

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, June 23, 2016.

THE MEETING WAS CALLED TO ORDER BY MAYOR JAY TIBSHRAENY AT 7:01 p.m.

The following members answered roll call:

Jay Tibshraeny	Mayor
Jack Sellers	Vice-Mayor
Nora Ellen	Councilmember
Kevin Hartke	Councilmember
*Rick Heumann	Councilmember
René Lopez	Councilmember
Terry Roe	Councilmember

Councilmember Heumann participated via telephone.

Also in attendance:

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

INVOCATION: Pastor Luis Amaya – East Valley Alliance of Pastors

PLEDGE OF ALLEGIANCE: Councilmember Lopez led the Pledge of Allegiance.

CONSENT:

MOVED BY COUNCILMEMBER HARTKE, SECONDED BY COUNCILMEMBER LOPEZ TO APPROVE THE CONSENT AGENDA AS SUBMITTED.

MOTION CARRIED UNANIMOUSLY (7-0).

1. MINUTES:

APPROVED the following Chandler City Council Meeting Minutes:

1a. Minutes of the Chandler City Council Study Session of June 6, 2016.

1b. Minutes of the Chandler City Council Special Meeting (Budget adoption) of June 9, 2016.

1c. Minutes of the Chandler City Council Regular Meeting of June 9, 2016.

2. WITHDRAWAL MASTER LICENSE AGREEMENT VERIZON

Ord. #4693

STAFF REQUESTS WITHDRAWAL of Ordinance No. 4693 for a Master License Agreement between Verizon Wireless (Verizon) and the City of Chandler for the use of City property in connection with the operation of a wireless network

3. PROPERTY TAX LEVY:

Ord. #4703

ADOPTED ORDINANCE NO. 4703 adopting the FY2016-17 Property Tax Levy.

BACKGROUND

State law requires that the tax levy necessary for funding the adopted budget be established by ordinance and be adopted fourteen (14) days following the public hearing and the final adoption of the budget and not later than the third Monday in August (August 15, 2016). As this tax levy ordinance is an administrative method of setting apart funds necessary for use and maintenance, it does not require an extraordinary (3/4) vote to make it effective immediately. This determination is based on a Supreme Court decision and is fully explained in the Municipal Budget and Financial Manual provided by the Arizona League of Cities and Towns.

The City received notification of Chandler's 2016 Tax Values from the Maricopa County Assessor on February 10, 2016, as required by State law. The City's Net Assessed Value is \$2,553,971,787, which is a 7.3% increase from the 2015 Net Assessed Valuation, and includes valuation changes to existing property as well as the value of new growth. Based on a legislative change implemented July 1, 2015, property owners are now assessed on the Limited Assessed Values versus Full Cash Value, and residential property values cannot increase more than 5% in a given year. In order to minimize the impact of the higher property values on taxpayers, the City Council has approved a reduction in the combined property tax rate from \$1.1792 per \$100 of Assessed Valuation to \$1.16 per \$100 of Assessed Valuation.

As part of the tax levy process, the County Assessor also establishes the maximum allowable primary tax rate, which allows a 2% increase in the maximum tax levy each year. Chandler's maximum primary tax rate for Tax Year 2016 is \$0.6255 per \$100 of assessed value. The FY 2016-17 Adopted Budget sets the rate at \$0.29 per \$100 of Assessed Valuation, which is significantly less than the maximum. In addition, the State Property Tax Oversight Commission establishes a maximum primary rate that would require a Truth in Taxation, which requires special notice to citizens and a roll call vote to levy the increased property taxes. The rate calculated for FY 2016-17 is .2978 per \$100 of assessed valuation. Again, since the Chandler rate for the FY 2016-17 Budget is \$0.29 per \$100 of Assessed Valuation, the City is not subject to the Truth in Taxation provisions this year.

Ordinance No. 4703 follows the prescribed form recommended for adoption, and establishes a tax levy of an estimated \$29,626,020, as set forth in the FY 2016-17 Budget. In this ordinance, the Chandler City Council directs the County of Maricopa to levy the amount allowed by law. The total tax rate will be \$1.1600 per \$100 of assessed valuation. The property value estimates received from the County Assessor's office are available for public inspection in the City of Chandler office of the City Clerk and in the Management Services Department.

4. CONTINUED REZONING: DVR16-0010 QUIKTRIP

CONTINUED TO THE JULY 28, 2016 CITY COUNCIL MEETING:

Resolution 4963 APL16-0002 Peterson Farms Area Plan Amendment, Introduction of Ordinance 4709, DVR16-0010 QUIKTRIP, Preliminary Development Plan DVR16-0010_QUIKTRIP.

5. REZONING/PRELIMINARY DEVELOPMENT PLAN: San Marcos Dr. Custom Home Ord.# 4708

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4708, approving DVR16-0002 SAN MARCOS DRIVE CUSTOM HOME, Rezoning from Agricultural (AG-1) to Planned Area Development (PAD) for single-family residential, subject to the conditions as recommended by Planning Commission and Planning Staff.

BACKGROUND

The subject property is located within the San Marcos Fairways single-family development and zoned Agricultural District (AG-1). The property is bounded on the north by the San Marcos Golf Course and single-family residential homes to the west, east, and south.

The request is to rezone from AG-1 to Planned Area Development (PAD) for a custom single-family home with Preliminary Development Plan (PDP) for site layout and building design on approximately one-half acre. The PAD zoning with PDP for site layout and building design allows the parcel to develop with building setbacks consistent with the adjacent custom home lots. The parcel's current AG-1 zoning requires minimum building setbacks intended for rural agrarian use with a front yard of 20 feet, rear yard of 40 feet, side yards of 30 feet each, and a maximum lot coverage of 40%. The request is to allow building setbacks with a front yard of 20 feet, rear yard of 10 feet, side yards of 5 feet and 10 feet, and a maximum lot coverage of 45%.

The home is approximately 3,467 livable square feet with a four-car garage and a rear yard covered patio. The home is a one-story Santa Barbara Style design with a tile roof, white stucco, dark wood trim, window shutters, and varied window sizes. The home includes varied rooflines and wall planes. The property is within a homeowners association (HOA) and subject to the BOA's architectural review and approval.

Planning Staff finds the proposed rezoning for a single-family residential use and PDP for building setbacks, maximum lot coverage, and building design to be compatible with the adjacent custom home lot's site layout and architectural design.

PUBLIC / NEIGHBORHOOD NOTIFICATION

- This request was noticed in accordance with the requirements of the Chandler Zoning Code.
- A neighborhood meeting was held on May 12, 2016. Two area property owners attended to meet the applicant and review the proposal.
- As of the writing of this memo, Planning Staff is not aware of any opposition or concerns with this request.

PLANNING COMMISSION VOTE REPORT

The motion to approve passed unanimously 6-0.

RECOMMENDATIONS

Rezoning

Planning Commission and Planning Staff recommend City Council approve the Rezoning from Agricultural (AG-1) to Planned Area Development (PAD) for single-family residential, subject to the following conditions:

1. Development shall be in substantial conformance with Exhibits A, B, C, and D as represented by the applicant and kept on file in the City of Chandler Planning Division, in File No. DVR16-0002

SAN MARCOS DRIVE CUSTOM HOME, modified by such conditions included at the time the Exhibits were approved by the Chandler City Council and/or as thereafter amended, modified or supplemented by the Chandler City Council.

2. Undergrounding of all overhead electric (less than 69kv), communication, and television lines and any open irrigation ditches or canals located on the site or within adjacent right-of-ways and/or easements. Any 69kv or larger electric lines that must stay overhead shall be located in accordance with the City's adopted design and engineering standards. The aboveground utility poles, boxes, cabinets, or similar appurtenances shall be located outside of the ultimate right-of-way and within a specific utility easement.
3. Completion of the construction of all required off-site street improvements including but not limited to paving, landscaping, curb, gutter and sidewalks, median improvements and street lighting to achieve conformance with City codes, standard details, and design manuals.
4. Construction shall commence above foundation walls within three (3) years of the effective date of the ordinance granting this rezoning or the City shall schedule a public hearing to take administrative action to extend, remove or determine compliance with the schedule for development or take legislative action to cause the property to revert to its former zoning classification.

Preliminary Development Plan

Planning Commission and Planning Staff recommend City Council approve the Preliminary Development Plan, subject to the following conditions:

1. Development shall be in substantial conformance with Exhibits A, B, C, and D as represented by the applicant and kept on file in the City of Chandler Planning Division, in File No. DVR16-0002 SAN MARCOS DRIVE CUSTOM HOME, modified by such conditions included at the time the Exhibits were approved by the Chandler City Council and/or as thereafter amended, modified or supplemented by the Chandler City Council.
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 in all open-spaces and rights-of-way shall be maintained by the adjacent property owner or association.
4. Perimeter walls shall be designed to be compatible with adjacent walls.
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. RIGHT OF WAY: Ocotillo Road Improvements / Cooper Road to Gilbert Road Res. 4951

ADOPTED Resolution No. 4951 authorizing the acquisition of real property in fee or by easement as needed for the Ocotillo Road Improvements from Cooper Road to Gilbert Road, Project No. ST1602, at market value plus closing costs and escrow fees; authorizing the City's Real Estate Manager to sign, on behalf of the City, the purchase agreements and any other documents necessary to facilitate these

acquisitions; authorizing eminent domain proceedings as needed to acquire said real property and obtain immediate possession thereof, and authorizing relocation services as may be needed and required by law.

BACKGROUND/DISCUSSION: Transportation & Development plans to complete approximately a one-half mile portion along the south side of Ocotillo Road between Cooper Road and Gilbert Road that was not completed during the development of several subdivisions in this area. The project requires the partial acquisition of right-of-way in fee and by easement from three residential owners and two homeowners associations for a total of nine parcels of land along the south side of Ocotillo Road. The City will appraise the parcels and make offers at market value based upon the appraisal. A reasonable time will be provided to work with the property owners to negotiate the property purchases, after which condemnation proceedings will be initiated as needed to acquire the real property and to obtain immediate possession. While it is not anticipated that any relocation services will be required for this project, we are also requesting authority to provide those services should the need arise.

7. **INFILL INCENTIVE PLAN AGREEMENT:** Furniture & Mattress Discounters, LLC Res. 4965

ADOPTED Resolution No. 4965 authorizing an Infill Incentive Plan Agreement with Furniture & Mattress Discounters, LLC, in an amount not to exceed \$11,000 for a portion of the SWC of Alma School and Elliott roads (Former Mervyn's); and authorizing the Mayor to sign all necessary documents.

This agreement provides financial assistance for renovations of a former Mervyn's building of approximately 76,000 square feet. The subject site is located at the southwest corner of Alma School and Elliot roads. This funding will assist the building owner and future tenant with renovating this building, in particular painting the building to match the remaining portion of the center.

The Infill Incentive Plan was implemented in 2009 to encourage private redevelopment or reinvestment in older existing retail centers within designated areas of the City that exhibit high vacancy rates and/or are facilities that were constructed at least 15 years ago.

The subject commercial site has been vacant for a number of years due to the bankruptcy of Mervyn's, and subsequent owners have not been able to find tenants for the building. Recently, the owner of Furniture & Mattress Discounters, LLC, purchased this building and has plans to expand his business significantly by utilizing this facility. As part of those plans, he intends to make approximately \$98,000 in improvements to the building, including façade, storefront, and signage improvements.

The City participation only involves assisting with the painting of the building to match the remainder of the center. Economic Development staff believes this level of participation is consistent with the intent of the Infill Incentive Plan. The plan makes allowances for securing a new tenant and requires that façade improvements be consistent with the remainder of the center.

The basic terms of this Agreement provide funding to assist Furniture & Mattress Discounters, LLC, with renovations to enable expansion into this building and ensure consistency with the paint scheme of the rest of the shopping center.

The anticipated benefits to the City of Chandler by participating in this project include:

- Bringing additional retail activity to this intersection that currently has four corners of retail, through the expansion of the subject business,

- Removing an available “big box” retail building from the market, helping to lower vacancy rates, and
- Providing an improvement and consistency to the center’s appearance, which may help spur further reinvestment in surrounding commercial properties.

8. REGIONAL EXPORT PROMOTION PROGRAM:

Res. No. 4966

ADOPTED Resolution No. 4966 approving an agreement with the Export-Import Bank of the United States authorizing the City of Chandler as a participant in the Regional Export Promotion Program; and authorize the Mayor to sign all necessary documents.

Resolution No. 4966 authorizes the Mayor to execute a Regional Export Promotion Agreement between the City of Chandler and the Export-Import Bank of the United States to promote export growth by cooperatively marketing Export-Import Bank financial support programs.

International trade is a major driver of economic prosperity and access to export financing is necessary for companies to effectively compete in the global marketplace. Currently, there is evidence of a gap in export financing support services within the greater Phoenix region. A recent survey of small and medium-sized firms conducted for the Greater Phoenix Export Plan found that only 4 percent are exporting and that lack of financing is one of the top reasons for not exporting. To help companies in Chandler gain access to this crucial export financing, and in turn foster local export growth, Economic Development staff has been pursuing a partnership with the Export-Import Bank.

The Export-Import Bank is the official export credit agency of the United States. An independent, self-sustaining Executive Branch agency, its sole mission is to support American job growth by facilitating the export of United States goods and services. The Export-Import Bank accomplishes this by equipping American businesses with the financing tools necessary to compete for global sales when private sector lenders are unable or unwilling to provide financing. Solutions include export credit insurance, working capital, loan guarantees, project and structured finance, finance lease guarantees, and direct loans. With no minimum financing fees or minimum annual insurance premiums, the Export-Import Bank often represents the best starting point for small business exporters and companies new to international sales.

The Export-Import Bank’s Regional Export Promotion Program is a cooperative marketing and training program designed specifically to make the Export-Import Bank’s export finance products more accessible to small and medium-sized businesses by way of local, state, and regional economic development organizations. Each program member pledges to make financing assistance and entrepreneurial services available to local businesses in order to create, promote, and expand exports from their area. The Export-Import Bank provides members with free marketing and training materials, qualified finance experts to speak at members’ local events, assistance with outreach and counseling, and access to a network of lenders, insurance brokers, and United States Government export resources.

Staff initiated discussions with the Export-Import Bank about becoming a Regional Export Promotion Program member in June 2015. Since that time, staff has also interviewed Chandler companies that have utilized the Export-Import Bank’s financing solutions and presented on the Regional Export Promotion Program to the Community and Neighborhood Services and Economic Development Subcommittee (February 24, 2016), which directed staff to proceed with seeking membership. The City was invited to apply for Regional Export Promotion Program membership after staff participated in the Regional Export Promotion Program Annual Meeting and the Export-Import Bank Annual Conference

held in Washington D.C. in April 2016. In late May, the Export-Import Bank sent a formal letter of acceptance along with the Regional Export Promotion Agreement. Per the letter, Regional Export Promotion Program membership is contingent upon (1) signing the Regional Export Promotion Agreement between the City and the Export-Import Bank and (2) the City's designated staff member attending a Trade Finance Solutions for Exporters and Lenders training seminar.

The Regional Export Promotion Agreement would run through May 25, 2018, according to Section 4B of the Agreement. Either party can terminate the Agreement early by providing at least thirty days prior written notice to the other party. The Agreement can also be extended with written approval from the Export-Import Bank.

Staff has taken the steps necessary to ensure the City will be prepared to fulfill all responsibilities of Regional Export Promotion Program membership upon executing the Regional Export Promotion Agreement. These responsibilities include the following:

- Maintain at least one qualified, trained staff member
- Participate in the Export-Import Bank's Trade Finance Solutions training in Washington, D.C.
- Organize at least three Export-Import Bank seminars or make a minimum of three Export-Import Bank presentations per year
- Refer 10 small business exporters to the Export-Import Bank per year
- Ongoing reporting of seminars and referrals to the Export-Import Bank
- Regular attendance at the Regional Export Promotion Program Annual Meeting, the Export-Import Bank Annual Conference, and Regional Export Promotion Program quarterly webinars

9. GRANT AGREEMENT: Crime Victim Assistance Program Res. No. 4967

ADOPTED Resolution No. 4967 authorizing a Crime Victim Assistance Program Grant Agreement with the Arizona Criminal Justice Commission for the provision of crime victim services; authorizing the Mayor to sign the Agreement; authorizing the Chief of Police 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.

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. 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 \$17,281 for the period July 1, 2016, through June 30, 2017.

10. PRELIMINARY DEVELOPMENT PLAN: Allred Park Place Business Park

APPROVED PDP16-0009 ALLRED PARK PLACE, Preliminary Development Plan amending the site plan and building architecture for a portion of the Allred Park Place business park, subject to the conditions as recommended by Planning Commission and Planning Staff.

BACKGROUND:

The request is for Preliminary Development Plan (PDP) approval amending the site plan and

building architecture for a portion of the Allred Park Place business park on approximately 20- acres bound by Price Road on the west, Spectrum Boulevard on the north, Willis Road on the south, and portions of the existing Park Place development to the east. The subject 20-acre site (known as Area 2) received zoning and PDP approval in May 2014 as part of the larger Allred Park Place mixed-use employment business park. The approved PDP for the site included 2 larger office buildings, each approximately 3 stories in height, located in angled landscaped settings at the intersection corners, with potential parking garages located along the eastern site boundary.

The PDP request involves a minor amendment to the approved site plan effectively adjusting the location of the northern multi-story office building further south to accommodate a single-story approximately 10,193 square-foot financial services building , currently identified for a Wells Fargo work group. The single-story building utilizes architectural queues and materials found on the existing retail building at the northeast corner of Price Road and Spectrum Boulevard. As well the proposed building is situated in a landscaped setting at 45 degrees to the intersection corner, mimicking the retail building to the north. The larger multi-story office building has been adjusted southerly, set at the same angle as the other larger office building. The parking garage is now centrally located to serve both office buildings. The amended site plan continues to maintain and reinforce the campus environment established by Park Place. The radial parking arrangements, angled building orientation, and deep landscaped areas continue to be utilized.

The South Price Road Employment Corridor has often been referred to as the City's premier employment corridor. Due to the renewed focus, all cases within the corridor shall be heard before the Design Review Committee prior to Public Hearings. Additionally, the design expectation along Price Road is set very high with a desire for a higher level of clarity of ultimately what will be constructed.

DESIGN REVIEW COMMITTEE

The PDP was reviewed by the Design Review Committee. The committee offered positive comments regarding the adjusted site plan and its further integration into the Park Place master plan. Comments included a preference for the proposed amendment finding it provides a more balanced and framed entrance statement along Spectrum Boulevard. Discussion occurred regarding the buildings clean yet simple architectural lines, ultimately leading to several compliments about the design. The committee did request photographs of the existing retail building to the north as well as the approved multi-story office building elevations be included in the Development Booklet for reference and context.

Planning Staff supports the request. The minor adjustment to the PDP maintains and enhances the extensive campus theme already established by Park Place. In a sense, the PDP request further intensifies the anticipated development within Area 2 through the addition of this building, as encouraged by the General Plan.

PUBLIC / NEIGHBORHOOD NOTIFICATION:

This request was noticed according to the provisions of the City of Chandler Zoning Code. Due to the limited scale of the request, and the limited number of adjacent property owners, a neighborhood meeting was not held. Planning Staff did however contact the representative of the adjacent Delta Echelon (Ebay/Paypal building) advising them of the application. Staff is not aware of any formal opposition to this request.

PLANNING COMMISSION VOTE REPORT

The motion to approve passed unanimously 4-0 with Commissioner's Baron and Pridemore absent.

RECOMMENDATIONS

Preliminary Development Plan:

Planning Commission and Planning Staff recommend City Council approve the Preliminary Development Plan, subject to the following conditions:

1. Development shall be in substantial conformance with the Development Booklet, entitled "PARK PLACE SEC LOOP 101-202 & PRICE ROAD AREA 2" and kept on file in the City of Chandler Planning Division, in File No. PDP16-0009, 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. 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.
3. The landscaping shall be maintained at a level consistent with or better than at the time of planting.

11. ROADWAY ALIGNMENT: Ocotillo Road Alignment – Cooper Road to Gilbert Road

APPROVED the roadway alignment and acquisition of necessary right-of-way for the Ocotillo Road Improvements (Cooper Road to Gilbert Road).

The Ocotillo Road Improvements consists of widening the roadway to include two thru lanes in each direction from Cooper Road to Gilbert Road. Over the last several years, most of the roadway has been constructed by development along this segment. This project will complete the remaining half-mile of eastbound thru lane from Redwood Drive to Norman Way and includes turn lanes, bike lanes, raised landscaped median, streetlights, traffic signal interconnect, drainage, and wet/dry utility improvements. The improvements require the purchase of right-of-way, drainage easements, utility easements, and temporary construction easements.

Per the 2010 City Transportation Master Plan Update, the roadway is classified as a phased major arterial (four inside thru lanes 1st stage). Typically, a phased major arterial requires 65-feet of right-of-way from roadway centerline. However, to avoid adversely affecting four adjacent Maricopa County parcels, staff is working with the property owners to only acquire 55-feet of right-of-way. If the City constructs six thru lanes sometime in the future, the additional right-of-way will be acquired at that time.

The attached exhibit shows the recommended alignment and needed property rights for the improvements. Roadway centerline coincides with monument line along the entire mile segment. Alignment approval is requested to establish the property right needs for an estimated nine parcels. A public meeting was held on Tuesday, June 7, 2016, by City staff to present the proposed project to adjacent property owners. Staff presented project information, responded to questions and comments, and received additional input from business owners and residents. Construction is anticipated to begin late winter 2017.

The Transportation Commission reviewed the proposed alignment on June 8, 2016, and recommended unanimous approval.

12. MEMBERSHIP DUES: League of Arizona Cities and Towns

AUTHORIZED the payment of \$93,295.00 to the League of Arizona Cities and Towns for the FY 2016-17 annual dues. The City of Chandler is an active member of the League of Arizona Cities and Towns.

Each year we are assessed annual dues that are based on a per capita formula and minimum base fee. For cities with populations over 200,000, the dues for FY 2016-17 are capped at \$93,295.00.

13. MEMORANDUM OF UNDERSTANDING: Chandler Law Enforcement Association (CLEA)

APPROVED the Memorandum of Understanding between the City of Chandler and Chandler Law Enforcement Association (CLEA) for FY 2016/2017 through FY 2017/2018.

BACKGROUND: The City and CLEA commenced negotiations in late February. All articles in the Memorandum of Understanding (MOU) were open to negotiations. The City and CLEA were able to reach agreement on a two (2) year MOU that will be in effect from July 1, 2016 through June 30, 2018. The agreement does not include any areas to be reopened during the term.

Substantive changes to the MOU include:

Fund a merit increase of 5% for both FY 16117 and FY 17118 for all eligible Police Officers. Beginning July 1, 2016 increase the longevity payment from 2% to 2.5%, paid two (2) times per year. Beginning July 1, 2017 this payment will be made one (1) time per year, making the payment non-pensionable and not considered compensation for the purposes of the Public Safety Personnel Retirement System (PSPRS).

Beginning July 1, 2016 the sick and vacation deferral program commonly referred to as "17/3" will become non-pensionable and not considered compensation for the purposes of the Public Safety Personnel Retirement System (PSPRS) for any Police Officer that enters the program after that date.

- Beginning July 1, 2016 a Police Officer must contribute a minimum of \$60.00 per pay period (2% of the Police Officer base maximum annual salary) to their deferred compensation account to receive a 2% contribution from the City.
- Beginning December 25, 2016, there will be three contribution tiers in the deferred compensation program:

Employee Contribution per pay period	City Contribution per pay period
Minimum of \$30	1% of gross wages
Minimum of \$60	2% of gross wages
Officers with (8) or more years of service who contribute a minimum of \$90	3% of gross wages

- Both employee and City contributions count toward the IRS yearly allowable maximum.
- Effective July 1, 2016 Police Officers required to wear civilian clothing as specified in the police general orders will receive a clothing allowance payment of \$600.00 in July and \$600.00 in February. This increase brings the officers' clothing allowances more in line with the allowances paid to Police Sergeants in similar positions. Effective July 1, 2016 Police Officers will have the ability to cash in up to 35 hours of vacation one time per year. This amount will increase to 50 hours on July 1, 2017. This change is equivalent to what Police Sergeants are able to cash in yearly.
- Effective July 1, 2016 Police Officers will have the ability to accrue up to 90 hours of compensatory time in lieu of overtime pay. This amount will increase to 100 hours on July 1,

2017. This change is equivalent to what Police Sergeants are able to accrue yearly.

14. MEMORANDUM OF UNDERSTANDING: International Association of Firefighters (IAFF)

APPROVED the Memorandum of Understanding between the City of Chandler and the International Association of Firefighters (IAFF) for FY 2016/2017 through FY 2017/2018.

BACKGROUND: The City and IAFF commenced negotiations in late February. All articles in the Memorandum of Understanding (MOU) were open to negotiations. The City and IAFF were able to reach agreement on a two (2) year MOU that will be in effect from July 1, 2016 through June 30, 2018. The agreement does not include any areas to be reopened during the term.

Substantive changes to the MOU include:

- Fund a merit increase of 5% for both FY 16117 and FY 17118 for all eligible unit members.
- Beginning July 1, 2016 the sick and vacation deferral program commonly referred to as "17/3" will become non-pensionable and not considered compensation for the purposes of the Public Safety Personnel Retirement System (PSPRS) for any unit member that enters the program after that date. In addition, unit members will be limited to participate in the program for three years versus six years.
- Effective July 1, 2016 unit members will have the ability to cash in up to 30 hours of vacation one time per year. This amount will increase to 40 hours on July 1, 2017.
- Effective July 1, 2016 unit members will accrue 10.5 hours of holiday pay per holiday. This will increase to 11.2 hours effective July 1, 2017.
- Effective July 1, 2016 unit members working a 40 hour work week schedule will accrue 2.0 hours of holiday time to be deposited into the employees' holiday banks.
- Beginning July 1, 2017 the special merit payment will be made one (1) time per year with no increase to the amount, making the payment non-pensionable and not considered compensation for the purposes of the Public Safety Personnel Retirement System (PSPRS).
- Beginning July 1, 2017 a unit member must contribute a minimum of \$25.00 per pay period (1% of the Firefighter base maximum annual salary) to receive a 1% contribution from the City, a minimum of \$50.00 or more to receive a 2% contribution, or a minimum of \$75.00 or more to receive a 3% contribution into their deferred compensation account up to the IRS yearly allowable maximum.
- Vacation leave will increase each year of the contract as noted in the chart below. This change will bring IAFF equivalent with the vacation schedules for other employee groups in the City.

Years of Service	Effective July 1. 2016	Effective July 1 2017
5-9 Years	5.6	No change
10-14 Years	6.3	6.5
15-19 Years	7.0	7.4
20+ Years	8.0	8.3

15. MEMORANDUM OF UNDERSTANDING: Service Employees International Union (SEIU)

APPROVED the Memorandum of Understanding between the City of Chandler and Service Employees International Union (SEIU) for FY 2016/2017.

BACKGROUND:

The City and SEIU engaged in negotiations beginning late March of 2016. All articles in the Memorandum of Understanding (MOU) were open to negotiations. After one meeting, the City and SEIU were able to reach agreement on a one (1) year contract.

SEIU and the City negotiated the terms of up to a 3% merit for all merit eligible represented employees, as well as a 1.50% across the board wage and salary range adjustment for all SEIU represented employees for FY 2016/2017.

The agreement includes additional job titles added to the list of positions that may be posted externally immediately when a vacancy occurs in an SEIU covered position, as well as, housekeeping language changes were also agreed upon.

16. **MEMORANDUM OF UNDERSTANDING:** Chandler Lieutenants and Police Sergeants Association (CLASA)

APPROVED the Memorandum of Understanding between the City of Chandler and Chandler Lieutenants and Police Sergeants Association (CLASA) for FY 2016/2017 through FY 2017/2018.

BACKGROUND:

The City and CLASA commenced negotiations in late February. All articles in the Memorandum of Understanding (MOU) were open to negotiations. The City and CLASA were able to reach agreement on a two (2) year MOU that will be in effect from July 1, 2016 through June 30, 2018. The agreement does not include any areas to be reopened during the term.

Substantive changes to the MOU include:

- Fund a merit increase of 5% for both FY 16/17 and FY 17/18 for all eligible Police Sergeants.
- Beginning July 1, 2016 increase the special merit payment from 2% to 2.5%, paid two (2) times per year. Beginning July 1, 2017 this payment will be made one (1) time per year, making the payment non-pensionable and not considered compensation for the purposes of the Public Safety Personnel Retirement System (PSPRS).
- Beginning July 1, 2016 the sick and vacation deferral program commonly referred to as "17/3" will become non-pensionable and not considered compensation for the purposes of the PSPRS for any Police Sergeant that enters the program after that date.
- Beginning July 1, 2016 a Police Sergeant must contribute a minimum of \$40.00 per pay period (1% of the Police Sergeant base maximum annual salary) to their deferred compensation account to receive a 1% contribution from the City.
- Beginning December 25, 2016, there will be three contribution tiers in the deferred compensation program:

Employee Contribution per pay period	City Contribution per pay period
Minimum of \$40	1% of gross wages
Minimum of \$80	2% of gross wages
Minimum of \$120	3% of gross wages

- Both employee and City contributions count toward the IRS yearly allowable max1mum.

17. AGREEMENT AMENDMENT: Cutler Repaving, Inc.

APPROVED Amendment No. 3 for \$252,379.85 to Agreement No. ST4-745-3339, for hot-in-place asphalt recycling, with Cutler Repaving, Inc., in a revised total amount not to exceed \$1,252,379.85, for the existing term through March 1, 2017.

The Hot-in-Place recycling project is in addition to the current Street Division's mill and inlay contract for sixty-six lane miles of asphalt rehabilitation. Streets have been selected using the pavement management program pavement quality index.

This work is done using hot-in-place recycling, a green technique used by Maricopa County and other valley agencies to reuse and restore asphalt pavement. The work consists of heater scarification to the top one and one-half inch of the existing asphalt, mixing recycling agents with the asphalt, adding an additional two inches of new asphalt and placing the material back on the street in one pass. The process is quick and provides the least inconvenience to the motoring public.

During routine milling operations, a material known as petromat was encountered on the section of Alma School, between Knox Road and Highland Street. Petromat, a product used to minimize reflective and fatigue cracking in asphalt pavement, is detrimental to the recycling process and consequently had to be removed with additional milling and supplemented with extra asphalt materials. Moreover, the pavement management program used to estimate quantities, had an incorrect value for the square yardage on the section of Alma School, between Park Avenue and Highland Street resulting in higher actual quantities. This error will be corrected on the Pavement Data Collection contract with Stantec Consulting Services, Inc., when the new database is uploaded in July.

In order to complete the project, additional work and materials were required resulting in an increase to staff's original estimated usage. Street Division funds from savings on other street projects will be used to offset this added cost. This authorization is for only the work that was required to complete the project.

18. AGREEMENT AMENDMENT: Skaggs Companies, Inc.

APPROVED Amendment No. 2 to Agreement No. PD5-200-3453 with Skaggs Companies, Inc., for police uniforms, in an amount not to exceed \$150,000.00, for a one-year term from July 1, 2016, through June 30, 2017.

On December 11, 2014, City Council approved an agreement with Skaggs Companies, Inc., for police uniforms for a one-year period, with the option of up to four one-year extensions. On December 10, 2015, City Council approved Amendment No. 1 to this agreement, extending the term for six months to allow the Police Department to align the agreement term with the fiscal year at the same terms, conditions, and pricing.

Skaggs Companies, Inc., has agreed to extend for one additional year at the same terms, conditions, and pricing. Additional items have been added to the agreement as a result of newly approved uniform items and are listed in the Revised Exhibit B of the agreement.

Staff recommends extension of this agreement for a one-year term from July 1, 2016, through June 30, 2017. This is the second extension of the agreement.

19. AGREEMENT: Universal Police Supply and Curtis Blue Line

APPROVED Agreement No. PD6-680-3619 with Universal Police Supply and L. N. Curtis & Sons dba Curtis Blue Line for police supplies, in a total combined amount not to exceed \$80,000.00, for a one-year term from July 1, 2016, through June 30, 2017, with the option of up to four one-year extensions.

This agreement provides for the Police Department's annual needs for supplies and duty gear for all patrol officers (including reserves), motor officers, park rangers, explorers, motorist assist volunteers, detention officers, and civilians.

20. AGREEMENT AMENDMENT: Kaplan Kirsch & Rockwell, LLP

APPROVED Amendment No. 2 to the Agreement with the law firm of Kaplan Kirsch & Rockwell, LLP, in the amount of \$27,000 for a revised not to exceed amount of \$127,000 for its continued provision of legal services regarding a Part 16 complaint filed by Chandler Air Service.

On September 12, 2013, City Council approved Agreement Amendment No. 1 with the law firm of Kaplan Kirsch & Rockwell, LLP, in the amount of \$100,000 for legal services impacting the Chandler Municipal Airport.

On February 9, 2016, the City received a very favorable determination from the FAA; however, the agency requested follow-up information to be provided within a short timeframe, specifically relating to the City's action plan on aviation fuel sales taxes. A final, conclusive ruling has not been made by the FAA and the legal process regarding this Complaint continues, although staff expects a favorable conclusion and minimal additional work.

To see this matter through to a final decision, a Second Amendment is required, with a new, not to exceed amount of \$127,000. This includes \$108,343.21 paid to date which is within the 10% allowance on the \$100,000 contract, current invoices for legal services of \$12,726.75, plus a contingency for additional services of \$5,930.04.

21. AGREEMENT AMENDMENT: Aero Automatic Sprinkler Company / Western States Fire

APPROVED Amendment No. 3 to Agreement No. BF2-936-3118, with Aero Automatic Sprinkler Company and Signal One & Fire Communication, LLC, now known as Western States Fire Protection Co., for fire protection services, repair, and maintenance, for a one-year term of July 1, 2016, through June 30, 2017, in a total combined amount not to exceed \$200,000.00. This is the third extension of the agreement. Both firms have agreed to extend for one additional year at the same terms, conditions, and pricing.

22. AGREEMENT AMENDMENT: ASSI Security of Arizona

APPROVED Amendment No. 1 to Agreement No. CM4-680-3355, with ASSI Security of Arizona, for Access Controls and Security Equipment; Maintenance, Repair & Purchase for a one-year term of July 1, 2016, through June 30, 2017, in an amount not to exceed \$250,000. ASSI Security of Arizona has agreed to extend for one additional year at the same terms, conditions and pricing. This is the first extension of the agreement. This contract provides maintenance and repair on the existing infrastructure equipment as well as the purchase and installation of new hardware. Building and Facilities has budgeted \$65,000 for the on-going repairs, licensing and hardware for all facilities maintained by them. They have also requested \$85,000 for the addition of new access control at the Chandler Center for the Arts and the Chandler Boys and Girls Club. Municipal Utilities has budgeted

\$75,000, the Police Department \$20,000 and Courts \$5,000 for the on-going repair and maintenance of the card access control system at all of their facilities.

23. AGREEMENT AMENDMENT: ASSI Security of Arizona

APPROVED Amendment No. 1 to Agreement No. CM4-840-3368, with ASSI Security of Arizona, for Closed Circuit Television (CCTV) and Video Camera's: Maintenance, Repair & Purchase, for a one-year term of July 1, 2016, through June 30, 2017, in an amount not to exceed \$100,000. ASSI Security of Arizona has agreed to extend for one additional year at the same terms, conditions and pricing. This is the first extension of the agreement.

24. AGREEMENT: Pioneer Landscaping Materials, Inc. / MDI Rock

APPROVED Agreement No. PM6-595-3675, with Pioneer Landscaping Materials, Inc., and Material Delivery, Inc., dba MDI Rock, for rock, granite and miscellaneous supplies, in a total combined amount not to exceed \$200,000, including all companion agreements, for one year, July 1, 2016, through June 30, 2017, with options to renew for up to four additional one-year periods.

25. AGREEMENT: Greater Phoenix Economic Council

APPROVED the FY2016-2017 agreement with the Greater Phoenix Economic Council (GPEC) for Regional economic development services in the amount of \$112,156, and authorize the Mayor to sign all related documents as approved by the City Attorney.

The annual contract amount for GPEC is determined by the Arizona Department of Administration's 2015 population estimate for Chandler (255,073) multiplied by a fixed amount per capita (\$.4397). The City of Chandler's proportionate share is thus \$112,156.

26. AGREEMENT AMENDMENT: Municipal Emergency Services, Inc.

Staff recommends City Council approve Amendment No. 5 to Agreement No. FD3-340-3133 with Municipal Emergency Services, Inc. (MES) for fire protective clothing and uniforms, increasing the annual spending limit amount by \$466,300, for a revised not to exceed amount of \$821,300, for the term ending September 14, 2016.

27. AGREEMENT: Cleanview Sewer Inspections, LLC.

APPROVED Agreement No. MU6-962-3654, with Cleanview Sewer Inspections, LLC., for video inspection of sewer lines, for a two-year term, in an amount not to exceed \$193,000 per year, with the option of two (2) two-year extensions, for a total amount not to exceed \$386,000.

28. AGREEMENT: Water-Wastewater Infrastructure Sites 4,5,and 6

AWARDED a Project Agreement to Carollo Engineers, Inc., for construction management services, for the Downtown Sites 4, 5, and 6 Water-Wastewater Infrastructure, pursuant to Annual Water and Wastewater Services Contract No. EN1518.101, Project No. WW1506.453, in an amount not to exceed \$78,080.

Recent assessments of the water and wastewater system in the Downtown area recommend improvements that are necessary to provide increased levels of service for proposed redevelopments.

Downtown redevelopment projects also require underground conversion of overhead utility lines on Site 6 and Oregon Street, between Boston and Chicago Streets. This project includes construction management services for the replacement of aged water lines and new sanitary sewer infrastructure to support the development of Downtown Sites 4, 5, and 6, as well as the trenching and conduit installation for underground conversions.

The project scope of work consists of: reviewing submittals, responding to requests for information, conducting site visits and field inspections, utility coordination, stake holder coordination, and preparing record drawings for Downtown Sites 4, 5, and 6.

29. CONSTRUCTION MANAGER AT RISK: Achen-Gardner

AWARDED a Construction Manager at Risk Contract to Achen-Gardner Construction, LLC, for the Downtown Sites 4, 5, and 6 Water-Wastewater Infrastructure, Project No. WW1506.403, in an amount not to exceed \$2,017,038.68.

Recent assessments of the water and wastewater system in the Downtown area recommend improvements that are necessary to provide increased levels of service for proposed redevelopments. Downtown redevelopment projects also require underground conversion of overhead utility lines on Site 6 and Oregon Street, between Boston and Chicago Streets.

The project scope of work consists of the replacement of aged water lines and new sanitary sewer infrastructure to support the development of Downtown Sites 4, 5, and 6, as well as the trenching and conduit installation for underground conversions.

A Project Agreement for construction management services, Project No. WW1506.453, with Carollo Engineers, Inc., for the Downtown Sites 4, 5, and 6 Water-Wastewater Infrastructure, is also scheduled for this City Council meeting.

30. CONTRACT: Midway Chevrolet – Graffiti Abatement Vehicle

AUTHORIZED the utilization of the State of Arizona Contract No. ADSPO14-063239, with Midway Chevrolet, for the purchase of a graffiti abatement vehicle, in the amount of \$92,437.39.

Chandler has prioritized a 24-hour response time to reports of graffiti. The graffiti abatement program is largely staff driven with one full time employee responsible for close to 2,000 annual graffiti abatements. To approach our goal of being a graffiti free community, the Graffiti Abatement Technician strives to: (1) proactively identify the majority of graffiti; (2) respond and abate reports of graffiti within 24 hours; and (3) leave little evidence that graffiti ever existed in abated locations.

The new graffiti abatement vehicle will provide for a more efficient response by having a centralized unit with multiple paint sprayers, a power washer, and steamer all in one unit. The graffiti abatement vehicle will allow the Graffiti Abatement Technician to respond and abate graffiti in one trip using the most effective tools for the job. In addition, the primary goal will be to move from primarily painting over the graffiti to the actual removal of the graffiti through washing and steaming.

Funds for this purchase were approved by the City Council as a decision package during the FY 2015-16 budget process.

31. PURCHASE: Landscape Structures, Inc.

APPROVED the purchase of spray pad equipment for Desert Breeze Park from Landscape Structures, Inc., utilizing The Cooperative Purchasing Network (TCPN) Contract No. R5202, in the amount of \$69,345.40.

Desert Breeze Park is a forty-seven (47) acre Community Park originally developed in 1990 and is one of Chandler's most popular parks. In addition to the variety of amenities offered at this park, one of the most popular amenities is the water spray pad. Since its construction more than 25 years ago, the spray pad equipment has deteriorated and is unfortunately no longer serviceable. During the FY 15-16 budget process, funding was allocated to renovate and improve the entire spray pad. This equipment will be installed under a separate contract which will improve access, surfacing, and landscaping associated with the spray pad. As to not interfere with the use of this popular amenity, construction will begin on November 1st after the spray pad is closed for the season and will be completed prior to its re-opening on April 1, 2017.

A contract for the installation of the spray pad equipment is anticipated to be brought before the City Council for approval during the fall of 2016.

32. No Item.

33. UTILIZATION OF STATE CONTRACT: Dimension Data North America, Inc.

APPROVED the utilization of the State of Arizona Contract No. ADSPO16-117850, with Dimension Data North America, Inc., for the purchase of Cisco equipment and services, in an amount not to exceed \$467,000, and approve the transfer of General Fund appropriation from the Human Resources Division to Information Technology Capital Projects in the amount of \$42,600.

The City's current Private Branch Exchange (PBX) phone system is based on old technology voice services and is being phased out by the manufacturer. The current system is based on several separate systems from multiple providers that are used to provide functionality that have compatibility issues with the older phone system. The current system needs to be upgraded with newer technology that will continue to provide the City with communication services. The City has recently been moving toward providing a converged network that will allow Voice over Internet Protocol (VoIP) and data to travel the same infrastructure. The City has reviewed the option of upgrading the current system to a newer system from the same manufacturer, but that option does not resolve the underlying issues of future vendor support, limited capabilities, and multiple product interoperability.

The Cisco VoIP solution provides the City with a technology that has been designed from the ground up to provide a converged solution for call center applications, voice, data, video, and other services through products provided by a single vendor. The City already utilizes Cisco products for data networking and servers which will allow the City to leverage existing staff knowledge to support and maintain this additional functionality. The Cisco solution allows the City to have access to more resources that support the newer system. Cisco has a local presence in the Valley and there are numerous vendors who are Cisco partners. Rather than continuing to invest in the current PBX system which has become difficult to maintain and has limited integration capabilities, the City needs to move to a more modern system that will meet its future technology growth.

The goal for the replacement is to be complete within the next 2 years in order to have the same technology throughout the city network and reduce the incompatibilities that may arise from spreading

the deployment across 3 to 5 years. Both the current and new phone systems will need to be maintained during the multi-year transition.

City staff reviewed other phone system solutions from other vendors and is recommending the Cisco solution due to the City's familiarity with Cisco products, the seamless interoperability with existing Cisco equipment, and the single vendor approach to the solution. This solution was presented to the Communications and Public Affairs, Information Technology, and Management Services Council Subcommittee on April 7, 2016, for their review and to address any questions, comments, or concerns. This purchase includes the underlying infrastructure and software licensing necessary to set up the new converged voice and data environment as well as the initial components necessary for video conferencing and communications. The video equipment and software necessary to set up 3 rooms for video recording and conferencing will also be purchased and implemented as part of this project. The rooms included are the City Hall 2nd Floor Training Room that was part of a Human Resources FY2015-16 decision package, the IT Training Room, and an IT conference room.

34. SOLE SOURCE PURCHASE: Enterprise Asset Management

APPROVED the sole source purchase of annual maintenance for the Enterprise Asset Management system from Lucity, Inc., in the amount of \$87,303.

Lucity's EAM application is the system that manages the City's service and work requests, coordinates preventative maintenance programs, and tracks City asset maintenance throughout the asset's life cycle. The City continues to expand the use of the application for other city work management functions.

This system also handles citizen service requests and includes a web based service request system. The mobile device application from Public Stuff for citizen service requests has also been integrated into this system.

Lucity support provides access to technical assistance resources to resolve application issues as well as providing software fixes. The maintenance provides application upgrades necessary to operate and keep the systems current.

The annual maintenance renewal last year was \$85,174. This year's renewal represents an approximate 2.5% inflationary adjustment increase. The effective term is July 1, 2016, through June 30, 2017.

35. SUPPORT AND MAINTENANCE SERVICES AGREEMENT: Oracle

APPROVED the utilization of the National Association of State Procurement Officials (NASPO), formerly Western States Contracting Alliance (WSCA) Contract No. ADSPO11-007500, with SHI International, for the purchase of Oracle annual support and maintenance services, in the amount of \$299,990.

The City utilizes Oracle database products to store data for the following major systems: Financial, Payroll/HR, Sales Tax, Work Order Management, Permits and Inspections, Utility Billing, Geographic Information and numerous other departmental systems. The City utilizes Oracle Applications, which include Self Service Human Resources, Financial, Project Billing, iExpense, User Productivity Kit Developer, and iProcurement application modules.

Oracle support provides access to technical assistance resources to resolve system issues as well as providing software fixes. The maintenance provides system and application upgrades necessary to operate keeping the systems current.

The City purchases maintenance and support based on the number of servers and processors on which the software is running on an annual basis. City staff regularly reviews the number of licenses to ensure compliance and verify that only required licenses are being maintained.

Oracle Corporation sets the cost of ongoing support and maintenance as a fixed percentage of the software license cost at the time of initial purchase. The annual maintenance renewal last year was \$291,253. The 3% increase in cost for this renewal period is based on an Adjustment Rate built into the original software license purchase contract. The effective term is August 1, 2016, through July 31, 2017.

36. CONTINUED USE PERMIT: QUICKTRIP

CONTINUED Liquor Use Permit LUP16-0013 QUIKTRIP, located at the northeast corner of Gilbert and Queen Creek roads, to sell beer and wine as permitted under a Series 10 Beer and Wine Store License for off-premise consumption to the July 28, 2016, City Council meeting.

37. USE PERMIT: PINNACLE CROSSFIT

APPROVED USE PERMIT for a personal trainer/fitness center within a Planned Industrial District with a Planned Area Development overlay (I-1/PAD) that allows for industrial, retail show room, and motorcycle sales with accessory repair uses at 3245 N. Arizona Avenue, Suite 10, Pollack Business Park North, southeast corner of Arizona Avenue and Chilton Drive. Applicant: Jeremy Gwizdalski, Business Owner.

BACKGROUND

The subject site is located at the southeast corner of Arizona Avenue and Chilton Drive in North Chandler. Suite 10 is the northern end cap within Building E of the Pollack Business Park North mixed-use business park with frontage along Arizona Avenue. The adjacent suite is vacant. The site is surrounded by Arizona Avenue to the west and Chilton Drive to the north. Other light industrial buildings/uses as part of the business park are adjacent to the south and east.

The business park's zoning history dates back to 1981, when the property was zoned Planned Industrial District (I-1) with a Planned Area Development Plan (PAD) Overlay. Over the years a series of amendments to the zoning were granted for uses such as retail showroom and motorcycle sales with accessory repair uses.

The request is for Use Permit approval for a personal trainer/fitness center within Suite 10 of Building E. The suite is approximately 4,200 square feet will include personal trainer classes of 20 persons consisting of crossfit, yoga, conditioning, and cardio within an open floor concept. Classes will be instructed by one or two certified trainers. Pinnacle Crossfit has represented hours of operation will be Monday through Friday 5 a.m. to noon and 4 p.m. to 8 p.m., Saturday 9 a.m. to noon, and closed on Sundays. Pollack Business Park North's parking provides for a mix of office, warehouse, and retail showroom uses with 357 parking spaces provided. Per code, the use requires 1 space per 300 square feet of building area, which equates to 15 parking spaces.

Planning Staff supports the Use Permit. Personal trainer/fitness centers have proven compatible within industrial business parks when sufficient direct-access parking is available. The proposed site has

sufficient parking provided directly adjacent, as well as frontage along Arizona Avenue. Planning Staff is recommending a two (2) year timing condition to provide sufficient time to evaluate the anticipated compatibility.

PUBLIC / NEIGHBORHOOD NOTIFICATION

- This request was noticed in accordance with the requirements of the Chandler Zoning Code.
- A neighborhood notice letter was mailed in lieu of a meeting due to limited residential within the notification area.
- As of the writing of this memo, Planning Staff is not aware of any opposition or concerns with this request.

PLANNING COMMISSION approved the project 6 to 0.

RECOMMENDED ACTION

Upon finding consistency with the General Plan, Planning Commission and Planning Staff recommend City Council approve Use Permit ZUP16-0007 PINNACLE CROSSFIT, 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 site shall be maintained in a clean and orderly manner.
3. The Use Permit shall remain in effect for two (2) years 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.

38. LIQUOR USE PERMIT: THE CASUAL PINT

APPROVED Liquor Use Permit approval to sell and serve beer and wine for on-premise consumption indoors and within a new outdoor patio and to sell liquor “to-go” in original, unopened containers as permitted under a Series 7 Beer and Wine Bar License, including indoor live music at 1095 West Queen Creek Road, Suite 8, west of the southwest corner of Alma School and Queen Creek roads. Applicant: Theresa J. Morse, Avant Garde Alcohol Training and Education

Upon finding the request to be consistent with the General Plan, Planning Commission and Planning Staff recommend City Council approve the Liquor Use Permit subject to conditions.

BACKGROUND

The property is located at 1095 West Queen Creek Road, Suite 8, west of the southwest corner of Alma School and Queen Creek roads, within The Falls at Ocotillo shopping center. The suite formerly was a Christian bookstore. Kinderbugs and Keegan’s Grill are adjacent tenants. The nearest single-family residential subdivision is Stillwater Cove, located to the south.

The request is for Liquor Use Permit approval to sell and serve beer and wine for on-premise consumption indoors and within a new outdoor patio and to sell liquor “to-go” in original, unopened containers as permitted under a Series 7 Beer and Wine Bar License, including indoor live music.

This location is the first Casual Pint franchise located west of the Mississippi River. A craft beer market is a key element of the business’s operation. The suite is approximately 2,182 square feet and the new

outdoor patio contains approximately 720 square feet. Indoor seating provides approximately 42 seats and 10 bar stools. A pedestrian walkway is proposed to access Jacaranda Parkway from the patio. Indoor live music, such as an acoustical guitar and/or a vocalist, may be scheduled up to four times a month. Business hours are 11 a.m. to 10 p.m. on Monday through Thursday, 11 a.m. until midnight on Friday and Saturday, and 1 p.m. to 8 p.m. on Sunday.

Planning Staff contacted the Police Department to check if there were any noise disturbance service calls for existing businesses located in the Falls at Ocotillo and within Ocotillo Plaza, who currently provide live entertainment and/or music, and have outdoor patios. No complaints have been filed with the Police Department in the past two years.

Planning Staff is including conditions to address any potential noise from the indoor live music due to the proximity of the suite to the single-family subdivision. Planning Staff also recommends a one-year time limit to allow evaluation of the compatibility of the indoor live music with the surrounding residential and business developments.

Subsequent to Planning Commission, Planning Staff is recommending an additional stipulation listed as Condition No. 9 regarding a contact phone number be available to resolve noise complaints quickly and directly.

PUBLIC / NEIGHBORHOOD NOTIFICATION

- This request was noticed in accordance with the requirements of the Chandler Zoning Code.
- A neighborhood meeting was held on May 9, 2016. Several residents attended. One resident is concerned about the location near the single family homes, noise coming from the indoor live music, and proximity to a pre-school. The other residents voiced their support.
- Planning Staff is aware of opposition to the request as noted in the following section.

PLANNING COMMISSION voted to approve 6-0.

The item was moved from the consent agenda to action for Planning Commission discussion. Planning Commissioners commented about parking in the center which is shared among the tenants of the center.

Two speakers stated their opposition to the request. The same resident of Stillwater Cover who attended the neighborhood meeting spoke and provided the attached document. The owner of Kinderbugs attended and stated their opposition and concerns. The resident's concerns are as follows: opposed to the location due to its proximity to the neighborhood and noise from the live music indoors would be heard outside. The business owner leases the adjacent suite to the proposed Casual Pint. The concerns included: the pre-school has a common wall with the proposed tenant and noise will affect their classrooms; parents use parking spaces to drop off their children and there is limited parking; and they are licensed to have kindergarten, but do not have any kindergarten classes at the present time but could in the future.

Under the State's Liquor License regulations, the Assistant City Attorney responded that kindergarten classes must be ongoing at the time the liquor license request was made to the State. The Applicant also noted that the property management company does not permit a kindergarten within this development. The Casual Pint owner addressed the concerns stating: a cooler will be located along the common wall and acoustical tiles will be installed; the business is a craft beer market with limited dining and live music, not a typical bar atmosphere; and the anticipated opening is mid-August.

RECOMMENDED ACTION

Upon finding consistency with the General Plan, Planning Commission and Planning Staff recommend City Council approve the Liquor Use Permit, LUP16-0008 THE CASUAL PINT, subject to the following conditions:

1. Expansion or modification beyond the approved exhibits (Floor Plan, Patio Plan, and Narrative) shall void the Liquor Use Permit and require new Liquor Use Permit application and approval.
2. The Liquor Use Permit is granted for a Series 7 Beer and Wine Bar license, and any change of license shall require reapplication and new Liquor Use Permit approval.
3. The Liquor Use Permit is non-transferable to any other location.
4. The site shall be maintained in a clean and orderly manner.
5. The patio shall be maintained in a clean and orderly manner.
6. Music shall be controlled so as to not unreasonably disturb area residents and businesses and shall not exceed the ambient noise level as measured at the commercial property line.
7. Music shall occur indoors only.
8. Liquor Use Permit 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 Liquor Use Permit shall apply.
9. The establishment shall provide a contact phone number of a responsible person (owner and/or manager) to interested neighbors to resolve noise complaints quickly and direct.
10. The Liquor Use Permit shall remain in effect for one (1) year from the date of City Council approval. Continuation of the Liquor Use Permit beyond the expiration date shall require re-application to and approval by the City of Chandler.

39. LIQUOR LICENSE: The Casual Pint

APPROVED forwarding a recommendation for approval of State Liquor License and further, approved a City of Chandler Series 7, Beer and Wine Bar Liquor License No. 162580 L7, for Theresa June Morse, Agent, E-Z Enterprises Ocotillo LLC, dba The Casual Pint, located at 1095 W. Queen Creek Road, Suite 8.

New License, Series 7, Beer and Wine Bar Liquor License for Theresa June Morse, Agent, E-Z Enterprises Ocotillo LLC, dba The Casual Pint, located at 1095 W. Queen Creek Road, Suite 8.

The Police Department reports no objections to the issuance of this license, and no written protests pursuant to A.R.S. 4-201(B) have been received. All licenses, permits, and fees have been paid, and the applicant is in compliance with the City's Tax Code. With a Series 7, Beer and Wine Bar Liquor License, the business may sell beer and wine only for on- or off-premise consumption.

40. USE PERMIT: COCONUTS FISH CAFE

APPROVED Liquor Use Permit LUP16-0009 COCONUTS FISH CAFE, to sell and serve spirituous liquor for on-premise consumption indoors as permitted with a Series 12 Restaurant License, subject to the conditions as recommended by Planning Commission and Planning Staff.

BACKGROUND:

The property is located at 1155 West Ocotillo Road, Suite 1, the southwest corner of Alma School and Ocotillo roads. The Ocotillo Village Health Center is south of the restaurant and the remainder of the development is under construction. The nearest single-family residential subdivisions are Embarcadero at Ocotillo to the west, across the lake, and Echelon at Ocotillo to the east, across Alma School Road.

The request is for Liquor Use Permit approval to sell and serve spirituous liquor for on-premise consumption indoors and within a new outdoor patio as permitted under a Series 12 Restaurant License. A Series 12 Restaurant License allows an establishment the on-site sale and serving of all types of spirituous liquor for on-premise consumption and requires at least 40% of gross revenue from the sale of food.

Suite 1 is approximately 2,450 square feet with an outdoor patio of approximately 650 square feet. Indoor seating provides 62 seats and 58 outdoor seats. A house speaker system provides recorded island themed music and television monitors show surf videos for both indoor and outdoor customers. Business hours are 11 a.m. until 9 p.m., seven days a week. Twenty staff members will be employed.

PUBLIC | NEIGHBORHOOD NOTIFICATION:

This request was noticed in accordance with the requirements of the Chandler Zoning Code. A neighborhood meeting was held on May 5, 2016. The attendees included Ocotillo Community Association staff, the owner, and the applicant. Planning Staff is not aware of any opposition to the request.

PLANNING COMMISSION VOTE REPORT:

The motion to approve passed unanimously 6-0.

RECOMMENDED ACTION:

Upon finding consistency with the General Plan, Planning Commission and Planning Staff recommend City Council approve the Liquor Use Permit, LUP16-0009 COCONUTS FISH CAFE, subject to the following conditions:

1. Expansion or modification beyond the approved exhibits (Floor Plan, Patio Plan, and Narrative) shall void the Liquor Use Permit and require new Liquor Use Permit application and approval.
2. The Liquor Use Permit is granted for a Series 12 Restaurant license, and any change of license shall require reapplication and new Liquor Use Permit approval.
3. The Liquor Use Permit is non-transferable to any other location.
4. The site shall be maintained in a clean and orderly manner.
5. The patio shall be maintained in a clean and orderly manner.
6. Liquor Use Permit 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 Liquor Use Permit shall apply.

41. LIQUOR LICENSE: Coconuts Fish Cafe

APPROVED forwarding a recommendation for approval of State Liquor License No. 1207A563, and further, that approval is given for the City of Chandler Series 12, Restaurant Liquor License No. 162065 L12, for Andrea Lewkowitz, Agent, Desert Mana Enterprises LLC, dba Coconuts Fish Café, located at 1155 W. Ocotillo Road, Suite 1.

New License, Series 12, Restaurant Liquor License for Andrea Lewkowitz, Agent, Desert Mana Enterprises LLC, dba Coconuts Fish Café, located at 1155 W. Ocotillo Road, Suite 1.

The Police Department reports no objections to the issuance of this license, and no written protests pursuant to A.R.S. 4-201(B) have been received. All licenses, permits, and fees have been paid, and the applicant is in compliance with the City's Tax Code. With a Series 12, Restaurant Liquor License, the business may sell all liquors for on-premise consumption only, with a minimum of 40% of the gross receipts from the sale of food.

42. USE PERMIT: LUP16-0010 FIRED PIE

APPROVED Liquor Use Permit LUP16-0010 FIRED PIE, subject to the conditions as recommended by Planning Commission and Planning Staff.

BACKGROUND:

The property is located at 1155 West Ocotillo Road, Suite 8, the southwest corner of Alma School and Ocotillo roads. The Ocotillo Village Health Center is south of the restaurant and the remainder of the development is under construction. The nearest single-family residential subdivisions are Embarcadero at Ocotillo to the west, across the lake, and Echelon at Ocotillo to the east, across Alma School Road.

The request is for Liquor Use Permit approval to sell and serve spirituous liquor for on-premise consumption indoors and within a new outdoor patio as permitted under a Series 12 Restaurant License. A Series 12 Restaurant License allows an establishment the on-site sale and serving of all types of spirituous liquor for on-premise consumption and requires at least 40% of gross revenue from the sale of food.

Suite 8 is approximately 2,126 square feet with an outdoor patio of approximately 792 square feet. Indoor seating provides 58 seats and 48 outdoor seats. Hours of operation are Sunday through Thursday from 11 a.m. until 9 p.m., and 11 a.m. until 10 p.m. on Friday and Saturday.

At the neighborhood meeting, a resident voiced a concern related to noise traveling across the lake into their backyard from customers seated in the outdoor patio. Planning Staff recommends a one-year time limit to address any potential noise from the outdoor patio due to the proximity of the suite to the single-family subdivision.

PUBLIC / NEIGHBORHOOD NOTIFICATION:

This request was noticed in accordance with the requirements of the Chandler Zoning Code. A neighborhood meeting was held on May 12, 2016. The attendees included two residents, Ocotillo Community Association staff, two owners of the development, the owners of Fired Pie, and the applicant. The residents' concerns include: noise from the patio traveling across the lake to their backyard, serving alcohol on the patio, light reflection from the windows, and hours of trash collection. As of the writing of this memo, Planning Staff is not aware of any opposition to the request.

PLANNING COMMISSION VOTE REPORT:

The motion to Approve passed 6-0.

RECOMMENDED ACTION:

Upon finding consistency with the General Plan, Planning Commission and Planning Staff recommend City Council approve the Liquor Use Permit, LUP16-0010 FIRED PIE, subject to the following conditions:

1. Expansion or modification beyond the approved exhibits (Floor Plan, Patio Plan, and Narrative) shall void the Liquor Use Permit and require new Liquor Use Permit application and approval.
2. The Liquor Use Permit is granted for a Series 12 Restaurant license, and any change of license shall require reapplication and new Liquor Use Permit approval.
3. The Liquor Use Permit is non-transferable to any other location.
4. The site shall be maintained in a clean and orderly manner.
5. The patio shall be maintained in a clean and orderly manner.
6. Liquor Use Permit 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 Liquor Use Permit shall apply.
7. No noise shall be emitted from the patios so that it exceeds the general level of noise emitted by uses outside the premises of the business and further will not disturb adjacent businesses and residential areas.
8. The establishment shall provide a contact phone number of a responsible person (bar owner and/or manager) to interested neighbors to resolve noise complaints quickly and direct.
9. The Liquor Use Permit shall remain in effect for one (1) year from the date of City Council approval. Continuation of the Liquor Use Permit beyond the expiration date shall require re-application to and approval by the City of Chandler.

43. LIQUOR LICENSE: Fired Pie

APPROVED forwarding a recommendation for approval of State Liquor License No. 1207A523, and further, that approval is given for the City of Chandler Series 12, Restaurant Liquor License No. 162596 L12, for Jesus Manuel Altamirano, Agent, FPOT LLC, dba Fired Pie, located at 1155 W. Ocotillo Road, Suite 8.

The Police Department reports no objections to the issuance of this license, and no written protests pursuant to A.R.S. 4-201(B) have been received. All licenses, permits, and fees have been paid, and the applicant is in compliance with the City's Tax Code. With a Series 12, Restaurant Liquor License, the business may sell all liquors for on-premise consumption only, with a minimum of 40% of the gross receipts from the sale of food.

44. USE PERMIT: GOOD TIME CHARLI'S

RECOMMENDATION:

Upon finding the request to be consistent with the General Plan, Planning Commission and Planning Staff recommend City Council approve the Liquor Use Permit subject to conditions.

BACKGROUND:

The subject site is located at the southwest corner of Chandler Boulevard and Kyrene Road within Kyrene Village, with frontage along Kyrene Road. The commercial shopping center is surrounded by commercial and industrial uses, including the Paloma Kyrene Business Park to the south, Kyrene Crossing to the east, and Chandler Business Center to the north. The nearest residential neighborhood is the Sorrento Subdivision located to the southeast of the shopping center, east of Kyrene Road. The subject site has been serving liquor since 1988, previous liquor licenses have been for Series 12 Restaurant Licenses and a Series 6 Bar License. Suite 7 was previously occupied by Beef O'Brady's and Regal Beagle. In the past under previous owners, noise disturbances had been a problem at this site for surrounding neighbors.

Good Time Charli' s, a new neighborhood gastro pub restaurant, request Use Permit approval to sell and serve liquor as permitted under a Series 12 Restaurant License indoors and within an outdoor patio. The request also includes approval for live music indoors and on the outdoor patio. Good Time Charli's has represented live music can occur up to four nights a week with either a classic rock, jazz or acoustic band. Live music on the patio will be limited to Friday through Sunday until 7 p.m. and only acoustic bands with a small amplifier. The patio will also have two televisions with four, eight inch speakers for sporting events. Future plans include adding a shade structure over the patio and planting trees along the boundary of the patio to help mitigate sound. The new business owners have worked with residents within the Sorrento Subdivision and want the opportunity to prove they will be good neighbors. Sound proofing material has been added to interior windows to help absorb noise from live music indoors. Music indoors may go until 2 a.m.

The 3,980 square foot restaurant seats 135 persons, 25 bar seats, and the 489 square foot outdoor patio seats 24 persons. The regular hours of operation are 10 a.m. to 2 a.m., seven days a week. The restaurant will employ three full time employees and 20 part time employees.

Planning Staff supports the request, finding the restaurant with live music is appropriate at this location if controlled so as to not unreasonably disturb the surrounding residents and businesses. The one-year timing condition allows evaluation of the compatibility of the live entertainment.

PUBLIC / NEIGHBORHOOD NOTIFICATION:

This request was noticed in accordance with the requirements of the Chandler Zoning Code. A neighborhood meeting was held on May 4, 2016. The applicant, the three business owners, and five residents including the Sorrento HOA's President were in attendance. Residents had concerns about the new business being another Regal Beagle, and the live music on the outdoor patio. Residents were not concerned about the Liquor Use Permit or the live music indoors. The business owners were very clear they wanted to prove Good Time Charli' s was a restaurant with great food and live music. Being musicians themselves, they understand how to mitigate the sound. The business owners have offered a sound test to residents at the neighborhood meeting. One resident, who has been active in all previous cases pertaining to this property, attended and afterwards stated "I support their desire to have music on the patio."

As of the writing of this memo, Planning Staff is not aware of any opposition against the request. Residents have stated they have reservations, but are comfortable with the stipulations recommended per the request. The one-year timing stipulation allows them to address any issues in a year.

PLANNING COMMISSION VOTE REPORT:

The motion to approve passed 6-0.

RECOMMENDED ACTION:

Upon finding consistency with the General Plan, Planning Commission and Planning Staff recommend City Council approve the Liquor Use Permit, LUP16-0012 GOOD TIME CHARLI'S, subject to the following conditions:

1. Expansion or modification beyond the approved exhibits (Site Plan, Floor Plan and Narrative) shall void the Liquor Use Permit and require new Liquor Use Permit application and approval.
2. The Liquor Use Permit is granted for a Series 12 license only, and any change of license shall require reapplication and new Liquor Use Permit approval.
3. The Liquor Use Permit is non-transferable to other store locations.
4. The site shall be maintained in a clean and orderly manner.
5. No noise shall be emitted from outdoor speakers or acoustical musicians on the patios so that it exceeds the general level of noise emitted by uses outside the premises of the business and further will not disturb adjacent businesses and residential areas.
6. Music shall be controlled so as to not unreasonably disturb area residents and shall not exceed the ambient noise level as measured at the commercial property line.
7. The establishment shall provide a contact phone number of a responsible person (restaurant owner and/or manager) to interested neighbors to resolve noise complaints quickly and direct.
8. Live music on the patio can occur Friday through Sunday, no later than 7 p.m., and limited to acoustic bands only.
9. The Liquor Use Permit shall remain in effect for one (1) year from the date of City Council approval. Continuation of the Liquor Use Permit beyond the expiration date shall require re-application to and approval by the City of Chandler.

45. LIQUOR LICENSE: Good Time Charli's

APPROVED forwarding a recommendation for approval of State Liquor License No. 120714591, and further, that approval is given for the City of Chandler Series 12, Restaurant Liquor License No. 162966 L12, for Randy D. Nations, Agent, GTC Works LLC, dba Good Time Charli's, located at 6045 W. Chandler Boulevard, Suite 7.

The Police Department reports no objections to the issuance of this license, and no written protests pursuant to A.R.S. 4-201(B) have been received. All licenses, permits, and fees have been paid, and the applicant is in compliance with the City's Tax Code. With a Series 12, Restaurant Liquor License, the business may sell all liquors for on-premise consumption only, with a minimum of 40% of the gross receipts from the sale of food.

46. LIQUOR LICENSE: Los Taquitos

APPROVED forwarding a recommendation for approval of State Liquor License No. 1207A651, and further, that approval is given for the City of Chandler Series 12, Restaurant Liquor License No. 163294

L12, for Adriana Ochoa, Agent, Los Taquitos III LLC, dba Los Taquitos, located at 2855 W. Ray Road, Suite 1.

The Police Department reports no objections to the issuance of this license, and no written protests pursuant to A.R.S. 4-201(B) have been received. All licenses, permits, and fees have been paid, and the applicant is in compliance with the City's Tax Code. With a Series 12, Restaurant Liquor License, the business may sell all liquors for on-premise consumption only, with a minimum of 40% of the gross receipts from the sale of food.

The Planning Division advises a new Use Permit is not required since this will be a continuation of the location's previous use as JDJD LLC, dba Burger 21.

47. LIQUOR LICENSE: Incognitos

APPROVED forwarding a recommendation for approval of State Liquor License No. 1207A653, and further, that approval is given for the City of Chandler Series 12, Restaurant Liquor License No. 163376 L12, for Linda Sue Hollenbeck, Agent, Incognitos Corp., dba Incognitos, located at 2050 N. Alma School Road, Suite 23.

The Police Department reports no objections to the issuance of this license, and no written protests pursuant to A.R.S. 4-201(B) have been received. All licenses, permits, and fees have been paid, and the applicant is in compliance with the City's Tax Code. With a Series 12, Restaurant Liquor License, the business may sell all liquors for on-premise consumption only, with a minimum of 40% of the gross receipts from the sale of food.

The Planning Division advises a new Use Permit is not required since this will be a continuation of the location's previous use as Gallagher's Inc., dba Gallagher's Food and Fun.

48. LIQUOR LICENSE: New India Gate

APPROVED forwarding a recommendation for approval of State Liquor License No. 1207A646, and further, that approval is given for the City of Chandler Series 12, Restaurant Liquor License No. 161417 L12, for Sarwan Singh, Agent, Cheema and Sons LLC, dba New India Gate, located at 4939 W. Ray Road, Suite 1.

The Police Department reports no objections to the issuance of this license, and no written protests pursuant to A.R.S. 4-201(B) have been received. All licenses, permits, and fees have been paid, and the applicant is in compliance with the City's Tax Code. With a Series 12, Restaurant Liquor License, the business may sell all liquors for on-premise consumption only, with a minimum of 40% of the gross receipts from the sale of food.

The Planning Division advises a new Use Permit is not required since this will be a continuation of the location's previous use as YJN Restaurant LLC, dba I Sushi.

49. CONTINUED LIQUOR LICENSE: Corner Store #1064

CONTINUED the Series 10, Beer and Wine Store Liquor License, for Andrea Dahlman Lewkowitz, Agent, CST Arizona LLC, dba Corner Store #1604, located at 1015 S. Cooper Road, until July 28, 2016.

50. CONTINUED LIQUOR LICENSE: Home2 Suites by Hilton

CONTINUED the Series 10, Beer and Wine Store Liquor License, for Trent Charles Johnson, Agent, North Central Management Inc., dba Home2 Suites By Hilton, located at 2490 W. Queen Creek Road, until July 28, 2016.

51. CONTINUED LIQUOR LICENSE: UVB Lounge and Restaurant

Staff recommends that a continuance be given for the Series 12, Restaurant Liquor License, for Dragana Cosic, Agent, SCDC Properties LLC, dba VB Lounge & Restaurant, located at 81 W. Boston Street, until July 28, 2016.

52. PERMANENT EXTENSION OF PREMISES: Starbucks Coffee

APPROVED forwarding a recommendation for approval of a permanent extension of premises for State Liquor License No. 1207A423, a Series 12, Restaurant Bar Liquor License, held by Coffee House Holdings Inc., dba Starbucks Coffee #15746, located at 4985 W. Ray Road, and further, that approval is given for the permanent extension to the City of Chandler Liquor License No. 160618 L12.

Coffee House Holdings Inc., dba Starbucks Coffee #15746, located at 4985 W. Ray Road, has requested a permanent extension of their alcohol serving area to include outside seating.

The Police Department has no objections to the permanent extension of premises. All fees have been paid and the business is in compliance with the City's Tax Code.

The applicant's Use Permit through the Planning Division was approved on February 25, 2016.

53. FINAL PLAT: Shoppes at Chandler Heights

APPROVED Final Plat FPT16-0011 for a commercial retail development located at the NEC of Arizona Avenue and Chandler Heights.

BACKGROUND:

This Final Plat is for a commercial development that was approved by Council in March 2008. The development was partially constructed and then remained vacant for the last eight years. The site is currently under construction to include a Basis charter school and Alamo Drafthouse Cinema. The plat creates the lots and tracts, establishes the necessary easements, and dedicates the required rights-of-way.

RECOMMENDED ACTION:

Upon finding consistency with the General Plan, Planning Staff recommends City Council approve Final Plat, FPT16-001 SHOPPES AT CHANDLER HEIGHTS.

ACTION:

54. REZONING/PRELIMINARY DEVELOPMENT PLAN/PRELIMINARY PLAT: Alta San Marcos

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4706, DVR16-0003 Alta San Marcos, rezoning from Planned Area Development (PAD) Golf Course to PAD (Multi-Family residential including

a Mid-Rise Overlay for buildings up to 55 feet in height for a multi-family residential development, subject to the conditions as recommended by Planning Commission and Planning Staff.

Preliminary Development Plan

APPROVED Preliminary Development Plan DVR16-0003 ALTA SAN MARCOS for a multi-family residential development, subject to the conditions as recommended by Planning Commission and Planning Staff.

Preliminary Plat

APPROVED Preliminary Plat PPT16-0006 ALTA SAN MARCOS, subject to the condition recommended by Planning Commission and Planning Staff.

RECOMMENDATION:

Upon finding the request to be consistent with the General Plan, Planning Commission and Planning Staff recommend City Council approve the Rezoning with Preliminary Development Plan (PDP), and Preliminary Plat (PPT) subject to conditions.

BACKGROUND:

In response to traffic questions, Staff supplied the traffic statement submitted in March, 2016 and was prepared by the applicant and reviewed by City Staff to address trip generation and driveway locations as well as right-of-way improvements. The city's Transportation Staff determined a traffic impact study was not necessary due to the parcel's size and number of residential units. City Staff and the applicant determined appropriate driveway and right-of way improvements, those exhibits are included in the Development Booklet.

The subject site is comprised of two parcels totaling approximately 5.4 acres. The site is bordered by Chandler Boulevard to the north, Dakota Street to the east, the San Marcos Golf Course to the south, and Focus Corporate Plaza office condominiums to the west. To the north are single-family residential homes some having Use Permits for residential conversions and a Chandler High School parking lot and ball fields. To the east is City of Chandler property planned for commercial within the San Marcos Commons development. To the south is an existing golf course maintenance yard and clubhouse. The subject site is the former driving range for the San Marcos Golf Course.

The request is to rezone the property from Planned Area Development (PAD) Golf Course to PAD (Multi-Family Residential) including a Mid-Rise Overlay for buildings up to 55 feet in height with Preliminary Development Plan (PDP) and Preliminary Plat approval for site layout and building architecture. The project is a 273-unit luxury multi-family residential development at approximately 50.55 dwelling units per acre (du/ac).

GENERAL PLAN CONFORMANCE:

The General Plan designates the property as Residential, bordering the Downtown Area and Revitalization/Infill Growth Area, and along a High Capacity Transit Corridor. Residential areas allow a range of densities from Rural Residential to Urban Residential exceeding 18 du/ac. Urban Residential densities can be considered in the Downtown Area and Revitalization/Infill Growth Area, and along a High Capacity Transit Corridor. Recent Council Policy targets the Downtown Chandler Growth Area for revitalization encouraging high-density residential, mixed- uses, and transit-oriented development. Chandler Boulevard is a High Capacity Transit Corridor which is intended to develop with mixed uses

and encourages densities greater than 18 du/ac are permitted. The subject rezoning request is consistent with the General Plan.

SITE DESIGN:

The site design responds to the urban strategies desired in the Downtown Chandler area by encouraging high density residential development by engaging the 4-story residential buildings right up against the street frontages.

The inclusion of a new 6-foot sidewalk along Chandler Boulevard creates the inviting pedestrian-friendly environment encouraged in Downtown Chandler's revitalization. The primary gated entrance and exit is located along Chandler Boulevard. Secondary exiting is provided along Dakota Street. Building placement creates areas for internalized on-site parking.

A total of 273 residential units are provided. The 184 studio and one-bedroom units range in size from 686 sq. ft. to 968 sq. ft. The 83 two-bedroom units range in size from 1,072 sq. ft. to 1,174 sq. ft. The 6 three-bedroom 'penthouse' units are 1,495 sq. ft. The units are located within three 4-story buildings. A total of 392 parking spaces are provided through a combination of 185 carport spaces, 85 garage spaces, 85 tandem spaces, and 37 open stall spaces.

ARCHITECTURE:

The request includes a Mid-Rise Overlay for buildings up to 55-feet in height.

The buildings are approximately 46 feet in height to top of parapet. The additional height up to 55 feet is requested to accommodate the penthouse units.

The building's architecture is influenced by east coast brownstone housing also referred to a townhouse clad. The look and feel of the building represents elements of residential urban blocks in New York City, an urban streetscape through the use of architectural massing changes, metal and masonry elements, prominent cornice and fenestration detailing, and paint color arrangement. The first floor private courtyards are brought right out to the property lines engaging the residents with the street experience, while creating a pedestrian scale to the 4-story buildings.

A comprehensive sign package is included in the Development Booklet. Project signage includes urban, brownstone style signage providing a sense of arrival to Downtown Chandler and a streetscape presence along Chandler Boulevard. The Chandler Boulevard buildings include custom designed blade signs, perpendicular on the buildings, cast bronze plaques, and lifestyle banners.

Planning Staff supports the request finding it to be consistent with the General Plan and designated Downtown Chandler Growth Area. The General Plan identifies the subject site specifically for this type of development. The 50.55 du/ac is indeed the level of residential density encouraged by the guiding land use plan. Furthermore, the development's design team has presented a quality project that is consistent with the urban design objectives desired in the downtown area. The building architecture represents a unique design approach that characterizes brownstones/townhouses in lieu of a traditional apartment building. The public right-of-way building relationship, internalized on-site parking, and 6-foot sidewalk along Chandler Boulevard all promote the desired urban sense of place in the downtown area.

PUBLIC / NEIGHBORHOOD NOTIFICATION:

This request was noticed in accordance with the requirements of the Chandler Zoning Code. Two neighborhood meetings were held; one on March 29, 2016, and one on March 31, 2016.

Approximately 10-12 attended each meeting primarily representing property owners north of Chandler Boulevard, the Focus Group Office condominium development to the west, and townhouse owners to the east. The applicant has corresponded with some attendees after the meetings and Planning received a couple of phone calls about the neighborhood meeting notice and traffic concerns. Support and concern was raised at both neighborhood meetings.

In addition the applicant's community outreach consultant went door-to-door in the surrounding area to meet with residents. Over 170 letters in support were submitted to Planning Staff. In addition, the applicant and Planning Staff have received support from downtown merchants.

Planning Staff is aware of property owner concerns regarding traffic and circulation along Chandler Boulevard, a dislike for redevelopment occurring in the downtown area, and not liking the proposed land use and density. Some longtime homeowners north of Chandler Boulevard expressed their concern for not wanting any more growth and change in the downtown area stating it is already congested with vehicles and people. They also oppose the proposed development and its building height. Some individuals have conveyed their homes are rental properties and do not want to compete with a new multi-family development. Others stated they are opposed to elimination of their golf course view and feel their property values will be affected.

Following the Planning Commission meeting, the applicant continued to meet with concerned property owners. The applicant has submitted a parking study to address traffic impacts from the development. See attachment.

As of the writing of this memo, Planning Staff has received correspondence indicating opposition and support for this request. The opposition triggers a legal protest. See attached citizen correspondence.

PLANNING COMMISSION VOTE REPORT:

The motion to Approve passed with a 3-2 vote with Commissioner Baron and Wastchak absent.

Planning Commission discussed their likes and dislikes for the project. The majority of Commission supports the density, architectural design, and building height stating they would like to see this project develop now versus later. Commissioners conveyed their support for the project's location and benefit to the downtown area. One Commissioner opposed the project due to its building architecture and preferred an Alta Steelyard style design. Another Commissioner opposed the project stating they did not support the primary entrance and exit off of Chandler Boulevard and felt the building architecture did not fit with or compliment the historic San Marcos Hotel property.

Four area property owners spoke in opposition to the development. Their comments included not wanting buildings over two-stories in height, no entrance and exit off of Chandler Boulevard, no high density on this small parcel, do not block the golf course view, concerns for increased traffic and car accidents on Chandler Boulevard, and the San Marcos golf course is historic and should be preserved.

RECOMMENDED ACTIONS:

Rezoning

Planning Commission and Planning Staff recommend City Council approve the Rezoning from Planned Area Development (PAD) Golf Course to PAD (Multi-Family Residential) including a Mid-Rise Overlay for buildings up to 55 feet in height for a multi-family residential development subject to the following conditions:

1. Development shall be in substantial conformance with the Development Booklet, entitled "ALTA SAN MARCOS" and kept on file in the City of Chandler Planning Division, in File No. DVR16-0003, 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. Right-of-way dedications to achieve full half-widths, including turn lanes and deceleration lanes, per the standards of the Chandler Transportation Plan.
3. Future median openings shall be located and designed in compliance with City adopted design standards (Technical Design Manual #4).
4. Undergrounding of all overhead electric (less than 69kv), communication, and television lines and any open irrigation ditches or canals located on the site or within adjacent right-of- ways and/or easements. Any 69kv or larger electric lines that must stay overhead shall be located in accordance with the City's adopted design and engineering standards. The aboveground utility poles, boxes, cabinets, or similar appurtenances shall be located outside of the ultimate right-of-way and within a specific utility easement.
5. Completion of the construction of all required off-site street improvements including but not limited to paving, landscaping, curb, gutter and sidewalks, median improvements and street lighting to achieve conformance with City codes, standard details, and design manuals or as otherwise approved in a development agreement.
6. The landscaping in all open-spaces and rights-of-way shall be maintained by the adjacent property owner or property owners' association.
7. Building heights shall be limited to a maximum of fifty-five (55) feet in height.
8. Construction shall commence above foundation walls within three (3) years of the effective date of the ordinance granting this rezoning or the City shall schedule a public hearing to take administrative action to extend, remove or determine compliance with the schedule for development or take legislative action to cause the property to revert to its former zoning classification.

Preliminary Development Plan:

Planning Commission and Planning Staff recommend City Council approve the Preliminary Development Plan, subject to the following conditions:

1. Development shall be in substantial conformance with the Development Booklet, entitled "ALTA SAN MARCOS" and kept on file in the City of Chandler Planning Division, in File No. DVR16-0003, 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. 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 or property owners' association.

5. The site shall be maintained in a clean and orderly manner.
6. 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.
7. 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.

Stipulation 8 as added by the City Council at their June 23, 2106 meeting:

8. The development includes multifamily dwelling units represented as eligible to be owned as individual condominium units. The development shall include, as evidence of a good faith effort to develop the property as a condominium development, a recoded Horizontal Property Regime, (HPR) subdivision plat together with the necessary Condominium Declarations and CC&Rs and an irrevocable obligation to preserve and not vacate the subdivision plat. Commencing upon the date that the zoning hereunder becomes effective, until the second anniversary thereof, the developer shall provide a semi-annual certified statement that the developer has been marketing the project as a condominium development.

Preliminary Plat:

Planning Commission and Planning Staff recommend City Council approve the Preliminary Plat, subject to the following condition:

1. Approval by the City Engineer and Planning Administrator with regard to the details of all submittals required by code or condition.

DISCUSSION:

MS. JODIE NOVAK, Senior Planner, summarized the background for this case. She noted a legal protest has been triggered by surrounding residents and a $\frac{3}{4}$ vote by Council would be required to approve moving forward with the project.

There are 273 units in the overall project, with approximately 184 one bedroom units, 83 two bedroom units, and 6 three bedroom suites. The development is consistent with the 2008 General Plan. The applicant has held multiple neighborhood meetings and has had ongoing communications with surrounding property owners. Included in the documentation are several emails in support and opposition of the project. The City's Planning and Zoning Commission, a seven member board, held a public hearing on the project and reviewed the request and are recommending approval of the project, with stipulations, with a 3-2 vote; two members were absent that evening. The recommended stipulations are listed in the Council memo.

MR. NICK WOOD, attorney representing the applicant, stated the project should have a measureable benefit for a City. He reported Wood Partners is the largest condominium developer in the state. He provided an overview of the area and said Wood Partners, upon approval of this project, could probably be the largest private investor in Downtown Chandler, not counting the resort.

Mr. Woods then addressed the 2008 General Plan's desired development for the downtown area, what type of construction was desired for the area, and transportation issues. The primary goal is looking for more residential accommodations in the downtown area with a high disposable income to support the downtown commercial businesses. He stated the average income in the Alta Steel Yard development is \$85,000.00 and the average income overall in Chandler is \$75,000.00. People create retail sales, not more retail businesses. Mr. Woods addressed past economic studies done, and excerpts from an economic impact report by Elliott Pollack, he quoted: "the projected median household income for new residents at the Alta San Marcos project is around \$90,000.00 per year, the average median income of the current downtown residential area is \$41,000.00." Because the development is within walking distance of the downtown area, if it captures even 75% of that income; that would be \$900,000.00 of additional revenue.

Mr. Wood said the site was originally designed for 300 units, but due to the site and concerns about increased traffic, they reduced the number of units to 273. There will be no studio units. There are 184 one-bedrooms, 83 two-bedrooms, and 6 3-bedroom town houses. He noted the parking analysis provided.

Mr. Wood noted the extensive public outreach and noted there are three property owners across the street who no longer live there as the residences are businesses, but they are still opposed to the project, and one gentleman who lives one block to the north of the project who is opposed. He recognized how gracious the neighbors have been in meeting with them as they tried to work through the differences.

He noted he and the mayor had worked on a stipulation. Mr. Wood said a sales facility will be put on site. There will be a designer to help layout all the interior elements for the new owners, who will then be able to see a computerized model of their finished product based on their design selections. He said a third party expert would be hired to market and sell of these units. He said client would like to begin construction in January 2017. He said unlike a subdivision whereby homes are built as purchased, a condo project is built in its entirety at one time. He said the model works that at some point it may become necessary for the developer to lease some units if all of the units do not sell.

Mr. Wood said the developer has agreed to file a condominium plat, record the plat, and will agree that plat will never be vacated or terminated. He said the condominium plat does not go through the city's plat process. He said the declarations for the condominiums will also be recorded.

In response to the Mayor's questions, Mr. Woods stated the development will have a dog park and a spa, which are not normal for condo projects. The club house offers an 8,000 s.f. fitness center, pool, and many other amenities. The development is to be more of a resort style living environment. Mr. Wood said the purchase price range has not been established yet, but it is estimated that the cost per square foot will be around \$300.00, but they will hire an industry specialist to do the formal appraisal. Mayor Tibshraeny said the intent for working on a proposed stipulation was that there were some concerns that came about when the project moved toward condominium for ownership. He wanted to have a comfort factor in what was being represented was facilitated by a good faith effort to do these things without crossing any legal bounds.

COUNCILMEMBER LOPEZ commented on maintaining the balance between growth, sustainability, and keeping the atmosphere Chandler is looking to maintain. He said he believed this project would be a net positive. He expressed concern of having another apartment complex. He stated he understood the need for flexibility, but expressed support in the referenced suggested stipulation. They delivered on the Alta Steelyard project and he believes the developer will deliver a quality product.

MR. WOODS then addressed in great detail the entrance and exits for the property emergency vehicle access, and the traffic engineering counts. He stated Chandler Boulevard was designed to handle 45,000 cars a day. Currently, traffic studies show use is about 27,500 cars per day. Their impact would be about 2% of capacity. He stated times have changed significantly and now days there are a significant amount of people who work from home. He went into great detail of the traffic along Chandler Blvd. studies for various times of day, he accounted for the high school traffic, morning and afternoon, the resort traffic and several other scenarios. He stated he purchased a drone just to study the traffic patterns so he had factual data to report on. He had the drone hover around 38 feet (4th floor height) to see how traffic and the traffic lights flowed. He stated the belief the traffic signal cycle seems to be fine at this time. The traffic issue seems to be such a non-issue that the traffic engineering department did not even require a full blown traffic study. The traffic impact statement is part of the development package.

COUNCILMEMBER HARTKE inquired when the project would be open for sales. Mr. Woods stated they do not have the legal right to put a sales trailer on site yet, and they will be hiring the broker and designer within the next 30 days. He believes it will be within the next few months, with a date in the fall to open up sales. He wanted to thank the Planning staff because they have been so helpful and always available for meetings on short notice.

COUNCILMEMBER ELLEN recalled the phone conversation she had with Mr. Woods when the developer decided to transition from apartments to condominiums and she asked if they would be single level units because of such a high demand for single level condos, not multi-level. She said buyers love pre-sales and recent trends show buyers love the ability to walk for shopping and dining out and is looking forward to the project.

MAYOR TIBSHRAENY stated there were several comment cards, and request to speak cards in support and opposition, related to the project.

Speakers in Favor:

TERRI KIMBLE, CEO OF CHANDLER CHAMBER of Commerce, 25 S. Arizona Ave., stated she is a resident of Chandler as well, and reported the Chamber supports the project whole heartedly. Her team surveyed 95% of the downtown business owners who stated they are in desperate need of more traffic and higher residential density in hopes they would shop local. This is a project desperately needed in the downtown Chandler area. She reported as of last week, only four condos were available in the downtown area.

TYLER WILSON, DIRECTOR OF DEVELOPMENT FOR RYAN COMPANIES, 3900 E. Camelback Rd. Phoenix, stated they support the Wood Partner's development project. Ryan Company recently presented a development agreement to the City of Chandler for an office project across the street of City Hall. Mr. Wilson said the condo project will not only help support the downtown area, but they believe will help their project as well and overall reinforce the economy of Chandler's downtown businesses.

SHERYL WILLIS, 5353 W. Fairview St. Chandler, said she too is a licensed real estate agent, and former part owner and operator of Murphy's Law Irish Pub. She stated the need for smart growth development. While Chandler has great businesses and shopping, they need foot traffic. Chandler needs higher residential density in the downtown area, and more parking.

SHANNON GOLDBERG, 4684 W Tyson St. Chandler, stated she works in real estate as well and she hears how much people love the Chandler downtown, but how hard it is to find homes in the downtown area within a walkable access to the downtown merchants. She offered her support of the project.

KAMI NUNEZ, 58 S. San Marcos Place– Murphy's Law Irish Pub, stated the owners are in full support of the San Marcos condo project.

MARTIN SEPULVEDA, 891 N. Madrid Lane, Chandler, commented on the opposition statements. He served on the Chandler Council back in the 1990's and 2000, and Chandler heard the same opposition back then when they approved an office complex. If Chandler wants a vibrant and successful downtown, Chandler must move forward with these types of projects. More business will come when you have the people to support them.

CHERYL TISLAND, 141 W Boston St., Chandler, commented that she has an office in downtown Chandler and is excited for the opportunity to buy a residence in the downtown area. She walks most everywhere she goes and living downtown will make this easier.

JOE GEIS, 325 E. Tremaine Dr., Chandler, stated he and his wife have been residents of Chandler for 25 years. They are retired and currently live on acreage property. They are excited for this development, for the opportunity it affords them to downsize and live so close to shopping and eating, and all the amenities this development offers.

LORI RETTEN, owner of both Dos Gringos, 1361 N. Alma School Rd, Chandler and Bourbon Jacks Bar and Grill, 11 W. Boston St., Chandler, stated she met with Wood Partners and supports the project. It will be an enhancement for the downtown area and the increase of community support to the local businesses will be significant.

RANDY WALTERS, owner of Wimpy's Paradise - Pittsburgh Willy, 92 S. Willow Creek St. Chandler, stated his best business was when Arizona hosted the 2015 Super Bowl. Guests filled the San Marcos hotel and they loved being able to walk for shopping and eating from their hotel. He said the businesses need pedestrian traffic. He noted that parking is one of the largest complaints he gets from patrons.

KRISTA BILSTEN, 3021 S. Big Horn Dr., Chandler, stated she is a residential real estate agent specializing in corporate relocation. She said that factors that play into a relocation are schools and areas with hip and well developed downtown areas. This project will serve Chandler well and help attract new corporate talent to live and work in Chandler.

TOM BILSTEN, 3021 S Big Horn Dr., Chandler, said the direction Chandler is moving brought him and his family to move to Chandler. He just acquired an office space near The Perch restaurant and 55 Chicago and is excited his office is so close to the downtown area. He voiced his support for the project in an effort to support the downtown businesses.

ANTHONY PETHERS, General Manager of Modern Margarita, 1 E. Boston St., Chandler, stated they are in the process of opening two new businesses in downtown Chandler. They are excited about the Alta San Marcos project as it will bring a great customer base to the area. They believe adding residential units to a downtown area is critical for these businesses to continue and succeed.

ANTHONEY CANECCHIA, 8 San Marcos Place, San Tan Brewing Co. Chandler, they are already seeing the increase of customers from the Alta Steelyard development and believe this new development is a great project. He felt the high density projects would help set Chandler apart.

PEGGY BILSTEN, 3021 S. Big Horn Dr., Chandler, stated she is in favor of the project and she and her family are excited about the uniqueness of the downtown area. It was the first place her son and daughter-in-law took them when they visited. She noted the many small businesses that are unique to the Chandler community. As a former councilmember of Phoenix, she commended the work of the Council in developing this and asked the Council approve the project.

JEFF WENINGER, 1360 S. Camellia Court, Chandler, he asked Council to support the project as part of Chandler's vision for the community. He said many Councils have worked to get to this point. The ability for people to walk from their home to restaurants and for shopping is a great and unique ability. He said he voted on a previous Wood Partners project and it has exceeded his expectations.

Comment Cards in Favor:

The following are individuals who filled out comment cards in favor of the Alta San Marcos project but did not wish to speak:

Ray Markley, Kyle Klein, John Radice, Everett Pleasant, Lona Little, Sara Sivley, Joan Holaway, George Yogurtian, Roy Holaway, Peter Sciacca, Sigrid Sciacca, Tracey Savaiano, Andrew Biskind, Jessica Carter, Cindy Geis, Konner Klein, Mark Voyles, Joyce Voyles, Brady Fish, Mark Sobol, Donna Chiappini, Chelsea McCan Jessica Hines, Safia Kerr, Rachael Anderson, Jeremy Gwizdalski, Tom Bilsten Sr., Michael Wolf, Mark Stewart, Klint McInturff, Errol Berry, Sarah Berry, Tim Dumbrell,

Speakers in Opposition:

The Mayor noted he had several Comment Cards in opposition of the project and two Request to Speak cards on the development.

WARD RAND, 82 S. Quarty Circle, Chandler, stated he and his wife recently moved from Dobson and Elliot area to the San Marcos Country Club Estates at quite a financial investment for them. The attraction was a quiet golf community. He stated for a golf course setting, this project should be less dense and lower in height. He stated privacy and security concerns for the southern-most elevation. He expressed concern that the new residents may view the golf course as a park and a place to walk their dog.

He is also concerned that his property value will decrease because of this development. He urged Council to reject the proposed development and ask the developer to come back with a less dense and lower structure for the development. He supports increasing housing in the downtown area to help sustain the businesses, but felt this was too much for the location.

FRED BORNS, 6 S. Stellar Parkway, Chandler, thanked the Wood Partners for their reciprocity concerning the development. He owns property at Chandler Boulevard and Nebraska. He said it is exciting to see the investment in this property; however he does has concerns. The height of the building is a concern. He felt the architecture would represent a dormitory. He expressed concern with access on Nebraska Street which he noted becomes a one way street because of no limitations on the street parking. He felt the traffic analysis does not represent the Nebraska street traffic or the Chandler Boulevard traffic on a typical Fall evening. He referred to the General Plan and inquired if this project was a "compatible infill project". Additionally, he referred to the Plan's direction to "transition development intensity to reduce the potential impact to single family neighborhoods through techniques

such as “stepping-down” intensity as it gets closer to the residential areas.” He said it was difficult for him to see how this project was a “step down” feature. He felt this project does not represent what was crafted in the Plan. He stated while his property is a residential conversion, 95% of the homes are single family. Mr. Borns said the the \$900,000 potential revenue increase mentioned by Mr. Woods for the merchant’s, breaks down to \$150.00 per day for these businesses. That is not a lot of money when you consider the type of development being proposed.

Comment Cards Opposed:

The following are individuals who filled out comment cards in opposition of the Alta San Marcos project but did not wish to speak:

Dewanda Sims, Elaine Rand, Abigail Overholser, Milford Sims, Albert Ayala, David Christensen, Marie Thompson, Margaret Borns, Don Thompson, Bryan Ellsworth, Tom Borns.

MR. NICK WOOD responded to Mr. Rand’s comments and said a neighborhood meeting was held in his subdivision which is 500’ away from the property. Mr. Woods said he doesn’t believe there will be privacy issues at that distance. In regards to Mr. Born’s reference to Mark Taylor products in his visuals, Mr. Wood said that those projects aren’t found in urban areas. That particular project he refers to is on 22 acres. There are 368 dwelling units. He said he appreciates the comments received.

He asked Council to support the project as he believes it is a great project and the City will benefit greatly from it.

COUNCILMEMBER HEUMANN stated considerable thought and discussion has been given on the project. Concerns city staff had have been addressed and he believes the developer has worked with the neighboring residents and worked hard at addressing their concerns and believes it to be a good project for the downtown area.

MOVED BY COUNCILMEMBER HEUMANN, SECONDED BY COUNCILMEMBER ELLEN, TO APPROVE THE INTRODUCTION OF ORDINANCE NO. 4706, DVR16-0003 ALTA SAN MARCOS, REZONING FROM PLANNED AREA DEVELOPMENT (PAD) GOLF COURSE TO PAD (MULTI-FAMILY RESIDENTIAL) INCLUDING A MID-RISE OVERLAY FOR BUILDINGS UP TO 55 FEET IN HEIGHT AND THE PRELIMINARY DEVELOPMENT PLAN (PDP) FOR SITE LAYOUT AND BUILDING ARCHITECTURE. PRELIMINARY PLAT PPT16-0006 FOR APPROXIMATELY 5.4 ACRES LOCATED AT THE SWC OF CHANDLER BOULEVARD AND DAKOTA STREET, WEST OF ARIZONA AVENUE WITH THE ADDITION OF STIPULATION 8 ON THE PRELIMINARY DEVELOPMENT PLAN.

COUNCILMEMBER HARTKE said the addition of this project will help set the stage for other projects that will help the downtown area prosper.

COUNCILMEMBER LOPEZ thanked those in opposition for voicing their concerns and remaining involved.

COUNCILMEMBER ROE voiced his support for this type of project.

THE MAYOR said he did have concerns regarding the traffic and the ownership element of the project. He said while he understood the concern, and the change involved; he referenced the residential conversions that have occurred on Chandler Boulevard across from this project. He felt this project could be an asset to this area while improving values in the surrounding neighborhoods.

THE MOTION CARRIED UNANIMOUSLY (7-0).

UNSCHEDULED PUBLIC APPEARANCES:

None.

CURRENT EVENTS:

A. Mayor's Announcements

The Mayor invited everyone out to Chandler's annual Independence Day event on the 4th at Tumbleweed Park, the event opens at 4 p.m. with Fireworks going off about 9 p.m. The event is free, though there is a charge for parking (\$5).

He reminded everyone to be careful as we battle high temperatures.

B. Councilmembers' Announcements

COUNCILMEMBER HARTKE asked all to be mindful of the meaning of Independence Day. He announced the City is having its annual water drive, so please donate to the drive.

VICE MAYOR SELLERS announce a delegation from the Flying Tigers Museum in China toured City Hall. He attended the State Transportation Board meeting where they approved the 5 year spending plan for ADOT. He is participating in the Arizona Mexico Commission Plenary session currently going on in Scottsdale.

C. City Manager's Announcements

Ms. Marsha Reed announced the promotion of Ms. Deb Stapleton to Administrative Services Director. Ms. Stapleton has worked for the city for 17 years and will continue to serve as the HR Director, oversee IT, Fleet services and Building and Facilities.

Adjournment: The meeting was adjourned at approximately 9:00 p.m.

ATTEST: _____
City Clerk

Mayor

Approved: August 8, 2016

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 23rd day of June 2016. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this _____ day of August, 2016.

City Clerk