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MINUTES OF THE REGULAR MEETING OF THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, held in the Council Chambers in the Chandler Library, 22 S. Delaware, on Thursday, September 24, 2009, at 7:08 p.m.

THE MEETING WAS CALLED TO ORDER BY MAYOR BOYD W. DUNN.

The following members answered roll call:

Boyd W. Dunn	Mayor
Bob Caccamo	Vice-Mayor
Trinity Donovan	Councilmember (telephone)
Rick Heumann	Councilmember
Matt Orlando	Councilmember
Jeff Weninger	Councilmember
Jack Sellers	Councilmember

Also in attendance:

W. Mark Pentz	City Manager
Rich Dlugas	Assistant City Manager
Pat McDermott	Assistant City Manager
Mary Wade	City Attorney
Marla Paddock	City Clerk

INVOCATION: Pastor Bill May – First Baptist Church of Sun Lakes

PLEDGE OF ALLEGIANCE: Councilmember Sellers

SCHEDULED PUBLIC APPEARANCES:

1. Service Recognitions

Neighborhood Services Director Judy Register recognized SANDI WHITTEN, Senior Code Inspector for her 15 years of service.

Chief Sherry Kiyler recognized VINCENT KING, Emergency Call Taker for his 10 years of service.

Public Works Director R.J. Zeder recognized JOE VELASQUEZ, Public Works Inspector for his 15 years of service.

2. Retirement Recognition

CHARLES (CHUCK) SMITH was recognized for his 16 years of service upon his retirement from the City.

3. Chandler at its Best Recognition

Fire Department employees Ralph Barr, Tyson Bruder, Randy Dunkelbarger, Phil Gaiser, Adam Chavira were recognized for their efforts in coordinating the repair of a local domestic violence shelter. The improvements saved the shelter approximately \$10,000.

Fire Department employees Iris Matthews and Phil Gaiser were recognized for their efforts in seeking out qualified applicants to receive a donated pool fence or fence repairs. This effort was done in conjunction with Adopt a Pool Fence Program sponsored by Valley of the Sun United Way, United Phoenix Fire Fighters Local 493, Chandler Regional Medical Center and the Fire Star Fund.

4. Proclamation – A Week Without Violence

MAYOR DUNN proclaimed October 4-11, 2009 as a ‘Week Without Violence’ and presented Susan Stevens-Clark with the proclamation. Mrs. Susan Stevens-Clark introduced Ms. Yvonne Taylor and Bob Taylor, fellow members of the Domestic Violence Commission.

MAYOR DUNN proclaimed October 2009 as Domestic Violence Awareness Month and presented the proclamation to members of the Domestic Violence Commission.

5. Proclamation – Desert Cancer Foundation Awareness Month

MAYOR DUNN proclaimed October 2009 as Desert Cancer Foundation Awareness Month and presented the members of the Desert Cancer Foundation with the proclamation.

A representative of the Foundation announced the Annual Luncheon to be held on October 22, 2009 at the Crowne Plaza San Marcos.

VICE MAYOR CACCAMO spoke of the work of the Foundation and encouraged all to attend the luncheon.

6. Proclamation – Disabilities Employment Awareness Month

MAYOR DUNN proclaimed October 2009 as Disabilities Employment Awareness Month and presented the proclamation to Mr. Michael Williams, Chair of the Mayor’s Committee for People with Disabilities.

Mr. Williams announced the Annual Golf Tournament on November 6, 2009 at Bear Creek Golf Course. Funds will go to provide scholarships to individuals with disabilities and will sponsor the Gold Medal Olympic Team in Chandler.

7. Proclamation – Fire Prevention Month

MAYOR DUNN proclaimed October 2009 as Fire Prevention Month and presented the proclamation to Fire Chief Jeff Clark. Chief Clark said that not only would the firefighters be visiting the schools; the message is also to encourage everyone to check their smoke detectors.

8. Award – Governor’s Excellence Award for Leadership in Smart Growth

MR. JAMES SMITH, Economic Development Specialist, announced the receipt of the Governor’s Award for the Council’s adoption of the Infill Incentive Plan. This was awarded in the category of Leadership and Smart Growth and was announced at the 35th Annual Governor’s Conference on Regional and Rural Economic Development.

UNSCHEDULED PUBLIC APPEARANCES:

None.

CONSENT:

Presentations were made and discussion is listed under the respective items.

MOVED BY COUNCILMEMBER ORLANDO, SECONDED BY HEUMANN, TO APPROVE THE CONSENT AGENDA AS PRESENTED.

COUNCILMEMBER ORLANDO noted the significant projects presented on this agenda that were occurring in Chandler. COUNCILMEMBER HEUMANN commented that Chandler was open for quality business and is positioned the proper way.

COUNCILMEMBER DONOVAN declared a Conflict of Interest on Item 36 and refrained from stating her vote on that item.

MOTION CARRIED UNANIMOUSLY (7-0).

1. MINUTES:

APPROVED, as presented, minutes of the City Council Regular Meeting of September 10, 2009.

2. POWER DISTRIBUTION EASEMENTS: Salt River Project Ord. #4148

ADOPTED Ordinance No. 4148 granting six no-cost 12kV power distribution easements to Salt River Project (SRP) to relocate and underground their power facilities along the north and south sides of Pecos Road and the east and west sides of Cooper Road for the Cooper/Pecos Road Improvement Project.

3. RIGHT-OF-WAY VACATION: Salida del Sol Street Ord. #4180

ADOPTED Ordinance No. 4180 authorizing the vacation of a segment of approximately 19 feet of the west half of right-of-way for Salida del Sol Street near the SEC of Lot 32 of The Home Place, 2101 W. Flint Street.

4. REZONING: Chandler Regional Medical Center Ord. #4183

ADOPTED Ordinance No. 4183 DVR09-0012 Chandler Regional Medical Center, rezoning from PAD to PAD Amended with a mid-rise overlay for additional building height for a five-story, 85-foot tower and expansions of the existing Cath Lab and Central Plant, located at the SEC of Dobson and Frye roads.

5. REZONING: Chandler Airport Center Ord. #4184

ADOPTED Ordinance No. 4184 DVR09-0023 Chandler Airport Center, rezoning from AG-1 to PAD Mixed-Use Business Park (Chandler Airport Center) on approximately 1.14 acres located north of the NEC of Germann Road and the Consolidated Canal, and rezoning from PAD to PAD

Amended to expand the list of permitted uses within approximately 134 acres of the Chandler Airport Center mixed-use business park.

6. REZONING: Rockefeller Group Chandler 101

Ord. #4186

PLANNER BILL DERMODY reviewed the background information for this item. Mr. Dermody said this is the same Rockefeller Group that develops Rockefeller Center in New York and the parent company is Mitsubishi. He explained the hotel component would be 11 stories high with a conference center behind it. The office building portion is 10 stories high. Option 2 replaces the hotel and conference center with another office building at 9 stories tall. Mr. Dermody noted that in no way does this propose a change to where the conference center is currently proposed downtown. He said that Rockefeller would like to be prepared to present an alternative and that is why the two options are being proposed. COUNCILMEMBER WENINGER clarified that there had not been a vote of the Council regarding the conference center. MAYOR DUNN noted there was a consultant study completed that gave proposed locations for a conference center, and while the Council has not voted on it, the first choice for location was downtown Chandler.

Mr. Dermody explained the job density this project would bring. He noted the quality of this project and complimented the bold vision of the architect through design. He noted the pedestrian amenities would be very generous.

Mr. Dermody explained the only change between the two options is the change from a hotel and conference center to an office building. The parking garage is present in both development options as surface parking is limited. The proposed extension of Coronado Street should help traffic flow. Besides Coronado Street, there is a left in only entrance from Chandler Boulevard and from the Price Frontage road, direct access to the parking garage which the applicant has worked with ADOT to secure.

COUNCILMEMBER ORLANDO asked about the timeline. Mr. Dermody said it would be at least two years before this project is built. Permits could be pulled in late 2011. Much of that is due to tenant recruitment, complex building permits and market status. He added that the project is phased. If it's the hotel and conference center option that is built, then the hotel and conference center will be Phase 1 along with one of the office buildings, Coronado Street and landscaping along the frontage. If the option is office only, the middle office building will be built first along with the other site improvements – Coronado Street and the frontage landscaping.

COUNCILMEMBER ORLANDO asked about the employment numbers. Mr. Dermody said it would be over 700,000 s.f. of office. MS. MACKAY said depending on the phase that is built, between 3,000 and 4,000 jobs would be found on the site. She noted that when Gould occupied the site, there were approximately 170 jobs.

MAYOR DUNN complimented the development as it provides quality and a true multi-use project. He noted his appreciation for the applicant providing the conference center option.

MR. ADRIAN GLOVER, 491 W. Iris Drive, said he has been in the conference center and hotel business for 40 years and gave his support of this project. He felt the location was outstanding and felt that it was the only place in Chandler where a project like this could be successful as the current businesses could be key generators for this project.

MR. NIELS KREIPKE, President of the Downtown Chandler Community Partnership, said he commends Rockefeller for their interest in developing in Chandler. He shared with Council the

concern that they have been counting on a conference center coming to downtown Chandler and being part of the redevelopment efforts in downtown. He said the downtown offers unique restaurants along with golf and a historic district. The downtown area is also between the two major employment hubs in the City – the Price Corridor and the Chandler Airport Area. He said before any decision is made on the location of the conference center, that every effort is made to research the possibilities.

COUNCILMEMBER ORLANDO asked about the status of the conference center. MR. PENTZ replied that there has been some discussions with the San Marcos and options have been looked at with regards to Site 6 and Sites 4 and 5. The San Marcos has come up with a very exciting concept of a hotel tower adjacent to the golf course. Mr. Pentz said they are meeting with the San Marcos and some potential investors very soon to continue the discussions.

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4186 DVR09-0015 Rockefeller Group Chandler 101, rezoning from Planned Industrial District (I-1) to PAD with a mid-rise overlay, with Preliminary Development Plan approval for an office, retail and light industrial development with potential hotel/conference center uses on 22 acres at the SEC of Chandler Boulevard and the Loop 101 Price Freeway. (Applicant: Snell & Wilmer LLP, Nick Wood; Owner: RG-101 LLC.)

The 22-acre site is located at the SEC of Chandler Boulevard and the Loop 101 Price Freeway on vacant land formerly occupied by the Gould industrial facility. To the south are the Nikko industrial facility, the Isola industrial facility and the Chandler Fire vehicle maintenance center. East of the site, along Chandler Boulevard, is a fuel station. South of the fuel station, adjacent to the subject site, are a personal storage facility and, farther south, a vacant 2-acre site designated by the General Plan for employment uses. To the north, across Chandler Boulevard, and the west across the Loop 101 Price Freeway, are retail uses including the Chandler Fashion Center mall. The nearest residential uses are an apartment complex and a single-family subdivision over 1000' to the north beyond the retail shopping center.

The site has been cleared of the previous industrial building and most of its associated site improvement, except a few trees along the street frontages. Coronado Street currently terminates at the north side of Chandler Boulevard with a driveway directly across from it on the south side of Chandler Boulevard that services the adjacent fuel station and storage facility. Coronado Street is being extended southward as part of this development request. The subject site has a water conveyance easement in its northwest portion owned by ADOT that is currently filled with coarse rock rip rap. The easement will be redesigned and landscaped as part of this development. There are 8 large power poles along the eastern and southern site boundaries that will be relocated and/or eliminated as part of the Coronado Street construction.

The development request divides the site into two parcels; Parcel A, the northern three-quarters of the site; and Parcel B, the southeastern quarter that is located directly east of the Nikko facility.

The zoning will allow general office, medical office, retail, restaurant and hotel uses throughout the site and also light industrial uses on Parcel B. The vision is a mixed-use campus with synergy and interaction between the uses. The site received its I-1 zoning in 1977 as part of a larger 50-acre rezoning under which the Gould facility was constructed.

The request is consistent with the General Plan which designates the property as Employment and within a Growth Expansion Node east of the mall. The large office component of this project

is consistent with the employment designation. The General Plan specifically identifies high-end large office and mixed-use developments as consistent uses within the Growth Expansion Node.

The proposed mid-rise overlay enhances the sustainability of the site and the broader area by allowing for generous pedestrian provisions and infusing a major employment element adjacent to existing regional retail uses. The building heights make possible the amount of office square footage and the mix of uses in the project. The heights also enhance the ability to provide amenities expected of a "Class A" office. The buildings are a prominent and positive addition to the City's skyline at a location where residential uses are not close enough to be negatively affected.

The applicant proposed two development options each with its own phasing and site plan. The primary site layout difference between the two development options exists in the site's center where either an 11-story hotel and conference center (Option One) or an additional office building of 9 stories (Option Two) will be building. Under Option One, the hotel is located at the terminus of the main entry drive from Chandler Boulevard with the conference center to its south and the parking garage flanking it to the east and west. Under Option Two, a third Parcel A office building is located in approximately the same place as the hotel with the parking garage to its south.

The development is phased and the phasing differs by development options. Option One's first phase includes the hotel/conference center, the northeastern office building, about 60% of the parking garage, the Coronado Street extension, and the Chandler Boulevard and Price Road frontage landscaping. The second phase includes the northwestern office building and the rest of the parking garage. Parcel B is a future phase. The restaurant buildings will be constructed as demand warrants.

Option Two's first phase includes the central office building, the central portion of the parking garage, the Coronado Street extension and the Chandler Boulevard and Price Road frontage landscaping. The second phase includes the northeastern building and the parking garage's eastern portion. The third phase includes the northwestern office building and the rest of the parking garage. As in Option One, Parcel B is a future phase and the restaurant buildings will be constructed as demand warrants.

The application requests relief from Zoning Code parking requirements for Parcel A. Under Option One, 3,159 parking spaces are provided compared to a requirement of 4,273 spaces, resulting in a deficit of 1,114 spaces. Under Option Two, 3,233 spaces are provided compared to a requirement of 4,024 spaces, resulting in a deficit of 789 spaces. The applicant's traffic consultant has provided a parking study that justifies the parking shortages based on a combination of shared parking and internal capture (office workers walking to retail). Staff has thoroughly reviewed and analyzed the parking study finding it plausible and supportable for this project.

The application also requests approval for a comprehensive sign package that includes center identification signs, monument signs, building signs and directional signs for both Parcel A and Parcel B. The project meets the Commercial Design Standards regarding signage as detailed in the development booklets.

The development booklets reference a "setback exception" on page 9. The setback exception addresses the possibility that the Fire Marshall might, at some point in the future, require a fire lane south of the parking garage and requests that a setback encroachment be granted along Chandler Boulevard of a distance equal to the fire lane width. The Fire Marshall is not currently

requiring, and does not plan to require, a fire lane at this location because of alternate forms of access present. A change in the need for a fire lane is unlikely, though cannot be ruled out completely, due to its tie to "life safety" considerations. Standard fire lane width is 20'. Staff does not recommend granting a setback deviation as requested carte blanche. Rather, Staff recommends that flexibility be given for minor administrative site plan modifications subject to Zoning Administrator approval, just as all projects are given through the PDP process. Any setback or other site plan changes deemed major would be eligible for consideration only through a separate PDP public hearing process. This approach maintains consistency with other approvals through out the City and encourages creative minor modifications in lieu of an automatic setback reduction.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with neighborhood meetings being held on July 23 & 30, 2009. There were no citizens in attendance. Staff has received no correspondence in opposition to this request.

Upon finding consistency with the General Plan, the Planning Commission and Staff recommend approval subject to the conditions listed in the ordinance.

7. GRANT AMENDMENTS: ADOT Res. #4334

ADOPTED Resolution No. 4334 authorizing grant amendments to extend the expiration date to June 30, 2011, for the Arizona Department of Transportation (ADOT), Aeronautics Division grant number E5S63 (Acquire RPZ Easement), and December 30, 2010, for grant number E5S64 (Update Airport Master Plan).

The City received ADOT grants in 2005 for a Runway Protection Zone (RPZ) easement and to update the airport master plan.

ADOT has agreed to extend the expiration of these grants which will allow adequate time to complete the activity and administrative actions related to the projects for which the grants were awarded.

The RPZ easement acquisition is still being negotiated with the landowners. The FAA and ADOT requested amendments to the airport master plan update. Those edits will be completed before the amendment would expire at the end of 2010.

There are no new financial responsibilities associated with accepting the amendment to these grants. The local matching share was identified at the time the grants were accepted. The total reimbursements related to grand E5S63 is anticipated to be \$3,405.00 and the total reimbursement related to grant E5S64 is anticipated to be \$189,090.00.

The Airport Commission voted unanimously to recommend approval of entering into agreements with ADOT to amend these grants at their September 9, 2009, regular meeting.

8. LEASE: 149 S. 79th Street Res. #4337

MS. MACKAY highlighted the contents of the staff memo provided as part of this item. She displayed a view of the facility lobby – known as "Innovations". Ms. Mackay said that up to \$5.7 million would be invested in the facility. Approximately \$4 million would be in physical infrastructure and changes to the facility, \$1.7 would be for lab furniture and equipment. If a move was required or expansion that would go with. She explained the plan is to bring

companies in under sublease opportunities and the costs would be passed on to them. She said that 3 companies are waiting to sign subleases and reported the additional interest since the story broke regarding this project. She stated the focus is on job creation and Chandler is a recognized leader in that. A non-profit would be formed and funnel the incubator through the non-profit. Also recommended is an Oversight Committee to review the applications and will decide what companies are the best fit for the incubator. Ms. Mackay said upon approval, construction could occur by December 1 with an opening not later than May 1. The project may be phased in response to demand. A relationship has been made with ThirdBio Tech, that is a leading state organization for small startup biotech firms, to help develop a plan. She stated the Economic Development Advisory Board did make a unanimous recommendation to move this forward.

COUNCILMEMBER ORLANDO acknowledged the letter received from U of A president Frank Shelton. He said it is important to note that as these companies develop, they will be looking at reinvestment back into the fund. MS. MACKAY said there are a number of models around the country that can provide guidance. She noted there was a first right of refusal on the building.

COUNCILMEMBER WENINGER agreed it was an exciting project and inquired more about companies that eventually leave to be closer to their venture capital. Ms. Mackay said ThirdBio Tech would be working on that process. With out being punitive to companies interested in coming in, she believed that through the sublease opportunity, a very palatable agreement could be structured so that the venture capital would pay a penalty into the fund itself so that the fund will be regenerated. She said the master sublease agreement would be brought forward for Council's review. Councilmember Weninger asked about the balance of Chandler's interest versus regional. Ms. Mackay said the structure may be a tiered structure where if they locate in the region and there is still an economic impact to Chandler, perhaps that would work. As opposed to if the company left the state. She said staff would work with the incubator companies in hopes of giving them guidance on locations in Chandler.

COUNCILMEMBER HEUMANN commended Ms. Mackay and her staff for their work. He stated he met with Jeff Morhet and feels the City is fortunate to have him as a resource. Councilmember Heumann stated the hope is to keep the homegrown talent local.

MS. MACKAY expressed her appreciation to City Manager Pentz and City Attorney Wade for their support.

ADOPTED Resolution No. 4337 authorizing a 10-year lease of 36,692 square feet at 149 S. 79th Street for a technology incubator accelerator and approval of up to \$5,712,143.00 for furniture, fixtures and equipment including design, labor, installation and supplies.

A technology incubator is a physical facility that brings numerous resources to bear to accelerate the pace of growth of new start-up businesses by providing unique, value-added services that entrepreneurs operating individually normally would not have access to. These include access to equipment, structured access to capital, interaction and educational forums and shared business services. As these companies grow and succeed, they, in turn, "spin out" of the incubator into commercialized space creating new, well-paying jobs and capital investment in the community. In October 2007, a study initiated by the City was completed by Facilities Solutions Group (FSG) to determine the viability of an incubator/accelerator in Chandler. A strong need was identified, especially based on Chandler's significant technology-based employment. At that time, City Council and the Economic Development Advisory Board identified a number of "needs" prior to moving forward. Staff has been working to secure these items and is now ready to move forward.

During 2009, Staff toured 11 buildings in the City that could provide the estimated 40,000 square feet of space that the FSG study suggested would be a good model to follow. A former Intel facility that was used for research & development in Stellar Airpark was identified as a prime candidate due to the existing infrastructure that includes gas lines, compressed air, vacuum lines and clean room-type construction; all very expensive items to duplicate. This facility was acquired by Capital Commercial Investments (CCI) in 2008 as an investment opportunity and is now a "for-lease" building. CCI is currently under renovation with the exterior of the facility including re-skinning the building, landscape upgrades and parking lot resurfacing, at no cost to the City. A rental rate has been negotiated that includes the first year of rent free to give Staff time to secure tenants for the facility and then a rate of \$10.00 NNN per square foot annually with standard annual increase for a period of 10 years. A tenant improvement allowance of \$5.00 per square foot will be paid by the landlord towards improvements identified by Staff.

The building owner, Capital Commercial Investments' general contract LGE Corporation, will oversee the construction of the tenant improvements and will subcontract all work through a competitive bid process. Pre-construction estimates have been secured on all disciplines through individual subcontractors that have toured the space and have also tested the existing infrastructure. Cost estimates have also been secured on office and lab furniture, scientific equipment and other start-up costs to ensure that Innovations is a "turn-key" facility upon completion.

Innovations could be home to entrepreneurial start-ups such as software design, engineering, biosciences, nanotechnology and sustainable technologies. Economic Development Staff has identified three companies interested in securing space in Innovations when it is completed and will be actively marketing to other companies on an on-going basis. The City will pass along the rental rate and operating expenses to these companies that will represent a below-market rate for this type of space making it very attractive to technology start-ups.

As part of efforts to encourage higher education and university presence in Chandler, Staff has developed a relationship with the University of Arizona, who has committed to having a presence in Innovations with science and technology related opportunities. U of A plans to occupy up to 1,500 square feet of space to start. This university presence is key to any technology incubator and Chandler is fortunate to have a science powerhouse such as the University of Arizona participating in this opportunity.

The estimated annual amount of \$366,920.00 plus annual increases, triple net charges and utilities, is budgeted in the Strategic Economic Development Fund, which will be paid in part by the City during lease-up. An additional sum not to exceed \$5,712,143.00 will be paid for the tenant improvements and outfitting of Innovations from the same fund.

9. LICENSE AGREEMENTS: Salt River Project

Res. #4339

ADOPTED Resolution No. 4339 accepting two right-of-way license agreements from Salt River Project (SRP) for bridged crossings over the Consolidated Canal at McQueen Road and Queen Creek Road required for the McQueen Road/Queen Creek Road to Riggs Road Improvement Project.

The McQueen Road-Queen Creek Road to Riggs Road Improvement Project includes widening two (2) bridged crossings over the Consolidated Canal. One bridge crossing is located on McQueen Road between Queen Creek and Ocotillo roads. The other is located on Queen Creek Road between McQueen and Cooper roads.

The non-exclusive License Agreements will give the City permission to use the USA fee property to install and maintain roadway, water lines, sewer lines and landscaping.

10. ZONING EXTENSION: Calabria

APPROVED a three-year timing extension for DVR09-0020 Calabria, on the existing PAD zoning for single-family homes on approximately 30 acres located at the SWC of Cooper and Brooks Farm roads. (Applicant: Effistrustructure Residential, LLC; Owner: IOTA Copper LLC)

The Planned Area Development (PAD) zoning approval was granted for a period of three (3) years which expired on July 27, 2009. The three-year extension will be calculated to begin from the previous approval's expiration date resulting in an extension to July 2012.

The City has the following options when a zoning district's timing condition expires. The City could, by administrative action, extend the timing condition for another period of time, eliminate the timing condition, or by legislative action, revert the zoning to its former zoning classification. Upon approval of the timing extension, all other conditions in the original approval will remain in effect.

The property is a palm tree farm. To the south is a farmhouse and narrow farm field and single-family homes surround the property in all other directions. The site received its zoning and Preliminary Development Plan (PDP) approval in 2002. The zoning was extended in 2003 and 2006.

No changes have been made to the development plans that were approved by Council in 2002. The custom single-family subdivision has 47 lots at a density of 1.53 dwelling units per acre. All lots are proposed to be over 16,000 square feet in size and at least 120 feet wide and 135 feet deep.

A brush fire occurred on the property in 2009 that burned some of the palm trees.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on August 21, 2009. There were two citizens in attendance expressing concerns with property maintenance. Two neighbors have contacted Staff with concerns about site maintenance. One of the neighbors is opposed to the zoning extension with the opinion that all site maintenance issues should be resolved before any City approvals are granted. The City's Code Enforcement Division has an active case on the property and is concurrently pursuing enforcement. The applicant has indicated that cleanup was scheduled for the week of August 31 – September 4.

Upon finding consistency with the General Plan, the Planning Commission and Staff recommend approval with all of the conditions in the original approval remaining in effect.

11. CITY CODE AMENDMENT: Chapter 30

Ord. #4182

MAYOR DUNN stated this would help our businesses by allowing additional signage. He said while there may be a desire to change some of the provisions permanently, the City Attorney has advised to do that at a later time.

ACTING PLANNING MANAGER KEVIN MAYO highlighted the changes included in the ordinance. Mr. Mayo said there was a Planning Commission recommendation to keep two sections of the ordinance permanent. Those two sections will be brought back in the future with that recommendation.

INTRODUCED AND TENTATIVELY APPROVED Ordinance No. 4182, ZCA09-1001, City of Chandler/Temporary Signage, City initiative to amend Chapter 39 (Sign Code) of the Chandler City Code, by amending Section 39-10 (Temporary Signs) temporarily amending/adding language within this section pertaining to certain types of temporary signage. (Applicant: City of Chandler.)

This proposed Code amendment is intended to provide temporary relief from the Sign Code in an effort to assist Chandler's residents and businesses during these difficult economic times. The proposed amendment is not intended to be permanent and includes a proposed sunset date of June 20, 2010, at which point the City can evaluate the market conditions in consideration of an extension.

The proposed changes include the following:

Section 1, Section 39-10 Temporary Signs, expands the language within the introductory paragraph to more clearly identify the types of temporary signs that are prohibited by Code unless authorized by further sub-sections.

Section 2, Subsection 39-10.6 model home signs, increases the maximum permitted sign size from four (4) square feet to six (6) square feet, requires the sign be constructed of a solid non-flexible material, prohibits A-frame signs and clarifies that a sign permit is not required.

Section 3, Subsection 39-10.7 open house signs, increases the maximum permitted sign size from four (4) square feet to six (6) square feet, increases the maximum number of signs from three (3) to four (4), requires the sign be constructed of a solid non-flexible material, clarifies that A-frame open house signs are permitted as well as clarifies that a sign permit is not required.

Section 4, Subsection 39-10.9 real estate signs, increases the maximum permitted sign height for residential real estate signs from five (5) feet to six (6) feet and increases the maximum sign size from ten (10) square-feet to sixteen (16) square-feet. For property zoned for commercial or industrial uses, the maximum size for a real estate sign is increased from ten (10) square-feet to sixteen (16) square-feet for parcels containing two acres or less. The maximum real estate sign size permitted for parcels containing more than two acres will remain unchanged. Finally, Section 4 clarifies a sign permit is not required for residential real estate signs, however, a permit is required for property zoned for commercial industrial uses.

Section 5 creates a new subsection for the Code (39-10.10 Significant event sign), by identifying, defining and regulating Significant Event signs for uses other than residential. Chandler's current Sign Code only permits Grand Opening signs and does not permit signs for events such as a special sale, an anniversary, change in management or the like. The new subsection identifies example significant events, regulates the size, location and duration of use (maximum 21 cumulative days within a six (6) month period), as well as the required administrative fee for the signs. It is important to note that many of Chandler's neighboring cities have provisions for these types of signs within their respective sign codes.

Section 6 addresses the sunset date for the proposed ordinance of June 20, 2010.

As required by the Arizona Revised Statutes, hearing dates for Planning Commission and City Council, as well as the complete text of the draft Code amendment, have been published in the newspaper at least fifteen (15) days prior to the first public hearing for the Planning Commission. Additionally, Staff provided copies of the draft ordinance to the Economic Development Advisory Board members, as well as the Chandler Chamber of Commerce for review and comment. A presentation to the Chandler Chamber of Commerce Public Policy Committee was held on September 11, 2009.

12. PRELIMINARY DEVELOPMENT PLAN: Noah's

APPROVED Preliminary Development Plan PDP08-0004 Noah's, for a multi-purpose building on approximately 2.8 acres located east of the NEC of Cooper Road and Yeager Drive. (Applicant: Alyson Pennington, Noah's Corporation.)

The subject site is part of a 245-acre master planned employment center, Chandler Airport Center (CAC). The CAC flanks both sides of Cooper Road extending to the east approximately one-half mile and to the west to the Consolidated Canal. From the Loop 202 Freeway, the CAC extends south to just past Germann Road. The CAC received zoning approval in 2005. The master plan established the subject site for service, retail and hospitality. The request is consistent with the zoning and is one of several PDPs for individual parcels within the master plan.

Directly north is vacant land zoned for commercial support uses. East, adjacent to the site, is vacant land zoned for office/showroom/industrial-type uses. South, across Yeager Drive, is the Panattoni office/showroom/industrial development. West, adjacent to the site, is the recently approved Arco AmPm fuel station.

This request was noticed in accordance with the requirements of the Chandler Zoning Code. A neighborhood meeting was held with no citizens in attendance. Staff has received no correspondence in opposition to this request.

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

1. 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.
2. Development shall be in substantial conformance with the Development Booklet entitled "Noah's" kept on file in the City of Chandler Planning Services Division in file No. PDP08-0004, except as modified by condition herein.
3. Landscaping shall be in compliance with current Commercial Design Standards.
4. Raceway signage shall be prohibited within the development.
5. The landscaping shall be maintained at a level consistent with or better than at the time of planting.
6. The landscaping in all open-spaces and rights-of-way shall be maintained by the adjacent property owner or property owners' association.

13. PRELIMINARY DEVELOPMENT PLAN: 365 Main Expansion

APPROVED Preliminary Development Plan PDP09-0016 365 Main Expansion, for a 240,000 square foot expansion of the 365 Main facility at the SEC of Germann and Price roads within the Price Road Employment Corridor. (Applicant: DGA Architects, Warren Young; Owner: Mainrock II Chandler, LLC.)

To the south of the site is the Isagenix office/warehouse building. To the west, across Price Road, is agricultural land designated by the General Plan for campus employment. To the north, across Germann Road, are the existing Americredit office building and a planned industrial/warehouse/office campus that surrounds it. To the east, across Ellis Street, is an existing apartment complex with vacant land zoned for office uses to its south. To the northeast, across Germann Road, is the Brittany Heights residential subdivision.

There is an existing data center facility on the site that received its PDP approval in 2000. The site received its PAD zoning for industrial uses in 1994 as part of a larger 40-acre rezoning.

The existing development positions the data center in approximately the middle of the site with vehicle access via Price Road on the west and Ellis Street on the east. Parking is provided southwest of the building and a fire lane wraps around the south of the building. The proposed expansion adds building area to the north and northeast portions of the building along Germann Road in order to accommodate three potential two-story phases. The order of the phases will be determined by demand.

The applicant requests relief from Zoning Code parking requirements with the provision that any future parking need derived by a change or intensification in uses be accommodated through construction of additional parking on the site. The Zoning Code would normally require over 1,100 parking spaces for an industrial facility of this size, whereas 206 spaces are provided. As a data center facility, most of the building interior is occupied by machinery and produces little to no parking demand. The 206 spaces provided are more than sufficient for current demand.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on July 29, 2009. There were two residential neighbors in attendance with general questions. One neighbor, who resides in the apartment complex to the east, attended the Planning Commission hearing in opposition. Though the neighbor did not speak at the hearing, he expressed concerns about potential noise generated in the planned outdoor equipment yard.

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

1. Compliance with the original stipulations adopted by the City Council as Ordinance No. 2516, case Z94-093 Price and Germann, except as modified by condition herein.
2. Development shall be in substantial conformance with the Development Booklet entitled "365 Main Expansion" kept on file in the City of Chandler Planning Services Division in File No. PDP09-0016, except as modified by condition herein.
3. The landscaping shall be maintained at a level consistent with or better than at the time of planting. The site shall be maintained in a clean and orderly manner.
4. Approval by the Director of Planning and Development of plans for landscaping (open spaces and rights-of-way) and perimeter walls and the Director of Public Works for arterial street median landscaping.

5. In the case that the site's primary use changes from data center to a use with higher parking generation, additional parking shall be provided up to the amount required by the Zoning Code as determined necessary by the Zoning Administrator.

14. AGREEMENT: Jeff Morhet, LLC

APPROVED an Agreement with Jeff Morhet, LLC, to act in an advisory, review and implementation capacity to Innovations Technology Incubator for a period of 12 months in the amount of \$96,000.00.

Staff began working with Mr. Morhet in 2005 as initial work began on structuring a technology incubator in Chandler. Mr. Morhet's companies made him an ideal candidate to guide Staff to ensure nothing was missed during the investigation into a technology incubator. Upon identifying the site at 149 S. 79th Street, Staff contacted Mr. Morhet to tour the facility and identify any issues or challenges this particular location would present. Through the design and review of this facility, Mr. Morhet was able to substantially reduce the initial estimates on the construction and outfitting of "Innovations".

Mr. Morhet is the founder of the life sciences organization, ThirdBiotech Research Group, a non-profit organization whose mission is to promote the development of science, technology and intellectual property to drive the formation, advancement and growth of biotech companies. He also founded and launched VentureBeacon, a novel team of experts who translate, evaluate and profile risk and value of early stage technology and research, and provide a value profile for venture capital investors. Mr. Morhet works on collaborative efforts with the State's universities and companies and is nationally recognized as a biotechnology start-up expert. Through educational programs for Arizona students to university clubs and life sciences event, ThirdBio builds a strong awareness and preparation for tomorrow's life sciences workers.

As contracted with Innovations, Mr. Morhet will also be committed to Innovation's focus to build the infrastructure for innovation yielding job creation and revenue for the City. Mr. Morhet will provide expert guidance on design, building-management, business planning, launch an operating plan oversight of the incubator, establish and integrate a not-for-profit entity for operational responsibility of the incubator's activities if requested by the City. Mr. Morhet will also create development plans for implementation and operation of Innovations. He will work with Staff to identify members of an oversight committee, which will review applications of companies wishing to occupy space. This broad discipline technology review team will ensure the companies occupying Innovations have the ability to succeed and commercialize, creating new jobs in the community. Additionally, Mr. Morhet will work with Staff to identify potential companies for occupancy.

An amount of \$8,000.00 is to be paid monthly upon establishment of measurable objectives for a period of one-year, not to exceed \$96,000.00, and is budgeted in the Strategic Economic Development Fund.

15. AGREEMENT EXTENSION: Chandler Historical Society

APPROVED a 60-day Agreement Extension with the Chandler Historical Society for the daily operations of the Chandler Museum retroactive to August 22, 2009, to allow for completion of a new agreement.

The City and the Chandler Historical Society (CHS) entered into a one-year agreement on August 21, 2008, whereby the City would assume responsibility for the daily operations of the Museum. City Staff and the CHS leadership have been working on a new agreement since June 2009 that would more accurately reflect the roles, rights, obligations and responsibilities of each party following an assessment of the original agreements terms. Unfortunately, due to the availability of the CHS Board members, a new agreement could not be finalized by the one-year sunset of the original agreement.

16. AGREEMENT: Streetlights and Related Equipment

APPROVED an agreement with Valmont Industries, Cem-Tec, CS Construction, Leotek and Brown Wholesale Electric for the purchase of LED lamps, traffic signal poles, streetlight poles and related equipment for a total not to exceed \$280,000.00.

17. SALE: Scrap Brass Meters

AUTHORIZED the Sale of scrap brass meters to Southwest Metals in a total amount of \$60,282.36.

The scrap brass meters are available as scrap material through the City's Central Supply Division. Scrap brass meters are turned in to Central Supply through the Water Distribution Division as part of the meter replacement program. The City had available for sale 38,350 lbs. of scrap brass meters. Per City Regulation MS-30, these scrap brass meters were sold through an invitation to bid to obtain the optimum sale price. Sale of these items was coordinated through the Central Supply Division.

18. CONTRACT: Juarez Contracting, Inc.

APPROVED Contract #PR0805-401 to Juarez Contracting, Inc., for construction of water and sewer lines for the Tumbleweed Park Railroad Museum building in an amount not to exceed \$112,433.78.

19. CONTRACT: Consultant Engineering, Inc.

APPROVED Contract #ST0810 to Consultant Engineering, Inc., for acquisition and relocation services for the McQueen Road Improvements from Queen Creek Road to Riggs Road in the total amount of \$93,500.00.

The McQueen Road Improvement Project requires the acquisition of real property (road right-of-way and easement) from private property. Road right-of-way and/or easement acquisitions for the proposed improvements will be required from an estimated 25 residential properties, 3 industrial and 7 commercial properties. There are three contracts: 1) for the one residential relocation study, 2) relocation of one residential property and 3) acquisition of one full residential parcel and partial acquisition of 34 parcels.

20. CONTRACT AMENDMENT: Y.S. Mantri & Associates, LLC

APPROVED Contract #ST0813-201, Amendment No. 2, to Y.S. Mantri & Associates, LLC, for design services of Western Canal pedestrian traffic signals in the amount of \$9,447.00, for a revised contract not to exceed \$43,960.00. This amendment includes revisions to the plans to include work that could not be performed as part of the Western Canal Shared Use Path.

21. CONTRACT AMENDMENT: PB Americas, Inc.

APPROVED Contract #ST0701-101, Amendment No. 1, with PB Americas, Inc., for design services for the Transportation Master Plan Update in the amount of \$49,665.00 for a revised contract total of \$349,406.00.

This amendment will allow for the supplementary engineering design costs associated with the additional scope of work to modify the Future Conditions Report to identify existing and planned improvements, future roadway and transit needs. In addition, the plan will incorporate revised recommendations to meet anticipated growth based on the current City of Chandler Capital Improvement Plan along with revising the short-, mid- and long-term recommendations.

22. CONTRACT EXTENSION: J2 Engineering and Environmental Design, LLC

APPROVED a one-year extension for Contract #EN0716-101 with J2 Engineering and Environmental Design, LLC, for engineering services in an amount not to exceed \$200,000.00.

Design of the projects within this Capital Improvement Program will require a wide range of expertise and experience. The City has greatly improved project delivery time and efficiency through the use of annual contracts with established design firms. These contracts will provide consulting services for a broad range of projects including studies, master plans and design of Arts and Parks facilities. Work will be rotated between the two firms based on their availability and expertise. The annual limits for the two firms were originally \$2,000,000.00 each in 2007. The combined annual limit for the two firms this year is \$600,000.00, of which \$166,290.00 will be utilized. Based on the need for design flexibility, the use of the annual consultants last year and anticipated projects for the upcoming year, the annual limits for the extension have been set at \$200,000.00 each. Additionally, the contract for the third firm, Olsson Associates, Contract No. EN0722-101 is not being renewed at this time. .

23. CONTRACT CHANGE ORDER: Visus, Inc.

APPROVED Contract #ST0702-401 and Contract #ST0711-401, Change Order Nos. 1 and 2, with Visus, Inc., for construction services for the Street Capacity Improvements Project in an amount not to exceed \$46,274.39, for a revised final contract price of \$340,545.70.

Staff-approved Change Order No. 1 compensated the contractor for the removal and replacement of a reclaimed water line that was found to be in conflict with new improvements. Change Order No. 2 is a final change order compensating the contractor for actual contract quantities used, additional user-requested work and remediation of unforeseen utility conflicts.

24. PURCHASE: Motorola, Inc.

APPROVED the Purchase of fire communication equipment from Motorola, Inc., utilizing the City of Phoenix agreement, in an amount not to exceed \$116,553.23.

In December 2008, the Chandler Fire Department was awarded a grant from the Assistance to Firefighters Grant Program (AFG) to purchase communication equipment for the transition to a valley-wide 800 MHz radio system. The Council accepted the award of this grant on December 11, 2008. The grant award was for \$419,130.00. The Fire Department purchased 58 – 800 MHz portable radios as the first phase of communication equipment provided in this grant as approved

by Council on March 12, 2009. The Fire Department is now requesting to purchase the second phase of communication equipment provided in this grant. The Department will be purchasing 21 – 800 MHz portable radios. The use of the valley-wide 800 MHz radio system is being implemented in phases, with the initial use being the transmission of Emergency Medical calls already completed. The purchase of these additional 21 radios will allow Chandler Fire to begin the second phase and complete this project.

25. PURCHASE: Sprint/Nextel

APPROVED the Purchase of mobile communication equipment and airtime from Sprint/Nextel, utilizing the State of Arizona and Western States Contract Alliance (WSCA) contract, in an amount not to exceed \$177,000.00.

Most departments are using mobile communication equipment (cell phone, blackberry, push to talk device, or data card) and cellular service. The City has approximately 650 devices under 50+ different service plans with Verizon Wireless and Sprint/Nextel. In June of this year, Council approved funding for extending agreements with both carriers for 3 months of service while work was done on a citywide consolidation of mobile communication services.

For the past several months, City Staff has been researching ways to reduce City expenditures in this area. This research has identified that out of the number of minutes the City purchases each month, it only uses approximately 60% of those minutes. Staff has also identified that a 24% savings in annual costs can be achieved by consolidating cellular services citywide with a single provider and pooling all minutes purchased so they will be shared between the cellular service users.

City Staff has developed an electronic process/application for managing this pooled solution and has changed City policy to save ongoing funds. The transition to the new carrier and reduction in costs is projected to be completed by October 1, 2009, resulting in savings for 9 months in the 09/10 fiscal year. In fiscal year 09/10, the City budgeted \$350,000.00 for cellular services. With this consolidation, the annual ongoing savings will be \$63,000.00 in 09/10 with an additional \$30,000.00 in one-time savings and \$84,000.00 savings in each following year based on the current number of cellular users.

26. PURCHASE: Horizon

APPROVED the Purchase of sprinkler system parts from Horizon, utilizing the Maricopa County contract, in an amount not to exceed \$50,000.00.

27. USE PERMIT EXTENSION: Desert Sage Herbs

APPROVED a three-year extension of Use Permit UP09-0007 Desert Sage Herbs, to allow retail sales and personal services within the Planned Commercial Office (PCO) zoning district, at 1728 N. Alma School Road. (Applicant: Planning Consultant Greg Loper; Owner: Vicki Greener.)

The property is located across the street from a commercial retail center and a single-family subdivision. In May 1985, the property was zoned from Single-Family (SF-5) to PCO to allow the conversion of a single-family home to office use, which included an insurance office. The property included two lots platted as a part of Brooks Crossing Unit Two single-family subdivision. The office zoning provided a transition between the commercial center and the residential development. Zoning time extensions were granted in October 1986 and February 1988.

Following the last extension, the property completed construction, which included a new parking lot, landscaping and converting the garage to additional office space.

In August 2004, upon a request for a sign permit, City Staff notified the property owner of Desert Sage Herbs that the business is not in compliance with the PCO zoning district and a Use Permit application is required.

Uses permitted in PCO zoning include offices such as professional, business, administrative and other offices in which goods or merchandise are not commercially created, displayed, sold, exchanged or stocks, or like uses. Banks, credit unions, savings and loan associations, finance office, lending institutions, or like uses are also permitted. Other permitted uses include studios for fine arts, photography, music, drama or like uses, library and telephone answering services or like uses and laboratories such as medical, dental, blood bank and like uses.

Uses requiring approval of a Use Permit include public or institutional buildings such as hospitals, fire stations, YMCA, boys and girls club, private indoor athletic facilities including health spas and enclosed tennis courts, a private club, fraternity and lodges, churches or the like, and restaurants, pharmacies and other accessory services subordinate and incidental to the principal uses.

A Use Permit for Desert Sage Herbs was granted in March 2005 for two years. A second Use Permit was granted in January 2008 for one year due to incomplete site improvements.

The site's Use Permit allows the business to provide retail sales and personal services with an accessory office. Many of the personal services are conducted by others who lease space at this location. The total number of businesses within Desert Sage Holistic Herbs is five. Appointments are recommended but not required. Classes generally have 4 to 8 members and one instructor per class. Classes are held once per month. There are no clinics, seminars or the like held at this location.

The 2005 Use Permit was approved with several conditions including landscaping to be installed within 6 months and in compliance with current Commercial Design Standards, re-stripe existing parking spaces and provide for a handicap parking space in compliance with site development requirements, monument signage shall be in compliance with the Sign Code and obtain a sign permit and the applicant shall work with Staff to upgrade the monument sign making it more identifiable. The site was not in compliance with these conditions except for re-striping the parking lot and including an A.D.A. space in November 2007.

The 2008 Use Permit included conditions to install landscaping in conformance with the Commercial Design Standards and get a permit for the monument sign. The applicant conveyed they would be in compliance with conditions within 90 days of Council approval; however, the applicant did not submit permits and make modifications to the monument sign and install landscaping until more than one year later. The landscaping was installed at the end of April 2009.

The condition relating to making the sign more identifiable was based upon the property owner conveying they did not have enough signage or visibility due to the home being set back from Alma School Road. The owner had installed a banner without a permit to help with advertising. Commission felt that the monument sign could be upgraded to be more identifiable to traffic. A sign permit was approved in March 2009 with an upgraded sign including the cabinet around the panels painted a dark brown color, repainting the sign base a darker beige color and installing

new face panels with new lettering. The sign has not been upgraded to be in compliance with the issued sign permit and zoning condition.

There was a previous condition in 2005 requiring the installation of parking screen walls. However, screen walls were not installed as Staff found they are not necessary for this site. Parking screen walls are typical for parking spaces along street frontages. The parking spaces are on the site's south side and not fronting either street frontage, therefore, Staff does not recommend parking screen walls.

While the site is now in compliance with zoning conditions, with the exception of the monument signs, the time to get into compliance is of concern to the Planning Staff. Therefore, Staff recommends a three-year extension in lieu of the applicant's initial request for no time limit, to ensure the landscaping and parking lot are maintained and the monument sign gets into compliance with the issued sign permit and zoning condition within 30 days of Council approval.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on July 30, 2009. There were no citizens in attendance. Staff has received no correspondence in opposition to this request.

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

1. The Use Permit shall remain in effect for three (3) years from the effective 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.
2. Development shall be in substantial conformance with exhibits and representations.
3. Expansion or modification beyond the approved exhibits shall void the Use Permit and require new Use Permit application and approval.
4. The site shall be maintained in a clean and orderly manner.
5. Monument signage shall be in compliance with the Sign Code and obtain a sign permit. Wall-mounted building signage including window signs and banners is not permitted.

28. USE PERMIT EXTENSION: Iguana Mack's

APPROVED an indefinite extension for Use Permit UP09-0019 Iguana Mack's, Series 6, for on-premise consumption only within an existing restaurant and outdoor patio located at 1371 N. Alma School Road. (Applicant: Amy Nations, ALIC.)

The subject site has a long zoning history going back to the mid 1980's. The current establishment has been at the site since 2004 and operated under a Series 12 restaurant license for two years. In 2006, the owner requested and received a Series 6 Use Permit for one year. In 2007, an extension was requested for an additional three years; however, there were some concerns regarding the number of calls for service to the Police Department and the restaurant received a two-year extension. The current extension is for an indefinite time period.

Since the last approval, the owner has taken a number of steps to address the security and operational concerns in an effort to reduce the amount of calls for service which was a concern with the previous approval. As part of the owner's measures to address the concerns, security personnel check identifications at the front entrance as well as periodically walk the site to check identifications; a security log book is maintained to manage occurrences; photos are taken of customers banned from the premises and regular staff meetings are held to fine-tune policies and

procedures. Furthermore, weekend discount drinks have been eliminated and the full menu is served until midnight. Lastly, approximately eight taxicab parking stalls are provided close to the entrance to discourage drinking and driving. Sixteen security cameras are also located throughout the site.

The restaurant is open seven days a week and has 60 full-time employees who are required to successfully complete State-certified liquor law training. Entertainment is provided on Wednesday, Friday and Saturday nights. Twelve speakers are provided on the outdoor patio and 28 throughout the restaurant.

Usually, Staff recommends Use Permit approval for Series 6 liquor licenses on a 1, 3, 5-year or indefinite time. The recommended timing conditions are typically based on operational and compatibility concerns. In the past, there have been some concerns with the number of calls for service to the Police Department at this location and the bar directly south of this site, Dos Gringos. However, both bars have managed to work together along with the Police Department to reduce the number of calls for service. Due to the cooperation of both parties, the last Use Permit to be approved by Council for Dos Gringos was approved for an indefinite period of time. Due to the previous Council approval for Dos Gringos, and the current security measures in place at Iguana Mack's, Staff is comfortable with recommending approval of the Use Permit on an indefinite basis. However, if in the future there are concerns with the operations of either facility and non-compliance with the Zoning Code and approved zoning conditions, the Zoning Administrator has the authority to revoke the Use Permits.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on July 1, 2009. There were no neighbors in attendance. The Police Department was notified of the request and has no concerns with the extension. Staff has received no correspondence in opposition to this request.

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

1. Expansion, modification, or relocation beyond the approved exhibits for interior and exterior areas (Floor Plan, Site Plan and Narrative) shall void the Use Permit and require re-application and approval of a new Use Permit.
2. The Use Permit is granted for a Series 6 license only and any change of licenses shall require re-application and approval of a new Use Permit.
3. The Use Permit is non-transferable to other store locations.
4. Any substantial change in the floor plan to include such items as, but not limited to, additional bar serving area or additional entertainment-related uses beyond outdoor speakers and live music shall require re-application of the Use Permit.
5. The Use Permit is approved for the current business owner only. In the event the business is sold with the Series 6 License, the business shall require re-application and new Use Permit approval.
6. The site and outdoor patio shall be maintained in a clean and orderly manner.

29. USE PERMIT EXTENSION: Tempe Korean Presbyterian Church

APPROVED a three-year extension for Use Permit UP09-0021 Tempe Korean Presbyterian Church, for a modular building used by the church located at 800 W. Galveston Street. (Applicant: James Seo, Assistant Pastor.)

In 1994, Council approved a Use Permit for a modular classroom building which allowed First Christian Church the expansion of classroom space for Sunday school due to significant congregation growth. The Use Permit was approved for five years expiring in 1999. In 2001, Tempe Korean Presbyterian Church requested approval for two modular buildings, including an existing modular building and a second modular building. Council approved the Use Permit for both modular buildings for a five-year period expiring in 2006. The second modular building was removed. In 2006, a Use Permit was filed for a time extension on the modular building. The Planning Commission conveyed that the modular building has existed since 1994 and three additional years is enough time for the church to plan for a permanent building. The Commission conveyed that they do not wish to approve additional time extensions beyond the next three years. Council approved a Use Permit for three years for the single modular building. This Use Permit expired in June 2009.

The current application requests approval for an additional three years. The existing modular building remains and is used by the church for educational purposes. The modular building is located closest to Jay Street on the northeast side of the site. The building contains three classrooms each accommodating approximately 15 people.

The church has several Sunday services held within the main sanctuary or fellowship hall. Services begin at 8:30 a.m. and continue until 1:15 p.m. Even though the services are offset, the site does not have enough parking spaces to accommodate everyone. The site currently has 97 parking spaces. There is a fenced-off asphalt area that had parking spaces, but is now an outdoor play area. Zoning Code requires 1 parking space for each 4 seats. The church accommodates approximately 310 seats which requires 78 parking spaces. Even though the site meets required parking, there are parking shortages due to rapid congregation growth.

The site's landscaping is maintained and in conformance with Code. The modular building's exterior is maintained and partially screened by existing landscaping.

Staff received a phone call from a resident with concerns about cars parking along nearby public streets south of Galveston Street. The church members park vehicles on designated public streets, which permit on-street parking on either side of the street. The primary concern was vehicles parking too close to intersection corners and blocking visibility for turning movements. Staff advised the resident that Traffic Division Staff would investigate.

This request was noticed according to the provisions of the City of Chandler Zoning Code with a neighborhood meeting being held on August 11, 2009. There were 12 church members and 1 neighbor in attendance in support of the request. Staff has received no other correspondence in opposition other than previously discussed.

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

1. The Use Permit shall remain in effect for three (3) years from the effective 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.
2. Expansion or modification beyond the approved exhibits and representations including a site plan and narrative shall void the Use Permit and require new Use Permit application and approval.
3. The site shall be maintained in a clean and orderly manner.

4. Provide one (1) additional tree in between the two existing trees along Jay Street to further screen the modular building.

30. USE PERMIT EXTENSION: The Detour Restaurant & Bar

APPROVED a one-year extension for Use Permit UP09-0027 The Detour Restaurant & Bar, Series 12, to sell liquor for on-premise consumption only within a restaurant that includes an outdoor patio located at 6403 W. Chandler Boulevard. (Applicant: Eric Amorossi; Owner: Earl Geller Trust.)

The subject facility is a stand-alone building located on a half-acre parcel on the south side of Chandler Boulevard approximately ¼ mile west of Kyrene Road. Two buildings located immediately east and south of the site are in the same zoning district (Community Commercial, C-2) and have parking lots interconnected with the subject site. A building immediately west is also in the same zoning district, but has a completely separate parking lot fenced off from the subject site. Farther south and west is a large industrial park that extends south to Frye Road.

The building has been a restaurant and bar since 1978 under the names Sticks & Steaks, Coach's Corner and Sports 4em until becoming The Detour Restaurant in late 2007. The previous occupants operated under Series 12 Restaurant Licenses that predated the need for liquor Use Permits. A Use Permit was granted in 2008 for one year to allow for a patio expansion.

The site provides approximately 41 of the Code-required 64 parking spaces. The 2008 Use Permit, which involved the patio expansion that created the parking shortage, allowed liquor service on the patio contingent on a parking agreement with the property to the east for the additional required spaces. Such a parking agreement is currently in place. The property to the east is currently occupied by a breakfast-oriented restaurant and an archery club that are generally closed at night when The Detour's parking needs peak.

The Planning Commission and Staff recommend an extension of only one (1) year rather than a longer time period to allow close monitoring of compliance issues. In March 2009, Staff became aware of two violations of the 2008 Use Permit: recurring litter surrounding the building and a failure to pay for the parking agreement, thereby rendering it invalid. The litter issue was resolved almost immediately through standard nightly cleanups. The parking agreement was finalized and provided to Staff in June 2009. Staff is not aware of any Use Permit violations or neighbor complaints since June.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on July 30, 2009. There were no citizens in attendance. Staff has received no correspondence in opposition to the request. The Police Department has been informed of the application and has not responded with any issues or concerns.

Upon finding consistency with the General Plan and Community Commercial (C-2) zoning, the Planning Commission and Staff recommend approval subject to the following conditions:

1. The Use Permit granted is for a Series 12 license only and any change of license shall require re-application and new Use Permit approval.
2. The Use Permit is non-transferable to any other location.
3. 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.

4. Outdoor music or live entertainment shall be prohibited.
5. No alcohol shall be carried outside of the building into the parking lot or off-premises.
6. The patio and area adjacent to the establishment shall be maintained in a clean and orderly manner.
7. The Use Permit shall not be valid unless additional parking is provided on a permanent basis or through a shared parking agreement with the parcel to the east to account for additional serving area. Additional parking shall be safely walkable for patrons and shall be provided at a ratio of one space per 50 square feet of serving area.
8. The Use Permit shall remain in effect for one (1) year from the effective 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.

31. USE PERMIT: Chandler Preparatory Academy

MAYOR DUNN gave his kudos as this was a great re-use of a former popular retail corner.

APPROVED Use Permit UP09-0037 Chandler Preparatory Academy, to operate a high-school component of a charter school on property zoned Community Commercial District (C-2) located at 1951 N. Alma School Road. (Applicant: Ralph Smith, Smith Design Studio, Inc.)

Charter schools and educational institutions encompassing grades K-8 are permitted by right in the Neighborhood Commercial (C-1) and Community Commercial (C-2) zoning districts. Institutions encompassing high-school grades 9-12 are permitted by right only in the Regional Commercial (C-3) zoning district and are considerable by Use Permit in the Community Commercial (C-2) zoning district.

The subject site surrounds an existing fuel station located at the immediate southeast corner of Alma School and Warner roads. Existing commercial retail developments are located at the northeast, northwest and southwest corners of the intersection. The site is surrounded to the south and east by the existing residential subdivision, Warner Park. The 10-acre site includes an existing 104,000 square-foot building originally constructed as a Smitty's grocery store. Most recently the building was owned and utilized by Bank First as a call center. The site and building currently remain unoccupied being recently purchased by the charter school.

Chandler Preparatory Academy, a member of the Great Hearts Academies, is a small tuition-free college preparatory charter school. The existing campus, serving grades 6-12, is located at the northwest corner of Arizona Avenue and Warner Roads within the East Valley Mall commercial development. The recent acquisition of the subject site provides the school the opportunity to expand the grades offered to now include grades K-12, requiring a Use Permit.

The existing building is located along the site's eastern side facing west. The majority of the site is encompassed by parking fields that include a number of parking shade canopies, necessitated by the building's previous call center tenant. With the charter school's relocation, a larger number of the parking spaces will no longer be needed. Per Code, the school would require 184 parking spaces. However, the school will provide 264 spaces leaving 80 spaces for overflow parking. Of the six existing parking shade canopies, two will be removed and one will be relocated to the site's northwest corner along Warner Road. The site will be secured by a six-foot tall wrought iron fence located along Alma School and Warner roads as indicted on the site plan. Gates will be provided at the site's vehicular drive access points to be closed primarily when the school is closed for holidays.

The parking along Alma School Road will be removed making way for a grass outdoor sports recreation field that could include ball field lighting in the future. The remaining parking field west of the building will be reconfigured with new landscaped islands. The proposed amended site plan provides for a lengthy safe drop-off and pick-up route that is adequately separated from the parking areas. During the drop-off/pick-up hours, the school will utilize traffic directional cones and signs to ensure the one-way traffic flow is maintained. Additionally, textured pavement will be added at the buildings two western entries as well as along the buildings northern side to enhance the drop-off and pick-up areas.

The site, where applicable, will upgrade the existing landscaping to comply with the Commercial Design Standards. The arterial street frontages will be upgraded replacing any missing or dead plant material. Trees and shrubs will be added in the landscaped area between the wrought iron fence and 4-foot tall bleachers on the recreational field's west side to provide a visual buffer. Two playgrounds will be added at the buildings northeast corner, while an existing outdoor patio at the buildings southwest corner will be upgraded with new landscaping and shaded tables and chairs. The building will be repainted with earth-toned desert hues.

The relocation of this charter school represents a great re-use of an unoccupied commercial site located at a four-corner commercial arterial street intersection. The removal of this commercial retail corner will only increase the remaining three corners long-term viability. Additionally, the new twice-daily parent drop-off/pick-up traffic will generate a "shot-in-the arm" for the remaining commercial businesses.

The request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting being held on August 12, 2009. There were two neighbors in attendance in support of the project. The neighbors who live directly east of the adjacent fire station have provided a letter of support indicating a desire for the school to replace the existing 6-foot tall block wall with a new 8-foot wall. The school has responded that their intention is to replace the existing wall with the 8-foot wall once the existing wall deteriorates. A time frame has not been indicated due to the existing walls acceptable condition. Staff has received no correspondence in opposition to this request.

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

1. The Use Permit shall be for a charter school grades Kindergarten through 12.
2. 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 Use Permit shall apply.
3. All signage, whose text shall be limited to business name identification only, shall be in conformance with the Chandler Sign Code.
4. The site shall be maintained in a clean and orderly manner. Any dead or missing landscaping shall be replaced.
5. Any future recreational field lighting shall be shielded to prevent light rays from exiting the property.
6. Failure to comply with these conditions, upon standard notice issued by the City, will constitute revocation of the Use Permit without further action.
7. Trees at least 12-feet high at the time of planting shall be installed along the west side of the sports field.
8. Temporary netting shall be installed along Alma School Road during practices and games.

32. USE PERMIT: Zammi's Grill

APPROVED Use Permit UP09-0044 Zammi's Grill, Series 12, for on-premise consumption only within an existing restaurant at 4040 S. Arizona Avenue, Suite #7, in the Fulton Ranch Towne Center. (Applicant: James Turner.)

The subject site is a 1,500 square-foot suite located within an inline shops building. North of the shopping center, across Ocotillo Road, is Hamilton High School. East, across Arizona Avenue, is the Southshore Town Center commercial shopping center. South and west of Fulton Ranch Towne Center is the single-family Fulton Ranch master planned community.

This request was noticed in accordance with the requirements of the Chandler Zoning Code with a neighborhood meeting be held August 31, 2009. There were three residents in attendance in support of the request. Staff has received no correspondence in opposition to the request.

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

1. The Use Permit is granted for a Series 12 license only and any change of license shall require re-application and new Use Permit approval.
2. 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.
3. The Use Permit is non-transferable to other store locations.
4. The site shall be maintained in a clean and orderly manner.

33. LIQUOR LICENSE: Zammi's Grill

APPROVED a Series 12 Restaurant Liquor License (Chandler #125781 L12) FOR Danette Jo St. Vincent, Agent, Zammi II LLC, dba Zammi's Grill, 4040 S. Arizona Avenue, Suite #7. A recommendation for approval of State Liquor License #12078076 will be forwarded to the State Liquor Department. The Police Department reports no objections to the issuance of this license and no written protests have been received. All licenses, permits and fees have been paid and the applicant is in compliance with the City's Tax Code.

34. LIQUOR LICENSE: Potrero Restaurant & Bar

APPROVED a Series 6 Bar Liquor License (Chandler #126087 L06) for DongKi Kim, Agent. Solcoke Two, Inc., dba Potrero Restaurant & Bar, 2061 N. Arizona Avenue. A recommendation for approval of State Liquor License #06070316 will be forwarded to the State Liquor Department. The Police Department reports no objections to the issuance of this license and no written protests have been received. All licenses, permits and fees have been paid and the applicant is in compliance with the City's Tax Code. This application reflects a change in ownership. Planning and Development advises that a new Use Permit is not required since this will be a continuation of the location's previous use as Potrero Restaurant & Bar.

35. CONTINUED LIQUOR LICENSE: Heart N Soul Bar and Grill

CONTINUED TO OCTOBER 22, 2009, Liquor License, Series 12, for Cindy Lucianna Rodriguez, dba Heart N Soul Bar and Grill located at 3855 W. Ray Road, Suites 6-7, to allow the applicant time to complete the requirements for a new Use Permit.

36. SPECIAL EVENT LIQUOR LICENSE: ICAN

APPROVED a Special Event Liquor License for ICAN (Improving Chandler Area Neighborhoods), for a Fall Wine & Jazz Walk on September 25, 2009, at AJ's Fine Foods, 4975 S. Alma School Road in Fulton Ranch. The Police Department has no objections to this event and the applicant has applied for a Temporary Sales and Promotional Event Permit through Neighborhood Services.

Councilmember Donovan declared a Conflict of Interest on this item.

37. TEMPORARY EXTENSION OF PREMISES: Bistro at Kokopelli Winery

APPROVED a Temporary Extension of Premises for a Series 7 Beer and Wine Bar Liquor License (Chandler #118476 L07) held by KWB Chandler LLC, dba Bistro @ Kokopelli Winery, 35 W. Boston Street for Kokopelli Krush to be held October 23-25, 2009. A recommendation for a Temporary Extension of Premises for State Liquor License #07070623 will be forwarded to the State Liquor Department. The Police Department has no objections to this extension. All fees have been paid and the applicant has applied for a Special Event Permit through the Special Event Committee.

38. TEMPORARY EXTENSION OF PREMISES: Murphy's Law

APPROVED a Temporary Extension of Premises for a Series 12 Restaurant Liquor License (Chandler #120887 L12) held by Murphy's Law 58 LLC, dba Murphy's Law, 58 S. San Marcos Place for their Halloween Costume Ball to be held October 31, 2009. A recommendation for a Temporary Extension of Premises for State Liquor License #12077699 will be forwarded to the State Liquor Department. The Police Department has no objections to this extension and the applicant has applied for a Temporary Sales and Promotional Event Permit through Neighborhood Services.

39. PRELIMINARY PLAT: Carino Commons Commercial

APPROVED Preliminary Plat PPT09-0006 Carino Commons Commercial, for a 3-lot commercial subdivision for a retail development at the NWC of Arizona Avenue and Queen Creek Road. (Applicant: Metro/Land Consultants, LLC.) The plat creates the lots, establishes the necessary easements and dedicates the required rights-of-way.

40. CONTRACT EXTENSION: Gavan and Barker, Inc.

APPROVED a one-year extension to Contract #EN0723-101 with Gavan and Barker, Inc., for engineering services in an amount not to exceed \$200,000.00.

Design of the projects within the Capital Improvement Program will require a wide range of expertise and experience. The City has greatly improved project delivery time and efficiency through the use of annual contracts with established design firms. These contracts will provide consulting services for a broad range of projects including studies, master plans, and design of arts and parks facilities. Work will be rotated between the two firms based on their availability and expertise. The annual limits for the two firms were originally \$2,000,000.00 each in 2007. The combined annual limit for the two firms this year is \$600,000.00, of which \$166,290.00 is to

be utilized. Based on the need for design flexibility, the use of the annual consultants last year and anticipated projects for the upcoming year, the annual limits for this extension have been set at \$200,000.00 each. The contract for the third firm, Olsson Associates, is not being renewed at this time.

SPECIAL ORDERS OF THE DAY

A. Mayor's Announcements:

Training sessions are being offered for the Volunteer Income Tax Assistance Program.

Fourth Annual Veteran's Expo held on September 26th at the American Legion Post.

The Chandler Fire Department received Reaccreditation.

Bond Rating Reaffirmation was received from Moody's Investor Service for general obligation, revenue and improvement district bonds as AAA ratings.

Buy A Brick Fundraising for the new Chandler Boys and Girls Club.

B. Councilmembers' Announcements:

Councilmember Heumann noted the Park Manor park dedication on Saturday morning.

Vice Mayor announced the Oktoberfest in downtown Chandler.

C. City Manager's Announcement:

None.

Adjournment: The meeting was adjourned at approximately 8:35 p.m.

ATTEST: _____
City Clerk

Mayor

Approved: October 19, 2009

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 24th day of September 2009. I further certify that the meeting was duly called and held and that a quorum was present.

DATED this _____ day of October 2009.

City Clerk