

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, April 24, 2014.

THE MEETING WAS CALLED TO ORDER BY MAYOR JAY TIBSHRAENY AT 7:03 p.m.

The following members answered roll call:

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

Also in attendance:

Rich Dlugas	City Manager
Nachie Marquez	Assistant City Manager
Marsha Reed	Assistant City Manager
Kay Bigelow	City Attorney
Marla Paddock	City Clerk

INVOCATION: Pastor Roger Storms – Chandler Christian Church

PLEDGE OF ALLEGIANCE: Mayor Tibshraeny led the Pledge of Allegiance.

CONSENT:

Mayor Tibshraeny noted he had received Request to Speak card for Item 3. Discussion is noted under that item.

MOVED BY COUNCILMEMBER HARTKE, SECONDED BY COUNCILMEMBER DONOVAN, TO APPROVE THE CONSENT AGENDA AS PRESENTED.

COUNCILMEMBER WENINGER STATED HE WOULD VOTE NO ON ITEM 17.

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

1. MINUTES:

APPROVED the following Chandler City Council Minutes:

- 1a. Special Meeting of April 7, 2014.
- 1b. Study Session of April 7, 2014.
- 1c. Regular Meeting of April 10, 2014.
- 1d. Special Meeting (Employee Groups) of March 27, 2014.

2. CITY CODE AMENDMENT: Chapter 38

Ord. #4528

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4528 amending sections 38-4, 38-11, 38-12 and Appendix A of Chapter 38 of the Chandler City Code modifying certain System Development Fees and amending certain aspects of the System Development Fee process.

BACKGROUND/DISCUSSION

In order to continue to collect System Development Fees after August 1, 2014, the City must comply with Arizona Revised Statute §9-463.05, which includes updating any system development fees adopted before January 1, 2012. The City engaged Duncan Associates to update the Infrastructure Improvements Plan and prepare a report to update the City's system development fees. The report includes the recommended system development fees, as well as the Land Use Assumptions and the Infrastructure Improvements Plan, which were adopted by Council on February 13, 2014. The modified system development fees included in the report and detailed in the ordinance, are calculated by service area for arterial streets, parks, library, fire, police, public buildings, water, wastewater and reclaimed water.

The ordinance makes modifications to existing amounts and language in the City Code as follows:

- Section 38-4.B – Amended the wording describing the arterial street fee service area in accordance with changes made in the report; removed the reference limiting the service area for water resource fees since they are now part of the citywide water service area; and specified that reclaimed water fees will not be assessed on water-only (landscape) connections.
- Section 38-11.B.4 – Added language to specify how credits will be calculated for existing water meters in redevelopment situations and for fire flow meters.
- Section 38-12.D.7 - Added language to make clear that the date of final acceptance of capital facilities must be subsequent to August 1, 2014, in order to allow for allocation of credits to non-contiguous parcels in credit agreements.
- Appendix A – Amended the wording describing the arterial street fee service area in accordance with changes made in the report; removed the reference limiting the service area for water resource fees since they are now part of the citywide water service area; removed the General Fund arterial street subsidies for retail and Class A office space; updated the utility formula for meters larger than ten inches; and amended the amounts of the various fees and the areas in which they are charged.

The report incorporating the modified fees has been vetted with the Communications and Public Affairs, Information Technology and Management Services Council Subcommittee and all impacted Departments. The draft report was also provided to stakeholders representing single-family and multi-family developers, commercial builders and others, and a meeting was held in October 2013 to summarize the report and to hear and address any questions or concerns.

The report was posted on the City's website on January 27, 2014, and a link to the report was disseminated through social media. A public hearing on the modified fees was conducted on March 24, 2014, with no concerns raised. The modified system development fees will be effective Monday, July 28, 2014, just prior to the August 1, 2014, deadline imposed by State Statutes.

3. REZONING/PRELIMINARY DEVELOPMENT PLAN: McClintock & Chandler Luxury Apartments Ord. #4535

JOHN MORRIS, 4300 W. Saturn Way, said he is primarily representing the Board of Directors of Stellar Airpark in support of the rezoning application. Stellar Airpark and the developer worked closely on developing certain stipulations agreeable to the Airpark and the developer. He highlighted Stipulation No. 14 which is designed to protect the Airpark that prevents subdivision of the apartment complex moving forward into individual units. This stipulation is a key factor to the Airpark and the Board for continued support of the rezoning request.

COUNCILMEMBER WENINGER thanked Mr. Morris for his support and work.

MAYOR TIBSHRANEY affirmed with the applicant's attorney, Mr. Ed Bull, that they are agreeable with the stipulation noted.

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4535, DVR13-0047 McClintock & Chandler Luxury Apartments, rezoning from Planned Area Development (PAD) for commercial to PAD for multi-family residential.

APPROVED a Preliminary Development Plan (PDP) for site layout and building design on 10.75 acres located north and east of the NEC of McClintock Drive and Chandler Boulevard. (Applicant: Burch & Cracchiolo, Ed Bull.)

BACKGROUND

This application request includes rezoning from Planned Area Development (PAD) for commercial to PAD for multi-family residential. A PDP is included for the site layout and building design for an apartment development.

The McClintock and Chandler Luxury Apartments multi-family residential development includes an approximately 10.75-acre property with a 283-unit apartment development at approximately 26.33 du/ac.

In April 1998, the subject site was rezoned as part of a larger 14.5-acre project from Agricultural District (AG-1) to PAD (hotel/retail commercial). Community Commercial (C-2) uses were granted and a PDP for a hotel was approved on 2.8 acres with a conceptual plan for a retail shopping center. In 2000, the PAD zoning was extended for two years and eliminated the approved PDP per the applicant's request. Additional three-year time extensions on the PAD zoning were approved in 2003 and 2006. In 2009, a PDP was approved for two, 4-story hotels on the 14.5-acre site, one of which is under construction.

The project surrounds the Staybridge Suites hotel under construction at the immediate intersection corner. The site is bounded by the hotel, Chandler Boulevard, McClintock Drive, and Tyson Street. East of the subject site is the existing Chandler Court Apartments development. To the north is a single-family residential subdivision, Pepperwood/Chandler Unit 5. Espinoza's market and restaurant is located south across Chandler Boulevard as well as homes within the Pueblo Alto subdivision. West, across McClintock Drive, is vacant land zoned with an approved development plan for commercial uses as part of a larger industrial business park.

The apartment development incorporates urban design with the building's style and placement which compliments the adjacent hotel. The urban feel exists along both arterial streets with reduced building setbacks. The main entrance/exit off of Chandler Boulevard is designed with decorative pavers, a landscape planter and enhanced with Date Palm trees. The entrance leads

to the clubhouse/community office building. There is a second entrance/exit off of McClintock Drive also enhanced with Date Palm trees. The resort-style swimming pool is located behind the clubhouse and connects to a pedestrian green space. The green space includes a shade ramada, dog run and dog bath.

ARCHITECTURE AND SITE DESIGN

Similar to the Archstone Village Crossing at Chandler and The Met at Fashion Center multi-family developments, building designs are unique with contemporary urban features. The overall architectural style is represented as urban architecture with varying building mass including a series of elements such as balconies, patios, rooflines, stairways, colored wall sections and garages. Shade along wall planes is enhanced with larger decorative roofline parapet caps and recessed windows, smooth stucco finishes, metal railings, stacked brick veneer, decorative light fixtures, earth tone paint colors and varying heights of paint colors and materials develop each building's urban feel.

Three buildings are u-shaped surrounding a central parking area and/or drive aisle to garages. Two of these buildings are 3 stories and one is 4 stories. The 4-story building is closest to the 4-story hotel. There are five independent 3-story buildings in which four of them parallel adjacent streets. Unit sizes range from approximately 557-square foot studios to 1,385- square foot 2- and 3-bedroom units.

The development provides the required 481 parking spaces. A parking area is dedicated for the clubhouse/office building. Most parking spaces are either garages or covered parking with over 30 garages having direct access to units.

Monument signs are located at the two main entrances/exits and at the intersection corner of Tyson Street and McClintock Drive. The signs are designed to match building elevations with cornice details, stacked stone veneer, smooth stucco finish and paint colors. Lettering on all signs is reverse pan channel with back illumination. Two of the signs are integrated with perimeter walls and fencing. One sign is located in the McClintock Drive entrance landscape median.

The application requests deviations from Zoning Code to further enhance this multi-family residential urban designed project. Deviations are related to building setbacks, landscape setbacks, fence height, patios/balconies, and monument signage. Building setback reductions are requested adjacent to street frontage including a 25-foot reduction along Chandler Boulevard (50 feet required) and 30 feet along McClintock Drive (50 feet required).

Landscape setback reductions are requested along Tyson Street and McClintock Drive including a 5-foot reduction on McClintock Drive (20 feet required) and a 10-foot reduction on Tyson Street (20 feet required). In addition, a waiver to the landscape intersection setback at McClintock Drive and Tyson Street is requested to provide an urban feel. Buildings and fencing are not permitted in this area thus a waiver is requested to allow the building encroachment and decorative walls/fencing/monument sign into this setback.

Site walls and view fencing up to 6 feet in height are proposed within building setbacks where a maximum height of 3 feet is permitted. In addition, one monument sign up to a maximum of 4 feet high is requested within the landscape intersection setback where only 2 feet 6 inches is permitted. Signage waivers include a greater sign face area of 44 feet versus maximum 33 feet.

There are some patios/balconies that do not meet the minimum private open space diameter requirements. A waiver is requested to allow this deviation while the majority of units meet code.

The Planning Commission and Planning Staff support the waivers finding the reductions maximize the ability to specifically design a higher density, urban residential environment.

GENERAL PLAN CONFORMANCE

The General Plan Land Use Plan designates this property as Residential and within a Growth Expansion Node. The General Plan Circulation/Bicycling element designates this property as being along a High Capacity Transit corridor. The property's location is with an area planned for specialized commercial and employment with opportunities for High to Urban Residential densities or mixed-use development as well as connectivity to Frye Road and the High Capacity Transit Corridor.

Growth Expansion Nodes are specific to more compact, business accommodation growth areas and one is specifically designated at the northwest corner of Chandler Boulevard and McClintock Drive; however, land use designation boundaries as depicted on the map, do not coincide with property line boundaries. The subject site has proximity to the Chandler Fashion Center mall and industrial business parks with a strong connection to nearby shopping, entertainment and employment.

Ensuring a variety of housing choice for all income levels is Chandler's goal which includes the allowance for urban, multi-story housing and increased density in urban living arrangements. The subject site is located within an area planned for a business park setting where multi-family residential will serve existing and planned employment. The Chandler Boulevard and McClintock Drive intersection is part of the City's High Capacity Transit Corridor where higher density residential is appropriate.

DISCUSSION

The Planning Commission and Planning Staff are of the opinion that the multi-family residential development furthers the City's goal to promote higher and urban density residential to serve growth areas including the business park at the northwest corner of Chandler Boulevard and McClintock Drive.

The development's urban design represented in the buildings and site layout is unique to this area and compliments the adjacent hotel. The project's streetscape, perimeter wall/sign/entry features and urban architectural design make this an attractive project.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on February 26, 2014. There were approximately 4 area neighbors in attendance. Two neighbors were from the Stellar Board and two were from the residential area north of the subject site. The two residential neighbors were supportive of the request. Staff has received no correspondence in opposition. Prior to the scheduled neighborhood meeting, the applicant and representatives of Lennar Multi-Family had numerous meetings and correspondence with the Stellar Runway Utilizers Association Board. The applicant and Planning Staff are not aware of any outstanding issues or opposition from this board. The applicant has requested Planning Staff include specific zoning conditions agreed upon with the Stellar Board which are included in the recommendations.

PLANNING COMMISSION VOTE REPORT

The motion to approve passed unanimously 7 – 0.

RECOMMENDATIONS

Rezoning

Upon finding consistency with the General Plan, the Planning Commission and Planning Staff recommend approval subject to conditions as 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 “McClintock and Chandler Luxury Apartments”, kept on file in the City of Chandler Planning Services Division, in File No. DVR13-0047, except as modified by condition herein.
2. Approval by the Planning Administrator 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 planting.
4. The landscaping in all open-spaces and rights-of-way shall be maintained by the adjacent property owner.
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.

4. ACQUISITION IN FEE: NEC of Kyrene Road and 202

Res. #4709

ADOPTED Resolution No. 4709 authorizing the acquisition in fee of approximately 43,048 square feet of land from the State of Arizona, Arizona Department of Transportation (ADOT) located near the NEC of Kyrene Road and State Route 202 for \$15,264.24, plus closing costs of approximately \$1,800.00; and authorizing the Real Estate Coordinator to sign the purchase agreement and any other documents necessary to facilitate and complete this transaction.

BACKGROUND/DISCUSSION

The Municipal Utilities Department has completed construction of the West Chandler Force Main, Project No. WW-1012, which required extending piping under State Route 202 from north to south. In order to accommodate the construction of the Force Main, the City entered into an agreement with the Arizona Department of Transportation (ADOT) that allowed the City to use a previously installed conduit to construct for this purpose. There was an understanding that the City would acquire a portion of ADOT’s surplus property once the work was completed. Acquisition of this parcel will provide access for future maintenance, service, and security for the facilities. The site consists of approximately 43,048 square feet of excess land owned by the State of Arizona, Arizona Department of Transportation (Seller) located on the north side of State Route 202 just east of Kyrene Road. The City has reached an agreement with the Seller to purchase this parcel for its appraised value of \$156,264.24 (approximately \$3.63 per square foot) plus closing costs of approximately \$1,800.00. The City is also receiving a 20-foot wide ingress/egress easement from the Seller at no extra cost to provide access to the parcel from Kyrene Road.

The purchase price was based upon an appraisal provided by the Seller and was reviewed by Staff. Staff has determined that the purchase price is fair and in the public's best interest.

5. INDUSTRY/UNIVERSITY AGREEMENT: AZ Board of Regents Res. #4723

ADOPTED Resolution No. 4723 authorizing the Industry/University Cooperative Research Center Membership Agreement with the Arizona Board of Regents, for and on behalf of Arizona State University (ASU), and the City of Chandler in the amount not to exceed \$15,000.00 per year.

BACKGROUND

In 2009, Arizona State University (ASU) partnered with Temple University and the University of Arizona to establish the Water and Environmental Technology Center (WET). WET's mission is to develop technologies and methods to better manage contaminants in water supplies. WET is funded by private and public entities. WET has completed studies on water treatment, sustainability, reuse, recharge, forest fire impacts on water quality, taste and odor causing compounds in the canal system, and personal care products in source water.

In 2011, the City of Chandler joined WET as a non-member participant. WET non-member participants are only allowed limited access to minimal final reports. If the City upgrades its status to a "Member", the City will become a voting member on the WET Board, receive full access to all ongoing research and the ability to review unpublished reports.

The initial membership term is July 1, 2014 to June 30, 2015. As part of the agreement, the City's membership automatically renews, for three one-year terms. The City may cancel its annual renewal by providing a 90-day written notice prior to the termination date.

6. PIPELINE CROSSING AGREEMENT: Union Pacific Railroad Res. #4746

ADOPTED Resolution No. 4746 authorizing the execution of a Pipeline Crossing Agreement with the Union Pacific Railroad (UPRR), at no cost, for the construction of a reclaimed water line in conjunction with the Ocotillo Road Improvements.

BACKGROUND/DISCUSSION

The construction of the Ocotillo Road Improvements Project from Arizona Avenue to McQueen Road requires the construction of a reclaimed water line at the UPRR crossing. The City is required to enter into a Pipeline Crossing Agreement with UPRR for construction, maintenance and operation of the reclaimed water line. Construction of the roadway improvements is anticipated to begin in August 2014.

7. WIRELINE CROSSING AGREEMENT: Union Pacific Railroad Res. #4747

ADOPTED Resolution No. 4747 authorizing the execution of a Wireline Crossing Agreement with the Union Pacific Railroad (UPRR), at a cost of \$4,430.00, for construction of traffic signal fiber interconnection in conjunction with the Ocotillo Road Improvements.

BACKGROUND/DISCUSSION

The construction of the Ocotillo Road Improvements Project from Arizona Avenue to McQueen Road requires the construction of traffic signal fiber interconnect at the UPRR crossing. The City is required to enter into a Wireline Crossing Agreement with UPRR for construction, maintenance,

and operation for the fiber interconnect. Construction of the roadway improvements is anticipated to begin in August 2014.

8. ISSUANCE AND SALE OF STREET AND HIGHWAY BONDS Res. #4749

ADOPTED Resolution No. 4749 authorizing the issuance and sale of not to exceed \$10,000,000.00 Street and Highway User Revenue Refunding Bonds, Series 2014.

BACKGROUND

The resolution, as prepared by the City's Bond Counsel Gust Rosenfeld, authorizes the issuance and sale of not to exceed \$10,000,000 aggregate principal amount of City of Chandler Street and Highway User Revenue Refunding Bonds, Series 2014, and authorizes the Management Services Director to determine whether it is in the City's best interest to sell the Series 2014 Bonds in a competitive bid or through a negotiated sales.

DISCUSSION

Current interest rates offer an opportunity to refinance a portion of the City's debt by refunding bonds previously issued and outstanding; specifically Street and Highway User Revenue Bonds, Series 2003 and 2004, allowing the City to realize debt service savings. This will reduce the amount of debt service expenses paid from the Highway User Revenue Bond Fund, thereby providing additional funds to be used for street-related purposes. The final interest rates will affect the principal amount needed to refund the prior bonds, thus the resolution authorizes the maximum principal amount that may be sold. The final principal amount will be determined when the actual interest rate is established.

FINANCIAL IMPLICATIONS

The resolution authorizes the refunding of the City's outstanding Street and Highway User Revenue Bonds if the savings are at least 3% of the principal amount of the bonds being refunded. Depending upon the final issue size, this refunding is expected to generate net debt service savings to the City of approximately \$400,000 in present value dollars. The savings are net of all costs of issuance.

9. ISSUANCE AND SALE OF WATER AND SEWER BONDS Res. #4750

CONTINUED TO MAY 8, 2014 Resolution No. 4750 authorizing the issuance and sale of not to exceed \$20,000,000.00 Water and Sewer Revenue Refunding Bonds, Series 2014.

BACKGROUND

The resolution, as prepared by the City's Bond Counsel Gust Rosenfeld, authorizes the issuance and sale of not to exceed \$20,000,000 aggregate principal amount of City of Chandler Water and Sewer Revenue Refunding Bonds, Series 2014, and authorizes the Management Services Director to determine whether it is in the City's best interest to sell the Series 2014 Bonds in a competitive bid or through a negotiated sales.

DISCUSSION

Current interest rates offer an opportunity to refinance a portion of the City's debt by refunding bonds previously issued and outstanding; specifically Water and Sewer Revenue Bonds, Series 2001, 2003 and 2005, allowing the City to realize debt service savings. This will reduce the amount of debt service expenses paid from the Water and Wastewater Operating Funds, thereby providing savings to the City ratepayers.

The final interest rates will affect the principal amount needed to refund the prior bonds, thus the resolution authorizes the maximum principal amount that may be sold. The final principal amount will be determined when the actual interest rate is established.

FINANCIAL IMPLICATIONS

The resolution authorizes the refunding of the City's outstanding Water and Sewer Revenue Bonds if the savings are at least 3% of the principal amount of the bonds being refunded. Depending upon the final issue size, this refunding is expected to generate net debt service savings to the City of approximately \$1,400,000 in present value dollars. The savings are net of all costs of issuance.

10. GRANT AGREEMENT: ADOT

Res. #4751

ADOPTED Resolution No. 4751 authorizing a grant agreement with the Arizona Department of Transportation (ADOT) accepting grant number E4F3Z in the amount of \$19,311.00 as the State's share for the rehabilitation of the Airport Santan Apron and the rewiring of the Taxiway A lighting circuit.

BACKGROUND/DISCUSSION

In September 2013, the Airport received a Federal Airport Improvement Program (AIP) grant offer in the amount of \$393,380 for two projects. The first project was to repair significant cracks in the aircraft parking area known as the "Santan Apron". The second aims to replace wiring in the Taxiway "A" lighting system. The estimated total cost of both projects is \$432,000. The Federal grant represented 91.06% of total project costs. The City recently received notification of a State grant offer (ADOT Grant Number E4F3Z) in the amount of \$19,311, or approximately 4.47% of the project cost.

AIRPORT COMMISSION

During their regular meeting held on April 9, 2014, the Airport Commission voted unanimously 5 – 0 to forward a recommendation for the City to enter into this grant agreement with ADOT.

FINANCIAL IMPLICATIONS

These projects are in the current 5-year Capital Improvement Program (CIP). Staff has identified the remaining \$19,309 (4.47%) local matching share in the Airport Operating Fund and Airport Bond Fund.

11. AREA PLAN AMENDMENT/REZONING/PRELIMINARY DEVELOPMENT PLAN: Waters at Ocotillo and Siena at Ocotillo

Res. #4754 & Ord. # 4534

ADOPTED Resolution No. 4754, APL14-0003 Waters at Ocotillo Area Plan Amendment, for parcel 7 from Commercial Office/Retail development to Single-Family Residential.

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4534, DVR13-0043 Siena at Ocotillo, rezoning from Planned Area Development (PAD) for commercial office/retail to PAD for attached single-family residential.

APPROVED a Preliminary Development Plan (PDP) for a 76-unit condominium development on approximately 7.7 acres at the SEC of Dobson Road and Market Place. (Applicant: Chris Clonts; Standard Pacific Homes.)

BACKGROUND

The subject site is triangular in shape and is encumbered by two street frontages. North and east of the site is multi-family and single-family development currently under construction; south is the existing Corona del Mar II single-family residential subdivision; west and northwest are the Orbital campuses.

AREA PLAN AMENDMENT

The subject site is part of the Waters at Ocotillo Area Plan that was adopted by Council in early 2007. The Waters at Ocotillo Area Plan is a portion of the larger Ocotillo master-planned community. The area plan is generally located near the intersection of Price and Dobson roads and is bounded on the east by Jacaranda Parkway and the Market Place loop, on the west by Price Road, on the north by existing apartments and the Downtown Ocotillo commercial, hotel, and residential development and on the south by the existing Corona del Mar II single-family subdivision. The area plan currently designates the site for commercial office and retail development, whereas the amendment is to change the designation to single-family residential.

SITE LAYOUT

The request is to rezone the property from commercial for office and retail development to single-family residential. The gated development proposes 76 condominiums with an overall density of 9.84 dwelling units per acre. The condominiums will be constructed in a 3-, 4-, 5- and 6-plex configuration. The homes will be designed in a townhome fashion (having outdoor private space), but will be platted as condominiums (to address utilities). The gated condominium development provides a single point of access off of Market Place with a secondary means for emergency access and egress at the southeast end of the development along Market Place.

The residential units will face Market Place, but will side up to Dobson Road in an effort to prevent long building planes along Dobson Road. Along Dobson Road, the units are designed in a motor court fashion where vehicles will enter on a single drive and pull into their respective garages; the front doors of the buildings are all located in a landscaped setting opposite of the motor courts. Three perimeter wall designs are provided that incorporate a 6' solid wall, 2' view fence over 4' solid, and 4' view fencing over 2' solid. Landscaping treatments and the perimeter wall designs have been reviewed and approved by the Ocotillo Design Review Board.

The community pool area is located at the terminus of the main entry, with a secondary active play area located at the southeast corner of the site. The secondary amenity area includes seating areas, a small loop walking path, climbing boulders, a small tot lot, synthetic mounds and a tunnel. Additionally, based on the configuration of the residential units and architectural design, outdoor living space facing adjacent buildings presents the opportunity for gathering areas in the front of the residential units. Within the outdoor area, between the fronts of the buildings, are pedestrian paths that lead to the residential units. Courtyards at the entrances of each unit are provided; half of the end units will have wrapping courtyards.

Based on the development being a gated community and the internal streets having a reduced width (consistent with design standards), parking concerns often arise. As shown in the parking exhibit of the development booklet, each unit provides a two-car garage with many of the units also providing a full driveway for parking. In the *Parking and Waste Management Plan*, details are provided allocating guest parking throughout the development. It should be noted that the width of the parallel parking stalls along the southern end of the development are reduced in width from ten feet to eight feet wide (typical 90 degree stall is nine feet wide); however, the reduced width is consistent with similar developments offering parallel parking.

BUILDING ARCHITECTURE

As mentioned, the condominium buildings are designed in a 3-, 4-, 5- and 6-plex configuration. Architectural styling is based primarily on Santa Barbara influences consistent with the Waters at Ocotillo community. Elements will include arched windows, shutters, red tile barrel roofs, iron window planters, various tile accents and varying front door and garage door designs. Additionally, provisions are provided that allow for trellis options within the courtyard area. The trellis designs will be restricted through the homeowner's association, therefore ensuring conformity with the Santa Barbara themed architecture.

Floor plans range from 1,539 up to 1,875 square feet and offer 3-4 bedrooms. As is typical with condominium developments, unit sizes and location within the individual buildings tend to be consistent from building to building creating a monotonous building design; however, the development team has designed the buildings so that the roof planes and building fronts vary. Additionally, side elevations are treated so as to provide variety throughout the community. Lastly, garage door designs are included that provide different designs per unit.

The Planning Commission and Planning Staff support the request. The area plan amendment is appropriate finding the site's commercial viability greatly diminished following the surrounding area's developmental evolution. The amendment of other former commercial parcels within the Waters at Ocotillo Master Plan ultimately resulted in the isolation of the subject site for non-residential land uses. Accordingly, the Planning Commission and Planning Staff support the Rezoning and PDP requests finding that the use is consistent with the zoning and that the overall design presents a very attractive addition and housing option to the Ocotillo area.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code. Two neighborhood meetings were held with the first being held on November 13, 2013. There were 21 neighbors in attendance in general support. The second meeting was held on March 19, 2014. There were 5 neighbors in attendance also in general support. Planning Staff has received one email through the Mayor's Office expressing opposition and stating preference to the current office use. The concerns expressed related to the increased traffic that the development will potentially generate over office development.

PLANNING COMMISSION VOTE REPORT

The motion to approve passed 6-0 with Commissioner Baron abstaining.

RECOMMENDED ACTIONS

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 the 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 condition:

1. Development shall be in substantial conformance with the Development Booklet entitled "SIENA AT OCOTILLO", kept on file in the City of Chandler Planning Division in File No. DVR13-0043, except as modified by condition herein.

12. No item.
13. ASSESSMENT MODIFICATIONS: Downtown Chandler Enhanced Municipal District
Res. #4757

ADOPTED Resolution No. 4757 authorizing modification of the assessments diagram; making a statement and estimate of expenses for the Downtown Chandler Enhanced Municipal District; completing the assessment; setting the date for the Hearing of the Assessment; and ordering the Giving of Notice of such Hearing, and authorizing the City Manager or his designee to execute all relevant documents; and superseding Resolution No. 4744 adopted by the Chandler City Council on March 27, 2014.

BACKGROUND

This was originally presented to Council at the March 27, 2014, Council meeting. In the meantime, Staff was informed by the Downtown Chandler Community Partnership (DCCP), that the Notice of Public Hearing was not mailed in accordance to the State Statute, which requires twenty-day notification. Staff is requesting approval of Resolution No. 4757 in order to proceed as required.

BACKGROUND

On May 25, 2006, City Council approved Resolution No. 3971 creating the Downtown Chandler Enhanced Municipal Services District, with the mission to provide marketing, promotion, security, enhanced beautification and district management. The City subsequently executed a master contract with the Downtown Chandler Community Partnership (DCCP) to perform such services for a period of 10 years. Fiscal Year 2014-15 represents the 9th operating year of the District.

As part of the annual assessment procedures, each year the Assessment Diagram and Assessment Roll need to be updated due to changes in ownership, plats and land uses. Additionally, a public hearing must be held along with the opportunity for District property owners to file objections.

DISCUSSION

As required by Resolution No. 3971, which created the District, the following documents are submitted with is report: 1) Resolution No. 4757; 2) Notice of Hearing on Assessments; 3) Boundary Map; 4) Statement and Estimate of Expenses for the District; 5) Assessment Roll; and 6) Assessment Diagram.

The purpose of Resolution No. 4757 is to set the Public Hearing to notify property owners of the intent to modify the Assessments for property in the District, a required formal step. This Resolution also authorizes the City Council to make an estimate of the expenses for the District for 2014-2015, to set the date for the hearing on the Assessment and to give the Public Notice of the hearing date.

As a result of Resolution No. 4757, the hearing for the setting of the Assessments will be held May 22, 2014, at 7:00 p.m. in the City Council Chambers. DCCP Staff will appropriately notify all

property owners within the District boundary and the City will publish the notice of the hearing in a daily newspaper for five days as required by State Statute.

Assessments in the District will be based on three weighted factors including assessed value, building square footage and land square footage.

All properties will be assessed at the same rate with the exception of buildings along the Historic Square, which will be assessed double the building square footage rate.

Also in May, Staff will return with a Resolution to approve the Annual Assessment Roll, which will memorialize the amount assessed to each parcel and property owner. After City Council approval, the roll is sent to the County Assessor for inclusion on the fall property tax bills. In June, Staff will present the Chandler Enhanced Municipal Services Agreement with the DCCP for Fiscal Year 2014-2015, which includes an Operating Plan and District Budget.

FINANCIAL IMPLICATIONS

The total assessments for Fiscal Year 2014-2015, including the City's voluntary contribution, total \$243,794.00. This is a small decrease (\$5,970.00) from the prior year driven by changes in assessed valuations. Given the success of the DCCP in building profitable events, the FY 2014-2015 operating budget for the District may exceed this amount to stay in compliance with the contract reserve policy. The final amount will be presented to the City Council in May as part of the DCCP contract with the City for District management services.

As a public entity, the City is not required to pay into the District assessment, but has done so since the District's inception on a voluntary basis. As the largest single property owner in the Downtown, the City has taken a leadership role in supporting the District both financially and operationally. As in prior years, the City has elected to cap its voluntary contribution at the level contributed in the prior year. This means the City's maximum contribution is \$118,804.00, which represents 48.7% of the total assessment budget. Funds to provide the City's voluntary contribution are provided for in the Downtown Redevelopment budget request for Fiscal Year 2014-2015.

14. BOARD AND COMMISSION APPOINTMENTS

APPROVED the following Board and Commission appointments:

Airport Commission

Frank Nechvatal (Reappointment)
David Sperling (Reappointment)

Architectural Excellence

Patti Bruno (Reappointment)
Maria Cadavid (Reappointment)

Arts Commission

Jose Benavides (Reappointment)
Mary Lynne Lasure (Reappointment)
Ethel Penny Ross (Reappointment)

Board of Adjustment

Dean Ouellette (Reappointment)
Kathleen McAlpine (Reappointment)
Bill Vasquez (Reappointment)

Board of Appeals

Roger Stage (Reappointment)
Lynne Bourne (Reappointment)

Citizens Panel for Review of Police Complaints and Use of Force

James Dixon (Reappointment)
Terry Roe (Reappointment)
Frank Keough (Reappointment)
Leslie Pitts (Reappointment)
Robert Burnett (Reappointment)

Cultural Foundation Board

David Woodruff (Reappointment)
Steena Murray (Reappointment)
Anne DeRose (Reappointment)
Barbara Meyerson (Reappointment)
Richard Frazier (Reappointment)

Economic Development Advisory Board

Andrew Weingartner
Scott Taylor (Reappointment)
Mike Flanders (Reappointment)
Tim Bricker (Reappointment)
Ward Andrews (Reappointment)

Housing & Human Services Commission

Justin Lisonbee (Reappointment)
William Wallace (Reappointment)
Rick Becker (Reappointment)
Tammy Clow-Kennedy (Reappointment)

Library Board

Lisa Blyler (Reappointment)

Mayor's Committee for People
With Disabilities

Joan Barron (Reappointment)
Amanda Frisard (Reappointment)

Merit Board

Chris Love
Michael Warren
Kiup Kim (Alternate)
David Burks (Reappointment)
Bill Dahlberg (Reappointment)
Darrell Guynes (Reappointment)
Daniel Pote (Reappointment - Alternate)
Clessene Heil (Reappointment - Alternate)

Neighborhood Advisory Committee

Larry Arhrington (Reappointment)
Dane Cutting

Domestic Violence Commission

Nicole Bruno (Reappointment)
Yvonne Taylor (Reappointment)
Ruth Tan Lim (Reappointment)

Health Benefits Trust Board

Kelly Tincher (Reappointment)

Human Relations Commission

Sharyn Younger
Cynthia Hardy (Reappointment)
Treva Free-Kimbrough (Reappointment)
Norma Garcia-Torres (Reappointment)

Mayor's Committee for the Aging

John McNelis (Reappointment)
George Pace (Reappointment)

Mayor's Youth Commission

Alex Yuwen
Shelby Colson
Niharika Karnik
Heba Shiban
Lydia Chew
Jocelyn Alvar
Hannah Miao
Extta Patel
Shivam Bhanvadia
Ishaan Mehta (Reappointment)
Connie Zhu (Reappointment)

Museum Advisory Board

Andrew Szabo (Reappointment)
Riger Lidman (Reappointment)

Parks and Recreation Board

Linda Peterson Price (Reappointment)

Planning and Zoning Commission
Bill Donaldson (Reappointment)
Matthew Pridemore (Reappointment)

Public Safety Personnel Retirement System
Local Board: Fire
Dan Pote (Reappointment)
Jim Roxburgh (Reappointment)

Public Safety Personnel Retirement System
Local Board: Police
Dan Pote (Reappointment)
Jim Roxburgh (Reappointment)

Transportation Commission
Tricia Gillam
Leigh Rivers
Ben Schwatken (Reappointment)
James Symonds (Reappointment)

Worker's Compensation and Employer Liability Trust Board
Kelly Tincher

15. 2013 CELEBRATION PLAZA HONOREE RECOMMENDATIONS

APPROVED the following 2013 Celebration Plaza Honorees as recommended by the Parks and Recreation Board: Chandler Lions Club and Former Mayor Coy Payne.

- **Chandler Lions Club** – The Chandler Lions Club has been dedicated to serving the Chandler community through humanitarian service programs that improve the health and well-being of fellow community members. The group has provided thousands of free eye exams and eyeglasses to needy K-12 students, helped build the first hospital in Chandler, provided for disabled individuals to attend Camp Tatiyee, and collected and recycled thousands of used eyeglasses for missions to third world countries. The group also furnished a major picnic ramada at Arrowhead Park and has co-sponsored and produced the annual Fourth of July Festivals at Tumbleweed Park. Lions Club volunteers have given of their time, talents and efforts to support the disabled and the needs, and to make the community a better place.
- **Former Mayor Coy Payne** – As a long-time resident, former teacher and administrator, former City Councilmember and Mayor Coy Payne has been a community leader for many years. Coy grew up as part of a poor, farm worker family in the historic “south Chandler” neighborhood, experiencing racial segregation for many years. Coy graduated from Phoenix’s all-black George Washington Carver High School (the only school he could attend) at the top of his class in 1949. He attended ASU briefly and then served in the Korean War, in the Army’s combat infantry. By 1954, he had married a Chandler girl (Willie Woods Payne) and re-entered ASU using the G.I. Bill. Coy earned a Bachelor’s degree in Education and began teaching at Chandler’s Winn Elementary School. He continued with the Chandler Unified School District and eventually served as Chandler Junior High’s Assistant Principal.

While a teacher, Coy became involved in civic service by joining the first Human Relations Commission in the early 1960s. He also helped create and head Chandler’s Housing Authority, which developed and oversaw the first public housing in the City. He then served on the Parks and Recreation Board and was instrumental in establishing the swimming pool and other amenities at Folley Park. Coy then joined the Chandler City Council in 1982. He served on the Council until 1990, when he completed a successful campaign for Mayor. This election placed him in the history books as the first African American Mayor in Chandler and in the state of Arizona. He served as Mayor until 1994.

During his time in office, he led the Council in the development of City infrastructure; expanding park spaces, recreational facilities and cultural amenities; and piloted the first recycling program. He led the City in developing regional transportation and a regional mall. As Mayor, Coy was known for his strong role as facilitator and consensus builder, allowing the City to develop in a positive direction during the early 1990s. One submission states, "Born in the difficult times of pre-Civil Rights and segregation, Coy Payne never allowed the shallow ideas of others to prevent him from achieving his goals. As the first African American Mayor, he served all the people. Chandler and all of Arizona are better because of Coy Payne."

BACKGROUND/DISCUSSION

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

Constructed in 2006, Celebration Plaza features a fountain and a decorative wall with brass plaques honoring Chandler residents, living or deceased, who have displayed outstanding civic commitment, leadership, innovation, public outreach and service to the City. Individuals holding an elected City of Chandler office or serving on the Parks and Recreation Board are not eligible for nomination.

Staff received two nominations during this year's nomination process. The subcommittee evaluated the nominations based on the following criteria:

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

The 2013 nominees will be honored at an induction ceremony this fall.

Past inductions include:

2007 - Lenford C. Calley, Officer Robert J. Nielsen, Henry Salinas

2008 - Chandler Service Club

2009 - Eddie Basha

2010 - Patti Bruno, Marty Wright, Officer Carlos Ledesma, Dave McDowell, Lowell Huggins

2011 - Najeeby Basha, Jerry Brooks

2012 - Chandler Compadres, John Dick

The subcommittee recommendations for 2013 were presented to the Parks and Recreation Board at their March 4, 2014 meeting. The Board endorsed the recommendations and unanimously voted to recommend them to the City Council for approval.

16. CLAIMS REPORT

APPROVED the Claims Report for the quarter ended March 31, 2014.

17. CONTINGENCY TRANSFER

Councilmember Weninger voted no on this item.

Approved (6-1) a contingency transfer of General Fund Non-Departmental Contingency appropriation to the Solar Energy program in the General Capital Projects Fund for solar services agreements in the amount of \$700,278.00.

BACKGROUND

On April 10, 2014, Council approved solar service agreements with SolarCity related to solar array projects for the Downtown Chandler Public Library and the Police Property Evidence Building. In order to complete these projects, funding must come from the General Fund 12% Contingency, which requires Council approval.

18. AGREEMENT AMENDMENT: W.C. Scoutten, Inc.

APPROVED Agreement, Project No. 3359, Amendment No. 1, with W.C. Scoutten, Inc., for professional services for Civil Plan Review and City Planning Services in an amount not to exceed \$54,800.00, for a total contract amount not to exceed \$79,800.00.

The Civil Plan Review Group, within the Transportation & Development Department, is responsible for reviewing all engineering design plans, plats and requests for minor land divisions for private development projects and design plans for City funded capital projects.

Recent Staff vacancies have created a short-term workload issue within the group. Senate Bill 1598, which was passed by the State legislature, mandates that permit reviews be completed within a fixed period of time or the City may risk having to refund fees for reviews that exceed published deadlines. In addition, we strive to maintain a high level of customer service where private development projects with tight deadlines are reviewed in half the normal time frame.

The contract was initially executed in the amount of \$25,000 to ensure that current service levels could be maintained. The additional funding being requested will allow us to continue to serve customers until at least one vacancy is filled within the work group.

19. AGREEMENT AMENDMENT: Otto Logistics, LLC

APPROVED Agreement No. MU2-962-2991, Amendment No. 1, with Otto Logistics, LLC, for operation of the City Recycling-Solid Waste Collection Center (RSWCC) and transportation of bulk waste, in an amount not to exceed \$219,885.80 per year.

Since approval of the agreement on July 6, 2012, operational changes have occurred at the RSWCC and at the Ocotillo Brine Reduction Facility (OBRF) requiring amendment of the agreement. Currently, Solid Waste Services is operating a pilot program at the RSWCC for diverting clean green waste from landfill disposal. Staff of Otto Logistics loads the green waste at the RSWCC and hauls the green waste to an organics recycling facility, Waste Management Sierra Estrella in Maricopa, Arizona. Additionally, the OBRF has undergone extensive plant expansion that now includes a lime softening process. The bulk sludge produced from this process is loaded and hauled to Waste Management Butterfield Landfill. Otto Logistics provides

the equipment and vehicles necessary for loading sludge and transporting to the landfill for disposal.

20. AGREEMENT AMENDMENT: Water/Wastewater Equipment Repair and Maintenance

APPROVED Agreement No. WA0-963-2649, Amendment No. 4, with Phoenix Pumps, Inc., Foster Electric Motor Service, Inc., Arizona Pneumatic Systems, Inc., Gilbert Pump & Equipment Co., Weber Water Resources, LLC, Precision Electric Co., Inc., Keller Electrical, Inc., Layne Christensen Company, and Hennesy Mechanical Sales, LLC, for water/wastewater equipment repair and maintenance, for one year, in a combined total amount not to exceed \$1,900,000.00.

21. PURCHASE: Envelopes

APPROVED the purchase of envelopes from Arizona Envelope Company, utilizing the State of Arizona contract, in an amount not to exceed \$65,000.00.

22. USE PERMIT: Original Chopshop Co.

APPROVED Use Permit LUP13-0019 Original Chopshop Co., Series 7 Beer and Wine Bar License, to sell and serve liquor as permitted for on- and off-premises sales, and a Series 12 Restaurant License for on-premise sales for a new restaurant with outdoor dining in downtown Chandler at 35 W. Boston Street, west of Arizona Avenue and south of Chandler Boulevard. (Applicant: Andrea Lewkowitz, Lewkowitz Law Office.)

BACKGROUND

The application requests Liquor Use Permit approval to sell and serve liquor as permitted under a Series 7 Beer and Wine Bar license for on- and off-premises sales, and a Series 12 Restaurant license for on-premise sales for a new restaurant with outdoor dining. The Series 7 license is currently approved on this property through a prior Liquor Use Permit in October 2005 for the former Bistro at Kokopelli Winery. The prior Series 7 license approval included a zoning condition prohibiting beer from being sold for consumption off-premises. The tenant space is under renovation for a new restaurant named Original ChopShop Co. which intends to sell local and boutique beer and wine for on- and off-premise consumption. The business requests a new Series 7 Liquor Use Permit for their restaurant and the allowance of off-premise sales and consumption. State Statute limits off-premises sales to 30% of the total annual amount of on-premises sales. The Series 12 Liquor Use Permit allows the on-premises sales and consumption of all types of spirituous liquor and at least 49% of the restaurant's sales are from food.

Downtown Chandler is a third location for Original ChopShop Co. The restaurant concept is a health-conscious, fast-casual, breakfast, lunch and dinner establishment. The business intends to be open from 7 a.m. to 10 p.m. Monday through Saturday and 7 a.m. to 8 p.m. on Sundays. There will be no live music or entertainment, pool tables, dancing, or the like. The restaurant is approximately 4,150 square feet with 50 seats indoors and 40 seats outdoors.

In January 2014, Planning Staff managed an Architectural Review Committee (ARC) application for façade renovations. The ARC request was approved and the building is currently undergoing renovations. The restaurant's two patios will include indoor/outdoor seating and counter tops.

PUBLIC/NEIGHBORHOOD NOTIFICATION

The request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on March 19, 2014. There were no neighbors in attendance. The Police Department has been informed of the application and responded with no concerns. Planning Staff has received no correspondence in opposition; however, one email was received from a downtown property owner stating their support for the Liquor Use Permit.

PLANNING COMMISSION VOTE REPORT

The motion to approve passed unanimously 7 – 0.

RECOMMENDED ACTION

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

1. Expansion, modification or relocation beyond the approved exhibits (Site Plan, Floor Plan and Narrative) shall void the Liquor Use Permit and require new Liquor Use Permit re-application and approval.
2. The Liquor Use Permit is granted for a Series 7 Beer and Wine Bar license and a Series 12 Restaurant license only and any change of licenses shall require re-application and new Liquor use Permit approval.
3. The Liquor Use Permit is non-transferable to other locations.
4. The site and patios shall be maintained in a clean and orderly manner.

23. LIQUOR LICENSE: Original Chop Shop Co.

APPROVED a Series 7 Beer and Wine Bar Liquor License (Chandler #149520 L7) for Andrea Dahlman Lewkowitz, Agent, Chop Shop Chandler LLC, dba Original Chop Shop Co., 35 W. Boston Street, Suite 1. A recommendation for approval of State Liquor License #07070623 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.

24. LIQUOR LICENSE: Original Chop Shop Co.,

APPROVED a Series 12 Restaurant Liquor License (Chandler #149520 L12) for Andrea Dahlman Lewkowitz, Agent, Chop Shop Chandler LLC, dba Original Chop Shop Co., 35 W. Boston Street, Suite 1. A recommendation for approval of State Liquor License #12079837 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.

25. LIQUOR LICENSE: Silk True Asian

APPROVED a Series 12 Restaurant Liquor License (Chandler #152056 L12) for Watchuree Gerding, Agent, Silk True Asian LLC, dba Silk True Asian, 4995 S. Alma School Road, Suite 1. A recommendation for approval of State Liquor License #12079830 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. Transportation and Development advises a new Use Permit is not required since this will be a continuation of the location's previous use as Blu Burger Grill.

26. LIQUOR LICENSE: Ranchero Mexican Grill 2

CONTINUED TO MAY 8, 2014 a Series 12 Restaurant Liquor License (Chandler #152474 L12) for Elizabeth Albuja, Agent, Byliel, Inc., dba Ranchero Mexican Grill 2, 757 E. Chandler Boulevard.

27. LIQUOR LICENSE: 18 Degrees Express

APPROVED a Series 12 Restaurant Liquor License (Chandler #152563 L12) for Randy D. Nations, Agent, BDU 45 LLC, dba 18 Degrees Express, 7225 W. Harrison Street. A recommendation for approval of State Liquor License #1207856 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. Transportation and Development advises a new Use Permit is not required since this will be a continuation of the location's previous use as Chandler Polar Ice.

28. TEMPORARY EXTENSION OF PREMISES: Sandbar Mexican Grill

APPROVED a Temporary Extension of Premises for a Series 6 Bar Liquor License (Chandler #125366 L6) held by South Sand LLC, dba Sandbar Mexican Grill, 7200 W. Ray Road. A recommendation for approval of a Temporary Extension of Premises for State Liquor License #0607188 will be forwarded to the State Department of Liquor Licenses and Control. The temporary extension of the alcohol serving area is for a Cinco De Mayo Celebration on May 3, 4 & 5, 2014. The Police Department has no objections to this extension and the applicant has applied for a Temporary Sales and Promotional Event Permit through Neighborhood Resources.

29. CONTINUED LIQUOR LICENSE: Fazio's Catering and Event Center

CONTINUED TO MAY 22, 2014, a Series 6 Bar Liquor License for Angela Fazio, Agent, Fazio's Catering and Event Center LLC, dba Fazio's Catering and Event Center, 700 W. Warner Road, to allow the applicant time to complete the requirements for a new Use Permit.

30. FINAL PLAT: Circle K Riggs Road & Arizona Avenue

APPROVED Final Plat FPT14-0002 Circle K Riggs Road & Arizona Avenue, for a commercial center that includes a fuel station and a convenience store at the SEC of Riggs Road and Arizona Avenue. (Applicant: Helix Engineering, LLC.)

This Final Plat is for a commercial center that includes a fuel station and a convenience store for a site that received zoning approval in February 2013. The plat creates the lot and tracts, establishes the necessary easements and dedicates the required rights-of-way.

PUBLIC HEARING

PH1. ELECTION FOR LOCAL ALTERNATIVE EXPENDITURE LIMITATION – HOME RULE OPTION

The Mayor opened the public hearing at 7:08 p.m.

GREG WESTRUM, Budget Manager, provided a brief presentation regarding Home Rule, what it allows the City to do regarding the Operating Budget and how procedurally this is approved. In order for the Home Rule option to be placed on the August 26th ballot, Council must adopt a resolution by at least a two-thirds majority vote. He noted that the residents of Chandler have been voting in favor of the Home Rule Option for the last eight elections.

The Home Rule Option allows the Council to base the City's budget on its revenues, not a state imposed limit, which is much less, and because of this, the Council is able to provide services at the level the residents expect and want from the City.

On June 3, 1980, the State of Arizona placed a new expenditure limitation on cities and towns. Arizona Revised Statutes (A.R.S.) prescribe a maximum spending limit based upon a formula incorporating expenditures in Fiscal Year 1979-80, adjusted for increases in population and inflation and allowing certain expenditure exclusions. A.R.S. also provides several alternatives to the State imposed spending limitations. Since 1982, the City of Chandler has adopted the alternative expenditure limitation referred to as the "Home Rule Option" which allows the City to establish its own expenditure budget based upon anticipated revenues and expenditures.

The alternative expenditure limitation "Home Rule", frees the community from any ties to the State imposed limitation and permits the Mayor and Council, along with the local electors of the community, to decide programs, service levels and methods of financing capital improvements. The Home Rule option must be adopted by resolution with a two-thirds Council majority vote and approved by a majority of the voters.

This public hearing is the second of two required by A.R.S. before Council can adopt a resolution to place the Home Rule option on the August 26, 2014 Primary Election ballot. If approved by the voters, the Home Rule alternative budget would begin with the FY 2015-16 Budget and be effective for four years. Following this public hearing, Council will be asked to approve placing the Alternative Expenditure Limitation on the ballot by approving Resolution No. 4752.

Public notice of the two public hearings to discuss the Home Rule option was published in the Arizona Republic newspaper on two different dates, as required by A.R.S., and has been posted on the City's web site. Chandler voters have approved the Home Rule option eight consecutive times since 1982, with the most recent Home Rule election approved in November 2010.

The maximum spending limitation using the State formula for the first effective year, FY 2015-16, is \$220,971,405 plus \$246,384,295 for certain estimated excludable items such as bond proceeds, interest income and grants for a total of \$467,355,700. This compares to an estimated spending of \$571,480,000 of the total projected budget of approximately \$800 million for FY 2015-16, after eliminating certain excludable items such as bond proceeds, interest income and grants.

The difference between the FY 2015-16 State maximum spending limit (\$467,355,700) and the projected spending (\$571,480,000) is over \$104 million representing the cost of programs, service levels and capital improvements expected by Chandler citizens that would not be available without approval of Home Rule.

In response to a question from the Mayor, City Clerk Paddock stated the Primary and General election was called for at the last meeting of the City Council.

COUNCILMEMBER HEUMANN noted the Council takes this charge with care and is one of the 30+ cities in the U.S. that have AAA bond ratings.

COUNCILMEMBER HARTKE asked if all other cities go through this process. Mr. Westrum said there are several cities that have a permanent base adjustment, but the majority have the home rule option.

There was no comment from the audience.

The MAYOR closed the public hearing at 7:17 p.m.

UNSCHEDULED PUBLIC APPEARANCES:

None.

CURRENT EVENTS:

A. Mayor's Announcements

Mayor Tibshraeny announced the following events:

- Chandler Family Bike Ride – Saturday April 26th
- Roadrunner Park dedication ceremony begins at 10:30 a.m. at 3495 E Ryan Rd.
- Budget Briefing to be held on Friday May 2nd in Council Chambers starting at 8:30 a.m.
- Environmental Education Center Events: Veterans Oasis Park- Earth Day/Arbor Day event Friday, April 25th 4-7 p.m.

B. Councilmembers' Announcements

Vice Mayor Heumann announced the following:

- Original Chop Shop restaurant – visited the establishment and believes it to be a great addition to the Chandler downtown area
- Relay for Life on May 2nd at Basha High School
- He will be participating in Pat's Run Saturday, April 26th

Councilmember Hartke announced the following:

- May 1st is the next breakfast where business owners, non-profits and councilmembers discuss local issues
- May 3rd is the Cinco de Mayo Celebration and Chihuahua Races
- May 17th at Tumbleweed Park 5K Colordash race and expo

Councilmember Ellen announced the following:

- April 21st Chandler celebrated the 2nd Operation Welcome Home. It was a well-attended event and covered by Channel 10 and Channel 5. The next Operation Welcome Home is scheduled for November this year, she was seeking nominations.

