERNMENTAL AGREEMENT: Arizona Dept. of Transportation Res. #4634

ADOPTED Resolution No. 4634 authorizing an Intergovernmental Agreement (IGA) with the Arizona Department of Transportation (ADOT) for cost sharing for drainage improvements to Thude Park Drainage Basin at Galveston Street and the Price Freeway.

BACKGROUND

The City of Chandler is planning to make drainage improvements to the Thude Park Drainage Basin located at Galveston Street and the Price Freeway. The improvements will consist of a small pump station and the associated discharge piping and electrical service to be located on the west side of the basin where storm water discharges into the adjacent ADOT storm drainage system for the Price Freeway. These improvements will pump a constant, but small volume of standing storm drainage water that accumulates at the west end of the basin from nuisance discharges into the basin and from small rainfall events.

Currently, the nuisance water and small rainfall event runoff accumulates at the west end of the basin because there is no low flow outfall from the basin. As a result, the water stands in a low area until the Streets Staff can pump out the area. This new pump station will eliminate the need for staff to pump out the area and will eliminate any potential for spread of West Nile Virus from mosquitoes.

The Thude Park Drainage Basin is owned by ADOT and takes rainfall runoff from the adjacent Price Freeway and from approximately 2 square miles of Chandler. In accordance with a prior agreement between the City and ADOT, the City was allowed to construct Thude Park in the basin in return for the City agreeing to maintain the basin.

FINANCIAL IMPLICATIONS

The programmed funding for the project is:

\$219,000	City Bond Funding
<u>224,000</u>	<u>ADOT Lump Sum Funding</u>
\$443,000	Total Estimated Project Cost

The ADOT share of the project is a lump sum amount. If the actual cost of the project is less than the estimated cost, the City's share will be reduced. If the actual cost of the project is greater than the estimated cost, the City's share will increase.

8. GRANT AGREEMENT: Federal Aviation Administration Res. #4635

ADOPTED Resolution No. 4635 authorizing a grant agreement with the Federal Aviation Administration (FAA) to accept an AIP grant in an amount not to exceed \$275,000.00 for the construction of the Automated Weather Observation System (AWOS).

BACKGROUND

The Airport anticipates receiving a Federal Airport Improvement Program (AIP) grant to construct an Automated Weather Observing System (AWOS). Chandler Municipal's current system, which was constructed in 1992 with AIP funds, is no longer supported by the manufacturer. This replacement system will provide a reliable source of weather reporting for pilots who use the airport.

The project design was approved previously and is currently being advertised for public bid; however, the FAA requires the grant offer be signed on or before September 7, 2012. Once the apparent low bidder is identified through the public bid process, the formal contract and final amount will be brought back before Council for its approval. The anticipated grant amount is based on an estimate of probable costs from the City's engineer and represents the Federal share of the project.

FINANCIAL IMPLICATIONS

This project is in the current 5-year Capital Improvement Program (CIP). Federal grants represent 91.06% of the total project costs. An ADOT grant is anticipated for 4.47% of the project costs. Staff has identified the remaining 4.47% local matching share in the Airport Operating Fund.

9. INTERGOVERNMENTAL AGREEMENT AMENDMENT: Maricopa County Superior Court
Res. #4633

ADOPTED Resolution No. 4633 authorizing an amendment to the Intergovernmental Agreement (IGA) with Maricopa County Superior Court for jury services.

BACKGROUND

The Chandler Municipal Court presently utilizes the services of the Maricopa County Superior Court Jury Commissioner to summon citizens of the City of Chandler for jury service. In addition

to selecting the names of potential jurors, the contract also provides for the cost of mailing the summons/questionnaires, letters of excuse, postponement and failure to respond cards. The contract also provides a separate payroll service to pay jurors serving on a jury panel.

The initial term of the agreement was through June 30, 2010, with five one-year renewals. The parties agreed via correspondence to renew the IGA for a one-year period from July 1, 2010 through June 30, 2011 and by IGA Amendment from July 1, 2011 through June 30, 2012. This Amendment renews the jury services IGA for the City of Chandler Municipal Court for an additional one-year term from July 1, 2012 until June 30, 2013.

FINANCIAL IMPLICATIONS

The fees paid to the Jury Commissioner for FY 12/13 will be approximately \$10,000.00. This figure includes the \$89.00 basic setup fee for computer maintenance, programming time, administrative costs and documentation incurred plus \$1.25 per person summoned.

10. WITHDREW ZONING: Appleby & Gilbert Roads

WITHDREW FOR THE PURPOSE OF RE-ADVERTISING, Zoning DVR12-0020, NW & W of the SEC of Appleby & Gilbert Roads, the establishment of initial City zoning of AG-2 on approximately 33.8 acres located NW and west of the SWC of Appleby and Gilbert roads. (Applicant: City of Chandler.)

The Planning Commission and Staff recommend a withdrawal for the purpose of re-advertising due to some formalities regarding the annexation and a request by the future developer of the property to continue the annexation process which affects the City initial zoning process.

11. CONTINUED ZONING: Belmont Estates

CONTINUED TO SEPTEMBER 27, 2012, Zoning DVR12-0016/PPT12-0009 Belmont Estates, rezoning from AG-1 to PAD along with PDP and Preliminary Plat for a single-family residential subdivision on approximately 33.8 acres located at the NWC and west of the SWC of Appleby and Gilbert roads to allow the annexation process to be finalized, meet with the neighbors and to submit a final development booklet. (Applicant: Brennan Ray; Burch & Cracchiolo, P.A.)

12. PRELIMINARY DEVELOPMENT PLAN: Aero-Zone Solar Parking Cover

APPROVED Preliminary Development Plan PDP12-0007 Aero-Zone Solar Parking Cover to allow a parking canopy cover within the building setback for property located at 2200 S. Stearman Drive, SWC of Cessna Drive and Stearman Drive. (Applicant: T. J. Parent, Royal Covers/Royal Solar.)

BACKGROUND

The subject site is an existing industrial warehouse office building zoned for light industrial use with general office in approximately half of the building. The building is approximately 30,385 square feet in building area. Aero-Zone is an aircraft parts company moving to this site and is installing solar panels on the building. As part of the solar panel system, additional panels are needed and will be provided on top of a parking canopy cover.

Surrounding this property on the north and west are vacant lots also zoned for light industrial use as part of the Chandler Airport Business Center master plan. South of the site is the Cardinal Health medical supplies distribution facility. East of the property is a childcare center as part of

the Watermark project. The property was zoned PAD for light industrial as part of the Chandler Airport Business Park master plan. The site was developed in 2007. In June 2011, a rezoning request was approved to allow general office in addition to light industrial in this building for a specific business; however, the building was never occupied following this zoning action.

The property currently has paved parking along Cessna and Stearman drives as well as in the rear of the property behind a gated yard. There is no covered parking for shade at this time. In conjunction with a solar panel energy system being installed on the building's roof, additional panels will be located on a single parking canopy cover that will be located over 12 parking spaces along Cessna Drive.

The request is to allow a parking canopy cover to be located less than the required 30-foot minimum building setback from the ultimate right-of-way line/property line. The parking spaces meet Zoning Code and are located 20 feet from the right-of-way line. The parking spaces are designed at 16 ½ feet in length with a 2 ½-foot area for vehicle overhang equating to a 19-foot long parking space. Parking canopy structures are typically approved administratively by Staff upon meeting building setbacks and all other code requirements. However, covering these parking spaces with a canopy structure positions the structure at a 19-foot building setback instead of 30 feet, which is an 11-foot encroachment thus requiring an amendment to the approved Preliminary Development Plan (PDP) to allow a new structure and review its site layout and design. The PDP allows requests for code waivers to be considered.

The canopy cover structure is steel framework, cantilevered, and angling the solar panels for southern sun exposure. At its highest point closest to Cessna Drive, the canopy structure is 13' 4" and angles down to 8'2" adjacent to the interior drive aisle. The structure will be painted to match the building's paint color palette and appear architecturally commensurate with the building. There will be no removal of landscaping to accommodate the new parking canopy cover.

Planning Staff supports the proposed building setback encroachment finding the addition of a parking shade structure to be compatible with the building and the surrounding area. The canopy serves to provide shade while at the same time provides for solar panels. The streetscape includes existing mature trees and shrubs as well as a low parking area screen wall approximately 3 feet high. While the underside of the canopy faces Cessna Drive, the cross-beam framework with solar panels on top will be partially blocked by existing tree canopies.

PUBLIC/NEIGHBORHOOD NOTIFICATION

The request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on July 31, 2012. There were no neighbors in attendance. Staff has received no correspondence in opposition to the request.

Planning Commission voted in favor of the application.

RECOMMENDED ACTION

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

1. Development shall be in substantial conformance with the representations and exhibits presented by the applicant.
2. The parking canopy cover shall be designed with paint colors and materials to be architecturally compatible with the existing building.

13. BOARD AND COMMISSION APPOINTMENT

APPROVED the appointment of Devan Wastchak to the Industrial Development Authority.

14. No item.

15. AGREEMENT AMENDMENT: East Valley Uniforms

APPROVED Agreement #PD1-200-2954, Amendment No. 1, with West Valley Uniforms, Inc., dba East Valley Uniforms, for the purchase of Police uniforms in an amount not to exceed \$130,000.00. This is the first of two optional one-year renewals. The contractor has agreed to extend the agreement with no price increases.

16. AGREEMENT AMENDMENT: HD Supply Waterworks, LTD

APPROVED Agreement #WD6-890-2297, Amendment No. 3, with HD Supply Waterworks, LTD, (formerly Hughes Supply, Inc.) for the purchase of water meters and related equipment for two years in an amount not to exceed \$1,900,000.00. This is the third of four optional two-year renewals. The contractor has agreed to extend the agreement with no price increase.

17. AGREEMENT: Valleywide Generator Service

APPROVED Agreement #MU3-936-3112 with Valleywide Generator Service for generator maintenance in an amount not to exceed \$130,000.00 per year for two years with the option to renew for one additional two-year period.

18. AGREEMENT AMENDMENT: Carbon Activated Corporation

APPROVED Agreement #MU2-885-3042, Amendment No. 1, with Carbon Activated Corporation for the purchase of additional filter media and installation services in the amount of \$67,679.00 for a revised contract amount of \$604,086.00.

19. AGREEMENT: Southwest Ground-water Consultants, Ind.

APPROVED Agreement #EN1203-101 with Southwest Ground-water Consultants, Inc., for annual hydrogeological services for one year in an amount not to exceed \$500,000.00 with the option to renew for four additional one-year periods.

20. AGREEMENT: N. Harris Corporation's Advanced Utility Systems, Inc.

APPROVED Agreement #MS2-920-3017 with N. Harris Corporation's Advanced Utility Systems, Inc., for the implementation of a new utility billing system in the amount of \$1,823,655.00; and a 10 year support and maintenance Agreement.

In 1999, the City issued a Request for Proposal (RFP) for a billing and cashier system for its utility operations. Due to the year 2000 software concerns, all bids were rejected. During 2001, the City issued another RFP and implemented the present Hansen billing system. With that implementation, a payment web site was introduced, as well as an automated voice phone system, and the City contracted for an external lockbox payment process. As technology advanced, more automation was introduced by modifying the system to accommodate customers'

demands. These improvements allowed the City to hold staff growth to 1 FTE during the next 11 years while doubling the customer base. Today, Staff is faced with increasing demands for automation and customer conveniences that the present system is unable to reasonably accommodate. Replacing the existing utility billing system will provide billing process efficiencies, implement new technology and provide customers with a friendly self-service experience. It will enable City staff to manage the City's relationship with customers and provide a role base security access, while maintaining confidential information. Some additional web enhancements with this system will include the customer's ability to initiate account activation/closing, make payment arrangements and allow voluntary donations to be made in any amount. Another important enhancement this system will allow is the ability to accommodate necessary changes to the billing rate structure.

21. AGREEMENT AMENDMENT: M.R. Tanner Development & Construction, Inc.

APPROVED Agreement #ST2-745-3066, Amendment No. 1, with M.R. Tanner Development & Construction, Inc., for street replacement and asphalt mill and inlay maintenance in an amount not to exceed \$3,200,000.00 with the option to renew for one additional one-year period. The contractor is requesting no price adjustments.

22. AGREEMENT EXTENSION AMENDMENT: CPC Construction, Inc.

APPROVED Agreement Extension #ST2-745-3040, Amendment No. 1, with CPC Construction, Inc., for concrete repair and maintenance in an amount not to exceed \$1,912,000.00 with the option to renew for one additional one-year period. The contractor is requesting no price adjustments.

23. AGREEMENT AMENDMENT: CPC Construction, Inc.,

APPROVED Agreement #ST2-745-3039, Amendment No. 1, with CPC Construction, Inc., extension for one year for asphalt patchwork, maintenance and repair in an amount not to exceed \$347,000.00 with the option to renew for one additional one-year period. The contractor is requesting no price adjustments.

24. AGREEMENT AMENDMENT: Traffic Signal Poles and Miscellaneous Hardware

APPROVED Agreement #TE2-550-2975, Amendment No. 1, with Valmont Industries, Inc., Southwest Fabrication LLC, Leotek Electronics USA Corp, Cem-Tec, and Phoenix Highway Products, Inc., for traffic signal poles and miscellaneous hardware for a total not to exceed \$200,000.00 with the option to renew for two additional one-year periods.

25. AGREEMENT AMENDMENT: Brooks Bros Utility Contractors, LLC

APPROVED Agreement #TE9-968-2756, Amendment No. 3, with Brooks Bros Utility Contractors, LLC, for streetlight upgrades and replacements in an amount not to exceed \$120,000.00 with the option to renew for one additional one-year period. The contractor is requesting no price adjustments.

26. AGREEMENT AMENDMENT/CONTINGENCY TRANSFER: SolarCity

MAYOR TIBSHRAENY AND VICE-MAYOR WENINGER VOTED NAY ON THIS ITEM.

APPROVED (5-2) Performance Guarantee Agreement and Agreement Amendment #CM2-290-3024 with SolarCity to provide solar arrays to the City Hall parking garage for twenty years in a pre-paid amount of \$378,773.00 and applicable taxes of \$38,067.00 for a total amount of \$416,840.00.

APPROVED a Contingency transfer of \$26,860.00 from the General Fund Contingency Account to the General Capital Projects Fund for the Solar Energy Program.

On February 23, 2012, City Council approved the Performance Guarantee Agreement and Agreement No. CM2-290-3024 with SolarCity for the purchase of solar power. The agreement with SolarCity is to purchase the solar power upfront for a specified cost per kWh. By purchasing the solar power up front, the City is locking in the cost per kWh today. A new APS tariff rate went into effect July 1, 2012. The new winter kWh rate is \$.03650 and the new summer kWh is \$.05145. The original agreement guaranteed a minimum kWh production of 10,579,573 which translates into a per kWh price of \$.0358. The first Amendment is based on a rebate from APS for \$0.075.

Another major change to the agreement is to Section 4a, Billing and Payment:

Original Agreement

Payment 1: 10% upon execution of Agreement

Payment 2: 20% upon Purchaser's approval of System Design

Payment 3: 60% upon the ordering of materials by Seller

Payment 4: 10% upon final completion of the System

First Amendment

Payment 1: 20% upon ordering of material by Seller

Payment 2: 40% upon 50% completion of the System

Payment 3: 40% upon final completion of the System

Major components of the agreement include:

Guaranteed Annual kWh: 10,579,563 kWh

Cost per kWh: \$.0358

Estimated savings over life of agreement: \$537,859.00

Solar production over the guaranteed minimum amount: no additional cost

27. AGREEMENT AMENDMENT/CONTINGENCY TRANSFER: SolarCity

MAYOR TIBSHRAENY AND VICE-MAYOR WENINGER VOTED NAY ON THIS ITEM.

APPROVED (5-2) a Performance Guarantee Agreement and Agreement Amendment #CM2-290-3024 with SolarCity to provide solar arrays to the Police/Courts parking lot and the roof of the Police building for twenty years in a pre-paid amount of \$573,938.00 and applicable taxes of \$57,681.00 for a total amount of \$631,619.00.

APPROVED a Contingency transfer of \$2,010.00 from the General Fund Contingency Account to the General Capital Projects fund for the solar Energy program.

On February 23, 2012, City Council approved the Performance Guarantee Agreement and Agreement No. CM2-290-3024 with SolarCity for the purchase of solar power. The agreement with SolarCity is to purchase the solar power upfront for a specified cost per kWh. By purchasing the solar power up front, the City is locking in the cost per kWh today. A new APS tariff rate went into effect July 1, 2012. The new winter kWh rate is \$.03650 and the new summer kWh is \$.05145. The original agreement guaranteed a minimum kWh production of 18,616,336 which translates into a per kWh price of \$.0308.

The original agreement was predicated on receiving APS Renewable Energy Credits of \$0.075 per kWh. The City was unsuccessful in the bid to APS for that level of Renewable Energy Credit. However, during this next funding cycle, APS has \$32,000,000.00 in credits, twice as much as what they had available for distribution during the last funding cycle. The First Amendment is based on a rebate from APS of \$0.07 per kWh.

Another major change to the agreement is to Section 4a, Billing and Payment:

Original Agreement

Payment 1: 10% upon execution of Agreement

Payment 2: 20% upon Purchaser's approval of System Design

Payment 3: 60% upon the ordering of materials by Seller

Payment 4: 10% upon final completion of the System

First Amendment

Payment 1: 20% upon ordering of material by Seller

Payment 2: 40% upon 50% completion of the System

Payment 3: 40% upon final completion of the System

Major components of the agreement include:

Guaranteed Annual kWh: 18,616,336 kWh

Cost per kWh: \$.0308

Estimated savings over life of agreement: \$950,385.00

Solar production over the guaranteed minimum amount: no additional cost

28. CONTRACT AMENDMENT: Dibble Engineering

APPROVED Contract #ST0808-201, Amendment No. 2, with Dibble Engineering for Ocotillo Road Improvements in an amount not to exceed \$136,501.45 for a revised contract amount not to exceed \$986,172.45.

29. CONTRACT AMENDMENT: Roosevelt Water Conservation District

APPROVED Contract #ST0809-301, Amendment No. 1, with the Roosevelt Water Conservation District (RWCD) for additional design work for utility infrastructure improvements on Gilbert Road (Queen Creek Road to Hunt Highway) in an amount not to exceed \$56,111.25 and a revised contract amount of \$317,427.25.

30. CONTRACT EXTENSION: Dibble Engineering

APPROVED Contract Extension #EN1005-101 with Dibble Engineering for one year to the existing Annual Airport Facilities and Infrastructure Design contract in an amount not to exceed \$325,000.00 with the option to renew for three additional one-year extensions.

31. CONTRACT: Salt River Project

APPROVED Contracts #ST0809 with Salt River Project (SRP) for design and construction to accommodate the Gilbert Road Improvements PH2 RWCD Canal to Wood Drive for conversion of overhead facilities and underground relocations in an amount not to exceed \$991,255.75.

32. PURCHASE: Public Safety Communication Equipment

APPROVED the purchase of public safety communication equipment from Motorola Solutions, utilizing the State of Arizona Contract #AD050017-A5-6, in an amount not to exceed \$1,097,415.86.

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 any additional radio vendors be introduced into the radio system. The Police Department needs to replace approximately 206 portable radios that have exceeded their recommended lifespan. This is the second phase of purchases to replace the current radios in order to be compliant with the 2017 FCC mandate. Other agencies within the Regional Wireless Cooperative have purchased radios off of the State of Arizona contract include Glendale, Buckeye, Avondale and Goodyear.

The use of the State of Arizona contract allows pricing to reflect a 20% discount on the listed radios, a 33% discount on the required accessories and a \$600 per unit trade-in credit for upcoming decommissioned portable radios. Motorola equipment and radios are the standard among all departments within the City allowing seamless training, programming and compatibility between equipment and departments.

33. PURCHASE: Data Airtime

APPROVED the purchase of data airtime for Police MDC's from Sprint Solutions, Inc., utilizing the State of Arizona and WSCA Contract #EPS070070, in an amount not to exceed \$92,500.00.

The Sprint data link network is used by the Chandler Police Department to provide wireless data services to the MDC's used in police vehicles. Data air time is required for fiscal year 2012-2013 for continued operation of the police mobile data computers. These mobile data computers use this air time to communicate with the Computer Aided Dispatch (CAD) system and field reporting systems. These systems are used to send and receive 911 dispatch information, police reports, automatic vehicle location (AVL), tactical field mapping and text messaging on a secure, encrypted network.

34. PURCHASE: Asphalt Rubber Crack Sealant

APPROVED the purchase of asphalt rubber crack sealant material from Crafc0, Inc., utilizing the Arizona Department of Transportation (ADOT) Contract #ADOT12-014885, in an amount not to exceed \$200,000.00.

35. USE PERMIT EXTENSION: New Horizon Youth Home – Stottler

APPROVED Use Permit ZUP12-0008, New Horizon Youth Home – Stottler, extension for the continued operation of a behavioral health group home for up to seven residents within a single-family residential home located at 760 E. Stottler Place, south and west of the SWC of McQueen and Warner roads. (Applicant: Tom Granado, Owner.)

BACKGROUND

The subject site is located south and west of the SWC of McQueen and Warner roads, within the Stonegate Crossing single-family residential subdivision. Single-family homes are adjacent to the

site's west and eastern boundary; the Sunstone II townhouse development is on the south side of Stottler Place; an office development is north of the site.

New Horizon Youth Homes is part of the State of Arizona Department of Health Services housing for children at risk program and is licensed through the Office of Behavioral Health Licensure as a Therapeutic Group Home. The children are placed in the home from the Administration Office of the Courts, Child Protective Services, Salt River Pima Indian Community, Gila River Indian Community and various other organizations. The home has two adult staff members at the site at all times.

Similar to assisted living homes, the Zoning Code requires a Use Permit for group homes when there are more than five individuals residing at the home that are not related. However, different from assisted living homes, group homes are allowed to have up to four residents per bedroom provided sixty (60) square feet is provided per resident and three (3) feet is provided between beds. The home meets the requirements established for room size. The home is restricted to no more than seven residents per the Use Permit and the licensure by the State.

DISCUSSION

The request is for Use Permit extension approval for the continued operation of a behavioral health group home. The group home has operated with a Use Permit for up to seven residents at this location since 2002. An initial Use Permit was granted in 2002, followed by additional Use Permits being granted in 2003 (for three years) and 2007 (for five years). The Planning Commission and Staff recommend approval of the extension of the Use Permit for an additional five years citing the continued successful operation of the Use Permit, overall compatibility with the surrounding neighborhood, and consistency with the Zoning Code.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on May 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. Expansion or modification beyond the approved exhibits (Site Plan, Floor Plan and Narrative) shall void the Use Permit and require new Use Permit application and approval.
2. The Use Permit is non-transferable to any other location.
3. The group home shall have no more than seven (7) residents at any time.
4. The Use Permit to operate a group home is specific to the existing property owner and if the property should be sold in the future, the Use Permit shall be null and void.
5. This Use Permit shall remain in effect for five (5) years from the effective date of City Council approval. Continuation of the Use Permit beyond the expiration date shall require reapplication to and approval by the City of Chandler.
6. The site shall be maintained in a clean and orderly manner.

36. USE PERMIT: Morgan's Home Child Care

APPROVED Use Permit ZUP12-0010 Morgan's Home Child Care, for residential child care for up to 10 children within an existing single-family residential home located at 923 N. Dakota Street,

south and west of the SWC of Arizona Avenue and Ray Road. (Applicant: Morgan Rayl, Owner/operator.)

BACKGROUND

The subject site is located south and west of the SWC of Arizona Avenue and Ray Road, within the Thunderbird Manor subdivision. The subject site is surrounded by single-family homes. An alley is adjacent to the site's eastern boundary.

The request is for residential child care for up to ten children. The Zoning Code requires that any residential child care home providing care for five to ten children is required to obtain a Use Permit from City Council. The child care home has been in operation at this location since 2006 without a Use Permit; however, the number of children being cared for ranged from two to seven children, with the higher number only at times of holidays and breaks. It was not until recently that the applicant was notified that a Use Permit is necessary. Prior to operating at this location, the applicant operated a child care home in the City of Mesa. The applicant is currently in the process of getting licensed by the State for the increased number of children. The applicant currently does not have plans to provide care for ten children, but rather is requesting the ability for ten children to allow flexibility for siblings, scheduled breaks and school holidays.

The residential home is a single-story home and is approximately 1,610 square feet on an approximate 7,614 square foot lot. The hours of operation are Monday through Friday from 6:30 a.m. to 5:30 p.m. The home will not be open during the weekend or for major holidays. Parking for the drop-off and pick-up of children will be provided on the driveway, as well as in front of the home. The driveway provides a depth of roughly 50 feet, allowing for the parking of up to four vehicles. The frontage of the home is roughly 76 feet, allowing for an additional three vehicles. In addition to the applicant, an assistant is at the site during business hours and generally parks on the street.

The Planning Commission and Staff support the request to provide child care for up to ten children, finding the request meets current Zoning Code requirements, the past experience of the operator, and no known neighborhood opposition.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on June 26, 2012. There were no neighbors in attendance. Staff has received no correspondence in opposition to this request.

PLANNING COMMISSION VOTE

The request was unanimously approved by the Commission.

RECOMMENDED ACTION

Upon finding consistency with the General Plan and the SF-8.5 zoning district, the Planning Commission and Staff recommend approval subject to the following conditions:

1. The residential childcare home shall have no more than ten (10) children for compensation at any time.
2. Should the applicant sell the property, this Use Permit to operate a childcare home shall be null and void.
3. 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 reapplication to and approval by the City of Chandler.

37. USE PERMIT EXTENSION: Eldercare At Western

COUNCILMEMBERS HEUMANN AND ORLANDO VOTED NAY ON THIS ITEM.

Approved Use Permit ZUP12-0012 Eldercare At Western, extension for the continued operation of an assisted living home for up to eight residents within a single-family home located at 2004 W. Western Drive, north of the NWC of Elliot and Dobson roads. (Applicant: Joe Carlos, Operator.)

BACKGROUND

The subject site is located north of the NWC of Dobson and Elliot roads within the Knoell East single-family subdivision. Directly north is a canal located in the City of Mesa. Single-family homes surround the property to the west, south and east.

Assisted living homes are required to obtain a Use Permit when there are more than five residents living together in a single dwelling unit, excluding staff. The maximum potential number of residents allowed with a Use Permit is 10, excluding staff. Additionally, the number of residents allowed is based upon requirements provided by the State Health Department. The State Health Department requires that a single user bedroom shall be 80 sq. ft., and two residents may share a room if the room is 120 sq. ft. or more. On no occasion can a bedroom exceed more than two residents. The rooms for this application conform to these requirements.

The subject site received Use Permit approval for an assisted living home in 2003 for up to six residents for a single year. In 2004, the assisted living home received an extension of the Use Permit for an additional three years. In 2007, the home received a new Use Permit allowing up to eight residents and subsequently after that year, received approval for three additional years in 2009. The applicant is requesting an extension of the Use Permit for an additional five years. Staff is unaware of any opposition for the existing operation and recommends approval with a five-year timing condition.

The home was built in 1979 as part of the Knoell East single-family residential subdivision. The house is approximately 3,042 square feet and provides seven bedrooms. The backyard is fenced with additional fencing around the pool. There is no covered parking, but two parking spaces are provided in the driveway. The carport was enclosed prior to the Zoning Code requirement to provide two covered parking spaces. Employees do not park at the home; the applicant is responsible for driving the employees to and from the home. Visiting hours are from 9 a.m. to 7 p.m. and visitors are encouraged to call beforehand. The facility and property are well maintained.

The applicant has operated this facility as the owner/administrator for the past nine years. In addition, the applicant is a Certified Manager and licensed by the Board of Examiners of Nursing Care Institute Administrators and Assisted Living Facility Managers. Furthermore, the applicant is involved in continuing certification and training for the operation of assisted living homes.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on July 9, 2012. There were no neighbors in attendance. Staff has received no correspondence in opposition to this request.

The request was unanimously approved by the Planning Commission.

RECOMMENDED ACTION

Upon finding consistency with the General Plan and the SF-8.5 zoning district, the Planning Commission and Staff recommend approval subject to the following conditions:

1. The assisted living home shall have no more than eight (8) residents at any time.
2. Should the applicant sell the property, this Use Permit to operate an assisted living home shall be null and void.
3. This Use Permit shall remain in effect for five (5) years from the effective date of City Council approval. Continuation of the Use Permit beyond the expiration date shall require reapplication to and approval by the City of Chandler.

38. USE PERMIT: Chamberlain Development

CONTINUED TO SEPTEMBER 13, 2012 COUNCIL MEETING

PAUL HOLSTE, 5031 W. Laredo St., Chandler, Arizona 85226, came forward to address the Council on this item. MR. HOLSTE said he owns a business in the Chamberlain Development and said he has some concerns about the proposal to allow additional automobile sales from this development. MR. HOLSTE said that parking issues at the site are tight already. He noted that there have been several instances that the lot has been completely full during the past few weeks creating issues between the various business owners in the complex. MR. HOLSTE believes that adding an additional use to the complex will only add to the existing parking issues. He said there have been a couple of times that there has not been a single spot for his customers to park. MR. HOLSTE said that the management company advised that they are trying to address the parking issues. He would like to give them the opportunity to correct the situation. MR. HOLSTE requested that Council defer making a decision on this for a month or two to review the issue to address the parking issue before Council takes a vote.

VICE-MAYOR WENINGER asked Mr. Holste which business is his in regard to the displayed map.

MR. HOLSTE stated that his business, AAMCO, is located on the far west side.

MAYOR TIBSHRAENY asked staff to address Mr. Holste's concerns.

SENIOR PLANNER, JODIE NOVAK, stated that staff reviewed this request, as they normally do when working with auto brokerage/automobile companies wishing to locate in industrial areas to make sure there is an appropriate amount of parking. Staff was made aware of concerns of on-site management of parking, which is normally dealt with through the property owner. MS. NOVAK stated from a zoning code standpoint, it has been determined that there is adequate parking to accommodate everyone. .

MS. NOVAK stated that in speaking with the property owner this evening, he is actively looking at a parking management plan where he will designate certain parking spaces separately for each of the tenants. MS. NOVAK reiterated that this is an on-site management issue. MS. NOVAK said that the property owner is present at the meeting tonight and has provided an exhibit showing his concept. She said he still needs to approach all of his tenants with this concept to make sure that there are no issues with his plan. MS. NOVAK stated that as the property owner, he can certainly put his parking plan in place.

COUNCILMEMBER HEUMANN said when reading the staff report it talks about the requested

permit to allow online and by appointment auto sales only. He asked if they have started doing this already and asked if this is why the parking problem arose.

MS. NOVAK stated that the request is to allow auto brokerage sales to occur. She noted that there is currently a user within the development who has been using the property for that purpose and this item is now before Council because there may be a second user wishing to do the same. MS. NOVAK explained that under the State law with its licensing, a used car auto broker has to keep at least two cars on site at all times as part of the licensing requirement. She said there is not a maximum of how many cars are allowable on-site. MS. NOVAK said from a zoning standpoint, the maximum number is not defined. She noted that the business on the very eastern end, Canam, ranges in the number of vehicles. She said it has a range of few vehicles to many vehicles. MS. NOVAK said that the vehicles might have been parked in other areas that may have impacted some of the other tenants. She stated that the amount of activity can vary based on inventory and how many individuals are coming to look at the vehicles available for sale. MS. NOVAK stated that the photograph that the property owner shared with her in June (2012) displayed quite a bit of available parking.

COUNCILMEMBER HEUMANN said he is concerned that what has been represented by the applicant might vary from what is actually taking place, especially since it is apparent that there are already issues with parking before the business actually starts actively operating. COUNCILMEMBER HEUMANN asked Ms. Novak if this item needs to be continued until staff has a better handle on the activities on this site and puts a parking plan in place before Council approves this item.

MS. NOVAK said that she is fairly comfortable with Council acting on this item this evening. She displayed an aerial photograph of the property with the parking plan that was provided by the property owner. MS. NOVAK pointed out that Canam has been using spaces to showcase its vehicles. The advertising for the business is done through an online Internet site and individuals visit the property to look at the vehicles. She stated that is the typical activity for most of the brokers in the City. The Arizona Auto Business was looking at possibly conducting the same type of business activity, but not likely to the same extent since its primary business is automotive air services.

MS. NOVAK noted in the picture that was taken in June 2012, there appears to be an available parking with spaces near AAMCO and along the frontage and side of the property. MS. NOVAK said that City staff believes that assigned parking will work well. She said there is definitely enough parking on this site. She stated that the City does not have the ability to regulate parking and said that parking becomes limited when most businesses become busy.

COUNCILMEMBER HEUMANN said when dealing with automobile businesses, when a vehicle is done after being serviced there is an expectation of the customer that the vehicle be parked in front of that business. He asked if the Arizona Auto Business is the business that is seeking the application.

MS. NOVAK said that Canam was already operating under this use. City staff is trying to make this a legal use through this application since Arizona Auto Business is also interested in conducting the same type of business.

COUNCILMEMBER ORLANDO asked what recourse there is if after tonight's meeting there are additional issues with parking and the tenant or owner are not happy.

MS. NOVAK stated that the City does not typically regulate parking spaces. She said it is a landlord/tenant issue. The City does not get involved as it is a private property owner/tenant issue.

COUNCILMEMBER ORLANDO is concerned that this parking issue will only be compounded with an additional business operating under this use. COUNCILMEMBER ORLANDO said that he does not feel comfortable moving forward with this without a resolution of all the tenants in the area since it is a City permit that is being issued. He asked Ms. Novak if a stipulation can be placed on this permit or is it possible to wait a month to allow the property owner to share his agreement with the tenants to ensure that all parties are satisfied before granting this permit.

MS. NOVAK stated that she has dealt with other industrial parks where there have been use permits for recreational use where other companies and offices are located. She said if the property owner is agreeable, he could speak to the tenants to make sure that everyone is in agreement with this type of parking situation. The only regulation for recourse is if the City adopted a stipulation that limits how many vehicles that an auto sales use could have on the property.

COUNCILMEMBER ORLANDO said his concern is not whether the City should regulate parking issues. He stated that his concern is that Mr. Holste had an expectation for his business and he is concerned about this new building receiving a permit that could encroach upon his livelihood. COUNCILMEMBER ORLANDO said if this permit were approved it could encroach upon Mr. Holste's economic well-being for a higher use in an area that he has not experienced. COUNCILMEMBER ORLANDO said that he struggles with this issue.

MS. NOVAK said that the AAMCO owner could come back up after listening to this discussion because he told Ms. Novak that he did not wish to hold up this permit from being approved, however, he wished to have his concerns on record.

VICE-MAYOR WENINGER asked Ms. Novak if this creates any kind of precedent. He asked if this meets the City's parking standards.

MS. NOVAK confirmed that this property does meet the parking standards based on the ratio of mixed uses. She noted that there are 85 parking spaces.

VICE-MAYOR WENINGER said that he is struggling with this situation. He explained that he understands the viewpoint of the business owner, but at the same time does not want to create a precedent. He used the example of someone operating in a retail center might be opposed to another business being added because that business may add to an already full parking lot. VICE-MAYOR WENINGER said that he is hesitant to stray from the parking standards that Council just passed.

MAYOR TIBSHRAENY said that after hearing three Councilmembers share concerns about the parking situation he believes Council should continue this item to the next Council meeting cycle before making a decision on this issue.

MS. NOVAK said that she will work with the applicant to coordinate with Mr. Holste. MS. NOVAK said that she will get Council a follow-up memo and resolution on this matter.

CONTINUED Use Permit ZUP12-0013 Chamberlain Development, to allow automobile sales in a PAD zoning district located at 6948 W. Chandler Boulevard, north of the NEC of Chandler Boulevard and 56th Street. (Applicant/Owner: Chamberlain Development LLC.)

BACKGROUND

The application requests Use Permit approval to allow automobile sales in an existing development that allows uses including light industrial, warehouse, showroom, automotive repair and automotive accessory sales. The mix of uses is limited by parking provision. Current tenants are all auto-related, including one that would specifically like to take advantage of the auto sales use, though the Use Permit is requested for the entire building. The multi-tenant building has customer entrances on its south side and overhead doors on the north. To the site's south are a fuel station and an automotive repair business. To the north and east are industrial uses.

The site has had its allowed uses adjusted several times in the last few years. Until 2007, the site was zoned Planned Industrial District (I-1), which allowed manufacturing/warehouse uses with up to 20% office and 10% showroom. In 2007, automotive repair and automotive accessory sales were allowed through a Use Permit. In 2008, the site was rezoned Planned Area Development (PAD) to allow for monument signage that exceeded Sign Code regulations. In 2009, the maximum percentage of floor area dedicated to showroom uses was lifted by Use Permit, instead allowing the showroom allotment to be limited only by parking availability.

The requested Use Permit is intended to allow for online and by-appointment auto sales rather than a conventional auto dealership. Accordingly, the application represents that vehicles will not be marked with "for sale" stickers and the like. Additionally, vehicles will be stored indoors or counted against the parking provision if stored outdoors; there is no large sales lot proposed and no parking waiver is requested.

The site provides sufficient parking to accommodate the requested auto sales use with 85 spaces, which is 3.7 spaces per 1000 square feet. The existing mix of uses, mostly storage and auto service bays with some showroom and office, would allow for several of the excess parking spaces to be used for vehicle display. Almost the entire development could be used for non-storage uses and still be in compliance with parking regulations.

The Planning Commission and Staff find the requested use to be compatible and complementary with the existing uses, so long as the parking provision continues to meet Zoning Code requirements. The adjacency to an arterial street and long distance from any neighborhoods allows for test drives that are unlikely to disturb residents. The requested automobile sales are a logical step in the customization of uses for this site that has evolved into an auto service hub.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on June 28, 2012. There were no neighbors in attendance. Staff has received no correspondence in opposition to the request.

PLANNING COMMISSION VOTE

The request was unanimously approved by the Commission.

RECOMMENDED ACTION

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

1. Expansion or modification beyond the approved exhibits and representations shall void the Use Permit and require new Use Permit application and approval.
2. Signage for advertising shall be in conformance with the City of Chandler's Zoning and Sign Codes except as specifically modified through case DVR08-0006 AAMCO PLAZA.

39. USE PERMIT EXTENSION: Stellar Autoplex Sales and Leasing LLC

APPROVED Use Permit ZUP12-0018, Stellar Autoplex Sales and Leasing LLC, extension for the continued operation of automotive sales within an I-1 Planned Industrial zoning district located at 4041 W. Milky Way, at the SEC of Milky Way and 79th Street. (Applicant: Justin Umbs, Owner.)

BACKGROUND

The subject site is located at the SEC of Milky Way and 79th Street and is surrounded by I-1 zoned properties. In 2004, the property received Use Permit approval for three years to operate an automotive sales and customization business that ultimately closed before the end of the three years. In 2009, a new Use Permit was granted for three years for automotive sales for the above-mentioned business. The current request is for an extension of the Use Permit.

Overall, the facility continues to maintain an inventory of approximately 15-20 vehicles, which are housed either under roof, in the rear warehouse area, or in the rear storage yard. Stellar Autoplex sells late model highline vehicles, specialized boats, classic cars and other specialty vehicles. All maintenance is performed off-site with only minor detailing occurring on site. The building is approximately 10,181 square feet and provides 3,579 square feet of showroom space and 6,602 square feet of warehouse space. Stellar Autoplex employs approximately 4-8, and is open Monday through Friday 9 a.m. to 6 p.m., and Saturdays 11 a.m. to 3 p.m.

DISCUSSION

The Planning Commission and Staff continue to support the request citing the continued, successful operation of the business, the positive feedback from the surrounding property owners and consistency with the Zoning Code. The Planning Commission and Staff are recommending a five-year timing condition.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code. Due to the business's location and the request, a neighborhood meeting was not held; however, mailers were sent out indicating the request and dates for the public hearings. Staff has received no correspondence in opposition to the request.

PLANNING COMMISSION VOTE

The request was unanimously approved by the Commission.

RECOMMENDED ACTION

Upon finding consistency with the General Plan and the I-1 zoning district, the Planning Commission and Staff recommend approval subject to the following conditions:

1. The Use Permit shall be extended for a period of five (5) years, at which time re-application shall be required. Continuation of the Use Permit beyond the expiration date shall require re-application to and approval by the City of Chandler.
2. Expansion or modification beyond the approved exhibits (Site Plan, Floor Plan and Narrative) shall void the Use Permit and require new Use Permit application and approval.

3. On-street parking is prohibited. All vehicles must be parked within designated parking spaces inside the paved parking lot, fenced yard, or inside the building.
4. The site shall be maintained in a clean and orderly manner.

40. USE PERMIT: Covo Café

APPROVED Use Permit LUP12-0016 Covo Café, Series 12 Restaurant License & Series 7 Liquor License to sell liquor for on-premise and off-premise consumption at a new café that includes live music located at 55 W. Chicago Street, approximately 200 feet west of Arizona Avenue at the SWC of Chicago and Wall streets. (Applicant: Peter Sciacca, 55 Chicago LLC.)

BACKGROUND

The request is for Use Permit approval to sell all types of alcohol for on-premise consumption under a Series 12 Restaurant License and to sell beer and wine for on-premise and off-premise consumption under a Series 7 Liquor License at a new restaurant. The 5,000 square foot 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 Site 8 block does not currently have any alcohol-related uses. The Wall Street alley is immediately east of the subject site. The site's historic building (once a welding shop) is currently being redeveloped for the planned restaurant use.

Customer access to the restaurant is provided from both the north (primary) and south (secondary) ends of the building. A large outdoor patio will wrap around the west and south of the 2,400 square foot building. Overhead garage-style doors will allow the indoor and outdoor elements to blend during nicer weather when the garage doors are left open.

The restaurant will allow for approximately 80 people indoors and 172 people outdoors. Hours of operation will be 7 a.m. to 10 p.m. daily. Live music is proposed Friday through Sunday until 10 p.m. Live music is characterized as vocals, guitar and piano, but not rock music or DJs.

The proposal is consistent with the SAZACAP. The SAZACAP designates the site for Cultural & Entertainment, which would include restaurants with alcohol sales and live music.

The restaurant is pursuing both Series 12 and Series 7 licenses as specifically allowed by the state in order to allow enhanced flexibility in their alcohol sales. As for other restaurants, the Series 12 Restaurant License allows for the sale of beer, wine and spirits for on-premise consumption, though this license typically requires the establishment to derive at least 40% of its gross revenue from the sale of food and non-alcoholic beverages. The Series 7 Liquor License, when stacked with a Series 12, allows for "to-go" sales of beer and wine. The restaurant would specifically like to make an occasional bottle of wine available for their patrons to take home or to neighboring restaurants, thereby requiring the Series 7.

DISCUSSION

The Planning Commission and Staff support the request finding that live music (outdoor and indoor) is appropriate at this location if controlled so as to not unreasonably disturb the residential neighbors. The subject site and surrounding area is of a different nature than liquor uses located in shopping centers elsewhere in the City. In Downtown Chandler, the property lines are much closer to each other and there is a greater expectation for entertainment-related uses such as live music. A one (1) year time limit is recommended to allow continued evaluation of the use's compatibility.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on July 11, 2012. There were no neighbors in attendance. Staff has not received any correspondence in opposition to this request.

PLANNING COMMISSION VOTE

Motion to approve:

In favor: 4 Opposed: 0 Absent: 3 (Baron, Cunningham, Donaldson)

The Commission discussed recommended Condition No. 7 which requires that a responsible person's phone number be distributed to interested neighbors in order to quickly resolve any noise problems. Commissioners wanted to be sure that this phone number be distributed to neighbors in an effective fashion and that the condition be properly enforced.

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 12 license and a Series 7 license only and any change of licenses, including removal of the Series 12 license shall require re-application and new Use Permit approval.
2. The Use Permit is non-transferable to any other location.
3. Expansion or modification beyond the approved exhibits (Floor Plan and Narrative) shall void the Use Permit and require new Use Permit application and approval.
4. The outdoor patio and areas adjacent to the entrances shall be maintained in a clean and orderly manner.
5. The Use Permit shall remain in effect for one (1) year from the 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.
6. Music shall be controlled so as to not unreasonably disturb area residences.
7. The restaurant shall provide contact information for a responsible person (restaurant owner and/or manager) to interested neighbors that allows music complaints to be resolved quickly and directly.

41. LIQUOR LICENSE: Covo

APPROVED a Series 12 Restaurant Liquor License (Chandler #142498L12) for Jared Michael Repinski, Agent, Covo LLC, dba Covo, 55 W. Chicago Street. A recommendation for approval of State Liquor License #12079187 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.

42. LIQUOR LICENSE: Covo

APPROVED a Series 7 Beer and Wine Bar Liquor License (Chandler #142498L07) for Jared Michael Repinski, Agent, Covo LLC, dba Covo, 55 W. Chicago Street. A recommendation for approval of State Liquor License #07070273 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.

43. LIQUOR LICENSE: Draft House on The Reef

APPROVED a Series Bar Liquor License (Chandler #142395L06) for Mark Robert Vargovich, Agent, Inland Oasis Group, Inc., dba Draft House on The Reef, 393 W. Warner Road, Suites 121-124. A recommendation for approval of State Liquor License #06070535 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 Draft House Sports Café. 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.

44. LIQUOR LICENSE: Jolie's Place

APPROVED a Series 6 Bar Liquor License (Chandler #139148L06) for Randy D. Nations, Agent, JoJo Tender LLC, dba Jolie's Place, 140 W. Warner Road. A recommendation for approval of State Liquor License #06070566 will be forwarded to the State Department of Liquor Licenses and Control. Jolie's Place has been at this location since December 2011. This license application reflects a change in liquor license series from a Series 12 Restaurant License to a Series 6 Bar License. Transportation and Development advises a new Use Permit is not required since this will be a continuation of the location's previous use as Jolie's Place. 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

45. CONTINUED LIQUOR LICENSE: Bay Leaf Café India Cuisine

CONTINUED TO SEPTEMBER 27, 2012, Liquor License, Series 12, for Rambha Singh, Agent, Bay Leaf LLC, dba Bay Leaf Café India Cuisine, located at 955 W. Chandler Heights Road, Suite 1 to allow the applicant time to complete the requirements for a new Use Permit.

46. TEMPORARY EXTENSION OF PREMISES LIQUOR LICENSE: Kokopelli Winery and Bistro

APPROVED a Temporary Extension of Premises for a Series 7 Beer and Wine Bar Liquor License (Chandler Liquor License #008476L07) held by KWB Chandler LLC, dba Kokopelli Winery and Bistro, 35 W. Boston Street for their Kokopelli Krush, October 19, 20 & 21, 2012. A recommendation for approval of a Temporary Extension of Premises for State Liquor License #07070623 will be forwarded to the State Department of Liquor Licenses and Control. The Police Department has no objections to this extension and the applicant has applied for a Special Events Permit through the Special Event Committee.

47. SPECIAL EVENT LIQUOR LICENSE: Downtown Chandler Community Foundation

APPROVED a Special Event Liquor License for the Downtown Chandler Community Foundation for the Rock the Block Celebration on November 10, 2012, along Arizona Avenue from Chicago Street to Buffalo 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.

48. SPECIAL EVENT LIQUOR LICENSE: Ear Candy Productions, Inc.

APPROVED a Special Event Liquor License for Ear Candy Productions, Inc. for an Oktoberfest, September 29, 2012, at Dr. A.J. Chandler Park, 3 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.

49. FINAL PLAT: Tract "A" of Price and Germann Professional Center

APPROVED Final Plat FPT12-0010 Tract "A" of Price and Germann Professional Center, for two lots approved for office and light industrial uses located north and east of the NEC of Price and Germann roads. The Plat creates the lots and tracts, establishes the necessary easements and dedicates the required rights-of-way.(Applicant: Alliance Land Surveying, LLC.)

50. FINAL PLAT: Calabria

APPROVED Final Plat FPT12-0014 Calabria, for a single-family residential subdivision located at the SWC of Brooks Farm and Cooper roads. The plat creates the lots and tracts, establishes the necessary easements and dedicates the required rights-of-way. (Applicant: Ritoch-Powell & Associates.)

PUBLIC HEARING

PH1. Chandler Consolidated Annual Performance and Evaluation Report for Fiscal Year 2011-2012

The Mayor opened the public hearing at 7:35 p.m.

DISCUSSION

JENNIFER MORRISON, DIRECTOR OF NEIGHBORHOOD RESOURCES DIVISION, came forward to present.

MS. MORRISON stated that this reports on all activities undertaken with Housing And Urban Development (HUD) funds in the last fiscal year. She explained that it is important for three reasons: 1. HUD needs the report to report back on its statutory requirements to carry out community planning and development programs. 2. It provides information for HUDs Annual Report to Congress. 3. It provides a feedback opportunity for the citizens of Chandler to take a look at what the City has accomplished in the past year and let us know their thoughts.

MS. MORRISON stated that there is a required 15-day public comment period under the rules of the City's participation plan for HUD funds. As required as part of the public participation plan, City staff is conducting a Public Hearing during tonight's Council meeting. Additionally, the plan

may be found at the Downtown Public Library, Neighborhood Resources office, and online at the City's Website. MS. MORRISON said during the next few days while the public comment period is open, the public may comment in writing, by phone, or they may provide comment during tonight's meeting. She said that all public comment will be incorporated into a final report. MS. MORRISON noted that the Housing and Human Services Commission (HHSC) was briefed and City staff received some good public feedback at that meeting.

MS. MORRISON advised Council that this item will be brought forward on the Consent Agenda during the last Council meeting in September (2012) for the approval of CAPER in its final form. She noted that it is due to HUD by September 30.

MS. MORRISON noted some key accomplishments, particularly in the area of revitalization. One such item is the Blight Elimination Program, which was approved by Council in FY 2011/12. She said that this program funded 50% staff time of a code inspector to perform enhanced code enforcement in some of the City's low and moderate census tracts. MS. MORRISON said there were 832 inspections performed resulting in 247 open code enforcement cases. There were 23 units of dilapidated housing boarded in those areas. Additionally, as part of the Mayor's initiative, Voluntary Demolition Program, funded by CDBG funds, 5 units were demolished in the FY 2011/12. MS MORRISON stated that in terms of Capital projects, staff is always setting a goal to keep the Capital dollars in Chandler to improve projects in the community. MS. MORRISON said that 685 energy efficient streetlights were funded. Some of the funding was through CDBG and the Department of Energy Sustainability Grant. She said there was also a traffic calming project completed on Knox Road on a school route to slow traffic for children walking in that area. She also stated that near the Chandler Christian Community Center and California Street there has been much progress as a result of a CDBG funded project. MS. MORRISON said in terms of housing, there have been 12 new homeowners under the Neighborhood Stabilization Program (NSP) with Newtown's community land trust program and 88 homeowners were assisted through the City's various housing rehabilitation programs. MS. MORRISON said that another focus this last year included services to the homeless. She said there were 100,000 food boxes provided through local food banks. The homeless advocates worked closely with the faith community and City staff to house 6 chronically homeless individuals and she said those partnerships are producing tangible results for Chandler residents.

MS. MORRISON reminded the public that they can go to www.chandleraz.gov to the Community Development Website to read the full CAPER.

MS. MORRISON said she would be happy to answer any questions.

COUNCILMEMBER ORLANDO asked if there has been any public comment yet.

MS. MORRISON stated affirmatively. She said that City staff had very good discussion and received great feedback from the Housing and Human Services Commission (HHSC) following a briefing that staff gave them to educate about the HUD funded programs.

COUNCILMEMBER ORLANDO asked if the City is looking at some preference treatment for veterans. He said this is becoming a big issue as returning veterans transition back into civilian life. COUNCILMEMBER ORLANDO asked what is being done in this area.

MS. MORRISON said that the City reports to HUD on General Fund dollars that are used, noting that the City spends over one million dollars. She said that is great to demonstrate the City's partnership with HUD.

MS. MORRISON said there is some funding in the General Fund that goes to veterans program. One program is veteran's transportation. MS. MORRISON said that this year the City is funding a program involving dogs for disabled vets. She said instead of it being a service dog that is given to a veteran after it's been trained. This program involves the veteran training the service dog. MS. MORRISON said that the veteran picks the dog and trains the dog. Additionally, in terms of homelessness, she said that staff is getting ready to roll out the tenant based rental assistance program for chronically homeless people in Chandler. MS. MORRISON said that the homeless navigator is out in the community conducting assessments. During the past three weeks or so, she has interviewed 20 homeless individuals. MS. MORRISON said a number of the homeless are veterans. MS. MORRISON said that a vulnerability index test is being conducted for medical and mental reasons. She said, unfortunately, a number of veterans are at the top of that vulnerability index. MS. MORRISON said that the good news is that these veterans will be housed first and receive intensive case management to help with some of the chronic issues that face veterans. She said that the City is continuing to identify more of the issues, but housing is one of those target areas.

COUNCILMEMBER ORLANDO thanked Ms. Morrison. He also thanked Councilmembers Donovan and Hartke for their work in the area of homelessness.

BACKGROUND

Each year, the City of Chandler is required to publish the Chandler Consolidated Annual Performance and Evaluation Report (CAPER) and submit the document to the U.S. Department of Housing and Urban Development (HUD). The report is a required performance report that meets three basic purposes:

- Provides HUD with necessary information for the Department to meet its statutory requirements to carry out Community Planning and Development Programs;
- Provides information necessary for HUD's Annual Report to Congress; and
- Provides the City of Chandler an opportunity to describe to its citizens the successes in meeting objectives stipulated in the 2010-2014 Consolidated Plan for its community development programs.

The fiscal year 2011-2012 CAPER has been prepared to meet HUD's requirements for an annual performance evaluation. This report summarizes the City's accomplishments for the Community Development Block Grant (CDBG), HOME Investment Partnership Funds (HOME), American Dream Downpayment Initiative (ADDI), Neighborhood Stabilization Programs (NSF), Homeless Prevention and Rapid Re-Housing Program (HPRP) and Community Development Block Grant Recovery Program (CDBG-R).

In addition, the CAPER describes accomplishments of social service programs provided in the City utilizing non-federal funds including activities funded with Acts of Kindness, Social Services Funding, Youth Enhancement Program and Veteran's Transportation funds.

Providing comprehensive programs for neighborhood revitalization in Chandler's low to moderate income areas was a focus of Chandler's federally funded programs in fiscal year 2011-2012. The CDBG-funded Blight Elimination Program provided enhanced, proactive code enforcement efforts in the City's CDBG-eligible Census Tracts and established a process to market the availability of federally funded rehabilitation programs and the Voluntary Demolition Program to homeowners who are faced with code violations. Code Enforcement inspected 832 properties for blight in CDBG areas resulting in the opening of 247 code enforcement cases and the boarding of 23

vacant and deteriorating structures. Code Staff also implemented the voluntary Demolition Program resulting in the demolition and removal of five vacant dilapidated structures in those neighborhoods.

CDBG-funded capital projects resulted in improvements to City infrastructure and neighborhood facilities as well. CDBG funded the installation of 685 energy efficient street lights which significantly improved lighting quality and safety in CDBG-eligible areas affecting many neighborhoods. In addition, CDBG Recovery Act funds allowed the completion of traffic calming on Knox Road between Arizona Avenue and Alma School Road, resulting in the slowing of traffic on an important pedestrian corridor near Knox School. CDBG funded the capital improvements for the Chandler Christian Community Center's expansion which will result in increased space for food storage and program operations.

Housing programs were also an area of emphasis for fiscal year 2011-2012. Programs focused on creating first-time homebuyers, assisting existing homeowners with housing rehabilitation and emergency repairs, and providing programs for families facing foreclosure. Newton's Community Land Trust Program created first-time homeownership opportunities for 12 new homeowners utilizing NSP and HOME funds and provided a down payment assistance program as well. Eight-eight existing low and moderate income homeowners were assisted through the City's housing rehabilitation programs which range from emergency home repair to more substantial housing rehabilitation. The provision of this assistance served to improve the living conditions of these residents, while stabilizing the housing stock in their neighborhoods.

Chandler funding, through a combination of local and federal sources, supported Chandler's homeless and near-homeless populations. Individuals and families were assisted to prevent their eviction and provided emergency shelter and transitional housing through programs funded by the City of Chandler. In addition, over 100,000 food boxes were provided through local food banks to aid in the fight to prevent hunger in Chandler.

During fiscal year 2011-2012, Chandler focused on maximizing resources to impact homelessness in the community. Through For Our City-Chandler, program advocates worked with City Staff to house six chronically homeless individuals residing in the downtown area, by utilizing Homeless Prevention and Rapid Re-housing Program funds. The collaboration among non-profits, the faith community and the City continues to produce tangible results in the lives of Chandler's homeless population.

In many areas, the City far exceeded its Five-Year Plan goals to meet the needs of Chandler's low and moderate-income residents. The investment of general fund resources leveraged federal funds to significantly address additional needs such as programs for foster children, domestic violence victims, daycare assistance and utility assistance.

Chandler continues to be a leader in support for youth services and youth activities. In fiscal year 2011-2012, Chandler's Human Services funded 23 contracts providing \$638,938.00 in support for youth programs that assisted 24,365 youth throughout the City of Chandler.

As part of the process for creating the CAPER, the City is required to conduct a 15-day public comment period and conduct a public hearing at a Chandler City Council meeting. The public comment period for the fiscal year 2011-2012 CAPER funds runs from August 6, 2012, through August 21, 2012. The draft report will be available for review online at www.chandleraz.gov/communitydev during the comment period. In addition, the public is invited to review the draft document at the City of Chandler's Neighborhood Resources Division office or

at the Chandler Main Library. The final report will be reviewed by the City Council on September 27, 2012 for approval.

The Mayor closed the public hearing at 7:41 p.m.

PH2. ANNEXATION: SWC Chandler Heights and Gilbert Roads

Annexation of approximately 25 acres located west of the SWC of Chandler Heights and Gilbert roads. (Applicant: Brennan Ray; Burch & Cracchiolo, P.A.)

The Mayor opened the public hearing at 7:41 p.m.

DISCUSSION

CITY PLANNER, ERIK SWANSON, came forward to present on this item.

MR. SWANSON displayed a map of the location and noted the annexation area.

MR. SWANSON said that this annexation piece meets the criteria for annexation. He stated that this residential area is also surrounded by residential. MR. SWANSON said that this request was circulated among staff departments and stated that there were no major concerns. He noted that in terms of water and sewer service it will be necessary to extend reclaimed water in Chandler Heights as part of this development.

MR. SWANSON said that the General Plan designates this area as low-density residential. Similarly, this property is in the Southeast Chandler Area Plan and is designated as low-density residential as well. MR. SWANSON said that staff has seen the plan and is working with a developer to develop the property as single-family residential.

MAYOR TIBSHRAENY asked if the property is controlled by one owner.

MR. SWANSON said that it is owned by one person. He said there are seven different parcels that were previously part of the larger Riggs Family Homestead.

MAYOR TIBSHRAENY asked if there are any occupants besides animals on the property.

MR. SWANSON said that there is a home that is occupied. It is being leased from the property owner. Upon development, the home will be demolished and the home vacated.

COUNCILMEMBER ORLANDO confirmed with Mr. Swanson that the homes are single-family homes.

MR. SWANSON said yes, that is correct.

COUNCILMEMBER ORLANDO asked if the surrounding areas have homes, businesses, or industrial areas.

MR. SWANSON said that there are single-family homes and various agricultural buildings surrounding the property. He is working to annex other areas for future single-family homes. He stated that the area is primarily surrounded by single-family homes.

COUNCILMEMBER HEUMANN asked if it is on two sides of Chandler Heights Road.

MR. SWANSON said the property is just on the south side of Chandler Heights Road.

COUNCILMEMBER HEUMANN asked when this parcel comes in will there be an agrarian easement granted so that individuals are aware. He is concerned that there could be conflict at a later time.

MR. SWANSON advised that typically as part of the zoning process and the conditions of approval, staff will state that there are ranch style homes with agrarian rights resulting in some smells and noise, which are normal for this type of activity. MR. SWANSON said as part of staff's recommendation for approval for the ultimate subdivision staff will put in conditions that advise homeowner's of potential agricultural use.

COUNCILMEMBER HEUMANN said rather than just conditions he would like to see that included in the deed, noting similar to what was done in the past with railroads. He said he feels it is important not to infringe on the agricultural properties.

MR. SWANSON acknowledged Councilmember Heumann's directive and said that staff will also ensure that notice is included in the Covenants, Conditions and Restrictions (CC&Rs) as well.

BACKGROUND

The subject site is located west of the SWC of Chandler Heights and Gilbert roads and is currently zoned RU-43 in the County. The Chandler Land Use Element of the General Plan designates the area for Low Density (single-family) Residential. Additionally, the subject site is located within the Southeast Chandler Area Plan and is similarly designated as Rural/Agrarian Character, supporting low-density residential development.

The subject site is a conglomeration of seven parcels that are all currently zoned RU-43 within the County. It is surrounded by agricultural land and residential development. North is Chandler Heights Road with residential and agricultural uses located in the County beyond. East and south is the Circle G at Riggs Ranch single-family custom home subdivision. West is residential and agricultural uses located within the County.

The Mayor closed the public hearing at 7:48 p.m.

CURRENT EVENTS:

A. Mayor's Announcements

MAYOR TIBSHRAENY congratulated Jo Sheller, whom he met on Tuesday at United Blood Services in Chandler where she was recognized with a proclamation for her many years of blood donations. Jo recently earned her space in the donor Hall of Fame. MAYOR TIBSHRAENY encouraged all residents to consider donating blood to help others in need.

MAYOR TIBSHRAENY recapped the Intel announcement about its \$300 million investment in a new research, development, and manufacturing project in Chandler.

MAYOR TIBSHRAENY invited residents to attend the Open House at Chandler Fire Department, Station 6, 911 N. Jackson St., on Saturday, August 25 from 9 a.m. to 1 p.m.

MAYOR TIBSHRAENY announced that the Neighborhood Traditional and HOA Academies kick off again in September.

Mayor Tibshraeny announced that the Primary Election is Tuesday, August 28. He encouraged residents to vote.

B. Councilmembers' Announcements

COUNCILMEMBER HEUMANN announced that Chandler City Hall is an early voting site and it is not restricted to Chandler residents only. He reminded everyone that the last day to request an early ballot is August 18. COUNCILMEMBER HEUMANN advised that those registered as Independent even if they are on the early voting list will only receive a ballot for the Primary Election if they request one. He encouraged residents to vote.

COUNCILMEMBER HEUMANN thanked Intel and staff about the exciting announcement. He said he is happy to hear that Intel is planning to hire returning veterans.

VICE-MAYOR WENINGER also encouraged residents to vote.

COUNCILMEMBER HARTKE announced that he hopes everyone has a safe Labor Day. COUNCILMEMBER HARTKE also announced the Irish Festival in Chandler on September 8.

C. City Manager's Announcements

None.

Adjournment: The meeting was adjourned at approximately 7:53 p.m.

ATTEST: _____
City Clerk

Mayor

Approved: September 13, 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 16th day of August 2012. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this _____ day of September, 2012.

City Clerk