

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 Monday, August 11, 2014.

THE MEETING WAS CALLED TO ORDER BY MAYOR JAY TIBSHRAENY AT 7:05 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: The invocation was let Prema Dhatri of ISKCON of Phoenix.

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

Mayor Tibshraeny took a moment to recognize the Tianjin City little league team. They are touring the State and will be playing a few games against the Chandler National Little League team during their stay. They presented the Mayor with a baseball cap in Chinese that reads "Victory." He thanked the team, the coaches and other members of the group for visiting him earlier and the City of Chandler.

CONSENT:

Vice Mayor Heumann requested Item 5 (Chandler Viridian) be moved to the Action Agenda.

MOVED BY COUNCILMEMBER HARTKE, SECONDED BY COUNCILMEMBER DONOVAN, TO APPROVE THE CONSENT AGENDA AND TO MOVE ITEM NUMBER 5 TO THE ACTION AGENDA.

MOTION CARRIED UNANIMOUSLY (7-0).

1. MINUTES:

APPROVED the following Chandler City Council Meeting Minutes:

- 1a. Regular Meeting of July 7, 2014.
- 1b. Study Session of July 7, 2014.
- 1c. Regular Meeting of July 10, 2014.

2. POWER TRANSMISSION EASEMENT: Salt River Project Ord. #4488

ADOPTED Ordinance No. 4488 granting a no-cost power transmission easement to Salt River Project (SRP) along the north side of Riggs Road fronting the Ironwood Country Club.

3. ZONING AMENDMENT: Thorobred Wrestling Club Ord. #4549

ADOPTED Ordinance No. 4549, DVR14-0016 Thorobred Wrestling Club, amending the Planned Area Development (PAD) zoning for Planned Industrial District (I-1) uses to allow an instructional sports and athletic training facility use in Unit 14 of Building M within the Paloma Kyrene Business Community located south of Chandler Boulevard on the west side of Kyrene Road at Gila Springs Place.

4. REZONING: Lone Tree Ord. #4552

ADOPTED Ordinance No. 4552, DVR14-0001 Lone Tree, rezoning from Planned Area Development (PAD) for condominiums to PAD for single-family residential located at the SWC of Riggs and Lindsay roads.

5. MOVED TO ACTION AGENDA

6. No item.

7. GRANT AGREEMENT: Arizona Department of Public Safety Res. #4793

ADOPTED Resolution No. 4793 authorizing a Crime Victim Assistance Program Grant Agreement with the Arizona Department of Public Safety for the provision of crime victim services and authorizing the Mayor to sign the agreement; and authorizing the Police Chief to administer, execute and submit all documents and other necessary instruments in connection with such agreement; and authorizing the City Manager or designee to approve and execute any future extension to this contract.

#### BACKGROUND/DISCUSSION

The Police Department has been awarded a Victim Assistance Grant through the Arizona Department of Public Safety as a pass-through grant from the Federal Government's Victims Crime Act (VOCA). The Police Department has been the recipient of an award through this program since Fiscal Year 2007/08. The grant covers 80% of actual expenses for a Victim Services Specialist position. This position interacts with victims of actual or threatened crime in the Chandler community to assist in their recovery as quickly and fully as possible. This agreement is for \$80,515.00 for the period July 1, 2014, through September 30, 2015.

#### FINANCIAL IMPLICATIONS

This grant covers 80% of the position's expenses and a matching grant through the Arizona Criminal Justice Commission covers the remaining 20%.

8. GRANT AGREEMENT: Arizona Criminal Justice Commission Res. #4794

ADOPTED Resolution No. 4794 authorizing a Crime Victim Assistance Program Grant Agreement with the Arizona Criminal Justice Commission for the provision of crime victim services; and authorizing the Mayor to sign the agreement; and authorizing the Police Chief to

administer, execute and submit all documents and other necessary instruments in connection with such agreement; and authorizing the City Manager or designee to approve and execute any future extensions to this contract.

#### BACKGROUND/DISCUSSION

The Police Department has been awarded a grant through the Arizona Criminal Justice Commission's Victim Assistance Grant program. The Police Department has been the recipient of an award through this program since Fiscal Year 2006/07. The grant covers 20% of actual expenses for a Victim Services Specialist position, including other operating expenses, in the Police Department. This position interacts with victims of actual or threatened crime in the Chandler community to assist in their recovery as quickly and fully as possible. This agreement is for \$19,524.00 for the period July 1, 2014 through June 30, 2015.

#### FINANCIAL IMPLICATIONS

This grant covers 20% of the position's expenses and a matching grant through the Arizona Department of Public Safety covers the remaining 80%.

9. IGA AMENDMENT: Maricopa County and Newtown Community Development Corporation Res. #4796

ADOPTED Resolution No. 4796 authorizing Amendment No. 1 to an Intergovernmental Agreement (IGA) with Maricopa County and Newtown Community Development Corporation regarding use of federal funds for a first time homebuyer program; authorizing the Mayor to execute the amendment; and authorizing the City Manager or designee to execute such other documents as are necessary to comply with provisions of the agreement, as amended.

#### BACKGROUND:

The City of Chandler receives federal HOME Investment Partnership (HOME) funds annually from the U.S. Department of Housing and Urban Development (HUD) through the Maricopa HOME Consortium which is comprised of the cities/town of Avondale, Chandler, Glendale, Peoria, Scottsdale, Surprise and Tempe. The Consortium is required to allocate 15% of the annual HOME allocation to Community Housing Development Organizations (CHDOs). In January of 2012, Newtown Community Development Corporation applied for and received Chandler City Council approval to apply to the County for CHDO funds. Newtown was subsequently awarded \$340,000.00 in CHDO HOME funds for the acquisition, rehabilitation and resale of up to four properties to low to moderate income families under the Chandler Land Trust first time homebuyer program. In July of 2012, the City Council approved an agreement with Newtown for this purpose.

The final form of the agreement between the City, County and Newtown took the form of a three party intergovernmental agreement (IGA) wherein the County commits to funding \$340,000.00 in HOME funds for the project and the City commits to acting in the role of administrator of the funding with Newtown. An amendment to the agreement is now required.

The purpose of this amendment is to extend the contract termination date from June 30, 2014, to June 30, 2015, and to adjust the Scope of Work, which will ensure compliance with Final HOME Program Rules adopted by HUD in 2013. In addition, the amendment identifies three specific property addresses to which funds can be committed and includes language requiring the City to complete certain assessments, such as a market survey and risk assessment, prior to funds being committed to Newtown for the project. These items are also required as a result of the HOME Program Rule change in 2013.

### FINANCIAL IMPLICATIONS

Funding for the HOME program is provided from HUD through the Maricopa County Consortium and does not require repayment.

### ACTION:

5. REZONING/PRELIMINARY DEVELOPMENT PLAN: Chandler Viridian Ord. #4551

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4551, DVR14-0012 Chandler Viridian, rezoning from Planned Area Development (PAD) Commercial and Multi-Family to PAD Commercial and Multi-Family located at the SWC of the Loop 101 Freeway and Frye Road. (Applicant: Chris Anderson; Hines.)

PRELIMINARY DEVELOPMENT PLAN (PDP) on approximately 26 acres for a mixed-use development including Office, Hotel, Commercial and Multi-Family Residential uses located at the SWC of the Loop 101 Freeway and Frye Road.

### BACKGROUND

This request was continued from the July 10, 2014, Council meeting to allow the developer to finalize development details.

The site was designated as a portion of parcel G supporting office and retail development during the mall zoning process in 2000. In 2001, the northern portion of the subject site received PDP approval for a hotel. Early 2005 brought a new PDP for a hotel, with condominiums occupying two floors and an athletic facility. In late 2005, a Rezoning and PDP were approved for a hotel and an office/residential condominium building. Construction started on the hotel; however, never got beyond internal support structures for the building. The request is to Rezone the 26-acre subject site from PAD for commercial and multi-family to PAD commercial and multi-family residential with PDP approval for a mixed-use development including office, hotel, commercial and multifamily residential uses.

At the time of the initial zoning of the mall, various parcels within the master plan were designated with development guidelines. For parcel G, it was anticipated that development would occur in a vertical fashion, which lead to the allowance of building heights to approach 200 feet, with approval of such heights being subjected to PDP approval. Increased building heights are proposed for this development with building height potentials ranging from four to ten stories.

### SITE LAYOUT

The site is organized so that the commercial, retail and hotel buildings are adjacent to the street frontages continuing the major commercial hub that the mall presents. The multifamily apartments are allocated to the southern 14-acre portion of the site. Two retail pads and the hotel are adjacent to Frye Road with the proposed office buildings and parking garage central to the site. Details are provided in the Development Booklet outlining building heights for flexibility of users.

Extensive work has been done to ensure the development presents a true urban feel with the interaction of residential uses in close proximity to commercial uses.

Various exhibits highlighting the pedestrian corridors throughout the site linking the residential component to the commercial uses are provided in the Development Booklet.

The southern 14 acres of the subject site will be developed with 335 residential units. The multi-family component is designed with seven residential buildings organized around the perimeter of a centralized open space. Six four-story residential buildings are provided, with the seventh providing a portion of residential units with the remaining portion for clubhouse functions. An overall density of 29 units per acre is provided.

Amenities for the residential component include gathering spaces throughout the central corridor, a pool area, a dog park along the site's southeastern portion, a wellness trail that runs along the perimeter of the entire development and extensive amenities in the clubhouse building, furthering the urban environment.

The clubhouse operates as a central activity hub combining elements of a resident's daily activity needs (mailroom, health club, lounge, game room, conference room and café), fostering community. The café is open to the public featuring an exterior service window engaging to the street and provides outdoor seating in a shaded environment. The open interaction and activated outdoor area with shaded elements visually carries from the clubhouse to the office components by way of enhanced pedestrian walkways, furthering the urban street experience.

#### ARCHITECTURE

Attractive architectural design unifying both the commercial and residential elements is provided. Glass, concrete, gabion walls and metal elements are the predominant materials of the commercial development. Corresponding with the commercial architecture, the residential units incorporate a color palette consistent with the commercial development, providing horizontal metal panels along the façade adjacent to Galleria Way which relates to the scoring of the concrete office elements and incorporates a stacked stone veneer at the pedestrian level linking to the commercial development.

#### COMMISSION AND STAFF

The Planning Commission and Planning Staff support the request. Extensive details and exhibits are provided in the booklet highlighting everything from pedestrian corridors, open space vignettes, gathering areas, pedestrian and vehicular circulation patterns, to architectural perspectives, all showcasing a truly unique move toward urban development around one of the City's major commercial hubs.

As stated above, multiple building height options are proposed. As detailed in the Development Booklet, the two four-story office buildings can be combined into a larger six-story office building. Similarly, the hotel is currently shown as six-stories; however, provisions are requested allowing a range of four to ten stories. With the mall master plan, heights in upwards of 200 feet were approved for the site.

With a project of this scope, often administrative review is requested for some aspects of the development. While the elevations are well established for the multi-family and office components, conceptual renderings are provided for the hotel and commercial buildings. The request is to allow for administrative review and approval as the hotel and commercial buildings come to fruition. The elevations as presented for the office building along with the conceptual renderings set an expectation for high quality.

Additionally, when multiple components of a development are presented, phasing is often addressed. Based on the unique history of the site and constraints associated with the acquisition of the property, a phasing plan has been presented in the Development Booklet. It is

anticipated that construction of the site will occur seamlessly through the phasing plan with the residential component constructed as phase one.

#### PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code with neighborhood meetings being held on May 29 and June 3, 2014. A total of nine residents attended the meetings. Additionally, the applicant had one-on-one meetings with representatives of the Hearthstone neighborhood to the west of the mall site. Key items discussed included traffic circulation, both pedestrian and vehicular, as well as architectural design, with general support for the request. Planning Staff has received no correspondence in opposition.

#### PLANNING COMMISSION VOTE REPORT

The motion to approve passed 5 – 0 with Commissioners Cunningham and Donaldson absent.

Prior to the Commission hearing, Planning Staff heard from a neighborhood representative within the Hearthstone community that had expressed concerns about appropriate locations for a pedestrian crosswalk, and felt that with the current design of the site, it would be beneficial to have the developer provide a crosswalk from the development to the commercial development west of Galleria Way. The neighbor believes that the crosswalk should be provided as the residential component is being constructed; however, Staff believes the need for a crosswalk be further examined following construction of the residential development to ensure proper location. Planning Staff has added Condition No. 7 of the rezoning conditions of approval to address the crosswalk. During the Study Session, the Planning Commission requested that two additional conditions be added as part of the Preliminary Development Plan conditions of approval. Conditions No. 12 and 13 were added to address hotel architectural design and the landscape palette.

#### RECOMMENDED ACTIONS

##### **Rezoning**

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

1. Development shall be in substantial conformance with the Development Booklet entitled "CHANDLER VIRIDIAN" and kept on file in the City of Chandler Planning Division in File No. DVR14-0012, modified by such conditions included at the time the Booklet was approved by the Chandler City Council and/or as thereafter amended, modified or supplemented by the Chandler City Council.
2. Landscaping shall be in compliance with current Commercial Design Standards.
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 or property owners' association.
5. Preliminary Development Plan 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 Preliminary Development Plan shall apply.
6. The canvas shade structures shall be maintained in a manner similar to that at the time of installation.

7. Raceway signage shall be prohibited within the development.
8. The parking space canopies shall incorporate building materials, forms and colors to match the development.
9. The freestanding pads shall carry an architectural level of detail similar to front facades of main building.
10. The applicant shall work with Staff to incorporate art features within the development.
11. 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.
12. The hotel elevations shall carry a level of architectural design and detail consistent with those details as provided in the development booklet for the office buildings.
13. The applicant shall work with Staff to ensure that the landscape palette and landscape design is cohesive throughout the development in order to present a more unified landscape plan.

Sr. PLANNER ERIK SWANSON provided a brief overview of the project "Chandler Viridian," which is to be located at the SWC of the Loop 101 Freeway and Frye Road. The structure at this location has become known as the "skeleton building". The proposed project would redevelop the 26 acres with a mix of commercial, office, and retail on the northern portion and multi-family residential development on the southern portion. These projects would be phased in over-time and there would be various architectural features and elevations.

VICE MAYOR HEUMANN asked Mr. Wood if the applicant was in agreement with Stipulation No. 8 regarding a mutually acceptable development agreement.

MR. NICK WOOD, Attorney with Snell and Wilmer, representing the applicant for the project stated they were in agreement with the stipulations. Mr. Wood stated they hope to deliver a signed development agreement to the city by September 11<sup>th</sup>. They have obtained all but one of the 257 landowner signatures; the last signature is actually from an heir, as the original owner has passed away. They hope to close on purchasing the southern portion by end of September, and if everything progresses smoothly, close of the northern half should be by the end of November.

VICE MAYOR HEUMANN commented that it would be nice to have the "skeleton" building torn down by mid-November. MR. WOOD stated they were going to pre-pay \$1.5 million of the impact fees however, they will bifurcate that money so they can proceed with the demolition of the structure earlier rather than later. They will be working with the City Attorney on these details. The demo is estimated to take approximately 3 months.

In response to a question from the Mayor, CITY ATTORNEY KAY BIGELOW, stated the Council will have two opportunities to rescind the zoning approval before it becomes effective if certain conditions are not met; these dates are September 8<sup>th</sup> and the 11<sup>th</sup>. She does believe that within that time there will be a signed development agreement, and from the owner of the existing structure, permission to demolish the building even if transfer of ownership does not occur within a certain period of time.

Ms. Bigelow explained the process of how Council, if needed, would rescind tonight's motion on the zoning if the sequence of events that need to occur, do not.

MOVED BY VICE MAYOR HEUMANN, SECONDED BY COUNCILMEMBER WENINGER, TO INTRODUCE ORDINANCE NO. 4551, DVR14-0012 CHANDLER VIRIDIAN, REZONING FROM PLANNED AREA DEVELOPMENT (PAD) COMMERCIAL AND MULTI-FAMILY TO PAD COMMERCIAL AND MULTI-FAMILY LOCATED AT THE SWC OF THE LOOP 101 FREEWAY AND FRYE ROAD AND. PRELIMINARY DEVELOPMENT PLAN (PDP) ON APPROXIMATELY 26 ACRES FOR A MIXED-USE DEVELOPMENT INCLUDING OFFICE, HOTEL, COMMERCIAL AND MULTI-FAMILY RESIDENTIAL USES LOCATED AT THE SWC OF THE LOOP 101 FREEWAY AND FRYE ROAD.

MOTION CARRIED UNANIMOUSLY (7-0).

UNSCHEDULED PUBLIC APPEARANCES:

None.

CURRENT EVENTS:

The Mayor stated Current Events would be announced at Thursday's Council meeting.

Adjournment: The meeting was adjourned at approximately 7:27 p.m.

ATTEST: \_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

Approved: September 8, 2014.

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 11<sup>th</sup> day of August 2014. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this \_\_\_\_\_ day of September, 2014.

\_\_\_\_\_  
City Clerk