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OCT 22 2009



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MEMORANDUM

Management Services Memo No. 10-022

DATE: OCTOBER 22, 2009

TO: MAYOR AND COUNCIL

THRU: W. MARK PENTZ, CITY MANAGER
RICH DLUGAS, ASSISTANT CITY MANAGER RD
DENNIS STRACHOTA, MANAGEMENT SERVICES DIRECTOR
DAWN LANG, ASSISTANT DIRECTOR FOR FINANCE DW

FROM: SANDI RODENBECK, TAX & LICENSE MANAGER SR

SUBJECT: REQUEST FOR INTRODUCTION AND TENTATIVE ADOPTION OF
ORDINANCE NO. 4185

RECOMMENDATION: Staff recommends introduction and tentative approval of Ordinance No. 4185 of the City Council of the City of Chandler, Arizona, amending Sections 58-2.1, 58-2.3, 58-4.1 A. and B., 58-4.2 and adding Section 58-5.2 relating to changes to Chapter 58 Licenses for Tele-track Wagering Facility Sites and Other Licenses.

DISCUSSION: Over the past few years the structure of several of the city's regulatory licenses and permits has been reviewed and updated. The primary changes to those codes eliminated outdated quarterly and semi-annual license periods. The Mechanical Amusement Device Section of Chapter 58 is the final code that contains a provision for a quarterly license period. The proposed changes will bring the license and late fee structure for the Mechanical Amusement Device Section of Chapter 58 in line with other special regulatory licenses issued by the City.

The recommended changes, while eliminating the quarterly license term, provide for the proration of the initial annual fee based on when an amusement device (game) is placed in the City. The change further differentiates the due date for license renewal fees and clarifies when late fees become due.

Also included is a technical correction relating to the issuance of amusement game licenses, the addition of a definition and the correction of a typographical error.

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FINANCIAL IMPLICATIONS: The proposed changes are primarily to the structure of the license term and not to the license fees; therefore, there will be no significant financial implication.

PROPOSED MOTION: Move to introduce and tentatively approve Ordinance No. 4185 of the City Council of the City of Chandler, Arizona, amending Sections 58-2.1, 58-2.3, 58-4.1 A. and B., 58-4.2, and adding Section 58-5.2 relating to changes to Chapter 58 Licenses for Tele-track Wagering Facility Sites and Other Licenses.

Attachment

c: Pat McDermott, Assistant City Manager

ORDINANCE NO. 4185

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, AMENDING CHAPTER 58 OF THE CODE OF THE CITY OF CHANDLER BY AMENDING SECTIONS 58-2.1, 58-2.3, 58-4.1 A. AND B., 58-4.2, AND ADDING SECTION 58-5.2 ALL RELATING TO LICENSE REQUIREMENTS, TERM AND LATE FEES

BE IT ORDAINED by the City Council of the City of Chandler, Arizona, as follows:

SECTION 1: That Section 58-2.1 of Chapter 58 of the Code of the City of Chandler is hereby amended to read as follows:

58-2.1. Application. A person desiring to obtain a tele-track wagering facility site license shall make application to the ~~MSD~~ Management Services Director (MSD), who shall refer such application to the Planning and Development Department, Police Department and Fire Department for appropriate recommendations. The application shall be in such form as prescribed by the MSD and shall be fully completed before processing by the MSD. The application must be submitted at least forty-five (45) days prior to the proposed date of providing tele-track wagering within the City; however, this provision may be waived by the MSD.

The application shall include a description of the proposed tele-track wagering activity and shall include, but not be limited to, the required information set forth in this subsection.

- A. Full name and address of the applicant and owner/managing agent of the property on which the wagering facility is to be located.
- B. Proof of current license from the Arizona Racing Commission to conduct tele-track wagering within the State of Arizona.
- C. Proof of a liquor license allowing for on-site consumption of alcohol in effect for the site at which the tele-track wagering is to be located.
- D. Designation of managing agent of the applicant and managing agent of the owner of the property on which the tele-track wagering will be located.
- E. Name, address and telephone number of statutory agent in Arizona if either the applicant or the owner of the site is a corporation.
- F. A floor plan containing an accurate drawing to scale of all buildings upon the premises and the lot lines of the parcel on which the activity will take place.

- G. A vicinity ownership map showing and labeling all lots within three hundred (300) feet of the exterior boundaries of the lot on which the activity is to be located. The three hundred-foot measurement shall exclude any public property or public rights-of-way.
- H. A vicinity ownership list and mailing labels properly addressed, containing names and mailing addresses, with correct zip codes, of owners of all parcels required to be shown on the vicinity ownership map as depicted on the last assessment of property by Maricopa County.
- I. A parking plan showing all parking spaces available upon the site for the applicant's use.

SECTION 2: That Section 58-2.3 of Chapter 58 of the Code of the City of Chandler is hereby amended to read as follows:

58-2.3. Public hearing on license; notice.

- A. The City Council shall hold a public hearing on the initial application for license, and notice of said hearing shall be given by the applicant at least fifteen (15) days prior to the hearing in the following manner:
 - 1. Notice shall be published at least once in a newspaper of general circulation in the City.
 - 2. Notice shall be posted on the affected property.
 - 3. Notice shall be mailed by first class mail to each owner as listed on the vicinity ownership list. The ~~MDS~~ MSD may require additional notice if he/she deems necessary.
- B. After public hearing, the Council may issue the license with any conditions it deems necessary or deny said license.

SECTION 3: That Section 58-4.1 of Chapter 58 of the Code of the City of Chandler is hereby amended to read as follows:

58-4.1. Mechanical amusement device license fees.

- A. Every applicant, before being granted a mechanical amusement device license, shall pay a license fee for the privilege of operating or maintaining for operation each mechanical amusement device. The term of the license is January 1 through December 31. The license fee shall be set forth by Council resolution. The annual license fee for an initial license shall be pro-rated on a calendar quarter basis as follows:

TABLE INSET:

<u>January 1 - March 31</u>	<u>100% of annual license fee</u>
<u>April 1 - June 30</u>	<u>75% of annual license fee</u>
<u>July 1 - September 30</u>	<u>50% of annual license fee</u>
<u>October 1 - December 31</u>	<u>25% of annual license fee</u>

~~B.~~ The license fee provided in this section shall be due and payable immediately ~~upon the first day of each quarter, or immediately~~ when such ~~taxable~~ mechanical amusement device is placed at a business establishment within the City. The fee shall be delinquent five (5) days after it becomes due and thereafter shall require payment of an additional twenty (20) percent before the required license ~~receipt~~ is issued. No such ~~receipt~~ license shall be issued until all previous taxes and penalties have been paid.

B. Each license issued under this section shall pay an annual renewal license fee due and payable on or before January 1 of each year. Such fee shall be considered delinquent if not received on or before the last business day of January. Annual renewal fees deemed delinquent shall require payment of an additional twenty (20) percent before the required license is issued. No such license shall be issued until all previous taxes and penalties have been paid.

~~C. All annual fees must be paid and received by the Management Services Director on or before January fifth of each year or the quarterly fee shall apply.~~

~~D. There shall be no pro rata apportionment of such fee, and each applicant shall be charged the full amount for the quarter in which he/she applies.~~

SECTION 4: That Section 58-4.2 of Chapter 58 of the Code of the City of Chandler is hereby amended to read as follows:

58-4.2. Display of mechanical amusement device license; transferability; separate license for each machine.

A. The mechanical amusement device license or licenses shall be posted conspicuously at the location of the machine in the premises wherein the device is to be operated or maintained to be operated.

B. Such license may be transferred from one (1) machine or device to another similar machine at the same location. ~~Not more than one (1) machine shall be operated under one (1) license, and~~ ~~the~~ applicant or licensee shall be required to ~~secure a pay a~~ license fee for each and every machine displayed or operated by him/her.

SECTION 5: That Chapter 58 of the Code of the City of Chandler is hereby amended by adding a new Section 58-5.2 to read as follows:

58-5.2 Licenses requirement

Licenses required by this Chapter shall be in addition to any other license or permit required by the City, the County or the State.

SECTION 6: The provisions of this ordinance are effective from and after December 31, 2009

INTRODUCED AND TENTATIVELY APPROVED by the City Council of the City of Chandler, Arizona, this ___ day of _____, 2009.

ATTEST:

CITY CLERK

MAYOR

PASSED AND ADOPTED by the City Council of the City of Chandler, Arizona, this ___ day of _____, 2009.

ATTEST:

CITY CLERK

MAYOR

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Ordinance No. 4185 was duly passed and adopted by the City Council of the City of Chandler, Arizona, at a regular meeting held on the ___ day of _____, 2009, and that a quorum was present thereat.

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY
