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MINUTES OF THE STUDY SESSION OF THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, held in the Council Chambers, 88 E. Chicago Street, on Monday, June 20, 2016.

THE MEETING WAS CALLED TO ORDER BY MAYOR JAY TIBSHRAENY AT 7:01 P.M.

The following members were present:	Jay Tibshraeny	Mayor
	Jack Sellers	Vice-Mayor
	Nora Ellen	Councilmember
	Rick Heumann	Councilmember
	René Lopez	Councilmember
	Terry Roe	Councilmember
	Kevin Hartke	Councilmember

Also in attendance:	Marsha Reed	City Manager
	Nachie Marquez	Assistant City Manager
	Kay Bigelow	City Attorney
	Marla Paddock	City Clerk

SCHEDULED PUBLIC APPEARANCES: Mayor Tibshraeny asked Councilmember Hartke to join him for the reading of the proclamation and presentation of awards.

1. Service Recognitions

Phyllis Saunders: Admin librarian, Cultural Affairs Division - Library
Cultural Affairs Director Brenda Brown recognized Phyllis Saunders for her 20 years of service.

Phyllis Saunders began her career with the New York public library system. In 1996 she became the first young adult Librarian for the City of Chandler. Phyllis is a creative thinker who has initiated or helped develop successful programs for the library she manages or the system as a whole. This includes Libcon, the celebration of anime, Manga, Sci-Fi and gaming that teens have attended in large numbers for 6 years; collaborating with the Jane Austen society to create a series of unique programs for Jane Austen fans, and a science day kickoff that attracted 300 people of all ages. One highlight of her time with the Chandler Public library include initiating the first TEDx program, held in January, 2016 which was followed by a second event in May. A constant through her twenty years with the city has been Phyllis' advocacy for young people and vulnerable populations. She has been instrumental in mentoring youth, some of whom joined the first teen advisory council that was started by Phyllis. With Phyllis' encouragement and support others have obtained a master of library science degree and are contributing to the health of communities through provision of literacy and educational programming. Phyllis can always lighten a trying moment with humor, see talents and skills when others may not, and believes there is a bright future for libraries.

Erik Swanson: Sr. Planner, Transportation & Development – Planning
Planning Administrator Jeff Kurtz recognized Erik Swanson for his 10 years of service.

Erik started his career with Chandler as an intern while attending ASU. Following graduation he was hired full-time May 15, 2006 as City Planner I. Erik served in the capacity of City Planner until April 2014, at which time he was promoted to Senior Planner.

During his time with us Erik has participated on the Wellness Committee and Employee Council. He is a graduate of the professional development program and has received a professional certificate in management from Notre Dame. He assists in teaching "How to Present to Boards, Commissions, and Council" through Chandlearn. Erik is a member of the American Planning Association, ICMA, and Toastmasters. During his time here he has processed approximately 400 zoning cases including Continuum, Chandler Viridian, and the hospital expansion.

Alfredo Garcia: Fire Engineer, Fire Department

Fire Chief Tom Dwiggins recognized Alfredo Garcia for his 25 years of service.

Alfredo began his fire service career in 1983 as a volunteer, and was hired as a full-time firefighter in 1991. Alfredo was promoted to Engineer in 2006 and is currently responsible for the operation and maintenance of all fire apparatus and equipment at fire station 1. Along with engineering duties, Alfredo is a certified EMT responsible for providing patient care when called to a medical emergency. Outside of response duties, Alfredo has been instrumental in providing preventative education and intervention to the Chandler community. He has served as a fire safety house educator for the local elementary schools, and a translator during community immunization clinics. Alfredo's service to the community extends far beyond his professional duties. He is active in volunteering his time to organizations such as the Muscular Dystrophy Association, and the Chandler firefighter charities. Alfredo's greatest attribute is his positive attitude and strong work ethic. After speaking too many of his co-workers, it was clear that Alfredo's approach to delivering service is contagious and creates a working environment where all employees can thrive. This approach has led to Alfredo serving as a mentor to many young firefighters and engineers.

James West: Utility Meter Tech Supervisor, Meter Services – M.U.D.

Municipal Utilities Director John Knudson recognized James West for his 10 years of service.

In June 2006, Jim joined the City as a utility meter supervisor. He quickly acquired the knowledge to accomplish many tasks including excellent customer service skills. Jim uses his customer service skills to deal with residents who have inquiries regarding their water bill, water meter reading, or water service. Many times, residents are upset before Jim meets with them, setting up for a difficult situation. Jim calmly explains how to read their meter and how to determine if the high water use is due to a leak or usage habits. If high water use was due to a meter read error, Jim ensures the customer is taken care of by personally calling utility services to report errors. Jim is dedicated to ensure the job is completed even if it means working outside of his primary duties and work hours. Jim stays until the job is done to assist meter readers in the field by reading meters and completing work orders to ensure billing dates are met. Furthermore, he has built camaraderie among his staff resulting in an effective team environment. Jim holds regular safety and staff meetings to allow staff the opportunity to provide input.

Jose "Alfredo" Carrillo: Utility Systems Tech II, Meter Services – M.U.D.

Municipal Utilities Director John Knudson recognized Alfredo Carrillo for his 10 years of service.

In June 2006, Alfredo joined the City of Chandler as a utility systems operator. He worked at the Ocotillo Water Reclamation facility for six months before he transferred to the water distribution division. One of Alfredo's first experiences in water distribution was working on the backhoe, digging to repair a broken water main. He said it felt like he was riding a robot. That experience and Alfredo's commitment to his job made him the go-to-person for backhoe operations. Alfredo quickly learned the duties of water distribution staff, including repairing main breaks, placing meter taps and meters, repairing curb stops, and replacing damaged hydrants. He enjoyed the customer interaction, providing excellent customer service, and the satisfaction of doing a quality job. In June 2013, Alfredo was

promoted to Utility Systems Technician II in the meter services division. His previous experience has been invaluable to meter services. He is always willing to share his experiences with others and enjoys training staff on how to replace meters. He has a unique way of replacing a customer's curb stop without shutting off water main valves. This is a real time-saver as it only affects water service to one customer.

Thomas Lovejoy: Police Sgt., Police Criminal Investigations

Assistant Police Chief Jason Zdilla recognized Thomas Lovejoy for his 25 years of service.

During his career, Sergeant Tom Lovejoy has worked in patrol, investigations, K9s, computer crimes, and as administrative sergeant, among other assignments. Tom was an extraordinary patrol sergeant and an even better administrative sergeant. He consistently demonstrates exceptional organizational skills and possesses an amazing ability to get results wherever he is assigned. Sgt. Lovejoy has served in various capacities as a Chandler Lieutenants and Sergeants Association (CLASA) Board Member and has been instrumental in the development of this valuable organization. He has spent countless hours helping the sworn supervisors of the police department become better equipped personally and professionally. Most importantly, Sgt. Lovejoy has proven himself to be a person who stands in the gap for others. He has displayed generosity and compassion throughout his career and has led philanthropic efforts for those in need, both inside and outside of the department. His fundraising efforts have included Wounded Warriors, Make A Wish foundation, Chevy Wright Honorary Police Officer project, and the Chandler Police Department (CPD) Coat Project. Sgt. Lovejoy has demonstrated that he is exceptionally dependable but has proven himself indispensable during some of the department's darkest days. When we lost officers Snedigar, Nielsen, Ledesma, and Payne in line-of-duty deaths, Sgt. Lovejoy stepped up in a leadership role for coordination of services and family care. He helped the PD family and the officers' surviving families to navigate through these incredibly difficult times with grace.

2. Recognition: Chandler Kiwanis Club

Mayor Tibshraeny asked members of the Chandler Kiwanis Club and Parks Development and Operations Manager Mickey Ohland to join him.

He asked Dawn Lang, President of the Kiwanis Club to describe the project they had been working on.

Ms. Lang presented the City Council with a check for \$6,000 for the purpose of adding accessible park elements to four community parks within the City of Chandler. She introduced other members of the Kiwanis Club: Tom Dwiggin, Dave Bigos, John Repar, and Terry Roe. She stated while Mickey Ohland may not be a member, he has been instrumental in helping them with the project. She recognized community partners who also contributed to the fundraising efforts: Julie Graham, Dignity Health; Matt Ligouri, Southwest Gas; Tom Lovejoy, Chandler Lieutenants and Sergeants Association; Salt River Project (SRP), All City Towing, and the Chandler Firefighter Charities.

She announced there were other members not able to make the meeting and extended appreciation to them for all their efforts as well. She stated the Kiwanis Club is a global organization of volunteers dedicated to changing the world, one child and one community at a time. They provide awards and scholarships to youth in the community and to special projects. This project was initiated after Kiwanis guest speaker Juliet Martinez, Miss. Wheelchair Arizona 2014, spoke on providing better access for children in City parks.

3. Proclamation: Park and Recreation Month

Councilmember Hartke read the proclamation and Mayor Tibshraeny presented the proclamation to Melanie Dykstra, Parks and Recreation Board member.

4. Deed Fraud Registry – Susanne de Zwaan

The Mayor said this will be scheduled for the July Council meeting.

5. Petition Results on Summit Place Speed Bumps – Jenny Vitale

Ms. Jenny Vitale, 3321 N. Nebraska St., Chandler, She stated she had spoken to the City Council at a May Council meeting and requested Council to not re-install the speed humps which were removed for a construction project in their neighborhood. She described the response received as apathetic and expressed her frustration with the lack of action the Council has shown. She announced her intent to file a complaint with the Attorney General's office. She believes a crime has been committed in the manipulation of public records. She explained when she filed petitions with the City to have the speed humps reinstalled, there were 291 people voting yes and 57 who voted no. She said after the confirmation vote came out, Mr. Zeder and his staff changed four votes to "unknown," and another four to "no." She said she asked for a copy of the confirmation votes and reviewed the vote changes with the petitions. She said she said the neighborhood residents recently received a letter with the petition results. She stated the petition results don't match the documentation on file. She stated for this reason she is filing a complaint with the Attorney General. She expressed disappointment of the actions of Mr. Zeder and Ms. Reed. She believes the City has violated the terms of the construction contract related to the project and notification requirements.

CONSENT:

MAYOR TIBSHRAENY noted Item 2 (Ordinance 4693) was being withdrawn. He stated there are questions/comments on Item 20, Agreement Amendment No. 2 with the law firm of Kaplan Kirsch & Rockwell, LLP; Item 8, Resolution No. 4966 authorizing an agreement with the Export-Import Bank of the United States; and Item 54, Introduction of Ordinance No. 4706, DVR16-0003/PPT16-0006 ALTA SAN MARCOS and Preliminary Development Plan. (Discussion is listed under those items.)

- 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. **INTRODUCTION OF ORDINANCE NO. 4693** for a Master License Agreement with Verizon Wireless (Verizon) for Personal Wireless Services Facilities on streetlight poles in the City right-of-way and authorizing the Mayor to execute the agreement; and authorizing the City Manager or designee to execute other implementing documents as are needed to give effect to the agreement.

3. **ORDINANCE NO. 4703** adopting the 2016-17 Property Tax Levy.

4. **RESOLUTION NO. 4963, APL16-0002 PETERSON FARMS AREA PLAN AMENDMENT**, to the Peterson Farms (Section 7) Area Plan from Low Density Residential to Commercial.
INTRODUCTION OF ORDINANCE NO. 4709, DVR16-0010 QUIKTRIP, rezoning from Agricultural to Planned Area Development for commercial uses including a fuel station for 24-hour uses under the Late Hour Business Policy.

PRELIMINARY DEVELOPMENT PLAN (PDP) for site layout and building architecture for a fuel station located at the NEC of Gilbert and Queen Creek roads. **(STAFF REQUEST CONTINUANCE TO THE JULY 28, 2016, CITY COUNCIL MEETING.)**

5. **INTRODUCTION OF ORDINANCE NO. 4708, DVR16-0002 SAN MARCOS DRIVE CUSTOM HOME**, rezoning from Agricultural (AG-1) to Planned Area Development (PAD) for single-family residential. **PRELIMINARY DEVELOPMENT PLAN (PDP)** for site layout and building design for one single-family residential home on property located at 900 W. San Marcos Drive, east of Alma School Road and north of Frye Road.
6. **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 proceeds as needed to acquire said real property and obtain immediate possession thereof; and authorizing relocation services as may be needed and required by law.
7. **RESOLUTION NO. 4965** authorizing an Infill Incentive Plan Agreement with Furniture & Mattress Discounters, LLC, in an amount not to exceed \$11,000.00, for a portion of the SWC of Alma School and Elliot roads (Former Mervyn's).
8. **RESOLUTION NO. 4966** authorizing 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.

MAYOR TIBSHRAENY thanked the Economic Development staff for bringing this forward to enable Chandler businesses to take advantage of the Export-Import Bank. This allows Chandler companies to take full advantage of the financial services and products. Chandler is the first city in Arizona to take advantage of this partnership.
9. **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.
10. **PRELIMINARY DEVELOPMENT PLAN (PDP) PDP16-0009 ALLRED PARK PLACE**, amending the site plan and building architecture for a portion of the Allred Park Place business park on approximately 20 acres located at the SEC of Price Road and Spectrum Boulevard.
11. **ROADWAY ALIGNMENT**, acquisition of necessary right-of-way for the Ocotillo Road Improvements (Cooper Road to Gilbert Road).
12. **AUTHORIZE** the payment of FY 2016-17 membership dues to the League of Arizona Cities and Towns in the amount of \$93,295.00.
13. **MEMORANDUM OF UNDERSTANDING** with Chandler Law Enforcement Association (CLEA) for FY 2016/17 – FY 2017/18.
14. **MEMORANDUM OF UNDERSTANDING** with United Phoenix Fire Fighters Association IAFF Chandler Local 493 Chandler Chapter for FY 2016/17 – 2017/18.

15. **MEMORANDUM OF UNDERSTANDING** with Service Employees International Union Local 48 (SEIU) FOR FY 2016/17.
16. **MEMORANDUM OF UNDERSTANDING** with Police Sergeants Bargaining Unit (CLASA) FOR FY 2016/17 – 2017/18.
17. **AGREEMENT NO. ST4-745-3339**, Amendment No. 3, for hot-in-place asphalt recycling, with Cutler Repaving, Inc., in a total amount not to exceed \$1,252,379.85, for the existing term through March 1, 2017.
18. **AGREEMENT NO. PD5-200-3453**, Amendment No. 2, 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.
19. **AGREEMENT NO. PD6-680-3619** with Universal Police Supply and 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 options for up to four additional one-year extensions.
20. **AGREEMENT AMENDMENT NO. 2** with the law firm of Kaplan Kirsch & Rockwell, LLP, in an amount not to exceed of \$27,000.00, for a revised not to exceed amount of \$127,000.00, for its continued provision of legal services regarding a Part 16 complaint filed by Chandler Air Service.

COUNCILMEMBER HEUMANN stated this complaint filed against the City had no merit and yet the City was forced to hire outside counsel at a significant cost to the residents. The Federal Aviation Administration (FAA) ruled in favor of the City, and yet there is no recourse the City can take to recoup the financial loss. The charges were false to begin with and he wanted to note his frustration that it could not be resolved before it went to court.

21. **AGREEMENT NO. BF2-936-3118**, Amendment No. 3, 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.
22. **AGREEMENT NO. CM4-680-3355**, Amendment No. 1, with ASSI Security of Arizona, for Access Controls and Security Equipment: Maintenance, Repair & Purchase in an amount not to exceed \$250,000.00.
23. **AGREEMENT NO. CM4-840-3368**, Amendment No. 1, to 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 \$100,000.00.
24. **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 \$200,000.00, including all companion agreements, for one year, July 1, 2016, through June 30, 2017, with options for up to four additional one-year periods.
25. **AGREEMENT** with the Greater Phoenix Economic Council (GPEC) for fiscal year 2016-2017 for regional economic development services in the amount of \$112,156.00.
26. **AGREEMENT NO. FD3-340-3133**, Amendment No. 5, with Municipal Emergency Services, Inc. (MES) for fire protective clothing and uniforms, increasing the annual spending limit amount by \$466,300.00, in an amount not to exceed \$821,300.00, for the term ending September 14, 2016.

27. **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 \$193,000.00 per year, with the option of two additional two-year extensions, for a total amount not to exceed \$386,000.00.
28. **PROJECT AGREEMENT NO. WW1506.453** with 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, in an amount not to exceed \$78,080.00.
29. **CONSTRUCTION MANAGER AT RISK CONTRACT NO. WW1506.403** to Achen-Gardner Construction, LLC, for the Downtown Sites 4, 5, and 6 Water-Wastewater Infrastructure, in an amount not to exceed \$2,017,038.68.
30. **PURCHASE** of a graffiti abatement vehicle from Midway Chevrolet, utilizing the State of Arizona Contract No. ADSPO14-063239 in the amount of \$92,437.39.
31. **PURCHASE** of Desert Breeze Park spray pad, from, Landscape Structures, Inc., utilizing The Cooperative Purchasing Network (TCPN) Contract No. R5202 in the amount of \$69,345.40.
32. No item.
33. **PURCHASE** of Cisco equipment and services from Dimension Data North America, Inc., utilizing the State of Arizona Contract No. ADSPO16-117850, in an amount not to exceed \$467,000.00.
GENERAL FUND APPROPRIATION TRANSFER from the Human Resources Division Cost Center to Information Technology Capital Projects Cost Center in the amount of \$42,600.00.
34. **PURCHASE** of annual maintenance for the Enterprise Asset Management system, sole source, from Lucity, Inc., in the amount of \$87,303.00.
35. **PURCHASE** of Oracle annual support and maintenance services utilizing the National Association of State Procurement Officials (NASPO), formerly Western States Contracting Alliance (WSCA) Contract No. ADSPO11-007500, with SHI International, in the amount of \$299,990.00.
36. **USE PERMIT, LUP16-0013 QUIKTRIP**, Series 10 Beer and Wine Store License to sell beer and wine as permitted for off-premise consumption at a new convenience store located at the NEC of Gilbert and Queen Creek roads. **(STAFF REQUEST CONTINUANCE TO THE JULY 28, 2016, CITY COUNCIL MEETING.)**
37. **USE PERMIT, ZUP16-0007 PINNACLE CROSSFIT**, 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 showroom, and motorcycle sales with accessory repair uses located at 3245 North Arizona Avenue, Suite 10, within Pollack Business Park North, SEC of Arizona Avenue and Chilton Drive.
38. **USE PERMIT, LUP16-0008 THE CASUAL PINT**, Series 7 Beer and Wine Bar License 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 including indoor live music located at 1095 W. Queen Creek Road, Suite 8, west of the SWC of Alma School and Queen Creek roads.
39. **LIQUOR LICENSE**, Series 7, for Theresa June Morse, Agent, E-Z Enterprises Ocotillo LLC, dba The Casual Pint, located at 1095 W. Queen Creek Road, Suite 8.

40. **USE PERMIT, LUP16-0009 COCONUTS FISH CAFÉ**, Series 12 Restaurant License to sell and serve spirituous liquor for on-premise consumption indoors and within a new outdoor patio as permitted at a new business located at 1155 W. Ocotillo Road, Suite 1, the SWC of Alma School and Ocotillo roads.
41. **LIQUOR LICENSE**, Series 12, for Andrea Lewkowitz, Agent, Desert Mana Enterprises LLC, dba Coconuts Fish Café, located at 1155 W. Ocotillo Road, Suite 1.
42. **USE PERMIT, LUP16-0010 FIRED PIE**, Series 12 Restaurant License to sell and serve spirituous liquor for on-premise consumption indoors and within a new outdoor patio as permitted at a new business located at 1155 W. Ocotillo Road, Suite 8, the SWC of Alma School and Ocotillo roads.
43. **LIQUOR LICENSE**, Series 12, for Jesus Manuel Altamirano, Agent, FPOT LLC, dba Fired Pie, located at 1155 W. Ocotillo Road, Suite 8.
44. **USE PERMIT, LUP16-0012 GOOD TIME CHARLI'S**, Series 12 Restaurant License to sell and serve spirituous liquor for on-premise consumption indoors and within an outdoor patio as permitted, and request live music indoors and within an outdoor patio at a new restaurant located at 6045 W. Chandler Boulevard, Suite 7, the SWC of Chandler Boulevard and Kyrene Road.
45. **LIQUOR LICENSE**, Series 12, for Randy D. Nations, Agent, GTC Works LLC, dba Good Time Charli's, located at 6045 W. Chandler Boulevard, Suite 7.
46. **LIQUOR LICENSE**, Series 12, for Adriana Ochoa, Agent, Los Taquitos III LLC, dba Los Taquitos, located at 2855 W. Ray Road, Suite 1.
47. **LIQUOR LICENSE**, Series 12, for Linda Sue Hollenbeck, Agent, Incognitos Corp., dba Incognitos, located at 2050 N. Alma School Road, Suite 23.
48. **LIQUOR LICENSE**, Series 12, for Sarwan Singh, Agent, Cheema and Sons LLC, dba New India Gate, located at 4939 W. Ray Road, Suite 1.
49. **LIQUOR LICENSE**, Series 10, for Andrea Dahlman Lewkowitz, Agent, CST Arizona LLC, dba Corner Store #1604, located at 1015 S. Cooper Road. **(APPLICANT REQUESTS CONTINUANCE TO THE JULY 28, 2016, CITY COUNCIL MEETING.)**
50. **LIQUOR LICENSE**, Series 10, for Trent Charles Johnson, Agent, North Central Management Inc., dba Home2 Suites By Hilton, located at 2490 W. Queen Creek Road. **(APPLICANT REQUESTS CONTINUANCE TO THE JULY 28, 2016, CITY COUNCIL MEETING.)**
51. **LIQUOR LICENSE**, Series 12, for Dragana Cosic, Agent, SCDC Properties LLC, dba VB Lounge & Restaurant, located at 81 W. Boston Street. **(APPLICANT REQUESTS CONTINUANCE TO THE JULY 28, 2016, CITY COUNCIL MEETING.)**
52. **PERMANENT EXTENSION OF PREMISES, LIQUOR LICENSE**, Series 12, held by Coffee House Holdings Inc., dba Starbucks Coffee #15746, located at 4985 W. Ray Road.
53. **FINAL PLAT SHOPPES AT CHANDLER HEIGHTS, FPT16-0011**, for a commercial retail development located at the NEC of Arizona Avenue and Chandler Boulevard.

ACTION:

54. **INTRODUCTION OF ORDINANCE NO. 4706, DVR16-0003/PPT16-0006 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. **PRELIMINARY DEVELOPMENT PLAN (PDP)** for site layout and building architecture on approximately 5.4 acres located at the SWC of Chandler Boulevard and Dakota Street, west of Arizona Avenue.

COUNCILMEMBER HEUMANN requested clarification on the project. He would like Staff to address if this is a condo development or multi-family apartment project; is it designed for ownership or renting.

PLANNING ADMINISTRATOR JEFF KURTZ stated the application continues to be an apartment project, however; the applicant recently indicated they intend to subdivide the property for the sale of condominium units. As Staff continues to meet with the applicant, the message of what they intend to build is still in question. He believed they will submit a condominium map. But they also intend to rent them out or sell one and the owner can rent it out. The applicant has stated they do have the fiduciary responsibility and have to be able to rent them out. Mr. Kurtz noted the 123 Washington project is a project that is platted as a condominium development and was originally started and sold as condos. The economy changed and the property owner chose to then rent out the units. So today, there is a mix of ownership and rental in that project. From the ability to legislate the project to be condominiums for sale, Mr. Kurtz said it is a very "slippery slope" on whether the city has the authority to do that.

COUNCILMEMBER HEUMANN said while he believes the architecture and amenities are great, he expressed concern that this project will not be a true condominium project. He inquired if the City could add stipulations that would ensure the majority of the project is condominiums. Mr. Kurtz said the reality is how to enforce that if a buyer chooses to rent their condominium out.

MAYOR TIBSHRAENY stated he is specifically addressing the developer leasing them as apartments so that the developer does not imply or start the project as a condominium project and then start renting the units like an apartment complex.

MR. KURTZ said a new stipulation could be added to read "In accordance, with the applicants representations, the condominiums shall be for individual for-sale only units at the time of development."

Mr. Kurtz said the units would be sold as condominiums for individual sale at the time of development, but after that are not regulated.

Mayor Tibshraeny and Councilmember Heumann each shared their desire that the project be a condominium project.

COUNCILMEMBER LOPEZ asked if the land is platted for condominium development, a unit could still be rented out. Mr. Kurtz stated that was correct.

COUNCILMEMBER SELLERS said he would think it would be more profitable to the developer to sell the condominiums as to rent them and have to manage them. He inquired if that at times was a short term solution. Mr. Kurtz said that has been seen as a trend that a project begins as a rental and over time transitions to an ownership option.

COUNCILMEMBER HARTKE asked if there was the ability to blend the timing as an option. Mr. Kurtz said that has not been explored. It reaches beyond the authority of the city.

